Executive

Minutes of the meeting held on Wednesday 6 April 2016 at the Town Hall, Royal Leamington Spa, at 6.00 pm.

Present: Councillor Mobbs (Chairman); Councillors Coker, Cross, Gallagher, Grainger, Shilton and Whiting.

Also present: Councillor Barrott (Chair Finance & Audit Scrutiny Committee), Councillor Boad (Chair of Overview & Scrutiny Committee & Liberal Democrat Group Observer), Councillor Mrs Falp (Whitnash Residents' Association Group Observer) and Councillor Naimo (Labour Group Observer).

An apology for absence was received from Councillor Phillips.

128. **Declarations of Interest**

Minute 138 - Rural / Urban Capital Improvement Scheme (RUCIS)
Councillor Boad declared a personal interest in the application Budbrooke Community Association because Act on Energy was mentioned, and he was Director of the company.

129. **Minutes**

The minutes of the 9 March 2016 were not presented for consideration.

Part 1
(Items on which a decision by Council is required)

130. **Code of Procurement Practice**

The Executive considered a report from Finance that proposed amendments to the Code of Procurement Practice and the introduction of an Ethical Procurement Statement, a Sustainable Procurement Policy and a Social Value Policy.

The Council's Code of Procurement Practice was last formally reviewed and amended in 2010. It was recognised as good practice to keep this document under review and make amendments as necessary to meet the changing environment in which the Authority, its services and its finances operated.

The notable changes to the Code were the thresholds for the relative tender processes, with the threshold for which three quotations to be obtained by the Head of Service being increased from £5,000 - £9,999 to £5,000 - £24,999. Contract values in the range £25,000 - £49,999 would continue to require formal quotations using the Intend System. This change would put the Council's practices in line with the Government's requirements. The lower threshold of £10,000 for formal quotations applied to Central Government.

In line with current trends within Local Authorities it was proposed to adjust the contract values to ensure there was greater flexibility to support

managers with low level spends whilst still maintaining the necessary level of Procurement oversight and management to ensure compliance, probity and to minimise risks.

In order to explain the workload implications, the report detailed the number of contracts issued during 2015/2016 that fell within the amended contract value range.

The Procurement Team workload capacity was limited because it was only a small team. The change in thresholds would help ensure the team was effective and efficient and was able to concentrate on contracts of medium to high level spend (above £25,000) and those of strategic and "political" importance with a high level of potential risk to the Council.

The Procurement Team had successfully implemented the use of the "quick quotes" option on the E Tendering Portal and it was proposed to roll this facility out to managers, whilst retaining overall procurement oversight and management to ensure compliance, probity and to minimise risks.

To promote procurement opportunities within the local economy the proposed Code had been amended to ensure that a minimum of two local suppliers must be invited to bid. Also, to increase the number of local SME's registered on the E Portal, Invitations to Participate would be circulated using the Federation of Small Businesses weekly e-newsletter.

The Code introduced the Sustainable Procurement Policy, Ethical Procurement Statement and Social Value Policy in line with current practices within Local Authorities. The Sustainable Procurement Policy and Ethical Procurement Statement was required to meet the Council's obligations in accordance with the UK Government's Sustainable Development Strategy.

The updated Code referred to the need to adhere to the Guide to Tender Evaluation. The purpose of this guide was to assist members of the evaluation panel assessing tender submissions and to ensure practice and procedures employed to carry out this activity conformed to the Council's obligations of Integrity, Transparency and Accountability. The Guide provided information in relation to the evaluation process and timetable of events, scoring responses and procedural fairness, and scoring sheets and a declaration of confidentiality and interest form to be completed by each panel member.

The Code sought to re-enforce the need for the Procurement Manager to be consulted ahead of proposing to extend a contract, including using an extension option within the original contract. The purpose being to ensure that value for money reviews were systematically carried out by the Heads of Service, with advice from the Procurement Manager in a timely manner. It was necessary to ensure that options to extend contracts were not committed to without due consideration of the contract performance. Where it was identified that the current contract was no longer delivering value for money and / or regularly achieving the level of service and quality levels required by the Council and / or where the requirement was no longer appropriate, suitable and timely action plans would be implemented.

Other notable updates proposed to the Code of Procurement Practice included:

- Section 10 – 'Constructionline' shall be used as the basis for selecting contractors for works and construction related consultants to quote or tender for contracts up to the value of the EU limits for Works and Services;
- Section 11.1.1– The Procurement Manager (or nominated deputy) would be responsible for opening tenders (Opening Ceremony) in respect of all tenders and quotations issued via the E-Tendering Portal;
- Section 11.8 – Clarification of "Alcatel" standstill period; and
- Section 14 – Appointment of Consultants.

The amended document set out how the District Council's procurement arrangements should operate to comply with best practice and current legislation. The report recommended that the updated Code should be accepted in its entirety.

The Finance & Audit Scrutiny Committee supported the recommendation in the report subject to minor amendments to the wording in paragraphs 3.2 and 10.10.

The Overview & Scrutiny Committee suggested that a higher loading/weighting should be placed against "Social Value" when evaluating quotes and tenders.

The Overview & Scrutiny Committee intended to monitor the outcomes of the proposed changes and urged the Executive to set up a monitoring and evaluation regime that clearly stated the strategic outcomes the Council aimed to achieve, and how the achievement of these would be assessed. The Committee would be adding an action to its Work Programme to review the impact of the changes 12 months after implementation.

Revised copies of the Sustainable Procurement Policy and Social Value Policy were circulated at the meeting.

The Executive noted that the Intend System was a multi-purpose system and the report should specifically refer to it as a procurement system.

The Portfolio Holder for Finance, Councillor Whiting, thanked his team for their work over recent years for ensuring there was a positive procurement culture within the Council. Whilst he recognised the comments of the Overview & Scrutiny Committee, he felt there was a need for this Council to balance social value against the guardianship of the money from our community and this balance needed to be set at the right level. He welcomed that the Overview and Scrutiny Committee would be looking at this in 12 months.

Recommended to Council that they adopt the updated Code of Procurement Practice as detailed in the attached Appendix 1 and the accompanying Ethical Procurement statement (Appendix 2), Sustainable Procurement Policy (Appendix 3) and Social Value Policy (Appendix 4).

(The Portfolio Holder for this item was Councillor Whiting)

Part 2

(Items upon which the approval of the Council is not required)

130. **Whitnash Community Hub Update and Next Steps**

The Executive considered a report from the Deputy Chief Executive & Monitoring Officer that updated them on the outcome of a feasibility study of a Community Hub based at Acre Close, Whitnash. It proposed the next steps as continuing to play a community leadership role to enable a viable scheme to be brought forward and that an in-principle agreement to invest significant funds was made.

Whitnash Town Council (WTC) was at the heart of the Whitnash community. From Town Council offices based at Franklin Road it managed allotments, a Millennium Garden, war memorial, Washbourne Fields & Play Area and a Community Hall along with the playing fields at Acre Close. Whilst many community activities and Town Council meetings took place at the Community Hall, the building required significant investment to bring it up to modern standards and for a population of 8,606 (Census 2011), which would grow to well over 10,000 during the next ten years, a new facility was required. There was no alternative community facility in Whitnash (other than church halls) and the nearest community centre was at Warwick Gates. Although the town of Whitnash covered part of Warwick Gates, it made up only a small part and so the community centre did not serve the vast majority of Whitnash residents.

It was within this context that in July 2014, Executive agreed to part-fund a feasibility study of a Community Hub for Whitnash. WDC committed c£13,000 to the study and WTC £5,000. Following a WDC compliant procurement process, TFT was awarded the contract to undertake the study. The study was completed in July 2015 and is set out at Appendix 1 to the report.

The scope of the study's works could be found at Section 2 of the report and in summary, with WTC having identified the community hub site as Acre Close Fields (the site of the current community hall), it was to "advise on what changes could be made to the current land uses to enable investment and provide more of a "town centre" focus for the parish". The outputs from the study were to be:

a. A masterplan of the Acre Close site covering the provision of a community hub, open and amenity space, access, egress and parking arrangements;
b. A masterplan of the Acre Close site covering a. above but also opportunities for the development of a town shopping area/focal point;
c. A financial appraisal of the cost of a. and b. and opportunities for financing the necessary investment.

Specifically, the study was to consider whether the community hub could provide, a meeting space for the Town Council; Library/Information/One

Stop Shop centre; Community Hall; Sports Hall e.g. badminton, indoor bowls, Pilates etc, drop in space for Police Safer Neighbourhood Team; meeting rooms including those for hire; Café-type area, and sufficient parking due to problems with parking at main shopping area at Acre Close / Heathcote Lane.

The outcome of the feasibility study was that it identified seven options for the development of the Acre Close site with the preferred option (6) providing the following benefits:
1. The new building would be closer to the community.
2. Building proximity reduced the amount of wasted space.
3. Building proximity provided improved building security.
4. Car park location provided improved safety; limiting pedestrian and vehicular interface.
5. Best use of green space would be achieved.
6. Maximise number of football pitches provided.
7. Primary school land could be incorporated easily.
8. Inclusion of primary school would enable mile route to be achieved.
9. Defined playground space separated from car parking.

The feasibility study was well received by WTC but the downside was that the project costs ranged from £3,577,500 to £3,822,753 depending on the option, with the preferred option costing £3,632,533 (2nd quarter 2015). TFT was asked to explore the funding options available for a scheme but regrettably this was a weak aspect of the study with a limited amount of investigation having taken place. (A ten per-cent reduction in contract price was secured due to this and delivery date issues.) Notwithstanding the paucity of the information around funding, it was clear that identifying funding of c£3.5m would be a challenge and a forensic review of the specification would be required to determine whether cost could be removed without fundamentally impacting on the aspirations of WTC.

Since the conclusion of the feasibility study, a referendum had been held in respect of Whitnash's Neighbourhood Plan and 92.6% of those taking part voted in favour of the Plan. Objective 1 of the Plan specifically addressed the community hub issue as follows (extract taken from adopted Neighbourhood Plan) and consequently, Policy W1 of the Neighbourhood Plan was set as follows:

"Policy W1: A New Community Hub for Whitnash
Proposals for a new Community Hub for Whitnash will be supported in principle. The Community Hub is encouraged to include the following development:
- *A new community centre to meet the needs of local residents and groups.*
- *A civic centre which provides office space for the activities of the Town Council.*
- *A new library with internet facilities.*
- *A police station.*
- *Healthcare facilities*
- *Other suitable community and retail uses (A1 – A5).*

The Community Hub will complement and enhance any existing local retail facilities through careful siting and location and the provision of improved parking and high quality landscaping.

Detailed proposals will be informed by the results of a feasibility study which (have been) commissioned to consider the cost implications, proposed uses, access and siting of the proposed CommunityHub."

WTC believed that "*the need for a new Community Hub is the overriding key issue to be addressed in the Whitnash Neighbourhood Plan".* Consequently with the feasibility study now completed and the Neighbourhood Plan having been overwhelmingly endorsed, the next steps needed to be mapped-out.

A drawback to the options contained within the feasibility study was that Whitnash Sports and Social Club (WSSC), also based at the Acre Close site, and which ran a variety of sports and social sections (Football (Junior & Senior), Bowls, Tennis, Petanque, Table Tennis, Fishing, Line & Ballroom Dancing and Bingo, Darts, Dominoes, Crib & Pool) was lukewarm to the Hub proposal as it felt there was a danger it could lose its own identity. This view inevitably led to missed opportunities to bid for funding to cover community hub sports provision. However, following a change of Board membership at WSSC this view might change thereby providing the opportunity for a reworking of the feasibility study proposals to drive out project cost, make the possibility of sports funding more likely and attract value into a scheme by making available land on the site for alternative uses.

Initial work had already commenced with ATI Projects Ltd (commissioned through a WDC Executive approved initiative to identify and secure funding for key projects) developing an *option 8* (Appendix 2 to the report) to be further examined should WSSC formally agree to sign-up to the development of a scheme.

Whether WSSC was part of a scheme or not, WTC had expressed a desire to keep ATI Projects Ltd involved and would be seeking funding from its reserves to do this. WDC still had some agreed budget under the ATI Projects Ltd contract it could commit but this would be very much second to a WTC contribution.

Whitnash town benefited from a library situated on Franklin Road. In 2010 as part of the WDC/WCC One Stop Shop programme, the library was refurbished and upgraded to enable a range of new services to be delivered from the building. These included the Town Council's administrative base, the Police's Safer Neighbourhoods Team (since departed), and a team of WDC and WCC advisors providing advice on issues such as benefits, council tax, disabled badges and street lighting to name but a few. Whitnash residents could access a range of services in a welcoming and convenient location. However, its base at Franklin Road meant that it was separate to the Community Hall based at Acre Close, an issue that the community hub was trying to address. It was also the case that due to the need for the public authorities to allocate staff resource across a number of sites, the library/One Stop Shop's opening hours were not as comprehensive as say Kenilworth, Leamington or Warwick's.

At its meeting in December 2015, the Executive within the *Digital Transformation of Council Services* report noted a scope of the One Stop Shop (OSS) service review as agreed with Warwickshire County Council and

agreed to receive a future report detailing the outcome of that review and any consequent recommendations.

The scope of that review covers Whitnash library/ One Stop Shop and whilst WCC did not initiate the review it has agreed to work constructively with WDC and in respect of Whitnash, it recognises the ambition of the Town Council, as articulated in its Neighbourhood Plan, to have public services at a single location; a community hub. WCC had been very clear that there is no political or officer drive to reduce its service offer to Whitnash residents and so it would only support a new location and service delivery model if it did not adversely impact on service provision and the overall running costs.

The review had commenced and it was likely that the information contained in this report would play an important part in forming the recommendations coming out of the review.

The feasibility study produced options with significant costs attached to them. Ordinarily this would bring into serious question the viability of a community hub even at this early stage but the nascent scheme had the advantage of large S106 contributions for community facilities either being in place or other large contributions were likely to come forward.

WDC's Major Sites Monitoring Officer had reviewed the current S106 obligations and those likely to come forward when new planning applications were determined (subject to WDC's Submitted Draft Local Plan, including modifications, being approved) and so calculated the level of funding that could be available to a community hub scheme. It was emphasised that the contributions would need to be fair and reasonable but the funding could be as follows:

Existing s106 that could be used (if agreed) from Chesterton Gardens, Golf Lane and Woodside Farm = £386,148
New s106 = £550,000 - a combined figure that would include contributions for indoor sports, outdoor sports, footpaths and libraries for both the AC Lloyd site (500 homes) and the proposal south of Golf Lane (70 homes)
Potential play area/allotments =£95,000
Total = £1,031,148.

There would need to be detailed work to determine precisely what the contributions could fund but the aggregation of the contributions provided an outline of what could be available for the scheme. It was recognised that although the totality of contributions was encouraging, the funding would not be available in a lump sum meaning that there could be forward funding issues to navigate. Whilst it was too early to go into detail, WTC had indicated that it would look at prudential borrowing should that be necessary to ensure a scheme was deliverable.

Whilst the examination of funding options by TFT was disappointing the subsequent work undertaken by ATI Projects Ltd was much more encouraging. The company had a track record of success in this area and in the last six months funding bids had been made in respect of St Nicholas Park Tennis Courts (SITA) £19,930 (outcome awaited) and a successful bid for Racing Club Warwick (Football Foundation) of £100,000.

Appendix 3, to the report, provided a comprehensive list of the potential funding bodies had been drawn-up. The funding strategy would need to be carefully thought through and access to certain funds would be dependent on whether WSSC wished to be part of the scheme but should the project move forward, bids could start to be worked-up.

In addition to funding from charitable and non-government bodies, there could be funding from WTC and WCC and subject to Executive agreeing, the Deputy Chief Executive and Monitoring Officer would work with WCC to develop a business case to enable WCC to decide whether or not to make investment in a scheme.

The preceding paragraphs described the status of an aspiration to bring forward a community hub for Whitnash. Already in place were a will to succeed; town council political endorsement; community affirmation of the Neighbourhood Plan; land in control of the protagonist; realistic significant funding sources; and project management experience with a track-record of delivery (ATI Projects Ltd). It was therefore recommended that the Deputy Chief Executive continued his work with WTC and WCC to bring forward a viable scheme.

It could be argued that the main beneficiary from this initiative would be WTC and that the District Council should not be committing further officer resource. This was not the way this Council had used its community leadership role to support local communities. It had in the recent past overseen (amongst other things) the development of Chase Meadow Community Centre; made funding available for Bishop's Tachbrook Community Centre; supported Racing Club Warwick with its successful funding bid for the development of community services; and brought a number of public services together with the creation of Jubilee House. Whitnash had a strong community identity and it was right that it should have a community centre that befitted its place as a growing town.

In giving its agreement to further officer investment to bring forward a scheme, the Executive would be formally acknowledging its support for the concept. Whilst this would be welcomed by WTC and local residents it was also important in making the Council's position clear when it came to the negotiation of S106 contributions enabling the Planning Authority to give further weight (over and above Policy W1 in the Neighbourhood Plan) to the request for fair and reasonable contributions for a community hub scheme.

Over recent years WDC had provided investment in community buildings. Examples included, Chase Meadow Community Centre, Bishop's Tachbrook Community Centre, Jubilee House, Various RUCIS grants to by-and-large rural projects, Lillington library/ One Stop Shop and , Kenilworth library/ One Stop Shop.

It was probably correct to say that the schemes would not have happened without WDC investment and the public benefits that had accrued from that investment would not have been realised. Whitnash was one of the four towns in the District and through the stewardship of WTC had created a functioning and effective civil society. Yet to provide residents with a

community resource that its growing population required, funding would be necessary from larger organisations. It was therefore proposed that WDC made an-principle commitment of £0.5m to be financed from the anticipated 2017/18 NHB allocation.

For 2016/17 the Council was to receive £2.256m in NHB. The use of this funding was agreed by the Council as part of agreeing the 2016/17 Budget.

In the Autumn Statement 2015, the Chancellor had launched a review of the NHB scheme and it was clear that whatever the outcome of the review, WDC would receive less funding from 2017/18 than it was due to receive for 2016/17. Under the options under consideration within the consultation, the Council should have been able to expect a minimum of £1.2m NHB for 2017/18 and optimistically circa £2m, depending on the outcome of the consultation.

The Council had a commitment from future NHB allocations for Waterloo Housing Group (WHG). For 2017/18 this was likely to be a minimum of £150k, and potentially up to £250k. The precise sum due would be dependent upon the future of the NHB scheme from 2017/18 following the current consultation and the number of new affordable properties developed by WHG under the joint venture agreement with the District Council. There were undoubtedly other financial claims that could be made on this funding from other areas but the Executive had the ability to choose to make an in-principle allocation to a community hub scheme.

Should it be agreed to this in-principle award then a number of safeguards would need to be put in place which will be part of a future report to the Executive, these included; A business plan covering both revenue and capital implications; A grant agreement between WDC and WTC; Appropriate legal undertakings; and confirmation from this Council's Section 151 officer that the award was affordable and did not prejudice the Council's financial position going forward.

At this time no alternative options were considered as it was officers' view that there was a realistic possibility that a community hub scheme could be delivered and that it merited the investment of resource to try and achieve this

The Finance & Audit Scrutiny Committee supported the recommendations but proposed that the words 'up to' be inserted in recommendation 2.7. It was suggested that approval should be subject to a suitable partnership arrangement being place and therefore recommended that recommendation 2.6 be amended to read:

"That Executive agrees that DCX (AJ) continues to work with members of Whitnash Town Council and Whitnash Sports and Social Club (if applicable), officers at WCC on the production of a viable scheme and thereby gives its support to the development of a community hub for Whitnash subject to appropriate partnership agreements being agreed with the parties and WTC undertaking the project sponsorship role."

The Portfolio holder supported the proposed changes to the recommendations from Finance & Audit Scrutiny Committee and proposed the recommendations of the report with those amendments. It also took the opportunity to thank all those involved in delivering this project to this point and wished them all the best in completing this scheme. This was duly seconded and

Resolved that

(1) the outcome of the feasibility study (Appendix 1 - referred to as *Draft* but actually *Final*) in respect of Whitnash Community Hub undertaken by Tuffin Ferraby Taylor, commissioned by Warwick District Council and Whitnash Town Council; be noted

(2) subsequent to the completion of the aforementioned feasibility study, it be noted that Whitnash Sports & Social Club has expressed an interest in re-working the TFT's community hub options to create a more comprehensive site development scheme;

(3) it be noted that Warwickshire County Council has agreed to consider the business case for the Library being located at the community hub;

(4) based on current S106 agreements and the land allocations in the Submitted Draft Local Plan (including Modifications), it be noted that funding in the region of £1.03m could be received towards the cost of a community hub over the next ten years;

(5) further financing for a community hub will be sought from various funding bodies and charities to deliver the scheme with work having already started, as set out Appendix 3 to the report, to identify precisely where that finance could come from;

(6) the Deputy Chief Executive & Monitoring Officer continues to work with members of Whitnash Town Council and Whitnash Sports and Social Club (if applicable), officers at WCC on the production of a viable scheme and thereby gives its support to the development of a community hub for Whitnash subject to appropriate partnership agreements being agreed with the parties and Whitnash Town Council undertaking the project sponsorship role; and

(7) based on the last central government Financial Settlement and the recent New Homes Bonus (NHB) Consultation Proposals, it is noted that Warwick District Council can expect a minimum of £1.2m in NHB monies for 2017/18 and therefore makes an in-principle grant offer of up to £0.5m to help deliver a viable scheme this being subject to a comprehensive business plan being received, appropriate legal undertakings being in place, a further report to Executive and WDC being in the financial position to award the grant as part of the 2017/18 Budget.

The Portfolio Holders for this item were Councillors Coker, Grainger and Mobbs (Forward Plan Reference Number 741)

131. **Gypsy & Traveller Site Identification Update**

This item was withdrawn from the agenda by the Executive prior to the start of the meeting.

132. **Proposed Public Consultation on a Master Plan for St Mary's Lands, Warwick**

The Executive considered a report from the Chief Executive that updated it on the work the Council commissioned for a review of the overall strategy, regeneration master plan and management plan of St Mary's Lands in Warwick.

A set of proposals had been developed by the Working Party and they were now at a stage to go out to wider public consultation. This report set out those proposals and set out the proposed means of consultation.

A further report would be presented to the Executive with the results of the public consultation and any revisions that may arise as a consequence to the master plan.

In the meantime some actions were proposed to maintain momentum by seeking funding for practical next steps; project management; and design consultancy.

In September 2015 the Executive agreed, amongst a number of things that:

(i) noted the latest position in respect of St Mary's Lands (SML);

(ii) agreed to commission a review of the Council's previous Strategy, Regeneration Master Plan and Management Plan from Plincke Landscape;

(iii) agreed an exemption to the Council's Code of Procurement to continue to utilise the previous experience from this consultancy, at a cost of up to £20,000 to be funded from the Service Transformation Reserve; and,

(iv) the review work was to be overseen by the St Mary's Lands Working Party.

In essence the proposal was to re-engage the consultants (Plincke) who assisted the Council in the original work on a Strategy, Regeneration Masterplan and Management Plan from 1999 to 2006. The company and personnel had the background knowledge, experience and independence to assist with a more facilitative, rapid and inclusive development of the work needed which are not otherwise available within the Council.

The proposal was in three stages: (i) to review; (ii) to understand the issues; and, (iii) to build a consensus. The original brief was attached at Appendix 1 to the report. A fourth stage was anticipated once the outcome of the first three stages was complete. It was estimated that these three stages would cost up to £20,000 and if a fourth stage was required, further consideration and agreement would be needed as to how this was funded and procured. It was envisaged that the Working Party would re commence and would oversee the work of the consultants.

The Working Party had met three times in addition to a wider meeting to discuss the findings of stage 1. The consultant had met all of the parties to establish all the issues and a SWOT analysis has been developed. On the back of that analysis, a series of proposals, prioritised by the Working Party had been developed which the Working Party now wanted the Executive to endorse for the purposes of public consultation only at this stage. The SWOT analysis was attached at Appendix 2 to the report; the proposals for consultation were included at Appendix 3 to the report.

The proposed means of consultation were set out at Appendix 4, to the report, and were suggested by the Working Party as the most appropriate way to engage the local community.

Once the consultation was complete the responses would be assessed and the Working Party would consider any revisions. At that point the Executive would be asked to consider endorsing a finalised version of the masterplan and actions to implement it.

Given the commitment from all participating bodies to make things work and to resolve previous differences and the momentum it had created; it was important that this opportunity of momentum was not lost. Consequently, a number of next steps to maintain that momentum, ensure some early wins and allow progress on the more substantive elements were proposed at Appendix 5 to the report. The first of these could be accommodated within the existing budget. The other two – project management and design consultancy were not and would need funding from the Contingency Budget. It was suggested that the project management role was carried forward by Plincke for which an exemption from the Code of Procurement would be necessary, while the design consultancy work should be tendered.

Options had been considered as part of the development of the proposals at Appendix 2 to the report and summarised at Appendix 3 to the report. If the Executive was not happy about any specific element it was better to let it be addressed as part of the public consultation process than to stop it being considered at all.

More generally the Executive could decide not to agree to consult the public on the proposed options which would have a reputational impact on the Council having in effect given the Working Party the job of overseeing the work of developing a masterplan and so it was not suggested that this is an appropriate option to consider.

The Finance & Audit Scrutiny Committee supported the recommendations in the report and thanked all officers involved in bringing the project forward to this stage.

The Executive welcomed the way in which all those involved in the Working Party had approached the work and issues with a positive approach and thanked for their time and effort. The Leader expressed his sincere desire to improve this valuable community asset and personally thanked all those involved in this project to date.

Resolved that

(1) the work of the St Mary's Lands Working Party to date, be noted and thanks be sent to the constituent members of the St Mary's Lands Working Party for their work so far;

(2) the proposals set out at Appendix 3 be approved for a public consultation in the manner set out at Appendix 4, to the report;

(3) a report be brought to the Executive for consideration on: the outcome of the public consultation; and a finalised version of the proposed masterplan; and, any implementation, actions;

(4) the Next Step proposals in Appendix 5 (Next Steps) be endorsed and that:
   1. the steps costing up to £5,000 from the existing budget be agreed;
   2. that an exemption is agreed to the Code of Procurement Practice (Section 6.3) to appoint Plincke to provide an ongoing project management role for the best part of a year ahead at a cost of not more than £25,000 ; and
   3. that tenders be sought for design consultancy work of up to £50,000; and

(5) additional funding of £75,000 in total from the 2016/17 Contingency Budget, be approved.

(The Portfolio Holder for this item was Councillor Cross)
Forward Plan reference Number 783

133. **Support for Government Syrian Vulnerable Persons Relocations Scheme**

The Executive considered a report from Health & Community Protection that provided a response from this Council to the request from Government to consider assisting with resettling Syrian Refugees, to help it meet its commitment to finding homes for 20,000 refugees within this parliamentary term.

The Syrian Refugee crisis was a major humanitarian crisis. The Government had responded to this by pledging to resettle 20,000 people from United Nations High Commission for Refugees (UNHCR) camps.

Local authorities in the UK had been asked to make pledges as to how many refugees they could settle within their areas.

Discussions had taken place with colleagues at a sub-regional and at a regional level with the West Midlands Strategic Migration Partnership (WMSMP – who acted on behalf of the Government in the region) to assess how Authorities could work together to support the refugee resettlement programme. It was now considered that this Authority could commit to a pledge.

With regard to the number of places the Council could offer, this had been agreed with WMSMP in conjunction with other Authorities in the sub-region, as a proportionate initial commitment. Should the overall requirements of the scheme change then this could be reconsidered.

The practical steps and implications of settling refugees in Warwickshire were still being worked through but the intention was to build on the experience of other Authorities with expertise in this field e.g. Coventry City Council.

Local Authorities and agencies in the West Midlands area had been meeting to assess how to respond to the Government's request for support for Syrian Refugees.

More locally, Warwickshire District and Borough representatives had been meeting with Warwickshire County representatives and the Police. It had been agreed that the Councils would work together and that the County Council would take a lead and therefore it had established a role to coordinate this work.

Discussions were also taking place with Coventry City Council, who were an Asylum Resettlement Authority and had considerable experience in these matters. The Council was also maintaining contact with relevant voluntary sector groups.

Key to placing families in the community was the availability of health and education services. The availability of these was being assessed and any suitable housing offered would take these into account.

The Government programme emphasised that any families coming into the country would have been thoroughly assessed at different stages for their

needs and for security purposes, at the UNHCR camps. Local Authorities would be provided with relevant information which would help with decisions about placement.

It was not likely that Warwick District would be in a position to receive any refugees until the end of this year at the earliest, though if plans did crystallise more quickly, Councillors would be informed.

The Council needed to be assured that all appropriate measures were in place before agreeing to accept refugees. This was as important to the incoming families as it was to the Council and residents.

Initial work was in progress to assess housing availability. It was anticipated that the first option for housing would be in the private sector. However, the actual arrangement would depend on a number of variables, not least the timing of the arrival of families and their particular need.

Alternatively the Council could choose not to re-settle any refugees; however this stance was likely to come under pressure from the Government as well as from local groups supporting the scheme and the broader humanitarian situation.

The Overview & Scrutiny Committee recommended that recommendation 2.1 was amended so that the pledge from this Council was to assist in resettling ***at least*** five families within the district, within the life of the current scheme.

Councillor Shilton supported the recommendation from the Overview & Scrutiny Committee because in his view this Council should be doing as much as possible to support as many families as possible caught in this conflict.

In response to these points the Portfolio Holder explained that it was important not just to home these families but ensure that they were resettled within the community with appropriate support, so that they could become part of it. At this time, the Council was being asked for a firm commitment of numbers and not offering an "at least". The Executive needed to be mindful that there were over 3,000 people waiting for Council houses in Warwick District and they needed to provide consideration of this and the wider community in the District at the same time.

Councillor Mobbs explained that this Council was committed to ensuring that the right quality of support was provided to these families and by increasing the number could impact on this. He therefore proposed that the recommendation be amended to remove the words up to in recommendation 2.1 and rejecting the recommendation of the Overview & Scrutiny Committee on this basis.

Resolved that

(1) Warwick District Council commits to supporting the Government's Syrian Refugee scheme by pledging to assist in resettling five families within

this district, within the life of the current scheme;

(2) this commitment is dependent upon there being clear and properly funded arrangements in place to manage and settle refugees;

(3) the Head of Health & Community Protection, with the Portfolio Holder, be given authority to agree to the acceptability of arrangements as required in (2) above, prior to any refugees being resettled in this District; and

(4) the recommendation from Overview & Scrutiny Committee that at least five families be homed because the Council is committed to the quality of the support that is provided to the families to be rehomed and ensuring this can be delivered.

(Councillor Shilton voted against this item.)
(The Portfolio Holder for this item was Councillor Grainger)

134. **Review of Staff Terms and Conditions**

The Executive considered a report from the Senior Management Team of Warwick District Council that sought approval to 'buy out' staff from the current Essential Car User Allowance(ECUA) as part of the change to terms and conditions reported to Employment committee on 23 March 2016.

A review of staff terms and conditions had been undertaken. The initial purpose of the review was to identify potential savings to help the Council meet its Medium Term Financial Strategy targets as agreed at the 3 September 2015 Executive when updating the Council's Fit for the Future programme. The items considered where:

- The withdrawal of the Essential Car User Allowance (ECUA) lump sum payments both for existing and future members of staff.
- Introduction of uniform mileage rate based on HMRC rate, currently 45p per mile, for all business mileage replacing essential car user mileage rates.
- Introduction of a uniform mileage rate based on the HMRC rate (currently 45p per mile), for all business mileage replacing casual car user mileage rates.
- The introduction of the HMRC rates, (currently 20p per mile), for mileage incurred when using a bicycle on Council business.
- Increase to the HMRC Motorcycle rate, (currently 24p per mile),
- for mileage incurred when using a motorcycle on Council business.
- The withdrawal of a contractual right to a Warwick District Council car parking pass. This will be replaced by issuing car parking passes as a discretionary benefit that could be removed if necessary in the future.
- The withdrawal of the Weather Wear allowance payments.
- The withdrawal of the Homeworking Allowance payments.
- The withdrawal of land line Telephone and Broadband rental.

- The withdrawal of a contractual right to Subsidised Sports facilities. This will be replaced by access to subsidised sports facilities as a discretionary benefit that could be removed if necessary in the future.

It had been apparent for some time that anomalies existed across the Council for a range of contractual payments. The review therefore sought to put forward proposals to harmonise terms and conditions across the Council.

A survey completed by West Midlands Employers had also indicated that Warwick District Council was not consistent with other Authorities in continuing to pay, for example, Essential Car User Allowance (ECUA) lump sum and payments were in excess of HMRC mileage rates.

The proposals indicated potential changes and the rationale for these; feedback was invited to the proposals from individuals and unions.

On the 15 January 2016 a response to the consultation feedback was circulated to all staff by the Terms & Conditions Review Board, along with 'Final' consultation proposals. This also set out the reasons for making the recommendations. On the 29 January 2016 this was updated with a 'buy out' to Final Proposals. On the 25 February 2016 there was an update to Addendum to Final Proposals. The consultation programme schedule had been adhered to with unions and staff throughout period.

During the course of the consultation both management and the unions had worked to reach agreement to vary the terms and conditions of employment. This had included the introduction of the offer of a buyout to all members of staff currently in receipt of an Essential Car User Allowance (ECUA). A further revised offer was made which would have enabled the equivalent of individuals retaining their ECUA at their current rate for a period of two years. Unfortunately, on the 10 March 2016 the proposals were rejected by UNISON in their current format. A final revised offer was made on 15 March of a two-part lump sum paid upfront i.e. nine months paid in July for year 1 and in April 2017 for a year. In both cases claw back would be made if staff left the Council's employment. The Unions consulted on this and the results were fed through to the Employment Committee on 23 March which agreed the revised terms and conditions subject to the Executive agreeing to fund the upfront costs of the "buy out".

The Terms and Conditions Review Board assessed a number of options during the consultation process; Unions, individual staff and teams also provided a variety of options. These included:
- Charging for car parking
- 50% Charge for Professional Subscriptions
- Reduced Absence Pay
- Reduced Redundancy Pay

These had all been considered and responded to, together with bringing forward the phase two proposals. The suggestions and feedback led to a number of amendments of the proposals including the development of the "buy out" provisions.

The Finance & Audit Scrutiny Committee supported the recommendation.

Resolved the release of a total of £185,200 from the Service Transformation Reserve and £90,000 from the Housing Revenue Account over 2016/17 and 2017/18, be approved, to fund the "buy out" of the Essential Car User Allowance, as agreed by Employment Committee on 23 March 2016.

(The Portfolio Holders for this item were Councillors Mobbs and Coker)

135. **Master-planning of housing site allocations south of Coventry**

The Executive considered a report from the Deputy Chief Executive that informed it of the framework for engaging with public sector partners and other stakeholders on the master-planning of the area to the south and west of Coventry, in which strategic allocations have been made in the revised Local Plan, including the arrangements for member oversight of the process.

The Local Plan- Proposed Modifications report approved by Council on 24 February 2016 proposed two strategic housing allocations to the south and west of Coventry, abutting the District's border with the city.

The first of these areas was the 269 hectares of land known as Kings Hill. The site had an overall capacity of c4,000 homes although only c1,800 of these were likely to be deliverable by the end of the current plan period. The mixed use development of the site would also deliver opportunities for employment provision and land will be made available for open space, leisure, sports and recreation and amenity uses and a green infrastructure network to link the development to countryside to the south and east and the urban area to the north. A local centre would be provided at an appropriate scale, incorporating a range of local community facilities and services including meeting space / community buildings, emergency services infrastructure, youth facilities / play areas and local retail provision for convenience shopping. A new primary school would be required to serve the development, which might need to be expanded as the site developed over time, and further discussion would be required on how second provision was best met.

The other area was land south of Westwood Heath Road and east of Burton Green, allocated for a residential-led, mixed-use development. Given the current infrastructure constraints, especially along the strategic and local highways network, the housing to be provided on site was capped at 425 dwellings during the current plan period. However, the creation of improved road infrastructure / additional network capacity could allow for further residential development to be accommodated without undue adverse impacts on local amenity on a larger area of land to the east of the allocated site which had been safeguarded in the revised Plan.

In addition to the site allocations and the safeguarding of land the future development of this area would also be influenced by the following factors:

- The development of HS2

- The development of a revised masterplan for the University of Warwick, to replace the existing masterplan and support their ambitions to become a world class university
- The long term plans for a new road link between the A46 Stoneleigh/University junction through to the UK Central development and linking to the NEC and Birmingham International Airport

The master-planning of this area needed to consider both the delivery of the allocated sites during the Plan period and the longer term planning required for developments that could fall beyond the Plan period, e.g. full development at Kings Hill, future development of the link road, the future expansion plans of the University. In addition there was an immediate issue of ensuring that, within the next six months, ensuring a Statement of Common Ground and/or Memoranda of Understanding with land owners and developers to ensure the negotiation of the Local Plan sites through the Examination in Public process and, within 12 months, collective agreement on funding arrangements from this sites towards infrastructure delivery.

Officers had, therefore, begun a process of engagement with key partners and stakeholders. Initially this was focussing on engagement with the County and City Councils, Highways England and the University but would rapidly progress to include dialogue with the CWLEP, health authorities, HS2 and local landowners and developers. Given the strategic nature of these discussions, the Corporate Management Team had assigned a corporate lead – the Deputy Chief Executive (BH). To assist these discussions officers had produced a draft Vision for area, set out at Appendix One to the report, which would form the basis of the initial discussions.

Reports would be made to Councillors as appropriate but given the strategic master-planning required, it was also considered appropriate to assign a member lead which would be Councillor Coker as the Deputy Leader.

It was envisaged that the member and officer leads would coordinate briefings for district ward councillors and engagement with Kenilworth Town Council and relevant Parish Councils in the area and any emerging cross-border governance structures.

In addition to the member lead it was also recommended that a formal role was assigned to Councillor Illingworth to reflect his role as member 'champion' on HS2 issues and ensure that the potential impacts of these issues were fully explored during the master-planning process.

There was a risk that partner organisations would not engage with the master-planning process. This risk could be minimised by ensuring the process was given a high priority by the Council and led at a senior level.

The alternative option of not engaging with partners to agree a strategic master-plan for these sites had been discounted as it would not enable to the maximisation of deliverable community and planning benefits for the district, would not assist in integrated development being brought forward.

The Overview & Scrutiny Committee noted the report.

Resolved

(1) the draft Vision for the area, as set out at Appendix One to the report, which will be used as the basis of discussions with strategic partners, be noted;

(2) the officer lead for the master-planning process will be the Deputy Chief Executive (BH), be noted; and

(3) lead Councillor for the process will be Councillor Coker, supported by Councillor Illingworth in his role as 'champion' for HS2.

(The Portfolio Holder for this Item was Councillor Coker)

136. **Replacement of motors and lighting dimmers – Royal Spa Centre**

The Executive considered a report from Cultural Services that explained that in order for the Royal Spa Centre to continue to function as theatre venue and offer a wide range of cultural and community events, two elements of the technical infrastructure of the venue required immediate replacement. Without this step the Royal Spa Centre was severely constrained as a theatre and would be rendered financially unviable within a short space of time.

An allocation of £350,000 for this expenditure was included in the Capital Programme agreed by Council in February 2016, but in accordance with the Code of Financial Practice, Executive approval was required to draw down this budget. Subject to the outcome of a procurement process, the scheme could cost up to £503,000 and therefore it could be necessary to supplement this allocation with additional funds following the procurement exercise to obtain competitive quotations for this work.

Following a series of projects to repair or replace essential elements of the Royal Spa Centre (RSC) identified by the newly appointed Technical Services Manager in 2013, work on developing a comprehensive investment plan for this venue commenced in May 2015. The aim was to create a 'catch-all' 20-year investment plan for the RSC, which would be informed by a review of the existing Planned Preventative Maintenance (PPM) schedule and known Mechanical & Electrical (M&E) liabilities, a rationalisation of the Corporate Asset Condition Survey (EC Harris) data and input from industry specialists. The work detailed in the report completed the third element of the work required to complete the Investment Plan, and allowed the creation of a medium/long term investment plan of repair, renewal and upgrading of equipment in the venue. The emerging Asset Strategy, which considered the Council's corporate approach to how it managed its assets, proposed that this Investment Plan model was adopted for all of the Council assets, in order to avoid, or at least reduce, the risk of unexpected expenditure being identified without the appropriate resources allocated in the Medium Term Financial Strategy.

The equipment which required immediate replacement at the RSC was the Motors for the "Flying Equipment, Lighting Dimmers and Electrical wiring and distribution boards.

A 'flying' system was an arrangement of cables, scaffold bars, pulleys and motors which enabled the theatre's stage crew to safely hoist (or 'fly') components such as curtains, lighting and scenery. This enabled scenery to be moved quickly and accurately during performances and for the theatrical lighting to be rigged from the stage floor level rather than at height, which was both safer and more efficient.

The ability to be a 'flying house' was central to the operation of the RSC as a theatre and provided a significant competitive advantage over other venues in the region. It allowed the theatre to accommodate large scale, complex productions with sizeable pieces of scenery – such as the annual pantomime, touring theatre shows and amateur musicals. Other than Warwick Arts Centre and the Royal Shakespeare Company there were no other 'flying houses' within Warwickshire and many of the larger local community groups that use the RSC would not be able to replicate their performances elsewhere (for example, those performed by the Warwickshire Gang Show, Leamington & Warwick Musical Society and Leamington Spa Opera Group).

For the purposes of depreciation and renewal, the recommended life expectancy of equipment of this type was 20 - 25 years. The RSC flying system had a total of 29 winch motors which were already much older than this and 20 of which were deemed to be well beyond their economic lifespan. The remaining nine motors were of the same age but were used much less frequently and as a result were in a better overall condition. Therefore, they could be maintained and used if necessary over the short-term. However, the recent survey of equipment by external contractors suggested that it would be necessary to replace those motors within a maximum term of five years, as they too would also begin to fail due to age. Therefore the proposal costs in the report included replacement of the total 29 motors.

During the annual inspection and service of the flying system by the appointed maintenance contractor in August 2014, it was found that the gearing inside the motors was wearing down. The gears themselves could not be replaced or repaired as the motors were encased, single units. As a result of this inspection, the load which the motors could safely bear was down-rated to the lowest threshold (from 500kg to 300kg on each 'bar'). If the system were to be down-rated further it would effectively condemn it, as it would be unable to service the day-to-day operational loads required. There was no way to accurately estimate when the gearing would fail completely, only that it was inevitable and increasingly likely.

As with most technology, theatrical flying systems had evolved so quickly over the past 30 years that the parts were no longer available to make running repairs on the current RSC system and so it was not possible to rectify the faults. It was also not feasible to replace each individual motor as and when they failed because the new motors would require a completely new, separate control system in order to operate them.

Lighting dimmers were electrical devices, similar to variable resistors, which controlled high voltages to change the brightness of theatrical lighting on the stage and in the auditorium. Without them it was not possible to control the lighting states for performances - which was essential to the core operation of the venue as a theatre. Multiple individual dimmer 'channels' were arranged together in large panels or 'racks' which were installed into the wall. The average life expectancy of equipment of this type was 15 - 20 years and they could often represent the highest capital expenditure for a theatre.

There were a total of 204 dimmer channels split across seven racks which, when fully operational, was adequate to service the operational needs of the venue the size of the RSC.

The Council's electrical contractor decommissioned one of the "racks" in 2015, meaning that the theatre lost 36 lighting channels. This loss of lighting capability made it challenging for the RSC to service the needs of performances and restricted the range of events it could present. However as a temporary, emergency measure a mobile 36 channel dimmer rack was hired to replace those lost channels until they could be permanently replaced, at a cost of £8,500+VAT per year.

The dimmers were fed by an electrical distribution board located next to the dimmer racks. This was also past its economic lifespan and in need of replacing. Several issues were identified during a recent electrical inspection which would potentially invalidate the warranty of any new, replacement equipment connected to it.

The current electrical wiring (including trunking and containment) from the dimmers to the individual lighting sockets located around the stage area was also in urgent need of upgrading in order to ensure compliance with current regulations (increasing the width of all cables from 1.5mm to 2.5mm). As it was classified as an 'electrical installation' the wiring was currently compliant and safe for use; however, the regulations stated that it would need to be replaced if the dimmer installation were changed.

Due to the specialist nature of the works, an external consultant, The Engineering Practice, had been commissioned to source the necessary data and create the Investment Plan together with any specification of equipment required to the inform the tendering process. The estimates that had been received for the works, as detailed in Section 5 of the report, were based on their specification after work with the Spa Centre technical team and Housing & Property Services officers.

The final level of the potential additional budget allocation referred to would not be established until the tender exercise was completed, hence the recommendation to utilise delegated authority to approve the final costs and ensure the contract was let. Should tenders come in below the maximum proposed budget allocation of £510,000, any surplus budget would be returned to the Capital Investment Reserve.

Alternatively the Council could just replace only the motors and continue to rent that additional lighting rack until the lighting failed further. This option

was considered to carry a significant risk as it is impossible to say when any further lights would fail and require replacement. There were also some economies to be made by commissioning all the work at the same time, both in terms of the cost of the works and the reduced cost of venue closure.

The Executive could decide not to do any of the works. This would result in the range of performances provided at the venue being reduced, the cultural value of the offering that would be delivered would be compromised, and the subsidy required by the RSC would increase significantly. This would be counter to previous confirmation by the Council that it did not wish this to be the case and is fully committed to continuing the provision of the range of cultural activities that take place at the RSC.

The Finance & Audit Scrutiny Committee supported the recommendations.

The Executive took the opportunity to thank the Manager of the Spa Centre and the team for the good work and operation of Spa Centre which had seen a significant improvement in performance for the venue and therefore reducing the subsidy from the Council to it.

Resolved that

(1) the release of up to £350,000 from the Capital Programme currently identified for the purchase and installation of technical infrastructure at the Royal Spa Centre, be approved;

(2) a further allocation of up to £160,000 from the Capital Investment Reserve to fund the work identified in (1) be approved; and

(3) the Deputy Chief Executive (AJ), in conjunction with the Head of Cultural Services and Head of Finance and in consultation with the Portfolio Holders for Culture and Finance, are given delegated authority to approve the final costs of the scheme.

(The Portfolio Holder for this Item was Councillor Gallagher)

137. **Prosperity Agenda – Service Re-design proposals**

The Executive considered a report that sought funding for an increase in establishment costs following the approval by Employment Committee of a new structure for the existing Planning Policy and Economic Development & Regeneration teams within Development Services. This re-design process also included other staff currently based within the Chief Executive's office and Culture service area.

The new structure was aimed at significantly enhancing the Council's ability to effectively deliver all the themes within the Sustainable Community Strategy, particularly, although not exclusively, the Prosperity theme.

The new structure approved by Employment Committee, subject to Executive approval of the necessary funding, represented a wholesale redesign of the staffing resources currently devoted to Economic Development and Regeneration, Planning Policy, Events, Project Co-ordination and Organisational Development, in order to:

- Ensure the Council had sufficient capacity and capability to resource the development of feasibility projects that supported the delivery of the differing elements of the Sustainable Community Strategy (SCS).
- Ensure the Council had sufficient capacity and capability to set and refine the policy framework necessary to promote prosperity and deliver the Local Development Framework (LDF).
- Ensure the Council had sufficient capacity and capability to support the delivery of strategic sites allocated through the Local Plan.
- Ensure the Council had sufficient capacity and capability to work across organisational boundaries to drive economic development and attract inward investment into the District.
- Ensure the Council had sufficient capacity and capability to develop Visions and master-plans for the town centres within the District.
- Ensure the Council could provide sufficient support to ensure the towns within the District functioned well economically.
- Ensure the Council had sufficient capacity and capability to support a broad range of events to promote the District and offer opportunities and activities for residents and visitors.
- Ensure the effective operation of the Council's enterprise hubs and business start-up units.

The re-design sought to address the key interlinked issues, these included the Local Plan moving from development to post adoption; changing the external environment in which we operated; need to ensure that service delivery structures were effectively integrated; approach to the delivery of strategic corporate projects currently being split across different teams and different service areas; and current structure being disproportionately dependent on the fixed term temporary posts.

With the Local Plan moving from a development phase to a post-adoption delivery phase this would inevitably change the balance of the work undertaken by the Planning Policy team. Whilst there would still be a requirement to develop planning policy through, for example, the introduction of Supplementary Planning Guidance or Documents there would be an increasing focus on ensuring that the major strategic sites were developed as planned and that the supporting infrastructure requirements were delivered.

The changing external environment in which the Council operated required us to ensure that processes and structures remained fit for purpose. For example, the advent of the Coventry & Warwickshire Growth Hub, established as part of the Coventry & Warwickshire City Deal, required the Council to consider whether our approach to business support and attracting inward investment was a complementary role or one that duplicated effort and wasted scarce resource. Equally, the proposed approach to a Single Spatial Strategy, being developed through the Coventry, Warwickshire and South West Leicestershire Shadow Economic Prosperity Board (the Joint

Committee) required us to consider how the Council aligned our planning policy work to support this sub-regional approach.

The need to ensure that service delivery structures were effectively integrated. Feedback from external partners indicated that they perceived that our current arrangements lacked clarity and clear lines of responsibility.

The approach to the delivery of strategic corporate projects currently being split across different teams and different service areas. The Senior Project Coordinators worked directly to a member of the Corporate Management Team but were not responsible for leading on all corporate projects. Other major feasibility projects, for example the Strategic Opportunity Proposal (Europa Way) or Kenilworth Public Service Centre were led by the Organisational Development Team, also located within the Chief Executive's office whereas the development of a strategic approach to major sites delivery, initially focussed on the housing sites south of Leamington, Warwick and Whitnash sat within the Development Services team.

The current structure was disproportionately dependent on the fixed term temporary posts, shown in Appendix Two, to the report. These posts were predominantly unfunded from 31 March 2016 onwards (the exception being the Major Sites Monitoring Officer that was funded until 31 May 2017). Without the re-design this would have left the Council facing the loss of key resource in a short space of time or having to find an additional £220,828 per annum, unaffordable within the context of the Medium Term Financial Strategy.

The re-design addressed the Council's priorities for delivering economic development; Attracting inward investment and assisting existing businesses to grow to maximise the financial benefits for the District and its residents; Formulating a robust and integrated economic development strategy; and Ensuring the Council developed a reporting and monitoring framework that enabled a robust and up to date understanding of the economic performance of the District.

To address these priorities, the re-design needed to be considered not just the work of the current Economic Development & Regeneration team but the linkages to, and the work of, other teams. For example, the Planning Policy function needed to create a policy framework, allocate strategic sites and commission studies that informed policy development e.g. employment land studies which provided the environment in which business could thrive. The events that were currently designed, commissioned and managed by the Events Officers and/or Town Centre Development Officers contributed to the economic well-being of the District. The major strategic projects, each of which contributed to the delivery of at least one theme of the SCS all had an economic element and an impact on the economic development of the District.

The re-design process mapped the work that was already undertaken around economic development and the delivery of the Prosperity theme of the SCS by external partners, for example, the Coventry & Warwickshire Local Enterprise Partnership (CWLEP), the Coventry & Warwickshire Growth Hub, Warwickshire Investment Partnership, Warwickshire College, local trade

bodies, Town Councils, Town Centre Partnerships etc. to ensure that duplication was minimised and effective working relationships were established or maintained.

In addition to the normal staff and union consultation process extensive soundings were taken with external partner organisations to seek their views on our current operational arrangements and structures and 'test' their thoughts on whether the emerging proposals would strengthen partnership arrangements and maximise impacts. This dialogue involved the Royal Leamington Spa Town Council, Warwick Town Council, Kenilworth Town Council, Whitnash Town Council, Leamington Business Improvement District, Leamington Chamber of Trade, Bowls England, Royal Priors, Regent Court, Kenilworth Town Centre Partnership, Kenilworth Chamber of Trade, Warwick Town Centre Partnership, Warwick Chamber of Trade, Warwick Castle, CWLEP, CW Growth Hub, and Coventry & Warwickshire Chamber of Commerce.

In summary the new structure approved by Employment Committee, attached at Appendix One to the report, would:

- Allow for the continuation of all existing service delivery commitments within a re-designed structure that minimises duplication of work being undertaken by external partners, provides for better integration of linked work areas, creates a strong business and economic development focus and allows for strategic planning and co-ordination of work with partners such as Town Centre Development Partnerships or organisations running major events, e.g. Bowls England.
- Amalgamate the currently separate Development Policy Manager and Economic Development & Regeneration Manager roles into a single post, the Policy and Projects Manager.
- Create three teams working to this post each headed by a Business Manager.
- Retain the existing structure in respect of the Business Manager – Enterprise and the staff working to them.
- Create a new post of Business Manager – Policy and Development responsible for planning policy, economic development and events with appropriate resource working to them to ensure sufficient capacity to deliver these functions.
- Move away from having a single officer dedicated to supporting town centre development in each of the three main towns to a more generic and flexible resource capable of being deployed to meet demand and the creation of management capacity to allow for strategic planning and coordination of events and activities.
- Provide additional resilience where required. For example, the creation of the a Business Support and Events Team leader and three Business Support and Events Officer posts allows for additional resource to be devoted to event delivery and management on a planned basis.
- Create a generic role for Planning Policy Officers to allow for the transition to a revised work focus post-adoption of the Local Plan and to align job descriptions for planning officers across the whole service area to enable resource to be more easily moved between Development Management and Planning Policy in the future to resource changing business demands.

- Create a new post of Business Manager – Projects to oversee a team of staff working on major corporate projects and the delivery of major strategic sites allocated within the Local Plan.
- Consolidate the resource devoted to major corporate projects within a single team and provide an amended focus for work on feasibility projects and the development of business cases, maintaining the Council's capability to pursue its current level of aspiration. The resultant business case would include proposals for the level of, and funding for, the temporary project management resource required for the delivery phase of projects. Investigate.
- Remove temporary fixed term posts but retain the core capabilities and capacity within the revised permanent structure. This includes the creation of one permanent, part-time HS2 Project Officer Post that will report to the Development Manager rather than the new Policy and Project Manager. It is likely that we will soon be receiving planning applications linked to the HS2 proposals, hence the need to make the current temporary post permanent. However, the work associated with HS2 has never been constant, and is unlikely to become so in the future so the expectation is that this post will undertake other development management work to support the team when there is capacity to do so.

The structure approved by Employment Committee, subject to Executive approval of the necessary funding, was set out at Appendix One. As described in Section 5, the new structure delivered a net £187,668 reduction from the actual staffing costs of the current structure, adjusted for 2016/17 costs, but would require a modest increase in the costs of the establishment posts above the figure currently budgeted for within the Medium Term Financial Strategy.

The costs of the current structure (actual for 2015/16 and adjusted for notional 2016/17 costs were it to remain in place) and the assumed cost of the new structure were set out at the private and confidential Appendix Three. This appendix was confidential as it contained information that could identify staff in the current structure.

The additional cost of the permanent establishment posts was £33,160 per annum (at 2016/17 costs) on a recurring basis.

In addition there was a potential cost of salary protection (for staff matched to a post below their current grade) for a maximum three year period which totalled a maximum £30,324.

It was also proposed to extend the three temporary posts which were currently occupied for the period up to 30 June 2016 at a maximum cost of £33,762. This would ensure that the post holders had parity with all other staff involved in the re-design and, if not matched to a post in the new structure, had the same opportunity of a 12 week period to secure alternative employment within the Council. If this approach was not adopted the contracts would terminate on 31 March with an immediate loss of expertise and capacity that could not be absorbed within the remaining posts in the current structure and an immediate and adverse impact on service delivery.

The alternative option of retaining the existing structure was discounted, partly because it was not considered the optimal structure to deliver the required outcomes and partly because it would not be affordable within the context of the financial challenges facing the Council.

Alternative options for the re-design were considered prior to the start of the formal consultation and amendments made to the initial proposals as a result of the consultation feedback. The current proposals were considered to be the optimal structure for the future.

The option of not funding the revised structure had been discounted as it would require the current proposals to be scrapped and the re-design process re-commenced with the consequent adverse financial or service delivery implications explored in the section above.

The Finance & Audit Scrutiny Committee supported the recommendation and the Chairman of the Committee expressed his personal desire that everyone affected by the design was allocated a permanent role.

An addendum was circulated at the meeting that provided a revised paragraph 5.6 of the report in place of paragraph 5.6 and 5.7 as set out in the report.

Councillor Cross, as Portfolio Holder, took the opportunity to thank all the staff who had been involved in this for their continued professionalism throughout the process.

Resolved that

(1) the decision of Employment Committee to approve the structure set out at Appendix One to the report, subject to Executive approval of the necessary funding, be noted;

(2) the funding for the new structure which amounts to a recurring annual cost of £33,160, as set out in private and confidential Appendix Three, above the costs of the establishment posts in the current establishment structure, as set out at Appendix Two, be approved;

(3) the overall saving of £187,668 between the cost of the structure approved by Employment Committee and the actual cost of the current structure (adjusted for 2016/17 costs), were this structure to be continued, achieved through the removal of temporary, unfunded posts, be noted; and

(4) one-off funding for the 3 temporary posts to 30 June 2016, at a maximum total cost of £33,762, and a maximum amount of salary protection

funding for 3 years of £30,324, funded from the Contingency Budget

(The Portfolio Holders for this item were Councillors Cross, Gallagher, and Mobbs)

138. **Rural/Urban Capital Improvement Scheme (RUCIS) Application**

The Executive considered a report from Finance that provided details of two Rural/Urban Capital Improvement Scheme grant applications, one from The Gap Community Centre (Warwick Percy Estate) and a second from Budbrooke Community Association.

The Council operated a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended were in accordance with the Council's agreed scheme and provided funding to help the project progress.

The Gap Community Centre project was for the refurbishment of the men's, women's and disabled toilet facilities; new toilets and urinals, covering of pipes with bathroom units, new baby changing table, new hand driers, installation of windows to allow for natural light and ventilation, new instant lighting with timers, new sinks and taps that are self-stopping, new flooring that could be easily cleaned, replacing damaged ceiling tiles and easily cleanable paint.

Along with insulating the building based on the recommendations made in an "Act on Energy" Report; treat all elevations of the original community centre building with cavity wall insulation and tidy/patch up existing loft insulation.

This project contributed to the Council's Sustainable Community Strategy as without the community centre there would be fewer opportunities for the community to enjoy and participate in physical, social and cultural activities which could potentially result in an increase in anti-social behaviour, an increase in obesity (including in children) and disengage and weaken the community. Whilst the centre was not located in a disadvantaged area, it was on the periphery of several pockets of deprivation and a large proportion of their users lived in these areas. The project would provide refurbished toilet facilities which would remove current Health & Safety concerns and make the centre more environmentally "green" and improving the insulation would reduce the centre's running costs; this would help to ensure that the centre continued to remain viable and continued to provide activities for the community.

The application from Budbrooke Community Association was to extend the Budbrooke Community Centre to allow for a new storage facility to be built; this would be used by the community centre committee and user groups to store essential equipment required for the delivery of their sessions.

This project contributed to the Council's Sustainable Community Strategy as without the community centre there would be fewer opportunities for the community to enjoy and participate in physical, social and cultural activities which could potentially result in an increase in anti-social behaviour, an

increase in obesity (including in children) and disengage and weaken the community. The project would provide a new storage facility which would remove current Health & Safety concerns and may encourage other groups to use the centre thus increasing opportunity for the community to participate in activities.

The Council had only a specific capital budget to provide grants of this nature and therefore there were no alternative sources of funding if the Council was to provide funding for Rural/Urban Capital Improvement Schemes. The Executive could choose not to approve the grant funding, or to vary the amount awarded.

Resolved that that

(1) Gap Community Centre be awarded a Rural/Urban Capital Improvement Grant from the urban cost centre budget for The Gap Community Centre of 42% of the total project costs to refurbish the men's, women's and disabled toilet facilities and insulate the building, as detailed within the report, up to a maximum of £16,097 including vat as supported at Appendix 1 to the report; and

(2) Budbrooke Community Association be awarded a Rural/Urban Capital Improvement Grant from the rural cost centre budget for Budbrooke Community Association of 44% of the total project costs to extend the Budbrooke Community Centre to allow for a new storage facility to be built, as detailed within the report, up to a maximum of £30,000 including vat, as supported by Appendix 2 to the report.

(The Portfolio Holder for this item was Councillor Whiting)
Forward Plan reference 760

139. **Significant Business Risk Register**

The Executive considered a report from the Senior Management Team of the Council and Leader of the Council that set out the latest version of the Council's Significant Business Risk Register for review by the Executive. It has been drafted following a review by the Council's Senior Management Team and the Leader of the Council.

The report sought to assist the Executive in fulfilling its role in overseeing the organisation's risk management framework. In its management paper, "Worth the risk: improving risk management in local government", the Audit Commission set out clearly the responsibilities of members and officers with regard to risk management "Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements.

The role of senior officers was to implement the risk management policy agreed by members.

It was important that the Chief Executive was the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it was unlikely that the chief executive would have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility."

The Significant Business Risk Register (SBRR) recorded all significant risks to the Council's operations, key priorities, and major projects. Individual services also had their own service risk registers.

The SBRR was reviewed quarterly by the Council's Senior Management Team and the Council Leader and then, in keeping with members' overall responsibilities for managing risk, by the Executive. The latest version of the SBRR was set out as Appendix 1 to the report.

A summary of all the risks and their position on the risk matrix, as currently assessed, was set out as Appendix 2 to the report.

The scoring criteria for the risk register were judgemental and were based on an assessment of the likelihood of something occurring, and the impact that might have. Appendix 3, to the report, set out the guidelines that were applied to assessing risk.

In line with the traditional risk matrix approach, greater concern should be focused on those risks plotted towards the top right corner of the matrix whilst the converse was true for those risks plotted towards the bottom left corner of the matrix. If viewed in colour, the former set of risks would be within the area shaded red, whilst the latter would be within the area shaded green; the mid-range would be seen as yellow.

Any movements in the risk scored over the last six months were shown on the risk matrices in Appendix 1, to the report.

More than six months ago there were three risks in the "red zone". Since then, as advised to previously, following the introduction of additional controls and mitigations, two had come out of the red zone.

The main factors pertinent to the, 'Risk of corporate governance arrangements not maintained effectively', being removed from the red zone were that Group Leaders signing up to an informal protocol with regard to sanctions imposed by Standards against errant Members; and well-attended induction training sessions, thus far, for new Members.

The agreement to various projects set out in the FFF report to Executive on 3 September 2015 had resulted in the 'Risk of insufficient finance to enable the Council to meet its objectives (including insufficient reduction in operational

costs)' being taken out of the red zone because the actions significantly reduced the likelihood of the risk occurring.

This left just the 'Risk of Local Plan being unsound' in the red zone. The Planning Inspector considering the Local Plan advised that the plan in its current form would be found unsound unless the Council withdrew it. Having considered this, the Council wrote to the Inspector to ask that they re-considered and suspended the plan to allow time for the Authorities in the sub-region to agree how they would deal with un-met need from Coventry, together with addressing our windfall allowance. The Planning Inspector agreed to this. The modifications had now been agreed by Council and were currently the subject of consultation. Until the whole of the new Local Plan was agreed the Authority was exposed to the possible consequences that were detailed in the Local Plan Risk Register. This risk therefore remained in the red zone. The consequences of the risk had been expanded to outline the impact the delay in the Local Plan might have on infrastructure funding and the Sustainable Community Strategy.

As part of the process of assessing the significant business risks for the Council, some issues had been identified which at this stage did not necessarily represent a significant risk, or even a risk at all, but as more detail emerged might become one. These included; Staff recruitment and retention; and the impact of national housing policy proposals on the Council's ability to remain a viable landlord.

Officers were looking in more detail at these areas. A piece of research had been asked of the Council's HR team to look into the data around staff recruitment and retention issue to determine if it was the issue that it was believed to be; and, the updated HRA Business Plan had been presented to March 2016 Executive, with a further update due later in the year when there was more certainty as to the impact of the Planning and Housing Bill. The SBRR would be updated as necessary in the light of this additional work and officers would continue to scan to identify other potentially emerging risks. Officers were undertaking a PEST and SWOT analysis in the light of a huge number of changes in the Council's operating environment which would be reported later in the year.

The report was not concerned with recommending a particular option in preference to others so this section was not applicable.

The Finance & Audit Scrutiny Committee supported the recommendation.

Resolved that

(1) the Significant Business risk Register be noted; and

(2) the potential emerging risks of staff recruitment and retention; and the impact of national housing policy proposals on the Council's ability to remain a viable landlord be noted.

(The Portfolio Holder for this item was Councillor Mobbs)

140. **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 three 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.

Minute No.	Para Nos.	Reason
141, 142 and 143	1	Information relating to an Individual
141, 142 and 143	2	Information which is likely to reveal the identity of an individual

(The full minutes for the following items will be detailed within the confidential minutes for this meeting.)

141. **Prosperity Agenda – Appendix 3**

This appendix provided confidential information regarding costs as detailed in Minute 137 - Prosperity Agenda – Service Re-design proposals.

The Executive was mindful of this when considering the information in Minute 137 - Prosperity Agenda – Service Re-design proposals.

Resolved that the Appendix be noted.

(The Portfolio Holders for this item were Councillors Cross, Gallagher and Mobbs)

142. **Customer Contact Role Review**

The Executive considered a report from the HR Manager, the recommendations of which were approved.

(The Portfolio Holder for this item was Councillor Mobbs)
(Forward Plan Reference number 689)

143. **Confidential Minutes**

The confidential minutes of the 10 February 2016 were taken as read and signed by the Chairman as a correct record. The confidential minutes of the 9 March 2016 were not presented for consideration.

(The meeting ended at 7.05pm)