

**To: Leader and Members of the Executive Board  
(Councillors Humphreys, Chambers, Farrell, Hayfield, Phillips, Reilly, Simpson, Smith and D Wright)**

**For the information of other Members of the Council**

**For general enquiries please contact David Harris, Democratic Services Manager, on 01827 719222 or via e-mail - [davidharris@northwarks.gov.uk](mailto:davidharris@northwarks.gov.uk).**

**For enquiries about specific reports please contact the officer named in the reports.**

**The agenda and reports are available in large print and electronic accessible formats if requested.**

## **EXECUTIVE BOARD AGENDA**

**21 NOVEMBER 2016**

The Executive Board will meet in the Committee Room at the Council House, South Street, Atherstone, Warwickshire on Monday 21 November 2016 at 6.30pm

### **AGENDA**

- 1 Evacuation Procedure**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests**

- 4 **Minutes of the meetings of the Board held on 19 September 2016** - copy herewith to be agreed as a correct record and signed by the Chairman.

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members. Questions should be submitted by 9.30am 2 working days prior to the meeting. Participants are restricted to five minutes each. If you wish to put a question to the meeting please contact David Harris on 01827 719222 or email [democraticservices@northwarks.gov.uk](mailto:democraticservices@northwarks.gov.uk).

## **ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)**

- 6 **2015/16 Annual Audit Letter** - Report of the Deputy Chief Executive

**Summary**

This report presents the 2015/16 Annual Audit Letter received from the Council's external auditors, Ernst & Young LLP.

The Contact Officer for this report is Sue Garner (719374).

- 7 **Key Corporate Issues** – Report of the Chief Executive

**Summary**

The purpose of this report is to draw Members' attention to the key Corporate issues facing the Council in the mid-term future. It seeks to assist Members in addressing these issues during the finalisation of the 2017/18 Corporate Plan and Budget and thereafter.

The Contact Officer for this report is Jerry Hutchinson (719200).

- 8 **Budgetary Control Report 2016/17 - Period Ended 31 October 2016** - Report of the Assistant Director (Finance and Human Resources)

**Summary**

The report covers revenue expenditure and income for the period from 1 April 2016 to 31 October 2016. The 2016/2017 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

The Contact Officer for this report is Nigel Lane (719371).

- 9 **Council Tax Support Scheme 2017/18** - Report of the Assistant Chief Executive (Community Services)

**Summary**

This report provides an update to the report agreed by this Board on 14 June 2016 concerning the Councils proposed localised Council Tax Support scheme (CTS) to be implemented on 1 April 2017.

The Contact Officer for this report is Bob Trahern (719378).

- 10 **Calendar of Meetings 2017/18** – Report of the Chief Executive

**Summary**

The purpose of this report is to approve a calendar of meetings for 2017/18.

The Contact Officer for this report is David Harris (719222).

- 11 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets – April 2016 to September 2016** – Report of the Chief Executive and the Deputy Chief Executive

**Summary**

This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Executive Board for April to September 2016.

The Contact Officer for this report is Robert Beggs (719238).

- 12 **LEADER – Loans Agreements** – Report of the Assistant Director (Leisure and Community Development)

**Summary**

This report is requesting the Board's approval to operate an interest-free loan scheme for community and voluntary sector applicants for financial support through LEADER, which, otherwise, would be unable fund the cost of their project, in advance of receiving a grant.

The Contact Officer for this report is Simon Powell (719352).

- 13 **Submission of Arley Neighbourhood Plan for Adoption** - Report of the Assistant Chief Executive and Solicitor to the Council

**Summary**

This report informs Members of the progress of the Arley Neighbourhood Plan and seeks approval to adopt in accordance with section 16 of the Neighbourhood Planning (General) Regulations 2012.

The Contact Officer for this report is Sue Wilson (719499).

- 14 **Minutes of the meeting of the Local Development Framework Sub-Committee held on 31 October 2016** copy herewith to be received and noted.
- 15 **Minutes of the meeting of the Special Sub-Group held on 8 November 2016 (copy herewith)** to be received and noted.

JERRY HUTCHINSON  
Chief Executive

## NORTH WARWICKSHIRE BOROUGH COUNCIL

### MINUTES OF THE EXECUTIVE BOARD

19 September 2016

Present: Councillor Humphreys in the Chair

Councillors Chambers, Hayfield, Phillips, Reilly, Simpson, Smith, Sweet and D Wright

An apology for absence was received from Councillor Farrell (substitute Councillor Sweet)

Councillor Lea was also in attendance.

#### 27 **Disclosable Pecuniary and Non-Pecuniary Interests**

Councillor Simpson declared a non-pecuniary interest in Minute No 30 External Auditors' Report.

#### 28 **Minutes of the meeting of the Board held on 14 June 2016**

The minutes of the meeting of the Board held on 14 June 2016, copies having been circulated, were approved as a correct record and signed by the Chairman.

#### 29 **Financial Statements 2015/16**

The Deputy Chief Executive reported on the Annual Financial Statements for 2015/16 and Members were asked to agree a suggested course of action.

##### **Resolved:**

**That the 2015/16 Financial Statements shown in Appendix A to the report of the Deputy Chief Executive be approved.**

#### 30 **External Auditors' Report**

The Deputy Chief Executive submitted the External Auditors' report to those charged with governance. Stephen Clark and Avtar Sohal from Ernst & Young LLP were in attendance

##### **Recommended:**

**That the contents of the External Auditors' report be noted.**

**31 Financial Strategy 2017 – 2021**

The Deputy Chief Executive reported on the Authority's Financial Strategy, projected forward the Authority's General Fund budgets to 2020/21, and suggested a detailed budget approach for the 2017/18 General Fund Budget.

**Recommended:**

- a That the Financial Strategy shown as Appendix A to the report of the Deputy Chief Executive be approved;**
- b That the General Fund budget projections for 2017/18 to 2020/21 be noted; and**
- c That the budget approach, set out in section 12 of the report of the Deputy Chief Executive, be adopted.**

**32 Budgetary Control Report 2016/17 - Period Ended 31 August 2016**

The Assistant Director (Finance and Human Resources) reported on the revenue expenditure and income for the period from 1 April 2016 to 31 August 2016. The 2016/2017 budget and the actual position for the period, compared with the estimate at that date, was given, together with an estimate of the out-turn position for services reporting to this Board.

**Resolved:**

**That the report be noted.**

**33 Appointment of External Auditors**

The Deputy Chief Executive reported that the appointment of the Council's current auditors ended at the end of 2017-18 and it would therefore be necessary to appoint new auditors for the 2018-19 financial audit and beyond. The Board was asked to agree a suggested course of action.

**Recommended:**

**That the Council agrees to join the national scheme.**

34 **Needs and Redistribution of Funding**

The Deputy Chief Executive reported that the Government had issued a consultation paper on the assessment of relative spending needs for local authorities and the Board was asked to consider a draft response.

**Recommended:**

**That the draft consultation response set out in the Appendix to the report of the Deputy Chief Executive be agreed.**

35 **100% Business Rates Retention Consultation**

The Deputy Chief Executive reported on the areas covered within the Government's consultation document on 100% Business Rates Retention and the Board was asked to consider a suggested response.

**Recommended:**

- a **That in principle the draft response to the consultation set out in Appendix A to the report of the Deputy Chief Executive be endorsed; and**
- b **That the Deputy Chief Executive, in consultation with the Leader of the Council, be authorised to agree the final version of the response.**

36 **Review of Leisure, Health and Well-being Provision in North Warwickshire – Use of Urgent Business Powers**

The Board was asked to note the action taken under the Chief Executive's Urgent Business Powers to engage consultants to undertake the previously approved Review of Leisure, Health and Well-being Provision in North Warwickshire. In addition the Board was asked to note the increase in the revenue budget through which to carry out this work.

**Resolved:**

- a **That the action taken under the Chief Executive's Urgent Business Powers to engage consultants to undertake the approved Review of Leisure, Health and Well-being Provision in North Warwickshire be noted; and**
- b **That the £15,250 increase in the revenue budget, consequent upon the engagement of the Leisure, Health and Well-being Review consultants be noted.**

37 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – June 2016**

The Chief Executive informed Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Executive Board for April to June 2016.

**Resolved:**

**That the report be noted.**

38 **Board Membership**

The Chief Executive sought authority for any possible amendments to representation on Boards resulting from the Arley and Whitacre Ward By-Election to be tabled at the Full Council meeting to be held on Wednesday 28 September 2016.

**Recommended:**

**That any amendments to representation on Boards following the Arley and Whitacre Ward By-Election be tabled at the Full Council meeting to be held on Wednesday 28 September 2016.**

39 **Efficiency Plan**

The Deputy Chief Executive reported that the Government had given local authorities the opportunity to apply for a four year financial settlement deal. Applications were required by 14 October 2016. The Board was asked to agree a suggested course of action.

**Recommended:**

**That the application for a four year settlement deal and the Efficiency Plan attached at Appendix A to the report of the Deputy Chief Executive be approved.**

40 **Minutes of the meeting of the Local Development Framework Sub-Committee held on 3 August 2016**

The minutes of the Local Development Framework Sub-Committee held on 3 August 2016 were received and noted.

41 **Minutes of the meeting of the Safer Communities Sub-Committee held on 19 July 2016**

The minutes of the meeting of the Safer Communities Sub-Committee held on 19 July 2016 were received and noted.



42 **Minutes of the meetings of the Special Sub-Group held on 26 July, 23 August and 13 September 2016**

The minutes of the meetings of the Special Sub-Group held on 26 July, 23 August and 13 September 2016 were received and noted.

David Humphreys  
Chairman

**Agenda Item No 6**

**Executive Board**

**21 November 2016**

**Report of the  
Deputy Chief Executive**

**2015/16 Annual Audit Letter**

**1 Summary**

- 1.1 This report presents the 2015/16 Annual Audit Letter received from the Council's external auditors, Ernst & Young LLP.

<p><b>Recommendation to the Council</b></p> <p><b>That the report presented as Appendix A be noted.</b></p>
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**2 Introduction**

- 2.1 The Council's external auditors, Ernst & Young LLP, have summarised the work they undertook relating to the 2015/16 financial year in an annual audit letter. The information contained in the letter has already been presented to Board at its September meeting, so the annual audit letter is attached as Appendix A for information only.

**3 Report Implications**

**3.1 Finance and Value for Money Implications**

- 3.1.1 Budget provision for external audit costs has been made. The auditors review the financial arrangements of the Council, including an assessment of the value for money achieved by the council in terms of economy, efficiency and effectiveness.

**3.2 Risk Management Implications**

- 3.2.1 An external audit process provides some assurance over the Council's internal control system, and highlights any areas where improvements could be made.

The Contact Officer for this report is Sue Garner (719374).

**Background Papers**

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

# North Warwickshire Borough Council

Annual Audit Letter for the year ended 31 March 2016

October 2016

Ernst & Young LLP

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In April 2015 Public Sector Audit Appointments Ltd (PSAA) issued ‘Statement of responsibilities of auditors and audited bodies 2015-16’. It is available from the Chief Executive of each audited body and via the PSAA website ([www.psaa.co.uk](http://www.psaa.co.uk))

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The ‘Terms of Appointment from 1 April 2015’ issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

A hand with white nail polish is writing on a document with a blue pen. In the background, there is a calculator, a laptop, and a white mug. A yellow rectangular box is overlaid on the left side of the image.

## Executive Summary

## Executive Summary

We are required to issue an annual audit letter to North Warwickshire Borough Council following completion of our audit procedures for the year ended 31 March 2016.

Below are the results and conclusions on the significant areas of the audit process.

Area of Work	Conclusion
Opinion on the Council's: ▶ Financial statements	We issued an unqualified opinion – the financial statements give a true and fair view of the financial position of the Council as at 31 March 2016 and of its expenditure and income for the year then ended
▶ Consistency of other information published with the financial statements	Other information published with the financial statements was consistent with the Annual Accounts
Concluding on the Council's arrangements for securing economy, efficiency and effectiveness	We concluded that you have put in place proper arrangements to secure value for money in your use of resources

Area of Work	Conclusion
Reports by exception: ▶ Consistency of Governance Statement	The Governance Statement was consistent with our understanding of the Council
▶ Public interest report	We had no matters to report in the public interest
▶ Written recommendations to the Council, which should be copied to the Secretary of State	We identified a number of observations and improvement recommendations in relation to management's financial processes and controls
▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report

Area of Work	Conclusion
Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA).	We had no matters to report

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As a result of the above we have also:

Area of Work	Conclusion
Issued a report to those charged with governance of the Council communicating significant findings resulting from our audit.	Our Audit Results Report was issued on 19 September 2016
Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice.	Our certificate was issued on 23 September 2016

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In January 2016 we will also issue a report to those charged with governance of the Council summarising the certification work we have undertaken.

We would like to take this opportunity to thank the Council's staff for their assistance during the course of our work.

Stephen Clark

Partner  
For and on behalf of Ernst & Young LLP

Purpose





## Purpose

### The Purpose of this Letter

The purpose of this annual audit letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Council.

We have already reported the detailed findings from our audit work in our 2015/16 Audit Results Report to the 19 September 2016 Executive Board, representing those charged with governance. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Council.



Responsibilities

## Responsibilities

### Responsibilities of the Appointed Auditor

Our 2015/16 audit work has been undertaken in accordance with the Audit Plan that we issued on 26 January 2016 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

- ▶ Expressing an opinion:
  - ▶ On the 2015/16 financial statements; and
  - ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
  - ▶ If the annual governance statement is misleading or not consistent with our understanding of the Council;
  - ▶ Any significant matters that are in the public interest;
  - ▶ Any written recommendations to the Council, which should be copied to the Secretary of State; and
  - ▶ If we have discharged our duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The extent of our review and the nature of our report are specified by the NAO.

Undertaking any other work specified by the Code of Audit Practice.

## Responsibilities of the Council

The Council is responsible for preparing and publishing its statement of accounts accompanied by an Annual Governance Statement. In the AGS, the Council reports publicly each year on how far it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in year, and any changes planned in the coming period.

The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

# Financial Statement Audit



## Financial Statement Audit

### Key Issues

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

We audited the Council and Pension Fund's Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office and issued an unqualified audit report on 23 September 2016.

Our detailed findings were reported to the 19 September Executive Board.

The key issues identified as part of our audit were as follows:

Significant Risk	Conclusion
<p>Management override of controls</p> <p>A risk present on all audits is that management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly, and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Auditing standards require us to respond to this risk by testing the appropriateness of journals, testing accounting estimates for possible management bias and obtaining an understanding of the business rationale for any significant unusual transactions.</p>	<p>We tested the appropriateness of journal entries recorded in the general ledger along with the other adjustments made in the preparation of the financial statements, using the criteria we set. We reviewed accounting estimates most susceptible to management bias and evaluated the business rationale for any significant unusual transactions.</p> <p>We have not identified any material weaknesses in controls or evidence of material management override.</p> <p>We have not identified any instances of inappropriate judgements being applied.</p> <p>We did not identify any other transactions during our audit which appeared unusual or outside the Council's normal course of business</p>

<p>Revenue and expenditure recognition</p> <p>Auditing standards also required us to presume that there is a risk that revenue and expenditure may be misstated due to improper recognition or manipulation.</p> <p>We respond to this risk by reviewing and testing material revenue and expenditure streams and revenue cut-off at the year end.</p>	<p>We have rebutted the risk of improper revenue recognition at the Council. The risk of improper expenditure recognition presents itself only in other service expenses</p> <p>We reviewed and tested expenditure recognition policies. We then reviewed and discussed with management any accounting estimates on expenditure recognition for evidence of bias. We developed a testing strategy to test material expenditure streams. We reviewed and tested cut-off at the period end date.</p> <p>Our testing has not revealed any material misstatements with respect to revenue and expenditure recognition.</p> <p>Overall our audit work did not identify any issues or unusual transactions which indicated that there had been any misreporting of the Council's financial position.</p>
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<p>Property Plant Equipment Valuation</p> <p>A significant proportion of the Councils balance sheet is in respect to Property Plant and Equipment</p>	<p>We tested the revaluation cycle, including instruction and completeness of information provided by the valuer. We reviewed the classification of assets and ensured that the correct valuation method has been applied. We reviewed the approach adopted by the valuer and their findings.</p> <p>We identified that the adjustments to the Revaluation Reserve within the FAR relating to the write off of the revaluation reserve balances over the useful economic life of the asset had not been posted to the general ledger. The revaluation reserve has been misstated by £771k in 2015/16 and £356k in 2014/15. The misstatement has been adjusted and there is no impact on the general fund.</p>
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Other Key Findings	Conclusion
Other	<p>Our testing of payments made in April 2016 identified that some NDR appeal refunds were paid in April 2016 but were due prior to the 2015/16 year end. The error identified by the audit team was approximately £906k. The necessary amendments to the financial statements have been made and there is no impact on the general fund.</p>

A close-up, shallow depth-of-field photograph of a stack of coins. The coins are stacked vertically, with the edges of several coins visible. The lighting is warm, highlighting the metallic texture and the ridges on the edges. A bright yellow rectangular box is overlaid on the left side of the image, containing the text "Value for Money".

Value for Money

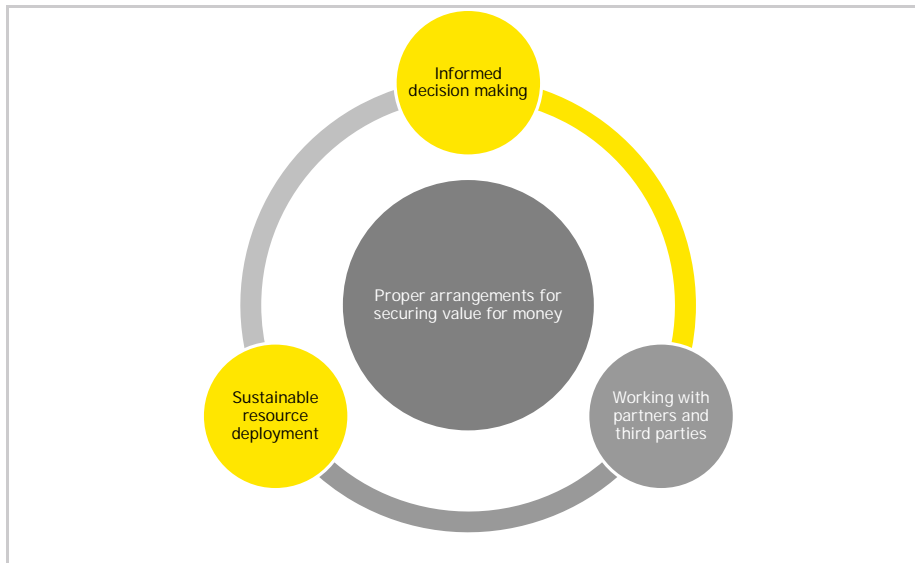


## Value for Money

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

- Take informed decisions;
- Deploy resources in a sustainable manner; and
- Work with partners and other third parties.



We issued an unqualified value for money conclusion on 23 September 2016.

Our audit did not identify any significant matters in relation to the Council's arrangements.



Other Reporting  
Issues

## Other Reporting Issues

### Whole of Government Accounts

We performed the procedures required by the National Audit Office on the accuracy of the consolidation pack prepared by the Council for Whole of Government Accounts purposes. We have no issues to report.

### Annual Governance Statement

We are required to consider the completeness of disclosures in the Council's annual governance statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading. We completed this work and did not identify any areas of concern.

### Report in the Public Interest

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Council or brought to the attention of the public.

We did not identify any issues which required us to issue a report in the public interest.

### Written Recommendations

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response.

We did not identify any issues which required us to issue a written recommendation.

### Objections Received

We did not receive any objections to the 2015/16 financial statements from member of the public.

### Other Powers and Duties

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

## Independence

We communicated our assessment of independence in our Audit Results Report to the Executive Board on 19 September 2016. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.

## Control Themes and Observations

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you significant deficiencies in internal control identified during our audit.

We have adopted a fully substantive approach and have therefore not tested the operation of controls.

The matters reported are shown below and are limited to those deficiencies that we identified during the audit and that we concluded are of sufficient importance to merit being reported.

Description	Impact
Revaluations of Investment Property	Testing of revaluations of Investment properties identified investment property assets which had not been revalued in the year. The CIPFA code states that all investment properties should be subject to annual revaluations unless the authority can demonstrate that the carrying value is not materially different from the Fair Value at that reporting date. We recommend that all Investment Properties are revalued on an annual basis as to be compliant with the CIPFA Code.
Fixed Asset Register (FAR)	<p>A number of control recommendations were made during our systems and walkthrough testing of PPE.</p> <p>The revaluations conducted by the professional valuer should be tracked against the original list of assets requested to be valued to ensure all assets are revalued.</p> <p>A reconciliation should be undertaken between the list of the valuations from the professional valuer and the postings made to the FAR and similar reconciliations should be conducted for significant changes to the fixed asset register including reconciliations for postings of additions, disposals, and movements. A formal reconciliation should be undertaken between the fixed asset register and the general ledger before and after the year end fixed asset postings have been made to the ledger.</p>

Information on asset lives per the fixed the asset register should be updated and be consistent with other information, such as valuation reports.

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Impairment Review

An impairment review had been conducted during the 2015/16 via confirmations from asset managers of any indicators of impairment. This review should be extended to include an assessment by the professional valuer for any indicators of impairments in the reporting period and any significant valuation changes in the reporting period that have not been captured by the formal annual valuation process.

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Appendix A

## Audit Fees



## Appendix A Audit Fees

Our fee for 2015/16 is in line with the scale fee set by the PSAA and reported in our 26 January 2016 Audit Plan.

Description	Proposed Final Fee 2015/16 £	Scale Fee 2015/16 £	Variation comments
Total Audit Fee – Code work	42,361	42,361	None noted
Certification of claims and returns	TBC	11,388	Work to be completed

Our actual fee is in line with the scale fee set by the PSAA at this point in time, subject to satisfactory clearance of the outstanding work.

We confirm we have not undertaken any non-audit work outside of the PSAA's requirements.

EY | Assurance | Tax | Transactions | Advisory

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ED None

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## **Agenda Item No 7**

### **Executive Board**

**21 November 2016**

#### **Report of the Chief Executive**

#### **Key Corporate Issues**

### **1 Summary**

- 1.1 The purpose of this report is to draw Members' attention to the key Corporate issues facing the Council in the mid-term future. It seeks to assist Members in addressing these issues during the finalisation of the 2017/18 Corporate Plan and Budget and thereafter.

#### **Recommendation to the Council**

**That the issues raised in this report be taken into consideration by Members when preparing the Corporate Plan and Budget for 2017/18 and beyond.**

### **2 Consultation**

- 2.1 Many of the key issues in this report have been the subject of discussions in various Board meetings and with political groups.

### **3 Introduction**

- 3.1 Members have already agreed the Financial Strategy 2017-21 and consequently in broad terms many of the issues referred to below are within Members' knowledge.
- 3.2 The purpose of the report is to give Members a strategic overview of the main issues affecting the Council to aid both short term decision making and medium term planning.
- 3.3 In putting this report together, I have used information given to Members in previous years so, hopefully, much of the content will be familiar.
- 3.4 There have been significant changes over the last couple of years however and the pace of change is likely to accelerate.

## 4 **Snapshot of the Borough**

- 4.1 It is perhaps useful to start by setting out a brief description of North Warwickshire, as it is today.
- 4.2 It is a rural former mining area with virtually no population growth over the last twenty years, but the new Local Plan will result in growth that is significantly higher than historically.
- 4.3 In employment terms, it is very popular due to its strategic position on the transport network. This includes A5, M6, M42, M6 Toll, West Coast Mainline, two rail-served major logistics sites, located between Birmingham and East Midlands Airports and bordering the cities of Birmingham and Coventry, in addition to the large towns of Nuneaton and Tamworth.
- 4.4 Due to its location, the economic connections go in a number of directions, namely towards Greater Birmingham (including South Staffordshire); Leicestershire (particularly Hinckley & Bosworth) and the Coventry and Warwickshire sub-region.
- 4.5 Because of this, there is a great deal of inward and outward job migration. Evidence of this is that from the latest Census release, we have one of the highest day time increases in male population in the country.
- 4.6 Despite its key strategic position in the country, North Warwickshire does still have a significant issue with communication and access. This has, to some extent, been addressed by the setting up of rural hubs around the Borough, which have also helped compensate for the loss of some key services e.g. libraries, but there is still an underlying issue around Broadband access and rural transport, particularly, but not exclusively, in relation to accessibility to local employment. The accessibility issue is also key in relation to the fact that we have an ageing population and financial constraints which are pulling key services out of rural areas and into towns and cities.

## 5 **Key External Issues Affecting North Warwickshire**

- 5.1 As with any organisation, external factors have a huge impact on what it can and cannot do and its direction of travel. This next section looks at the various external issues which may affect the Borough over the next few years.

## 5.2 Political

5.2.1 In the recent past and driven largely by the economy, there has been a continuing drive for reduction in public service levels. Linked to this, there has been a relaxation of regulation, particularly over Planning, and, of particular relevance for North Warwickshire, the emergence of HS2 as a national infrastructure project.

5.2.2 This potentially means that national policy issues will leave us with even less money as an organisation, whilst dealing with the effects of a major infrastructure project running right through the Borough and increasing demands to develop the Borough (both in terms of housing and employment land) to meet national and regional requirements.

## 5.3 Economic

5.3.1 There is a distinct overlap between political and economic issues and, helped by the national drive to build more housing, there has been an upsurge in the demand for residential development in areas around the Borough. This is likely to have a significant impact on what North Warwickshire will look like in the future.

5.3.2 That the demand is coming from Tamworth, Birmingham and, to some extent, Coventry too.

5.3.3 In addition to the housing demand, however, there may well be economic pressures on our borders. Birmingham Airport has already made overtures about expansion, HS2 is almost certainly coming and there have been a number of studies suggesting that a lot more strategic allocations of employment land are needed in the West Midlands.

5.3.4 Government policy encourages Councils to embrace this growth with incentives such as Business Rate income, although it is still unclear how this will work following the move to 100% funding and, currently, New Homes Bonus.

5.3.5 The other side of the coin is that the growth will put additional strains on the infrastructure of the Borough and on the provision of public services by a number of agencies, whether it is schools, policing, health services, social care, refuse collection or a host of other issues.

5.3.6 Whilst planning agreements with Developers may help with some additional costs, it is highly unlikely to be sufficient. The Council has made the provision of sufficient infrastructure an important issue and a number of other agencies are engaged in this work. Given the statutory requirements for such agreement and the Community Infrastructure Levy, agreements are still significant in helping with the delivery of affordable housing.

## 5.4 Social

5.4.1 North Warwickshire has a higher than average demographic profile, with a relatively low proportion of 20-39 year olds. There is already a national issue about how the public sector will cope with our ageing population moving into the future and North Warwickshire's demands are likely to become acute more quickly, simply because of that demographic profile. To give some perspective, the recent Quality of Life in Warwickshire Key Message Report 2015/16 projects a 180% increase in the number of residents aged 85 and over between 2012 and 2037.

5.4.2 In terms of employment opportunities for younger people in the Borough, there is no shortage of jobs, but many of them are low paid. The Quality of Life Report above shows that median annual earnings in Rugby are £7,941 greater than in North Warwickshire. In terms of skills, school results are generally improving in the Borough, but there is still work to be done around linking the skills that people have to employer requirements, with engineering being a particular issue, as it is nationally. Proposed allocations in the Local Plan seek to address this by supporting high tech employers such as MIRA, but the Council will continue to face pressure to release land for logistics.

5.4.3 The ongoing issue of rural isolation continues to be a factor in terms of, for example, access to services for older people and access to employment for younger ones. The establishment of hubs around the Borough has made some impact on this issue.

5.4.4 The link to the Quality of Life in Warwickshire Key Messages Report 2015/16 is <http://www.warwickshireobservatory.org/warwickshire-quality-of-life-key-messages-201516/>

## 5.5 Technical

5.5.1 Since 2012, the availability of Superfast Broadband has increased from just 50% of the Borough having access, to 83%. Additional BDUK grant and match funding from this Council and the County Council is expected to take coverage to 98% of Warwickshire. However, due to the rural nature of the Borough, it is likely to have a higher proportion of people and premises which are unable to access Superfast Broadband. Whilst ways of addressing this shortfall are being investigated, we need to be mindful of the impact this will have on those not served going into the future.

## 6 Internal Issues

6.1 North Warwickshire Borough Council has been in existence for over forty years and prides itself on delivering effective and efficient local services to meet local need. This has been more and more challenging over the last few years as finances have continued to diminish, but the authority has been peer assessed as “punching far beyond its weight”. This section looks at North Warwickshire Borough Council as an organisation and the challenges it might face over the next few years.

### 6.2 Partnership

6.2.1 The financial constraints applying to the Council also affect many other bodies in the public and third sectors. This has sharpened the thinking of many organisations in terms of working in partnership and this Council has a good track record of achieving impressive results through partnership. This was picked up in the Council’s Peer Challenge in 2013, with examples around the Welfare Reform Agenda particularly highlighted. There are many others, eg:-

- Maximising public building usage by having other agencies in the Council offices, most notably the co-located Job Centre, Warwickshire Police and Warwickshire County Council officers;
- Sharing the Building Control Service with Nuneaton & Bedworth Borough Council;
- Shared management of Revenues & Benefits, also with Nuneaton & Bedworth Borough Council;
- A number of joint leisure partnerships with local schools;
- Joint working on HS2 and economic development;
- Partnership arrangements with key local parishes around the ongoing development of community hubs;
- Running a successful food operation in partnership with the private sector and local charities, supporting vulnerable customers and community groups since 2013;
- North Warwickshire Community Partnership;
- The LEADER Project, undertaken in partnership with organisations in the business and third sector, as well as with Hinckley & Bosworth Borough Council;

- The Warwickshire North Health & Wellbeing Partnership;
- Sharing or employing staff from neighbouring local authorities on a part-time or short-term basis in areas where we lack expertise or capacity (eg, engineering, recycling promotion, land valuations and project management); and
- The HEART Partnership with Nuneaton & Bedworth and Rugby Borough Councils and Warwickshire County Council.

6.2.2 It is important that the authority continues to look to use partnerships for savings opportunities but, equally important, is that we use them to ensure that North Warwickshire has a voice. In public sector terms, North Warwickshire Borough Council is a very small player sub-regionally and, as a result, does not always find itself at the table in terms of bigger strategic issues (eg, the LEP, although there are very recent signs that this might change).

6.2.3 We have, however, found ways of influencing partnership agendas, eg, through the Coventry & Warwickshire Joint Committee, involvement in City Deal, etc. As a result of this, we have been able to get more recognition given, for example, to the need to improve the A5.

6.2.4 As the economy takes off and there is increasing demand for space to construct new housing and employment sites, the Council needs to consider what its position is and how it can best influence that agenda. We are currently part of the Coventry & Warwickshire LEP, but much of the pressure on North Warwickshire is coming from across the border in Greater Birmingham (which includes Southern Staffordshire).

6.2.5 Having our own Core Strategy was an important first step, but it needs to be revised to deal with the development pressures from outside our boundaries.

6.2.6 Whilst it is for this Council to decide how it wants to deal with the opportunities and threats coming from any economic upsurge, it will be important to ensure that we have mechanisms for ensuring that our voice is listened to and, indeed, whether we are in the right partnerships at all.

6.2.7 The major new factor at a local level coming out of the Government's Devolution Agenda has been the emergence of the West Midlands Combined Authority (WMCA). This has started to change much of the thinking around strategic partnership working and whilst the Borough is an even smaller cog in the wheel, there seems in these early stages to be more opportunity to have a seat at the table on key initiatives. In deciding where to deploy spare and diminishing resources, this new player cannot be ignored.

6.2.8 There is undoubtedly going to be an ongoing debate about what are the right structures for running public services in both the sub-region and the West Midlands.

6.2.9 Members have already taken the decision that they do not support a Unitary Warwickshire County Council, but there are other opportunities for working in partnership with bodies, both inside and outside local government and inside and outside the County. If the Council wants to remain in charge of its own destiny, we need to look seriously at how we want to take opportunities for partnership working forward and to keep abreast of wider initiatives to take forward Public Sector Reform.

## 7 **Stakeholders**

7.1 This is a brief section on who our stakeholders are and what their aspirations might be.

### 7.2 Politicians

7.2.1 Members' aspirations will, however, be constrained by diminishing resources which means that it is highly unlikely whether we can continue to run "business as usual" right across the board.

7.2.2 Members will, therefore, have some difficult choices to make over priorities going forward.

### 7.3 Staff

7.3.1 We continue to have a relatively well-motivated, stable and dedicated workforce and largely deliver services in-house, despite the challenges caused by the ongoing financial reductions. (This includes redundancies as services are cut back.) As the economy and local opportunities have changed, there has been a recent notable increase in external movement in staff which has begun to create difficulties in recruiting to our more senior vacancies in a number of key areas in what are already small teams. In addition, despite using a number of successful initiatives to reduce short term sickness levels, the overall position remains a concern. Consequently, this is an area where we need to continue to focus, despite much being attributed to long-term cases over which we have limited influence, although they are proactively managed.

7.3.2 Staffing changes will create both opportunities and problems. Staff development through training, including for professional qualifications, apprenticeships, etc, and particularly looking at our future leaders, is an area that needs to be given proper consideration, as ways of ensuring that we both recruit and retain our best staff.

### 7.4 Local Community

7.4.1 Whilst there have been significant cuts in Council spending over the last few years, these have only recently started to filter through to delivery of front-line services.

7.4.2 It is difficult to see how it will be possible to continue to deliver everything going into the next few years and Members know that they will have to make some difficult choices. There will be some interesting challenges with the local community, if and when things stop happening. It is going to be vital to have absolute clarity about the direction the Council is going in and consulting and getting messages out well in advance of taking any action.

7.4.3 The Housing Division works closely with its tenants and specifically the Borough Wide Tenants' Forum to deliver the Council's landlord services. The Forum provides for a scrutiny role and supports the Division in policy development.

## 7.5 External Partners

7.5.1 We work with a number of organisations across the public and voluntary sectors, as well as with local businesses.

7.5.2 Many of these organisations are reviewing how they provide and deliver services and often the Council is seen as a long-stop when local services disappear. Whilst there are some really good examples where this makes sense (eg, providing accommodation for phlebotomy and physiotherapy services locally) what the Borough Council cannot do is pick up work that was mainstream for other organisations on a regular basis in order that they do not stop altogether. There will often be a real temptation to do this but, in the long-term, it is just not sustainable.

## 8 **Housing Services**

8.1 These fall into Statutory Services (private sector housing standards, homelessness, mandatory disabled facilities grants, stray dogs); Regulated Services (Council's landlord services – management and maintenance) and Non-Statutory Services (including Borough Care, Pest Control and CCTV in Atherstone).

### 8.1.1 Key Challenges

- The impact of the Housing & Planning Act provisions with regard to the finances for our stock and the implications for the role of Council tenancies in providing for housing need.
- Continuing and potentially increasing demand, from households with difficult financial issues which could be exacerbated by rising interest rates and further welfare reforms. Some of the



demand will be met by shared housing in the private sector. The Private Sector Team will face challenges with regard to property conditions and the need for enforcement.

- The knock-on impact on our customers of reducing budgets in partner organisations, particularly in Social Services and Health. There is a call for joined up working to deliver savings across the health and social care economy. We are well placed to support this agenda, but true partnership working remains underdeveloped.
- Ensuring that there is sufficient grant funding for the Council to carry out its statutory responsibilities for mandatory Disabled Facilities Grants, following the inclusion of grant monies in the pooled Better Care Fund. It is crucial that bodies who dictate how the funding is spent understand the impact of their decisions.
- As a landlord, maintaining our 30 year Business Plan in the context of:-
  - (a) Dealing with the impact of more Right to Buy sales;
  - (b) Collecting rent in the face of Welfare Reforms and changes to rent restructuring; and
  - (c) Being able to let our family homes, if the under-occupation charge continues and single person flats in face of the shared room rate limits for under 35s.
- In terms of stock maintenance, we need to balance making a contribution to providing homes both strategically in partnership and through delivery of our own stock on the one hand whilst, on the other, not impacting on our ability to provide high quality homes through our existing stock.
- The review of Borough Care has been challenging and, whilst charging is now being implemented, decisions about the shape of the service are crucial and will bring their own set of new challenges.

## 8.2 **Revenues & Benefits and Customer Services**

8.2.1 As mentioned above, the current economic position is still having a significant impact, particularly on those on low income, as welfare reforms that started in 2011 continue to take effect. There are, however, some positive signs:-

- The Council has been able to retain its Council Tax Support scheme at a maximum level of 91.5% since introducing it in 2013 (in the best 25% schemes nationally), along with other discount and exemption changes that are raising increased income. Despite these changes, which have resulted in higher bills, the Council has returned in year collection rates of Council Tax to pre-2013 levels and, in respect of Business Rates, is in the top ten performing Councils in the country.
- Our Benefits caseload has steadily fallen from a peak in 2012 by nearly 15%. This can be attributed in part to the number of job opportunities in the area and less pensioners claiming support.
- Local Partnership initiatives such as Hubs and the Food Bank are helping local communities access help and advice.
- A positive trend is showing that more of our customers are choosing to pay by electronic methods where direct debit isn't preferred and more on-line services are being used, which has seen a reduction in telephone calls received.

8.2.2 Challenges include:-

- Those unemployed and left on the unemployment register will need significant support to be work ready. Many are currently in receipt of disability benefits that currently do not require them to work. This remains under ongoing review and initiatives are being delivered to help people into or nearer work.
- Further Welfare Reforms are planned for 2017 onwards. These will have a particular impact on tenants on social housing that will make collecting Housing Rents, Council Tax and Housing Benefit overpayments more challenging.
- The moving target of the Universal Credit programme delayed now by an expected further five years to 2022, as well as the ongoing annual cuts in benefits subsidy from the Government, is making the service more expensive to run and workforce planning more difficult. This has and continues to create uncertainty for staff due to both moving timescales and reductions in staffing capacity as funding is withdrawn.

- Workloads are becoming more complex as the welfare changes are increasingly requiring the Council to recover money from very low paid or unemployed residents with fewer resources. At the same time, funding for advice agencies such as CAB is reducing at a time that levels of personal debt in the area are increasing.
- Decisions need to continue to be reviewed on an annual basis regarding whether or not the Council can afford to maintain the current level of Council Tax Support and whether we can continue with initiatives such as the Food Bank and support of the Hubs as funding reduces.
- There are anticipated further changes to statutory regimes expected, particularly in respect of the administration of Business Rates. These are requiring increasing new demands and responsibilities to be taken on from 2017. There is also the phased introduction of Universal Credit and further welfare changes to implement, as stated above, and the need for an ongoing review of our Council Tax overpayment and rent arrear levels, as we are now dealing with people who can't, as opposed to won't, pay.
- Work that the Council has already put in place through its Financial Inclusion Partnership and, in particular, work with key partners in the DWP and Nuneaton & Bedworth Borough Council, should help us to help our residents "to do more to help themselves" and engage with greater online and remote support than was previously necessary. It cannot be understated how challenging this is as it is creating significant additional demands at a time of ongoing and reduced resource levels.

## 8.3 **Planning**

8.3.1 I have referred to the overall planning position in previous sections, but specific up and coming challenges include:-

- Getting the new draft Local Plan adopted, so as to provide a strong spatial strategy for the growth agenda.
- Dealing with a sustained increase in major planning applications and managing new development on a significant scale, so as to deliver new infrastructure and to integrate with existing communities.

- HS2 – dealing with the implications when Phase 1 starts to be constructed and working with the community to lobby Government on Phase 2, when this is announced.
- Continuing to deal with changes in the planning system, particularly those affecting affordable housing and the general reduction in the number of development proposals that come to the Council for decision.
- Coventry and Warwickshire LEP and Joint Committee – continuing to develop a role and maximising funding opportunities, linked to better working with Warwickshire County Council to produce “pipeline” projects for funding.
- Developing a coherent economic development picture for the Borough – based on the report carried out for the three A5 Councils following the LGA Peer Reviews and advice from LEADER Consultants and linked to the Birmingham, Tamworth, Coventry, HS2 and LEP issues above.

#### **8.4 Leisure & Community Development**

8.4.1 The key issue for the Division over the next twelve months will be the production and subsequent implementation of the Health, Wellbeing and Leisure Strategy, the Leisure Facilities Strategy, Green Space Strategy and Playing Pitch Strategy, which together will provide the long-term framework and strategic direction for the Borough Council’s involvement in these important aspects of service provision. These strategies will each take account of predicted population and housing growth over the next fifteen years and, therefore, will have profound implications for the nature of services to be provided for and within the local economy.

8.4.2 It is anticipated that this body of work will have immediate implications for the following areas of activity:-

- The increase in the importance of landscapes and open space functions. Whilst much has been achieved through the first Green Space and Playing Pitch Strategies, there is still a lot to do, most particularly in ensuring that the quality of provision meets local need and demand. Much of this work will require partnerships to be established with community and voluntary sector organisations, the majority of which are not used to, or prepared for, taking an active role in the development of important public assets.

- The future of leisure provision across North Warwickshire, including the location and appropriateness of the authority's current sports and leisure facilities. The future of Arley Sports Centre has been the subject of much debate, both politically and within local communities, but the dual-use agreement relating to Polesworth Sports Centre concludes in December 2018 and potential future growth will also impact on this facility, as well as provision in Atherstone and Coleshill. The development of the new Queen Elizabeth School in Atherstone will create an opportunity to extend community access to leisure provision in the town, with potentially positive implications for the Council's Revenue Budget.
- The review of Community Development activity, which will require the implementation of a new way of working with, and within, local communities. Future activity will be targeted into key geographical locations (likely to be Atherstone/Mancetter, Arley and Whitacre and Dordon) and its scope will be more limited than in previous years (Community Safety, Health Improvement and Rural Regeneration). The Division will need to be able to respond to the changes in community priorities, including being able to better engage partners and communities in service design, development and delivery and to focus its work on longer-term engagement within areas of greatest need.
- Ensuring that "health and wellbeing" is further embedded as a central theme of work across the Division.
- Ensuring the enhanced operational efficiency of all aspects of service provision, including the need for a more overtly commercial approach to elements of service delivery.
- The reintroduction of a proactive tree management and inspection service for the first time since 2011.
- Continuing to implement the provisions of the staff structure review across the Division, including its focus on community engagement and targeted service delivery.

## 8.5 **Corporate Services** (including **Information Services, Procurement, Communications & Central Administration**)

### 8.5.1 Key projects, issues and challenges include:-

- Understanding and responding to the impact of Brexit on Procurement regulation and practices.

- Developing online services and making their provision central to how we do things. Government is pushing “digital by default” and moving towards online, digital only services.
- Opening up public information (Open data) for others to use and to see in response to the Transparency Agenda. There is still a lack of evidence of real demand, but it is likely to increase.
- The need for pervasive and fast broadband and mobile data coverage, accessible/usable online services and skills. The Council’s support to extend Broadband and access via the hubs has moved things forward significantly but there is still a lot to do.
- The drive to use ICT to help us manage, tailor and personalise customer services and information.
- Dealing with the conflict we have due to the requirements on us around security and compliance, balanced against business/customer demand and the need for innovation, openness and transparency.
- Understanding as an organisation and exploiting technology changes and particularly the next developments of the internet – more connected, more mobile, more location and situation aware technology “the internet of things”.
- Technology and social media will continue to change the way we communicate and how people engage and interact with us and we will need to be up to speed and able to respond.
- Managing the tension between keeping technology and business applications working and the need to innovate, experiment and take risks, with fewer resources and less budget.

## 8.6 **Finance & Human Resources**

8.6.1 The Finance & Human Resources Division has a number of key tasks/projects to deal with, some of which support the action referred to in the section on the Council’s Financial position set out later, including:-

(a) Finance

- Understanding proposed changes to external funding received by the Council, including the impact of a move to 100% business rate retention, changes to the allocations of New Homes Bonus and specific grants and the impact of the HS2 project.
- Forecasting movements in the collection of Non-Domestic Rates (NDR) as a result of the 2017 Valuation and changes in the economy.
- Managing the Medium Term Financial Strategy and savings targets and assisting service divisions to assess the financial implications of savings proposals.
- Forecasting the financial impact of the Housing and Planning Act on the Council's thirty year Business Plan and assisting with information to ensure ongoing sustainability.
- Managing capital funding and projecting future resource issues.
- Assisting with the financial aspects of key projects, eg, the Depot refurbishment/replacement.

(b) Human Resources

- Maintenance of Health and Safety systems of control, despite pressure on resources.
- Assisting service divisions with the management of attendance.
- Retention of key staff, particularly if economy improves.
- Monitoring capacity issues across the organisation and assisting with the exploration and implementation of new ways of working.
- Ongoing staffing issues which can take up significant resources.

## 8.7 **Streetscape**

### 8.7.1 **Priorities/Challenges**

8.7.2 The pressures on frontline Streetscape services continue to increase, most notably in Refuse & Recycling, but also in other areas. The costs of recycling are increasing and the planned levels of new housing development in the Borough will stretch existing services such as waste management, street cleaning and grounds maintenance. Areas which will require further attention and action are:-

- Garden waste collections (including households with additional bins).
- Kerbside recycling service (including looking at ways to minimise the cost implications of collecting glass).
- Options to reduce the impact of high material recycling facility gate fees, storage and haulage costs.
- Review of collection frequencies.
- Investigating ways to increase efficiencies in street cleaning and grounds maintenance.
- Options for reducing the impact of removing public toilets.
- Managing the financial, enforcement and capacity implications of off-street parking provision following the coming implementation of CPE within North Warwickshire.
- Continuing to service, repair and, where appropriate, refurbish the Council's corporate property assets to ensure that our buildings are safe, well-maintained, sustainable and fit-for-purpose.

## 8.8 **Other Issues**

8.8.1 Having looked at the main demands and challenges on a service by service basis, there are some other key areas which require a specific mention.



## 8.8.2 Cross-County Issues

8.8.2.1 The last three areas are all ones where we work closely with partners with more resources and wider remits than we have.

### (a) Health & Wellbeing

Local Government now has direct responsibility for Public Health exercised through the County Health & Wellbeing Board on which we are represented. Health Improvement has been a key concern for the Council over many years and, with a higher age profile than many areas, it is important that we play our role with partners in improving the quality of life of our residents. Many of our functions are health related, eg, Environmental Health, Leisure Services and Community Development Services and Housing, and we work with partners to look at ways of improving public health and unlocking financial resources. Our resources for getting involved in the bigger health issues are, however, limited and capacity remains a real problem in such a complex partnership agenda. Looking into the future, the Council needs to give consideration as to how it can maximise its effectiveness in this area as pressures on Health Budgets grow and there is greater pressure (and willingness) on Health Agencies to work more closely and potentially integrate with local government services, particularly but not exclusively adult social care.

The Borough Council has taken the proactive step to introduce a Health and Wellbeing Working Party which will lead on the production of a corporate “Health Improvement Action Plan”. The authority is also a key partner within the Warwickshire North Health & Wellbeing Partnership.

### (b) Community Safety

As with the previous two topics, we have a lot of involvement but limited resources to deal with this key issue. The Borough Council has, however, made some important interventions working in partnership, particularly in relation to CCTV and reducing rural crime.

The implementation of the successful Warwickshire Rural Watch Scheme has been developed from the North Warwickshire Reducing Rural Crime Project. The case for prioritising Rural Crime is now well established and is included in the Warwickshire Police & Crime Plan 2016 – 2021. There are external influences, including changes to local Policing structures which require effective partnership arrangements to

sustain Making North Warwickshire a Safer Place. Additional work is being developed to help improve road safety in the Borough and to tackle fly-tipping using a multi-agency approach. The Council will, however, need to keep the way it can most effectively contribute to this agenda under review.

## 9 **The Council's Financial Position**

- 9.1 Local Authority finance has moved from a reliance on government grant to one where finance is linked to growth either through new housing development which attracts new homes bonus and additional Council Tax, or growth in the business rates base, some of which can be retained by the Council. Authorities that are unable to grow are at risk of becoming financially unsustainable.
- 9.2 Local authority funding is being reviewed and an update of relative spending needs for authorities will be implemented from 2020-21, together with a move to 100% retention of business rates by local government. This move will not produce more income for services for authorities as additional responsibilities will be transferred to local government and a number of grants will cease to be paid. However, it will further increase the reliance on growth for individual authorities funding. In addition, money is being taken from New Homes Bonus, therefore, funding from this source will reduce.
- 9.3 The amount of funding the Council receives from Government (net of Council Tax Support funding) has fallen by £2.1 million from 2010-11 and now finances only 34% of our net expenditure in 2016-17 as opposed to 55% in 2010-11. At the same time, Government incentives to freeze Council Tax has reduced Council Tax income by £420,000. In order to compensate for these losses of income, the Council has made savings of £3.4 million in the six years to 2016-17, and our net expenditure is now £8.8 million
- 9.4 The Council's financial strategy anticipates further reductions in government funding in the next four years of 12.5%, 16%, 10% and 1.5%, and requires further savings of £2.280 million by the end of 2020-21 if financial reserves are to be maintained at acceptable levels. Savings of this magnitude cannot be achieved without impacting on service delivery
- 9.5 The main risks to the Council's financial strategy are as follows:-
- The new needs assessment reduces the Council's base funding level.
  - Successful appeals on business rates means the Council cannot achieve its assumed level of income.

- Further freezes in Council Tax which permanently erode the Council's income base.
- Additional new homes are not delivered at the level assumed in the budget (160 pa) resulting in a reduction in New Homes Bonus and Council Tax receipts.
- The review of New Homes Bonus reduces Council income more than anticipated.
- The necessary level of savings cannot be achieved to timescale.
- Welfare reform changes result in increased costs for the Council.
- The national economy deteriorates, resulting in a fall in income and increased costs falling on the Council.
- Growth in Housing provision increases Council costs.

9.6 If any of these risks materialise then either savings required will increase substantially or reserves will fall well below the minimum acceptable level of £1.3 million.

## 10 Resources

10.1 In previous reports I have done a separate section on resources, but a number of these issues have been covered earlier in the report. Section 9 covers our **Financial** position, Section 8.5 deals with the issues and challenges relating to **Information** use and management, whilst most of the key issues around **Land, Accommodation and Other Capital Assets** are covered in various sections of the report.

10.2 That leaves our major resource, **Staffing**. Whilst this has been mentioned in various sections, particularly section 7.3, it is important that we look after our workforce and ensure that North Warwickshire is seen as an attractive place to work.

10.3 Through its Human Resources Strategy, the Council has worked hard to do this in challenging economic times and, as a result, our workforce has stepped up to the mark. This has been done despite reducing the staffing numbers over a long period and against a backcloth of reducing financial resources. In this environment, service standards have been maintained and the Council in staff surveys is seen as a good employer with morale levels largely being maintained.

## 11 **Conclusion**

- 11.1 It is hoped that this report has given Members sufficient information on External factors affecting the Council, Internal issues which they may wish to take account of, including challenges facing individual services, and the requirements and aspirations of stakeholders.
- 11.2 In addition, when having thought about options for reviewing existing and determining future priorities, Members need to be aware of the resources available to them. That information is also outlined in the report so, hopefully, this provides enough of a framework to enable further discussion and planning to take place in preparation for the next few years.

## 12 **Report Implications**

### 12.1 **Finance and Value for Money Implications**

- 12.1.2 Any new financial implications will be reported as part of the Budget and Corporate Planning processes.

### 12.2 **Risk Management Implications**

- 12.2.1 These will be identified as proposals for 2017/18 are developed.
- 12.2.2 The key issue in this report however is to note the importance of matching the Council's obligations and ambitions with the resources available to it. This issue was also picked up by the Peer Challenge Team.

### 12.3 **Equalities Implications**

- 12.3.1 In making major strategic policy and financial decisions, it will be necessary to consider whether an Equality Impact Needs Assessment needs to be carried out.

### 12.4 **Links to Council's Priorities**

- 12.4.1 These are referred to in the report.

The Contact Officer for this report is Jerry Hutchinson (719200).

#### **Background Papers**

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
None			

## **Agenda Item 8**

### **Executive Board**

**21 November 2016**

#### **Report of the Assistant Director (Finance and Human Resources)**

#### **Budgetary Control Report 2016/17 Period Ended 31 October 2016**

### **1 Summary**

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2016 to 31 October 2016. The 2016/2017 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

#### **Recommendation to Council**

**To consider if any further information is required.**

### **2 Introduction**

- 2.1 Under the Service Reporting Code of Practice (SeRCOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services. The figures contained within this report are calculated on this basis.

### **3 Overall Position**

- 3.1 Net expenditure for those services that report to the Executive Board as at 31 October 2016 is £343,588 compared with a profiled budgetary position of £346,741; an under spend of £3,153. Appendix A to this report provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period.

...

- 3.2 Where possible, the budget to date figure has been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures.

### **4 Emergency Planning**

- 4.1 There is a general underspend to date on the supplies and services budgets.

## **5 Risks to the Budget**

- 5.1 The key risk to the budgetary position of the Council from services under the control of this Board is that the Emergency Planning budget of £5,790 may be insufficient to cover the costs of any major local emergency.

## **6 Estimated Out-turn**

- 6.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for each of the services reporting to this Board. The anticipated out-turn for this Board for 2016/17 is £580,330, the same as the Original Budget.

- 6.2 The figures provided above are based on information available at this time of the year and are the best available estimates for this board, and may change as the financial year progresses. Members will be updated in future reports of any changes to the forecast out turn.

## **7 Report Implications**

### **7.1 Finance and Value for Money Implications**

- 7.1.1 The Council's budgeted contribution from General Fund balances for the 2016/17 financial year is £763,220. Income and Expenditure will continue to be closely managed and any issues that arise will be reported to this Board for comment.

### **7.2 Environment and Sustainability Implications**

- 7.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

## North Warwickshire Borough Council

## Executive Board

## Budgetary Control Report 2016/2017 as at 31 October 2016

Description	Approved Budget 2016/2017	Profiled Budget October 2016	Actual October 2016	Variance	Comments
	£	£	£	£	
Housing Strategic Service Review	32,850	19,163	19,163	0	
Outreach and Access to Services	122,400	76,072	76,117	45	
Corporate Communications	61,650	38,339	39,328	989	
Community Strategy	132,630	77,368	76,507	(860)	
Emergency Planning	39,740	24,348	20,804	(3,544)	
N.Warks Local Development Framework	190,400	111,067	111,285	218	
Support to Parishes	660	385	385	-	
<b>Total Expenditure</b>	<b>580,330</b>	<b>346,741</b>	<b>343,588</b>	<b>(3,153)</b>	

**Agenda Item No 9**

**Executive Board**

**21 November 2016**

**Report of the Assistant Chief Executive  
(Community Services)**

**Council Tax Support Scheme  
2017/18**

**1 Summary**

- 1.1 This report provides an update to the report agreed by this Board on 14 June 2016 concerning the Councils proposed localised Council Tax Support scheme (CTS) to be implemented on 1 April 2017.

**Recommendation to the Council**

- a To approve the retention of a maximum Council Tax Support award of 91.5% in respect of all working age customers in respect of the 2017/18 Council Tax Support Scheme; and**
- b To approve the technical changes to be made to the current Council Tax Support Scheme to fall in line with statutory changes as advised by the Department of Work and Pensions**

**2 Background to this Report**

- ...
- 2.1 In June 2016, Members considered the report attached at Appendix A regarding proposals for the CTS scheme to be adopted in 2017/18. This was necessary to review if any changes were required to the current entitlement criteria to qualify for CTS or the percentage reduction to be passed onto working age customers since both of these require a consultation to be undertaken with members of the public before they can be implemented.
- 2.2 Whilst no changes were proposed to the overall 8.5% reduction on former Council Tax Benefit levels, the Council has been required to undertake a proportionate consultation exercise in respect of the proposed technical changes to the current scheme from April 2017 onwards.
- 2.3 These changes which will only impact on new claimants, or when a change in a current claimants circumstances occurs where deemed necessary in order to continue to align our local CTS scheme with the National Housing Benefit scheme which has needed to reflect a number of welfare reforms as well as the introduction of Universal Credit which went live in the Borough in the autumn of 2015.



- 2.4 Mirroring these changes was deemed necessary in order to ensure an efficient and cost effective administration process is maintained and also to reduce complexity for our customers in understanding their potential entitlement to assistance from the Council.
- 2.5 As such following the decision to approve the recommendations in the Executive Board report in June 2016, the following technical changes were subject of an 8 week public consultation that ran from 15 August to 9 October 2016.

<b>Proposed Changes</b>	<b>Description</b>	<b>Comment</b>
<b>Backdating</b>	Reduce the length of time that LCTS can be backdated for Working Age claimants from 3 months to 1 month	This will align our scheme with Housing Benefit
<b>Family Premium</b>	Removal of the family premium from the applicable amount calculation for all new Working Age Claimants	This will align our scheme with Housing Benefit
<b>Applicable Amounts &amp; Premiums</b>	LCTS is based on a means tested calculation and compares a claimant's income to an applicable amount. The current scheme mirrors the applicable amounts set by Government for Housing Benefit. It is recommended to continue with this approach which will result in freezing applicable amounts and premiums for Working Age to 2020/21	This will align our scheme with Housing Benefit
<b>Temporary Absence</b>	Withdraw LCTS when a person leaves the UK for 4 weeks of more	This will align our scheme with Housing Benefit
<b>Severe Disability Premium</b>	Remove the Severe Disability Premium where the claimant receives the Carer Element of Universal Credit	This will align our scheme with Housing Benefit and Universal Credit
<b>Dependants</b>	Limit the number of dependants to a maximum of 2 for all cases where the dependant is born on or after 1 April 2017 (working age and pensioner age)	This will align our scheme with Housing Benefit
<b>Employment &amp; Support Allowance</b>	Remove the Work Related Activity Component of Employment & Support Allowance for working age claimants so they are paid the same amount as JSA claimants	This will align our scheme with Housing Benefit

### **3 Consultation**

- 3.1 The consultation document used was developed alongside our Shared Service partner, Nuneaton and Bedworth Borough Council who also are introducing these changes. The document explaining the proposed changes was jointly produced and a proportionate consultation programme developed
- 3.2 This involved promoting awareness to every household via an article in the summer edition of North Talk, via the Council's website, via regular alerts on Twitter and Facebook and was also covered in a presentation to the Councils Financial Inclusion Partnership membership that includes all major advice agencies in the area. In addition, both Warwickshire County Council and Warwickshire Police and Crime Commissioner as major preceptors were invited to comment on the proposals due to their financial interest in this matter.
- 3.3 Despite all this activity, no responses were received to the consultation. This was not totally unexpected as the proposed technical changes will only affect new not current LCTS claimants or those existing claimants who have a change in their circumstances or a break in their claim and then meet certain criteria. As such it is difficult to ascertain the financial impact of these or who will ultimately be affected at this time.
- 3.4 Based on no negative responses being received to the consultation for consideration, it is proposed to implement all the changes as set out in section 2.5 into the current LCTS policy and the relevant pages have been updated to include them. A full copy of the amended 2017/18 policy will be published on the Councils website in January 2017 following adoption at Full Council on 9 December 2016.

### **4 Report Implications**

#### **4.1 Finance and Value for Money Implications**

- 4.1.1 The financial implications of the proposals were covered in the report attached at Appendix A. As the changes proposed are likely to result in a reduced amount of LCTS being awarded and based on our current caseload and expenditure pattern remaining unchanged, it is acceptable to assume that any financial implication can be managed within our current budget assumed for Local Council Tax Support.

#### **4.2 Human Resources Implications**

- 4.2.1 None other than previously identified.

#### **4.3 Risk Management Implications**

- 4.3.1 The next review of the scheme will take place in the summer of 2017 as to whether any proposed changes should be consulted upon in time for a decision to be taken in respect of the CTS Scheme in 2018/19. This will need

to have regard to future grant reductions and predict potential staffing implications and manage the Councils risk in respect of this expenditure.

#### 4.4 Equalities Implications

4.4.1 An Equality Impact Assessment (EIA) was carried out initially for our 2013/14 LCTS scheme. This EIA was reviewed in light of the technical changes proposed in June 2016. This confirmed that any reduction in Council Tax Support will impact across the whole of the working age caseload, but not disproportionately on different groups within it.

4.4.2 As no comments were received as part of the consultation process, no further review of this decision is deemed necessary.

The Contact Officer for this report is Bob Trahern (719378).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**Agenda Item No 17**

**Executive Board**

**14 June 2016**

**Report of the Assistant Chief Executive  
(Community Services)**

**Council Tax Support Scheme  
2017/18**

**1 Summary**

- 1.1 This report outlines the recommended Council Tax Support (CTS) Scheme for 2017/18 on which the Council will need to consult in the summer.

**Recommendation to the Council**

- a To approve the retention of an 8.5% reduction in Council Tax Support to all current working age customers in the 2017/18 Council Tax Support Scheme; and**
- b To approve that the Council consult on a number of technical changes to be made to the current Local Council Tax Support Scheme to fall in line with statutory changes as advised by the Department of Work and Pensions.**

**2 Consultation with Members**

- 2.1 In May 2016, discussions took place with the Leader and members of the Council Leaders Group regarding proposals for the CTS scheme to be adopted in 2017/18. This was necessary to review if any changes were required to the current entitlement criteria to qualify for CTS or the percentage reduction to be passed onto working age customers since both of these require a consultation to be undertaken with members of the public before they can be implemented.
- 2.2 For the reasons outlined in this report, whilst no changes are proposed to the overall 8.5% reduction on former Council Tax Benefit levels, the Council will be required to undertake an on-line consultation starting in August to advise CTS recipients and other members of the public of the proposed technical changes to the current scheme. This is needed to seek any positive or negative feedback regarding proposed intentions to continue to align our CTS scheme with Universal Credit and Housing Benefit changes that are being implemented nationally by April 2017.

**3 Background to this Report**

- 3.1 Before the Council implemented its 2013/14 Council Tax Support Scheme which replaced the previous Nationally funded Council Tax Benefit (CTB) Scheme, an extensive consultation was carried out which consulted on a

## APPENDIX A

number of options surrounding reducing the support given to working age claimants by up to 20% on 2012/13 levels. Following this exercise, the actual scheme eventually implemented for 2013/14 passed on a reduction in support of 8.5% assisted by the payment of a transitional grant agreed by the Government paid for one year only.

3.2 This reduction was necessary to reflect the cut of around 13.5% subsidy grant (approximately £660,000 in cash terms) provided to the Council by the Government to meet the cost of awarding CTB to low income households in 2013/14. Following a decision by Members to pass this cost onto local taxpayers as opposed to absorbing it in full or part, an extensive modelling exercise followed by a consultation period was undertaken. The resultant saving was ultimately achieved by a combination of cuts to the previous levels of CTB to all working age claimants of 8.5% plus the transitional grant in year one which it was estimated would generate about a third of the required saving (resulting in an average bill of around £110 to those who previously paid nothing) and changes to second home and empty property exemptions that would generate the other two thirds of the shortfall. Following the successful implementation of these changes which have remained unchanged since that date, the impact on customers affected has been monitored.

3.3 In summary, this has resulted in the impact of changes being experienced as predicted. These are that they resulted in an immediate and significant increase in recovery action needed to collect Council Tax due with the service needing to issue up to a third more recovery notices to prompt payment (see Appendix A) and we experienced an initial reduction in “in year collection levels” when recovery rates fell to 97.8%, a reduction of 0.5% on 2012/13 levels. However, what is pleasing to report is that over the three years that the local schemes have been in place during which time Members have made annual decisions to retain the local CTS scheme at a maximum benefit of 91.5% level whilst also keeping the empty and long term empty property approach the same, collection rates have recovered. In 2015/16, an “in year” collection rate of 98.39% was achieved which is very positive and as can be seen in the information at Appendix A, whilst we have continued to issue 25% more reminder notices than in 2012/13, the number of cases where court action was necessary at which point additional costs are incurred by the customer actually fell to below the 2012/13 levels in respect of summonses issued.

3.4 However, it should be noted that whilst the Council achieves an “in year” collection rate of over 98.4% for non-CTS affected customers; the impact on those affected by the CTS changes is lower. This resulted in an “in year” collection rate for this group of just over 72% in 2013/14, approximately 79% in 2014/15 and 83% being achieved in 2015/16. This clearly demonstrates that those reliant on CTS and other benefit support do find it more difficult to make timely and sufficient payment to avoid recovery action being necessary but the trend also shows that that the Councils approach of retaining the reduction at 8.5% for the last three years repeated again in 2016/17 where collection rates to date are also being maintained meaning that more customers are meeting their financial obligations to the Council. Where they

## APPENDIX A

do not pay voluntarily, the ability to recover the monies due from their ongoing benefit entitlement at the statutory level of £3.70 per week where possible is proving effective as the debt due plus court costs added together is low enough for it to be recovered in most cases in the year it is due. Once CTS schemes rise above the 10% cut threshold, this becomes increasingly more difficult.

3.5 These results mirror the experiences of the majority of Councils nationally. An analysis of National data indicates that in most cases those who have passed on the largest CTS cuts are experiencing the biggest falls in Council Tax collection rates although making “like for like” comparisons is very difficult due to the different approaches being taken in the treatment of second homes and long term empty properties and the different deprivation levels of Councils.

... 3.6 Data is provided at Appendix B regarding the different schemes adopted across Warwickshire as well as Council Tax collection rates achieved in 2015/16. It can be seen that whilst the Council passed on the second lowest reduction in CTS of the five districts, this is offset by it providing the shortest exemption periods where no charges are levied when a property is vacant which was necessary in order to cover the shortfall in grant provided. Officers believe this approach has been justified as it has delivered more reliable and timely income to the Council whilst ensuring housing stock in the area is encouraged to be brought back into use as soon as possible which has cross cutting benefits.

... 3.7 This experience aligned with the decrease in the Council Tax Support caseload of 11.08% since April 2013 (see appendix C) which can be attributed in part to the improving local economy where jobs are being created in the Borough has meant that despite the Councils significant and ongoing financial pressures, Members have decided to leave the initial scheme adopted unchanged for the last four years. This has assisted customers pay this new or increased liability whilst having regard to the fact that many are also affected by other welfare changes

3.8 As can be seen from the figures included at paragraph 3.3 as well as national data provided by the DCLG, the outcome of the Councils approach has been very positive with the Council placed in the national upper quartile of all Councils in terms of “in year” collection based on 2014/15 data, a performance level that significantly outperforms our deprivation indices. Officers consider that making the decision not to enforce greater cuts in support beyond 8.5%, as has been the case in some neighbouring Councils, has been the key factor in achieving this by giving customers time to review their personal finances to reflect both this loss of support and for a significant number, the loss of other welfare benefits which took effect at the same time.

3.8 In addition to greater reductions in collection, the experiences of many of those Councils with higher cuts than ours are that they have needed to employ more resources to enable them to collect monies due whilst also issuing significantly more notices incurring higher stationary and postage costs. As a District Council, this is particularly relevant to us. This is because

## APPENDIX A

whilst we as the Council administer and collect the Council Tax due on behalf of a number of precepting authorities we only retain approximately 13% of the income collected despite being liable to pay 100% of the collection costs (i.e.) staffing, stationary and postage etc. This has been a major contributory factor in making a recommendation to again propose to members that no changes to the current scheme for 2017/18 are recommended for the financial reasons outlined in section 4 below.

3.9 With this information in mind and in reviewing the 2017/18 scheme, it should also be noted that in addition to the welfare changes already introduced to date, the Government continues to make further changes to the welfare system in an attempt to help put welfare spending on a more sustainable path and make the system fairer to those who pay for it, as well as those who benefit from it.

3.10 As such, in considering a CTS scheme for 2017/18, Members are advised that the following changes will also be implemented over the next twelve months as part of this programme which will have the impact of further reducing income levels of many working age benefit customers currently on the CTS scheme. A summary of the changes are as follows;

- Universal Credit which went live locally from October 2015 will continue to be introduced over the next six years. This is expected to have a significant impact particularly on lone parent family incomes and there remains a linked but as yet undecided approach to those entitled to tax credits to be resolved which could have a major impact on those in low paid employment which is prevalent in the Borough.
- In October 2016, we will introduce the reduced Benefit Cap from £23,000 to £20,000 on households solely reliant on benefits as the main income which we are advised by the DWP could affect up to 50 households in the Borough.

3.11 The following technical changes summarised in the table below are being introduced by April 2017 and will need to be reflected in our local scheme qualifying criteria arrangements and as such consulted upon before revisions can be made. This is because a number will have the effect of reducing claimants weekly income levels in real terms.

<b>Family Premium</b>	Removal of the family premium from the applicable amount calculation for Working Age claimants for CTS purposes
<b>Backdating</b>	Reduce backdating from 3 months to 1 month for Working Age claimants
<b>Applicable Amounts</b>	Freeze applicable amount and premiums for Working Age to 2020/21 in line with Housing Benefit
<b>Temporary Absence</b>	Withdraw LCTS when a person leaves the UK for 4 weeks or more (working age only)
<b>Severe Disability Premium</b>	Incorporate UC Carers Element for working age

## APPENDIX A

<b>Dependants</b>	Limit the number of dependants to a maximum of 2 for all cases where the dependant is born on or after 1 <sup>st</sup> April 2017 (working age and pensioner age)
<b>ESA</b>	Removal of Employment & Support Allowance Work Related Activity Component (working age only) so they are paid the same amount as JSA claimants
<b>European Migrants</b>	Limit access to non-contributory in-work benefits for up to 4 years from commencement of employment*  *This is subject to the outcome of the EU referendum in June

- 3.12. All, or some of these changes will impact on current LCTS customers to varying degrees and with as yet unknown consequences. As such, and in line with legislative requirements, notice of these proposed changes will need to be subject of a proportionate public consultation.
- 3.13 In the circumstances, if it is agreed that the maximum CTS award percentage is not changed, as recommended, and the scheme is only amended to reflect the changes outlined in 3.11, It is proposed that it will be sufficient to highlight awareness of these changes via our website, various social media platforms, in North Talk and via direct letters to interested local groups over an 8 week period between August to October 2016. This will allow the final proposed scheme for 2017/18 to be adopted by the Executive Board in November and ratified by Full Council in December.

## 4 Report Implications

### 4.1 Finance and Value for Money Implications

- 4.1.1 The net estimated cost of the scheme for 2017/18, assuming the retention of an 8.5% reduction in Council Tax Support to all working age customers and adopting all other assumptions stated above will cost the Council £118,047 in 2017/18. This is our share of the assumed shortfall between CTS paid and central grant received.
- 4.1.2 Members should note that this estimate is based on the assumption that the level of subsidy income to compensate the Council for payments of CTS has continued to reduce significantly beyond the initial 13% reduction passed on in 2013/14. This has been assumed having regard to the ongoing level of central grant being received from the CLG continuing to reduce between 10% to 15% annually since that time as explained below.
- 4.1.3 In 2012/13, the Council received approximately £4.5m in subsidy to pay for benefits it paid out. In 2013/14, this subsidy was cut by 13% (or £660,000). With the changes introduced by the Council at that time and the transitional grant received this was sufficient to cover this shortfall. Since then, based on the reduced caseload we have experienced which has fallen by 11.08% and having regard to the amount of income generated by exemption changes, this would have meant that had grant levels remained the same as in 2013/14 that



there would have been no ongoing financial cost of these changes which are shared in proportion to precepts levied.

4.1.4 Unfortunately, over the last three years the level of grant subsidy received by the Council from the CLG as a contribution towards CTS schemes has continued to fall to the extent that in 2017/18 we are forecasting that we will only receive £2.52m towards the total cost of CTS paid out of £3.991m. This has meant that the proposal to retain the current 8.5% scheme will cost the Council an estimated £118,047 as its share of the shortfall based on an estimated collection rate of 83%.

4.1.5 In considering whether this funding gap can be improved, officers have modelled a number of scenarios to explore the likely financial implications if they were to change the scheme by basing projections on reducing the level of maximum award of CTS to 90%, 85% and 80% (i.e.) the 20% cut on which the Council originally consulted in 2012,. These workings are shown at Appendix D

4.1.6 As can be seen, the cost savings to the Council of increasing to a 10% reduction is projected at £2,116, to 15% is £9,059 and 20% is £14,211 having regard to the assumed reduced collection rate at each level. This reflects that as customer liabilities get bigger, there are reduced options available to the Council to collect monies due cost effectively and less money is collected based on national evidence. As can also be seen, the changes to the Council of adopting a higher percentage cut from its current 8.5% are relatively small and if for example a 20% cut was adopted (which would be a bigger reduction than the national average and result in an average bill being approximately £275 per annum) this would still cost the Council an estimated £103,837 to support.

4.1.7 It should be noted that these figures assume that there would be no extra staffing needed or administration costs incurred on current operating costs to collect monies due which is highly unrealistic. In learning from the experiences of those Councils who have passed on larger cuts in CTS, the majority have highlighted that the impact has meant needing to issue more recovery notices, some by as much as 60% which significantly increases the cost of stationary and postage as well as needing to employ additional resource to deal with increased customer contact and recovery. As an example, if the Council needed to employ an additional full time officer to assist in dealing with the perceived increased work generated by adopting a 20% cut, the cost of this resource alone would be in the region of £30,000 per annum

4.1.8 As a result, in this example this would actually increase the cost of the scheme to the Council by at least £20,000 on current levels. This is because as stated previously despite only retaining 13% of the Council Tax income generated, the Council picks up 100% of the administration costs to collect it. This is the major factor when considering future changes and is a significant disincentive to propose any further reduction on present levels.

4.1.9 It should also be noted that the Council have implemented more significant changes than the national average with regard to its reduction of exemptions on vacant properties. It is proposed that decisions on charging policies in respect of these properties which have delivered a reliable income stream and are deemed proportionate and reasonable should not change.

### 4.2 Human Resources Implications

4.2.1 Reducing the Council Tax Support Scheme for working age claimants from 2012/13 levels has put greater pressure on staff administering the scheme. This has also led to additional workload in collection, recovery and appeal activity over the last 3 years as outlined in Appendix B. However, the proposed recommendation not to increase reductions further should ensure it will have minimal additional impact on the workload of these staff during 2017/18.

4.2.2 It is also anticipated that the consultation exercise to be undertaken will be developed alongside and mirror that of our shared service partner, NBBC which will mean the best use of scarce resources and again minimal impact.

4.2.3 The next review of the scheme will take place in the summer of 2017 as to whether any proposed changes should be consulted upon in time for a decision to be taken in respect of the CTS Scheme in 2018/19. This will need to have regard to future grant reductions and predict potential staffing implications.

### 4.3 Risk Management Implications

4.3.1 A key concern at the outset of adopting local CTS schemes to both the Council and major preceptors was the impact of an increase in benefits caseload from both working age claimants and pensioners which would have created significant additional financial pressures that were difficult to prevent or influence. Fortunately, and as stated in paragraph 3.5, since the CTS scheme was introduced in April 2013, this risk has not been realised and the caseload has in fact reduced which is very positive.

4.3.2 However, the ongoing annual reductions in grant support as outlined in 4.1.4 are expected to continue until at least 2020, and therefore is a significant financial risk that has needed to be built into the Councils corporate savings targets and medium term strategy. This is because it has needed to be assumed that the CTS scheme will be evermore expensive to operate year on year unless either caseloads drop further or changes are made to increase cuts to the CTS scheme for working age people to address the shortfall. Of course, as stated above, the latter has unknown consequences as it has impacts on the customer in terms of their ability to pay any increase in monies due and the Council in terms of the anticipated increased operational costs in seeking to collect it.

4.3.3 In considering the issues outlined in 4.3.2, it should also be acknowledged that over half of the Councils CTS caseload are pensioners who are protected

## APPENDIX A

from any reduction in awards making expenditure in these cases unavoidable. In terms of the Councils remaining working age claimants it should be noted that the majority are in receipt of benefits that indicate that they have current medical conditions that may make it very difficult for them to work without significant support or improve their financial circumstances quickly meaning paying any increased charges towards their Council Tax is going to be very challenging.

### 4.4 Equalities Implications

- 4.4.1 Any reduction in Council Tax Support will impact across the whole of the working age caseload, but not disproportionately on different groups within it.

The Contact Officer for this report is Bob Trahern (719378).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
Adoption of a Council Tax Support Scheme for 2013/14	NWBC	Report to Executive Board	26 November 2012
Reduction of Council Tax Discounts for Second Homes and Long Term Empty Dwellings	NWBC	Report to Executive Board	17 January 2013
The Impact of Council Tax Support on Parish Councils	NWBC	Report to Executive Board	17 January 2013

## **Agenda Item No 10**

### **Executive Board**

**21 November 2016**

#### **Report of the Chief Executive**

#### **Calendar of Meetings 2017/18**

### **1 Summary**

1.1 The purpose of this report is to approve a calendar of meetings for 2017/18.

#### **Recommendation to the Council**

**That the draft calendar of meetings for 2017/18 as submitted at Appendix A to the Chief Executive's report be approved.**

### **2 Report**

... 2.1 A draft calendar of meetings for 2017/18 is submitted as Appendix A. The draft has been based on a four cycle calendar of meetings.

2.2 As with the current calendar of meetings the May Full Council meeting will be a ceremonial meeting with Mayor making and the appointment of Boards as the main business. The four cycles would then be

- June to September
- September to December
- December to February
- February to June

2.3 Other points to note on the calendar are as follows:-

- a The majority of all main Board meetings will meet on a Monday. Meetings of the Full Council continue to be held on Wednesdays;
- b Planning and Development Board to meet once each month;
- c The Resources Board, the Community and Environment Board and the Executive Board to meet at least once a cycle;
- d A meeting of the Special Sub-Group has been scheduled each month;
- e A meeting of the Licensing Committee has been set for the end of January and additional meetings will be arranged on an ad hoc basis; and

- f A number of meetings of the Safer Communities Sub-Committee have been set and the Local Development Framework Sub-Committee will be arranged on an ad-hoc basis.

### 3 Report Implications

3.1 There are no report implications.

The Contact Officer for this report is David Harris (719222).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
None			

**NORTH WARWICKSHIRE BOROUGH COUNCIL  
DRAFT MEETINGS TIMETABLE – 2017/18**

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
1	B HOL								BHOL					
2												BHOL		
3														
4	ELECTIONS				PLAN									
5					RES			SAC		PLAN	PLAN			
6							PLAN	COUNCIL			SSG			
7				PLAN			SSG						BHOL	
8														
9						PLAN						PLAN	COUNCIL	
10	COUNCIL		PLAN			SSG						SSG		
11			SSG					PLAN						PLAN
12		PLAN			SSG			SSG		EXB	CEB			
13							RES			SSG	SAC			
14													PLAN	
15	PLAN			SSG					PLAN				CEB	
16	CEB					CEB			SSG					
17			CEB											
18			SAC		EXB									EXB
19		EXB												SSG
20		SSG					EXB							
21										COUNCIL			RES	
22	RES								CEB				SSG	
23	SSG													
24														
25								BHOL						
26								BHOL						
27					COUNCIL									COUNCIL
28		COUNCIL		BHOL									BHOL	
29	BHOL								RES					
30									LIC		BHOL			
31														

EXB - Executive Board  
RES - Resources Board  
CEB - Community and Environment Board  
PLAN - Planning and Development Board

AF (N) - Area Forum North  
AF (S) - Area Forum South  
AF (E) - Area Forum East  
AF (W) - Area Forum West

LIC - Licensing Committee  
SAC - Safer Communities Sub-Committee  
SSG - Special Sub-Group  
LDF - Local Development Framework Sub-Committee

## Agenda Item No 11

Executive Board

21 November 2016

**Report of the Chief Executive and the Deputy Chief Executive**

**Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - September 2016**

### 1 Summary

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Executive Board for April to September 2016.

#### **Recommendation to Council**

**That Members consider the performance achieved and highlight any areas for further investigation.**

### 2 Consultation

- 2.1 Consultation has taken place with the relevant Members and any comments received will be reported at the meeting.

### 3 Background

- 3.1 This report shows the second quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2016/17. This is the second report showing the progress achieved so far during 2016/17.

### 4 Progress achieved during 2016/17

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with the national and local performance indicators during April to September 2016/17 for the Executive Board.

- 4.2 Members will recall the use of a traffic light indicator for the monitoring of the performance achieved.

Red – target not achieved (shown as a red triangle)

Amber – target currently behind schedule and requires remedial action to be achieved (shown as an amber circle)

Green – target currently on schedule to be achieved (shown as a green star)

## 5 Performance Indicators

- 5.1 The current performance indicators have been reviewed by each division and Management Team for monitoring for the 2016/17 year.

## 6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 100% of the Corporate Plan targets and 0% of the performance indicator targets are currently on schedule to be achieved. Six of the indicators relating to community safety are currently on amber status. The information for the indicator for killed and serious injuries shows the quarter 1 position only. The quarter 2 information is currently not available. The report shows that individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

### Corporate Plan

Status	Number	Percentage
Green	11	100%
Amber	0	0%
Red	0	0%
Total	11	100%

### Performance Indicators

Status	Number	Percentage
Green	0	0%
Amber	6	86%
Red	1	14%
Total	7	100%

## 7 Summary

- 7.1 Members may wish to identify any areas that require further consideration where targets are not currently being achieved.

## 8 Report Implications

### 8.1 Safer Communities Implications

- 8.1.1 The community safety performance indicators are included in the report.



## 8.2 Legal and Human Rights Implications

8.2.1 The national indicators were specified by the Secretary of State for Communities and Local Government. They have now been ended and replaced by a single list of data returns to Central Government from April 2011.

## 8.3 Environment and Sustainability Implications

8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are a number of targets and indicators included which contribute towards the priorities of the sustainable community strategy including financial inclusion, core strategy, community safety and affordable housing,

## 8.4 Risk Management Implications

8.4.1 Effective performance monitoring will enable the Council to minimise associated risks with the failure to achieve targets and deliver services at the required performance level.

## 8.5 Equality Implications

8.5.1 There are a number of contributions towards equality related targets and indicators including, informing customers about opportunities to influence decision making, customer access, consultation, domestic abuse and financial inclusion highlighted in the report.

## 8.6 Links to Council's Priorities

8.6.1 There are a number of targets and performance indicators contributing towards the priorities of protecting our countryside and heritage, creating safer communities, responsible financial and resource management, supporting employment and businesses and promoting sustainable and vibrant communities.

The Contact Officer for this report is Robert Beggs (719238).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date











NWCP Executive Board 16/17







	Action	Priority	Reporting Officer	Update	Quarter 2 update	Status	Direction
NWCP 004	To submit final Development Plan documents relating to Development Management Community Infrastructure Levy and Gypsy and Travellers by November 2016	Protecting our Countryside & Heritage	Dorothy Barratt	This action has been superceded by the production of the draft Local Plan. As a result of the increase in development CIL viability work will need to be updated and then an updated CIL Charging Schedule prepared.	CIL charging schedule will be considered once the Local Plan viability work has been completed.	★ Green	➔
NWCP 005	Whilst continuing to oppose a) HS2 in principle, to press for maximum mitigation and benefits for the Borough, required as a consequence of the HS2 proposal, in partnership with other affected Councils and community action groups and; b) To continue to oppose the principle of Opencast Mining	Protecting our Countryside & Heritage	Dorothy Barratt	a) The Borough Council has now agreed to become a Qualifying local authority. The first applications are expected in the New Year following royal assent. B) no change	a) Awaiting announcement of Phase 2b b) no change	★ Green	➔
NWCP 008	To ensure that the Council is prepared for emergencies and has suitable emergency and business continuity plans, as required by the Civil Contingencies Act, and to review both the emergency and business continuity plans annually in March	Creating Safer Communities	Robert Beggs	Work on an internal audit review is taking place currently. Updates to the call out cascade are being collated. An emergency centre battle box has been moved to Coleshill Leisure Centre. This is to help improve our local resilience. Project Argus presentation and exercise has been held to inform our awareness and plans for terrorist attacks.	The internal audit review has been completed with a substantial assurance outcome on the systems and procedures used. Meetings with each Division are taking place to discuss their business continuity plan arrangements. At the Warwickshire Local Resilience Forum level plans are being made to carryout exercises and training.	★ Green	➔
NWCP 009	To achieve the savings required by the Budget Strategy including the commitment to keep Council Tax as low as possible and to update the Strategy to reflect future developments by September 2016	Responsible Financial & Resource Management	Sue Garner	Work on finding the savings for 2017/18 has begun.	The MTFS was updated and reported to Executive Board in September. Work on savings is ongoing.	★ Green	➔
NWCP 010	To continue to implement more efficient ways of working, including exploring opportunities for shared working that may arise, with a view to achieving savings and/or increasing capacity	Responsible Financial & Resource Management	Chris Brewer	Continue to consider opportunities for shared working wherever possible.	Continue to consider opportunities for shared working wherever possible.	★ Green	➔
NWCP 042	To report on the Council's debt and reserves and options for narrowing the Council's capital funding gap by February 2017	Responsible Financial & Resource Management	Sue Garner	Work will commence later in the year	Work on the estimates has commenced.	★ Green	➔
NWCP 076	To update the Medium Term Financial Strategy in September 2016 and February 2017, to take account of external funding changes relating to Business Rates	Responsible Financial & Resource Management	Sue Garner	The MTFS will be updated in August	The MTFS was updated and reported to Executive Board in September. Work on expected funding changes is ongoing.	★ Green	➔
NWCP 078	To continue to work with partner organisations in the Coventry, Warwickshire and Hinckley Joint Committee and to consider further options for joint work in the light of Central Government proposals for greater devolution, if this proves beneficial to the local economy	Supporting Employment & Business	Steve Maxey	The Council has now resolved to be a non constituent Member of the West Midlands Combined Authority. Negotiations for devolution deal 2 will start shortly and officers and Members are attending meetings to try to influence the work of the CA. The Coventry and Warwickshire Joint Committee continues, mainly concentrating on forward planning work around the duty to cooperate.	The Council has now resolved to be a non constituent Member of the West Midlands Combined Authority. Negotiations for devolution deal 2 will start shortly and officers and Members are attending meetings to try to influence the work of the CA. The Coventry and Warwickshire Joint Committee continues, mainly concentrating on forward planning work around the duty to cooperate.	★ Green	➔

	Action	Priority	Reporting Officer	Update	Quarter 2 update	Status	Direction
NWCP 080	To continue to work with Warwickshire County Council, the Environment Agency and local communities to mitigate the effects of, and protect against, the impacts of localised flooding and to report annually in September	Creating Safer Communities	Richard Dobbs/Steve Maxey	Liason with the local flood groups in Austrey, Fillongley and Nether Whitacre is on going. A revised agreement for the use of a pump installed by the EA has been prepared. A strategic flood group at a county level is helping to co-ordinate the partnership work across Warwickshire.	Liason with the local flood groups in Austrey, Fillongley and Nether Whitacre continues. A multi agency flood response plan has been prepared at a county level. This helps to co-ordinate actions between partners and to identify escalation points. A strategic flood group at a county level is helping to co-ordinate the partnership work across Warwickshire.	★ Green	➔
NWCP 092	To ensure we communicate effectively to help inform residents, businesses and all sections of our communities of the Council's services and priorities and made clear the opportunities for them to be involved in decision making via consultation, in line with the commitments in the Council's Customer Access Strategy and report on progress by February 2017	Promoting Sustainable & Vibrant Communities	Linda Bird/Steve Maxey/Bob Trahern	Communicated extensively with regard to recent consultations on Borough Care, Arley Leisure Centre and North Talk/Area Forums. Where appropriate customers have been contacted individually with information and to get their comments.	The Council Tax Support consultation was undertaken in quarter two using on line, social media and north talk to promote. The summer edition of North Talk also continued to carry a lot of information promoting opportunities for all parts of the community to become greater engaged and informed about local schemes, as well as help and support available	★ Green	➔
NWCP 110	To develop an action plan based on the Economic Review and Impact Assessment and report on progress by March 2017	Supporting Employment & Business	Steve Maxey	A baseline assessment is being finalised following which an action plan will be drawn up. Work on the economic development of the area continues	A baseline assessment is being finalised following which an action plan will be drawn up. Work on the economic development of the area continues. The publication of the draft Local Plan includes a number of key employment sites	★ Green	➔

NWPI Executive Board 16/17

Ref	Description	Section	Priority	Year End Target 2016/17	Outturn 2015/16	April - Sept Performance	Traffic Light	Direction of Travel	Comments
<b>Council Performance Indicators</b>									
NWLPI 158	To respond to all complaints and requests for service within three working days	Env Health (C, L & HP)	Public Services and Council Tax	99	96	98	 Amber		Slight dip due to staff holiday over the Summer and time spent migrating licensing onto the CIVICA system.
NWLPI 162	Percentage of Freedom of Information replies dealt with within 20 days	Policy Support		100	95%	96%	 Red		166 Freedom of Information Requests received, 159 completed within 20 days, 7 over 20 days
<b>State of the Borough Indicators</b>									
NWLPI 153	Number of domestic burglaries in the Local Authority area	Policy Support	Crime and Disorder	244	245	120	 Amber		During 2015/16 the level of domestic burglary increased significantly compared to 2014/15 of 152. During April to Sep the levels are about 3 % higher. The increase will continue to be monitored. The most recent analysis prepared for the NW Special Interest Group shows the wards of Curdworth, Polesworth West, Atherstone Central and Water Orton to be priority locations. There are some indications of reduced levels in the Fillongley Ward following crime prevention measures being promoted via the rural crime project.
NWLPI 154	Number of violent offences and sexual offences in the local authority area	Policy Support	Crime and Disorder	955	956	606	 Amber		Increases in the recording of violence offences and sexual offences are still being seen. Additional categories of crimes are generating more recording of crimes. The Observatory have prepared an analysis of the additional categories. Analysis of violence against the person and sexual offences during June and August shows 166 offences with 37% with injury and 54% without injury.
NWLPI 155	The number of vehicle crimes in the local authority area	Policy Support	Crime and Disorder	432	433	202	 Amber		The level of theft from vehicles is nearly 27% lower in the first two quarters. The levels of theft from vehicles are monitored through the Special Interest Group. A high number of stolen items were noted as being left in plain sight.

Ref	Description	Section	Priority	Year End Target 2016/17	Outturn 2015/16	April - Sept Performance	Traffic Light	Direction of Travel	Comments
@NW:NI032	Violence Against the person with injury Offences related to Domestic Violence	Policy Support	Crime and Disorder	132	131	78	 Amber		The proportion of domestic violence related offences with injury is 35% which is a similar level to 2015/16. The overall recorded violent offences are increasing as indicated above.
@NW:NI047	People killed or seriously injured in road traffic accidents	Policy Support	Crime and Disorder	51	52	11	 Amber		Figures only available for quarter 1 so far.

## **Agenda Item No 12**

### **Executive Board**

**21 November 2016**

#### **Report of the Assistant Director (Leisure and Community Development)**

#### **LEADER – Loan Agreements**

### **1 Summary**

- 1.1 This report is requesting the Council's approval to operate an interest-free loan scheme for community and voluntary sector applicants for financial support through LEADER, which, otherwise, would be unable fund the cost of their project, in advance of receiving a grant.

#### **Recommendation to the Council**

- a That the Council agrees to provide interest-free loans, when required, to community and voluntary sector organisations seeking support through the LEADER programme; and**
- b That the Council agrees the process and conditions for providing interest-free loans, as identified in the main body of the report.**

### **2 Consultation**

- 2.1 The Chairman, Vice-Chairman and Opposition Spokesperson for the Executive, Community and Environment and Resources Boards, the Safer Communities Sub-Committee and Members with responsibility for Health, Well-being and Leisure have all had an opportunity to comment on the content of this report. Any comments received will be reported verbally at the meeting.

### **3 Background**

- 3.1 LEADER is a community and business led development programme that is jointly funded by the Department for Environment, Food and Rural Affairs (DEFRA) and the European Union. North Warwickshire, together with its partner area, Hinckley and Bosworth, has been awarded financial support of £1.416m for the programme, which operates until 2020.
- 3.2 The Borough Council acts as the Accountable Body for the North Warwickshire and Hinckley and Bosworth LEADER programme, through which grants are offered to businesses, groups and organisations under six priorities:

- Farming Productivity
- Forestry Productivity
- Micro and Small Enterprise
- Culture and Heritage
- Rural Services
- Tourism

3.3 The main focuses of the current programme are to increase economic growth and create new jobs in rural areas. Grant support is predominately aimed at small and micro businesses.

3.4 The Rural Services priority, however, is targeted at the community and voluntary sector and related funding will be used to address identified needs.

#### 4 Rural Services Priority

4.1 The multi-agency Local Action Group (LAG), which oversees the management of the programme, has agreed that funding under the Rural Services priority will focus on increasing the sustainability of community buildings by expanding, increasing and creating essential services that can evidence economic benefit to the rural area. Applicants can receive up to 100% of the related total project costs, with grants being available from £2,500 to £25,000.

4.2 The open call for Outline Applications under the Rural Services priority closed on 10 June 2016 and attracted 10 applications, four of which were rejected by the LAG on 28 June 2016. Of the six outline applications agreed as meeting the requirements for a full application, four are from organisations based in North Warwickshire.

4.3 LEADER grants are paid retrospectively (after activity has taken place and invoices have been paid). Through the experience gained from the previous LEADER programme and feedback received from community and voluntary sector organisations, it is evident that a number of the applicant groups will struggle to fund projects in this way. Indeed, three of the four North Warwickshire based applicants have disclosed that they will struggle with their cashflow in operating an approved project until they are able to claim back any LEADER grant. The organisations simply do not have the funds or financial support to pay for project costs upfront. In these cases, the projects will not proceed without an alternative form of financial support.

4.4 The table below shows the extent of the grant request for the three North Warwickshire projects in respect of which a potential cashflow problem has been identified.

Project One - Atherstone	£20,500
Project Two - Shustoke	£25,000
Project Three - Atherstone	£22,000

Total	£67,500
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These costs may change slightly when the organisations submit their Full Applications.

- 4.5 If all of the projects invited to submit Full Application do so in the current round, and if they receive the level of funding being sought, then the Rural Services budget will be fully allocated and there will be no further rounds of funding under this priority. If one or more applications are not submitted, or if applications are withdrawn prior to signing the required Grant Funding Agreement, then there may be the possibility of future rounds of funding, at which time other organisations with potential cashflow issues may submit applications, for which an alternative source of financial support maybe required.

## 5 Payment Solution, Issues and Risks

- 5.1 Within the previous LEADER Programme (2008 / 13), the Borough Council offered an interest-free loan to applicants that were not able to fund project costs upfront, provided that they could demonstrate that without this form of support its project would not proceed. In this way, assistance was offered to 13 applicants. The associated risk to the Authority was relatively low at this time, as grant payments were made by the Rural Payments Agency (RPA) to the Borough Council, prior to then being advanced to the applicant organisation. In this way, the Borough Council was able to deduct the loan payment prior to forwarding any outstanding sums due to the applicant group.
- 5.2 Within the current programme, however, grant payments are made by the RPA directly to the applicant organisation. Any loan agreements, therefore, would require the applicant to repay any loan to the Borough Council once it had received its grant money from the RPA. There is, therefore, a slightly heightened risk of non-repayment to the Authority.
- 5.3 The maximum grant limit within the current programme, at £25,000, is lower than previously, where grants could be awarded up to £50,000. The level of risk could be reduced by providing the applicant with staged loans. This would obviously increase the administrative burden of support, but could be an option where any associated risks were assessed as being relatively high.
- 5.4 Another potential risk to the Borough Council could be that applicants do not complete their project, as stated in the Grant Funding Agreement. This would make any grant claim unsuccessful and any advanced loan repayment problematic. To militate against the risk of non-completion of projects it could be possible to only provide applicants with a loan, or staged loan, payment once any approved work is complete and an invoice for payment was produced. This would allow the Borough Council to check that project work had been completed to a satisfactory standard prior to transferring the loan payment. This approach to support is similar to that adopted by, for example, the National Lottery and other community focused funding streams.



Additionally, projects are supported and monitored carefully by the LEADER team and any project variations are addressed effectively.

- 5.5 The current programme covers the areas of North Warwickshire and Hinckley and Bosworth. There would be no expectation for the Borough Council to offer loans to organisations outside of its boundary. Hinckley and Bosworth Borough Council is not currently exploring the option of providing loans, as it has not been raised as an issue within its locality. It is, however, aware that this Authority is exploring this option to support local organisations. There is no obligation for both Councils to agree on the same approach.

## **6 Potential Process**

- 6.1 Subject to the Board's approval of the proposal, set out below are the stages that would be followed in providing loans to local organisations:

1. The applicant would need to make it known to the LEADER team that it had a project idea, but that it does not have the financial capability to meet the project costs upfront.
2. While the applicant is working on its application to LEADER, the Borough Council would make an assessment of the organisation and then draw up a Loan Agreement, which would state that if the applicant was successful in securing LEADER funding, it would have the opportunity to secure an interest-free loan under certain terms and conditions. Loan repayments could be staged if considered to be necessary and would be scheduled in line with known completion (and therefore payment) stages of the project.
3. The Loan Agreement and the Grant Funding Agreement (GFA) would be signed by both the applicant and the Accountable Body and the project, as described in the GFA, would proceed. It would be the responsibility of the applicant to adhere to the conditions in the GFA.
4. In all cases, the loan would be paid to the applicant on receipt of a copy invoice. If staged payments had been agreed, then the copy invoice would be shown at completion of each stage of the approved work programme, thereby allowing applicants to pay contractor's invoices directly within seven days. If there were any doubts about the nature of any work undertaken, a member of the LEADER team would visit the project and assess the position.
5. The applicant would submit a LEADER claim in the usual way and wait for the grant to be paid by the RPA.
6. The applicant would be given a set amount of time to repay the loan to the Borough Council once in receipt of the grant payment from the RPA (the Borough Council would know when grant payments have been made to applicant organisations). If staged payments have been agreed, then this process would need to be followed for every stage of work in order to reduce any risk to the Borough Council.

## 7 Conclusion

- 7.1 As identified, there have been four North Warwickshire based outline applications for LEADER support received under the Rural Services priority. Three of these applicants have made it known that their proposed project will not proceed without an additional form of loan support, as they do not have the capacity to pay for project costs prior to claiming any approved grant. This issue was addressed in the previous LEADER programme by the Borough Council agreeing to provide short-term loans.
- 7.2 The provision of short-term loans under the current LEADER programme carries a slightly heightened risk for the Authority, as the organisations will be paid any grant directly by the Rural Payments Agency, rather than through the Borough Council. Other risks are similar to the previous programme, and the largest potential grant award is £25,000. The maximum cumulative loan sum stands at £67,500.
- 7.3 Although the programme covers Hinckley and Bosworth, as well as North Warwickshire, support from the Borough Council would only be provided to North Warwickshire based organisations.
- 7.4 Providing loans, via the proposed outline process, would support local organisations to deliver economic benefits in the Borough.

## 8 Report Implications

### 8.1 Finance and Value for Money Implications

- 8.1.1 The LEADER allocation to the Rural Services priority, and the forecast spend over the three years of the programme, are shown in the table below:

		<b>Programme Spend</b>	<b>NW 50% of Spend **</b>
Year 1	April 2016 to March 2017	£36,438	£18,219
Year 2	April 2017 to March 2018	£40,313	£20,157
Year 3	April 2018 to March 2019	£39,360	£19,680
<b>Total</b>		<b>£116,111</b>	<b>£58,056</b>

- \*\* The proportion of the total sum that will be granted to North Warwickshire based organisations is only an estimate. Judging from the level of interest that has been evident to date, it is reasonable to suggest that there will be an even split across the two Boroughs.

- 8.1.2 The financial implications of the proposal to allocate interest-free loans to appropriate community and voluntary sector organisations are identified in the main body of the report.

### 8.2 Safer Communities Implications

8.2.1 LEADER funding will be used to create jobs and grow the local economy, which should have a positive impact upon reducing levels of crime and anti-social behaviour.

### **8.3 Environment and Sustainability Implications**

8.3.1 There are no direct environment and sustainability implications arising from the report. It should be noted, however, that the LEADER programme supports rural regeneration and encourages the design and delivery of economic projects that help to regenerate and sustain local communities.

### **8.4 Health, Well-being and Leisure Implications**

8.4.1 LEADER will help to create a stronger sense of place and improve health and well-being through actions that support communities. The programme could additionally enhance the rural environment by providing new leisure and recreation opportunities. Improving employment opportunities should also have a positive impact on people's mental well-being.

### **8.5 Human Resources Implications**

8.5.1 LEADER funding supports the employment of two Officers; a Project Manager and a Development Officer, who work with applicants to develop funding applications and ensure the success of any subsequently approved projects.

8.5.2 Approval of the proposal to provide interest-free loans would require additional officer time to draw up the agreements and manage the financial implications, although it would not incur any additional staffing costs.

### **8.6 Risk Management Implications**

8.6.1 The risks associated with the LEADER programme have been, and will continue to be, managed and monitored through approved Divisional Risk Management processes.

8.6.2 All expenditure through the new programme is re-claimed via the Rural Payments Agency, which reduces the risk to the Accountable Body. The risks associated with the provision of any interest-free loans are identified in the main body of the report.

### **8.7 Equalities Implications**

8.7.1 The research and consultation work that was carried out in advance of the programme provided opportunities for the local community to influence the production of the Local Development Strategy, which provides the guiding framework for the programme. This consultation included groups and individuals defined by the protected characteristics under the Equality Act. Each individual application for funding will be asked to evidence the equalities impacts of the proposed project and this evidence will be reviewed within the

appraisal process. An updated Equalities Impact Assessment was included within the LEADER report considered by the Board in July 2015.

## 8.8 Links to Council's Priorities

8.8.1 The LEADER programme, and the projects that it could support, directly link to the following corporate priorities:

- Responsible Financial and Resource Management
- Creating Safer Communities
- Protecting our Countryside and Heritage
- Improving Leisure and Well-being Opportunities
- Promoting Sustainable and Vibrant Communities
- Supporting Employment and Business

8.8.2 Additionally, all projects funded by the LEADER programme will positively impact upon at least one of the priorities of the Sustainable Community Strategy, which are to:

- Raise aspirations, educational attainment and skills
- Develop healthier communities
- Improve access to services

The Contact Officer for this report is Iain Neville (719271).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
None			

## **Agenda Item No 13**

### **Executive Board**

**21 November 2016**

#### **Report of the Assistant Chief Executive and Solicitor to the Council**

#### **Submission of Arley Neighbourhood Plan for Adoption**

### **1 Summary**

- 1.1 This report informs Members of the progress of the Arley Neighbourhood Plan and seeks approval to adopt in accordance with section 16 of the Neighbourhood Planning (General) Regulations 2012.

#### **Recommendation to the Board**

**That the Arley Neighbourhood Plan be adopted and form part of the Development Plan.**

### **2 Consultation**

- 2.1 Councillors Hayfield, Simpson and Gosling have been sent a copy of this report for comment. Any comments received will be reported verbally at the meeting.

### **3 Background**

- 3.1 The Localism Act 2011 introduced a mechanism for local communities to produce neighbourhood plans. Once a neighbourhood plan is 'made' it becomes part of the statutory development plan for that area and will be used, alongside local and national planning policy and guidance, to determine planning applications. There are now 9 designated Neighbourhood Plan areas within the Borough.

### **4 Arley**

- 4.1 Arley was the first Neighbourhood Plan to be formally examined by an Independent Examiner and go forward to referendum. There is a requirement that 51% of those who vote must support the document for the Borough Council to consider adopting the Plan.

4.2 The referendum took place on Thursday 22 November and the results are as below

<b>Question: Do you want North Warwickshire Borough Council to use the Neighbourhood Plan for Arley to help it decide planning applications in the neighbourhood area?</b>	<b>Votes Recorded</b>	<b>Percentage</b>
Number cast in favour of a <b>Yes</b>	582	90.9
Number cast in favour of a <b>No</b>	52	8.1

4.3 There is clearly good support for the Plan and it is recommended that the Plan be adopted.

## **5 Finance and Value for Money Implications**

5.1 The Borough Council can claim up to £30,000 for each Neighbourhood Plan – the first payment of £5,000 was made following designation of the neighbourhood area. A second payment of £5,000 is made when the local authority publicises the Neighbourhood Plan prior to examination. The third payment of £20,000 is made on successful completion of an independent examination. These payments recognise the amount of officer time supporting and advising the community in taking forward a Neighbourhood Plan. They will also cover the cost of the referendum and will assist in producing the Plan.

## **5.2 Legal and Human Rights Implications**

5.2.1 The process conforms to the legal requirements for Neighbourhood Plans.

## **5.3 Human Resources Implications**

5.3.1 Staff time is expected to be provided by the Borough Council to support and advise the Parish Council and community in taking forward a Neighbourhood Development Plan.

## **5.4 Environmental and Sustainability Implications**

5.4.1 Each Neighbour Plan will need to consider the effects of the Plans contents in terms of environmental and sustainability issues in accordance with the relevant regulations.

## **5.5 Links to Council's Priorities**

5.5.1 The designation of the Neighbourhood Plan Designation Area will have links to the following priorities;

1. Enhancing community involvement and access to services
2. Protecting and improving our environment
3. Defending and improving our countryside and rural heritage

The Contact Officer for this report is Sue Wilson (719499).

### **Background Papers**

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>
1	Arley Neighbourhood Plan Team and Arley Parish Council	Neighbourhood Plan	
2			
3			
4			
5			



**The Arley Neighbourhood Plan**  
**2015-30**

*John Burt*



# Arley Neighbourhood Plan



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# **INTRODUCTION**

## **1 Purpose**

Arley Parish Council received approval from North Warwickshire Borough Council, the local planning authority, to prepare a Neighbourhood Plan for the whole parish. The Arley Neighbourhood Plan (ANP) offers a vision for the future of the parish and sets out how that vision can be realised through managed development.

In order to achieve the key aims of the community (outlined in the Challenges for Arley section), the Neighbourhood Plan proposes policies to protect the character of the parish and address local issues to create a thriving community.

The purpose of this Neighbourhood Plan is to consult the community on the proposed policies before the final Plan is submitted to independent examination and local referendum.

The Arley Neighbourhood Plan has been written in the context of the Localism Act 2011, the National Planning Policy Framework and the North Warwickshire Core Strategy and emerging Local Plan. Whilst having a 15-year timeframe the Plan is intended to be reviewed on a 5 yearly cycle when development needs will be re-assessed.

## **2. Consultation**

The Parish Council has consulted the local community widely over the last 2 years. Focus groups and open meetings have been held to review and agree the issues and vision for the future that now drive the Neighbourhood Plan. This was followed up with a community survey (438 responses plus additional comments) that went to every household to obtain the fullest views of the community's concerns needs and wants. Further open meetings held in March 2015 tested the suitability and acceptability of the emerging policies contained in this document.

The Neighbourhood Plan has been regularly featured in the parish magazine, on the community website and through email newsletters.

### 3. The Neighbourhood Plan Preparation Process

The Arley Neighbourhood Plan was submitted to the Borough Council in September 2015. At the same time the Parish Council assessed its validity and go out to public consultation. The Neighbourhood Plan will then be submitted to an Independent Examiner for scrutiny. The Parish Council will consider any recommendations made by the Examiner and the plan will be amended before being put forward to a Referendum by the Borough Council.

If supported by a majority vote the plan will be adopted by the Borough Council as part of the planning policy for the parish of Arley.

### 4. Sustainability Appraisal

The plan has been screened to see whether it needs an Environmental Statement and HRA assessment. The Environment agency do not consider further work on the SEA and HRA necessary for the plan to progress as it is unlikely to have any significant environmental impacts that have not been previously assessed as part of the SA for the site allocations DPD.

### 5. Monitoring and Review

The Arley Neighbourhood Plan will be monitored by Arley Parish Council on an annual basis. The aims and objectives will form the focus of the monitoring activity but other data collected or reported at a parish level will also be included.

The Plan will be reviewed formally on a five year cycle or to coincide with a review of NWBC Local Plan.





## Our Vision-Arley in 2030

*In 2025 the Parish of Arley will cater for all ages and abilities within a semi rural environment designed to make residents proud of their village as a desirable and safe place to live and work.*

*The adoption of innovation and expansion will be encouraged only when it benefits the community.*

This vision of Arley in fifteen years' time captures the views and aspirations of the local community and therefore forms the basis on which the policies have been created.



### **Protect the rural aspect of the parish**

- Maintain the current rural, housing and industrial balance of the village
- Preserve the easy access to the countryside

### **Ensure future development is built to the highest standards**

- Where developments are not small scale (greater than 10 houses) insist that the infrastructure of the village (roads, paths, and broadband) is improved to take account of new development.

### **Encourage the development of a strong and vibrant community**

- Build homes so that people with a connection to the village can continue to live there.
- Developers must respond to the needs of the community and build houses that local people need.

### **Maintain and develop Community Assets and Facilities.**

- Developers who build in the village should contribute to the maintenance and improvement of Community Assets and Facilities
- List Community Assets and Facilities that are essential to village life, and ensure that they are protected as a condition of redevelopment.



## Map 2.


## Development Boundaries

Arley has been designated as a Local Service Centre within NWBC North Warwickshire Local Plan Core Strategy. See below.

This map of the development boundaries in the parish of Arley shows where new building is permitted. Outside the boundaries is the Green Belt. Within the Green Belt new building is generally not allowed, but there are exceptions. These include some buildings for agricultural, forestry and recreational purposes and also, in some circumstances, the redevelopment of previously developed sites.



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KEY  = development boundaries for Old and New Arley

A Local Service Centre typically has a small grouping of shops, comprising a general grocery store, a sub-post office, a medical centre, occasionally a pharmacy and other small shops of a local nature, and a park

# A history of Arley



Arley is mentioned in the Domesday Book in 1086; it was called 'Arei' and was one of a number of hamlets in the parish. Sometime later the stone church of St Wilfrids was built, indicating that what is now Old Arley was the centre of the settlement.

By 1848 there were 265 inhabitants, the land in the parish was mostly pasture and meadow, and lime and stone for road building could be obtained here. There was a Georgian rectory, a free school and, by 1900, a post office and railway station.

In 1901 coal was discovered in the valley to the west of the village, production began in 1902. In 1940 the pit had 1500 employees and produced almost 500,000 tons of coal a year.

Very soon after coal production started Arley was transformed into a pit village. The Arley Colliery Company built manager's and deputy's houses in Old Arley and created the village of New Arley on the hill above the pit for the miners. It



*Arley Village with Arley Church in background.  
1905*

[www.windowsonwarwickshire.org.uk](http://www.windowsonwarwickshire.org.uk)

provided electricity for the houses, at a non-standard 110 volts, free coal for its employees and health care for villagers from the company doctor. The Arley Colliery Company was nationalised in 1947 and the pit closed in 1968 because demand for the domestic coal it produced was falling. In contrast, the nearby Daw Mill Colliery, which opened in 1959, producing coal for industry, survived until 2013.



*Arley Pit, from Frederick Road  
January 1963*

[www.windowsonwarwickshire.org.uk](http://www.windowsonwarwickshire.org.uk)

Arley is defined by its association with the pit. The landscape around the pit site, now an industrial estate, is shaped by the spoil heaps, smoothed and grassed over. Miner's cottages overlook St Wilfrids, the medieval church, and New Arley was built by the colliery company from scratch across the valley; the streets curve down the hillside to form semicircles, with the pub and the police station at the bottom. The cottages are built in terraces, with service roads at the back for the delivery of the miner's

coal, and long thin gardens. The miner's social clubs have gone but there are still signs that some of the cottages used to be shops; Arley was a typically close knit and self sufficient mining community.

The closure of the pit in 1968 was an enormous blow to the village. Only a small proportion of the miners found work in other collieries and there was a danger that Arley would become a 'ghost town'. An industrial estate on the site of the pit, employment opportunities within commuting distance and new housing enabled Arley to slowly reinvent itself.



The village of Arley is scattered across a valley and the adjacent hillsides. In some places the buildings are packed close together, while in between there are large swathes of open countryside. This is the feature that gives the parish its particular quality.

A circular walk around Arley, starting in the northeast corner would begin at Hilltop, a small group of pre-1st World War cottages that were built for the miners who sunk the first shaft. Similar cottages, opening straight onto the street, were built along the ridge at the top of Gun Hill. They were known as the 'sinkers houses' and now stand opposite two large shops, which have replaced the many different shops, which once occupied cottages in every street.



Behind the shops is Sycamore Crescent, a post 2nd World War development of large semi-detached and terraced houses, built to the Parker Morris standards of the time. Further westwards is the new combined primary school, recently opened on the site of the original school, built by the

colliery company 100 years ago.

Behind the 'sinkers houses' curving down into the valley are the terraces of cottages built in the 1920s for the miners. At the bottom of hill are the 'Fir Tree' pub and two houses that used to be the police station. Two miners welfare clubs, which stood empty, have been demolished and houses for rent or part-buy, and bungalows for older people to rent, have replaced them.



Further West is Morgan Close, a 1988 development that introduced a type of housing to Arley which was more expensive, and more suburban in design, than anything that had been seen before in the village.

At the edge of Morgan Close is Daffern's Wood, an area of ancient woodland that is now a protected nature reserve.



As Gun Hill turns and descends the hill it becomes Spring Hill, with a scattering of farms, colliery manager's houses and individual houses and bungalows. The name Spring Hill reflects the numerous springs that appear in the fields on the hillsides around Arley and run down into the Bourne Brook that flows down the valley in the centre of the parish.



The area to the east of Spring Hill is the site of the colliery. The railway yard joined the main line from Nuneaton close to the road and behind the yards was the colliery itself. That is now an industrial estate and is the centre for caravan sales in North Warwickshire; the spoil heaps from the pit have been landscaped and it is hard to determine which is the original landscape and what was manmade.



The Signal Box on the Railway at Arley Colliery Sidings.  
1920s  
www.windowsonwarwickshire.org.uk



Arley and Fillongley Railway Station  
1907  
www.windowsonwarwickshire.org.uk

There was once a railway station, situated at the junction of Station Rd. and the road between Coventry and Tamworth. A new station at the bottom of Spring Hill is mentioned in the NWBC Local Plan, but without a time scale for building it.

Turning right at the bottom of Spring Hill the road climbs towards the original centre of Arley and St. Wilfrids Church. On the left are the sports fields, sports centre and children's playground and on the right Bournebrook View, an 80s council development of houses and sheltered bungalows. The miner's cottages that were originally here subsided because the mine workings were directly underneath them.



The land stood empty until 2010 when more bungalows for older people, a small estate of houses for sale and a new medical centre were built. A part of the site was designated as a village green and cannot be developed. The old medical centre on Spring Hill has been demolished; the site has planning permission for three houses.



At the top of the hill is St Wilfrids Church, which has some medieval features, Church Farmhouse, and the verger's cottages. Corner Cottage was once a number of cottages for farm workers; the pub, 'The Wagon Load of Lime', was built in 1909 replacing a cottage across the road. The name refers to the lime kilns at Furnace End; the wagons must have come up the hill on their way to Nuneaton.

Above the church are St Wilfrids Cottages, the cottages built for the mine deputies in 1906, Rowley's abattoir, and Herbert Fowler school, the original secondary school, built by the colliery company in 1914. It has recently closed. There is a typical 80s development of private houses on the corner of Church Lane.



The road opposite the church leading to Devitts Green is called Oak Avenue and runs past Arley Sports Centre and Recreation Ground.

The road becomes Woodside and continues to run up the hill alongside Arley Wood, which was an oak wood until the 1960s when large parts of it were planted with conifers to provide pit props for the mine.

The Forestry Commission periodically takes a crop of timber from the wood and is allowing it to revert naturally to coniferous woodland, although this will take many years.



The original pit managers' houses were built opposite the wood and have been joined along the road by other private houses and bungalows.

The farmhouses at Woodside have been converted for other uses.

The road continues into Devitts Green Lane and on down to the Tamworth Road and Daw Mill pit, which has now closed with its future is presently under review by the planning authorities.



When Arley was a pit village areas of the parish were given over to industry on a scale that is hard to imagine today. Even then large areas of the parish were farmed or were wooded, providing some relief for the miners and their families. In contrast, the survey conducted for the Neighbourhood Plan showed that today many villagers enjoy living in Arley because it nestles in the countryside; they value the easy access to fields and woodland, and the closeness of their homes to the open countryside is seen as a great advantage.

A description of the village necessarily focuses on the buildings and the history of the village that they reveal. It does not describe the patchwork of buildings and countryside; our survey showed that it is that relationship which makes Arley attractive to many of the residents and that it is that 'rural aspect' that they are most keen to protect.



**ANP1: Maintain the Rural Character of the Parish**

**This is our overriding goal. To retain the peaceful and quiet countryside of the Parish of Arley together with its diversity of agricultural businesses and woodland.**

- 1.1 Arley has the scale of a village where neighbours can know and support each other and a friendly greeting is the norm. It is plain from the responses from the Arley NP survey, public meetings and from our conversations with villagers that the largely rural nature of the parish is a very important factor in the quality of life to be found in Arley. The survey showed that there was overwhelming support for defending the Green Belt, maintaining access to a 'quiet, rural countryside' by protecting rights of way and footpaths and ensuring that building within the development boundaries reflects its rural surroundings.
- 1.2 Arley sits in the Green Belt and has not expanded beyond its historical boundaries. It still has the overall shape of the old mining community and the countryside is easily accessible from all parts of the village. Arley may be part of an industrial landscape but the surrounding countryside is mostly farmland or woodland, and it intrudes into the village. .
- 1.3 Villagers are strongly in favour of only allowing development in the countryside that is in harmony with its surroundings (recognizing that agricultural businesses need to develop over time) and that are in the long-term interests of the whole community.
- 1.4 The rural aspect of Arley is reinforced because the built up areas are not continuous. Housing gives way to green spaces often leading to the countryside. There is a gradual transition from the built environment to the countryside; areas of grass and woodland within the village give way to open countryside outside the development boundaries.
- 1.5 The terraced miner's cottages are closely packed, but the density is relieved by the service roads and long gardens. Buildings in other parts of Arley in general are not crowded together, they have space around them, as you would expect in a village. Some recent developments have reverted to the density of the miner's cottages but without amenity spaces such as sufficient gardens or green areas to relieve the crowding.

## **ANP2: Green Space Strategy.**

**The green spaces listed within the development boundary are one of the features that maintain the rural aspect of the village and must be preserved.**

- 2.1 These spaces, whether woods, small village greens, triangles and roundabouts in road layouts, or green corridors alongside paths are essential in providing a bridge between housing and the surrounding countryside and should be protected.
- 2.2 Some of these spaces link to woodland and hedgerows outside the boundaries to form green corridors, reinforcing the appearance of Arley as a village set in the countryside, and encouraging wildlife to thrive close to residential areas. Recent developments which have no trees remove any chance of new estates maturing over time and becoming an integral part of the fabric of the village.



**Green Spaces within, or adjacent to, the Arley development boundary can be grouped as:**

Informal/amenity open space (typically green spaces in and around housing)

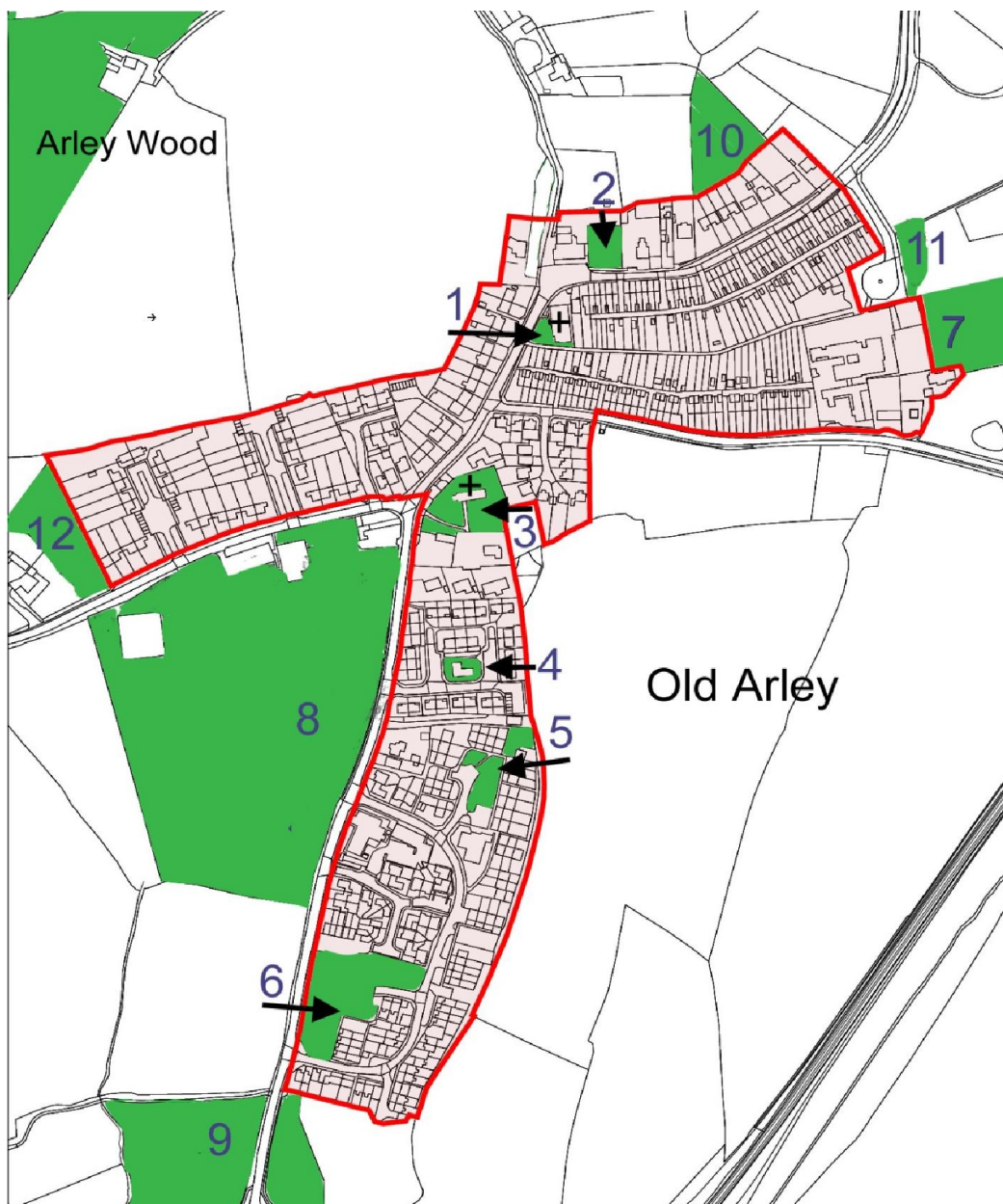
Recreation/Play areas

Natural spaces consisting of woodland and other spaces that are managed in a way that promotes biodiversity and allows nature to develop such as: -

Graveyards and Cemeteries:

Map 3a.

Map of Green Spaces-Old Arley



Green spaces inside Old Arley development boundary:

1. Methodist Hall
2. Bowling Green
3. St Wilfreds Churchyard
4. Meadowcroft
5. Rowland Court
6. Village Green

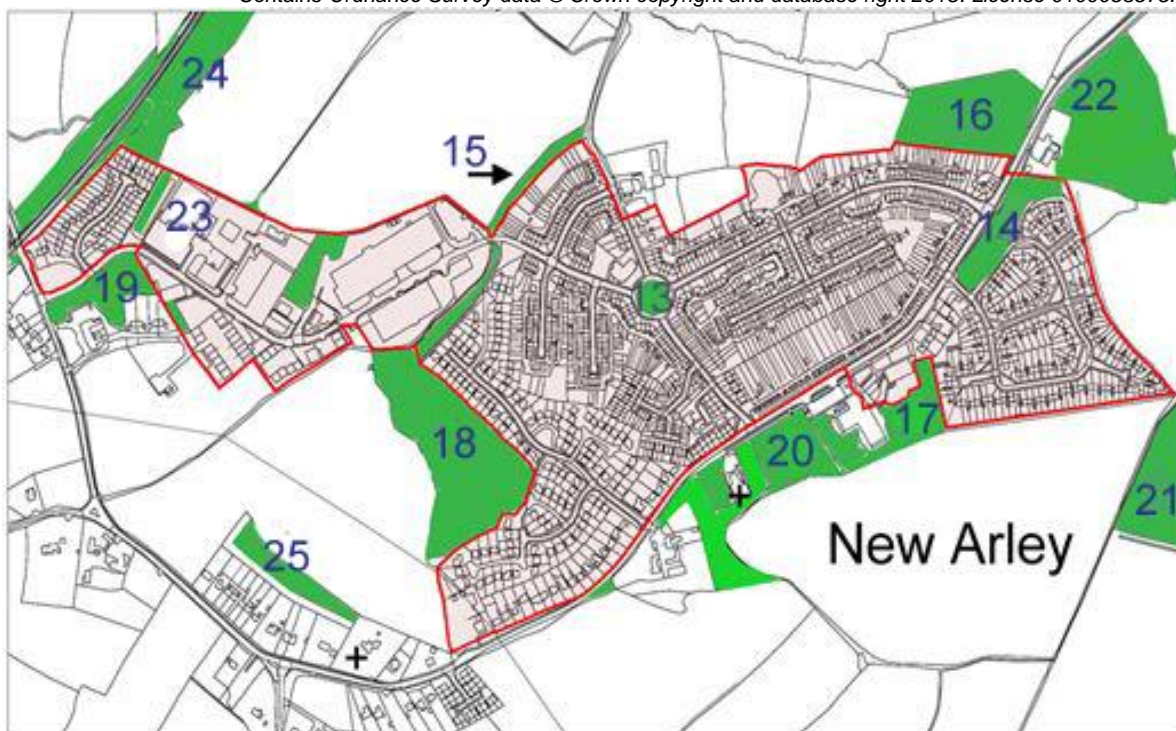
Non-agricultural land adjacent to the development boundary:

7. School Field
8. Recreation Ground
9. Sally's Wood and land opposite
10. Land at rear of 'Westwood'
11. Land east of roundabout
12. Land east of Arley Hall Farm

## Map 3b.

## Map of Green Spaces-New Arley

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Green spaces inside New Arley development boundary:

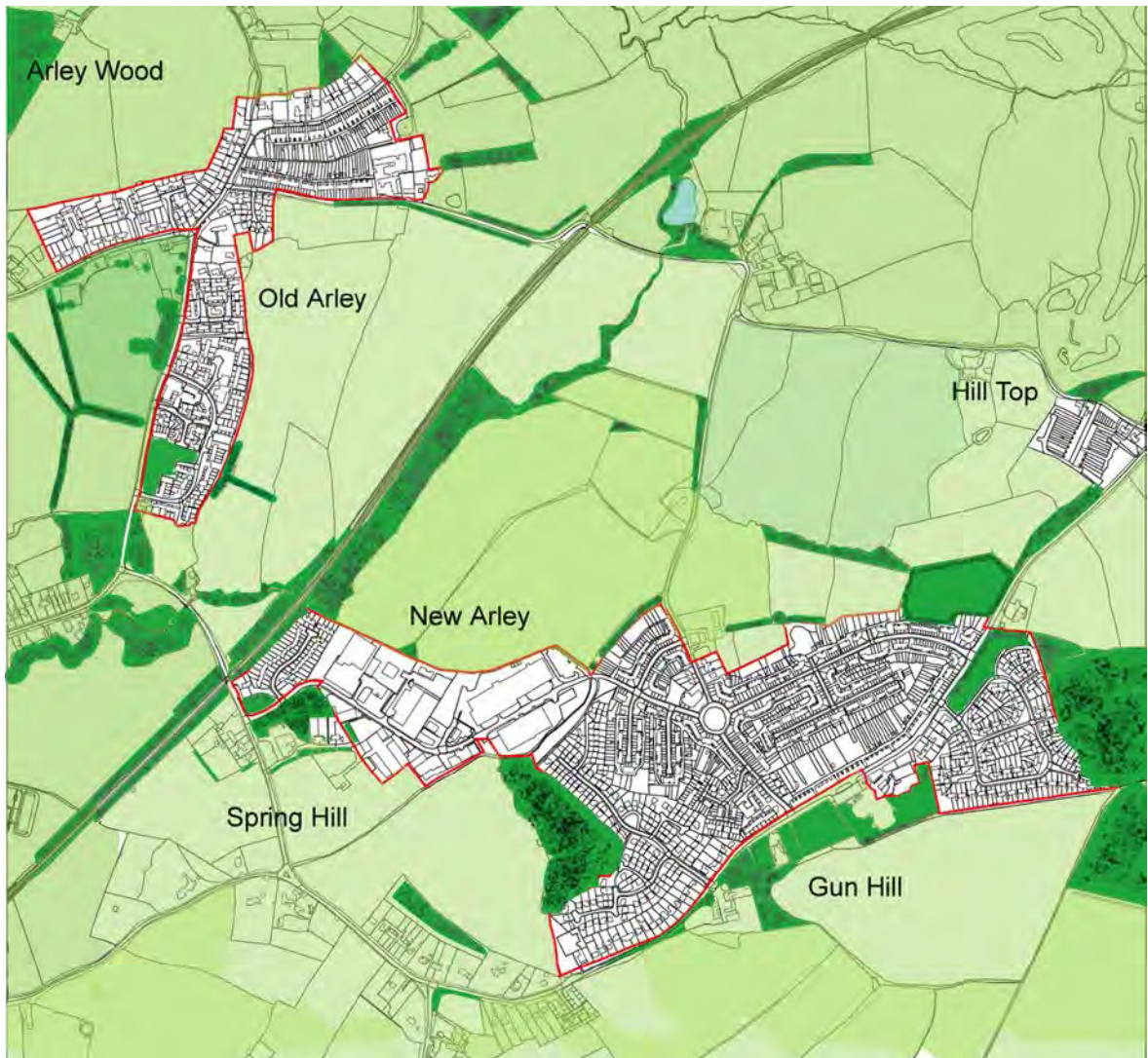
- 13. Roundabout-Ransome Road
- 14. Village Green-Sycamore Crescent.

Non-agricultural land adjacent to the development boundary:

- 15. Behind Hollick Crescent
- 16. Allotments
- 17. School Playing Fields
- 18. Daffern's Wood Nature Reserve
- 19. Lower Daffern's Wood
- 20. St. Michael's Churchyard
- 21. Astley Gorse
- 22. Rear of former ambulance station
- 23. Green spaces within Spring Hill Industrial Estate.
- 24. Railway Embankment
- 25. Land at rear of 'Lindisfarne', Spring Hill

## Map 4.

## Green Corridors



How green corridors connect Arley to the surrounding countryside.

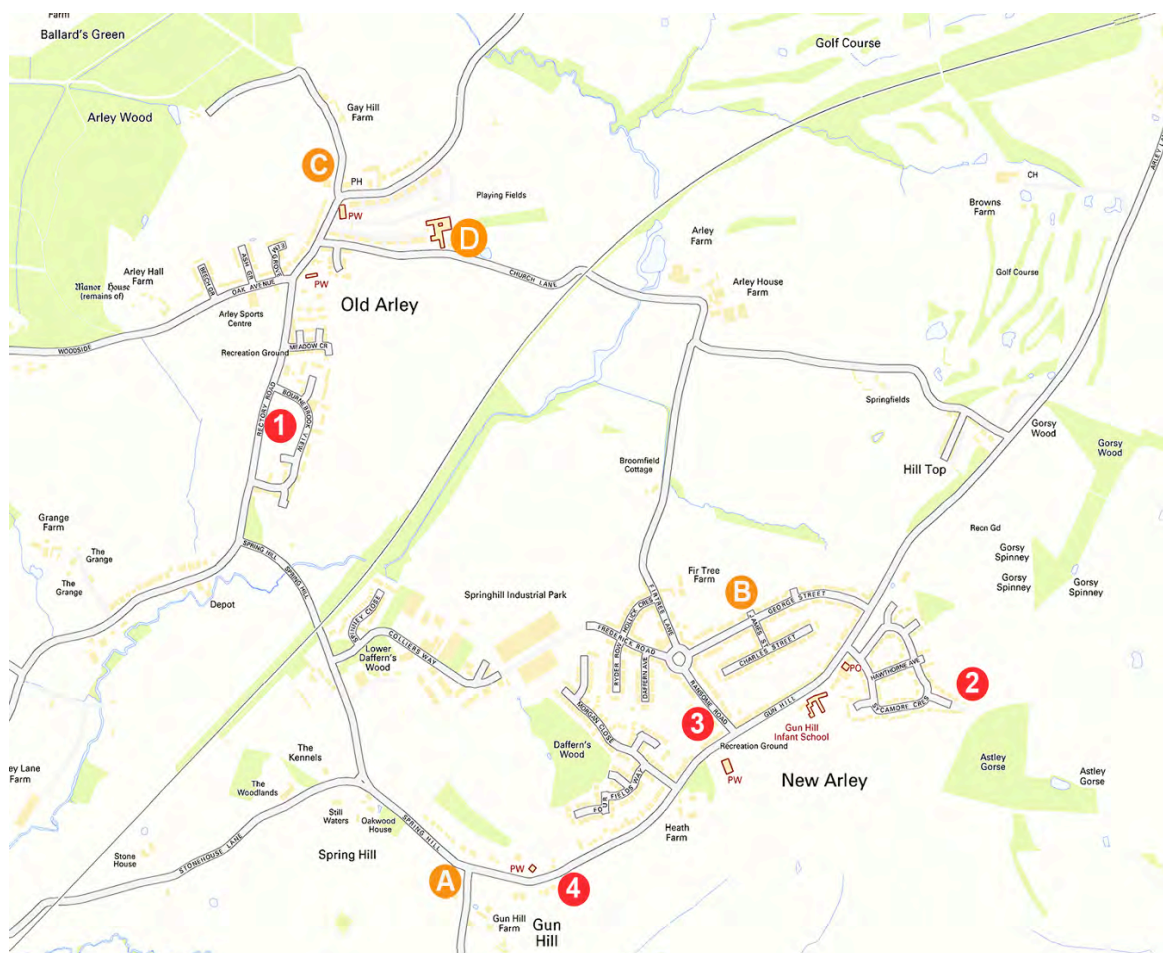
*Contains Ordnance Survey data © Crown copyright and database right 2015. License 0100053575.*

KEY  Green corridors

**ANP3: Maintain the balance between the natural and built environment that has evolved to give us Arley as it is today.**

- 3.1 It is not surprising that there was almost total support in our survey responses for the national policy towards Green Belt development. Limiting development to the development boundary (there are exceptions to this and affordable housing and some other types of development may be allowed in the Green Belt if there is a proven need) will maintain the human scale of the village and is the best way of preserving the character of Arley and ensuring that development enhances the rural qualities that villagers value, rather than allowing Arley to gradually become a small town.
- 3.2 In order to support the policy above we maintain that housing developments should be restricted to Brownfield sites, where possible, within the development boundary. Empty unused industrial or commercial sites are often an eyesore which blight the surrounding area and well designed housing can be a factor in making a newly developed site fit successfully into the overall fabric of the village.

**Map 5. Recent building and housing sites in Arley**



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**Recent building in Arley**

- 1** New Medical Centre, 16 Bungalows and 14 houses
- 2** 4 'Eco' houses
- 3** 42 Houses
- 4** 16 Bungalows

**Housing sites**

- A** Former Medical Centre
- B** Corley Motors Site
- C** Site for one house on Ansley Lane
- D** Herbert Fowler School



## **ANP4: Encourage a strong and vibrant community.**

**Priority should be given to the type and tenure of new property that meets local needs.**

- 4.1 The NP survey responses showed strong support for new housing that meets local needs. There is support for new housing which allows people with links to the village, whether younger generations or new families, to stay within the parish. There is also support for new developments which allows older people to downsize and release family houses, or starter homes which younger people from the village can move on to from their parent's houses.

**Recent new house building in Arley:** (See Map 5)

New Arley. Sycamore Crescent, 4 Eco houses.

Old Arley. Rectory Rd. 14 houses, 16 bungalows.

New Arley. Ransome Rd. (Colliers Green) 42 houses.

New Arley. Teagles Gardens, 16 bungalows (Exception Site in the Green Belt)

- 4.2 Using the 2011-15 Housing Needs Survey as a guide, recent building in Arley has satisfied a large part of local housing demand as required under the NWBC Core Strategy. As a result of recent building there are only three (NWBC) Preferred Housing Site allocations that will accommodate more than one house. As there are so few sites where new homes can be built in the village new housing projects should independently assess the current need for social housing to ensure that new building offers appropriate homes to villagers that need them.
- 4.3 The NWBC housing list dated December 2014 indicates that there is most demand in Arley for 2 bed houses and single person accommodation, which any new housing should address. Consideration should be given to introducing more flexible arrangements, such as part-buy, part-rent bungalows for older people who are homeowners, which could provide a way for people to leave larger houses that they can no longer manage.

## **ANP5: Ensure the built environment in Arley meets the highest current standards.**

**New building in the parish should be built to high standards and in an appropriate style.**

- 5.1 Good design should ensure that new building does not have an adverse impact on green corridors linking the village with the countryside or impose an inappropriate urban style.
- 5.2 Given that there are very few sites in Arley that could be developed there is little scope for designs that will change the overall look of the village. Some of the design criteria may not be applicable to a small site, but in the future, if larger sites become available (For example the preferred sites of Herbert Fowler School and the industrial site at the bottom of Frederick Road) they should be built according to the best design principles.
- 5.3 The following criteria have been adapted from the Design Council 'Building for Life 12'.
1. New developments must respect existing buildings and land uses along the boundaries of the development site.

2. The scheme should create a place with a locally inspired or otherwise distinctive character. Arley was a mining village and the cottages in both New and Old Arley are a reminder of that heritage. New buildings that refer to those cottages will have more relevance to the village than off-the-shelf designs and styles.
  3. Any views into or from the site need to be considered. Are there any trees, hedgerows or other features that need to be designed into the development
  4. The schemes should take advantage of the existing landscape features of the site and exploit the topography to provide sustainable drainage.
  5. Buildings should be designed and positioned to define and enhance streets and spaces. Buildings should be designed to turn street corners well. The position of buildings rather than the route of the carriageway should define streets.
  6. Resident and visitor parking must be sufficient (2 spaces per house plus common space) and well integrated so that it does not dominate the street.
  7. The development should have a mix of housing types and tenures that suit local requirements.
  8. Consideration should be given to the closeness of a development to community facilities, such as shops, schools, workplaces, parks, play areas, pubs or cafes.
  9. The scheme should have good access to public transport to help reduce car dependency.
  10. Layout of the scheme should be designed to make it easy to find your way around.
  11. Public and private spaces should be clearly defined, should reflect the needs of the people living in the scheme and should be designed to be attractive, well managed and safe. For example, family houses must have traffic free play areas and bungalows for older people must have level access from the pavement.
  12. There must be adequate external storage space for bins and recycling as well as vehicles and cycles.
- 5.4 Replies to the NP survey expressed concern that new developments in the village have been built to minimum standards rather than trying to emulate the best practice. If houses are to be well designed, taking account of the needs of the people who live in them, and built to a high standard, then proposed developments which do not meet those criteria should be opposed.
- 5.5 Good design standards, in terms of housing density, acceptable room size, street and green space design etc. can be gleaned from guides such as 'Building for Life 12'. The question of what new building in an ex-mining village such as Arley should look like is more complicated.
- 5.6 Perhaps the old mining cottages in the village will provide design cues and there are historical styles in Warwickshire that can be adapted to modern houses.
- 5.7 New development must avoid looking out of place, as if it might as well be in a city, and as the development matures it must become an integral part of the fabric of the village.
- 5.8 See page 25 for an example of recent building at Colliers Green that lacks the green space seen in previous developments. (See also ANP2)

**ANP6: Housing developments in the Parish should contribute financially to improvements in infrastructure.**

**This objective will be furthered by a combination of measures such as S106 financial contributions and the adoption of the Community Infrastructure Levy by NWBC whereby developers will contribute to infrastructure improvements that will benefit the whole village.**

- 6.1 Replies to the Neighbourhood Plan survey expressed concern that basic services in the parish are not keeping pace with new building; examples include variable water pressure and decreased broadband performance. Developers and utility providers should ensure that new development is not likely to reduce the performance of gas, electricity drainage and other utility services for existing residents. Where possible new development should help to improve services and also provide paths fencing and green areas.

**ANP7: The development and maintenance of Community Assets and Facilities.**

**To ensure that villagers can live a full and rewarding life within the village any capital inflows should be used primarily to protect, maintain and develop existing community assets and facilities.**

- 7.1 Definition – From NWBC

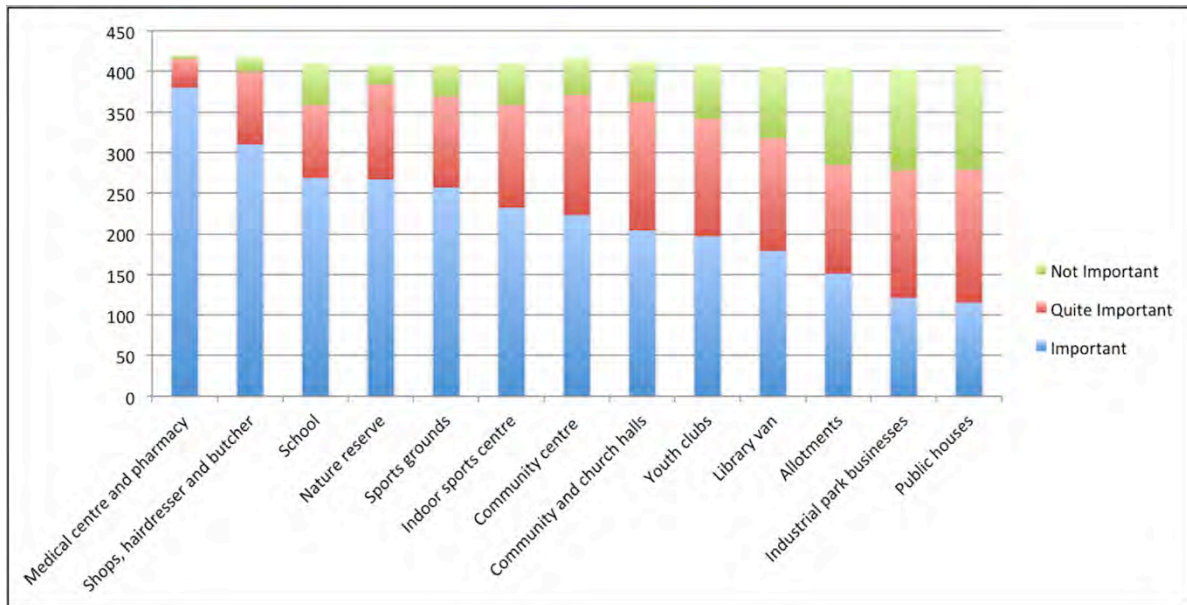
“Parish councils or local community groups can nominate both privately and publicly owned assets which meet the definition of community value”.

See

[https://www.northwarks.gov.uk/info/20028/forward\\_planning/1086/community\\_assets](https://www.northwarks.gov.uk/info/20028/forward_planning/1086/community_assets) for further details.

- 7.2 A building or land in a local authority's area will be listed as an asset of community value if in the opinion of North Warwickshire Borough Council:
- The current primary use of the building/land or use of the building/land in the recent past furthers the social well-being or social interests (cultural, recreational, or sporting interests) of the local community
  - it is realistic to think that now or in the next five years there could continue to be primary use of the building/land which will further the social well-being or social interests of the local community (whether or not in the same way as before)”

## Support for Community Assets and Facilities from the Arley NP survey



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7.3 Arley is not, like many villages, somewhere that is without shops or schools etc. and so is classified by NWBC as a 'local service centre' with the advantages and disadvantages that come with that designation.

7.4 Responses to the NP survey showed that villagers valued the facilities available to them and appreciated that Arley had many advantages compared to other rural communities who had lost shops, schools, leisure facilities and so on. There is support for measures that will ensure that facilities are retained and make it possible to maintain and expand them in the future.

7.5 A thriving community needs to maintain and improve Community Facilities in Arley:

- School
- Medical Centre
- Pharmacy
- Sports Centre
- Sports Grounds
- Public Houses

7.6 Community-run assets need an income beyond what can be raised by support from the community in order to develop their programmes of activities and carry out essential maintenance to buildings.

- Community Centre
- Community, Church Halls and Places of Worship
- Community Rooms (Meadow Croft, Rowland Court, Stewart Court)
- Allotments
- Nature Reserves
- War Memorial

## Map 6. Map of Community Assets and Facilities



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- 7.6 These are important factors in ensuring that Arley is a lively, developing community and not just a dormitory village. (NWLP-CS NW10)
- 7.7 Any proposed development that threatens a listed asset must indicate how it will protect or replace it. The village should not be left without a facility the villagers have identified as essential to village life.
- 7.8 Proposals to add new facilities or assets that do not currently exist should be supported. For example a care home.

### **ANP8: Increase employment opportunities in Arley.**

- 8.1 National and local strategic policies support sustainable development set out the need for employment land, and support economic regeneration of existing employment sites. They emphasise a preference for the movement of goods by rail rather than road. They also stress the need to protect the Green Belt, to recognise the intrinsic character and beauty of the countryside and support thriving rural communities within it.
- 8.2 Any steps that will improve employment choice and opportunity for local people should be supported. Existing employment sites should be maintained and any changes that will result in them being used more flexibly should be considered.
- 8.3 The development of rural businesses should be supported, as long as they avoid large scale development that is inappropriate in a rural area.

- 8.4 Businesses being carried out from residential properties should be carefully monitored to ensure that inappropriate activities do not cause a loss of amenity for villagers.

### ANP9: Connecting Old and New Arley. (Non Land Use Proposal)

- 9.1 Our survey showed support for an **improved pedestrian route between Old and New Arley**. As the Medical Centre and Pharmacy are now in Old Arley more people will need to travel between the two parts of the village (New Arley has most of the population with in the Parish), so a convenient route is likely to be well-used. Starting in New Arley the pavement on Frederick Rd. provides a hard surface, but improvements to the paths below Morgan Close and Daffern's Wood would make them a suitable alternative for pushchairs.
- 9.2 At the bottom of Frederick Rd. there is a firm gravel path as far as the bottom of Daffern's Wood but at the end of the path there is only a muddy grass track through the stile to the Industrial Estate. A hard surface here would make it practical to walk between New and Old Arley. There is no need for stiles on this path; they are inconvenient without serving any purpose. This path would also facilitate access to the Industrial Estate from New Arley.
- 9.3 Turning right out of Colliers Way, Spring Hill passes underneath the railway line. There is no pavement here and the road narrows under the bridge. Walking with children can be intimidating and unless the road is narrowed to make room for a pavement by designing a bottleneck to ensure one-way traffic flows, people will continue to be reluctant to walk under the bridge.

**Map 7. The suggested route**



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- A** Gravel Path Here
- B** Pavement and Traffic Measures

## Appendices

### Relevant National and Local Plan Policies.

The references below are the most relevant policies to this plan but there are others.

#### Key

NPPF; National Planning Policy Framework, March 2012  
NWLP-CS; North Warwickshire Local Plan Core Strategy 2014

#### ANP 1

NPPF 85 Defining Green Belt Boundaries  
NWLP-CS 2.2 Spatial Portrait 'the rural nature of the Borough is very important'  
NWLP-CS 4.1 Strategic Objectives 'rural character reflected in development'  
NWLP-CS 7.1 Core Policies 'the maintenance of the Green Belt'

#### ANP2 & 9

NWLP-CS 4.8 Strategic Objectives 'maintain a network of accessible, good quality Green Infrastructure etc.'  
NWLP-CS 7.76 Green Infrastructure 'strategically planned and delivered network of high quality green spaces etc.'

#### ANP3

NPPF 17 Core Planning Principles 'encourage the effective use of land by reusing land that has previously been developed (brownfield land)'  
NWLP-CS NW10 Development Considerations 1. 'be targeted at using brownfield land etc'.

#### ANP4

NPPF 50 "Identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand".  
NWLP-CS 7.9 'The Borough Council is seeking to provide a variety of types and tenures of housing throughout the Borough, but will specifically seek the type and tenure to reflect the local settlement'.

#### ANP5

NPPF 28 Core Planning Principles 'always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings'.  
NPPF56 'The Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people'.  
NPPF64 'Permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions'.  
NWLP-CS 4.6 Strategic Objectives 'To deliver high quality developments based on sustainable and inclusive designs'.

**ANP6**

NPPF 162

'assess the quality and capacity of infrastructure for transport, water supply, wastewater and its treatment, energy (including heat), telecommunications, utilities, waste, health, social care, education, flood risk and coastal change management, and its ability to meet forecast demands.

NWLP-CS NW22

Infrastructure 'Provision of necessary services, facilities and infrastructure to meet the demands of new development and communities to include Green Infrastructure, open space, sports and recreation and transport'.

**ANP7**

NPPF 28

Core Planning Principles 'promote the retention and development of local services and facilities in villages, such as local shops, meeting places, sports venues, cultural buildings, public houses and places of worship'.

NPPF 70

'guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs'.

NWLP-CS NW10

Development Considerations 3 'maintain and improve the provision of accessible local and community services, unless it can be demonstrated that they are no longer needed by the community they serve'.

NWLP-CS NW10

Development Considerations 8 'not lead to the loss unless a site of equivalent quality and accessibility can be provided, or shown that it is surplus to needs'.

**ANP8**

NWLP-CS 7.31

Core Policies 'The Borough Council wants to work with the private sector to create long lasting local employment opportunities as well as mitigate any adverse impacts and enhance the rural character of the Borough'.

**Other Supporting Documents**

North Warwickshire Infrastructure Development Plan

Arley Housing Needs Study 2011

Arley Parish Plan 2008

Pictures of historic Arley, pages 4 and 6 ©Warwickshire County Council

**Responses Received**

Environment Agency.

Highways Agency.

Historic England.

Natural England.

Network Rail.





A panoramic view of the countryside from Spring Hill



Colliers Green



Teagles Gardens



New Medical Centre



Recent houses built in Old Arley viewed across the Village Green.



A panoramic view of the Recreation Ground in Old Arley



Entrance to Arley Wood



Entrance to Dafferns Wood

## NORTH WARWICKSHIRE BOROUGH COUNCIL

### MINUTES OF THE LOCAL DEVELOPMENT FRAMEWORK SUB-COMMITTEE

31 October 2016

Present: Councillor Bell in the Chair.

Councillors L Dirveiks, Lea, Simpson, Smith and Sweet.

An apology for absence was received from Councillor Waters (Substitute Councillor Simpson).

Councillors Chambers, Davey, Davis, Gosling, Hayfield, Humphreys, Lewis, Moss, Payne, Phillips, Reilly, Smitten, E Stanley and M Stanley were also in attendance.

#### 10 **Disclosable Pecuniary and Non-Pecuniary Interests**

None were declared at the meeting.

#### 11 **Draft Infrastructure Delivery Plan**

Members comments were sought on the revised Draft Infrastructure Plan

##### **Recommendation to Executive Board:**

- a That a working party be set up to bring together the proposed changes to the Draft Infrastructure Delivery Plan and that the amended plan be brought to the next meeting of Executive Board for consideration; and**
- b That subject to Executive Board approval the re-drafted Infrastructure Delivery Plan be included in the Draft Local Plan consultation.**

#### 12 **Implications of Changes to the Draft Local Plan**

Members were asked to consider the implication of the changes to the Draft Local Plan made at the meeting of the Sub-Committee held on 3 August 2016.

##### **Recommendation to Executive Board:**

- a That no further changes be made to the Draft Local Plan and that the issues set out in para 2.1 of the report of the Assistant Chief Executive and Solicitor to the Council be re-considered following the public consultation; and**

- b That site visits to major sites identified in the Draft Local Plan be organised.**

**13 Governance Arrangement For Dealing With Growth**

Members were asked to consider governance arrangements for dealing with growth expected within the Borough.

**Recommendation to Executive Board:**

**That the Governance structure as set out in the report of the Assistant Chief Executive and Solicitor to the Council be amended as follows;**

- **Growth Board – to be formally recognised in the Council’s Constitution as a public constituted meeting and chaired by the Leader of the Council.**
- **Steering Groups – Ward Members for the three main growth areas be included.**
- **Thematic Groups – Spokesperson and Shadow Spokesperson be included in the relevant thematic group.**
- **Governance Structure be amended to ensure a role for Town and Parish Councils and local communities.**

Chairman

**NORTH WARWICKSHIRE BOROUGH COUNCIL**

**MINUTES OF THE SPECIAL SUB-GROUP 8 November 2016**

Present: Councillor Hayfield in the Chair

Councillors Humphreys, Jenns, Phillips, Singh and Sweet

An apology for absence was received from Councillor Farrell (substitute Councillor Phillips).

**19 Disclosable Pecuniary and Non-Pecuniary Interests**

None were declared at the meeting.

**20 Devolution**

The Chief Executive presented an update on recent developments in relation to the West Midlands Combined Authority and the Devolution Agenda.

**Resolved:**

**That the report be noted.**

**21 Exclusion of the Public and Press**

**Resolved:**

**That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

**22 Proposed Staffing Changes in the Streetscape Division**

The Assistant Director (Streetscape) reported on proposed revisions to the staffing structure of the Streetscape Division following recent changes to the way in which the Refuse & Recycling service was delivered. The Sub-Group was asked to agree a suggested course of action.

**Resolved:**

- a That an additional HGV driver post be created and filled as soon as possible;**
- b That one of the Mini Compactor Driver posts within the Streetscape Division be made redundant;**

- c That the request to take voluntary redundancy by one of the post holders as set out in the report of the Assistant Director (Streetscape) be accepted; and**
- d That a new post of Fitter/HGV driver be created within the Division and is filled as soon as possible.**

Colin Hayfield  
Chairman