

**To: Leader and Members of the Executive Board
(Councillors Humphreys, Chambers, Hayfield, Lea, Phillips, Reilly, Smith, M Stanley 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.

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

9 FEBRUARY 2016

The Executive Board will meet in the Committee Room at the Council House, South Street, Atherstone, Warwickshire on Tuesday 9 February 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 meeting of the Board held on 23 November 2015** - copies 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 ask questions or to put their views to elected Members. Participants are restricted to five minutes each. If you wish to speak at the meeting please contact David Harris on 01827 719222 or email democraticservices@northwarks.gov.uk.

**PART A – ITEMS FOR DISCUSSION AND DECISION
(WHITE PAPERS)**

- 6 **External Auditors' Annual Certification Report** - Report of the Deputy Chief Executive

Summary

The purpose of this report is to provide Members with the External Auditors' Annual Certification report.

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

- 7 **External Audit Plan 2015/16** - Report of the Deputy Chief Executive

Summary

The main purpose of this report is to inform Members of the External Auditors' plan for their work related to the 2015/16 financial year.

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

- 8 **Corporate Plan 2016/17** – Report of the Chief Executive.

Summary

The Corporate Plan is updated on an annual basis. The purpose of this report is to recommend that the Council adopts the Corporate Plan and to agree the 2016-17 Service Plan for the Assistant Chief Executive & Solicitor to the Council.

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

- 9 **The Capital Strategy** – Report of the Assistant Director (Finance and Human Resources).

Summary

This report updates the Capital Strategy approved by the Council in February 2015.

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

- 10 **The Proposed 3 Year Capital Programme 2016/17 – 2018/19 – Report of the Management Team.**

Summary

This report puts forward proposals for the Three Year Capital Programme and outlines the availability of capital resources and the options to meet any shortfalls.

The Contact Officer for this report is Steve Robbins (719337)

- 11 **General Fund Fees and Charges 2016/17 – Report of the Assistant Chief Executive and Solicitor to the Council**

Summary

The report covers the fees and charges for 2015/16 and the proposed fees and charges for 2016/17.

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

- 12 **General Fund Revenue Estimates 2016/17 – Report of the Deputy Chief Executive.**

Summary

This report covers the revised budget for 2015/16 and an estimate of expenditure for 2016/17, together with forward commitments for 2017/18, 2018/19 and 2019/20.

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

- 13 **General Fund Revenue Estimates 2016/17 and Setting the Council Tax 2016/17 - Report of the Deputy Chief Executive.**

Summary

This report sets out the proposed General Fund Revenue Estimate for 2016/17 and the options available when setting the 2016/17 Council Tax for the Borough in the context of the Authority's Revenue Support Grant settlement, and the effect on General Fund balances.

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

- 14 **Labour Group** – Report of the Chief Executive.

Summary

The purpose of this report is to seek authorisation for any possible amendments to representation on Boards resulting from the recent change in the leadership of the Labour Group.

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

- 15 **Devolution/Constitutional Changes (Scrutiny Board)** - Report of the Assistant Chief Executive and Solicitor to the Council.

Summary

Members are invited to consider recent developments in respect of the Devolution agenda and the Board is also asked to make changes to the constitution with regard to the Council's scrutiny function.

The Contact Officer for this report is Steve Maxey (719438).

- 16 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets – April 2015 to December 2015** – 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 December 2015.

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

- 17 **Minutes of the meeting of the Local Development Framework Sub-Committee held on 3 December 2015** copy herewith to be received and noted.

- 18 **Minutes of the meeting of the Safer Communities Sub-Committee held on 8 December 2015** copy herewith to be received and noted.

- 19 **Minutes of the meeting of the Special Sub-Group held on 15 December 2015 (copy herewith)** to be received and noted.

20 **Exclusion of the Public and Press**

Recommendation:

That under Section 110A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

21 **Borough Care Service** – Report of the Assistant Director (Housing)

The Contact Officer for this report is Angela Coates (719369).

22 **Spon Lane, Grendon** – Report of Report of the Deputy Chief Executive

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

JERRY HUTCHINSON
Chief Executive

NORTH WARWICKSHIRE BOROUGH COUNCIL

MINUTES OF THE EXECUTIVE BOARD

23 November 2015

Present: Councillor D Wright in the Chair

Councillors Bell, Chambers, Hayfield, Lea, Phillips, Reilly and M Stanley

Apologies for absence were received from Councillors Humphreys (substitute Councillor Bell) and Smith.

Councillor Waters was also in attendance.

32 **Disclosable Pecuniary and Non-Pecuniary Interests**

None were declared at the meeting.

33 **Minutes of the meeting of the Board held on 21 September 2015**

The minutes of the meeting of the Board held on 21 September 2015, copies having been circulated, were approved as a correct record and signed by the Chairman.

34 **2014/15 Annual Audit Letter**

The Deputy Chief Executive submitted the 2014/15 Annual Audit Letter received from the Council's external auditors PricewaterhouseCoopers LLP.

Recommended:

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

35 **Budgetary Control Report 2015/16 - Period Ended 31 October 2015**

The Assistant Director (Finance and Human Resources) reported on the revenue expenditure and income for the period from 1 April 2015 to 31 October 2015. The 2015/2016 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.

Recommended:

That the report be noted.

36 Proposed Savings – 2016/17

The Deputy Chief Executive reported on some proposed areas for revenue budget savings within the 2016/17 revenue estimates and Members were asked to agree a suggested course of action.

Recommended:

That the proposed savings set out in the report of the Deputy Chief Executive be noted and considered as part of the budget setting process in February 2016.

37 Memorandum of Understanding – Coventry and Warwickshire

The Board was invited to approve the Coventry & Warwickshire Memorandum of Understanding.

Recommended:

That the Leader of the Council be authorised to sign the Coventry and Warwickshire Memorandum of Understanding.

38 Calendar of Meetings 2016/17

The Chief Executive sought approval for a draft calendar of meetings for 2016/17.

Recommended:

The draft calendar of meetings for 2016/17 as submitted at Appendix A to the Chief Executive's report be approved.

39 Council Tax Support Scheme 2016/17

The Assistant Chief Executive (Community Services) detailed the options for a Council Tax Support Scheme for 2016/17.

Recommended:

a That the retention of an 8.5% reduction in Council Tax Support to all current working age customers, in the 2016/17 Council Tax Support Scheme be approved ; and

b That the Council Tax Support Scheme adopted for 2015/16 be uprated in line with the statutory increases as notified by the Department of Work and Pensions.

40 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – September 2015**

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 September 2015.

Resolved:

That the report be noted.

41 **Minutes of the meetings of the Special Sub-Group held on 13 October and 10 November 2015**

The minutes of the meetings of the Special Sub-Group held on 13 October and 10 November 2015 were received and noted.

Recommended:

That in respect of Minute No 3 (Area Forums and Scrutiny) of the meeting of the Special Sub-Group held on 10 November 2015, the proposals for the review of Area Forums and Scrutiny be agreed.

42 **Minutes of the meeting of the Local Development Framework Sub-Committee held on 28 September 2015**

The minutes of the meeting of the Local Development Framework Sub-Committee held on 28 September 2015 were received and noted.

43 **Anti-Social Behaviour, Crime and Policing Act 2014 – New Anti-Social Behaviour Powers**

The Assistant Chief Executive and Solicitor to the Council sought approval to delegate powers to Officers in respect of the new powers under the Anti-Social Behaviour, Crime & Policing Act 2014.

Recommended:

That the delegated powers detailed in the report of the Assistant Chief Executive and Solicitor to the Council be agreed and that the Constitution be amended accordingly.

44 **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 in Schedule 12A to the Act.

45 **St Helena Road, Polesworth**

The Deputy Chief Executive informed Members of action taken, in consultation with the Chairman of the Resources Board and the Leader of the Council under the Council's urgent business protocol.

Resolved:

- a That the action taken under the Council's urgent business protocol by the Deputy Chief Executive, in consultation with the Chairman of the Resources Board and the Leader of the Council, be noted; and**
- b That the increase in the capital programme be agreed.**

Chairman

Agenda Item No 6

Executive Board

9 February 2016

**Report of the
Deputy Chief Executive**

**External Auditors' Annual
Certification Report**

1 Summary

- 1.1 The purpose of this report is to provide Members with the External Auditors' Annual Certification report.

Recommendation to Council

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

2 Annual Certification Report

- 2.1 The Council's appointed auditors for 2014/15, PricewaterhouseCoopers LLP, have completed their certification work for 2014/15. A report on work undertaken by the auditors is attached as Appendix A.

3 Report Implications

3.1 Finance and Value for Money Implications

- 3.1.1 These are covered in the Auditors' report.

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 |
|----------------------------|---------------|-----------------------------------|-------------|
| | | | |

Annual Certification Report 2014/15 North Warwickshire Borough Council

*Government and
Public Sector – Annual
Certification Report to
those charged with
governance.*

December 2015



The Members of the Executive Board

North Warwickshire Borough Council
South Street
Atherstone
Warwickshire
CV9 1DE

10 December 2015

Our Reference: NWBC/1415/Cert

Ladies and Gentleman

Annual Certification Report (2014/15)

We are pleased to present our Annual Certification Report which provides members of the Executive Board with a high level overview of the results of the Housing Benefit certification work we have undertaken at North Warwickshire Borough Council for financial year ended 31 March 2015.

Our work has been undertaken in accordance with our appointment by Public Sector Appointments Ltd (PSAA) as external auditor. The PSAA is the replacement body of the Audit Commission as at 1 April 2015 and from this date only the Housing Benefit Subsidy claim was subject to certification under this new arrangement. For independent reporting on any other grant claim or return this fell outside of the PSAA arrangement and as such is not included within this report.

We ask the Executive Board to consider:

- the results of Housing Benefit certification work; and
- the adequacy of the proposed management action plan for 2014/15 set out in Appendix A.

Yours faithfully,



PricewaterhouseCoopers LLP

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Results of Certification Work

BENo1 Housing Benefit Subsidy Claim for year ended 31 March 2015

[

a) Introduction

Local authorities responsible for administering housing benefit (HB) for tenants of a local authority and rent allowances for private tenants, claim subsidy from the Department for Work and Pensions (DWP) in accordance with section 140 of the Social Security Administration Act 1992 and the Income-related Benefits (Subsidy to Authorities) Order 1998, SI 562 as amended. With the exception of certain areas of benefit spending where authorities have the most scope to monitor and control costs, subsidy is paid at the full rate of 100 per cent. The final claim form (MPF720A) reflects the Authorities annual position for subsidy owed to / from DWP. DWP use the results of auditor certification on this claim form as part of their determination in the annual settlement or claw back with an Authority.

Public Sector Audit Appointments Ltd (previously known as the Audit Commisison) require that all matters arising are either amended for (where appropraite) or reported within a qualification letter which follows a prescribed format. The certification approach which is to be applied by auditors (acting as agent to PSAA) is defined by the PSAA and they have agreed guidance with the DWP.

The Authority claim required one amendment to the original claim form as submitted to the DWP in April 2015 and one qualification letter matters. The most important of these matters are summarised in section d) below.

b) Summary information

| CI Reference | Scheme Title | Form | Original Value | Final Value | Amendment | Qualification |
|---------------------|-------------------------|-------------|-----------------------|--------------------|------------------|----------------------|
| BENo1 | Housing Benefit Subsidy | MPF720A | £14,311,636 | £14,311,636* | Yes | Yes |

*Some amendments have no impact on the overall value of the claim.

c) Fee

| Claim/Return | 2014/15 Indicative Fee * | 2014/15 Variation** | 2014/15 Proposed Final Fee** | 2013/14 Billed Fee | Comment |
|--|---|--------------------------------|---|-------------------------------|-------------------------|
| | £ | £ | £ | £ | |
| BEN01 Housing Benefit Subsidy | 13,340 | 0 | 13,340 | 15,184 | No variations requested |

The fee reflects the Council's current performance and arrangements for Housing Benefit certification.

* Indicative fees may subsequently be updated for PSAA approved variations; for example where there was a change in the level of work required.

** Fee variations which are pending PSAA approval.

d) Summary of matters arising

The most important matters we identified through our Housing Benefit claim certification work are summarised below; further details can be found in Appendix A.

In summary these matters related to the following errors noted:-

- Cases who were receiving benefit whilst in Authority owned properties but misclassified within Non-HRA Benefit type; and
- Cases where the Local Housing Allowances (LHA) rates within Rent Allowance benefit type were not updated at 1st April each year. The issue in relation to the LHA rates has been identified in previous years and the Housing Benefit Subsidy claim resulted in an amendment since 2011/12.

The additional testing following our initial testing of benefit cases was performed this year by the Authority.

The amendment in relation to misclassification of benefit expenditure between Non-HRA benefit type and HRA benefit type resulted in no impact to overall subsidy paid to the Authority.

e) Prior year matters

In prior years we had reported the issue with regards to an incorrect application of the LHA rate on one case which resulted in an amendment to the Housing Benefit Subsidy claim. We noted similar issues in relation to application of LHA rates in 2014/15.

Appendix A

Management Action Plan: Current year issues (2014/15)

BEN01 Housing Benefit Subsidy Claim (deadline 30 November 2015)

| Issue | Recommendation | Management response | Responsibility (Implementation date) |
|--|---|---|---------------------------------------|
| <p>In total we found eight cases where we found errors during the course of our benefits certification work:</p> <ul style="list-style-type: none"> • Four errors (failed claims) were in relation to cases which were allocated to incorrect Non-HRA benefit type when it should have been within HRA benefit type. This error resulted in an amendment to the Housing Benefit Subsidy claim. • Four errors (failed claims) were noted within Rent Allowances cases where the LHA rates were not uprated at the beginning of each financial year. These resulted in an underpaid benefit to the claimants. This issue was reported on the qualification letter. | <p>We recommend that:</p> <ul style="list-style-type: none"> • Authority performs sampling checks within Non-HRA benefit type to ensure correct criteria have been used to code the cases. • Authority undertakes an exercise to check the application and uprating of the cases with LHA rates. The issue has resulted in an amendment and qualification issue for the past few years now (since 2011/12). | <ul style="list-style-type: none"> • Recommendation accepted and will be implemented with immediate effect. • Recommendation accepted and will form part of our year end process and on-going subsidy review. | <p>Immediately</p> <p>Immediately</p> |

Glossary

Scope of Work

Each year the Department for Work and Pensions (DWP) requests certification by an appropriately qualified auditor, of the Housing Benefit subsidy claim as submitted to them by local authorities each April. Certification arrangements are made by the PSAA (transitional body for the Audit Commission from 1 April 2015) under Section 28 of the Audit Commission Act 1998 and allows for the DWP to obtain assurance about an authority's entitlement to Housing Benefit subsidy in respect of their administering of housing benefit (HB) for tenants of a local authority and rent allowances for private tenants.

Certification work is not an audit but a different type of assurance engagement which reaches a conclusion but does not express an opinion. This involves applying prescribed tests, as set out within HBCOUNT Modules and BENO1 Certification Instruction (CI) issued to us by the PSAA; these are designed to provide assurance, for example, that the Authority claim is fairly stated and in accordance with specified terms and conditions.

Our role is to act as 'agent' of the PSAA when undertaking this certification work. We are required to carry out work and complete an auditor certificate in accordance with the arrangements and requirements set by the PSAA.

We also consider the results of certification work when performing other Code of Audit Practice work at the Authority, including our conclusions on the financial statements and value for money.

International Standards on Auditing UK and Ireland (ISAs), the Auditing Practices Board's Practice Note 10 (Revised) and the PSAA's Code of Audit Practice do not apply to certification work.

Statement of Responsibilities

The PSAA publishes a 'Statement of responsibilities of grant-paying bodies, authorities, the PSAA and appointed auditors in relation to claims and returns' this is available from the PSAA website. It summarises the Commission's framework for making certification arrangements and highlights the different responsibilities of grant-paying bodies, authorities, the PSAA and appointed auditors in relation to claims and returns.

PSAA Definitions for Certification work

Abbreviations used in certification work are:-

‘appointed auditor’ is the auditor appointed by the PSAA (previously known as the Audit Commission) under section 3 of the Audit Commission Act 1998 to audit an authority’s accounts who, for the purpose of certifying claims and returns under section 28 of the Act, acts as an agent of the Commission. In this capacity, whilst qualified to act as an independent external auditor, the appointed auditor acts as a professional accountant undertaking an assurance engagement governed by the Commission’s certification instruction arrangements;

‘claims’ includes claims for grant or subsidies and for contractual payments due under agency agreements, co-financing schemes or otherwise;

‘assurance engagement’ is an engagement performed by a professional accountant in which a subject matter that is the responsibility of another party is evaluated or measured against identified suitable criteria, with the objective of expressing a conclusion that provides the intended user with reasonable assurance about that subject matter;

‘Commission’ refers to either the PSAA or the Grants Team of the Audit Policy and Regulation Directorate of the Commission which is responsible for making certification arrangements and for all liaison with grant-paying bodies and auditors on certification issues;

‘auditor’ is a person carrying out the detailed checking of claims and returns on behalf of the appointed auditor, in accordance with the Commission’s and appointed auditor’s scheme of delegation;

‘HBCOUNT Modules’ are written instructions and a set of mandated tools from the Commission to appointed auditors on the certification of the Housing Benefit claims and returns;

‘authorities’ means all bodies whose auditors are appointed under the Audit Commission Act 1998, which have requested the certification of claims and returns under section 28(1) of that Act;

‘grant-paying bodies’ includes government departments, public authorities, directorates and related agencies, requiring authorities to complete claims and returns;

‘certification instructions’ (‘CIs’) are written instructions from the Commission to appointed auditors on the certification of claims and returns;

‘Statement’ is the *Statement of responsibilities of grant-paying bodies, authorities, the PSAA and appointed auditors in relation to claims and returns*, available from www.audit-commission.gov.uk;

‘certify’ means the completion of the certificate on a claim or return by the appointed auditor in accordance with arrangements made by the Commission;

‘underlying records’ are the accounts, data and other working papers supporting entries on a claim or return.

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Agenda Item No 7

Executive Board

9 February 2016

**Report of the
Deputy Chief Executive**

External Audit Plan 2015/16

1 Summary

- 1.1 The main purpose of this report is to inform Members of the External Auditors' plan for their work related to the 2015/16 financial year.

Recommendation to Council

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

2 Report on the External Audit Plan

- 2.1 The Council's appointed auditors for 2015/16 are Ernst & Young LLP, who have considered the work they need to carry out relating to the financial year, to meet their audit responsibilities. A report detailing the scope of their work and the audit approach that will be used is attached as Appendix A.

3 Report Implications

3.1 Finance and Value for Money Implications

- 3.1.1 These are covered in the Auditors' report.

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

Year ending 31 March 2016

26 January 2016

Ernst & Young LLP



Building a better
working world



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Private and confidential
Members of the Executive Board
North Warwickshire Borough Council
Council House
South Street
Atherstone
Warwickshire
CV9 1DE

26 January 2016

Dear Board Members

Audit planning report

We are pleased to attach our audit planning report for the forthcoming meeting of the Executive Board. The purpose of this report is provide the Executive Board with a basis to review our proposed audit approach and scope for the 2015/16 audit, in accordance with the requirements the Local Audit and Accountability Act 2014, the National Audit Office Code of Audit Practice (the Code), standing guidance, auditing standards and other professional requirements, but also to ensure that our audit is aligned with the Board's service expectations.

This report summarises our assessment of the key issues which drive the development of an effective audit for the Council, and outlines our planned audit strategy in response to those risks.

This report is intended solely for the information and use of the Executive Board and management, and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 9 February 2016 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Steve Clark
Partner
For and behalf of Ernst & Young LLP

Enclosures

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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)

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 Audit Plan is prepared in the context of the Statement of responsibilities. It is addressed to the Executive Board and is prepared for the sole use of the audited body. 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.

1. Overview

1.1 Context for the audit

This Audit Plan covers the work that we plan to perform to provide you with:

- ▶ Our audit opinion on whether the financial statements of North Warwickshire Borough Council (the Council) give a true and fair view of the financial position as at 31 March 2016 and of the income and expenditure for the year then ended;
- ▶ A statutory conclusion on the Council's arrangements to secure economy, efficiency and effectiveness (the Value for Money conclusion).

We will also review and report to the National Audit Office (NAO), to the extent and in the form required by them, on the Council's Whole of Government Accounts return.

When planning the audit we take into account several key inputs:

- ▶ The Council's objectives and strategies and the related business and financial risks relevant to the financial statements.
- ▶ Developments in financial reporting, auditing and corporate governance standards.
- ▶ The quality of systems and processes.
- ▶ Changes in the Council's operating and the wider regulatory environment.
- ▶ Matters that management or the Executive Board consider significant in relation to the financial statements and that they have requested we pay particular attention to.

By considering these inputs, our audit is focused on the areas that matter and by focusing on the areas that matter, our feedback is more likely to be relevant to the business.

1.2 Key audit influences

The audit is an iterative process and as we progress our work, we may need to refine our approach. Our interim work is planned to take place in March 2016, where we will complete and update our assessment of:

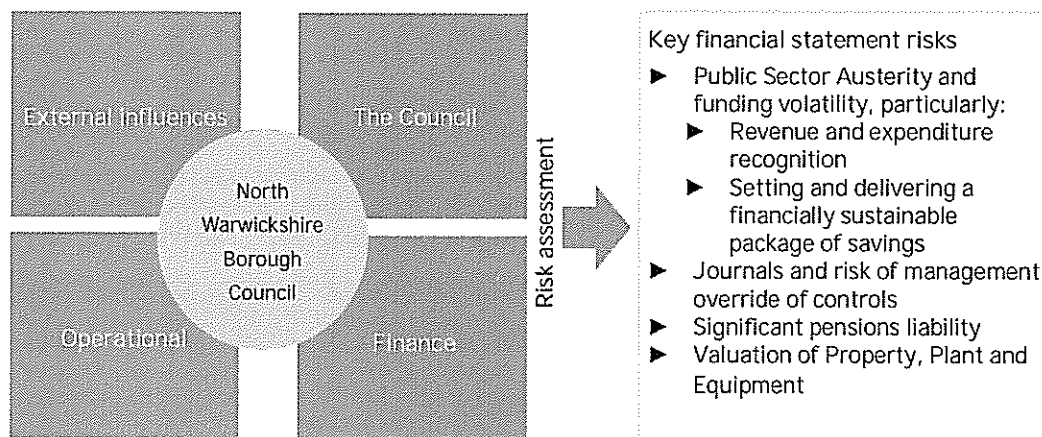
- ▶ Significant risks.
- ▶ Business risks relevant to financial reporting objectives.
- ▶ Other risks, such as regulation.

In parts three and four of this plan we provide more detail on the above areas and we outline our plans to address them. Our proposed audit process and strategy are summarised below and set out in more detail in section five.

We will provide an update to the Executive Board on the results of our work in these areas in our report to those charged with governance scheduled for delivery in September 2016.

1.3 Our audit process and strategy

Financial statement audit and regularity audit



We consider materiality in terms of the possible impact of an error or omission on the financial statements and set an overall planning materiality level. We then set a tolerable error to reduce the probability that the aggregate of uncorrected and undetected misstatements exceeds planning materiality to an appropriately low level. We also assess each disclosure and consider qualitative issues affecting materiality as well as quantitative issues.

We will review the work of Internal Audit to support our understanding of the Council's control environment and to evaluate the impact on our own risk assessment. We will assess the controls in operation in each process affecting the financial statements and consider whether we will rely on internal controls.

Arrangements for securing economy, efficiency and effectiveness

The National Audit Office has consulted on the audit approach for the Value for Money (VFM) conclusion. As a result, there has been a change effective from 2015/16:

| | Previously | Revised from 2015/16 |
|---|--|---|
| Overall conclusion | In all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015. | In all significant respects, the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. |
| Proper arrangements defined by statutory guidance | <ul style="list-style-type: none"> ➤ Securing financial resilience - the Council has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future. ➤ Challenging economy, efficiency and effectiveness - the Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity. | <ul style="list-style-type: none"> ➤ Take informed decisions. ➤ Deploy resources in a sustainable manner. ➤ Work with partners and other third parties. |

We expect to be able to adopt an integrated audit approach, so our work on the financial statement audit feeds into our consideration of the arrangements in place for securing economy, efficiency and effectiveness.

Certification work

We certify the Council's housing benefits subsidy claim using PSA's certification

2. Key audit influences

2.1 Risk assessment

We analyse the risks inherent in your external influences, operational activities and financial risks for the Council and our knowledge of other factors that may impact the Council's financial statements. At our meeting, we will seek to validate these with you:

| | |
|---|---|
| <p style="text-align: center;">External influences</p> <p>Economic</p> <ul style="list-style-type: none"> ▶ Increasing demand on services ▶ Continuing pressure on funding and delivering efficiencies within an increasingly challenged public sector economy <p>Environmental and social</p> <ul style="list-style-type: none"> ▶ Reputational risks relating to services ▶ Flood defences ▶ Tackling health inequalities <p>Regulation</p> <ul style="list-style-type: none"> ▶ Health & Safety Executive and to a lesser extent guidance from CIPFA and the LGA | <p style="text-align: center;">The Council</p> <p>Strategy</p> <ul style="list-style-type: none"> ▶ Collaborations in new and developing areas, including ICT, Asset Management ▶ Links to the Combined Authority and Local Enterprise Partnership ▶ Developing the Core Strategy <p>People</p> <ul style="list-style-type: none"> ▶ Attract and retain high-calibre people ▶ Implementation of the Council's management structure review <p>Performance</p> <ul style="list-style-type: none"> ▶ Organisational resources and resilience |
| <p style="text-align: center;">Operational</p> <p>Operational excellence</p> <ul style="list-style-type: none"> ▶ Maintaining effective quality, performance and financial governance ▶ Delivering, procuring and commissioning quality services and delivering positive outcomes | <p style="text-align: center;">Finance</p> <p>Process</p> <ul style="list-style-type: none"> ▶ Effective internal control environment ▶ Sustainable financial plans <p>Balance sheet</p> <ul style="list-style-type: none"> ▶ Recognition and measurement of receivables, payables and accruals ▶ Valuation of Property, Plant and Equipment ▶ Valuation of the Pension Fund Asset and Liability |

These outputs are compared with the risks identified through your own risk management process and mapped to the financial statements where applicable. This risk assessment process will help inform the focus our audit work for the year ending 31 March 2016.

3. Financial Statement Risks

We analyse the risks inherent in your external influences, operational activities and financial risks for the Council and our knowledge of other factors that may impact the Council's financial statements.

These outputs are compared with the risks identified through your own risk management process and mapped to the financial statements where applicable. This risk assessment process will help inform the focus our audit work for the year ending 31 March 2016.

Our audit will also include mandatory procedures that we are required to perform in accordance with applicable auditing standards.

3.1 Significant risks

Of the financial statement risks identified, we are required by Auditing Standards to consider whether any of the risks identified are 'significant' risks to our Council audit. Auditing standards define significant risks as those with a high likelihood of occurrence and, if they were to occur, could result in a material misstatement of the consolidated financial statements:

There are two presumed risks present in every audit:

- ▶ Management override risk*
- ▶ Risk of fraud in revenue recognition*

* As defined by auditing standards

| Significant risks | Our audit approach |
|---|---|
| <p>Management override risk</p> <p>The risk of fraud exists in any organisation. However, frauds involving the manipulation of results to achieve performance targets would be particularly harmful to the Council's reputation. We have seen recent issues in the sector relating to theft and risk of cybercrime and we will consider these risks as part of our audit work.</p> <p>Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.</p> | <p>Based on the requirements of auditing standards our approach will focus on:</p> <ul style="list-style-type: none"> ▶ Identifying fraud risks during the planning stages. ▶ Inquiry of management about risks of fraud and the controls put in place to address those risks. ▶ Understanding the oversight given by those charged with governance of management's processes over fraud. ▶ Consideration of the effectiveness of management's controls designed to address the risk of fraud. ▶ Determining an appropriate strategy to address those identified risks of fraud. ▶ Developing a testing approach to journal entries. ▶ Assessing accounting estimates for evidence of management bias. ▶ Evaluating the business rationale for significant unusual transactions. ▶ Performing mandatory procedures regardless of specifically identified fraud risks |
| <p>Risk of fraud in revenue recognition</p> <p>Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>Revenue in this context has been modified by Practice Note 10 which states that auditors should also consider the risk that material misstatements due to fraudulent</p> | <p>We will:</p> <ul style="list-style-type: none"> ▶ Review and test revenue and expenditure recognition policies. ▶ Review and discuss with management any accounting estimates on revenue and expenditure recognition for evidence of bias. |

Significant risks

Our audit approach

and expenditure streams.

3.2 Other key areas of audit focus

We have identified other key areas of the audit that have not been classified as significant risks but are still important when considering the risks of material misstatement to the financial statements and disclosures.

Other financial statement risks

Our audit approach

Pensions

The need to retain and reward staff with attractive retirement benefits creates pressure on the Council to ensure pension contributions are adequate to meet each scheme's liabilities over the longer term. The Council participates in the Local Government Pension Scheme. The volatility in global investment markets and the associated impact on scheme surpluses/deficits creates the risk of failure to maintain a financially robust pension provision for staff.

We will audit the assumptions used when accounting for pension obligations and related disclosures with support from our actuarial specialists.

Property, Plant and Equipment Valuation

The Council has a large and complex asset base that makes a significant proportion of its balance sheet.

We will:

- ▶ Test the revaluation cycle, including instruction and completeness of information provided by the valuer
- ▶ Review the classification of assets and ensure the correct valuation methodology has been applied
- ▶ Consider the approach adopted by the valuer and their findings, making use of our valuation experts as appropriate

Respective responsibilities in relation to fraud and error

We would like to take this opportunity to remind you that management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.

Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud. As auditors, we approach each engagement with a questioning mind that accepts the possibility that a material misstatement due to fraud could occur, and design the appropriate procedures to consider such risk.

Based on the requirements of auditing standards our approach will focus on:

- ▶ Identifying fraud risks during the planning stages;
- ▶ Enquiry of management about risks of fraud and the controls to address those risks;
- ▶ Understanding the oversight given by those charged with governance of management's processes over fraud;
- ▶ Consideration of the effectiveness of management's controls designed to address the risk of fraud;
- ▶ Determining an appropriate strategy to address any identified risks of fraud; and
- ▶ Performing mandatory procedures regardless of specifically identified fraud risks.

We will consider the results of the National Fraud Initiative and may refer to it in our reporting to you.

4. Economy, efficiency and effectiveness

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.

For 2015/16 this is based on the overall evaluation criterion: "In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people."

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.

In considering your proper arrangements, we will draw on the requirements of the local authority reporting guidance on governance statements responsibilities published by CIPFA to ensure that our assessment is made against a framework that you are already required to have in place and to report on through documents such as your annual governance statement.

We are only required to determine whether there are any risks that we consider significant, which the Code of Audit Practice which defines as:

"A matter is significant if, in the auditor's professional view, it is reasonable to conclude that the matter would be of interest to the audited body or the wider public"

Our risk assessment supports the planning of sufficient work to enable us to deliver a safe conclusion on arrangements to secure value for money and enables us to determine the nature and extent of further work that may be required. If we do not identify any significant risks there is no requirement to carry out further work.

Our risk assessment has therefore considered both the potential financial impact of the issues we have identified, and also the likelihood that the issue will be of interest to local taxpayers, the Government and other stakeholders. This has not identified any risks which we view as relevant to our value for money conclusion.

5. Our audit process and strategy

5.1 Objective and scope of our audit

Under the National Audit Office's Code of Audit Practice (the 'Code') our principal objectives are to review and report on, the Council's:

- Financial statements.
- Arrangements for securing economy, efficiency and effectiveness in its use of resources to the extent required by the relevant legislation and the requirements of the Code.

We issue a two-part audit report covering both of these objectives.

i Financial statement audit and regularity audit

Our objective is to form an opinion on the financial statements under International Standards on Auditing (UK and Ireland). We also form an opinion on the regularity of expenditure and income.

We will also review and report to the NAO on the Whole of Government Accounts return to the extent and in the form they require.

ii Arrangements for securing economy, efficiency and effectiveness

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.

5.2 Audit process overview

Processes

A key consideration in our audit planning process is the effectiveness of entity level controls; including the extent to which the Council assesses risk, implements controls in order to minimise risk and performs ongoing testing and monitoring of the effectiveness of the controls implemented.

Analytics

We will aim to use our computer-based data analytics tools to:

- Focus our testing on specific exceptions and anomalies such as duplicate payments, round sum amounts, items outside of our range of expectations, for example:
 - high volume of payments to individuals or suppliers; and
 - repeated items just below authorisation and approval levels.
- Perform data integrity checks; for example between static supplier master data and the transactional amounts.
- Give greater likelihood of identifying errors than random sampling techniques.

In using our data analytics tool we will be able to gain assurance over populations of transactions and assess if appropriate internal controls are in place to avoid fraud/ error.

We will report the findings from our process and analytics work, including any significant weaknesses or inefficiencies identified and make recommendations for improvement, to management and the Executive Board.

Internal audit

We will review Internal Audit plans and the results of its work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where we raise issues that could have an impact on the year-end

Use of experts

When auditing key judgements, we are often required to rely on the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where either EY or third party specialists provide input for the current year audit are:

| Area | Specialists |
|-------------------------------|---|
| Pensions | EY pensions team |
| Property, Plant and Equipment | North Warwickshire Borough Council's appointed valuer |

In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the Council's environment and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- ▶ Analyse source data and make inquiries as to the procedures used by the expert to establish whether the source data is relevant and reliable;
- ▶ Assess the reasonableness of the assumptions and methods used;
- ▶ Consider the appropriateness of the timing of when the specialist carried out the work; and
- ▶ Assess whether the substance of the specialist's findings are properly reflected in the financial statements.

Mandatory procedures required by auditing standards

As well as the financial statement risks outlined in section three, we must perform other procedures as required by auditing, ethical and independence standards, the Code and other regulations. We outline below the procedures we will undertake during the course of our audit.

Procedures required by standards

- ▶ Addressing the risk of fraud and error;
- ▶ Significant disclosures included in the financial statements;
- ▶ Entity-wide controls;
- ▶ Reading other information contained in the financial statements and reporting whether it is inconsistent with our understanding and the financial statements; and
- ▶ Auditor independence.

Procedures required by the Code

- ▶ Reviewing, and reporting on as appropriate, other information published with the financial statements, including the Governance Statement and the Remuneration Report.
- ▶ Reviewing and reporting on the Whole of Government Accounts return, in line with the instructions issued by the NAO.

Reviewing and examining, where appropriate, evidence relevant to the Council's corporate performance management and financial management arrangements, and its reporting on these arrangements.

5.3 Materiality

For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to

it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Materiality determines:

- ▶ The locations at which we conduct audit procedures to support the opinion given on the financial statements; and
- ▶ The level of work performed on individual account balances and financial statement disclosures.

At this early stage of our audit, we have determined that materiality for the 2015/16 financial statements is £822,860 based on 2% of the Council's estimated gross revenue expenditure for 2015/16. We will communicate uncorrected misstatements greater than £41,143 to you.

The amount we consider material at the end of the audit may differ from our initial determination. At this stage, however, it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

5.4 Fees

The duty to prescribe scales of fees is a statutory function delegated to PSAA by the Secretary of State for Communities and Local Government. In law, audit fees are not a fee for audit services, but a charge to fund operating costs, out of which the costs of audits are met (<http://www.psa.co.uk/audit-and-certification-fees/201516-work-programme-and-scales-of-fees/>).

PSAA has published a scale fee for all authorities. The indicative scale fee for the audit of North Warwickshire Borough Council is £46,821 and the assumptions underpinning the fee are set out in Appendix A. If any of the assumptions prove to be unfounded, we will seek a variation to the agreed fee and this will be discussed with the Council in advance.

5.5 Your audit team

The engagement team is led by Steve Clark, who has significant experience of local authority audits. Steve is supported by Avtar Sohal, a Manager who will be responsible for the day-to-day direction of our audit and the key point of contact for the Assistant Director of Finance and Human Resources.

Our audit team also includes a number of specialists to assist us with our procedures, including specialists in pensions, taxation and IT. Where appropriate we will also leverage wider expertise from within the firm. For example: we have a firm wide local authority audit network to share best practice, identify common issues and to develop a consistent audit approach.

5.6 Timetable of communication and deliverables

We have set out below a timetable showing the key stages of the audit, including the VFM work and the Whole of Government Accounts. The timetable includes the deliverables we have agreed to provide to the Council through the Executive Board's cycle in 2015/16.

From time to time matters may arise that require immediate communication with the Executive Board and we will discuss them with the Chair as appropriate.

Following the conclusion of our audit we will prepare an Annual Audit Letter to communicate the key issues arising from our work to the Council and external stakeholders, including members of the public

| Audit phase | Timetable | Executive Board timetable | Deliverables |
|---|----------------|---------------------------|---|
| High level planning | January 2016 | February 2016 | Audit Plan |
| Risk assessment and interim testing of routine processes and controls | February 2016 | February 2016 | |
| Year-end audit | July 2016 | | |
| Completion of audit | August 2016 | September 2016 | Report to those charged with governance via the Audit Results Report Audit report (including our opinion on the financial statements; our opinion on the regularity of your expenditure and income; and overall value for money conclusion). Audit completion certificate Reporting to the NAO on the Whole of Government Accounts return. |
| Conclusion of reporting | October 2016 | October 2016 | Annual Audit Letter |
| Benefit claim | May – November | | Certified claim |
| Reporting on certification work | December | December 2016 | Annual certification work report |

In addition to the above formal reporting and deliverables we will seek to provide practical business insights and updates on regulatory matters.

6. Certification work for housing benefits

Certification work involves executing prescribed tests which are designed to give reasonable assurance that the Council's housing benefits subsidy claim is fairly stated and in accordance with specified terms and conditions. Certification work is not an audit.

The work necessary is determined by the Department of Works and Pensions.

Where possible we integrate our benefits certification work with our opinion and other work. We also aim to rely on the work of internal audit and benefits staff where possible.

We will report to the Accounts, Executive Board the results of our benefits certification work.

Public Sector Audit Appointments set an indicative fee for benefits certification work for each body. The indicative fee is based on the expectation that audited bodies are able to provide the auditor with complete and materially accurate claims, with supporting working papers, within agreed timeframes.

The indicative fee for North Warwickshire Borough Council is £11,388.

Appendix A Fees

A breakdown of our agreed fee is shown below.

| | Planned Fee 2015/16 £ |
|---|-----------------------------|
| Opinion Audit and VFM Conclusion | 42,361 |
| Total Audit Fee – Code work | 42,361 |
| Certification of housing benefits subsidy claim | 11,388 |
| Non-audit work | Nil |

All fees exclude VAT.

The agreed fee presented above is based on the following assumptions:

- ▶ All working papers are provided in accordance with an agreed timetable.
- ▶ Good quality early drafts of the Council's Annual Governance Statement and Financial Statements are available for us to review.
- ▶ Appropriate quality supporting documentation is provided by the Council.
- ▶ The Council has an effective control environment.
- ▶ Where relevant we are able to place reliance on the work of Internal Audit as planned.
- ▶ No significant changes being made by the Public Sector Audit Appointments to the local value for money work requirements.
- ▶ Our accounts opinion and value for money conclusion being unqualified.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the Council in advance.

Appendix B Independence

Introduction

The APB Ethical Standards and ISA (UK and Ireland) 260 'Communication of audit matters with those charged with governance', requires us to communicate with you on a timely basis on all significant facts and matters that bear on our independence and objectivity. The Ethical Standards, as revised in December 2010, require that we do this formally both at the planning stage and at the conclusion of the audit, as well as during the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

| Required communications | |
|--|---|
| Planning stage | Final stage |
| <ul style="list-style-type: none"> ▶ The principal threats, if any, to objectivity and independence identified by EY including consideration of all relationships between you, your affiliates and directors and us; ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality Review; ▶ The overall assessment of threats and safeguards; ▶ Information about the general policies and process within EY to maintain objectivity and independence. | <ul style="list-style-type: none"> ▶ A written disclosure of relationships (including the provision of non-audit services) that bear on our objectivity and independence, the threats to our independence that these create, any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed; ▶ Details of non-audit services provided and the fees charged in relation thereto; ▶ Written confirmation that we are independent; ▶ Details of any inconsistencies between APB Ethical Standards, the PSAA's Terms of Appointment and your policy for the supply of non-audit services by EY and any apparent breach of that policy; and ▶ An opportunity to discuss auditor independence issues. |

During the course of the audit we must also communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of our safeguards, for example when accepting an engagement to provide non-audit services.

We also provide information on any contingent fee arrangements, the amounts of any future contracted services, and details of any written proposal to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period are disclosed and analysed in appropriate categories.

Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including any principal threats. However we have adopted the safeguards below to mitigate these threats along with the reasons why they are considered to be effective.

Self-interest threats

A self-interest threat arises when EY has financial or other interests in your entity. Examples include where we have an investment in your entity; where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with the Council.

We believe that it is appropriate for us to undertake permissible non-audit services, and we will comply with the policies that the Council has approved and that are in compliance with Public Sector Audit Appointment's Terms of Appointment.

At the time of writing, there are no non-audit fees.

A self-interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to the Council. We confirm that no member of our audit engagement team, including those from other service lines, is in this position, in compliance with Ethical Standard 4.

There are no other self-interest threats at the date of this report.

Self-review threats

Self-review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements.

There are no other self-review threats at the date of this report.

Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of your entity. Management threats may also arise during the provision of a non-audit service where management is required to make judgements or decisions based on that work.

There are no management threats at the date of this report.

Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.

Overall Assessment

Overall we consider that the adopted safeguards appropriately mitigate the principal threats identified, and we therefore confirm that EY is independent and the objectivity and independence of Steve Clark, the audit engagement Partner and the audit engagement team have not been compromised.

Other required communications

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes within EY for maintaining objectivity and independence can be found in our annual Transparency Report, which the firm is required to publish by law. The most recent version of this report is for the year ended June 2015 and can be found here:

<http://www.ey.com/UK/en/About-us/EY-UK-Transparency-Report-2015>

Appendix C Required communications with those charged with governance

There are certain communications that we must provide to the Executive Board. These are detailed here:

| Required communication | Reference |
|--|---|
| <p>Planning and audit approach</p> <p>Communication of the planned scope and timing of the audit including any limitations.</p> | <p>▶ Audit Plan</p> |
| <p>Significant findings from the audit</p> <ul style="list-style-type: none"> ▶ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▶ Significant difficulties, if any, encountered during the audit ▶ Significant matters, if any, arising from the audit that were discussed with management ▶ Written representations that we are seeking ▶ Expected modifications to the audit report ▶ Other matters if any, significant to the oversight of the financial reporting process | <p>▶ Audit Results Report (Report to those charged with governance)</p> |
| <p>Misstatements</p> <ul style="list-style-type: none"> ▶ Uncorrected misstatements and their effect on our audit opinion ▶ The effect of uncorrected misstatements related to prior periods ▶ A request that any uncorrected misstatement be corrected ▶ In writing, corrected misstatements that are significant | <p>▶ Audit Results Report (Report to those charged with governance)</p> |
| <p>Fraud</p> <ul style="list-style-type: none"> ▶ Enquiries of the Executive Board to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity ▶ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist ▶ A discussion of any other matters related to fraud | <p>▶ Audit Results Report (Report to those charged with governance)</p> |
| <p>Related parties</p> <p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> ▶ Non-disclosure by management ▶ Inappropriate authorisation and approval of transactions ▶ Disagreement over disclosures ▶ Non-compliance with laws and regulations ▶ Difficulty in identifying the party that ultimately controls the entity | <p>▶ Audit Results Report (Report to those charged with governance)</p> |
| <p>External confirmations</p> <ul style="list-style-type: none"> ▶ Management's refusal for us to request confirmations ▶ Inability to obtain relevant and reliable audit evidence from other procedures | <p>▶ Audit Results Report (Report to those charged with governance)</p> |
| <p>Consideration of laws and regulations</p> <ul style="list-style-type: none"> ▶ Audit findings regarding non-compliance where the non-compliance is material and believed to be intentional. This communication is subject to compliance with legislation on tipping off ▶ Enquiry of the Executive Board into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Executive Board may be aware of | <p>▶ Audit Results Report (Report to those charged with governance)</p> |

| Required communication | Reference |
|--|--|
| Independence | ▶ Audit Plan |
| Communication of all significant facts and matters that bear on EY's objectivity and independence | ▶ Audit Results Report (Report to those charged with governance) |
| Communication of key elements of the audit engagement director's consideration of independence and objectivity such as: | |
| ▶ The principal threats | |
| ▶ Safeguards adopted and their effectiveness | |
| ▶ An overall assessment of threats and safeguards | |
| ▶ Information about the general policies and process within the firm to maintain objectivity and independence | |
| Going concern | ▶ Audit Results Report (Report to those charged with governance) |
| Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: | |
| ▶ Whether the events or conditions constitute a material uncertainty | |
| ▶ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements | |
| ▶ The adequacy of related disclosures in the financial statements | |
| Significant deficiencies in internal controls identified during the audit | ▶ Audit Results Report (Report to those charged with governance) |
| Fee information | ▶ Audit Plan |
| ▶ Breakdown of fee information at the agreement of the initial audit plan | ▶ Audit Results Report (Report to those charged with governance) |
| ▶ Breakdown of fee information at the completion of the audit | ▶ Annual Audit Letter if considered necessary |
| Opening Balances (initial audits) | ▶ Audit Results Report (Report to those charged with governance) |
| ▶ Findings and issues regarding the opening balance of initial audits | |

EY | Assurance | Tax | Transactions | Advisory

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Agenda Item No 8

Executive Board

9 February 2016

Report of the Chief Executive

Corporate Plan 2016-17

1 Summary

- 1.1 The Corporate Plan is updated on an annual basis. The purpose of this report is to recommend that the Council adopts the Corporate Plan Targets and to agree the 2016–17 Service Plan for the Assistant Chief Executive & Solicitor to the Council.

Recommendation to the Council

- a That the Corporate Plan Targets, as set out in Appendix A to the report, be agreed, subject to:-**
- (i) Any amendments recommended by other Boards/Sub-Committees; and**
 - (ii) Any further amendments which may be needed as a result of the adoption of the 2016-17 budget;**
- b That the Chief Executive be given delegated authority to finalise the format of the Plan; and**
- c That the Service Plan for the Assistant Chief Executive & Solicitor to the Council, as set out in Appendix B to the report, be agreed.**

2 Consultation

- 2.1 Councillors with responsibility for the relevant areas have been involved in discussions relating to issues contained within the Appendices.

3 Report

- 3.1 Corporate Plan Targets and Divisional Service Plans are normally agreed in the January/February cycle of meetings and adopted by Full Council in February at the same time as the Budget.
- 3.2 At its September 2015 meeting the Council agreed a new Vision Statement for the Council and a revised Corporate Plan for the remainder of 2015-16

based on the Council's six new priorities. This report sets out proposals for taking forward those priorities in 2016-17.

- ...
- 3.3 Appendix A sets out the proposed Corporate Targets for 2016/17. Members are requested to recommend to the Council that Appendix A is agreed, subject to the provisos set out in the recommendation. The proposals in relation to Safer Communities included within Priority 2 (Creating Safer Communities) may be subject to change following the completion of the Strategic Assessment for the North Warwickshire Community Safety Partnership”.
- 3.4 A report will be presented to the Boards/Sub-Committees after the end of the financial year to show the year end out-turn on the 2015-16 Key Actions. Proposals for 2016-17 will form part of the 2016-17 Corporate Plan which covers the Council's top level priorities.
- 3.5 It is also important, however, that Members are aware of and agree the significant amount of work carried out within the Divisions to provide services to local people. This information appears in a single document for each Division, the Divisional Service Plan, which is the key management tool for ensuring that services deliver their annual work programme.
- ...
- 3.6 The Service Plan for the Assistant Chief Executive & Solicitor to the Council comprises Appendix B to this report, as most of the programme relates to work carried out for this Board.
- 3.7 Where there are any budget implications for another Board/Sub-Committee arising out of work programmes, those implications have been drawn to the attention of the relevant Board/Sub-Committee in the Budget report going to this cycle of meetings. Similarly, any budgetary implications for this Board from Divisional Plans being reported to other Boards are dealt with in the Budget Report also on this agenda.
- 3.8 Once the Corporate Plan Targets and Divisional Service Plans have been agreed, they will be subject to the following reporting procedures for monitoring performance:-
- Monthly reports are considered by Management Team;
 - A traffic light warning indicator is used:-
 - Red – target not likely to be achieved.
 - Amber – target currently behind schedule and requires remedial action in order to be achieved.
 - Green – target currently on schedule to be achieved;
 - Progress reports to each Board/Sub-Committee meeting.

4 Report Implications

4.1 Finance and Value for Implications

4.1.1 Where possible, Targets and indicators for 2016-17 will be achieved from within existing Board/Sub-Committee resources. Details of any additional funding are included in the right hand column of the table in Schedule A and in the Budget report and will be in appropriate cases, the subject of reports to the Board.

4.2 Human Resources Implications

4.2.1 Any Human Resources implications resulting from the proposals in the Schedule will be the subject of further reports to the Board.

4.3 Risk Management Implications

4.3.1 The main risk is ensuring that the Council prioritises its resources to enable it to deliver its priorities. The performance monitoring arrangements set out above provide the mechanism to ensure that remedial action can be taken to review progress and ensure that priority outcomes are delivered.

4.4 Links to Council's Priorities

4.4.1 These are set out in the Appendices.

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 |
|----------------------------|---------------|-----------------------------------|-------------|
| | | | |

**CORPORATE PLAN
2016 – 2017**

North Warwickshire Borough Council has a new Vision:-

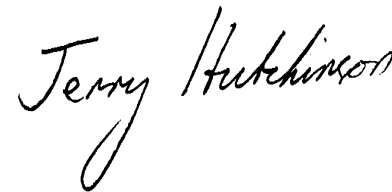
‘Protecting the rurality of North Warwickshire, supporting its communities and promoting the wellbeing of residents and business.’

The revised Corporate Plan sets out the Council’s six priorities for achieving that Vision, in consultation and partnership with local communities and business, the County, Town and Parish Councils and other agencies.

It also sets out the key actions that we aim to take during 2016-17, to deliver on those priorities.



David Humphreys
Leader



Jerry Hutchinson
Chief Executive

OUR VISION

OUR 6 PRIORITIES

- RESPONSIBLE FINANCIAL & RESOURCE MANAGEMENT Making the best use of our resources (including keeping both Council Tax and debt as low as possible) to provide high-quality services to our communities.
- CREATING SAFER COMMUNITIES Working with our communities and partners to enable our residents to both be and feel safer, whether at home or in and around the Borough.
- PROTECTING OUR COUNTRYSIDE & HERITAGE Protecting and improving our countryside and heritage in times of significant growth challenges and opportunities.
- IMPROVING LEISURE & WELLBEING OPPORTUNITIES Providing opportunities to enable local people to enjoy their leisure and recreation and to improve their health and wellbeing.
- PROMOTING SUSTAINABLE & VIBRANT COMMUNITIES Working with local residents including our tenants and partners to help our communities to be sustainable and vibrant, both in terms of facilities and lifestyle.
- SUPPORTING EMPLOYMENT & BUSINESS Supporting employment and business to grow the local economy in terms of access to work, skills improvement and wider business development opportunities.

PRIORITIES AND KEY ACTIONS

| | |
|--|---|
| <p>PRIORITY 1</p> <p>RESPONSIBLE FINANCIAL & RESOURCE MANAGEMENT</p> | <p>Making the best use of our resources (including keeping both Council Tax and debt as low as possible) to provide high-quality services to our communities.</p> |
|--|---|

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|--|--|
| <p>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.</p> | <p>Executive Board/Special Sub/DCE/AD (F&HR)</p> | <p>To be met within existing budgets.</p> |
| <p>To update the Medium Term Financial Strategy in September 2016 and February 2017, to take account of external funding changes relating to Business Rates.</p> | <p>Executive Board/DCE/AD (F&HR)</p> | <p>To be met within existing budgets.</p> |
| <p>To report on the Council's debt and reserves and options for narrowing the Council's capital funding gap by February 2017.</p> | <p>Executive Board/DCE/AD (F&HR)/AD (S)</p> | <p>To be met within existing budgets.</p> |
| <p>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.</p> | <p>Executive Board/Management Team</p> | <p>To be met within existing budgets.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|---------------------------------------|---|
| To continue to contribute to the effective provision of services through implementing the actions and projects which help deliver the ICT Strategy and to report on progress to the Resources Board by March 2017. | Resources Board/AD (CS) | To be met within existing budgets. |
| <p>To undertake work in line with the Human Resources Strategy, including:-</p> <ul style="list-style-type: none"> ▪ Monitoring/managing sickness absence. ▪ Ensuring compliance with employment legislation. ▪ Health and Safety ▪ Workforce Planning, including Staff Development. | Special Sub/Management Team/AD (F&HR) | To be met within existing budgets. |
| To ensure that the Council is making best use of its staff and other resources when taking forward its priorities and to report on this issue when new initiatives, including budget savings, are considered. | Special Sub/Management Team | To be reported at the time initiatives are taken forward. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|----------------------------------|---|
| <p>To continue to seek opportunities to rationalise the Council's property portfolio, including:-</p> <p>(a) Working with partners in the public and voluntary sectors to share facilities.</p> <p>(b) Continue to work through a programme of capital and maintenance improvements to key Council buildings, community buildings, shops and industrial units, including seeking ways to reduce, where possible, our carbon footprint.</p> <p>(c) To complete the review of leisure facilities and to report to relevant Boards by March 2017.</p> | Resources Board/AD (S)/AD (L&CD) | The financial implications of any project will be included in the report. |
| To review and develop a revised Asset Management Plan for the Council's stock (to be done between November 2015 & March 2016) and to report on the delivery of the action plan by March 2017. | Resources Board/AD (H) | To be met within existing budgets. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|---------------------------------|---|
| <p>(a) To act to ensure that the Council's revenue from housing rent income is collected by reviewing and acting on the action plan to mitigate the impact of welfare reforms and other legislative changes affecting the Housing Revenue Account and to report quarterly on progress; and</p> <p>(b) To review the Council's Corporate Debt Framework by November 2016, to ensure that debts due to the Council are recovered in accordance with the framework.</p> | Resources Board/AD (H)/ACE (CS) | Staffing capacity to collect the rent income when Universal Credit is introduced will be considered as one of the action plan objectives, as will reviewing the impact of other changes introduced. |

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| <p>PRIORITY 2</p> <p>CREATING SAFER COMMUNITIES</p> | <p>Working with our communities and partners to enable our residents to both be and feel safer, whether at home or in and around the Borough.</p> |
|---|---|

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|---|--|
| <p>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.</p> | <p>Executive Board/CE/AD (CS)</p> | <p>To be met within existing budgets.</p> |
| <p>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.</p> | <p>Executive Board/AD (S)/ACE&StC</p> | <p>Investigations to be carried out within existing budgets.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|---|---|
| <p>To consider the findings of the 2016-17 North Warwickshire Community Safety Partnership Strategic Assessment and, to work with the community including the Police, Town and Parish Councils and young people to improve public perception and public confidence by contributing towards the achievement of the partnership plan 2016 – 2017 actions and targets for the 2016/17 strategic priorities relating to Violent Crime, Anti-Social Behaviour, Property Crime; Reducing Re-offending, Reducing killed and serious injury road accidents; Tackling anti-social use of cars and motorbikes and preventing displacement within the Borough; and supporting victims and vulnerable people to prevent victimisation and repeat victimisation.</p> | <p>Safer Communities Sub-Committee/CE/AD (L&CD)</p> | <p>The Council makes additional contributions to supplement the Community Safety Grant received from the Police and Crime Commissioner.</p> |
| <p>To continue working with partners to resolve Safer Neighbourhood issues, including, where necessary, taking action to address anti-social and nuisance behaviour.</p> | <p>Safer Communities Sub-Committee/CE/AD (L&CD)</p> | <p>External funding is often required to undertake appropriate actions.</p> |
| <p>To report to the remaining meetings of the Safer Communities Sub-Committee on progress to tackle Rural Crime (including any initiatives aimed specifically at vulnerable people) together with partners during 2015/16.</p> | <p>Safer Communities Sub-Committee/CE</p> | <p>External funding has been sought to take initiatives forward specifically in relation to rural crime.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|---|---|
| To implement the work directed by the Borough Care Task and Finish Group and deliver any actions agreed by the Resources Board as part of the review. (Recommendations to be agreed no later than April 2016.) | Resources Board/AD (H) | Any financial implications will be identified as part of the review. |
| Carrying out the Council's obligations as a member of the Warwickshire Safeguarding Children Board, including those relating to the Child Protection Policy and the Section 11 Audit Action Plan and to co-ordinate all related activity alongside the need to safeguard adults and other vulnerable people in the community, when appropriate and to report on progress by March 2017. | Community & Environment Board/AD (L&CD) | Internal "trainers" will continue to deliver the WSCB Level 1 course to relevant Members and colleagues throughout the Authority. |
| To carry out a review of the use and effectiveness of CCTV in the Borough, taking account of its role in creating a safer environment. The review to include the use and impact of the Nomad 3G Mobile CCTV cameras. | Safer Communities Sub-Committee/CE | Any financial decisions will be reported as part of the decision-making process. |

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| <p>PRIORITY 3</p> <p>PROTECTING OUR COUNTRYSIDE & HERITAGE</p> | <p>Protecting and improving our countryside and heritage in times of significant growth challenges and opportunities.</p> |
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| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|--|--|
| <p>To continue to:-</p> <p>(a) Manage development so as to deliver the priorities on the Council's Corporate Plan and in the Sustainable Community Strategy;</p> <p>(b) Use the Design Champions to ensure the best achievable designs are implemented and developed; and</p> <p>(c) To seek to secure the protection of the best of the Borough's built and rural heritage.</p> <p>To report on Growth pressures on the Borough and how to protect the Green Belt as far as possible by February 2017 and at least annually thereafter.</p> <p>To report on these approaches and their impact on sustaining the rurality of the Borough by March 2017.</p> | <p>Planning & Development Board/Design Champions/ACE&StC</p> | <p>To be met within existing budgets.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|---|---|
| <p>(a) Whilst continuing to oppose 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</p> <p>(b) To continue to oppose the principle of Opencast Mining.</p> | Executive Board/ACE&StC | Should any additional funding be required, this will be subject to further report. |
| To maintain a very high standard of street cleanliness (95%) throughout the Borough and target those areas of highest community value to deliver as efficient and cost-effective service as possible and to continue to raise awareness (both of the public and other agencies) of the problems of litter, fly-tipping and dog fouling, using suitable enforcement measures where appropriate and report on progress annually in March. | Community & Environment Board/AD (S)/AD (H) | Any requirement for additional funding will be reported. |
| To work in partnership with the Highways Authority, Highways England and other partners to improve both the appearance and safety of the Borough's main roads (see also Safer Communities priorities). | Community & Environment Board/AD (S)/Safer Communities Sub-Committee/CE | Any financial implications will be reported as part of the decision-making process. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|--|--|
| To submit final Development Plan documents relating to Development Management Community Infrastructure Levy and Gypsy and Travellers by November 2016. | Executive Board/Planning & Development Board/LDF Sub-Committee/ACE&StC | To be met within existing budgets. |
| To continue to take action to reduce the Council's carbon footprint and carbon emission in the Borough, in accordance with the Climate Change Strategy and Action Plan, and to report annually in March on progress. This will include acting on any Government led initiatives for domestic properties. | Community & Environment Board/ACE&StC | To be met within existing budgets. |

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| <p>PRIORITY 4</p> <p>IMPROVING LEISURE & WELLBEING OPPORTUNITIES</p> | <p>Providing opportunities to enable local people to enjoy their leisure and recreation and to improve their health and wellbeing.</p> |
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| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|--|--|
| <p>To report on a phased basis on the various aspects of Leisure provision across the Borough, commencing with a report on Leisure facilities by February 2016.</p> <p>To complete the review of all aspects of Leisure and Community Development provision and to report on such to relevant Boards by March 2017.</p> | <p>Community & Environment Board/AD (L&CD)</p> | <p>Any financial implications will be included in the reports.</p> |
| <p>To implement phase 9 of the North Warwickshire Green Space Strategy in accordance with its revised Action and Funding Plan and corresponding Management Plans for Parks and Recreation Grounds, where appropriate.</p> <p>To report on the implications of reviewing the Green Space Strategy and the North Warwickshire Playing Pitch Strategy by May 2016.</p> | <p>Community & Environment Board/AD (L&CD)</p> | <p>The significant resource implications are detailed in the supporting Action and Funding Plan and associated Management Plans.</p> <p>The resource implications will be set out in the report.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|--|--|
| <p>To continue to work in partnership with other agencies to tackle health inequalities and specifically to co-ordinate the sustainable implementation of the approved Health Improvement Action Plan, including its focus on priorities that are compatible with those of the Community Partnership and the Northern Warwickshire Health and Wellbeing Partnership, the promotion of healthy lifestyles and raising levels of physical activity, in particular for children and young people.</p> <p>Under the direction of the Health and Wellbeing Working Party, to establish a new, Corporate Health Improvement Action Plan, which will guide related work within the authority from April 2017 to March 2020.</p> | <p>Community & Environment Board/AD (L&CD)</p> | <p>External funding is sought, and often required, to undertake appropriate actions.</p> |

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| <p>PRIORITY 5</p> <p>PROMOTING SUSTAINABLE & VIBRANT COMMUNITIES</p> | <p>Working with local residents including our tenants and partners to help our communities to be sustainable and vibrant, both in terms of facilities and lifestyle.</p> |
|--|--|

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|---|--|
| <p>To report on options for reviewing local facilities and issues within individual Wards through a programme of Ward walks/audits (including engaging partner agencies) by March 2016.</p> | <p>Community & Environment Board/CE</p> | <p>Any additional financial implications would be identified in the report.</p> |
| <p>In order to promote and support community life, the Borough Council:-</p> <p>(a) Will work in conjunction with partners through the North Warwickshire Community Partnership in order to advance the priorities and objectives of the North Warwickshire Sustainable Community Strategy including, in respect of the commitment to improve access to opportunities, services and facilities for local residents and will report annually in March on progress.</p> | <p>Community & Environment Board/CE/ ACE (CS)/AD (L&CD)</p> | <p>To be met within existing budgets, unless new initiatives come along which will be the subject of separate reports.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|--------------------------------------|---|
| (b) Will actively engage with the Warwickshire Third and Public Sector Partnership Group, with a view to ensuring the appropriate engagement of community groups, organisations and individuals in the co-ordinated delivery of local activity that is designed to support and enhance community life and will report to Board on progress by March 2017. | | |
| To further review the new refuse and recycling service introduced in October 2013, to improve the efficiency and effectiveness of the service and maintain (subject to reviewing the impact of market changes) the Council's recycling rate and report to Board on the operational impact by March 2016. | Community & Environment Board/AD (S) | Any financial implications will be reported as part of the decision-making process. |
| To work in partnership with the County Council and other agencies on a review of car parking in the Borough, to include on and off street car parking and including exploring the introduction of civil parking enforcement. | Community & Environment/AD(S) | Any financial implications will be reported as part of the decision making process. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|--|---|
| To deliver the actions set out in the Housing Strategy to address housing need in the Borough. To report to the Resources Board annually. | Resources Board/AD (H) | Any financial implications will be identified as development schemes progress. |
| To work in partnership with other organisations to provide a shared service to deliver adaptations in the private sector. This will include revising the Business Plan and reporting proposals to the Resources Board by July 2016. | Resources Board/AD (H) | Any financial implications will be reported as part of the decision-making process. |
| To report annually in March on the work of the local Financial Inclusion Partnership including for 2016/17 to mitigate local impact of the Welfare Reform programme in order to maximise the collection of monies due to the Council. | Community & Environment Board/ACE (CS) | Any financial implications will be reported as part of the decision making process. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|--|---|
| To report by March 2017 on progress on the delivery of the Customer Access Strategy, including the development of existing Community Hubs, the BOB bus, increased take-up of online services, the success of driving channel shift and the ongoing provision of welfare support, together with partners. | Community & Environment Board/ ACE (CS)/AD (CS) | Any financial implications will be reported as part of the decision-making process. |
| To build a model with Job Centre Plus to implement the requirements of Universal Credit and in particular our input into the Universal Support/Delivery local agenda. This will also be extended to supporting outcomes impacted by new disability rules. | Community & Environment Board/ ACE (CS) | Any funding implications will be the subject of discussion with DWP and staffing capacity and roles will be reviewed in light of the impact of the additional works undertaken. |
| To work with public, voluntary and business partners to deliver ongoing food-related projects to support individuals and community organisations and report to Community & Environment Board by March 2017. | Community & Environment Board/ACE (CS) | To be met through existing budgets and external funding. |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|---|--|--|
| <p>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.</p> | <p>Executive Board/AD (CS)/ACE&StC/ ACE (CS)</p> | <p>To be met within existing budgets.</p> |

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|---|--|
| <p>PRIORITY 6</p> <p>SUPPORTING EMPLOYMENT & BUSINESS</p> | <p>Supporting employment and business to grow the local economy in terms of access to work, skills improvement and wider business development opportunities.</p> |
|---|--|

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|---------------------------------------|---|
| <p>To develop an action plan based on the Economic Review and Impact Assessment and report on progress by March 2017.</p> | <p>Executive Board/ACE&StC</p> | <p>To be identified as part of consideration of the LGA report.</p> |
| <p>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.</p> | <p>Executive Board/CE/ACE&StC</p> | <p>To be identified as part of the negotiating process.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|---|---|
| <p>To:-</p> <p>(a) Work with the County Council, Job CentrePlus and other partners to provide apprenticeships/training, including reporting by December 2016 on the feasibility and cost of directly employing more apprentices; and</p> <p>(b) Administer funding provided by developers and through other funding sources to maximise opportunities for employment of local people including employment engagement activity, development of work clubs and bespoke training.</p> | <p>Planning and Development Board/ACE&StC/ ACE (CS)</p> | <p>Use of Section 106 funding and any financial implications identified in the report on employing apprentices.</p> |
| <p>To encourage new active rural businesses and, in particular, in partnership with the Local Action Group and Hinckley & Bosworth Borough Council, ensure the successful delivery of the second year of engagement with the new LEADER programme (2015 to 2020) in accordance with the priorities identified in the approved Local Development Strategy and Business Plan and to report on progress by March 2017.</p> | <p>Community & Environment Board/AD (L&CD)</p> | <p>LEADER is a predominantly externally funded programme.</p> |

| Target | Board/Lead Officer | Additional Training/ Financial Implications |
|--|--------------------------------------|--|
| Looking to improve transport links to local employment and report on progress by March 2017. | Planning & Development Board/ACE&StC | Section 106 funding. |
| To work to improve broadband access for the people and businesses of North Warwickshire through the work of the Council and specifically the Coventry, Solihull and Warwickshire BDUK Project and report on progress by December 2016. | Resources Board/AD (CS) | BDUK funding and approved Council matched funding. |

FORWARD WORK PLAN 2016/17 – DEMOCRATIC SERVICES

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/ Training Implications |
|---|--|--------------|--------------|------------|----------|--|--|
| Service Boards/Committees/Sub-Committees as required including Scrutiny and Area Forums | Democratic/ Community Engagement | D Harris | May 2016 | April 2017 | High | All agendas published within the statutory timetable and draft minutes available within 2 working days of the meeting. | Staff time |
| Commence Preparatory Work on WCC Elections to be held in May 2017 | Democratic | D Harris | January 2017 | July 2017 | High | All activities concluded in accordance with timetable of events. | Staff time. Costs to be met by WCC |
| At some point before December 2017 there will be an EU Referendum | Democratic | D Harris | Ongoing | Dec 2017 | High | All activities concluded in accordance with timetable of events | Staff time. Costs to be met by the Government |

| | | | | | | | |
|--|------------|------------------|----------|------------|------|---|--|
| Neighbourhood Panning Referendums during 2016/17 | Democratic | D Harris | May 2016 | April 2017 | High | All activities concluded in accordance with timetable of events | Staff time. Initial budget provision exists for NPR. |
| Police and Crime Commissioner Elections on 5 May 2016 | Democratic | D Harris | Jan 2016 | July 2016 | High | All activities concluded in accordance with timetable of events | Staff time. Costs to be met by the Government |
| Further consideration and development of induction programme and training for Councillors. | Democratic | S Maxey/D Harris | Sept 16 | Sept 16 | High | All activities concluded in accordance with timetable of events | Staff Time |

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/ Training Implications |
|--|--|---------------------|-------------------|-----------------|-----------------|--|--|
| Individual Electoral Registration | Democratic | D Harris | Ongoing | Ongoing | High | Carried out in accordance with agreed plan | The transition to IER ends Dec 2015 and it is still unclear if any Govt grant will be available for 2016/17. Grant in 2015 £16K which will need to be budgeted for if grant stops. |
| Carry out Absent Vote refresh for personal identifiers – signatures/dates of birth | Democratic | D Harris | Jan 2017 | Jan 2017 | High | All Absent Voters written to for information | Staff time |
| Arrange Event in connection with Local Democracy Week (Oct 2016) | Democratic | D Harris | June 2016 | Oct 2016 | High | Carried out in accordance with agreed plan | Staff time |
| Arrange annual meeting between Borough and Town/Parish Councils. | Democratic/ Community Engagement | D Harris | October 2016 | January 2017 | Medium | Meeting held | Staff time |

| | | | | | | | |
|--|-----------|----------|----------|----------|------|---------------------|------------|
| Assist with production of the Corporate Plan | Corporate | D Harris | Nov 2016 | Feb 2017 | High | Publication of Plan | Staff time |
|--|-----------|----------|----------|----------|------|---------------------|------------|

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/ Training Implications |
|--|--|-------------------------|-----------------------|---------------------|-----------------|--|--|
| To reassess all Display Screen Equipment Self-assessments, risk assessments and fire safety audits. | Health and Safety | D Harris | January 2017 | February 2017 | Medium | Assessments completed | Dependent on the outcome of assessments. |
| Continue to review processes and procedures within the Section in order to ensure compliance with all appropriate corporate policies and protocols including Health and Safety, Equalities and data quality requirements | Health and Safety High Quality Service Provision | D Harris | May 2016 | April 2017 | High | Processes and procedures that continue to comply with all internal policy requirements | Staff Time |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|--|--|--|------------|----------|----------|---|---|
| Equality | | | | | | | |
| 1. To assist in the Council meeting its duties as set out within the Equality Act including the setting and publishing of equality objectives. | Healthier Communities Access to services Promoting Sustainable & Vibrant Communities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Updated Equality Objectives which shows the Council meeting its aims and statutory responsibilities. | Training for staff on the Equality Act |
| 2. To monitor and ensure that equality impact analysis is undertaken and that the identified actions are implemented within service plans. | Healthier Communities Access to services Promoting Sustainable & Vibrant Communities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Equality Impact Analysis is carried out to demonstrate that we have used information, data and consultation results to inform our decisions, policies and service development | Training for staff on awareness and impact/needs assessment. |
| Emergency Planning and Business Continuity | | | | | | | |
| 3. To maintain and revise the Major Emergency/ and Business Continuity Plans and ensure they are tested annually. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Plan updated at least every 6 months Updated Corporate Business Continuity Plan | County Council/NWBC provision training on emergency planning and business continuity best practice. |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|--|--|-----------------|------------|----------|----------|---|---|
| 4. To monitor and assist departments reviewing their service continuity plans annually. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Updated Service Level Business Continuity Plans | Corporate training on business continuity best practice. CSWR support |
| 5. To identify any support required from a work programme with the CSWR Emergency Planning Unit. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Meeting the requirements of the Civil Contingencies Act. | County Council/NWBC provision |
| 6. To support the Warwickshire Local Resilience Forum in delivering the 2016/17 Business Plan. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Meeting the requirements of the Civil Contingencies Act. The identification of risks and threats and control measures to either mitigate the effect of the risks or to ensure an effective emergency response. | County Council/NWBC provision Cabinet Office funds |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|---|--|--|------------|----------|----------|--|--------------------------------|
| 7. To assist in the development of measures to minimise the impact of flooding on local communities including mitigation schemes and provision of property protection measures. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Meeting the requirements of the Civil Contingencies Act. The identification of risks and threats and control measures to either mitigate the effect of the risks or to ensure an effective emergency response. | County Council/NWBC provision |
| Performance Management | | | | | | | |
| 8. To collate the quarterly performance reports to Management Team and Boards | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Quarterly reports prepared | |
| 9. To prepare performance reports including crime and disorder to Scrutiny Board. | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Reports prepared | |
| 10. To collate and submit the quarterly returns for the LG Inform and benchmarking group. | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Returns completed | |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|--|--|-----------------|------------|----------|----------|--|---|
| Crime & Disorder | | | | | | | |
| 11. To monitor and co-ordinate the implementation of the actions of the North Warwickshire Community Safety Partnership Plan 2016 – 2017. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Reduction targets and actions being achieved. Perceptions of crime and disorder improved. | Police and Crime Commissioner community safety grants Local funding provision. |
| 12. To support the Safer Neighbourhoods Teams and to ensure that the Council' contributes effectively to this. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Addressing local community priorities Perceptions of crime and disorder improved | Revised partnership working arrangements |
| 13. To implement the sustainable provision of locally based support services for victims of domestic abuse following a review of the current arrangements. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Sustained provision of locally based support services for 16/17 Increase in victims making contact with support services. | Need for contribution from the Corporate Policy budget. Local provision subject to outcome of a review taking into account the commissioning of the county wide service provision. |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|---|--|--|------------|----------|----------|---|---|
| 14. To support the work of the Safer Communities Sub Committee in achieving its objectives for the priority of creating safer communities. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Reduction targets and actions being achieved. Perceptions of crime and disorder improved. | Need for contribution from the Corporate Policy budget. |
| 15. To support the Priority Families programme and the work of the local coordinating group. | Healthier Communities Creating Safer Communities | Chief Executive | April 16 | March 17 | High | Outcomes achieved relating to criteria for programme including improved quality of life for problematic families. | Contribution towards provision of Priority Families Support Workers TBC |
| Compliments and Complaints | | | | | | | |
| 16. To manage the Council's Compliments and Complaints Procedure to ensure that it is effectively implemented and report quarterly to Management Team and annually to Scrutiny Board on the complaints and compliments received including monitoring trends for service improvements. | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Reports prepared and service improvements implemented | |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|--|---|--|------------|----------|----------|--|--------------------------------|
| Consultation | | | | | | | |
| 17. To assist in the implementation of the Council's Consultation Action Plan . | Access to Services Promoting Sustainable & Vibrant Communities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Actions completed Revised approach to communication and consultation implemented. | Consultation budget |
| Community Planning/Sustainability | | | | | | | |
| 18. To develop and carry out the preparations for Partnership task and finish group events and partnership days. | Developing Healthier Communities Raising aspirations, education attainment and skills Access to services and all six Council priorities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Partnership Task and Finish group events held. | Community Strategy budget |
| 19. To support the function and co-ordination of the North Warwickshire Community Partnership and its associated structures. | Developing Healthier Communities Raising aspirations, education attainment and skills Access to services and all six Council priorities | Chief Executive | April 16 | March 17 | High | Local strategic partnership responsibilities being met. Improvements in the agreed priorities being achieved. | Community Strategy budget |
| 20. To maintain and develop the North Warwickshire Community Partnership website. | Developing Healthier Communities Raising aspirations, education attainment and skills Access to services and all six Council priorities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | Med | Feedback from users | |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|---|--|--|------------|----------|----------|---|--|
| 21. To support the implementation of the Sustainable Community Strategy 2009 – 2026 and the associated scs funding if agreed. | Developing Healthier Communities Raising aspirations, education attainment and skills Access to services and all six Council priorities. | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Sustainable Community Strategy 2009 – 2026 in place Progress with improvement of priorities being demonstrated | Community Strategy budget Use of reserve allocation in 2016/17. |
| 22. To support the implementation of the Talent Match Programme for NEETS in North Warwickshire | Raising aspirations, education attainment and skills Promoting Sustainable & Vibrant Communities | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Target number of NEETS with successful outcomes | External funding |
| 23. To support the Council's contribution towards achieving increased opportunities for employment and training for local residents | Promoting Sustainable & Vibrant Communities Supporting Employment & Business | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Increase in job and training opportunities | External funding opportunities e.g ESIF |
| 24. Support the implementation of a Climate Change strategy and action plan. | Developing Healthier Communities and all six priorities | Assistant Chief Executive and Solicitor to the Council | April 15 | March 16 | High | Strategy and action plan approved | |

Policy Support Service Plan 2016-2017

| Action | The Community Plan Objective Corporate Objective Divisional Objective or Policy the task contributes to | Lead Officer | Start Date | End Date | Priority | Measurement of Success | Resource/Training Implications |
|--|--|--|------------|----------|----------|---|--|
| Information Requests | | | | | | | |
| 25. To monitor the responses to requests for information to ensure requests are dealt with by 20 working days and to ensure the Council meets its requirements under the Freedom of Information Act and the Environmental Information Regulations and the Data Protection Act and report quarterly to Management Team. | Access to Services Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Percentage of information requests dealt with within 20 working days No reported breaches of personal data to the Information Commissioner | There could be further training requirements to refresh awareness of the regulations. |
| 26. To assist in ensuring that the Council's data security arrangements are appropriately in place in line with the Data Protection Policy. | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Risks of Data Security breaches are minimised | There could be training requirements to refresh awareness of the DPA and Data Security requirements. |
| 27. To review and assess the implementation of an action plan following the Data Audit carried out during 2012/13. | Responsible Financial & Resource Management | Assistant Chief Executive and Solicitor to the Council | April 16 | March 17 | High | Risks of Data Security breaches are minimised | There could be training requirements to refresh awareness of the DPA and Data Security requirements. |

Agenda Item No 9

Executive Board

9 February 2016

Report of the Assistant Director (Finance and Human Resources)

The Capital Strategy

1 Summary

- 1.1 This report updates the Capital Strategy approved by the Council in February 2015.

Recommendation to the Council

That the Capital Strategy, attached at Appendix A, be approved.

2 Introduction

- 2.1 The Council has an approved Capital Strategy, which is updated on a regular basis. This gives the opportunity to ensure that changes in the Council's overall priorities and circumstances are reflected.

3 Capital Strategy

- 3.1 The Capital Strategy describes the Authority's priorities and its approach to capital investment. It also describes how the use of capital resources will contribute to the achievement of the Council's objectives and desired outcomes.
- 3.2 The consultation used in choosing key objectives and priorities is also covered, as well as links to partners and the local community and to service plans. The strategy approved in February 2015 has been updated and is attached as Appendix A.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 An assessment of future expenditure requirements and available resources has been undertaken in the capital programme report later on this agenda.

4.2 Legal and Human Rights Implications

- 4.2.1 The Council has a duty to maintain its assets.

4.3 Environment and Sustainability Implications

4.3.1 The use of an effective Capital Strategy will make the most of the resources available to the Council. This will help to achieve the Council's aims, benefiting all who live and work within the Borough.

4.4 Risk Management Implications

4.4.1 The Council has limited resources in both capital and revenue terms and needs to ensure these are used effectively. The use of a Capital Strategy will ensure that resources are directed towards the Council's priorities.

4.5 Equalities Implications

4.5.1 The capital strategy needs to be equality assessed for impact and needs. If and when decisions are made in relation to the Capital Programme, then individual bids will need to be Equality Impact Assessed (EIA) to determine any adverse impact which may affect local communities

The Contact Officer for this report is Stephen Robbins (719337).

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 |
|----------------------|--------|----------------------------|-------------|
| The Capital Strategy | NWBC | Report to Executive Board | 11 Feb 2014 |

1 Introduction

1.1 The Council provides many services for the people who live or work in or visit the Borough, and aims to improve the quality of life in North Warwickshire. The Council is a member of the North Warwickshire Community Partnership, which works together to meet community needs. A long term vision was established in 2001 where seven priority themes were developed. Following on from successes in these themed areas and continual consultation, a new Sustainable Community Strategy 2009-2026 was developed with focus on 3 key areas. These are:

- **Raising aspirations, educational attainment and skills**
North Warwickshire will exhibit a strong learning culture spanning all age groups. It will be a place where everyone has the greatest possible opportunity to recognise and achieve their potential, having the skills and education levels needed to be successful both personally and in the local economy.
- **Developing Healthier Communities**
Health inequalities within and between communities in North Warwickshire will have been reduced. People will be living healthier and independent lives, making positive lifestyle choices to improve their well-being and that of their community and surroundings.
- **Improving Access to Services**
North Warwickshire communities will be better connected and better served.

The Community Strategy priorities feed through to the Council's vision of "*protecting the rurality of North Warwickshire, supporting its communities and promoting the wellbeing of residents and businesses.*" To support this vision, the Council has six priorities. These are:

- **Responsible financial and resource management**
Making the best use of our resources (including keeping both Council Tax and debt as low as possible) to provide high-quality services to our communities
- **Creating safer communities**
Working with our communities and partners to enable our residents to both be and feel safer, whether at home or in and around the Borough
- **Protecting our countryside and heritage**
Protecting and improving our countryside and heritage in times of significant growth challenges and opportunities
- **Improving leisure and wellbeing opportunities**
Providing opportunities to enable local people to enjoy their leisure and recreation and to improve their health and wellbeing
- **Promoting sustainable and vibrant communities**
Working with local residents including our tenants and partners to help our communities to be sustainable and vibrant, both in terms of facilities and lifestyle
- **Supporting employment and business**
Supporting employment and business to grow the local economy in terms of access to work, skills improvement and wider business development opportunities

1.2 The Council uses a Corporate Plan to set out its corporate and service objectives and to provide a framework for individual service plans over the next three years. The Corporate Plan for 2016/17 will form the basis of the Authority's approved three-year Capital Programme.

2 Key Objectives and Priorities

2.1 Within the above strategic framework, key priorities for capital investment and targets for completion over the next five years are, subject to availability of resources, as indicated below:

- to continue to comply with the Decent Homes Standard for Council housing. We are continuing to invest in the Council's stock in order to improve the properties and ensure they are maintained to modern standards – including energy efficiency. The Council's current housing stock at December 2015 is 2,666.
- to increase affordable housing within the Borough. The Council has a target for the provision of affordable housing, which comes from its assessment of local housing need. In addition to its enabling role, the Council is working with Waterloo Housing Association on schemes in Atherstone, which will increase affordable housing. Some of the new housing will be managed by the Housing Association, whilst some will come into the Council's own housing stock.
- to address the problems of public and private sector dwellings, which are either unfit or in serious disrepair, fail the Decent Homes Standard or contains hazards under the Housing Health & Safety Rating System, which includes statutory overcrowding and the regulation of licensable and other 'Houses in Multiple Occupation' and mobile dwellings, and to achieve energy saving targets set by the Government. Within this objective, to maintain the maximum of six months for the length of time applicants remain on the waiting list for Disabled Facility Grants.
- to secure the long-term availability and viability of key facilities provided by the Council and, at the same time, ensure they meet the changing needs and demands of users.
- to deliver services in ways that will best fit the needs of its citizens, at an affordable cost. The key priorities are to look at ways of providing 'joined up' services and better access to services.
- to assess the options for implementing the action plan stemming from the Green Space Strategy, including the maximisation of external funding and partnership working.
- to meet the Authority's statutory duties, secure the safety of the public, its tenants and the Council's own employees, and meet operational requirements for information technology, vehicles and equipment. This includes meeting requirements of the Equalities Act.

3 **Approach to Prioritising Investment**

- 3.1 The main factors in determining the size of the capital programme are the requirements for capital spending, the availability of resources for capital projects and the impact of the programme on the Council's revenue budget. However, some resources are specific to a particular scheme or service, and this must also be taken into account.
- 3.2 The demand for capital spending is consistently higher than the funding available. In order to decide which schemes should be included in its capital programme, the Council prioritises the capital schemes put forward. An officer group, Extended Management Team (EMT), assesses and prioritises the competing claims taking this into account. The group is a corporate group, bringing together representatives of all service divisions. EMT agrees the assessment criteria to be used before bids are requested for the coming year. Examples include:
- the contribution to corporate and community plan priorities,
 - if spending enables a statutory obligation to be met;
 - if spending is to maintain an asset;
 - if external funding is available;
 - the revenue impact of individual schemes; and
 - the risk of not taking the scheme forward.
- 3.3 The contribution of individual schemes towards the achievement of the Authority's goals and targets is considered, together with their relative priority. The group also considers the expected resources over the foreseeable future. This allows a proposed capital programme to be considered by the Authority's Senior Management Team alongside the Corporate Plan.
- 3.4 The Service Boards consider their support for individual schemes. Subject to any comments from the Service Boards, the Senior Management Team then recommends a capital programme to the Executive Board for approval, with the intention of maintaining a small but balanced programme over a ten-year period. The Executive Board approves a three year programme, with the first year taken as being firm and schemes put in hand. The later two years are provisional and only preparatory work is allowed to go ahead.

3.5 The consistent shortfall in funding and the previous priority of achieving the Decent Homes for the Council housing stock has meant that the majority of non urgent general fund projects have been excluded from the programme. Some of these schemes will become more urgent as time passes, and the Council is taking steps to address the funding gap.

4 Revenue Implications of Capital Investment

4.1 The revenue impact of capital expenditure is itself a key factor in capital investment and is considered as part of any bid for capital resources. When approving the capital programme, the Executive Board is made aware of the revenue implications of each scheme and these are built into the budget, which is considered at the same time.

4.2 However, the Authority will spend money to save money, and will seek the capital resources for investments that will increase efficiency or reduce revenue expenditure.

5 Managing and Monitoring the Capital Programme

5.1 The Executive Board approves the capital strategy of the Authority and subsequently a three-year expenditure programme. The Resources Board undertakes the monitoring and management of the capital programme throughout the year.

5.2 With all schemes, the aims and targets of each scheme must be clearly identified before it is included within the programme. Once a programme is underway, the responsible officer monitors expenditure on capital schemes on a monthly basis. EMT also receives monthly monitoring reports on the whole capital programme, which allows issues to be raised and appropriate action taken, if necessary.

5.3 Progress against the programme is reported to Resources Board, together with the explanations for any variances. The Resources Board also review the outcomes of the spending undertaken.

5.4 Resources Board manage the majority of the Authority's own property portfolio including Council housing, the potential disposal of surplus land and the efficient use of property. The Community and Environment Board also have a property management role, where it relates to leisure facilities.

6 Performance Measurement

6.1 As well as managing the capital programme, EMT is responsible for monitoring and assessing the effectiveness of expenditure, in comparison with the original aims and targets. All required outcomes are linked to corporate and service objectives and are collected on the capital bid forms. Schemes will not be included in the capital programme without them. Once capital schemes are completed, the lead officer is responsible for reviewing the actual outcomes against targets, and providing feedback to EMT.

6.2 Both quantitative and qualitative outcomes are used to assess performance, and the achievement of targets is monitored in a number of ways. Examples include both direct and indirect measures, such as:

- performance indicators
- statistics showing service performance
- surveys
- user / focus groups
- benchmarking & consultation

6.3 Management Team monitors all corporate plan targets and performance indicators on a quarterly basis, with the Deputy Chief Executive monitoring directly with Assistant Directors in the intervening months, to allow more responsive management. Progress against Corporate Plan targets and performance indicators is also reported to Boards, with the further detail monitored by Divisions through service plans.

6.4 Due to the weighting of the housing element of capital spending, a lot of emphasis has been placed on performance measurement in this area. The Housing Division monitors progress in a variety of ways, and the satisfaction of tenants with the housing service is tested through surveys, which are generally very positive.

6.5 Despite lower levels of resources available for other projects, increasing emphasis is being placed on performance measures in these areas. Performance information has been used to inform capital bids in a number of areas.

6.6 Different methods are used for communicating the results of performance measurement with stakeholders. These include: the Authority's own publication 'North Talk', which goes to all residents of the Borough three/four times per year, the Council's website, posting the results of user surveys at leisure facilities, the Housing Revenue Account Business Plan and local tenant meetings. The Borough Wide Tenants Forum is increasingly being used to give feedback and gauge priorities for expenditure on the housing stock.

7 **Cross-cutting Activity**

7.1 The Authority is taking a positive approach to cross cutting issues, as can be seen from the innovative solutions to tackle some of the problems within the Borough. Increasingly the Council is working with other authorities and agencies to provide more holistic services. The extension of the Council's reception area to provide access for local residents to voluntary services is an example, as is the use of a community bus.

7.2 Limited financial ability to contribute directly in many areas has led to the use of other routes. In partnership with other Government agencies, the Authority has given Private Sector renewal and energy efficiency grants to assist homeowners to make their properties more sustainable.

8 **Work with Key Partners**

8.1 The Council is working increasingly with partner organisations to achieve its aims and objectives, either where it is more efficient, or where it will maximise resources by enabling additional funding to be brought in through outside agencies. Examples of some of the key partners we work with are:

- **Housing Associations / Housing Corporations** – The Council works with Waterloo Housing to redevelop parts of the borough.
- **Warwickshire County Council** – The County Council make use of the one-stop reception area in the Council House and rent surplus accommodation which is no longer required by the Council.
- **Other District Councils** – The Council works closely with other District Councils within Warwickshire and with neighbouring Boroughs to assist in maximising the use of its assets and capital resources.
- **Parish / Town Councils** – The works to replace the play areas throughout the Borough have been carried out in conjunction with the relevant parish councils and have resulted in various contributions from them to enhance the facility provided within their localities.
- **Warwickshire Police** - The Police have rationalised their accommodation in Atherstone and are now renting office space in Old Bank House from the Council.
- **The Coleshill School** – A dual use agreement exists between the Council and The Coleshill School to ensure the provision of services to students and the wider community in Coleshill.
- **External Funding Agencies** – Grant funding from DEFRA and the European Union have been secured for the LEADER project, in conjunction with Hinckley and Bosworth District Council. This allows local community groups to bid for funding, with the Council acting as the accountable body.

Local businesses / Voluntary Sector / Community Groups

The Authority has also recognised opportunities for obtaining indirect funding for the area by working with other organisations which can access funding not open to the Council, or which are willing to invest their own resources. A cross-divisional group was used to build knowledge within the organisation and to help identify alternative sources of funding, which could be accessed directly or by other partners. The sharing of information is now done on a more informal basis. Examples of these partners are shown below.

- Apply to other outside bodies such as Sport England and the Arts Council of England for leisure facilities funding, on behalf of community organisations. In addition, assistance continues to be given to community groups who wish to apply for funding for specific activities.

- The Council will continue to work with local young people to provide appropriate leisure opportunities. All funding opportunities will be considered, including sponsorship from local businesses.
- The Council has worked over the last 5 years with an external supplier on refurbishing some of its play areas. This has allowed greater works to be undertaken than would have been the case under a more traditional arrangement
- The Council has obtained funding from private developers for transport initiatives through planning gains under section 106 agreements. Schemes for traffic calming measures and rail links from commercial developments will assist in a number of community plan priorities: improving transport and employment, training and recruitment opportunities in the Borough, and addressing community safety concerns.

9 **Details of Consultation**

- 9.1 The development of the Sustainable Community Strategy involves a range of consultation to gain as wide a response as possible. Involving the community has included local public meetings, staff visits to village shops and local markets to hear from people, consulting the North Warwickshire Citizens' Panel about services, a Young People's Forum, and an Annual Partnership Day attended by representatives of many local organisations.
- 9.2 The Council periodically undertakes a wide-ranging consultation exercise with a People's Panel of 1,000 local residents. Their concerns about specified issues and their views regarding improvements to enhance the quality of life in their area have been taken into account in proposing and evaluating new capital schemes. The capital strategy reflects the aims of local people for service delivery and provision. Conflict between aims is dealt with by consulting on specific issues.

10 **Links to Other Relevant Strategies and Plans**

- 10.1 The Council's capital investment strategy is set within the framework of the Corporate Plan, together with other strategy documents. In developing its Corporate Plan and performance management systems, the Authority has taken care to reflect national guidance and regional strategies for housing, planning, leisure and economic development, as well as the Sustainable Community Strategy. Other strategies most relevant to capital investment are:
- Housing Strategy and the HRA Business Plan – this links directly with the capital strategy, going into greater detail on how the priorities on Decent Homes and affordable housing will be met.
 - Local Development Framework – research on Local Housing needs and Structure Plan targets suggest a relatively high local need for new socially rented housing.
 - Play Strategy – looks at the organisational and physical requirements to provide a co-ordinated approach to play provision in the Borough.
 - Partnership Plan – this highlights the work undertaken with partners to tackle crime, and fear of crime. Due to limited resources, capital schemes generally need to lever in additional funding.
 - Procurement Strategy – a strategy has been produced to guide the procurement of goods and services. There is greater opportunity in the capital programme, given the higher volumes of spending.
 - Service Plans – changes in methods of service provision can influence the bids put forward for capital schemes.
 - Green Space Strategy – the Strategy identified a significant shortfall in resources and looks to assess the options for narrowing this gap and to prioritise the areas of work identified.

11 **Disposal of Capital Assets**

- 11.1 Overall and comparatively the Authority does not have a large portfolio of assets that can be used to fund future investment. However, any proceeds will help the Council to meet its capital priorities. Any decision to dispose of assets will be taken with full consideration of the economic position. Decisions on the generation of any additional receipts will be made, taking into account the priorities of schemes that are currently excluded from the capital programme.

12 **Funding the Capital Programme**

- 12.1 After programming in all previously approved schemes and those which have been deemed essential, the Council has a small surplus in General Fund capital resources over the next ten years. Although this ten

year programme includes some major schemes such as the Disabled Facility adaptation work to private sector homes, funding pressures remain.

- 12.2 Some schemes are part funded from contributions from General Fund revenue budgets. However funding from government grant for Disabled Facility work and Right to Buy receipts have been assumed in resource projections. Both of the latter sources of funding have a degree of risk associated.
- 12.3 From April 2012 the Council has moved to a self financing system, with funding for the housing capital programme generated through the rent received from the tenants.
- 12.4 Funding for the construction of the affordable houses will be generated from a number of sources which includes an annual £1m contribution from rental income, receipts from the sale of land and grants received through partnership working with Waterloo Housing. Additionally, Right to Buy Sales above the forecast level in the HRA business plan can be used to offset the construction of new affordable housing.

13 **Conclusion**

- 13.1 In producing the current capital programme, the Authority has had to defer a number of schemes, to keep a balanced programme. It is keen therefore to maximise all potential resources, including additional external funding. Increased public consultation and the use of area committees has raised expectations, and if participation is to be maintained and further increased, the Council must meet the needs identified.

Agenda Item No 10

Executive Board

9 February 2016

Report of the Management Team

The Proposed 3 Year Capital Programme 2016/17 to 2018/19

1 Summary

- 1.1 This report puts forward proposals for the Three Year Capital Programme and outlines the availability of capital resources and the options to meet any shortfalls.

Recommendation to the Board

- a That the Board adopts the Revised Capital Programme for 2015/16 as set out in Appendix A;
- b That the Board adopts the 3 Year Capital Programme for the period 2016/17 to 2018/19 as set out in Appendix B; and

Recommendation to Council

- c That the prudential indicators set out in Appendix F are approved, subject to any changes that may be required as a result of decisions taken during this evening's meeting.

2 Background

- 2.1 The Council is permitted to borrow to fund capital expenditure, but no longer receives government support for any new borrowing. The Council has the ability to undertake unsupported borrowing and have forecast the use of this in order to fund the purchase of refuse vehicles from the vehicle renewal scheme.
- 2.2 Since 1 April 2012 the Authority is no longer part of a national housing subsidy system and has moved to a self financing system. The new arrangements enable the Council to fund housing capital spending from the revenue generated through the Housing 30 Year Business Plan.
- 2.3 Other sources of finance are required to enable the Council to fund the Capital Programme and we will continue to be dependent on the use of capital receipts from the sale of Council Houses and land, together with external sources, notably Disabled Facility Grants for private sector housing.

3 2015/16 Revised Capital Programme

...

- 3.1 In relation to capital expenditure, Appendix A shows the originally approved programme for 2015/16 alongside the in year movements. The revised position is £883,391 less than the approved programme.
- 3.2 The revised budget for HRA housing has reduced due to a decrease in the planned expenditure in the New Build Scheme, mostly as a result of deferring the undertaking of the scheme at Church Walk until 2017/18. The remaining reduction relates to a revision to the vehicle renewal estimates and a reduction in staffing costs.
- 3.3 Projected underspends of £485,000 on the Multi Trade contract have been re-allocated to support further DFG adaptations and to aide the Heating programme.
- 3.4 On the General Fund schemes, there is additional expenditure of £51,000 planned against the Corporate Services function, to include the purchase of a new website in a joint scheme between the Council and Nuneaton & Bedworth Borough Council (NBBC). This is to be funded through specified grants and a contribution from NBBC.
- 3.5 Some of the GF vehicle replacement schemes have been pushed back into future years, including the replacement of rodent control vehicles and warden call scheme vehicles. Additionally, the cost of replacing the refuse vehicles, pool vehicles and cesspool vehicles has proved to be more expensive than initially budgeted, resulting in supplementary budget being required. This was approved by Executive Board previously.
- 3.6 Furthermore, budget of £465,885 has been built in to the revised capital programme for work at Hurley Daw Mill Sports Ground, in conjunction with Hurley Kings Football Club, permission for which was approved by Members earlier in the year.
- 3.7 Some Leisure schemes have been pushed back to later years in the programme, including the Easy Line replacement, Play Area Development Programme, and improvements to Bretts Hall Recreation Ground.
- 3.8 The final actual expenditure out-turn for 2015/16 could still differ to the revised position shown. It is difficult to predict when some work will be completed and some schemes, like the Disabled Facility Grants and Decent Homes Grants for Private Sector Housing are reliant on the timing of client claims for works over which the Council has no control. In line with normal practice, the Executive Board may be asked to approve the carry over of some of these budgets into 2016/17, once the final spend for 2015/16 is established.

4 Formulating the Capital Programme

- 4.1 The Council needs to control its capital programme carefully, firstly to ensure that available resources are targeted effectively towards meeting corporate targets and secondly, to take into account the effect that capital expenditure has on revenue budgets. The Capital Strategy, which outlines our capital spending criteria, is included as a separate agenda item at this Board's meeting.

4.2 The capital programme, by its nature, is long term and therefore the initial programme drawn up is for a ten year period to 2025/26. However, as both expenditure and funding is difficult to predict so far in advance, a more detailed three-year programme has also been developed.

5 10-Year Capital Resource Forecast - 2016/17 to 2025/26

5.1 The resources for 2016/17 to 2025/26 have been estimated using the following assumptions:

- Capital receipts will be received from Right to Buy sales (30 properties per annum), with some receipts used to fund General Fund (GF) programmes. The Council has entered into an agreement with the government which allows the retention of a greater proportion of these receipts. The additional receipts retained must be used for the construction of new council properties within 3 years of receipt;
- The receipt of Disabled Facility Grant of £296,000 per annum has been confirmed for 2015/16 and future year estimates have been based on these levels;
- Some revenue contributions will be used to fund capital spend;
- Revenue contributions for specific projects such as the pool sinking fund will continue at the existing levels (except in the case of the Play Area Replacement contributions which have been taken as a revenue saving from 2016/17 onwards);
- The use of revenue contributions to fund HRA expenditure;
- The use of borrowing for some elements of the programme.

5.2 The expected resources for the period 2016/17 to 2025/26 are shown in the table below:

| | HRA £'000 | Gen Fund £'000 | Total £'000 |
|--|----------------------|---------------------------|------------------------|
| Resources b/f | (5,164) | (3,375) | (8,539) |
| Use of earmarked reserves | - | (654) | (654) |
| Revenue Contributions to capital schemes | (35,266) | (790) | (36,056) |
| Borrowing/Leasing | - | (4,481) | (6,487) |
| Capital receipts | (11,635) | (1,328) | (12,963) |
| Grant or other income | (1,115) | (2,960) | (4,075) |
| Total | (53,180) | (13,588) | (66,768) |

5.3 This gives a total of £66.768 million available resources over the ten-year period to 2025/26. However, it must be emphasised that figures for 2017/18 onwards are indicative only, and firmer figures will only be available a few months ahead of the relevant year.

6 Ten Year Capital Expenditure Forecast – 2016/17 to 2025/26

- 6.1 An initial forecast of all potential capital projects has been collated covering the next 10 years, including both HRA and GF schemes. This followed an analysis of the general fund building maintenance requirements and a detailed breakdown of the key components needed to maintain the Decent Homes Standard within the Council's housing stock in the future.
- 6.2 A draft 10 year capital programme commencing in 2016/17 has been compiled based on the approved schemes from 2015/16. The opportunity has been taken to assess any new schemes and review schemes previously classed as non essential, to assess whether this classification is still valid. The review also gave the opportunity to reconsider the timing of existing schemes.
- 6.3 The completion of the full stock condition survey in November 2015 has helped guide the direction of the HRA Capital Programme for the next 10 years and has identified a range of essential works required at Alder and Heather Court Flats, expenditure for which has been built into the programme. The remainder of the HRA programme is based on the cyclical maintenance and replacement of the housing stock across the Borough.
- 6.4 There is a continuation of the scheme to increase new build homes in the HRA. This is required under the Section 11 agreement that the Council has entered into with the Government to retain some of the capital receipts relating to the sale of council houses. This expenditure will be focused on specific schemes in Lister Road, Church Walk, and Polesworth in 2016/17 to 2018/19.
- ... 6.5 The draft programme is summarised below and the details are shown in Appendix B:

| Initial Forecast 2016/17 to 2025/26 | £000 |
|--|---------------|
| HRA | 51,147 |
| General Fund | 11,651 |
| TOTAL | 62,798 |

- 6.6 As shown in the previous section, the total estimated resources for the ten-year period are £66.768 million compared with the expenditure bids of £62,798 million. This leaves a surplus of £3.970 million. This expenditure reflects the total bids put forward for consideration that have been identified to ensure the continuity of current services.
- 6.7 Included within the expenditure on the General Fund is work to the roof at Atherstone Leisure Complex and expenditure at Innage Park, The Pavilions and Maya Restaurant (previously the Bear & Ragged Staff). Currently no provision has been made for any potential replacement costs of Polesworth Sports Centre.
- 6.8 Any schemes relating to leisure assets will be considered within the overarching review of leisure provision in North Warwickshire which will be commissioned as soon as possible.

7 Unallocated Schemes

- 7.1 The level of schemes put forward for inclusion in the capital programme far outweighed the combined HRA and General Fund resources available. As a consequence projects which have been assessed as non essential have not been included in the proposed programme. Details of these schemes are outlined in Appendix C.

However, officers are working to find solutions to some of these issues.

- £2m of refurbishment or replacement has been identified for the Memorial Hall in Atherstone, for which there is currently no specific funding available. This will be considered as part of the leisure review mentioned above.
- £1.5m of works has been identified at the various industrial units that the Council owns. As part of the Asset Management Plan process, a financial and operational review will be carried out. Until this analysis is carried out, commitment to expenditure would not be advisable, but should the review show that the Council should retain the assets, investment will need to be made.
- £1.6m of external and internal works at Arley Sports Centre has been identified in the unapproved Capital Programme. However, the ongoing inclusion of this amount will be dependent upon the consultation scheduled to take place regarding the future operation of Arley Sports Centre.

8 Three-Year Capital Spend and Resources to 2018/19

- 8.1 As well as the long term programme, it is prudent to ensure that the Council can afford the capital schemes required in the medium term. As such, schemes included in the next 3 years have been assessed in more detail.

- 8.2 The table below highlights that there is an overall surplus generated over the 3 year period for both the General Fund and the HRA.

| Potential 3 year programme | HRA £'000 | Gen Fund £'000 | Total £'000 |
|-----------------------------------|----------------------|---------------------------|------------------------|
| Resources b/f | (5,164) | (3,375) | (8,539) |
| Total 3 year resources | (14,440) | (2,365) | (16,805) |
| Total 3 year expenditure | 15,957 | 3,077 | 19,034 |
| Total | (3,647) | (2,663) | (6,310) |

- 8.3 It is prudent to have a capital programme with surplus balances. The incoming resources include Right to Buy and sale of land within the resources total, both of which have a degree of risk associated with them. In addition, resources are not received consistently, and the surplus will be needed to fund 2019/20 onwards.

9 Prudential Indicators for Capital Investment

- 9.1 The introduction of the Local Government Act 2003 resulted in a change in the capital finance system for Local Authorities, and established a prudential framework for capital investment. Under this system, Councils are free to determine the affordability of their capital investment proposals and of any borrowing required to finance those proposals.
- 9.2 A prudential code was developed which requires the Council to consider the affordability of its proposals, their prudence and sustainability, value for money, asset management planning, practicality and service objectives.
- 9.3 In addition to the information already provided within this report, the Council is required to set and review regularly a range of indicators that have been developed as part of the Code, which will be used to support capital investment decision-making. As risk and uncertainty form a key part of capital investment planning, the Code requires three year integrated capital and revenue spending plans to determine the indicators. These need to be set as part of the overall budget-setting process.
- 9.4 The Code requires six sets of indicators be set. Two sets of these indicators have already been detailed within the Treasury Management Strategy statement, MRP Policy statement and Annual Investment Strategy for 2016/17, which was reported to Resources Board on 25 January 2016. These are:
- External Debt Indicators (the Authorised Limit for Borrowing and the Operational Boundary); and
 - Treasury Management Indicators.

Each of the remaining sets of indicators is covered in the paragraphs below.

- 9.5 **Capital Expenditure Indicators** – the Council is required to make a reasonable estimate of the capital expenditure it plans to incur in each of the next three years, and report actual expenditure incurred at year-end. Using the proposals contained within this report, these are set out below, together with the actual position for 2014/15 and the revised position for 2015/16.

| | Actual 2014/15 £'000 | Revised 2015/16 £'000 | Original 2016/17 £'000 | Forecast 2017/18 £'000 | Forecast 2018/19 £'000 |
|------------------------|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| HRA | 853 | 6,895 | 3,094 | 3,443 | 3,324 |
| HRA - New Build | 1,908 | 2,036 | 2,801 | 3,138 | 157 |
| General Fund | 4,501 | 3,825 | 1,049 | 792 | 1,236 |
| Total | | | 6,944 | 7,373 | 4,717 |

| | | | | |
|--|--------------|---------------|--|--|
| | 7,262 | 12,756 | | |
|--|--------------|---------------|--|--|

- 9.6 **Capital Financing Requirement Indicators** – these indicators measure the Council’s underlying need to borrow to fund capital expenditure, which is the normal level of borrowing expected. The actual capital financing requirement as at 31 March 2015, the revised estimate for 2015/16 and estimates for the next three years are set out below. The method of calculation is set out as Appendix D.

| | Actual 2014/15 £'000 | Revised 2015/16 £'000 | Original 2016/17 £'000 | Forecast 2017/18 £'000 | Forecast 2018/19 £'000 |
|--------------|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| HRA | 55,909 | 54,609 | 53,159 | 51,559 | 49,859 |
| General Fund | 14,868 | 15,985 | 15,657 | 15,256 | 14,846 |
| Total | 70,777 | 70,594 | 68,816 | 66,815 | 64,705 |

* The Capital Financing Requirement for the HRA may need amending once the full impact of the Housing Bill is known.

- 9.7 **Capital Financing Cost Indicators** – an indicator of affordability is the estimated ratio of financing costs to net revenue stream in percentage terms. If the ratio is increasing rapidly over time, then a larger proportion of revenue resources are being taken up by financing costs, which could be used to fund direct service delivery. This indicator is calculated for both the General Fund and the Housing Revenue Account, and these are shown below. The calculation of both is shown in more detail in Appendix E.

| | Actual 2014/15 | Revised 2015/16 | Original 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|--------------|---------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| HRA | 23.58% | 23.38% | 24.75% | 26.17% | 27.25% |
| General Fund | 2.03% | 1.93% | 4.50% | 5.18% | 4.97% |

- 9.7.1 HRA financing costs reflect the scheduled repayment of the debt taken out by the Council as part of the move to self financing. The increase in the General Fund amount from 2016/17 onwards reflects the additional financing costs required to replace the Authority’s existing vehicles.

- 9.8 **Incremental Impact Indicators** – A further indication of affordability is the estimate of the incremental impact on Council Tax and Housing Rents, over and above the capital financing decisions that have previously been taken by the Council. These are shown in the tables below:

| General Fund | Original 2015/16 £ | Forecast 2016/17 £ | Forecast 2017/18 £ | Forecast 2018/19 £ |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Council Tax at Band D | 2.44 | 14.54 | 15.81 | 16.21 |
| Council Tax at Band D - aggregate | 2.44 | 16.98 | 32.79 | 49.00 |

| HRA | Original 2015/16 £ | Forecast 2016/17 £ | Forecast 2017/18 £ | Forecast 2018/19 £ |
|------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|

| | | | | |
|---------------------------------|---|---|---|---|
| Average Weekly Rent | - | - | - | - |
| Average Weekly Rent - aggregate | - | - | - | - |

... 9.9 A summary of all six sets of indicators is given as Appendix F, as these will need to be approved by the Council. However, these may need to be amended, depending on the decisions on the capital programme taken by this Board.

9.10 **Net debt and the capital financing requirement** – an indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the Authority must ensure that external debt does not exceed the total capital financing requirement for the preceding year and the estimates for the next two financial years. Current external borrowing is £56.289 million, well below the Capital Financing Requirement projections shown in paragraph 9.6.

10 Conclusion

10.1 Some sources of funding are specific to particular types of expenditure. The proposed programme takes this into account, so Members need to be mindful of this should they wish to vary the proposed programme.

10.2 Only those schemes that either meet a statutory duty or which score highly against the Council priorities and risk assessment are included in the Capital Programme.

10.3 The proposed 3 Year Programme has a level of unallocated balances which is felt prudent as there are certain risks to some income streams and potentially unforeseen costs that may be unavoidable.

11 Report Implications

11.1 Finance and Value for Money Implications

11.1.1 The financial implications of this 3 Year Capital programme, in terms of the cost of funding, are given below.

| GENERAL FUND | 2016/17 £ | 2017/18 £ | 2018/19 £ |
|------------------------------|----------------------|----------------------|----------------------|
| Financing costs | 238,200 | 24,810 | 15,440 |
| Financing costs – cumulative | 238,200 | 263,010 | 278,450 |

Note. Not all of the financing costs are additional, as some relate to the replacement of existing vehicles. The maintenance costs of the vehicles are included with the existing revenue allocations.

11.2 Environment and Sustainability Implications

11.2.1 Continuing to follow the capital strategy when setting a capital programme will ensure that the Council continues to achieve its priorities within the available capital resources.

11.3 Equality Implications

11.3.1 The proposals for the capital programme will need to be equality assessed for impact and needs and some of the schemes highlighted in the report will have positive impacts including the housing developments and improvements to Leisure facilities.

11.4 Safer Communities

11.4.1 The identified schemes would have positive implications for the development of safer communities, in that the provision of good quality leisure opportunities reduces the likelihood of criminal and/or anti-social behaviour.

11.5 Risk Management Implications

11.5.1 There are a number of risks associated with setting a capital programme, as assumptions are made on the type and level of available resources, as well as the required level of expenditure. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. There is a degree of uncertainty regarding the land sales budgeted for in the next few years; however this risk is small given the limited inclusion of receipts. Risk will be managed through the production of regular budgetary control reports, assessing the impact of variances and reporting on the need to take any further action.

The Contact Officer for this report is Stephen Robbins (719337).

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 |
|---------------------|--------|----------------------------|------|
| | | | |

| Expenditure Proposals | Approved Budget | In year Virements | Supplementary Bids | Moved to future year | Other Movements | Revised 2015/16 |
|--|-------------------|-------------------|--------------------|----------------------|-----------------|-------------------|
| HRA Assets | | | | | | |
| Staffing | 151,230 | - | - | - | 33,580 | 117,650 |
| Heating | 1,670,579 | 250,000 | - | - | - | 1,920,579 |
| Energy Saving Measures | 2,007,784 | - | - | - | - | 2,007,784 |
| Adaptations | 175,000 | 235,000 | - | - | - | 410,000 |
| Roofing | 1,560,871 | - | - | - | - | 1,560,871 |
| Maintenance of Unadopted Roads | 64,660 | - | - | - | - | 64,660 |
| Replacement of DLO Vehicles | 351,380 | - | - | 96,820 | - | 254,560 |
| Replacement of Housing Vehicles | 11,000 | - | - | 11,000 | - | - |
| Replacement of Neighbourhood Warden Vehicles | 64,970 | - | - | 64,970 | - | - |
| Multi Trade Contract | 1,044,364 | 485,000 | - | - | - | 559,364 |
| New Build | 3,200,000 | - | - | 1,164,049 | - | 2,035,951 |
| HRA TOTAL | 10,301,838 | - | - | -1,336,839 | 33,580 | 8,931,419 |
| General Fund Assets | | | | | | |
| Decent Homes Grants & Works (Private Sector) | 180,352 | - | - | - | - | 180,352 |
| Disabled Facilities Grants (Private Sector) | 520,386 | - | - | - | - | 520,386 |
| Borough Care Lifelines | 23,000 | - | - | - | - | 23,000 |
| Computer Hardware & Software Purchase | 55,292 | - | - | - | - | 55,292 |
| ICT Infrastructure Development | 36,245 | - | - | - | - | 36,245 |
| CRM Customer Access Solutions | 22,550 | - | 51,000 | - | - | 73,550 |
| Academy Server Replacement | 30,000 | 15,000 | - | - | - | 15,000 |
| Operating System Upgrade | 30,000 | 15,000 | - | - | - | 45,000 |
| Innage Park Phase I - Replace Asbestos Cladding | 5,000 | - | - | - | - | 5,000 |
| Refurbishment of Council House | 21,000 | - | - | - | 14,500 | 35,500 |
| Refurbishment of Council Owned Buildings | 117,850 | - | - | - | - | 117,850 |
| Disabled Discrimination Adaptations | 329,465 | - | - | - | - | 329,465 |
| Replacement of Pool Vehicles | 10,000 | - | - | 10,000 | - | 20,000 |
| Replacement of Refuse Vehicles | 1,431,603 | - | 48,437 | 34,610 | - | 1,514,650 |
| Replacement of Cesspool Vehicles | 85,000 | - | - | 18,360 | - | 103,360 |
| Replacement of Rodent Control Vehicles | 22,000 | - | - | 22,000 | - | - |
| Replacement of Street Cleaning Vehicles | - | - | - | 54,000 | - | 54,000 |
| Replacement of Horticulture Vehicles | 56,020 | - | - | 680 | - | 56,700 |
| Replacement of General Works Vehicles | 15,330 | - | - | 15,330 | - | - |
| Replacement of Warden Call Scheme Vehicles | 122,010 | - | - | 122,010 | - | - |
| Easyline replacement at Atherstone Leisure Complex | 10,000 | - | - | 10,000 | - | - |
| Leisure Equipment | 20,000 | - | - | - | 4,480 | 24,480 |
| IT Replacement of Leisure Booking System | 18,697 | - | - | - | - | 18,697 |
| Play Area Development Programme (3) | 59,674 | - | - | 29,674 | - | 30,000 |
| Hurley Daw Mill Sports Ground Work with Hurley Kings FC | - | - | 465,885 | - | - | 465,885 |
| Improvements to Piccadilly Sports Fields | 11,500 | - | - | 11,500 | - | - |
| Improvements to Abbey Green Park, Polesworth | 8,150 | - | - | - | 10,480 | 18,630 |
| Improvements to Kitwood Avenue Recreation Ground, Dordon | 35,450 | - | - | - | 12,570 | 48,020 |
| Improvements to Long Street Recreation Ground, Dordon | 7,290 | - | - | - | - | 7,290 |
| Improvements to Bretts Hall Recreation Ground, Ansley Common | 30,000 | - | - | 30,000 | - | - |
| Mobile CCTV Replacement | 4,947 | - | - | - | - | 4,947 |
| Capital Salaries - Management | 18,870 | - | - | - | 2,540 | 21,410 |
| GENERAL FUND | 3,337,681 | - | 565,322 | -122,864 | 44,570 | 3,824,709 |
| OVERALL TOTAL | 13,639,519 | - | 565,322 | -1,459,703 | 10,990 | 12,756,128 |

| Name of the Scheme | Basic Details of the Scheme | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|---|--|------------------|------------------|------------------|--------------------|-------------------|
| | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Electrics | A scheduled programme to replace consumer units and bring wiring in Council properties up to date | 150,000 | 309,000 | 477,410 | 4,179,042 | 5,115,452 |
| Staffing | Housing officers who deliver the capital programme to Council properties. | 118,310 | 121,150 | 123,960 | 1,078,904 | 1,442,324 |
| Kitchens and Bathrooms | Replacement programme to ensure these facilities meet the Decent Homes Standard. | 450,000 | 463,500 | 716,110 | 6,268,528 | 7,898,138 |
| Heating | To replace heating systems which are at the end of their component life time, can't be repaired or to provide for controllable systems to meet the Decent Homes Standard. | 300,000 | 309,000 | 318,270 | 1,393,014 | 2,320,284 |
| Windows | Programmes of window replacements to address older installations that are not energy efficient and those that are defective. | - | 257,500 | 530,450 | 4,643,326 | 5,431,276 |
| Energy Saving Measures | External Wall Insulation & Loft Insulation programmes will be required to ensure properties meet the necessary levels for energy usage. | 500,000 | 103,000 | 106,090 | 928,649 | 1,637,739 |
| Adaptations | Undertake adaptations to properties to improve accessibility in accordance with recommendations from social care assessors. | 175,000 | 180,250 | 185,660 | 1,625,202 | 2,166,112 |
| Roofing | To replace roofs (flat or pitched) which do not meet the Decent Homes Standard and cannot be repaired to extend their use. | 750,000 | 515,000 | 530,450 | 4,643,326 | 6,438,776 |
| Alder & Heather Court Flats - Essential Works | A range of essential works are required to these properties, for example, the replacement of defective windows, the soil pipes which are at the end of their useful life, removal of asbestos materials from communal areas and to remediated defective roofing. | 300,000 | 721,000 | 106,090 | - | 1,127,090 |
| Replacement of DLO Vehicles | Replacement as per the vehicle replacement schedule. | 51,120 | 88,000 | 17,000 | 636,367 | 792,487 |
| Replacement of housing Vehicles | Replacement as per the vehicle replacement schedule. | - | 74,000 | - | 117,430 | 191,430 |
| Replacement of neighbourhood warden vehicles | Replacement as per the vehicle replacement schedule. | - | 96,000 | - | 156,573 | 252,573 |
| Multi trade Contract | To cover a range of capital works including remedial work following fire risk assessments and schemes for garages and sheltered scheme communal rooms as well as external works and structural works. | 300,000 | 206,000 | 212,180 | 1,857,379 | 2,575,559 |
| New Build | Redevelopment of Lister Rd and Church Walk. Includes purchase of 34 New Homes in Polesworth. | 2,801,029 | 3,137,650 | 157,000 | 7,662,480 | 13,758,159 |
| | | 5,895,459 | 6,581,050 | 3,480,670 | 35,190,219 | 51,147,398 |

Draft Capital Programme - General Fund

| Name of the Scheme | Basic Details of the Scheme | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|---|--|---------|---------|---------|--------------------|-------------------|
| | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| CCTV Replacement | The scheduled replacement of the existing CCTV cameras. | - | - | 136,700 | - | 136,700 |
| Decent Homes Grants & Works (Private Sector) | Assistance with repairs and replacements targeted at vulnerable households on a means tested basis to prevent deterioration and associated health effects. | 57,500 | 57,500 | 57,500 | 402,500 | 575,000 |
| Disabled Facilities Grants (Private Sector) | Mandatory adaptations delivered in accordance with legislative requirements and following a recommendation from a social care assessor and in accordance with a means test. | 300,000 | 300,000 | 300,000 | 2,100,000 | 3,000,000 |
| Borough Care Lifelines | Provide new lifelines and replace units that are beyond repair and/or are obsolete. This includes the very old units that may not be compatible to our normal telephone lines if BT upgrade the exchange. | 23,000 | 23,000 | 23,000 | 161,000 | 230,000 |
| Computer hardware & software purchase & replacement | To continue to provide PC's that meet the requirements of the increasingly complex software that is used to deliver Council services and back office functions. This budget includes the renewal of Microsoft Software licenses. | 30,000 | 40,000 | 40,000 | 250,000 | 360,000 |
| Replacement of scanner/plotter | Replacement of the existing separate scanner and plotter with a single solution. | - | - | - | 10,000 | 10,000 |
| Customer Relationship Management renewal | The current Contact Centre CRM system is provided under a 5 year contract. At the end of which we will need to have upgraded/refreshed or replaced the system to support the work of the Contact Centre. | - | - | - | 40,000 | 40,000 |
| ICT Infrastructure Development | To further develop the network and hardware structures to ensure that the Councils aspirations of home and mobile working and self service delivery are possible. | 20,000 | 20,000 | 20,000 | 140,000 | 200,000 |
| Network Infrastructure | Replacement of the existing network infrastructure. | - | - | - | 40,000 | 40,000 |
| Telephone System | Replacement of the existing telephone system. | - | - | - | 20,000 | 20,000 |
| Server Virtualisation | Replacement of the existing server virtualisation system. | - | - | - | 50,000 | 50,000 |
| CRM Customer Access Solutions | To continue the development of the CRM, One Stop Shop and Customer Access technology in partnership with other Warwickshire Councils when appropriate. | 11,870 | 12,290 | 12,720 | 102,180 | 139,060 |
| Academy Server Replacement | To replace the Server at the end of its useful life. | - | - | - | 40,000 | 40,000 |
| Operating System Upgrade | The operating programmes used by some systems are becoming old and in need of replacement. | - | 5,000 | - | - | 5,000 |
| Backing Up | Primarily used at two levels; the day to day use for the recovery of lost data or damaged systems that need to be rolled back to a previous state. The major use is in the event of fire or theft where the backups we hold would be used to restore systems | 25,000 | - | - | 25,000 | 50,000 |
| Uninterruptable Power Supply | A large 'battery' which ensures power to all systems. This supply is unaffected by power cuts etc. | - | - | - | 10,000 | 10,000 |
| Atherstone Leisure Complex - Replacement Roof | The leisure complex has a single ply flat roof covering virtually all of the facility that has an estimated life span of around 10 years and will need replacing in 2018/19. | - | - | 250,000 | - | 250,000 |
| Innage Park Phase I - Remedial Works to Existing Cladding | The existing asbestos cement cladding is at the end of its life and leaking in many locations. The proposed scheme entails encapsulating the cladding with a proprietary applied waterproofing system. | 265,000 | - | - | - | 265,000 |
| The Pavilions - Cladding/roof works | Replacement of the roof cladding. | - | - | - | 105,000 | 105,000 |
| Maya Restaurant (Bear and Ragged Staff) | To replace the roof covering the building. | - | 120,000 | - | - | 120,000 |
| Refurbishment of Council Owned Buildings | To carry out improvements to all council owned property. | - | - | 45,000 | 90,000 | 135,000 |
| Electrical Upgrade at Old Bank House | The electrical system at OBH is almost 30 years old and will be in need of updating to comply with current legislation | - | - | 150,000 | - | 150,000 |
| Replacement of Pool Vehicles | Replacement as per the vehicle replacement schedule. | 12,000 | - | - | 60,000 | 72,000 |
| Replacement of Refuse Vehicles | Replacement as per the vehicle replacement schedule. | 20,000 | - | - | 2,901,000 | 2,921,000 |
| Replacement of Cesspool Vehicles | Replacement as per the vehicle replacement schedule. | - | - | - | 127,000 | 127,000 |
| Replacement of Rodent Control Vehicles | Replacement as per the vehicle replacement schedule. | 30,000 | - | - | 36,000 | 66,000 |
| Replacement of Street Cleaning Vehicles | Replacement as per the vehicle replacement schedule. | 109,100 | - | 135,690 | 355,620 | 600,410 |

| Name of the Scheme | Basic Details of the Scheme | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|--|---|------------------|----------------|------------------|--------------------|-------------------|
| | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Replacement of Horticulture Vehicles | Replacement as per the vehicle replacement schedule. | 44,000 | 77,300 | 23,340 | 308,380 | 453,020 |
| Replacement of Leisure Services Vehicles | Replacement as per the vehicle replacement schedule. | - | 14,380 | - | 17,690 | 32,070 |
| Replacement of Warden Call Scheme Vehicles | Replacement as per the vehicle replacement schedule. | - | 70,000 | - | 86,100 | 156,100 |
| Capital Salaries - Management | General Fund staffing. | 21,570 | 22,070 | 22,550 | 166,560 | 232,750 |
| Leisure Equipment | To replace the equipment used in the execution of various activity programmes in each of the leisure centres that conforms to industry and market standards relating to customer needs and safety requirements. The proposed investment protects significant levels of income. Whilst fitness equipment has been replaced over the last few years, there is other sports equipment that is also in need of renewal. | 20,000 | 20,000 | 20,000 | 140,000 | 200,000 |
| Easyline replacement at Atherstone Leisure Complex | Planned replacement of the Easyline equipment at Atherstone Leisure Complex. | - | 10,000 | - | 10,000 | 20,000 |
| Leisure Centre Fitness Suite Equipment Replacement | Planned replacement of the Fitness Suite equipment across the Authority's Leisure Centres. | - | - | - | 180,000 | 180,000 |
| Improvements to Bretts Hall Recreation Ground, Ansley Common | Carry out improvements in accordance with the approved management plan, including the second phase of play provision. | 30,000 | - | - | - | 30,000 |
| Play Area Replacement Programme (10) | Planned replacement of play facilities - Year 8 at Austrey, Polesworth, Coleshill (Cole End), Piccadilly; Year 9 at Ansley Common, Corley, Hurley, Wood End; Year 10 at Mancetter and Dordon (Kitwood Avenue) | - | - | - | 600,000 | 600,000 |
| Play Area Development Programme (3) | Completion of the Play Area Development Programme through an approved scheme in the Menorial Park in conjunction with Coleshill Town Council. | 29,674 | - | - | - | 29,674 |
| | | 1,048,714 | 791,540 | 1,236,500 | 8,574,030 | 11,650,784 |

Draft Capital Programme - Not Currently in the Approved Programme

Appendix C

| Name of the Scheme | Basic Details of the Scheme | Essential or Non Essential? | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|---|--|-----------------------------|-----------|---------|---------|--------------------|-------------------|
| | | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Replacement Financial Management System (FMS) | The current financial system (TASK/TOTAL) will be more than 10 years old and it is Council practice to review and assess system to ensure they still meets user needs | Non-Essential | 70,000 | 70,000 | - | - | 140,000 |
| Replacement Revenues and Benefits | The Academy system is likely to need reviewing and potentially a major upgrade. However, this will be very dependant on the outcome of the proposed changes to benefits. | Non-Essential | 70,000 | 70,000 | - | - | 140,000 |
| Replacement Housing/Rents | The current system (IBS) will be more than 10 years old and it is Council practice to review and assess system to ensure they still meets user needs | Non-Essential | 70,000 | 70,000 | - | - | 140,000 |
| Electronic Document & Record Management System (EDRMS) - Development & Corporate roll-out | To replace the hardware that the EDRMS runs on and to update licences | Non-Essential | - | - | 70,000 | - | 70,000 |
| Web Development (Internet, Intranet & Extranets) | To replace the hardware that the web system operates on | Non-Essential | - | - | - | 50,000 | 50,000 |
| Replacement Leisure System | To replace the current Leisure System at the end of it's useful life. | Non-Essential | - | - | - | 70,000 | 70,000 |
| Replacement Planning System | To replace the current Planning System at the end of it's useful life. | Non-Essential | - | - | - | 50,000 | 50,000 |
| Mobile CCTV Replacement | The introduction of mobile CCTV cameras in the Borough. | Non-Essential | - | - | - | 44,000 | 44,000 |
| Atherstone Leisure Complex - Heating | Replacement of the heating and other M&E systems at the Leisure Complex (additional to the boiler system for which there is funding set aside) | Non-Essential | 100,000 | - | - | - | 100,000 |
| Arley Sports Centre - Internal Refurbishment | If a review shows a need to retain the sports service in Arley, there would be a need to refurbish the sports hall, fitness suite, squash court and changing areas. | Non-Essential | 1,000,000 | - | - | - | 1,000,000 |
| Arley Sports Centre - Cladding and Roofing | As well as internal works, the external of the Sports Centre will require refurbishment if structural damage is to be avoided. | Non-Essential | 600,000 | - | - | - | 600,000 |

Draft Capital Programme - Not Currently in the Approved Programme

Appendix C

| Name of the Scheme | Basic Details of the Scheme | Essential or Non Essential? | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|--|---|-----------------------------|-----------|---------|---------|--------------------|-------------------|
| | | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Memorial Hall-Refurbishment & Improvement | The Memorial Hall is dated and lacking in key functionality, which makes it hard to attract hirers. Failure to carry out any structural work at the Memorial Hall means that it will become even more difficult to maximise its income generating potential. There have already been issues with the roof leaking which has resulted in less commercial bookings being taken. | Non-Essential | 2,000,000 | - | - | - | 2,000,000 |
| Maya Restaurant - Resurface Car Park | The car park at the facility is looking shabby and there is an increased risk of injury or accident as the condition of the car park surface diminishes. | Non-Essential | - | - | 10,000 | - | 10,000 |
| Carlyon Rd - resurface car park | The streetscape in the area of the industrial units will start to look shabby and there is an increased risk of injury or accident as the condition of the car park surface diminishes. | Non-Essential | - | - | 250,000 | - | 250,000 |
| Innage Park Phase 1-resurface forecourt | The streetscape in the area of the industrial units will start to look shabby and there is an increased risk of injury or accident as the condition of the forecourt surface diminishes. | Non-Essential | - | 80,000 | - | - | 80,000 |
| Innage Park - Phase I - Internal Refurbishment | To carry out a refurbishment to meet the needs of the tenants as the units are ageing and will struggle to be let if some improvements are not made. | Non-Essential | - | 750,000 | - | - | 750,000 |
| Innage Park Phase 2-resurface forecourt | The streetscape in the area of the industrial units will start to look shabby and there is an increased risk of injury or accident as the condition of the forecourt surface diminishes. | Non-Essential | - | 40,000 | - | - | 40,000 |

Draft Capital Programme - Not Currently in the Approved Programme

Appendix C

| Name of the Scheme | Basic Details of the Scheme | Essential or Non Essential? | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|--|---|-----------------------------|---------|---------|---------|--------------------|-------------------|
| | | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Innage Park Phase 2 - replace roof cladding | The roof cladding will erode to the point that there is water ingress which will have a detrimental effect on the tenants occupancy in the units and may result in either unbudgeted repairs or put rental income at risk | Non-Essential | - | 400,000 | - | - | 400,000 |
| Innage Park Phase 2 -Improvements & Refurbishment | To carry out a refurbishment to meet the needs of the tenants as the units are ageing and will struggle to be let if some improvements are not made. | Non-Essential | - | 120,000 | - | - | 120,000 |
| The Pavilions - Internal Refurbishment | To carry out a refurbishment to meet the needs of the tenants as the units are ageing and will struggle to be let if some improvements are not made. | Non-Essential | - | - | 35,000 | - | 35,000 |
| Polesworth Workspace Units - Refurbishment | To carry out a refurbishment to meet the needs of the tenants as the units are ageing and will struggle to be let if some improvements are not made. | Non-Essential | - | - | 100,000 | - | 100,000 |
| Polesworth Workspace Units - Replace Hard Standing areas | The streetscape in the area of the units will start to look shabby and there is an increased risk of injury or accident as the condition of the forecourt surface diminishes. | Non-Essential | - | - | 25,000 | - | 25,000 |
| Polesworth Sports Centre - Roofing and Cladding | The external appearance of the Sports Centre is dated. Eventually the cladding may fall into disrepair and cause structural damage to those parts of the building that are the responsibility of the Borough Council. | Non-Essential | 50,000 | - | - | - | 50,000 |

Draft Capital Programme - Not Currently in the Approved Programme

Appendix C

| Name of the Scheme | Basic Details of the Scheme | Essential or Non Essential? | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|---|---|-----------------------------|---------|---------|---------|--------------------|-------------------|
| | | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Car Parking Meters | To provide car parking meters at all of the councils car parks, to assist in parking enforcement but then providing the potential to introduce parking fees if required. The programme will start at Atherstone and Water Orton where there are train stations to regulate the correct use of car parking spaces. This will then be rolled out to Polesworth and Coleshill. | Non-Essential | 80,000 | - | - | - | 80,000 |
| The Depot-Refurbishment | This is a basic refurbishment of the office areas. | Non-Essential | - | - | 325,000 | - | 325,000 |
| The Depot-Replace asbestos cladding and roofing | Although the asbestos has been identified and is manageable on a day to day basis, it may soon reach the point where it erodes or becomes damaged and it's replacement will be costly | Non-Essential | - | - | 250,000 | - | 250,000 |
| The Depot - Car Park | The streetscape in the area of the depot will start to look shabby and there is an increased risk of injury or accident as the condition of the car park surface diminishes. | Non-Essential | - | - | 100,000 | - | 100,000 |
| Structural Maintenance Programme of Car parks & Unadopted Roads | A detailed analysis of the councils car parks and unadopted roads has been carried out and has identified that the thickness of many of the surfaces is below the required levels. | Non-Essential | 500,000 | - | - | - | 500,000 |
| Additional Capacity for Car Parks in Atherstone | Work undertaken has identified issues with capacity in Car Parks across Atherstone. | Non-Essential | 105,000 | - | - | - | 105,000 |
| Sports Pavilion - Grendon - Hard standing area replacement and internal refurbishment | Improvement works are required at the sports pavilion, particularly to meet accessibility standards. | Non-Essential | - | - | 25,000 | - | 25,000 |
| Internal refurbishment of Piccadilly Sports Pavilion and replacement of hard standing areas | Improvement works are required at the sports pavilion, particularly to improve energy efficiency, the extent and nature of which will be determined once future management options for the site have been agreed. | Non-Essential | - | - | - | 35,000 | 35,000 |

Draft Capital Programme - Not Currently in the Approved Programme

Appendix C

| Name of the Scheme | Basic Details of the Scheme | Essential or Non Essential? | Year 1 | Year 2 | Year 3 | Year 4 - 10 | Total |
|---|--|-----------------------------|------------------|------------------|------------------|--------------------|-------------------|
| | | | 2016/17 | 2017/18 | 2018/19 | 2019/20 to 2025/26 | 10 Year Programme |
| Improvements to Ansley Hall Sports Ground to include refurb of Pavillion | Improvement works are required at the sports pavilion, the extent and nature of which will be determined once future management options for the site have been agreed. | Non-Essential | - | - | - | 35,000 | 35,000 |
| Improvements to Mancetter Brook Walk Rec Ground to include replacement of Sports Pavilion | Provision of a new pavilion / changing facilities. The current facility needs refurbishment, does not meet accessibility standards and is inappropriately located within the site. | Non-Essential | 350,000 | - | - | - | 350,000 |
| Improvements to Arley Recreation Ground to include MUGA | Carry out improvements to the infrastructure at Old Arley Recreation Ground, including the car park and MUGA in accordance with the site management plan. | Non-Essential | 50,000 | - | - | - | 50,000 |
| Improvements to Cole End Park Coleshill | Implement the provisions of the outline Management Plan, in accordance with a priority identified in the Green Space Strategy. | Non-Essential | 30,000 | - | - | - | 30,000 |
| | | | | | | | |
| | | | 5,075,000 | 1,600,000 | 1,190,000 | 284,000 | 8,149,000 |

Capital Financing Requirement

APPENDIX D

| | HRA (£) | GF (£) | GF Prudential Borrowing (£) | Grand Total |
|--|-------------------|-------------------|-----------------------------|-------------------|
| Fixed Assets | 96,073,578 | 22,541,704 | | 118,615,282 |
| Long Term Receivables | - | 1,000,000 | | 1,000,000 |
| Revaluation Reserve | (2,231,623) | (3,200,822) | | (5,432,445) |
| Capital Adjustment Account | (37,933,151) | (5,472,964) | | (43,406,115) |
| Actual CFR as at 31-3-15 | 55,908,804 | 14,867,918 | - | 70,776,722 |
| Repayment of HRA borrowing | (1,300,000) | | | (1,300,000) |
| Repay Principal - K'bury Link | | | (2,680) | (2,680) |
| Repay Principal - Vehicles | | | (750) | (750) |
| Repay Principal - Borough Care | | | (5,080) | (5,080) |
| Repay Principal - Lower House Farm | | | (9,120) | (9,120) |
| Repay Principal - Coleshill LC | | | (40,020) | (40,020) |
| Repay Principal - Recycling Containers | | | (1,940) | (1,940) |
| Repay Principal - Vehicles 14/15 | | | (46,160) | (46,160) |
| Repay Principal - Office Accommodation | | | (78,660) | (78,660) |
| Repay Principal - Play Areas | | | (3,080) | (3,080) |
| New prudential borrowing - Accommodation | | | 21,000 | 21,000 |
| New prudential borrowing - Vehicles | | | 1,398,710 | 1,398,710 |
| MRP | | (115,247) | | (115,247) |
| Estimated CFR as at 31-3-16 | 54,608,804 | 14,752,671 | 1,232,220 | 70,593,695 |
| Repayment of HRA borrowing | (1,450,000) | | | (1,450,000) |
| Repay Principal - K'bury Link | | | (2,680) | (2,680) |
| Repay Principal - Vehicles | | | (750) | (750) |
| Repay Principal - Borough Care | | | (5,080) | (5,080) |
| Repay Principal - Lower House Farm | | | (9,120) | (9,120) |
| Repay Principal - Coleshill LC | | | (40,020) | (40,020) |
| Repay Principal - Recycling Containers | | | (1,940) | (1,940) |
| Repay Principal - Office Accommodation | | | (79,500) | (79,500) |
| Repay Principal - Play Areas | | | (3,080) | (3,080) |
| Repay Principal - Vehicles 14/15 | | | (1,550) | (1,550) |
| Repay Principal - Vehicles 15/16 | | | (249,810) | (249,810) |
| Repay Principal - Vehicles 16/17 | | | (38,390) | (38,390) |
| New prudential borrowing - Vehicles | | | 215,100 | 215,100 |
| MRP | | (110,637) | | (110,637) |
| Estimated CFR as at 31-3-17 | 53,158,804 | 14,642,034 | 1,015,400 | 68,816,238 |
| Repayment of HRA borrowing | (1,600,000) | | | (1,600,000) |
| Repay Principal - K'bury Link | | | (2,680) | (2,680) |
| Repay Principal - Vehicles | | | (750) | (750) |
| Repay Principal - Borough Care | | | (5,080) | (5,080) |
| Repay Principal - Lower House Farm | | | (9,120) | (9,120) |
| Repay Principal - Coleshill LC | | | (40,020) | (40,020) |
| Repay Principal - Recycling Containers | | | (1,940) | (1,940) |
| Repay Principal - Office Accommodation | | | (79,500) | (79,500) |
| Repay Principal - Play Areas | | | (3,080) | (3,080) |
| Repay Principal - Vehicles 14/15 | | | (1,550) | (1,550) |
| Repay Principal - Vehicles 15/16 | | | (249,810) | (249,810) |
| Repay Principal - Vehicles 16/17 | | | (38,390) | (38,390) |
| Repay Principal - Vehicles 17/18 | | | (24,810) | (24,810) |
| New prudential borrowing | | | 161,680 | 161,680 |
| MRP | | (106,210) | | (106,210) |
| Estimated CFR as at 31-3-18 | 51,558,804 | 14,535,824 | 720,350 | 66,814,978 |
| Repayment of HRA borrowing | (1,700,000) | | | (1,700,000) |
| Repay Principal - K'bury Link | | | (2,680) | (2,680) |
| Repay Principal - Vehicles | | | (750) | (750) |
| Repay Principal - Lower House Farm | | | (9,120) | (9,120) |
| Repay Principal - Coleshill LC | | | (40,020) | (40,020) |
| Repay Principal - Recycling Containers | | | (1,940) | (1,940) |
| Repay Principal - Office Accommodation | | | (79,500) | (79,500) |
| Repay Principal - Play Areas | | | (3,080) | (3,080) |
| Repay Principal - Vehicles 14/15 | | | (1,550) | (1,550) |
| Repay Principal - Vehicles 15/16 | | | (249,810) | (249,810) |
| Repay Principal - Vehicles 16/17 | | | (47,510) | (47,510) |
| Repay Principal - Vehicles 17/18 | | | (24,810) | (24,810) |
| Repay Principal - Vehicles 18/19 | | | (6,320) | (6,320) |
| New prudential borrowing | | | 159,030 | 159,030 |
| MRP | | (101,963) | | (101,963) |
| Estimated CFR as at 31-3-19 | 49,858,804 | 14,433,861 | 412,290 | 64,704,955 |

| | Actual 2014/15 £000 | Revised 2015/16 £000 | Original 2016/17 £000 | Forecast 2017/18 £000 | Forecast 2018/19 £000 |
|--------------------------------|---------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| HRA | | | | | |
| Interest and Investment Income | -41 | -43 | -42 | -45 | -38 |
| External Interest Costs | 1,633 | 1,624 | 1,611 | 1,593 | 1,569 |
| Repayment of borrowing | 1,250 | 1,300 | 1,450 | 1,600 | 1,700 |
| Total | 2,842 | 2,881 | 3,019 | 3,148 | 3,231 |
| | | | | | |
| Net Revenue Stream | 12,055 | 12,323 | 12,196 | 12,030 | 11,856 |
| | | | | | |
| Ratio | 23.58% | 23.38% | 24.75% | 26.17% | 27.25% |
| General Fund | | | | | |
| External Interest Costs | 3 | 10 | 10 | 10 | 10 |
| Investment Income | -125 | -150 | -180 | -160 | -200 |
| Repayment of borrowing | 187 | 186 | 432 | 457 | 467 |
| MRP | 110 | 115 | 111 | 106 | 102 |
| Total | 175 | 161 | 373 | 413 | 379 |
| | | | | | |
| Council Tax | 3,984 | 4,190 | 4,320 | 4,447 | 4,580 |
| Council Tax - Special Grant | 45 | 45 | - | - | - |
| Other Grants | 514 | 704 | 968 | 920 | 650 |
| RSG/NDR | 4,064 | 3,396 | 3,010 | 2,600 | 2,390 |
| Net Revenue Stream | 8,607 | 8,335 | 8,298 | 7,967 | 7,620 |
| | | | | | |
| Ratio | 2.03% | 1.93% | 4.50% | 5.18% | 4.97% |

Summary Of Prudential Indicators

1) Capital Expenditure Indicators

| | Actual 2014/15 £000 | Revised 2015/16 £000 | Original 2016/17 £000 | Forecast 2017/18 £000 | Forecast 2018/19 £000 |
|-------------------------------------|---------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Housing Revenue Account | 853 | 6,895 | 3,094 | 3,443 | 3,324 |
| Housing Revenue Account : New Build | 1,908 | 2,036 | 2,801 | 3,138 | 157 |
| General Fund | 4,501 | 3,825 | 1,049 | 792 | 1,236 |
| Total | 7,262 | 12,756 | 6,944 | 7,373 | 4,717 |

2) Capital Financing Indicators

| | Actual 2014/15 £000 | Revised 2015/16 £000 | Original 2016/17 £000 | Forecast 2017/18 £000 | Forecast 2018/19 £000 |
|-------------------------|---------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Housing Revenue Account | 55,909 | 54,609 | 53,159 | 51,559 | 49,859 |
| General Fund | 14,868 | 15,985 | 15,657 | 15,256 | 14,846 |
| Total | 70,777 | 70,594 | 68,816 | 66,815 | 64,705 |

3) Capital Financing Cost Indicators

| | Actual 2014/15 | Revised 2015/16 | Original 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|-------------------------|-------------------|--------------------|---------------------|---------------------|---------------------|
| Housing Revenue Account | 23.58% | 23.38% | 24.75% | 26.17% | 27.25% |
| General Fund | 2.03% | 1.93% | 4.50% | 5.18% | 4.97% |

4) Incremental Impact Indicators

| General Fund | Original 2015/16 £ | Forecast 2016/17 £ | Forecast 2017/18 £ | Forecast 2018/19 £ |
|-----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Council Tax at Band D | 2.44 | 14.54 | 15.81 | 16.21 |
| Council Tax at Band D - aggregate | 2.44 | 16.98 | 32.79 | 49.00 |

| Housing Revenue Account | Original 2015/16 £ | Forecast 2016/17 £ | Forecast 2017/18 £ | Forecast 2018/19 £ |
|---------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Average Weekly Rent | - | - | - | - |
| Average Weekly Rent - aggregate | - | - | - | - |

Treasury Indicators

| Treasury Indicator | 2015/16 £000 | 2016/17 £000 | 2017/18 £000 | 2018/19 £000 |
|---|-----------------|-----------------|-----------------|-----------------|
| Authorised Limit for External Debt | 86,468 | 84,954 | 83,393 | 81,494 |
| Operational Boundary | 70,594 | 68,816 | 66,815 | 64,705 |
| Upper Limit for Fixed Interest Rate Exposure | 67,000 | 67,000 | 67,000 | 67,000 |
| Upper Limit for Variable Rate Exposure | 31,000 | 31,000 | 31,000 | 31,000 |
| Upper Limit for Total Principal Sums Invested for over 364 days (per maturity date) | 50% | 50% | 50% | 50% |

| Maturity Structure of New Fixed Rate Borrowing | Upper Limit | Lower Limit |
|--|-------------|-------------|
| Under 12 months | 100% | 0% |
| 12 Months and within 24 months | 100% | 0% |
| 24 months and within 5 years | 100% | 0% |
| 5 years and within 10 years | 100% | 0% |
| 10 years and above | 100% | 0% |

Agenda Item No 11

Executive Board

9 February 2016

Report of the Assistant Chief Executive and Solicitor to the Council

General Fund Fees and Charges 2016/17

1 Summary

- 1.1 The report covers the fees and charges for 2015/16 and the proposed fees and charges for 2016/17.

Recommendation to the Board

That the schedule of fees and charges for 2016/17, set out in the report be accepted.

2 Consultation

- 2.1 The Chairman, Vice-Chairman and Opposition Spokesperson for the Executive Board have been sent an advanced copy of this report for comment. Any comments received will be reported verbally at the meeting.

3 Introduction

- ... 3.1 Attached for the Board's consideration at Appendix A are details of present and proposed fees and charges for the financial year 2016/17. Prices have been increased by 2% in line with the budget strategy for 2016/20 as agreed by this Board in September 2015.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 Minimal income is obtained from the fees and charges contained in this report.

4.2 Risk Management

- 4.2.1 Changes to fees and charges may impact on the level of demand. However, this has been considered in proposing the revised charges.

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

NORTH WARWICKSHIRE BOROUGH COUNCIL**EXECUTIVE BOARD****FEES AND CHARGES FROM 1 APRIL 2016**

| | 2015/2016 TOTAL CHARGE £ | 2016/2017 TOTAL CHARGE £ | VAT RATING |
|---|---|---|-----------------------|
| NORTH WARWICKSHIRE LOCAL PLAN ADOPTED 2006 | | | |
| Full document | 41.80 | 42.60 | Outside Scope |
| Text only (no folder) | 18.00 | 18.40 | " |
| Maps only (no folder) | 27.00 | 27.50 | " |
| Large maps | 6.10 | 6.20 | " |
| A3 / A4 maps | 3.60 | 3.70 | " |
| Documents will incur an additional postage charge. | | | |
| OTHER DOCUMENTS | | | |
| Urban housing capacity study | 18.90 | 19.30 | Outside Scope |
| Housing needs study 2003 | 20.20 | 20.60 | " |
| Annual monitoring report | 3.00 | 3.10 | " |
| Local development scheme | 3.10 | 3.20 | " |
| Statement of community involvement (adopted version only) | 6.40 | 6.50 | " |
| Father Hudson's development brief | 3.40 | 3.50 | " |
| Holly Lane design brief | 3.40 | 3.50 | " |
| Britannia Works design brief | 3.40 | 3.50 | " |
| Strategic Housing Land Availability Assessment | 20.20 | 20.60 | " |
| Industrial market assessment | 12.40 | 12.70 | " |
| Labour market profile | 3.00 | 3.10 | " |
| Understanding employer needs in Coventry & Warwickshire | 20.20 | 20.60 | " |
| Warwickshire economic update | 3.00 | 3.10 | " |
| Industrial & commercial building study | 5.40 | 5.50 | " |
| Employment policy options and updated economic land availability requirements | 5.40 | 5.50 | " |
| Gypsy & traveller accommodation assessment | 19.40 | 19.80 | " |
| Housing market assessment | 12.40 | 12.70 | " |
| Renewable and low carbon feasibility study | 19.40 | 19.80 | " |
| Children and young peoples plan | 5.40 | 5.50 | " |
| Coventry, Solihull and Warwickshire Employment Land Study | 19.40 | 19.80 | " |
| Strategic flood risk assessment | 12.40 | 12.70 | " |
| Water cycle strategy | 19.40 | 19.80 | " |
| Sub-regional green infrastructure study | 5.40 | 5.50 | " |
| ADOPTED SUPPLEMENTARY PLANNING GUIDANCE | | | |
| Checklist for applicants submitting planning applications | 2.50 | 2.60 | Outside Scope |
| Guide for shop front design | 2.50 | 2.60 | " |
| Guide for the design of lighting schemes | 1.20 | 1.20 | " |
| Guide for the design of householder developments | 2.50 | 2.60 | " |
| Affordable Housing Supplementary Planning Document | 3.30 | 3.40 | " |
| CONSERVATION AREA DESIGNATION REPORTS | | | |
| Whole set | 10.90 | 11.10 | Outside Scope |
| Atherstone | 1.60 | 1.60 | " |
| Watling Street, Atherstone | 0.80 | 0.80 | " |
| Coleshill | 1.10 | 1.10 | " |
| Kingsbury | 0.70 | 0.70 | " |
| Mancetter | 0.60 | 0.60 | " |
| Newton Regis | 1.00 | 1.00 | " |
| Polesworth | 1.10 | 1.10 | " |
| Water Orton | 1.10 | 1.10 | " |
| CORE STRATEGY CONSULTATION DOCUMENTS | | | |
| Core strategy | 5.40 | 5.50 | Outside Scope |
| Environmental Impact assessment | 0.50 | 0.50 | " |
| Rural proofing statement | 0.50 | 0.50 | " |
| Habitat Regulations Assessment | 1.00 | 1.00 | " |
| Sustainability Assessment (non-technical summary) | 1.60 | 1.60 | " |
| Full Sustainability assessment report | 12.40 | 12.60 | " |
| All items will incur an additional postage charge | | | |
| Any other documents- price on request | | | |
| CD ROM | 1.60 | 1.60 | " |
| CD ROM with postage | 2.30 | 2.40 | " |

Agenda Item No 12

Executive Board

9 February 2016

Report of the Deputy Chief Executive

General Fund Revenue Estimates 2016/17

1 Summary

- 1.1 This report covers the revised budget for 2015/16 and an estimate of expenditure for 2016/17, together with forward commitments for 2017/18, 2018/19 and 2019/20.

Recommendation to the Board

- a To accept the revised budget for 2015/16; and**
- b To accept or otherwise vary the Estimates of Expenditure for 2016/17, as submitted, for their inclusion in the overall budget considered in a later agenda item.**

2 Consultation

- 2.1 The Chairman, Vice-Chairman and Opposition Spokesperson for the Executive Board have been sent an advanced copy of this report for comment. Any comments received will be reported verbally to the Board.

3 Introduction

- 3.1 In consultation with other Assistant Directors, the Assistant Director (Finance and Human Resources) has prepared an estimate of net expenditure for 2016/17 and this, together with a revised budget for 2015/16, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service, the actual figures for 2014/15 are shown.
- ...
- 3.2 At its meeting in September, the Executive Board agreed the budget strategy for 2016-2020 which required savings of £1.71 million over a four year period. This required budget savings of £535,000 in 2016/17 with additional savings of £475,000, £350,000 and £350,000 in 2017/18, 2018/19 and 2019/20 respectively. Some limited growth was built into the strategy in specific areas.
- 3.3 Assistant Directors were asked to identify areas where savings could be made, either by a reduction in expenditure or through the generation of additional income. No savings have been identified for this Board.
- 3.4 A subjective analysis of the Board's requirement is shown below:

| | Approved | Revised | Original |
|--|----------|---------|----------|
|--|----------|---------|----------|

| | Budget 2015/16 £ | Budget 2015/16 £ | Budget 2016/17 £ |
|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Employee Costs | 270,310 | 255,660 | 259,700 |
| Premises | 1,620 | 1,970 | 2,010 |
| Supplies and Services | 79,850 | 128,360 | 105,990 |
| Transport | 1,530 | 1,770 | 1,800 |
| Miscellaneous Expenditure | 0 | 2,000 | 2,000 |
| Earmarked Reserves | (59,290) | (81,880) | (87,470) |
| Gross Expenditure | 294,020 | 307,880 | 284,030 |
| Income | (4,510) | (31,770) | (4,600) |
| Net Controllable Expenditure | 289,510 | 276,110 | 279,430 |
| Departmental Support | 151,560 | 166,210 | 160,440 |
| Central Support | 132,190 | 129,140 | 132,680 |
| Capital Charges | 11,410 | 11,330 | 7,780 |
| Net Expenditure | 584,670 | 582,790 | 580,330 |

- 3.5 The Council values all of its assets using a five year rolling programme, and this can affect the level of capital charges that are made to services and can therefore significantly affect the net service cost. Although few assets are used for the services within this Board, changes in net service expenditure that are as a result of increases or decreases in capital charges are shown below net operating expenditure in the following pages.

4 **Comments on the 2015/16 Revised Budget**

- 4.1 The revised budget for 2015/16 is estimated to be £582,790; a decrease of £1,880 on the approved provision. The main reasons for variations are set out below.

4.2 **Outreach and Access to Services (£9,680)**

Employee budgets have decreased as some staff time has been charged to other services.

4.3 **Corporate Communications £3,800**

Employee budgets have increased as some additional staff time has been charged to this service.

4.4 **Community Strategy (£2,730)**

Employee budgets have decreased as some staff time has been charged to other services. The Supplies and Services budgets have increased to reflect payment of grants for Healthier Communities related projects, which has been funded through earmarked reserves and a contribution of £10,000 from Warwickshire County Council Public Health.

4.5 **North Warwickshire Local Development Framework (£4,790)**

Employee budgets have decreased as some staff time has been charged to other services. There is an increase in the professional services budget to reflect the level of work being undertaken on the Local Development Plan, which has been funded through earmarked reserves.

4.6 **Departmental and Central Support £11,600**

Departmental support charges have increased due to changes in allocations to services reporting to this board. Central Support charges have decreased as a result of changes in Information Services allocations and due to vacancies within Partnership and Development.

5 **Comments on the 2016/17 Estimates**

5.1 The 2016/17 estimate has been prepared, taking into account the following assumptions:

- A 2% pay award from 1 April 2016;
- Increases in the Council's pension contribution rate for current employees of 0.75% per annum up to 2019/20;
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda;

5.2 The total estimated net expenditure for 2016/17 is £580,330; a decrease of £4,340 on the 2015/16 approved budget and a decrease of £2,460 on the revised 2015/16 budget. The main variation is set out below:-

5.3 **Capital Charges (£3,550)**

Capital costs have decreased as the Branching Out Bus within the Outreach and Access to Services budget has been fully depreciated.

6 **Growth Items**

6.1 Limited provision for growth was built into the Council's Budget Strategy, approved in September 2015 by this Board, to cover additional haulage costs faced by the recycling service, an increase in insurance premium tax, the move to the national living wage and additional funding for BDUK. There are no growth items relating to the services covered by this board.

7 **Income**

7.1 Changes in the levels of fees and charges for services under the responsibility of this Board are covered in another report on tonight's agenda. Income on fees and charges is expected to contribute to the achievement of income targets.

8 **Risks to Services**

- 8.1 The key risk to the budgetary position of the Council from services under the control of this Board is:

| | Likelihood | Potential impact on Budget |
|--|------------|----------------------------|
| The Emergency Planning budget of £5,790 may be insufficient to cover the costs of any major local emergency. | Low | High |

9 Future Year Forecasts

- 9.1 In order to assist with medium-term financial planning, Members are provided with budget forecasts for the three years following 2016/17. The table below provides a subjective summary for those services reporting to this Board:

| | Forecast Budget 2017/18 £ | Forecast Budget 2018/19 £ | Forecast Budget 2019/20 £ |
|-------------------------------------|------------------------------|------------------------------|------------------------------|
| Employee Costs | 266,110 | 272,660 | 279,400 |
| Premises | 2,110 | 2,150 | 2,260 |
| Supplies and Services | 71,620 | 61,420 | 42,100 |
| Transport | 1,850 | 1,880 | 1,940 |
| Miscellaneous Expenditure | 2,040 | 2,040 | 2,080 |
| Earmarked Reserves | (53,490) | (43,990) | (25,090) |
| Gross Expenditure | 290,240 | 296,160 | 302,690 |
| Income | (4,690) | (4,780) | (4,870) |
| Net Controllable Expenditure | 285,550 | 291,380 | 297,820 |
| Departmental Support | 163,970 | 167,010 | 170,660 |
| Central Support | 134,730 | 137,750 | 141,020 |
| Capital Charges | 7,780 | 7,780 | 7,780 |
| Net Expenditure | 592,030 | 603,920 | 617,280 |

- 9.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2017/18 to 2019/20, increases in contracts and general increases in supplies and services of 2% in 2017/18 and 2019/20. In total, net expenditure is expected to increase by 2.0% in 2017/2018, 2.0% in 2018/19 and 2.2% in 2019/2020.
- 9.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are also included. However, these forecasts will be amended to reflect any amendments to the estimates, including decisions taken on any further corporate or service targets.

10 Report Implications

10.1 Finance and Value for Money Implications

10.1.1 As detailed in the body of the report.

10.2 Environment and Sustainability Implications

10.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

10.3 Risk Management Implications

10.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

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

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
EXECUTIVE BOARD SUMMARY
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|-------------|--|-----------------------------------|--|---|--|
| 2000 | Housing Strategic Service Review | 727 | - | - | - |
| 2001 | Outreach and Access to Services | 73,543 | 67,380 | 57,700 | 58,320 |
| 2002 | Corporate Communications | 47,850 | 46,720 | 50,520 | 51,510 |
| 2003 | Community Strategy | 44,245 | 38,410 | 35,680 | 36,010 |
| 2007 | Emergency Planning | 16,294 | 5,790 | 5,790 | 5,790 |
| 2009 | North Warwickshire Local Development Framework | 136,114 | 131,210 | 126,420 | 127,800 |
| 5050 | Support to Parishes | 16 | - | - | - |
| | Net Controllable Expenditure | 318,789 | 289,510 | 276,110 | 279,430 |
| | Departmental Support | 157,196 | 151,560 | 166,210 | 160,440 |
| | Central Support | 122,351 | 132,190 | 129,140 | 132,680 |
| | Capital Charges | 11,430 | 11,410 | 11,330 | 7,780 |
| | EXECUTIVE BOARD TOTAL | 609,766 | 584,670 | 582,790 | 580,330 |

2000 - HOUSING STRATEGIC SERVICE REVIEW

This budget shows the cost of officer time spent on strategic decision making for Housing.

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|------------------------|------------------------------|--|---|--|
| Employee Expenditure | 727 | - | - | - |
| Departmental Support | 26,690 | 26,270 | 26,950 | 27,220 |
| Central Support | 5,328 | 5,230 | 5,630 | 5,630 |
| NET EXPENDITURE | 32,745 | 31,500 | 32,580 | 32,850 |

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

2001 - OUTREACH AND ACCESS TO SERVICES

This budget covers the costs of creating and maintaining the Community Hubs, Food Banks and the Branching out Bus (BOB).

| DESCRIPTION | 2014/2015 | APPROVED 2015/2016 | REVISED 2015/2016 | ORIGINAL 2016/2017 |
|-------------------------------------|------------------|-------------------------------|------------------------------|-------------------------------|
| Employee Expenditure | 58,988 | 60,460 | 49,530 | 50,780 |
| Premises | 1,708 | 1,620 | 1,970 | 2,010 |
| Supplies and Services | 75,281 | 12,060 | 18,870 | 11,610 |
| Transport | 1,975 | 1,530 | 1,770 | 1,800 |
| Earmarked Reserves | (18,209) | (8,290) | 2,820 | (7,880) |
| GROSS EXPENDITURE | 119,743 | 67,380 | 74,960 | 58,320 |
| GROSS INCOME | (46,200) | - | (17,260) | - |
| NET CONTROLLABLE EXPENDITURE | 73,543 | 67,380 | 57,700 | 58,320 |
| Departmental Support | 16,026 | 18,210 | 17,230 | 16,060 |
| Central Support | 41,817 | 43,950 | 40,970 | 40,240 |
| Capital Charges | 11,430 | 11,410 | 11,330 | 7,780 |
| NET EXPENDITURE | 142,816 | 140,950 | 127,230 | 122,400 |

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

- Improving leisure and wellbeing opportunities

2002 - CORPORATE COMMUNICATIONS

North Talk is the Borough Council's newsletter produced three times a year and is distributed to all households in the Borough and to businesses, voluntary organisations and other partners.

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|-------------------------------------|------------------------------|--|---|--|
| Earmarked Reserves | (2,211) | - | (2,010) | (750) |
| GROSS EXPENDITURE | 53,490 | 51,020 | 54,820 | 55,900 |
| GROSS INCOME | (5,640) | (4,300) | (4,300) | (4,390) |
| NET CONTROLLABLE EXPENDITURE | 47,850 | 46,720 | 50,520 | 51,510 |
| Departmental Support | 3,540 | 3,530 | 3,550 | 3,560 |
| Central Support | 7,466 | 6,880 | 6,770 | 6,580 |
| NET EXPENDITURE | 58,856 | 57,130 | 60,840 | 61,650 |

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

2003 - COMMUNITY STRATEGY

The Council used various methods to engage the public and other bodies in the development of the Community Plan. This budget is used to facilitate consultation and focus group meetings as part of the development process.

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|-------------------------------------|------------------------------|--|---|--|
| Employee Expenditure | 40,296 | 36,930 | 34,200 | 34,530 |
| Premises | 397 | - | - | - |
| Supplies and Services | 2 | 1,480 | 23,620 | 16,480 |
| Miscellaneous Expenditure | 20,791 | - | - | - |
| Earmarked Reserves | (7,241) | - | (12,140) | (15,000) |
| GROSS EXPENDITURE | 54,245 | 38,410 | 45,680 | 36,010 |
| GROSS INCOME | (10,000) | - | (10,000) | - |
| NET CONTROLLABLE EXPENDITURE | 44,245 | 38,410 | 35,680 | 36,010 |
| Departmental Support | 48,790 | 46,180 | 49,740 | 48,450 |
| Central Support | 37,790 | 47,470 | 43,350 | 48,170 |
| NET EXPENDITURE | 130,825 | 132,060 | 128,770 | 132,630 |

Contributes to corporate priorities :

- Creating safer communities
- Protecting our countryside and heritage
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

2007 - EMERGENCY PLANNING

Emergency planning budget to cover the costs of fulfilling legal duties under the Civil Contingencies Act 2004

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|-------------------------------------|------------------------------|--|---|--|
| Supplies and Services | 5,989 | 5,790 | 6,590 | 5,790 |
| Miscellaneous Expenditure | 1,972 | - | 2,000 | 2,000 |
| Earmarked Reserves | 6,478 | - | (2,800) | (2,000) |
| NET CONTROLLABLE EXPENDITURE | 16,294 | 5,790 | 5,790 | 5,790 |
| Departmental Support | 27,290 | 26,630 | 27,240 | 27,110 |
| Central Support | 7,591 | 7,160 | 7,180 | 6,840 |
| NET EXPENDITURE | 51,175 | 39,580 | 40,210 | 39,740 |

Contributes to corporate priority :

- Protecting our countryside and heritage
- Creating safer communities

2009 - NORTH WARWICKSHIRE LOCAL DEVELOPMENT FRAMEWORK

Local tier of the Development Plan and other documents required as a statutory duty.

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|-------------------------------------|------------------------------|--|---|--|
| Employee Expenditure | 136,414 | 131,420 | 126,630 | 128,010 |
| Premises Related Expenditure | 164 | - | - | - |
| Supplies and Services | 143,292 | 51,000 | 67,750 | 61,840 |
| Earmarked Reserves | (136,406) | (51,000) | (67,750) | (61,840) |
| GROSS EXPENDITURE | 143,464 | 131,420 | 126,630 | 128,010 |
| GROSS INCOME | (7,350) | (210) | (210) | (210) |
| NET CONTROLLABLE EXPENDITURE | 136,114 | 131,210 | 126,420 | 127,800 |
| Departmental Support | 34,300 | 30,190 | 40,950 | 37,490 |
| Central Support | 22,219 | 21,350 | 25,130 | 25,110 |
| NET EXPENDITURE | 192,633 | 182,750 | 192,500 | 190,400 |

Contributes to corporate priority :

- Protecting our countryside and heritage
- Promoting sustainable and vibrant communities

5050 - SUPPORT TO PARISHES

To assist Parish Councils on parish plans. To provide Parish Councils with match funding for projects.

| DESCRIPTION | ACTUALS 2014/2015 | APPROVED BUDGET 2015/2016 | REVISED BUDGET 2015/2016 | ORIGINAL BUDGET 2016/2017 |
|-------------------------------------|------------------------------|--|---|--|
| Employee Expenditure | 16 | - | - | - |
| Earmarked Reserves | 5,000 | - | - | - |
| GROSS EXPENDITURE | 5,016 | - | - | - |
| GROSS INCOME | (5,000) | - | - | - |
| NET CONTROLLABLE EXPENDITURE | 16 | - | - | - |
| Departmental Support | 560 | 550 | 550 | 550 |
| Central Support | 140 | 150 | 110 | 110 |
| NET EXPENDITURE | 716 | 700 | 660 | 660 |

Contributes to corporate priorities :

- Protecting our countryside and heritage
- Promoting sustainable and vibrant communities

Agenda Item No 13

Executive Board

9 February 2016

**Report of the
Deputy Chief Executive**

**General Fund Revenue Estimates
2016/17 and Setting the Council
Tax 2016/17**

1 Summary

- 1.1 This report sets out the proposed General Fund Revenue Estimate for 2016/17, and the options available when setting the 2016/17 Council Tax for the Borough in the context of the Authority's Revenue Support Grant settlement, and the effect on General Fund balances.

Recommendation to the Council

- a That the Executive Board approves the savings of £516,380 shown in Appendix I;**
- b That the Executive Board approves the growth items totalling £60,000 set out in paragraph 8.2;**
- c That the Executive Board approves the revised estimate for the year 2015/16 and the revenue estimates for 2016/17;**
- d That the Executive Board notes the Council Tax base for 2016/17, as set out in Appendix G;**
- e That the Executive Board identifies the preferred Council Tax option for 2016/17;**
- f That the Executive Board notes the Deputy Chief Executive's comments on the minimum acceptable level of general reserves;**
- g That the manpower estimates for the year 2016/17 are approved; and**
- h That a Council Tax resolution be prepared for consideration by the Council, using the recommendations agreed by this Board.**

2 The Council's Budget Requirement

- 2.1 All Service Boards have now considered their individual budget requirements for 2016/17, and these are shown in Appendices A – E, along with the revised requirements for 2015/16.
- 2.2 Board requirements are summarised in the table below, together with other items, such as investment interest and contingencies.

| | 2015/16 Approved Estimate £ | 2015/16 Revised Estimate £ | 2016/17 Original Estimate £ |
|---------------------------------|--|---|--|
| Board Summary | 9,501,880 | 9,358,190 | 9,456,730 |
| Contingencies | 58,990 | 26,000 | 176,710 |
| Growth | 73,230 | 5,000 | 55,000 |
| Financing Adjustment | (807,720) | (821,220) | (838,010) |
| Investment Interest Income | (100,000) | (150,000) | (180,000) |
| Revenue Cont. to Capital Expend | 119,000 | 119,000 | 119,000 |
| Board Summary | 8,845,380 | 8,536,970 | 8,789,430 |

... 2.3 Appendix F sets out the figures as presented to the Boards.

3 The Council's 2015/16 Estimated Out-turn

3.1 The Council's revised net expenditure requirement for 2015/16 amounts to £8,536,970 which is £308,410 less than the approved estimate. The major changes in expenditure are set out below.

3.2 There has been a significant reduction in employee costs. The main reasons for this relate to vacant posts for part of the year, a reduction in superannuation resulting from staffing changes, the deletion of posts and staff car savings, partially offset by the use of agency staffing.

(£167,500)

3.3 Additional income from Planning fees. (£70,000)

3.4 The recycling service has seen an increase in haulage costs, the handling fee paid to WCC and a fall in the price of paper and card income receivable by the council. There is an increase in the cost of replacement bins and bins supplied to new developments. In addition the long lead in time for the new refuse freighters has increased maintenance on the current ageing fleet.

£210,030

3.5 Additional income from the recovery of housing benefit overpayments, offset by a loss of legal income on council tax collection.

(£206,240)

3.6 A lower level of prudential borrowing repayments due to the delay in replacing vehicles mentioned above.

(£136,380)

- 3.7 The holding costs relating to the old Coleshill Leisure Centre site prior to its sale.

£32,500

4 The Council's 2016/17 Expenditure Requirement

- 4.1 The Council's net expenditure requirement for 2016/17 amounts to £8,789,430, which is £55,950 less than the approved estimate for 2015/16 and £252,460 more than the revised estimate. The main variations between the 2016/17 original budget and the 2015/16 revised budget are set out below.

- 4.2 Provision has been made for those posts that were vacant in 2015/16, a pay award of 2%, an increase of 0.75% in the superannuation rate and the payment of annual increments. These increases have been partially offset by savings from deleted posts, and a reduction in some agency budgets.

£162,140

- 4.3 Service budget savings which are not included elsewhere. A full list of savings is given in Appendix I.

(£186,470)

- 4.4 A number of one off costs have been removed, such as the Borough Elections, additional transport repair expenditure and costs of the old Coleshill Leisure Centre.

(£260,250)

- 4.5 Some service budgets have seen increased financial pressure. Costs have increased on the register of electors, council tax legal costs and pension deficit payments.

£41,510

- 4.6 Housing Benefit and Council Tax Support administration grant has been reduced. The increase in Rent Allowance and Rent Rebate overpayments in 2015/16 is not expected to continue at the same level and there has been a small increase in the net cost of Rent Allowances.

£215,880

- 4.7 The Planning income budget has been increased, and some additional investment income is expected.

(£47,170)

- 4.8 A reimbursement to the General Fund in lieu of investment income foregone has been included.

(£50,000)

- 4.9 The contingency sum has been increased to cover the proposed changes in national insurance and a potential levy payment relating to Municipal Mutual Insurance.

£150,710

- 4.10 Additional costs of borrowing to fund the proposed capital programme.
£194,430

5 Summary of the Finance Settlement

- 5.1 The proposed finance settlement for the Council was issued in December 2015. The government have adopted a new methodology for determining authorities RSG allocations, which takes into account individual authorities tax raising abilities.
- 5.2 An authority's settlement funding assessment for 2015/16, including Council Tax Freeze grant, is added to their 2015/16 Council Tax and then reduced by a given percentage to keep within the national control total. From this total the council's business rates baseline for 2016/17 and Council Tax income for 2015/16 are deducted to arrive at the level of RSG. In future years, where an authority's entitlement to RSG is zero, increases to business rate tariffs are made in order to reduce the amount of income retained by an authority.
- 5.3 The government has given each authority a figure for its core spending power from 2015/16 to 2019/20. Our figures are shown below:

| | 2015/16 £'000 | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | 2019/20 £'000 |
|------------------------|------------------|------------------|------------------|------------------|------------------|
| NDR Baseline Funding | 1.750 | 1.760 | 1.790 | 1.850 | 1.910 |
| Tariff Adjustment | - | - | - | - | (0.110) |
| RSG | 1.450 | 0.900 | 0.460 | 0.190 | - |
| Sub-total - SFA | 3.200 | 2.660 | 2.250 | 2.040 | 1.800 |
| Council Tax | 4.100 | 4.200 | 4.300 | 4.500 | 4.600 |
| New Homes Bonus | 0.700 | 1.000 | 1.000 | 0.600 | 0.600 |
| Total | 8.000 | 7.860 | 7.550 | 7.140 | 7.000 |

The Council's settlement funding assessment will reduce by £1.4 million (44%) by 2019/20.

- 5.4 Core spending power is due to reduce by £1 million or 12.5% over the period 2019/20, however, this assumes that Council Tax will be increased each year. If this does not happen, a further £0.5 million of funding will be lost, increasing the reduction to 18.75%.
- 5.5 The total equivalent to core spending power that was included in the September Strategy update:

| | 2015/16 £'000 | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | 2019/20 £'000 |
|--------------|------------------|------------------|------------------|------------------|------------------|
| Total | 8.000 | 7.800 | 7.650 | 7.530 | 7.580 |

- 5.6 The NDR/RSG shown above includes a number of areas which were previously identified separately, including Council Tax Support, Council Tax Freeze and Homelessness Prevention, hence these grants are being reduced in line with the overall percentage reduction.

- 5.7 Our business rate assessment for each year is highly fluid, as appeals and refunds can have a major impact at any point in the year. The Council budgeted to exceed its baseline funding level by £250,000 in 2015/16. Given the expected improvement in rateable income in some areas, it has been assumed that once section 31 grant has been received, we will exceed our baseline funding level in 2016/17 and subsequent years by a further £100,000. This equates to £2.110 million in 2016/17.
- 5.7 Notification of New Homes Bonus of £968,100 has been received for 2016/17, and this has been used as a base for projecting grant income for the rest of the strategy period.
- 5.8 The government intends to reduce the amount of New Homes Bonus paid nationally and has issued a consultation. No changes are proposed in 2016/17, but by 2019/20 funding will be reduced from £1.7 billion to £900 million. The following proposals are identified:
- Reduce payments from 6 to 4 years from 2018/19;
 - Withhold/reduce allocations where no local plan has been produced;
 - Reduce payments for homes built on appeal; and
 - Only make payments for delivery above a baseline figure.
- 5.9 The timing of the consultation will not allow any response to be brought to Board for approval, so any response will be agreed with the Leader and Deputy Leader before being submitted.

6 Council Tax

- 6.1 As part of the budget setting process, the tax base for the Borough is updated each year to reflect new properties, demolitions and changes to the valuation bands of existing properties. Allowances are also made for properties which are exempt from Council Tax, or where the residents receive discounts. The tax base has been updated for 2016/17 and is attached as Appendix G.
- 6.2 As mentioned above, the review of potential new build in the Core Strategy has taken place. A growth rate of 1% in the tax base has therefore been used in projecting Council Tax income for 2016/17 onwards.
- 6.3 In general terms, an inflationary increase in Council Tax is built into the budget on an annual basis. In recent years the Government have encouraged local authorities to freeze Council Tax, and have provided some grant to offset the loss of income. No grant support has been offered to council's who freeze their Council Tax in 2016/17, and the governments calculation of core spending power assumes an increase in Council Tax.
- 6.4 Decisions to freeze Council Tax have an on going and cumulative effect on the Council's financial position, and the impact of the decisions in 2011/12, 2012/13, 2013/14, 2014/15 and 2015/16 to the end of the current strategy period is detailed in Appendix H. This shows that by March 2020, the Council Tax lost would amount to £3.478 million. As grant funding has been reduced in line with the settlement funding assessment, the net funding foregone by

the end of the strategy period will be in the region of £2.229 million. The annual income loss for 2016/17 onwards amounts to £422,000 per annum.

- 6.5 The budget strategy assumed a 1.95% increase in Council Tax in 2016/17, with further 1.95% increases in subsequent years. This is in line with the permitted increase without the need for a referendum.

7 Budget Savings

- 7.1 In September, this Board agreed that savings of £1.710 million would need to be identified over 2016/17 and the following three years. Assistant Directors were tasked with reviewing their service areas, with the aim of producing proposals to meet this challenging target. A number of savings have been found as a result of increasing the vacancy factor, reducing posts where possible, altering service procurement or amending how services are provided. These savings amounting to £516,380 are summarised in Appendix I, and have been incorporated into the 2016/17 estimates. The savings still required for the years 2017/18 to 2019/20 amount to £1.65 million, an increase of £475,000 to offset the loss of income from the finance settlement.

- 7.2 If additional growth or a Council Tax increase between 0 – 1.95% is approved, this may require a further increase in the savings targets over those three years.

- 7.3 Even with these savings, the Council will still be drawing £597,940 from balances in 2019/20, indicating that further savings will be required beyond 2020/21.

- 7.4 As savings are increasingly difficult to find, some early consideration was given to possible areas where the savings for 2016/17 and future years may be found, as some of the areas will take a period of time to review. Savings found will be brought in as early as possible, as the earlier this happens, the more beneficial the impact on our balances. The Council is currently consulting on two areas of potential savings relating to Borough Care and Arley Sports Centre. If these are subsequently implemented during 2016/17, additional savings would materialize during the year.

8 Growth Items

- 8.1 Limited provision for growth was included within the Council's Budget Strategy, approved by this Board in September 2015, to cover additional haulage costs faced by the recycling service, an increase in insurance premium tax, the move to the national living wage and additional funding for BDUK. These have been included within the 2016/17 Board summary figure presented.

- 8.2 In addition two growth bids have come forward from Service Boards, which are shown separately in the table in paragraph 2.2. These relate to:

- A request from the Planning and Development Board for £20,000, in order to obtain legal assistance to defend the Council in an appeal

against the refusal of an application for employment land. As this will be the Council's first defence of the Meaningful Gap Policy, the Board consider it appropriate to appoint a barrister to lead the defence. Around £5,000 will be needed in 2015/16, with the balance in 2016/17.

- A request from Community and Environment Board for £40,000 to carry out an overarching review of leisure provision in North Warwickshire including leisure facilities, open space, sport, recreation need and supply and the revision of the Green Space and Playing Pitch Strategies.

9 Performance Against the Budget Strategy

9.1 The budget strategy agreed at the September meeting envisaged the following use of balances and savings over the next four years.

| | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | 2019/20 £'000 |
|-----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Use of Balances | 589 | 568 | 586 | 376 |
| Level of Balances 31 March | 3,359 | 2,791 | 2,205 | 1,829 |
| Savings | 535 | 475 | 350 | 350 |

9.2 Each Board has projected its expenditure requirements up to and including 2019/20, together with budget reductions, financing and other reductions. This has altered the use of balances and savings expected over the next few years and is shown below:

| | 2016/17 £'000 | 2017/18 £'000 | 2018/19 £'000 | 2019/20 £'000 |
|-----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Use of Balances | 562 | 519 | 553 | 598 |
| Level of Balances 31 March | 3,441 | 2,922 | 2,369 | 1,771 |
| Savings | 516 | 650 | 500 | 500 |

Additional detail is given in Appendix O.

9.3 This predicted use of balances is based on limited growth and a 1.95% increase in Council Tax for 2016/17, with increases of 1.95% for 2017/18, 2018/19 and 2019/20. The anticipated General Fund balance at 1 April 2016 is £4,003,000, which is higher than expected in the Budget Strategy. This is due to the reduced use of balances in 2015/16. The level of balances at the end of each following year is higher than assumed in the strategy except for 2019/20, however the use of balances in 2018/19 and 2019/20 still indicates the requirement for further savings after 2019/20.

10 Availability of Reserves

- 10.1 The Local Government Act 2003 requires the Deputy Chief Executive to make an annual statement on the adequacy of financial reserves. General reserves or balances are held to provide a general contingency for unavoidable or unforeseen expenditure, and also give stability for longer term planning. The level of general reserves held is based on an assessment of the financial risks attached to the budget, and this is covered in section 11 below.
- 10.2 In addition to its general financial reserves, the Council holds a number of earmarked reserves, for both revenue and capital purposes. It also holds some reserves on behalf of other organisations.
- 10.3 General Council policy is not to use earmarked reserves to fund ongoing service activity, but for specific one-off expenditure, so that the base budget position is not understated. So for example, external grant received in advance for specific projects will be held in an earmarked reserve until the activity takes place and the grant is spent. Some timing differences on particular activities are also dealt with through earmarked reserves, to remove unnecessary fluctuations in the base budget, whilst ensuring sufficient budget provision is available. This approach has been used for the Local Development Framework, where expenditure can vary significantly between years, but where the total funding required can be estimated.
- 10.4 The Council also uses earmarked reserves to set aside funding for capital schemes and projects. A Major Repairs Reserve has been used to hold any unspent MRA received through the housing subsidy system. The Council also uses reserves to build up funding for the future replacement of assets and equipment, such as play areas and CCTV equipment.
- 10.5 Where earmarked reserves are used for revenue activities, the expenditure is included within the appropriate service budget, together with the contribution from the reserve to offset this. These movements are highlighted in the budget reports considered by Members.
- 10.6 The expected position on earmarked reserves at the end of 2015/16 relating to the General Fund is outlined below, with more detail on the larger reserves given in Appendix J.

| Earmarked Reserves | Expected Balance 31 March 2016 £000 |
|---------------------------|--|
| Capital | 1,096 |
| Revenue | 4,750 |
| Total | 5,846 |

Some reserves are no longer required and will be used to finance vehicle replacements in 2016/17, which will reduce borrowing costs. Some of the reserves set aside for capital are for specific equipment replacement and are not yet due to be spent.

11 Risks to the Council's Financial Position

- 11.1 As with all types of forecasting, there are certain inherent risks that may affect the financial position of the Council over the forthcoming periods. These risks require that the Council maintains a sufficient level of general reserves. The individual estimate reports to each Board have included a range of potential risks that could impact upon the budgetary position of services. In addition to these specific service risks, there are a number of risks that could impact more generally on the Council's financial position. The major risks to the Council's budget are highlighted below.
- 11.2 **Settlement Funding Assessments** – government announcements indicate that financial settlements in the following three years will be at a lower level than previously indicated. Figures will only be confirmed on an annual basis, so there could be further changes.
- 11.3 **Business Rates** - the Council has risks it cannot currently quantify, around the retention of business rates in place of revenue support grant and the impact of appeals against valuations. We currently anticipate collecting more business rates than assumed in our baseline funding level. This means that we will retain a proportion of any additional rates collected. Projections anticipate an ongoing benefit of £350,000 per annum, and this has been included in the savings for 2015/16 and 2016/17. However any major changes to the Council's tax base through successful appeals or removal of premises from the rating list over and above those allowed for could impact on this figure. In addition should construction start on HS2 within the borough in the timeframe of this strategy there is the potential for reductions in rateable income due to successful appeals for disruption and demolition of premises. The resources in this strategy could reduce by £483,000 in 2019/20 before the safety net comes into effect.
- 11.4 **New Homes Bonus scheme** – until the consultation has closed and the revised new homes bonus scheme is agreed, the level of income the Council will receive is uncertain, as it will depend on the scheme chosen.
- 11.5 **Growth in the Borough** – if new homes and estates are delivered in line with expectations, there will be a significant impact on some council services, for example, refuse and recycling and grounds maintenance. An assessment of additional resources required will be needed.
- 11.6 **Other Risks** – Further deterioration in the economic position could increase demand for services such as benefits and homelessness, whilst reducing demand in income generating areas. Unexpected changes in the remuneration of the workforce could impact on the financial position, as could any significant loss of employees which required additional resources to complete statutory functions.
- 11.7 An overall risk assessment for 2016/17 has been completed to determine the minimum level of general reserve that the Deputy Chief Executive considers it

... is appropriate for the Authority to hold, and this is shown in Appendix K. This is based on the expected or 'most likely' position and the assumption that not all risks will occur within the next year.

11.8 As can be seen, the balance between future risks and the adequacy of general reserves held by the Council is a key part in establishing a medium-term financial strategy. The level of balances is expected to remain above £1.3 million over the next four years, although careful monitoring of this will still be necessary. Although it would be possible for the Council to use earmarked reserves to cover unforeseen events, if a particularly serious situation arose, this should be used as a last resort.

11.9 As already mentioned, there is the potential for the Council to benefit from any additional rates collected, but there is also the risk that if rating income falls, there will be a direct impact on the Council's finances. There is a lot of uncertainty around the collection of business rates and the impact of appeals and refunds.

11.10 However, if a general reserve of £1.3 million is held, it is felt that this amount, together with other provisions, reserves and balances held by the Council, is adequate to protect the Council's financial position for both the forthcoming year and in the medium-term.

11.12 Although not all risks are likely to occur in 2016/17, there is a real possibility that the position could be worse than that anticipated. It could also be better. Best and worst case scenarios are indicated in Appendix L, and show that in the event of the worst case scenario being realised in 2016/17, the Authority would have the opportunity to adjust its financial strategy, and manage any changes required. Budgets are monitored throughout the year, with the budgetary position reported to Boards on a regular basis, so the Authority is in a good position to identify risks as they occur.

12 Council Tax Options

12.1 The Authority has estimated the Council Tax surplus and notified all major precepting authorities of the amounts they will receive. It has been estimated that North Warwickshire Borough Council will receive a sum of £91,870 for 2016/17. This will reduce the Council's use of balances.

12.2 The Government have clearly assumed an increase in council tax, in calculating the Core Spending Power of the authority. Any decision not to increase council tax by 1.95% will lead to a direct loss of funding.

| | 2016/17 Estimate £000 | 2017/18 Estimate £000 | 2018/19 Estimate £000 | 2019/20 Estimate £000 |
|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Use of Balances | 562 | 519 | 553 | 598 |

| | | | | |
|------------------------------------|--------------|--------------|--------------|--------------|
| Loss of 1.95% CT increase | 80 | 82 | 84 | 86 |
| Revised Use of Balances | 643 | 601 | 637 | 684 |
| Potential Level of Balances | 3,360 | 2,759 | 2,122 | 1,438 |

12.3 The Council could cover the on going shortfall of that level of Council Tax income lost as a result of the freeze in 2016/17 from balances initially. However there may be a need to increase savings targets in later years. The alternative of a higher increase in Council Tax in 2017/18 is unlikely to be an option, given the current rules around tax increases and the need for local referendums.

12.4 The Authority used an increase of 1.95% when it was updating its financial strategy in September. This level of increase has been used in compiling the figures in this report.

12.5 The Council could choose to opt for a different Council Tax increase. In general terms, a 1% increase in Council Tax would generate around an additional £41,417, and would mean an additional £2.07 increase in Council Tax rates per annum.

... 12.6 A range of Council Tax increases is shown in Appendix M, together with the resulting impact on balances. These use the 2015/16 actual Band D amount of £207.30 as a base, and are shown below, together with the impact on the level of balances.

| Increase on Band D % | Band D Council Tax Payable £ | Cash Increase On 2015/16 £ | Impact on Balances - CT £ |
|-------------------------|---------------------------------|-------------------------------|------------------------------|
| Base 2015/16 | 207.30 | - | (81,833) |
| 0.5 | 208.34 | 1.04 | (60,225) |
| 1.0 | 209.37 | 2.07 | (41,417) |
| 1.5 | 210.41 | 3.11 | (18,608) |
| 1.95 | 211.34 | 4.04 | - |

12.7 There is no impact on balances if a 1.95% increase is chosen, as this is what has been assumed in the figures within this report. If Members choose to freeze Council Tax at 2015/16 levels, or a lesser increase is chosen, there will be a reduction in balances as shown in the table above. If the Council opted to go for an increase of more than 1.95%, there would be an annual improvement of balances.

12.8 The Government wants to ensure that Council Tax payers are protected against authorities that impose excessive Council Tax rises. A referendum will be required for any proposed Council Tax increases of 2% or above.

13 Budget Consultation

13.1 A meeting for Non-Domestic Rate Payers has been arranged for 1 February, and a verbal update will be given at the meeting.

14 **Council Tax Resolution**

14.1 A Council Tax resolution will be prepared for consideration at the Council Meeting, using the recommendations agreed by this Board.

15 **Manpower Estimate for the Year 2016/17**

15.1 Within the Authority's revenue and capital estimates, allowances have been made for the required manpower provision. Appendix N sets out the manpower estimates for 2016/17, compared with 2015/16.

16 **Delivering Value for Money Agenda**

16.1 All Councils will be looking for cash-backed efficiency savings in the coming year, to contribute to their financial savings targets. This will reduce the impact of cuts on the provision of services.

17 **Conclusion**

17.1 It is clear that whichever option in respect of Council Tax increases is adopted, it will still be necessary to make savings of £1.65 million, which will inevitably impact on service levels, and to draw on reserves to meet the Council's budgetary requirement. However, current forecasts indicate that reserves will remain above the minimal acceptable level of £1.3 million by the end of 2019/20, although this is subject to the uncertainties inherent in budgetary forecasting, and subject to the level of Council Tax increase agreed.

17.2 However, there are a number of factors that could affect these forecasts. The major factors are set out in section 11. In addition:

- The Council currently has no external borrowing. However, there is an underlying borrowing requirement, which may increase costs in the future.
- The Council, through sound budgetary control, has always spent within its budget. This year our anticipated net expenditure is £308,410 less than our approved budget, due to some 2015/16 savings found early, and additional income.
- The ability to earn income from investments is uncertain at the moment. The Council is faced with the need to make further budgetary savings so that the Council can effectively manage its financial position. Undoubtedly this will continue in the future as new issues and initiatives emerge.
- The council may not be able to deliver the necessary savings.

17.3 The options available to the Council to meet these future pressures are rather restricted: increases in Government funding or higher increases in Council Tax which can be mitigated by the identification of further savings than those included in the budget strategy. Rather than increases in government funding, local authorities have been made aware of further reductions. Also as service delivery pressures increase, the options for savings decrease.

18 Report Implications

18.1 Financial Implications

18.1.1 As detailed in the body of the report.

18.2 Safer Communities Implications

18.2.1 The Council provides services and takes part in initiatives that work to improve Crime and Disorder levels within the Borough, and provision is included within the budgets for this.

18.3 Environment and Sustainability Implications

18.3.1 The financial strategy is linked to the delivery of targets and actions identified in the Corporate Plan and service plans. Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of these targets and without disrupting essential services. Progress against both performance and financial targets are reported regularly to Service Boards.

18.3.2 Parts of the corporate and service plans directly support the sustainability agenda, for example, recycling and the green space strategy.

18.4 Equality Implications

18.4.1 Equality Assessments should be undertaken when making financial decisions to determine what the adverse impact on individuals or communities will be

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 |
|----------------------------|---------------|-----------------------------------|--------------|
| Financial Strategy 2016/20 | NWBC | Report to Executive Board | 21 Sept 2015 |

NORTH WARWICKSHIRE BOROUGH COUNCIL

PLANNING AND DEVELOPMENT BOARD

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|------|---|--------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| 4009 | Planning Control | (312,143) | (28,020) | (141,070) | (136,250) |
| 4010 | Building Control | 76,607 | 61,540 | 50,000 | 50,000 |
| 4012 | Conservation and Built Heritage | 452 | 30,320 | 20,000 | 32,230 |
| 4014 | Local Land Charges | (35,697) | (33,880) | (34,520) | (34,520) |
| 4018 | Street Naming and Numbering | (1,030) | 1,160 | 1,060 | 900 |
| | Net Controllable Expenditure | (271,811) | 31,120 | (104,530) | (87,640) |
| | Departmental Support | 86,734 | 87,170 | 109,110 | 118,540 |
| | Central Support | 178,537 | 177,200 | 174,780 | 179,640 |
| | Capital Charges | 13,434 | 16,390 | 16,390 | 16,390 |
| | Planning and Development Board Total | 6,894 | 311,880 | 195,750 | 226,930 |

NORTH WARWICKSHIRE BOROUGH COUNCIL
COMMUNITY AND ENVIRONMENT BOARD
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Codes | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|--------------|---|-----------------------------------|--|---|--|
| 3072-3073 | Polesworth Sport Centre | 73,918 | 69,020 | 71,690 | 67,660 |
| 3074 | Arley Sports Centre | 148,076 | 118,990 | 127,470 | 120,180 |
| 3075-3076 | Coleshill Sport Centre | 164,147 | 105,140 | 114,310 | 104,990 |
| 3077-3078 | Atherstone Leisure Complex | 176,155 | 179,190 | 164,790 | 148,090 |
| 3082-3083 | Memorial Hall | 94,547 | 91,640 | 90,780 | 95,440 |
| 4002 | Public Health (Commercial Pollution Control) | 208,482 | 208,250 | 184,200 | 196,220 |
| 4003 | Public Health (Domestic Pollution Control) | 45,381 | 48,950 | 42,300 | 46,150 |
| 5000 | Domestic Refuse Collection | 730,462 | 612,490 | 728,020 | 634,900 |
| 5001 | Streetscene Grounds Maintenance | - | 116,310 | 125,030 | 109,360 |
| 5002 | Trade Refuse Collection | (49,533) | (50,300) | (56,250) | (51,570) |
| 5003 | Cesspool Emptying | (40,789) | (59,180) | (58,210) | (64,800) |
| 5004 | Recycling | 501,234 | 537,680 | 657,590 | 659,800 |
| 5010 | Amenity Cleaning | 488,801 | 465,060 | 488,430 | 483,230 |
| 5013 | Unadopted Roads | 7,532 | 7,600 | 7,600 | 7,600 |
| 5014 | Flooding And Land Drainage | 8,987 | 8,870 | - | - |
| 5015 | Street Furniture | 596 | 1,280 | 1,280 | 1,280 |
| 5016 | Atherstone Market | 1,735 | 1,600 | 1,710 | 1,640 |
| 5019 | Parks, Playing Fields and Open Spaces | 518,577 | 397,180 | 425,030 | 387,790 |
| 5021 | Public Health (Control of Disease) Act 1984 Burials | (415) | - | 3,920 | - |
| 5022 | Sustainable Communities | 2,860 | - | - | - |
| 5023 | Consultation | 255 | 4,470 | - | 4,470 |
| 5025 | Corporate Policy | 17,684 | 13,380 | 13,380 | 13,390 |
| 5030 | Rural Regeneration | 23,714 | 20,370 | 19,010 | 17,020 |
| 5034 | Landscape | 8,645 | 9,060 | 8,630 | 8,800 |
| 5040 | Marketing and Market Research | 8,299 | 8,350 | 8,350 | 8,350 |
| 5044 | Support to Voluntary Organisations | 83,248 | 90,890 | 90,890 | 82,140 |
| 5051 | Young People and Intergeneration | 17,175 | 37,580 | 20,650 | 38,260 |
| 5052 | Community Development Environment | 17,654 | 27,180 | 9,530 | 27,880 |
| 5054 | Social Inclusion and Sport | 36,483 | 31,310 | 27,340 | 31,690 |
| 5055 | Community Development Health Improvement | (3,873) | 19,590 | 38,040 | 27,570 |
| 5056 | Community Development Safer Communities | 18,751 | 52,400 | 28,550 | 50,870 |
| 5059 | Allotments and Biodiversity | 159 | - | - | - |
| 5064 | QE - Artificial Grass Pitch | (6,345) | (6,540) | (7,790) | (7,620) |
| 7700 | Stronger & Safer Communities | - | - | - | - |
| 7856 | High Street Onnovation Grants | - | - | - | - |
| | Net Controllable Expenditure | 3,302,602 | 3,167,810 | 3,376,270 | 3,250,780 |
| | Departmental Support | 597,422 | 606,100 | 593,630 | 591,770 |
| | Central Support | 497,577 | 499,060 | 525,070 | 513,040 |
| | Capital | 864,758 | 768,790 | 679,640 | 837,740 |
| | Net Expenditure | 5,262,359 | 5,041,760 | 5,174,610 | 5,193,330 |

NORTH WARWICKSHIRE BOROUGH COUNCIL
LICENSING COMMITTEE SUMMARY
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|-------------|-------------------------------------|-----------------------------------|--|---|--|
| 4000 | Licensing Authority | (39,363) | (45,540) | (45,550) | (45,240) |
| 4001 | Licences and Registration | (13,447) | (12,700) | (10,360) | (16,160) |
| 4008 | Hackney Carriages | (23,284) | (20,770) | (26,990) | (25,200) |
| 4019 | Gambling Act Authority | (9,688) | (9,710) | (9,710) | (9,900) |
| | Net Controllable Expenditure | (85,782) | (88,720) | (92,610) | (96,500) |
| | Departmental Support | 53,410 | 53,410 | 52,870 | 54,330 |
| | Central Support | 34,821 | 33,560 | 37,530 | 37,850 |
| | Licensing Committee Total | 2,449 | (1,750) | (2,210) | (4,320) |

APPENDIX D1

NORTH WARWICKSHIRE BOROUGH COUNCIL

RESOURCES BOARD (REMAINING)

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|------|---|--------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| 3000 | Cost of Democratic Services | 388,904 | 400,970 | 394,730 | 387,800 |
| 3001 | Election Expenses | 3,341 | 60,220 | 60,220 | 5,220 |
| 3002 | Registration of Electors | 16,033 | 16,210 | 17,540 | 33,590 |
| 3003 | Business Rates | (48,767) | (50,280) | (52,330) | (51,260) |
| 3004 | Council Tax Collection | (38,103) | (52,760) | 15,990 | 34,010 |
| 3050 | Finance Miscellaneous | (9,012) | - | (7,000) | - |
| 3051 | Compensation and Pension Increases | 513,933 | 526,130 | 526,770 | 545,960 |
| 3052 | Assisted Car Purchase | (808) | (620) | (590) | (490) |
| 3054 | Electricity at Work | 17,765 | 18,000 | 18,000 | 18,000 |
| 3059 | Finance Unused Land | 2,475 | - | 32,500 | - |
| 3060 | Corporate and Democratic Core | 17,656 | 10,820 | 11,310 | 11,310 |
| 3061 | Unallocated Central Support Services | (1,339) | 106,730 | 17,500 | 103,470 |
| 3065 | Coleshill Shops and Flats | (68,458) | (68,760) | (67,940) | (68,050) |
| 3066 | The Arcade, Atherstone | (445) | - | (30) | - |
| 3067 | The Pavilions, Holly Lane | (82,004) | (82,100) | (80,870) | (80,860) |
| 3068 | Carlyon Road Industrial Estate | (110,528) | (110,730) | (98,700) | (98,460) |
| 3069 | Innage Park Industrial Estate | (114,671) | (96,770) | (110,770) | (112,690) |
| 3070 | Polesworth Workspace Units | (5,834) | (4,580) | (4,940) | (4,900) |
| 3079 | Maya Bar and Restaurant | (9,304) | (9,250) | (12,060) | (12,050) |
| 3080 | Football Stadium | - | - | - | - |
| 3084 | Homeless Persons | 84,625 | 77,200 | 73,520 | 71,600 |
| 3089 | Public Conveniences | 16,585 | 18,530 | 19,650 | (177,870) |
| 3094 | Customer Contact | 6,310 | 14,370 | 12,760 | 15,070 |
| 3097 | Rent Allowances | (110,891) | 41,340 | (157,670) | (41,450) |
| 3098 | Housing Benefit Administration and Rent Rebates | (46,586) | (65,180) | (151,970) | (49,760) |
| 3099 | Concessionary Fares | 10,751 | 15,780 | 15,780 | (470) |
| 3101 | Council Tax Support | 117,534 | 121,220 | 119,990 | 105,660 |
| 3102 | Car Parks | 53,761 | 50,070 | 37,400 | 42,710 |
| 3111 | Broadband Delivery UK | 50,000 | 100,000 | 100,000 | 50,000 |
| 5005 | Animal Control | 42,301 | 39,460 | 41,550 | 39,040 |
| 5006 | Abandoned Vehicles | 1,692 | 1,850 | 1,650 | 1,650 |
| 5008 | Private Sector Housing Assistance | 25,791 | 34,340 | 23,430 | 3,480 |
| 5035 | CCTV | 1,352 | (520) | 2,170 | (1,760) |
| 5036 | Community Support | 473,650 | 465,030 | 442,570 | 454,650 |
| 7360 | North Warwickshire LEADER Partnership | 3,728 | - | - | - |
| 7361 | England's Rural Heart LEADER Partnership | - | 390 | (4,010) | (4,040) |
| | Net Controllable Expenditure | 1,201,437 | 1,577,110 | 1,236,150 | 1,219,110 |
| | Recharged to Services | (260,192) | (267,640) | (268,160) | (274,000) |
| | Departmental Support | 871,477 | 912,630 | 990,600 | 969,410 |
| | Central Support | 1,028,965 | 1,042,300 | 1,057,510 | 1,077,150 |
| | Capital Charges | 199,046 | 447,650 | 438,650 | 611,450 |
| | Resources Board (Remaining) Total | 3,040,733 | 3,712,050 | 3,454,750 | 3,603,120 |

APPENDIX D2

NORTH WARWICKSHIRE BOROUGH COUNCIL

RESOURCES BOARD (RECHARGED)

SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|-----------|--|--------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| Various | Chief Executive | 197,432 | 199,940 | 198,260 | 187,380 |
| Various | Deputy Chief Executive | 4,167,098 | 4,351,440 | 4,250,860 | 4,427,420 |
| Various | Assistant Chief Executive and Solicitor to the Council | 1,250,140 | 1,288,750 | 1,230,450 | 1,328,480 |
| Various | Assistant Chief Executive (Community Services) | 1,251,376 | 1,319,640 | 1,343,490 | 1,342,120 |
| 3006-3039 | Building Maintenance Fund | 207,210 | 211,630 | 229,460 | 230,360 |
| 3040-3041 | Council Offices | 230,535 | 206,590 | 198,020 | 202,560 |
| 3043 | Central Telephones | 25,983 | 27,770 | 27,790 | 22,550 |
| 3045 | Recruitment | 21,219 | 22,160 | 21,190 | 21,710 |
| 3046 | Printing and Stationery | 67,233 | 69,120 | 69,630 | 70,270 |
| 3047 | Training | 31,362 | 88,450 | 29,360 | 88,400 |
| 3048 | Depot and Stores | 67,840 | 68,770 | 67,200 | 71,000 |
| 3110 | Postal Services | 81,326 | 63,880 | 66,990 | 68,550 |
| 3226 | Central Services | 285,855 | 260,460 | 266,570 | 271,830 |
| 3290 | Information Services | 672,875 | 684,060 | 685,630 | 678,670 |
| 3291 | Procurement | 65,315 | 64,030 | 65,260 | 66,130 |
| 3292 | Staff Welfare | 24,688 | 17,920 | 27,980 | 20,180 |
| 3300 | Transport Management Account | 818,272 | 711,800 | 846,460 | 711,630 |
| | Net Controllable Expenditure | 9,465,759 | 9,656,410 | 9,624,600 | 9,809,240 |
| | Recharged to Services | (11,614,289) | (11,663,070) | (11,619,440) | (11,805,960) |
| | Departmental Support | 10,900 | 12,350 | 29,150 | 29,490 |
| | Central Support | 1,640,104 | 1,557,900 | 1,497,150 | 1,494,230 |
| | Capital | 515,932 | 442,910 | 468,540 | 473,000 |
| | Resources Board (Recharged) Total | 18,406 | 6,500 | 0 | 0 |

Resources Board Summary

| Description | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| Totals - Recharged Services | 6,500 | - | - |
| Totals - Services Remaining | 3,712,050 | 3,454,750 | 3,603,120 |
| Central Vacancy Factor | (80,000) | (47,500) | (150,000) |
| Insurance Premium Tax | - | - | 7,340 |
| Use of Earmarked Reserves | - | - | - |
| Resources Board Total | 3,638,550 | 3,407,250 | 3,460,460 |

NORTH WARWICKSHIRE BOROUGH COUNCIL
EXECUTIVE BOARD SUMMARY
SUMMARY OF GENERAL FUND REVENUE ESTIMATES

| Code | Description | Actual 2014/2015 £ | Approved Budget 2015/2016 £ | Revised Budget 2015/2016 £ | Original Budget 2016/2017 £ |
|------|--|--------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| 2000 | Housing Strategic Service Review | 727 | - | - | - |
| 2001 | Outreach and Access to Services | 73,543 | 67,380 | 57,700 | 58,320 |
| 2002 | Corporate Communications | 47,850 | 46,720 | 50,520 | 51,510 |
| 2003 | Community Strategy | 44,245 | 38,410 | 35,680 | 36,010 |
| 2007 | Emergency Planning | 16,294 | 5,790 | 5,790 | 5,790 |
| 2009 | North Warwickshire Local Development Framework | 136,114 | 131,210 | 126,420 | 127,800 |
| 5050 | Support to Parishes | 16 | - | - | - |
| | Net Controllable Expenditure | 318,789 | 289,510 | 276,110 | 279,430 |
| | Departmental Support | 157,196 | 151,560 | 166,210 | 160,440 |
| | Central Support | 122,351 | 132,190 | 129,140 | 132,680 |
| | Capital Charges | 11,430 | 11,410 | 11,330 | 7,780 |
| | EXECUTIVE BOARD TOTAL | 609,766 | 584,670 | 582,790 | 580,330 |

SUMMARY OF REVENUE REQUIREMENTS

| 2015/2016 Gross Expenditure | 2015/2016 Gross Income | 2015/2016 Net Expenditure | | 2016/2017 Gross Expenditure | 2016/2017 Gross Income | 2016/2017 Net Expenditure |
|-----------------------------------|---------------------------|------------------------------|---|-----------------------------------|---------------------------|------------------------------|
| £ | £ | £ | | £ | £ | £ |
| 7,230,840 | 2,205,810 | 5,025,030 | Community and Environment | 7,616,380 | 2,423,050 | 5,193,330 |
| 885,510 | 573,630 | 311,880 | Planning and Development | 905,320 | 678,390 | 226,930 |
| 124,890 | 126,640 | (1,750) | Licensing | 126,780 | 131,100 | (4,320) |
| 20,282,620 | 16,700,570 | 3,582,050 | Resources | 19,762,810 | 16,302,350 | 3,460,460 |
| 589,180 | 4,510 | 584,670 | Executive | 584,930 | 4,600 | 580,330 |
| 12,365,290 | 12,365,290 | - | Council Housing | 12,133,510 | 12,133,510 | - |
| 58,990 | - | 58,990 | Contingencies | 176,710 | - | 176,710 |
| 73,230 | - | 73,230 | Growth | 55,000 | - | 55,000 |
| - | 100,000 | (100,000) | Interest on balances | - | 180,000 | (180,000) |
| - | 807,720 | (807,720) | Financing adjustment | - | 838,010 | (838,010) |
| 119,000 | - | 119,000 | RCCO (Revenue Contribution to Capital Outlay) | 119,000 | - | 119,000 |
| 83,480 | - | 83,480 | Grant payments to Parish Councils (CTS) | 70,620 | - | 70,620 |
| 41,813,030 | 32,884,170 | 8,928,860 | | 41,551,060 | 32,691,010 | 8,860,050 |
| - | 594,090 | (594,090) | Use of balances | - | 561,530 | (561,530) |
| 41,813,030 | 33,478,260 | 8,334,770 | | 41,551,060 | 33,252,540 | 8,298,520 |
| 881,423 | - | 881,423 | Special items - Parish precepts | - | - | - |
| 42,694,453 | 33,478,260 | 9,216,193 | | 41,551,060 | 33,252,540 | 8,298,520 |
| | | (1,401,920) | Revenue Support Grant | | | (900,000) |
| | | (1,994,130) | Business Rates | | | (2,110,000) |
| | | (45,000) | Council Tax Freeze Grant | | | - |
| | | (703,660) | New Homes Bonus | | | (968,100) |
| | | (109,040) | Surplus / Deficit on Collection Fund | | | (91,870) |
| | | 4,962,443 | | | | 4,228,550 |

IMPACT OF COUNCIL TAX FREEZES IN 2011/12, 2012/13, 2013/14, 2014/15 and 2015/16

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | Total |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|--|-------------------|
| Grant Income - 2011/12 CT freeze | -111,746 | -96,437 | -87,372 | -74,965 | -62,521 | -51,017 | -42,140 | -37,589 | -32,402 | | -596,188 |
| Grant Income - 2012/13 CT freeze | | -112,220 | | | | | | | | | -112,220 |
| Grant Income - 2013/14 CT freeze | | | -44,650 | -38,310 | -31,950 | -26,071 | -21,535 | -19,209 | -16,558 | | -198,284 |
| Grant Income - 2014/15 CT freeze | | | | -44,850 | -37,405 | -30,522 | -25,212 | -22,489 | -19,385 | | -179,863 |
| Grant Income - 2015/16 CT freeze | | | | | -44,850 | -36,598 | -30,230 | -26,965 | -23,244 | | -161,886 |
| Grant Income | -111,746 | -208,657 | -132,022 | -158,125 | -176,726 | -144,208 | -119,116 | -106,252 | -91,589 | | -1,248,440 |
| Loss of CT 2011/12 | 134,012 | 136,003 | 120,040 | 121,389 | 123,588 | 124,206 | 124,827 | 125,451 | 125,608 | | 1,135,124 |
| Loss of CT 2012/13 | | 92,539 | 81,678 | 82,596 | 84,092 | 84,513 | 84,935 | 85,360 | 85,467 | | 681,179 |
| Loss of CT 2013/14 | | | 83,312 | 84,247 | 85,774 | 86,203 | 86,634 | 87,067 | 87,176 | | 600,413 |
| Loss of CT 2014/15 | | | | 85,932 | 87,489 | 87,927 | 88,367 | 88,808 | 88,919 | | 527,443 |
| Loss of CT 2015/16 | | | | | 87,008 | 87,443 | 87,881 | 88,320 | 88,430 | | 439,082 |
| Loss of CT 2016/17 | | | | | | 9,171 | 9,217 | 9,263 | 9,274 | | 36,924 |
| Loss of CT 2017/18 | | | | | | | 9,396 | 9,443 | 9,455 | | 28,295 |
| Loss of CT 2018/19 | | | | | | | | 9,627 | 9,639 | | 19,267 |
| Loss of CT 2019/20 | | | | | | | | | 9,827 | | 9,827 |
| CT Lost | 134,012 | 228,542 | 285,030 | 374,164 | 467,952 | 479,462 | 491,256 | 503,340 | 513,796 | | 3,477,554 |
| Net Revenue Impact | 22,266 | 19,885 | 153,008 | 216,039 | 291,226 | 335,254 | 372,140 | 397,088 | 422,207 | | 2,229,114 |

POTENTIAL IMPACT OF AN ADDITIONAL COUNCIL TAX FREEZE IN 2016/17

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | | Total |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|--|-------------------|
| Grant Income - 2011/12 CT freeze | -111,746 | -96,437 | -87,372 | -74,965 | -62,521 | -51,017 | -42,140 | -37,589 | -32,402 | | -596,188 |
| Grant Income - 2012/13 CT freeze | | -112,220 | | | | | | | | | -112,220 |
| Grant Income - 2013/14 CT freeze | | | -44,650 | -38,310 | -31,950 | -26,071 | -21,535 | -19,209 | -16,558 | | -198,284 |
| Grant Income - 2014/15 CT freeze | | | | -44,850 | -37,405 | -30,522 | -25,212 | -22,489 | -19,385 | | -179,863 |
| Grant Income - 2015/16 CT freeze | | | | | -44,850 | -36,598 | -30,230 | -26,965 | -23,244 | | -161,886 |
| Grant Income | -111,746 | -208,657 | -132,022 | -158,125 | -176,726 | -144,208 | -119,116 | -106,252 | -91,589 | | -1,248,440 |
| Loss of CT 2011/12 | 134,012 | 136,003 | 120,040 | 121,389 | 123,588 | 124,206 | 124,827 | 125,451 | 125,608 | | 1,135,124 |
| Loss of CT 2012/13 | | 92,539 | 81,678 | 82,596 | 84,092 | 84,513 | 84,935 | 85,360 | 85,467 | | 681,179 |
| Loss of CT 2013/14 | | | 83,312 | 84,247 | 85,774 | 86,203 | 86,634 | 87,067 | 87,176 | | 600,413 |
| Loss of CT 2014/15 | | | | 85,932 | 87,489 | 87,927 | 88,367 | 88,808 | 88,919 | | 527,443 |
| Loss of CT 2015/16 | | | | | 87,008 | 87,443 | 87,881 | 88,320 | 88,430 | | 439,082 |
| Loss of CT 2016/17 | | | | | | 89,148 | 89,594 | 90,042 | 90,155 | | 358,940 |
| Loss of CT 2017/18 | | | | | | | 10,964 | 11,018 | 11,032 | | 33,014 |
| Loss of CT 2018/19 | | | | | | | | 11,233 | 11,247 | | 22,481 |
| Loss of CT 2019/20 | | | | | | | | | 11,467 | | 11,467 |
| CT Lost | 134,012 | 228,542 | 285,030 | 374,164 | 467,952 | 559,440 | 573,201 | 587,300 | 599,501 | | 3,809,143 |
| Net Revenue Impact | 22,266 | 19,885 | 153,008 | 216,039 | 291,226 | 415,232 | 454,085 | 481,049 | 507,912 | | 2,560,703 |

Increase in Net Revenue Impact for Council Tax Freezes in 2015/16

331,588

SAVINGS / ADDITIONAL INCOME

| Board | Description | 2016/2017 |
|-----------|---|-------------------|
| | | |
| C & E | Removal of annual contribution to Play Area Replacement | 46,760.00 |
| C & E | Delete Local Community Projects Fund | 8,750.00 |
| C & E | Efficiencies at Coleshill Leisure Centre | 19,550.00 |
| C & E | Extension of swimming lessons - Atherstone Leisure Complex | 25,860.00 |
| C & E | Grounds Maintenance - saving from £25,730 additional recharge HRA) | 7,080.00 |
| P & D | Reduced contribution to the Building Control Partnership | 11,450.00 |
| Resources | Concessionary Fares - Taxi Vouchers | 16,240.00 |
| Resources | Reduce the use of a chauffeur service for the Mayor | 5,000.00 |
| Resources | Limit expenditure on Mayoral activity | 5,000.00 |
| Resources | Change in Members pension entitlement | 1,170.00 |
| Resources | Introduction of administration fee on Disabled Facilities grants | 25,000.00 |
| Resources | Closure of public conveniences at Water Orton, Coleshill and Polesworth - part year | 29,680.00 |
| Resources | Telephone tariff reductions | 5,000.00 |
| Resources | IT Hardware and software reductions | 5,000.00 |
| Resources | Reduced telephones and mobile phone charges | 860.00 |
| Resources | Reduced HR subscriptions | 400.00 |
| Resources | Divisional salary savings - Finance & HR | 12,120.00 |
| Resources | Increase vacancy factor | 70,000.00 |
| Resources | Saving from flexible retirements | 21,470.00 |
| Corporate | Reduction in the contingency budget | 22,000.00 |
| Corporate | Additional Business Rates | 100,000.00 |
| Corporate | Transfer from Reimbursement Reserve | 50,000.00 |
| | Sub total 2016/17 | 488,390.00 |
| | | |
| Resources | Closure of public conveniences - full year effect in 17-18 | 27,990.00 |
| | | |
| | Overall Total | 516,380.00 |

EARMARKED RESERVES

| Purpose of Reserve | Balance March 2016 £000 |
|---|----------------------------------|
| Revenue Reserves | |
| Business Rates – a volatility reserve to cover fluctuations in the level of appeals and rating income | 1,747 |
| External Grants Received – Resources received towards specific projects, such as homelessness, anti-fraud initiatives, Wellness Matters, the Crime and Disorder strategy, Sports Club Officer, Arts Development, Homelessness, Community Development, Environmental Sustainability, Smoke Free Grant and the Branching Out Bus, which will be spent in future years | 717 |
| HRA Reimbursement to General Fund – to compensate the General Fund for the loss of investment income | 390 |
| Planned Work - the Council has set priorities and initiatives where work is planned and may have been started, but has not yet been completed. Provision has been made from existing budgets to fund this work in future periods. This includes work on Community and Economic Development Schemes, Green Space Strategy, Area Forums, Amenity Cleaning, Refuse Collection and Recycling service changes and Broadband UK. | 345 |
| Approved growth not yet spent – to cover Corporate Communications, Borough Care, Parish Plans, Environmental Issues, Business Improvement work and other one off growth items | 336 |
| Invest to Save – This reserve is to provide 'pump priming' for the initial costs that arise from new initiatives, which will ultimately reduce existing costs. Savings achieved will be used to repay the contribution from the Reserve, so that other services will have similar opportunities to implement new schemes. | 231 |
| Other – A number of other reserves are held to cover areas such as additional pension costs and Sickness fund | 220 |
| Contingencies – to cover possible costs arising from contaminated land issues, a sum held in case the Council goes above its VAT de minimis level, as this will mean that not all VAT can be reclaimed, a sum for concessionary fares in case the outcome of the judicial review is unfavourable, provision for emergency planning issues and funds to cover possible repayments to the HRA. | 207 |
| Local Development Framework – planning fees over an agreed base position have been set aside for future expenditure on the Local Development Framework | 167 |
| Frozen posts – As part of the financial strategy, some posts have been frozen where possible when they have become vacant. Some funding has been set aside to cover any short term additional costs that may be incurred in covering peaks in workload. | 100 |
| Maintenance of Assets – To cover future maintenance requirements on some council owned assets | 108 |
| Training – These funds have been set aside to provide resources for one off training requirements in the future, for both staff and members. | 89 |
| Human Resources – This is held to cover specialist employment law advice that may be required from time to time. | 50 |
| Consultation – for consultation with residents of the Borough and service users. The requirement to consult varies from year to year and the reserve allows fluctuations between years to be managed, without affecting other revenue expenditure. | 43 |

EARMARKED RESERVES

| Purpose of Reserve | Balance March 2016 £000 |
|---|----------------------------------|
| Capital Reserves | |
| Equipment Replacement – These funds are earmarked for the future replacement of leisure equipment, environmental health equipment, CCTV equipment, Play Area equipment, Refuse Freighters and the replacement of PC's. | 730 |
| General Fund Capital - Some funding has been set aside for capital spending. | 366 |

COUNCIL WIDE - RISK ANALYSIS

| | Likelihood | Provision |
|--|------------|------------------|
| Additional in-year budget allocation | High | 50,000 |
| Income Generation – decrease in fees and charges of 5% (5% = approx £102,250) | Medium | 51,000 |
| Lower vacancies than expected (provision for vacancies = £150k) | Medium | 75,000 |
| Investment Income – loss of cash flow (£5m @ 1% = £50k) | Medium | 25,000 |
| Investment Income – fall in interest rates (£10m @ 0.5% = £50k) | Low | 5,000 |
| Further Public Inquiries (potential £50k) | Medium | 25,000 |
| Housing Benefit – reduction in reimbursement (approx £15m @ 5% = £750k) | Low | 75,000 |
| Possibility of overspending the agreed budget by 1% (Gross Expend = £29.4m) | Low | 29,000 |
| Risk of litigation/ Investigation costs | Low | 50,000 |
| Contaminated Land | Low | 6,000 |
| Increasing cost of Refuse and Recycling | Medium | 60,000 |
| Housing Benefit – Local Authority error & Overpayments (£500k) | Low | 50,000 |
| Increased cost of maintaining mechanical equipment | Low | 10,000 |
| Additional costs on fuel and utilities | Medium | 20,000 |
| NDR payments of vacant Industrial Units (£34k) | Medium | 17,000 |
| Additional New Homes Bonus not achieved | Medium | 100,000 |
| Impact of continuing / increasing NDR appeals | Medium | 240,000 |
| General Contingency | | 500,000 |
| Total | | 1,388,000 |

Likelihood of Risk

| | |
|--------|--------|
| High | 100% |
| Medium | 50% |
| Low | 0 –10% |

ALTERNATIVE SCENARIOS – GENERAL BALANCES

Best Case

| | 2016/17 £000 | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|--|-----------------|-----------------|-----------------|-----------------|
| Estimated use of balances | 562 | 519 | 553 | 598 |
| Reduced pay award of 1% | (70) | (70) | (70) | (70) |
| Additional staffing vacancies | (50) | (50) | (50) | (50) |
| Improvement in letting of industrial units | (20) | (20) | (20) | (20) |
| Additional income from services | (50) | (50) | (50) | (50) |
| Recovery of benefit overpayments better than anticipated | (30) | (30) | (30) | (30) |
| 1% increase in investment rates | (50) | (50) | (50) | (50) |
| Additional business rates | - | (100) | (100) | (100) |
| | | | | |
| Potential Use of/ (Cont to) Balances | 292 | 149 | 183 | 228 |
| Potential Balances at Year End | 3,711 | 3,562 | 3,379 | 3,151 |

Worst Case

| | 2016/17 £000 | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|---|-----------------|-----------------|-----------------|-----------------|
| Estimated use of balances | 562 | 519 | 553 | 598 |
| Reduction in business rates | 483 | 483 | 483 | 483 |
| Reduction in New Homes Bonus scheme | - | 330 | 200 | 200 |
| | | | | |
| Potential Use of/ (Cont to) Balances | 1,045 | 1,332 | 1,236 | 1,281 |
| Potential Balances at Year End | 2,958 | 1,626 | 390 | (891) |

COUNCIL TAX INCREASES

| | Original 2015/16 | 2016/17 | 2016/17 | 2016/17 | 2016/17 | 2016/17 |
|-----------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| Council Tax - Band D | 207.30 | 207.30 | 208.34 | 209.37 | 210.41 | 211.34 |
| Council Tax Increase | | 0% | 0.5% | 1.0% | 1.5% | 1.95% |
| Council Tax Base | 19,686.54 | 20,008.29 | 20,008.29 | 20,008.29 | 20,008.29 | 20,008.29 |
| Net Expenditure | 8,929 | 8,861 | 8,861 | 8,861 | 8,861 | 8,861 |
| External Funding | (4,100) | (3,978) | (3,978) | (3,978) | (3,978) | (3,978) |
| Collection Fund (Surplus)/Deficit | (109) | (92) | (92) | (92) | (92) | (92) |
| Council Tax | (4,081) | (4,147) | (4,169) | (4,188) | (4,210) | (4,229) |
| Government Protection | (45) | - | - | - | - | - |
| Use of Balances | 594 | 644 | 622 | 603 | 581 | 562 |
| Balances 1 April 2016 | | 4,003 | 4,003 | 4,003 | 4,003 | 4,003 |
| Use of Balances | | (644) | (622) | (603) | (581) | (562) |
| Balances 1 April 2017 | | 3,359 | 3,381 | 3,400 | 3,422 | 3,441 |
| Use of Balances | | (603) | (580) | (561) | (538) | (519) |
| Balances 1 April 2018 | | 2,756 | 2,801 | 2,839 | 2,884 | 2,922 |
| Use of Balances | | (638) | (615) | (596) | (573) | (553) |
| Balances 1 April 2019 | | 2,118 | 2,186 | 2,243 | 2,311 | 2,369 |
| Use of Balances | | (685) | (662) | (641) | (618) | (598) |
| Balances 1 April 2020 | | 1,433 | 1,524 | 1,602 | 1,693 | 1,771 |

MANPOWER BUDGET

The Board estimates contain the effect of the following changes in employee numbers.

| | 2015/16 Estimate (original) FTE | 2016/17 Estimate FTE |
|--------------|--|-------------------------------------|
| Monthly Paid | 360 | 363 |
| Total | <hr/> 360 <hr/> | <hr/> 363 <hr/> |

APPENDIX O

REVISED MEDIUM TERM FINANCIAL FORECAST

| | 2015/16 Revised £000 | 2016/17 Estimate £000 | 2017/18 Estimate £000 | 2018/19 Estimate £000 | 2019/20 Estimate £000 |
|--|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Net Service Expenditure | 9,384 | 9,683 | 9,999 | 10,232 | 10,543 |
| Growth | 5 | 55 | - | - | - |
| Investment Income | (150) | (180) | (160) | (200) | (220) |
| Financing Adjustment | (821) | (838) | (837) | (830) | (702) |
| e/m res - contribution from HRA | - | (50) | (50) | (50) | (50) |
| Revenue Contribution to Capital Spending | 119 | 119 | 119 | 119 | 119 |
| Savings – 17/18 | - | - | (650) | (650) | (650) |
| Savings – 18/19 | - | - | - | (500) | (500) |
| Savings – 19/20 | - | - | - | - | (500) |
| Net Expenditure | 8,537 | 8,789 | 8,421 | 8,121 | 8,040 |
| Council Tax | (4,081) | (4,229) | (4,354) | (4,483) | (4,617) |
| New Homes Bonus | (703) | (968) | (920) | (650) | (620) |
| Special Grant (15/16 CT Freeze) | (45) | - | - | - | - |
| RSG | (1,402) | (900) | (460) | (190) | - |
| NDR | (1,994) | (2,110) | (2,140) | (2,200) | (2,150) |
| CTS Grant to Parishes | 83 | 71 | 64 | 51 | 45 |
| Collection Fund Surplus | (109) | (91) | (92) | (96) | (100) |
| Use of Balances | 286 | 562 | 519 | 553 | 598 |
| Balances at the Year End | 4,003 | 3,441 | 2,922 | 2,369 | 1,771 |

Agenda Item No 14

Executive Board

9 February 2016

Report of the Chief Executive

Labour Group

1 Summary

- 1.1 The purpose of this report is to seek authorisation for any possible amendments to representation on Boards resulting from the recent change in the leadership of the Labour Group.

Recommendation to the Council

That any amendments to representation on Boards resulting from the recent change to the Leader of the Labour Group be reported to the Full Council meeting to be held on 24 February 2016.

2 Report

- 2.1 Members will be aware that Councillor Farrell was recently appointed leader of the Labour Group on the Council.
- 2.2 As a result of his appointment he may wish to make amendments to his Groups representation on Boards.
- 2.3 Any amendments to the Labour Group representation on Boards will be confirmed at the Full Council meeting to be held on 24 February 2016.

3 Report Implications

3.1 Financial Implications

- 3.1.1 The Leader and Deputy Leader of the Opposition Group are entitled to an allowance as recognised in the Members' Allowance Scheme.

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 | | | |

Agenda Item No 15

Executive Board

9 February 2016

Report of the Assistant Chief Executive and Solicitor to the Council

Devolution/Constitutional Changes (Scrutiny Board)

1 Summary

- 1.1 Members are invited to consider recent developments in respect of the Devolution agenda and the Board is also asked to make changes to the constitution with regard to the Council's scrutiny function.

Recommendation to Council:

- a That Members consider any action necessary as a result of recent developments in respect of the Devolution agenda;**
- b That all reference to the Scrutiny Board in the constitution be deleted; and**
- c That the terms of reference for the three policy boards (Executive, Resources and Community and Environment) be amended as detailed in the report.**

2 Devolution

- 2.1 The Chief Executive and the Leader of the Council will give a verbal update to Members on recent developments in respect of the Devolution agenda.

3 Scrutiny

- 3.1 The report to the Special Sub-Group mentioned below was sent to all Borough Councillors and is attached to this report.
- 3.2 This Council has been reviewing a number of its democratic and business arrangements via the Special Sub-Group and one issue looked at is Scrutiny. For the reasons set out in the attached report, the scrutiny function has not always flourished particularly in Councils that operate a modernised Committee structure.
- 3.3 After considering the matter at a couple of meetings, the Special Sub-Group resolved to recommend to this Board that the Scrutiny Board be replaced with task and finish groups aligned to the Policy Boards (Executive, Resources and Community and Environment) that may look at issues in more detail than is allowed in the course of an ordinary Board meeting.

- 3.4 This Board is therefore asked to recommend that the necessary changes to the Constitution to effect this change are made. As well as deleting reference to the Scrutiny Board, it is recommended that the terms of reference for the three policy boards be amended as follows:

Powers Delegated to the Task and Finish Group

- (i) The power to consider an item referred to it by the Board in whatever way the Task and Finish Group thinks reasonable
- (ii) The power to make recommendations to the Board on any such item.

The Contact Officer for this report is Steve Maxey (01827 719438).

Agenda Item No 7

Special Sub-Group

15 December 2015

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

Area Forums and Scrutiny

1 Summary

- 1.1 The report suggests the detail of changes to the Scrutiny function agreed at the last meeting and the initial steps for a review of Area Forums.

Recommendation to the Executive Board:

- a That constitutional changes detailed in the report be agreed subject to the approval of Full Council;**

Recommendation to the Sub-Group:

- b That the suggested steps for a review of Area Forums are agreed; and**
- c That Members indicated broad options for the future of the Forums for the review.**

2 Consultation

- 2.1 All Members will receive a copy of the report and have been invited to the meeting.

3 Report

- 3.1 At the last meeting of this Group, Members agreed as follows:

- a That the scrutiny function of the Council is transferred to appropriately convened Task and Finish Groups as and when required;
- b That consultation be undertaken with partners with a view to reviewing the future of the Area Fora as the primary means of connecting with the public; and
- c That Officers be asked to report back to a future meeting of the Sub-Group in respect of the detail for implementing and undertaking (a) and (b) above.

- ... 3.2 The report to the last meeting is attached to this report for convenience.

3.3 Scrutiny Function

- 3.3.1 The idea of creating Task and Finish Groups is to allow Members to look at 'weightier' matters that are difficult to get to grips with at a single meeting after considering a short report on an agenda that has a number of other issues (some of which are equally serious). As discussed previously, the modernised Committee structure adopted by this Council, which allows all Councillors to be involved in decision making, provides for decisions to be scrutinised prior to being made. It could be argued therefore that no separate arrangement for Scrutiny needs to be provided for but that there is still a need to consider a number of issues in greater detail. It is also arguable that this would confirm the inclusive nature of our decision making arrangements, something seen as a positive feature of the Committee system.
- 3.3.2 An increased involvement of the public could also be written into this element. These 'Scrutiny Task and Finish Groups' could include arrangements for ensuring the public's and partners' views are considered. There are a number of ways that this could be carried out including allowing public speaking, co-opting people from outside of the Council onto the Groups, and carrying out specific consultation exercises on the topics being considered.
- 3.3.3 It is suggested therefore that the terms of reference for the three policy Boards (Executive, Resources and Community and Environment) be amended with the following addition:

Powers Delegated to the Task and Finish Group

The power to consider an item referred to it by the Board in whatever way the Task and Finish Group thinks reasonable.

The power to make recommendations to the Board on any such item.

- 3.3.4 In addition, the Terms of Reference of the Boards will be amended to allow them to create Task and Finish Groups and set their terms of reference, including issue of co-option and the involvement of the public (including by way of public speaking if appropriate).
- 3.3.5 Finally, the Constitution will be amended to delete all references to the Scrutiny Board.
- 3.3.6 There is still a legal requirement to hold at least one meeting to scrutinise crime and disorder work. It is proposed to transfer this responsibility to the Safer Communities Sub-Committee.

3.4 Area Forums

- 3.4.1 Informal contact has been made with Warwickshire County Council and the Police regarding a review of Area Forums. This is complicated by potential staff changes within these organisations but it is hoped that meetings can be confirmed by the date of the meeting.
- 3.4.2 In addition, there is a need to discuss a review with Town and Parish Councils. The annual meeting between these Councils and the Borough Council has been set for Thursday 28 January 2016 at 7pm at the Newton Regis Village Hall. This provides a timely opportunity to raise the matter generally and seek a number of representatives from the Town and Parish Councils to discuss it in more detail. It is suggested therefore that this matter is added to that agenda.
- 3.4.3 Prior to discussions, it would be useful for Members to agree broadly what options they would like to consider as part of the review.

4 Future Work

- 4.1 One consequential issue that will need to be considered is the issue of Members' Allowances given the abolition of the Scrutiny Board and possible changes to Area Forums. Once all issues have been resolved it will be necessary to call a meeting of the Council's Independent Remuneration Panel.

The Contact Officer for this report is Steve Maxey (719438)

Agenda Item No 16

Executive Board

9 February 2016

Report of the Chief Executive and the Deputy Chief Executive

Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - December 2015

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 December 2015.

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 third quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2015/16. This is the third report showing the progress achieved so far during 2015/15.

4 Progress achieved during 2015/16

- 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 December 2015/16 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 2015/16 year.

6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 100% of the Corporate Plan targets and 50% of the performance indicator targets are currently on schedule to be achieved. 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 | 3 | 50% |
| Amber | 0 | 0% |
| Red | 3 | 50% |
| Total | 6 | 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 equality related targets and indicators including, 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 creating responsible financial and resource management, safer communities, protecting our countryside and heritage, promoting sustainable and vibrant communities and supporting employment and business.

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 15/16

| NEW | Action | Priority | Reporting Officer | Update | Quarter 2 Update | Quarter 3 Update | Status | Direction |
|----------|---|---|-------------------|--|---|---|--------|-----------|
| NWCP 004 | To submit final Development Plan documents relating to Development Management Community Infrastructure Levy and Gypsy and Travellers by November 2015 | Protecting our Countryside & Heritage | Dorothy Barratt | A Draft Development Management Plan will be going out for consultation from early October for six weeks. A revised CIL will be presented to the LDF Sub-committee on 28th September seeking approval for a further round of consultation. Work is ongoing on the Site Allocations Plan and additional sites will be considered by members over the coming months. Work on the Gypsy & Travellers Plan is delayed but is expected to be underway in early 2016. | The closing date for comments on the Development Management Plan ended on Thursday 12th November 2015. A report on CIL was taken to Board but further work has been requested in relation to exempted sites and charging of large logistic uses. Work is being progressed on considering a higher housing provision and a new timetable being drafted. | The closing date for comments on the Development Management Plan ended on Thursday 12th November 2015. A report on CIL was taken to Board but further work has been requested in relation to exempted sites and charging of large logistic uses. Work is continuing on considering a higher housing provision and evidence. A new timetable is being drafted. | 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) Work is ongoing with HS2 looking at mitigation and the benefits that can be secured. B) no change | Petitions on the additional provisions 2 and 4 have been submitted. | Petitions on the additional provisions 2 and 4 have been submitted. Responses have been received from the Government and HS2 Limited and a number of assurances have been given in respect of the matters raised. Work continues nationally through the 51M group and joint concerns on noise and other pollution control issues will be heard by the Select Committee shortly. | 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 is currently taking place to liaise with each division to ensure their service based continuity plans are updated. A report on a generator test and power down of the server room is due to be considered by Management Team in August. The Warwickshire Local Resilience Forum has prepared revised strategic and tactical response plans. The plans have been tested and further exercising is planned using the JESIP methodology. This will provide opportunity for testing our local MEP procedures. | Collation of updated divisional service based continuity plans is taking place. A report on a generator test and power down of the server room is being rescheduled which will include some wider options being identified with the CSWR team. The Warwickshire Local Resilience Forum has carried out Exercise Argentum to test tactical response plans using the JESIP methodology. Options for linking the WLRF testing with local exercises of our MEP procedures are being identified. | Work on finalising the divisional business continuity plans is being carried out. Updated draft Corporate Business Continuity Plan being prepared. Revised Emergency Plan being updated. Arrangements for carrying out Exercise Argus with Extended Management Team on the 15 March 16 are being made. This is aimed at considering a management response to a incident at a Council building. | 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 2015 | Responsible Financial & Resource Management | Sue Garner | Work has started. Will report to September Executive Board. | Medium Term Financial Strategy taken to Executive Board in September. | Work on the financial position is ongoing and will be reported to Executive Board in February | 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 | Work is progressing | Work is progressing | Work continues to progress | Green | |
| NWCP 042 | To report on the Council's debt and reserves and options for narrowing the Council's capital funding gap by February 2016 | Responsible Financial & Resource Management | Sue Garner | Resources will be updated later in the financial year. | Work on updating the capital position has started. | Work on the capital position is ongoing and will be reported to Executive Board in February | Green | |
| NWCP 076 | To update the Medium Term Financial Strategy in September 2015 and February 2016, to take account of external funding changes relating to Business Rates | Responsible Financial & Resource Management | Sue Garner | Work has started. Will report to September Executive Board. | Medium Term Financial Strategy taken to Executive Board in September. | Work on the financial position is ongoing and will be reported to Executive Board in February | Green | |
| NWCP 078 | To continue to work with partner organisations in Coventry, Warwickshire and Hinckley in the 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 within statutory timescales | Supporting Employment & Business | Steve Maxey | Work with the Cross border partnership continues looking at training and transport to work, for example the new bus service from MIRA to Birch Coppice. The work of the shadow Economic Prosperity Board continues. A significant amount of work is ongoing regarding the issue of Combined Authorities and Devolution Deals, reported to the Executive Board in June and Council in July | The Council made its decision on the West Midlands Combined Authority in October and meetings will be held this month to look at devolution in Warwickshire. Work continues through the Joint Committee on a number of joint issues, mostly linked to planning, and with Nuneaton and Hinckley Councils on local employment and skills | The Council made its decision on the West Midlands Combined Authority in October and meetings have started to look at devolution and public sector reform in Warwickshire. Work continues through the Joint Committee on a number of joint issues, mostly linked to planning, and with Nuneaton and Hinckley Councils on local employment and skills. The Council has committed some money to a joint bid for European funding to help start up and small businesses in our area. | Green | |

| NEW | Action | Priority | Reporting Officer | Update | Quarter 2 Update | Quarter 3 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 | Creating Safer Communities | Richard Dobbs/Steve Maxey | Work continues in this area with community based Pathfinder Projects focussing most recently on issues at Fillongley and Austrey | In addition to the ongoing Pathfinder Projects, NWBC is working on updating records of watercourses and inspection & maintenance requirements | Work with the County Council Flood Risk team is taking place to help improve local resilience in Grendon. Liaison with the pathfinder flood groups in Nether Whitacre and Fillongley is taking place. Enquiry from Middleton Parish Council is also being considered. | ★ 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 their opportunities to be involved in decision making via consultation and report on progress by February 2016 | Promoting Sustainable & Vibrant Communities | Linda Bird/Steve Maxey/Bob Trahern | A Scrutiny Board Task and Finish Group is reviewing communications. The summer edition of north talk has been produced and is being distributed. Options for consultation and involvement will be presented to members as part of the September Report cycle. | Scrutiny Board Communications Task and Finish Group holding their 1st meeting on 10/11/2015. Nov/Dec edition of northtalk being drafted ready to be distributed late Nov. | Scrutiny Board Communications Task and Finish group is organising a survey of residents to seek views on communication and north talk. A report on progress will be provided to the Task and Finish group in February 2016. The T&F group has also been asked to consider how we seek the views of the public, hard to reach groups and other partners as part of the review of Area Forums. | ★ Green | ➡ |
| NEW | To report on the findings of the LGA economic development report on ways to develop the economy of the Borough with our partner by December 2015 and to report in October each year thereafter on progress on agreed objectives | Supporting Employment & Business | Steve Maxey | | An economic study was commissioned together with Hinckley and Nuneaton Councils and this will report in October. The report will suggest a number of key actions for the Cross Border Partnership and will be reported to Members. | An economic study was commissioned together with Hinckley and Nuneaton Councils and a presentation on the final report will be given on 13th January. The report will suggest a number of key actions for the Cross Border Partnership and will be reported to Members. | ★ Green | ➡ |

NWPI Executive Board 15/16

| Ref | Description | Section | Priority | Year End Target | April - Dec Performance | Traffic Light | Direction of Travel | Comments |
|-----------|---|------------------------|---------------------------------|-----------------|----------------------------|---|---|--|
| 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 |  Green |  | Figure has been affected by one member of the team being on maternity leave. Now she has returned there should be no further slippage. |
| NWLPI 153 | Number of domestic burglaries in the Local Authority area | Policy Support | Crime and Disorder | 151 | 180 |  Red |  | The level of domestic burglaries reduced significantly in 2014/15. The levels have increased compared to the same period in 2014/15 of 111. The increase will be considered at meeting of a Special Interest Goup on the 20 Jan 16. Analysis has been prepared to inform partnership responses. The burglaries are spread across the borough. |
| NWLPI 154 | Number of violent offences and sexual offences in the local authority area | Policy Support | Crime and Disorder | 601 | 701 |  Red |  | The recording of violence offences and sexual offences is increasing. This is because of revised recording practices and the reporting of historical offences. Analysis of the current and historical offences has been requested. |
| NWLPI 155 | The number of vehicle crimes in the local authority area | Policy Support | Crime and Disorder | 508 | 318 |  Green |  | The level of vehicle crimes is showing a slight reduction in the third quarter. The levels are now lower than the level experienced in April to Dec 2014/15 of 359. |
| @NW:NI032 | Violent Crime Offences related to Domestic Violence | Policy Support | Crime and Disorder | 84 | information to be collated | — | — | The level of offences relating to domestic violence is 33% of the violence against the person with injury in quarter 1. The Warwickshire Domestic Abuse Counselling Services quarter 2 report shows that 45 victims are currently receiving support. Approximately 20 clients are being seen on a regular weekly basis. Some clients are receiving in excess of 20 sessions. At least 13 clients in the last year have received in excess of 30 sessions due to ongoing court procedures for child protection issues relating to domestic abuse. A bid has been approved by the PCC to help extended the service provision to more of the rural villages. Implementation of the additional support is now being planned. |
| @NW:NI047 | People killed or seriously injured in road traffic accidents | Policy Support | Crime and Disorder | 46 | 33 |  Green |  | During the period April to Dece 2015 33 ksi's have been recorded. This is slightly lower than the level of 38 in the same period in 2014/15. |

| | | | | | | | | |
|-----------|--|----------------|-------------------------------|-----|-----|--|--|---|
| NWLPI 162 | Percentage of Freedom of Information replies dealt with within 20 days | Policy Support | Public Services & Council Tax | 100 | 97% |  Red |  | 161 Freedom of Information requests received, 156 completed within 20 days, 4 over 20 days, 1 outstanding and overdue |
|-----------|--|----------------|-------------------------------|-----|-----|--|--|---|

NORTH WARWICKSHIRE BOROUGH COUNCIL

3 December 2015

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

Present: Councillor Waters in the Chair.

Councillors A Wright, L Dirveiks and Sweet

Apologies for absence were received from Councillors Bell (substitute Councillor A Wright) and Lea.

Councillors Henney, Phillips and Moss were also in attendance.

13 Disclosable Pecuniary and Non-Pecuniary Interests

None were declared at the meeting.

14 Warwickshire Minerals Plan – Preferred Option and Policies Consultation

Members were informed of Warwickshire County Council's Minerals Plan, Preferred Option and Policies consultation and comments were sought for inclusion in the Council's initial response.

Resolved:

a That the Warwickshire Minerals Plan – Preferred Option and Policies consultation ending on 4 December 2015 be noted; and

b That the comments as set out in the report of the Assistant Chief Executive and Solicitor to the Council be included in the consultation response.

15 Nuneaton and Bedworth Borough Plan Submission Version Consultation

Members were informed of the Nuneaton and Bedworth Borough Plan Submission Version consultation and comments were sought for inclusion in the response.

Resolved:

a That the consultation on the Nuneaton and Bedworth Borough Plan Submission Version, be noted; and

b That the following additional comments be included in the Council's response to the consultation on the Nuneaton and Bedworth Borough Plan Submission Version;

- **the need to maximise any traffic infrastructure improvements and financial contributions towards addressing the impacts on the A5 and highways or other infrastructure needs for the 3530 dwellings proposed to the north of Nuneaton, and**
- **That the response strongly urge Nuneaton and Bedworth Borough Council to complete the background evidence work (in particular the housing land availability and CIL/Infrastructure needs) to inform the Nuneaton and Bedworth Borough Plan, to address the need to accommodate additional housing from Coventry and enable North Warwickshire Borough Council to undertake a more informed assessment of the potential implications impact of the Borough Plan upon North Warwickshire, the A5 and the local road infrastructure.**

T Waters
Chairman

NORTH WARWICKSHIRE BOROUGH COUNCIL

**MINUTES OF THE SAFER COMMUNITIES
SUB-COMMITTEE**

8 December 2015

Present: Councillor Reilly in the Chair

Councillors Clews, Davis, Farrell, Jones, Moss, Payne and Smith

Apologies for absence were received from Councillors Simpson, E Stanley, Watkins (Substitute Councillor Smith) and A Wright (Substitute Councillor Jones).

Councillor Humphreys was also in attendance.

13 Disclosable Pecuniary and Non-Pecuniary Interests

None were declared at the meeting.

14 Minutes of the Meeting of the Sub-Committee held on 10 September 2015

The minutes of the meeting of the Sub-Committee held on 10 September 2015, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

15 Coleshill Car Racing Update

The Chief Executive informed the Sub-Committee of progress responding to the problems with car racers in and around Coleshill.

Resolved:

- a That the report be noted; and**
- b That the action plan for the period to March 2016 for the on-road and off-road anti-social use of cars and motorbikes be endorsed.**

16 North Warwickshire Road Safety Profile

The Chief Executive provided the Sub-Committee with a progress report on work to identify the profile of road safety in North Warwickshire.

Resolved:

- a That the report be noted; and**

- b That the Chief Executive prepare an Action Plan to target the reduction of killed and serious injuries within North Warwickshire.**

17 Progress Report on Achievement of Corporate Plan Targets – April – September 2015

Members were informed of progress with the achievement of the Corporate Plan targets relevant to the Safer Communities Sub-Committee for April – September 2015.

Resolved:

That the report be noted.

18 Reducing Rural Crime Project Progress Report

The Sub-Committee was updated on progress with the Reducing Rural Crime Project

Resolved:

That the report be noted.

19 Review of CCTV provision across the Borough

The Chief Executive requested the Sub-Committee provide terms of reference for a review of CCTV provision across the Borough.

Resolved:

- a That the terms of reference of the review of CCTV provision across the Borough incorporate the points outlined in the report of the Chief Executive;**
- b That draft figures in connection with the costs associated with the use of CCTV be prepared for the budget setting process in February 2016; and**
- c That a first draft of the review of CCTV provision across the Borough be prepared for the next meeting of the Sub-Committee in March 2016.**

20 Chairman's Update in relation to Flytipping, Graffiti Removal and working with Town and Parish Councils

The Chairman gave a verbal update on flytipping, graffiti removal and working with Town and Parish Councils.

Agenda Item No 18

Resolved:

That the Assistant Director (Streetscape) be invited to attend a future meeting of the Sub-Committee to provide more information about the procedures taken regarding flytipping within the Borough.

David Reilly
Chairman

NORTH WARWICKSHIRE BOROUGH COUNCIL

MINUTES OF THE SPECIAL SUB-GROUP

15 December 2015

Present: Councillor Hayfield in the Chair

Councillors Davey, Humphreys, Phillips, Singh and Sweet

Apologies for absence were received from Councillor Jenns (substitute Councillor Davey) and Councillor M Stanley (Substitute Councillor Phillips).

Councillors Bell and Simpson were also in attendance.

1 Disclosable Pecuniary and Non-Pecuniary Interests

None were declared at the meeting.

2 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 items of business on the grounds that they involve the likely disclosure of exempt information as defined in Schedule 12A to the Act.

3 Atherstone Leisure Complex – Extension of the Swimming Lessons Programme

The Assistant Director (Leisure and Community Development) reported on a staffing matter within his Division and the Sub-Group was asked to agree a suggested course of action.

Resolved:

That the staffing implications of the Community and Environment Board's decision to extend the swimming lessons programme at Atherstone Leisure Complex from 38 weeks to 50 weeks per year with effect from April 2016 be approved, with the exception of the proposal to appoint a part-time Swimming Administrator, which will be considered within the context provided by a future report on the staffing structure within the Leisure and Community Development Division.

4 Shared Service Proposal and Structure Change in the Community Services Division

The Assistant Chief Executive (Community Services) reported on a shared service proposal and structure change in his Division and the Sub-Group was asked to agree a suggested course of action.

Resolved:

- a That the shared service collaboration arrangements with Nuneaton and Bedworth Borough Council (NBBC) to be introduced on a permanent basis with effect from 4 January 2016 unless stated otherwise be approved;**
- b That the post of Revenues and Benefits Manager (Grade 15) be deleted from the NWBC establishment and the key managerial responsibilities attached to this post be undertaken by the “Head of Revenues and Benefits Shared Services Manager” from NBBC on a 2.5 day per week arrangement for which they will be reimbursed;**
- c That the Council share its Senior Systems Support Officer to be renamed “Systems Support Shared Services Manager” (Grade 13) with NBBC on a 2.5 day per week arrangement for which NWBC will be reimbursed;**
- d That the Council share its Financial Inclusion Manager to be renamed “Benefits and Financial Inclusion Shared Services Manager” (Grade 13) with NBBC on a 2 day per week arrangement for which NWBC will be reimbursed. This will take effect from a date to be agreed;**
- e That the Council purchase 2 days per week support from the to be renamed “Revenues Shared Services Manager” employed by NBBC to provide management support for which they will be reimbursed. This will take effect from a date to be agreed;**
- f That the transfer of the reporting line of the Community Projects Officer (Community Hubs) into the Customer Contact Manager be approved;**
- g That the grade of the Customer Contact Manager be increased to Grade 13 in light of this change to their remit and responsibilities;**

- h That the permanent reduction in the working hours of the Council's Senior Benefit Officer to a 3 day per week arrangement be approved;**
- i That the Council purchase 2 days per week support from NBBC for undertaking appeal and technical benefits support and 1 day per week for undertaking court support and other specialist technical recovery work; and**
- j That all savings identified are retained in the Divisions budget until a wider review of the divisional staffing structure is completed by May 2016.**

The remaining matters were all considered in public session.

5 Progress Report on Human Resources Issues

The Assistant Director (Finance and Human Resources) reported on the progress against the Human Resources Strategy Action Plan, work being done by the Human Resources team, the sickness levels for the period of April 2015 to September 2015 and provided some further information on action taken in managing absence.

Resolved:

That the report be noted.

6 Devolution / Combined Authorities

The Chief Executive reported on recent events in respect of the Devolution/Combined Authorities agenda. In particular he highlighted a recent Warwickshire roundtable event attended by himself and the Leader of the Council and a number of amendments recently announced by the Secretary of State to the Cities and Local Government Devolution Bill 2015-16. Members were also informed that the Chief Executive and the Leader of the Council were attending a regional meeting on 18 December updating on the Devolution Deal and the West Midland Combined Authorities.

Resolved:

That the report be noted.

7 Area Forums and Scrutiny

Members were invited to consider the detail of changes to the Scrutiny function agreed at the last meeting of the Sub-Group and the initial steps for a review of Area Forums.

Recommended to the Executive Board:

- a That the Constitutional changes in respect of Scrutiny detailed in the report of the Assistant Chief Executive and Solicitor to the Council be agreed subject to the approval of Full Council;**

Resolved:

- b That the following steps for the review of Area Forums be agreed**
 - i) That initial discussions be undertaken with Warwickshire County Council and the Police;**
 - ii) That the Communications Task and Finish Group be asked to consider how we seek the views of the public, hard to reach groups and other partners;**
 - iii) That the views of Parish and Town Councils be sought in due course once the initial discussions and consultation set out above have been concluded; and**
 - iv) That further reports on the review of Area Forums be submitted to the Sub-Group.**

C Hayfield
Chairman

Agenda Item No 20

Executive Board

9 February 2015

**Report of the
Chief Executive**

Exclusion of the Public and Press

Recommendation to the Board

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

Agenda Item No 21

Borough Care Service - Report of the Assistant Director (Housing)

Paragraph 3 – by reason of the report containing financial information

Agenda Item No 22

Spon Lane, Grendon - Report of the Deputy Chief Executive

Paragraph 3 – by reason of the report containing financial information

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