

Cabinet

Agenda

Thursday 19 April 2018

The Cabinet will meet at SHIRE HALL, WARWICK on Thursday 19 April 2018 at 13.45.

Please note that this meeting will be filmed for live broadcast on the internet. By entering the meeting room and using the public seating area you are consenting to being filmed. All recording will be undertaken in accordance with the Council's Standing Orders.

The agenda will be:

1. General

1) Apologies for absence.

2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests.

Members are required to register their disclosable pecuniary interests within 28 days of their election of appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with.
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must still be declared in accordance with the Code of Conduct. These should be declared at the commencement of the meeting.

3) Minutes of the meeting held on the 15 March 2018

To approve the minutes of the meeting held on 15 March 2018.

4) Public Speaking

To note any requests to speak in accordance with the Council's Public Speaking Scheme (see footnote to this agenda).

2. Leamington Town Vision

The Leamington Town Vision is a strategic, partnership led document which can help to protect Leamington's key assets, ensuring future investment plays to the Town's strengths. The purpose of this report is to seek agreement to the Vision.

Cabinet Portfolio Holder: Councillor Izzi Seccombe

3. A46 Stoneleigh Junction Improvements

This report concerns the future funding and development of this highway scheme.

Cabinet Portfolio Holders: Councillor Jeff Clarke and Councillor Peter Butlin

4. Collaborative working between Warwickshire and West Midlands Fire & Rescue Services

This report shares with Cabinet a Memorandum of Understanding regarding greater collaboration between the two services.

Cabinet Portfolio Holder: Councillor Howard Roberts

5. Warwickshire County Council's Membership of the Local Government Association

The purpose of this report is to inform Cabinet of a proposed change to the County Council's relationship with the Local Government Association (LGA).

Cabinet Portfolio Holder: Councillor Kam Kaur

6. Any Urgent Items

Any other items the Chair considers are urgent

David Carter
Joint Managing Director
Warwickshire County Council
April 2018

Cabinet Membership and Portfolio Responsibilities

Councillor Izzi Seccombe OBE (**Leader of the Council and Chair of Cabinet**)
cllrmsseccombe@warwickshire.gov.uk

Councillor Peter Butlin (**Deputy Leader, Finance**)
cllrbutlin@warwickshire.gov.uk

Councillor Les Caborn (**Adult Social Care and Health**)
cllrcaborn@warwickshire.gov.uk

Councillor Jeff Clarke (**Transport & Environment**)
cllrclarke@warwickshire.gov.uk

Councillor Colin Hayfield (**Education and Learning**)
cllrhayfield@warwickshire.gov.uk

Councillor Kam Kaur (**Customer and Transformation**)
cllrkaur@warwickshire.gov.uk

Councillor Jeff Morgan (**Children's Services**)
cllrmorgan@warwickshire.gov.uk

Councillor Howard Roberts (**Fire and Community Safety**)
cllrroberts@warwickshire.gov.uk

Non-voting Invitees -

Councillor Jerry Roodhouse (**Leader of the Liberal Democrat Group**),
cllrroodhouse@warwickshire.gov.uk

Councillor Richard Chattaway (**Leader of the Labour Group**)
cllrchattaway@warwickshire.gov.uk

or their representatives.

Public Speaking

Any member of the public who is resident or who works in Warwickshire may speak at the meeting for up to three minutes on any item on the agenda for this meeting. This can be in the form of a statement or a question. If you wish to speak please notify Paul Williams (see below) in writing at least two clear working days before the meeting. You should give your name and address and the subject upon which you wish to speak. Full details of the public speaking scheme are set out in the Council's Standing Orders (Standing Order 34).

General Enquiries: Please contact Paul Williams, Democratic Services Team Leader

Tel 01926 418196 or email: paulwilliamscl@warwickshire.gov.uk

All public papers are available at www.warwickshire.gov.uk/cmis

**Minutes of the meeting of the Cabinet
held on 15 March 2018**

Present

Cabinet Members:

Councillors	Izzi Seccombe OBE	Leader of Council and Chair of Cabinet
	Jeff Clarke	Transport & Environment
	Colin Hayfield	Education and Learning
	Kam Kaur	Customer & Transformation
	Jeff Morgan	Children's Services
	Howard Roberts	Fire & Community Safety

Non-Voting Invitees:

Councillor Richard Chattaway	Leader of the Labour Group
Councillor Jerry Roodhouse	Leader of the Liberal Democrat Group

Other Councillors:

Councillors Chilvers, Olnier, Redford, Webb and Williams

Public attendance: None

1. General

(1) Apologies for absence

Apologies for absence were received from Councillors Les Caborn and Peter Butlin

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

None

(3) Minutes of the meeting held on 15 February 2018 and Matters Arising

The minutes for the meeting held on 15 February 2018 were agreed as an accurate record and signed by the Chair. There were no matters arising.

(4) Public Speaking

None

2. Service Estimates 2018-19

Councillor Izzi Seccombe (Leader of the Council and Chair of Cabinet) explained that the report before members set out to indicate, following the annual budget meeting, where resources were to be allocated. Members' attention was drawn specifically to section 3 of the report. This explained two recent changes in spend and resourcing. The first was the allocation nationally of an additional £150m of Adult Social Care Support Grant. This equates to an additional £1.4m for Warwickshire County Council. The second concerned an additional £1.839m to

come to the County Council from business rates. This latter additional funding will be regarded as on-off funding to prepare for the delivery of the next (post OOP 2020) savings plan.

Councillor Bill Olnor, welcoming the additional funding from business rates questioned whether any organisation had made representations to government regarding the plight of town centres. In response Cabinet was informed that so far as was known most discussion had been around the routing of business rates to local government and not around the rate of business rates.

John Betts (Head of Finance) added that the CBI and LGA has been lobbying government regarding the shift from the use of the Retail Price Index to the Consumer Price Index. Small businesses will be eligible for tax relief but this presents the challenge of making up any shortfall in income resulting from that relief. Re-evaluations will become more frequent but these along with appeals present challenges in terms of resourcing.

Councillor Richard Chattaway (Leader of the Labour Group) welcomed the additional funding from government for Adult Social Care but called on the County Council and the LGA to press for more. On business rates, having expressed some concern over the use of the additional income to support OOP savings Councillor Chattaway requested that information be made available on where economic growth is focused in Warwickshire. It was agreed that this would be provided.

Referring to paragraph 3.3 of the report Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) expressed concern regarding the reset and wondered whether this would be a partial one or a complete one. He suggested that pressure be applied on government especially by the Warwickshire MPs to ensure a degree of fairness. In response Cabinet was informed that the LGA Finance and Resources Board is examining this issue. It was noted that overall under the new business rates system Warwickshire should be better off.

Resolved

That Cabinet:

- 1) approves the detailed revenue budget, capital programme and medium term savings plan for each of the authority's business units, as set out in Appendices A to P of the report; and
- 2) approves the adjustments to Business Unit budgets as a result of the realignment of budgets within and between Groups and the notification of additional resources since the budget was set on 6 February 2018, as outlined in Section 3 and Appendix Q of the report.

3. Community Infrastructure Levy - Implementation in Warwickshire

Councillor Izzi Seccombe summarised the published report noting that Warwick and Stratford on Avon District Councils have now introduced a Community Infrastructure Levy (CIL). Members were reminded that CIL will be applied to smaller developments. Major developments such as those proposed for Long Marston and Lighthorne Heath will attract Section 106 funding.

It was stated that it is important that members from all tiers of local government understand the criteria around CIL and how funds can be accessed and utilised. They must also work together but it should not be expected that the County Council will pick up all planning obligations. It was noted with concern that Warwick District Council has suggested that resources from CIL may not be sufficient to match requirements.

Members recognised that developers (operating to make a profit) will seek to minimise their contribution to CIL or S106 if they can. One way of achieving this is to focus on building very small developments. Councillor Richard Chattaway suggested that there is a case for the establishment of a CIL development body to manage the relationship between town and parish councils, district and borough councils, the County Council and developers. If the use of CIL is not managed carefully a large proportion of it could go to town and parish councils when it ought in some instances to be going to support larger projects eg schools.

Janet Neale (Infrastructure Delivery Manager) stated that it is the size and location of developments that determines who is involved in negotiations on S106 and CIL. Officers work with the health sector (CCGs), the Police and on public transport, libraries and rights of way.

Wherever possible WCC would now look to secure funding for Highways improvements under S278 agreements. In essence S106 contributions are a one-off amount for a project. If the project costs more the County Council has to make up the difference. S278 agreements cover the project thus placing the financial risk on the developer. Some developments attract a mix of S106 and S278 contributions.

From the County Council's perspective S106 is attractive as the Council has total control over it. CIL rests with the district and borough councils. The County Council can let the district and borough councils know what its priorities are but has no control.

Councillor Izzi Seccombe concluded by agreeing that the establishment of a reference group be considered to address all new consultations, how best to ensure that members understand CIL and to emphasise to town and parish councils that they will now to play a strategic as well as parochial role.

Resolved

That Cabinet:

- 1) notes the progress on the implementation of the Community Infrastructure Levy (CIL) across the District/Borough Councils in Warwickshire; and
- 2) agrees the principles, as outlined in Section 3 of the report, as the basis of the County Council's response to CIL and any discussions going forward.
- 3) agrees that consideration be given to the establishment of a reference group working with partners on CIL related issues.

4. Any Urgent Items

None

5. Reports Containing Confidential or Exempt Information

Resolved

That members of the public be excluded from the meeting for the items mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

EXEMPT ITEMS FOR DISCUSSION IN PRIVATE (PURPLE PAPERS)

6. Exempt Minutes of the Meeting of 15 February 2018

The exempt minutes from the 15 February 2018 meeting were agreed as an accurate record for signing by the Chair.

The meeting rose at 2.30pm.

.....
Chair

Cabinet

19 April 2018

Leamington Town Vision

Recommendation

That Cabinet endorses the Leamington Town Vision.

1.0 Background

- 1.1 The Leamington Town Vision (attached as an appendix) has been developed over the last 18 months between Warwick District Council (WDC), Leamington Town Council, Leamington Business Improvement District, Warwickshire Police, Royal Priors Shopping Centre, Regent Court pedestrianised shopping street, Royal Leamington Spa Chamber of Trade, Purple Monster, Wareing & Company, The University of Warwick, The Leamington Society and Warwickshire County Council.
- 1.2 Warwickshire County Council has been represented at the regular Leamington Town Forum partnership meetings and has provided detailed input into the Vision and provided officer support facilitating stakeholder workshops. Four stakeholder workshops were held between 2nd March -16th May 2017 and were used to engage a range of Leamington Spa stakeholders, key organisations and individuals who live, work, visit and invest in Leamington Spa, to seek contributions and help shape the Vision.
- 1.3 The Vision also underwent public consultation during September 2017, both online and in person at the pump room gardens. Notification of the public engagement was supported by an advertising and awareness campaign including an advertisement in the Leamington Courier and through social media via Twitter and Facebook, led by WDC. In addition an exhibition was held as part of the Leamington Food and Drink festival 9th & 10th September 2017 in the pump room gardens. Members of the public commented on a postcard style questionnaire, as well as speaking to volunteers; from this event 65 responses were obtained. The online survey and website was available for one month and 67 responses were received. Following the engagement and consultation amendments were made to the Vision.
- 1.4 Local Members have met and inputted to the Vision document during its preparation over the last 18 months.

2.0 Key Issues

- 2.1 The Vision is a strategic, partnership led document which can help to protect Leamington's key assets, ensuring future investment plays to the Town's strengths. The partnership approach ensured a broad spectrum of issues were considered, these issues are critical to the Vision and ensured the Vision meets the needs of the diverse population living and using the Town Centre.
- 2.2 The Vision has been summarised into 6 'Big Ideas', each of which has its own objectives and actions. The Vision includes key sites in Leamington Spa such as Covent Garden Car Park, Chandos Street Car Park, Town Hall and the Proposed Creative Quarter. ie Big idea A – A Thriving Town Centre includes Covent Garden Car Park which has recently received planning permission for a 620 space car park, office space and private housing, the development of which will run in parallel with the implementation of Vision.
- 2.3 An Equality Impact Assessment is being prepared by WCC.

3.0 Proposal

- 3.1 By endorsing the Vision the Council is acknowledging the work of the Leamington Town Forum partnership and confirming the Council's continued support of a vibrant, innovative and attractive Town Centre.

4.0 Next steps

- 4.1 Having helped produce the Vision, the Council will work with Partners to deliver the actions associated with its corporate work streams and priorities; taking a committed and proactive role, where resources allow and where activity dovetails with existing services eg cycle provision and supporting the 'Digital High Street', to name just two. In addition, the Council will support WDC with monitoring and if appropriate, review of the Vision.
- 4.2 The Council will commit to regularly monitor WCC specific actions and maintain member engagement as part of the process.
- 4.3 Warwick District Council submitted the Vision to the Executive on 7th March 2018. The recommendation that WDC Executive supports the "Vision & Strategy for Leamington Spa" and support officers to continue their work to deliver the actions within the Vision was agreed.

5.0 Conclusion

- 5.1 This document shows how WCC's activities complement the shared Vision for the town centre, highlighting the Council's support and continued commitment to Partners.

6.0 Financial Implications

- 6.1 Short term there are no financial implications as the Vision contains existing work streams. Resources will be examined to consider how ongoing work complements the actions.
- 6.2 Medium term and longer term there could be financial implications and where these arise they will be the subject of consideration within the capital programme and or separate reports to Cabinet.
- 6.3 The County Council will continue to work with Warwick District Council and partners to maximise external funding opportunities which could help to deliver actions within the Vision.

Background papers

None

	Name	Contact Information
Report Author	Aaron Corsi	aaroncorsi@warwickshire.gov.uk Tel: 01926 412963
Head of Service	Mark Ryder	markryder@warwickshire.gov.uk Tel: 01926 412811
Joint Managing Director	Monica Fogarty	monicafogarty@warwickshire.gov.uk Tel: 01926 412514
Portfolio Holder	Cllr Izzi Seccombe	isobelseccombe@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Members:

Leamington Milverton – Bill Gifford
Leamington North – Sarah Boad
Leamington Clarendon – Nicola Davies
Leamington Willes – Matt Western
Leamington Brunswick – Jonathan Chilvers

Other members:

Councillors Peter Butlin, Sarah Boad, Izzi Seccombe, Parminder Singh Birdi, Heather Timms and Maggie O'Rourke

Cabinet: 19th April 2018

Appendix

Please note that a published version of this document is in preparation and will be available.

A Vision for Leamington town centre Leamington Town Centre Forum December 2017

Contents page

	Page
Introduction	xxx
Who is the Leamington Town Centre Forum?	xxx
Where is Leamington town centre?	xxx
How we developed a Vision & Strategy for Leamington town centre	xxx
What you said	xxx
Our vision for Leamington town centre	xxx
The Big Ideas:-	xxx
• A thriving town centre	xxx
• A connected town centre	xxx
• Places to meet in our town centre	xxx
• Revealing Leamington's waterways	xxx
• A hub for creativity	xxx
• Enhancing Old Town	xxx
What happens next?	xxx

Welcome to Royal Leamington Spa

Introduction

The Leamington Town Centre Forum has been set up by a number of local organisations to help develop a vision and strategy for Leamington town centre.

Together we have been considering the opportunities and challenges facing Leamington town centre. What do we love about our town centre? What are the key things that make it successful, and how can we best support these? In what ways may our town centre not be working as well as it may, and how can we address these?

In this document we set out our vision for Leamington town centre and a number of key things we would like to see happen in the town centre. Finally, we set out how we would like to see this work taken forward and an action plan for how this may be done.

Who is the Leamington Town Centre Forum?

The Leamington Town Centre Forum brings together a number of key organisations who are active in the management of Leamington town centre or in delivering services within it. It also includes representatives of the business community, local residents and the University of Warwick (including the Students Union). The members of the Leamington Town Centre Forum are:-

- BID Leamington
 - Leamington Society
 - Purple Monster
 - Royal Leamington Spa Chamber of Trade
 - Royal Leamington Spa Town Council
 - Royal Priors & Regent Court
 - University of Warwick
 - University of Warwick Students Union
 - Wareing & Company
 - Warwick District Council
 - Warwickshire County Council
 - Warwickshire Police
-

Where is Leamington town centre?

In creating a Vision & Strategy for Leamington town centre, the Forum did not wish to be prescriptive about the boundaries of Leamington town centre. There was, however, general agreement that the town centre covers broadly the area on this plan; From Christchurch Gardens in the north to the canal in the south, and from Adelaide Road and the Bowling Greens in the west to Willes Road and the Jephson Gardens in the east. It does not mean that our vision, big ideas or detailed actions are restricted to within this area.

How we developed a Vision & Strategy for Leamington town centre

The Town Centre Forum was created at the suggestion of Warwick District Council to explore whether local organisations with a key role in managing or delivering services within the town centre, as well as key representatives of the business community and University of Warwick, could develop a shared vision and strategy for Leamington town centre.

The Forum first met in the summer of 2016 and then several times over the following months to put together a draft vision and a strategy for the town centre. In our discussions, a number of key priority themes emerged, and we have gathered these together as the “big ideas” that you can see in this document.

We felt that it was important to test these ideas with a wider audience. We did this first through a series of stakeholder workshops in the early part of 2017 to which key organisations and individuals who live, work, visit and invest in Leamington town centre were invited. We then reviewed the comments made at these workshops before preparing a draft vision & strategy which we were ready to put before the public.

We consulted with local people in the autumn of 2017 including at a public exhibition which we ran during the Leamington Food & Drink Festival in early September. We also created a website (www.leamingtonvision.co.uk) and invited comments to be made online.

This final document is the culmination of this work.

What you said

This is a small selection of the wide range of comments made during the public engagement exercise that we undertook in the autumn of 2017.

“Please protect the integrity of our beautiful town.”

“The canals seem a lost opportunity and could be a vital asset for Old Town.”

“Old Town needs upgrading to encourage people to visit it.”

“Important to have connections that cater for cyclists, disabled people and those that don’t drive.”

“It's a great place to live.”

“The bit beside the train station feels like a ghetto.”

“Keep it indie and not like all the other town centres.”

“Pedestrianise the Parade.”

“Pedestrianisation should be resisted.”

“Encourage visitors into the Centre – make walkways clearer from the train station.”

“It’s important that Leamington is a safe place to live for everyone.”

“Too many coffee shops.”

“Parking charges put off many people from working and shopping in the town.”

“Tour of Britain – excellent.”

Our vision for Leamington town centre

Royal Leamington Spa is a diverse and vibrant town, popular with visitors and residents alike. It has a distinctive and unique character and appeal which stems in large part from its history of innovation and creativity flowing back to the 1780’s when the village of Leamington Priors began to build bath houses around its recently discovered saline springs. Today the town still taps a rich seam of creativity and innovation with specialisms in engineering, creative and digital industries and the arts.

Nowhere is this character seen more clearly than in its beautiful historic town centre.

Our vision is to build a welcoming town centre; that celebrates its entrepreneurial past, embraces its cultural and creative present and looks forward to innovative future developments. A town centre where visitors and residents alike are offered a rich experience, whether working, shopping, eating and drinking or enjoying the town’s cultural and social activities.

To do this, we will need to:-

1. **Protect and make best use of the town centres key assets;** its high quality built environment and range of historic buildings, its waterways including its riverside setting and canal, its award winning parks and gardens, its good and diverse range of shops, its excellent range of cafes and restaurants and its cultural and leisure offer.
2. **Ensure that new investment recognises these assets and “plays to the town centres strengths”.** Investment should be focussed on improving that experience, encouraging people to dwell longer in the town centre and offering them a range of activities while they do so. We must protect and enhance our existing shops and ensure that any new shops complement those already in the town.
3. **Meet the needs of the diverse population living in and using our town centre.** This includes those who live and work in the town centre, the local community of Warwick District, business and leisure visitors and, of increasing importance, students.
4. **Address any issues that are critical to delivering this vision.** This includes:-
 - Ensuring that people can get into, and around the town centre.
 - Identifying and planning for developments that are key to underpinning our vision
 - Addressing areas of weakness where the town centre is not working as it should.
 - Supporting our evening and night-time economy.
 - Ensuring that the town centre remains a safe place to live and visit at all times.
 - Promoting our town centre and providing information to visitors

- Flexibility, to reflect our fast changing world.

Key within (4) above is addressing areas of weakness where the town centre is not working as it should. In particular these are as follows:-

- Those areas on the edge of the main shopping area struggling to find an identity and role.**
There are higher vacancy rates and a greater turnover of businesses in certain areas including the northern and southern ends of the Parade and the western end of Regent Street. Could more be done to support landlords and tenants in this area?
- Securing a future for Old Town.** The area south of the river has always been part of our town centre, albeit one with a distinctive character. There are areas within Old Town that are run down and would benefit from regeneration, particularly along the canal and around the railway station. Are there development and other opportunities that should be promoted here?
- Maintaining and improving access and movement into and through the town centre.** There is pressure from competing land uses for space, and a need to make sure that we maintain and improve access into and around the town centre. Particular issues include ensuring that car parking levels are adequate and properly managed, promoting walking and cycling, and resolving areas where there is a particular conflict between different modes of transport.
- Space for public events.** Although the Pump Rooms Gardens provides a space for some large public events there is no other public “square” or other space for large or small events, including opportunities for informal activities such as street theatre.
- Digital connectivity.** As part of any wider theme of “access” the issue of broadband and guaranteeing high quality digital connectivity throughout the town centre is important. The town centre has varied accessibility to high quality broadband connections and would benefit from more integrated and better digital connectivity for different user groups.

The “Big Ideas”

Title	A) A thriving town centre
	<p>Success is critical to an economically viable town centre. Leamington Spa is open to investment and our aspiration is to create an iconic town centre which is adaptable to 21st century change. Now, more than ever, we need a flexible approach to how we manage the evolution of our town centre. We will sponsor and support quality investments that ensure Leamington remains a destination of choice for residents and visitors alike. By carefully evolving the mix of retail, residential and working spaces, alongside food, drink, night-time and leisure activities; we will maintain a modern forward-looking Leamington that also values and protects its rich Regency Heritage.</p> <p>Furthermore, we must recognise that this growth this will not happen everywhere and as some areas become more intensively used, others will become less so. Whilst we need to protect our town centre, we need to be able to assess and respond to new</p>

	opportunities as they come forward. We need a flexible approach to how we manage change in the town centre.
Objective	To develop and maintain a town centre that anyone working, living or visiting Leamington can enjoy; encouraging quality investments which look to the future and reflect our historical spa town heritage.
Actions	<ol style="list-style-type: none"> 1. CREATE and PROMOTE suitable ideas and opportunities for new shops, cafes, restaurants and leisure uses and to improve our public spaces. 2. IDENTIFY and SUPPORT investment which delivers appropriate and sustainable development sites within the town centre. 3. ACTIVELY SEEK OUT opportunities to capitalise on the town’s heritage as a Spa. 4. DELIVER high quality developments on specifically identified sites: <ul style="list-style-type: none"> • Covent Garden Car Parks site – currently proposed by Warwick District Council for mixed office, residential and car parking use • Chandos Street Car Park site – prime location and opportunity for retail/office/residential/car parking • Town Hall – new uses for this building will be required after it is vacated by the District Council • Creative Quarter - Changing uses of key buildings or development of opportunity sites identified within the Creative Quarter masterplan (see E below) 5. EXPLORE opportunities to improve digital connectivity within the town centre including the potential for adopting a “Smart Cities” approach (where the traditional networks and services are made more efficient with the use of digital and telecommunication technologies for the benefit of residents and businesses). 6. ENSURE that we have planning policies to:- <ul style="list-style-type: none"> • Support the continued mix of key town centre uses (shops, cafes and restaurants, offices, leisure uses, etc) whilst also being sufficiently flexible to respond to changing needs. • allow us to respond positively to those peripheral areas of the town centre, making it easier to attract investment. 7. ENSURE that our town centre is welcoming to visitors, that our facilities are well managed and that our services and events are promoted and coordinated. 8. SUPPORT and MANAGE the needs of the growing student population.

Title	B) A connected town centre
	<p>The town centre is relatively compact and potentially easily walkable, however Leamington’s history and development has created some challenges if we wish to create a truly accessible and well-connected town centre.</p> <ul style="list-style-type: none"> • The River Leam makes it harder to integrate the northern and southern parts of the town centre. More needs to be done to enhance existing river crossings and explore where new ones could be provided. • Areas such as the railway station are not well connected to the rest of the town centre. • More needs to be done to enable people to find their way around the town by car, on foot and by bicycle. <p>For those arriving by car, we need to make sure that there is enough parking in accessible locations and available at a reasonable cost to users. We must also ensure that the needs of car users are balanced with others (pedestrians, cyclists and those</p>

	<p>who use public transport) and that these needs are taken into account. Ultimately, it is important that car parking works for everyone who lives and works in the town centre, as well as for visitors.</p> <p>Leamington has excellent rail connections to Birmingham and London, and benefits from its railway station being a “hub” station along this route with frequent services. It is important that the station continues to be able to perform this role to support all those who live and work in the town, as well as visitors.</p>
Objective	To ensure that the town centre is both accessible and navigable for everyone, and to ensure that the needs of pedestrians, cyclists, those using public transport and car users are met.
Actions	<ol style="list-style-type: none"> 1. CREATE a strong attractive pedestrian and cycle corridor between key locations, including between the station and the rest of the town centre, and between the north and south parts of the town centre crossing the river. 2. IMPROVE pedestrian and cycle signage and way-marking throughout the town centre. 3. INCREASE provision of secure cycle storage within the town centre to promote increased cycle usage. 4. IMPROVE linkages between the Pump Room Gardens and Spencer Yard including, potentially, through provision of a new footbridge over the river. 5. IMPROVE connectivity and permeability when new development proposals come forward. 6. INVEST in town centre car parking including replacing the Covent Garden car park with one fit for future use. 7. ENSURE that on-street parking management is fair and works for the wider benefit of the town centre including the needs of visitors, businesses and residents. 8. IMPROVE signage to and from car parks including VMS (Variable Message Signage). 9. ENSURE that the operational needs of the station are met, including for car parking. 10. MANAGE the road network to control traffic speeds, reduce congestion and improve safe pedestrian crossings. 11. ENCOURAGE modal shift to sustainable/public transport to reduce congestion, improve air quality and encourage active travel

Title	C) Places to meet in our town centre
	<p>Leamington’s parks, and in particular the Pump Room Gardens, provide a focus for large scale events such as the Food Festival, Peace Festival and carnival. Apart from these areas, Leamington lacks any public spaces for large events, except when the Parade is closed for specific events. There may be a case to consider whether further public spaces are created to provide a focus for (maybe smaller scale) public and community events.</p>
Objective	To create new, and enhance existing, places to meet across the town centre in a range of sizes.
Actions	<ol style="list-style-type: none"> 1. PROTECT and ENHANCE existing public open spaces. 2. IDENTIFY new opportunities to provide new public spaces particularly where new development opportunities are created.

	<ol style="list-style-type: none"> 3. IDENTIFY opportunities for smaller informal public spaces and pocket parks. 4. EXPLORE opportunities to close sections of the Parade to allow more events to take place here.
--	---

Title	D) Revealing Leamington's waterways
	The River Leam and the Grand Union Canal both run through the heart of the town and provide opportunities for public access, recreation and in some cases development. More needs to be done to make use of these important, and sometimes hidden and underutilised assets.
Objective	To ensure that Leamington's waterways can play a full role within the town centre through enhancement, improved public access and, where appropriate, new development and regeneration.
Actions	<ol style="list-style-type: none"> 1. SUPPORT development/enhancement opportunities where these can improve the setting of the river and people's ability to view it 2. ENSURE that the river banks are well maintained. 3. SUPPORT regeneration along the canal corridor.. 4. IMPROVE safe and attractive public access along both the river and canal including considering feasibility of providing a new pedestrian footbridge across the river.

Title	E) A hub for creativity
	Leamington Spa has a rich legacy of creative individuals and companies. A recent report has identified that today the town is one of 47 "creative clusters" in the UK, and the only one in the West Midlands. There are over 1,500 creative businesses in Leamington and many of these are within Leamington town centre. Software and digital companies account for half of this. How can we best support and foster this important part of our local economy?
Objective	To create an environment and opportunities to allow our burgeoning creative and digital industries to flourish.
Actions	<ol style="list-style-type: none"> 1. DEVELOP plans for a "Creative Quarter" in Old Town as a vibrant area with a range of new uses to include new space for digital and creative industries to grow and to consider opportunities for establishing initiatives such as a digital hub and a "makerspace" within this. 2. IDENTIFY and BRING FORWARD specific proposals for the area around Spencer Yard and beyond 3. PROMOTE the town's place as a "creative cluster" and as a centre for creative industries within the West Midlands and beyond.

Title	F) Enhancing Old Town
	The Old Town area has a distinctive character however has not always benefitted from the investment and prosperity seen in the area to the north of the river. The area has benefitted from regeneration in the past however more is needed to help secure Old Town's future and strengthen its role and identity in the town centre.

Objective	To support regeneration and enhancement opportunities which help to revitalise Old Town and secure its future.
Actions	<ol style="list-style-type: none"> 1. DEVELOP new employment opportunities to support creative and digital industries; a “Creative Quarter” in Old Town (see E above). 2. REGENERATE key areas within Old Town –e.g. Court Street area/Althorpe Street, Wise Street area 3. IDENTIFY and prioritise regeneration opportunities along the canal corridor for employment, housing, tourism and cultural uses, through the preparation of a plan to identify areas to be protected and to be regenerated along the canal corridor. 4. REGENERATE and ENHANCE the area around the railway station through new development and environmental enhancements in and around the station (including that currently underway at Station Approach). 5. INVESTIGATE opportunities for environmental improvements, including through the use of public art, particularly in the Bath Street, Clemens Street and High Street areas through the wider Creative Quarter masterplan.

What happens next?

Now that this Vision & Strategy has been completed, it is being presented back to all the organisations that are represented on the Forum. They will be asked, where appropriate, to formally support it. This is particularly the case in respect of the three councils; Warwickshire County Council, Warwick District Council and Leamington Town Council.

The challenge moving forward will be to make this document real; to deliver the actions identified in the Action Plan contained in the appendix. To make this happen:-

- All the organisations with responsibility for delivering the Action Plan will consider how they can work together to better deliver the actions, including by working in different ways and in partnership together.
- A group from the Leamington Town Centre Forum will continue to monitor the Vision & Strategy document and to hold organisations to account for the actions in it. The Forum may also consider, in the future, whether it needs to review and “refresh” the Vision & Strategy.

Cabinet

19 April 2018

A46 Stoneleigh Junction Improvements

Recommendations

That Cabinet recommends that Council:

1. Support the use of a maximum of £10.000m of the Capital Investment Fund to deliver improvements to the A46 Stoneleigh Junction, as part of an overall scheme costing £33.100m.
2. Agree that any future funding needed above this level is found from within the existing resources of the Transport and Economy Business Unit.
3. Agree to the funding allocated from the Capital Investment Fund being reduced on a £ for £ basis if alternative sources of funding become available.
4. Agree that, should the full funding package not be approved by the Department for Transport and the West Midlands Combined Authority and a decision made to abandon the scheme, the revenue impacts of costs incurred to that point should fall upon the existing resources of the Transport and Economy Business Unit.
5. Approve the addition of the A46 Stoneleigh Junction Improvements scheme to the capital programme at an estimated cost of £10m, funded from the Capital Investment Fund.

Subject to Council agreeing with recommendations 1 to 4 above that Cabinet:

6. Authorise the Joint Managing Director (Communities) to invite tenders and, subject to approval of funding from the external funding bodies, planning approval and completion of land acquisition, enter into the appropriate contracts on terms and conditions acceptable to the Joint Managing Director (Resources).
7. Authorise the Head of Property to acquire the land required for the Scheme on terms acceptable to the Joint Managing Director of Resources. The Director being satisfied that the Scheme is fully funded.

1.0 Purpose of this report and context

- 1.1. As part of the 2018/19 budget, Council approved the roll forward of the unspent budget for the Capital Investment Fund (CIF) as well as a further allocation of £23.000m. The Fund therefore currently has £69.035m to be allocated over the next two years. Of this, £37.350m is notionally allocated to eight priority schemes, whose full allocations may be confirmed by Members following submission of successful business cases to the CIF Panel. One of those priority schemes is the A46 Stoneleigh Junction Improvements, and this report makes recommendations to support the usage of £10.000m of this total on this scheme.
- 1.2. Following an evaluation against the criteria for the Fund agreed by Elected Members, Corporate Board support bringing the proposals forward for approval. The evaluation panel's findings are described in section 4.

2.0 Description of the Scheme

- 2.1 The A46 Stoneleigh Junction Improvement Scheme, also known as Phase 1 of the A46 Link Road Programme, will see a major improvement implemented at the Stoneleigh junction on the A46 between Coventry and Kenilworth to form a gyratory layout with a two bridge roundabout. This will involve installing a new bridge to the east of the existing junction and realigning Stoneleigh Road and Dalehouse Lane to the west of the junction. These revised arrangements will help address existing congestion and safety issues at the junction whilst also improving access to the University of Warwick and Stoneleigh Park. The scheme should also bring benefits to local communities during the construction of High Speed 2 (HS2).
- 2.2 The scheme layout is attached as Appendix A, the scheme development responding to technical and operational requirements, and also to the results of the public engagement exercise, now includes pedestrian and cycle facilities on both sides of the junction with controlled crossings at the slip roads.
- 2.3 The proposed improvements to the A46 Stoneleigh Junction form part of a number of construction works to take place in the area, namely changes to Stoneleigh Park, HS2 early works and HS2 main works. As part of the interface programming with these works, and in order to support the minimisation of the impact of HS2 construction traffic on the local road network, a key aim of the project is to complete works to tie in with the reported peak in HS2 construction traffic in spring 2020.

2.4 The funding package for the scheme is as follows:

Funding Source	Amount
DfT Growth Deal 1 (committed)	£1.542m
DfT Growth Deal 1 (to be secured)	£18.058m
WMCA Devolution Deal (to be secured)	£3.500m
WCC CIF (to be secured)	£10.000m
TOTAL	£33.100m

- 2.5 As part of the first Growth Deal agreed between Government and the Coventry and Warwickshire LEP, £19.600m was secured by Coventry City Council (CCC) towards the A46 Stoneleigh Junction Improvements. One of the principal drivers for this investment was to improve access to the University of Warwick and south west Coventry more generally.
- 2.6 Of the £19.600m, £1.542m has been allocated by the Department for Transport (DfT) to CCC for scheme development. This work has included the development of an outline feasibility design, completion of environmental, ecological and archaeological surveys and investigations, preparation of the required land assembly, preparation of the planning application documentation, and preparation of the formal applications for release of funding. Release of the remaining monies from the DfT is subject to a Full Business Case application, and this application can only be made following the planning approval, confirmation of land assembly and confirmed tender prices.
- 2.7 As part of the Devolution Deal agreed between the West Midlands Combined Authority (WMCA) and CCC for improvement works in the South Coventry Package, £3.500m was also earmarked towards the A46 Stoneleigh Junction. Release of these monies is subject to a Full Business Case application to the WMCA.
- 2.8 Following scheme development, a revised scheme estimate, assured by an external independent consultant, sets the anticipated cost of the overall scheme at £33.100m.
- 2.9 The bid to the CIF is for the remaining £10.000m to fund the scheme. The DfT will not approve their full funding until they have confirmation that the remainder of the funding package – from WCC and WMCA – is approved.
- 2.10 To progress the scheme to meet HS2 timescales, it is necessary for further spending, currently estimated at £2.000m of the £10.000m being requested in this report, to be incurred before DfT are able to confirm the full funding package.

Should DfT decide not to provide the full funding, the Council would be left with the choice to either provide the remainder of the funding itself, seek alternative funding or to abort the scheme. In the latter situation, the costs incurred to date would need to revert to revenue budgets in the year of the decision. The Council is therefore carrying this risk by agreeing to fund works ahead of DfT decision, and Cabinet are asked to recommend that such impacts would fall upon the existing revenue resources of the Transport and Economy Business Unit.

3.0 Key Issues

3.1 At its meeting on 8 December 2016, Cabinet resolved:

To approve the development of the A46 Link Road scheme, working in partnership with Warwick District Council and Coventry City Council, and authorise the Strategic Directors for Communities and Resources to take all necessary steps to prepare the scheme for implementation including:

- (i) Finalising designs and determining land requirements;
- (ii) Negotiating terms for any necessary land acquisitions and alterations to private accesses;
- (iii) Agreeing and implementing a communications strategy;
- (iv) Submitting applications for planning permission and any other requisite consents;
- (v) Making any necessary side roads orders under sections 14 and 125 of the Highways Act 1980;
- (vi) Agreeing arrangements with Highways England for developing the proposed scheme and negotiating the statutory agreements for the execution of the scheme on its behalf.

3.2 At its meeting on 21 March 2017, Cabinet resolved (amongst other things) to authorise the making of a Compulsory Purchase Order (CPO) for the acquisition of the land to enable the junction construction (to run alongside negotiations to secure voluntary acquisition).

3.3 At the time it was envisaged that a further report would be brought to Cabinet for the inclusion of the A46 Link Road – Stoneleigh project into the Capital Programme, to invite tenders, to award a contract and to complete the required land acquisition.

3.4 The planning for the A46 Link Road – Stoneleigh is now being progressed towards delivery with an expected completion date in 2020, with the aim of delivery in advance of the anticipated peak of proposed construction works by

HS2 Ltd in the area.

- 3.5 The current active work streams are:
- (i) Negotiating terms for the required land acquisitions,
 - (ii) Development of the detailed design, shown in general arrangement on plan 9.2.A46-83/014Rev D within Appendix A
 - (iii) Submission of the planning application;
 - (iv) Development of agreements with Highways England for the scheme development (to permit the County Council to carry out work on the A46, a trunk road);
 - (v) Preparation of the CPO and Side Roads Orders;
 - (vi) Development of the Business Case for issue by CCC to the Department for Transport (DfT) in support of the funding application, the principle of which has already been agreed with them.
 - (vii) Development of the Business Case for issue by CCC to the West Midlands Combined Authority (WMCA) in support of the funding application, the principle of which has already been agreed with them.
 - (viii) Engagement with the Scape Civil Engineering and Infrastructure Framework contractor, Balfour Beatty for early contractor involvement to develop the construction programme, detailed risk register and tender price.
- 3.6 A planning application was submitted to Warwickshire County Council as Local Planning Authority in December 2018, and will be considered by Regulatory Committee in due course subject to the resolution of issues raised through technical approval.

4.0 Evaluation by the Capital Investment Fund Panel

- 4.1 The Panel has considered the bid and scored the scheme at 62.3/100 and therefore recommend that Cabinet support the allocation of the requested funding. The scores awarded in each section were:

Alignment with the organisation's strategic objectives (15% weighting): 4.3/5;

Financial viability (30% weighting): 3.3/5;

Strategic investment/Economic growth (as a scheme planned to deliver these specific objectives, 45% weighting): 2.4/5;

Political social and environmental impact (10% weighting): 4/5.

- 4.2 The Panel's evaluation report is attached in Appendix B.

5.0 Timescales associated with the decision and next steps

5.1 Subject to the recommendation being agreed it is the following key milestones are programmed:

Key Date	Activity
May/ June 2018	Completion of detailed design Planning Application heard at WCC Regulatory Committee
June 2018	Submission of WMCA Application
August 2018	Receipt of Tender price
August/Sept 2018	Submission of DfT Application
Autumn 18/19	Receipt of funding approvals from external bodies
Autumn 18/19	Completion of Land Acquisitions
Autumn 18/19	Completion of Agreements with Highways England and Statutory Orders
Autumn/Winter 18/19	Start of main construction works
Mid 2020	Scheme open to traffic

Background papers

None

Appendices

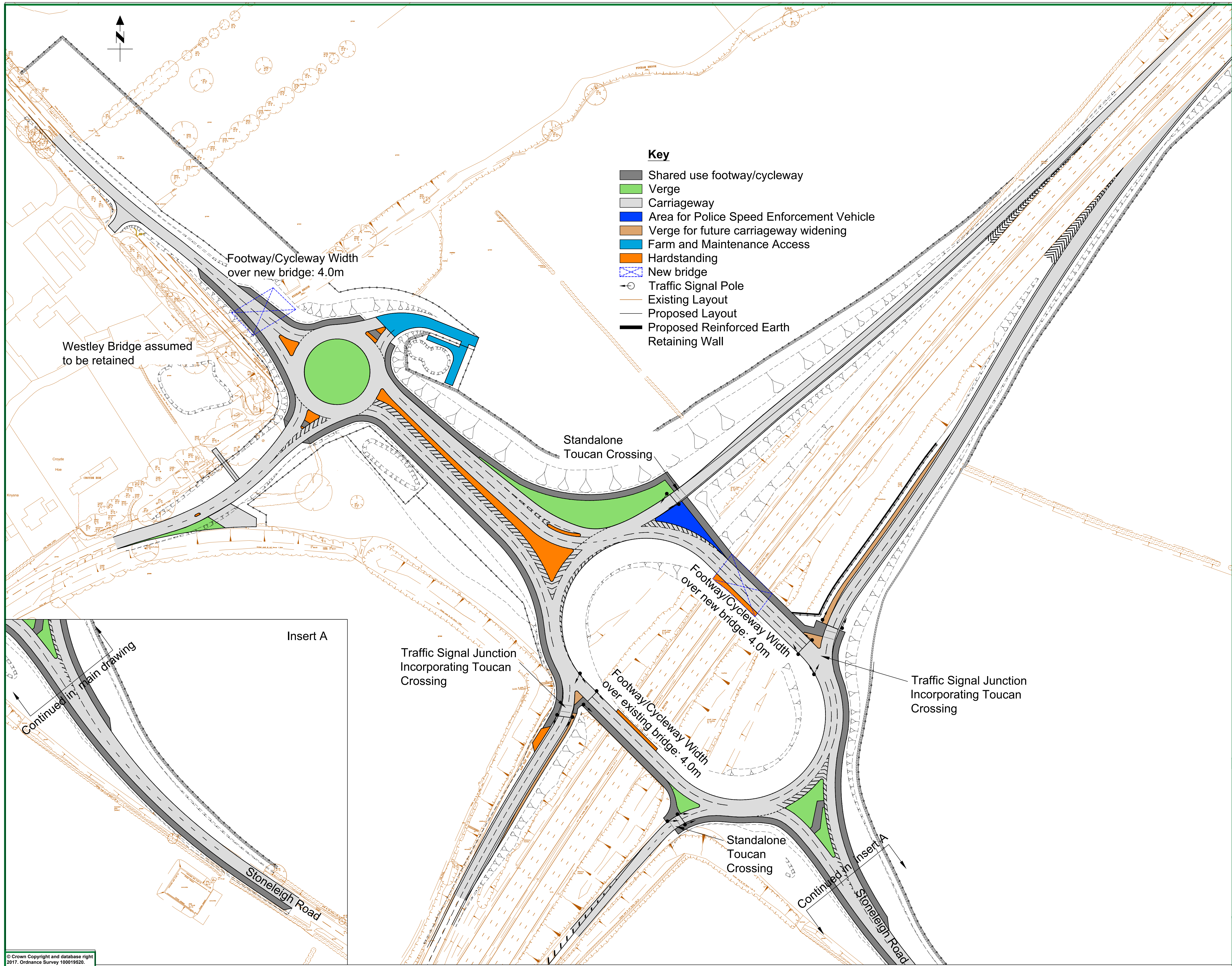
- A. Scheme plan
- B. CIF Panel Evaluation Report

	Name	Contact Information
Report Author	Nicola van der Hoven	nicolavanderhoven@warwickshire.gov.uk Tel: 01926 412777
Head of Service	Mark Ryder	01926 412046
Strategic Director	Monica Fogarty	01926 412514
Portfolio Holder	Cllr Jeff Clarke Cllr Peter Butlin	cllrclarke@warwickshire.gov.uk cllrbutlin@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Members: Councillor Redford, Cockburn, Shilton, Cooke

Other members: Councillor Chattaway, Clarke, Fradgley, Horner and Butlin



- Key**
- Shared use footway/cycleway
 - Verge
 - Carriageway
 - Area for Police Speed Enforcement Vehicle
 - Verge for future carriageway widening
 - Farm and Maintenance Access
 - Hardstanding
 - New bridge
 - Traffic Signal Pole
 - Existing Layout
 - Proposed Layout
 - Proposed Reinforced Earth Retaining Wall

Footway/Cycleway Width over new bridge: 4.0m

Westley Bridge assumed to be retained

Standalone Toucan Crossing

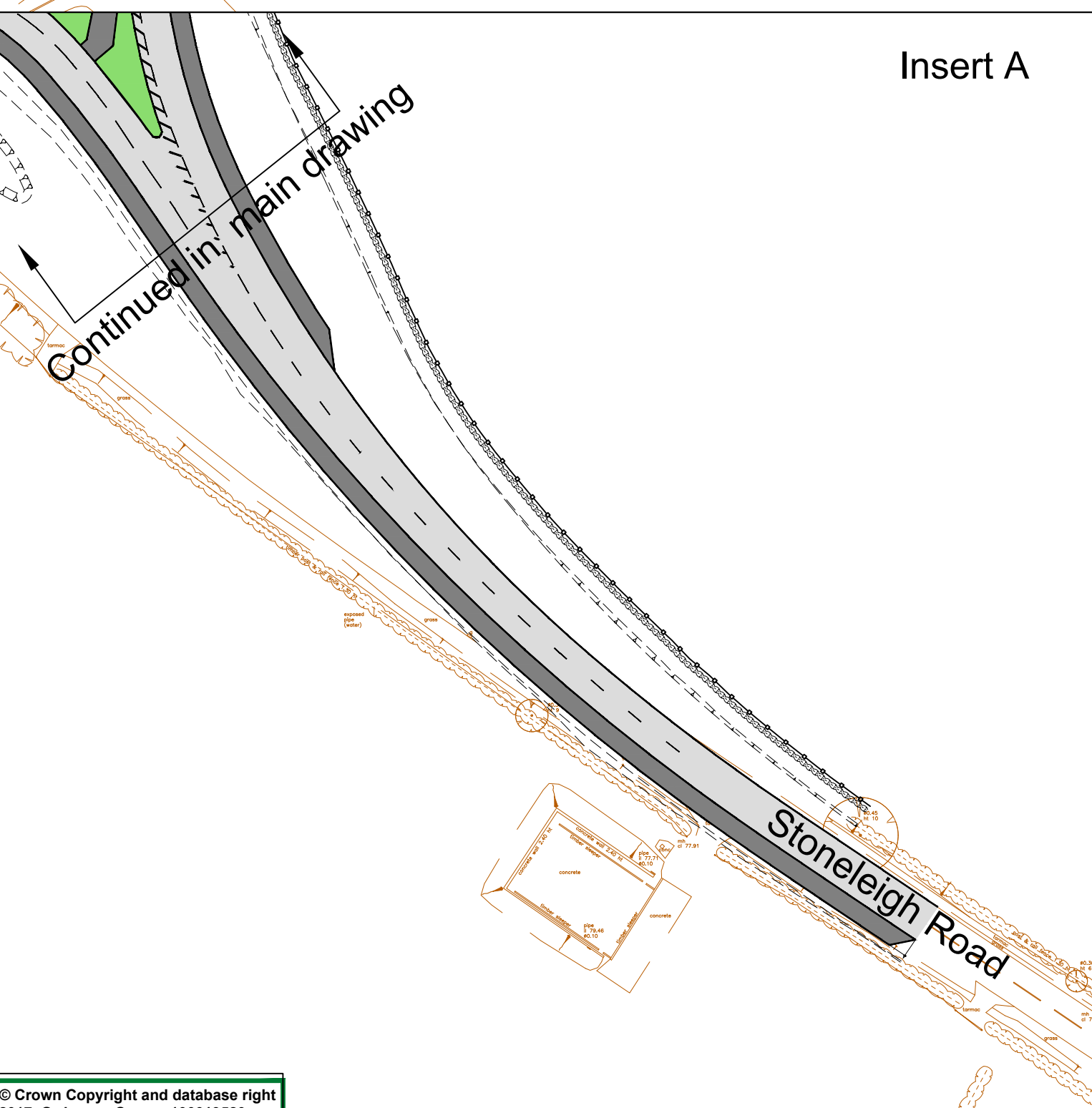
Footway/Cycleway Width over new bridge: 4.0m

Footway/Cycleway Width over existing bridge: 4.0m

Traffic Signal Junction Incorporating Toucan Crossing

Traffic Signal Junction Incorporating Toucan Crossing

Standalone Toucan Crossing



Insert A

Continued in main drawing

Continued in Insert A

Stoneleigh Road

Stoneleigh Road

D	CDT	REPLACED DEDICATED LEFT TURN LANE WITH 3 LANE APPROACH	FEB. 18
C	CDT	HARDSTANDING AREAS ADDED	NOV. 17
B	ADE	WET WOODLAND AREA HIGHLIGHTED.	OCT. 17
A	ADE	REALIGNMENT OF DALEHOUSE LANE	OCT. 17
REV	DRN	AMENDMENT	DATE



Design Services
 Communities
 Shire Hall Post Room
 Warwick
 CV34 4SP
 Tel : 01926 410410
 Web : www.warwickshire.gov.uk



PROJECT
 A46 Link Road
 Phase 1 (Stoneleigh)

TITLE
 General Arrangement
 Preliminary Layout
 Purpose of Drawing: Consultation

Dm	CDT	Ch'd	NS	App'd	NS
Date	05-09-17	Date	01-02-18	Date	01-02-18

Status
 Approved (Level 2)

Scale
 1:1000

Sheet size
 A1

DRG. NO.
 9.2-A46-083-014

Rev.
 D

Evaluation by the Capital Investment Fund Panel

In reaching its conclusions, the Panel made the following points:

1. The scheme's timescales reflect the ambition to complete the scheme before the anticipated peak in construction traffic caused by HS2 in Spring 2020. This means that workstreams to complete the detailed design, planning application, procurement and funding are being developed in parallel. This has resulted in this bid coming forward to CIF ahead of the related bids to DfT and WMCA, whose business cases are still being completed.
2. The current Benefit to Cost ratio (BCR) calculated by the external consultant is 11.12, an extremely high value. However, the consultant's report itself identifies some moderately concerning problems with the analysis, such as the use of slightly outdated inflation indices, the absence of revenue maintenance costs and the presumption that benefits predicted for the timeframe of 2029-2034 will to be felt at the same level through to 2058.
3. Furthermore, the bid quotes positive outcomes of a separate model estimating the scheme's impact on future travel times and speed, but there appears to have been no connection made between the two models to test consistency of data, assumptions, modelling or outcomes. The bid also notes that the baseline data and assumptions used to determine the scheme's benefits are currently being refined for the DfT and WMCA business cases.
4. The Panel also recognises that BCR estimates for road schemes are inherently challenging as they are typically founded on predictions of a wide range of future choices to be made by individuals, communities, organisations and businesses that the Council can have little direct influence over, and which may combine to create completely unforeseen responses.
5. The Panel therefore considers that the work done to estimate the BCR is not fully adequate at this point and that there is a real risk that the BCR in the bid is overstated. However, the Panel also accepts that the high current value provides a significant 'buffer' against which even relatively large adjustments might be made without affecting the overall positive status of the project.
6. Ideally the Panel would ask that the bid to WCC for funding be delayed until a better evidenced and tested estimate of the BCR was available, but the pressing nature of the necessary timescale makes this unworkable. In particular the bid makes clear the need to incur some capital expenditure in 2018/19 (estimated at £2.000m) before the DfT and WMCA funding can be

confirmed in autumn 2018. Should Members decide therefore to allocate funding at this point in time, they should recognise that the Council would be carrying the risk that the full funding package is not approved. In that circumstance, the Council could either choose to make up the missing funding itself to allow the scheme to continue, which would have a significant impact on the Council's other spending ambitions, seek alternative funding or abort the scheme. In the latter case, it is likely that the majority of costs incurred to date would have to be reclassified to revenue in the year that the scheme was cancelled. Members are therefore asked to agree that this revenue budget risk be carried by the Transport and Highways Business Unit.

7. In connection to the funding package, the Panel noted that there was no discussion of possible contributions from other local organisations that would benefit from the scheme, such as Coventry City Council or Warwick University. It is assumed that these routes have been explored; Members may need to consider whether the balance in the proposed cost falling entirely upon WCC, DfT and WMCA feels reasonable.
8. Another area of concern relates to the remaining uncertainties in the cost envelope, particularly in relation to land purchases which may need to adopt CPO routes. The bid mentions an inclusion of 10 – 15% contingency in the budget, although only 5% is clearly visible in the detailed budget breakdown. The Panel had concerns that in either case this may not be an adequate provision, though it also acknowledges that the scheme has already benefited from a relatively high degree of cost scrutiny which should have mitigated this risk to some degree.
9. To counterbalance this, the Panel felt that the project had the support of strong governance mechanisms. It felt that the risk register supplied in the bid papers was robust and complete and appeared to be an active document. The bid sits clearly within both Warwickshire's and other local, regional and national road strategies and as such represents a high priority scheme to many parties.
10. The Panel also appreciated the degree of public engagement and consultation already completed, and the ongoing plans for this as the scheme progresses. The bid recognises that the works will have serious temporary impact on traffic flow through the junction and nearby roads. The bid is supported by a number of letters from relevant parties, and the scheme has already been redesigned to reflect the major concern raised by public consultation in relation to cycling and pedestrian provision.

Cabinet

19 April 2018

Collaborative working between Warwickshire Fire & Rescue and West Midlands Fire Services

Recommendation

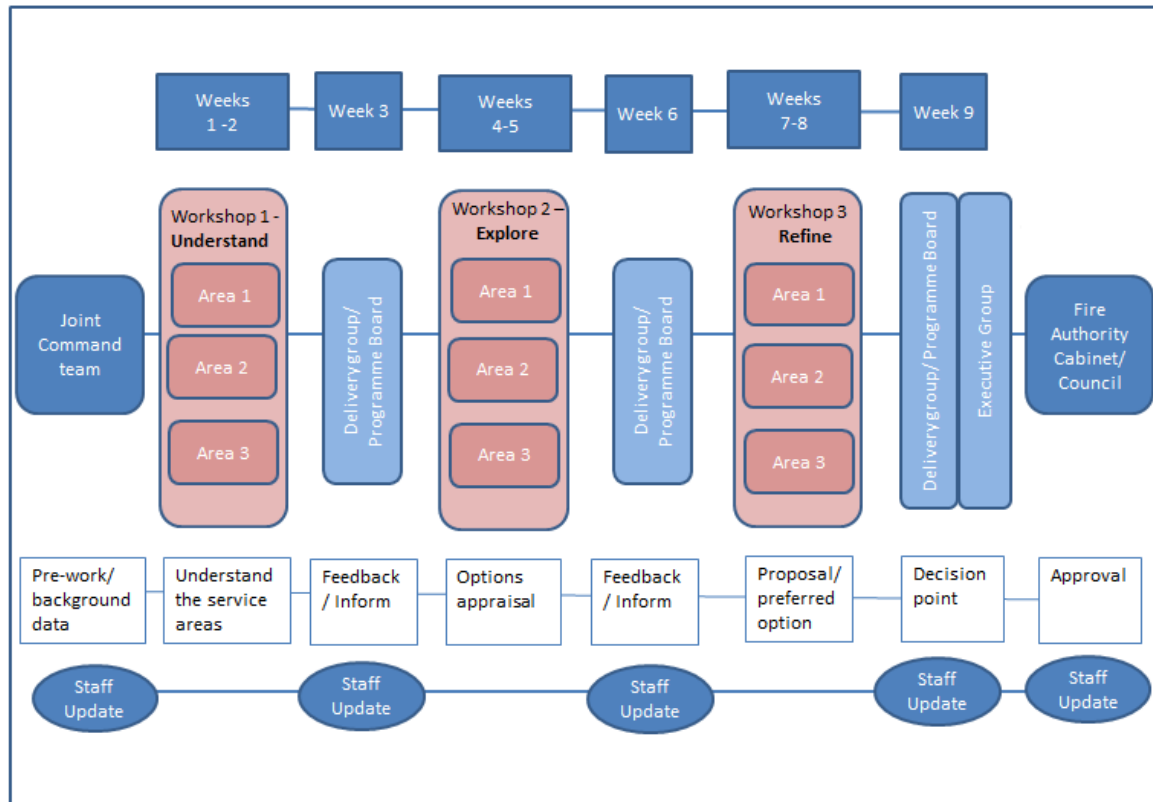
Cabinet endorse the collaborative programme of work between West Midlands Fire Service and Warwickshire Fire & Rescue Services as the first phase in exploring the benefits of joint working.

1.0 Key Issues

- 1.1 The Fire and Rescue Services of Warwickshire and West Midlands believe that a number of positive opportunities exist for joint collaborative working as a means of achieving reform and enhanced service delivery.
- 1.2 On 9th February 2018 a Memorandum of Understanding (MoU) was signed by the Leader of Warwickshire County Council, Councillor Izzi Seccombe and Chair of the Fire Authority for West Midlands, Councillor John Edwards as a firm statement of intent to pursue opportunities for greater collaboration.
- 1.3 This commitment is supportive of the duty on emergency services to explore opportunities for collaborative working and deliver joined up services as set out in the Policing and Crime Act 2017.
- 1.4 Subsequently a programme approach has been developed and representatives from the Senior leadership teams of both services met on 9th April to commence the programme
- 1.5 This report shares with Members the MoU (Appendix) together with the emerging approach.

2.0 Options and Proposals

2.1 The overall approach to the work is set out in the diagram below:



- 2.2 To commence the work, the leadership teams for both FRS met on 9th April and agreed the Programme Initiation Document.
- 2.3 A rolling programme of reviews has been established, with no more than three service areas being looked or under review at any one time.
- 2.4 To mitigate impact on service delivery each review will be delivered in 60 days and seek evidence-led assessment of collaborative opportunities.
- 2.5 Each review will be delivered through a series of facilitated workshops, involving the relevant teams from each Fire Service.
- 2.6 Workshops will be designed and tailored to build up a robust and evidence-led options appraisal by completion of the 3rd workshop.
- 2.7 Review schedules will be responsive to ongoing pressures and commitments on the two Fire & Rescue services.

Governance of the Programme

- 2.8 A Programme Board has been established to oversee the work. Membership includes Warwickshire County Council's Joint Managing Director, Monica Fogarty, Warwickshire's Chief Fire Officer, Andy Hickmott and West Midlands Fire Service Chief Fire Officer, Phil Loach.
- 2.9 A joint Programme Team has also been established to deliver the work programme. The team will coordinate input from a range of professionals including finance, HR, legal, communication and performance.
- 2.10 At the end of each review the Programme Board will report progress to an Executive Group including the WCC Leader and Portfolio Holder with the Chair of West Midlands Fire Authority.
- 2.11 Key decisions requiring Member approval will not be implemented at Week 9, but will go through the usual decision making processes and brought to Cabinet/Council in Warwickshire and the Fire Authority in West Midlands as required.

How will success be judged?

- 2.12 Success will be judged against the follow criteria:

Public safety	<ul style="list-style-type: none">• <i>How far does the proposal maintain or improve public safety for the communities served by the two FRSs?</i>• <i>Will the proposals impact on public safety of neighbouring FRS and communities?</i>
Service Resilience	<ul style="list-style-type: none">• <i>How far do the proposals enhance service resilience levels within both services to maintain/improve public safety?</i>
Service Effectiveness	<ul style="list-style-type: none">• <i>How far do the proposals enhance the ability of each FRS to keep people safe and secure from fire and other risks?</i>
Service Efficiency	<ul style="list-style-type: none">• <i>How far do the proposals enhance the ability of each FRS to uses its resources to manage risk, and secures an affordable way of providing its service, now and in the future?</i>
Service Quality	<ul style="list-style-type: none">• <i>How far do the proposals improve the quality of service received by the public?</i>

- 2.13 Each of these drivers will sit at the heart of the discussions which will now take place and be used as the criteria to assess collaborative proposals.
- 2.14 All decisions and outcomes will be evidenced against risk and data available from each service area to ensure alignment with statutory expectations of FRSs.

3 Timescales and next steps

- 3.1 At Programme Initiation stage, no service areas or options are considered to be out of scope for collaboration.
- 3.2 The two leadership teams meet in early April 2018 to commence the programme and agree the initial areas of focus.
- 3.3 The first round of reviews will commence in May and report back to Programme Board and Executive in June/July 2018 as part of the 60 day cycle.
- 3.4 At this point, progress and any potential decisions will be brought back to the Fire Authority in West Midlands and the Cabinet/Full Council in Warwickshire.
- 3.5 A robust communication plan has been put in place to ensure both Services are giving and hearing the same messages around the collaboration. This Communications Plan will also ensure regular and ongoing engagement with all key stakeholders.

Background papers

None

	Name	Contact Information
Report Author	Gereint Stoneman	gereintstoneman@warwickshire.gov.uk Tel. 01926 742611
Head of Service	Andy Hickmott	andyhickmott@warwickshire.gov.k Tel. 01926 466233
Managing Director	Monica Fogarty	monicafogarty@warwickshire.gov.uk Tel. 01926 412514
Portfolio Holder	Cllr Howard Roberts Cllr Izzi Seccombe	cllrroberts@warwickshire.gov.uk cllrseccombe@warwickshire.gov.uk

The report was circulated to the following members prior to publication:

Local Member(s): N/A

Other members: Councillors Roberts, Horner, Shilton, Chattaway, Fradgley, Timms, Singh Birdi, O'Rourke, Boad

Appendix – Memorandum of Understanding



WARWICKSHIRE
FIRE & RESCUE SERVICE



Warwickshire
County Council



Fire Service Headquarters
99 Moulton Road, Birmingham B7 4W

Warwickshire and West Midlands Fire & Rescue Authorities

Collaboration 2018

1. Warwickshire and West Midlands Fire and Rescue Authorities believe that a number of positive opportunities exist for collaborative working as a means of achieving change and enhanced service delivery.
2. The Public Sector is in a period of pressure – both for efficiency and improved services within reducing resources. Within the West Midlands in particular, agencies have grasped this challenge positively, engaging with devolution, public sector reform and the opportunity to achieve system wide change and development. We believe that the development of Fire and Rescue Services must also benefit from this context of change, and collaboration is a means of doing so. The national policy regarding blue light services sets out a new and clear duty to collaborate and collaboration will move us closer in meeting this duty.
3. The community engagement agenda is an opportunity for Fire and Rescue Services. Within Warwickshire and the West Midlands we have progressive and ever increasing ambitions and expectations about our standards of service and our role within the Community. We recognise that the need to consider working differently within an ever reducing resource base means that working differently is a given, both operationally and politically.
4. Working differently will achieve many things. It must add value, and better protect, the communities we serve. Vulnerability and risk in the community is ever present and ever changing, as are the functions, resources, boundaries, and beliefs of the various public agencies which support them.
5. The geographic boundary between the Warwickshire and West Midlands Fire Services is unique in the UK Fire and Rescue Service. We share 129Km of boundary and the physical geography means it makes sense to look at reciprocal and collaborative opportunities. This is not new and in the past there have been previous considerations of options. Few tangible results have yet been achieved and this time we need to change that outcome. Full political support means that we now have a much better chance of success.



**WARWICKSHIRE
FIRE & RESCUE SERVICE**



**Warwickshire
County Council**



Making the West Midlands Safer, Stronger and Healthier

wmfs.net @WestMidsFire

Fire Service Headquarters

?? Vincent Road, Birmingham B7 4HW

6. Both Fire and Rescue Authorities are fully open to the scope of considerations that these opportunities present. These considerations include all aspects of operational service delivery across Fire training; prevention; protection; and response as well as all aspects of operational and organisational support functions. In particular we are committed to exploring fully the opportunities for enhanced community welfare. We wish to exploit the potential for joining up with our colleagues in the NHS and Local Government; recognising the need to work together to support the social care, health and wellbeing of our communities.

7. Finally, it is a governing principle that any collaborative measures must improve on the Status Quo. Such measures must better serve our communities. Demonstrably so, whilst also enhancing efficiency and effectiveness.

Both Warwickshire County Council (Warwickshire Fire & Rescue Service) and the West Midlands Fire Authority endorse this body of work and commit to the programme* of work which will get us there. We expect this programme to be complete by July 2018, and to make the necessary links and connections with wider change under way with both Fire and Rescue Services and the wider West Midlands public service reform agenda.

Signed: 9 February 2018

Cllr John Edwards

Chair

West Midlands Fire & Rescue Authority

Cllr Izzi Seccombe

Leader

Warwickshire County Council

*The Collaboration Programme of Work is enclosed, setting out proposed areas of exploration and development.



WARWICKSHIRE
FIRE & RESCUE SERVICE



Warwickshire
County Council



WEST MIDLANDS FIRE SERVICE

Making the West Midlands Safer, Stronger and Healthier

wmfs.net @WestMidsFire

Fire Service Headquarters

77 Younkers Road Birmingham B7 4HW

Initial Collaboration Work Programme

1. Response standards
2. Crewing arrangements
3. Fire control
4. Management and administration
5. Training
6. Full-time/retained balance
7. Social welfare and community support
8. Emergency Planning & Resilience

Cabinet

19 April 2018

Warwickshire County Council's Membership of the Local Government Association

Recommendation

That Cabinet approves the Joint Managing Director (Resources) to sign the relevant application form for Warwickshire County Council to be admitted as a member authority of the LGA's private unlimited company.

1.0 Purpose of report

- 1.1 To inform Cabinet of a proposed change to the County Council's relationship with the Local Government Association (LGA).

2.0 Summary

- 2.1 In July 2017, the LGA's General Assembly voted to create a new incorporated LGA in the form of a 'private unlimited company'. On 27 February 2018 the County Council received a letter from the Chief Executive of the LGA asking the County Council to formally apply to become a member of this new company by 31 March 2018. Subject to Cabinet approval, the County Council will be joining shortly after this date (the LGA have been advised of this).
- 2.2 The Joint Managing Director (Resources), in accordance with the County Council's Constitution, has delegated authority to sign the relevant application form for the County Council to be admitted as a member authority of the LGA's private unlimited company.

3.0 Background

- 3.1 The LGA is the national representative body for local authorities in England and Wales. Cross-party and politically led, it seeks to provide local councils with a strong voice with national government and other stakeholders. In total, 415 local authorities are members of the LGA in 2017/18, including 349 English Councils.
- 3.2 The County Council is a longstanding member of the LGA. The County Council's subscription for the last two years has been £53,069.

- 3.3 The County Council's representatives on the LGA are appointed by the County Council. The County Council's representative is Councillor Seccombe, Councillor Butlin, Councillor Chattaway and Councillor Roodhouse.

4.0 Proposal to incorporate the LGA as a private unlimited company

- 4.1 Like its member councils, the LGA is continually reviewing its arrangements to keep membership costs down. In July 2017, the LGA's General Assembly, its main decision-making body made up of councillors from its member councils, voted to create a new incorporated LGA in the form of a 'private unlimited company'.
- 4.2 On 27 February 2018 the County Council received a letter from the Chief Executive of the LGA asking it to formally sign up as a member of this new company.
- 4.3 The LGA considers this change in status will enable it to be more financially sustainable, invest more in the work it does for member councils and keep subscriptions as low as possible. The LGA has stated that incorporation will mean that this change will enable it to enter into contracts and hold property in its own name (which it could not do as an unincorporated association) which will 'regularise' its commercial activities. The LGA has stated that the change will not affect the way that the County Council accesses services as a member of this organisation.
- 4.4 The LGA has stated that under the proposed unlimited company, member councils would have the same entitlement to a share of the assets of the LGA and the same responsibility for its liabilities in the event of its formal liquidation. This means that the liability position of the County Council as a member of the newly incorporated company would potentially be the same as under the current unincorporated LGA.
- 4.5 It is understood that the current unincorporated LGA will continue to be run in parallel until its General Assembly on 3 July 2018. At that stage, subject to all member councils having joined the new company, the General Assembly will be invited formally to dissolve the unincorporated LGA.
- 4.6 As such it is proposed that the Joint Managing Director (Resources) sign the application form for the County Council to be admitted as a member of the new incorporated 'private unlimited company' of the LGA.

5.0 Financial Implications

- 5.1 The primary drivers for the change in status are financial with the new LGA offering opportunities for increased commercialisation and tax efficiency. Benefits from these changes will be used to keep annual membership subscription costs low.

- 5.2 The opportunities from increased commercialisation also come with increased risk. The growth income projected for the new company is primarily dependant on forecast increases in property asset valuations which are linked to the economic cycle.
- 5.3 On an annual basis the new arrangements should have no financial impact on the authority, with the annual membership subscription of £53,069 continuing to be the only direct cost.
- 5.4 If the LGA were to be dissolved the authority would receive/be liable for a share of any assets/liabilities. This arrangement is no different than would be the case under current structure of an unincorporated association.
- 5.5 If the authority decides not to be admitted as a member authority, then assuming the majority of other authorities do, the change in structure goes ahead and access to the services and information provided by the LGA will no longer be available. If the authority joins but decides to leave membership in the future then we will remain liable to meet our share of any liabilities for five years. Again this is no different than would be the case under the currently structural arrangements.

Background papers

None.

Appendices

1. New LGA Articles of Association Final Draft.
2. Application for Admission to LGA as a member.
3. New LGA – FAQ's.

www.local.gov.uk

	Name	Contact Information
Report Author	Tricia Morrison	triciamorrison@warwickshire.gov.uk 01926 476994
Head of Service	Tricia Morrison	triciamorrison@warwickshire.gov.uk 01926 476994
Joint Managing Director	David Carter	davidcarter@warwickshire.gov.uk 01926 412564
Portfolio Holder	Councillor Kam Kaur	cllrkaur@warwickshire.gov.uk

The report was circulated to the following members prior to publication:-

Local Member(s): n/a

Other members: Councillors Boad, Kaur, Timms Singh Birdi and O'Rourke

**THE COMPANIES ACT 2006
PRIVATE UNLIMITED COMPANY**

ARTICLES OF ASSOCIATION

OF

LOCAL GOVERNMENT ASSOCIATION

(Adopted by special resolution passed on 2018)

Contents

Item	Page
PART 1 – NAME, OBJECTS AND POWERS	4
1 NAME	4
2 OBJECTS AND POWERS.....	4
3 RESPONSIBILITY FOR ACTION	5
PART 2 – MEMBERSHIP AND MEMBER AUTHORITY REPRESENTATIVES	5
4 MEMBERSHIP	5
5 MEMBER AUTHORITY REPRESENTATIVES	6
PART 3 – GOVERNANCE STRUCTURE	6
6 GOVERNANCE STRUCTURE: SUMMARY	6
7 POLITICAL BALANCE AND SUPPORT FOR POLITICAL GROUPS	7
8 PRESIDENT AND VICE PRESIDENTS.....	8
9 CHIEF EXECUTIVE AND STAFF.....	8
PART 4 – THE GENERAL ASSEMBLY	8
10 THE GENERAL ASSEMBLY: INTRODUCTORY PROVISIONS.....	8
11 CALLING THE GENERAL ASSEMBLY.....	8
12 ATTENDANCE AND SPEAKING AT THE GENERAL ASSEMBLY	9
13 QUORUM	9
14 CHAIRING THE GENERAL ASSEMBLY.....	10
15 ADJOURNMENT OF GENERAL MEETINGS.....	10
16 VOTING AT THE GENERAL ASSEMBLY	10
17 AMENDMENTS TO RESOLUTIONS.....	11
PART 5 – LEADERSHIP BOARD	11
POWERS AND RESPONSIBILITIES	11
18 DIRECTORS' GENERAL AUTHORITY AND MEMBER AUTHORITIES' RESERVE POWER	11
19 DIRECTORS MAY DELEGATE.....	12
APPOINTMENT AND REMOVAL OF DIRECTORS	12
20 APPOINTMENT OF DIRECTORS.....	12
21 TERMINATION OF A DIRECTOR'S APPOINTMENT	12
PART 6 – FINANCE AND DISSOLUTION	13
22 FINANCE.....	13
23 MEMBER AUTHORITIES' SCHEME OF ALLOWANCES.....	13
24 DISSOLUTION.....	14
PART 7 – ADMINISTRATIVE ARRANGEMENTS	15
25 MEANS OF COMMUNICATION TO BE USED.....	15
26 SEAL	15
27 INDEMNITY	16
28 INSURANCE	16

PART 8 - INTERPRETATION 16
29 INTERPRETATION 16

THE COMPANIES ACT 2006
PRIVATE UNLIMITED COMPANY
ARTICLES OF ASSOCIATION
OF
LOCAL GOVERNMENT ASSOCIATION

PART 1 – NAME, OBJECTS AND POWERS

1 NAME

1.1 The name of the Association shall be the LOCAL GOVERNMENT ASSOCIATION.

2 OBJECTS AND POWERS

2.1 The objects of the Association (**Objects**) are:

- 2.1.1 to support, promote and improve local government in England and Wales;
- 2.1.2 to represent, wherever possible by consensus, the interests of Member Authorities to national governments, to Parliament, to political parties, to European and other international institutions and to other bodies, and to negotiate on behalf of local government;
- 2.1.3 to formulate policies to support the improvement and development of local governance, effective management in local authorities and the enhancement of local democracy in England, Wales and elsewhere;
- 2.1.4 to provide forums for discussion of matters of common interest and/or concern to Member Authorities, including groups of Member Authorities, and a means by which joint views may be formulated and expressed;
- 2.1.5 to provide a full range of cost-effective services to Member Authorities in accordance with their wishes, including the dissemination of accurate, timely and relevant information;
- 2.1.6 to co-ordinate collective legal actions on behalf of groups of Member Authorities where authorised by the Leadership Board or relevant Board;
- 2.1.7 to promote the policies of the Association and to provide information on local government issues to the public and outside organisations;
- 2.1.8 to endeavour to give democratically elected local representatives from different political groups the opportunity to contribute to the Association's work and to the development of policies which represent, as far as possible, consensus between the political groups and between groups of Member Authorities;
- 2.1.9 to appoint democratically elected local representatives to the boards of the Improvement and Development Agency for Local Government and Local Partnerships LLP to ensure that the work and priorities of those organisations reflect those of the Member Authorities; and
- 2.1.10 to support all democratically elected local representatives of Member Authorities.

2.2 The Association may do all such things that a person can lawfully do which are or may be necessary, or intended to facilitate, or conducive or incidental to the discharge or achievement of the Objects.

3 RESPONSIBILITY FOR ACTION

3.1 In matters of local government in general or which concern all Member Authorities, the Association will speak for all Member Authorities.

3.2 Recognised groupings of Member Authorities established under these Articles (or standing orders adopted pursuant to these Articles) may speak for the interests they represent, subject to their views not conflicting with or undermining the Association's policy as a whole or damaging the interests of other Member Authorities.

3.3 The Association shall ensure that the appointment of any democratically elected local representative to represent the views of Member Authorities on outside bodies or on delegations shall so far as is practicable reflect the political balance of the Association as calculated in accordance with Article 7.

3.4 The Association shall not in the context of the issue of local government reorganisation adopt or support any policy which adversely affects any Member Authority. Nothing in this Article shall prevent any Member Authority or group of Member Authorities seeking factual information from officers to assist such a Member Authority or group in promoting outside the Association a view in connection with any reorganisation.

3.5 The Association may provide goods and services to other entities engaged in local government (**Associates**) at such times and on such terms, including classes of Associate, as the Leadership Board may approve from time to time.

PART 2 – MEMBERSHIP AND MEMBER AUTHORITY REPRESENTATIVES

4 MEMBERSHIP

4.1 The Association may invite into membership of the Association Principal Councils in England and Wales which are capable of being included in the political balance calculations in Article 7, with each of them upon admission to membership being a **Member Authority**.

4.2 The Association must maintain a register of Member Authorities.

4.3 The liability of the Member Authorities is unlimited.

4.4 Any Member Authority wishing to terminate its membership of the Association shall give not less than twelve months' notice in writing to the Chief Executive to expire on 31 March in any year. At the expiration of the period of notice the Member Authority giving notice shall cease to be a Member Authority and shall become a **Past Member Authority**.

4.5 Subject to Article 4.7, a Past Member Authority shall have:

4.5.1 forfeited all right to and claims upon the Association and its property and funds; and

4.5.2 lost any entitlement whatsoever to any share in the assets of the Association whether on a dissolution or otherwise (save in so far as these Articles provide for the assets of the Association to be set off against the liabilities of the Association to determine the net liabilities under Article 24).

4.6 A Past Member Authority shall remain liable for its share of the net liabilities of the Association, calculated in accordance with Article 24, for a period of five years from the date when it ceased to be a member of the Association and shall discharge its share of the net liabilities of the Association on the Association's dissolution.

4.7 These Articles shall continue to be binding on Past Member Authorities insofar as they relate to the rights and liabilities of Past Member Authorities.

5 MEMBER AUTHORITY REPRESENTATIVES

5.1 Each Member Authority may appoint up to four persons, with each such person being a **Member Authority Representative**. A Member Authority Representative shall serve on/at the General Assembly.

5.2 Each Member Authority Representative shall be a democratically elected local representative of that Member Authority. A Member Authority Representative serving on any of the Association's governance structures, or otherwise representing or undertaking business on behalf of the Association, is required to operate in accordance with the member code of conduct of the Member Authority which appointed him/her.

5.3 The names of the Member Authority Representatives shall be submitted in writing to the Chief Executive not less than five clear working days in advance of the Annual Meeting in each year, by the appropriate officer of the appointing Member Authority. In exceptional circumstances, names can be submitted after that deadline subject to agreement with the Chief Executive.

5.4 The periods of office for Member Authority Representatives appointed to serve on the General Assembly, the Leadership Board and any Board or other governance structure of the Association shall begin as follows:

5.4.1 For any Member Authority Representative appointed to serve on the General Assembly, with effect from the Annual Meeting in a given year.

5.4.2 For any Member Authority Representative elected to serve as a director on the Leadership Board, with effect from the Annual Meeting in a given year.

5.4.3 For any Member Authority Representative appointed to serve on any governance structure (other than the General Assembly or the Leadership Board), on the date specified in his/her letter of appointment.

5.5 A Member Authority Representative shall serve on the General Assembly and (if elected or appointed to do so) as a director on the Leadership Board or member of any other governance structure until the earlier of:

5.5.1 the date of (but excluding) the Annual Meeting in the following year (provided that this shall not apply in relation to a Member Authority Representative appointed to relevant governance structures in accordance with Article 5.4.3);

5.5.2 his/her resignation as a Member Authority Representative;

5.5.3 him/her ceasing to be a democratically elected local representative of his/her appointing Member Authority; and

5.5.4 his/her appointing Member Authority becoming a Past Member Authority.

PART 3 – GOVERNANCE STRUCTURE

6 GOVERNANCE STRUCTURE: SUMMARY

6.1 The General Assembly may from time to time by special resolution passed in accordance with the Companies Acts amend these Articles.

6.2 The General Assembly may from time to time by ordinary resolution:

- 6.2.1 make standing orders for the regulation of its proceedings and conventions governing relationships between the political parties in the conduct of the Association's business; and
- 6.2.2 delegate any of its powers to any person, board or committee on such terms of it shall determine,

provided always that the standing orders, conventions or terms of delegation do not conflict with the provisions of these Articles.

- 6.3 The General Assembly may from time to time by ordinary resolution passed in accordance with the Companies Acts approve (and/or amend existing) standing orders for the Leadership Board to cover any matter relating to the Leadership Board not already covered by these Articles (the **Leadership Board Standing Orders**) including the delegated powers, size and political composition of the Leadership Board.
- 6.4 If there is any conflict between the provisions of these Articles and the provisions of the Leadership Board Standing Orders, the provisions of these Articles shall prevail and the Member Authorities shall exercise all voting and other rights and powers available to them to give effect to the provisions of the Articles and/or to remedy to conflict.
- 6.5 The Leadership Board may from time to time approve (and/or amend existing) standing orders (other than the Leadership Board Standing Orders) for any Board (the **Board Standing Orders**), to cover any matter relating to any Board not already covered by these Articles including the delegated powers, size, periods of office and political composition of that Board.
- 6.6 If there is any conflict between the provisions of these Articles and the provisions of any Board Standing Orders, the provisions of the Articles shall prevail and the Leadership Board shall exercise all voting and other rights and powers available to them to give effect to the provisions of the Articles and/or to remedy the conflict.

7 POLITICAL BALANCE AND SUPPORT FOR POLITICAL GROUPS

- 7.1 The political balance on the Leadership Board and any Board or other governance structure of the Association shall be calculated annually and approved by the Leadership Board by reference to the overall electorate represented by the democratically elected local representatives of each party, immediately after the last principal elections of Member Authorities and in accordance with the following principles:
 - 7.1.1 only Principal Councils which are Member Authorities before the polls open on the day of the principal local elections shall be included in the political balance calculations; and
 - 7.1.2 to be included in the political balance calculations, Principal Councils joining the Association on or after 1 April of the membership year must have paid their subscriptions in full, with the funds cleared in an account nominated by the Leadership Board prior to the opening of the polls on the day of the principal local elections.
 - 7.1.3 A 50% weighting will be applied in respect of Member Authorities in areas with county and district councils and in Wales.
- 7.2 When director resigns or his/her period of office terminates prior to the Annual Meeting at which he/she would otherwise cease to be a director in accordance with Article 5.5.1, his/her nominating party may elect or appoint a replacement, who will be designated as "acting" until formally elected by the General Assembly at that Annual Meeting.
- 7.3 Political groups recognised by the Association for the purposes of representation on its governance structures, and whose total share of the weighted electorate is 5% or more, shall be entitled to reasonable support from the Association to enable them to play their part in influencing parties on behalf of Member Authorities.

- 7.4 Independent democratically elected Member Authority Representatives and Member Authority Representatives from smaller recognised political groups may join together voluntarily to secure a collective share of the weighted electorate of 5% or more, in order to qualify for support from the Association comparable to that provided to larger political groups.

8 PRESIDENT AND VICE PRESIDENTS

- 8.1 A President of the Association (**President**) shall be elected at the Annual Meeting in each year and shall be eligible for re-election for up to a maximum of eight years in the post.
- 8.2 Vice-Presidents shall be appointed annually by the leaders of the Association's political groups and be reported at the Annual Meeting.
- 8.3 The President and Vice-Presidents need not be democratically elected local representatives of Member Authorities and shall not have a vote at the General Assembly.
- 8.4 The President and Vice-Presidents are required to operate in accordance with the Code of Conduct for members of Parliament, members of the House of Lords, for MEPs or for members of the Welsh Assembly.

9 CHIEF EXECUTIVE AND STAFF

- 9.1 There shall be a Chief Executive of the Association (who shall not be a director) appointed on such terms and conditions as agreed by the Leadership Board and such other staff as may be necessary for the purpose of implementing the Association's Objects. The Chief Executive and Deputy Chief Executive shall act as advisers to the Leadership Board
- 9.2 The Association may appoint a company secretary on such terms as may be agreed by the Leadership Board.

PART 4 – THE GENERAL ASSEMBLY

10 THE GENERAL ASSEMBLY: INTRODUCTORY PROVISIONS

- 10.1 A reference in these Articles to the **General Assembly** is to the Member Authorities in general meeting or to the general meeting itself, as the case may be.
- 10.2 The General Assembly shall be held on such days and at such places as may be decided by the Leadership Board.
- 10.3 Once each year, the General Assembly will elect the directors as set out in Article 20. This shall be the **Annual Meeting**. Other meetings (known as extraordinary general meetings or EGMs) may be held as required.
- 10.4 The General Assembly shall deal with such business (including at the Annual Meeting) as may be determined by the Leadership Board.

11 CALLING THE GENERAL ASSEMBLY

- 11.1 A General Assembly may be called at any time by the Chief Executive with the approval of the Leadership Board and must be called within 21 days of a written request from Member Authorities representing at least 5% of the total voting rights of all the Member Authorities having a right to vote at general meetings and made in accordance with section 303 of the Companies Act 2006.
- 11.2 The Chief Executive shall:
- 11.2.1 not less than three months before the Annual Meeting, and not less than 28 clear days before each extraordinary general meeting, send to each Member Authority, to their chief

executive or clerk, all Leadership Board directors and the Association's auditors a notice stating:

- (a) the date, time and place of the meeting (and in the case of an Annual Meeting shall specify the meeting as such); and
- (b) if a special resolution is proposed, the full text of the resolution and that it is a special resolution,

together with a proxy card; and

11.2.2 not less than 10 working days before the Annual Meeting, or extraordinary general meeting, send to each Member Authority Representative appointed by a Principal Council, and publish on the Association's website, an agenda specifying the business to be transacted.

11.3 Notice must be given in hard copy form, electronic form or by means of a website, in each case in accordance with the Companies Act 2006.

11.4 The accidental omission to give notice of a General Assembly meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice, or a technical defect in the timing or manner of giving such notice of which the directors are unaware shall not invalidate the proceedings of that meeting, shall not invalidate the proceedings at that meeting.

12 ATTENDANCE AND SPEAKING AT THE GENERAL ASSEMBLY

12.1 A person is able to exercise the right to speak at the General Assembly when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

12.2 A person is able to exercise the right to vote at the General Assembly when:

12.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

12.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

12.3 The Leadership Board may make whatever arrangements it considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

12.4 In determining attendance at the General Assembly, it is immaterial whether any two or more persons attending it are in the same place as each other.

12.5 Two or more persons who are not in the same place as each other attend the General Assembly if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

13 QUORUM

13.1 The quorum for the General Assembly shall be one-third of the total number of Member Authorities.

13.2 No business other than the appointment of the General Assembly Chair is to be transacted at a General Assembly if the persons attending it do not constitute a quorum.

14 CHAIRING THE GENERAL ASSEMBLY

- 14.1 At the Annual Meeting, the President shall chair the General Assembly so as to elect the Chair of the Association and thereafter the Chair shall chair the General Assembly. At other meetings of the General Assembly, the Chair, or in his/her absence the senior Vice Chair, or in their absence another Vice Chair or person chosen by the meeting, shall preside. The person presiding as chair of the General Assembly at any time is the **General Assembly Chair**.

15 ADJOURNMENT OF GENERAL MEETINGS

- 15.1 If the persons attending the General Assembly within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the General Assembly Chair must adjourn it.
- 15.2 The General Assembly Chair must adjourn a general meeting if directed to do so by the meeting.
- 15.3 The General Assembly Chair may adjourn a meeting at which a quorum is present if:
- 15.3.1 the meeting consents to an adjournment; or
 - 15.3.2 it appears to the General Assembly Chair that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 15.4 When adjourning a general meeting, the General Assembly Chair must:
- 15.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Leadership Board; and
 - 15.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 15.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Association must give at least 7 clear days' notice of it:
- 15.5.1 to the same persons to whom notice of the General Assembly is required to be given; and
 - 15.5.2 containing the same information which such notice is required to contain.
- 15.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

16 VOTING AT THE GENERAL ASSEMBLY

- 16.1 Member Authorities shall be entitled to vote on matters at the General Assembly as follows:
- 16.1.1 in areas with both a county and district councils, each district council shall have one vote and the county council shall have votes equal to the number of district councils in its area;
 - 16.1.2 the total number of votes of unitary authorities shall represent the same proportion of the total votes of county and district councils, as the total population of unitary authorities in relation to the total population of county and district councils. Votes shall be allocated between individual unitary authorities on the basis of population bands that are reviewed and determined by the Leadership Board from time to time; and
 - 16.1.3 the population for this purpose shall be as given in the latest figures published by the Registrar General before the convening of each Annual Meeting. Welsh Member Authorities shall be entitled to vote on the election of a Chair, Vice-Chairs and Deputy

Chairs of the Association and on non-devolved matters directly relevant to their statutory duties and responsibilities.

- 16.2 Where a Member Authority is entitled to more than one vote, then:
- 16.2.1 the Member Authority Representative(s) appointed by the Member Authority and attending the General Assembly shall be entitled to cast collectively all votes of that Member Authority;
 - 16.2.2 written notice of the intention of those Member Authority Representatives present on behalf of an appointing Member Authority to exercise the votes of those Member Authority Representatives not present (or not appointed) by the same Member Authority must be given to the Chief Executive before the start of the General Assembly. The notice must be from the Member Authority in question; and
 - 16.2.3 it shall be the responsibility of the Member Authority Representatives present to ensure that they are in agreement as to how their Member Authority's votes should be cast.
- 16.3 In the case of an equality of votes, the General Assembly Chair shall have the casting vote in addition to any vote(s) he or she may be entitled to cast as a Member Authority Representative on behalf of his/her appointing Member Authority.

17 AMENDMENTS TO RESOLUTIONS

- 17.1 An ordinary resolution to be proposed at the General Assembly may be amended by ordinary resolution if:
- 17.1.1 notice of the proposed amendment is given to the Association in writing by a person entitled to vote at the meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the General Assembly Chair may determine); and
 - 17.1.2 the proposed amendment does not, in the reasonable opinion of the General Assembly Chair, materially alter the scope of the resolution.
- 17.2 A special resolution to be proposed at the General Assembly may be amended by ordinary resolution, if:
- 17.2.1 the General Assembly Chair proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 17.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 17.3 If the General Assembly Chair, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the General Assembly Chair's error does not invalidate the vote on that resolution.

PART 5 – LEADERSHIP BOARD

POWERS AND RESPONSIBILITIES

18 DIRECTORS' GENERAL AUTHORITY AND MEMBER AUTHORITIES' RESERVE POWER

- 18.1 Subject to these Articles, the directors are responsible for the management of the Association's business for which purpose they may exercise all the powers of the Association.

18.2 The General Assembly may, by special resolution, direct the directors to take, or refrain from taking, specified action. No such special resolution invalidates anything which the directors have done before the passing of the resolution.

19 DIRECTORS MAY DELEGATE

19.1 Subject to these Articles, the Leadership Board may delegate any of the powers which are conferred on it under these Articles:

19.1.1 to such Board;

19.1.2 by such means (including by power of attorney);

19.1.3 to such an extent;

19.1.4 in relation to such matters or territories; and

19.1.5 on such terms and conditions,

as it thinks fit.

19.2 If the Leadership Board so specifies, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

19.3 The Leadership Board may revoke any delegation in whole or part, or alter its terms and conditions.

APPOINTMENT AND REMOVAL OF DIRECTORS

20 APPOINTMENT OF DIRECTORS

20.1 The General Assembly shall, at the Annual Meeting each year, elect from amongst the Member Authority Representatives:

20.1.1 the Chair of the Association;

20.1.2 Vice Chairs of the Association; and

20.1.3 Deputy Chairs of the Association.

20.2 Each of the above directors shall be a representative of a political group of democratically elected local representatives, whose share of the weighted electorate exceeds 5% of the total. The largest group at the point of calculating the political balance shall appoint the chair of the Leadership Board (the **Chair**).

20.3 The remaining directors are appointed according to proportionality in line with Article 7 (*Political balance*).

20.4 The Vice Chair nominated by the second largest group shall be the **Senior Vice Chair**.

21 TERMINATION OF A DIRECTOR'S APPOINTMENT

21.1 A person ceases to be a director as soon as:

21.1.1 that person ceases to be a Member Authority Representative pursuant to Article 5.5;

21.1.2 the Leadership Board determines that he or she has breached the code of conduct of the Member Authority which appointed him/her;

- 21.1.3 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- 21.1.4 a bankruptcy order is made against that person;
- 21.1.5 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 21.1.6 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- 21.1.7 notification is received by the Association from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

PART 6 – FINANCE AND DISSOLUTION

22 FINANCE

- 22.1 The Leadership Board shall approve prior to the last day of March in each year a statement of estimated expenditure for the year commencing on the following first day of April.
- 22.2 The subscriptions of Member Authorities for each year commencing 1 April shall be at rates to be determined annually by the Leadership Board.
- 22.3 The annual subscription of each Member Authority shall be calculated according to a formula determined by the Leadership Board, having regard to the allocation of votes as set out in Article 16.1. A maximum subscription for any year shall be set.
- 22.4 Where one or more Principal Councils that make up a Combined Authority are not Member Authorities, a separate subscription will be charged to that Combined Authority in respect of those Principal Councils.
- 22.5 Subscriptions shall be payable on 1 April in each year.
- 22.6 The Chief Executive shall be responsible for the preparation of an Income and Expenditure Account and Balance Sheet each year, for their examination and certification by independent professional auditors and for the submission of those accounts to the General Assembly.
- 22.7 The Association may invest, lend or otherwise deal with monies not immediately required for its purposes in such manner as may be thought fit by the Leadership Board and may borrow or raise money in accordance with financial regulations agreed by the Leadership Board.
- 22.8 The Association may purchase, take on lease or otherwise obtain land and buildings for use as offices, to provide accommodation for meetings of the Association, for the use of staff and ancillary and related bodies and for the purpose of generating income to support the activities of the Association; and may sell, or otherwise dispose of, such land and buildings all on such terms and in such manner as the Leadership Board considers suitable, and may establish companies for this purpose.

23 SCHEME OF ALLOWANCES

- 23.1 The Association shall provide a scheme for the payment of allowances and expenses to democratically elected local representatives appointed to agreed Association roles, in recognition of duties carried out on behalf of the Association (**Scheme of Allowances**).
- 23.2 The Leadership Board will consider annually whether to establish an Independent Panel to review the Scheme of Allowances and to make recommendations for decision by the Leadership Board. An independent review of the Scheme should be carried out at least every 4 years.

23.3 The membership of the Panel shall comprise of a minimum of 3 and a maximum of 5 members and be agreed by the Leadership Board. The Chair of the Panel must be independent of the Association and may not be a serving democratically elected local representative. The remaining Panel members may be serving democratically elected local representatives, but must not hold an Association role whilst a member of the Panel.

24 DISSOLUTION

24.1 If at any General Assembly where at least two-thirds of Member Authorities are represented a motion for the winding up of the Association is passed by a two-thirds majority, a special resolution must then be put to all Member Authorities for decision via an electronic or postal vote. For the special resolution to be passed, it must be agreed by at least 75% of the votes capable of being cast by all Member Authorities.

24.2 If the Association is wound up for any reason, the remaining assets of the Association (if any) shall be distributed to each Member Authority at the date of dissolution (the **Existing Member Authorities**) in proportion to the amount which the total annual subscriptions paid by that Existing Member Authority in the last ten full accounting periods prior to the date when the winding up resolution was passed bears to the total subscriptions paid by all Existing Member Authorities in the same period.

24.3 In the event that the Association's assets should prove to be insufficient to discharge its liabilities, Member Authorities and Past Member Authorities (subject to Article 4.6) shall contribute such additional sums as are required to eliminate the deficiency. Where any one or more Existing Member Authorities or Past Member Authorities is/are required to contribute more than its/their proper proportion towards the Association's liabilities, as calculated below, the Existing Member Authorities and Past Member Authorities shall ensure that they pay across to those "over-contributing" such amount(s) as may be required to ensure that all Existing Member Authorities and Past Member Authorities contribute in accordance with this Article 24.

24.4 Every Existing Member Authority and Past Member Authority (subject to Article 4.6) shall contribute towards any deficiency in the proportion to which the annual subscription which it was liable to pay in its last year of membership (which in the case of an Existing Member Authority shall be the full accounting year immediately before the accounting year in which the winding up resolution was passed, and in the case of Past Member Authorities shall be the accounting year at the end of which its membership ceased) bears to the total amount of subscriptions, as so determined, payable by all Member Authorities (both existing and past).

24.5 The liabilities of the Association shall include (without prejudice to the general meaning of "liabilities") the following:

24.5.1 any sums which are or may in the future become due and payable by the Association under the terms of any lease, licence, mortgage, debenture, loan, guarantee, indemnity or any other agreement or arrangement to which the Association is a party and pursuant to which the Association is or becomes indebted;

24.5.2 any sums which are or may in the future become due and payable by the Association:

(a) to an administering authority for the purposes of the local government pension scheme regulations for the time being in force; and

(b) in respect of the Association's liability to pay the amount of any unfunded pension costs rechargeable to the Association. The amount of such unfunded pension costs shall be determined by an actuary acting as an expert and appointed by the Association and whose determination shall be conclusive;

24.5.3 any sums which are or may in the future become due and payable to officers and/or employees of the Association including salary, wages, redundancy, compensation for loss of office or employment or any other benefits (including early retirement packages) to which such officer or employee is or becomes entitled by reason of law or in

circumstances where the Association is dissolved, in accordance with the policy of the Association existing at the date of the passing of winding up resolution; and

24.5.4 any sums (whether by way of damages or otherwise) which are or may in the future become due and payable in respect of any liability in law whether in contract, tort or otherwise.

24.6 For the purposes of Article 24.5:

24.6.1 a sum may become due in the future in whatever circumstance including on the dissolution of the Association;

24.6.2 net liabilities shall mean the assets of the Association less "the liabilities" of the Association; and

24.6.3 "the assets of the Association" shall include all legal and equitable interests in any asset whatsoever including fixed, current, tangible and intangible assets.

24.7 In the event of a dispute between an Existing Member Authority or Past Member Authority and the Association as to the amount which the Existing Member Authority or Past Member Authority should contribute or receive under this Article 24 the matter shall be referred to arbitration. Any arbitration shall be conducted in accordance with the Arbitration Rules of the Chartered Institute of Arbitrators. The Arbitrator shall be appointed by the President for the time being of the Institute of Chartered Accountants of England and Wales. In the event that the Arbitrator issues a determination providing that the Existing Member Authority or Past Member Authority is liable to contribute a specified sum under this Article the Existing Member Authority or Past Member Authority shall pay the monies which the Arbitrator determines it ought to pay within seven days of the issue of the award.

24.8 The provisions set out in Articles 24.2 to 24.4 do not apply where dissolution is effected for the purpose of reconstitution or merger.

PART 7 – ADMINISTRATIVE ARRANGEMENTS

25 MEANS OF COMMUNICATION TO BE USED

25.1 Subject to the Articles, anything sent or supplied by or to the Association under these Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Association.

25.2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

25.3 A director may agree with the Association that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

26 SEAL

26.1 Any common seal may only be used by the authority of the Leadership Board.

26.2 The Leadership Board may decide by what means and in what form any common seal is to be used.

26.3 Unless otherwise decided by the Leadership Board, if the Association has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

26.4 For the purposes of this Article, an **authorised person** is:

- 26.4.1 any director;
- 26.4.2 the secretary (if any); or
- 26.4.3 any person authorised by the Leadership Board for the purpose of signing documents to which the common seal is applied.

27 INDEMNITY

- 27.1 Subject to Article 27.2, a relevant director of the Association or an associated company may be indemnified out of the Association's assets against:
 - 27.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Association or an associated company;
 - 27.1.2 any liability incurred by that director in connection with the activities of the Association or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and
 - 27.1.3 any other liability incurred by that director as an officer of the Association or an associated company.
- 27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 27.3 In this Article:
 - 27.3.1 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 27.3.2 a **relevant director** means any director or former director of the Association or an associated company.

28 INSURANCE

- 28.1 The directors may decide to purchase and maintain insurance, at the expense of the Association, for the benefit of any relevant director in respect of any relevant loss.
- 28.2 In this Article:
 - 28.2.1 a **relevant director** means any director or former director of the Association or an associated company;
 - 28.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Association, any associated company or any pension fund or employees' share scheme of the Association or associated company; and
 - 28.2.3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

PART 8 - INTERPRETATION

29 INTERPRETATION

- 29.1 In these Articles:

Annual Meeting has the meaning given in Article 10.3

Articles means these articles of Association as amended from time to time

Association means the company governed by these Articles

bankruptcy includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy

Board means any person, board or committee to whom or which any of the Leadership Board's powers are delegated

Board Standing Orders has the meaning given in Article 6.5

Chair has the meaning given in Article 20.2

Companies Acts means the Companies Acts (as defined in section 2 of the Companies Act 2006) in so far as they apply to the Association;

director means a director of the Association, and includes any person occupying the position of director, by whatever name called

document includes, unless otherwise specified, any Document sent or supplied in Electronic Form

electronic form has the meaning given in section 1168 of the Companies Act 2006

General Assembly has the meaning given in Article 10.1

General Assembly Chair has the meaning given in Article 14

hard copy form has the meaning given in section 1168 of the Companies Act 2006

instrument means a document in hard copy form

Leadership Board means the directors of the Association or such of them as are present at a meeting of the directors at which a quorum is present

Leadership Board Standing Orders has the meaning given in Article 6.3

Member Authority has the meaning given in Article 4.1

Member Authority Representative has the meaning given in Article 5

Objects has the meaning given in Article 2.1

ordinary resolution has the meaning given in section 282 of the Companies Act 2006

Past Member Authority has the meaning given in Article 4.4

Scheme of Allowances has the meaning given in Article 23

Senior Vice Chair has the meaning given in Article 20.4

special resolution has the meaning given in section 283 of the Companies Act 2006

writing means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, but excluding fax

year means calendar year

- 29.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Association.
- 29.3 A reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees.
- 29.4 Unless the context otherwise requires:
- 29.4.1 words in the singular shall include the plural and in the plural shall include the singular; and
- 29.4.2 a reference to one gender shall include a reference to the other genders.
- 29.5 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision. A reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 29.6 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 29.7 References to a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the day immediately preceding the numerically corresponding day in the next calendar month or, if there is no numerically corresponding day in the next calendar month, the last day in the next calendar month.
- 29.8 The expressions **body corporate, holding company, subsidiary, parent undertaking, subsidiary undertaking** and **parent company** shall have the respective meanings given in the Companies Act 2006, and, for the purposes of sections 1159(1) and 1162(2)(b) and (d) of that Act, a company or undertaking (the first person) shall be treated as a member of another company or undertaking if:
- 29.8.1 any of the first person's subsidiaries or subsidiary undertakings is a member of that other company or undertaking; or
- 29.8.2 any shares or capital interests in that other company or undertaking are held by a person acting on behalf of the first person or any of its subsidiaries or subsidiary undertakings; or
- 29.8.3 any shares or capital interests in that other company or undertaking are registered in the name of a person (or its nominee) by way of security or in connection with the granting of security over those shares or capital interests by the first person.

LOCAL GOVERNMENT ASSOCIATION

APPLICATION FOR ADMISSION AS A MEMBER AUTHORITY

To the Board of Local Government Association (the **Association**)

[] Council hereby applies for admission as a Member Authority of the Local Government Association in accordance with the Association's Articles of Association, such admission to take effect on 1 April 2018.

On and from the Admission Date, the Council agrees to be bound by the Articles of Association of the Association and by such rules, standing orders and resolutions made or passed under or pursuant to them from time to time.

The council agree that all notices, documents or other information from the Association may, at the option of the Association, be sent to any address specified below, or to such other address as we may subsequently notify to the Association in accordance with the Articles of Association.

Signed:

Name (printed):

Position:

Date:

For and on behalf of (applicant council):

Address of applicant council:

Contact e-mail address:

All communications to be marked for
the attention of:

Incorporating the LGA – FAQs

APPENDX 3

1. Why do we need to change?

The LGA is currently an Unincorporated Association and its Constitution is similar to any voluntary club. In law it cannot enter into contracts or own title to property. Because of this, the LGA's two properties – Layden House in Farringdon 18 Smith Square in Westminster - are owned by separate property companies.

Rationalising the company structure will enable us to be more tax efficient and ensure that as much income as possible is used for the benefit of member councils.

2. Why are we doing this now?

The LGA wants to become more commercial in order to offer best value to member councils and keep subscriptions low. As part of this we are redeveloping 18 Smith Square and Layden House to increase their capital value and to give the LGA a sustainable income stream. However under the current company structure

- Commercial income would go to the property companies and would be taxable.
- The transfer or sale of either building would be subject to capital gains tax.

3. Why is an unlimited company proposed? Why not a limited liability company?

A senior member task group was set up in 2016 to review the LGA's company structures, supported by deputy chief executive Sarah Pickup and advised by leading tax specialists, Crowe Clark Whitehill. The task group considered a wide range of possibilities, including charitable status, limited liability partnership, community interest company, company limited by shares, company limited by guarantee and an unlimited company.

The task group concluded that an unlimited company best replicated the current arrangements, enabling the Association to continue to share assets and liabilities between its member councils according to the proportion of subscriptions paid, to maintain the current covenant allowing it to be treated as local authority by its pension trustees and to form a tax group with the property companies and a VAT group with the property companies and the IDeA company.

The definition of a company for tax grouping purposes specifically excludes limited liability companies and for this reason this option was discounted.

4. What is being proposed?

There are three parts to the proposal:-

- To establish a new incorporated LGA, set up as an unlimited company, to take on the activities, assets and liabilities of the current LGA.

- To convert the property companies to unlimited companies with share capital, and to issue their shares to the new LGA. The two properties can then be transferred to the LGA without the need to pay capital gains tax or stamp duty.
- To form tax and VAT groups between the new LGA and its companies to maximise their tax efficiency.

5. Why is the LGA choosing to replicate the previous governance arrangements rather than move to a more streamlined corporate model?

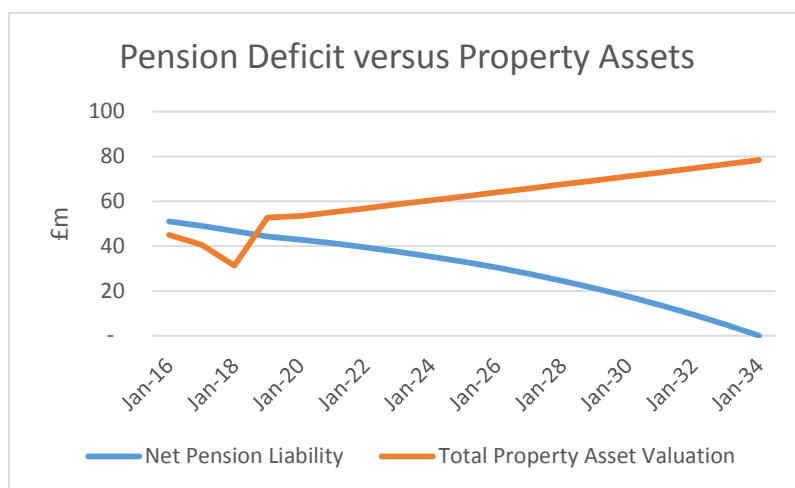
In 2014, the LGA undertook an extensive review of its governance arrangement with a view to creating a more streamlined model. However following extensive consultation, lead members concluded that as a national membership body, ensuring the active engagement of a wide number of members from across the country was more important than creating a streamlined structure. There has been no political appetite since then to revisit this.

6. What will happen to the LGA’s assets?

The majority of the LGA’s interests – for example its share in Local Partnerships – will be transferred to the new company. The two property companies - LGA Properties Ltd and LGMB - will be converted to unlimited companies with share capital, with the shares issued to the new Incorporated LGA. This will enable the income from the two properties to go straight to the LGA, with consequent benefits for the LGA and its membership.

7. What about its liabilities?

The LGA has a mortgage on 18 Smith Square and this, along with our pension liabilities, will be transferred to the new company. However under current projections, our assets will exceed liabilities by the end of the next financial year.



8. What about my council’s liability if the company is unlimited by guarantee?

Under the current Constitution all member councils, both existing and past, must contribute to any deficit if the Association were to be dissolved. Contributions are

proportionate to the levels of annual subscription paid. Conversely, member councils would also be entitled to a share of any assets. This will not change under the proposals.

9. Why should the Council sign up to the proviso that it underwrites the Association's costs for five years if it decides to leave?

This replicates the arrangement in the current Constitution of the LGA. It is designed to give stability to the organisation and to protect member authorities from being left with significant costs in the event of a large number of councils leaving the Association.

In renewing its membership each year, each council already signs up to this and has done since the LGA was created in 1997.

10. Should the decision to join the new LGA Company be a member decision or can the Chief Executive signed the application?

From a member council perspective, the risks and benefits of the new LGA company closely resemble those of the incorporated Association, with assets and liabilities continuing to be shared between its member councils according to the proportion of subscriptions paid.

It is of course up to individual councils to decide but many Chief Executives have already signed up to the new LGA, as they have done each year to the unincorporated Association.

11. What does this mean for my council?

Practically, there will be no change for member councils. Our Boards, Fire Services Management Committee, LGA Executive and the Leadership Board will all continue to operate in the same way and we will continue to deliver the same services to our membership.

However the new arrangements will enable us to maximise income available to support our work with councils, whilst keeping subscriptions as low as possible. This means that overall, member councils will be better off under the new arrangements.

12. Who will be the company directors?

The Chairman, Vice and Deputy Chairs of the Association will form the Board of Directors of the new LGA. They are elected annually by the General Assembly.

13. Why couldn't we use the IDeA company instead of creating something new?

The IDeA company is the specified body for receipt of government grant for our improvement activities. There has to be clear segregation between our grant funded work and our political lobbying activity which is central to the LGA.

14. What happens next?

General Assembly approved the change on 4 July 2017 and the new company has been registered with the chairman, vice and deputy chairs as the directors and interim members. The Board met on 7 March to ratify the appointments, followed by the first general meeting of the interim members to adopt the new articles of association.

On 26 February 2018, every member council received an invitation to join the new incorporated company by 31 March 2018, along with their 2018 membership pack. Councils will need to complete and sign a simple form and return it in hard copy to the Chief Executive. A copy of the form is attached.

Councils' 2018/19 subscription will give them membership both of the current unincorporated LGA and the new LGA company.

Assuming that all member councils have signed up to the new LGA, we will invite General Assembly in 2018 to pass a resolution to dissolve the unincorporated Association once all its activities, assets and liabilities have been transferred to the new company. This should give us a seamless transition to the new incorporated LGA.

15. What if we decide not to go ahead?

If an insufficient number of councils apply for membership of the new company, the LGA will continue in its current form. This will mean that the two properties remain in the ownership of the property companies, and we will have to pay tax on all our commercial property income.

16. What happens if I miss the 31 March deadline?

Your 2018/19 subscription gives you membership of the both the current and the new LGA. As soon as we receive your completed application you will be admitted as a member of the new company.

17. What happens to the LGA's staff?

All LGA employees will transfer to the new entity once the final decision is taken to dissolve the existing LGA. We will need to ensure that we comply with all employment law requirements as we manage the transfer.



LOCAL GOVERNMENT ASSOCIATION

APPLICATION FOR ADMISSION AS A MEMBER AUTHORITY

To the Board of Local Government Association (the **Association**)

[] Council hereby applies for admission as a Member Authority of the Local Government Association in accordance with the Association's Articles of Association, such admission to take effect on 1 April 2018.

On and from the Admission Date, the Council agrees to be bound by the Articles of Association of the Association and by such rules, standing orders and resolutions made or passed under or pursuant to them from time to time.

The council agree that all notices, documents or other information from the Association may, at the option of the Association, be sent to any address specified below, or to such other address as we may subsequently notify to the Association in accordance with the Articles of Association.

Signed: _____

Name (printed): _____

Position: _____

Date: _____

For and on behalf of (applicant council): _____

Address of applicant council:

Contact e-mail address: _____

All communications to be marked for the attention of: _____

