

Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session

Agenda

28 May 2010

A Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session will be held at Shire Hall (Committee Room 1), Warwick on **Friday 28 May 2010 at 9.15 am.**

The agenda will be:

1. General

(1) Members' Disclosures of Personal and Prejudicial Interests.

Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the item (or as soon as the interest becomes apparent). If that interest is a prejudicial interest the Member must withdraw from the room unless one of the exceptions applies.

Membership of a district or borough council is classed as a personal interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.

(2) Minutes of the meeting held on 30 April 2010

2. New Signalised Pedestrian Crossing and associated works at Leamington Road, Southam S278 Tesco Development

Report of the Strategic Director of Environment and Economy enclosed.

3. Advertising Services contract 2010-2013

Report of the Strategic Director of Resources enclosed.

4. Renewal of Lease, Warwick House, Nuneaton

Report of the Strategic Director of Resources enclosed.

The public reports referred to are available on the Warwickshire Web
www.warwickshire.gov.uk/committee-papers

5. Any Other Urgent Business

JIM GRAHAM
Chief Executive
Warwickshire County Council
May 2010

Cabinet Portfolio Holder for Resources: Councillor Martin Heatley

CllrHeatley@warwickshire.gov.uk

Cabinet Portfolio Holder for Customers, Workforce & Partnerships: Councillor Colin Hayfield cllrhayfield@warwickshire.gov.uk

General Enquiries: Please contact Janet Purcell, Executive & Member Support Manager
Tel 01926 413716 or email: janetpurcell@warwickshire.gov.uk

The public reports referred to are available on the Warwickshire Web
www.warwickshire.gov.uk/committee-papers

**Minutes of Portfolio Holder (Resources) and Portfolio Holder
(Customers, Workforce and Partnerships) Decision Making Session held
on 20 April 2010**

Present:

Decision Makers: Councillor Martin Heatley (Portfolio Holder for Resources) and Councillor Heather Timms (Portfolio Holder for Customers, Workforce and Partnerships).

Other Councillors Alan Cockburn and Izzi Seccombe

Officer: Jane Pollard (Democratic Services Manager).

1. General

(1) Member Declarations of Personal and Prejudicial Interests

None.

(2) Minutes of meeting held on 25 February 2010.

Resolved

That the minutes of the meeting held on 25 February 2010 be approved as a correct record.

2. Developer Funded Scheme at Wattons Lane, Southam Phase 2

Councillor Martin Heatley (Portfolio Holder for Resources) and Councillor Heather Timms (Portfolio Holder for Customers, Workforce and Partnerships) considered a report from the Strategic Director of Environment and Economy. This proposed the inclusion within the capital programme of an estimated cost of £70, 000 including fees in respect of Wattons Lane, Southam, Phase 2 works to be fully funded by the Developer, Banner Homes, under a Section 278 Agreement and supported by a Bond. The Wattons Lane Phase 2 works comprises of the construction of 2 sets of speed cushions and one speed table at the junction of St James Road with St James Crescent. In addition, sections of St James Road, Wattons Lane and Park Lane will be resurfaced. The portfolio holders were asked to approve the inclusion of this in the Capital Programme.

Resolved

That the project for the Phase 2 Wattons Lane works be included in the 2010/2011 Capital Programme at a total estimated cost of £70,000, subject to the Bond being supplied by Banner Homes under a S278 Agreement

3. Developer Funded Scheme at Queen’s Road, Nuneaton (Nuneaton Borough Football Club).

Councillor Martin Heatley (Portfolio Holder for Resources) and Councillor Heather Timms (Portfolio Holder for Customers, Workforce and Partnerships) considered a report from the Strategic Director of Environment and Economy which proposed the inclusion of an estimated £71,000 including fees within the capital programme 2010/11. The costs to be fully funded by the Developer, J S Bloor (Services) Ltd, under a Section 278 Agreement signed on 24 February 2010. This represents the costs of the construction of a new signalised pedestrian crossing and a right turn lane into the ‘Nuns Retreat’ residential development situated on the site of the old Nuneaton Borough Football Club with access via Queen’s Road. The portfolio holders were asked to approve the inclusion of this in the Capital Programme.

Resolved

That this project be included in the 2010/2011 Capital Programme at a total estimated cost of £71,000. (

4. Any Other Urgent Business

None.

The meeting rose at 12.03 p.m.

.....
Portfolio Holder (Resources)

.....
Portfolio Holder (Customers,
Workforce & Partnerships)

AGENDA MANAGEMENT SHEET

Decision Making Session Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session

Date of Decision 28 May 2010

Report Title New Signalled Pedestrian Crossing and associated works at Leamington Road, Southam S278 Tesco Development

Summary This report seeks approval from Portfolio Holders to add the above project to the 2010/2011 Capital Programme.

For further information please contact Jon Mabbett
Team Leader
Tel. 01926 412675
jonmabbett@warwickshire.gov.uk

Would the recommended decision be contrary to the Budget and Policy Framework? No

Background Papers None.

CONSULTATION ALREADY UNDERTAKEN:- *Details to be specified*

Other Committees

Local Member(s) Councillor J Appleton
(With brief comments, if appropriate)

Other Elected Members Councillor R Chattaway }
Councillor C Davis } for information
Councillor M Gittus }
Councillor B Moss }

Cabinet Member Councillor M Heatley
(Reports to The Cabinet, to be cleared with appropriate Cabinet Member) Councillor H Timms
Councillor A Cockburn – for information

Chief Executive



- Legal I Marriott – agreed.
- Finance
- Other Chief Officers
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION **YES/NO** *(If 'No' complete Suggested Next Steps)*

SUGGESTED NEXT STEPS :

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

**Portfolio Holder (Resources) and Portfolio Holder
(Customers, Workforce and Partnerships) Decision Making
Session – 28 May 2010**

**New Signalised Pedestrian Crossing and associated works
at Leamington Road, Southam S278 Tesco Development**

**Report of the Strategic Director for
Environment and Economy**

Recommendation

That this project be included in the 2010/2011 Capital Programme at a total estimated cost of £240,000, subject to the Section 278 Agreement being signed with Tesco and satisfactory completion of the Consultation process.

1. Background

- 1.1 Tesco were given planning permission in November 2009 to erect a new food store with petrol filling station, car parking, servicing area and associated landscaping on land west of Kineton Road off Northfield Road, Kineton Road Industrial Estate, Southam.

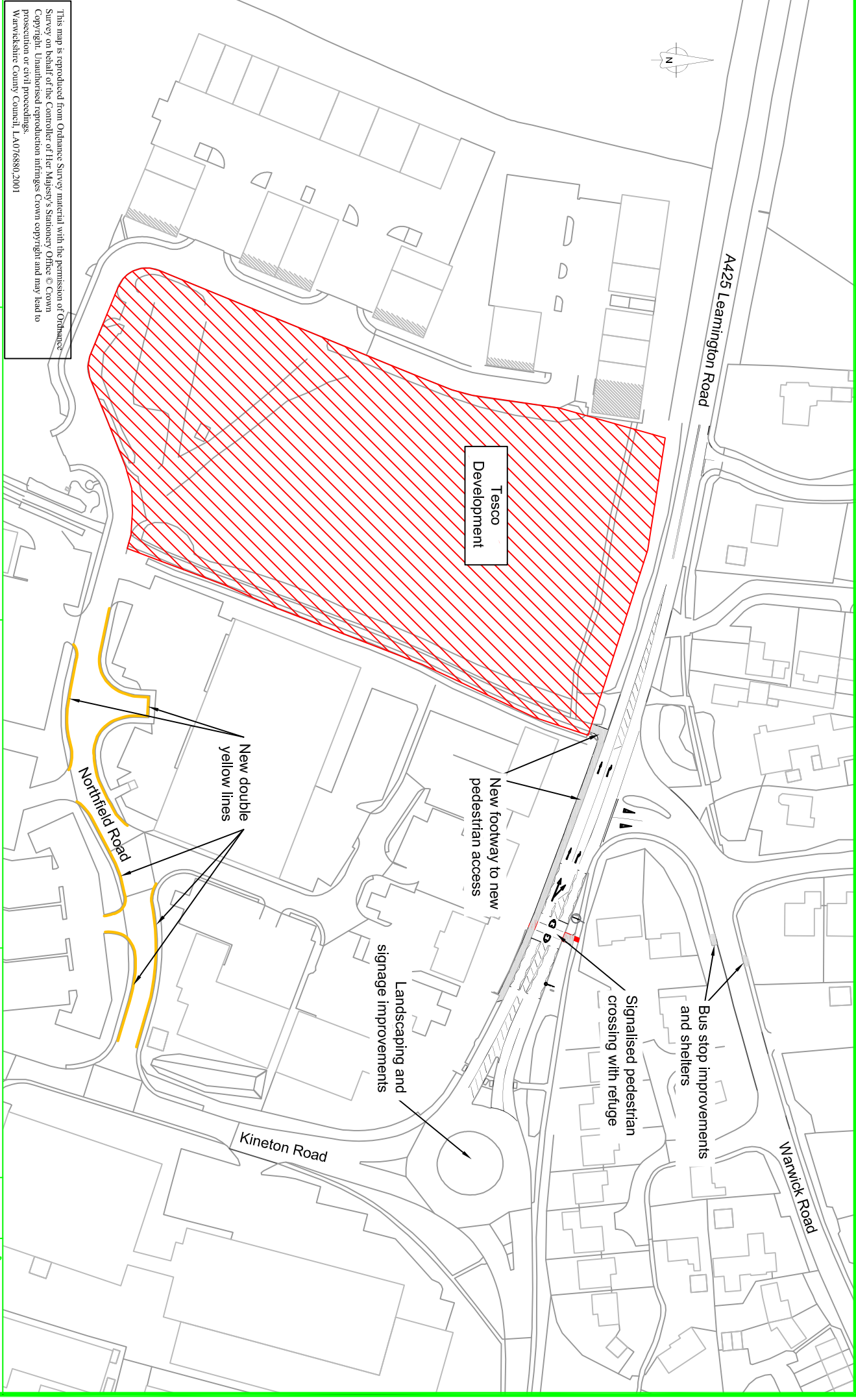
2. The Section 278 Works

- 2.1 The planning conditions for the retail development requires the construction of:-
- (i) New traffic signal controlled pedestrian crossing and new footway on A425 Leamington Road.
 - (ii) Landscaping and signage improvement works to the Leamington Road/Kineton Road roundabout.
 - (iii) Improvement to the bus stops on Warwick Road and the provision of two new bus shelters on Warwick Road.
 - (iv) The implementation of a Traffic Regulation Order to restrict parking on Northfield Road.
- 2.2 A plan showing the proposed works is attached in **Appendix A**.
- 2.3 Statutory Consultations for the pedestrian crossing and Traffic Regulation Orders will be undertaken in April/May 2010. Informal Consultation for the bus stop works will be undertaken in May 2010.

- 2.4 Subject to Portfolio Holder approval, the County Council will undertake the works through the LTP Contract at an estimated cost of £240, 000 including fees. This will be fully funded by the Developer, Tesco, under a Section 278 Agreement which is due to be signed in May 2010. Construction is expected to commence in July 2010.

PAUL GALLAND
Strategic Director for Environment and Economy
Shire Hall
Warwick

12 May 2010



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Portfolio Holder Decision Making Session: 28 May 2010

Plan No.: 9-2-A425-56/02

Subject: Tesco Development Southam

Appendix A



This plot was produced from a digital source so may not be at true scale. It is the recipient's responsibility to confirm its accuracy.

Warwick County Council
 Strategic Director
 Environment and
 Economy Directorate
 Shite Hall, Warwick, CV34 4SX

AGENDA MANAGEMENT SHEET

Name of Committee Portfolio Holder (Resources) And Portfolio Holder (Customers, Workforce And Partnerships) Decision Making Session
Date of Committee 28 May 2010

Report Title Advertising Services Contract June 2010 – August 2013

Summary The Council’s own contract for Advertising Services has recently expired. This report seeks Portfolio Holder approval for Warwickshire County Council to join the existing regional Advertising Services contract (established by Solihull MBC) with effect from 1st June 2010.

For further information please contact: Paul White
 Strategic Procurement Manager
 Tel: (01926 41) 6146
 paulwhite@warwickshire.gov.uk

Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers None

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s) N/A
- Other Elected Members Cllrs Appleton, Davis, Gittus, and Moss – for information
- Cabinet Member Cllrs Heatley and Timms – approval for consideration
- Chief Executive
- Legal Michaela Meerus
- Finance David Clarke, Strategic Director, Resources – reporting officer
- Other Chief Officers

District Councils

Health Authority

Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

**Portfolio Holder (Resources) and Portfolio Holder
(Customers, Workforce and Partnerships) Decision Making
Session - 28th May 2010.**

Advertising Services Contract June 2010 – August 2013

Report of the Strategic Director, Resources

Recommendation

Portfolio Holders approve Warwickshire County Council joining the regional Advertising Services contract established by Solihull MBC with effect from 1st June 2010 on terms and conditions agreeable to the Strategic Director of Customers Workforce & Governance and the Strategic Director of Resources.

1. Background

- 1.1 Historically, Warwickshire County Council has maintained its own contract for the provision of media advertising for job advertisements and public notices. In the calendar year 2007 expenditure on this contract (including schools) was £1,217,001 however for the calendar year 2009; the annual expenditure had reduced to £531,032. Comparing the period January – March 2009 with January - March 2010, expenditure has reduced by a further 29.2%. If this trend continues throughout 2010, annual expenditure will have reduced to £372,781.
- 1.2 There are a number of reasons for the reduction in this expenditure including the general reduction in recruitment advertising, the move to advertising job opportunities on the Council's website and the use of electronic job advertising sites such as 'Monster'. It is realistic to expect that expenditure in this area will continue to reduce over the next few years however it will not disappear completely because of the requirement on the Council to advertise public notices in the local press.

2. Options

- 2.1 When the Council's current Advertising Services contract came up for a renewal, two options were considered: -
- (i) Renew the contract in the traditional way but with the possibility that Warwickshire County Council's reduced volumes would lead to a

reduction in discount levels and therefore an increase in costs for the advertising we undertake; or

- (ii) Look to aggregate our requirements for this service with that of other authorities to maintain discount levels.

- 2.2 Members will be aware that Warwickshire recently created a shared Procurement Service with Solihull MBC and Coventry City Council. As part of our discussions with these authorities when establishing the shared service, we were advised that Solihull MBC had recently established a contract for Advertising Services, which was accessible to the whole of the West Midlands region.
- 2.3 The media discounts available via the regional contract are slightly more beneficial than the Council's current contract and offer moderate savings of £2,664 per annum based on 2009 levels of expenditure (although 81% of this saving is within schools). However, in addition to the immediate media discount savings, further savings on additional services such as creative fees, digital design and production fees will be available should 5 or more West Midlands authorities join the contract. Warwickshire will be the 4th authority to join this contract should members agree the recommendation contained within this report.

3. Conclusion

- 3.1 In considering our options for the renewal of the Council's current Advertising Services contract, the objective was to preserve current discount levels with significantly reduced expenditure. By joining the regional Advertising Services contract established by Solihull MBC, not only will discount levels be preserved, they will be slightly improved. This offers the Authority moderate costs savings, potentially avoids any additional costs associated with a reduction in discounts as a consequence of reduced expenditure, and saves the Council the cost of running our own procurement exercise. This solution also lends support to the spirit of the shared procurement service created with Coventry City Council & Solihull MBC and to shared services in general.

4. Recommendation

- 4.1 Members are recommended to approve Warwickshire County Council joining the regional Advertising Services contract established by Solihull MBC.

DAVID CLARKE
Strategic Director, Resources

Shire Hall
Warwick

May 2010

AGENDA MANAGEMENT SHEET

Name of Committee Portfolio Holder (Resources) and Portfolio Holder (Customers, Workforce and Partnerships) Decision Making Session
Date of Committee 28 May 2010

Report Title Renewal of Lease - Warwick House, Nuneaton

Summary To recommend acceptance of the terms for the lease renewal at Warwick House, Bond Gate, Wheat Street, Nuneaton.

For further information please contact: Steve M Smith
 Head of Property & Construction Services

Tel: 01926 412352
 stevesmithps@warwickshire.gov.uk
 No.

Would the recommended decision be contrary to the Budget and Policy Framework?

Background papers None

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members Cllr Brian Moss
Cllr Chris Davis
- Cabinet Member Cllr Martin Heatley
Cllr Heather Timms
- Chief Executive
- Legal Barry Jukes
- Finance David Clarke, Strategic Director, Resources – Reporting Officer – approved report
- Other Chief Officers

District Councils

Health Authority

Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by
this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

**Portfolio Holder (Resources) and Portfolio Holder (Customers,
Workforce and Partnerships) Decision Making Session**

28th May 2010

Renewal of Lease - Warwick House, Nuneaton

Report of the Strategic Director of Resources

Recommendation

That the Portfolio Holders agree the terms for the new lease at Warwick House, Bond Gate, Wheat Street Street, Nuneaton as follows :-

5 Years from 4th April 2010 at a rent of £110,400 per annum on a full repairing and insuring basis and the Council will vacate entirely by exercising a tenant's break clause operable at the end of year three on payment of a fee of £110,400.

1.0 Background

- 1.1 The Council occupy the building known as Warwick House, Bond Gate, Wheat Street, Nuneaton by virtue of a 20 year lease which commenced on 29th September 1987 on a full repairing and insuring basis. The lease was subject to five yearly rent reviews.
- 1.2 The office block comprises 16,500 sq. ft. (1533 sq. m.) net comprising 5 floors of 3,300 sq. ft. each equating to a rental of £6.69 per sq. ft. (£1.98 per sq. m)..
- 1.3 Warwick House is currently occupied by:
 - 1.3.1 CYPF – one of the 2 Children in Need (CIN) Nuneaton Teams
 - 1.3.2 AHCS – Older People and Physical Disability Team (Nuneaton & Bedworth),
Benefits Advice and Income Control Unit
and Services to the Deaf
 - 1.3.3 The Fire Brigade Union have occupied several offices on the top floor of Warwick House on a licence basis in association with the Atherstone-on-Stour Inquiry.

- 1.4 The lease term expired on 28th September 2007 and from that time the Council has occupied on a 'holding over' basis. Prior to the lease expiry date the Council were considering whether to remain at Warwick House on a long term basis or seek alternative accommodation. The option to purchase Warwick House rather than enter into a further lease was also explored. The Council was unable to identify suitable alternative accommodation for all of the existing occupiers. The main constraints were:
- 1.5 CYPF - Identifying suitable premises in the centre or south of Nuneaton to provide more suitable accommodation for the CIN Team including assessment rooms and case conference rooms, in addition to offices, with any replacement building sympathetic to the family assessment function.
- 1.6 AHCS – Lack of suitable office accommodation in central Nuneaton with good public access and transport links providing sufficient car parking.
- 1.7 ICT (data transfer and voice communications links from Warwick House) Warwick House is a significant data and voice 'hub' for Council property in Nuneaton and costs of up to £1m, including early contract terminations, were identified for alternative solutions if Warwick House were to be vacated.
- 1.8 Landlord - The Landlord was not willing to sell the freehold interest of Warwick House to the Council as it did not suit his investment portfolio requirements.

2.0 Accommodation Review of Warwick House

- 2.1 In 2009, the Council determined the existing arrangements at Warwick House could not continue and a formal review was instigated being initiated for the following reasons:
 - 2.1.1 The existing accommodation at Warwick House is very poor in its existing condition, layout and setting. It has been heavily criticised by external inspectors for safeguarding children as inappropriate for the delivery of children in need services.
 - 2.1.2 The Area Property Review for Nuneaton recorded that occupiers of Warwick House were not satisfied with the accommodation. The review recommended that the premises are vacated in the short to medium term relocating to more suitable premises.
 - 2.1.3 The offices are under-occupied, with some available space on the 4th (top) floor.
 - 2.1.4 Significant repair and refurbishment works are required to provide suitable accommodation.
 - 2.1.5 The current lease of the Warwick House became due for renewal.

- 2.2 The Landlord's circumstances had changed and there was the prospect for the Council to acquire Warwick House, undertake a refurbishment programme and provide suitable accommodation for the existing occupiers. However, the Landlord was also seeking a sale price of approximately £400,000 in excess of market value determined by the Council and Valuation Office Agency. The outcome of the review showed that this was not a preferred option as:
- 2.2.1 Warwick House would have remained under-occupied.
- 2.2.2 Capital costs of approximately £2.1m were identified to refurbish the accommodation. A refurbished and remodelled Warwick House offered a compromise solution for the CIN Team needs as Warwick House is not considered a sympathetic building for families undergoing assessments.
- 2.3 During the Review process significant variations to user requirements were confirmed namely:
- 2.4 CYPF - An existing Council property was likely to become available which could be extended and remodelled suitable for the CIN Team. Subsequent to the initial review, CYPF have confirmed that co-location of the 2 CIN Nuneaton Teams is now viable and offers further efficiency savings of shared accommodation and avoiding journeys between offices. The Review identified that there is sufficient capacity at the Hilary Road Centre to accommodate both the CIN Teams by extending and refurbishing the existing accommodation.
- 2.5 AHCS - Identified there was no longer a need for front facing public accessible accommodation and suitable locations could include Nuneaton or Bedworth Town Centres. By using vacant space and under-occupied space at Kings House, sufficient capacity can be created to relocate the AHCS Team from Warwick House.
- 2.6 ICT - Renewal of data connection contracts in 2010 will avoid WCC paying significant costs to determine data connection contracts early thus reducing reconnection costs significantly as a result of vacating Warwick House.

3.0 Proposed Lease Terms

- 3.1 Terms have been agreed between the parties as follows for the Council to enter into a further lease of Warwick House to enable phased relocation:
- 3.2 Lease term 5 years commencing on 24th June 2010
Rent £110,400 per annum
Full repairing and insuring basis
Break Clause operable on 23rd June 2013 on payment of a fee of £110,400.
Lease to be completed before 24 June 2010.
- 3.3 The break option at year 3 reflects the minimum lease term acceptable to the Landlord and fits with the projected time scales for the Council to provide refurbishment and extended accommodation at the Hilary Road Centre and

then undertake works to avoid dilapidation claims when vacating Warwick House. These terms represent best value to the Council.

4.0 Additional Information

- 4.1 During the Review process the Landlord served a Notice on the Council to determine the lease on 4th April 2010 offering a further 15 year lease at a rental of £140,000 per annum. The Council countered these proposals with a request for a 3 year lease at an annual rent of £74,250 per annum. In this instance the Council has no right to apply to the Court to determine new lease terms, therefore terms must be agreed between the parties or alternatively the Council is required to vacate the property. The proposed lease terms in paragraph 3.2 above represent an acceptable compromise solution to the parties with the main issues being the shorter 5 year lease term together with the 3 year break option which affects the capital value of the Landlord's property – hence a higher rent for a shorter term to satisfy the Council's requirement to continue occupation for a short term to relocate staff and ICT links and carry out essential repair work.
- 4.2 The Landlord also requires early completion of the new lease.

5.0 Costs to Occupiers

- 5.1 Warwick House is classed as a Council 'Area Office' with occupiers paying occupation costs, including rent, on an area proportioned basis. The cost of any unoccupied space is borne by the Surplus Property Budget, managed by Resources Directorate.
- 5.2 An alternative to payment of a fee to exercise the break option was to pay an increased rent of approximately £150,000 per annum. This would not represent best value to the Council in the event that the break option was not exercised and the lease continued for the full 5 year term. It is proposed that the fee payment of £110,400 is annualised over 3 years as rent, recoverable from occupiers of Warwick House.
- 5.3 Current financial procedures require the cost of any space vacated by occupiers to be borne from the Surplus Property Budget until the space is either occupied or lease terminated.

6.0 Recommendation

- 6.1 That the Council enter into a lease renewal as described above in order to facilitate relocation of the existing occupiers and ICT data and voice connection and allow the carrying out of essential repair work.

DAVID CLARKE
Strategic Director of Resources

Shire Hall
Warwick
May 2010