

# County Council

Date: Thursday, 23 July 2020  
Time: 10.00 am  
Venue: On line via Microsoft Teams

## Membership

Councillors Nicola Davies (Chair), Alan Cockburn (Vice-Chair), Helen Adkins, Jo Barker, Margaret Bell, Parminder Singh Birdi, Sarah Boad, Mike Brain, Peter Butlin, Les Caborn, Mark Cargill, Jonathan Chilvers, Jeff Clarke, John Cooke, Andy Crump, Yousef Dahmash, Corinne Davies, Neil Dirveiks, Judy Falp, Jenny Fradgley, Bill Gifford, Peter Gilbert, Daniel Gissane, Clare Golby, Seb Gran, Colin Hayfield, John Holland, John Horner, Andy Jenns, Kam Kaur, Keith Kondakor, Jeff Morgan, Maggie O'Rourke, Bhagwant Singh Pandher, Anne Parry, Dave Parsons, Caroline Phillips, Wallace Redford, David Reilly, Clive Rickhards, Howard Roberts, Kate Rolfe, Jerry Roodhouse, Andy Sargeant, Izzi Seccombe, Dave Shilton, Jill Simpson-Vince, Dominic Skinner, Bob Stevens, Heather Timms, Adrian Warwick, Alan Webb, Chris Williams, Pam Williams, Andrew Wright

Items on the agenda: -

### 1. Election of Chair of Council

To elect a Chair for the ensuing municipal year. The Chair to make a declaration of acceptance of office.

### 2. Election of Vice Chair of Council

To elect a Vice Chair for the ensuing municipal year. The Vice Chair to make a declaration of acceptance of office.

### 3. General

#### (1) Apologies for Absence

To take any apologies for absence.

#### (2) Dispensations for Absence

To consider and dispensations that may be required under Section 85 of the Local Government Act 1972.

#### (3) 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.

#### **(4) Minutes of the previous meeting**

7 - 24

To consider the minutes of the meeting of Council held on 18 February 2020.

#### **(5) Chair's announcements**

To receive any announcements from the Chair of the Council, Leader, Cabinet Members or Chief Executive.

#### **(6) Petitions**

To receive any petitions submitted in accordance with the Council's Petitions Scheme.

#### **(7) Public Speaking**

To note any requests to speak on any item on the agenda in accordance with the Council's Public Speaking Scheme.

### **4. Appointments to Committees**

25 - 36

A report of the Strategic Director for Resources.

The Local Government and Housing Act 1989 sets out requirements for political balance on member bodies unless the Council agrees otherwise. If the Council wishes to adopt arrangements that do not follow the requirements for political balance on member bodies then this will be dependent on no-one voting against such arrangements.

### **5. Overview and Scrutiny Annual Report 2019/20**

37 - 58

The enclosed report highlights the work of each of the Overview and Scrutiny Committees over the last year.

### **6. Annual Monitor of use of the Urgency and Call-in procedures 2019/20**

59 - 68

Leader of the Council - Councillor Izzi Seccombe

The enclosed report of the Strategic Director for Resources sets out

the annual report on the use of urgency and call-in procedures.

**7. Treasury Management Strategy and Investment Strategy** 69 - 112

Cabinet Portfolio Holder: Councillor Peter Butlin

The enclosed report has been considered by Cabinet and Council is recommended to give its final approval.

**8. Capital Investment Fund 2019/20 Warwick Town Centre Transport Package** 113 - 118

Cabinet Portfolio Holders; Councillors Peter Butlin and Jeff Clarke

A report that asks Council approval for an allocation of £4.046 million funding from the Capital Investment Fund (CIF) to deliver a transport package for Warwick town centre and the addition of the project to the Capital Programme at a full cost of £4.418 million.

**9. Historic Bridge Maintenance Programme - Capital Programme Entry** 119 - 122

Cabinet Portfolio Holders: Councillors Peter Butlin and Jeff Clarke

This report seeks Council approval to the addition of the Historic Bridge Maintenance Programme to the capital programme at an estimated cost of £6.30m, funded from the Capital Investment Fund (CIF) and the Department for Transport (DfT) Challenge Fund.

**10. Warwickshire Rail Strategy 2019 - 2034** 123 - 200

Cabinet Portfolio Holder: Councillor Jeff Clarke

Council is asked to endorse the Warwickshire Rail Strategy 2019-2034 and agree that the document is added to the Warwickshire Local Transport Plan 2011-2026.

**11. Audit and Standards Committee Annual Report 2019/20** 201 - 206

Cabinet Portfolio Holder: Councillor Kam Kaur

Council is requested to receive the Annual Report of the Audit and Standards Committee. This report is being considered by the Audit and Standards Committee on 20 July 2020.

**12. Notices of Motion**

To consider the following motions submitted by members in accordance with Standing Order 5:

(1) Green Group Motion

This Council is committed to producing a new Local Transport Plan where:

- Public transport and active travel will be the natural first choice for our daily activities. We will encourage the reduction in car use by supporting a convenient, cost-effective and coherent public transport network.
- We will support actively moving towards a position where all road vehicles from motorcycles to HGVs will be zero emission. We will support technological advances, including new modes of transport and mobility innovation, to drive modal shift and change the way vehicles are used.
- Our goods will be delivered through an integrated, efficient and sustainable delivery system.
- We will support clean, place-based solutions that meet the needs of local people and champion the climate agenda through local leadership. Changes and leadership at a local level will make an important contribution to reducing national GHG emissions.
- Warwickshire will be an internationally recognised leader in environmentally sustainable, low carbon technology and innovation in transport.

Proposer: Councillor Keith Kondakor

Seconder: Councillor Jonathan Chilvers

(2) Green Group and Independent Motion

This Council

- Thanks the huge number of people and community groups who volunteered or offered to volunteer in their communities during the first phase of the pandemic.
- Recognises that is now a short-term one-off window to engage with individuals and groups and broker opportunities that could help address long term issues such as loneliness in our community.
- Supports the making of an urgent bid to the Sustaining Prevention Fund to provide additional short-term (6

months) resources, to enable further proactive outreach and work with new community groups to help keep volunteers engaged in their communities for the longer term.

Proposer: Councillor Jonathan Chilvers

Seconder: Councillor Dan Gissane

### **13. Member Question Time (Standing Order 7)**

A period of up to 40 minutes is allocated for questions to the Leader, Cabinet Portfolio Holders and Chairs of Overview and Scrutiny Committees.

### **14. Any Other items of Urgent Business**

To consider any other items that the Chair considers are urgent.

#### **(1) Meetings on Rising of Council**

Please note that the following will meet at 12.00 noon (or on the rising of Council if later) for the Leader to confirm the appointment of Cabinet, the Committees to elect their Chairs and Vice Chairs and for confirmation of appointment of bodies.

These will take place in the order shown:

1. The Leader
2. Staff and Pensions Committee
3. Pension Fund Investment Sub-Committee
4. Regulatory Committee
5. Adult Social Care and Health Overview and Scrutiny Committee
6. Children and Young People Overview and Scrutiny Committee
7. Communities Overview and Scrutiny Committee
8. Resources and Fire & Rescue Overview and Scrutiny Committee

**Monica Fogarty**  
Chief Executive  
Warwickshire County Council  
Shire Hall, Warwick

To download papers for this meeting scan here with your camera



## Disclaimers

### Disclosures of Pecuniary and Non-Pecuniary Interests

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The public reports referred to are available on the Warwickshire Web

<https://democracy.warwickshire.gov.uk/uuCoverPage.aspx?bcr=1>

### Public Speaking

Any member of the public who is resident or working in Warwickshire, or who is in receipt of services from the Council, may speak at the meeting for up to three minutes on any matter within the remit of the Committee. This can be in the form of a statement or a question. If you wish to speak please notify Democratic Services in writing at least two 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.

# County Council

Tuesday, 18 February 2020

## Minutes

### Attendance

Present:

Councillor Nicola Davies (Chair)

Councillors Helen Adkins, Margaret Bell, Parminder Singh Birdi, Jo Barker, Sarah Boad, Mike Brain, Peter Butlin, Les Caborn, Mark Cargill, Richard Chattaway, Jonathan Chilvers, Jeff Clarke, Alan Cockburn, John Cooke, Andy Crump, Yousef Dahmash, Corinne Davies, Judith Falp, Jenny Fradgley, Bill Gifford, Peter Gilbert, Clare Golby, Seb Gran, Colin Hayfield, John Holland, John Horner, Andy Jenns, Kam Kaur, Keith Kondakor, Maggie O'Rourke, Bhagwant Singh Pandher, Anne Parry, Dave Parsons, Caroline Philips, David Reilly, Clive Rickhards, Howard Roberts, Jerry Roodhouse, Andy Sargeant, Izzi Seccombe OBE, Dave Shilton, Jill Simpson-Vince, Dominic Skinner, Bob Stevens, Heather Timms, Adrian Warwick, Alan Webb, Chris Williams, Pam Williams and Andy Wright.

### 1. General

#### (1) Apologies for Absence

Apologies were received from the following Councillors:

Neil Dirveiks  
Dan Gissane  
Jeff Morgan  
Bill Olnér  
Wallace Redford  
Kate Rolfe

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

#### (3) Minutes of the previous meeting

The minutes of the meeting of Council held on 17 December 2019 were agreed as an accurate record.

#### (4) Chair's announcements

A series of announcements were made to Council.

- 1) The recent death of ex-County Councillor Peter Barnes was announced by the Chair. Peter served on the County Council between 2001 to 2013. As a member of the Liberal Democrat Group he served his community of Bidford-on-Avon and in that time served on a number of committees including the Regulatory Committee and Stratford-on-Avon Area Committee. In addition, he sat on the Royal Shakespeare Company Community Forum and the Marsh Farm Liaison Group. For the 2009/2010 municipal year Peter was Chair of Council, a role he is known to have thoroughly enjoyed. Members who knew Peter may or may not know that he was a gifted maker of corn dollies. Council was informed that Peter Barnes' funeral had been attended by the Chair and Monica Fogarty (Chief Executive). That the chapel at the funeral was full said much for the esteem that Peter Barnes was held in. Members paid tribute to Peter Barnes and Council stood in silent memory.
- 2) Councillor Peter Gilbert informed Council that as it met so HRH Prince Charles was visiting locations in Warwickshire including Bedworth.
- 3) The Chair and Council thanked the Fire and Rescue Service for its very recent work dealing with the consequences of two major storms which had hit the UK.
- 4) Council was informed of a recent visit by 60 children from Thomas Jolyffe School in Stratford-upon-Avon. The children had debated matters in the Council chamber.

## **2. Council Plan 2025**

Councillor Izzi Seccombe (Leader of the Council) moved the recommendation and was seconded by Councillor Kam Kaur (Portfolio Holder for Customer and Transformation).

In introducing the Council Plan 2025 Councillor Seccombe expressed a common desire to make Warwickshire the best it can be. She noted that Warwickshire is in good shape but that, like other councils, Warwickshire County Council is required to manage reduced resources and increasing demand for services. The Council's finances are healthy, and this can be attributed to good financial management by officers. Savings of £58.5m will be required over the next three years but there will continue to be the need to protect the most vulnerable in society whilst working to stimulate the economy in the light of the upcoming government comprehensive spending review.

Council was reminded of many of its achievements. These include a 29% increase in the number of social workers, greater commercialism, the acquisition of the Pears Centre in Exhall for the delivery of special care services for young people, the success of the reablement service, the continuing delivery of safe and well inspections by the Fire and Rescue Service, support for the local economy and young people seeking to become work ready and the condition of the County's highway network.

Councillor Seccombe emphasised the need to take account of and mitigate against climate change adding that population growth and increasing demand for services will make it of greater importance that communities are able to support themselves.



It was emphasised that the new plan has a focus on enhancing service delivery and not on the need to make savings.

## **Amendment 1 – Liberal Democrat.**

Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) moved an amendment, seconded by Councillor Sarah Boad (Deputy Leader of the Liberal Democrat Group) who reserved the right speak, comprising 3 elements. This stated,

### **“Amendment 1.1**

Page 7 Climate Change

In box ref UN amend to read as follows "we will make sure our work is in line with the Committee on Climate Change and UN Sustainable Development Goals".

<https://www.theccc.org.uk>

Home - Committee on Climate Change

The UK has committed to becoming a Net Zero economy by 2050. Meeting that goal requires a transformation in land use across the UK. Read our new report.

[www.theccc.org.uk](https://www.theccc.org.uk)

### **Amendment 1.2**

Page 3 Vision

Priority Warwickshire's Communities

Add extra section Work with partners to reduce the level of Child Poverty across Warwickshire.

### **Amendment 1.3**

Page 3 Vision

Priority Warwickshire's economy

Add extra section, become a leader by working with partners, Universities in creating a circular economy for Warwickshire.

Also Change box with UN goals (is in line with the Committee on Climate Change and UN Sustainable Development Goals).

In support of the Liberal Democrat Group amendments, Councillor Roodhouse expressed his general support for the plan but made the following points.

- The UN sustainability goals as cited in the plan are very aspirational. It is the Committee on Climate Change that undertakes work on risk. The Council should base its objectives on the targets of the Committee on Climate Change.

- The Council should consider establishing a Portfolio Holder role that focuses solely on climate change.
- Child poverty is a major issue that needs to be addressed through the plan.
- A circular economy is required if resources are not to be allowed to run out. A number of major companies now recognise the value of the circular economy recognising that a linear approach is not sustainable.
- Warwickshire should ensure that it does not become over reliant on a handful of industries. The automotive industry can be transient in nature.

## **Amendment 2 – Labour**

Councillor Richard Chattaway (Leader of the Labour Group) moved an amendment being seconded by Councillor Maggie O'Rourke. This amendment asked that the recommendation be altered to say,

**"That Council approve the Council Plan 2025 and asks Cabinet to ensure the development of appropriate metrics and performance management arrangements to underpin the Plan".**

In speaking to the amendment Councillor Chattaway made the following observations.

- It is wrong that the Plan before Council had been considered and agreed by Cabinet previously.
- A desire to make Warwickshire the best it can be has little relevance to a resident in a deprived area.
- There is no point in acknowledging projects that have been completed for some time. The focus should be on addressing key areas of concern eg unequal educational attainment, backlogs in children's mental health assessments and treatment, the uneven spread of economic growth, the struggling economy in some town centres and poor and expensive bus services.

## **Amendment 3 – Labour**

A further amendment was presented from the floor by Councillor Helen Adkins who was seconded by Councillor Caroline Philips.

This stated,

"This Council will commit to the following targets on climate change.

- 1) For Warwickshire as a County Council to be Carbon Neutral by 2025, and
- 2) For Warwickshire as a county to be carbon neutral by as close as possible to 2030".

Councillor Adkins stated that carbon neutrality is an increasing expectation of the public. In seconding the amendment Councillor Philips stated that the Labour Group did not consider that the recent task and finish groups had not gone far enough especially with transport planning.

## Debate

A series of members spoke to the item. The following points were made.

Councillor Colin Hayfield (Portfolio Holder for Education and Learning) –

- 1) the plan is high level and seeks to paint a picture for Warwickshire's future. It does not need to be highly detailed. For example, the Education Strategy provides the detail of how education will be delivered.
- 2) 30% of children leaving reception are not "school ready" whilst 33% leaving primary school are not at the level they should be.
- 3) The education gap between communities needs to be addressed.
- 4) Investment in early years can bring a ratio of return of 13 to 1.
- 5) All schools should be good or outstanding. The current figure is 86%.
- 6) A new education strategy focusing on Nuneaton is being created.
- 7) NEETs levels are not high in Warwickshire when compared to other areas. However, they should be lower.
- 8) The demand for services in the high needs area continues to increase.
- 9) The continuing backlog of children awaiting mental health assessments is of such concern that the Council may need to consider developing its own assessment service.
- 10) The Pears Centre in Exhall is an exciting development. There may be a case for developing a similar facility in the south of the County.
- 11) The Council has an extensive programme of school building an expansion.

Councillor Jeff Clarke (Portfolio Holder for Transport and Planning) –

- 1) Transport is key to getting people to school and work
- 2) A series of major road projects are underway across the county.

Councillor Dave Parsons –

- 1) The plan is aspirational but lacks detail on how results will be achieved.
- 2) People are not living longer, and child poverty continues to be an issue of concern with food bank usage increasing.
- 3) Private rented accommodation and universal credit have a negative impact on personal finance.
- 4) Children who go to school hungry tend to underachieve academically.
- 5) A "deprivation emergency" should be declared by the Council.

Councillor Keith Kondakor –

- 1) The plan fails to recognise the importance of buses.
- 2) 14 million bus journeys are made in Warwickshire every year.
- 3) Electric cars will take a long time to become mainstream. Enhancements to bus services could be introduced very quickly.
- 4) The pursuance of a circular economy should be encouraged.

Councillor John Holland –

- 1) The Council Plan and the budget could have been considered as a single item.
- 2) Public Health focuses on improving people's health. This should be at the forefront of everything the Council does.
- 3) Public Health initiatives and climate change initiatives are often linked. Eg cycling is good for people's health and benefits the environment.

Councillor Adrian Warwick

- 1) It is not possible to have a single work strand for climate change. Many are required.
- 2) A target around carbon neutrality would require costing out.
- 3) New data management tools like Power BI should be used to the full to get a comprehensive understanding of issues.
- 4) Recycle and re-use should be emphasised.

Councillor Pam Williams

- 1) Children's services currently face many issues but display much innovation in what they do.
- 2) Developments of note include the work of the MASH, housing projects in Nuneaton and the success by the Council of increasing the number of social workers it employs.

Councillor Heather Timms (Portfolio Holder for Environment and Heritage and Culture) –

- 1) The plan is high level and is aimed at the whole of Warwickshire.
- 2) The conclusions of the cross-party working groups on climate change have been captured in the plan.
- 3) For the successful delivery of this and other plans there is a need to work with partners such as district and borough councils and parish and town councils as well as the wider community.
- 4) The Portfolio for Environment and Heritage and Culture embraces climate change. There is no need to create a new one.

Councillor Andy Crump (Portfolio Holder for Fire & Rescue and Community Safety) –

- 1) The intention is that the plan will set the basis for greater work with communities.
- 2) The plan will enhance work around road safety, resilience and flooding, Trading Standards and intelligence led operations such as those aimed at tackling drug trafficking.

Councillor Peter Gilbert –

- 1) It is important that people take the time to read and understand the plan.
- 2) Issues and challenges should not be "glossed over"

Councillor Jonathan Chilvers (Leader of the Green Group) –

- 1) There is much in the plan to be welcomed especially around sustainable development.
- 2) Some of the targets contained in the plan could have been more ambitious eg 1% increase in composting annually.

- 3) There should be more ambition around the promotion of the circular economy.
- 4) Schools have the potential to be exemplars in terms of energy use. However, in a recent instance a school that was looking to install a ground source heat pump was eventually obliged to use a traditional gas boiler for want of a small amount of additional funding.

Councillor Bill Gifford -

- 1) The targets proposed by the Labour Group regarding carbon neutrality are not unreasonable.
- 2) There is a case for creating a Portfolio that is solely responsible for climate change.
- 3) It would have been useful to have had sight of the Labour Group amendments prior to the meeting.
- 4) The pension fund should give consideration to carbon neutral investment.
- 5) Warwickshire is fortunate having two excellent universities that are working on the green economy.

Councillor Dominic Skinner -

- 1) Recycling and reuse are examples of the circular economy.
- 2) There is a real need to make commitment to meeting targets.
- 3) Climate change should be the overarching consideration and for this reason a dedicated Portfolio Holder position should be created.

Councillor Jenny Fradgley -

- 1) Agree that a dedicated Climate Change Portfolio is required.
- 2) Too much time has been spent debating and agreeing the need for cycleways. It is action that is now required.
- 3) Tree planting is to be commended but parish councils require larger partners such as the County Council to enable this to happen.

Summing Up

Councillor Sarah Boad –

- 1) There is a lot of talk around supporting young people. However, services have been cut and there is less money available to support them.
- 2) School budgets are under pressure, children's centres have been cut and whilst babies are often taken to those that remain, fewer toddlers are attending.
- 3) Child poverty continues to grow, and life chances are seen to be slipping away.
- 4) Firmer targets are required for climate change. Warwick District Council is leading the way with its proposed additional £1 a week charge to support climate change schemes.
- 5) It is not possible to create a zero-carbon vehicle as manufacturing has an environmental cost.
- 6) Regarding bus services Stagecoach continue to present problems, changing services and stopping them when subsidies cease. Pensioners etc have bus passes but do not use them as the services are poor.
- 7) People are now returning to car usage having tried rail services from Kenilworth station and found them wanting.

- 8) Electric vehicles are in their infancy. There is not enough material to provide everyone with one.

Councillor Maggie O'Rourke –

- 1) It is important that the plan is delivered and that target dates are set.
- 2) Partnerships are key to success.

Councillor Kam Kaur –

- 1) For years there has been pressure to reduce the number of Portfolio Holders. Now there are demands to create more.
- 2) Members need to be prepared to do more to address climate change.
- 3) It is important to remember the other elements of the plan. Climate change is important but not the only issue to be managed.

Councillor Jerry Roodhouse –

- 1) That the Portfolio Holder for Education and Learning recognises the challenges being faced in education is welcomed.
- 2) It is essential that the Child Poverty Strategy is reinvigorated.
- 3) The work being undertaken by the two local universities on the circular economy should be explored. Certain Nordic countries are more advanced in their thinking on this than the UK.
- 4) The work on climate change that Councillor Timms has undertaken to date is to be commended. She cannot, however, hope to do it all.
- 5) Consideration of the Council Plan prior to the budget made sense. Decide what needs to be done and then ensure that the financial commitment fits.
- 6) The Labour Group's amendment proposing target dates for carbon neutrality are to be welcomed.

Councillor Richard Chattaway –

- 1) Strategies are no good without action plans to back them up.
- 2) Strategies on early years, transport and capital expenditure are not regarded as working form communities.

Councillor Helen Adkins –

- 1) Plenty of authorities have set target dates for carbon neutrality. It is hard to understand why this council should be reluctant to do so.
- 2) Decisions made by the County Council should not hinder Warwick District Council in delivering its climate change agenda.

Councillor Izzi Seccombe –

- 1) The Council Plan 2025 has been in development for some time. The development process has involved many stakeholders being a plan for the County Council and the people of Warwickshire.

- 2) The Council is already working with Warwick District Council on its climate change initiatives. It hopes to work with other district and borough councils.
- 3) The circular economy is untried. It is not at a stage where it could be incorporated into the plan.
- 4) Evidence from the Joseph Rowntree Foundation indicates that child poverty has not grown as some members would suggest.

## VOTE

A vote was taken on the Liberal Democrat Group amendment (Appendix A) which was lost, the vote being 9 for, 32 against and 8 abstentions.

A vote was taken on the first Labour Group amendment (Appendix B1) which was lost, the vote being 8 for, 39 against and 2 abstentions

A recorded vote was taken for the second Labour Group amendment (Appendix B2) in accordance with standing order 31.4 as set out below:

For (17) Councillors Adkins, Boad, Chattaway, Chilvers, C.Davies, N. Davies, Falp, Fradgley, Gifford, Holland, Kondakor, Parsons, Phillips, Rickhards, Roodhouse, Skinner, Webb.

Against (32) Councillors Barker, Bell, Singh Birdi, Brain, Butlin, Caborn, Cargill, Clarke, Cockburn, Cooke, Crump, Dahmash, Gilbert, Golby, Gran, Hayfield, Horner, Jenns, Kaur, Pandher, Parry, Reilly, Roberts, Sareant, Seccombe, Shilton, Simpson-Vince, Timms, C. Warwick, P. Williams, Williams, Wright.

For (17) Adkins, Boad, Chattaway, Chilvers, C.Davies, M.Davies, Holland, Kondakor, Parsons, Phillips, Rickhards, Roodhouse, Skinner, Webb.

A vote was taken on the substantive motion as set out in the report. This was agreed 32 for, 8 against and 11 abstentions.

Resolved:

That Council approve the Council Plan 2025.

Adjournment

The meeting adjourned for lunch at 12.15.

The meeting re-convened at 13.00.

### **3. 2020/21 Budget and 2020-25 Medium Term Financial Strategy**

Councillor Peter Butlin (Deputy Leader – Finance and Property) moved the motion and was seconded by Councillor Izzi Seccombe. (See appendices A1 and A2 to these minutes). Councillor Butlin thanked officers for their hard work as well as thanking Councillor Seccombe for her leadership. Council was informed that the whilst the medium-term financial context was less certain the authority was a strong resilient position. Investment is required in services for residents, high streets, vulnerable adults and the creation of a commercial property company.

Unlike the position in some neighbouring local authorities, reserves, Councillor Butlin stated, are healthy. Value for money allied to high quality outcomes are constantly sought with the Council building on work that has already been done.

Further investment will be required in children with special educational needs as well as in assistive technology for vulnerable adults. In addition, there is a need for spending on superfast broadband, road safety and cycleway provision.

The Council plans to invest in the provision of digital services, a reduction in its accommodation requirements, the maximisation of the benefits of land ownership and support for small and start up businesses.

Two further areas for investment were highlighted. These were the possible development of an equivalent to the new Pears Centre for the south of the county and 5G.

#### **Amendment 1 – Labour Group**

Councillor Richard Chattaway proposed the amendment as set out in appendix B to these minutes. Councillor Helen Adkins seconded the amendment.

Councillor Chattaway made the following points.

1. The budget set should be aimed at providing services.
2. The Council has been required to make £33m of cuts over the last 5 years. A further cut to the local government budget is expected.
3. Reserves are currently around £9m. A further £80m – £90m of savings will be required over the next 6 years.
4. Redundancies are being made that undermine the ability to deliver services.
5. The Council needs to be clear on what its requirements will be around property/accommodation.
6. Expenditure on IT does not always enhance service delivery.
7. The capital programme has seen a degree of slippage.
8. Domestic abuse, whether mental or physical, requires further investment.
9. Public transport should be green, cleaner and cheaper.
10. The Labour Group would commit to turning street lights back on at night once LEDs are more prevalent.
11. Regarding the Fire and Rescue Service resources for an additional 21 firefighters are included in the Labour Group proposals.
12. Car parking charges should be limited in order to protect town centres by not deterring people from visiting them.



13. More trees should be planted. Many of these could be put on County Council land.
14. Electric vehicle charging points should be installed and to reduce single use plastic bottles water fountains be provided.
15. Waiting times are too long for special education assessment and more should be done to promote men's health, address drug and alcohol addiction and domestic violence.
16. Capital should be used to enhance town centres, sustainable transport, flood defences and small highway schemes.
17. The cuts in funding to children's centres have been harmful to communities.

#### Amendment 2 – Green Group

Councillor Jonathan Chilvers moved the Green Group amendment as set out in appendix C. Councillor Keith Kondakor seconded the amendment.

In introducing the amendment Councillor Chilvers made the following points.

1. The three main areas for attention should be transport, climate change and young people.
2. The Green Group budget is designed to link capital and revenue. This is so as to aid the relationship between planning and design and the delivery of a project.
3. The government has recently announced additional funding for bus services but there is a risk that there will be no resources to submit any bids.
4. Cycling investment is to be welcomed but the Council continues to pursue an expensive road building programme. The aim should be to reduce polluting journeys.
5. The electric vehicle charging strategy does not feature a sufficient number of charging points.
6. Action plans aimed at addressing climate change should be produced soon.
7. People consider that central government should be doing more to address climate control. If this does not happen then local government should do more.
8. More investment is required in flooding and drainage.
9. More investment is required in the skills agenda.
10. The 0-3 age bracket should be targeted using initiatives such as "Smart Start".

## Debate

Members were invited to contribute to the debate.

The following points were made.

Councillor Judy Falp –

Whitnash residents consider that they are paying more money for fewer services. The Council is not managing to maintain that which it already has.

Councillor Dave Parsons –

Child poverty continues to grow. The amount in the proposed budget will not be sufficient to address this.

Councillor John Holland –

1. There is a need for the creation of a Portfolio Holder position that is aimed solely at addressing climate change.
2. There is concern for children in deprived families following the reduction in the number of children's and sure start centres.
3. The Police should be supported in the enforcement of speed and weight limits.

Councillor Adrian Warwick –

1. Council spending must be undertaken in a sensible way. It needs to be consistent with every opportunity for savings being considered eg paperless committee meetings.
2. Before additional investment can be made in services eg additional firefighters, proper costings need to be considered.

Councillor Kam Kaur (Portfolio Holder for Customer and Transformation) –

1. £40m of savings will be delivered by the Council over the next five years. This will be achieved in part through digital working and flexible working.
2. Libraries have entered the digital age. Although 2019 saw around 1.4m visits to libraries there were many "virtual visits" via digital means.
3. Government is providing £5.7m to support superfast broadband roll out. In addition, work is progressing on 5G.

Councillor Colin Hayfield (Portfolio Holder for Education and Learning) –

1. Education services will see capital investment of £63m over the next 3 years.
2. It would be a retrograde step to re-introduce passenger transport assistants on school buses.
3. The Council is seeking to right size school transport and SEN transport.
4. Demand for support for special education needs continues to increase. The government has made it clear that schools must make adequate provision for children with high needs.
5. Many schools are facing deficits. A report on this will be presented to Cabinet in July 2020.

Councillor Les Caborn (Portfolio Holder for Adult Social Care and Health) –

1. Climate change is not on the top of people's agendas. It is services such as health care that dominate.
2. Providers of social care must ensure that their staff receive the living wage.
3. Delays to discharge from hospital must be reduced.
4. The Fire and Rescue Service hospital to home service is welcomed.
5. The Ask SARA scheme aims to promote self-help.
6. Despite not being a statutory service, the County Council is working to reduce homelessness. Mental health nurses and practitioners are working on the streets to help the homeless.
7. There is a need to look at the link between drugs, alcohol, gambling and homelessness.
8. The incidence of suicide is a major concern.
9. Consideration should be given to how to give more small grants to communities.

10. The Year of Wellbeing was a success. The initiative has moved on to “Wellbeing for Life”.

Councillor Peter Gilbert –

Any commitment to additional funding for the Fire and Rescue Service should be linked with the new Council Plan 2025.

Councillor Jeff Clarke (Portfolio Holder for Transport and Planning) –

1. There is an ongoing need for investment in transport.
2. An increase in gully cleaning is underway.
3. The Council has resources to mitigate the impact of HS2.
4. There is a strong desire to support all road users, hence the investment in the road network.
5. Work will continue to the development of cycle routes making travel safer for cyclists and pedestrians.
6. Traffic growth is a major challenge.
7. The Council will continue to work to encourage an increase in electric vehicle charging points.
8. There is an intention to bid for government funding for bike and bus schemes.
9. Casualty reduction continues to be a priority.

Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) –

1. Child poverty is on the increase. There is a need to review the child poverty strategy.
2. It is reassuring to see Cabinet and Corporate Board working together.
3. The Dedicated Support Grant is overly complex. Government needs to address this. The arrangements regarding the DSG and Schools Forum should be reviewed.
4. The amendment proposed by the Green Group leaves questions around transport and resources already spent.
5. The amendment proposed by the Labour Group contains many inconsistencies.

Councillor Heather Timms (Portfolio Holder for Environment and Heritage & Culture) –

1. Part night lighting has led to a 53% reduction of CO2 emissions over 5 years.
2. There is scope to reduce paper use for Council meetings.
3. It is planned to submit bids for funding to support sustainable transport and electric vehicle charging.
4. Tree planting will be encouraged.
5. The move of the museums collection to Hawkes Point is to be welcomed.
6. The Coventry City of Culture and Commonwealth Games will bring exciting activities to the region.

Councillor Corinne Davies –

1. It is important to ensure good special education needs services for disadvantaged families.
2. Autism diagnoses are taking too long as are those for mental health support for young people.

Councillor Caroline Philips –

1. The Labour proposals would lead to improvements to roads and footways.
2. The Council has not kept up with demand regarding highways.

Councillor Andy Crump (Portfolio Holder for Fire & Rescue and Community Safety –

1. The County Council invests extensively in fire protection.
2. An inspection of the Fire and Rescue Service is expected in 2020.
3. Any decisions on further expenditure on Fire and Rescue needs to be evidence based.
4. Investment is required on the funding of core staff in Fire and Rescue to ensure appropriate cover in all parts of the County.
5. Additional funding has been provided for casualty reduction.

Councillor Yousef Dahmash –

1. There has been an increase nationally in the number of children in care.
2. The Children's Change Programme now takes account of domestic abuse issues and has incorporated the Strengthening Families Programme.
3. It is important to stop young people from offending and re-offending.

Councillor Sarah Boad –

1. The additional funding provided in the proposed budget to address climate change amounts to only £800k per annum. This should be increased significantly.
2. Consideration should be given to the use of electric or hydrogen buses.
3. It is not possible to be carbon free as every process involves carbon.
4. Warwick District Council is showing leadership by proposing a £1 per week levy on residents to tackle climate change issues.
5. More funding is required to address child poverty.

Councillor Maggie O'Rourke –

1. There is a need to focus on what people really want.
2. People have major concerns over air pollution, but the Council has no working transport plans.
3. The local plans are presenting challenges as development is permitted that places pressure on the infrastructure. Eg the number of parking places at hospitals.

Councillor Clare Golby –

1. The desire to be carbon neutral can impact on the less well of. I.e. those who can least afford it.
2. At the Adult Social Care and Health Overview and Scrutiny Committee meeting it was stated that although waiting periods for services by RISE appear to be long, people do receive attention and care whilst on the waiting list.
3. Regardless of how much money is put towards supporting RISE there is still an issue regarding a national shortage of practitioners/clinicians.

4. In instances where additional road maintenance is required, this can be supported through members' delegated budgets.

## Response of Seconders

Those who had seconded the original motion or amendments were invited to speak.

Councillor Helen Adkins (Seconder of the Labour Group amendment) stated:

- The original motion and the amendments all contain good points. It would be useful in the future if there were more collaboration on the preparation of the budget.
- The amendment by the Labour Group presents a balanced budget.
- In order to meet carbon neutral targets, it will be necessary, amongst other things, to review transport plans, introduce zero emission zones, incentivise businesses to be more environmentally friendly and recognise the link between healthy activities (eg cycling) and the environment.
- Schools need additional counsellors to support young people.
- Streetlights should be turned on if people, with particular circumstances, request it.

Councillor Keith Kondakor (Seconder of the Green Group amendment) stated:

- Stagecoach does not appear to want integrated transport.
- Any tree planting that is undertaken should use environmentally sound methods. Eg cardboard sleeves to protect saplings.
- The increase in the number of small vans on Warwickshire's roads is a cause for concern.
- Traffic levels have increased as people living in Warwickshire commute into Coventry.
- The NUCKLE scheme is important.
- As climate events become more extreme so greater investment is required. For example, storm drains should be made bigger.
- Investment is required to reduce crimes such as knife crime and drug related crime.
- Investment should be made into road safety.

Councillor Izzi Seccombe (Leader of the Council and Chair of Cabinet) stated:

- The Fire and Rescue Service is to be thanked for its work during the recent flooding.
- Regarding the £4m provided for climate change; This is a start. It will necessary to work with district and borough councils. The Warwickshire Climate Change Group must all work together.
- Additional funding is required for skills for employment.
- Investment is required in school improvement.
- Concerns over Stagecoach and RISE expressed by other members are shared.

Councillor Richard Chattaway (Leader of the Labour Group) stated:

- There is a case for committee meetings to go paperless.
- The Council has a resilience network. There is a case for an additional fire appliance in the county.
- It would be useful if the Liberal Democrat Group produced its own budget.

- The proposal to enhance expenditure on gully cleaning is welcomed but it is unclear when it was allowed to tail off.
- It is increasingly difficult for people to obtain places in care homes. In addition, hospitals are at their limit.
- The County Council pays less to foster carers than the private sector. This is unreasonable.
- The widescale introduction of electric vehicles will present major logistical problems.

Councillor Jonathan Chilvers (Leader of the Green Group) stated:

- The commitment shown to the growth of the skills agenda by the Leader of the Council was to be commended.
- In order to develop bus services and work with service providers it will be necessary to expand the Council's public transport team.
- HS2 is a waste of money that is leading to destruction of the environment and communities.
- Work being undertaken to address homelessness is to be welcomed. However, more should be done to tackle the factors that lead to homelessness such as addiction.
- Gully cleansing initiatives are to be welcomed.
- Environmental issues can increase inequality. Climate change will affect all people but major climate events tend to have the greatest impact on the less well-off.
- Good government is about managing change well.

Councillor Peter Butlin (Deputy Leader – Finance and Property) stated:

- Globally the incidence of absolute poverty has reduced over time. The direction of travel is good.
- Child poverty is exacerbated by family break ups, poor housing and unemployment.
- The Council is underspending, but the time of redundancies has now passed.
- The rate of inflation varies depending on the matter under review. For example, highways have witnessed inflation rates of around 28%.
- Right sizing will lead to a reduction of underspends as greater control is taken of budgets.
- The key concerns for people are adult social care and children's services.
- It may be possible to add more money to climate change initiatives if the government provides more.
- 5G is a new technology that offers a great deal of potential.
- HS2 is a problem that will use all the spare energy capacity in the area. This will leave little for charging points etc.
- The Council will support the establishment of an arm's length property development company which, it is expected, will build extra care housing and social housing.
- More money should be spent on skills development.
- More should be done to tackle addictions including gambling.
- The ultimate desire of the Council is to make lives better.

## Vote

The meeting voted on the Labour Group amendment which was lost 29 against, 8 for and 11 abstentions.

The meeting voted on the Green Group amendment which was lost 29 against, 2 for and 17 abstentions.

A vote was taken on the Conservative Group budget proposals. A recorded vote was taken in accordance with standing order 31.4 and the proposals agreed as set out below:

For:

Councillors Barker, Bell, Brain, Butlin, Caborn, Cargill, Clarke, Cockburn, Cooke, Crump, Dahmash, Gilbert, Golby, Gran, Hayfield, Holland, Horner, Jenns, Kaur, Pandher, Parry, Reilly, Roberts, Sargeant, Seccombe, Shilton, Simpson-Vince, Timms, Warwick, C Williams, Wright

Against:

Councillors Adkins, Boad, Chattaway, Chilvers, C. Davies, N.Davies, Falp, Fradgley, Gifford, Holland, Kondakor, O'Rourke, Parsons, Philips, Rickhards, Roodhouse, Skinner, Webb.

### **Resolved**

That Council agrees the 2020/21 Budget and authorises work to continue on ensuring the 2020-25 Medium Term Financial Strategy is aligned with and supports the delivery of the Council's ambitions as set out in the Council Plan 2025.

### **4. Any Other items of Urgent Business**

There were no urgent items.

The meeting finished at 16.23

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Chair

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## **County Council**

**23 July 2020**

### **Appointments to Committees and Other Bodies**

#### **Recommendations:**

- (1) That Council confirms the Committee structure and delegations to member bodies as set out in the Constitution (subject to any amendments proposed and agreed at this meeting):
- (2) That Council agrees the appointment of members to the Committees and other bodies as set out in the appendix (subject to any amendments).
- (3) That Council confirms the delegations to officers as set out in the Constitution.
- (4) That the Council authorises the Strategic Director Resources to make such amendments to the Council's Constitution as may be required as a consequence of any changes agreed by Council.

#### **1.0 Introduction**

- 1.1 Article 5 of the County Council's Constitution requires, as a minimum, the establishment of the following bodies:

Cabinet  
Overview and Scrutiny Committee (at least one)  
Audit and Standards Committee  
Regulatory Committee  
Staff and Pensions Committee

- 1.2 The Cabinet is appointed by the Leader of the Council (who was appointed by Council at the Annual Meeting on 23 May 2017 for a 4-year period and is automatically a member and Chair of Cabinet). A maximum of nine other members may be appointed to the Cabinet and their appointment and portfolios are matters for the Leader. The Leader must also appoint a Deputy Leader from the Cabinet members. The Leader will confirm the appointment of the Cabinet at a Leader Decision Making Session and any changes in the delegations to portfolio holders and support (non-decision making) roles for additional members.

The agenda for the Leader Decision Making session will be circulated to all members for information.

- 1.3 Committees are appointed by the County Council. These are currently (as mentioned above) the Audit and Standards Committee, Regulatory Committee, Staff and Pensions Committee and the four Overview and Scrutiny Committees:

Adult Social Care and Health  
Children and Young People  
Communities  
Resources and Fire & Rescue

This report seeks the Council's confirmation (or amendment) to the current structure, taking account of the rules set out in the following section, and appointments of members to those seats. (The remit of each Committee is set out in the Council's Constitution and available on the Council's website).

- 1.4 Section 3 of this report also seeks confirmation of membership on a number of other member bodies which fall within the responsibility of Council to appoint, including appointments to some strategic external organisations.
- 1.5 Sub-Committees are appointed by their parent Committee. The Pension Fund Investment Sub-Committee is appointed by the Staff and Pensions Committee (meeting on the rising of this meeting). The Dispensations Sub-Committee is appointed from time to time by the Strategic Director Resources as required from membership of the Audit and Standards Committee.
- 1.6 The Chairs and Vice Chairs of all Committees will also be appointed at a meeting of each Committee immediately following this Council meeting, other than the Chair of the Audit and Standards Committee which has an independent chair (John Bridgeman) and the Council is invited to confirm his appointment.

## 2.0 Allocation of seats between political groups

- 2.1 The composition of the Council is 34 Conservative Group; 7 Labour Group; 8 Liberal Democrat Group; 2 Green Group; 1 Whitnash Residents Association; 1 Independent Conservative; 1 Independent Conservative; 1 Independent Labour and 2 vacancies.

The Local Government and Housing Act 1989 requires that appointments to committees and sub-committees must achieve political balance in their membership. (There are exceptions to this notably for geographically based committees on which all local members sit).

- 2.2 The other ground rules are:

**Committees:** the aggregate allocation of all committee seats must be proportional to the party groups' overall membership on the Council. Within those allocations each individual committee must be split as close to the overall proportions as possible.

**Sub-committees:** the sub-committee is split proportionally – there is no aggregation.

**Panels, Working groups:** the national rules do not apply but the Council has applied the proportionality rule as a matter of good practice.

- 2.3 The overall rules can be set aside in favour of local arrangements provided this is agreed by the Council with no-one voting against it.
- 2.4 The allocation to committees agreed at the Annual meeting in 2019 is set out below and the Council is invited to confirm the allocation of seats for 2020 and make/ confirm membership (completing the tables in the appendix to this report).
- 2.5 Group Leaders are also invited to identify their Group Spokespersons and allocation of Special Responsibility Allowances to their spokespersons. The table below shows the current distribution of seats, the political balance entitlement and the change required to bring back into political balance.

Committees	Con	Lab	LD	GR	WRA	Ind Con	Ind Con	Ind Lab	Vac	Vac	Total
Audit & Standards Committee (6)	4	1	1								6
Regulatory Committee (12)	7	2	2						1		12
Staff & Pensions Committee (6)	4	1	1								6
Adult Social Care & Health (10)	6	2	1			1					10
Children and Young People (10)	6	1	1	1			1				10
Communities (10)	6	2	1	1							10
Resources and Fire & Rescue (10)	6	1	1		1				1		10
2019 Distribution total	39	10	8	2	1	1	1	0	2	0	<b>64</b>
Change	-1	-2	+1	+1	0	0	0	+1	-1	+1	
Entitlement Political Balance 2020	38	8	9	3	1	1	1	1	1	1	<b>64</b>

### 3.0 Appointments required to be made/confirmed by Council

The Council is invited to confirm appointments to the committees and bodies set out in the Appendix

#### 3.1 Audit and Standards Committee

The membership of the Audit and Standards Committee is comprised of 6 elected members and two co-opted (independent) members. There is currently a vacancy for one independent member. A recruitment process has been commenced to appoint a replacement independent member. The Committee is chaired by John Bridgeman, one of the independent members. The Council is invited to confirm the appointment of John Bridgeman as the Chair of the Committee.

### 3.2 Health and Wellbeing Board

The Health and Wellbeing Board is a committee of the Council but the rules regarding proportionality do not apply to the Board which has a mixed membership of councillor and non-councillor (including statutory officer) appointments. The membership is four county councillors which to date has included the Cabinet Portfolio Holders for Adult Social Care and Health and Children's Services plus the Leader of the Council (Chair). The Council also appoints the Chair of the Board.

The current County Councillor membership is:

Conservative: Councillors Les Caborn, Jeff Morgan and Izzi Seccombe

Labour: Councillor Dave Parsons

The current chair of the Board is Cllr Caborn and the Council is invited to confirm his appointment as the Chair of the Health and Well-being Board

### 3.3 Coventry and Warwickshire Joint Health Overview and Scrutiny Committee

The Council on 18 July 2017 agreed to the establishment of the Coventry and Warwickshire Joint Health Overview and Scrutiny Committee. Warwickshire County Council and Coventry City Council each has five seats and appointments by each authority reflects the political balance of that authority.

The current County Councillor membership is:

Conservative: Councillors Margaret Bell, Clare Golby and Wallace Redford

Labour: Councillor John Holland

Liberal Democrat: Councillor Jerry Roodhouse

### 3.4 Corporate Parenting Panel

The Council approved a new Corporate Parenting Policy in September 2017. The membership of the Panel now includes the Cabinet Portfolio Holder for Children's Services as Chair, plus five other members.

The current membership is:

Conservative: Councillors Pete Gilbert, Jeff Morgan, Chris Williams and Pam Williams

Labour: Councillor Caroline Phillips

Liberal Democrat: Councillor Clive Rickhards

The Council is invited to confirm the Portfolio Holder for Children's Services as the Chair.

### 3.5 Standing Advisory Council for Religious Education

This is a statutory body that advises the Cabinet on religious worship and religious education within schools. The membership includes representatives of religious denominations and teacher representatives. The County Council membership is five councillors. There is no statutory requirement for political proportionality.

The current membership is:

Conservative: Councillors Clare Golby, Pam Williams and Parminder Singh Birdi  
Labour: Councillor Caroline Phillips  
Liberal Democrat: Councillor Sarah Boad.

### 3.6 Warwickshire Waste Partnership

The Waste Partnership comprises five County Councillors and a councillor from each of the five district and borough councils. It operates under a Memorandum of Understanding and the Chair is appointed by the Partnership.

The current County Councillor membership is:

Conservative: Councillors Heather Timms, John Horner and Andy Wright.  
Labour: Councillor Neil Dirveiks  
Liberal Democrat: Councillor Jenny Fradgley

### 3.7 Local Pension Board and Fire & Rescue Pension Board

The terms of reference for these two statutory boards specify that the tenure of membership (up to a maximum of nine years) is three years. Each has an independent Chair also appointed for a three-year term. If a member resigns during their term of office the replacement is appointed for three years. Confirmation of re-appointments is for the Scheme Manager (the County Council as the administering authority).

David Buckland is standing down as an employer representative on the LGPS Local Pension Board and his replacement is Mike Snow. There is currently also a vacancy for a Scheme member representative on the LGPS Local Pension Board which is currently being recruited to.

Keith Bray the current independent chair of both the LGPS Local Pension Board and the Fire & Rescue Local Pension Board has indicated a wish to resign as the independent chair of the Fire & Rescue Local Pension Board. A recruitment process is currently underway for a replacement independent chair for this Board, however it is unlikely to be completed in time for this meeting.

There is a vacancy for an Employer representative on the Fire and Rescue Local Pension Board. In addition, Liz Firmstone (Finance Service Manager – Transformation) was originally appointed to the Board as an Employer Representative in July 2018, and her term of office would have expired in July

2021. Due to her change in role it is no longer appropriate for her to be a member of the Board and she has been temporarily replaced by Dawn Suckling (Operational Finance Lead). A second Employer representative is therefore required.

It is proposed that Councillor David Reilly and Dawn Suckling be appointed to the Fire & Rescue Local Pension Board.

The County Council is also asked to confirm that the Employer representatives on the Fire & Rescue Board should be either members or officers of the Council.

The County Council is requested to confirm the appointment of those shown below for a period of three years. The term of office of the remaining members will not expire until at the earliest May 2021.

<i>LGPS Local Pension Board</i>	<i>End of term of office</i>
Mike Snow [Employers Rep]	July 2023

<i>Fire &amp; Rescue Local Pension Board</i>	<i>End of term of office</i>
Cllr David Reilly	July 2023
Dawn Suckling	July 2023

### 3.8 The Police and Crime Panel

Police and Crime Panels are joint committees of the principal authorities in a police area, which in Warwickshire means the County Council and the five district borough councils. The current membership of the Panel is:

#### County Council Members

Conservative: Councillors Pete Gilbert and Andrew Wright

Labour: Councillor Maggie O'Rourke

Liberal Democrat: Councillors Nicola Davies and Jenny Fradgley

#### District/Borough Members

North Warwickshire Borough Council; Councillor David Reilly (Conservative)

Nuneaton & Bedworth Borough Council: Councillor Tony Watkins (Labour)

Stratford upon Avon District Council: Councillor Sarah Whalley-Hoggins (Conservative)

Rugby Borough Council: Councillor Derek Poole (Conservative)

Warwick District Council: Councillor Ian Davison (Green)

Co-opted Members: Andy Davis and Bob Malloy

The chair is appointed by the Panel and the current chair is Councillor David Reilly.

The composition of the panel has to meet the principle of 'fair representation'. This means that each council within the police area must have at least one member. The composition should also take account of, as far as practical of both political and geographical proportionality. This means the Councillor members, when taken together, should represent all parts of the police area and also represent the political make-up of the relevant authorities when taken together.

### **3.9 Joint Negotiating Bodies**

The Council has two Joint Negotiating Bodies one for staff and one for teachers. Each has four elected members appointed, (two appointments are made by the Leader and two appointments are made by the Council). The current Council appointments on the joint negotiating bodies are -

Joint Staff Negotiating Body – Councillors Neil Dirveiks and Bill Gifford

Joint Teachers Negotiating Body –Councillors Neil Dirveiks and Bill Gifford

### **3.10 Appointment to strategic external bodies**

There is also a need for Council to confirm its appointments to key strategic bodies, namely the Local Government Association, County Councils Network, Coventry and Warwickshire Local Enterprise Partnership. The Council is invited to appoint to these (see recommendation 8 in the appendix to this report).

## **4.0 Appointments to other external bodies**

There are some appointments to external bodies that are made by the Leader and which the Leader confirm at a Leader decision making session.

## **5.0 Members Allowances Scheme**

An Independent Remuneration Panel undertook a review of the Council's Member Allowances Scheme in 2017. The Panel's report on its findings was considered at the Council meeting on 20 March 2018 and a number of changes were agreed to the Scheme.

If there are any proposed changes in the political management structure and responsibilities this may impact on the allowances payable under the member allowances scheme and members may then need to consider whether any changes should be referred to the Independent Remuneration Panel.

## **6.0 Schemes of Delegation**

The Council's Constitution sets out the delegation of powers to member bodies. The Council is invited to confirm these - except in so far as they may be

inconsistent with any changes to the arrangements made for the member bodies set out above.

### Background Information

None

	<b>Name</b>	<b>Contact Information</b>
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## Appendix

### Recommendations

1. That the Council confirms the Committee structure and delegations to member bodies and officers as set out in the Constitution
2. That the number of places on Council Committees be as follows

<b>Committees</b>	<b>Con</b>	<b>Lab</b>	<b>LD</b>	<b>GR</b>	<b>WRA</b>	<b>Ind Con</b>	<b>Ind Con</b>	<b>Ind Lab</b>	<b>Vac</b>	<b>Vac</b>	<b>Total</b>
Audit & Standards Committee (6)	4	1	1								6
Regulatory Committee (12)	7	2	2						1		12
Staff & Pensions Committee (6)	4	1	1								6
Adult Social Care & Health (10)	6	2	1			1					10
Children and Young People (10)	6	1	1	1			1				10
Communities (10)	6	2	1	1							10
Resources and Fire & Rescue (10)	6	1	1		1				1		10
2019 Distribution total	39	10	8	2	1	1	1	0	2	0	<b>64</b>
Change	-1	-2	+1	+1	0	0	0	+1	-1	+1	
<b>Political Balance Entitlement 2020</b>	<b>38</b>	<b>8</b>	<b>9</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>64</b>

3. That the Council appoints the committees and membership:

*Opposition Group Spokespersons are indicated for Overview and Scrutiny Committees (Sp)*

<b>Committees</b>	<b>Con</b>	<b>Lab</b>	<b>LD</b>	<b>Green</b>	<b>WRA/Ind Vacancy</b>	<b>Total</b>
Audit & Standards Committee (6 +2 co-optees) J Bridgeman * +Vacancy						<b>6</b>
Regulatory Committee						<b>12</b>
Staff and Pensions Committee						<b>6</b>

<b>Committees</b>	<b>Con</b>	<b>Labour</b>	<b>Liberal Democrat</b>	<b>Green</b>	<b>WRA/Ind Vacancy</b>	
Adult Social Care & Health OSC						<b>10</b>
Children & Young People OSC						<b>10</b>
Communities OSC						<b>10</b>
Resources and Fire & Rescue OSC						<b>10</b>
Joint Staff Negotiating Body *Leader appt	*					
Joint Teachers Negotiating Body *Leader appt	*					
Pension Fund Sub-Committee *appointments are made by Staff and Pensions Committee						
Pool of Members to sit on the Appointments Sub-Committees and Staff Appeals Sub-Committees.						

4. (a) That John Bridgeman be confirmed as the Chair of the Audit and Standards Committee.

5. (a) That the Council confirms/amends membership to the following bodies:

	<b>Conservative</b>	<b>Labour</b>	<b>Liberal Democrat</b>
Health and Wellbeing Board (4)			
Joint Coventry & Warwickshire Health OSC (5)			
Corporate Parenting Panel (6)			
Standing Advisory Council on Religious Education (SACRE) (5)			
Warwickshire Waste Partnership (5)			

5 (b) That Cllr Caborn is appointed as the Chair of the Health and Well-being Board

(c) That the Portfolio Holder for Children's Services is appointed as the Chair of the Corporate Parenting Panel.

6. (a) That the following be appointed to the LGPS Local Pension Board and Fire & Rescue Local Pension Board for a three-year term:

<i>LGPS Local Pension Board</i>	<i>End of term of office</i>
Mike Snow [Employers Rep]	July 2023

<i>Fire &amp; Rescue Local Pension Board</i>	<i>End of term of office</i>
Cllr David Reilly [Employer Rep]	July 2023
Dawn Suckling [ Employer Rep]	July 2023

(b) That the Council confirms that the Employer Representatives on the Fire and Rescue Local Pension Board should be members or officers of the Warwickshire County Council

7. That the following County Councillors be appointed to the Police and Crime Panel:  
[5 places = 2 Con; 1Lab; 2 LD]

Councillors

8. That the Council confirms/appoints to the following external bodies

	<b>Conservative</b>	<b>Labour</b>	<b>Liberal Democrat</b>
LEP (1)			
LGA (4)			
CCN (4)			
LGA Fire Commission			

9. That Council confirms the delegations to officers as set out in the Constitution.
10. That the Council authorises the Strategic Director Resources to make such amendments to the Council's Constitution or other documents as may be required as a consequence of any changes agreed by the Council.

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**Council****23 July 2020****Overview and Scrutiny Annual Report 2019/2020****Recommendation**

That Council notes the Overview and Scrutiny Annual Report 2019/2020

**1.0 Summary**

At the end of each municipal year, an Overview and Scrutiny Annual Report is produced to highlight the activity of the Overview and Scrutiny Committees throughout the year. The report includes the achievements of the Committees and demonstrates where the scrutiny function has added value to the organisation, in terms of improved service delivery and helping the Council to achieve its corporate ambitions.

The Overview and Scrutiny Annual Report 2019/2020 is enclosed for the Council's consideration.

**2.0 Background Papers:**

None

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

Local Member(s): None

Other members: Councillors Alan Cockburn, Yousef Dahmash, Wallace Redford, Izzi Seccombe and Adrian Warwick

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# **Warwickshire County Council Overview and Scrutiny Annual Report 2019 - 2020**

## Introduction

Welcome to the 2019/2020 Warwickshire County Council review of Overview and Scrutiny. This report highlights key issues undertaken and completed by each of the Council's Overview and Scrutiny Committees.

Overview and Scrutiny plays a crucial role in holding Warwickshire County Council's decision makers to account. Effective scrutiny challenges existing and proposed policies as well as the decisions of Cabinet. In addition to formal meetings, delivery of the work programme is achieved through briefing notes and focused 'task and finish' groups. Work programmes consider changes in policy and reviews of performance.

Each Overview and Scrutiny Committee, made up of non-Cabinet members, meets approximately four times a year. Members of the Council, Officers and residents of Warwickshire have an open invitation to put forward items for consideration by the relevant committee. Such proposals are considered at a meeting of the Chair, Vice-Chair, Group Spokespersons and officers and if considered appropriate added to the committee's work programme. This report highlights the work of the four Overview and Scrutiny Committees

Warwickshire County Council, in common with many other authorities, is facing challenges in terms of reduced resources and increased demand for services. 2019/2020 brought new challenges with disruption to the work programme due to the General Election in December 2019 and the requirements of the pre-election period.

On March 11, 2020 the World Health Organisation confirmed Coronavirus as a pandemic and countries around the world went into lock down to slow down the spread. Understandably, this has meant that authorities have had to change the way they work. Warwickshire County Council rapidly undertook a review of its meeting arrangements as social distancing and working from home became the new normal. The work of the Overview and Scrutiny Committees was briefly interrupted but innovative use of new technologies has enabled us to resume meetings on a virtual basis.

As I write this introduction, there is no visible end to lock down, social distancing or when life will return to normal. However, Officers and Members at the Council are working extremely hard to make sure that, as much as possible, the Council continues to provide the best services for residents.

Looking forward to 2020/2021 Overview and Scrutiny Committees will continue to have a key role to play in the quality of services delivered to the people of Warwickshire. As we emerge from the immediate Coronavirus response phase and move into the planning for recovery, there will be a key role for the Overview and Scrutiny Committees to consider aspects of recovery as are relevant to their remit. I am confident that their contribution will be a positive one

Councillor Isobel Seccombe  
Leader of Warwickshire County Council  
July 2020



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- 3. Joint Children and Young People and Adult Social Care & Health Overview and Scrutiny Committee**
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- 7. Committee membership information**
- 8. Getting involved**

## **1. Adult Social Care and Health Overview and Scrutiny Committee**

This Committee reviews and scrutinises the provision of public services in Warwickshire relating to adult social care services including social care to older people and people with disabilities, policies and services for safeguarding adults and any matter relating to the planning provision and operation of health services for adults and children in Warwickshire

*“This committee has a broad remit, covering services delivered by the County Council and its partners in the health sector. It includes a focus on clinical commissioning groups (CCGs), acute and primary care providers and work with Healthwatch Warwickshire. The committee’s workload is considerable and requires careful prioritisation, to ensure it focuses on key areas where it can make a difference. This is a time of considerable change for health services and increasing demands for adult social care services.*

*The committee’s workload has been impacted by the calling of a general election in December 2019 and the coronavirus outbreak in the spring of 2020, making it difficult to continue scrutiny meetings with NHS partners.”*

Councillor Wallace Redford

### **Internal Support and Areas of Scrutiny**

The committee is supported by lead officers in the People Directorate who pay for (commission) or deliver social care and public health services. Members scrutinise individual service areas, whilst also focusing on performance against targets. Officers have provided briefing documents and themed development sessions throughout the year, to broaden members’ understanding of the wide range of services within the committee’s remit. An example of this is a development session on the older people adult social care market.

Over recent years, there has been integration of social care and NHS services to drive efficiency. This is evidenced by the Public Health involvement in a review of local maternity services reported to the committee in conjunction with lead officers from the CCG. Similarly, an update on drug and alcohol services was co-presented by council officers and the group, Change, Grow, Live.

An independent review of demand in Adult Social Care has taken place and the findings were reported to the committee, together with the associated action plan and progress against that action plan.

## **Health**

The committee scrutinises the performance of local health commissioners and service providers. It also has a statutory scrutiny role in relation to health service reconfigurations. The key area for review this year has been stroke services with the committee scrutinising the proposals and submitting its feedback via a joint committee referenced below.

During the year, there has been an extensive focus on the performance of the three clinical commissioning groups (CCGs) that serve Coventry and Warwickshire. An initial performance report was compiled by Public Health Warwickshire and this was followed by two questioning sessions at subsequent meetings, with lead officers from the CCGs and acute service providers.

From this work, the committee gained a detailed understanding of the NHS constitution indicators, national and local performance indicators against which CCGs are measured and meet their responsibilities. They work with and monitor service providers to improve shortfalls in performance and to require providers to put in place recovery action plans. Examples of the areas discussed in depth were dementia services, timescales for cancer treatments, improving access to psychological therapies and ambulance handover times.

A key finding is the need to educate the public, to inform them clearly of which services they should use and to reduce reliance on accident and emergency departments.

## **Joint Scrutiny**

Through joint scrutiny work with neighbouring areas, the committee is represented on health service reviews affecting Warwickshire residents. The area covering both Coventry and Warwickshire is the 'footprint' for this work and therefore a joint health overview and scrutiny committee meets to review service reconfiguration proposals. The key area during this year has been a review of stroke services. The joint committee met twice to receive information from lead commissioners and service providers, who also responded to questions on the revised service model. The joint committee was satisfied with the revised service proposals.

## **Public Health and Strategic Commissioning**

The Director of Public Health and Strategic Director for the People Directorate attend every meeting, providing important updates to members. During this year reports were provided on public health commissioned services for drugs and alcohol, on local maternity services and through a development session, on the older people adult social care market.

## **Work with Healthwatch Warwickshire and the Health and Wellbeing Board**

The committee works closely with Healthwatch Warwickshire, the voluntary organisation that provides the 'patient voice'. Healthwatch has an active role in shaping the committee's work programme; it contributes to debate in meetings and updates the committee on its own work areas. The committee receives periodic updates on the work of the Health and Wellbeing Board and its Chair, Councillor Les Caborn, who is also the Portfolio Holder for Adult Social Care and Health attends every meeting with a regular 'question time' included on the agenda.

## **Engagement with the Public**

A public speaking item is included on the agenda for every meeting. During this year, there have been public questions and statements submitted by the group South Warwickshire Save Our NHS to most meetings, in the main concerning the review of stroke services and the proposed merger of the CCGs serving Coventry and Warwickshire. Written replies are provided to such questions.

## **Key Organisations monitored by the Committee**

Clinical Commissioning Groups: Coventry and Rugby, South Warwickshire and Warwickshire North

Provider Trusts: Coventry and Warwickshire Partnership Trust, George Eliot NHS Hospital Trust, South Warwickshire Foundation Trust, University Hospitals Coventry and Warwickshire, West Midlands Ambulance Service University NHS Foundation Trust.

## **Key partners that the Committee engages with as part of its remit**

Care Quality Commission

Coventry City Council (joint health scrutiny)

District and borough councils (co-opted representation)

Healthwatch Coventry

Healthwatch Warwickshire

NHS England

## 2. Children and Young People Overview and Scrutiny Committee

This committee reviews and scrutinises the provision of public services in Warwickshire relating to education and skills, services for children, families and young people including schools, 16-19 years education, pre-school children, child protection, family support and social care, children with specific needs and the Youth Service. This meeting is open to the public, unless otherwise stated.

*“As Chair of the Children and Young People Overview and Scrutiny Committee, I would like to place on record my thanks to everybody who has been involved in the work carried out, in my third term as Chair.*

*The committee values the engagement of the public speakers who have attended the committee in the past year. A good example are the speakers on the ‘Home to School Transport Policy’ who expressed their concerns in their speeches presented to the committee in June 2019.*

*The committee has a broad remit and focus areas include the rising demand for children’s services and improving education in Warwickshire. In February 2020, councillors of the committee, officers and myself met with the Midlands Academy Trust at Nuneaton Academy. It was an insightful first-hand experience to talk with pupils and staff and tour around the academy in Nuneaton to discuss their improving academic performance.*

*In 2019/2020 the committee has scrutinised several evolving projects. This includes improving the mental and physical wellbeing for Warwickshire’s children, education and family development projects.*

*2019/2020 saw the introduction of pre-committee briefings for Children and Young People Overview and Scrutiny Committee. One of these pre-meetings with frontline social workers was an invaluable experience for members of the committee who attended. Some of the highlights from reports in the past year can be found below.”*

Councillor Yousef Dahmash

### Mental and physical wellbeing for children

Children’s mental and physical wellbeing have been regular topics considered by the Children and Young People Overview and Scrutiny Committee (OSC) in the past year. In June 2019 the committee was informed that the Children & Families service had brought together the Early Help, Targeted Support and Initial Response teams, to provide support for families. The committee monitored progress against the Early Help Action Plan, submitting a range of questions.

In September 2019 members discussed the County Council commissioned ‘healthy child programme’ provided through the third sector organisation Compass. This offered preventative and public health programmes in schools.

Progress was reported on the achievement of key recommendations from the last major review in 2014 and the learning from this which shaped a revised contract, implemented in November 2019. The plan focused on robust communication methods, mental and emotional health and wellbeing. It was set against the rising number of hospital admissions as a result of self-harm. Other aspects were school readiness, positive lifestyle choices and revising the service. The committee were keen on the logistics of this project.

Children's mental health services were also considered by the Joint Children & Young People and Adult Social Care & Health OSC meeting held in January 2020; it was established that the demand for these services outweighed current capacity. More information on that joint committee follows later in this annual report.

### **Education in Warwickshire**

Education is a key focus for this committee. In September 2019, the committee received two reports on Special Educational Needs and Disabilities (SEND) plan and the Nuneaton Education Strategy.

The SEND update followed Cabinet's approval of a revised strategy. There were increasing numbers of children with SEND or an EHC (Education, Health and Care) plans since 2014. This detailed report focused on promoting inclusion, getting it right for school age learners with high needs, improving health and social care for learners with SEND, preparing for adulthood, transport and workforce development. A verbal update was provided on a recent peer review and an expected inspection of the SEND service. The committee questioned funding, capacity for SEND and CAMHS/RISE services, the sensitivity of specialist education in the mainstream school setting and the implications of special schools being located out of county. The Nuneaton Education Strategy highlighted education performance challenges and the need for a new approach in raising the aspirations and outcomes for children and young people in Nuneaton. This report focused on the proportion of schools rated by Ofsted as requiring improvement, data on deprivation levels, take up of free school meals, concerns in the primary and secondary education settings and wider societal issues such as youth justice intervention and rates of teenage pregnancy. The committee focused on how this could improve.

In January 2020, the committee received an update on 'Closing the Gap'. This project sought to close the attainment gap between disadvantaged pupils and their peers in Warwickshire. The committee noted the importance of this endeavour and noted how teachers need to be trained and supported appropriately. In February 2020, members visited the Nuneaton Academy, part of the Midlands Academy Trust. This included a tour of the school site, observing classes and was followed by an informal meeting to discuss current concerns, the action plans in place and academic progress.

### **Ongoing projects**

In January 2020 an update on 'Different Futures' was provided. This project supported parents who had multiple children removed from their care and was part of an overall strategy to reduce the need for children to be in care. The positive update on progress and outcomes for parents and children was welcomed by the committee. Areas of advice and assistance included housing/homelessness, debt, mental health issues, drug/alcohol issues and employment. The project had led to a reduction in costs as fewer interventions were being required and these cost avoidance savings would increase following expansion of the service.

### **3. Joint Children & Young People and Adult Social Care & Health Overview and Scrutiny Committee**

This committee reviews and scrutinises the provision of public services in Warwickshire relating to adults and children's services. It's held once a year.

In 2017-18, a joint scrutiny review of Children and Young People's Mental Health and Wellbeing Services was commissioned. This 'task and finish' group was appointed to gain an assurance that the revised contract for the service would deliver its objectives of providing a timely and improved service for children and young people in Warwickshire.

One of the outcomes approved by the commissioning scrutiny committees and Cabinet was ongoing monitoring of performance of the new service. This has been provided by joint meetings of the Children & Young People and Adult Social Care & Health OSCs. They met during this reporting period, in January 2020. The report and accompanying presentation focused on performance and outcomes, prevention and intervention, waiting times, service developments, challenges and achievements. Members acknowledged the significant improvements made in reducing waiting times for some services. However, there remains concern about waiting times for initial and follow up appointments and especially autism waiting times. Access to services and support in advance of a formal diagnosis were also raised.

The joint committee also received a presentation on the Coventry and Warwickshire Maternity, Children and Young People Programme. Clinical commissioning groups informed members of the aims of the programme, the services being reviewed to ensure they remained fit for purpose and an outline was given of planned future engagement.



## 4. Communities Overview and Scrutiny Committee

This committee reviews and scrutinises the provision of public services in Warwickshire relating to community safety, trading standards, transport and highways, economic development and environment, adult learning, heritage, tourism, flood risk management and emergency planning. This meeting is open to the public, unless otherwise stated.

*“This was my second year as Chair, and can I once again thank members of the Committee for their commitment in scrutinising the workings of the Council. Can I also put on record my thanks for the hard work and support given by officers and members of the public for attending to ask questions and put views to us. It is important that subjects of particular interest by Committee Members are incorporated in the workload and the main subjects looked at over the year are listed below”*

Councillor Alan Cockburn

### Climate Change – Emergency and Adaptation

The Climate Change Emergency Task and Finish Group (TFG) was established in September 2019 following Warwickshire County Council’s climate emergency declaration in July 2019. The declaration committed the Emergency TFG to report to Cabinet within 6 months with an initial action plan. The group gathered evidence from officers across the council. At a workshop held in November 2019, attendees were asked to highlight mitigation work already being done and planned future work. From these, the group produced recommendations that asked Cabinet to take a strategic approach to the climate emergency. The report itself went to Cabinet in January 2020 and was approved. This work ran alongside the climate change adaptation work.

The Climate Adaptation Group was established following an agreed motion to Full Council in October 2018 and started in July 2019. It convened to review the impacts of climate change on the County and its effect on services. A workshop was held in September 2019 to identify vulnerable areas, work already being undertaken and opportunities to improve resilience across the County, with council officers and members. The evidence from this workshop was analysed and structured into key themes. The findings were presented in the report ‘Making Warwickshire Sustainable for Future Generations’ which Communities OSC endorsed in November 2019 and referred to Cabinet. The report was approved by Cabinet in December 2019.

Both groups emphasised the importance of adopting the Met Office’s UK Climate Projections as the basis of Warwickshire County Council’s expectation of the climate in 2050 and plans to this effect. As well as providing a clear direction through the Council Plan 2020-2025, detailing actions that will be taken to prepare Warwickshire for the change in climate to come. Both groups additionally expressed the importance of cross-party work to advance work done on climate change to continue for the council’s future.

Climate change, benefits for the environment and waste are topics that will continue to be monitored and scrutinised by the Communities OSC in the future.

### **On-street Parking Consultation Analysis and Proposed Way Forward special meeting**

Following Full Council in October 2019, it was decided that Communities OSC would hold a special meeting regarding parking permits. Following this meeting, which was held in January 2020 and involved many non-committee councillors and public speakers, it was agreed that Cabinet will make a final decision on this issue and a short-term Task and Finish Group should be established to investigate other aspects of on-street parking management, such as business permitting, and environmental considerations and tourism.

### **Roads, Highways, Safety and the MRN**

There have been numerous road updates and developments throughout Warwickshire this year which the committee has been keen to have reported to it. The Major Road Network (MRN) was a keen topic of interest for members on and off the committee; incorporating public transport and air quality was important to members when they considered a report in February 2020. These road developments have been focused on using and receiving all funding available, as well as keeping the environmental implications in view following the climate emergency declaration.

### **Waste Reduction and Recycling Campaigns and Waste Management Review**

Communities OSC has been committed to receiving reports on waste management schemes. The Council has been working on waste reduction schemes as stated in the June 2019 committee meeting. In February 2020, the committee received a report focusing on reducing Warwickshire's carbon emissions, following the climate emergency declaration.

### **Public Transport in Warwickshire**

Communities OSC has focused on the improvements of public transport in Warwickshire following developments for the Warwickshire Rail Strategy 2019-2034 and the emphasis of utilising the 2017 Bus Act. In September 2020, Communities OSC will receive a report on the "Future of the Bus" for Warwickshire and recommend changes for Cabinet.

## 5. Resources and Fire & Rescue Overview and Scrutiny Committee

This Committee reviews and scrutinises the Warwickshire Fire & Rescue Service, budget, medium term financial plan, corporate business plan, planning and performance arrangements, finance, property, information technology, facilities management, workforce strategy and development, law and governance, libraries, customer service and communications

*“2019/2020 saw the Resources and Fire & Rescue Overview and Scrutiny Committee continue its robust scrutiny of the internal functions of Warwickshire County Council. I would like to thank both the members of the Committee, and the officers who have supported it, for all their hard work and input.*

*Over the last twelve months the Committee has reviewed superfast broadband provision, the continuation of the Switch and Save scheme, as well as innovative digital resources offered by the Library Service and Heritage and Culture Service.*

*The Committee also took a keen interest in matters relating to the Fire and Rescue Service including public consultation in relation to proposals for a new Rugby Fire Station, and the implications of the on-going HMICFRS inspection programme.*

*Some of the highlights of the Committee’s work can be found below.”*

Councillor Adrian Warwick

### Warwickshire Fire Deaths

In September 2019, the Committee received a report in respect of fire deaths between January 2017 and December 2018 in the County. The performance data showed a discernible increase in the number of deaths resulting from dwelling fires during this period compared with the data from previous years.

Warwickshire Fire and Rescue Service (WFRS) provided a comprehensive overview of the work undertaken to engage with the community, promote safer practices, identify and protect vulnerable members of society, and implement a range of fire prevention initiatives. WFRS detailed the rigorous procedures enacted to investigate the circumstances of each incident including work undertaken with partner agencies.

The Committee recognised the tragic nature of the events detailed in the report and expressed its sympathy to all those affected. It was noted that the Council had been able to support the safe sharing of information between partner organisations which improved the provision of support to vulnerable members of the community and assisted WFRS in its implementation of Safe and Well Checks.

It was recognised that, though it was difficult to identify one trend to link all the fire deaths, a level of vulnerability was evident across many of the recorded cases. Following a detailed discussion, the Committee concluded that WFRS had provided

an outstanding prevention service and made use of all the available opportunities to mitigate the danger of accidental death or injury by fire.

The Committee expressed its gratitude to WFRS and recognised the outstanding work being done to protect the public, stating that this was a feeling echoed by the wider community.

### **Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)**

In December 2019, the Committee was updated regarding the second tranche of inspections proposed by HMICFRS. Warwickshire Fire and Rescue Service (WFRS) had been one of the first services to be inspected in the Summer of 2018 during the initial phase of the newly created Fire and Rescue Inspection Framework. The Deputy Chief Fire Officer reported that it was anticipated that the upcoming inspection would be informed by the findings of the initial inspection, and that on this basis it was likely to be a more focused and rigorous evaluation. The inspection was scheduled to begin in Spring 2020.

In readiness for the inspection, WFRS had asked the Internal Audit Service at Warwickshire County Council to carry out a review of the Fire Service's response to the initial inspection. This would enable WFRS to identify any areas in need of specific attention. It was noted that some concerns had been raised in respect of the relatively short period of time between inspections. It was also highlighted that the initial inspection report from HMICFRS had been positive, and that the scheduling of the second phase was not considered to be a response to the initial findings.

The Committee expressed its support for robust inspection and scrutiny of the Service whilst acknowledging that the inspection regime places an additional pressure on resources, especially for smaller Services.

### **Library Service Performance and Delivery of Digital Services**

The Committee received an update regarding the performance of libraries and the digital services offer. The Committee heard how the Library Service had adapted to the requirement to reduce annual costs and continued to provide a dynamic service for Warwickshire residents, including an expansion of digital resources.

The Service had aspired to respond to the changing needs of communities, including a greater emphasis on partnership working, engagement with volunteers, investment in technology, and a focus on how library spaces are used.

Members praised the contribution of volunteers, especially in the operation of the home delivery scheme which provided a valuable service to isolated individuals. The Committee commended the work of staff and volunteers, and praised the contribution made by the Library Service.

## **Heritage and Culture Service**

In December 2019, an update was presented regarding the performance of the Heritage and Culture Service following a request for information from the Committee.

The report provided an overview of the Service following the delivery of savings targets and organisational changes. The arts sector had faced reduced spending across the public sector and Arts Council England; as well as the loss of the West Midlands Regional Council for Museums, Libraries, Archives.

The report highlighted the expansion of public interest in digital archives fuelled by the popularity of genealogy and family history research. The Committee noted the positive effect of digital archiving and its capacity to enable more records to be preserved.

It was noted that the relocation of the Warwickshire Museum Collection to Hawkes Point would provide an opportunity for more objects to be presented to the public. It was reported that work in partnership with the Library Service was underway to review the school lending service (of objects and resources) from April 2020. The Committee highlighted the importance of engagement with young people and the need to promote the Service's assets.

It was also reported that work in partnership with Visit England was underway to highlight tourism in the area and promote events across the County. As an outcome of the new strategy, the Canal and River Trust had expressed an interest in working with HCW. The Chair recommended that a report be presented to the Committee in twelve months' time to review developments.

## **BDUK (Building Digital UK) Coventry, Solihull and Warwickshire (CSW) Superfast Broadband Project**

In June 2019, the Committee was presented with an update of the good progress made by the BDUK CSW Superfast Broadband Project. It was reported that the project was on track to extend superfast connectivity to 98% of premises (businesses and residential) within Warwickshire by the end of June 2020; above the national average and conferring advantages to businesses and consumers.

A demonstration of the newly developed web portal resource was provided, enabling members to check of the status of projects within each division. The portal allowed access to detailed map-based information showing the regions where superfast connectivity was already in place, areas where funding was pending, as well as locations where CSW was seeking a resolution to commercial supply issues following the withdrawal of agreed service providers.

It was noted by the Committee that planning law did not mandate that broadband services be treated in the same way as other utilities (such as gas, water mains or electricity) during the construction of new property developments. This often resulted in a delay to the provision of superfast broadband to new residences.

The Committee evaluated the benefits of lobbying MPs for a reform to planning laws and noted that the current legislation was failing to satisfy this concern at present.

## **6. Public-i webcasting**

In September 2018, Warwickshire County Council started to live stream Full Council, Cabinet, Overview and Scrutiny Committees and Regulatory Committee meetings via Public-i.

The impact of the Coronavirus pandemic meant that from March 2020 council meetings moved from being held in Shire Hall to being held virtually via Microsoft Teams.

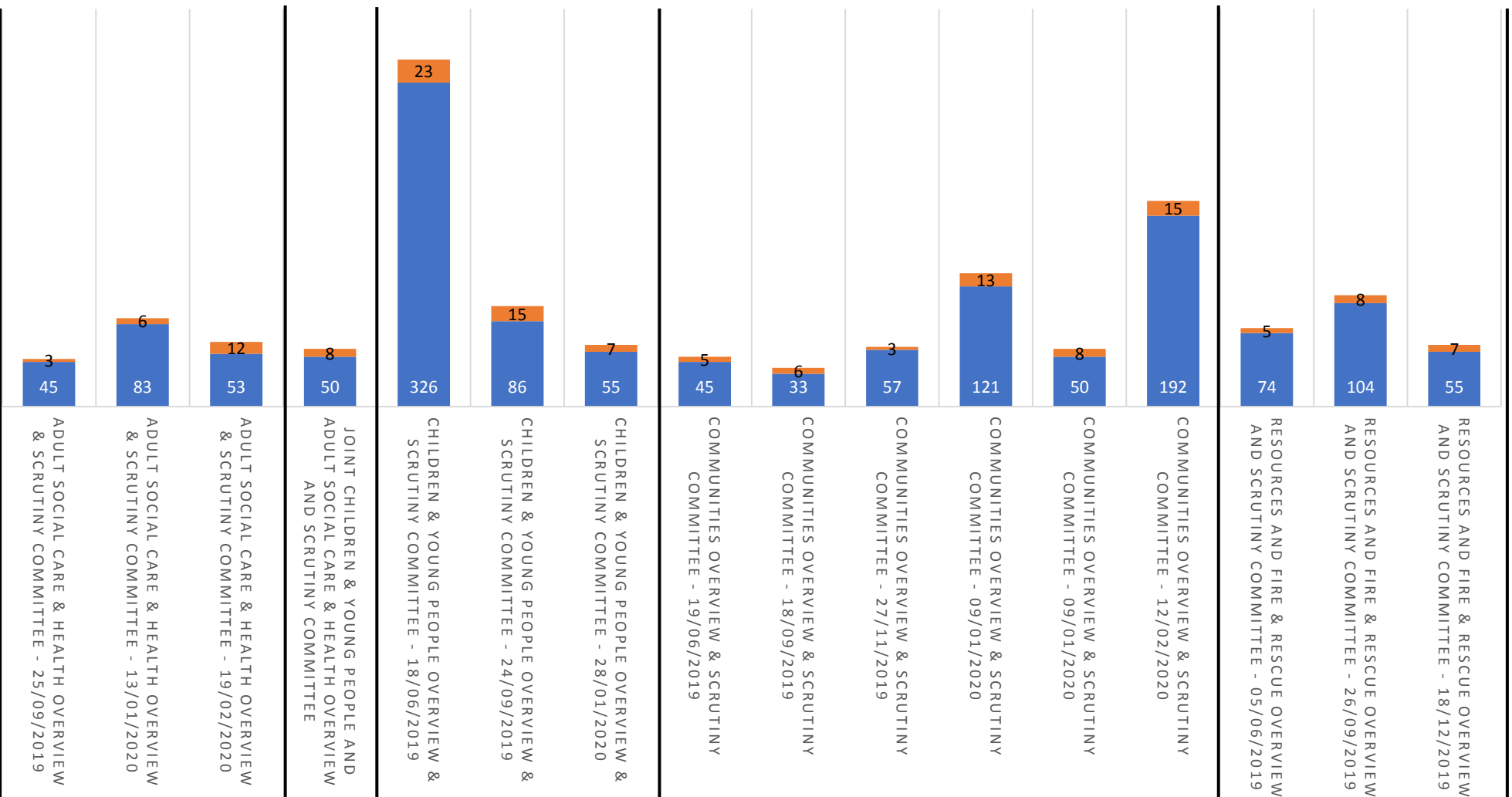
In order to ensure that public meetings were still accessible, IT officers established a YouTube channel for all appropriate meetings. The link for each meeting is shared via the twitter account ahead of the meeting. Once the meeting has concluded, the recording is shared via Public-I and Modern.gov.

This ensures that despite the new ways of working, the public is still able to access live streams and recordings of council meetings.

The figures presented in this report show the viewing figures for the Overview and Scrutiny Committee meetings from April 2019, up until the official lockdown date of 23 March 2020.

## VIEWING INFORMATION FOR EACH OVERVIEW AND SCRUTINY COMMITTEE APRIL 2019 TO MARCH 2020

■ All views   ■ Live views





## **7. Overview and Scrutiny Committees – Membership**

### **Adult Social Care and Health**

Councillors Wallace Redford (Chair), Clare Golby (Vice-Chair), Helen Adkins, Jo Barker, Mike Brain, John Cooke, John Holland, Andy Jenns, Jerry Roodhouse and Andy Sargeant.

#### Co-opted District and Borough Council Members

Councillor Margaret Bell (North Warwickshire)

Councillor Sally Bragg (Rugby)

Councillor Christopher Kettle (Stratford)

Councillor Pamela Redford (Warwick)

Councillor Tracy Shepherd (Nuneaton and Bedworth)

### **Children and Young People**

Councillors Yousef Dahmash (Chair), Pam Williams (Vice-Chair), Margaret Bell, Jonathan Chilvers, Corinne Davies, Peter Gilbert, Daniel Gissane, Howard Roberts, Dominic Skinner and Chris Williams

#### Co-opted Members

Joseph Cannon – Parent Governor

John McRoberts – Church Representative

Rev. Elaine Scrivens – Church Representative

Sean Taylor – Teacher Representative

### **Communities**

Councillors Alan Cockburn (Chair), Dave Shilton (Vice-Chair), Jenny Fradgley, Seb Gran John Holland, Andy Jenns, Keith Kondakor, Bhagwant Singh Pandher, Caroline Phillips and Andrew Wright

### **Resources and Fire & Rescue**

Councillors Adrian Warwick (Chair), Parminder Singh Birdi (Vice-Chair), Sarah Boad, John Cooke, Judy Falp, Peter Gilbert, Andy Jenns, Maggie O'Rourke and David Reilly

## 8. Getting Involved

Listening to the views of Warwickshire's residents is a crucial part of the work carried out by Overview and Scrutiny Committees.

If you have any queries or questions about scrutiny, or want to suggest a topic for the Committee to look at, please contact the Democratic Services Team

- Email us: [democraticservices@warwickshire.gov.uk](mailto:democraticservices@warwickshire.gov.uk)
- Tweet us: @WarksDemocracy
- Watch us: warwickshire.public-i.tv
- Call us: 01926 412113

You can keep up to date with the work of the Overview and Scrutiny Committees, Task & Finish groups and any other reviews or panels by visiting our website:

[www.warwickshire.gov.uk/scrutiny](http://www.warwickshire.gov.uk/scrutiny)

The Committees look at key decisions, service performance and strategic issues. Queries on individual matters or cases need to be raised with the appropriate service team directly.

Scrutiny Committee	Contact
Adult Social Care and Health	Paul Spencer Senior Democratic Services Officer <a href="mailto:paulspencer@warwickshire.gov.uk">paulspencer@warwickshire.gov.uk</a>
Children and Young People	Helen Barnsley Democratic Services Officer <a href="mailto:helenbarnsley@warwickshire.gov.uk">helenbarnsley@warwickshire.gov.uk</a>
Communities	Isabelle Moorhouse Trainee Democratic Services Officer <a href="mailto:isabellemoorhouse@warwickshire.gov.uk">isabellemoorhouse@warwickshire.gov.uk</a>
Resources and Fire & Rescue	John Cole Trainee Democratic Services Officer <a href="mailto:johncole@warwickshire.gov.uk">johncole@warwickshire.gov.uk</a>

**Council****23 July 2020****Annual Monitor of use of the Urgency and  
Call-in Procedures 2019 - 2020****Recommendation**

That the report be noted.

**1.0 Introduction**

- 1.1 The use of the Council's call-in and urgency procedures is monitored annually in accordance with Standing Order 19.1 of the Council's Constitution. This report summarises the decisions taken under the urgency procedure and the use of call-in during the 2019/2020 municipal year.
- 1.2 Due to the impact of the Coronavirus pandemic and the requirement for associated urgent decisions; the report presents urgent decisions made up to the end of June 2020.

**2.0 Procedure for decisions to be treated as urgent.**

- 2.1 Standing Order 18 sets out the procedure for consideration of issues requiring an urgent decision and where any delay likely to be caused by call-in would seriously prejudice the Council's or the public's interest.
- 2.2 This procedure requires the consent of the Chair of the relevant Overview and Scrutiny Committee (or in his/her absence the Chair of Council, or in his/her absence the Vice-Chair of Council).
- 2.3 The consent is given on the basis that:
  - the decision cannot reasonably be deferred; and
  - the decision should be treated as a matter of urgency; and
  - where the proposed decision is contrary to or not wholly in accordance with the Policy Framework or Budget it is not practicable to convene a quorate meeting of the full Council.
- 2.4 Group Leaders are advised whenever an urgent decision is proposed and the decision (and any supporting report) is published on the Council's website and all members notified. In addition, the Leader is required to report to Council each year on the details of each decision taken under the procedure and the reasons for their urgency.

**3.0 Procedure for call-in**

- 3.1 Executive decisions (i.e. those taken by Cabinet, Cabinet Portfolio Holder or Officer Key Decisions) can be called-in for consideration by the relevant Overview and Scrutiny Committee. The Chair of the Committee or four members can call in a

decision within 5 days of the publication of the decision unless the decision has been subject to the urgency procedure described at section 2 above. (The procedure for call-in is set out at Standing Order 13.) Call-in delays the implementation of a decision and can have an impact on the speed of decision making in an authority if it is used extensively.

- 3.2 There has been no use of the call-in procedure in 2019/2020 in Warwickshire (as demonstrated at section 7 below).

## **4.0 The Coronavirus Pandemic**

- 4.1 On 11 March 2020 the World Health Organisation confirmed Coronavirus as a pandemic and countries around the world began to enter lock down to slow down the spread of the virus.
- 4.2 In order to rapidly begin to address the negative impacts of the Covid-19 pandemic on Warwickshire and its neighbours a number of urgent decisions were required to be made. Most but not all of these were made by the Leader of the Council. As noted in section one of this report, these are covered in a separate section to the report

## **5.0 Decisions Taken under the Urgency Procedure since May 2019 (not related to the Coronavirus Pandemic).**

- 5.1 19th July 2019 - S278 Highway Improvement Scheme at A428 Crick Road, Rugby (Deputy Leader Decision)

At a meeting on 14 December 2018 approval was given to include the Rugby Developer-funded highway improvement scheme in the 2018/2019 Capital Programme at an estimated cost of £500,000.

Approval was requested to increase the Capital Programme provision to £1.3m to cover the cost of the works and fees, and an allowance for contingencies. The principal reason for the increase was the detailed design and technical approval. Approval was requested to award the contract to the supplier who submitted the most economically advantageous price following assessment of the tenders

The decision was considered to be urgent because the improvement works were needed to facilitate access to a new housing development. If the recommendations were not approved, it would have been necessary to re-tender the highway works.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

- 5.2 30 October 2019 – Warwickshire County Council Response to the Local Government Finance Settlement 2020-21 Technical Consultation (Deputy Leader Decision)

On 3 October 2019 the Ministry of Housing, Communities and Local Government issued a technical consultation on the Local Government Finance Settlement 2020-21. The consultation was open for four weeks, with a closing date of 31 October 2019

An urgent decision was proposed to approve the County Council's response to the consultation. The Government wished to incorporate consultation questions following funding changes announced as part of the 2019 Spending Review resulting in the consultation being later than usual.

The decision was considered to be urgent because of the short consultation period and the need to work and consult with colleagues across the authority and other shire counties.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

5.3 21 January 2020 – Decision to move 0.5% of the Schools Block Grant to the High Needs Block (Leader Decision)

The Leader was asked to approve the submission of the “disapplication” application to the Secretary of State due to an expected overspend of £6.398 million.

The decision was considered to be urgent due to budget being presented to Cabinet on 30 January 2020.

The Chair of the Children and Young People's Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

5.4 30th January 2020 - (**Exempt Report**) Land at Stratford (Deputy Leader Decision)

This exempt report concerned the purchase of an area of land at Stratford to support the Council's outcomes.

Approval was required to submit a bid to purchase the site.

The decision was considered to be urgent as a result of Warwickshire County Council being made aware of the need to pursue the purchase of the land before the deadline of the 31st January 2020.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

5.5 26 May 2020 – Department for Transport; All Electric Bus Town Initiative (Portfolio Holder for Transport and Planning)

The Portfolio Holder for Transport and Planning was asked to consider an urgent decision in relation to the introduction of an All Electric Bus Town Initiative.

The report set out the investigative work that was undertaken to establish the likely costs, impacts and risks of introducing the All Electric Bus Town initiative in two of Warwickshire's towns – Nuneaton and Leamington Spa.

In addition, the report outlined the potential for Warwickshire County Council to support the initiative being progressed by Coventry City Council for a Coventry pilot scheme

including cross-boundary services within Warwickshire.

The decision was urgent due to the deadline of the 4 June 2020 for the submissions of expressions of interest in the initiative.

The Chair of the Communities Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

## **6.0 Decisions Taken under the Urgency Procedure in relation to the Coronavirus Pandemic from March 2020 until 30 June 2020.**

### **6.1 23 March 2020 – (Exempt Report) Contingency Planning Arrangements – Covid-19 (Leader Decision)**

As part of the response to Coronavirus, the need to consider additional mortuary provision for the region.

The decision was considered to be urgent due to the requirement for rapid decision-making to ensure that sufficient facilities were available to manage potential consequences of the pandemic.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

### **6.2 25 March 2020 - Business Grants Cash Flow Support to Districts (Leader Decision)**

The Leader of the Council was asked to approve the provision of short-term loans to the District and Borough Councils to ease their cash flow during the Coronavirus outbreak pending receipt of Government funding.

The decision involved supporting the principle of offering short term interest free loans to support cash flow, to allow for the early payment of business grants and for any future grant schemes that emerge as a result of Covid- 9 support. The decision allowed for up to £89m of Warwickshire County Council's cash resources to be available.

The decision was considered to be urgent in order to enable the payments to be made as quickly as possible due to the economic impact of the pandemic.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

### **6.3 31 March 2020 - Designation/Delegation to Enforce the Business Closure Measures Relating to Covid-19 (Leader Decision)**

As part of its response to Coronavirus the Government passed The Health Protection (Coronavirus, Restrictions) (England) Regulations 2020.

The Leader was asked to approve the decision to designate named officers to enforce the relevant provisions of The Health Protection (Coronavirus, Restrictions) (England) Regulations 2020 on behalf of the County Council. In addition, the Leader was asked to approve the addition of the Health Protection (Coronavirus, Restrictions) (England)

Regulations 2020 to paragraph 4 of the entries relating to Trading Standards in Part 2 Section 10 of the County Council Constitution.

The decision was considered to be urgent due to the Coronavirus emergency following the official lock down announcement by the Government on 23 March 2020. The decision would allow a list of designated officers to be empowered to close premises during the emergency lock down period.

The Chair of the Communities Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.4 8 April 2020 - Covid-19 Early Years Funding (Leader Decision)

The impact of Covid-19 led to the closures of Private, Voluntary and Independent (PVI) provision as a result of depleted numbers arising from self-isolation and 'stay at home' guidance and the impact of financial support measures, not least the opportunity to furlough workers.

The Leader was asked to authorise the Strategic Director for People to incur additional expenditure up to £1.1M to fund a network of childcare hubs based in PVI and school settings to ensure continuity of provision of care to meet the needs of Covid-19 key workers and to continue to fulfil the statutory duty of providing sufficient places including for the most vulnerable on terms and conditions satisfactory to the Strategic Director for Resources.

The decision was considered to be urgent to ensure that Warwickshire County Council could continue to provide enough childcare places for keyworkers and vulnerable children during the Coronavirus pandemic.

The Chair of the Children and Young People's Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.5 8 April 2020 - Supporting Warwickshire's Care Market with Additional Cost Pressures as a Result of Covid-19 (Leader Decision)

Local authorities in England have been provided with a Covid-19 Emergency Response Grant to support them in meeting the additional financial burden anticipated due to the consequences of the spread of Coronavirus. This grant funds support across the range of responsibilities the local authority has; not just social care. Warwickshire has been allocated approximately £14 million to date.

The decision was considered to be urgent in order to support the timely payment of the funds to commissioned community care providers in Warwickshire to support with additional cost pressures as a result of the Coronavirus emergency.

The Chair of Adult Social Care and Health Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.6 9 April 2020 - Councillors' Grant Fund 2020–2021- Covid-19 Support Fund (Leader Decision)

The Leader was asked to approve the decision to bring forward to the Councillor's Grant Fund 2020 – 2021 (£6,000 per Councillor) for the following reasons:

- Help people self-isolating or in quarantine because of Covid-19.
- Improve community resilience against the wider impact of Covid-19.
- Develop community networks to support either of the above.

The decision was considered to be urgent in order to support people and communities affected by the Coronavirus pandemic.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.7 9 April 2020 - Coronavirus: Care Act Easements (Officer Decision)

On 31 March 2020 the Government made Regulations under the Coronavirus Act 2020 which mean that local authorities would not have to comply with certain duties under the Care Act 2014. Guidance was issued which set out a series of Care Act 'easements' to enable local authorities to streamline assessment, care and support arrangements and to prioritise care to ensure that the most urgent and acute needs are met.

The Strategic Director for People (Director of Adult Social Services) was asked to approve the implementation of the Regulations.

The decision was considered to be urgent to allow the Regulations to be applied immediately as a result of the pandemic

The Chair of the Adult Social Care and Health Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.8 20 April 2020 - Covid-19 Business Improvement District Cashflow Loan Scheme (Leader Decision)

The Leader was asked to approve a decision to provide cash flow support to ensure that in the immediate term, 420 businesses across all sectors in Stratford Upon Avon continue to be provided with Business Improvement District (BID) support. During the Coronavirus Pandemic BID's may require this short-term support which will assist Warwickshire County Council in the immediate retail and town centre economic recovery, indirectly supporting another 800 businesses.

The decision was considered to be urgent in order to enable the loan scheme to be set up as quickly as possible due to the economic impact of the pandemic

The Chair of Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.9 27 April 2020 - Coronavirus Business Interruption Loan Scheme – Loan Agreement with Coventry and Warwickshire Reinvestment Trust (Leader Decision)



The Coronavirus Business Loan Interruption Scheme (CBILS) is part of the wide-ranging package of support measures announced by Government to support businesses during the pandemic. It supports small and medium sized businesses to access loans, overdrafts and invoice finance of up to £5 million for up to six years. The loan from the Council will be used to support otherwise viable small businesses who have been unable to secure sufficient or any finance from their bank or other mainstream lender.

The decision was considered to be urgent in order to improve delivery of the Government's Business Loan Interruption Scheme in Warwickshire.

The Chair of Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.10 27 April 2020 – (Exempt Report) - Rent Free Period – Commercial Leases (Leader Decision)

The Leader was asked to approve a proposal to provide a rent free period for three months during the 2020/21 financial year to support the sustainability of local business during the coronavirus emergency.

The decision was considered to be urgent in order to allow Warwickshire County Council to respond quickly to the request by Central Government and to allow tenants to manage their cash flow effectively during the first three months of the emergency.

The Chair of Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.11 29 April 2020 - Treasury Management – Early Pension Payment (Leader Decision)

The Leader was asked to approve an urgent decision to delegate authority to make an early lump sum payment to the pension fund. The decision was a part of the wider Treasury Management Strategy that was approved by Cabinet in February 2020 for recommendation to Council for approval in March 2020. As a result of the Coronavirus pandemic, the March 2020 meeting of Council was cancelled so the strategy had not been approved

The decision was considered to be urgent because without delegated authority the opportunity would not be available. Due to the pandemic it was not practicable to hold a meeting of the Council.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

6.12 30 April 2020 - (Exempt Report) Grant of Leasehold Interest – Farm Business Tenancy (Deputy Leader Decision)

The decision concerned a farm in South Warwickshire. Residency on site would assist livestock management and minimise travel during the pandemic.

The decision was considered to be urgent so the tenant could move in from 1 May 2020 and assist livestock management and minimise personal travel needs during the Coronavirus emergency.

The Chair of the Resources and Fire & Rescue Overview and Scrutiny Committee therefore gave his consent for this to be an urgent decision and the decision was approved.

## 7.0 Annual Monitor of the use of Call-in

There were no call-ins during the year. The number of call-ins has remained low over the last ten years, with no call-ins over the last three years, as illustrated below.

09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
4	2	1	1	2	2	5	1	0	0	0

## 8.0 Annual Monitor of the Use of the Urgency Procedure

There have been seventeen instances of use of the consent to urgency procedure over the last year. This is an increase on the figures for 2018/2019

It should be noted that only five urgent decisions were made which did not relate to the Coronavirus pandemic. This is a reduction of two on the figures for 2018/19 as shown in the table below.

There were twelve urgent decisions made in relation to the pandemic. This reflects the situation that all authorities faced following the UK lock down announcement on 23 March 2020.

Everyone in the UK faced challenges that included that way they worked. Support systems were introduced to help those who needed it, and this can be reflected in the decisions made by Warwickshire County Council.

09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
5	1	3	6	8	6	5	11	8	7	17

## 9.0 Conclusion

The continuous reduction, in decisions not related to the pandemic, show the awareness of officers for the need for timely approvals. All five pre-Covid urgent decisions were needed as a result of issues beyond the control of Warwickshire County Council Officers and none were given consent as a result of officer oversight.

The overall increase of urgent decisions to seventeen can be attributed in large part due to the pandemic which necessitated a further twelve urgent decisions being made as part of the Council's emergency response to the

pandemic.

For the third year in a row there have been no call-ins.

## 10.0 Background papers

None

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The report was not circulated to members prior to publication.

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**Council****23 July 2020****Treasury Management Strategy and Investment Strategy****Recommendations**

That:

1. The Treasury Management Strategy for 2020/21 (Appendix 1) be approved and that its provisions have effect from 1st April 2020.
2. The Investment Strategy for 2020/21 is approved (Appendix 2).
3. The County Council requires the Strategic Director for Resources to ensure that gross borrowing does not exceed the prudential level as specified in Appendix 1 Annex B, taking into account current commitments, existing plans, and the proposals in the budget report.
4. The County Council delegate authority to the Strategic Director for Resources to undertake all the activities listed in Appendix 1 Annex H of this report.
5. The County Council requires the Strategic Director for Resources to implement the Minimum Revenue Provision Policy as specified in Appendix 1 Annex I.
6. The County Council notes the decision of the Leader to enable an option to make an early payment of pension fund contributions subject to the conditions set out at Section 7.24 of the Treasury Management Strategy being met.

**1.0 Introduction**

- 1.1 The Council is required to set a Treasury Management Strategy each year and this report sets out the proposed strategy for 2020/21 at Appendix 1. The key messages around changes are summarised below.
- 1.2 This report was originally scheduled for March Council but was deferred as the meeting was cancelled due to Covid-19. One element of the strategy has in the interim period been approved by a leader decision made on the 29<sup>th</sup> April. That decision approved Section 7.21-7.24 of the treasury management strategy (Appendix 1) which enabled the opportunity to make a lump sum early repayment of pension fund contributions if appropriate conditions are

met (Appendix 1). That opportunity has not to date been acted upon

- 1.3 The strategy has not been changed as a result of Covid-19, however changes may be required to how treasury activity is managed in the new post Covid environment and to support the recovery. Any changes will be the subject of separate reports later in the year if/as appropriate.

## **2.0 Key Changes**

### **Target Returns**

- 2.1 The strategy emphasises the intention to access the best rates of return whilst maintaining acceptable levels of risk. The basis of the benchmark rate of return on assets will be changed from the 7 day LIBID rate to the 30 day LIBID rate. The longer dated benchmark reflects the intention to commit funds for on average longer periods of time to access higher returns.

### **Pension Pre-Payments**

- 2.2 The strategy includes the facility, approved by an urgent leader decision in April, to take up the option to pre-pay up front in full £84.5m of pension fund contributions for the 3 year period from 2020-2023 instead of paying in monthly instalments over the 3 year period in order to benefit from higher rates of return. This proposal entails different risks and these are set out from Section 7.21 of the Treasury Management Strategy.

### **Investment Limits**

- 2.4 Limits on the amount that can be invested in some funds have been introduced for more funds to improve transparency and to reduce concentration risk where too much cash is held with one institution or one type of fund. These are set out in Annex F of the Treasury Management Strategy.

### **Ethical Investing**

- 2.5 The Treasury Management Strategy now includes a new reference to ethical investing and climate change at Appendix 1 Annex A Section 8.

### **Non Treasury Management Investments**

- 2.6 A new separate document entitled “Investment Strategy” has been created in respect of investments that are for non-treasury management purposes. These could be held for service or commercial reasons as explained below:
- **Service Investments** – where an investment is primarily for the purpose of supporting the delivery of an organisational or service

objective.

- **Commercial Investments** – where an investment is primarily for the purpose of generating an income stream or return to support the overall financial position of the local authority.

- 2.7 Service and commercial investments are distinct from treasury management in their nature. Local authorities are now required to report these investments in a more pro-active way as a result of some local authorities taking what are considered to be excessive investment risks and/or making investments without having adequate regard to risk and transparency. Appendix 2 sets out an Investment Strategy which encompasses investing for service reasons and commercial reasons.
- 2.8 The Investment Strategy includes reference to the new Commercial Strategy of the Council and references that the Council intends to consider new commercial approaches to the delivery of services and the generation of income. As opportunities are developed and considered, the Investment Strategy (and if necessary, the Treasury Management Strategy) will be updated as appropriate. In addition, appropriate metrics will be identified and implemented to set out performance expectations, and to ensure transparency around risk.

### **3.0 Environmental Implications**

- 3.1 The new ethical investing and climate change policy within the treasury strategy makes reference to the intention to understand the extent to which the investments held may contribute towards climate change, understand exposure to risks driven by climate change, and to keep abreast of potential investment opportunities that have regard to climate change. However, the primary considerations will remain security, liquidity, and yield.
- 3.2 The Investment Strategy sets out that non treasury management investments have more scope to consider climate change impact as a decision making criteria, for example investments decisions may, depending on their main objective, consider the extent to which a proposal helps to prevent climate change, or the extent to which a proposal is resilient to the effects of climate change.

### **4.0 Financial Implications**

- 4.1 The strategies have financial implications as set out above and in each Appendix.

### **Background papers**

1. None

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The report was not circulated to members prior to publication prior to publication:



**Warwickshire County Council  
Treasury Management Strategy Statement  
2020/21**

**Contents**

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- A. Treasury Management Strategy Statement
- B. Prudential and Treasury Indicators
- C. Prudential Term Explanations
- D. Capita Economic Commentary
- E. Treasury Management Scheme of Delegation
- F. Schedule of Specified and Non Specified Investments
- G. Approved Countries for Investments
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- I. Minimum Revenue Provision

## **Annex A**

### **1 Introduction**

#### **Background**

##### **1.1 Treasury management is defined as:**

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

##### **1.2 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council’s low risk appetite, providing security of capital and sufficient liquidity initially before considering investment return.**

##### **1.3 The second main function of the treasury management service is the funding of the Council’s capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasions, debt previously drawn may be restructured to meet Council risk or cost objectives.**

#### **Statutory Requirements**

##### **1.4 The Local Government Act 2003 (the Act) and supporting regulations require the Council to ‘have regard to’ the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.**

##### **1.5 The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act and included in section 7 of this report). This sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments.**

#### **CIPFA Requirements**

##### **1.6 The primary requirements of the Code are as follows:**

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full Council of an annual Treasury Management Strategy Statement, to include the Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-year Review Report and an Annual (stewardship) Report covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Resources and Fire & Rescue Overview and Scrutiny Committee.

### **Treasury Management Strategy for 2020/21**

- 1.9 The proposed strategy for 2020/21 is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Link Asset Services.
- 1.8 The strategy covers:
  - . Treasury limits for 2020/21 to 2022/23
  - . Prudential Indicators
  - . Prospects for Interest Rates
  - . Borrowing Strategy
  - . Debt Rescheduling
  - . Annual Investment Strategy
  - . Minimum Revenue Provision Strategy

### **Balanced Budget Requirement**

- 1.9 Under Section 42B of the Local Government Finance Act 1992, it is a statutory requirement for the Council to produce a balanced budget. In particular, Section 42A states a local authority must include the revenue costs that flow from capital financing decisions in its budget requirement for each financial year. Therefore increases in capital expenditure must be limited to a level whereby charges to revenue derived from increases in interest charges (caused by increased borrowing to finance additional capital expenditure and any increases in running costs from new capital projects) are limited.

## **MiFID II**

- 1.10 The Markets in Financial Instruments Directive ('MiFID') was introduced due to increasing complexity of financial products and issues related to the 2008 financial crisis. Part two of the directive came into effect in January 2018 and re-classified investors into 'professional' or 'retail' clients. The conditions of being a professional client continue to be met and this has enabled the treasury asset allocation to continue without disruption.

## **2 Treasury Limits for 2020/21 to 2022/23**

- 2.1 It is a statutory duty under Section 3 of the Act and supporting regulations for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". In England and Wales, the Authorised Limit represents the legislative limit specified in the Act.
- 2.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and the impact upon its future council tax is 'acceptable'.
- 2.3 Whilst termed an "Affordable Borrowing Limit", the capital to be considered for inclusion in corporate financing is both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years. Details of the Authorised Limit can be found in Annex B of this report. Explanations of the terminology employed can be found in Annex C.

## **3 Prudential Indicators for 2020/21 to 2022/23**

- 3.1 The Prudential and Treasury Indicators relevant to the setting of an integrated Treasury Management Strategy are set out at Annex B to this report.
- 3.2 Council will approve the Prudential Indicators as part of the budget resolution for the 2020/21 budget and associated medium term financial strategy.
- 3.3 The limit for investments of more than 365 days remains at £60m but total cash balances are expected to reduce and therefore this limit will become a higher proportion of the total investments made. This limit also includes reference to the Threadneedle Social Bond Fund and CCLA Property Fund. Although both of those funds can be liquidated in a shorter timescale than one year they are by their nature longer term invests.
- 3.4 The prudential indicators will be monitored through the year.

## 4 Prospects for Interest Rates

- 4.1 The Council has appointed Link as treasury advisor to the Council and part of their service is to assist the Council to formulate a view on interest rates. The table below sets out Links view on the future Bank Rate.

### Link Bank Rate Forecast

	Bank Rate %
Dec 2019 to Feb 2021	0.75
Mar 2021 to May 2022	1.00
Jun 2022 -	1.25

- 4.2 A detailed view of the current economic background is contained within Annex D to this report.

## 5 Borrowing Strategy

- 5.1 The Council has held an over borrowed position, but this is forecast to change based on current forecasts of capital expenditure. The potential need for borrowing will be assessed and kept under review within the borrowing strategy set out below.
- 5.2 The Link forecasts for the Public Works Loan Board (PWLB) new borrowing rates are as follows:

Annual Average %	PWLB Borrowing Rates % (including *certainty rate adjustment)		
	5 year	25 year	50 year
Dec 2019	2.30	3.20	3.10
Mar 2020	2.40	3.30	3.20
Jun 2020	2.40	3.40	3.30
Sep 2020	2.50	3.40	3.30
Dec 2020	2.50	3.50	3.40
Mar 2021	2.60	3.60	3.50
Jun 2021	2.70	3.70	3.60

Sep 2021	2.80	3.70	3.60
Dec 2021	2.90	3.80	3.70
Mar 2022	2.90	3.90	3.80
Jun 2022	3.00	4.00	3.90
Sep 2022	3.10	4.00	3.90
Dec 2022	3.20	4.10	4.00
Mar 2023	3.20	4.10	4.00

\* The Government has reduced by 20 basis points (0.20%) the interest rates on loans to principal local authorities who provide information as required on their plans for long-term borrowing and associated capital spending (the Certainty Rate).

5.3 In view of the above forecast, the Council's borrowing strategy will be based upon the following:

- The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned at historically low rates.
- Internal borrowing will be weighed against potential long term costs that will be incurred if market loans at long term rates are higher in future years.
- Long term fixed rate market loans at rates significantly below PWLB rates for the equivalent maturity period will be considered where available, to ensure the best rates and to maintaining an appropriate balance between PWLB and market debt in the debt portfolio.
- PWLB borrowing for periods under ten years will be considered where rates are expected to be significantly lower than rates for longer periods. This offers a range of options for new borrowing which will spread debt maturities away from a current concentration in longer dated debt.

5.4 Against this background and the risks within the economic forecast, caution will be adopted with treasury operations. The Assistant Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances, for example:

- If it was felt that there was a significant risk of a sharp fall in long and short term rates then long term borrowings may be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered
- If it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, a likely action will be that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years

### **Policy on borrowing in advance of need**

- 5.5 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.
- 5.6 In determining whether borrowing will be undertaken in advance of need, the Council will:
- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to fund in advance of need;
  - Ensure the ongoing revenue liabilities created, and the implications on future plans and budgets have been considered;
  - Evaluate the economic and market factors that might influence the manner and timing of any decision;
  - Consider the merits and demerits of alternative forms of funding;
  - Consider the alternative interest rate bases available, the most appropriate time periods and repayment profiles;
  - Consider the impact of temporarily increasing cash balances until cash is required to finance capital expenditure, and the consequent increase in exposure to counterparty and other risks.

### **Scheme of Delegation**

- 5.7 The scheme of Delegation for Treasury Management Strategy decision making and overview/scrutiny are shown in Annex E.

## **6 Debt Rescheduling**

- 6.1 As short term borrowing rates are cheaper than longer term rates, there may be opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of their short term nature and the cost of debt repayments.
- 6.2 The reasons for any rescheduling to take place will include:
- The generation of cash savings and/or discounted cash flow savings;
  - Helping to fulfil the strategy

- Enhancing the balance of the portfolio, for example reducing concentration of the debt maturity profile.
- 6.3 Consideration will also be given to identify if there is any potential for making savings by running down investment balances in order to repay debt prematurely as short term interest received on investments is likely to be lower than interest paid on current debt.
- 6.4 The option to make repayment of some external debt to the PWLB in order to reduce the difference between its gross and net debt position will be kept under review. However, the penalty premiums that would be incurred by doing so means there currently is no net financial benefit from such early repayment. The Municipal Bonds Agency offers loans to local authorities and is on our list of options that we may consider.
- 6.5 A £20m repayment of PWLB debt is due and will be paid in 2020/21.
- 6.6 Following the decision by the PWLB to increase their margin over gilt yields by 1% to 1.8% on loans to local authorities, consideration will be given to other options for debt if external borrowing becomes necessary:
- Loans from other local authorities.
  - Loans from financial institutions.
  - Loans from the Municipal Bonds Agency.
  - Loans from Banks.
  - Loans from Pension Funds.
  - Loans from Insurance Companies.

## **7 Annual Treasury Investment Strategy**

### **Investment Policy**

- 7.1 The Council will have regard to the MHCLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").
- 7.2 The Council's treasury management investment priorities will be security first, liquidity second and then return.
- 7.3 In accordance with the above, and in order to minimise the risk to investments, the Council has stipulated in Annex F, the minimum acceptable credit quality of counterparties for inclusion on the lending list. This also includes limits on the amount to be invested in a single counterparty per investment type. The changes to these



criteria are summarised in the table below:

	Specified Investments
Money Market Funds	These are now split into one type for money market funds with an AAA rating, and a separate type for ultra short duration bond funds (USDFs) with an AA rating.
Institutional Limits	The following new limits are proposed to manage exposure to counterparty risk. MMFs - £60m per institution USDF's - £40m per institution Previously there was no set limit.
	Non Specified Investments
Aggregate Limits	A limit of £80m has been placed on the total amount that could be invested in non-specified investments in aggregate.
Fund Limits	Limits on investments per type of fund have been introduced as follows: CCLA Property Fund £15m Threadneedle Social Bond Fund £40m Local Authority Trading Companies £3m All other types of fund £15m

- 7.4 It is recognised that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which the institutions operate. The assessment will also take account of information that reflects the opinion of the markets. The Council will engage with its advisors to assist in this.
- 7.5 Other information sources used will be used including the financial press, share price and other such information pertaining to the banking sector in order to scrutinise the suitability of potential investment counterparties. The aim of the strategy is to generate a list of highly creditworthy counterparties which will enable diversification and therefore avoid concentration risk. The intention of the strategy is to provide security of investment and minimisation of risk.
- 7.6 Investment instruments identified for use in the financial year are listed in Annex F under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices Schedules.
- 7.7 The Council on occasion will hold long term investments or provide loans for operational policy reasons, for example, to our local authority traded companies. A separate Investment Strategy covers investments for non treasury purposes.

- 7.8 The Council currently invests in some pooled funds which will be affected by a change in accounting requirements under IFRS9 which will mean that from April 2023 onwards changes in the market value of assets held will be chargeable to the income and expenditure account directly whereas at present they stay in the balance sheet. The CCLA Property Fund falls within this category and will be reviewed during 2020 and the potential impact of changes on the income and expenditure account will be stress tested to assess potential future risk. The Council holds a Financial Instruments Reserve to provide the ability to manage volatility and reduce the risk of an unplanned impact on the income and expenditure account. Changes in the Threadneedle Social Bond Fund are already required to be put to the income and expenditure account.

### **Creditworthiness Policy**

- 7.9 The first principle governing the Council's investment criteria is the security of its investments. To mitigate security risk the Council will ensure that it:
- Maintains a policy covering both the categories and types of investment that can be invested in.
  - Maintains criteria for choosing investment counterparties with adequate security.
  - Maintains a process for the monitoring of their security.
- 7.10 The second principle is ensuring liquidity. The Council will ensure that it has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sum invested
- 7.11 The Assistant Director of Finance will maintain a counterparty list in compliance with the criteria and will revise and submit the criteria to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.
- 7.12 Credit rating information is supplied by Link, our external treasury consultants, on all counterparties that comply with the stated criteria. Any counterparty failing to meet the criteria will be deleted from the counterparty lending list. Any rating changes, watches (notification of a likely change), or outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing.

### **Country Limits**

- 7.13 The Council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA from Fitch Ratings

(or an equivalent rating from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria at the current time are shown in Annex G. This list will be amended by officers as and when ratings change in accordance with this policy.

### **Investment Strategy (Non Treasury Investments)**

- 7.14 The Council has in-house managed funds that are mainly cash flow derived and a core balance available for investment mostly within periods of one year with some over one year period. Investments will be made with regard to the core balance, cash flow requirements and the outlook for short term interest rates.
- 7.15 For its cash flow generated balances, the Council will seek to utilise its balances in order to benefit from the compounding of interest.

### **End of Year Investment Report**

- 7.16 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Outturn Report.

### **External Fund Managers**

- 7.17 The County Council uses a number of external managers to spread risk and obtain maximum market exposure. The fund managers will use both specified and non-specified investments and must comply with the terms set out in Annex F. External fund managers actively used during the last year are listed below. Officers will periodically review the position, performance, and costs of external fund managers, and may meet with client relationship managers or fund managers as appropriate.

<b>Fund Manager</b>	<b>Product/Fund Name</b>
CCLA	Public Sector Deposit Fund Local Authority Property Fund
Aberdeen Asset Management	Ultra Short Duration fund Liquidity Fund
Federated Investors	Sterling Liquidity Fund
Columbia Threadneedle	UK Social Bond Fund
BlackRock	Government Gilt Fund

### **Policy on the Use of External Service Providers**

- 7.18 The Council uses Link as its external treasury management advisers. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed, documented and subject to regular review. The Council also takes advice from other advisers from time to time as appropriate, for example from the Pension Fund actuaries and financial advisers in respect of pension fund payments, and may take other external advice in respect of for example interactions with local authority companies.

### **Role of the Section 151 Officer**

- 7.19 The detailed responsibilities of the Section 151 Officer in respect of Treasury Management are set out at Annex H.

### **Pension Fund Cash**

- 7.20 This Council will comply with the requirements of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009, implemented 1 January 2010. With effect 1 April 2010, the Council does not pool pension fund cash with its own cash balances for investment purposes. Any investments made by the pension fund directly with this local authority after 1 April 2010 must comply with the requirements of SI 2009 No 393.

### **Early Payment of Pension Fund Contributions**

[Section 7.21-7.24 were approved by a Leader Decision on the 29<sup>th</sup> April 2020].

- 7.21 The Council intends to pay its 3-year pension fund contributions for the valuation period 2020/21-2022/23 in one lump sum at the start of the valuation period, with the preference being to do this in April 2020. An early payment in April 2020 will be given a discount rate of 3.7% compared to cash payments made at normal monthly intervals. The benefits, costs, and risks this are set out below:
- 7.22 Benefits
- Reducing the amount of cash being invested in short term treasury deposits and loans that provide relatively low returns.
  - A gross saving of £4.7m in the total cash contributions required over the valuation period.

Total Payments in Normal Monthly Contributions	Total Payment Single Lump Sum Contribution	Gross Difference
£89.2m	£84.5m	£4.7m

- A net one-off saving of £3.3m would be made after having regard to the loss of assumed returns that would otherwise have been made on the cash before it was paid out in pension contributions (refer to Section 7.22 below for alternative returns).
- The total early payment described above relates only to Warwickshire County Council and excludes a small number of independent schools and contractors who if they had been included would see the total early payment figure being £85.8m.

## 7.22 Early payment entails the following costs and risks:

- Timing / volatility risk – Pension fund investments provide a higher rate of return but at a higher level of volatility. Therefore although over time the returns are likely to be better, at any one moment in time the value of the fund could be unusually high or low and across shorter period of time the return could be more distant above or below the expected average. By placing all the cash into the fund at one moment in time the exposure to volatility and therefore to losses is higher. However making the payments more spread out to reduce this risk would also reduce the opportunity to benefit.
- The pension fund contributions to cover future service costs normally vary with the payroll bill by being calculated as a % of payroll but with an up-front payment this cannot happen naturally. Therefore the pension fund will reserve the right to ask for top up payments if the total payroll costs increase significantly enough. This needs to be planned for but this would amount to a correction for costs that would have to be paid anyway – it would not mean a loss. The Council will undertake to pay any such adjustments and holds a Pension Deficit Reserve to assist in providing cover for future pension fund deficits.
- The County Council will run lower cash balances, however the Council will have the facilities to maintain enough cash to manage its operations. The cash position will also gradually over the 3 year period move back to what it would have been if monthly payments had been made, but adjusted to reflect the lower total amount required to be paid.
- The County Council will earn less interest on cash balances which will offset the benefits. For example, if returns of 1.05% were earned on cash balances (in line with the Quarter 2 position in 2018/19) then the interest foregone would amount to £1.4m and this would offset the reduction in pension fund contribution payments above.

- The Council could not invest this cash in other new investment opportunities. For example if the funds were to be invested in high return stocks or property funds. However other opportunities entail different risks, for example with property funds entailing liquidity risks and stocks entailing higher volatility risks. As early payment action has an effect over a period of a few years with most of the impact being in the early part of that time frame it does not preclude the Council from considering wider opportunities in the longer term. There is an intention to review wider opportunities during 2020/21.
- Scenarios in which the Council would suffer reductions in benefits or incur losses are:
  - If there is volatility in the pension fund investment valuation – in particular an if there are significant falls in volatile assets after the point of payment.
  - If new treasury investment opportunities with a better risk/return profile become available elsewhere then the cash to pursue those opportunities would be less or would be delayed.
  - If lump sum payment is made later than April 2020 then the expected financial benefit would be less as the duration of the benefit would be less, the amounts would be less, and the discount rate may be less. However exposure to timing and volatility risk would also be less.
  - If a loss were experienced this would manifest in the next pension fund valuation and would be recovered through future contributions to the pension fund as determined by the next valuation.

7.23 The early payment is a cash flow measure, it does not mean the Council is paying more than it should into the pension fund. From the period April 2020 to March 2023 the Council's cash position will gradually move back to the same position that it would have been in March 2023, except for the net benefit or loss arising from the early payment.

7.24 The potential to benefit is greatest in April 2020, however the strategy provides the flexibility to make an early payment later or not at all if the right conditions are not met. A payment will only be made and the timing of any payment decided on subject to the following conditions being met.

- Obtaining legal/counsel confirmation that the payment is lawful.
- That external auditors are content with the payment and its accounting treatment.
- Having the approval of the Section 151 officer and Monitoring Officer.
- Having independent advice regarding the risks and being satisfied that the risks are appropriate.
- Having the agreement of the Pension Fund Actuaries.

- Having a Rates and Adjustment Certificate from the Pension Fund actuaries setting out the amount payable, which may be varied from the above quoted figure to reflect the final Warwickshire County Council related payment.
- That the payment can be accommodated within the overall treasury position, having regard to wider investment and borrowing commitments.

### **Target Returns**

- 7.25 A weighted average target return on treasury management investments will be set to exceed the 30 day LIBID rate by 0.46%. This will maintain the current overall levels of return above LIBID, having regard to the first priorities being security and liquidity before return. The Council holds an interest rate volatility reserve to manage fluctuations in interest rates.

## **8. Ethical Investing Policy and Climate Change**

- 8.1 As a responsible investor, the Council is committed to considering environmental, social, and governance issues, and has a particular interest in taking action against climate change and pursuing activities that have a positive social impact.
- 8.2 However, the treasury management function is controlled by statute and by professional guidelines and the first priorities of treasury must remain security, liquidity, and yield.
- 8.3 With those priorities kept in place, the following activity will be undertaken in respect of climate change and responsible investing. Steps will be taken to:
- Ensure an understanding of the degree to which investments may contribute towards climate change. This may take the form of measuring the carbon footprint or some similar measure.
  - Identify and understand the extent to which investments are exposed to risks driven by climate change, for example investments in assets at risk of weather change (e.g. property or infrastructure at risk of flooding), assets at risk of becoming stranded (e.g. fossil fuel investments), or assets at risk from geopolitical risks driven by climate change (e.g. water access, the capacity for food production, or economic conflict)..
  - Keep abreast of new investment opportunities that have regard to ethical investing and climate change as this is a quickly developing arena.
  - Understand the ESG policies of funds when considering new investment opportunities.

## **9. Non Treasury Management Investments**

- 9.1 A separate document entitles “Investment Strategy” covers the Council’s position in respect of non-treasury management investments held for service reasons or commercial reasons.

## **10 Minimum Revenue Provision**

- 10.1 The Council’s policy on Minimum Revenue Provision (MRP) is shown in Annex I.

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## Prudential Indicators

## Annex B

(1). AFFORDABILITY PRUDENTIAL INDICATORS	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	estimate	estimate	estimate	estimate
<b>Capital Expenditure</b>	<b>£'000</b> 84,077	<b>£'000</b> 146,555	<b>£'000</b> 210,980	<b>£'000</b> 94,697	<b>£'000</b> 74,319
<b>Ratio of financing costs to net revenue stream</b>	% 6.99	% 6.78	% 6.60	% 7.22	% 7.67
<b>Gross borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Gross Debt	362,274	352,274	332,274	332,275	332,275
Capital Financing Requirement as at 31 March	301,581	304,499	358,877	402,326	416,490
Under/(Over) Borrowing	(60,693)	(47,775)	26,603	70,051	84,215
<b>In year Capital Financing Requirement</b>	<b>£'000</b> (12,367)	<b>£'000</b> 2,918	<b>£'000</b> 54,378	<b>£'000</b> 43,448	<b>£'000</b> 14,164
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 301,581	<b>£'000</b> 304,499	<b>£'000</b> 358,877	<b>£'000</b> 402,326	<b>£'000</b> 416,490
(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	2018/19	2019/20	2020/21	2021/22	2022/23
	estimate	estimate	estimate	estimate	estimate
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	516,818	438,231	515,485	543,623	560,620
other long term liabilities	12,000	12,000	12,000	12,000	12,000
<b>TOTAL</b>	<b>528,818</b>	<b>450,231</b>	<b>527,485</b>	<b>555,623</b>	<b>572,620</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	430,681	365,192	429,570	453,019	467,183
other long term liabilities	10,000	10,000	10,000	10,000	10,000
<b>TOTAL</b>	<b>440,681</b>	<b>375,192</b>	<b>439,570</b>	<b>463,019</b>	<b>477,183</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / fixed term investments	100%	100%	100%	100%	100%
<b>Upper limit for variable rate exposure</b>					
Net principal re fixed rate borrowing / fixed term investments	25%	25%	25%	25%	25%
<b>Upper limit for total principal sums invested for over 365 days</b> (per maturity date)	<b>£'000</b> £60,000	<b>£'000</b> £60,000	<b>£'000</b> £60,000	<b>£'000</b> £60,000	<b>£'000</b> £60,000
<b>Maturity structure of new borrowing during year</b>	upper limit	lower limit			
under 12 months	20%	0%			
12 months and within 24 months	20%	0%			
24 months and within 5 years	60%	0%			
5 years and within 10 years	100%	0%			
10 years and above	100%	0%			

## **PRUDENTIAL INDICATORS**

### **Ratio of financing costs to net revenue stream**

The ratio of financing costs to net revenue stream shows the estimated annual revenue costs of borrowing, less net interest receivable on investments, plus repayments of capital, as a proportion of annual income from council taxpayers and central government. The estimates of financing costs include current and future commitments based on the capital programme.

### **Gross Borrowing**

Gross borrowing refers to the Authority's total external borrowing and other long term liabilities versus the Capital Financing Requirement.

### **Actual and Estimated Capital Expenditure**

Actual and estimates of capital expenditure for the current and future years.

### **Capital Financing Requirement**

The Capital Financing Requirement (CFR) represents capital expenditure financed by external debt and not by capital receipts, revenue contributions, capital grants or third party contributions at the time of spending. The CFR measures the Authority's underlying need to borrow externally for a capital purpose. The Authority has a treasury management strategy which accords with the CIPFA Code of Practice for Treasury Management in the Public Services.

### **Authorised Limit**

In respect of its external debt, the Authority approves authorised limits for its total external debt gross of investments. These limits separately identify borrowing from other long-term liabilities such as finance leases. Authorised Limits are consistent with the Authority's current commitments, service plans, proposals for capital expenditure and associated financing, cash flow and accord with the approved Treasury Management Policy statement and practices. The Authorised Limit is based on the estimate of most likely prudent, but not necessarily the worst case scenario and provides sufficient additional headroom over and above the Operational Boundary.

### **Operational Boundary**

The Operational Boundary for external debt is based on the same estimates as the authorised limit but reflects the Head of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary

represents a key management tool for in-year monitoring. Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified.

### **Limits on Interest Rate Exposure**

This means that the Authority will manage fixed and variable interest rate exposure within the ranges. This provides flexibility to take advantage of any favourable movements in interest rates.

## Annex D

**UK. Brexit.** 2019 has been a year of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on 31 October 2019, with or without a deal. However, MPs blocked leaving on that date and the EU agreed an extension to 31 January 2020. In late October, MPs approved an outline of a Brexit deal to enable the UK to leave the EU on 31 January. Now that the Conservative Government has gained a large overall majority in the **general election** on 12 December, this outline deal will be passed by Parliament by that date. However, there will still be much uncertainty as the detail of a trade deal will need to be negotiated by the current end of the transition period in December 2020, which the Prime Minister has pledged he will not extend. This could prove to be an unrealistically short timetable for such major negotiations that leaves open two possibilities; one, the need for an extension of negotiations, probably two years, or, a no deal Brexit in December 2020.

**GDP growth** has taken a hit from Brexit uncertainty during 2019; quarter three 2019 surprised on the upside by coming in at +0.4% q/q, +1.1% y/y. However, the peak of Brexit uncertainty during the final quarter appears to have suppressed quarterly growth to probably around zero. The economy is likely to tread water in 2020, with tepid growth around about 1% until there is more certainty after the trade deal deadline is passed.

While the Bank of England went through the routine of producing another **quarterly Inflation Report**, (now renamed the Monetary Policy Report), on 7 November, it is very questionable how much all the writing and numbers were worth when faced with the uncertainties of where the UK will be after the general election. The Bank made a change in their Brexit assumptions to now include a deal being eventually passed. Possibly the biggest message that was worth taking note of from the Monetary Policy Report, was an increase in concerns among MPC members around weak global economic growth and the potential for Brexit uncertainties to become entrenched and so delay UK economic recovery. Consequently, the MPC voted 7-2 to maintain Bank Rate at 0.75% but two members were sufficiently concerned to vote for an immediate Bank Rate cut to 0.5%. The MPC warned that if global growth does not pick up or Brexit uncertainties intensify, then a rate cut was now more likely. Conversely, if risks do recede, then a more rapid recovery of growth will require gradual and limited rate rises. The speed of recovery will depend on the extent to which uncertainty dissipates over the final terms for trade between the UK and EU and by how much global growth rates pick up. The Bank revised its inflation forecasts down – to 1.25% in 2019, 1.5% in 2020, and 2.0% in 2021; hence, the MPC views inflation as causing little concern in the near future.

The **MPC meeting of 19 December** repeated the previous month's vote of 7-2 to keep Bank Rate on hold. Their key view was that there was currently 'no evidence about the extent to which policy uncertainties among companies and households had declined' i.e. they were going to sit on their hands and see how the economy goes in the next few months. The two members who voted for a cut were concerned that the labour market was faltering. On the other hand, there was a clear warning in the minutes that the MPC were concerned that "domestic unit labour costs have continued to grow at rates above those consistent with meeting the inflation target in the medium term".

If economic growth were to weaken considerably, the MPC has relatively little room to make a big impact with Bank Rate still only at 0.75%. It would therefore, probably suggest that it would be up to the Chancellor to provide help to support growth by way of a **fiscal boost** by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy. The Government has already made moves in this direction and it made significant promises in its election manifesto to increase government spending by up to £20bn p.a., (this would add about 1% to

GDP growth rates), by investing primarily in infrastructure. This is likely to be announced in the next Budget, probably in February 2020. The Chancellor has also amended the fiscal rules in November to allow for an increase in government expenditure.

As for **inflation** itself, CPI has been hovering around the Bank of England's target of 2% during 2019, but fell again in both October and November to a three-year low of 1.5%. It is likely to remain close to or under 2% over the next two years and so, it does not pose any immediate concern to the MPC at the current time. However, if there was a hard or no deal Brexit, inflation could rise towards 4%, primarily because of imported inflation on the back of a weakening pound.

With regard to the **labour market**, growth in numbers employed has been quite resilient through 2019 until the three months to September where it fell by 58,000. However, there was an encouraging pick up again in the three months to October to growth of 24,000, which showed that the labour market was not about to head into a major downturn. The unemployment rate held steady at a 44-year low of 3.8% on the Independent Labour Organisation measure in October. Wage inflation has been steadily falling from a high point of 3.9% in July to 3.5% in October (3-month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.0%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The other message from the fall in wage growth is that employers are beginning to find it easier to hire suitable staff, indicating that supply pressure in the labour market is easing.

**USA.** President Trump's massive easing of fiscal policy in 2018 fuelled a temporary boost in consumption in that year which generated an upturn in the rate of growth to a robust 2.9% y/y. **Growth** in 2019 has been falling after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2 and then 2.1% in quarter 3. The economy looks likely to have maintained a growth rate similar to quarter 3 into quarter 4; fears of a recession have largely dissipated. The strong growth in employment numbers during 2018 has weakened during 2019, indicating that the economy had been cooling, while inflationary pressures were also weakening. However, CPI inflation rose from 1.8% to 2.1% in November, a one year high, but this was singularly caused by a rise in gasoline prices.

**The Fed** finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not intended to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August, (reducing its holdings of treasuries etc.). It then cut rates by 0.25% again in September and by another 0.25% in its October meeting to 1.50 – 1.75%.. At its September meeting it also said it was going to **start buying Treasuries again**, although this was not to be seen as a resumption of quantitative easing but rather an exercise to relieve liquidity pressures in the repo market. Despite those protestations, this still means that the Fed is again expanding its balance sheet holdings of government debt. In the first month, it will buy \$60bn, whereas it had been reducing its balance sheet by \$50bn per month during 2019. As it will be buying only short-term (under 12 months) Treasury bills, it is technically correct that this is not quantitative easing (which is purchase of long term debt). The Fed left rates unchanged in December. However, the accompanying statement was more optimistic about the future course of the economy so this would indicate that further cuts are unlikely.

Investor confidence has been badly rattled by the progressive ramping up of increases in tariffs President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This **trade war** is seen as depressing US, Chinese and world growth. In the EU, it is also particularly impacting Germany as exports of goods and services

are equivalent to 46% of total GDP. It will also impact developing countries dependent on exporting commodities to China.

However, in November / December, progress has been made on agreeing a phase one deal between the US and China to roll back some of the tariffs; this gives some hope of resolving this dispute.

**EUROZONE. Growth** has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1, +0.2% q/q (+1.2% y/y) in quarter 2 and then +0.2% q/q, +1.1% in quarter 3; there appears to be little upside potential in the near future. German GDP growth has been struggling to stay in positive territory in 2019 and fell by -0.1% in quarter 2; industrial production was down 4% y/y in June with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars.

**The European Central Bank (ECB)** ended its programme of quantitative easing purchases of debt in December 2018, which then meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by quantitative easing purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March meeting it said that it expected to leave interest rates at their present levels “at least through the end of 2019”, but that was of little help to boosting growth in the near term. Consequently, it announced a **third round of TLTROs**; this provides banks with cheap borrowing every three months from September 2019 until March 2021 that means that, although they will have only a two-year maturity, the Bank was making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank's eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum; at its meeting on 12 September it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a **resumption of quantitative easing purchases of debt for an unlimited period**. At its October meeting it said these purchases would start in November at €20bn per month - a relatively small amount compared to the previous buying programme. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and, unsurprisingly, the ECB stated that governments would need to help stimulate growth by ‘growth friendly’ fiscal policy.

There were no policy changes in the December meeting, which was chaired for the first time by the new President of the ECB, Christine Lagarde. However, the outlook continued to be down beat about the economy; this makes it likely there will be further monetary policy stimulus to come in 2020. She did also announce a thorough review of how the ECB conducts monetary policy, including the price stability target. This review is likely to take all of 2020.

On the political front, Austria, Spain and Italy have been in the throes of **forming coalition governments** with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The latest results of German state elections has put further pressure on the frail German CDU/SDP coalition government and on the current leadership of the CDU. The results of the Spanish general election in November have not helped the prospects of forming a stable coalition.

**CHINA.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and shadow banking systems. In

addition, there still needs to be a greater switch from investment in industrial capacity, property construction and infrastructure to consumer goods production.

**JAPAN** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

**WORLD GROWTH.** Until recent years, world growth has been boosted by increasing **globalisation** i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, technology theft, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a **reversal of world globalisation and a decoupling of western countries** from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation. **Central banks are, therefore, likely to come under more pressure to support growth by looser monetary policy measures and this will militate against central banks increasing interest rates.**

The trade war between the US and China is a major concern to **financial markets** due to the synchronised general weakening of growth in the major economies of the world, compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns resulted in **government bond yields** in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US). There are also concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks and the use of negative central bank rates in some countries. The latest PMI survey statistics of economic health for the US, UK, EU and China have all been predicting a downturn in growth; this confirms investor sentiment that the outlook for growth during the year ahead is weak.

### **INTEREST RATE FORECASTS**

The interest rate forecasts provided by Link Asset Services in paragraph 3.3 are **predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.** On this basis, while GDP growth is likely to be subdued in 2019 and 2020 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement on the detailed terms of a trade deal is likely to lead to a boost to the rate of growth in subsequent years. This could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.



- In the event of an **orderly non-agreement exit in December 2020**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.
- If there were a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. Quantitative easing could also be restarted by the Bank of England. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

#### **The balance of risks to the UK**

- The overall balance of risks to economic growth in the UK is probably even, but dependent on a successful outcome of negotiations on a trade deal.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.
- In the event that a Brexit deal was agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

#### **Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:**

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new coalition based on an unlikely alliance of two very different parties will endure.
- Weak capitalisation of some **European banks**, particularly Italian banks.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has done badly in recent state elections but the SPD has done particularly badly and this has raised a major question mark over continuing to support the CDU. Angela Merkel has stepped down from being the CDU party leader but she intends to remain as Chancellor until 2021.
- **Other minority EU governments**. Austria, Finland, Sweden, Spain, Portugal, Netherlands and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.



- In October 2019, the IMF issued a report on the World Economic Outlook which flagged up a synchronised slowdown in world growth. However, it also flagged up that there was **potential for a rerun of the 2008 financial crisis**, but this time centred on the huge debt binge accumulated by corporations during the decade of low interest rates. This now means that there are corporates who would be unable to cover basic interest costs on **some \$19trn of corporate debt in major western economies**, if world growth was to dip further than just a minor cooling. This debt is mainly held by the shadow banking sector i.e. pension funds, insurers, hedge funds, asset managers etc., who, when there is \$15trn of corporate and government debt now yielding negative interest rates, have been searching for higher returns in riskier assets. Much of this debt is only marginally above investment grade so any rating downgrade could force some holders into a fire sale, which would then depress prices further and so set off a spiral down. The IMF's answer is to suggest imposing higher capital charges on lending to corporates and for central banks to regulate the investment operations of the shadow banking sector. In October 2019, the deputy Governor of the Bank of England also flagged up the dangers of banks and the shadow banking sector lending to corporates, especially highly leveraged corporates, which had risen back up to near pre-2008 levels.
- **Geopolitical risks**, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **Brexit** – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

**UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

## **Treasury Management Scheme of Delegation**

### **(i) County Council**

- approval of annual strategy.
- budget consideration and approval.
- approval of the division of responsibilities.

### **(ii) Cabinet**

- scrutinise the proposed annual strategy.
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- Receiving and reviewing monitoring reports and acting on recommendations.

### **(iii) Resources and Fire & Rescue Overview and Scrutiny Committee**

- Overview and scrutiny of treasury management policy, practice, and activity as required.

**Annex F****Specified Investments**

Specified investments are those with a high credit rating and maturities up to maximum of one year. All these investments are sterling denominated.

	<b>Minimum 'High' Credit Criteria (Fitch Ratings)</b>	<b>Limits Per Institution</b>	<b>Use</b>
DMO Deposit Facility	--	No Limit	In-house
Term deposits: Local Authorities	--	£10m	In-house
Nationalised Banks	Short-term F1, Support 1	£20m	In-house and External Manager
Term deposits: UK Banks	Short-term F1, Long-term A, Viability a, Support 3	£20m	In-house and External Manager
Term deposits: Bank Council uses for current account	--	£20m	In-house and External Manager
Term deposits: UK Building Societies	Top five largest societies as reported annually. (To be continually monitored)	£20m	In-house and External Manager
Term deposits: Overseas Banks	Short-term F1+, Long-term AA, Viability aa, Support 1	£20m	In-house and External Manager
Certificates of deposits issued by UK banks and building societies	Short-term F1, Long-term A, Viability a, Support 3	£20m	External Manager
Money Market Funds CCLA PSDF – LVNAV Aberdeen Liquidity Fund – LVNAV BlackRock – CNAV	AAA	£60m	In-house and External Manager
Ultra Short Dated Bond Funds Aberdeen Short Duration – VNAV Federated - VNAV	AA	£40m	In-house and External Manager
UK Government Gilts, Treasury Bills	--	No Limit	External Manager
Gilt Funds and Bond Funds	Long-term A	No Limit	External Manager

### **Non-Specified Investments**

Non-specified investments are those with lower credit quality, and may be for periods in excess of one year. These investments may be more complex instruments which require greater consideration by members and officers before being authorised for use.

The table below sets out limits for each type of investment (so the total limit when all investments with all institutions are added together).

In addition the total amount invested in non-specified investments is limited to £80m.

	<b>Minimum Credit Criteria</b>	<b>Limit</b>	<b>Use</b>
Term deposits: UK banks and building societies with maturities in excess of one year with a maximum of three years allowed for in-house deposits	Short-term F1, Long-term A, Viability a, Support 3	£15m	In-house and External Manager
Fixed Term Deposit with Variable Rates and Variable Maturities	Short-term F1, Long-term A, Viability a+, Support 3	£15m	In-house and External Manager
Certificates of Deposits issued by UK banks and building societies	Short-term F1, Long-term A, Viability a, Support 3	£15m	External Manager
UK Government Gilts with maturities in excess of 1 year	--	£15m	External Manager
Local Government Association Municipal Bond Agency	--	£15m	--
CCLA Property Fund	--	£15m	--
Threadneedle Social Bond Fund	--	£40m	--
Local Authority wholly owned trading company	--	£3m	In-house

## Annex G

### Approved Countries for Investments

#### AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

#### AA+

- Finland
- U.S.A.

#### AA

- Abu Dhabi (UAE)
- France
- Hong Kong
- U.K.

**The Treasury Management Role of the S151 (Responsible) Officer: Strategic Director - Resources**

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- Submitting regular treasury management policy reports.
- Submitting budgets and budget variations.
- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management function.
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers.

# Annex I

## MINIMUM REVENUE PROVISION

### 1. What is a Minimum Revenue Provision?

Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred and so such expenditure is spread over several years so as to try to match the years over which such assets benefit the local community through their useful life. The manner of spreading these costs is through an annual Minimum Revenue Provision (MRP).

### 2. Statutory Duty

Statutory Instrument 2008 no. 414 s4 lays down that:

“A local authority shall determine for the current financial year an amount of minimum revenue provision that it considers to be prudent.”

There is no requirement to charge MRP where the Capital Financing Requirement is nil or negative at the end of the preceding financial year.

### 3. Government Guidance

Along with the above duty, the Government issued guidance in February 2008 which requires that a Statement on the Council's policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate.

The Council is legally obliged to “have regard” to the guidance, which is intended to enable a more flexible approach to assessing the amount of annual provision than was required under the previous statutory requirements. The guidance offers four main options under which MRP could be made with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The requirement to “have regard” to the guidance therefore means that:

- a. Although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent.
- b. It is the responsibility of each authority to decide upon the most appropriate method of making a prudent provision, after having had regard to the guidance.

### 4. Warwickshire County Council Policy

We have decided not to use any of the options outlined in the statutory guidance but to adopt an alternative approach, which we believe is prudent.

The MRP provision will be calculated on the average remaining useful life of the Council's asset portfolio. We will calculate and apply the remaining useful life over two categories of asset:

- Land, buildings and infrastructure;
- Vehicles, plant and equipment.

The proportion of debt outstanding in each category of asset will be determined by the value of assets included in the balance sheet at the end of each financial year.

The 2017 review shows that the remaining useful life of our assets is now 28 years. By using an average life of 28 years for our assets equates to an annual provision of 4% straight line MRP.

For vehicles, plant and equipment, the remaining useful life is assumed to be five years e.g. 5 years average remaining useful life will result in 20% straight line MRP.



## Investment Strategy

### 1. Introduction

This Investment Strategy considers non-treasury management investments made for service or commercial purposes:

- **Service Investments** – where an investment is primarily for the purpose of supporting the delivery of an organisational or service objective.
- **Commercial Investments** – where an investment is primarily for the purpose of generating an income stream or return to support the overall financial position of the local authority.

The government definition of an investment covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit. This may therefore include investments that are not managed as part of normal treasury management processes or under treasury management delegations.

The definition of an investment also covers loans made by a local authority to one of its wholly-owned companies or associates, to a joint venture, or to a third party. The term does not include pension funds or trust fund investments, which are subject to separate regulatory regimes.

This strategy sits alongside the Council's Treasury Management Strategy Statement which covers all investments made for treasury management purposes.

This document sets out:

- Non treasury investments currently held.
- New developments around non treasury investments.
- Potential metrics and measures.

## 2 Non Treasury Management Investments

2.1 Non treasury management investments may take a number of forms:

- Holding shares in companies, for example companies that promote organisational objectives such as protecting the environment.

- Issuing loans to companies, for example promoting economic development.
- Holding non-financial assets (e.g. property) for the sole or primary purpose of making a financial return.

### **3 Company Shares**

3.1 The Council holds shares and debt with some companies for the purposes of promoting the achievement of organisational objectives. These companies may provide a return on investment but that is not the primary reason for their existence. At the time of writing this report such investments included:

- University of Warwick Science Park Innovation Centre Ltd
- Warwick Technology Park Management Company Ltd
- Warwick Technology Park Management Company (No2) Ltd
- Eastern Shires Purchasing Organisation (ESPO)
- SCAPE Group Ltd
- Coventry and Warwickshire Local Enterprise Partnership
- Coventry and Warwickshire Waste Disposal Company
- UK Municipal Bond Agency PLC
- Border to Coast Pension Partnership Ltd

The share value relating to the above companies recorded in the 2018/19 accounts was £2m, with dividend income of £0.8m.

### **4. Company Loans**

In addition to the above the Council currently operates two wholly owned Local Authority Trading Companies:

- Warwickshire Legal Services Trading Ltd
- Educaterers Ltd

The total shareholder value of these companies in their most recent accounts is £147k and there is a £1.5m loan facility in place with Educaterers at a rate of return of 6% until August 2020 to provide support to the company's cash flow.

The capital programme includes allocations available for the purposes of making grants or loans to local businesses who cannot raise funds through other means such as banks. This includes the following capital programme allocations:

- Capital Growth Fund Business Loans and Grants
- Capital Investment Fund / Duplex Fund
- Capital Investment Fund/Small Business Grants

As at Quarter 3 2019/20, £1.5m of funds are planned in the capital programme to invest in 2020/21. Loans and grants are managed via the Coventry and Warwickshire Reinvestment Trust.

## **5. Property Investments**

The Council does not currently invest in property for the purposes of generating commercial income, however the Council does currently hold some assets for the purpose of generating future capital receipts. The value of these assets can change and these assets generate a small amount of incidental income. The properties classified as investment property in 2018/19 had an asset value of £25.6m as at March 2019, out of a full asset value in the balance sheet of £1.128bn.

The Council does receive rental income in relation to some of its properties but properties are not currently acquired or held solely for the purpose of generating income. Total income generated from Investment properties for 18/19 stood at £0.01m.

Table 1 – Investment Land/Property

Description of Investment Property held	Value @ 31st March 2019 £m
NUNEATON/Land at former Holly Tree Farm,	16.3
NUNEATON/Land at former Magistrates Courts, Vicarage Street	0.3
NUNEATON/Land Adjoining 51 Queens Road, Queens Road	0.0
Attleborough Fields Industrial Estate Slingsby Close	0.5
NUNEATON/Former Manor Park Community School, Beaumont Road	1.6
ARLEY/ARC School (Former Herbert Fowler Junior School)	0.9
RUGBY/Great Central Industrial Estate, Great Central Way	1.1
ALCESTER/Former Area Library, Priory Road	0.3
ALCESTER/Meadow View H.E.P. (Independently funded), Kinwarton Road	0.0
ASTON CANTLOW/3 The Gables, Burbage Road	0.2
Kineton/ River Meadows Care Home	0.2
WARWICK/Land At Heathcote Hill Farm (Europa Way)	0.0
WARWICK/Former Ridgeway Special School, Montague Road	2.1
<b>Total *</b>	<b>23.5</b>

- Note – The accounts balance is £23.6m - the difference is roundings.

## 6. Commercial Strategy

The Council has approved a commercial strategy during 2019/20 that sets out a new approach to operating commercially considering commercial approaches to assist in the achievement of organisational objectives by:

- Optimising our financial sustainability by generating more income, reducing costs and maximising use of our assets: through investment in projects that provide good financial returns, enhancing our traded services and taking a commercial approach to management of costs and assets.
- Doing this in a way that delivers wider outcomes for Warwickshire: commercialism is not an end in itself; as a County Council, our strategic role makes commercialism a key lever for our role in shaping Warwickshire as a great place to live, work and do business, and to maximising social impact and outcomes. Individual commercial investments/ initiatives will be assessed against their social and environmental benefits in addition to their financial benefits and will be subject to business cases and member approval as necessary. Some potential developments may require changes to the treasury management strategy or the investment strategy and therefore updates to these strategies will accompany new proposals where required.

### 7.0 Measures

To support risk management in the development of future potential investments, measures will be developed to monitor the Council's position

and some measures may be used to set controls and limits in alignment with the Council's risk appetite. Examples of key measures may include:

- Total Investment Related Commercial Income. This would provide an indication of the financial value of commercial income upon which the Council revenue budget is reliant.
- Ratio of Investment Related Commercial Income to Net Service Expenditure. This would provide an indication of the proportionality of reliance on commercial income.
- Ratio of Total Debt to Net Service Expenditure.
- Total Assets At Risk – This would provide a measure of the total assets owned for commercial or service purposes which are at risk of loss in value.

## **8.0 Investment Policies**

- a. The Council currently does not have a policy of making investments primarily for the purpose of receiving a financial return, however this position is being kept under review.
- b. The Council has no plans to borrow in 2020/21 purely to profit from the investment of the sums borrowed.
- c. The Council owns shares and issues debt to companies for service purposes, and holds some investment related property. Existing policies and controls will remain in place for the management of these.
- d. New proposals for investment for non-Treasury Management purposes will be required to have direct Council approval or be approved through a delegated framework of controls that would be set out in an updated Investment Strategy and/or Treasury Management Strategy.
- e. Section 151 Officer responsibilities in respect of non-treasury management investments are set out in Annex 1.
- f. New investment proposals will be formally documented and assessed, including a financial appraisal, and an assessment of risk and risk management which must include consideration of credit risk. External expertise and advice will be sought where appropriate, and monitoring arrangements will include credit risk monitoring.

## **9.0 Environmental, Social, and Governance Policy**

- 6.1 As a responsible investor, the Council is committed to considering environmental, social, and governance issues, and has a particular interest in taking action against climate change and pursuing activities that have a positive social impact.
- 6.2 The impact of an investment in respect of climate change may be a consideration for investment decisions, with investments that help to prevent climate change, or help to cope with its impact, or which are resilient to its effects being desirable. Measurement of impact such as via carbon footprint will be undertaken where practical.
- 6.3 Investments that have a social impact benefit, either on a local scale or more widely may be considered.
- 6.4 The ESG policy of fund managers and investment partners may be considered when making decisions, with the preference being for fund managers and partners who share similar values around ESG.

### **Responsibilities of S151 Officer**

- Ensuring that due diligence is carried out on investment proposals in accordance with the risk appetite of the authority.
- Ensuring the proportionality of investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources.
- Ensuring an adequate governance process is in place for the approval, monitoring, and ongoing risk management of non-financial investments.

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**Council****23 July 2020****Capital Investment Fund 2019/20:  
Warwick Town Centre Transport Package****Recommendations**

That Council:

- 1) Approves an allocation of £4.046 million funding from the Capital Investment Fund (CIF) to deliver a transport package for Warwick town centre (as set out in paragraph 2.1 and 3.1) and the addition of the project to the Capital Programme at a full cost of £4.418 million with the balance of funding coming from the Community Infrastructure Levy.
- 2) Authorise the Strategic Director for Communities to procure and enter any agreements to give effect to the proposals on terms and conditions acceptable to the Strategic Director for Resources.

**1. Purpose of the Report and Context**

- 1.1 As part of the 2017/18 budget, Council approved the creation of the Capital Investment Fund (CIF) to provide an approach to funding capital schemes in support of the delivery of OOP 2020. Members approved a four-stage approval process for projects seeking funding from the CIF that would be run on a quarterly basis:
  - Stage 1: A service specific internal approval process, the conclusion of which is a bid to an Evaluation Panel submitted by the relevant Head of Service.
  - Stage 2: The CIF Evaluation Panel provides a technical evaluation and commentary on the proposal that results in a recommendation to Corporate Board.
  - Stage 3: Corporate Board review the evaluation and support/reject the proposal going forward to Members.
  - Stage 4: For those schemes Corporate Board support, Cabinet/Council approve/reject the allocation. If approved the scheme is added to the authority's capital programme.
- 1.2 Cabinet support the Warwick town centre transport package bid and recommended release of CIF funding at their meeting on 16 December 2019. Feedback from the CIF panel which informed this decision is included in the Appendix. This report was due to be considered at the March Council meeting which was cancelled due to the Covid-19 pandemic.

## 2. Description of the scheme

- 2.1 The transport package for Warwick town centre has been developed following a transport strategy review for the Warwick and Leamington area carried out in 2014/15 and received public support through a consultation undertaken in 2016. The transport package can be summarised as follows:
- Traffic management proposals to introduce one-way routing on The Butts and High Street / Jury Street to ease vehicle flows and provide opportunities to reallocate road space to other users;
  - Gateway improvements – reconfiguring the layout of highway junctions including Westgate, Eastgate and St Johns junctions to improve facilities for pedestrians and cyclists and enhance the historic built environment by reducing the footprint of junctions and enhancing the public realm;
  - Improved connectivity for pedestrians and cyclists, including wider pavements and new crossing points for pedestrians and dedicated provision for cyclists with new cycle lanes / shared use cycleways and cycle-contraflow on some one-way streets;
  - Priority signals for buses to allow ease of access from Warwick bus station.
- 2.2 Further public and stakeholder engagement will be carried out on the transport package as a whole along with statutory consultation associated with the individual elements of the transport package. The opportunity will also be taken to monitor the impact of changes to highway layout introduced to support social distancing measures in the town centre, including ongoing dialogue with local stakeholders.
- 2.3 The scheme offers high value for money, with a Benefit Cost Ratio (BCR) of 5.64 and will help meet the following wider objectives:

Objectives	How the proposals will achieve the objectives
Improve air quality	<ul style="list-style-type: none"> <li>• Reducing the amount of stationary traffic by removing key conflict points for traffic in the town</li> </ul>
Support and enhance the Local Economy	<ul style="list-style-type: none"> <li>• More pleasant streets with wider pavements, better facilities for cyclists, lower traffic speeds and less street clutter</li> <li>• Maximise footfall by improving pedestrian links across the town</li> <li>• Access will be maintained for car users and the amount of on-street parking will remain unchanged</li> <li>• Majority of road users will experience improved journey times due to the removal of conflict points</li> </ul>
Promote a healthier and active community	<ul style="list-style-type: none"> <li>• Encouraging active lifestyles with improved facilities for pedestrians and cyclists, ensuring that routes are improved both into and across the town</li> <li>• Health benefits associated with improved air quality</li> </ul>
Protect the historic built environment	<ul style="list-style-type: none"> <li>• Improving the setting of historic buildings at key gateways and within the town centre by making changes to the road layout</li> </ul>

- 2.4 The transport package will complement a number of schemes delivered in Warwick town centre during 2018/19 and 2019/20, including:

- 20mph zone for the town centre – including traffic calming features on Priory Road to help enforce the 20mph speed limit and the introduction of a shared use cycle/footway on Priory Road;
- Improvements at Northgate junction, including improved pedestrian facilities and an enhanced public realm.

2.5 The County Councillors representing Warwick North, South and West have been involved in the development of the transport package and are fully supportive of them.

### **3. Financial implications**

3.1 Following the most recent approvals for use of the CIF the fund had £11.042 million available to be allocated in 2019/20. The allocation of £4.046 million from the CIF was set aside as part of the 2020/21 capital budget resolution. Therefore, formally agreeing to the recommendations of this report and adding the full cost of the scheme to the capital programme does not change the remaining available 2019/20 CIF funding from £6.996 million as reported to Cabinet in December and Council in February. This balance will be rolled forward into 2020/21.

3.2 The transport package has been estimated to cost £4.418 million and CIF funding will provide a contribution of £4.046 million. The remaining £0.372 million has been secured from external Community Infrastructure Levy (CIL) contributions. There is a possibility that WCC will secure additional contributions towards this scheme in future years. Any additional funding secured would replace CIF funding and the CIF allocation would be repaid on a pound for pound basis.

3.3 An appropriate level of contingency has been built into the cost estimates to reflect the current stage of design and an allowance has been made for inflation to take into account the proposed delivery dates.

3.4 The on-going revenue costs would be as existing and will be funded from within approved highways maintenance budgets.

3.5 Monitoring of the capital project costs will be reported as part of the quarterly financial monitoring reports to Cabinet.

### **4. Environmental implications**

4.1 The Warwick town centre transport package will enable residents and commuters to switch to cycling or walking for their journeys, thereby reducing their carbon footprint. In addition, by removing key conflict points for traffic in the town, the amount of stationary traffic is expected to reduce, thereby helping improve air quality.

## 5.0 Timescales associated with the decision and next steps

- 5.1 Approval by Council for the CIF funding allocation and the addition of the scheme to the Capital Programme will enable detailed design work and statutory processes necessary to deliver the scheme to be progressed.
- 5.2 Transport Planning will work closely with the Network Management team to ensure disruption during the construction phase is kept to a minimum. It is not anticipated that there will be any other large-scale highway construction works being undertaken at the same time as the town centre works.

## 6.0 Background Papers

None

## 7.0 Supporting Papers

WCC Cabinet report: Capital Investment Fund 2019/20 Quarter 3, 14 November 2019

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

Local Member(s): Cllr Holland  
Cllr Singh Birdi  
Cllr Williams

Other members: Cllr Jeff Clarke

## **APPENDIX - Capital Investment Fund Panel Feedback**

### Warwick Town Centre Transport Package

The panel considered a bid for further funding of £4.046 million to fund Warwick Town Centre Transport works, this scheme had been considered by the panel before but the service was asked to resubmit to address some key concerns raised by the first panel.

The scheme includes a package of transport proposals designed to address economic and environmental issues in Warwick Town Centre. The proposals include:

- Traffic management proposals to introduce one-way routing on The Butts (northbound direction) and High Street / Jury Street (eastbound direction) to ease vehicle flows and provide opportunities to reallocate road space to other users;
- Gateway improvements – reconfiguring the layout of highway junctions including Westgate, Eastgate and St Johns junctions to improve facilities for pedestrians and cyclists and enhance the historic built environment by reducing the footprint of junctions and enhancing the public realm;
- Improved connectivity for pedestrians and cyclists, including wider pavements and new crossing points for pedestrians and dedicated provision for cyclists with new cycle lanes / shared use cycleways and cycle-contraflow on some one-way streets;
- Priority signals for buses to allow ease of access from Warwick bus station.

It was clear from the business case that the proposals are intended to complement recent measures introduced in Warwick town centre, including a 20mph zone, cycle provision along Priory Road and gateway improvements at Northgate junction. In addition, the business case explained that these measures are being implemented to improve the attractiveness of alternative routes e.g. Europa Way corridor, by encouraging longer distance through traffic to route via the A46/M40/Europa Way corridor rather than travelling through Warwick town centre. The panel noted that the proposals are intended to provide a foundation to enable other initiatives to come forward in the future.

The panel scored the bid 67.5 out of a possible 100, with the following breakdown:

- |   |          |
|---|----------|
| • Alignment with the organisation's core outcomes | 16/20    |
| • Asset Enhancement and strategic investment      | 18.75/30 |
| • Financial viability                             | 25/40    |
| • Political, social and environmental impact      | 7.75/10  |

The bid scored higher on this occasion than its first assessment which scored 63 out of a possible 100 and demonstrated that the feedback had been taken on board and concerns addressed such as providing a comprehensive risk register, a comprehensive options appraisal and a full costing of the schemes.

The panel did consider if there was sufficient contingency given the phasing of costs over a number of years and the impact on the construction industry due to uncertainty in the market, this affected the financial viability score. There were also other concerns over other works taking place around Warwick such as Stanks Island and other town centre works at the same time and whether this could cause significant traffic disruption into and within the town. The panel also noted that a consultation took place three years ago and that the scheme was well

supported but did raise the question if the same outcome would still be relevant now given other changes taking place in and around Warwick.

Overall the panel supports the bid and felt the content and scoring was strong enough to justify releasing funding.

## **Council**

### **Historic Bridge Maintenance Programme - Capital Programme Entry**

**23 July 2020**

#### **Recommendation**

That Council approves the addition of the Historic Bridge Maintenance Programme to the capital programme at an estimated cost of £6.30m, funded from the Capital Investment Fund (CIF) and the Department for Transport (DfT) Challenge Fund.

#### **1. Executive Summary**

- 1.1 In June 2020 Cabinet agreed to recommend that Council approves the addition of the Historic Bridge Maintenance Programme to the capital programme. Subject to this approval Cabinet has authorised approval of submission of applications for planning permissions, any other requisite consents and any other agreements with landowners or agencies, and also the Strategic Director for Communities to invite tenders, where the expected individual contract value requires and enter into the appropriate contracts on terms and conditions acceptable to the Strategic Director for Resources.
- 1.2 In November 2019 Cabinet approved the allocation of £1.322 million from the CIF to fund a three-year programme of Historic Bridge Maintenance conditional upon additional funding being secured from the DfT.
- 1.3 In February 2020 DfT confirmed the award of £4.978m to Warwickshire County Council through the Challenge Fund.
- 1.4 The Historic Bridge Maintenance Programme (HBMP) has received a total of £6.300m which now needs to be included in the Council's capital programme.
- 1.5 The HBMP scope is to repair eight historical structures to ensure the continued support of the highway network and to minimise the requirement for future access restrictions. These structures are expensive to maintain and repair and the DfT funding to support this programme is welcomed.
- 1.6 Delivery of this programme will reduce the need for unplanned/reactive lane and/or road closures, reduce the use of both temporary and permanent weight restrictions and minimise the likelihood of major long-term disruption to the highways network.

## 2. Supporting Information

2.1 The eight structures as part of the proposed programme for maintenance are:

- A428/002 Bretford Bridge, near Rugby
- B4117/001 Cole End River Bridge, Coleshill
- C33/001 Baginton Mill Bridge,
- A3400/037 Clopton Bridge, Stratford
- B4085/006 Bidford on Avon River Bridge
- A425/004 Castle Bridge, Warwick
- C46/005 Binton Bridge South, Welford-on -Avon
- C53/017 Honington Bridge, near Shipston-on Stour

2.2 Works to these structures will focus on the significantly deteriorated and damaged stonework of these predominantly multi-span arch structures, that date as far back as the 14th Century.

2.3 Detail of the proposals for the individual bridges can be found on the Warwickshire website:  
<https://www.warwickshire.gov.uk/majorconstructionprojects/challengefundbid>

## 3. Financial Implications

3.1 The applications submitted for CIF and DfT Challenge Fund set out that the reason for approval is that over the last decade, the condition of Warwickshire's historic bridge structures, supporting both the main highway network and adjoining roads have steadily declined. If the condition of these prestigious landmarks continues to decline in this manner, structural weight restrictions, the use of road closures and costly emergency works will need to be implemented until such time as maintenance and strengthening works can be undertaken. If the programme did not proceed it is likely many of the eight structures and more historical structures would require new weight restrictions that will place a limitation on the free movement of freight traffic and therefore have an adverse impact on the local economy. The current estimated financial implications of this programme of works would therefore provide more cost benefit than it would if the bridges were left to deteriorate any further.

3.2 The budget of £6.3 Million will be spread across the 8 structures over the three year programme and the budget consists of 'total works plus fees cost' and a 20% contingency as can be seen in Table 3.1.1. The HBMP therefore has a risk/contingency sum totalling £1,050,000 for the three year programme. It is proposed that where actual project costs are less than the current estimates, and where contingency sums are not spent, the remaining sum is to be retained as a reserve for the remaining HBMP. This in effect can improve the probability that the HBMP can be delivered in its entirety.



- 3.3 The detailed delivery programme, including estimated project costs and expected start dates are shown in Table 1.

**Table 1 – HBMP programme detail**

<b>Structure Reference</b>	<b>Structure Name</b>	<b>Estimated value</b>	<b>Expected start</b>
A428/002	Bretford Bridge	£0.550m	2020/21
B4117/001	Cole End River Bridge	£0.320m	2020/21
C33/001	Baginton Mill Bridge	£1.101m	2020/21
A3400/037	Clopton Bridge	£0.990m	2021/22
B4085/006	Bidford on Avon River Bridge	£1.020m	2021/22
A425/004	Castle Bridge	£0.920m	2022/23
C46/005	Binton Bridge South	£0.630m	2022/23
C53/017	Honington Bridge	£0.860m	2022/23

- 3.4 Table 2 shows the proposed spend profile for the programme period.

**Table 2 – Proposed HBMP spend profile**

<b>Funding Source</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Total</b>
DfT Challenge Fund	£1.4852m	£1.5879m	£1.9040m	£4.978m
WCC CIF	£0.3948m	£0.4221m	£0.5060m	£1.322m
<b>TOTAL</b>	<b>£1.880m</b>	<b>£2.010m</b>	<b>£2.410m</b>	<b>£6.300m</b>

- 3.5 Formal confirmation has been received from the DfT regarding the award of this funding, and these funds have now been transferred to the Council.
- 3.6 The estimated costs for each project, which include for the design, supervision and a 20% contingency will be reviewed during the development of the programme. Any variations to the use of the funding or the phasing as the programme progresses will be reported to Cabinet as part of the quarterly financial monitoring reports.
- 3.7 Decisions may be taken by the Programme Board to move projects between years in response to design and delivery issues, and should either the funding be exhausted or funding remain at the end of the programme then the scope will be reduced or further historic bridges will be included as appropriate and with no recourse to the DfT.

## **4. Environmental Implications**

- 4.1 An environmental impact assessment of the HBMP was completed and submitted with the successful Capital Investment Fund and Department for Transport Challenge Fund applications.

- 4.2 The development of the HBMP will include the review of environmental impacts for each of the eight projects, and the project design and implementation will include mitigation for environmental and ecological impact.

## 5. Timescales associated with the decision and next steps

- 5.1 Subject to the recommendations being agreed, the individual bridge maintenance project design will be prepared, and delivered according to the programme.
- 5.2 This work will include the interface with key stakeholders including:
- Local Members
  - Residents and businesses
  - Environment Agency
  - Local planning authority and/or Historic England

## Appendices

None

## Background Papers

Not Applicable

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The report was circulated to the following members prior to publication: Councillors Jeff Clarke and Peter Butlin.

## **Council**

**23 July 2020**

### **Warwickshire Rail Strategy 2019 - 2034**

#### **Recommendations**

That Council:

- 1) Note the results of the consultation and the resulting modifications made to the draft Warwickshire Rail Strategy.
- 2) Endorse the Warwickshire Rail Strategy 2019-2034 and agree that the document is addended to the Warwickshire Local Transport Plan 2011-2026.

#### **1.0 Background**

- 1.1 The County Council's existing Rail Strategy, as contained within the Warwickshire's third Local Transport Plan is no longer reflective of the local, regional and national wider policy context or Warwickshire's aspirations to deliver improvements to both rail infrastructure and services. As a result, the decision was taken to undertake a comprehensive review of the Rail Strategy ahead of the development of the new Warwickshire Local Transport Plan.
- 1.2 The Rail Strategy was presented to Cabinet on 30 January 2020, who recommended that the strategy be endorsed by Council.
- 1.3 Once adopted, the revised Warwickshire Rail Strategy will become a companion addendum to Warwickshire's existing Local Transport Plan. The Plan will not be formally modified at this stage, but the Strategy can be incorporated into the new Plan when the existing Plan is reviewed.
- 1.4 The draft Warwickshire Rail Strategy 2019-2034 (See Appendix 1) was subject to public consultation which ran from 20<sup>th</sup> July to 20<sup>th</sup> September 2019. The consultation gave key partners, stakeholders and the general public the opportunity to comment on the draft Rail Strategy
- 1.5 A wide range of stakeholders were contacted directly to notify them of the consultation and to seek their views. The consultation was also publicised to the wider community using a variety of the County Council's media channels and through the local press.

- 1.6 A range of methods were used to gather views during the consultation period. These included; an online survey on Ask Warwickshire using Citizen Space; a paper-based version of the standard online survey could be requested by telephone or email. Alternative formats and languages could also be requested. In addition, comments and full written responses relating to the proposed draft strategy could be sent directly to the County Council.
- 1.7 167 responses were submitted via the online survey; in addition, the County Council received 43 written responses, predominately submitted via email. The written responses were primarily submitted by key partners and stakeholders, including Midlands Connect, West Midlands Rail Executive, Birmingham Airport and local Town and Parish Councils. Most respondents who completed the online survey did so in their own capacity; eleven respondents completed the survey on behalf of an organisation. These included a mix of public, private and voluntary sector agencies. North Warwickshire Borough Council, Rugby Borough Council, Warwick District Council and Stratford -on-Avon District Council all submitted a response to the consultation, either via the online survey or a written response.
- 1.8 Responses to the online survey were received from across the County, with the highest number of respondents (31%) coming from North Warwickshire Borough, whilst only 8.4% came from Rugby Borough. The response rate for each Borough/District is shown in table 1 below. It should also be noted that the majority of responses received, over 80% identified themselves as 'White British'.

**Table 1: On line responses: Proportion by Borough/District**

<b>Area</b>	<b>All Respondents (%)</b>
North Warwickshire Borough	31.3%
Nuneaton & Bedworth Borough	12.0%
Rugby Borough	8.4%
Stratford-on-Avon District	15.1%
Warwick District	16.9%
Other, including Countywide	16.3%

- 1.9 Responses were received from the following organisations;

**Table 2: Organisations who responded to the consultation**

<b><i>Responded via written responses</i></b>	
<b><i>Key Stakeholders/Partners/MPs</i></b>	<b><i>Town &amp; Parish Councils</i></b>
Birmingham Airport	Ansley Parish Council
Chiltern Railways	Honeybourne & Pebworth Parish Council
Guide Dogs	Kingsbury Parish Council
Highways England	Lapworth Parish Council
Midlands Connect	Shrewley Parish Council

Network Rail	Southam Town Council
Shakespeare Birthplace Trust	Welford Parish Council
University of Warwick	<b>Rail User Groups</b>
West Midlands Rail Executive	Atherstone Rail User Group
Craig Tracey MP	Northampton Rail User Group
Nigel Huddleston MP	Rugby Rail User Group
	Shakespeare Line Promotion Group
<b>Local Authorities</b>	Stratford Rail Transport Group
Coventry City Council	<b>Other</b>
Gloucestershire County Council	Responses submitted on behalf of individuals – 8 responses submitted
Hinckley & Bosworth Borough Council	Atherstone & Mancetter Labour Party
Leicestershire Country Council & Leicester City Council	Earlswood & Forshaw Heath Residents Association
North Warwickshire Borough Council	Tamworth Residents Association
Rugby Borough Council	Stratford Transport Group (verbal response)
Stratford –on-Avon District Council	
Warwick District Council	
Worcestershire County Council	
Federation of Small Businesses	
Warwickshire Health	
<b>Organisations who responded via online survey</b>	
Combe Fields Parish Council	Atherstone Town Council
Warwick Town Council	The Guide Dogs for the Blind Association
Campaign for Rail	Coventry and Warwickshire LEP
Carbon 3IT Ltd	
Henley in Arden Joint Parish Council	
Restoration and Archiving Trust	
Solihull and Leamington Rail Users Association	

## 2.0 Consultation Feedback

- 2.1 The consultation report based on the submissions received via the online survey is included in Appendix 2.
- 2.2 Headline results from the analysis of all responses along with how the strategy has been amended as a result of the consultation are set out below.
- 2.3 Over half of respondents completing the full online survey either strongly agreed or agreed with the overview of the Warwickshire context and there

was generally a high level of agreement for the Key Objectives as set out in the draft strategy.

- 2.4 In terms of the proposed policies, the highest agreement scores for policies were for Policy 3 - New rail services and stations and Policy 11 - Rail fares and ticketing. The lowest score was for Policy 9 which sets out that the County Council will endeavour to secure the maximum benefits from HS2. This low level of support for Policy 9 may be a result of respondents using the opportunity to register their objection to the HS2 project overall.
- 2.5 The key issues raised by respondents completing the online survey or via the submission of a written responses are summarised below in table 3.

**Table 3: Summary of key issues raised via online survey and written submissions**

<b>Key Issue raised</b>	<b>WCC Response</b>	<b>Amendments made to draft strategy</b>
<b>Service and Station improvements</b>		
Support for re-opening of the Stratford – Honeybourne line. Desire by some respondents to see this happen as soon as possible.	The County Council is a member of the North Cotswold Line Taskforce, which has committed to examining the case for the future reinstatement of the Stratford – Honeybourne rail link. The scheme cannot come forward until after other capacity improvements have been delivered along the North Cotswold line and therefore this is not a scheme that can be delivered in the short /medium term. The County Council is working with the Train Operating Companies to secure further improvements to services operating between London and Stratford.	No amendments to the draft strategy are proposed. The strategy sets out the Council's commitment to the North Cotswold Line Taskforce and the associated programme of work, which includes examining the case for the reopening of the Stratford- Honeybourne line at the appropriate time.
Support for the development of Coleshill Parkway as an interchange hub and Henley-in-Arden station as a rail hub for the rural hinterland.	The County Council welcomes this support and is working with the relevant organisations to progress these proposals.	No amendments to the draft strategy are proposed. The strategy clearly sets out the County Council's aspiration to develop Coleshill Parkway to maximise the site in terms of its local and strategic value and to promote Henley-in-Arden station as a rail hub to serve its rural hinterland.
Support for service improvements but concern regarding car parking availability. Some concern that public transport/sustainable travel options should be promoted in addition to/instead of increasing car parking provision.	Where possible the County Council will deliver improved sustainable transport provision to and at stations. Good availability of car parking at stations is also supported as it can encourage people to switch from road to rail for a proportion of their journey. Funding for a variety of improvements will be sought from a number of sources when and where appropriate.	The strategy has been amended to reflect the fact that car parking availability may not keep pace with demand, especially when service improvements are delivered. Greater emphasis has been placed on ensuring that a range of transport options are considered when improving access to stations.

Desire to see service improvements across the network including the NUCKLE and Stratford - Birmingham corridors.	The County Council works closely with West Midlands Rail Executive and the Train Operators in an attempt to secure the maximum improvements to the rail network in Warwickshire. West Midlands Trains have recently introduced more evening and weekend services across many routes and further improvements will be delivered over the life of the franchise. Some further service improvements such as those on the NUCKLE corridor will require significant infrastructure improvements in order to be realised.	No amendments are proposed, the strategy sets out the County Council's aspirations for further service improvements to be delivered across Warwickshire including how we would like to see the service along the NUCKLE corridor be improved.
Improved access to UK Central/HS2 interchange.	The County Council will seek to maximise access to the HS2 interchange and wider UKC area via a range of modes, including rail. To access UKC by rail from a number of locations across the County will require an interchange due to a lack of direct rail infrastructure along certain corridors.	The draft strategy has been amended to further strengthen the aspiration for better connectivity from across Warwickshire to the HS2 interchange and UK Central. It is noted however that this connectivity may not always be possible by rail due to a lack of infrastructure and interchange with other transport modes will be required.
General support for improvements to existing stations, including enhancements to frequency and quality of services, as well as supporting more rapid delivery.	Improvements to stations will be delivered as soon as practical. Funding and delivery opportunities will be sought and where possible improvements will be brought forward more quickly. The County Council works closely with Train Operators and West Midlands Rail Executive to secure improvements to services, including frequency and rolling stock provision.	The strategy has been amended to reflect the fact that a number of the aspirations identified are either wholly or partly dependent on other regional or national schemes being delivered. Where possible efforts will be made to deliver improvements quicker than stated within the strategy but it has been made clear that delivering significant service or infrastructure on the rail network is challenging and requires the involvement of a number of partners.
<b>New station proposals</b>		
Comments regarding proposals for parkway stations, both in support and objections,	The proposals for new parkway stations, as set out in the draft rail strategy will be subject	The strategy has been amended to further strengthen the fact that the proposals for



including a desire to get a better understanding of the impact these proposals may have on other local stations and service provision.	to initial feasibility work. Such schemes will only be progressed if clear demand and a strong business case can be demonstrated. Parkway stations provide the opportunity for people to access the rail network and offer new connectivity between destinations. The possible location of sites, including the impact on the local and strategic road network, will be assessed during the initial feasibility work along with the potential service that would be able to call at the station. If positioned on the edge of settlements, they can offer the opportunity for users to either walk or cycle to the station.	<p>Parkways stations are at feasibility stage and scheme progression depends on the outcome of this work.</p> <p>The Strategy has been amended to reflect that although parkway stations are accessed predominately by the car, they provide the opportunity for people to transfer from road to rail, thereby reducing their impact on the environment.</p> <p>The strategy has also been amended to acknowledge that Parkway stations will be located, if possible, on the edge of settlements to encourage access by modes other than the car.</p>
General support for new station proposals and would like to see more rapid delivery.	The County Council welcomes the support for new stations. Improvements to stations will be delivered as soon as practical. Funding and delivery opportunities will be sought and where possible improvements will be brought forward more quickly.	The strategy has been amended to reflect the fact that a number of the aspirations identified are either wholly or partly dependent on other regional or national schemes being delivered. Where possible efforts will be made to deliver improvements quicker than stated within the strategy but it has been made clear that delivering significant service of infrastructure on the rail network is challenging and requires the involvement of a number of partners.
Planning improvements to take into account significant housing developments, for example Houlton SUE and Long Marston Garden Village.	Where feasible the County Council will seek to provide improved rail connectivity that will serve significant housing developments. However, this has to take into account the constraints of the existing rail infrastructure provision and a positive business case needs to be demonstrated.	No amendments to the strategy are proposed. The strategy adequately sets out possible new rail stations and service improvements that could improve rail connectivity for significant new housing developments where infrastructure exists.

<b>Wider connectivity improvements to stations</b>		
Wider connectivity via other modes to and from stations, particularly by bus.	The County Council will look for opportunities to improve bus-rail integration and have delivered a number of improvements over recent years e.g. bus stop and access improvements in the vicinity of Warwick and Leamington stations. However this can sometimes be difficult to achieve if the bus service is commercial and the rail service is seen as in competition with the bus service. Patronage can also prove challenging; a comprehensive, subsidised bus service to Kenilworth station was provided on opening, however the service had to cease due to a lack of patronage. The County Council will also investigate alternatives to traditional bus services such as Demand Responsive Services.	The strategy has been amended to further strengthen the policy relating to access to rail stations.
<b>Accessibility and rail travel</b>		
<p>Specific issues raised include;</p> <ul style="list-style-type: none"> <li>- Ensure that ticketing options i.e. ticketless travel does not exclude vulnerable people and communities who may be disadvantaged by these processes.</li> <li>- Ensure the redesign of stations and new build stations have improved/new facilities for bike access and storage, as well as safe and accessible walkways, with appropriate lighting to facilitate improved use and increased participation from population groups to support the active travel plan.</li> </ul>	The County Council works with the Train Operators in an attempt to improve access and travel options for people with a disability or other mobility impairment who wish to travel. Where appropriate the County Council will bid for funding, or support the Train Operators in such a bid (e.g. Access for All funding) where a particular scheme has been identified. Examples include Stratford station, where lifts were provided, and Warwick Station, which was recently awarded funding for the installation of lifts. Station refurbishments (e.g. Stratford station) also provide the opportunity for the rail industry to ensure that accessibility standards are met.	The strategy has been further strengthened to reflect how accessibility improvements may be delivered, to include Access for All Bids but also wider partnership working (e.g. with the train operators and wider groups who are representative of specific groups of people who need help/provision to access the rail network).

<ul style="list-style-type: none"> <li>- Improve access for existing stations where required, specific references made to Atherstone Station.</li> </ul>	All new stations and station infrastructure is built in accordance with nationally recognised accessibility standards, including those specific to the rail industry.	
<b>Wider Health and Wellbeing issues</b>		
<p>Specific issues raised include;</p> <ul style="list-style-type: none"> <li>- Consideration should be given to improving the rail travel experience to benefit wellbeing experiences and the commute to work i.e. waiting areas should have good quality seating and timetable displays to help people make healthy travel choices.</li> <li>- Improved access for all communities to transport opportunities</li> </ul>	The County Council continues to work to help improve access to rail stations via a variety of modes. The rail operators are responsible for stations and the provision of waiting areas, timetables and platform information. The County Council continues to work with the operators to ensure the stations in Warwickshire benefit from high quality provision at stations, as appropriate for each individual station. In addition, the County Council is a core member of the Heart of England Community Rail Partnership, which aims to deliver small scale projects to further improve the station environment for passengers.	The strategy has been amended to further strengthen the policy relating to access to rail stations and the Community Rail Partnership.
<b>Other</b>		
Supportive of Warwickshire's involvement in wider regional level work, e.g. Midlands Connect work streams.	The County Council is fully engaged in the work of Midlands Connect and will seek to maximise the benefits of identified programmes of work to Warwickshire and the wider sub-region.	No amendments to the strategy are proposed.
General support for policies as set out in the draft strategy.	The County Council welcomes the support provided.	No amendments to the strategy are proposed.
Explore the possibility of locating EV charging points at train stations.	The County Council will work with the Train Operators, who manage the majority of station car parks to explore how further EV infrastructure can be delivered at rail stations in Warwickshire.	The strategy has been amended to reflect this issue and is reflected in the appropriate policy.
Impact of HS2 on communities	To ensure that the impact of HS2 on Warwickshire's communities is minimised	No further amendments are proposed to the strategy

	there is a dedicated team at the County Council who work closely with HS2 Ltd to try to mitigate issues where and when appropriate.	
Impact on local communities resulting from train service improvements, rail infrastructure improvements and the construction of new stations.	When developments and improvements are in the control of the County Council (e.g. new station construction) the necessary impact assessments will be carried out and the appropriate mitigation works incorporated into the scheme.	No further amendments are proposed to the strategy.

### **3.0 Financial Implications**

- 3.1 There are no specific capital or revenue implications associated with the adoption of the strategy itself. However it should be noted that funding opportunities will need to be sought to realise a number of the aims and aspirations set out in the strategy and this may include bids to the County Council's own funding sources (e.g. CIF); and will need to be aligned to the Council Plan and the Council's Medium Term Financial Strategy

### **4.0 Environmental Considerations**

- 4.1 It is anticipated that the rail strategy will have a positive impact on the environment. Improved connectivity, station enhancements and the provision of new stations will all contribute to rising passenger numbers and a transfer of trips from away from road to rail.
- 4.2 It is acknowledged that, Parkway stations are predominately accessed by car, however, when correctly located they offer a real opportunity for people to transfer from road to rail. In addition, where possible Parkway stations will be located on the edge of settlements to encourage access by a variety of sustainable modes, thereby reducing the impact on the environment.

### **5.0 The Oakervee and Williams Review**

- 5.1 The Rail Strategy has been prepared on the basis that HS2 will proceed as originally planned. Following the Oakervee Review, Government announced that HS2 will proceed as planned, albeit with some delay to the original programme. This delay (from 2026 – 2028 – 31) has been reflected in the strategy and will be kept under review.
- 5.2 The County Council will also consider the implications of the Williams Review when it is published in 2020. This has considered the structure of the whole rail industry and the way in which passenger rail services are delivered. The review will make recommendations through a White Paper for reform to the industry that prioritise passengers' and taxpayers' interests. These recommendations may be influenced by the need to provide ongoing support to the rail industry in light of the reduced passenger numbers due to the COVID-19 pandemic.

### **6.0 Timescales associated with the decision and next steps**

- 6.1 Subject to the approval of the Warwickshire Rail Strategy by Council, officers will proceed with undertaking the necessary work to enable the delivery of the strategy. The impact of COVID 19 on long term rail growth will be kept under review as part of the development of individual schemes.
- 6.2 If the outcome of the Williams Review have a significant impact on the strategy, a further revision will be presented to Council for approval.

## Background paper

### Equality Impact Assessment

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Cllr Jerry Roodhouse  
Cllr Jonathan Chilvers



# Warwickshire Rail Strategy 2019 - 2034



## Contents

1. The Warwickshire Context
2. Opportunities
3. Developing the Strategy
4. Identified Improvements
5. Making it Happen



# 1. The Warwickshire Context

Rail services in Warwickshire make a significant contribution to the local economy, business and local communities, helping to make Warwickshire an attractive place in which to live and work. The County Council has an excellent track record in delivering rail infrastructure and helping to improve services. Warwickshire intends to continue this support and investment in the local rail network to help improve wider connectivity, contribute to the delivery of housing and employment opportunities and maximise the benefit of economic growth in Warwickshire over the next fifteen years and beyond.

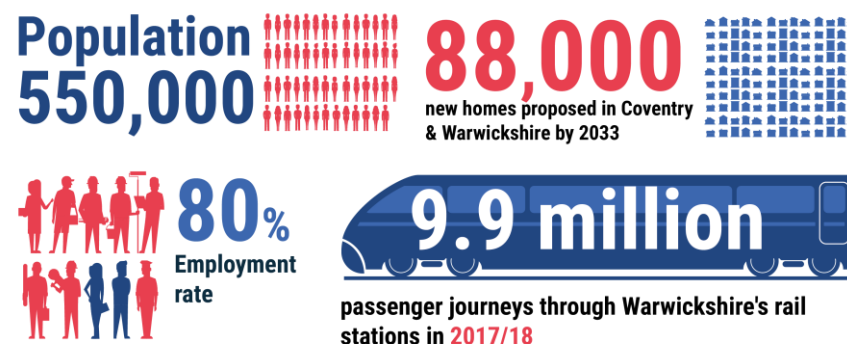
This strategy sets out Warwickshire County Council's ambitious and challenging plans to improve the rail offer in Warwickshire. This Strategy is a non-statutory policy document supporting the Third Local transport Plan but it is intended that it will form part of the Fourth Local Transport Plan when that is prepared.

## Supporting Warwickshire's Economy & Growth

Warwickshire is a growing County with a population of approximately 550,000 people and a thriving economy with substantial levels of new housing and employment opportunities committed in local Plans.

The location of housing and employment growth is highlighted in figure 1.0. This growth will place additional pressure on the existing rail services and infrastructure (e.g. access to stations) and present new connectivity opportunities. A key aim of the strategy is to maximise the opportunity for the travel demands of the 88,000 new households planned to be built across Warwickshire and Coventry during the plan period.

Figure 1.0 The Warwickshire Context

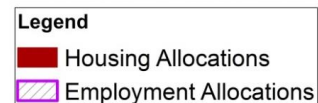
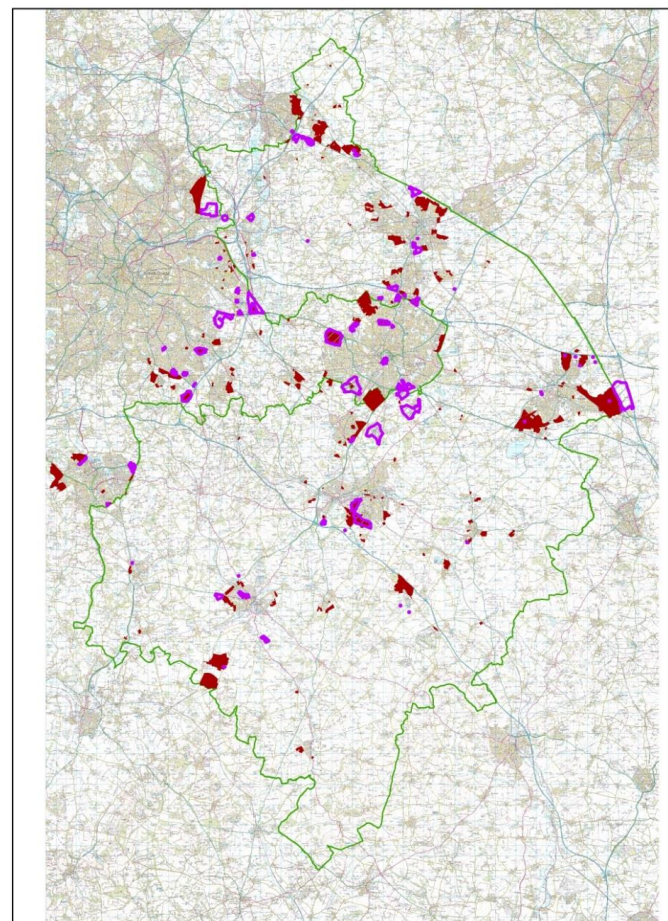


The wider West Midlands Region will also experience significant growth with the Region's economy forecast to grow by 14% by 2032 with an anticipated 900,000 more people and 450,000 new jobs.

Given this unprecedented scale of development, it will be challenging for existing rail infrastructure and service provision across Warwickshire (and the wider region) to accommodate growth. Investment in Warwickshire's rail network in terms of infrastructure and service enhancement is therefore vital to achieve this sustained growth, improve connectivity and capture the wider social and environmental benefits.

Figure 2 Housing and Employment Allocation

**Warwickshire: Major Housing and Employment Allocations**



## Current Rail Services, Connectivity and Patronage

Warwickshire is fortunate to be served by a number of key rail routes, providing connectivity of local, regional and strategic importance. A number of Train Operating Companies (TOCs) provide passenger services along these routes and between them are responsible for the management of the rail stations.

Core rail routes serving Warwickshire are summarised in table 1.

The rail network in Warwickshire is used for a range of journey types with commuting and business use of significant importance. Large numbers of people from a range of socio-economic groups travel by rail between Warwickshire and the West Midlands conurbation and there is also a significant level of rail use between Warwickshire, the Thames Valley, London and the wider southeast.

In addition to passenger rail services, the role of rail freight must also be considered. The value of rail connected freight facilities is recognised in minimising the impact of freight on the local and strategic highway network. The County Council will work with relevant partners within the road and rail freight industry to ensure where possible that the needs of passenger and freight services are balanced.

The core Warwickshire rail network and stations (as at 2019) is shown in figure 3 on page 7.

Table 1; Core Rail Routes serving Warwickshire

Key Route	Current Train Operator (2019)
Leamington Spa – Birmingham Stratford –upon-Avon – Birmingham (via Henley-in-Arden or Dorridge)	West Midlands Trains/London North Western Railway
Leamington – Coventry Coventry - Nuneaton	
Regional/National services between a) <b>Birmingham – London Euston</b> via Coventry, Rugby, Northampton Milton Keynes and Watford Junction b) <b>Crewe – London Euston</b> via Stafford, Tamworth, Nuneaton, Rugby, Northampton, Milton Keynes and Watford Junction.	
Regional/national high speed Services serving Rugby and Nuneaton Stations, providing some connectivity from Rugby to London Euston in the South and Glasgow in the North and from Nuneaton to Euston and the North West (Manchester).	Avanti West Coast
London Marylebone – Birmingham via Leamington Spa, Warwick, Warwick Parkway, Hatton and Lapworth.	Chiltern Railways
Limited service between Stratford –upon–Avon and London Marylebone and Stratford – Leamington Spa Shuttle Service (via Claverdon and Bearley).	
National network of rail services, with calls at a limited number of Warwickshire Stations, providing important national, regional and local connectivity. a) Leamington Spa; calls at Leamington Spa provide important direct connectivity with the South Coast and the North of England and Scotland. Passengers can also utilise this service to undertake local trips to Coventry, Birmingham, Oxford and Banbury. b) Coleshill Parkway and Nuneaton – proving important commuter services to Birmingham and Leicester and wider connectivity to Stanstead Airport and East Anglia.	Cross Country
The Cotswold Line, whilst not within the Warwickshire administrative boundary provides important rail connectivity between Hereford, Great Malvern, Worcester and London Paddington. Stations served by this route include Evesham, Moreton-in-Marsh and Honeybourne, all of which are of significance to Warwickshire residents living in the far south of the County.	Great Western Railway
A number of other stations are used by a significant number of Warwickshire residents in order to benefit from rail connectivity opportunities; these include Coventry, Tamworth, Sutton Coldfield, Birmingham International, Redditch, Evesham, Honeybourne and Moreton-in-Marsh. These 'out of county' stations are likely to experience similar growth to those within Warwickshire and therefore need to be considered for appropriate service and station enhancements. Such work will be need to be agreed with the relevant local authority and Train Operator.	

Figure 3 Warwickshire Rail Stations



## Passenger Volumes

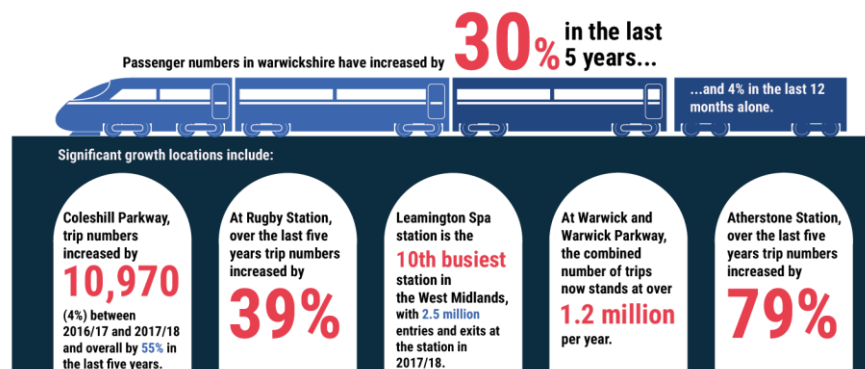
Warwickshire stations, on average have continued to experience significant levels of passenger demand. The table below summarises passenger volumes at Warwickshire stations and the growth over the last 5 years. Key stations outside the County are also included.

Table 2; Passenger Use by Station

Station	Annual Usage 2017/18	Growth since 2016/17	Growth since 2012/13	Station	Annual Usage 2017/18	Growth since 2016/17	Growth since 2012/13
Atherstone	148,998	4%	79%	Polesworth	262	-79%	-64%
Bearly	1,106	39%	65%	Rugby	2,527,944	3%	39%
Bedworth	91,794	8%	49%	Stratford Parkway	92,782	14%	N/A
Bermuda Park	28,378	41%	N/A	Stratford- Upon-Avon	1,042,086	1%	16%
Claverdon	2,782	-11%	21%	The Lakes	13,062	-6%	13%
Coleshill Parkway	297,970	4%	55%	Warwick	619,574	4%	18%
Danzey	8,198	8%	16%	Warwick Parkway	669,940	2%	15%
Hatton	60,674	17%	51%	Water Orton	55,652	8%	40%
Henley-In-Arden	140,202	5%	27%	Wilmcote	24,244	4%	24%
Lapworth	52,804	14%	59%	Wood End	11,740	-12%	0%
Leamington Spa	2,671,422	5%	27%	Wooton Wawen	11,128	24%	5%
Nuneaton	1,313,980	2%	26%	<b>Total County</b>	<b>9,886,722</b>	<b>4%</b>	<b>30%</b>

Out of County Stations	Annual Usage 2017/18	Growth since 2016/17	Growth since 2012/13	Out of County Station	Annual Usage 2017/18	Growth since 2016/17	Growth since 2012/13
Coventry	7,558,210	2%	39%	Redditch	1,077,690	4%	21%
Coventry Arena	99,516	15%		Evesham	246,900	-4%	-4%
Tamworth	1,223,106	2%	27%	Moreton-in-Marsh	268,866	3%	28%
Sutton Coldfield	1,624,334	1%	19%	Honeybourne	61,858	4%	29%
Birmingham International	6,664,422	3%	47%				

Figure 4 Warwickshire Rail Statistics



The overall trend in the number of rail passengers in Warwickshire is one of sustained growth. Passenger numbers across the County have increased by 30% in the last 5 years and 4% in the last 12 month period alone. Significant growth locations include:

- **Coleshill Parkway**, where the number of trips has increased by 10,970 (4%) between 2016/17 and 2017/18.
- The number of trips at **Rugby** station has increased by 39% over the last five years, placing further pressure on the station which is already at capacity in terms of highway access and parking.
- **Warwick** and **Warwick Parkway**, where the combined number of trips now stands at over 1.2 million per year.



- **Leamington Spa** station is the 10<sup>th</sup> busiest station in the West Midlands, with 2.5 million entries and exits at the station in 2017/18.
- **Atherstone** station, where the number of trips in the last 5 years has increased by 79%, largely driven by

London Midland's initiatives between 2012-14 to reduce journey times and increase frequencies to key destinations.

## New stations

The success of stations opened by Warwickshire County Council, which began with Warwick Parkway in October 2000, demonstrates the effectiveness of providing new access points to the rail network that take account of existing and changes to travel demands. The total number of passengers using stations developed by Warwickshire County Council exceeds 1.18m per year. Warwickshire's newest station, Kenilworth, opened in summer 2018 and has succeeded in attracting a total of over 170,000,000 during the first year of operation.

## Future Growth

It is evident that rail is the mode of choice for many Warwickshire residents and the importance of this mode of travel is likely to strengthen going forward. Network Rail Route Studies provide further evidence of this increasing demand for rail services. For this level of demand to be realised there will

need to be improved access to existing stations and capacity improvements on the rail network (e.g. more frequent services, longer trains). Warwickshire will also explore opportunities for new stations to maximise opportunities for residents to access the rail network. Without such improvements there is the possibility of rail demand being suppressed.

## HS2 and Released Capacity

The arrival of HS2 Phase 1 (London to West Midlands) post 2026 and Phase 2b (West Midlands to Yorkshire) post 2033 will have a significant impact on rail services in Warwickshire, not least due to the release of capacity on the West Coast Mainline. This presents a significant opportunity to influence and shape future service provision to enable passenger service and freight enhancements, new connectivity opportunities and new stations serving Warwickshire to be delivered, thereby maximising the economic benefits to Warwickshire afforded by the arrival of HS2.



For residents to the north of the County, the new HS2 interchange adjacent to Birmingham International station and Birmingham Curzon Street will provide access to fast and frequent services to London. Phase 2b of HS2 will enable fast journey times from the West Midlands to the north of England, (e.g. Birmingham to Leeds in 46 minutes) providing significant connectivity opportunities and journey time savings to the north of England for Warwickshire residents. Ensuring good connectivity for Warwickshire residents and businesses to the

stations served by HS2 will therefore be an important consideration. The County Council will maximise opportunities to secure improvements for the local community as appropriate.

## 2. Opportunities & Constraints

The majority of the rail network in Warwickshire is operating at capacity in terms of:

- Track infrastructure (e.g. sections of single line track, level crossing points, line speed restrictions);
- Capacity and availability of rolling stock;
- Capacity at stations, e.g. car parking availability and;
- Timetable issues – availability of train ‘paths’ to introduce new services/station calls.

Future service enhancement, improved connectivity opportunities and new access points to the rail network are required to meet the demand for known and future growth and provide opportunities to maximise the wider economic and social benefits for Warwickshire. However, this will require, in most cases, significant financial investment. Section 5 (Identified Improvements) details specific constraints and likely investments that will be required in order to deliver Warwickshire’s aspirations in the future.

Despite the challenging nature of delivering rail service, connectivity and capacity improvements, there are number of opportunities, as set out below, that Warwickshire will seek to maximise in order to help secure infrastructure, service and capacity improvements. Whilst there is a wider aspiration to see improvements contained in this strategy delivered as quickly as possible, many are partially or wholly dependent on

the delivery of other regional or national rail schemes (as set out in section 3). Delivering significant service or infrastructure improvements on the rail network is challenging and requires to involvement of a number of key partners.

- **Governance Opportunities**

Warwickshire County Council is an active and full member of a number of regional organisations that have a direct impact on rail services in Warwickshire and the wider region:

- **West Midlands Rail Executive (WMRE)**

WMRE is a partnership of 16 West Midlands Local Authorities co-managing the West Midlands Railway franchise with the Department of Transport. WMRE is responsible for planning the strategic future of the West Midlands rail network.

- **Midlands Connect**

Midlands Connect is a partnership of a number of organisations, including 23 West and East Midlands local authorities. The work undertaken by Midlands Connect is multi-modal but includes significant rail infrastructure and service improvement programmes.

- **Department for Transport/Network Rail** with regards to the long term planning process and funding opportunities and engagement with the Office for Road and Rail (ORR).

- **Re-Franchising opportunities**

This provides a significant opportunity to secure improvements for Warwickshire via a) influencing the service specification issued to the market by the Department for Transport (DfT) and b) discussions with shortlisted bidders regarding our aspirations for rail in Warwickshire that may be reflected in bids submitted to DfT.

- **Train Operating Companies**

Warwickshire already enjoys positive relationships with the Train Operators serving Warwickshire. These relationships will be further developed in the future to secure improvements to Warwickshire's rail services and infrastructure.

- **Realising the benefits afforded by HS2**

Close liaison with the successful bidder for the West Coast Partnership is required to help maximise the benefits of associated with released capacity on the West Coast Mainline and wider classic rail network post-2026 in terms of improved/new service provision for Warwickshire.

- **Capturing the benefit of Highway Improvements**

There are a number of significant highway improvements planned in Warwickshire during the next 15 years, some of which will provide an opportunity to secure better connectivity to the rail network and enable new stations to come forward, taking into account existing and future travel demand. The County Council also has a role as local highway authority to improve access to stations by a variety of modes. This can be crucial in some town centre locations where highway space is constrained and congestion can deter people from using a station.

WCC will also work with Highways England and other stakeholders such as Transport for the West Midlands and Midlands Connect to secure improvements to the Strategic Road Network which will benefit rail accessibility.

- **Funding and delivery opportunities**

It is vital that the County Council takes advantage of any funding and delivery opportunities that are available going forward. It is likely that this will include more traditional methods of funding including bids to Government (e.g. the New Station Fund) but also more innovative ways of securing delivery.

- **Ticketing and fares**

The County Council will work with West Midlands Rail Executive and Midlands Connect as appropriate to deliver improved ticketing options (including ticketless travel) for passengers to help improve the overall journey experience. The Council will also engage with any review of rail fares that are undertaken at a national and regional level to secure the best outcome for Warwickshire's residents.

- **Innovation**

The County Council are committed to supporting innovation in the rail sector to help deliver an improved rail offer.

***The Quinton Rail Technology Centre**, located on the former MOD site at Long Marston, is an increasingly important storage, research and development facility for the rail industry. It is connected to the Cotswold Line at Honeybourne via a spur along the former line to Stratford-upon-Avon, and benefits from;*

*- access to the local high- secure storage of off-lease rolling stock with 20km of sidings (the largest in the UK) and approximately 2000m<sup>2</sup> of covered workshops with associated handling equipment and crainage. Additional benefits include;*

- 4 hectares of open hard standing storage space*
- A 3km endurance test loop along with a light rail test track;*
- On-site 24/7 logistics support*
- Training rooms*
- Undercover meeting and exhibition space.*

*QRTC works closely with the supply chain of the rail industry as well as a number of universities and other research facilities in relation to testing and innovation activity. They are keen to develop their offer further, particularly around evolving areas such as Very Light Rail and autonomous vehicles.*

### 3. Developing the Strategy

The strategy has been developed to maximise the economic, social and environmental benefits of the rail network to Warwickshire's residents and businesses.

#### The Economic Value of Rail Connectivity and Service Improvements

An economic model has been used to measure the impact of enhanced train services on connectivity between economic centres, quantifying the benefits of closer proximity of businesses and labour markets to each other. The evaluation

Table 3 Service Improvement Aspirations

takes into account existing and committed housing and employment levels and quantifies the uplift in economic benefits derived from improved connectivity (expressed as Gross Value Added (GVA)).

A number of service scenario options have been modelled as part of the development of the West Midlands Rail Strategy, with further tests undertaken to understand a number of service scenario aspirations in Warwickshire. The headline results of this testing for Warwickshire are shown below

Service Improvement Aspirations on Key Corridors	Warwickshire GVA Uplift per annum
<b>Trent Valley Improvements</b> <ul style="list-style-type: none"> <li>Improved connectivity from Rugby and Nuneaton to Northern cities (£9.3m GVA uplift) and more frequent fast services to London (£6.3m uplift) utilising released capacity on the WCML in connection with the opening of HS2</li> </ul>	£15.6m
<b>North-south corridor improvements</b> <ul style="list-style-type: none"> <li><b>Coventry – Leicester Direct Service</b>; Expanding the existing North –South corridor to provide enhanced connectivity via the introduction of a direct service between Coventry and Leicester.</li> <li><b>Introduction of a new Nottingham-Reading hourly service</b></li> </ul>	£5.0m  £31.2M (£16M to Warwickshire)
<b>Cross Country diversion</b> <ul style="list-style-type: none"> <li>Diversion of the 2<sup>nd</sup> Cross Country service via Coventry. This has the added benefit of releasing capacity on the Snow Hill Lines, allowing more frequent stopping patterns at Warwick, Hatton and Lapworth</li> </ul>	£5.5m + £0.5M*  * due to improved Snow Hill services
<b>Improved Connectivity to London</b> <ul style="list-style-type: none"> <li>Introduction of a direct hourly service between Stratford-Upon Avon and London</li> </ul>	£16 - £18 M*  * Depending on route taken

The scenarios assume the following outputs being realised by 2032

- Delivery of the West Midlands franchise commitments and aspirations e.g. improved services on a Sunday across the franchise area, improved rolling stock and specific service upgrades.
- Additional pathways realised through delivery of the Midlands Rail Hub.
- Local network capacity released through a transfer of some fast services from the classic network to HS2.

### **Wider social and environmental benefits**

As well as the economic benefits of rail service enhancements, the strategy will also seek to maximise social and environmental benefits of rail use. Planned housing and employment growth across the County and wider sub-region will place an even greater strain on the road network. There is the opportunity to transfer some of these trips to rail by

improving access to the rail network and providing new services to enhance connectivity for people and businesses. Connectivity enhancements will also deliver social benefits by providing opportunities for people to access work, education and leisure facilities.

### **Key Objectives**

Four key overarching objectives have been identified to support the delivery of Warwickshire's Rail Strategy and policies have been developed to support the delivery of these objectives:

1. Maximise economic, social and environmental benefits of the rail network to Warwickshire residents and businesses;
2. Maximise opportunities for journeys within Warwickshire (and beyond) to be undertaken by rail, particularly for commuting purposes;
3. Maximise opportunities for travel demands of new developments to be met by rail;
4. Support opportunities to transfer freight from road to rail.

## Policies

### Policy WRS1: Partnership.

The County Council will seek to engage and work with key partners to deliver improved rail services and facilities in Warwickshire.

Delivery of Warwickshire's rail aspirations will require the support of the wider rail industry, including Network Rail, TOCs, WMRE and DfT, along with key organisations such as Midlands Connect. Warwickshire will continue to engage with a wide range of partners to influence rail investment and service plans.

### Policy WRS2: Existing levels of services and stations.

The County Council will seek, to retain the existing levels of passenger services and stations.

### Policy WRS3: New rail services and stations

The County Council will develop proposals for new rail services and stations and work with partners to secure their delivery.

The County Council will work in partnership with other organisations, including, DfT, Network Rail, TOCs, Midlands Connect, Transport for the West Midlands and West Midlands Rail Executive (including the West Midlands Station Alliance), to develop proposals for new stations and services in Warwickshire. Proposals for new stations and/or rail services will be developed to offer new and/or improved connectivity opportunities and increase the accessibility of the rail network to existing and potential passengers. Where appropriate, the County Council will also seek improvements to existing rail services, including more frequent

services, where appropriate. New stations identified in this strategy are at feasibility stage and scheme progression is dependent on the outcome of this work.

#### **Policy WRS4: New Developments & Connectivity to Rail Services**

The County Council will seek to ensure that new developments have good accessibility to the rail network.

The County Council will seek to secure good accessibility and connectivity to the rail network by:

- 1) Encouraging measures that enable good accessibility to rail services and where appropriate, secure funding from developers towards the cost of such measures;
- 2) Taking into account the location of new housing and employment developments and associated highway improvements when planning new stations (Policy WRS3);
- 3) Taking into account potential demand from new development when planning new rail services.

#### **Policy WRS5: Transformational Change**

The County Council will support the partners, where appropriate, to deliver ambitious infrastructure programmes to enable a step change in the rail offer for Warwickshire.

Warwickshire (along with other local authorities in the sub-region and WMRE area) is working with Midlands Connect on studies to facilitate a step change in the rail offer in the sub-region. The projects are at an early stage of development but indications are that a significant level of investment will be required to deliver the necessary infrastructure works. The following aspirations have the potential to facilitate a transformational change in the rail offer for Warwickshire:

- Leamington to Coventry capacity upgrade (redoubling) - to facilitate improved access to Birmingham Airport and the HS2 interchange, delivered by the diversion of the second Cross Country service via Coventry and longer term, a second train per hour between Leamington and Coventry.



- Coventry to Leicester/Nottingham capacity upgrade - to provide a direct connection between these cities and the potential for improved service frequencies between Nuneaton and Leicester;
- Birmingham to Leicester capacity upgrade - to facilitate new stations along the Water Orton line, including a station to the west of Nuneaton at Stockingford;
- Midlands Rail Hub, with the delivery of up to 10 additional rail paths into Birmingham.

### Policy WRS6: Station Facilities

The County Council will seek to ensure that facilities at stations are of an acceptable minimum standard and seek the opportunity to secure improvements to station facilities where appropriate.

The County Council will work with other organisations to deliver a range of improvements for rail services and stations in Warwickshire. Of key importance is the WMRE ambition to deliver a Single Network Vision and the West Midlands Station Alliance.

The **Single Network Vision** sets out the ambition to provide excellence in customer service and experience across all train services and operators across the West Midlands, regardless of operator.

The **West Midlands Station Alliance** is an innovative partnership with Network Rail and the wider rail industry to transform the quality of existing stations and deliver new ones.

### Policy WRS7: Sustainable Station Access & Car Park Capacity

The County Council will seek to ensure that stations are accessible by a variety of modes, including walking and cycling and to secure improvements where possible. Where station car parking is at capacity, opportunities will be sought to improve car parking availability. Opportunities to deliver Electric Vehicle (EV) charging provision at rail stations will be explored with the Train Operator.

It is recognised that access by a variety of modes, including the private car, are important to enable access to the rail network. The County Council will encourage people to choose sustainable travel options where possible and will continue to seek opportunities to improve facilities and infrastructure that encourages sustainable mode choice. This will include working with bus operators to explore opportunities to improve interchange between bus and rail.

The County Council recognises that, in some instances, the private car is important to enable people to access stations. Providing good access and car parking facilities at appropriate stations enables people to transfer from road to rail, thus reducing overall car use. In some instances, car parking availability may not keep pace with demand, especially when service improvements are delivered. It is therefore vital to ensure that a range of transport options to improve connectivity to stations are considered.

Where new Parkway stations are proposed, they will, where feasible, be positioned on the edge of settlements to encourage access by modes other than the car. Whilst parkway stations will be accessed predominately by car, they provide an important opportunity for people to transfer from road to rail, thereby reducing their impact on the environment and reducing congestion on key highway routes.

Car parks at stations in Warwickshire are predominately operated and maintained by the Station Facility Owner (SFO). The County Council will continue to work with the operators to explore how additional EV infrastructure can be provided at rail stations across the County.

### Policy WRS8: Community Rail Partnership

The County Council will support Community Rail initiatives in Warwickshire to help secure both improvements to stations and wider community and social benefits of the rail network to our communities.

Community Rail initiatives can deliver tangible benefits for rail passengers and the communities they serve. The County Council is at the forefront of Community Rail in the West Midlands area, and along with partners and key stakeholders, has established the 'Heart of England' Community Rail Partnership (CRP). The County Council is committed to supporting this CRP and enabling improvements to be realised. In addition, the County Council will seek to maximise other opportunities presented by the rail industry to secure wider community benefits.

It is anticipated that the strengthened Community Rail offer in Warwickshire will have wider benefits in terms of accessibility improvements delivered across stations in Warwickshire and help consolidate wider partnership working with the Train Operating Companies and community groups. It is likely that schemes delivered through the Community Rail Partnership will yield a variety of outcomes to improve access, enhance the station offer and improve the passenger experience.

### Policy WRS9: High Speed 2 (HS2)

The County Council will seek to maximise the benefits generated by the capacity released on the existing rail network as a result of HS2 Phases 1 and 2b to improve services and introduce new connectivity options.

The arrival of HS2 Phase 1 (London to West Midlands) post 2026 will have a significant impact on rail services in Warwickshire, not least due to the release of capacity on the West Coast main line. This presents a significant opportunity to influence and shape future service provision to enable passenger service and freight enhancements, new connectivity opportunities and new stations serving Warwickshire to be delivered, thereby maximising the economic benefits to Warwickshire afforded by the arrival of HS2.

For Warwickshire residents, the new HS2 interchange adjacent to Birmingham International station and Curzon Street in central Birmingham will provide access to fast and frequent services to London, with an anticipated journey time of around 50 minutes. The delivery of HS2 Phase 2b will enable fast journey times from the West Midlands to the north of England, (e.g. Birmingham to Leeds in 46 minutes) providing significant connectivity opportunities and journey time savings to the north of England for Warwickshire residents. Ensuring good connectivity for Warwickshire residents and businesses to the stations served by HS2 will therefore be an important consideration and the County Council will explore how connectivity to HS2 (and the wider UK Central development) can be strengthened. Direct connectivity via passenger rail services may not always be possible and therefore interchange with other modes will be required. The County Council will work with relevant community groups to maximise opportunities to secure wider community benefits as a result of HS2.

#### **Policy WRS10: Freight**

The County Council will support rail freight development where appropriate and work with partners to maximise the benefits of HS2 released capacity for both freight and passenger rail services.

#### **Policy WRS11: Rail Fares & Ticketing**

The County Council will work with partners to review and develop new rail fare structures across the West Midlands Rail Executive area and support the roll out of smart ticketing opportunities.

The County Council will support initiatives to improve the ticketing offer for passengers, including smart ticketing and work undertaken at a local and national level to review rail fare structures. Where appropriate the County Council will seek to influence the Train Operating Companies to introduce fares that encourage greater rail use.

Table 4; Objectives and Policies

Policy	Objective 1*	Objective 2*	Objective 3*	Objective 4*
WRS 1: Partnership	X	X	X	X
WRS 2: Existing levels of service & stations	X	X	X	
WRS 3: New rail services & stations	X	X	X	
WRS 4: New Developments & Connectivity to Rail Services	X	X	X	
WRS 5: Transformational Change	X	X	X	
WRS 6: Station Facilities	X	X		
WRS 7: Station Access & Car Park Capacity	X	X	X	
WRS 8: Community Rail Partnership	X	X		
WRS 9: High Speed 2 (HS2)		X	X	X
WRS10: Freight				X
WRS11: Rail Fares & Ticketing	X	X		

**\*Objectives**

- 1) Maximise economic, social and environmental benefits of the rail network to Warwickshire residents and businesses
- 2) Maximise opportunities for journeys within Warwickshire (and beyond) to be undertaken by rail, particularly for commuting purposes
- 3) Maximise opportunities for travel demands of new developments to be met by rail.
- 4) Support opportunities to transfer freight from road to rail.

## 4. Identified Improvements

A number of aspirational service and infrastructure improvements have been identified to help support demand in rail growth; provide improved connectivity and access to the rail network; and support wider economic growth during the plan period.

The proposals include a combination of new stations, enhancements to existing stations, increased service frequencies and new service opportunities. The delivery of many of these aspirations is dependent on significant infrastructure improvements, the delivery of which will require substantial capital investment.

Proposals are set on a corridor basis as follows:

- a) Trent Valley and Wolverhampton-Coventry Corridors
- b) North-South Rail Services (Nuneaton – Coventry – Leamington Spa (NUCKLE) and Coventry – Leicester/Nottingham Corridors)
- c) Leicester - Birmingham and Birmingham - Tamworth/Derby Corridors

- d) Snow Hill Lines (Birmingham – Stratford-upon-Avon and Birmingham – Solihull – Warwick – Leamington Spa)

Anticipated delivery timescales are indicated and relate to the following periods:

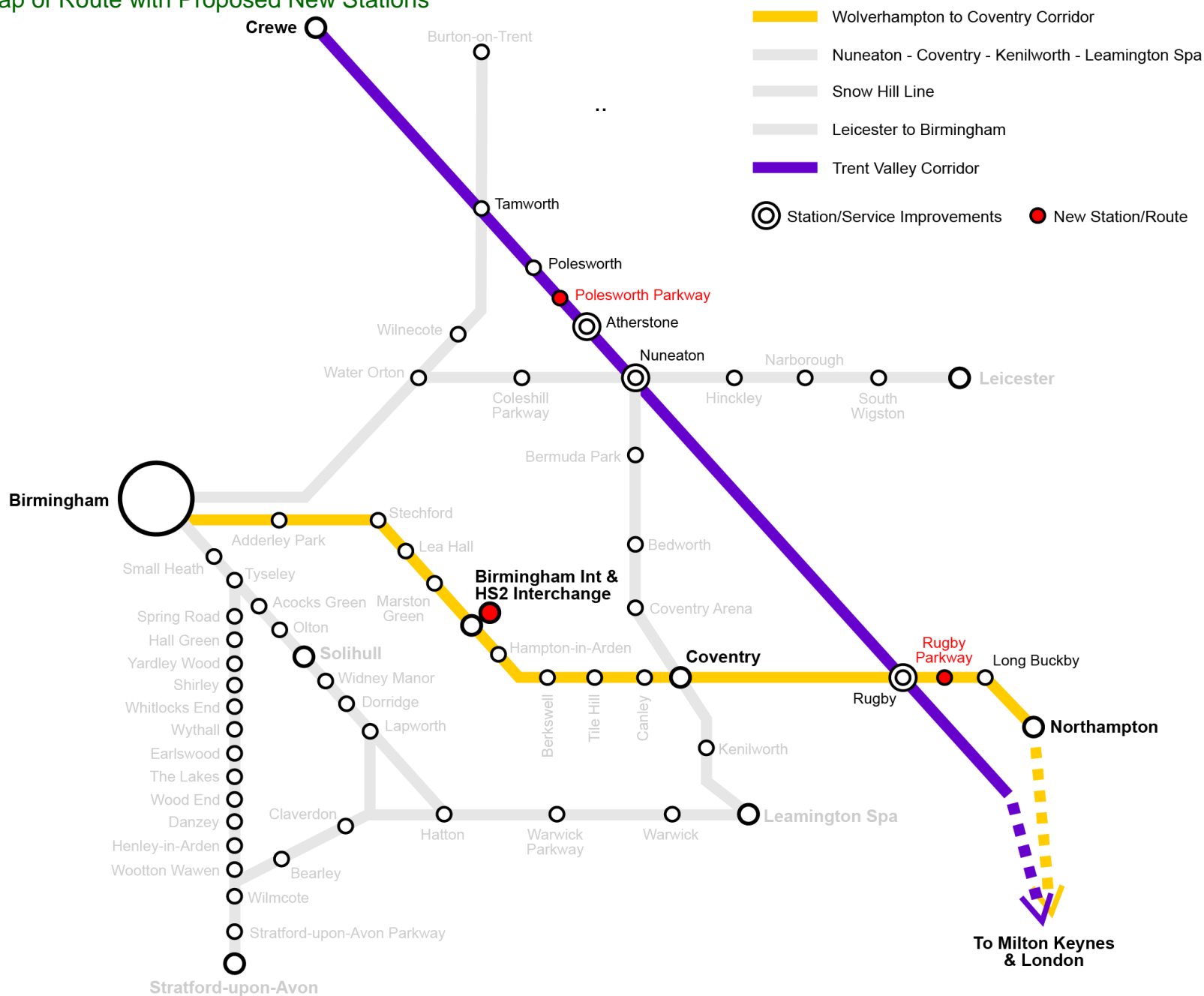
- **2019 – 2028: Short term** strategy up to the delivery of HS2 Phase 1;
- **2029 – 2034: Medium term** strategy up to the delivery of HS2 Phase 2b;
- **2035 and beyond: Long term** strategy.

## A: Trent Valley & Wolverhampton – Coventry Corridors

### Key Objectives

- 1) To improve service frequencies to existing destinations.
- 2) To explore opportunities for new service patterns on existing corridors to enable wider connectivity.
- 3) For Nuneaton and Rugby Stations to be transformed into 'place destinations'.
- 4) To deliver new access points to the rail network to support growth and encourage trips to transfer from road to rail.

Figure 5 Map of Route with Proposed New Stations





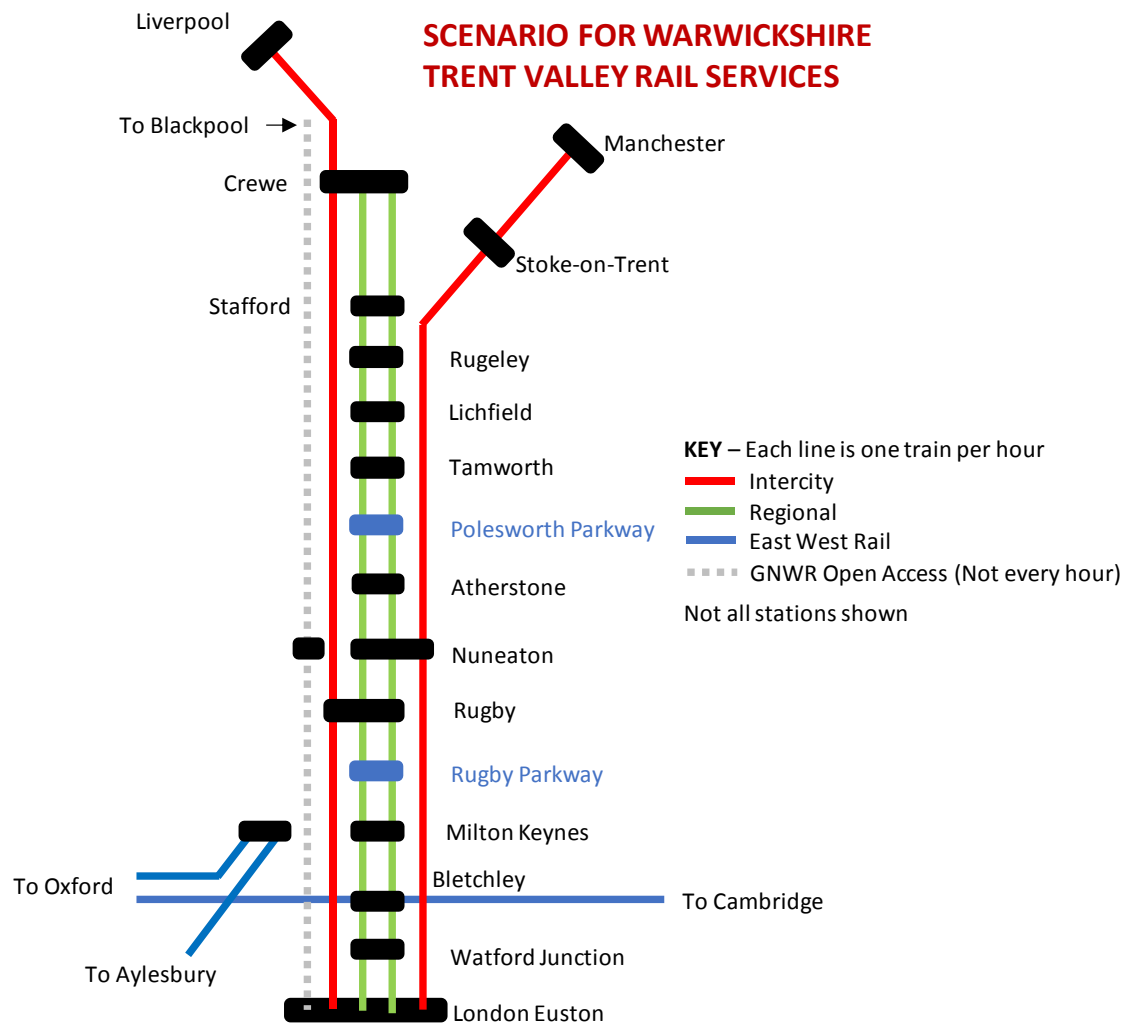
**Table 5: Proposed Station and Service Enhancements**

	Proposal	Key Delivery Partners	Supporting Information & Infrastructure Required for Delivery	Delivery Timescale
<b>New Station Proposals</b>				
Rugby Parkway	A new strategic parkway station at Houlton close to M1 Junction 18, east of Rugby with 260+ car parking spaces. Anticipated service pattern 2 trans per hour to London.	DfT TOCs NR	Limited additional infrastructure required to deliver Rugby Parkway. There may be the opportunity post HS2 delivery to provide platforms on the West Coast Mainline. Infrastructure may be required to support this second phase of delivery.	2019-2028
Polesworth Parkway	WCC will investigate the provision of a new strategic station in the North Warwickshire area. A feasibility study will be undertaken to establish whether a new strategic station could be located within proximity to the A5 and M42, accessed via a new link road which is due be constructed between the A5 and B5000 as part of significant housing development in the area. The new station would provide a strategic access point to rail, enabling passengers to easily transfer from road to rail.	DfT TOCs NR	Highway improvements to the B5000 are required in order to facilitate good access to the station.  The progression of Polesworth Parkway is dependent on early feasibility work .	2029-2034
<b>Station Enhancement</b>				
Atherstone Station	Improvement to car park capacity at the station.  Seek opportunities to improve accessibility to both platforms.	TOC NWBC 3 <sup>rd</sup> parties	Atherstone station is currently operating at capacity most of the time. WCC will investigate how car parking capacity can be increased.  Additional infrastructure may be required to improve accessibility to both platforms.	2019-2028

Rugby Town Station	Car parking capacity improvements and highway reconfiguration to facilitate better access to the station by all modes.	TOC RBC	Highway improvements are required in the vicinity of the station in order to deliver improved access. WCC will work with Avanti West Coast to deliver access and parking improvements.	2019-2028
Improvements to Nuneaton Station.	<p>Improvements at Nuneaton are planned and will be delivered in two phases.</p> <ol style="list-style-type: none"> <li>1. <i>Ticket hall upgrade</i> - LNW is planning to deliver significant improvements to the ticket hall at Nuneaton Station, gating of platforms to improve revenue protection and an increase in station car park capacity.</li> <li>2. As part of the wider Transforming Nuneaton initiative, WCC seeks to significantly improve the station in terms of the passenger offer, the immediate public realm provision to the front of the station and connectivity and access improvements to the town. As part of this WCC will investigate the feasibility for the provision of a new northern access to the station, via Weddington Terrace.</li> </ol>	TOC	<p>LNW have committed in the franchise award to increase car parking capacity at Nuneaton station by approximately 70 spaces.</p> <p>Significant highway infrastructure improvements are required alongside accessibility improvements within the station footprint are required to deliver improvements for Nuneaton Station.</p>	<p>Phase 1; 2019-2028</p> <p>Phase 2: 2029-2034</p>
<b>Proposed Service Improvements</b>				
<p>The County Council will work with Avanti West Coast and open access train operators as appropriate to increase the number of longer distance trains calling at Rugby and Nuneaton stations.</p> <p>Post the opening of HS2 there is a significant opportunity to reshape and improve services on the WCML. WCC will work with the successful bidder of the West Coast Partnership to develop and design services on the WCML post-HS2. WCC wishes to secure the following improvements, these are shown on the diagram below.</p> <ol style="list-style-type: none"> <li>1) The “semi-fast” service (indicated in green) between London and Crewe is increased in frequency from one to two trains per hour. This is consistent with the WMRE Rail Investment Strategy, and is considered to be a likely outcome delivered by the industry.</li> </ol>				<p>2019-2028</p> <p>2029-2034</p>

- 2) Rugby Parkway will initially be served by trains on the Northampton loop, with the possibility that at some point in the future the station could benefit from platforms on the 'fast' lines of West Coast Mainline. This will enable faster and more frequent services to call at the station.
- 3) Enable connectivity opportunities between North Warwickshire and Oxford, Aylesbury, Bicester, Bedford and Cambridge via connections onto East-West Rail at Milton Keynes/Bletchley.
- 4) Deliver improved connectivity from Nuneaton and Rugby to northern cities (e.g. Manchester and Liverpool). WCC wishes to maximise the benefit of HS2 released capacity by securing additional Intercity train stops at Nuneaton and Rugby. The diagram below illustrates a Liverpool express service calling every hour at Rugby and a Manchester express service calling every hour at Nuneaton. This choice is purely illustrative and indicates the service improvement that WCC aspires to secure. This concept is also of significant benefit for Leicester, as rail connectivity from there to the northern cities is currently poor. The delivery of this aspiration would provide faster journey times via a change at Nuneaton.

Early indications suggest that the frequency of fast trains between Coventry and London Euston will reduce from 3tph to 2tph post HS2 Phase 1 opening. The WMRE Rail Investment Strategy has proposed a potential solution to re-instate the 3<sup>rd</sup> fast train by diverting a Trent Valley service via Coventry. WCC is broadly supportive of this proposal, however it would welcome a stopping pattern at Warwickshire stations (Nuneaton and Rugby as a minimum) in order to maximise the benefit of this service to the County. Further work will also need to be carried out to understand the potential implications on the North-South corridor work (Coventry – Leicester/Nottingham) being undertaken by Midlands Connect and on WCC's longer term aspirations to extend the North-South corridor to the Thames Valley.



## **B. North-South Rail Services; Nuneaton – Coventry – Kenilworth - Leamington (NUCKLE) and Coventry – Leicester/Nottingham Corridors**

### **Key Objectives**

- To introduce cross Coventry services on the NUCKLE Corridor to cater for the high demand of trips between Leamington and Nuneaton.
- To explore the opportunities to expand services on the NUCKLE corridor to the East Midlands and the Thames Valley.
- To deliver new access points to the rail network to support growth and encourage modal shift from road to rail.

Figure 6 Map of Route with Proposed New Stations

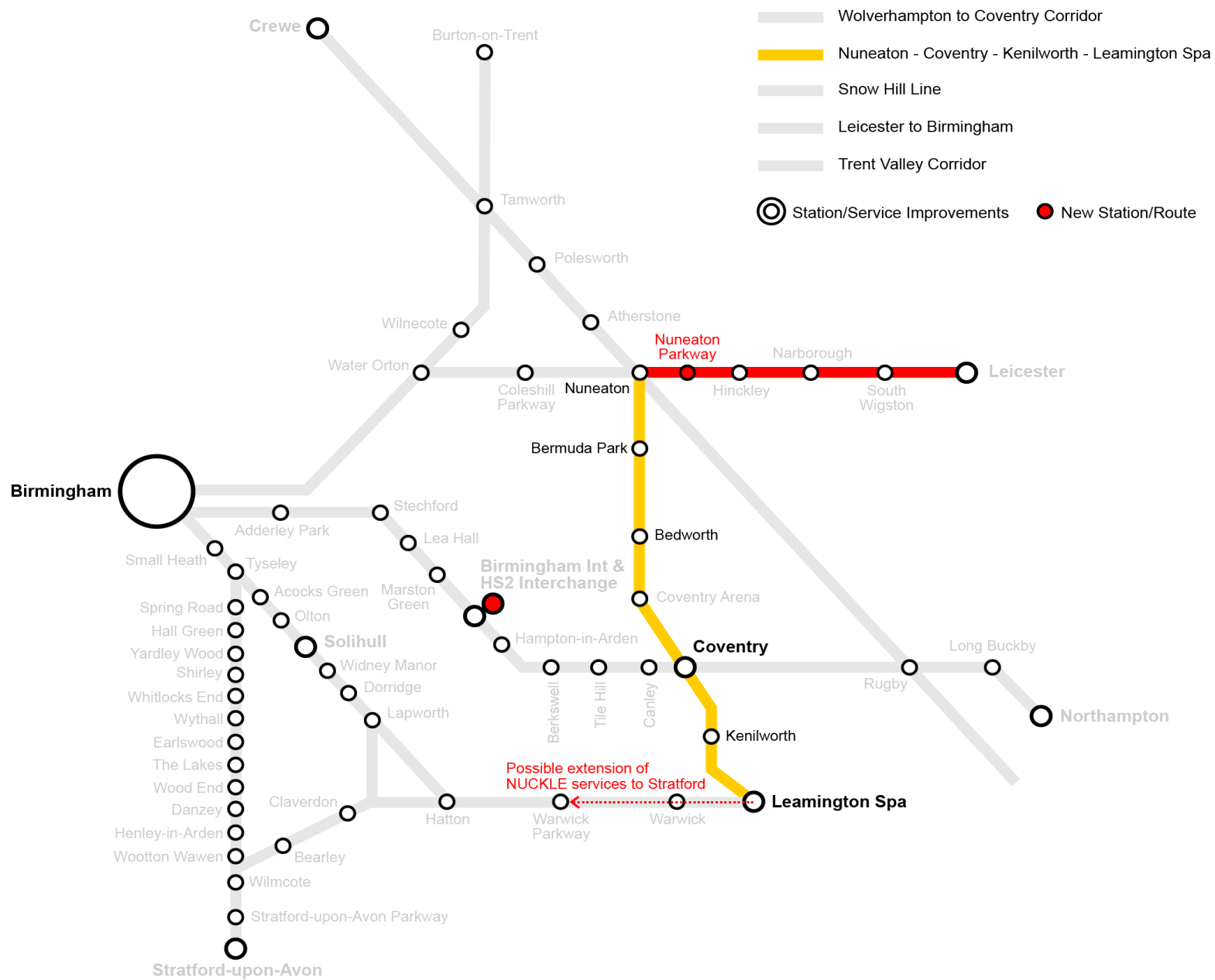


Table 6; Proposed Station and Service Enhancements

	Proposal Description	Key Delivery Partners	Supporting Information	Delivery Timescale
New Station Proposals				
Warwick University	WCC will investigate the provision of a new strategic multi modal station, located between Kenilworth and Coventry stations. The provision of such a facility will provide strategic and local connectivity to the University of Warwick and planned development in the surrounding area (e.g. King's Hill).	Midlands Connect TOCs Coventry City Council University of Warwick Network Rail	WCC aspires for the new Warwick University station to offer a strategic rail service, providing direct rail connectivity to key destinations. The delivery of this station will require the provision of additional rail capacity between Coventry and Leamington. In addition it is anticipated that new highway infrastructure will be required to facilitate strategic access to the site.	2029-2034
Nuneaton Parkway	WCC will investigate the provision of a new strategic multi modal station located between Nuneaton and Hinckley. The provision of this station will provide local and strategic improved connectivity to Coventry, Leicester and Nottingham	Midlands Connect TOCs WMRE	The aspiration for an new station in this location aligns with wider regional priorities to improve services between Birmingham - Leicester and Coventry - Leicester/Nottingham. Nuneaton Parkway is subject to high level feasibility work in order for the scheme to progress.	2029-2034
Station Enhancement				
Bermuda Park	Car parking capacity improvements to help intercept car trips on the Nuneaton – Coventry corridor. The Bermuda Connectivity project will provide convenient access from the west of Nuneaton.	TOC 3 <sup>rd</sup> Parties	Highway infrastructure improvements are required.	2019-2028
Service Improvements				
Through service between Leamington and Nuneaton, 1 train per hour. Rolling	This through service will replace the Kenilworth shuttle and provide an hourly through service between Leamington and Nuneaton via Kenilworth and Coventry.	West Midlands Trains	This service improvement has been delivered by WMT in May 2019 along with new improved rolling stock.	<b>Delivered 2019</b>

stock upgrade along the route.				
Additional services for Kenilworth station.	The County Council will continue to work to try and secure improvements in services for Kenilworth station, increasing frequency from 1 to 2 trains per hour.	West Midlands Trains Midlands Connect WMRE Network Rail	It is anticipated that significant rail infrastructure works will be required to increase the service frequency at Kenilworth Station.	2028 - 2034
Increase service frequency from 1 to 2 trains per hour between Coventry and Nuneaton.	The frequency of rail services operating between Coventry and Nuneaton will be doubled. .	West Midlands Trains	This service enhancement can only be realised when NUCKLE 1.2 (Coventry Bay Platform) is completed. WMT have committed to provide the additional service as soon as practicable post NUCKLE 1.2 completion.	2019-2028
Introduction of a Sunday Service for Kenilworth	WCC are working closely with WMT to secure the delivery of a service that can call at Kenilworth Station on a Sunday.	WMT/Other TOCs	A Sunday service for Kenilworth was delivered in May 2019.	<b>Delivered 2019</b>

There is an aspiration by the wider region (through the Midlands Connect programme of work) to deliver improved access to Birmingham Airport and the HS2 interchange and a new direct service between Coventry and Leicester/Nottingham. It is likely that this will be delivered by:

- The diversion of the second Cross Country Service via Leamington, and Coventry to Birmingham International providing two trains per hour post 2026;
- The delivery of a new direct service between Coventry and Leicester/Nottingham. The County Council is supportive of a calling point in Warwickshire on this service. It is anticipated that that this service could be delivered in the medium term (2027 -2033).
- WCC are working with Midlands Connect to explore how 2 trains per hour between Leamington – Kenilworth and Coventry can be delivered as part of the capacity upgrade.

WCC is supportive of the wider Midlands Connect service improvement aspirations; in addition it is a long held aspiration of the Authority to facilitate the delivery of a strategic East Midlands to Thames Valley rail service. The anticipated infrastructure improvements required to deliver the wider regional ambitions could facilitate an extension of services on the NUCKLE corridor



## C Leicester – Birmingham and Birmingham – Tamworth/Derby Corridors

### Key Objectives

1. To improve service frequencies to existing destinations.
2. To explore opportunities for new service patterns to enable improved connectivity.
3. To secure improved local services
4. To deliver new access points to the rail network to support growth and encourage trips to transfer from road to rail.

Figure 7 Map of Route with Proposed New Stations

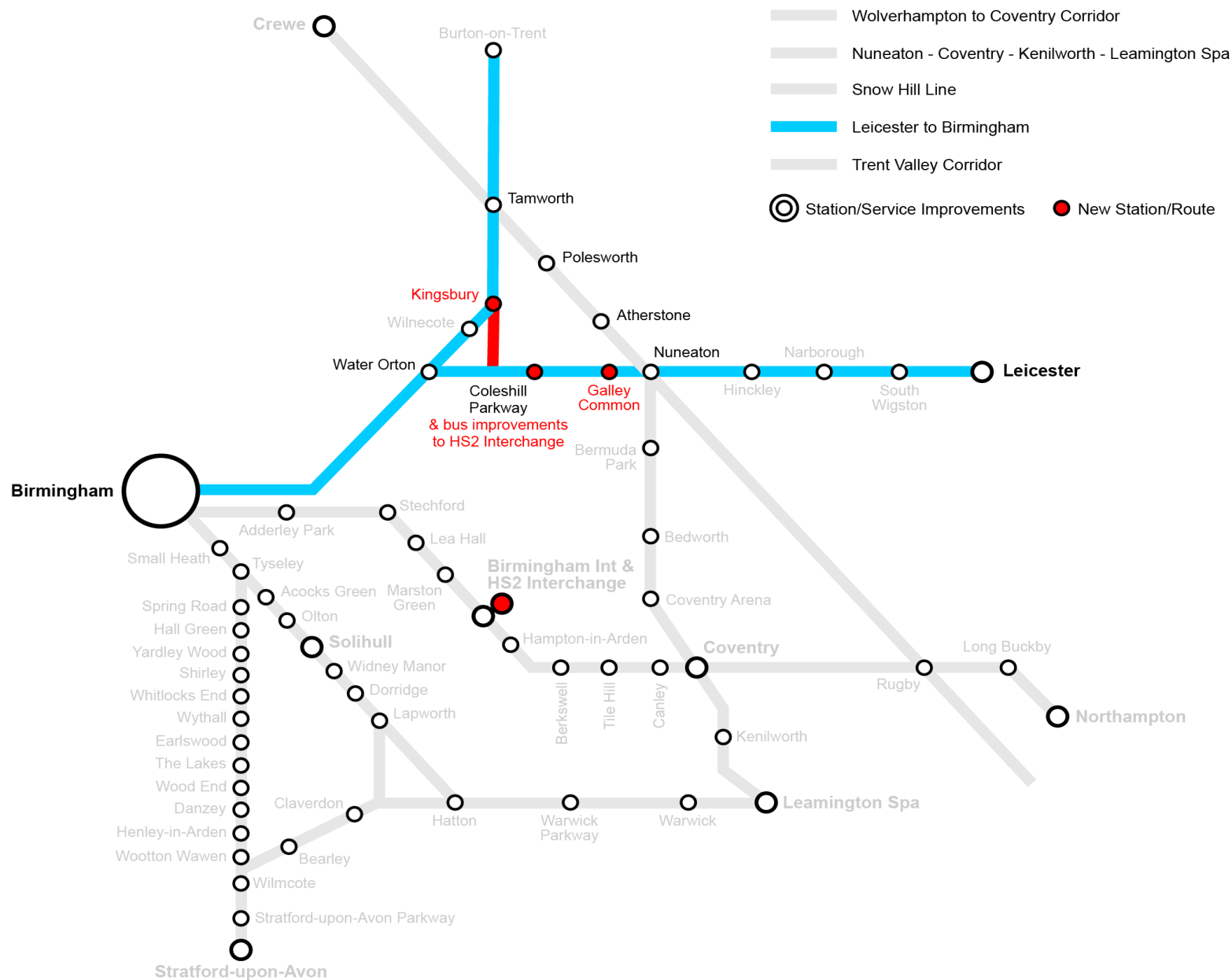


Table 7; Proposed Station and Service Enhancements

	Proposal Description	Key Delivery Partners	Supporting Information	Delivery Timescale
New Station Proposals				
Stockingford /Galley Common Station	The County Council will continue to work to deliver a new station west of Nuneaton, providing a local service for the communities of Stockingford/Galley Common.		The West Midlands Combined Authority aspire to deliver two additional stations between Nuneaton and Birmingham (Fort Parkway and Castle Bromwich), WCC will work with the WMCA to resolve any competing demands that may arise as a result of these collective proposals. Some works associated with the Midlands Rail Hub programme are required to deliver this scheme (i.e. Water Orton re configuration and re signalling).	2029-2034
Kingsbury Station	The County Council will continue to carry out work as appropriate to secure a new station at Kingsbury. Appropriate land has been safeguarded in the North Warwickshire Local Plan.		Limited infrastructure work required	2035+
Nuneaton Parkway	See table 6 for detail			
Station Enhancement				
Development of Coleshill Parkway as a strategic interchange hub	WCC will seek to develop Coleshill Parkway to fully realise its potential become a strategic hub for accessing key economic centres, the HS2 Interchange and wider UK Central area. Additional parking and supporting sustainable connectivity is required to fully maximise the role of Coleshill Parkway.		There is potential for Coleshill Parkway to have a greater role in the local and strategic transport network. Both Transport for the West Midlands and Midlands Connect are interested in working with the County Council to explore opportunities to increase the role of Coleshill Parkway as a strategic interchange.	2019-2028

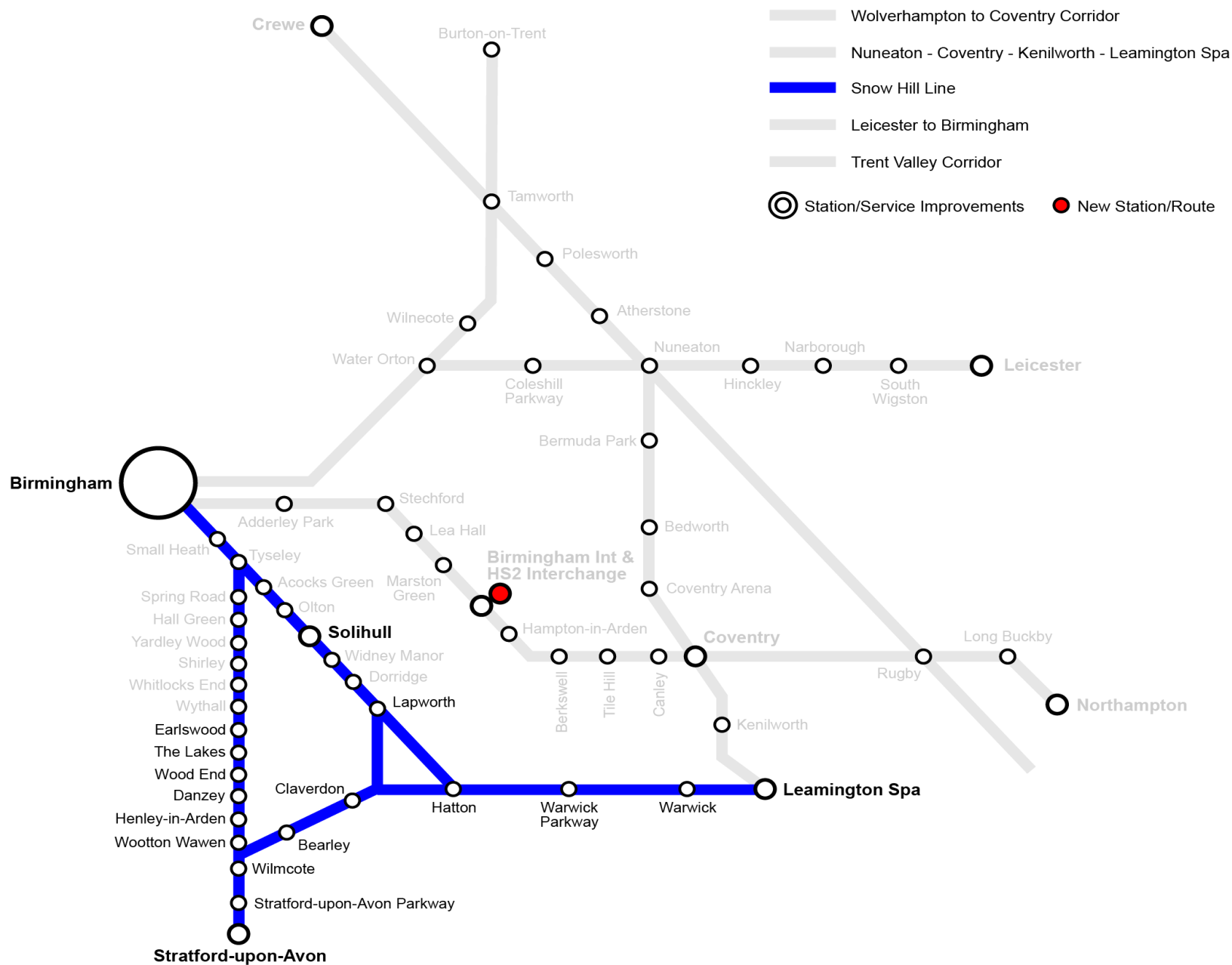
Service Improvements				
<p>Overcrowding on this corridor is a key concern especially where Cross Country services provide the only service for passengers making local journeys for commuting purposes. This is especially relevant for passengers travelling on the Tamworth and Nuneaton corridors. The County Council is supportive of the wider WMRE aspiration to remap some services from the Cross Country franchise into the West Midlands Trains Franchise to help facilitate improved local journey provision. However it is imperative that the Cross Country services calling at key stations - Coleshill Parkway, Nuneaton and Water Orton are maintained and improved, in addition to local services where possible, to ensure that longer distance connectivity to Leicester, Cambridge and Stansted Airport is sustained.</p> <p>Improved service frequencies are likely to be delivered as part of the wider Midlands Rail Hub initiative (a Midlands Connect led programme of works), it is anticipated that improvements will include improved services between Birmingham, Derby and Nottingham and between Birmingham and Leicester, via Coleshill Parkway and Water Orton, helping to facilitate a station at Stockingford/Galley Common.</p>				

## **D Snow Hill Lines (Birmingham – Stratford-upon-Avon and Birmingham – Solihull – Warwick – Leamington Spa)**

### **Key Objectives**

1. To improve service frequencies to existing destinations.
2. To secure improved local services.
3. To secure improvements to passenger facilities at key stations.

Figure 8 Map of Route with Proposed New Stations



**Proposed Station and Service Enhancements**

Table 7; Proposed Service and Station Enhancements

	Proposal Description	Key Delivery Partners	Supporting Information	Delivery Timescale
New Station Proposals				
Station Enhancement				
Stratford Town Station Gateway	Significant station building enhancements to increase footfall and improve the station user and passenger experience.		This scheme was originally due to be delivered by London Midland in the previous franchise period. At the end of the franchise London Midland passed the responsibility for delivery to NR. This scheme will now be delivered by NR, with a financial contribution from WCC.	2019-2028
Access for All – Warwick Town Station	Installation of lifts to provide access to both platforms for the mobility impaired.		This scheme is being progressed and delivered by NR. It is anticipated delivery will occur in Network Rail's Control Period 6.	2019-2028
Leamington Spa ticket hall improvements	Chiltern railways are planning investment at both Leamington Spa and Warwick Parkway stations to improve facilities and passenger experience. The scheme at Leamington Spa will consist of an upgraded and modernised ticket hall whilst at Warwick Parkway, improvements will result in an enlarged passenger concourse area with an improved café offer.	Chiltern Railways	Chiltern Railways has secured funding for the delivery of both schemes and they will be delivered during 2019.	2019 - 2028
Warwick Parkway concourse improvements				
Leamington Station forecourt and underpass improvements	<p>WCC, in partnership with the Station Facility Operator (currently Chiltern Railways) wishes to develop the station forecourt to deliver an improved passenger entrance to the station, enabling easier access on foot and by bike and better cycle parking facilities.</p> <p>A complementary scheme to upgrade to the existing pedestrian underpass is also proposed by third parties to improve access between the town centre and the railway station. WCC is supportive of this scheme and will help facilitate delivery as appropriate.</p>	Chiltern Railways NR	Identified funding is required to progress this scheme.	2019-2028
Henley-in-Arden station development	WCC will investigate and undertake appropriate feasibility work to ascertain how Henley-in-Arden station can be developed to act as a 'rail hub' for the local rural area. Improvements could include	TOCs NR		2028-2034



	expansion of car parking facilities and the development of the currently derelict station building.  In addition to these station facility improvements WCC will work with partners to deliver service improvements for Henley Station.			
Honeybourne station (out of County)	WCC will work with the Train Operator and Worcestershire County Council in support of increased car parking capacity at Honeybourne station.	TOC Worcestershire County Council	Honeybourne station is located in Worcestershire and served by Great Western Rail. The station acts as a key rail head for many residents of South Warwickshire and increased parking capacity will facilitate its use, particularly given the proposals nearby for major development at Meon Vale and Long Marston.	
<b>Service Improvements</b>				
Improvements to direct services operating between Stratford –Upon – Avon and London.	WCC will seek to secure improvements to direct services operating between Stratford –Upon – Avon and London.	TOCs WMRE DfT	The existing direct service provision between Stratford – London is poor. WCC is working with Train Operators to explore a number of options by which direct service frequencies can be improved. The delivery of increased service frequency beyond a certain level may require additional rail capacity to be provided.	2019-2028
Improved rail service frequency for Warwick, Hatton and Lapworth to Birmingham services	WCC will seek to secure improved service frequencies between Warwick, Hatton and Lapworth and Birmingham .	Midlands Connect DfT WMRE TOCs	The proposed diversion of the second Cross Country Service via Coventry will release capacity along this corridor. There is an aspiration to use this released capacity to resolve the current irregular timetable between Dorridge (from Birmingham) and Leamington Spa, with Hatton and Lapworth served every two hours only. The move to an hourly service for these stations would require agreement by the relevant TOCs to extend one of the three Dorridge local services each hour to Leamington Spa, in place of the current two-hourly Birmingham to Leamington Spa service currently operated by Chiltern Railways. Efforts will be made to secure improvements as soon as possible.	2028- 2034

Service frequency increase for Stratford-upon Avon, Stratford Parkway and Henley Station to Birmingham.	WCC will seek to secure improvements in the service frequency between Stratford-upon Avon and Birmingham via Henley in Arden, from one to two trains per hour. It is anticipated that a Taskforce Group will be established to explore the potential service and facility improvements that could be delivered along the Stratford – Birmingham line in the short/medium term.			2019 – 28 / 2029-34
Extension of Nuneaton – Coventry - Leamington service to Stratford	WCC will work with Partners to explore how the existing Nuneaton – Leamington service could be extended to Stratford -Upon – Avon.	NR DfT WMRE TOCs	There is a local desire for the Nuneaton – Leamington service to be extended to Stratford, thus providing improved connectivity opportunities. It is likely that infrastructure improvements will be required to deliver this connectivity improvement.	2035+
Additional capacity and service frequency increase on the North Cotswold Line	WCC is a member of the North Cotswold Line Taskforce and supports the work to upgrade the line between Oxford and Worcester. These improvements will deliver an increase in train frequency at stations such as Evesham and Moreton-in-Marsh from one to two trains per hour. There is also potential to further explore how a Stratford – Worcester – Birmingham service could be delivered in the long term.	DfT TOCs	<p>Work to upgrade the North Cotswold Line will be of benefit to communities in South Warwickshire who access rail services at stations such as Evesham, Honeybourne and Moreton-in-Marsh. In the short-term Warwickshire County Council will work with the TOC to secure a regular hourly service throughout the day.</p> <p>In the longer term, the upgrade on the North Cotswold Line could facilitate the re-instatement of through services on the Stratford to Honeybourne railway line, helping to improve rail connectivity between Stratford-on-Avon and London via the Thames Valley.</p> <p>Warwickshire is engaged with the work to upgrade the North Cotswold Line and is a member of the North Cotswold Line Task Force. When there is certainty over the North Cotswold Line upgrade, we will work with partners to review the economic case for reinstating the Stratford to Honeybourne railway line.</p>	2028-2034

## The Transformational Impact of Change

The delivery of many of the aspirations set out in this strategy enhancement will have a transformative effect on a number of Warwickshire's communities, positively impacting on the attractiveness of these places to live and work - providing new access points to the rail network; significantly improving the station offer and providing new service opportunities to enable communities to take advantage of better and faster connections to other key UK centres.

### Rugby

Aspirations for Rugby include significant improvements to rail facilities with the addition of a new station – Rugby Parkway - and substantial enhancements at Rugby town station which currently does not meet passenger demand in terms of access and parking capacity and facility offer. Currently, service frequency and journey times from Rugby to key economic centres such as London and Milton Keynes do not match with the rising demand for travel by rail in the Rugby area. Key for Rugby going forward is to facilitate better integration into the Intercity network, including for northbound travel to key economic destinations and integration with East-West Rail at Bletchley/Milton Keynes.

**Rugby Station** is one of Warwickshire's busiest stations with over 2 million passenger journeys per annum with this figure forecast to double by 2040. It is vital that Rugby Station can cater for this growth and to better integrate the station into the town.

The County Council is seeking to make Rugby Station a 'destination' for the local community and making it Rugby's "transport hub", by fully integrating bus routes, taxis, cycle and pedestrian routes with the Station, The station building will be better utilised with vacant space offered to potential users for rent to provide a café or offices. There is also the potential to provide a better balance to the current car parking by expanding parking to the south of the station

Post HS2 Phase 1 delivery, the County Council will seek to maximise the benefits from released capacity on the West Coast Mainline to secure a combination of enhanced frequency, faster services with a greater range of connectivity opportunities for

**Rugby Parkway** will provide a new strategic parkway station at Houlton, eastern Rugby with a minimum of 350 car parking spaces. The station will serve both the local community, including the new housing development of approximately 6200 new homes and the wider area (including the significant employment opportunities at DIRFT), intercepting car trips and enabling people to easily transfer from road to rail. The initial anticipated service pattern to London will be two trains per hour. **Post HS2 Phase 1** delivery the County Council will work with the West Coast Partnership to secure faster services to London, and if appropriate deliver additional car parking to help facilitate more people switching from road to rail.



## Nuneaton

Warwickshire County Council and Nuneaton and Bedworth Borough Council (NBBC) are working together to deliver the transformation of Nuneaton town centre, by implementing mixed use regeneration to help boost economic growth. A key component of this will include improvements to transport infrastructure, including the aspiration to create a multi-modal interchange at Nuneaton station:

- A station that is better integrated with Nuneaton town centre, including public realm work to the station forecourt to help create a corridor of movement between the town centre and the station;
- Delivery of a second pedestrian/cycle entrance to the north of the station (via Weddington Terrace), facilitating easier access for people living to the north of the station and helping to reduce the impact of traffic using the existing ring road to access the station.

### A Better Connected Nuneaton

The Nuneaton area will benefit from a step change in connectivity and services, these include:

- 1) Faster and more frequent services between Birmingham and Leicester, via Nuneaton, delivered via the Midlands Rail Hub;
- 2) Better connectivity to the north of England, via faster intercity services post HS2.
- 3) Nuneaton Parkway - Delivery of a new strategic station in the vicinity of the A5, enabling local residents to access direct, more frequent services between Coventry and Leicester/Nottingham, Birmingham and Leicester and the east of England.
- 4) A new station at Stockingford/Galley Common will provide improved access from the west of Nuneaton to Birmingham and key employment destinations.

## Wider North-South Corridor

The north-south corridor between Leamington and Nuneaton is one of the main corridors for movement within Warwickshire. Improvements to rail connectivity along the corridor have been a long held ambition of Warwickshire County Council and a number of rail projects have been delivered over recent years to support it, including new stations at Bermuda Park, Coventry Arena and Kenilworth station.

An uplift in services is also proposed and will be delivered as part of West Midlands Trains franchise commitments. A through Leamington-Nuneaton hourly service was introduced in May 2019 and a second train per hour will be introduced on the Coventry to Nuneaton section of the corridor once the new Coventry bay platform is completed.

Future aspirations on the north-south corridor will focus on creating additional points of access to the rail network, particularly where these can be located within close proximity of the strategic highway network and offer the potential to provide wider benefit in terms of intercepting car based trips on-route to Coventry and other centres of major employment in the corridor.

In addition, WCC has a long held aspiration to facilitate the delivery of a strategic East Midlands to Thames Valley rail service. The anticipated infrastructure improvements required to deliver the wider regional ambitions (as part of the Midlands Connect programme of work) could facilitate an extension of services on the North-South corridor, linking up University towns/cities at Nottingham, Loughborough, Leicester, Coventry, , Oxford and Reading.

## 5. Making it Happen

Warwickshire County Council has developed an excellent track record in the successful development, investment and delivery of rail infrastructure and services, WCC intends to build on this to further support and invest in the local rail network to help improve wider connectivity, contribute to the delivery of housing and employment opportunities and maximise the benefit of economic growth in Warwickshire.

However, delivering improvements to the rail network can often prove complex and it is clear that major infrastructure projects such as increasing capacity between the Thames Valley and the Midlands will not be delivered at a local level and therefore WCC will fully engage with a variety of Partners and Stakeholders in order to realise these ambitions.

- 1) **Engagement with key industry partners, including Network Rail and the Department for Transport**
- 2) **WCC Development of Schemes** the County Council will continue to develop programmes of work that will help deliver improvements to the rail network for our residents and businesses. This will include a range of work programmes, including the development of new stations, car park capacity improvements and station facility enhancements.
- 3) **Engagement with West Midlands Rail Executive and Midlands Connect;** Warwickshire County Council are key members of both organisations and it is vital that we continue to influence the work of both these organisations to secure positive outcomes for Warwickshire.
- 4) **Re-Franchising opportunities.** WCC will fully engage with the DfT and Train Operators as appropriate to secure improvements to rail services and station facilities via re franchising specifications. Of particular relevance include the franchises currently operated by the following Train Operators; Chiltern Railways, West Midlands Rail/London North Western, Cross Country, Great Western Railways and Virgin Trains. The County Council
- 5) **Wider Stakeholders.** The County Council will continue to engage with wider stakeholders, including other local authorities, LEPs and key groups to progress schemes. Of particular significance is the North Cotswold Line Task Force which aims to deliver the shared vision of the group.

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# DRAFT WARWICKSHIRE RAIL STRATEGY 2019-2034

## CONSULTATION RESULTS

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**Date published:** October 2019

**Report produced by the Insight Service, Commissioning Support Unit**

## BACKGROUND

The consultation on a draft Warwickshire Rail Strategy took place between 27<sup>th</sup> July 2019 and 20<sup>th</sup> September 2019. The Strategy sets out Warwickshire County Council's plans for the rail offer in Warwickshire and will form part of the County's fourth Local Transport Plan (LTP4). Responses to the consultation were invited from a range of partners, stakeholders and people who live and work in Warwickshire.

## METHODOLOGY

A range of methods were used to gather views during the consultation period. These included:

- An online survey on Ask Warwickshire using Citizen Space.
- A paper-based version of the standard online survey could be requested by telephone or email. Alternative formats and languages could also be requested.

In addition, comments in relation to the proposed draft strategy could be emailed directly to [tpu@warwickshire.gov.uk](mailto:tpu@warwickshire.gov.uk). Written comments could also be sent directly to the Transport Planning Team at the county council.

This report presents an analysis of data from completed online and paper survey responses only. Material received via email and post has been dealt with separately to this report. The full responses to open text questions in the survey are detailed Appendix 1 of this report.



## KEY MESSAGES

- Over half of respondents either strongly agreed or agreed with the overview of the Warwickshire context in the draft Warwickshire Rail Strategy.
- There was generally a high level of agreement for the Key Objectives set out in the draft Warwickshire Rail Strategy.
- The highest agreement scores for policies set out in the draft Warwickshire Rail Strategy were for Policy 3 New rail services and stations and Policy 11 Rail fares and ticketing. The lowest score was for Policy 9 High Speed Rail.
- Cross cutting themes which emerged from an analysis of qualitative responses to open text questions in the survey included:
  - Frequent mention by respondents to specific route/station improvements and issues around the county. This primarily referred to the frequency (including later and evening services), speed and quality of services being operated in a local area and the impact this had on respondents' travel experience. Respondents referred to a desire to see faster trains especially for commuting purposes but also extended timetables in the evening and weekends that enabled the train to be an option for social and leisure opportunities.
  - The need for integrated planning of transport. Respondents often referred to a desire to see more joined up thinking with regard to other modes of transport including bus, cycle and pedestrian access to stations as well as the need to take account of large scale housing developments across the county.
  - Parking sometimes divided opinion. Some respondents noted that its availability (capacity and cost) was key to the use of a particular station by train travellers while others highlighted the use of station car parks by non- train users in circumstances where other local parking was more expensive. Environmental and safety issues of congestion around station areas was also mentioned.
  - Caution was expressed about a number of proposed 'parkway' schemes around the county suggesting these may be a more controversial aspect of the draft Warwickshire Rail Strategy.
  - The accessibility of rail travel for people with disabilities was also highlighted and the need to incorporate further reference to the issue in the draft Warwickshire Rail Strategy was stressed by a number of respondents.



## RESULTS – CONSULTATION ANALYSIS

### RESPONDENT PROFILE

The number of respondents completing the survey was 167. Figure 1 provides details of the profile of respondents. A higher proportion of respondents were male. Almost half of respondents were aged 18-59 while around 2 in 5 were over the age of 60 years. The majority of respondents identified their ethnicity as 'White' British'.

**Figure 1 Respondent Profile**

		Count	%
<b>Gender</b>	Male	83	49.7%
	Female	61	36.5%
	Prefer not to say	18	10.8%
	Not answered	5	3.0%
	Prefer to self-describe	0	0%
	Non-binary	0	0%
<b>Does your gender identity match your sex registered at birth?</b>	Yes	141	84.4%
	No	0	0%
	Prefer not to say	21	12.7%
	Not answered	5	3.0%
<b>Age in years</b>	Under 18	1	0.6%
	18-29	8	4.8%
	30-44	29	17.4%
	45-59	42	25.3%
	60-74	58	34.9%
	75+	12	7.2%
	Prefer not to say	14	8.4%
	Not answered	3	1.8%
<b>Long standing illness or disability</b>	Yes	22	13.3%
	No	126	76.0%
	Prefer not to say	15	9.0%
	Not answered	3	1.8%
<b>Ethnicity</b>	White British	136	81.9%
	White Irish	4	2.4%
	Gypsy or Irish Traveller	0	0%
	Mixed - White and Black Caribbean	0	0%
	Mixed - White and Black African	0	0%
	Mixed - White and Asian	0	0%
	Mixed - Any other mixed background	0	0%
	Arab	0	0%
	Asian or Asian British - Pakistani	0	0%
	Asian or Asian British - Bangladeshi	0	0%
	Asian or Asian British - Chinese	0	0%
	Asian or Asian British - Indian	3	1.8%
	Asian or Asian British Any other background	1	0.8%



	Black or Black British - African	0	0%
	Black or Black British - Caribbean	0	0%
	Black or Black British - Any other background	0	0%
	Any other Ethnic group. Please specify	0	0%
	Prefer not to say	19	11.4%
	Not answered	3	1.8%
<b>Religion</b>	Buddhist	0	0%
	Christian	74	44.6%
	Jewish	0	0%
	Muslim	1	0.6%
	Hindu	2	1.2%
	Sikh	0	0%
	Spiritual	1	0.6%
	Other - please specify	0	0%
	No religion	55	32.9%
	Prefer not to say	30	18.1%
	Not answered	4	2.4%
<b>Sexuality</b>	Heterosexual or straight	115	68.8%
	Gay Man	8	4.8%
	Gay Woman/Lesbian	1	0.6%
	Bisexual	2	1.2%
	Prefer not to say	34	20.5%
	Not answered	7	4.2%

## ABOUT RESPONDENTS

Respondents were asked if they were completing the survey as an individual or on behalf of an organisation. The majority of respondents selected 'individual' (156/93.4%). Eleven respondents completed the survey on behalf of an organisation. These included a mix of public, private and voluntary sector agencies. A list of organisations responding to the survey is presented in Appendix 2.

Respondents were also asked to select the area in which they live or work. Figure 2 presents respondents by district/borough.

**Figure 2 Number and proportion of respondents by location**

Area	Individual Count	Organisation Count	All respondents %
North Warwickshire Borough	51	1	31.3%
Nuneaton & Bedworth Borough	20	0	12.0%
Rugby Borough	13	1	8.4%
Stratford-on-Avon District	24	1	15.1%
Warwick District	26	3	16.9%
Other including countywide	22	5	16.3%

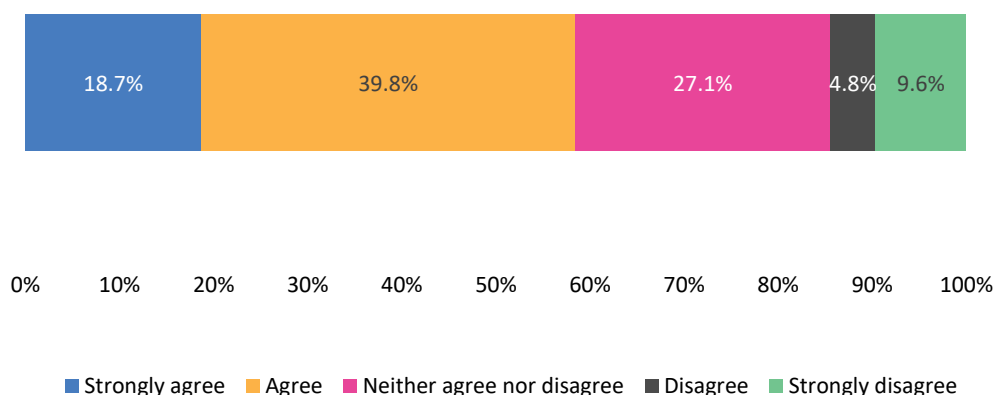


Almost a third of individual respondents were from North Warwickshire while only around 8% were from Rugby Borough.

## OVERVIEW OF THE WARWICKSHIRE CONTEXT

Respondents were asked the degree to which they agreed or disagreed with the overview of the Warwickshire context as set out in the draft Warwickshire Rail Strategy. Figure 3 presents the results for this question.

**Figure 3 Do you agree or disagree with this overview of the Warwickshire context?**



Of all respondents answering this question, 58.4% (n=97) either strongly agreed or agreed with the overview of the Warwickshire context. Just over one in four respondents neither agreed or disagreed with the overview.

Respondents were asked if they had further comments regarding additional constraints or opportunities. Many comments related to specific line improvements around the county or comments relating to specific rail stations including new or re-opening of rail stations. Another key area for comments was around access issues including parking provision, congestion and integration of any new facilities/services with other transport options like bus and cycle travel. Figure 4 presents a summary of comments to this question. A full list of comments is available in Appendix A.



Figure 4 Key themes additional constraints and opportunities

*The number of respondents commenting on this question was 83*

Theme	Description	Example quotation for illustration	Count
<b>Access, Traffic &amp; Parking</b>	<p>A range of issues were mentioned by respondents including:</p> <ul style="list-style-type: none"> <li>• Integrated transport network i.e. how bus and cycle travel should be considered and 'joined up'</li> <li>• Parking provision issues especially at any new parkway facilities</li> <li>• Passenger capacity on some services</li> <li>• Disabled access</li> </ul>	<p><i>"It is imperative that people can travel into and out of towns to and from railways by bus or tram or via cycle lanes"</i></p> <p><i>"Integration with other public transport services should be considered too."</i></p> <p><i>"Parking charges at stations are a key factor in train usage for commuters."</i></p> <p><i>"Disabled wheelchair users' access"</i></p> <p><i>"The Cross Country trains are so overcrowded at peak times it is unsafe and is an off putting factor as a viable commute to Birmingham International, New Street and beyond."</i></p>	39
<b>Specific line and station improvements</b>	<p>A large number of comments related to specific sites/lines in different parts of the county. These included</p> <ul style="list-style-type: none"> <li>• re-instating some lines and stations.</li> <li>• Improving the service on specific lines e.g. later evening and weekend travel</li> <li>• Reference to large scale housing developments and the need to make provision for them</li> </ul>	<p><i>"You need to reconnect Stratford and Honeybourne so that more services to London can be offered and support the new housing planned at long Marston"</i></p> <p><i>"Thought should be given into developing better east-west connection".</i></p> <p><i>"A railway station near Walsgrave hospital would help to reduce traffic significantly"</i></p> <p><i>"More trains in the evening for social use"</i></p>	36

## KEY OBJECTIVES

Respondents were asked the degree to which they agreed or disagreed with four key objectives set out in the draft Warwickshire Rail Strategy:

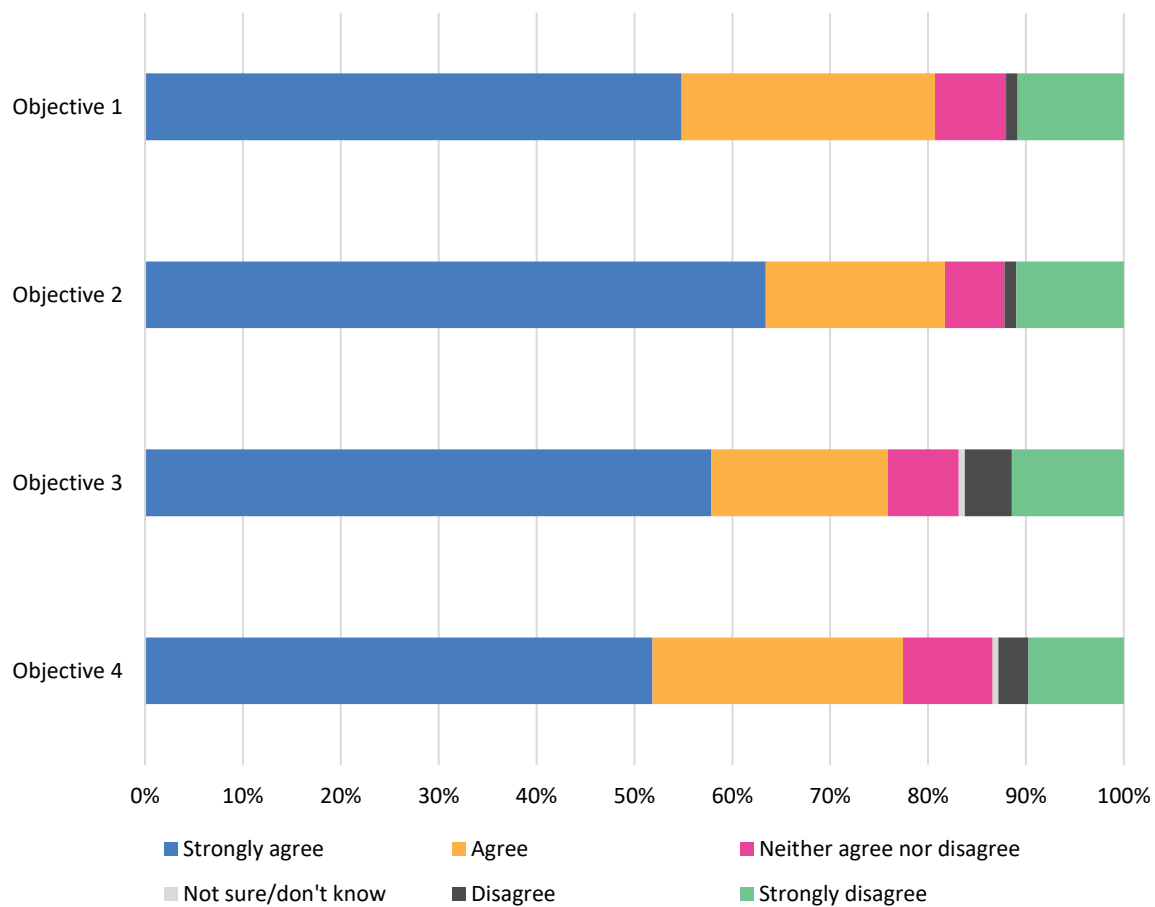
- **Objective 1:** Maximise economic, social and environmental benefits of the rail network to Warwickshire residents and businesses



- **Objective 2:** Maximise opportunities for journeys within Warwickshire (and beyond) to be undertaken by rail, particularly for commuting purposes
- **Objective 3:** Maximise opportunities for travel demands of new developments to be met by rail
- **Objective 4:** Support opportunities to transfer freight from road to rail

Figure 5 illustrates levels of agreement with each of the draft Warwickshire Rail Strategy Objectives.

**Figure 5 Agreement/disagreement with key objectives**



In general, there was a high level of agreement (strongly agree and agree) for each of the key objectives. The strongest levels of agreement were for Objectives 1 and 2. Respondents were also asked if there were any additional objectives they would like to see included in the strategy. Fifty-nine respondents commented. The main themes are presented in Figure 6. A full list of comments for this question is available in Appendix A.





**Figure 6 Additional objectives respondents would like to see in the Warwickshire Rail Strategy***The number of respondents commenting on this question was 59*

Theme	Description	Example quotation for illustration	Count
<b>Integrated transport</b>	Frequent reference was made by respondents to the need to consider other modes of transport alongside objectives for rail travel as this had a major impact on the accessibility of train travel.	<i>"Ensure that new rail services are not dependent on owning a car."</i>  <i>"Improve station facilities so that it is easier to reach stations by all means of transport"</i>	26
<b>Specific station and route comments</b>	As in the previous question a number of comments related to specific sites/lines in different parts of the county. Comments related to: <ul style="list-style-type: none"> <li>• Proposals for new stations</li> <li>• Improvements to existing stations</li> <li>• Frequency/quality/affordability of service</li> </ul>	<i>"Don't see the point of Nuneaton Parkway. Build a car park at Weddington Terrace. It's 4 minutes' drive from the top of the Long Shoot and walkable."</i>  <i>"Develop Atherstone station including footbridge between platforms."</i>  <i>"Must improve train frequency on Shakespeare line."</i>	18
<b>Access/consideration for people with disabilities</b>	Some respondents indicated they would like to see more reference to provision for people with disabilities as part of the objectives	<i>"I am disappointed that you have not mentioned disabled users so far."</i>	5

## POLICY AGREEMENT

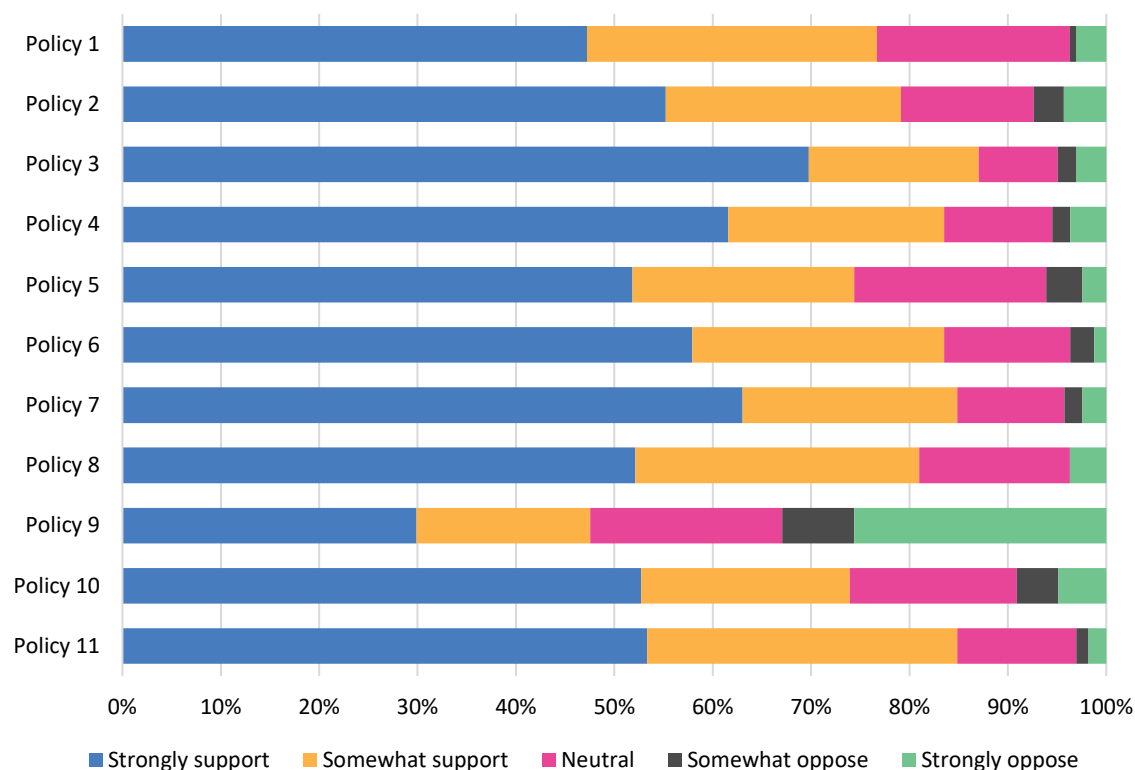
The draft Warwickshire Rail strategy outlined a range of policies and how these related to the objectives. Respondents were asked the extent to which they agreed or disagreed with policies set out in the draft Warwickshire Rail Strategy. These were:

- Policy 1 Partnership
- Policy 2 Existing levels of service and stations
- Policy 3 New rail services and stations
- Policy 4 New developments and connectivity to rail services
- Policy 5 Transformational change
- Policy 6 Station facilities
- Policy 7 Station Access and car park capacity
- Policy 8 Community rail partnership
- Policy 9 High Speed 2
- Policy 10 Freight
- Policy 11 Rail fares and ticketing



Levels of agreement/disagreement to the above question are presented in Figure 7.

**Figure 7 Levels of agreement with policies 1-11 in the draft Warwickshire Rail Strategy**



The highest agreement scores (Strongly agree/agree) were for Policy 3 New rail services and stations (87.0%/141) and Policy 11 Rail fares and ticketing (82.8%/140) (NB the number of respondents giving an opinion against each policy varied). Support was noticeably lower for Policy 9 High Speed Rail (HS2) at 47.6% (78) of all respondents who answered this question. One in four respondents answering this question indicated they were 'strongly opposed' to Policy 9 High Speed Rail. Additional comments made in relation to other policies which could be included are presented in Figure 8.

**Figure 8 Other policies which should be included**

*The number of respondents commenting on this question was 54*

Theme	Description	Example quotation for illustration	Count
<b>Specific station/route</b>	A number of comments related to suggestions for individual routes/stations- including upgrading or re-opening of stations and improved service levels on some routes	<p>"Consider supporting the reopening of the Stratford to Cheltenham railway line"</p> <p>"Extend services in rural station – Polesworth"</p> <p>"Consider new station at Earlswood for housing both local and for Bham and Solihull."</p>	17



		<i>"There needs to be further explanation about why you're proposing a new station for Polesworth - probably on a green field site and away from current residential areas."</i>	
<b>Integrated planning</b>	Respondents expressed a desire to see a greater emphasis on better connections to the rail network, making it easier to walk, cycle and use public transport to access rail services	<i>"Not enough emphasis on discouraging use of private cars to enable access to railway stations. Be bolder and more imaginative."</i>  <i>"I think there is a need for as many bus/rail interchanges as possible."</i>  <i>"Joined up thinking about intermodal interchange."</i>  <i>"Last mile access to stations needs addressing. Road congestion and safety around stations is critical."</i>	14
<b>Environmental issues</b>	Comments relating to the impact of proposals on the local environment. These included <ul style="list-style-type: none"> <li>Impact on countryside/pollution from additional cars and freight</li> <li>Impact on local residential areas including visual impact, congestion and safety</li> </ul>	<i>"Last mile access to stations needs addressing. Road congestion and safety around stations is critical."</i>  <i>"Motorcar access to stations impacts heavily on residential neighbourhoods surrounding stations. It is essential that developments at and for stations and rail travel do not lead directly or indirectly to negative impacts on residential areas."</i>	11
<b>HS2</b>	A handful of respondents confirmed their objections to the proposed HS2 project	<i>"HS2 is destroying the Warwickshire (and other) countryside with no benefit to the residents of most of the county."</i>	6

Respondents were also asked if they had any further comments on the policies listed. Thirty nine respondents provided additional comments. Around half of comments (n=21) were critical in their sentiment across a range of issues including:

- Continued disapproval of HS2 and its impact on Warwickshire
- The policies lacked clarity
- WCC had limited influence on outcomes for rail services

Additional comments were made about the need for better services generally (more frequent and affordable) (n=9) and to travel sustainability (n=6).



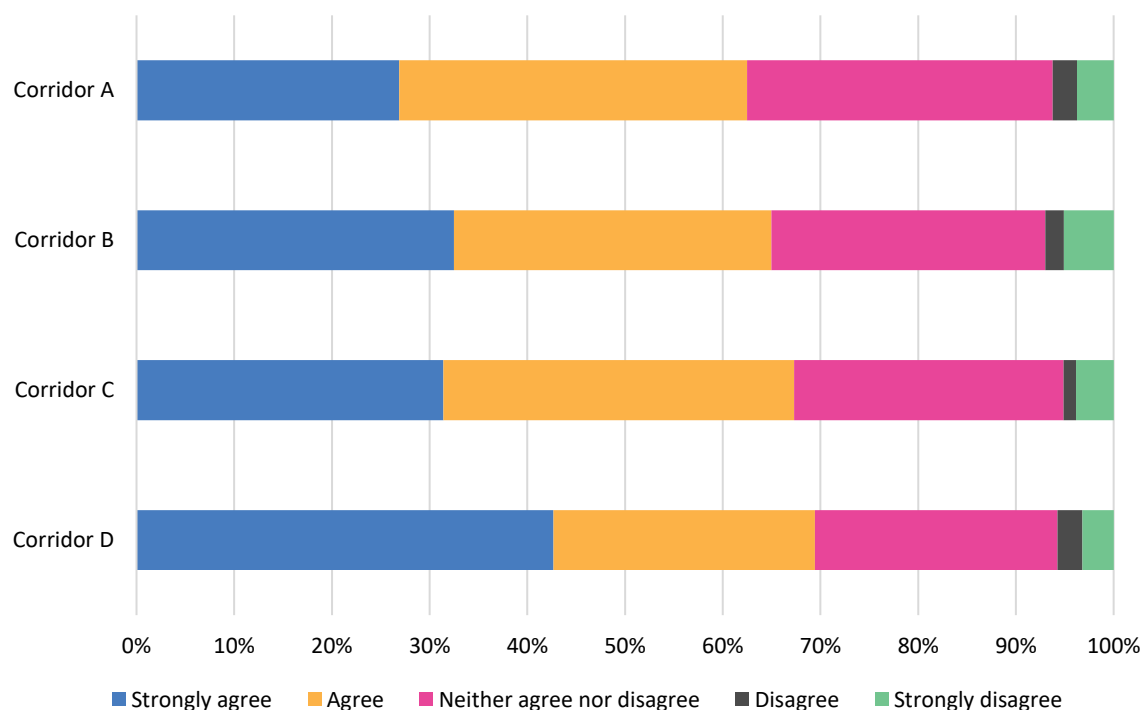
## RAIL CORRIDORS

Respondents were asked the degree to which they agreed or disagreed with the infrastructure, service improvements and station enhancement proposals/aspirations set out for each rail corridor. These rail corridors are identified as:

- **Corridor A** Trent Valley and Wolverhampton – Coventry corridors
- **Corridor B** North-South rail services, Nuneaton-Coventry-Kenilworth-Leamington (NUCKLE) and Coventry-Leicester/Nottingham corridors
- **Corridor C** Leicester-Birmingham-Tamworth/Derby corridors
- **Corridor D** Snow Hill lines (Birmingham-Stratford-upon-Avon and Birmingham-Solihull-Warwick-Leamington Spa)

Levels of agreement with the proposals for each corridor are set out in Figure 9.

**Figure 9 Level of agreement/disagreement with proposals set out for rail corridors A-D in the draft Warwickshire Rail Strategy**



Overall, there was no marked difference between agreement scores (Strongly agree/agree) for proposals for each of the rail corridors. Agreement scores varied from 62.5% for Corridor A to 69.4% for Corridor D. Around a quarter to a third of all respondents indicated they neither agreed nor disagreed with proposals for each rail corridor.



Respondents were asked if there were any additional improvements they would like to see included in proposals for each corridor. Figure 10 sets out a summary of some of the suggestions made by respondents. Appendix A sets out all suggestions made for each corridor.

**Figure 10 Additional improvements for rail corridors A, B, C and D**

Corridor	Description	Example quotation for illustration	Count
<b>Corridor A</b>	<ul style="list-style-type: none"> <li>• Polesworth station – questions about current service and its future</li> <li>• Parkway comments</li> <li>• Reference to the frequency of services generally and desire to see more trains running for longer (including evenings/Sundays)</li> <li>• Suggestions for specific additional/re-opening of stations and line improvements (double tracking)</li> </ul>	<p><i>“Increased frequency at Polesworth station on the Trent Valley lines, with services going south too”</i></p> <p><i>“It is not clear that the proposed new station at Polesworth Parkway will transfer trips from road to rail.”</i></p> <p><i>“Increased long distance services from Nuneaton. Later trains and improved Sunday service”</i></p> <p><i>“There should be more not less fast trains from Coventry and Rugby to London.”</i></p>	22
<b>Corridor B</b>	<ul style="list-style-type: none"> <li>• Reference to the frequency/ of services generally and desire to see more trains running for longer and more faster train services</li> <li>• Specific line/station improvement suggestions</li> </ul>	<p><i>“Better interchange at Nuneaton, as reinstating a direct line to Leicester is difficult and costly, engineering-wise.”</i></p> <p><i>“The route needs to provide trains that are fast and regular. At present the route is slow and travel by car to Nottingham for example is easier and cheaper”</i></p> <p><i>“more services longer trains and better reliability of trains, expand Nuneaton station further rather than building a parkway station, parkway station likely to draw services away from current stations e.g. Nuneaton and Hinckley, which need more frequency and capacity rather than a new station”</i></p>	33
<b>Corridor C</b>	<ul style="list-style-type: none"> <li>• More frequent services and later/Sunday services</li> <li>• More capacity on trains</li> <li>• Specific line/station improvements</li> </ul>	<p><i>“At Water Orton, more services throughout the day moving to a 30 min service and re-introduction of services to Tamworth and derby”</i></p> <p><i>“Pleased to see possibility of Kingsbury station but in the short term surely more use should be made of the Kingsbury loop.”</i></p>	28
<b>Corridor D</b>	<ul style="list-style-type: none"> <li>• Specific line and station improvements</li> <li>• Frequency of service including later and Sunday services</li> </ul>	<p><i>“All stations must be fully accessible (for wheelchair users, parents with pushchairs etc.)”</i></p> <p><i>“You need more trains going and</i></p>	34



	<ul style="list-style-type: none"> <li>Disables access notably Warwick and Leamington stations</li> <li>Parking provision especially at smaller stations</li> <li>Integration with bus timetables</li> </ul>	<i>later services back from Birmingham</i>  <i>"Extend the service from Stratford to Honeybourne"</i>  <i>"Surely the service to Stratford via Dorridge should serve Lapworth."</i>	
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## Transformational Impact

Respondents were asked to comment on the potential impact on Warwickshire communities of the proposals set out in the draft Warwickshire Rail Strategy. Figure 11 summarises responses and a full list of comments is available in Appendix A.

**Figure 11 Transformational impact on Warwickshire communities**

*The number of respondents commenting on this question was 41*

Theme	Description	Example quotations for illustration	Count
<b>Specific station/route comments</b>	<ul style="list-style-type: none"> <li>Some concern expressed about proposed parkway stations</li> <li>Reference made to specific line improvements in parts of the county</li> </ul>	<p>There needs to be more information provided on the proposed location for Polesworth Parkway. Very surprised the local county cllr hasn't seen fit to engage with his community about this</p> <p>I'm not convinced about a Rugby Parkway station with only 260 parking spaces unless public transport from surrounding towns and villages is introduced to get passenger to the new station.</p> <p>integrating travel from Nuneaton into the Midlands sounds a good idea if we can introduce good connections to these towns and cities</p> <p>Fast trains between Rugby and Milton Keynes should be timed to connect with East - West rail services at the latter point.</p>	13
<b>Generic positive comments</b>	A range of positive comments about the proposals were expressed by respondents	<p><i>"All schemes identified here are fully supported."</i></p> <p><i>"They are all very logical and sensible proposals"</i></p>	8
<b>Integrated Transport</b>	Comments expressing the need to integrate train services with other transport modes	<p>will links with buses to serve proposed additional stations also be developed?</p> <p>don't forget cyclists, and those with mobility issues who are mostly excluded at this time</p>	7
<b>Other incl. Environmental impacts, timescales, frequency and disabled access</b>	A range of comments were made that covered reference to environmental impacts, the timescales for the proposals, frequency of services on some	<p><i>"Local impact assessment needs to be made for existing infrastructure"</i></p> <p><i>"It is unclear if the time lines indicated here are on schedule (a new bay platform in Coventry by 2019?!) and to maintain trust in these proposals,</i></p>	15



	lines and accessibility issues for people with disabilities	<i>realistic time frames must be proposed and planned for</i>  <i>"The draft strategy can only prove truly transformative if it meets the needs of all current and prospective rail users within the county"</i>	
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Respondents were also asked if they had comments relating to investment priorities and delivery of the draft Warwickshire Rail Strategy.

**Figure 12 Investment priorities and delivery**

*The number of respondents commenting on this question was 33*

Theme	Description	Example quotations for illustration	Count
<b>Specific station/route comments</b>	Reference made to specific route/station improvements	<i>"It cannot be emphasised enough the importance of re-opening Stratford to Honeybourne via Long Marston "garden village"</i>  <i>"Some infrastructure improvements, e.g. Rugby - Coventry - Birmingham and at Nuneaton to enable Coventry - Leicester services, should be prioritised and not have to wait for HS2 (if indeed this ever happens)."</i>	6
<b>Integrated Transport</b>	A number of comments stressed the need to look at the whole public transport system in an integrated way.	<i>"Don't look at rail in isolation from the rest of the public transport system."</i>	6
<b>Negative sentiments</b>	Negative sentiments expressed by respondents	<i>"This is lip service as I feel you have already decided what you want to do and where"</i>	5
<b>Other incl. broadly positive comments, re-nationalisation, funding and accessibility</b>	A number of comments were made which broadly supported the proposals. Others related to the funding of the proposals, impact of BREXIT, re-nationalisation and accessibility	<i>"agree strategy"</i>  <i>"Wouldn't it be so much better if railways were somehow back in national ownership?"</i>  <i>"accessibility must be an investment priority and should form a key part of franchising specifications. "</i>	18

Finally, respondents were asked if they had further comments to make on the draft strategy. Figure 13 presents a summary of these comments.



Figure 13 Any other comments on the draft Warwickshire Rail Strategy

*The number of respondents commenting on this question was 37*

Theme	Description	Example quotations for illustration	Count
<b>Specific station/route comments</b>	Reference made to specific route/station improvements	<p><i>"Atherstone is a well used station and as the Town Council we support WCC and hope to see more parking and better facilities and access for all abilities."</i></p> <p><i>"I do not feel that the proposal for a Polesworth Parkway station is a good idea"</i></p> <p><i>"Consideration should be given to 're-opening closed lines. Leamington to Rugby, Kenilworth to Berkswell Stratford southbound. or at least ensuring tracked is protected"</i></p> <p><i>"Water Orton residents do have a feeling of being the poor relation of Warwickshire when you consider the quantity of trains that pass through our village. It would require little investment to make improvements to the service."</i></p>	12
<b>Negative sentiments</b>	Negative sentiments expressed by respondents including: <ul style="list-style-type: none"> <li>• Clarity on detail of proposals</li> <li>• The consultation process</li> <li>• Impact of Brexit</li> </ul>	<p><i>"The documents set out lots of aspirational plans, but many are without real detail on the funding routes, time frames and risk factors."</i></p> <p><i>"There was a lack of workshops with councillors and rail user groups before the strategy was produced"</i></p> <p><i>"Nothing on overall risks to delivery including impact on businesses of Brexit. The business landscape may change significantly under different Brexit outcomes."</i></p>	10
<b>Positive sentiments</b>	Generic positive/support comments by respondents	<p><i>"Generally supportive"</i></p> <p><i>"It is good that the county council is working with other organisations to improve transport links."</i></p> <p><i>"any policy which takes people out of private cars and off the roads is a good policy"</i></p>	9
<b>Integrated Transport</b>	Integrating proposals with other plans (including development) and other transport modes	<p><i>"The strategy needs greater alignment with proposals and programmes for new development and how the main objectives can be aligned with specific growth proposals to promote rail usage "</i></p> <p><i>"comments already made about parking and linked bus services"</i></p> <p><i>As a priority please improve cycle path links from stations."</i></p>	7





## Council

23 July 2020

### Audit & Standards Committee Annual Report 2019/20

#### Recommendation

That Council receives the Annual Report of the Audit and Standards Committee.

#### 1.0 Key Issues

- 1.1 The annual report highlights some of the work undertaken by the Committee through 2019/20 and looks ahead to issues that the Committee will look at in the coming year.
- 1.2 The Audit & Standards Committee will be considering this Annual Report at its meeting on 20 July 2020. Any amendments will be reported to Council.

#### 2.0 Financial Implications

- 2.1 None for this report.

#### 3.0 Environmental Implications

- 3.1 None for this report.

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## **Audit and Standards Committee Annual Report 2019/20**

Warwickshire County Council's Audit and Standards Committee (the "Committee") plays a vital role overseeing the Council's governance framework to ensure that residents receive quality services and value for money.

It provides independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the Council's financial reporting and governance processes. Meetings of the Committee are open to the public. Details of future meetings can be found on the Council's [website](#).

### **Who is on the Committee?**

The membership of the Committee during the municipal year 2019/20 was:

John Bridgeman CBE	-	(Independent member and Chair)
Bob Meacham OBE	-	(Independent member and Vice-Chair)
Councillor Parminder Singh Birdi	-	(Conservative)
Councillor Mark Cargill	-	(Conservative)
Councillor Neil Dirveiks	-	(Labour)
Councillor Bill Gifford	-	(Liberal Democrat)
Councillor John Horner	-	(Conservative)
Councillor David Reilly	-	(Conservative)

The Chair of the Committee wishes to place on record his thanks to all the members, past and present, who have served on the Committee and have contributed to the important work it has undertaken.

The Committee was saddened to receive news of Mr Bob Meacham's passing in September 2019. Mr Meacham had been a longstanding and valued Independent Member of the Committee.

The Internal Audit and Insurance Manager, Chief Finance Officer and the Monitoring Officer attend Committee meetings to provide information and ongoing assurance in relation to the Council's internal controls and systems. Representatives from Grant Thornton, the Council's external auditors, also attend meetings to report on the Council's financial statements and value for money arrangements.

### **What the Committee did over the last year**

The Committee met three times during the 2019/20 year. Our remaining meeting had to be cancelled due to the disruption caused by the Coronavirus pandemic. However, during the year alongside our regular external and internal audit monitoring reports we were able to consider a variety of governance issues, including proposals for a review of contract standing orders and financial regulations.

We were pleased to support the Annual Governance Statement 2017/18, and the statement of accounts for both the Council and the pension fund based on our knowledge and experience of how the assurance systems had operated in practice. More information about our key activities is set out below.

## External Audit

The Committee receives updates at every meeting from Grant Thornton who are the external auditors for both the Council and the Warwickshire Local Government Pension Fund.

Members also had the opportunity to consider emerging national issues and developments brought to their attention by the external auditors (and others). This enables the Committee to seek assurances that the Council is aware of and considering the potential challenges which include:

- Financial Sustainability – addressing funding gaps and balancing needs against resources;
- Service Sustainability – particularly in relation to Adult Social Care funding gaps and pressure on Education, Housing, Transport;
- Transformation – new models of delivery, greater emphasis on partnerships, more focus on economic development;
- Technology – cyber security and risk management.

At a wider level, the political environment throughout 2019/20 has remained complex, not only with the uncertainties posed by Brexit but in the later months with the increasing challenges created by the Coronavirus pandemic. Issues arising from the audit of the Council's financial statements were examined by members, as well as the content of the Authority's Letter of Representation.

We were also briefed on the need to make changes to the estimates of future pension liabilities during the period of the audit of the 2018/19 accounts. Two national legal judgements have ruled there was discrimination in the way transitional protections were applied to changes in public sector pension schemes over recent years. These judgements required changes to the accounts in relation to both the firefighters pension scheme and the Local Government Pension Scheme although there was no resource impact on the accounts. The Auditor noted that the Pension Fund account has a strong asset balance of £2,165.7m and the net return on investments of £141.9m is in excess of benefits paid by £57.1m.

We were pleased to note that Grant Thornton had provided unqualified opinions for both the Council and Pension fund accounts. They also provided assurances that the Council has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. This includes achievement of the 2018/19 financial plan which demonstrated an ability to manage resources in order to meet targets set, as well as having the appropriate mechanisms in place to develop robust medium term strategies based on reasonable underlying assumptions. In addition to this, the financial position of the Council at 31 March 2019 was strong and compares favourably to peers in the sector providing further comfort over financial sustainability.

Grant Thornton judged that overall the Council had adequate arrangements in place to ensure ongoing financial sustainability. Regarding savings, the Authority delivered £1.3m in 2018/19 ahead of schedule.

In respect of the Medium Term Financial Plan (MTFP), Grant Thornton concluded that the Council had undertaken a significant amount of work in 2018/19 to develop its transformation programme which would lay the foundations for the medium term outlook. Grant Thornton noted that, while resources continued to increase, so too did cost pressures and rise in demand. As an outcome, a cumulative £30m gap in the budget by 2025 was forecast. It was proposed that this would be met by savings over the lifetime of the MTFP.

## **Internal Audit**

A professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector. The Council's Internal Audit Team carries out reviews of the Council's services throughout the year, identifying where there are issues and making recommendations. The Internal Audit Team operates in accordance with CIPFA guidance and the Public Sector Internal Audit Standards.

The outcomes of internal audits are reported to the Committee. On occasions these are considered by the committee in closed session owing to the commercial or personal sensitivity of the matter being addressed.

During 2019/20 Internal Audit carried out a series of service and process reviews with a focus on specific areas, including:

- Waste Management
- Business Continuity
- BACS and CHAPS procedures
- Investment Management

The Committee has followed progress against recommendations where issues were identified by audit outcomes. It has raised queries and conducted oversight when necessary.

## **Going Forward**

The Committee's membership for the coming year (2020/21) is:

John Bridgeman CBE	-	(Independent Member and Chair)
Councillor Parminder Singh Birdi	-	(Conservative)
Councillor Mark Cargill	-	(Conservative)
Councillor Neil Dirveiks	-	(Labour)
Councillor Bill Gifford	-	(Liberal Democrat)
Councillor John Horner	-	(Conservative)
Councillor David Reilly	-	(Conservative)

The focus will remain on the supporting of good governance and strong financial management.

Over 2020/21 the Committee intends to take a more in-depth look at Financial Regulations and Contract Standing Orders. The Committee will continue to receive

updates from our External Auditors and from the Council's Internal Audit Team in line with the published work plan.