

Cabinet

Date: Tuesday 5 March 2024
Time: 1.45 pm
Venue: Committee Room 2, Shire Hall

Membership

Councillor Isobel Seccombe OBE (Chair)
Councillor Margaret Bell
Councillor Peter Butlin
Councillor Andy Crump
Councillor Yousef Dahmash
Councillor Kam Kaur
Councillor Sue Markham
Councillor Jan Matecki
Councillor Heather Timms
Councillor Martin Watson

Items on the agenda: -

1. General

(1) Apologies

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

(3) Minutes of the Previous Meeting

To approve the minutes of the meeting held on 15 February 2024.

5 - 12

(4) Public Speaking

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

2. West Midlands Investment Zone

A report which asks Cabinet to consider its membership of the WM Investment Zone initiative and Joint Committee in light of further information forthcoming since the November Cabinet meeting.

13 - 26

Cabinet Portfolio Holder – Councillor Isobel Seccombe

- 3. Devolution for Warwickshire Update** 27 - 36
A report providing an update on the position regarding a potential devolution deal for Warwickshire.

Cabinet Portfolio Holder – Councillor Isobel Seccombe
- 4. Electric Vehicle Parking Policy** 37 - 42
This paper seeks approval for an addition to the Council’s parking policy which provides for on-street electric vehicle parking to be backed with a Traffic Regulation Order making it electric vehicle only while the vehicle is charging.

Cabinet Portfolio Holder – Councillor Jan Matecki
- 5. Reports Containing Exempt or Confidential Information**
To consider passing the following resolution:

‘That members of the public be excluded from the meeting for the items mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972’.
- 6. Exempt Minutes of the 15 February 2024 Meeting of Cabinet** 43 - 44
To consider the exempt minutes of the 15 February 2024 meeting of Cabinet.
- 7. Warwickshire Property & Development Group (WPDG) - Business Plans for 2024** 45 - 196
An exempt report presenting the 2024 Business Plan for Warwickshire Property & Development Group.

Cabinet Portfolio Holder – Councillor Peter Butlin

Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

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A member attending a meeting where a matter arises in which they have a disclosable pecuniary interest must (unless they have a dispensation):

- Declare the interest if they have not already registered it
- Not participate in any discussion or vote
- 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 relevant to the agenda should be declared at the commencement of the meeting.

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 that features on the agenda. 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.

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Cabinet

Thursday 15 February 2024

Minutes

Attendance

Committee Members

Councillor Isobel Seccombe OBE (Chair)
Councillor Peter Butlin
Councillor Andy Crump
Councillor Yousef Dahmash
Councillor Kam Kaur
Councillor Sue Markham
Councillor Jan Matecki
Councillor Heather Timms
Councillor Martin Watson

Officers

Monica Fogarty, Chief Executive
Nigel Minns, Executive Director for Children and Young People
Mark Ryder, Executive Director for Communities
Becky Hale, Executive Director for Social Care and Health
Steve Smith, Director of Strategic Infrastructure & Climate Change
Rob Powell, Executive Director for Resources

Others Present

Councillor John Holland
Councillor Jerry Roodhouse
Councillor Tim Sinclair

1. General

The Leader of the Council welcomed everyone to the meeting.

(1) Apologies

Apologies for absence were received from Councillor Margaret Bell.

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

There were none.

(3) Minutes of the Previous Meeting

The minutes of the meeting of Cabinet held on 23 January 2024 were agreed as an accurate

record.

(4) Public Speaking

There was none.

2. Children and Young People's Emotional Wellbeing and Mental Health Services

Councillor Sue Markham, Portfolio Holder for Children & Families, introduced the report which requested approval to extend the current Section 75 agreement with Coventry and Warwickshire Integrated Care Board for the provision of Children and Young People Emotional Wellbeing and Mental Health Services (known locally as Rise) for a further period of up to two-years from 1 August 2024.

Councillor Markham provided an overview of the service and explained the reasons for requesting an extension. She advised that a joint review of the current arrangements was underway, with both the contract and Section 75 agreement due to expire at the end of July 2024. Councillor Markham concluded by signposting Members to the two options being considered as detailed at paragraph 3.6 of the report.

Councillor John Holland noted that a number of complaints were being considered relating to this area of work and requested that the independent inquiry be completed as a matter of urgency. He also referred to the Complaints Procedure which was due to be considered later in the agenda.

Councillor Jerry Roodhouse felt this was an extremely important report and welcomed the extension as proposed to allow a level footing for the service whilst it progressed through the relevant process. He queried the timescales and how closely scrutiny would get involved, as he felt that was a role for elected Members to play.

In response, Councillor Izzy Seccombe agreed to discuss this with Councillor Roodhouse in his capacity as Vice-Chair of the relevant scrutiny Committee. She reiterated the importance of having a provision that worked well for the Council, highlighting the benefit that early intervention and support for young people could have.

Councillor Markham assured that this would be an in-depth process and proposed the recommendations as laid out.

Resolved

That Cabinet

- 1) Supports the extension of the existing Section 75 agreement with Coventry and Warwickshire Integrated Care Board for the provision of Children and Young People Emotional Wellbeing and Mental Health Services (known locally as Rise) for a further period of up to two-years from 1 August 2024, to facilitate re-commissioning of the Rise service; and

Authorises the Executive Director for Social Care and Health in consultation with the Executive Director for Children and Young People and the Portfolio Holder for Children and Families to finalise the service delivery model, to undertake a re-commissioning (joint or otherwise) of the

service and to enter into such agreements for the provision of Children and Young People Emotional Wellbeing and Mental Health Services as she considers necessary on terms and conditions acceptable to the Executive Director for Resources.

3. Improved Better Care Fund 2024/25

Councillor Seccombe introduced the report which detailed the list of schemes to be funded from the Improved Better Care Fund (BCF) for 2024/25. She reminded Members that the fund had been agreed by Cabinet last summer, noting that there was no inflationary lift.

Councillor Seccombe explained that the BCF was a joint programme with the NHS which aimed to enable people to stay well, safe and independent at home for longer and ensured the provision of care was in the right place at the right time. She requested approval of the allocations as identified in the report.

Councillor Roodhouse asked if there was any news on social prescribing and recognised the restrictions placed on the Council in this area as a result of only receiving annual funding. He asked how Cabinet would reprioritise the list of allocations if there were issues in the future.

Councillor Peter Butlin explained that commissioning was time limited with exit clauses built in and agreed that further projection for finances would be preferable but unfortunately, the current situation dictated short term funding only.

Councillor Seccombe supported the comments made regarding one year funding which meant that officers could not forward plan or future proof schemes. She advised that hospital social prescribing had agreed partnership contributors for six months, with the Council and the Integrated Care Board (ICB) to review this.

The recommendations were outlined as per the report.

Resolved

That Cabinet

- 1) approves the list of schemes to be funded from the Improved Better Care Fund including the pooled contribution of £15.133m by the Council for 2024/25 (as agreed between the Council and the Warwickshire Integrated Care Board) and the plan for resources as set out in paragraph 2.6 and Appendix 1, and

authorises the Executive Director for Social Care and Health, in consultation with the Portfolio Holder for Adult Social Care and Health, to make such changes to the list of schemes as she considers necessary as a result of any amendments to the Better Care Fund Policy Framework.

4. Determination of Admission Arrangements, Co-ordinated Scheme and In Year process for school admissions for the 2025/2026 Academic year

Councillor Kam Kaur, Portfolio Holder for Education, introduced the report which explained that all schools must have admission arrangements that clearly set out how children would be admitted,

including the criteria that will be applied if there were more applications than places at the school. This report outlined the process for school admissions during the 2025/26 academic year.

Councillor Kaur advised that Warwickshire County Council was the admission authority for 91 schools and explained that academy schools were their own decision maker. She provided an overview of the benefits of the process in relation to pupil safeguarding and the ability to track vulnerable children. In addition, she highlighted the information in the report relating to the student intake at Kingsbury Primary and Newbury Primary Schools. Details of the consultation and any relevant changes by the Department for Education were reflected in the report.

Having received no questions from Members, Councillor Kaur outlined the recommendations as detailed in the report.

Resolved

That Cabinet

- 1) Approves the Admission Arrangements, Co-ordinated Scheme and In Year process for school admissions during the 2025/2026 Academic year, as outlined in Appendix 1, Appendix 2 and Appendix 3; and

Authorises the Executive Director for Children and Young People in consultation with the Portfolio Holder for Education to approve the Admission Arrangements, Co-ordinated Scheme and In Year admission process in future years, unless those arrangements or schemes are subject to consultation as outlined in Section 1.

5. Warwickshire Local Cycling and Walking Infrastructure Plan

Councillor Jan Matecki, Portfolio Holder for Transport and Planning, introduced the report which described the Warwickshire Local Cycling and Walking Infrastructure Plan (LCWIP) and summarised the information gathering and consultation process that had taken place.

Councillor Matecki explained that the plan would build on the work currently underway, whilst supporting and responding to the demands for more cycling, walking and active travel provision. In addition, the proposals assisted with the reduction of Co2 emissions and demonstrated commitment to the LTP4 programme.

Councillor Tim Sinclair addressed the meeting as Chair of the cross-party Cycling Group, acknowledging the work undertaken to get the plan to this stage and recognising the meaningful consultation that had taken place. He highlighted the need for action now and thanked all officers and Members involved in pushing this work forwards.

Councillor Roodhouse also welcomed the document and recognised how hard officers had worked with the consultation groups. He looked forward to taking the plan back to Rugby Town Council and hoped the funding would be forthcoming to match the ambitions.

Councillor Heather Timms, Portfolio Holder for Environment, Climate and Culture, praised the officers involved in the work and highlighted the links to the Sustainable Futures Strategy. She

noted that additional funding would help to drive the rural economy in Warwickshire and hoped the projects would encourage healthier living.

Councillor Matecki therefore proposed the recommendations as laid out.

Resolved

That Cabinet approves the Warwickshire Local Cycling and Walking Infrastructure Plan.

6. Quarter 3 Integrated Performance Report

Councillor Yousef Dahmash, Portfolio Holder for Customer & Transformation, introduced the report which provided a retrospective summary of the Council's performance at the end of Quarter 3 (April – December 2023) against the strategic priorities and Areas of Focus set out in the Council Plan 2022-2027.

Councillor Dahmash encouraged Members to look at the PowerBI Dashboards for more detailed information and outlined some key highlights including childcare entitlement for 3 to 4 year olds being above average and economic growth which continued to do well.

Challenges included the increased costs in SEND and Home to School Transport services, data relating to the number of overweight children in year 6, increased demand in social care and an increase in sickness absence figures from HR. However, Council vacancies were reducing as a result of successful recruitment activity.

Councillor Roodhouse acknowledged the pressures experienced by the Child Friendly Warwickshire teams with demand increasing. He also felt more could be done to address the number of hospital admissions as a result of self-harm as well as children being admitted as a result of alcohol related issues. He recognised how hard officers were working to address the challenges.

Councillor Seccombe agreed with the comments and reiterated how important services such as Rise were. She assured that officers and Cabinet Members were fully aware of the impact that demand led pressures brought and noted the comments made regarding obesity in children. She advised that Councillor Bell would be taking this issue forward with Public Health colleagues.

Councillor Dahmash proposed the recommendations.

Resolved

That Cabinet

1) Considers and comments on the Quarter 3 2023/24 organisational performance; and

Agrees to refer the report to Overview and Scrutiny Committees to consider, in detail, the information relevant to their individual remits.

7. Customer Complaints Policy

Councillor Yousef Dahmash, Portfolio Holder for Customer & Transformation, outlined the report proposing the revised Customer Complaints Policy for approval. He provided background information about the project which had been undertaken over recent months, highlighting that a key driver had been to ensure the complainant was aware of the processes and timelines involved. The approach remained one of dealing with complaints efficiently and transparently.

Whilst there were no significant changes to the policy, this was now split into three standalone documents dealing with Adults Social Care Statutory Complaints, Children's Social Care Statutory Complaints and the overarching Customer Complaints Policy.

Councillor Dahmash highlighted the provision that dealt with unreasonable behaviour towards officers, which he reiterated was unacceptable and abuse would not be tolerated. He signposted Members to paragraph 1.6 of the report which provided further detail.

Councillor Secombe noted that this policy dealt with customer service complaints and not Members complaints. The report was seeking to improve the existing provision and deliver a better service.

Councillor Holland supported the aim of the changes but advised that he would like further clarification on how neighbour issues were managed. He provided an example of an existing dispute regarding Cape Road Car Park which appeared to remain unresolved. The Leader advised that as this issue was under the judicial process, it would be inappropriate to discuss it in this forum. She assured Councillor Holland that she would be happy to assist with his query outside of the meeting.

Councillor Sinclair recognised that commercial organisations embraced complaints as a way to improve services. Councillor Dahmash agreed and assured that the focus was to become receptive and not defensive. He outlined the recommendations as detailed in the report.

Resolved

That Cabinet approves the revised Customer Complaints Policy, incorporating the updated Childrens and Adults Social Care Statutory Procedures, as set out in Appendix 1 to the report.

8. Reports Containing Exempt or Confidential Information

Resolved:

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

9. Exempt Minutes of the 23 January 2023 Meeting of Cabinet

The exempt minutes of the Cabinet meeting held on 23 January 2024 were agreed as an accurate record.

10. Estates Master Planning Programme Capital Investment Funding request

Councillor Peter Butlin, Portfolio Holder for Finance and Property, introduced the exempt report.

Resolved

That the recommendations as set out in the report be approved.

The meeting rose at 14:29

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Chair

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Cabinet

5 March 2024

West Midlands Investment Zone

Recommendation

That Cabinet:

- 1) Supports Warwickshire County Council's participation in the West Midlands Investment Zone (WMIZ) and agrees to the Council becoming a member of such Investment Board, including any Joint Committee, established by the West Midlands Combined Authority relating to the WMIZ whose functions include oversight of the development of the GigaPark site; and
- 2) Authorises the Executive Director for Communities to enter into a Memorandum of Understanding (MoU) with the West Midlands Combined Authority, Warwick District Council and Coventry City Council in relation to business rates and their retention across the proposed West Midlands Investment Zone area, on terms and conditions acceptable to the Executive Director for Resources.

1. Executive Summary

- 1.1 In March 2023, the UK published an Investment Zones Policy Prospectus, which invited the 8 mayoral combined authority areas in England, including the West Midlands Combined Authority (WMCA) to submit proposals for Investment Zones (IZ) in their areas. Within IZs, underdeveloped sites can be designated to provide new occupiers with tax incentives such as relief from business rates, national insurance contributions and stamp duty. The policy also offers the ability to designate sites for local retention of business rates growth for reinvestment into activities to develop a selected industrial sector. Finally, government announced that £80m, later increased in £160m in flexible capital and revenue funding would be made available for each IZ to support development of sites and the sectors they serve. Since March 2023, WMCA officers have worked with the County Council, Coventry City Council, Warwick District Council and the other constituent members of the WMCA to develop proposals for a West Midlands Investment Zone (WMIZ).
- 1.2 The WMIZ proposal is being "co-developed" between government, WMCA and local authorities including the County Council. The work is being completed in stages, working towards having all the necessary details agreed and arrangements in place for the WMIZ to be established at the start of the 2024/25 financial year.

- 1.3 The WMIZ presents an opportunity to drive forward economic growth and development in the region, with a particular focus on three geographic locations – the Coventry & Warwick Gigapark, the Birmingham Innovation and Knowledge Quarter, and the Wolverhampton Green Innovation Corridor. As a result of Investment Zone designation by the Government, these sites would benefit from the range of incentives set out in 1.1 above, helping to facilitate and accelerate growth in advanced manufacturing, green industries, health-tech and digital technologies. Collectively, it is expected that the WMIZ will create 30,000 new jobs and drive up to £5.5bn of growth in the region.
- 1.4 More specifically, the Coventry & Warwick Gigapark (CWGP) – which includes the Coventry Airport site where the proposed new West Midlands Gigafactory would be located and surrounding designated employment land sites (Whitley South and Segro Park in Warwick District, and Whitley East in Coventry) – are expected to create some 9,300 new jobs and generate over £2bn in growth. A map of the proposed CWCP is contained in Appendix 2.
- 1.5 Since this matter was last reported to Cabinet on 9 November 2023 the Government has formally announced the inclusion of a WMIZ in its Autumn Statement on 22 November 2023 and also announced that the available funding for each Investment Zone (IZ) would be doubled from £80 million to £160 million by extending the programme and associated tax reliefs from five to ten years.
- 1.6 The Birmingham Innovation and Knowledge Quarter site has also been identified as a Business Rate Retention (BRR) site in addition to the Coventry & Warwick GigaPark site and therefore both sites would generate business rate revenues to be reinvested in the WMIZ.
- 1.7 In terms of what the retained business rates can be used for, the Government’s policy for Investment Zones requires that allocation of the initial retained business rate growth must be targeted towards bringing forward the Investment Zone sites and financing measures associated with that. After this, further surplus retained rates growth will then be allocated to projects across the Investment Zone area that support growth in the primary sector (advanced manufacturing for the WMIZ). However, since this matter last came to Cabinet the Government has agreed a degree of flexibility over allocation of retained rates initially towards ‘local growth projects’ within billing authority areas, up to a point of a national reset, so that those local authorities are not disadvantaged by participating in the WMIZ programme.
- 1.8 There has also been development in relation to the “no detriment” principle that was referred to in the report that came to Cabinet on 9 November 2023. Following significant discussions between WMCA, the County Council (WCC) and Warwick District Council (WDC), we have agreed a position that ensures a position of no detriment with regard to the development of the Whitley South and Segro Park sites. WDC and WCC will continue to receive 50% of business rates growth on these sites (40% to WDC and 10% to WCC), up to the point of a national reset, as we would have done without an IZ. Following any reset, the two authorities will continue to retain the same quantum of any

business rates growth on these sites that may occur as we would have done without an IZ.

- 1.9 Due to the significant grant funding investment being directed towards the Coventry Airport site to support the development of the Gigafactory, and recognition of the importance of the Investment Zone to help facilitate and incentivise investment in the Gigafactory, it has been agreed that all retained business rates from this Gigafactory site should be reinvested back into the WMIZ and that this is not detrimental to the two Warwickshire authorities. This is because outside of the Segro Park and Whitley South sites there will be no business rates generated without the upfront investment.
- 1.10 Finally, in terms of developments since Cabinet last considered this matter, there has been some progress in terms of identifying potential funding for the initial infrastructure development required at the Gigapark site. £23m of funding from the initial £160m from Government directed to support the WMIZ will be utilised to undertake the enabling infrastructure works for the Gigafactory, routed via Coventry City Council and utilising an existing delivery vehicle established for this purpose in 2021. While other funding will be pro-actively investigated to support the development of the Gigafactory, it is not envisaged at this stage that any local borrowing (via tax increment financing) will be needed. If any such borrowing would be helpful in the future, this would be subject to a business case proposal and require collective decision-making.
- 1.11 Since the Cabinet report in November and following the Government's announcement, discussions have been ongoing with the WMCA (who in turn have been in discussion with the Department of Levelling Up, Housing and Communities (DLUHC)), WDC and Coventry City Council (CCC) to work out the finer details of the proposals. This report therefore provides an update for Cabinet and seeks authority to progress to the next steps, including approval for the County Council to become a formal member of the governance arrangements established to oversee the development of the Gigapark site which spans the Warwick District and the Coventry City Council areas.

2. Update on governance arrangements

Governance Model

- 2.1 On 15 November 2023 WDC's Cabinet recommended that an application for membership of the WMCA as a non-constituent member be made in light of the enactment of the Levelling Up and Regeneration Act which received royal assent on 26 October 2023 and simplifies the process for the boundaries of a combined authority to be amended. If this application is made and accepted by the WMCA then there would be no need for a Joint Committee to be established by WMCA and WDC to govern the WMIZ and instead a committee (referred to as an Investment Board) of the WMCA would be established which WDC would be able to participate in as a non-constituent member of the WMCA, on the same basis as the County Council's

membership of the Investment Board would operate. This Investment Board would have all the same functions as the proposed Joint Committee but would be simpler to establish from a governance perspective as it only requires a decision of the WMCA (whereas a Joint Committee also requires a formal decision from all participating bodies) and nominations of member representatives from each authority.

- 2.2 The proposed terms of reference for the Joint Committee/Investment Board which were approved by the WMCA on 17 November 2023 are attached at Appendix 1. Its responsibilities are set out in the terms of reference however its primary purpose is to implement the WMIZ in line with Government's IZ Policy Prospectus and Technical Guidance. This includes approval in principle of development proposals, oversight of delivery and allocation of surplus retained business rates growth in line with the agreed investment plan. The WMIZ area comprises the whole of the West Midlands Combined Authority area and the whole of the Warwick District Council area (see proposed map at Appendix 2 which is still subject to final Government approval). It is proposed that this Council, WDC, the WMCA Mayor and each of the seven constituent authorities of the WMCA are represented with each having full voting rights, and with the Mayor chairing the Joint Committee. The Council's proposed appointment to the Joint Committee/IZ Board, the Portfolio Holder for Economy, will be approved by the Council's Regulatory Committee.
- 2.3 The term 'full voting rights' in the context of any Investment Board / Joint Committee would in practice mean that the County Council would have one representative on the Board with one vote on any matter. The terms of reference do not indicate any matters requiring unanimous consent and so the County Council would effectively have one vote out of 10 (as the Mayor as Chair would be a voting member in addition to all 7 constituent authorities, WDC and the County Council). Additionally, universities that have signed up to WMIZ sites will be non-voting members and overview and scrutiny chairs from WMCA and WDC will be invited to attend as observers. As set out in the previous Cabinet report, decisions would be made on the basis of the majority vote, notwithstanding the principle of seeking consensus wherever possible that we expect to be enshrined in the MoU.
- 2.4 In the terms of reference approved by the WMCA on 17 November 2023 there was a reference to the allocation of retained business rates being subject to a robust investment plan to be developed and approved by the WMIZ Investment Board/Joint Committee. The terms of reference also state that there will be a requirement within this investment plan that, over an agreed accounting cycle (not greater than 5-years), sufficient investment will be in projects in those authorities who would otherwise be benefitting from alternative business rate regimes, to ensure that they are no worse off than if they had not agreed to participate in the WMIZ. This is referred to as the "no detriment principle" and there has been a significant amount of discussion between the WMCA, WDC and WCC on this point. A set of key principles as set out in Appendix 3 have now been resolved, and provide assurance to both WDC and WCC that the WMIZ will be of no detriment to either authority with respect to business rates for the Segro Park and Whitley South sites.

- 2.5 These principles will now be worked into the MoU that will need to be agreed between all parties with regards to business rates retention and the sharing of the business rates income received by the billing authorities, WDC and CCC.
- 2.6 As referenced in the last report to Cabinet, the legal basis underpinning the allocation of retained business rates, whether within Warwickshire or across the wider region, via decision making of a Joint Committee has been explored further. Business Rate Retention (BRR) sites which are approved by the Government will be designated as such in regulations under Schedule 7B to the Local Government Finance Act 1988. We anticipate that these regulations will require the relevant billing authorities (WDC and CCC in relation to the Gigapark site) to pay 100% of the business rates growth collected by the billing authority in respect of the Gigafactory site and 50% of the business rates growth in respect of the Segro Park and Whitley South sites (in line with the agreed 'no-detriment' principles) to the WMCA as the accountable body for the WMIZ. The Joint Committee/Investment Board will then be responsible for making decisions about how this is spent.
- 2.7 In addition, a local Coventry and Warwick Investment Zone officer group has been established which will:
- Advise CW representatives on the WM IZ Board on how to best represent the interests of CW and CW IZ sites, for example on plans for reinvestment of retained business rates, and the strategic direction of WMIZ as a whole.
 - Work together to attract the right occupiers to CW IZ sites and making sure regional resources (WMGC etc.) are aligned.

Membership of the group will be made up of LA officers and University representatives, and individual LAs will be responsible for briefing their elected members, ensuring a common approach to WMIZ Board

The Memorandum of Understanding (MoU)

- 2.8 A draft MoU has been provided and is under discussion between officers of this Council, Warwick District Council, Coventry City Council and the WMCA. The MoU will set out the intention of the parties in relation to the operation of the WMIZ.
- 2.9 The main provisions of the draft MoU cover the following;
- 2.9.1 The collection of business rates by the two billing authorities (WDC and CCC)
 - 2.9.2 The calculation of the value of the business rates
 - 2.9.3 The business rate retention arrangements and/or remittance to WMCA
 - 2.9.4 The principle of deploying investment in line with the agreed Investment Plan
 - 2.9.5 The arrangements for investment in local growth in the WDC area
 - 2.9.6 It is proposed that the MoU should enshrine the agreed 'no detriment' principles

- 2.9 It should be noted that an MoU is not a contractually binding agreement and sets out the spirit and intention behind the operating arrangements.

3. Financial Implications

- 3.1 As set out above, the Government's announcement in the Autumn Statement on 22 November 2023 confirmed that the available funding for each Investment Zone (IZ) would be doubled from £80 million to £160 million by extending the programme and associated tax reliefs from five to ten years. This means that although not guaranteed, there is greater scope for a greater proportion of the infrastructure costs of the Gigapark site development to be funded from this funding source.
- 3.2 When this matter was last reported to Cabinet, it was outlined that the cost of infrastructure for the GigaPark is likely to be in excess of £200m which would therefore require significant additional capital finance being raised to ensure completion of the development. Since that report, the Gigapark site has secured £23m of £180m funding to pay for the immediate infrastructure works around entrances to the site and increasing energy supply, which will be routed through Coventry City Council as the grant recipient. Further investment and alternative funding routes are being explored to help support future development phases of the site if gap funding is required. In particular, Coventry City Council and the WMCA are also looking at wider investment from the Government off the back of the announcements in terms of support for advanced manufacturing, automotive and battery technology.
- 3.3 There is no requirement on the County Council to invest in the Gigafactory as part of the proposals. Therefore, the financial risk and potential wider risk to the capacity to borrow to support the County Council's own capital programme is avoided.
- 3.4 There is currently no expectation that any borrowing will be required for either the Coventry & Warwick Gigapark, or the other 'spoke' IZ sites. However, as sites develop, and opportunities arise, this is a possibility. In the event that a local investment is required, there may be an option for individual authorities to invest, but the default is that this would be carried out at a regional level by the WMCA on behalf of its members. To be clear, there would be no borrowing undertaken by the County Council with respect to the Gigapark or wider WMIZ. Any investment required would need to demonstrate a sound business case whereby the financial benefits of additional business rates are more than sufficient to service any debt incurred.
- 3.5 It is also of note that the further work undertaken on the modelling still suggests that the Gigapark site has the ability to raise in the region of £560m over a 25-year period in retained business rates (and it should be noted that this is not impacted by any reset of business rates, as this is one of the benefits of IZ designation to provide confidence in future income generation). Provided the governance arrangements support the 'no detriment' principle for

both Warwickshire County Council and Warwick District Council and that this principle is not diluted over time, this has the potential to reap significant financial benefits to Warwickshire as well as the wider West Midlands region.

- 3.6 If the proposals are agreed and the Investment Zone is designated from 1 April 2024 there will be a need to set a baseline against which the Segro Park and Whitley South 'no detriment' principle for the sharing of future business rates growth will be measured.
- 3.7 To put this into context, the 2024/25 National Non-Domestic Rating return (NNDR1) from WDC to the Government included an estimated £0.327m business rates income from the Segro Park/Whitley South sites, representing growth of £0.065m above a £0.262m baseline, of which the County Council would receive 10% of this growth. However, the modelling undertaken on behalf of the WMCA goes on to suggest the County Council's 10% share could rise to as much as £2m a year by 2030/31 once the site is fully developed, subject to any changes in the national business rates system following a reset.
- 3.8 As set out in the 'no detriment' principles any additional business rates income retained by the County Council prior to any national reset will need to be spent on local growth projects across the county area. Following a national reset the definition of local growth projects is narrowed to investment and infrastructure to support the advanced manufacturing sector. The County Council has agreed with the WMCA that we would focus our investment of our share of retained business rates in the priority sectors for the IZ. Should there be other compelling opportunities for reinvestment in growth using those retained rates, which go outside the target sectors, we would seek agreement for that use with WMCA/DLUHC. Anything of this nature would directly align with WCC's Economic Growth Strategy
- 3.9 The prescriptions on how the additional business rates income can be used as a result of being part the Investment Zone will restrict the Council's flexibility in the use of these resources. Based on the Council's approved Medium Term Financial Strategy and Capital Strategy this requirement is not expected to impact materially on future budget and capital investment decisions. Also, any loss of flexibility will be more than offset by the benefit to the county's economic growth from the successful delivery of the Investment Zone.
- 3.10 For the wider Gigapark site, beyond Segro Park and Whitley South, included in the Investment Zone, the Council will not receive its share of the business rates generated (currently 10%). However, without the £200m investment in the site infrastructure it is unlikely the level of additional business rates would be generated.

4. Environmental Implications

- 4.1 There are no direct environment implications arising from this report

5. Supporting Information

- 5.1 The potential opportunities for Warwickshire of development of the Gigapark site remain as set out in the November Cabinet report. It is anticipated that the success of the GigaPark will generate significant and long-term economic growth for the area, including job creation, supply chain growth and new skills programmes, and reinvestment from Business Rate Retention to help drive delivery both of the site itself and beyond, attracting more investment into the area.
- 5.2 The proposed Gigafactory also remains an important component of the future growth and prosperity of our automotive industry. With the shift to electric vehicles that all automotive brands and Original Equipment Manufacturers (OEMs) are undertaking, there is increased need for a UK supply of batteries.
- 5.3 Some of the potential risks however also remain as set out in the November Cabinet report. These are replicated below, noting that the original risk around the 'no detriment' principle has now been addressed and resolved:
- 5.3.1 Gigapark investment to enable development of the site is likely to be significant and beyond the financial capacity of any council. The site is a strategically significant national asset and external funding will likely be required to develop the site.
 - 5.3.2 Were investment to be secured, there is a risk that the £160m Government allocation (or part thereof allocated to this site) coupled with the BRR uplift would not be sufficient to meet the development and financing costs.
 - 5.3.3 Whilst the intention is for the business rates within the designated BRR sites to be retained at 100% for 25 years, free from re-sets, it is not possible to bind the authorities forming the IZ Joint Committee to do so for the same period and even if they did, ensuring a decision by consensus approach would not be guaranteed. There could therefore be a gap in the governance structure for the reinvestment of the retained business rates which is a risk which would need to be recognised and managed.

6. Timescales associated with the decision and next steps

- 6.1 Should Cabinet approve the recommendations in this report, steps will be taken to finalise the governance arrangements, including the MoU to be entered into by the County Council.
- 6.2 In addition, a report will be taken to the next available Regulatory Committee to propose the Portfolio Holder for Economy as the Council's representative to the Investment Board/ Joint Committee.

- 6.3 It is envisaged that the Investment Board/ Joint Committee arrangements will be effective from April 2024.

Appendices

1. Appendix 1 – Terms of Reference for the WMIZ Joint Committee/ IZ Board
2. Appendix 2 - Indicative map of the WMIZ GigaPark site (still subject to change)
3. Appendix 3 – The agreed ‘no detriment’ principles

Background Papers

None

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

Local Member(s): Cllr Redford

Other members: Chair and Party Spokes of the Communities Overview and Scrutiny Committee

APPENDIX 1

Investment Zone Joint Committee (IZ Board) – Draft Terms of Reference

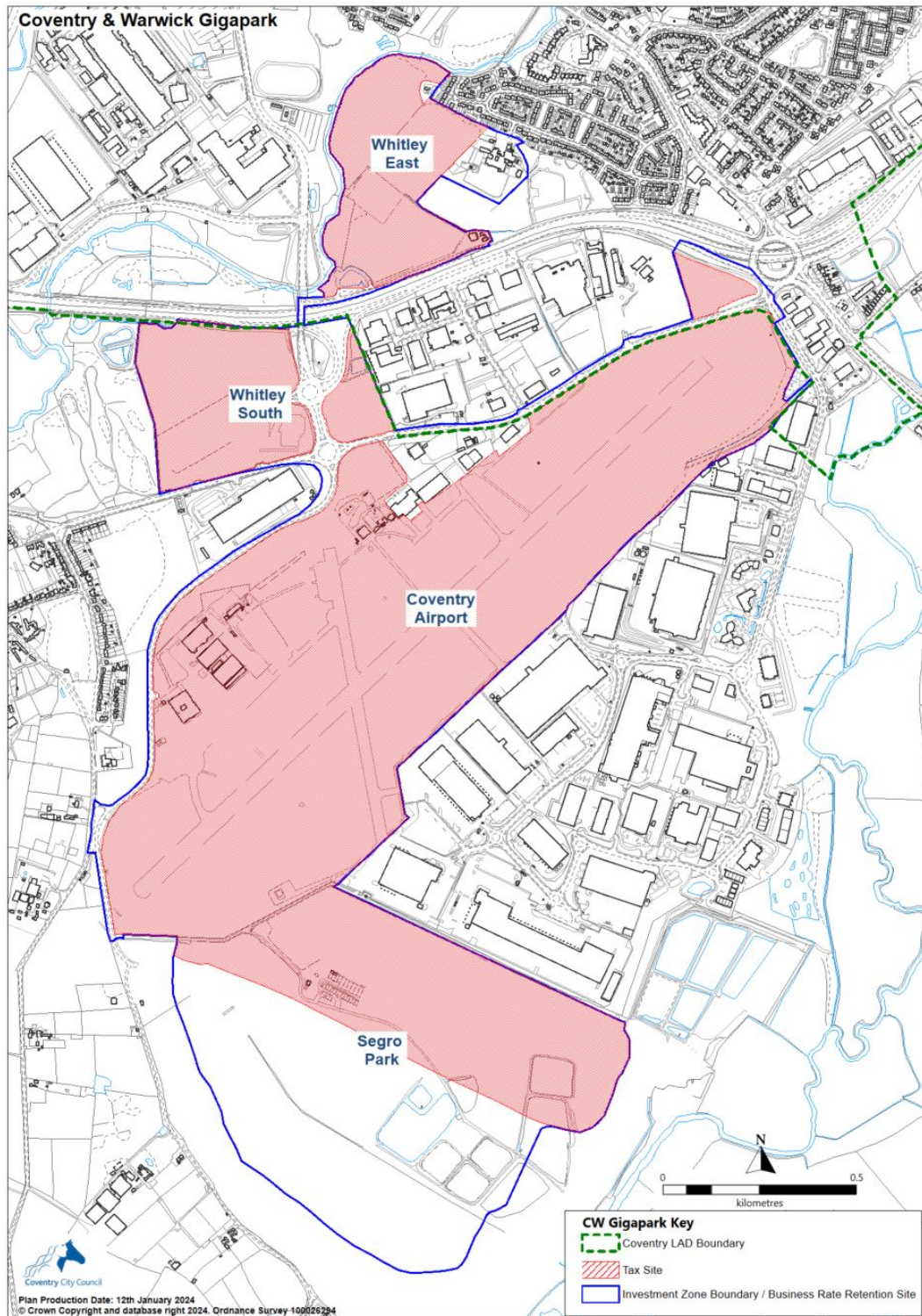
Governance	WM Investment Zone Joint Committee / WM Investment Zone Board
Purpose	Overall responsibility for developing and delivering the West Midlands Investment Zone and ensuring accountability to Government for its successful and compliant implementation.
Membership	<p>Voting Members: Mayor of the West Midlands One representative from each of the WMCA 7 Constituent Authorities One representative from Warwick District Council One representative from Warwickshire County Council</p> <p>Non-Voting Members: Universities that have signed up to the Investment Zone sites.</p> <p>Observers: Overview and Scrutiny Chair from the WMCA Scrutiny Chair from Warwick District Council (in the event of a Joint Committee) Other stakeholders may be invited to attend as observers when appropriate.</p>
Chair	Mayor of the West Midlands.
	Vice Chair - to be appointed from among Members.
Voting	<p>All voting Members shall have one vote.</p> <p>Matters shall be decided by consensus where possible. Where consensus is not achieved, decisions shall be taken on the basis of a simple majority of the votes cast.</p> <p>The Chair shall not have a second or casting vote and in the event of an equality of votes the motion shall not be passed but shall be deferred to the next meeting.</p>
Quorum	Three voting members of the Committee.
Frequency	Quarterly or more frequently as required on the giving of 5 clear working days' notice.
Location	Meetings will be held at locations agreed by its members.
Timing of Meetings	To be determined.
Type of Meeting	Formal meetings shall be held in public except when exempt or confidential information is being considered and the press and public are excluded in accordance with the Local Government Act 1972 (as amended).

Administration	The meeting will be administered by WMCA and papers will be published on both authorities' websites at least 5 clear working days before the date of the meeting.
Allowances	None
Responsibilities	<p>The body will be a collaborative entity with the respective authorities working together to implement the WM Investment Zone in line with Government's Investment Zone Policy Prospectus and Technical Guidance.</p> <p>Its functions will include:</p> <ul style="list-style-type: none"> • Overall responsibility for developing and delivering the Investment Zone. • Approval in principle of Investment Zone sites development proposals and interventions. • Oversight of each Investment Zone Site delivery vehicle's performance in implementing the WM Investment Zone. • Ensuring delivery of the identified and agreed outcomes and outputs. • Allocation of Investment Zone resources in line with a developed and agreed Investment Plan. • Determination of the proportions between the tax incentives and spending elements of the £80 million IZ government grant. • Allocation of the tax incentives element of the £80 million grant and of the spending element of the £80 million grant. • Allocation of surplus retained business rates growth generated by the Investment Zone's BRR site, in line with Government's Investment Zone policy. • The allocation of retained business rates to be allocated by the WMCA through the established governance arrangements will be subject to a robust investment plan to be developed and approved by the IZ governance body. There will be a requirement within the investment plan that, over an agreed accounting cycle (not greater than 5-years), sufficient investment will be in projects in those authorities who would otherwise be benefitting from alternative business rate regimes, to ensure that they are no worse off than if they had not agreed to participate in the WM Investment Zone. This will also reflect agreement between WMCA and Government that up until the point of a reset of business rates baselines, Government will allow relaxation of spending

	<p>requirements within the Investment Zone business rates retention site to allow those rates retained to be invested in local growth.</p> <ul style="list-style-type: none"> • To ensure that the decisions of the Board do not import any undue risk to the WMCA in financing schemes that result from those decisions. • Approving reports to Government as part of the WMCA's accountability function.
Delegation	<p>1) Decisions in relation to the allocation of the initial £80 million government grant up to a total value of £80 million and within Government's proportionate allocation framework between the fund's components.</p> <p>2) All other and subsequent decisions up to a value of £20 million. Decisions above £20million will be required to be taken by the WMCA Board as the accountable body for the Investment Zone.</p> <p>All decisions will need to follow the WMCA's existing assurance frameworks and any introduced through the Deeper Devolution Deal or any subsequent legislative frameworks.</p>
Withdrawal from the Joint Committee	<p>Either Authority may give to the other not less than twelve months' written notice expiring on 31st March in any year of its intention to withdraw from the Joint Committee.</p> <p>Once the Joint Committee ceases to exist, unless that is by way of transitioning into a full Board of WMCA as outlined in 3.13 above, the functions delegated to it will each revert back to the relevant delegating Authority.</p>

Map of Coventry & Warwick Gigapark

The designations indicated here are proposed only and are subject to HM Government's decisions on designation and ultimately parliamentary approval. They are published without prejudice to those decisions and must not be interpreted as being confirmed.



Agreed 'no detriment' principles

Principle 1

WDC & WCC will receive 50% (currently 40% and 10% respectively in line with the national tier split) of the business rate growth from Segro Park and Whitley South above an agreed baseline position. In the event of a reset[s] WDC/WCC will continue to retain the same quantum of business rates income that would have been retained from these sites had these sites not been included within the Investment Zones, therefore replicating the national business rates regime.

Principle 2

These retained rates will be invested in the local authority's 'local growth' projects up to the point of a national reset, and thereafter the Advanced Manufacturing sector (for WDC especially at its intersection with the Digital & Creative sector and for WCC its alignment with the county's economic strategy).

Principle 3

For the purposes and definition of Principle 2 above, the following shall apply:

- i. Business rates retained from the IZ will be available to support 'local growth' projects within a billing authority area up to a point of a reset. Post-reset they will be available to be applied to repay borrowing in respect of those projects only.
- ii. Retained business rates from the IZ will not be available for new 'local growth projects' after the point of a national reset, and retained rates will have to comply with wider IZ policy in terms of supporting the identified priority sector.
- iii. 'Local growth projects' considered eligible for treatment under 3 i) will be those where the local authority has made a clear and formal commitment to investing in that project, having entered into contracts for their delivery.

Principle 4

As WCC are an existing beneficiary of business rates and therefore potentially subject to detriment, the benefits intended through the above provisions will be able to be applied across the WCC geography.

Principle 5

It is not anticipated that future public sector investment is required from the IZ for the site [s] that are affected by these principles (for WDC & WCC - Segro Park and Whitley South). In the event that such investment is required, WDC and WCC recognise that any settling of business rate 'no detriment' calculations will need to reflect such investment and all parties will work collaboratively to resolve that.

Cabinet

5 March 2024

Devolution for Warwickshire

Recommendation

That Cabinet:

Supports progressing a Level 2 devolution deal for Warwickshire and authorises the Chief Executive, in consultation with the Leader, to negotiate and finalise a devolution agreement for Warwickshire, subject to any further Council approvals necessary in respect of legislative changes required to implement the deal.

1. Executive Summary

- 1.1 Following the publication of the Levelling up White Paper in February 2022 and its subsequent passing into law through the Levelling Up and Regeneration Act in October 2023, Warwickshire County Council has actively engaged in both the Levelling Up and Devolution agendas.
- 1.2 The White Paper and subsequent Act outlines the Government's strategy to "spread opportunity and prosperity to all parts of the country" by 2030, through twelve national missions, of which one, Local Leadership, encapsulates the Government's aspiration that "by 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement".
- 1.3 In response to the White Paper, in July 2022 Cabinet approved the Countywide Approach to Levelling Up, supported by a series of local pilots and the creation of a £2.5m Social Fabric Fund (agreed by Cabinet in April 2023) to invest primarily in the 22 most deprived Lower Super Output areas in the county. Progress and achievements to date were reported in an annual progress review reported to Cabinet in January 2024, at which Cabinet agreed to bring the Levelling Up and Community Power agendas under the single *Creating Opportunities* identity.
- 1.4 Recognising the opportunities of devolution for the local levelling up agenda, devolution options for Warwickshire have also been actively considered:
 - the Leader of the Council wrote to the Secretary of State in March 2022 expressing the Council's interest in being invited to commence negotiations on a devolution deal for Warwickshire;

- a cross-party Member Working Group was established to develop and consider options for devolution in Warwickshire, reporting back to Cabinet in May 2023, concluding that without local support for a Level 3 deal and given the limited national interest at that time in Level 2 deals, we were not in position to pursue a devolution deal at that stage; and
- considering opportunities for closer working with the West Midlands Combined Authority (WMCA) as a non-constituent member and geographical neighbour. This closer working is most obviously being progressed on the West Midlands Investment Zone proposals, which include the Coventry and Warwick GigaPark site intended to go live in April 2024 and is subject to a separate paper on today's Cabinet agenda.

- 1.5 Following the Government's Autumn statement 2023, which set out the Government's intention to offer Level 2 devolution powers to councils that cover a functional economic or whole county area and meet relevant criteria, the County Council re-stated its interest in a Level 2 deal. Through the Department of Levelling Up, Housing and Communities, Government has responded with a potential standardised offer to seven Councils, including Warwickshire.
- 1.6 Given the timing of local elections and the impending national elections, Government currently intends to agree such standard Level 2 devolution deals by the end of March 2024, with the Deals coming into force from April 2025 once the necessary Regulations have been laid before Parliament and agreed by Council as necessary. Timescales are tight and there is no scope from Government to vary the content of the template deal. Government is positioning the template deal as a strong basis for subsequent negotiation of deeper and more tailored devolution deals into the future.
- 1.7 At this stage, the proposed deal requires Government and the Council to confirm that they are 'minded to agree a devolution framework agreement that will provide Warwickshire with new powers and funding to increase opportunities and living standards'. There are a number of governance requirements including maintaining a Leader and Cabinet executive governance model, scrutiny arrangements for the Level 2 Deal, and agreement that the Council will be subject to the English Devolution Accountability Framework.
- 1.8 In line with the provisions of the Levelling Up and Regeneration Act, the deal would be made with Warwickshire County Council. To support successful delivery of the deal the County Council will engage and continue to work closely with district and borough councils together with other public, private and voluntary sector leaders. Therefore, throughout this process effective engagement with District and Borough colleagues and wider stakeholders will remain paramount.
- 1.9 This report presents an outline of the proposed devolution deal arrangements to Cabinet for consideration.

2. Financial Implications

- 2.1 The nature of the Level 2 devolution deal being offered by the Government means that at this stage there is not expected to be any additional capital funding provision as part of the deal. This limits the impact when compared with the long-term investment funds, established on a gainshare basis as part of the Level 3 and Level 4 deals, typically worth around £15m pa. Securing such a long-term investment fund is a key devolution priority for Warwickshire in the next stage of our devolution journey beyond this Level 2 Deal.
- 2.2 The Government will devolve to the County Council, as the administering body, funding for the devolved activity. However, it should be noted that this is not new or additional funding; it is funding that would have been previously allocated for Warwickshire but administered through the mechanics of central Government at a national level. It should also be noted that the administrative costs to the County Council of administering the Level 2 Deal will need to be covered from the devolved funding. These costs are not expected to be significant.
- 2.3 The specific financial implications of securing this deal are set out below:
- The County Council would be directly responsible for the allocation of the Adult Education Budget from the financial year 2026/27 onwards. For the 2023/24 academic year, this funding is estimated to be £7.6m and so is likely to be a similar amount on an ongoing annual basis. Over time as the allocation of this resource is tailored to reflect Warwickshire specific needs and priorities discussion will be needed with providers and other stakeholders about the planned use of the funding and adaptations to current programmes of activity that may be required.
 - The planning and delivery of the UK Shared Prosperity Fund (UKSPF) for Warwickshire would become the responsibility of the County Council from April 2025 onwards, a responsibility currently held by the District and Borough Councils. The allocation across the five district and boroughs in 2023/24 is c. £10.9m and we would expect a similar amount going forward on an annual basis. This arrangement would also create the opportunity for 'double devolution' and access to funding and/or powers at a more local level, requiring engagement with the district and borough councils, and other local partners, to ensure the needs of partners can be effectively addressed.

3. Environmental Implications

- 3.1 Climate change and net zero are both featured within the proposed deal, providing the opportunity to secure closer working with central Government and a platform for further work going forward.

3.2 Climate change is an area where there is significant opportunity for Warwickshire to work more closely with the West Midlands Combined Authority and engage with its Deeper Devolution Deal which includes a number of elements relating to climate. A Level 2 devolution deal for Warwickshire would enable progression of a number of opportunities to support implementation of our Sustainable Futures Strategy, for example housing retrofit.

4. Supporting Information

4.1 Following the publication of the Levelling Up White Paper in 2022 the Government has agreed a number of devolution deals across the country.

4.2 These offer a variety of both devolved powers, functions and funding, based upon the level at which they agreed – ranging from Level 1 up to a new Level 4 deal (introduced in the Autumn statement 2023).

4.3 Deals at Levels 3 and 4 offer the highest levels and the greatest degree of devolution, but also require more substantial local governance arrangements, crucially including locally directly elected Mayors or Leaders, for which there is currently no appetite within Warwickshire. As a result, these have to date, largely only been secured by existing Combined Authorities or in areas where a Combined Authority will be established.

4.4 A number of devolution deals have progressed over the past 12 months, with a critical mass of devolution deals now agreed as set out in the table below:

Level	Executive	Area
3	Directly Elected Mayor - trailblazers	Greater Manchester Combined Authority, West Midlands Combined Authority (WMCA)
	Directly Elected Mayor	Greater Lincolnshire Mayoral Combined County Authority (MCCA), North of Tyne MCCA, East Midlands MCCA, Hull & East Yorkshire Mayoral Combined Authority (MCA), Suffolk County Council, Norfolk County Council, York & North Yorkshire MCA, West Yorkshire MCA
2	Combined County Authority (CCA) Board	Devon and Torbay (CCA), Lancashire (CCA)
	Existing Leader and Cabinet model	Cornwall Council

4.5 Most recently, a standardised offer has been made to Warwickshire County Council as one of seven Councils nationally. The key elements of the deal are set out below:

- a) Fully devolve the Adult Education Budget for Warwickshire to the County Council, along with funding for Free Courses for Jobs (Level 3 qualifications focused around key business sectors), from 2026/27;
- b) Strategic management of the Warwickshire allocation of the UK Shared Prosperity Fund (UKSPF) from 2025/26;
- c) Integration of Local Enterprise Partnership (LEP) functions into the Council;
- d) Devolution of Homes England compulsory land assembly/purchase powers to be concurrently held with and exercisable by Homes England;
- e) Access to bus franchising powers;
- f) Ability to input into the Local Skill Improvement Plan (LSIP) for Warwickshire; and
- g) Strengthen links between national and local work on climate change and energy planning, including the potential introduction of Environmental Improvement Plans at a local level and support to the Nature Recovery Strategy.

A fuller analysis of these elements of the deal, and an assessment of their potential benefit to Warwickshire, is set out in **Appendix 1**.

- 4.6 Whilst the deal does not go as far as the devolution options the Council's Member Working Group explored last year, the nature of the deal does mean there is very little risk involved for the County Council. The Council would take on the above functions and powers under arrangements that are tried and tested through other devolution deals.
- 4.7 Headline benefits largely relate to the ability to have greater control over funding and to operate devolved powers at a strategic scale to maximise impact, align with wider local activity and enable greater focus on local need.
- 4.8 The elements of the deal also complement a number of core strategies and key streams of activity either recently agreed or in development by the Council, including: the Sustainable Futures Strategy; Local Transport Plan; Economic Growth Strategy; and the overall approach to Creating Opportunity.
- 4.9 Adoption of the deal also provides Warwickshire with a platform for further devolution into the future and closes the gap with other areas who have already secured a Level 2 or 3 deal.
- 4.10 The deal will also potentially strengthen the County Council's ability to work with the WMCA and link to the different elements of the Deeper Devolution Deal notably for Adult Education, Skills and Climate Change.
- 4.11 On balance therefore, and in light of the above, it is considered beneficial to Warwickshire to pursue a Level 2 deal at this stage.
- 4.12 Specific governance requirements underpin the proposed deal, including:
 - maintaining a Leader and Cabinet executive model;

- scrutiny arrangements will need to be in place for the deal, utilising the Overview & Scrutiny Committee structure and providing a lens on the different aspects of the deal;
- the Council would be subject to the English Devolution Accountability Framework, which applies to all English institutions with devolved powers;
- the Council would need to work with Government to develop a full implementation plan for the deal, including work to give the public and stakeholders a clear understanding of the powers and funding that are being devolved.

4.13 Similarly, whilst the deal will be with the County Council as the upper-tier authority, significant effort will be necessary to engage and work with key stakeholders and partners to maximise the benefits of devolution to the whole County. Where possible this will be done through our existing mechanisms and forums, which will be enhanced as appropriate.

5. Timescales associated with the decision and next steps

5.1 Subject to approval by Cabinet, Government's intention is to agree broad principles for the deal before 31st March 2024, with both Government and the Council confirming their intention to agree a devolution framework agreement which will provide Warwickshire with new powers and funding to increase opportunities and living standards.

5.2 Thereafter the seven Councils would work with Government to finalise the detail of the agreement, following a standard template, with Government pursuing the required statutory process for passing secondary legislation to confer the devolved functions on the Council. It is envisaged that secondary legislation and further Council approvals would be required in respect of the devolution of the adult education budget and the Homes England compulsory purchase powers and further reports will be brought back for member decision making as appropriate. Due to the statutory process that needs to be followed, it is expected to take approximately 12 months to complete, meaning that the actual powers would come into force in 2025.

5.3 As set out in paragraph 4.12, an implementation plan for the next stage of the process would need to be agreed with Government alongside confirmation of governance arrangements for the deal within the Council, with partners and with Government.

5.4 It should be noted that the above timescales are indicative and may be subject to change as they will need to adapt to the requirements of the seven Councils and central Government.

Appendices

Appendix 1 - Assessment of the deal elements

Background Papers

1. Developing a Devolution Deal for Warwickshire – Cabinet, March 2022
2. Levelling Up and Devolution for Warwickshire, - Cabinet, May 2022
3. A Countywide Approach to Levelling Up in Warwickshire, - Cabinet, July 2022
4. Developing Devolution Deal for Warwickshire – May 2023
5. West Midlands Combined Authority and Devolution for Warwickshire – Cabinet, July 2023
6. Devolution for Warwickshire & West Midlands Combined Authority – Cabinet Sept 2023

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

Local Member(s):

Other members:

Appendix 1 – Devolution deal elements

Element	Analysis
<p>Funding</p> <p>Adult Education budget (the post-19 budget to support skills and training in Further Education or by training providers), excluding funding for apprenticeships.</p>	<p>This is considered beneficial to Warwickshire.</p> <p>Devolved control over the adult education budget would mean that skills provision can be better tailored to the particular needs of businesses and communities within the county, by taking a more granular and targeted approach than is possible through a national model of funding allocations. Devolved control would also enable more flexibility in delivery, enabling tailored provision to meet identified needs in an area.</p> <p>The WMCA have had control over the adult education budget for a number of years and have had considerable success in flexing delivery and achieving improvements in outcomes in key target areas. There would be opportunity for stronger alignment of skills with Coventry and the wider WMCA, which is important given that many training providers look to operate over a wider geography and the relative flexibility of funding available in the WMCA area compared to the current national approach in Warwickshire has led to some providers reducing activity in the county.</p> <p>The value of the adult education budget for Warwickshire is estimated to be c. £7.6m per annum. Warwickshire County Council would become responsible for the allocation and monitoring of funding, providing appropriate assurance to the Department for Education. This would require a level of resource to co-ordinate and manage effectively, but this can be funded through the devolved resources provided.</p>
<p>UK Shared Prosperity Fund (UKSPF)</p>	<p>While this does not necessarily bring additional funding into Warwickshire (as it is currently managed at the District/Borough Council level), it would enable a more strategic and coordinated approach to funding of activity, such as business support and employment & skills activity.</p> <p>Currently a range of agreements are in place that seek to co-ordinate and pool funding to enable this activity to be commissioned at a county-wide level, but this is not a particularly streamlined or efficient model. By having strategic control over the funding, resources could be better deployed and greater outcomes achieved. Local input would be critical and needed with respect to the place-shaping, double devolution and community elements of the UKSPF programme, and close working with the district and borough councils would be critical to this.</p>

	<p>The likely annual allocation of UKSPF moving forward is likely to c. £10m per annum. This is less than historic levels of funding for business support, employment and skills, and regeneration activities, so it will be essential that this is deployed in the most effective and efficient manner, ensuring alignment with wider activity. As such, it is considered beneficial to Warwickshire to have more strategic oversight of the funding, working closely with partners.</p>
Functions	
Integration of Local Enterprise Partnership (LEP) functions	<p>This is less relevant to Warwickshire than it might be for other counties.</p> <p>Coventry & Warwickshire are ahead of many areas in this regard and have already wound down the Coventry & Warwickshire LEP and integrated relevant functions to the WMCA and Warwickshire County Council respectively.</p>
Ability to input into the Local Skill Improvement Plan (LSIP)	<p>The ability to develop a Warwickshire focused LSIP is considered helpful.</p> <p>To effectively shape and inform a locally tailored use of the adult education budget, it will be important to have the feedback and input from the business community on their specific needs. An LSIP is a business-led plan which can help do this.</p> <p>Currently, Warwickshire is included within a much broader WMCA & Warwickshire LSIP. A specific, Warwickshire-focused LSIP would therefore be beneficial to the county, working with Coventry in particular and the wider WMCA to achieve sub-regional and regional benefits.</p>
Climate change	<p>This element of the deal would complement the direction and activity set out in the Sustainable Futures Strategy and provide a platform for what we know will be both a long-term and national-level challenge and so is considered beneficial.</p> <p>The devolution framework will offer the opportunity to adopt innovative local proposals to deliver action on climate change and the UK's net zero targets. This will include support for approaches in buildings & retrofit, local area energy planning: environmental planning, nature recovery and green jobs.</p>
Powers	
Access to Bus franchising powers	<p>Bus franchising is not currently a model that could be recommended for Warwickshire and it is unlikely that we would utilise such a power in the medium-term.</p> <p>With bus franchising powers, Warwickshire County Council would be able to directly set bus routes, services, timetables and frequencies, as well as any service quality standards; and receive the income generated. Bus services would be franchised via competitive procurement. While Warwickshire County Council, as the Local Transport Authority, has the existing ability to request bus franchising, this would require a number of significant steps to be undertaken and secondary legislation approved. This element of the devolution deal effectively helps accelerate this</p>

	<p>process and makes it significantly easier to establishing a bus franchise model in the county.</p> <p>However, bus franchising brings significant financial risks as the costs of operating a bus network across the county could well exceed the income that could be generated. These financial risks are likely to be too significant for bus franchising to be a viable option at this time.</p>
<p>Adoption of Homes England and Compulsory land assembly/purchase powers</p>	<p>This is considered to be beneficial to Warwickshire.</p> <p>These powers would potentially support work on regeneration schemes and work with district and borough councils relating to strategic planning. It should strengthen and accelerate our existing abilities to undertake Compulsory Purchases and enable stronger joint working with Homes England to support housing growth, regeneration and development of employment land. While this power is often a last resort option and may never be fully utilised, it does increase the Council's ability to influence and shape development in an area.</p>

Cabinet

5 March 2024

Electric Vehicle Parking Policy

Recommendation

That Cabinet adopts the parking policy at Appendix 1 to enable the designation of on-street electric vehicle (EV) parking spaces as for use by EVs only.

1. Executive Summary

- 1.1 This report recommends a change of the Council's parking policy to support the use of EVs, by formally restricting EV charge point parking spaces to use by EVs only. The aim is to ensure that EVs can access on-street charging infrastructure installed for that purpose. The proposed policy is attached as Appendix 1.
- 1.2 Adopting the proposed policy would improve access to on-street EV charging facilities in the county, which in turn supports the environmental and transport aims of the Local Transport Plan (LTP4), and helps our residents and visitors to support moves towards Net Zero carbon in line with the Sustainable Futures Strategy.
- 1.3 When charging infrastructure first began to be introduced, EV ownership was much lower, and the level of uptake did not necessitate each parking bay to be designated as EV-only. However, as ownership rapidly increases, we need to support that growth, as the use of charge point parking spaces by non-EVs hampers the ability of EV drivers to charge.
- 1.4 Currently, on-street EV charge point parking spaces in Warwickshire are advisory only. This means that any vehicle can use them, and they cannot have signage or wording on the road surface stating they are available to EVs only. In some locations, they are marked as 'mixed use', actively advertising that petrol/diesel vehicles can also use the parking space. This approach not only results in EV drivers being blocked from using the facilities, but in residential areas where properties lack off-street parking, this is a known deterrent to residents purchasing EVs.
- 1.5 The Council has been clear regarding its intention to reach Net Zero carbon emissions as a County by 2050. One way to support progress is to facilitate the use of EVs and an increase in the speed of rollout of EV charge points. The proposed EV Parking Policy would support these aims, by maximising

availability of EV charge points, and making EVs a more attractive travel choice.

- 1.6 The Council's Road Safety Audit (RSA) team require that parking for EV charge points should be designated as EV only, to avoid the trip hazard of trailing cables being used to charge vehicles some distance from the charge point itself. This is required to be by signage and with wording on the road surface. To do this requires a Traffic Regulation Order (TRO) change.
- 1.7 The proposed policy at Appendix 1 supports all EV on-street charge point parking spaces to be designated as standard as for EVs only and backed by a TRO (unless specific circumstances at a location require otherwise).
- 1.8 In order to implement the change, TROs would be proposed in the usual way for each district/borough. The standard TRO process would be followed, which involves a public consultation period with notices published locally, before a final decision is reached, taking objections into account. Local members will be engaged with during selection of sites where the TRO will be proposed.
- 1.9 The proposal is to implement the EV-only TRO in addition to whichever parking TRO already applies to the area (limited waiting, pay and display, residents permit zone and so on). The existing parking TRO would continue to apply alongside the EV-only designation. In unrestricted parking areas, only the EV bay will be designated.
- 1.10 Legislation provides that EV-only bays must be designated as "Electric vehicle recharging point only". This means that vehicles must be charging when using the space or they can be enforced against. Once charged, the EV owner is required to move on, allowing multiple EVs in the area to use the charge point. This should alleviate concerns that, in areas of low EV take-up, the designated space would effectively become the 'personal' space of one EV driver. EV drivers can and should also continue to use the other bays as normal when they are not actively charging the vehicle.
- 1.11 Adopting the proposed policy would allow more effective and efficient use of EV charge points, assets which can be costly to install, by allowing enforcement against non-EVs using the parking bays (an activity which forms the basis of an increasing number of complaints). Enforcement will continue on the current approach, which is proportionate to contravention risk.
- 1.12 The approach of adding the new TRO to existing parking restrictions will help to keep signage as simple as possible. This ensures it is straightforward for users to understand, simplifies enforcement for civil enforcement officers, and would avoid an increase in successful appeal processes against penalty charges, which has been seen elsewhere because of overly complex signage.
- 1.13 Keeping the parking restrictions as similar as possible to those for non-EVs helps us to promote EVs as a realistic change to travel behaviour for our residents. As there will, in general, be no overnight restrictions, an EV driver

will be able to use an EV bay as overnight parking (subject to connection to the charge point), giving them the peace of mind of the same residential parking as non-EV users, without the prospect of having to move the vehicle late at night once it is charged.

- 1.14 The Council will work together with charge point operators, using this new policy, to focus access to charge points on those areas most in need of assistance to shift to EVs. This will often be in locations with urban, terraced streets without off-street parking. Adopting the proposed policy is therefore intended to help improve equality of access to EV charge points for all residents and visitors, particularly those who need to use on-street charge points.

2. Financial Implications

- 2.1 The policy change itself is not intended to deliver any direct saving and will not incur costs directly.
- 2.2 As EV charge points are delivered under the proposed policy, TRO changes would take place. TRO changes are facilitated by the Minor Works team in County Highways, and are undertaken to a regular schedule, which will incorporate any TRO changes as a result of the proposed policy. Therefore, implementation of the policy is not anticipated to impact the usual costs to the Council from TRO changes. Additionally, the TRO costs are in some instances covered by the operator of the charge points.
- 2.3 There are no anticipated financial impacts on parking management teams. Enforcement will continue on the current approach, which is proportionate to contravention risk.

3. Environmental Implications

- 3.1 The proposed policy is considered to have positive environmental implications and to assist to make Warwickshire more sustainable. Adopting the policy would allow residents better access to sustainable travel choices, by making EV parking and charging more easily accessible. Increased uptake of EVs would reduce the amount of vehicle emissions in the county and help the Council's journey towards Net Zero carbon in Warwickshire.

4. Timescales associated with the decision and next steps

- 4.1 Once adopted, this policy will apply immediately.

Appendices

Appendix 1 – EV Parking Policy statement

Background Papers

None

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

Local Member(s): N/A – This is a countywide matter.

Other members: Councillors Jeff Clarke, Jonathan Chilvers, Sarah Feeney, and Jenny Fradgley

Electric Vehicle On-Street Charge Point Parking Policy

March 2024

Introduction

This policy was agreed by Warwickshire County Council's (WCC) Cabinet in March 2024 in order to regulate electric vehicle (EV) charge point parking on-street within Warwickshire, and support uptake of EVs across the county. This policy sets out WCC's standard approach. However, exceptions may be considered in particular locations or circumstances where an alternative approach would be beneficial.

Previously, when EV ownership was much lower, that uptake did not necessitate each parking bay adjacent to a charge point to be designated for use only by EVs by way of a Traffic Regulation Order (TRO) supported by accompanying signage and road markings. Now, with EV ownership rapidly increasing across Warwickshire, it is advantageous to ensure that new and existing on-street charging infrastructure is accessible and available to EV drivers by imposing limitations upon use of the adjacent parking bay by way of TRO. In making these changes, the policy supports the Council's stated aim to move towards Net Zero carbon by 2050, and complements the Council's Sustainable Futures Strategy. This policy is intended to support that aim, while also providing residents and visitors with better access to on-street EV charge points, in order to reduce incidents of access to charge points being blocked by petrol/diesel vehicles (an increasing concern across Warwickshire).

This policy is an addition to WCC's Parking Policies, adopted in July 2007, which continue to apply.

Policy Statement

In order to ensure parking bays alongside EV charge points on-street in Warwickshire are used only by EVs, WCC will propose implementing restrictions by way of a TRO, limiting waiting in EV bays for the use of EVs that are charging.

A proposed TRO (an EV-only TRO) would seek to designate the relevant bays as "Electric vehicle recharging point only", allowing enforcement against vehicles misusing the bays. This approach aims to prevent inappropriate use by non-EVs, while also promoting shared use of the bays amongst EVs by requiring them only to be used while charging.

An EV-only TRO would apply in addition to any existing parking restrictions present at EV charge point sites. In areas of unrestricted parking, an EV-only TRO would be implemented only on the EV charge point bays. This will maintain a system of parking restrictions that is easily understood by users and enforcement officers.

The policy will also help to address road safety concerns that have been raised at EV charge points, by making EV bays more visible to road users. Easier access to the appropriate parking bay next to a charge point will also reduce the incidence of lengthy trailing cables on the highway, and the trip hazard this may present.

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