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The Leamington Society

Newsletter

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Chairman's Notes

The Bottom Line in Local Government: Profit or Policy

Austerity in central government has led to a squeeze on numerous departments: perhaps none more so than on local government. Councils have every year to try and achieve more with less.

Warwick District owns quite a lot of property, but much of it – in hard financial terms – more of a liability than an asset. These considerations are uppermost in driving the scheme for a new HQ in Covent Garden and the eventual sale of the Riverside House site. The proposals will be the subject of planning applications in the coming months; the outlines are described in a separate article within this Newsletter.

The vehicle for executing these plans is the Limited Liability Partnership (LLP) – a joint venture with a Board shared by WDC councillors with directors from a Private Sector Partnership (PSP). The financial case is that with the benefit of PSP's experience the LLP will achieve a profit – to be shared in due course with WDC for the longer term benefit of Council finances. This has been verified by CIPFA (Chartered Institute of Public Finance & Accounting) as a best option. That is presumably an accounting analysis, as distinct from a consideration of policy outcomes. However that review remains confidential, since WDC decided at the outset that the LLP would not be subject to Freedom of Information.

It's always hard to grapple with what sounds like financial alchemy: time will tell as to the eventual outcome. Meantime, some policy implications arise.

Riverside House site is to be sold to a developer with outline permission for housing. This transaction will be simply to achieve the best price, with WDC having no housing policy role.

The developer's detailed plans will of course have to be submitted to Planning, but matters such as affordable housing content will be determined by commercial "viability".

The Town Hall will in due course be emptied of District functions, with a saving of £85k a year, when the new HQ is complete ; also the Town Council will have to negotiate new accommodation. At which point the listed, landmark building at the heart of the Parade will be an orphan looking for a new life. Even if WDC offer to give it away for a nominal £1, good luck with that search!

Chandos Street car park area will eventually be reviewed when the dust has settled from the above moves. It was clear during 2016 examination of the Local Plan, that this remains a gleam in the eye for fulfilling an alleged need for much expanded retailing in Leamington town centre. It was also clear that WDC is still wedded to working with Wilson Bowden, whose Clarendon Arcade scheme was rejected back in November 2011, although the terms remain confidential.

