
Cabinet

26 November 2015

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources - Councillor Gannon
Cabinet Member for Education – Councillor Kershaw

Director Approving Submission of the report:

Executive Director Resources

Ward(s) affected:

All

Title:

Connecting Communities

Is this a key decision?

No – although this matter affects all wards, as the proposals are for a period of engagement and consultation, the matter is not deemed to be a key decision.

Executive Summary:

Since 2010 the Council has seen a huge and unprecedented reduction in its resources, as Government Policy to balance the public sector budget has led to massive grant cuts to Councils. In 2016/17 the Council's grants will be £94m per annum less than in 2010/11, and by 2020 this is predicted to rise to a reduction of £140m per annum.

It is clear that the Council needs to take a new approach to delivering and enabling services in this new and challenging financial context – it is just not possible to carry on as before. The new approach will ensure that the best possible services are delivered within the resources available. Closer partnership working, with statutory and voluntary agencies, and the community, will need to be part of this approach.

Connecting Communities is an ambitious and wide reaching programme focused on a radical redesign of Council services so they are delivered together in one place in the communities and neighbourhoods where there is most need, and within the resources available.

Council services included within the scope of this programme are libraries, youth centres and services, children's centres, play centres, community centres, public conveniences and adult education.

This report summarises the progress made since February, when the Council made a commitment to keep council facilities like libraries open during 2015/16 to allow time to work with partners and residents to develop new and effective ways of delivering services at lower cost.

The Connecting Communities programme replaces the City Centre First programme and has been renamed to reflect more effectively the need for communities and other organisations to connect with the Council and others to deliver services.

This new approach presents an opportunity to trial more collaborative and participatory ways of working with Coventry people to strengthen relationships across communities. As this approach develops it will become the major transformation change programme for the Council's People Directorate which delivers a wide range of key frontline services to Coventry residents.

This report recommends public consultation on a set of ten specific proposals to deliver the Medium Term Financial Strategy (MTFS) target of £1 million proposed in the original City Centre First programme for 2016/17 and exceed this target on a full year effect by an additional £0.2million. Proposals to achieve a further £3.8million savings needed for 2017/18 will be developed following engagement and further consultation. This reflects the total saving of £5 million.

The report further recommends that a widescale engagement programme using innovative engagement methods should take place with residents, community groups and partner organisations over the next six months. The focus of this work will be to co-produce and develop detailed proposals on the future of public services in neighbourhoods.

Recommendations:

Cabinet is recommended to:

1. Approve a period of consultation from 7 December 2015 to 1 February 2016 on a set of ten proposals for changes to some services in order to achieve savings of £1.2million for 2016/17 as required by the Medium Term Financial Strategy (MTFS) original City Centre First Programme (now Connecting Communities Phase 1). The proposals for change for 2016/17 are:
 - a. For the Council to stop providing play activities at Edgewick and Eagle Street Play Centres and to explore the option for them to be used for nursery provision for two, three and four year olds instead.
 - b. To end delivery of library services from the Arena Park Library facility (and not renew the lease) and to enter into discussions to relocate reduced library provision at an alternative community location in Holbrooks.
 - c. To end delivery of library services (and not renew the lease) from the current Willenhall Library facility and to continue discussions with the Haggard Centre about a more cost effective community library being located within the Centre.
 - d. To end the mobile library service
 - e. To cut the library media fund of £658,000 to £558,000 for 2016/17
 - f. For Central Library to continue to open seven days per week, but to close one hour earlier on weekdays – closing at 7pm instead of 8pm.

- g. To standardise opening hours across all community libraries. All community libraries will be closed on Wednesdays and Sundays. This will mean Caludon Castle, Earlsdon and Foleshill libraries closing on Wednesdays and Bell Green, Earlsdon, Foleshill, Stoke and Tile Hill closing on Sundays. In addition to these reductions in opening hours, to pursue alternative ways of running the libraries working with other statutory and/or voluntary sector organisations and groups.
 - h. Withdraw the youth services commissioning budget for 2016/17 and work with the community and voluntary sector to explore the best way that youth services for young people should be delivered across Coventry.
 - i. To close six public conveniences located outside the city centre, keeping open the two city centre public conveniences.
 - j. Asset transfer remaining community centres to community organisations on a full responsibility basis.
2. Approve a period of engagement, conducted jointly with key partner organisations, from 7 December to May 2016 (Connecting Communities Phase 2) to include:
- a. Trialling new collaborative and participatory engagement methods in local neighbourhoods, across the city, in organisations and using digital communications.
 - b. Engagement with stakeholders (including community groups and voluntary organisations) to identify existing community strengths, resources and aspirations and the potential in communities to deliver services more collaboratively
 - c. Exploring the extent to which complementary community provision can be developed to support the Council and partners in the delivery of core integrated services
 - d. Co-designing and developing options for future delivery models from emerging ideas.
 - e. Delivery of a further £3.8million saving as per the Medium Term Financial Strategy.
3. Chris West, Executive Director, Resources be given delegated authority to:
- a) Invite formal expressions of interest from stakeholders in using the Transition Fund, to enable them to take an increased role in providing Council services;
 - b) where appropriate to seek submission of a formal application or business case from interested stakeholders.

Decisions on award of Transition funding will normally be made by Cabinet unless the matter is urgent or where lower risk/value opportunities are identified, when the Executive Director of Resources will have delegated authority in consultation with the Cabinet Member for Finance and Resources.

List of Appendices included:

- Appendix A - Proposals for 2016/17 (Connecting Communities, Phase 1).
- Appendix B - Transition Fund administration process outline
- Appendix C - Evolving City-Wide Engagement Strategy
- Appendix D - Equality Consultation Analyses.
- Appendix E - Connecting Communities Programme Impact Analysis

Other useful background papers:

Active Communities Strategy 2015-16
Customer Journey – Vision and Strategy

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

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Report title: Connecting Communities

1. Context (or background)

- 1.1 The Council's budget setting report for 2015/16 included proposals to enable the Council to operate within its available resources in 2015/16 and significantly close the budgetary gap for 2016/17 and 2017/18. The overall level of savings required is likely to increase as a consequence of the Government's Spending Review which will be announced this month.
- 1.2 The proposals focused on ways, in light of dramatically reducing resources, the Council needed to protect the city's most vulnerable residents while supporting economic regeneration, investment, growth and job creation in the city.
- 1.3 The City Centre First programme was a key element of these proposals. It outlined a strategy of focusing the Council's service delivery and access points in the city centre and reducing suburban presence to a small number of clusters based in key areas of deprivation within the city. The programme outlined the redesign of key Council services including children's centres, youth services, libraries, community centres, play centres and public conveniences.
- 1.4 This programme aimed to both deliver savings and encourage more residents into the city centre. As a relatively compact city with good transport networks, rationalisation of the current high numbers of council buildings makes sense and can deliver savings through reductions in property costs and service delivery costs, including staffing.
- 1.5 Feedback received during budget consultation was that the rationale for bringing more services into the city centre and reducing the number of buildings that the Council operate from was clear and well understood. However significant concern was expressed about the lack of detail available around some practical aspects of the City Centre First programme, including the location of the hubs/clusters and the role they would fulfil. There was also concern over the potential impact on local neighbourhoods through closures of libraries, community centres and youth facilities. Transport links and parking costs in the city were also of concern.
- 1.6 It was clear from this budget consultation work that the Council needed to reassess the strategy to ensure that residents and interest groups could engage more effectively with the Council on the future of services in communities.
- 1.7 This report describes the progress made in this work, the emerging Connecting Communities programme as a progression of the City Centre First programme and the steps the Council will take to deliver the ambitious changes needed in order to deliver essential services against a background of significant spending cuts that will, by 2017, see the Council's grant from Government halved from 2010 levels.
- 1.8 Connecting Communities, to reflect the importance of delivering services effectively in neighbourhoods - aims to:
 - Transform the provision of public services by identifying existing community strengths, resources and aspirations in communities
 - Work with and support communities and organisations who want to develop and deliver alternative support and services in their communities
 - Invest in ways of delivering high quality services
 - Focus key services in areas of highest need

- Deliver better services at lower cost – developing high quality services in fewer high quality buildings

1.9 Improving the city centre

1.9.1 Delivering a more attractive and accessible city centre is a high priority for Coventry residents and during budget consultation people supported the rationale in the City Centre First programme of encouraging more people to visit and use the city centre.

1.9.2 A number of improvements and developments are now well underway in the city centre which will support regeneration of the city centre. As part of the engagement programme proposed in this report, specific engagement will take place on the future of the city centre to explore practical ways of accelerating city centre improvements alongside those already underway. Improvements so far include:

- Significant public realm improvements across the city centre
- A new office for Council staff at Friargate, the city centre's new business district next to Coventry Railway Station. This will support the move to fewer high quality Council buildings (reducing the number of Council buildings in and around the city centre from 27 to nine) and is helping to kickstart the wider Friargate scheme. Work started on the new building in September which, when complete, will save the Council £500,000 a year in running costs
- The new Customer Service Centre in Broadgate House, will provide a number of Council services in one accessible and high quality city centre location providing a single front door for Council customers.
- The new Sport and Leisure Centre on the Spire/Christchurch House site
- Seeking a developer for the City Centre South development and Council support to invest in it to deliver a transformational change to the city centre

1.10 Developing the digital offer

1.10.1 The innovative use of technology will play an important part in delivering the Connecting Communities programme. This could include technology that enables increased levels of self-serve and digital literacy through integrated hubs, loaning resources in different locations or through digital methods, and mobile working for staff that further reduces reliance on buildings as fixed service delivery or staff bases, enabling staff to spend more time with customers.

1.10.2 The opportunities to develop the use of technology in Council services will be considered during the engagement programme with opportunities being taken as they arise based on affordability, the Council's ICT strategy and service objectives. By April 2016 all Coventry libraries, including those delivered in partnership, will have free wi-fi as standard following a successful grant award from the Arts Council.

1.11 Progress and current position

- 1.11.1 In the months since the Council's Medium Term Financial Strategy proposals were shared, a number of community and voluntary sector groups and organisations have expressed an interest in taking more responsibility for operating services that are currently provided by the City Council. In some cases, groups have been non-specific about the role that they might play but are keen to ensure that they are part of any future conversations and want to share thoughts about the value that they can add.
- 1.11.2 In other cases, specific discussions have taken place about how communities might play a more active role in delivery of library services for example or where a library service could be delivered differently from a community based location rather than existing council buildings.
- 1.11.3 The inclusion of library services within the original City Centre First programme resulted in widespread local debate and six petitions against the possible closure of library services. A commitment was made by the Cabinet Member for Education that no library would be closed during 2015/6 to allow further debate and engagement about the best way forward for library services. The recommended proposals and engagement approach described within this report will enable this to happen.
- 1.11.4 It is proposed that a series of proposals are consulted upon in order to deliver 2016/17 savings originally outlined as part of the MTFs City Centre First programme but that a more transformational approach to delivery of the remaining saving of £3.8million a year is progressed.
- 1.11.5 Redesigning services is a key component of the Connecting Communities programme and in some areas significant work is already taking place.
- 1.11.6 Over the past year the Council has been working with health organisations, schools and other partners through its early years programme to develop integrated early support around the child. Work done so far has developed a model of support that focuses on the family rather than individuals. This is more effective when provided in family homes and children's schools rather than a council building.
- 1.11.7 Alongside this the development of the new multi-agency Child Sexual Exploitation (CSE) team, Horizon, which has brought together the youth service and children's social care service in responding to the complex needs of those young people who are at risk of, or affected by engagement in, grooming for sexual exploitation. In addition to this the Targeted Youth Service (TYS) is seeing an increase in the numbers of young people who need more specific interventions because they are missing or absent, experiencing or affected by domestic abuse, drugs and alcohol, teenage pregnancy, homelessness, financial difficulties, immigration issues or family dysfunction, but who do not meet the thresholds for social care involvement. This work contributes significantly to ensuring that help for people who need it is delivered early and effectively. The activity will be more formally recognised through the integrated early help model which is under development. The delivery of effective early help is a key theme of the Department for Education improvement board established following the Ofsted review of children's social care in 2014.

1.12 Partner and voluntary sector engagement

- 1.12.1 Severe government spending cuts to budgets, which mean the Council will have at least £250 per head less in 2016/17 to spend on every man, woman and child in Coventry than

it had in 2010 mean increasingly difficult decisions will have to be made about the future of its services.

1.12.2 A number of different organisations and community groups who recognise the scale of this challenge have been in contact with the Council to discuss how they could take a different role in supporting local communities in Coventry. These include:

- Opportunities to provide increased youth activities through the voluntary sector
- Possibility for some organisations taking full or part responsibility for some Council services including libraries, youth centres and community centres.
- Working with health and schools to provide more integrated services to children and families
- Schools focusing on multi-disciplinary working to support a whole family
- Schools providing 2/3/4 year old funded places and day care/nursery provision.

1.12.3 This interest now needs to be confirmed and specified along with any proposals that these organisations may want to make to support service delivery and mitigate the potential impacts of the scale of budget and service reduction necessary over the coming years.

1.12.4 Other public sector partners are in a similar situation of having to make cuts and are keen to explore where there is appetite or opportunity to jointly deliver services with partners, or to encourage alternative community provided services.

1.13 Scope of Connecting Communities

1.13.1 The Connecting Communities programme will consider all operational buildings, and in particular will include:

- 17 libraries
- 8 youth centres and youth services provided in seven community venues
- 14 children's centres managed by the Council and three operated by private, voluntary or independent sector
- 2 play centres
- 21 community centres – six of these are directly controlled by the Council
- 6 public conveniences outside the city centre
- 26 sites where adult education classes are delivered (many of these taking place in the venues and centres listed)

1.14 Delivering the financial requirement for 2016/17 (Connecting Communities – Phase 1)

1.14.1 Due to the time taken to engage and then consult on developing a model of service delivery that is truly integrated within local communities, and then develop and implement new ways of working, a series of efficiencies and reductions are required in order to operate within the resources available to the Council. These measures, if fully implemented will result in a saving of £1.2million a year in 2016/17.

1.14.2 A description of each of the services included within Connecting Communities Phase 1, along with an outline of each of the proposals and rationale for these is provided below. Proposals are also provided in full in **Appendix A**. The table containing the individual financial impact is included in section 2.1

- 1.14.3 It is recommended that a period of consultation be undertaken to explore the following proposals whilst at the same time undertaking an equality impact assessment to consider the impacts of these proposals.

1.15 Proposal 1 - Play centres

Service description

- 1.15.1 Edgewick and Eagle Street Play Centres provide play activities for children aged 5 to 12 year olds five days a week after school, on Saturdays and in school holidays at no charge. As at August 2015, a total of 173 children were registered at the two play centres and around 20 to 40 children attend each session. In addition the Positive Youth Foundation uses Edgewick Play Centre on Saturdays.

Proposal

- 1.15.2 For the Council to stop providing play activities at Edgewick and Eagle Street Play Centres and to explore the option for them to be used for nursery provision for two, three and four year olds.

Rationale

- 1.15.3 Conversations with voluntary sector providers would enable an improved understanding about the potential for the buildings to be used to;
- Increase the number of nursery places in the Foleshill area for two, three and four year olds;
 - Improve the chances of children to be ready for school; and
 - Provide a potential rental income for the Council.

1.16 Proposal 2 – Arena Park Library

Service description

- 1.16.1 Arena Park Library has a total of 8,617 members with a relatively high percentage of members (1,184) living outside Coventry. It was the fifth highest library visit with the third highest issues of books in Coventry in 2014/15. The facility is leased to the Council by a private landlord.

Proposal

- 1.16.2 To end delivery of library services from the Arena Park Library facility (and not renew the lease) and to enter into discussions to relocate reduced library provision at an alternative community location in Holbrooks.

Rationale

- 1.16.3 The lease ended in September 2014 and the landlord of Arena Park Library is asking the Council to commit to a new five year lease at a cost of £160,000 a year. It is the most expensive community library. The nearest alternative library facilities are at Bell Green (2.3 miles* from Arena Park), Foleshill (2.1 miles* from Arena Park) and Jubilee Crescent (2 miles* from Arena Park).

*driving distance, source google maps

1.17 Proposal 3 – Willenhall Library

Service description

- 1.17.1 Willenhall Library has a total of 3,408 members, 69 living outside Coventry. It was the third busiest for visitors, and had the sixth most book issues in 2014/15. There are currently limited other library resources available for this part of the city.

Proposal

- 1.17.2 To end delivery of library services (and not renew the lease) from the current Willenhall Library facility and to continue discussions with the Haggard Centre about a more cost effective community library being located within the Centre.

Rationale

- 1.17.3 The landlord of the building has served notice on the Council following the end of the current lease in October 2013 and court action for a new lease has so far been deferred. In the current financial climate, a lower cost alternative in a community facility would be sought.

*driving distance, source google maps

1.18 Proposal 4 – Mobile library service

Service description

- 1.18.1 The mobile library service serves most parts of the city. The majority of stops are a mile or less from a library building. The service visits each of the 64 existing stops every week (Monday to Saturday). The service has 794 registered users. There were 13,503 visits across 64 stops in 2014/15.

Proposal

- 1.18.2 To end the mobile library service

Rationale

- 1.18.3 The service is expensive to run and some mobile library stops are close to building based libraries. Members of the public not able to visit a static library, for example frail elderly people, those who have physical disabilities or who are housebound are able to access the Coventry Home Library Service provided in partnership with Age UK Coventry. This service has capacity to take on additional demand which may follow the mobile closure.

1.19 Proposal 5 – Library Media Fund

Service description

- 1.19.1 The library and information service has a media fund of £658,000 for 2015/16 which is used for the purchase of new books, including books in large print and talking books, DVDs, newspapers and magazines and materials in other languages. This budget was not fully spent in 2014/15 (£571,000 actual spend) and the position will be similar for 2015/16 (£50,000 forecast underspend).

Proposal

- 1.19.2 To cut the library media budget of £658,000 by £100,000 in 2016/17.

Rationale

- 1.19.3 The budget was not fully spent in 2014/15. The proposed cut in funding will not have any direct impact on users.

1.20 Proposal 6 – Central library opening hours

Service description

- 1.20.1 Central Library is open from 9.00am to 8.00pm Monday to Friday and from 9.00am to 4.30pm on Saturdays and from 12.00pm to 4.00pm on Sundays.

Proposal

- 1.20.2 For Central Library to continue to open seven days per week, but to close one hour earlier on weekdays – closing at 7pm instead of 8pm.

Rationale

- 1.20.3 The hour proposed for closure is the quietest of the working week (3,135 loans in total between 7.00pm and 8.00pm from 8th April 2015 to 17th September 2015) and will result in a very small reduction in visitors over the course of a week yet achieve some financial savings.

1.21 Proposal 7 – Community library opening hours

Service description

- 1.21.1 Community libraries in Coventry already have variable opening hours:

- Open on Wednesdays. Three libraries - Caludon Castle, Earlsdon and Foleshill (plus Arena Park)
- Open on Sundays. Five libraries - Bell Green, Earlsdon, Foleshill, Stoke and Tile Hill (plus Arena Park)

- 1.21.2 The libraries currently have approximately 959 average visits per week on Wednesdays and 888 average visits per week on Sundays.

Central library also opens on Wednesdays (9.00am to 8.00pm) and Sundays (12noon to 4.00pm)

Proposal

- 1.21.3 To standardise opening hours across all community libraries. All community libraries will be closed on Wednesdays and Sundays. This will mean Caludon Castle, Earlsdon and Foleshill libraries closing on Wednesdays and Bell Green, Earlsdon, Foleshill, Stoke and Tile Hill closing on Sundays. In addition to these reductions in opening hours, to pursue alternative ways of running the libraries working with other statutory and/or voluntary sector organisations and groups.

Rationale

- 1.21.4 To standardise delivery days across the service. It is anticipated that the majority of people who use libraries on these days would be able to access them on other days of the week. During w/c 7th September, 524 items were issued on Wednesdays from Caludon Castle, Earlsdon and Foleshill libraries and 556 items were issued on Sundays from Bell Green, Earlsdon, Foleshill, Stoke and Tile Hill libraries.

1.22 Proposal 8 – Youth Services Commissioning Budget

Service description

- 1.22.1 The Youth Service has a commissioning budget with an allocation of £139,000 to enable organisations to deliver positive activities. No organisations are currently funded from this budget on an ongoing basis. Historically the money has been difficult to use to commission new support services due to it being “one-off” funding rather than ongoing. Commitment has however been made to fund three organisations to the value of around

£56,000 until 31 March 2016 to be used to focus on the development of a consortium of sport coaching locally and to set up as a social enterprise delivering positive activities.

Proposal

- 1.22.2 Withdraw the youth services commissioning budget for 2016/17 and work with the community and voluntary sector to explore the best way that youth services for young people should be delivered across Coventry.

Rationale

- 1.22.3 The number of young people directly impacted will be minimised because there are currently no ongoing activities being funded through this budget so no current service users will be impacted. Where grants are about to be awarded, it is clear that the grants are time-limited.
- 1.22.4 Youth service activities focusing on the most vulnerable young people should be prioritised above the provision of more general activities funded through the commissioning budget.

1.23 Proposal 9 – Public Conveniences

Service description

- 1.23.1 The Council provides eight public conveniences in the city, two in the city centre (Library and Pool Meadow) and six in suburban locations (Canal Basin, Earlsdon, Foleshill, Radford, Riley Square and Tile Hill).

Proposal

- 1.23.2 To close six public conveniences located outside of the City Centre. The two city centre public conveniences would remain open.

Rationale

- 1.23.3 The location of public conveniences outside the city centre are a historic anomaly and do not reflect planned provision for need. Changing social demographics make these facilities unattractive places for the public to visit. Following the recent decision to close the public conveniences in Cheylesmore a local community group is exploring providing modern self cleansing toilets as a replacement on a self-funding basis

1.24 Proposal 10 – Community Centres

Service description

- 1.24.1 The Council has successfully transferred community centres at Bell Green, Cheylesmore, Haggard and Wyken to full community self-management. The remaining community centres (Holbrooks, Henley, Stoke Aldermoor, Canley, Foleshill and Radford) have not progressed this far and still require some financial support in relation to repair and maintenance, although it is known that Holbrooks, Henley and Stoke Aldermoor are keen to move to a self-managed basis.
- 1.24.2 Canley Community Centre is under new management, Foleshill is seeking new management on a self-sustaining basis and Radford has been held back pending a review of development options.

Proposal

- 1.24.3 Asset transfer remaining community centres to community organisations on a full responsibility basis.

Rationale

- 1.24.4 Community centres management committees are generally positive to taking over management of community centres.

1.25 Developing integrated services

- 1.25.1 The budget pressures facing all public sector organisations present both challenges and opportunities. The Council's view is that communities and organisations of all types need to connect together to provide integrated services that will enable the effective targeting of remaining resources. Communities and organisations should be supported to work together to achieve good quality outcomes for people living in local neighbourhoods.
- 1.25.2 The Council's aspiration is to work with communities to achieve good outcomes and quality of life for people living in the city. The potential for new and different services to be delivered as alternatives to existing traditional service provision will be explored through collaboration and by identifying shared goals and aspirations.
- 1.25.3 There is strong partnership working in Coventry and these foundations create the basis for now moving to more systemic and embedded integrated community based approaches, ensuring that the benefits for families are felt before problems escalate and become more costly.
- 1.25.4 Original City Centre First proposals made recommendations to explore the potential for developing hubs that would join services together in a small, and reduced, number of locations. A number of councils across the country are developing this model of delivering services. Councils embarking on developing this approach are doing so on the basis of both improved outcomes and reduced system costs as well as developing a workforce with the right skills and knowledge.
- 1.25.5 However, feedback received since these proposals were shared some months ago, is clear in that Coventry residents and partners of the Council want to play a key role in identifying the solution to current budget pressures. This means that while it is felt that there is a strong requirement for integration, there is no fixed view about how this is achieved.
- 1.25.6 Connecting Communities (Phase 2) will provide the opportunity for this thinking to be developed in partnership with communities and other stakeholders.
- 1.25.7 To achieve consensus agreement to this proposal from a range of stakeholders, it is imperative that effective engagement and consultation takes place to develop proposals. A common approach to this will ensure effective evaluation and monitoring of the impact on local people. The testing out of new community engagement approaches to understand what complementary community provision exists, or could be developed; to support delivery, will be an important enabler of this.
- 1.25.8 In pursuing the integration of services there are a number of risks including the successful delivery of savings. These risks can be reduced by the understanding from the outset that in the future a smaller number of locations will exist with fewer staff. The delivery of the savings of £5million a year by 2017/18 approved in the February 2015 Budget Setting report remains a key priority of this work. This could potentially result in a significant reduction in staff and buildings as described in Section 6.4 of this report.

1.26 1.8 Use of Transition Fund

1.26.1 As part of the 2015/16 budget setting process the Council agreed to establish a one-off £500,000 Transition Fund to support work with residents and communities in developing new approaches to delivering Council services. It is proposed that expressions of interest are invited from groups and organisations, to be followed by formal applications or business cases where appropriate, to access one-off funds from the Transition Fund. Key criteria for award will include the need for a clear plan for the proposal to deliver long-term cost savings to the Council as well as being required to fit with the principles of the Connecting Communities programme (see para 1.8). The outcome of this exercise will be reported back to Cabinet following the engagement and consultation processes described in this report. However, where opportunities are identified that require expediency and are lower value/lower risk, earlier recommendations will be brought to the Executive Director for Resources, in consultation with the Cabinet Member for Finance and Resources, for decision making through delegated authority, as required. A more detailed description of the proposed process for administration of the Transition Fund is provided in **Appendix B**.

2. Options considered and recommended proposal

It is recommended that a period of consultation be undertaken to consider the proposals that have been outlined above in respect of Phase 1 and to undertake a period of community engagement in respect of Phase 2 as outlined above.

In respect of the proposed consultation it is recommended that the preferred option on which to consult is Option 1 below, however one other option has been explored and it is proposed that this is also referenced within the consultation to enable the consultees to provide an informed response.

2.1 Option One – Preferred option

2.1.1 To deliver a number of operational savings for 2016/17 (Phase 1) and a redesign of a number of Council services to deliver integrated services in partnership with local communities (Phase 2).

Connecting Communities Phase 1 (formerly City Centre First) - Delivering the financial requirement for 2016/17

2.1.2 Due to the time taken to engage, consult, develop and implement the Connecting Communities programme a series of efficiencies and reductions are required in order to operate within the resources available to the Council.

2.1.3 A number of changes and service reductions are recommended, some of which will provide an opportunity to test different ways of working through exploring potential alternative community delivery models for specific proposals. If fully implemented a saving of £1.2million would be realised, comprising of:

Table 1 – delivering the financial requirement for 2016/17

Proposal	Recommended changes	Full year saving for 2016/17 in £000's
1	De-commissioning of play centres	165
2	Not renewing lease at Arena Park library and entering into discussions to relocate reduced library provision at an alternative community location	323
3	Not renewing lease at Willenhall Library and continuing discussions with the Haggard Centre about a more cost effective community library	46
4-7	Deliver library services savings as detailed in table 2 below	433
8	Ceasing the use of the Youth Service Commissioning Fund	139
9	Cease provision of suburban public conveniences	50
10	Transfer community centres	30
		1,186

The library service savings identified in the table above and in section 1.9 can be broken down further:

Table 2: Outline of library service proposals

Proposal	Recommended Changes	Full year saving for 2016/17 in £000's
4	Closure of mobile library	85
5	Reduced media fund	100
6	Reduced opening hours at Central library (staffing)	40
7	Reduced opening hours at Community Libraries (staffing)	98
*	Management Costs (staffing)	110
	Total	433

As these proposals entail changes to services, consultation will be required on each proposal.

*For the proposal relating to management cost savings, staff and Trade Unions will be consulted.

Connecting Communities Phase 2 - Delivering the financial requirement for 2017/18

2.1.4 It is recommended that the Council engages with local communities and partner organisations to explore the opportunities for collaboration and integration of services. Councils embarking on developing this approach are doing so on the basis of both improved outcomes and reduced system costs as well as developing a workforce with the right skills and knowledge.

2.1.5 Feedback to date clearly shows Coventry residents and partners of the Council want to play a key role in identifying the solution to current budget pressures. This means that while it is felt that there is a strong requirement for integrated or mixed sector provision that meets local needs and aspirations, there is no fixed view about how this is achieved.

- 2.1.6 Budget pressures and a focus on putting citizens and communities at the heart of everything that we do, across the public, voluntary and community sectors creates a common goal to consider how services can be delivered differently in the future. To enable constructive and true open dialogue, new engagement approaches are required. A draft evolving city-wide engagement strategy (**see Appendix C**) provides an overview of these proposed approaches.
- 2.1.7 It is anticipated that this new way of engaging and a more collaborative way of working will increase citizen participation and build relationships across the city and local communities. Ultimately, this should aim to the council, and other organisations utilising remaining resources to their best effect and to support those who are most in need.
- 2.1.8 Voluntary and community sector groups are keen to explore how they might play a more active role in the delivery of current Council operated services or what they could do that would mitigate the impact of reduced Council provision. This phase of the Connecting Communities programme will also enable opportunities to pilot new ways of working to inform learning and future delivery options.
- 2.1.9 Savings would be expected to be delivered through more self-service where appropriate, integration of staffing, overall headcount reduction, working in a more digital, agile way and re-design of job roles. This work will provide a building block for other long term savings and transformation programmes across social care and other areas.
- 2.1.10 The outcome of this engagement would lead to specific options and proposals that would need further consultation covering elements of staffing, location and service modelling with a view to achieving further saving of £3.8million in 2017/18.

2.2 Option Two

- 2.2.1 The Council has considered the do nothing option, which would involve not making the planned savings from those services included within the scope of the programme and plugging the resultant gap from other sources. However, it has come to the conclusion that this is not a viable option for the reasons covered below.
- 2.2.2 If all the Council's planned savings are delivered, there is still a £13.1million shortfall in the 2016/17 budget rising to £28 million in the medium term even before the Council finds out the results of the forthcoming Spending Review. Although the Pre-Budget Report being considered at the same meeting of Cabinet as this report will consider further future savings proposals, by rejecting the savings considered in this report, this would add additional funding pressures for the 2016/17 budget and beyond. The Council has already implemented a large number of proposals to make cuts across a wide range of its services and will continue to do this as part of its on-going and future budget setting processes.
- 2.2.3 There have been tight Government imposed limits on the amount that the Council has been able to raise through council tax and the Council has approved rises very near to the maximum allowed in the last two years. It is not viable for the Council to use reserves to meet this saving target because reserves represent a one-off resource and all the Council's reserve balances are earmarked for existing purposes. Neither is it possible to manage savings from the sale of Council assets because these generate one-off capital receipts which cannot be used to fund on-going revenue spend.
- 2.2.4 The Council's 2015/16 budget was set following a reduction in its main Government grant from 2014/15 levels of £24m (15%). In overall terms, the level of Government funding has

reduced by around £638 for every Coventry household between 2010/11 and 2015/16. By 2018, the Council is expecting to have suffered nearly a 50% cut in its grant from Government since 2010 and an equivalent fall in its net budget of around 25%. These circumstances are making it increasingly difficult for the Council to balance its budget and it has to consider all areas of expenditure to do this. These include reviewing the Council Tax support scheme, reviewing voluntary sector grant funding and other savings across the customer journey and doing things differently programmes established at 2015/16 budget setting. As a result of these measures the Council will have seen a reduction of its work-force of approximately one-third since 2010.

- 2.2.5 Taking all this into consideration, the Council's view is that a do nothing option is not appropriate and that it is reasonable to seek ways to rationalise those services included within the programme.

2.3 Recommended Option

- 2.3.1 To undertake a period of consultation in respect of Phase 1 and a period of engagement in respect of Phase 2.

3. Results of consultation undertaken

- 3.1 This report seeks approval to undertake engagement and consultation.

4. Timetable for implementing this decision

- 4.1 Public consultation on delivery of savings required for 2016/17 will begin on 7 December for a period of eight weeks. Engagement with communities to inform the potential service integration options will also begin on 7 December and will continue to May 2016.

5. Comments from Executive Director of Resources

5.1 Financial implications

- 5.1.1 The financial implications have been included throughout this report. This section provides a brief summary.
- 5.1.2 The recommendations in this report will enable over-achievement of the £1million saving target allocated to the City Centre First review as part of the Medium Term Financial Strategy. See table 1 in section 2.1. The target rises to £5million in 2017/18.
- 5.1.3 The financial assumptions relating to delivery of the £1.2million in 2016/17 are that a full year saving (including property) can be achieved. Any delays in delivery will reduce the level of financial savings that can be achieved in 2016/17.
- 5.1.4 Following the period of engagement, officers will formulate proposals for consultation that will deliver the full saving of £5 million in 2017/18 as set out in the February 2015 Budget Setting report.
- 5.1.5 Any capital investment decisions will be considered following the recommended period of engagement. Any capital investment (including further enhancement of the digital offer) will need to be funded from further savings as a result of the implementation of this strategy.

5.1.6 The £500,000 Transition Fund will be used to support Council stakeholders in accessing one-off funds. The fund will be accessed where; following consultation and engagement with stakeholders, expressions of interest are made that will deliver on-going savings for the Council.

5.2 Legal implications

5.2.1 The proposals outline a number of significant changes to the way in which the Council delivers services to the population of the city, whilst continuing to comply with its statutory responsibilities.

5.2.2 Public authority decision makers are under a non-delegable on-going duty to have due regard to the need to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not (Public sector equality duty - s 149(1) Equality Act 2010).

5.2.3 The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

5.2.4 Decision makers must be consciously thinking about these three aims as part of their decision making process with rigour and with an open mind. The duty is to have “due regard”, not to achieve a result but to have due regard to the need to achieve these goals. Consideration must be given to the potential adverse impacts and the measures (if any) that are available to minimise any discriminatory effects.

5.2.5 The proposed consultation and resulting updated equality assessment is intended to enable the decision makers to consider the impact and public response to the proposals and any alternative proposals raised. The product of the consultation must be conscientiously taken into account when the ultimate decision is made.

5.2.6 In respect of proposals around library provision S.7 Public Libraries and Museums Act 1964 creates a duty upon local authorities to provide a comprehensive and efficient library service for all persons. In fulfilling its duty local authorities should have consideration to the desirability of securing adequate stock and encourage people to make full use of the service.

5.2.7 In respect of the provision of public conveniences Public Health legislation creates discretion for Local Authorities to make provision.

6. Other implications

6.1 How will this contribute to the Council’s priorities?

<http://www.coventry.gov.uk/councilplan>

The Connecting Communities programme, subject to engagement and consultation, will make a positive contribution to the council's priorities, particularly in relation to: a prosperous Coventry; citizens living longer, healthier, independent lives; making Coventry an attractive and enjoyable place to be; ensuring that children and young people are safe, achieve and make a positive contribution; encouraging a creative, active and vibrant city; developing a more equal city with cohesive communities and neighbourhoods.

6.2 How is risk being managed?

A strategic group meets regularly supported by an operational group that meets fortnightly to progress actions and manage identified risks. A project risk register has been established for the programme of work. Key risks identified include community readiness to deliver services differently, management and implementation of the Transition Fund. Risks will continue to be identified, mitigations sought and impact managed through this process.

6.3 What is the impact on the organisation?

Financial impacts

The financial impact of the recommendations made will enable achievement of the Medium Term Financial Strategy targets for 2016/17, and provide a strategy for achieving further targets by 2017/18.

Staffing impacts

The specific proposals for Connecting Communities Phase 1 2016/17 will impact on staff in different ways; there are likely to be staffing reductions in some cases and changes to working hours in others. The proposed changes in library services would lead to a reduction of approximately 16.75 FTE; a reduction of 4.42 FTE (headcount 9) in play centres and a reduction in 1 FTE in relation to public conveniences. In addition proposed library management changes would impact on a further 3.0 FTE. Staff and trade unions will be fully consulted on the specific content of the proposals for 2016/17 and any subsequent proposals for implementation. Any changes will be managed in accordance with the City Councils' agreement on management of change which aims to manage staffing reductions through management of vacancies, reviews of temporary contracts and avoidance of compulsory redundancies through redeployment or ER VR opportunities where possible.

In relation to Connecting Communities Phase 2 – delivering the financial requirement for 2017/18, Staff and Trade Union colleagues will be invited to contribute to the engagement programme and play an active role in helping shape the future service delivery and identify solutions to budget pressures.

6.4 Equalities / EIA

Proposals for delivery of savings in 2016/17 (Phase 1) cover libraries, play centres, the youth services commissioning budget, community centres and public conveniences. An analysis of equality impacts has been completed for proposals affecting the libraries service, play centres, youth services and public conveniences. Initial Equality Consultation Analysis (ECA) documents for these services are attached in **Appendix D** to illustrate the current understanding of the potential impact of implementation of these proposals. ECA's will be developed further during the proposed consultation process. An ECA will be completed for community centres, subject to information being available as a result of the consultation process to inform our understanding of the potential impact of changes to these services. An equalities impact analysis for the Connecting Communities Programme is provided in **Appendix E**.

ECA documents will be completed to illustrate the potential impact of implementation of integrated services, increased community and partnership work when this is better

understood, as a result of the planned community engagement to encourage collaboration and co-design of local services (Phase 2).

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

The programme of work described focuses on changing the current relationship that the Council has with local communities in Coventry, as well as partner organisations, the community and voluntary sector. Subject to the outcome of consultation and engagement, it is envisaged the work will result in closer working and more shared responsibilities and ultimately a transformation of community and partnership working in the city.

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