

Council Meeting

18 September 2007

Booklet 3

Recommendation Minutes from the Cabinet
Meeting held on 11 September 2007

CABINET

11th September, 2007

Cabinet Members
Present:-

Councillor Ahmed
Councillor Blundell
Councillor Foster
Councillor Mrs Johnson
Councillor Matchet
Councillor Noonan
Councillor Ridley
Councillor Taylor (Chair)

Non-Voting Opposition
Representatives present:

Councillor Benefield
Councillor Duggins
Councillor Mutton
Councillor Nellist

Other Councillors
present:

Councillor Skipper

Employees Present:-

S. Aldridge (City Development Directorate)
K. Bell (City Services Directorate)
A. Bennett (Assistant Head of Public Protection)
J. Bolton (Director of Community Services)
R. Brankowski (Customer and Workforce Services Directorate)
M. Checkley (City Services Directorate)
F. Collingham (Communications and Media Relations Manager)
A. Davey (Head of Culture, Leisure and Libraries)
T. Errington (Head of Planning and Strategic Transportation)
C. Green (Director of Children, Learning and Young People)
R. Hughes (Head of Corporate Policy)
P. Jennings (Finance and Legal Services Directorate)
S. Manzie (Chief Executive)
A. Maqsood (Community Services Directorate)
J. Murphy (Finance and Legal Services Directorate)
A. Oliver (City Services Directorate)
C. Parker (Chief Executive's Directorate)
S. Pickering (Director of City Services)
K. Rice (Head of Legal Services)
D. Rowlson (City Services Directorate)
D. Taylor (Interim Head of Democratic Services)
C. Thomas (City Services Directorate)
C. West (Director of Finance and Legal Services)

Apologies:-

Councillor O'Neill
Councillor Sawdon

RECOMMENDATIONS

72. **Adoption of the New Code of Conduct for Councillors**

The Cabinet considered a report of the Director of Finance and Legal Services recommending the formal adoption of the new Code of Conduct for Councillors with effect from the 19th September, 2007, and seeking views as to any possible training which will need to be provided to Councillors in relation to the new Code, which the Council is required to adopt by the 1st October, 2007.

The report had been considered by the Standards Committee at their meeting on the 5th September 2007, who had approved those aspects relevant to them.

The report set out the background and highlighted changes introduced in the new code, which was appended to the report submitted. Also appended was a Guide published by the Standards Board, who had indicated that further training materials would be published, including a DVD.

The first of the changes introduced is that the scope of the Code has been widened to include not only when a councillor is on the business of the authority, but also when he or she acts, claims to act, or gives the impression of acting as a representative of the authority. The Code also makes it clear, following the High Court's decision in relation to the case concerning the Mayor of London, that activities undertaken in a private capacity are not covered unless those result in a criminal conviction.

The requirement in the old Code not to unlawfully discriminate has been replaced with a duty not to do anything which would result in a breach of any of the equality enactments.

A new provision has been included prohibiting a councillor from bullying or intimidating or attempting to intimidate others.

Another new provision allows councillors to disclose confidential information if such disclosure would be "reasonable and in the public interest and disclosure is made in good faith." The Standards Board for England has promised guidance on the interpretation of this provision.

In relation to the use of resources, the Code now makes it clear that using resources for "political purposes" includes party political purposes and also requires councillors to have regard to the Local Authority Code of Publicity.

The previous "whistle-blowing" provision which required any member who became aware of a potential breach of the Code by another councillor to report it to the Standards Board, has been deleted. The reason for this is that the Government felt that this was encouraging councillors to make trivial allegations.

A new rule has been inserted in the Code in relation to personal interests which require a councillor to declare such an interest if they have received a gift or hospitality with a value of more than £25 within three years of the date of the meeting. The

Government included this change as they believed it reinforces the principles of accountability and openness in the conduct regime.

There have been substantial changes in the rules that govern the declarations of personal interests within the authority's area. Under the old Code, a personal interest could arise if the decision affected the councillor to a greater extent than other residents of the whole of an authority's area. This has now been changed so that it only relates to an electoral division or ward. The Government's purpose in this change was to enable members to take a greater part in Council meetings to represent the communities that have elected them. The Government's consultation paper gave the example that this would allow local councillors to speak on issues at Planning or Licensing Committees, where issues affected their wards.

In the old Code, definitions were given of a relative, but not of a friend. This has now been replaced by reference to "a member of your family or any person with whom you have a close association". The term "close association" is not defined in the Code but is referred to in the Standards Board guidance.

A new provision has been introduced which is designed to avoid the unnecessary declarations of personal interests at meetings. Under this provision, if a councillor has been appointed by the City Council as its representative on another body or if that body exercises functions of a public nature, then the councillor does not need to declare an interest unless he/she actually addresses the meeting on that business.

Under the new Code, the opportunity has been taken to add to the exemptions which apply in relation to the declaration of prejudicial interest.

The opportunity has been taken to re-visit the rules on prejudicial interest at Overview and Scrutiny Committees. The new wording now makes it clear that councillors should only be debarred from involvement in the Scrutiny function in cases where they will be scrutinising decisions in which they were involved in the decision-making process.

An important new addition to the Code is the ability for a member, even though they have a prejudicial interest, to attend a meeting for the sole purpose of making representations, asking questions or giving evidence, provided that the public are also allowed to attend the meeting and that the member concerned withdraws from the meeting immediately after making their representation, etc. The intention behind this change is to provide clearer and more proportionate rules on participation in Council meetings and again to allow councillors to represent their constituents.

The rules on the registration of members' Interests are retained and all councillors will be required, within 28 days of the adoption of the Code, to register their interests. All changes to interests must also be declared within 28 days, with all registrations having to be in writing and made to the City Council's Monitoring Officer. There is a new provision which allows "sensitive information" in relation to a member's interests to be withheld from the public register and, to fall within that category, the information must be likely to pose a serious risk that disclosure of it could lead to a councillor or any member of their family being subjected to violence or intimidation.

The Cabinet were informed that, at their meeting on the 5th September, 2007, the Standards Committee had considered the report in some depth and pointed out an error in the Statutory Instrument in that, in 1 (2) (b), there is no reference to Metropolitan Councils; the Monitoring Officer was requested to write to point out this omission.

The Committee had recommended the proposals in the report for the Cabinet to request the Council to adopt.

In relation to the training of councillors, the Standards Committee had noted that the Monitoring Officer is currently looking at arranging some in-house training, to be provided by an external trainer, possibly offering that training up to neighbouring authorities to make it more cost-effective.

The Standards Committee had noted that the Standards Board had produced a DVD which illustrates key changes to the Code and they had agreed that this should form part of the training and that councillors should view this DVD at the earliest opportunity.

The Committee had indicated that they would like to be invited to the training and will view the DVD at their next meeting.

The Standards Committee had also noted that the Monitoring Officer would be writing to all councillors the day after the Code is adopted by the City Council and would receive a further report at their next meeting in relation to the "new notification" of interest form.

Having considered the above views of the Standards Committee, and after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided to approve the recommendations relevant to them and to recommend to full Council that the Code of Conduct be adopted.

Councillors Mutton and Nellist raised questions and concerns about paragraph 4.6 of the report relating to the disclosure of confidential information. The Monitoring Officer agreed that the relevant provision was less specific than it might ideally have been and undertook to seek appropriate clarification and circulate any guidance to elected members prior to the Council meeting on the 18th September, 2007.

RESOLVED that the City Council be recommended:

- (1) To consider the views of the Standards Committee and the Cabinet.**
- (2) To adopt, without alteration, with effect from the 19th September, 2007, the Model Code of Conduct set out in Appendix 1 to the report submitted.**
- (3) To incorporate in that Code, as a preamble, the Ten General Principles of Public Life as set out in the Standards Board document attached as Appendix 2 to the report submitted.**

73. Amendments to the Constitution and Appointments of Proper Officers

The Cabinet considered a report of the Chief Executive seeking approval, with effect from the Council meeting on the 18th September, 2007, to changes to the City Council's Constitution to reflect recent changes in the Council's organisational structure and to appoint Proper Officers to carry out the functions formerly undertaken by the Director of Legal and Democratic Services.

On the 27th February, 2007, the Council approved a number of changes to its organisational structure (Council Minute 95/06 refers). Amongst these changes were the creation of the new Directorates of Finance and Legal Services and Customer and Workforce Services. Following the City Council's decision, work has been undertaken on establishing these Directorates and making the relevant appointments. As a result of the organisational changes, it is now necessary to reallocate the "Proper Officer" functions previously held by the Director of Legal and Democratic Services. In addition, the opportunity has been taken to review the Scheme of Delegation contained in the City Council's Constitution, together with the Council's Procedure Rules to ensure that they reflect the Council's organisational structure.

Under the legislation governing elections, the City Council has to appoint both an Electoral Registration Officer to be responsible for the electoral rolls and also a Returning Officer who is responsible for the conduct of local elections. The City Council is also being asked to appoint Deputy Electoral Registration Officers, as these have to be appointed by the City Council - unlike Deputy Returning Officers, who may be appointed by the Returning Officer her/himself.

The Council's current Constitution contains a large number of functions which have been delegated by the City Council to employees. These have all been reviewed by the City Council's Legal Services Division and have been amended to reflect the current organisational structure within the City Council.

At the same time, the opportunity has been taken to review the Rules of Procedure, which are also contained in the Constitution. These have again been up-dated to reflect the changed organisational arrangements which the City Council has adopted.

Under the Local Government and Housing Act 1989, the City Council is also under a duty to appoint one of its staff as its Monitoring Officer and the report recommended that this function should be carried out by the Head of Legal Services.

After due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided to approve the proposals in the report and to recommend the Council to make the relevant appointments and changes to the Constitution.

RESOLVED that the City Council be recommended:

- (1) To appoint the Chief Executive as the City Council's Returning Officer for the relevant elections.**
- (2) To appoint the Chief Executive as the City Council's Electoral Registration Officer and to appoint the Head of Democratic Services and the Manager (Electoral Services) as Deputy Electoral**

Registration Officers.

- (3) To approve the revised Scheme of Functions Delegated to Employees as set out at Appendix 1 to the report submitted.**
- (4) To approve the revised Rules of Procedure as set out at Appendix 2 to the report submitted.**
- (5) To appoint the Head of Legal Services as the City Council's Monitoring Officer.**

74. The Medium Term Financial Strategy 2007-2011

The Cabinet considered a report of the Director of Finance and Legal Services recommending a Medium Term Financial Strategy for 2007-2011 for adoption by the City Council. The Strategy was appended in full to the report submitted, which had already been endorsed by Scrutiny Board 1 at their meeting on the 29th August, 2007.

The report indicated that the Council has operated medium term financial planning for many years and formally approved its current medium term financial strategy in October 2006 (Council Minute 54/06 refers).

It recommended the adoption of the up-dated Strategy to support the medium term policy and financial planning process that is at the heart of setting the Council's revenue and capital budgets.

The Strategy has two main objectives:

- (a) To enable the Council's financial plans to support the delivery of the objectives laid out in the Corporate Plan.
- (b) To set a sound financial planning framework to underpin the effective financial management of the Council.

It concentrates on the strategic direction of the Council's financial planning framework, the main points of which are outlined below.

The report indicated that the Local Government White Paper, published in 2006, accepted that the current "annual cycle of grant allocations has made it more difficult for local government to budget and manage expenditure. We have already begun the move to three-year formula grant settlements. These will provide local government with the opportunity – which we would expect it to take – of publishing three-year council tax figures. The first full three-year formula grant settlement will cover 2008-2011."

The White Paper also noted that "greater stability of funding for local government provides an opportunity for a step-change in the funding and procurement relationship between local government and the third sector. This is essential if we are to see a strong and vibrant third sector working with local government to achieve many of the aims set out in this White Paper. The general starting point will be three-year grant funding, except where this does not represent best value in individual cases, and in terms of overall

affordability. This will be supported by key Compact funding and procurement principles and best practice guidance for local government on third sector funding. This will also build on existing Treasury guidance, developed in partnership with the LGA, the Audit Commission and Chartered Institute for Public Finance and Accountancy (CIPFA)".

Against that background, the Strategy is intended to support the financial planning process in enabling the Council to achieve the best fit of resources to policies and to maximise the transparency of its financial plans. The completion of, and adherence to, the Strategy will help the Council to continue to improve its services and the quality of life in the City, while offering the people of Coventry the best possible value for money.

A broad overview of the Strategy would conclude that there is continual pressure on Council budgets caused by increasing policy expectations and service pressures at both a local and national level. In order to produce a balanced medium term financial programme, the Council will need to continue to identify savings on an ongoing basis. This will be achieved through robust scrutiny of its budgetary position, resource-switching between areas of expenditure and through securing greater value for money in the way it delivers services.

Other broad principles that underpin the Strategy include

- Budget-setting decisions that are driven by the Council's Corporate Objectives
- Delivering financial programmes in a corporate way at employee level through the Management Board.
- Council Tax increases broadly in line with inflation over the medium term
- Increased efficiency and reduced costs so that the Council can continue to move its Council Tax levels towards the metropolitan district council average.
- Maintaining reserves at a minimum level consistent with implementing specific policy outcomes and protecting against known or anticipated liabilities.
- Moving towards a golden rule of not using one-off resources to support ongoing expenditure.
- Operating a formal objective framework for establishing the Capital Programme to help move towards presenting a balanced position into the medium term.

Noting that Scrutiny Board 1 had had no comments to make on the report, and after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided to agree the Medium Term Financial Strategy appended to the report submitted and to recommend the Council to approve it.

RESOLVED that the City Council be recommended to approve the Strategy appended to the report submitted as the basis of its medium term financial planning

process.

75. Local Government Finance Formula Grant Distribution Consultation Paper

The Cabinet considered a report of the Director of Finance and Legal Services recommending the authority's proposed response to the Government's Local Government Finance Formula Grant Distribution consultation paper. The response was appended to the report submitted, which had already been endorsed by Scrutiny Board 1 at their meeting on the 29th August, 2007.

The report indicated that the Government published the Local Government Finance Formula Grant Distribution consultation paper on the 17th July, 2007, and invited comments by the 10th October, 2007.

The consultation is open to responses from across the local government community. The outcome will dictate a number of the Government's resource allocation decisions within the 2007 Comprehensive Spending Review (CSR2007), due to be published in the autumn. These decisions could affect Coventry's eventual level of Formula Grant by several millions of pounds.

The consultation involves a series of 30 questions, the answers to which will be used by the Government to inform some of its CSR2007 resource allocation decisions. For those questions relevant to the Council, answers have generally been entered that aim to maximise the financial benefit to the City Council, trying to strike a balance, however, with what is felt to be reasonable. For instance, where questions ask if the most up-to-date data should be used to feed into resource allocation models, the answer is that they should, irrespective of any potential impact on the City Council.

The report itself also highlighted the most significant issues / questions from a financial perspective and the proposed response to them.

In terms of finance, the final outcome of the consultation will ultimately manifest itself within the autumn announcement of the SR2007. The potential financial impact of the issues covered could range between a best-case additional resource position of £4.9m and a worst case reduced resource position of £1.1m. Current indications are that the most likely case is an improvement of around £3m. The likelihood is that, because of damping, in which sudden changes in grant are smoothed out, all these figures represent the total impact at the end of the three- year CSR2007 period.

This information will need to be fed into the wider resource forecasts that the Council makes, including indications of the overall increase in Formula Grant being proposed by the Government. The results of this will not be known until the CSR is announced in the autumn.

Any impact on the Council's level of resources could affect its ability to deliver services across the full range of activity. In terms of any specific or immediate impact however, the report submitted was limited to cover specifically financial matters.

The Final Settlement will be announced in January 2008 and will feed into the final budget-setting report that the Council will consider in February 2008.

The Cabinet noted that Scrutiny Board 1 had had no comments to make on the report, and, after due consideration of the options and proposals contained in the report and matters referred to at the meeting, decided to submit the proposed response to the Council for approval.

RESOLVED that the City Council be recommended to approve the appendix to the report submitted as Coventry's formal response to the consultation.

76. Discrimination Law Review – Proposals for a Single Equality Bill for Great Britain - Consultation Response

The Cabinet considered a report of the Chief Executive recommending a proposed response to the Government's Green Paper *Discrimination Law Review - A Framework for Fairness: Proposals for a Single Equality Bill for Great Britain*, which proposes that discrimination law is harmonised and simplified. The response was appended to the report submitted, which had already been endorsed by the Scrutiny Co-ordination Committee at their meeting on the 5th September, 2007.

The report set out the background and covered the contents of the Green Paper.

The Green Paper is an extensive document consisting of 189 pages and is accompanied by a 113-page Initial Regulatory Impact Assessment and a 49-page Equality Impact Assessment. It has not been possible to take the draft response to full Council within the Government's deadline of the 4th September, 2007. The draft response appended to the report has therefore been discussed with the Cabinet Member (Finance, Procurement and Value for Money), and the response sent to the Department for Communities and Local Government, clearly indicating that this is only a draft response and is subject to formal approval or amendment by the Council on the 18th September, 2007.

The Green Paper covers the need to harmonise, simplify and modernise the law and to make it more effective. It suggests that the complexities and inconsistencies of the current law make it difficult for individuals to know their rights and make it equally difficult for employers and providers of services to understand their legal responsibilities. The Green Paper:

- sets out detailed proposals for a single equality bill that would simplify some provisions
- seeks views as to whether a single equality bill should provide equal protection against discrimination or harassment on grounds of race, gender, disability, sexual orientation, religion or belief, and age - or whether some aspects of different treatment should be maintained or added
- makes proposals for revising the statutory duties that currently require public bodies to promote equality on the grounds of race, disability and gender. The consultation document contains proposals for a new single equality duty and seeks views on extending this duty to cover sexual orientation, religion or belief, and age.

The Green Paper mirrors the approach that the Council has taken to the production of its own Equality Strategy for 2007/2010 (Cabinet Minute 61/07 refers), in that local authorities are recommended to identify key Equality Outcomes in order to prioritise actions and make a real difference.

The consultation is organised into three parts - Part 1 : Harmonising and Simplifying the Law, Part 2 : More Effective Law, and Part 3 : Modernising the Law - and the report summarised the key proposals in the Green Paper in respect of each.

The Initial Regulatory Impact Assessment suggests that the proposals will lead to some one-off costs for public authorities, largely consisting of the employee time spent reading and drawing up schemes/action plans in response to the requirements of the new duty. There will also be ongoing implementation costs from requirements to consult and involve employees and service-users and to gather and consider data. Costs may also arise from the need for surveys/research to inform action plans. It is unlikely that these will result in significant extra costs while the production of one single Equality Scheme (rather than three separate schemes as at present) may lead to some small savings.

The Green Paper outlines proposals for a new legal framework for discrimination law. The anticipated single equality bill will have an impact on employment and other law. At this stage, the City Council has been invited along with other public and private sector bodies to participate in the initial consultation process.

The proposal for a single equality duty to be introduced would replace the existing requirement to produce a Race Equality Scheme.

It is anticipated that the Government will introduce a single equality bill in the lifetime of the current Parliament.

Noting that the Scrutiny Coordination Committee had endorsed the proposed response and after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided to submit it to the Council for approval.

RESOLVED that the City Council be recommended to endorse the appendix to the report submitted as Coventry's formal response to the consultation.

77. Housing Green Paper – "Homes for the Future: More Affordable. More Sustainable" – Consultation Response

The Cabinet considered a joint report of the Director of City Development and the Director of Community Services recommending a proposed response to those parts of the above consultation document where the Department for Communities and Local Government is requesting a reply. The response was appended to the report submitted, which had already been considered by Scrutiny Board 3 at their meeting on the 10th September, 2007.

The Green Paper sets out the Government's approach to delivering housing demand, providing for more affordable, sustainable and well-designed homes. The

Government has invited general comments on the proposals put forward in the Paper and also posed some specific questions in the document. The consultation deadline is the 15th October, 2007.

The report summarised the proposals and identified the implications for Coventry. It summarised the context and key themes relating to providing more homes to meet growing demand, reducing delays through the planning process, new Housing and Planning Delivery Grant, surplus public sector land, better use of brownfield land, better use of existing buildings, creation of a new homes agency, creating better homes and places, and providing more affordable homes.

In addition to answers to, and comments on, specific questions, the report made general points on the implications for the City to the effect that:

- (a) Work on the Growth Agenda and in the preparation of the Local Development Framework will identify a supply of housing land but current indications are that the identification of a fifteen-year supply is achievable.
- (b) The designation last year of Coventry as a New Growth Point is expected to be a way of increasing the level of infrastructure to support the delivery of housing.
- (c) In its response to the consultation paper on the Proposed Housing and Planning Delivery Grant (September 2006), the City Council expressed its concern about the greater emphasis being placed on housing delivery, compared to other objectives, and that rewards appears to be focused on numbers rather than quality.

The consultation refers to proposed changes to the future of the Planning Delivery Grant (PDG). From 2008, the PDG will be replaced by a new Housing and Planning Delivery Grant (HPDG) awarded based on "delivery of both new housing on the ground, and the identification of at least 5 years worth of sites ready for development and the further 10 years worth in plans as required by planning policy".

Whilst details of the replacement of PDG are welcomed, this is cause for concern because an authority can make allocations and grant permissions but it cannot require, without changes in legislation, that developers deliver on the ground.

The PDG has historically provided one source of funding for the Council's Planning Department. With the changes proposed by this Green Paper and the various recent Planning White Papers, the financial situation will remain under review as further details are released.

It is also clear that the Government is still pursuing the principles of Planning Gain Supplement (with 2009 being the earliest introduction date) where serious reservations have previously been identified although it does seem willing to look at alternatives, including retention of Section 106 as a source of funding for infrastructure related to development. It also acknowledges the growth points initiative but uncertainty remains locally as to how infrastructure to meet the growth agenda will be funded and delivered. A

number of potential solutions are proposed in the paper with further details to be released later in the year.

The Government's response to consultation will be published by the 29th February, 2008.

So far as Question 7 (page 10) of the response was concerned, Councillor Mutton made the point that the Government should pay to local authorities the cost of selling right-to-buy properties at discount, otherwise the construction of new council housing would dry up. Councillor Foster indicated that, if Councillor Mutton came up with an appropriate form of words to that effect, he would recommend its incorporation, at full Council, in the proposed response.

With regard to the final paragraph of Question 5 (also on page 10), Councillor Nellist observed that the City's contribution to the delivery of housing would largely occur after it would usefully have made its contribution to the climate change strategy target relating to zero carbon standard. Again, Councillor Foster indicated that, if Councillor Nellist came up with suitable wording to address the question of the scope for bringing those two aspects into line, he would recommend its incorporation, at full Council, in the proposed response.

The Cabinet noted that Scrutiny Board 3 had endorsed the proposed response, also noting that areas already experiencing high-density issues should not be over-developed. After due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided to submit the proposed response to the Council for approval.

RESOLVED that the City Council be recommended to endorse the appendix to the report submitted as Coventry's formal response to the consultation.

78. Simplifying business Support – A Government Consultation

The Cabinet considered a report of the Director of City Development recommending a response, by the due date of the 14th September, 2007, to consultation proposals published by the Government to simplify business support. The response was appended to the report submitted, which had already been endorsed by Scrutiny Board 3 at their meeting on the 10th September, 2007.

The report identified the problem addressed by the proposals, covered the focus of the Council's business support and outlined the proposed role for Business Link.

The headings in the consultation relate to proposals for publicly-funded business support, accessing business support, future management of business support, and costs and benefits of simplifying business support.

The first of these has a proposed framework of the following six themes, which are very consistent with current and proposed City Council business support:

- (a) Starting up

- (b) Access to finance
- (c) Management, recruitment, people development
- (d) Operations and efficiency
- (e) Product development
- (f) Sales and marketing development

As regards accessing business support, the consultation proposes the regional Business Link as the primary access channel for business support, if businesses do not know where to go, and that Business Link will be the route for businesses to access the majority of publicly-funded business support. Although the consultation document refers to Business Link outreach and targeting activities reflecting priorities set by local authorities, the picture remains one of centralised control and one at odds with the Sub-National Review of Economic Development and Regeneration.

With regard to the future management of business support, the consultation proposes a single, cross-government oversight of business support, involving a partnership of all key stakeholders. This partnership will set overarching priorities for publicly-funded business support and assess the impact of public spending.

It is recognised that appropriate day-to-day operational management arrangements will need to be in place at the sub-national level. The aim will be to manage business support in a way that is responsive to regional and local needs, consistent with the business support framework and national priorities.

The consultation document notes that these management arrangements will need to fit with the conclusions of the above-mentioned Sub-National Review of Economic Development and Regeneration but gives no further details at this stage.

It also identifies a range of costs and benefits arising from the proposed business simplification programme. These are estimates based on initial cost savings achieved by the Department of Trade and Industry's simplification programme. The majority of these savings were identified "as cashable increased economic impact", with a smaller amount of delivery cost savings.

The Council's response to the consultation emphasises the importance of sub-regional economic development and Local and Multi Area Agreements, issues of direct interest to Local Strategic Partnerships.

The Cabinet noted that Scrutiny Board 3 had endorsed the proposed response and, after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet decided:

- (1) To support the key theme in the recommended response, that the vital economic development role of sub-regions needs to be more fully reflected in the proposed balance between regional and sub-regional business support, it being noted that the Government's Sub-National Review of

Economic Development and Regeneration (July 2007) recommends an increased emphasis on sub-regional leadership of economic development.

- (2) To approve the response recommended in Appendix 1 to the report submitted on the Government's consultation questions on Simplifying Business Support.
- (3) Authorise employees to submit the response by the deadline of the 14th September, 2007.

RESOLVED that the City Council be recommended to endorse the action taken.