

COUNCIL OF THE CITY OF COVENTRY

30 October 2007

PRESENT

Lord Mayor (Councillor Batten)

Deputy Lord Mayor (Councillor Matchet)

Councillor Adalat	Councillor Mrs Lancaster
Councillor Ahmed	Councillor Lee
Councillor Arrowsmith	Councillor Mrs Lucas
Councillor Asif	Councillor Maton
Councillor Bains	Councillor McNicholas
Councillor Benefield	Councillor Mulhall
Councillor Mrs. Bigham	Councillor Mutton
Councillor Blundell	Councillor Nellist
Councillor Charley	Councillor Noonan
Councillor Chater	Councillor O'Boyle
Councillor Cliffe	Councillor O'Neill
Councillor Clifford	Councillor Patton
Councillor Crookes	Councillor Miss Reece
Councillor Mrs. Dixon	Councillor Ridge
Councillor Duggins	Councillor Ridley
Councillor Foster	Councillor Sawdon
Councillor Gazey	Councillor Skinner
Councillor Mrs. Griffin	Councillor Skipper
Councillor Harrison	Councillor Smith
Councillor Harvard	Councillor Sweet
Councillor Ms. Hunter	Councillor Taylor
Councillor Mrs. Johnson	Councillor Townshend
Councillor Kelly	Councillor Waters
Councillor Kelsey	Councillor Williams
Councillor Khan	Councillor Windsor
Councillor Lakha	

Apologies: Councillor Mrs Harper

58. Minutes

The minutes of the meeting held on 18 September 2007 were signed as a true record.

59. **Illuminated Address**

The Lord Mayor presented Councillor Ahmed, Lord Mayor for 2006/2007 with his illuminated address.

60. **Petitions**

There were no petitions.

61. **Declarations of Interest**

The following members declared prejudicial interests in the matter referred to in the minute indicated. The relevant minute recording the decision also records where appropriate, the actions that Members decided to take at the meeting indicated, having regard to the National Code of Conduct for Members and the City Council's Constitution:

Interests in Debates

Prejudicial

Member	Minute No.
Councillor Blundell	68
Councillor Foster	68
Councillor Gazey	68
Councillor Khan	68
Councillor Lee	68
Councillor Sawdon	68
Councillor Skipper	68
Councillor Townshend	68

62. **Annual Report of the Audit Sub Group as the Council's Audit Committee – 2006/2007**

Further to Minute 27/07 of Scrutiny Board 1, the City Council considered a report of the Head of Corporate Policy that reported on the work of the Audit Sub-Group as the Council's Audit Committee.

In September 2006 an Audit Sub Group was established, separate from Scrutiny Board 1, to allow more time to be devoted to audit issues. The terms of reference for the Sub Group required the group to carry out responsibilities appropriate to an audit committee, including those defined by CIPFA in its guidance titled "Audit Committees – Practical Guidance for Local Authorities". As part of its role, the Audit Sub Group was required to report annually to full Council on its work as an audit committee.

During 2006-07, the Council's Audit Committee had met on 5 occasions. The report set out details of the work carried out and the support provided to it during this period this included an extensive programme to assist in discharging the Audit Sub Group's responsibilities including: attendance at a conference organised by CIPFA on Audit Committees focusing on the need for audit committees, the experiences of External Auditors of audit committees and also other local authorities' approach to audit committees. An "Introduction to Risk Management Training" course was arranged by the Council's Risk Management and Insurance Service. Training and awareness sessions

had been provided to the Sub Group including: a presentation on the work of the Housing Benefit Fraud Team; a demonstration of the Council's new risk management software – TENS; guidance on the role of external auditors / local authorities in the annual accounts process and the purpose of the Statement of Accounts and changes in 2006-07 to the way in which the accounting information is shown.

During the year, Scrutiny Board 1 and the Audit Sub Group had received reports in respect of the Council's Internal Audit Service that included the Internal Audit Annual Report for 2005-06 and progress reports on the Council's Internal Audit activity. They received updates on the review of Internal Audit and on action taken to address significant control issues identified in the 2005-06 Statement on Internal Control. In April 2007 the Internal Audit Plan for 2007-08 was approved by the Sub Group. The Plan built upon the Internal Audit Strategy approved in April 2005 and continued to focus resources away from a traditional finance focus to a more risk based approach, with clear links with the Council's objectives as reflected in its Corporate Plan for 2006-07 to 2008-09.

Scrutiny Board 1 and the Audit Sub Group also received reports in respect of the Council's external Audit Service for 2006/2007 that included the External Auditors' Annual Governance Report on the Statement of Accounts 2005-06 the purpose of which was to report back to the Audit Committee amendments identified in the 2005-06 Statement of Accounts, following the completion of the annual audit by the Council's appointed auditors and to make recommendations for improvements arising from the audit process. A Joint Working Protocol was also received that outlined the roles of both internal and external audit, along with how they work together to ensure the Council receives an effective audit service. In April 2007 they received the Audit Commission's audit and inspection plans covering the financial years 2005-06 and 2006-07.

To enable the Sub Group to gain more understanding of the role of risk management in the Council's internal control, reports were also received on a review of the Council Corporate Risk Register and on an update on the Council's Risk Management Strategy: Progress on Implementation and Suggested Reporting Arrangements.

Work planned for the Audit Sub Group for 2007-08 included:

- **Measuring the Effectiveness of the Audit Committee** - based on guidance from CIPFA titled "Audit Committees – Practical Guidance for Local Authorities" which included a self-assessment checklist in order to measure the effectiveness of the Audit Committee, the Sub Group would undertake an assessment to further enhance its performance.
- **Training** - training/awareness would continue to be provided for new members of the Sub Group, as well as further training for existing members.
- **Terms of Reference** - The terms of reference of the Sub Group were revised in July to include the monitoring of the Council's revenue and capital programmes. The terms of reference would continue to be kept under review to ensure that they reflect best practice and also to ensure that the Sub Group received all appropriate information in order to discharge its responsibilities.

RESOLVED that the City Council note the activity of the Audit Sub Group as the Council's Audit Committee during 2006-2007.

63. **Response to Consultation – "Recycle on the Go"**

Further to Minute 113/07 of the Cabinet, the City Council considered a report of the Director of City Services that sought approval for the Authority's response to the consultation document "Recycle on the Go".

The report had been considered by Scrutiny Board 3 at their meeting held on 10th October 2007, and the report now submitted incorporated the comments made by the Scrutiny Board members.

The Cabinet noted that the Council had been invited to give its views on the consultation paper "Recycle on the Go", which sets out a voluntary code of practice and good practice guide on the provision of public use recycle bins. The proposals are voluntary and principally concern how litter is collected for disposal or recycling in places that the public can use.

The Government would like to see an extension of recycling from the home to places where the public have access with the desired outcome being to promote positive behaviour and citizen participation in reaching the ultimate goal articulated in the Waste Strategy for England 2007 of One Planet Living. The intention of the voluntary code of practice and the good practice guide was to provide advice on harmonising public place recycling schemes where appropriate and to allow organisations to enjoy the benefits of recycling in a way that was joined up, consistent and that the public was likely to recognise and therefore take part in.

The Government does not have any plans to legislate whilst voluntary measures are given the chance to bed in. The development of the voluntary code of practice and good practice guide was viewed as the mechanism to help voluntary measures establish themselves.

The Cabinet noted that the consultation document was lengthy, consisting of 58 questions, a large percentage of which were of a technical nature. Employees had prepared proposed responses to the technical questions, which were detailed at Appendix 1 to the report submitted. The strategic questions requiring an elected member decision were detailed within Section 4 of the report submitted, and included comments from Scrutiny Board 3's consideration of this matter.

The consultation document set out the drivers and challenges in the context of the National Waste Strategy 2007, details of which were summarised within the report submitted.

The report indicated that the financial basis of the consultation document was based upon promoting litter recycling to minimise landfill, given the planned increase in landfill tax (currently £24 per tonne) to £48 by 2010/11. Coventry's position was different to that of many other authorities because it operates an Energy from Waste (EfW) plant and these financial benefits would not apply. Litter from the City's bins was less than 1% of its total household waste and the majority of this waste was already treated through the EfW process.

The Council was currently preparing a Draft Waste Strategy for consultation. This Strategy would give consideration to future recycling targets set by the Government through Local Area Agreements and any subsequent expansion to recycling, such as the placement of public use recycling litter bins.

RESOLVED that the City Council approve the response to the "Recycle on the Go" consultation document attached as Appendix 1 to the report submitted, which incorporated the comments from Scrutiny Board 3 at their meeting on 10th October 2007.

64. Coventry Development Plan 2001: Saved Policies

Further to Minute 146/07 of the Planning Committee, the City Council considered a report of the Director of City Development that detailed the outcome of the Secretary of State for Communities and Local Government's consideration of the policies in the Coventry Development Plan that should be retained as planning policy.

The Planning and Compulsory Purchase Act 2004, which introduced the new planning system of Local Development Frameworks, provided interim arrangements whereby Local Planning Authorities could "save" the policies of their existing development plans for a 3-year period commencing on 28 September 2004. This concept related to the need for continuity during the change from the old to the new planning system. The Act also gave the Secretary of State power to make a direction to "save" policies beyond this 3-year period. Progress on new-style plans had not been as quick as envisaged when the Act was passed and it became clear that the introduction of new planning policies across the country was small. As a result, action was needed to ensure that relevant policies remained in force in order to ensure that planning decisions were lawful.

Therefore, last year, the Government issued a protocol on the "saving" of development plan policies. If Local Planning Authorities wanted to retain policies beyond the expiry of the 3-year period after 27 September 2007, they needed to seek the Secretary of State's agreement to do so. The timescale and guidance for this exercise was such that it was not possible to build in effective engagement with the community and this had led to some misunderstandings.

On 20 March 2007, the City Council approved lists of policies it wished to see deleted or retained in the Coventry Development Plan. As requested, these were submitted to the Government Office for the West Midlands for an assessment and for the Secretary of State to make the final decision. Councils were advised that the Secretary of State could: (a) agree with their recommendations; (b) decide to save a policy even where deletion had been recommended; or (c) decide that a policy would not be saved despite the recommendation.

The Secretary of State issued a Direction in September 2007, under covering letter, which included a Schedule of the saved policies. These documents were listed within the appendix to the report. The decision generally followed the City Council's recommendations. However, the following four additional policies were also identified for deletion:

H 7 - Housing Land Provision - contrary to PPS 3 (Housing) due to its significant reliance on windfall housing sites, compared to allocations.

H 14 - Gypsies and Travellers – having been overtaken by Circular 01/2006 (Planning for Gypsy and Traveller Sites) which says that local authorities must allocate sufficient sites for gypsies and travellers in development plan documents.

GE 13 - Species Protection – since paragraph 15 of PPS 9 (Biodiversity and Geological Conservation) states that specific policies should not be included in development plans because of the statutory protection received by many species.

EM 1 - Alternative Energy Resources – having been overtaken by more detailed policies in PPS 22 (Renewable Energy).

The Secretary's of State's covering letter noted that the extension of saved policies did not indicate that she would endorse those policies if presented as new policy. Local planning authorities "should not suppose that a regulatory local plan style approach would be supported" in the new system and should "not seek to reintroduce the numerous policies of many local plans". Local planning authorities "should adopt a positive spatial strategy led approach" to plan preparation.

It was clearly not possible to re-publish the Coventry Development Plan, so instead, officers would provide information about the saved policies as follows:

- to all Council Directorates;
- through the Council's website;
- to parish councils;
- to libraries; and
- to all listed on the Local Development Framework database.

The Committee noted that the deletion of policies would affect the Proposals Map. However, the Government Office had advised that re-printing the Proposals Map was unnecessary, providing that it was read in conjunction with the schedule of saved policies.

RESOLVED that the City Council note the Secretary of State's Direction.

65. Question Time

The appropriate members provided a written response to all the questions set out in the questions booklet, together with an oral response to supplementary questions put to them at the meeting.

The following Members answered oral questions put to them by other Members as set out below, together with supplementary questions on the same matters:

	Question Asked By	Question Put To	Subject Matter
1	Councillor Nellist	Councillor Taylor	The consultation for the Hertford Street Post Office Closure
2	Councillor Taylor	Councillor Sawdon	Clarification/amendment of income generated from increases to Park and Library facilities and Passport to Leisure Services charges
3	Councillor Chater	Councillor Blundell	Reason for the delay and any additional costs incurred relating to the relocation of the Centre for Performing Arts
4	Councillor Townshend	Councillor Mrs Johnson	Value for Money enquiry relating to the costs associated with the appointment of Interim Head of Democratic Services

RESOLVED that in relation to question 3 above, a written response be submitted to all members of the Council in accordance with paragraph 4.1.24 of the Constitution.

66. Statement by the Leader of the Council

Councillor Taylor addressed the Council on the current financial problems facing Coventry City Football Club. He confirmed the City Council's role in the Ricoh Arena project and subsequent position, as part of ACL, as landlord to the football club. The Leader also clarified the City Council's position in the Club's current financial situation and confirmed that the Authority could have no direct involvement in the operation or financing of a private commercial company.

ACL had been as proactive and supportive as possible in assisting the football club with its own future and had determined criteria against which possible new investors/owners could be considered. ACL Directors were currently considering a bid, which still had issues to be resolved but which had the backing of the Co-operative Bank, that could meet the criteria. In addition, a consortium bid had been submitted that was awaiting the support of the Co-operative Bank.

Should the City Council, through its shareholding in ACL, need to consider whether or not to sell some or all of its shares, or other interests in the Ricoh Arena, then a detailed financial report would be submitted to a single-item special Council meeting within the next 3-4 weeks. Only the actions of the football club and the Co-operative Bank would determine if and when this Council meeting would be necessary. As a shareholder the Council would expect to receive clear advice and recommendations from ACL. Ultimately only the Council could make decisions about its shareholding within the Ricoh Arena project.

In conclusion, the City Council recognised the value to the city of a powerful, well supported and well managed football team and club. The future of professional football in Coventry would be determined by the actions of the football club and the Co-operative Bank. To the extent that the City Council could help, it would continue to act as positively as it had over the past nine months. Responsibility and actions to resolve the Coventry City Football Club situation predominantly rested outside the Council Chamber.

67. Debate – First Time Home Buyers

Councillor Ridley moved the following motion, which was seconded by Councillor Mrs Dixon:

*"This Council recognises the difficulty faced by first time buyers in purchasing their own home. This Council also recognizes the benefits of home ownership and welcomes Conservative Party plans to abolish stamp duty on houses valued below £250,000 for first time buyers."

Councillor McNicholas moved the following amendment, which was seconded by Councillor Mrs Bigham and lost:

After the words "home ownership and" delete "welcomes Conservative Party plans to abolish stamp duty on houses valued below £250,000 for first time buyers" and insert "looks forward to the Government's plans, as identified in the Housing Green

Paper, to address this issue".

RESOLVED that the substantive motion, as set out at * above, be adopted.

68. Debate – Affordable Housing

Councillor Windsor moved the following motion, which was seconded by Councillor Nellist and lost:

"Coventry Council believes that the 25% affordable housing threshold that developers have to meet in order to obtain planning permission is set too low given the 12,000 plus currently registered with Coventry Homefinder, and also the rise in interest rates and other factors in the housing market which are closing off the possibility of home ownership to wider layers within society.

Council now believes that 40% of all new developments should comprise affordable housing, the bulk of it to be rented out by Housing Associations, and instructs officers to bring forward a report to show how that new threshold could be introduced as a local requirement at the earliest opportunity.

Council also believes that substantial numbers of terraced and other housing could be left vacant in the not too distant future due to the effect of large scale new, purpose built student housing; this Council believes that that local housing should be "recycled" by the City Council in conjunction with Housing Associations in order both to reduce the necessity for new-build homes that could cause difficulties in Coventry's Green Belt, to avoid over development and the swallowing up of all green space in inner city Coventry, and to try and recreate some of the more settled communities which have been fractured by a rapid development of short-term lets.

In order to achieve these proposals Council urges both extra housing finance from central government be allocated to the city and that urgent discussions begin with government to introduce the necessary powers to take over and re-let badly managed privately rented housing or empty properties".

RESOLVED that the motion be not adopted.

(Note: 1) Having declared a prejudicial interest, Councillors Blundell, Foster, Gazey, Khan, Lee, Sawdon, Skipper and Townshend withdrew from the meeting during consideration of this item.

2) As there was an equality of votes, in accordance with paragraph 4.1.72 of the constitution, the Lord Mayor used his casting vote in favour of the largest political group represented on the Council.)

(NOTE: The meeting closed at 6.20 p.m.)