

COUNCIL OF THE CITY OF COVENTRY

15th January 2008

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'Neill |
| Councillor Cliffe | Councillor Patton |
| Councillor Clifford | Councillor Ms. Reece |
| Councillor Mrs. Dixon | Councillor Ridge |
| Councillor Duggins | Councillor Ridley |
| Councillor Foster | Councillor Sawdon |
| Councillor Gazey | Councillor Skipper |
| Councillor Mrs. Griffin | Councillor Smith |
| Councillor Mrs. Harper | Councillor Mrs. Sweet |
| Councillor Harrison | Councillor Taylor |
| Councillor Harvard | Councillor Townshend |
| Councillor Mrs. Johnson | Councillor Mrs Waters |
| Councillor Kelly | Councillor Williams |
| Councillor Khan | Councillor Windsor |
| Councillor Lakha | |

Apologies:- Councillor Crookes
Councillor Kelsey
Councillor O'Boyle
Councillor Skinner

91. **Minutes**

The minutes of the meeting held on 11 December, 2007, were signed as a true record.

92. **New Year's Honours**

The Lord Mayor referred to the Coventry citizens that had been presented with awards in the New Year's Honours List as follows:

MBE: To PC 'Barney' Barnes for his services to the police and for the local community.

MBE: To Vivienne Bateson for her services to Job Centre Plus in helping the unemployed of the city.

MBE: To Fiona Garrigan also for her services to Job Centre Plus in helping the unemployed of the city.

MBE: To Barry Littlewood, former Chief Executive of Coventry Transport Museum, for his services to heritage.

MBE: To Ranjan Manek for her services to older Asian people in Coventry.

Queen's Police Medal for Distinguished Service: To Inspector Mandy Mason, Partnership Liaison Officer at Little Park Street Police Station, for services to the police.

CBE: To Brian Woods-Scawen, Chair of CSWP Ltd, for his services to business and the community in the West Midlands.

Members, having paid tribute to the citizens, noted that the Lord Mayor had written to the recipients on behalf of the City Council sending congratulations on their awards.

93. **Death of Former Chief Fire Officer for Coventry**

The Lord Mayor referred to the recent death of former Chief Fire Officer, Albert Leese who had served on the Fire Service from 1960 to 1974.

Members, having paid tribute to Mr Leese, noted that the Lord Mayor had written to Mrs Leese on behalf of the City Council, expressing the Council's sincere condolences to her and her family.

94. **Death of Benazir Bhutto**

The Lord Mayor referred to the news of the assassination of former Prime Minister of Pakistan, Benazir Bhutto and others following the suicide bomb attack in the City.

The Lord Mayor indicated that he had already written to Her Excellency the High Commissioner for Pakistan on behalf of the City Council, expressing the City's condolences.

95. **Death of Former Bishop**

The Lord Mayor referred to the death of the Right Reverend John Gibbs, a former Bishop of Coventry between 1976 and 1985, who died just before Christmas. Bishop John will be remembered as a 'founding father' of Myton Hamlet Hospice.

The Lord Mayor indicated that he had written to Bishop John's family on behalf of the City Council, expressing the Council's sincere condolences.

96. **Kathy Rice**

The Lord Mayor drew the Council's attention to the fact that this was the last meeting of the City Council that Kathy Rice, Head of Legal Services, would be attending as Kathy would be leaving the Council to take up her new post as Chief Executive of Douglas Council on the Isle of Man.

The Lord Mayor, on behalf of Members and Officers, thanked Kathy for all her help and assistance to members in carrying out their duties for the City, congratulated her on her new appointment, and wished her well for the future.

97. **Petitions**

RESOLVED that the following petition be referred to the appropriate City Council body:-

Objection to Building Works at 41 Derwent Road – 29 signatures presented by Councillor Patton.

98. **Declarations of Interest**

The following Members declared interests in the matters referred to in the minutes indicated. The relevant minutes, and recorded decisions, also record where appropriate, the actions that the Members decided to take at the meeting indicated, having regard to the National Code of Local Government Conduct and the City Council's Constitution:-

Interest in Recommendations

Personal

| Member | Minute Number |
|---------------------|----------------------|
| Councillor Blundell | 99 |
| Councillor Nellist | 103 |
| Councillor Skipper | 99 |

99. **Coventry Heritage and Arts Trust Transfer**

Further to Minute 176/07 of the Cabinet, the City Council considered a report of the Director of Community Services that sought approval for detailed work towards the transfer of a range of facility management and associated services into a new Heritage and Arts Trust.

The report indicated that an internal project team and the Cabinet Member Advisory Panel established pursuant to the above Minute had been working to progress this work.

External lawyers (LG Solicitors) had been appointed to provide legal support to the project, also in line with the recommendations referred to above.

The report outlined the suite of transfer documents, listed below, and the implications of these:

- Scope of Services for Transfer
- Form of Trust, Name of Trust
- Memorandum and Articles of Association for the new Trust
- Transfer Agreement
- Funding and Management Agreement
- Equipment Agreement
- Loan Agreement
- Leases
- Pension Arrangements
- Support Services Agreement

The proposed name for the new Trust was The Coventry Heritage and Arts Trust and its proposed form was a company limited by guarantee, with the intention to seek charitable registration with the Charity Commission.

The appendix to the report submitted outlined the function of each key transfer document and its implications for the City Council.

The report expanded some of the key documents, one of which was the Memorandum and Articles of Association for the new organisation and this had been based on a model document for charitable companies. However, it had been adapted to ensure that it was "fit for purpose" for this particular project and incorporated the Council's objectives in terms of objects, flexibility, accountability and Board composition. Importantly, it had also been updated to ensure it incorporated the most recent changes introduced in relation to the Companies Act 2006 and the Charities Act 2006, thus reflecting modern charity and company law, as well as best practise. The proposed structure was for a Board of between 11 and 15, including two nominated representatives from the local authority and one nominated representative from the staff.

The other key document was the funding and management agreement, which would set out the terms on which funding would be made available to the new charity, the terms and conditions of that funding, the Council's requirements in terms of services to be provided, the monitoring and review provisions and also the consequences of poor or non

performance. It would also set out in what circumstances the funding agreement could be terminated and the consequences of termination, including the exit routes and hand-over arrangements.

Trustee recruitment to form a Shadow Board ready for transfer was undertaken in November 2007, following best practise guidance from a variety of sources. This included an open day to explain the opportunities, and an application process. Eight Shadow Board members have been appointed, pending references.

The new Trust would be responsible for delivering a range of facility management and associated services currently directly provided by the City Council. A business plan had been constructed to demonstrate how the Trust may deliver its obligations from the clearly-identified funding available (which would be within the current net revenue position). The plan had been compiled on the basis that there would be no additional net revenue commitment to the City Council, other than identified as part of the Policy Priorities and Resources budget-setting process.

The report also detailed the legal and Transfer of Undertakings (Protection of Employment) Regulations implications of the project.

With regard to recommendation 2.6 of the report, Councillor Sawdon proposed the following addendum which was seconded by Councillor Dixon and carried:

At the end of recommendation 2.6 add "and continue to keep the trade unions fully involved".

With regard to recommendation 2.1 of the report, Councillor Nellist proposed the following amendment which was seconded by Councillor Windsor and lost:

After the words "associated services from" on line 2 delete the words "1 April 2008" and insert "1 April 2009".

Councillor Nellist then proposed the following amendment, which was seconded by Councillor Windsor and lost:

"Insert a new recommendation 2.7 to read "Agree to second sufficient members of library staff with knowledge of Local Studies service delivery to the History Centre for a period of one year in order to facilitate the establishment and then opening of that centre" and renumber the remaining recommendations accordingly.

RESOLVED that:

- 1) the City Council endorse the proposals for the transfer of a range of facility management and associated services into a new Heritage and Arts Trust.**
- 2) the words "and continue to keep the trade unions fully involved" be added to recommendation 2.6.**

100. Housing and Planning Delivery Grant (HPDG) – Proposed Allocation Mechanism, Consultation Paper

Further to Minute 177/07 of the Cabinet, the City Council considered a report of the Director of City Development that proposed a response to a consultation paper on Housing and Planning Delivery Grant (HPDG) – Allocation Mechanism, published by the Department for Communities and Local Government in October 2007.

Scrutiny Board 3 had considered a briefing note on the Council's draft response at their meeting on the 5th December, 2007 (their Minute 64/07 refers) and their comments related to the quality of homes provided and flexibility according to the needs of the area, including family homes, supported housing and sustainable housing. They asked that these matters be included in the report to the Cabinet and the Council setting out the response to the Government. Those comments had been incorporated in the response to question 11, Appendix 2 of the report submitted.

The report reminded members of a similar paper submitted to the Cabinet on the 11th September, 2007 (their Minute 77/07 refers) setting out the recommended Council's response to the HPDG consultation paper. The Council, at their meeting on the 18th September, 2007 (Minute 54/07 refers) decided that, whilst accepting that the aims of the HPDG had some value, expressed concern that the proposals not only placed a greater emphasis on housing delivery within the planning system compared to other objectives (for example, assisting job creation, encouraging viable local centres, etc.) but also put forward rewards based on numbers rather than quality. The Government had now published a further consultation paper and responses were required by the 17th January, 2008. The HPDG was a £510 million fund to encourage improved housing delivery, including more effective planning, to better address local needs. This current consultation sought views on how the Government proposed to allocate this funding over the next three years, and Appendix 1 to the report submitted contained a detailed summary.

The Government's proposed allocation mechanism for HPDG would have the following implications for Coventry:

967 housing units would have to be built in Coventry before the City Council was eligible for the grant.

The amount of grant received by the Council would depend upon the number of units that were delivered above floor targets nationally.

No funding for development control planning.

Coventry would be expected to demonstrate delivery of at least a minimum proportion of its existing stock, which was proposed to be at least 0.75% of the stock.

The report highlighted the key differences between the Housing and Planning Delivery Grant and the Government's Planning Delivery Grant, which it replaces, and it set out the overall timeframe for the allocation of the HPDG.

In terms of finance, while it was clear that the new HPDG would have financial

implications, it was very difficult at this stage to forecast the potential grant available to Coventry to support its housing growth on the basis proposed. The methodology proposed in the consultation would mean that Coventry's share would depend not only on its own performance but also the performance of other authorities.

Coupled with the fallout of grant funding to support development control, which would be replaced by a proposed increase in planning fees to cover this shortfall (albeit with the added risk of being demand-based rather than performance-based), further financial analysis would be required as the situation became clearer.

RESOLVED that the City Council approve the submission of the response to the consultation, as set out in appendix 2 of the report, to the Department for Communities and Local Government.

101. Cabinet Member (Neighbourhoods and Community Safety)

The City Council considered a report of the Director of Customer and Workforce Services that required consideration of the Cabinet Member (Neighbourhoods and Community Safety) portfolio and determination of its immediate future.

On the 3rd January 2008, Councillor Matchet resigned from the post of Cabinet Member (Neighbourhoods and Community Safety) in order to comply with the requirements of the Local Government Act 1972, as amended by the Local Government Act 2000, and the City Council's Constitution, which stipulate that the vice-chairman (i.e. Deputy Lord Mayor) of a local authority cannot hold an executive post at the same time. Councillor Matchet chose to retain his office of Deputy Lord Mayor and to resign from his post of Cabinet Member (Neighbourhoods and Community Safety).

At an advanced stage in the Municipal Year, this raised the question of the vacant Cabinet Member (Neighbourhoods and Community Safety) portfolio and, following consultation with the Leadership of the Controlling Group on the Council, it was proposed that the responsibilities of the Cabinet Member be distributed amongst existing Cabinet Members.

RESOLVED that the City Council approves:-

- 1) The discontinuation of the Cabinet Member (Neighbourhoods and Community Safety) portfolio for the duration of the 2007/2008 Municipal Year.**
- 2) The allocation of responsibilities of the former remit to other Cabinet Member portfolios as follows:**

**Cabinet Member (Finance,
Procurement and Value for Money)**

**Community Safety
Voluntary Sector
Welfare Advice Services
Community Centres**

Cabinet Member (City Services)

**Neighbourhood Management
Ward Forums**

102. 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:-

| Number | Question Asked By | Question Put To | Subject Matter |
|---------------|--------------------------|------------------------|---|
| 1 | Councillor Mutton | Councillor Taylor | City Council representative for the armed forces |
| 2 | Councillor Kelly | Councillor Blundell | Recent breach of confidentiality relating to Children's Services |
| 3 | Councillor Kelly | Councillor Blundell | Review of Youth Resource Centre charges and impact of review on the promotion of fitness for young people |
| 4 | Councillor Mrs Bigham | Councillor Foster | Maintenance of green space within developments and associated enforcement powers |
| 5 | Councillor Mrs Lucas | Councillor Foster | Responsibility for "Orphan Land" and enforcement powers available |
| 6 | Councillor Lee | Councillor Noonan | Opening weekend of IKEA store held on 15 th and 16 th December 2007 |
| 7 | Councillor Townshend | Councillor Taylor | Electoral fraud case in the Foleshill Ward |
| 8 | Councillor Foster | Councillor Taylor | Closure of Hertford Street Post Office |
| 9 | Councillor McNicholas | Councillor Foster | Sinking highway at Millennium Square and access to Pool Meadow |

RESOLVED that:-

- 1) In relation to Question 4 above, officers be requested to provide a briefing for Councillor Mrs Bigham on this issue.**
- 2) In relation to Question 5 above, officers be requested to provide all Councillors with a briefing note on this issue.**

103. **Statement by the Leader of the Council**

Councillor Taylor addressed the Council on the future of Jaguar in Coventry. He referred to Coventry's rich history over the past seven hundred years or so and that, for the last century pride in the City had increasingly centred on expertise in the manufacturing sector. Although changing times, economies and challenges had meant the development of new areas of expertise and skill that were increasingly envied the world over, there remained a pride that one of the jewels in Britain's manufacturing crown, Jaguar, had its headquarters and design centre in Coventry.

The day the announcement was made that Jaguar was ending production in Coventry had been a real body blow for the city. Elected Members on both sides of the Chamber had spent many hours trying to do whatever they could to keep Jaguar in the City, although they also recognised that the changing economic climate across the world meant that owners of global organisations like Ford, the owners of Jaguar, had to make tough decisions about what was right for the Company's long term future.

Although it was a sad day when production ended at Brown's Lane, Jaguar's commitment to stay in the city and, in particular, develop its world-class research and design centre at its site in Whitley had been welcomed. Increasingly, the City was getting a reputation as a research and design hub, with high tech, highly specialised industries that were helping to transform the economy to compete in the 21st Century. The research and design centre at Whitley was a key player in the new industrial age and it was enormously important for Coventry that this work continued here in the future.

Ford's announcement that it wanted to find a buyer for Jaguar, Land Rover and Aston Martin, had caused great concern, although there had always been a confidence that Jaguar, one of the best known brand names in the world, had a secure future in the right hands.

The months of speculation and uncertainty about the future of Jaguar were not helpful to anyone, particularly not the Company's loyal employees who were so passionate about their work. The City Council had been doing what it could behind the scenes to support Jaguar when needed, recognising that the nature of the global economy ultimately limited the power of what one Council could do.

After increased speculation over recent weeks about a buyer for Jaguar, Ford had recently announced that they had a preferred bidder, bringing an end to the uncertainty over the future of the company. The bidder, Tata Motors, was a major global company with an international pedigree. The City Council would work closely with Tata over the coming months to ensure everything possible was done to safeguard jobs in the City.

Councillor Taylor concluded that the Jaguar brand was one of the most recognised and valued brands across the world and it was believed that there was an opportunity to develop the company's potential even further. Coventry could, and should, be at the heart of the development of this great car in the 21st Century. He pledged the City Council's support to work together to secure a great future for Jaguar and its employees in Coventry.

Councillor Nellist and Councillor Mutton, Leaders of the opposition parties, spoke in support of the Leader's statement and gave their support to working together to secure the future of Jaguar and it's employees in Coventry.

(NOTE: The meeting closed at 7.00 p.m.)