

# **Council Meeting**

24 June 2010

**Booklet 2**

Recommendation Minutes

# **INDEX TO MINUTES**

Cabinet, 22 June 2010

Audit Committee, 24 June 2010

## CABINET

22<sup>nd</sup> June, 2010

Cabinet Members

Present: -

Councillor Mrs Bigham  
Councillor Clifford  
Councillor Duggins (Deputy Chair)  
Councillor Harvard  
Councillor Kelly  
Councillor A. Khan  
Councillor J. Mutton (Chair)  
Councillor O'Boyle  
Councillor Skipper  
Councillor Townshend

Non-Voting Opposition

Representatives Present: - Councillor Foster  
Councillor Mrs Johnson (Substitute for Councillor Taylor)

Other Members Present: - Councillor Noonan

Employees Present:-

H. Abraham (Customer and Workforce Services Directorate)  
S. Brake (Community Services Directorate)  
E. Bryan (Children, Learning and Young People's Directorate)  
A. Carr (Community Services Directorate)  
F. Collingham (Chief Executive's Directorate)  
C. Forde (Council Solicitor and Assistant Director (Legal Services))  
M. Harder (Customer and Workforce Services Directorate)  
M. Harris (Customer and Workforce Services Directorate)  
B. Hastie (Finance and Legal Services Directorate)  
P. Jennings (Finance and Legal Services Directorate)  
F. Kendall (Community Services Directorate)  
L. Knight (Customer and Workforce Services Directorate)  
J. Parry (Assistant Chief Executive)  
A. Walmsley (Children, Learning and Young People's Directorate)  
B. Walsh (Director of Community Services)  
A. West (Chief Executive's Directorate)  
C. West (Director of Finance and Legal Services)  
M. Yardley (Director of City Services and Development)

Members of the Public

Present: -

S. Sheppard (PriceWaterhouseCoopers)

Apologies

Councillor Taylor

**Public business**

## RECOMMENDATIONS

### 11. **Law Commission Consultation on Reforming Adult Social Care Law – Consultation Response**

The Cabinet considered a report of the Director of Community Services which detailed the Council's response to a Government Consultation Document relating to the proposals to change Adult Social Care Law, published by the Law Commission.

The Cabinet noted that the Health and Social Care Scrutiny Board (Scrutiny Board 5) had considered the report at their meeting held on 16<sup>th</sup> June 2010 (their Minute 2/10 refers). A briefing note outlining their decision on this matter was circulated in advance of the meeting and is appended to these minutes.

The Cabinet noted that the legal framework regarding adult social care was complex and fragmented. Overlapping and inconsistent legislation had led to confusion around the rights of service users and Local Authorities' responsibilities.

The main recommendation from the Law Commission was that there should be one legal statute for Adult Social Care Law. The consultation proposal and subsequent questions focused on what should be included in the statute. The consultation was broken down into 13 different sections, reflecting the breadth of topics covered in the consultation document.

Once the consultation period had ended, the Law Commission would review and revise the proposals on the basis of all the feedback and start drafting a report which would set out their final recommendations for how the law should be changed. The final report will be published in 2011. Once the report has been published a draft bill will be produced for Parliament to implement the final recommendations.

**RESOLVED that, after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet recommend that the City Council approve the consultation response.**

### 12. **Blue Badge Reform Programme**

The Cabinet considered a report of the Director of Community Services which detailed the Council's response to a Government consultation on the reform of the Blue Badge Scheme. The Scheme gives a concession to disabled people to park where particular restrictions may otherwise apply. Coventry City Council also gives the concession of free parking within the City Council's car parks. It played an important role in helping severely disabled people to access jobs, shops and other services.

The Cabinet noted that the Health and Social Care Scrutiny Board (Scrutiny Board 5) had considered the report at their meeting held on 16<sup>th</sup> June 2010 (their Minute 3/10 refers). A briefing note outlining their decision on this matter was circulated in advance of the meeting and is appended to these minutes.

Following a review by the Department for Transport in 2008, a five year reform

strategy was established in order to modernise the Scheme, addressing provision, administration, assessment, enforcement and the charging policy. To drive the reform forward, nine Centres of Excellence had been established across the country. In the West Midlands Region Coventry City Council and Birmingham City Council were jointly awarded Centre of Excellence status. Coventry was considered to have a well developed assessment process and action plan to tackle abuse of the scheme. The City Council and Birmingham City Council had been working closely to agree joint approaches to assessment and enforcement across both areas.

The consultation sought views on improvements to enforcement for the Blue Badge Scheme, including amendments to primary and secondary legislation; amendments to primary legislation on appeals and a number of other specific areas of guidance; extending the eligibility criteria; and the distribution methodology for funding, in order to help local authorities to establish independent medical assessments.

**RESOLVED that, after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet recommend that the City Council approve the consultation response.**

**13. Local Area Agreement and Corporate Plan – End Year Progress Report 2009/10**

The Cabinet considered a report of the Assistant Chief Executive which provided a review of the Council's performance against the Local Area Agreement and Corporate Plan objectives.

The Sustainable Community Strategy (SCS) and Local Area Agreement (LAA) established the vision for the Council and the Coventry Partnership in 2008. The Council aligned its Corporate objectives along those of the SCS and LAA in its Corporate Plan in September 2008. Appended to the report was a summary of the Council's performance against key LAA indicators, and a summary of the Council's performance in each of the SCS themes.

The Cabinet noted that performance against LAA targets would be difficult amid the cuts proposed in Central Government financing for Local Authorities. The Cabinet reaffirmed their commitment to providing good quality services despite these increased financial pressures.

**RESOLVED that, after due consideration of the options and proposals contained in the report and matters referred to at the meeting, the Cabinet approves the review of progress on the Local Area Agreement and Corporate Plan and ensure the Council is taking the actions needed to contribute to the achievement of LAA priorities.**





---

**To**  
Cabinet

Date: 22<sup>nd</sup> June 2010.

**Subject**

Health and Social Care Scrutiny Board (5) recommendations following their consideration of the 'Response to Law Commission's Consultation Paper on Adult Social Care'

**1 Purpose of the Note**

- 1.1 To inform Cabinet of the Health and Social Care Scrutiny Board's recommendations following their consideration of the 'Response to Law Commission's Consultation Paper on Adult Social Care' at their meeting on 16<sup>th</sup> June 2010.

**2 Recommendations**

- 2.1 Cabinet are asked to consider and decide whether to agree the following recommendations of the Scrutiny Co-ordination Committee:

Cabinet are recommended to note that the Scrutiny Board endorsed the recommendations in the report and agreed to support the draft response prepared by officers.

**3 Information/Background**

- 3.1 The Board considered the above report at their recent meeting and held a full discussion with the Director of Community Services on the implications of the review of Adult Social Care Law. Members discussed the complexity of the current legislation and questioned officers on a number of issues including:
- The implications of any changes on eligibility criteria
  - Portability of assessments geographically
  - Differences between service users and carers assessments
  - Appeal processes and opportunities for redress in the event of services or assessments being declined
  - Any potential negatives from the abolition of the disabled persons register.
- 3.2 In conclusion the Board felt that the proposed changes would help clarify a complex legal picture and provide more consistency for current and future service users. The Board resolved to support the recommendations of the Director of Community Services and endorsed the draft response circulated as an Appendix to the Cabinet report.

**AUTHOR:**  
**Peter Barnett**  
**Performance and Scrutiny Team**  
**Tel: 02476 831172**







---

**To**  
Cabinet

Date: 22<sup>nd</sup> June 2010.

**Subject**

Health and Social Care Scrutiny Board (5) recommendations following their consideration of the 'Blue Badge Reform Programme – consultation response'.

**1 Purpose of the Note**

- 1.1 To inform Cabinet of the Health and Social Care Scrutiny Board's recommendations following their consideration of the 'Blue Badge Reform Programme – consultation response' at their meeting on 16<sup>th</sup> June 2010.

**2 Recommendations**

- 2.1 Cabinet are asked to consider and decide whether to agree the following recommendations of the Scrutiny Co-ordination Committee:

Cabinet are recommended to note that the Scrutiny Board endorsed the recommendations in the report and agreed to support the draft response prepared by officers.

Cabinet are asked to note the following:

That the Board has requested that the issues relating to the issue of Blue Badges and local enforcement of their use are added to the Board's work programme for the current municipal year.

**3 Information/Background**

- 3.1 The Board considered the above report at their recent meeting and held a full discussion with the Director of Community Services on the implications of the proposed reform programme. Members discussed the current arrangements in Coventry for issuing and enforcing Blue Badge parking and questioned officers on a number of issues including:
- The costs of Blue Badge assessments and how these would be funded
  - Portability of assessments geographically
  - Possible extensions of the powers of civil parking enforcement officers
  - The importance of appropriate disabled parking spaces being available in different locations
- 3.2 In conclusion the Board felt that the proposed reforms would ensure a greater consistency of approach across the country and potentially provide the City Council with additional powers to appropriately enforce the scheme. Whilst the Board resolved to support the recommendations of the Director of Community Services and endorsed the draft response

circulated as an Appendix to the Cabinet report, Members also requested than an item be included in the Boards work programme for the year to examine local arrangements for issuing Blue Badges and the Council's approach to enforcement of mis-use of the scheme.

**AUTHOR:**

**Peter Barnett**

**Performance and Scrutiny Team**

**Tel: 02476 831172**

## **AUDIT COMMITTEE**

24<sup>th</sup> June 2010

### Audit Committee

Members Present: Councillor Andrews (Deputy Chair)  
Councillor Chater (Chair)  
Councillor Field  
Councillor Smith

Employees Present: P. Baggott (Finance and Legal Services Directorate)  
L. Commane (Finance and Legal Services Directorate)  
B. Hastie (Finance and Legal Services Directorate)  
P. Jennings (Finance and Legal Services Directorate)  
S. Mangan (Finance and Legal Services Directorate)  
U. Patel (Customer and Workforce Services Directorate)  
T. Pinks (Finance and Legal Services Directorate)  
C. Steele (Chief Executive's Directorate)

Apologies: Councillor Bains  
Councillor T Khan

## **RECOMMENDATIONS**

### **4. Statement of Accounts 2009/10**

The Committee considered a report of the Director of Finance and Legal Services that set out the 2009/10 Statement of Accounts together with accompanying notes. The report was scheduled to be considered by the City council at their meeting on 24<sup>th</sup> June 2010. It was noted that the documentation was set out in a prescribed format and that the City Council's Auditors, the Audit Commission, would be auditing the statement over the next few months. An addendum to the Statement of Accounts 2009-10 was tabled at the meeting and would be appended to these minutes for ease of reference.

The Statement was prepared in accordance with requirements of the Code of Practice on Local Authority Accounting, which defined proper accounting practice for local authorities. This would be the final year for which the Code and the City Council's accounts would be presented in compliance with UK Generally Accepted Accounting Policies (UKGAAP) accounting. From 2010/11 the accounts will move to being prepared in line with International Financial Reporting Standards (IFRS). The Audit Committee had already received briefings on IFRS and this would continue over the coming year.

UKGAAP accounting required the Council to prepare accounting statements including an Income and Expenditure Account and a Statement of Movement on the General Fund. The Council's Income and Expenditure Account for 2009/10 showed a deficit of £159m. The deficit did not reflect the genuine position of the Council's General Fund, which had an underspend of £1.6m. The difference between the Income and Expenditure Account and the General Fund was explained in Section 4 of the report.

The Committee went on to consider key elements from the Statement of Accounts:

- The Income and Expenditure Account recorded how much the Council had spent and received for the day to day spending on its services (revenue expenditure and income). It also showed how that net expenditure had been funded - from the combination of Council Tax, National Non Domestic Rates and Central Government Grant (the Revenue Support Grant). The City Council deficit for 2009/10 was £159m.
- The Statement of Movement on the General Fund Balance. This statement showed how the deficit on the Council's Income and Expenditure Account for the year reconciled to the surplus/deficit for the year on the General Fund.
- Statement of Total Recognised Gains and Losses. This statement brought together all the gains and losses of the Council for the year.
- The Balance Sheet, a snap shot of the Council's financial position as at 31<sup>st</sup> March 2010 showing the Council's assets, liabilities, and reserves and balances as at that date. At the end of 2009/10 the City Council's net assets were £175m.
- The Cash Flow Statement showed actual cash received and spent by the Council as a result of revenue and capital transactions with third parties.
- The Council was required to maintain a separate account that records the transactions the City Council undertakes in relation to the collection and distribution of Council Tax and National Non Domestic Rates. This accounts showed income from Council Tax payers, and expenditure on payments, (known as precepts) to the City Council, the West Midlands Fire and Civil Defence Authority and the West Midlands Police Authority.
- Group Accounts statements consolidate the City Council's accounts with those companies considered to be part of our group. For 2009/10 those companies were North Coventry Holdings Ltd, Coventry North Regeneration, Coventry and Solihull Waste Disposal Company and the Arena Coventry Ltd.
- The Statement of Accounting Policies explained the main accounting policies the City Council used to produce the figures in the accounts. The general principles applied were those set out in the Accounting Code of Practice.

In addition to the above statements, a number of explanatory notes were included in section 3 of the Statement of Accounts document as specified in the Accounting Codes of Practice. The full Statement of Accounts was appended to this report. Once the Statement of Accounts had been audited by the Audit Commission, any material changes made to the Statement, would be reported to Members, informing you of those changes. This is required by the Accounts & Audit Regulations 2003.

**RESOLVED that the City Council be recommended to approve the Statement of Accounts for 2009/10 and the addendum to the Statement of Accounts 2009-10 (attached) and to authorise the Chair of the Audit Committee to sign them on behalf of the City Council.**

## 5. Annual Governance Statement 2009/10

The Committee considered a report of the Director of Finance and Legal Services which sought approval for the Annual Governance Statement, which formed part of the 2009-10 Statement of Accounts. Best practice, as reflected in the Corporate Performance Assessment of Use of Resources, required that the approval of this Statement was

considered separately from the Statement of Accounts (Minute 4/10 above refers). The report was scheduled to be considered by the Council at their meeting on 24<sup>th</sup> June 2010.

The City Council was responsible for ensuring that its business was conducted in accordance with the law and proper standards, and that public money was safeguarded and properly accounted for, and used economically, efficiently and effectively. The City Council also had a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions were exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, the Council was responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which included arrangements for the management of risk.

The City Council was also required to produce an Annual Governance Statement and include this Statement within its annual accounts. The requirement was based on guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) in conjunction with the Society of Local Authority Chief Executives (SOLACE) titled 'Delivering Good Governance in Local Government: A Framework' in 2007. The 2007 guidance replaced earlier guidance issued in 2001 and built upon recent developments in corporate governance and was based on six core principles:

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.
- Members and officers working together to achieve a common purpose with clearly defined functions and roles.
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
- Taking informed and transparent decisions, which are subject to effective scrutiny and managing risk.
- Developing the capacity and capability of Members and officers to be effective.
- Engaging with local people and other stakeholders to ensure robust public accountability.

The assurance gathering process developed to inform the Annual Governance Statement for 2009-10 included:

- An annual assessment of the adequacy of internal controls / governance arrangements by each Director.
- The outputs from the Internal Audit Service which are reflected in an annual report which identified those issues, which in the opinion of the Audit and Risk Manager, should be considered when producing the Annual Governance Statement.
- A review of the effectiveness of the Council's system of Internal Audit.

- Reports from external bodies received in the year, including those from the Council's external auditors, the Audit Commission.

A number of governance/control issues remained from the 2008-09 Annual Governance Statement, although progress had been made over the past year on improving controls in all the areas identified. The key reasons why they remain was that they were high profile areas closely aligned to delivering Council priorities and/or cover Council-wide activities where improvements would take time to embed in practice.

**RESOLVED that the City Council be recommended to approve the Annual Governance Statement for 2009-10 (attached as Appendix 1 to the report submitted) and to authorise the Leader and the Chief Executive of the Council to sign it on behalf of the City Council.**

## **Addendum to the Statement of Accounts 2009-10**

There are a number of amendments that need be made to the circulated version of the Statement of Accounts. Given below are details of these amendments, including the section affected and both the original and amended figures.

### **2.6 Collection Fund**

Central government have allowed businesses to defer an element of their rates into subsequent years. These deferred amounts reduce the 'Business Rates Collectable' amount and the 'Payment to the National Pool', but had not been accounted for in the original figures. The required amendments are as follows:

Description (table on page 18)	Year	Original Figure £000	Amended Figure £000
Business Rates Collectable	2009/10	(109,458)	(108,947)
Payment to National Pool	2009/10	109,064	108,553

### **3.1 Prior Period Adjustments**

The table headings for the 'Extract from Cash Flow Statement' state that the figures are provided in thousands of pounds (£000), however the figures are in millions, so the table headings need to show '£m'.

The 2009/10 cash flow movements had not been included correctly in the prior period adjustments extract. The required amendments are as follows:

Description (table on page 23)	Year	Original Figure £m	Amended Figure £m
Net Cash flow from revenue activities	2009/10	<i>Blank</i>	(40.0)
Interest element of finance and lease rental payments	2009/10	1.9	2.9
Net increase/decrease in other liquid resources	2009/10	(11.3)	(0.9)
Repayments of amounts borrowed	2009/10	62.5	14.0

### **3.21 Financial Instruments**

The effect of the change in accounting policy relating to Private Finance Initiative schemes had not been fully reflected in the Financial Instrument tables. The required amendments are as follows:

Description (table on page 48)	Date	Original Figure £000	Amended Figure £000
Long Term Debtors	31 <sup>st</sup> March 2009	10,478	7,115
Total Investments	31 <sup>st</sup> March 2009	33,122	29,759

Description (table on page 50)	Date	Original Figure £000	Amended Figure £000
Loans and Receivables (carrying amount)	31 <sup>st</sup> March 2009	96,500	93,137
Loans and Receivables (fair value)	31 <sup>st</sup> March 2009	96,500	93,137

### 3.23 Long Term Debtors

The effect of the change in accounting policy relating to Private Finance Initiative schemes had not been fully reflected in the Long Term Debtor section. The required amendments are as follows:

Description (table on page 54)	Date	Original Figure £000	Amended Figure £000
Caludon Castle School PFI Contract	31 <sup>st</sup> March 2009	2,432	0
New Homes for Old	31 <sup>st</sup> March 2009	931	0
Total Long Term Debtors	31 <sup>st</sup> March 2009	10,478	7,115