

SCRUTINY CO-ORDINATION COMMITTEE

22nd October 2008

Scrutiny Co-ordination Committee Members

Present: Councillor Arrowsmith
Councillor Charley
Councillor Crookes (Deputy Chair)
Councillor Duggins
Councillor Lakha (Substitute for Councillor Clifford)
Councillor Maton
Councillor Mutton
Councillor Ridge (Chair)

Employees Present: P. Baggott (Finance and Legal Services Directorate)
P. Jennings (Finance and Legal Services Directorate)
J. McLellan (Customer and Workforce Services Directorate)
J. Parry (Chief Executive's Directorate)
C. Steele (Chief Executive's Directorate)
A. West (Chief Executive's Directorate)

74. **Declarations of Interest**

There were no declarations of interest.

75. **Minutes**

The minutes of the meeting held on 17th September 2008 were signed as a true record.

76. **Consideration of Call Ins – Stage 1**

The Committee noted that the deadline for call-ins for Cabinet and Cabinet Member decisions made during the week commencing 13th October, 2008, was 9.00 a.m. on Friday, 24th October 2008. Any call-ins received after this meeting and before that deadline would be considered for validity by the Chair of the Scrutiny Co-ordination Committee in consultation with the Director of Customer and Workforce Services (Paragraph 4.5.25.4 of the City Council's Constitution refers).

77. **City Council Response to the DCLG Consultation on Reforming the Local Authority Business Growth Incentives (LABGI) Scheme**

The Committee considered a report of the Director of Finance and Legal Services concerning the Government's consultation on the Local Authority Business Incentives (LABGI) Scheme. It was noted that the report had been considered by the Cabinet at their meeting on the 21st October, 2008, and would also be considered by the City Council at their meeting on the 28th October, 2008.

The report indicated that the Department for Communities and Local Government

had published a consultation document entitled Reforming the Local Authority Business Growth Incentives (LABGI) Scheme. The existing LABGI scheme had given an incentive to Local Authorities to encourage local economic and business growth by allocating non-ringfenced specific grant as a reward for the growth in the rateable value of local businesses. During the three years of this first scheme Coventry had received over £9m.

The City Council were aware that a revised LABGI scheme was planned for within the Government's 2007 Comprehensive Spending Review. It was clear when this was announced that Coventry's future level of LABGI grant would be measured in hundreds of thousands of pounds rather than millions of pounds. This was because the Government had significantly reduced the total level of resources being allocated through LABGI. In this sense, the current consultation was still significant but not fundamental to the City Council's medium term financial strategy.

The consultation asked Councils to comment on what they thought was the most appropriate sub-regional grouping of authorities for calculating LABGI grant, the timescales over which it should be assessed and the upper and lower limits on grant payments. It also asked a range of questions of a relatively technical nature about the precise way in which changes in rateable value should be calculated.

The aim of this report was to provide a Council response to this consultation and the deadline for comments to the DCLG was the 20th November, 2008.

The proposed response to the consultation was detailed in Appendix 1 to the report.

RESOLVED that the Committee support the proposed response as approved by the Cabinet and that the City Council be informed accordingly.

78. **Outstanding Issues**

The Committee noted that there were no outstanding issues.

79. **Work Programme 2008/09**

The Committee considered the Work Programme for 2008/09.

RESOLVED that the work programme be noted and that the Regional Spatial Strategy be considered at the meeting on the 12th November, 2008.

80. **Meeting Evaluation**

The Committee discussed the meeting to evaluate its effectiveness.

81. **Other Urgent Items of Public Business**

There were no other items of public business.