



Finance and Corporate Services Scrutiny Board (1)

Time and Date

10.00 am on Monday, 3rd November, 2014

Place

Meeting Rooms, Council House, Earl Street, Coventry, CV1 5RR

Public Business

1. **Apologies and Substitutions**
2. **Declarations of Interest**
3. **Minutes**
 - (a) To agree the minutes of the Finance and Corporate Services Scrutiny Board (1) meeting held on 15th September 2014 (Pages 3 - 6)
 - (b) Matters Arising
4. **Medium Term Financial Strategy 2015-18** (Pages 7 - 22)
Report of the Executive Director, Resources
5. **Ethical Investment** (Pages 23 - 26)
Briefing Note of the Executive Director, Resources
6. **Coventry Investment Fund** (Pages 27 - 30)
Briefing Note of the Executive Director, Place
7. **Work Programme 2014-15** (Pages 31 - 34)
Report of the Scrutiny Co-ordinator
8. **Meeting Evaluation**
9. **Any other items of Public Business**
Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved

Private Business

Nil

Chris West, Executive Director, Resources, Council House Coventry

Friday, 24 October 2014

Notes:

- 1) Council Members who are not able to attend the meeting should notify Matthew Rossi as soon as possible and no later than 9am on the day of the meeting giving their reasons for absence and the name of the Council Member (if any) who will be attending the meeting as their substitute.
- 2) Scrutiny Board Members who have an interest in any report referred to this meeting, but who are not Members of this Scrutiny Board, have been invited to notify the Chair by 12 noon on the day before the meeting that they wish to speak on a particular item. The Member must indicate to the Chair their reason for wishing to speak and the issue(s) they wish to raise.

Membership: Councillors R Brown, D Galliers, M Hammon, L Harvard, L Kelly, R Lakha, J Mutton, R Sandy (Chair) and T Sawdon

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

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Coventry City Council
Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1) held
at 10.00 am on Monday, 15 September 2014

Present:

Members: Councillor R Sandy (Chair)
 Councillor J Birdi
 Councillor R Brown
 Councillor J Clifford
 Councillor D Galliers
 Councillor L Harvard
 Councillor R Lakha
 Councillor T Sawdon
 Councillor D Welsh

Other Members: Councillor F Abbott

Employees:

P Jennings, Resources Directorate
K Larsen, Resources Directorate
L Read, Resources Directorate
M Rossi, Resources Directorate

Apologies: Councillor D Gannon, M Hammon, L Kelly and J Mutton

Public Business

7. Declarations of Interest

There were no disclosable pecuniary interests declared.

8. Minutes

The minutes of the Finance and Corporate Services Scrutiny Board (1) meeting held on 4th August 2014 were signed as a true record.

9. Individual Electoral Registration

The Scrutiny Board considered a briefing note of the Electoral Services Manager providing information on the work that had been undertaken by the City Council in relation to Individual Electoral Registration.

The Board focussed on public engagement activities and sought clarification over the percentage of residents who were matched to the new system of registration and the differences between Wards.

The Scrutiny Board noted the close working relationships with both Coventry and Warwick University by sharing information to ensure that students were registered

to vote. Members also noted the work in BME communities, in particular with the Interfaith Forum, to raise awareness of individual registration.

The Scrutiny Board also questioned officers on the Full and Open Registers. Members noted that previously the Open Register was referred to as the "Edited Register". The Full Register was used for electoral purposes and occasionally for credit reference checking and the prevention of crime and fraud. The Open Register was available to purchase for any purpose. If an elector does not "opt out" of this register then their details would be sold on.

RESOLVED, that the Scrutiny Board –

- 1. Noted the progress on individual electoral registration.**
- 2. Requested that the Public Engagement Strategy and details of the electors by ward, who have been matched to the new system, be sent to Members of the Board.**

10. West Midlands Pension Fund (WMPF) and the City Council

The Scrutiny Board considered a briefing note of the Executive Director, Resources on the Pension Fund and its forecast impact on the City Council in the coming years.

The Scrutiny Board welcomed the report on West Midlands Pension Fund (WMPF) and the City Council and questioned officers on a range of issues including:

- The amount of payment for past employees and how this problem was going to increase;
- The lack of control the Council had regarding the fact that pension costs were increasing due to people living longer, investments made were at a very low level of return and that there was less money available to fund the pensions;
- The investments that were made and the ethical considerations given to them;
- Whether the Council had an ethical investment framework;

Scrutiny Board members were particularly concerned about how the financial return from investments can be balanced with ethical investment considerations. Legal advice from the West Midlands Pension Fund suggest that ethical views are not to be considered only the treasury management of the return on investment.

Members acknowledged that it would be extremely difficult to police and enforce an ethical investment policy. The Board wished to see examples of ethical investment policies and examples, if any, of a local authority introducing such a policy. The Scrutiny Board agreed that a report would be produced in conjunction with Treasury Management Advisers and brought back to their meeting of 3rd November 2014.

RESOLVED, that the Scrutiny Board recommend that the Cabinet Member (Strategic Finance and Resources) ask West Midlands Pension Fund to investigate existing ethical investment policies with a view to finalising or creating a legal, practicable and deliverable scheme to deliver ethical investment within the Pension Fund with sound returns on investment.

(NOTE: Councillor Sawdon abstained from voting on this matter)

11. **Work Programme 2014-15**

The Scrutiny Board noted that ethical investment was due to be considered on 3rd November 2014.

12. **Meeting Evaluation**

The Scrutiny Board evaluated the meeting and their comments would be used to ensure the continued efficiency and effectiveness of future meetings.

13. **Any other items of Public Business**

There were no additional items of public business.

(Meeting closed at 11.35 am)

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Finance and Corporate Services Scrutiny Board (1)
Cabinet
Council

3rd November 2014
4th November 2014
11th November 2014

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

Director Approving Submission of the report:

Executive Director Resources

Ward(s) affected: All

Title:

Medium Term Financial Strategy 2015-18

Is this a key decision?

Yes

Cabinet and subsequently Council are being recommended to approve the Medium Term Financial Strategy for 2015-2018

Executive Summary:

This report presents a Medium Term Financial Strategy (MTFS) for 2015-2018 for adoption by the City Council. The previous strategy was approved in December 2013. This Strategy sets out the financial planning foundations that support the Council's vision and priorities and leads to the setting of the Council's revenue and capital budgets. Following the Strategy's consideration by Council, the subsequent meeting of Cabinet will consider the Pre-Budget report that sets out the work undertaken in preparation for the 2015/16 and future years' revenue budgets and capital programme.

The key backdrop to the Council's financial position is provided by the Government's June 2013 Spending Round and subsequent indicative announcements of the main political parties nationally. These confirm or give notice of continued cuts in Revenue Support Grant for local government on a trajectory which is broadly consistent with cuts made since 2010. Therefore, the fundamental factor shaping the City Council's MTFS continues to be one of unprecedented financial pressure leading to further significant reductions in spending levels that are likely to continue in the period up to 2020 and possibly beyond. Indeed, if the current pattern of local government funding continues, this indicates that in real terms, for every £10 of net budget the Council had available in 2010/11 it has just over £7 now and will have nearer £5 in 2024/25.

In summary, the national and local contexts that frame this Strategy include:

- A paramount need to protect the most vulnerable people in the city including children at risk, children and young people in care, victims of domestic abuse and vulnerable adults and older people;

- Year-on-year 10% headline cuts to Government resources and a move towards greater complexity and ring-fencing in areas such as social care, health and regeneration;
- Fast population growth causing greater demand or expenditure pressures in areas such as housing, social care and waste disposal;
- Changes to the national frameworks for delivering social care, including where this interacts with the health sector, driven through the Care Act and the Better Care Fund.
- The impact of continued difficult economic circumstances for many, affecting both the number of people seeking support from Council services and the financial performance of the Council's income based services;
- An increasing Council focus on promoting growth in the local economy
- Upward pressure on Pension Fund contributions, in particular to fund pension past service costs;
- Management of responsibilities adopted relatively recently in the areas of Business Rates and Council Tax Support that carry with them the risk of significant financial volatility;
- Business Rates and Council Tax income plus locally generated rents, fees and charges becoming an increasing proportion of the Council's funding as government grant falls;
- The transfer of schools to Academy status putting increasing pressure on the Council's core education functions and other services that trade with the city's schools.
- More complex service delivery models across the Council driven by the need to modernise and rationalise services and work in tandem with partners and neighbouring authorities.
- Continued expectations on the Council to maintain service levels and standards across the full range of core services despite the financial challenges;

This represents a combination of reducing resources, challenging underlying economic and demographic conditions, increased demand in some areas, a heightened need to improve the quality of service in others and new challenges represented by government reform. In these circumstances it is crucial that the Council's financial strategy is both robust and flexible. This will provide the financial foundations required to ensure that Council services are fit for purpose to protect the most vulnerable as well as providing decent core services for every citizen in the city.

In support of these aims, the City Councils strategic financial approach to the demands that it faces includes:

- A fundamental commitment to protecting the city's vulnerable children, adults and older people.
- Identifying unprecedented savings from new strategies incorporating Kickstart, the Customer Journey and City Centre First.
- Integral to these new strategies, changing the relationship between the Council and its citizens reflecting the reality that the Council will provide a smaller range and lower level of services in new ways and out of far fewer locations.
- Moving the Council's main office based activities into a new city centre Customer Services Centre and a purpose built office block within the forthcoming Friargate business district in order to regenerate the City, transform the Council and deliver savings.
- A new Workforce Strategy requiring a significantly smaller workforce working in flexible ways consistent with a modern organisation, ensuring that the Council has the talent in place necessary to deliver the challenging agenda that it faces.
- Doing things differently by considering alternative service delivery models and options for delivering service outcomes in different ways with less reliance on Council delivered services.
- Seeking to optimise the use of pooled or new funding available to support social care and health
- Leading the drive for economic growth through the Coventry Investment Fund to help stimulate the local economy alongside externally funded Regional Growth Fund, Growing

Places Fund and other Local Enterprise Partnership funding streams in addition to supporting the City Deal initiative in the sub region, as a way of unlocking major projects and initiatives that will stimulate growth;

- Providing the local planning and infrastructure environment to enable the level of housing growth required to match the growth in the city's population
- Investing in the environmental elements that support the regeneration of the city including its public realm, the city's highways network and its cultural and leisure offer to make Coventry an attractive place to live and work.

Based on initial estimates of both future funding settlements the City Council's indicative financial position moving into the 2015/16 budget setting process shows a major funding gap increasing to £65m in 2017/18 as shown below. This picture will be refined as part of the forthcoming Pre-Budget Report but gives a clear picture of massive financial challenges. This position will become yet more acute in the period beyond this MTFs based on ministerial announcements about continued spending cuts.

	2015/16 £m	2016/17 £m	2017/18 £m
Revised Revenue Budget Gap	15.1	44.2	65.0

Recommendations:

- (1) Scrutiny Board 1 is recommended to:
 - (a) Consider whether there are any comments/recommendations that they wish to make to Cabinet.
- (2) Cabinet is recommended to:
 - (a) Consider any recommendations from Scrutiny Board 1
 - (b) Agree the report and recommend that Council approve the Strategy.
- (3) Council is recommended to:
 - (a) Approve the Strategy as the basis of its medium term financial planning process.

List of Appendices included:

Appendix 1: Analysis of Financial Approach to Risks

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

Yes

Finance and Corporate Services Scrutiny Board (1), 3rd November 2014

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

Yes

Council, 11th November 2014

Report title: Medium Term Financial Strategy 2015-18

1. Context (or Background)

1.1 Financial Background

- 1.1.1 This Strategy sets out the financial planning foundations that support the Council's vision and priorities and leads to the setting of the Council's revenue and capital budgets.
- 1.1.2 The Government spending round announced in June 2013 re-affirmed the unprecedented scale of the pressure on local authority finances, confirmed subsequently by local government finance announcements in February 2014. Resources available to Coventry will have fallen by £55m over a four year period to 2014/15, with its Settlement Funding Assessment likely to fall by a further £47m by 2017/18. Taken together, the austerity measures implemented by the Government will have led to cuts in Coventry's core government funding of approaching 50% over 7 years.
- 1.1.3 Local government has delivered significant savings in recent years and in broad terms the most straightforward savings have already been made. The continued downward pressure on public service resources will have significant future impacts on what councils do and how they do it. A need to radically reassess which services continue to be provided and their nature and scale is further accentuated by the ever increasing demand for services, particularly in the social care arena.

1.2 National Developments

- 1.2.1 Apart from the increasing financial pressures that all public bodies face, there is a range of national developments set out below, which impact on local authorities.
- 1.2.2 There is a move towards greater complexity and/or ring-fencing in certain areas of funding. The Better Care Fund has been established with the intention of integrating health and social care activity and incentivising the National Health Service and local government to work together. This will involve significant pooling of resources between the local authorities and Clinical Commissioning Groups to deliver improved outcomes for citizens.
- 1.2.3 The Care Act represents the most significant reform of care and support in more than 60 years, putting people and their carers in greater control of their care and support. The main provisions are implemented on 1 April 2015 with further changes including a cap on the total amount anyone will have to pay for the cost of their care coming into effect on 1 April 2016. Significant uncertainty remains regarding the impact on demand as the Act provides support to greater numbers of service users and carers.
- 1.2.4 In the regeneration arena, a range of different funding streams have been made available on a sub-regional basis for local government and businesses to allocate through Local Enterprise Partnerships.
- 1.2.5 Economic growth has been an important part of the Government's financial recovery plans with the intention that tax revenues will recover to help bridge the national budget deficit. The change in the Business Rate regime whereby local government can retain a share of local business rates growth has created a direct link between growth and income for local authorities.

- 1.2.6 Population growth and demographic and socio-economic trends are causing increases in demand or expenditure pressures in areas such as housing, social care and waste disposal. There is a continued dialogue between national and local government on the need for a greater level of new housing building across the country. The ageing population represents an increasing pressure on social care services for older people whilst a range of other societal and health related trends has increased demand both in other adult social care services and in children's social care.
- 1.2.7 Notwithstanding the gradual economic recovery over the past year or so, there are continued difficult economic circumstances for many, affecting the number of people seeking to access local government services and those provided by the voluntary sector, working in partnership with local councils.
- 1.2.8 The schools sector continues to experience greater fragmentation with the move towards free schools and academy schools. This is changing the face of local education provision and reducing the role of councils as local education authorities, putting pressure on the remaining rump of local authority education services and budgets.
- 1.2.9 The Government continues to have a tight rein on the level of Council Tax increases nationally. Council Tax Freeze grants (equivalent to a 1% rise) have been provided for authorities that have frozen tax rates whilst caps have been placed (equivalent to a 2% rise) on the level of increase that can be approved without the need for a local referendum.
- 1.2.10 National pension reforms have failed to address the long-term problems of public sector pensions, including the local government scheme. On a national basis, many local councils will face massive increases in employer pension costs over the coming years at a time when budgets are under severe pressure from the reduced grant settlements referred to above.

1.3 The Local Economic and Financial Context

- 1.3.1 Coventry has significant potential for growth with two global universities, an unrivalled location, exceptional transport infrastructure links and a talent pool for employers to recruit across the region. However, Coventry's economy is underperforming by nearly £1bn pa and its City centre performs poorly, being 47th in the UK list of shopping Centres despite being the 13th largest City. As the gateway to the Coventry and Warwickshire regional economy the City Centre is underperforming. There is headroom for growth and the City requires economic stimulus to reverse the decline.
- 1.3.2 The financial starting point for the Council's MTF5 is the forecast position as at budget setting in February 2014. There have been a number of revisions to this base position including lower financing costs due to reduced capital programme borrowing and lower inflation contingencies. However, the unprecedented level of activity within children's social care services is creating very large cost pressures within and beyond 2014/15 and it will be necessary to make financial provision for this. Further work is on-going to establish the likely medium term implications of this and the strategies for addressing it but the current financial planning estimates are included below pending an update within the Pre-Budget Report. The revised gap now stands as follows (prior to strategic initiatives set out in Section 2.3 below):

	2015/16 £m	2016/17 £m	2017/18 £m
Revenue Gap per 2014/15 Budget (Feb 2014)	15.1	44.2	65.0
Revisions to the Base Position including additional Children's Services Pressures	3.0	(5.7)	(12.2)
Updated Revenue Gap	18.1	38.5	52.8

This table shows a snapshot of a fluid position. This will be updated as part of the Pre-Budget Report.

- 1.3.3 The above position assumes that £12m of savings from the previously approved abc Transformation Programme that remain in the 2015/16 programme are achieved over the medium term, the main elements of which relate to the A Bolder Community Services programme and cross cutting savings relating to income generation, property and procurement.

The current Capital Programme approved in February 2014 provided for a number of large investment programmes across the city including the changes to the ring road to create a bridge deck as part of the Friargate regeneration project, the city's public realm, the Nucle rail project, highways infrastructure and school building, business investment and investment in leisure facilities. The medium term Capital Programme approved in February 2014 has been updated for any changes reported so far during 2014/15 and is reflected below. The programme will be financed from a number of sources, including government grants as well as local resources such as capital receipts, revenue contributions and borrowing.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Capital Programme Spend	107	62	29	24

- 1.3.4 The current level of **reserves** (£81.0m as at 31st March 2014) has previously been assessed as adequate for current known liabilities and approved policy commitments. The Council's uncommitted working balance which stands currently at £7.3m, equivalent to 2.8% of the net revenue budget, is maintained to cover unforeseen financial problems. Since the 2013/14 year-end, part of the reserve balances referenced above have been identified to support strategically important areas of expenditure including the Council's voluntary redundancy programme and costs incurred in response to the Ofsted Report on the Council's Children's Services.
- 1.3.5 Detailed three year changes to resource levels, cost pressures and proposed savings will be set out in the Pre-Budget report due to be considered by Cabinet on 2nd December 2014 including the detailed proposals in relation to the 2015/16 budget.

2. Options Considered and Recommended Proposal

2.1 The remainder of the report contains the proposed Medium Term Financial Strategy. It is recommended that Cabinet and Council approve the Strategy subject to any comments or changes from Finance and Corporate Services Scrutiny Board. The Strategy is structured around three core elements:

- The Council Plan;
- Strategic Policy Assumptions within the MTFS;
- Strategic Financial Management Framework;

2.2 Council Plan

2.2.1 The MTFS rests on the principles, visions and priorities set out for the City within the Council Plan. In summary these are:

- Globally Connected: promoting the growth of a sustainable Coventry economy that benefits the city and making sure that residents share in the benefits;
- Locally Committed: improving the quality of life for Coventry people by working with local communities and especially for our most vulnerable resident;
- Delivering our Priorities:
 - maximising the use of our assets;
 - reducing operating costs;
 - with active citizens and;
 - strong and involved communities

The full plan is available on the Council's website or via the following link: [Coventry Council Plan - December 2013](#)

2.2.2 Since the full Plan was approved the Council has received the 2014 Ofsted Inspection Report which assessed the Council's Children's Services as inadequate. Amongst other measures this has led to a need to increase capacity within the service to ensure appropriate caseload levels for social workers. In addition, there has been a very significant increase in the number of referrals to the Council's social care service causing a heightened focus on this area. Protection of these vulnerable children is the paramount policy priority for the Council and the Council's financial strategy must ensure that the service is resourced to meet its immediate demands across the city. Over the medium term, it will be necessary to ensure that social care and early intervention services are delivered in a way that strikes an appropriate balance between service need and the achievement of value for money.

2.3 Strategic Policy Assumptions within the MTFS

2.3.1 At a strategic level the strategic policy assumptions that will drive the Council's financial strategy are set out below.

2.3.2 The Council is adapting the latter stages of its previous abc transformation programme into a new range of strategies incorporating Kickstart, the Customer Journey, City Centre First and the Workforce Strategy and Doing Things Differently. The new strategies are aligned to and are being driven by an extensive rationalisation of the Council's office

estate, investment in new technology to support agile working and an improved customer experience including a shift towards enabling the Council's customers to self-serve on line. During 2015/16 this will deliver a new Customer Services Centre in the city centre, a new administrative centre to kick-start the Friargate business district, a democratic centre and a series of suburban hubs. Together these will replace the vast majority of the Council's previous operational property estate and the locations from which a wide variety of Council services will be delivered.

- 2.3.3** Integral to the strategies will be the need to communicate the need to actively manage the level and range of services provided by the Council and where they are delivered from. This means changing the relationship between the Council and its citizens and encouraging those who are able to, to do more for themselves so that the Council can focus its scarce resources on the most vulnerable citizens;
- 2.3.4** The Council will continue to actively support the Friargate business district regeneration project adjacent to Coventry railway station, relocating the Council's office base into the first office building as an anchor to the scheme. This regeneration project is critical for delivery of jobs and business rate growth for the City, to attract new businesses, boost confidence, to increase city centre footfall, improve the prospects for the City Centre South development and to generate economic prosperity for the City;
- 2.3.5** The Kickstart and the Customer Journey projects will provide a platform for modernising many of the ways that the Council works and be a springboard for Council members and officers to operate in far more streamlined and cost effective ways. A key focus will be to consolidate in one place the Council's main Customer Service activities and to seek to change the way that citizens access services, with decreasing dependence on face to face services except for the most vulnerable and increasing use of web-based solutions which are more convenient for many of the Council's customers;
- 2.3.6** The City Centre First project will deliver savings directly through rationalising the Council's suburban estate reducing the number of locations from which services are delivered. This is likely to result in a main city centre facility and a small number of suburban hubs from which a range of services are delivered or co-ordinated.
- 2.3.7** The Council's Workforce Strategy has already seen a number of actions put into practice including a new voluntary redundancy programme, centralising the management of salary budgets and tight control over filling any vacant posts. The next steps will, depending on final policy decisions, seek to consider a range of potential steps that could affect pay and conditions including narrower pay bands, the distribution of car park passes and expenses and allowances. Any such changes will be subject to member approval and consultation with the Trades Unions.
- 2.3.8** The Council will work co-operatively alongside the local (Coventry and Rugby) Clinical Commissioning Group with the intention of optimising health and care outcomes for local residents derived from the pooled resources available through the Batter Care Fund.
- 2.3.9** The Council will consider the implications of the Care Act as the precise details of their implementation emerge. From a financial perspective the starting point is that the New Burden funding will enable the act to be implemented in a way that is cost neutral to the City Council. However, there are a number of strands to the Act that may result in some financial volatility and the overall financial picture will need to be re-assessed over time.
- 2.3.10** The next planning period will radically redefine what a local authority is for and reframe the relationship between Coventry citizens and the Council, which will need to review the range and level of services that it provides currently. The Council will engage in a new

conversation with the people of Coventry about their expectations of local services, requiring changes in behaviours and managing down the demand for services as key characteristics that reflect the reality of the Council's new financial position. It will increasingly need to do things differently in order to reduce the reliance of residents and service users on Council services. To achieve this, the Council will gain greater understanding of its communities and insight into what the different needs are across the city. This will put it in a stronger position to roll out new service delivery models and options for delivering service outcomes including co-designed services, social and mutual enterprises and Coventry citizens playing a greater role in the future of the City. In addition, the Council will engage in new ways of working across the City embracing digital platforms to reach new sections of the community.

2.3.11 The Council is working with partner organisations to invest in the regeneration of the City and lead a drive for economic growth. The Coventry Investment Fund (CIF) was established in 2013 to provide investment in projects designed to maximise business related capital investment either by the City Council or via local partners. CIF investment is backed by £50m of resources set aside in 2013/14 Budget Setting to support such initiatives and will be vital to facilitating growth. The CIF builds on the success of other externally funded programmes such as the Regional Growth Fund, Growing Places and the City Deal initiative, complementing existing funding streams and meeting the gap not addressed by these funds.

2.3.12 The Council will continue to consider the timing and options to proceed with plans for the City Centre South project, designed to regenerate a significant part of the city centre. The will only go forward on the basis of an improved leisure and retail offer within the city based on a sustainable financial model.

2.3.13 On a case by case basis the Council will provide commercial loan finance to key organisations, such as Coombe Abbey Hotel, to give opportunities for important local businesses to develop and flourish. The starting point for this type of arrangement is that it will be no worse than cost neutral to the Council and that it will support the regeneration of the city and/or that it will protect the Council's financial or strategic interests.

2.3.14 Through the Local Plan (the consultation for which finished on 31st October 2014) the Council will work with its neighbours to secure the most appropriate and sustainable locations for housing growth across the housing market area. In order to facilitate the growth in the local population and housing stock, work will continue to invest in the city's highways network and local transport infrastructure which will help to ensure that Coventry both is, and is perceived to be, open for business. Investment will also continue in the making Coventry an attractive place to live and work, with further works on the city's public realm and local leisure facilities for instance. The Council will take advantage of opportunities offered by the Community Infrastructure Levy, chargeable on new developments, to support improvements in infrastructure to support growth within the city.

2.3.15 The Council will continue to drive towards **Income Maximisation** through a number of routes:

- maintaining the Council's default position that **fees and charges** should increase annually in line with inflation;
- **generating capital receipts** by disposing of property, thereby providing funds for capital reinvestment in services, driving growth or making savings through the repayment of debt.

2.3.16 The Council is obliged to work towards ensuring that 100% of its pension liabilities within the West Midlands Pension Fund are funded. The current level of funding is c70%. In the light of this the Council's contributions to the pension fund, in particular in relation to the

costs of past service, are planned to increase very significantly up to 2016/17 and this increased cost is included within the Council's financial plans. The period beyond 2016/17 will see further pressure to increase contributions. The Council will work with the West Midlands Pension Fund to agree employer pension contributions that strike a balance between increasing the funding level over the long-term and being sustainable and affordable in relation to the council's overall financial position.

2.3.17 Local authorities continue to be responsible for setting levels of **Council Tax Support**, but with a 10% reduction in resources. The financial risk therefore remains with local government. The Council's existing policy is to maintain the level of benefit, ensuring that low-income households do not suffer any reduction in support. This policy will be subject to annual review.

2.4 Strategic Finance Management Framework

2.4.1 The Strategic Financial Management Framework encompasses the Council's strategic financial management processes and also the key financial assumptions on which the MTFS rests.

2.4.2 The **financial management processes** that underpin the MTFS are:-

- A corporate planning and monitoring process that considers capital and revenue together;
- Overall direction undertaken by Strategic Management Board (SMB);
- A framework founded on delegation and clear accountability, with budgets managed by the designated budget holder, reported through Directorate Management Teams, SMB, Cabinet and Audit and Procurement Committee;
- A drive to identify efficiencies and achievable savings to enable the Council to optimise delivery of its policy priorities
- Strong project management approaches, including a specific focus on cost control;
- The establishment of a balanced revenue budget and capital programme over the medium term planning period.
- The **management of reserves** in a way that supports the MTFS. In particular, the City Council's approach continues to be based on:
 - A policy that reserves are not to be used to meet on-going expenditure;
 - The classification of reserves as a corporate resource, with Cabinet via Strategic Management Board considering the application of budgeted amounts unspent at year end;
 - Holding reserves for a clearly identifiable purpose. This will include protecting against known or potential liabilities, at a minimum level consistent with adequate coverage of those liabilities, taking into account the overall level of risk faced by an organisation of the City Council's size.

2.4.3 The key financial or technical assumptions that underpin the MTFS are:

- The Council will plan based on the figures released in the Central Government's Finance Settlement issued in February 2014. Although significant uncertainty remains about specific aspects of the years after 2015/16 the Council will plan based on a continued downward trajectory of Government resources with a planning assumption of on-going reductions of c10%;

- As a technical assumption, Council Tax increases of 1.5% per annum will be built into the MTFs. This will be subject to political debate and decision as well as any changes in the Government's capping criteria and interaction with Council Tax Freeze Grant proposals;
- 1% pay awards will be assumed for 2015/16 in line with indicative Government announcements, rising to 2% for 2016/17 and 2017/18. This will be kept under close review pending a potential multi-year deal currently being discussed by Employers and Unions nationally;
- Business Rate income will be assumed to be inflated broadly in line with existing CPI inflation levels (currently c2.5%). In addition, the Council's local share of Business Rate growth has been built in equivalent to £1m in 2015/16. Further increases in future years will be subject to review during the Budget Setting process;
- The Council's Tax-Base is assumed to grow at 0.6% per annum in line with recent trends;
- Forward financial estimates will be guided broadly by existing RPIY inflation levels. This will provide the financial planning benchmark for increases in fees and charges and any areas of expenditure subject to specific inflation requirements. Actual increases in fees and charges will depend upon local factors such as the need to generate sufficient income to meet the cost of trading services. The majority of non-employee based expenditure budgets will not be inflated – the assumption will be that continued procurement and commissioning work plus underlying efficiency savings and downsizing will deliver savings equivalent to the cost of inflation.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken as part of the MTFs. The implementation of the Strategy through Budget Setting and other individual projects, programmes and initiatives will be accompanied by specific consultations as appropriate.

4. Timetable for implementing this decision

- 4.1 The MTFs will underpin the proposals and approaches that will be set out in the forthcoming Pre-Budget Report and will be implemented in parallel to the proposals for setting the 2015/16 Budget.

5. Comments from the Executive Director of Resources

5.1 Financial implications

The main body of this report is concerned wholly with financial matters. It is important that the assumptions and principles detailed in the Strategy are adopted in order for the City Council to be able to deliver balanced budgets over the medium term.

Taking into account both the Strategic Policy and Financial Management assumptions set out in the report, some revisions to the base position that have emerged since February and some initial estimates of savings that may derive from the strategies outlined in the report, a revised projected gap is shown below. The detail that lies behind this will be set out in the forthcoming Pre-Budget Report.

Revised Projected Gap	2015/16 £m	2016/17 £m	2017/18 £m
Updated Revenue Gap	15.1	44.2	65.0
Revisions to Base Position	3.0	(5.7)	(12.2)
Initial Savings from New Strategies	(12.1)	(23.6)	(36.1)
Updated Revenue Gap	6.0	14.9	16.7

This table shows a snapshot of a fluid position. This will be updated as part of the Pre-Budget Report.

Even after taking into account the measures outlined above, there is still a forecast gap rising to £16.7m in 2017/18. Coventry now faces the challenges and major policy choices faced by many other authorities in recent years. Specifically, the Council will need to decide which areas of service are open to review and which are to be outside of scope for savings. The greater the number of areas that are outside the scope for savings, the greater will be the impact on the remaining services. However, the size of the gap makes it inevitable that areas not previously considered will now need to be reviewed and some services will be delivered differently or quite possibly not at all.

5.2 Legal implications

The proposals in this report provide the foundations to allow the Council to meet its statutory obligations in relation to setting a balanced budget by mid-March each year, in accordance with Section 32 of the Local Government Finance Act 1992 and section 25 of the Local Government Act 2003.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The Council will be faced with increasingly challenging resource constraints over the remainder of this decade. Over time the initial focus to identify savings options that are intended to have as little adverse impact as possible on services to the people of Coventry will inevitably give way in the future to service changes that will have a more marked effect on front-line services.

Within these very difficult circumstances, the MTFS is closely aligned to the Council Plan priorities that are so critical to ensuring the city's success.

6.2 How is risk being managed?

Inability to deliver a balanced budget is one of the Council's key corporate risks. The proposals within this report are aimed at mitigating this risk by providing a robust platform from which to deliver balanced budgets. The Council's process for addressing risk is being reviewed currently and will be the subject of a forthcoming report to Cabinet.

6.3 What is the impact on the organisation?

The Council will need to make some decisions about which are its core priorities and which services it considers that it can no longer afford. It will also need to become more flexible about the mechanisms through which it delivers its services. In addition, the Council continues to use Early Retirement/Voluntary Redundancy opportunities as the key mechanism by which it is able to reduce staffing levels across the Council. It is anticipated that this mechanism will continue to be used and that the Council will continue to reduce employee numbers over the course of the Strategy.

6.4 Equalities / EIA

Equality impacts that flow from proposals within the Council's budget will be subject to assessment prior to the relevant decisions being taken. The forthcoming Pre-Budget Report will provide a further indication of how any equality issues will be managed.

6.5 Implications for (or impact on) the environment

No specific impact

6.6 Implications for partner organisations?

The Council's financial plans will have a significant impact upon the way in which it works with its partners over the coming years. The implications of these changes will become clear as individual changes are identified.

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Lara Knight	Governance Services Team Leader	Resources Directorate	9/10/14	9/10/14
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Rachael Sugars	Finance Manager	Resources Directorate	8/10/14	13/10/14
Ewan Dewar	Finance Manager	Resources Directorate	8/10/14	13/10/14
Martin Reeves	Chief Executive	Chief Executives	20/10/14	20/10/14

Names of approvers for submission: (officers and members)				
Legal: Carol Bradford	Solicitor	Resources Directorate	9/10/14	10/10/14
Director: Chris West	Executive Director Resources	Resources Directorate	8/10/14	20/10/14
Members: Cllr Damian Gannon	Cabinet Member (Strategic Finance and Resources)		14/10/14	14/10/14

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Briefing note

To : Finance & Corporate Services Scrutiny Board (1)

Date: 3rd November 2014

Subject: Ethical Investment

1 Purpose of the Note

Following consideration the pension fund and its forecast impact on the City Council at its 15th September meeting, the Finance and Corporate Services Scrutiny Board sought further information in relation to ethical investment and any examples of ethical investment policies adopted by local authorities.

The note's conclusion is that the Council's Treasury Management activity involves investment in financial institutions rather than direct investment in types of companies. This means the adoption of an ethical investment strategy would have no practical impact on the Council's investing activities.

2 Other Local Authorities

2.1 References to consideration of ethical investment policies can be found for a number of local authorities and other public sector bodies. These examples take different forms and several of them are outlined below.

Manchester City Council

2.2 Manchester's Finance Scrutiny Committee received a report on 6th February 2014 entitled Annual Investment Strategy 2014-15: Ethical Considerations. The report's conclusions included assessments that:

- the Council's current investment strategy reflects the concerns regarding security of investments held since the financial crash;
- any ethical considerations would need to be applied to the counterparty list after taking into account security and liquidity issues;
- the Council's current counterparty list is, due to the high credit quality criteria used by the Council, very small, and therefore does not encompass those organisations which promote themselves as ethical;
- it is difficult to gain an objective assessment of the ethical standing of a potential counterparty particularly to tight timescales;

- where funds or instruments exist that promote themselves as ethical, they do not meet the Council's creditworthiness criteria so the Council would have to accept a higher level of risk on the investments than allowed for in the Investment Strategy;
 - that ethical considerations are difficult to evaluate subjectively.
- 2.3 The outcome of the meeting was that the committee agreed with the principle of prioritising investments that maximise social good but recognised the need to ensure maximum returns on investment as well, so emphasised that a balance was desirable. Members also noted there were particular legal restrictions associated with the Greater Manchester Pension Fund investments. The Committee agreed to revisit this in the new municipal year.

Oxford City Council

- 2.4 In July 2014 Oxford Council adopted the following motion.

"The Council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council's mission and values. This would include, inter alia, avoiding direct investment in institutions with material links to:

- human rights abuse (e.g. child labour, political oppression)
- environmentally harmful activities (e.g. pollution, destruction of habitat, fossil fuels)
- socially harmful activities (e.g. tobacco, gambling)

These principles will be applied to all investments made by the Council."

- 2.5 In reality, it is unlikely that Oxford Council's Treasury Management activity involves any direct investments in businesses other than financial institutions and none of these institutions will have core activities that are contrary to the stated values because they will be centred around financial borrowing, investments and services.

Brighton & Hove City Council

- 2.6 Brighton & Hove Council include the following statement within their Treasury Management Strategy:

The Council has approved the following ethical investment statement that will apply to all cash investments made by, or on behalf of, the Council

"Brighton & Hove City Council, in making investments through its treasury management function, fully supports the ethos of socially responsible investments. We will actively seek to communicate this support to those institutions we invest in as well as those we are considering investing in by:

- encouraging those institutions to adopt and publicise policies on socially responsible investments;
- requesting those institutions to apply council deposits in a socially responsible manner."

Counterparties shall be advised of the above statement each and every time a deposit is placed with them.

3 Other Ethical Investment Strategies

- 3.1 Two of the non local government organisations that operate high profile ethical investment policies are the Church of England and the Co-operative Bank. Both organisations have a range of ethical investment policies covering different elements of ethical investment such as humanitarian and environmental considerations. However, these policies and the wider strategies that encompass them are focussed on direct investment in individual companies. They do not cover the type of treasury management activity focused on financial institutions and money market funds operated by councils, including Coventry. Therefore these high-profile strategies are not appropriate for Coventry's local circumstances.

4 Treasury Management Advisors

- 4.1 The Council's Treasury Management Advisors, Arlingclose have provided the following advice with regard to Ethical Investment.

Ethical investing is not usually seen as relevant for treasury management activity. Treasury management is focused on ensuring that the Council's cash is secure and available to meet necessary obligations – the most ethical institutions/investments may not be the most secure or appropriate to meet these requirements. The function needs flexibility to react quickly to changing economic/market events – an ethical investment policy within the approved Treasury Management Strategy may restrict the Council's attempts at risk management. Ethical investment is primarily focused on changing the behaviour of companies – the Council is not in a position to do this in its limited treasury management operations. The Council has a duty to maximise returns within the approved risk management framework – this may not always sit well with ethical investing.

5 Conclusions

- 5.1 A number of Councils have considered the issue of ethical investments. The reality is that the issue has either been delayed or has been the subject of statements of policy that, in Coventry's case, would have no impact on the day to day Treasury Management activity.
- 5.2 Coventry's treasury activity is focussed on investments with financial institutions or in financial instruments not in companies whose core activity might be deemed to be unethical in terms of the broad criteria set by various Ethical Investment Policies. Institutions with high profile Ethical Investment policies (e.g. the Co-operative Bank and the Church of England) are generally applying these to their direct investment in non-financial sector companies, typically but not exclusively some manufacturing and energy companies. In the local government sector, unless their investment activities are markedly different to Coventry's, those local authorities that have established statements in relation to ethical investment will not use these to impact upon their treasury activity.
- 5.3 The Council's Treasury Management Advisors do not advise the use of an Ethical Investment Policy for Local Authority treasury investments.

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Coventry City Council

Briefing note

To: Finance and Corporate Services Scrutiny Board (1)

Date: 3rd November 2014

Subject: Coventry Investment Fund

1 Purpose of the Note

- 1.1 This note explains how issues of risk thresholds and revenue spend are managed as well as explaining the governance and reporting mechanisms.

2 Recommendations

- 2.1 Members of the Board are recommended to:

- a) Note the content of the briefing note.
- b) Identify any recommendations for the relevant Cabinet Member.

3 Information/Background

- 3.1 The Coventry Investment Fund (CIF) operates as a revolving investment fund to enable commercial investment projects to take place that otherwise would not. The purpose of the Fund is 'to grow Coventry business rates and achieve economic benefits for its citizens'. The Fund can offer a range of investment types including loans, equity, rental guarantees and in exceptional circumstances grants. It is also available for public sector infrastructure investment where such investment supports the purpose of the Fund.
- 3.2 The CIF budget is £50m and is financed from council borrowing which is planned as part of the Medium Term Financial Strategy and is drawn down as and when the CIF Board make investments. When projects repay their CIF investment, the capital goes back into the loan fund and is available for new projects and interest received goes into the council revenue account. The revenue cost of administering the Fund is met by charging the applicant an arrangement fee (presently set at 1%) plus legal and any valuation costs. In the event that these do not cover the full costs, then the balance would have to be met from the interest received on the loans.
- 3.3 Following identification and approval of the first wave of CIF projects, a full review was undertaken by the new CIF programme manager who joined the council from the Cheshire and Warrington Local Enterprise Partnership where he managed the LEP revolving property fund. The review took on board national guidance issued by

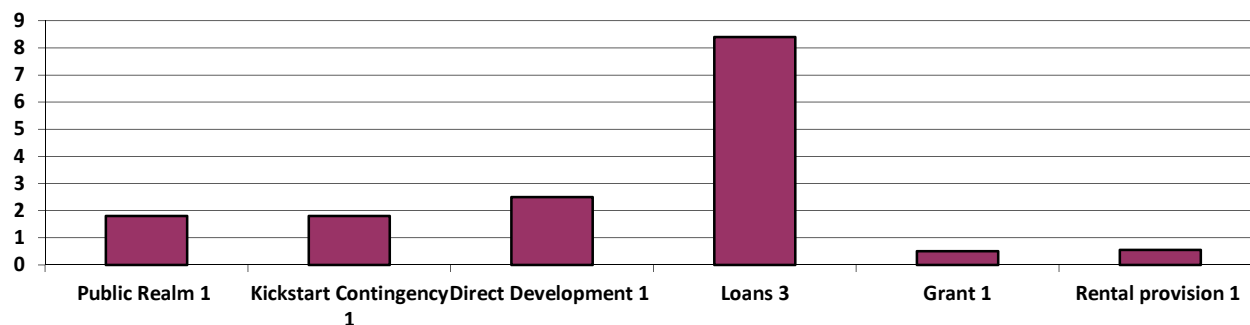
the Homes and Communities Agency and practice from other areas of the country. This was considered by the CIF Management Committee and as a result revised enquiry handling, processing and management procedures were put in place. In addition the scoring criteria was reviewed and clarified (see appendix one). The process has been designed to be flexible so that the council can respond quickly to investment opportunities as they arise. At the meeting of the CIF Cabinet Committee of 29th July 2014, a full Investment Strategy with Operational Guidance was approved.

- 3.4 The CIF Management Committee manages the processing of applications. This group assesses the Outline Business Cases (OBC) received with a view to identifying viable projects that will produce additional business rates. Applications that pass the OBC can then submit a Full Application which is subject to detailed scrutiny. Cabinet Committee can take investment decisions of up to £1m on grants and up to £2m on other investments such as loans and equity. Each project recommended for approval has an individual report explaining the rationale for support including the increase in business rates resulting, the number of jobs resulting, a financial and legal assessment including European State Aid law. Each meeting, the Committee receives a programme update report explaining the progress made on all the approved schemes.
- 3.5 The detailed assessment process includes the following -
 - Development Services assesses the costs, technical viability and market demand of the project
 - The Business Investment Team assesses the capability of existing businesses that apply (as opposed to traditional developers) and also looks at whether other funding sources would be more beneficial
 - Major Projects Finance commissions a credit check of the applicant, assesses the business case including ability to raise finance from the money market, examines the cash flow and considers the risks associated with any council investment. It also identifies the rate of return that is applicable based on advice from the other teams and external advice as required.
 - Legal Services considers the security available and state aid issues.
- 3.6 External support is brought in as required. It has recently been agreed that KPMG will attend the CIF Cabinet Committee to provide external challenge.
- 3.7 European State Aid law is a major factor when considering support. The Fund has been notified to the Commission in accordance with standard Commission procedures. Loans are straight forward as the European Commission publishes a Reference Rate Table. This is kept under review and is subject to amendment, the most recent being 1st October 2014. Loans at or above this rate are State Aid compliant.
- 3.8 Assessing risk for each project is an important part of the process and reports to Cabinet Committee have a specific risk section with mitigation measures identified.
- 3.9 The tourism strategy and associated products will be developed in-line with the new economic narrative for our sub-region, 'The Coventry & Warwickshire Story', to

ensure that the City and it's wider area promotes itself coherently, confidently and consistently with the outside world.

4. Fund Progress

4.1 The following table provides an update on how the money has been allocated to date and the CIF (£m) invested.



5. Officer Contact Details

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Appendix One – Scoring Criteria

<p>Business Rate Growth Scoring 40%</p> <p>Scoring is based on 50% of the increase in business rates coming to the council but note 100% can come to the council if the building is of very high environmental standard.</p> <table border="1"> <thead> <tr> <th>Return on investment through additional business rates generated (over 3years)</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>1 – 4.99%</td> <td>5</td> </tr> <tr> <td>5 – 9.99%</td> <td>10</td> </tr> <tr> <td>10 – 14.99%</td> <td>15</td> </tr> <tr> <td>15 – 19.99%</td> <td>20</td> </tr> <tr> <td>20 – 24.99%</td> <td>25</td> </tr> <tr> <td>25 – 29.99%</td> <td>30</td> </tr> <tr> <td>30% +</td> <td>40</td> </tr> </tbody> </table> <p>Strategic Fit to Council’s Vision and Aspirations Scoring 30%.</p> <p>Investment Priorities 20 points max. Locations 10 points max. Primary 10 points. Within City Centre Ring Road, Friargate, Lyons Park, Whitley Business Park, Gateway or Secondary 5 points. Prominent location or secondary business area. Priority sectors (as detailed in the SEP) 10 points max. Will directly support sectors 10 points or Generally supports sectors 5 point Local Strategies 10 points max.</p> <p>Specific mention in strategy 10 points or Accords with SEP/CCC strategy* 5 points</p> <p>* Coventry Jobs and Growth, Council Plan, Local Authority Planning Policies, West Midlands / Warwickshire Local Transport Plans....</p> <p>Jobs Scoring 10 points max</p> <p>Jobs safeguarded will be given equal weighting to jobs created as long as the business case provides strong evidence that safeguarded jobs will be lost to Coventry and Warwickshire if the business/organisation does not receive financial assistance from the CIF.</p> <table border="1"> <thead> <tr> <th>Number of Jobs created and safeguarded</th> <th>Jobs Score</th> </tr> </thead> <tbody> <tr> <td>1 ≤ 50</td> <td>2</td> </tr> <tr> <td>51 ≤ 100</td> <td>4</td> </tr> <tr> <td>101 ≤ 150</td> <td>6</td> </tr> <tr> <td>151+</td> <td>10</td> </tr> </tbody> </table>	Return on investment through additional business rates generated (over 3years)	Score	1 – 4.99%	5	5 – 9.99%	10	10 – 14.99%	15	15 – 19.99%	20	20 – 24.99%	25	25 – 29.99%	30	30% +	40	Number of Jobs created and safeguarded	Jobs Score	1 ≤ 50	2	51 ≤ 100	4	101 ≤ 150	6	151+	10	<p>Deliverability Score 20 points Deliverability deals with assessing the investor’s ability to deliver the project.</p> <p><u>Planning/Other permissions</u> such as Traffic Regulations Orders etc. 5 points max 5 Fully in place/high degree of evidence of readiness 3 Partially in place/ fair degree of evidence of (e.g. applications made/being processed) 1 Little evidence in place (e.g. pre application discussions) 0 No progress at all</p> <p><u>Capability</u> 5 points max. Does the application suitably demonstrate the applicant’s capability to deliver the project? Does the applicant’s management team appear to contain the necessary skills to complete the project? 5 Track record of delivery of similar projects with project team in place. Team CVs reflect project needs. 3 Track record of delivery of similar project by some team members. Project team forming. 1 Project lead has experience and team forming 0 No track record, no project team.</p> <p><u>Funding</u> 5 points max. Does the application demonstrate that all the funding required for the project is in place, should a CIF award be granted? 5 Rest of funding package in place (subject to CIF approval) 3 Funding applications made/some in place 1 Funding enquiries made (positive response) 0 no other enquiries made/progressed</p> <p><u>Risk Management</u> 5 points max. Does the application demonstrate that the business understands the risks that the project could face and have suitable strategies for mitigating these? 5 Risks assessed and mitigation plan in place 3 Risks understood and mitigation plan under development 1 Risks understood but no mitigation plan in place (risks identified in documentation)</p>
Return on investment through additional business rates generated (over 3years)	Score																										
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Finance Corporate and Services Scrutiny Board (1) Work Programme 2014/15

4 August 2014

Customer Journey

15 September 2014

Pension Fund

Electoral Registration

3 November 2014

Coventry Investment Fund*

Ethical Investment

Medium Term Financial Strategy

15 December 2014

Review of Guidelines for Revenue Enforcement

Catering/Services to schools

2 February 2015

Procurement Strategy

Social Value Policy

16 March 2015

20 April 2015

Issues for 2014/15

Capital Programme*

Transformation Programme Progress Report

Strategic Property Review and Council move to Friargate

Equalities in Employment

Issues not addressed during 2013/14

ACL

Progress update on Services to Schools

Performance Reports – only bring to board if issues of concern identified by Chair or Board Members

Half yearly reports on agency workers

Half yearly reports on sickness absence

Half yearly report on Benefits Service Performance

Half yearly report on Revenues Service performance

Finance and Corporate Services Scrutiny Board (1) Work Programme 2014/15

Meeting	Work programme item	Lead officer	Brief Summary of the issue	Source
29 August 2014	Customer Journey	Lisa Commane/ Clare Storey	To review 6 monthly progress on the Kickstart Customer Journey programme following discussion at the Board on 13 th January 2014. To include the equalities and consultation assessment.	SB1 13/01/14
15 September 2014	Pension Fund	Chris West/ Paul Jennings	To scrutinise changes to the pension fund and impacts on the authority.	
	Electoral Registration	Liz Read	To review levels of registration and progress with the move to individual electoral registration. Also to consider the sale of details from the electoral register.	
3 November 2014	Coventry Investment Fund*	David Cockroft/ Andy Williams/ Gary Collins	The Board discussed the need for robust management of risk thresholds for the Coventry Investment Fund, including how potential impacts on revenue spend are addressed, at their meeting on 14 April 2014. As the Fund gets established they asked for further information to come back to a future meeting. To include governance and reporting arrangements for companies and other bodies in which the Council has a financial interest.	SB1 14/04/14
	Ethical Investment	Paul Jennings	At its discussion on the Pension Fund, the Board asked for a short note on the Council's approach to ethical investment to be considered alongside the report on the Coventry Investment Fund.	SB1 15/09/14
	Medium Term Financial Strategy	Paul Jennings	For the Scrutiny Board to comment on, and make recommendations about, the MTFS before it goes to Cabinet (provisionally 4 th November).	Annual Review
15 December 2014	Review of Guidelines for Revenue Enforcement	Tim Savill	A review of the guidelines which provides guidelines to how Council appointed enforcement agents deal with vulnerable people, and how the Council monitors that guidelines are adhered to.	
	Catering/Services to schools			

Finance and Corporate Services Scrutiny Board (1) Work Programme 2014/15

Meeting	Work programme item	Lead officer	Brief Summary of the issue	Source
2 February 2015	Procurement Strategy	Liz Welton	To review the annual report on progress against the priorities in the procurement strategy.	Annual Review
	Social Value Policy	Jenni Venn	To review the impact of the Social Value Policy approved by the Cabinet Member Strategic Finance and Resources in January 2014.	SB1 25/11/13
16 March 2015	Customer Journey	Lisa Commane/ Clare Storey	Customer Journey, financial savings and setting out how improvements to customer journey and customer satisfaction are being monitored.	SB1 04/08/14
20 April 2015				
Issues for 2014/15				
	Capital Programme*	Paul Jennings	Following discussion at the 14 April 2014 meeting, the Board recommended that the Capital Programme be reviewed annually, including seeking assurance that the programme is delivering council priorities and that implications and risks are understood.	
	Transformation Programme Progress Report	Lisa Commane	To review progress on targets against the Transformation Programme reported through budget monitoring reports, including performance against targets as set out in the Council Plan 2013/14 Performance Report	Regular Review
	Strategic Property Review and Council move to Friargate	Nigel Clews, Lisa Commane	To review progress on the Strategic Property Review and Council relocation to the Friargate development following discussion at the 7 October Board and 3 March Board meetings. To include paperless working for Councillors	SB1 07/10/14 and 03/03/14

Finance and Corporate Services Scrutiny Board (1) Work Programme 2014/15

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Meeting	Work programme item	Lead officer	Brief Summary of the issue	Source
	Equalities in Employment	Shokat Lal	This item will look at the diversity of the Council's workforce and how the Council is encouraging a more diverse workforce. Scrucro made recommendations on improvements to reporting when it discussed the item at its 7 August 2013 meeting.	Annual review

Meeting	Work programme item	Lead officer	Brief Summary of the issue	Source
Issues not addressed during 2013/14	ACL	Chris West	Item to be scheduled at an appropriate time, following the judicial review.	
	Progress update on Services to Schools		An update on progress on how services are becoming more commercial in marketing themselves to schools and also progress on full-cost recovery where this hasn't already happened. Report expected June/July 2013	
Performance Reports – only bring to board if issues of concern identified by Chair or Board Members	Half yearly reports on agency workers	Shokat Lal	A regular update on progress on reducing use of agency staff across the Council	Regular Review
	Half yearly reports on sickness absence	Shokat Lal	A regular update on progress on reducing sickness absence across the Council	Regular Review
	Half yearly report on Benefits Service Performance	Tim Savill	A regular update on progress on performance in the benefits service.	Regular Review
	Half yearly report on Revenues Service performance	Jan Evans	A regular update on progress on performance in the revenues service.	Regular Review

*Identified as priority issues for 2014/15 by the Board's review of the 2013/14 year and work programme at their meeting of 14 April 2014.