

**Time and Date**

2.00 pm on Tuesday, 24th February, 2015

Place

Council Chamber - Council House

1. **Apologies**
2. **Minutes of the Meeting held on 13 January 2015** (Pages 5 - 10)
3. **Exclusion of the Press and Public**
To consider whether to exclude the press and public for the items of private business for the reasons shown in the report.
4. **Coventry Good Citizen Award**
To be presented by the Lord Mayor
5. **Correspondence and Announcements of the Lord Mayor**
 - (a) Presentation of Illuminated Address to Councillor Gary Crookes, Lord Mayor for 2013/14.
 - (b) Lord Mayor's announcements
6. **Petitions**
7. **Declarations of Interest**

Matters Left for Determination by the City Council/Recommendations for the City Council

8. **Coventry City Centre Area Action Plan (AAP) - The Preferred Approach** (Pages 11 - 116)
From the Cabinet, 10th February 2015

It is anticipated that the following matters will be referred as recommendations from the Cabinet, 24th February 2015. In order to allow Members the maximum opportunity to acquaint themselves with the proposals, the reports are attached. The relevant recommendations will be circulated separately.

9. **2015/16 Council Tax Setting Report** (Pages 117 - 124)
10. **Budget Report 2015/16** (Pages 125 - 180)

11. **Disposal of Property Assets pursuant to Friargate** (Pages 181 - 192)

Item for Consideration

12. **Appointment of Deputy Cabinet Member** (Pages 193 - 196)

Report of the Leader

Other Business

13. **Statements**

Private Business

It is anticipated that the following matter will be referred as a recommendation from the Cabinet, 24 February 2015. In order to allow Members the maximum opportunity to acquaint themselves with the proposals, the report is attached. The relevant recommendation will be circulated separately.

14. **Disposal of Property Assets pursuant to Friargate** (Pages 197 - 208)

(Listing Officer: Richard Moon, tel: 024 7683 2350)

Chris West, Executive Director, Resources, Council House Coventry

Monday, 16 February 2015

Note: The person to contact about the agenda and documents for this meeting is Carolyn Sinclair/Suzanne Bennett 024 7683 3166/3072

Membership: Councillors F Abbott, N Akhtar, M Ali, A Andrews, M Auluck, R Bailey, S Bains, L Bigham, J Birdi, J Blundell, R Brown, K Caan, D Chater, J Clifford, G Crookes, G Duggins, C Fletcher, D Galliers, D Gannon, A Gingell, M Hammon (Deputy Chair), L Harvard, P Hetherington, D Howells, J Innes, L Kelly, D Kershaw, T Khan, A Khan, R Lakha, R Lancaster, J Lepoidevin, A Lucas, K Maton, J McNicholas, C Miks, K Mulhall, J Mutton, M Mutton, H Noonan (Chair), J O'Boyle, E Ruane, R Sandy, T Sawdon, B Singh, D Skinner, T Skipper, H Sweet, K Taylor, R Thay, S Thomas, P Townshend, S Walsh and D Welsh

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

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**Carolyn Sinclair/Suzanne Bennett
024 7683 3166/3072**

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Coventry City Council

Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 13 January 2015

Present:

Members: Councillor H Noonan (Lord Mayor)
Councillor Hammon (Deputy Lord Mayor)

Councillor Abbott	Councillor T Khan
Councillor Akhtar	Councillor Lakha
Councillor Andrews	Councillor Lepoidevin
Councillor Bailey	Councillor Mrs Lucas
Councillor Mrs Bigham	Councillor McNicholas
Councillor Birdi	Councillor Maton
Councillor Blundell	Councillor Mrs Miks
Councillor Brown	Councillor J Mutton
Councillor Caan	Councillor M Mutton
Councillor Chater	Councillor O'Boyle
Councillor Clifford	Councillor Ruane
Councillor Crookes	Councillor Sandy
Councillor Duggins	Councillor Sawdon
Councillor Fletcher	Councillor Singh
Councillor Galliers	Councillor Skinner
Councillor Gannon	Councillor Skipper
Councillor Gingell	Councillor Mrs Sweet
Councillor Harvard	Councillor Taylor
Councillor Hetherton	Councillor Thay
Councillor Howells	Councillor Thomas
Councillor Innes	Councillor Townshend
Councillor Kelly	Councillor Walsh
Councillor Kershaw	Councillor Welsh
Councillor A Khan	

Honorary Alderman Mr J Gazey

Apologies: Councillor M Auluck, S Bains, R Lancaster and K Mulhall

Public Business

112. Recent terrorist events in Paris

The City Council stood for a minute's silence as a mark of respect for all those killed and injured during the recent terrorist events in Paris. It was noted that letters of sympathy and support had been sent to the Mayor of Paris and the French President by the Lord Mayor and the Leader of the Council on behalf of the City.

113. Minutes of the meeting held on 9 December, 2014

The minutes of the meeting held on 9 December 2014 were signed as a true record.

114. **Coventry Good Citizen Award**

On behalf of the Council, the Lord Mayor presented Corinne Spencer with the Coventry Good Citizen Award. Her citation read:

As Chair of the Gosford Park Residents' Association Corinne has worked tirelessly to help make the area a nicer, safer, cleaner place to live. She is passionate about improving the neighbourhood and puts all her efforts into helping the whole community, and asks for no reward or recognition in return. Her satisfaction is in seeing her local community thrive and bonding together to support and encourage each other.

Corinne has demonstrated her love of the area which she has lived in for most of her life and her commitment to its future in many ways. As Chair of the GPRA, she prides herself on being proactive and dynamic and has organised and led many events and campaigns over the years which have benefitted the community.

She has been instrumental in establishing a Play Area in Stoke Green. This has been an incredible success and has made this busy part of Coventry feel like a community again. It is a focal point where families of all nationalities and backgrounds meet and enjoy themselves. She has organised litter picks, several major fundraising events, Community Fun Days, a Big Lunch, arranged Children's Christmas Parties and produces a newsletter which keeps residents informed about developments in the area. In addition to this, she also single-handedly produces a free magazine called Doorstep News which is distributed by volunteers to 1,200 homes in the area.

Corinne is also a Community Governor at Gosford Park Primary School, works with Gosford Community Hub a member of the Coventry Action for Neighbourhoods (CAN) group which works with Coventry City Council to improve our communities.

Together with all of this she is a good team leader, has strong organisational skills, is caring and compassionate. She can be counted on to support and help others and is always ready with a smile and a joke. She has a positive outlook and always sees the silver linings.

She is liked and well respected, not only by her community, but is also held in high regard by local agencies such as the Police, Officers at Coventry City Council, schools and businesses etc.

Corinne juggles all this with a full time job working as a property manager. Despite this, and having many other commitments, she gives endless hours of her spare time to raise funds for the community and carries out the many voluntary activities with professionalism, humour and integrity. Residents have nicknamed her the 'Steel Orchid' and a 'Warrior'.

Corinne truly is an outstanding role model of a 'Good Citizen'.

115. **New Year Honours**

The Lord Mayor congratulated the following Coventry citizens who had been included in the recent New Year's Honours List.

- **OBE** to Lorraine Allen, Principal of Whitley Academy, for her services to education.
- **MBE** to Lynda Clapham, senior Librarian at Sidney Stringer Academy, for her services to education.
- **Knighthood** to Nigel Thrift, Vice-Chancellor of the University of Warwick, for his services to higher education.

The Lord Mayor had written on behalf of the City Council to all the recipients sending congratulations.

116. **Councillor Hammon**

The Lord Mayor welcomed Councillor Hammon back to the Chamber following a recent short period of illness.

117. **Petitions**

There were no petitions.

118. **Declarations of Interest**

There were no declarations of interest.

119. **Community Governance Review - Proposals for Finham Area**

Further to Minute 107/14 of the City Council, Councillors considered a report of the Executive Director of Resources which provided feedback from a Governance Review for the Finham area of the city. The City Council had agreed to carry out a Community Governance Review for the Finham area of the city, following receipt of a petition signed by 711 people requesting the creation of a parish council. The process for carrying out a Review was set out in the Local Government and Public Involvement in Health Act 2007. The views of electors and others in the area had been sought and the purpose of this report was to provide feedback from this exercise and for the Council to make recommendations on community governance arrangements for the Finham area.

At the Council meeting on 9th December 2014, Councillor Townshend, the Cabinet Member for Policing and Equalities, clarified that representations about the request for a Parish Council could still be made ahead of the January meeting of Council. Information about the review had remained on the Council's website with the opportunity for people to make any additional comments. Information to this effect was communicated via social media, displayed in Finham and the surrounding area and sent to local organisations. To allow the maximum opportunity for comment, a deadline of midday on 8th January had been set and

feedback from any representations received had been summarised and published prior to the meeting. Copies were also tabled.

The City Council considered the report which set out the reasons for recommending a parish council which included factors relating to the size, population and boundaries of a local community and the impact on community cohesion of community governance arrangements.

The City Council also noted that, in recommending the creation of a Parish for Finham, proposals for naming and governance arrangements would need to be made and details were contained within the report in respect of: the parish name and area; governance arrangements; name of parish council and electoral arrangements. In addition, it was recommended that the parish should not be divided into wards and that a total of 10 councillors be elected.

RESOLVED that the City Council unanimously agree to recommend a new parish for the Finham area of the city and in light of this, the City Council also agreed to recommend the following naming and governance arrangements:

1.
 - (a) That the new parish be called Finham Parish and comprises the areas shown on the map contained in the report to Council
 - (b) That the new parish of Finham should have a parish council
 - (c) That the name of the Parish Council be Finham Parish Council
 - (d) That the electoral arrangements that should apply to the new parish are that:
 - I. it should not be divided into wards, and
 - II. a total of 10 councillors to be elected
 - (e) That a further report be submitted to Council before 24 June 2015 upon the Re-organisation Order and any other relevant matters
 - (f) Authority be delegated to the Assistant Director Legal and Democratic Services to work with City Councillors for the Ward and/or the Residents Association on the provisions of the Re-organisation Order and such other matters as may be required to be considered prior to the formal creation and operation of the Parish Council
- 2 That the Assistant Director Legal and Democratic Services be authorised to publicise the outcome of the Review and the recommendation to establish a new parish of Finham and a parish council for Finham.

120. Question Time

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

No	Question Asked By	Question Put To	Subject Matter
1	Councillor Birdi	Councillor McNicholas	No4 bus route
2	Councillor Birdi	Councillor McNicholas	Siting of bus stops and shelters
3	Councillor M Mutton	Councillor Kershaw	Library Service
4	Councillor Blundell	Councillor Mrs Lucas	Using suitable sized rooms for meetings to ensure maximum public attendance
5	Councillor Skinner	Councillor Mrs Lucas	Membership of Cabinet Consultative Committee for Dog Control Orders
6	Councillor Blundell	Councillor Mrs Lucas	HS2: Select Committee and construction phase
7	Councillor Blundell	Councillor Mrs Lucas	MIPIIM 2015
8	Councillor Crookes	Councillor Mrs Lucas	Recycling collections during the week after Christmas
9	Councillor Birdi	Councillor Mrs Lucas in Councillor Lancaster's absence	Road closures for half marathon
10	Councillor Birdi	Councillor Mrs Lucas in Councillor Lancaster's absence	Ring road canal bridge works

121. **Statements**

The Cabinet Member (Children and Young People), Councillor Ruane, made a statement in respect of the "Children's Services Improvement Plan".

Councillor Lepoidevin responded to the statement.

(Meeting closed at 3.45 pm)

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Council – 24th February 2015

**Recommendation from Cabinet
10th February 2015**

Minutes of the meeting of Cabinet held at 2.00 pm. on 10th February 2015

Present:

Cabinet Members:

Councillor Mrs Lucas (Chair)
Councillor Townshend (Deputy Chair)
Councillor Abbott
Councillor Gannon
Councillor Gingell
Councillor Kershaw
Councillor A. Khan
Councillor Lancaster
Councillor Maton
Councillor Ruane

Deputy Cabinet Members:

Councillor Caan
Councillor Chater
Councillor Fletcher
Councillor McNicholas

Non-voting Opposition Members:

Councillor Blundell
Councillor Lepoidevin (substitute for Councillor Andrews)

Other Members:

Councillor Bains
Councillor Birdi
Councillor Duggins
Councillor Thomas

Employees (by Directorate):

Chief Executive's:

M Reeves (Chief Executive), F Collingham, T Richardson

Place:

M Yardley (Executive Director), M Andrews

People:

S Roach (Deputy Director), L Ricketts

Resources:

C West (Executive Director), C Forde, B Hastie, G Holmes,
M Salmon

Apologies:

Councillor Andrews

Public business

RECOMMENDATION

107. **Coventry City Centre Action Plan (APP) - The Preferred Approach**

The Cabinet considered a report of the Executive Director of Place, that would also be considered at the meeting of the Council on 24th February 2015, that sought approval of the draft Coventry City Centre Action Plan. The report also sought authority to enter a period of public engagement on the Plan that provided the platform from which to regenerate the City Centre involving new retail provision, more new homes, employment space and leisure, social and community provisions and a strategic overview of accessibility issues including parking, pedestrian movement and associated infrastructure.

The City Centre was an essential component of promoting the growth and prosperity of Coventry. For many visitors, investors, business and local people the City Centre was a gateway to Coventry that represented their principal location for work, learning, leisure, retail and community provisions. It offered an opportunity to exploit the City's historic assets, rich 20th century heritage and showpiece innovative 21st century buildings and public realm, which together would create a unique City Centre environment.

At a time when Coventry's population was growing, its City Centre would continue to be a focal point, but needed to respond in order to stop a period of decline, primarily within its retail offer. This was placed in context through the Councils Shopping and Centres Study (2014), which identified Coventry as the country's 13th biggest City but with a retail centre ranked 58th, a clear disparity between the City's population and quality of its retail offer.

In recent years however, significant investment in City Centre public realm improvements had complemented substantial investments in job creation such as the new Severn Trent head offices and hi-tech business at the University Technology Park. Likewise, more people were now living in the City Centre following delivery of new homes over the last 10 years. Coventry University also continued to grow, not only in terms of its student numbers, but also its national and global reputation and the size and quality of its campus.

This Area Action Plan looked to build upon recent successes and provided a platform for the future to help guide and deliver new developments and investment and support the Councils City Centre First Strategy. It included well known and established proposals such as Friargate, City Centre South and the completion of Belgrade Plaza, but also introduced new ideas and aspirations such as, new residential led regeneration around the area north of Corporation Street and Fairfax Street, continued growth of the Technology Park, new approaches to City Centre parking provision and longer term aspirations for the regeneration of the northern half of the City's retail area.

In addition to new buildings, the Area Action Plan provided a fundamental focus on urban and landscape design, environmental quality, protection of historic assets, green infrastructure, water courses and new routes and linkages helping people move around the City Centre and its adjoining areas in an easier and more coherent way. These aspects would all be fundamental in continuing to improve the overall feel of the City Centre and the quality of its built environment.

The development of an Area Action Plan was therefore essential to help provide a clear overview of how all these different aspects could work together to improve the City Centre whilst shaping and directing future development. It was important to note that the Plan could not however define exactly how specific sites would be developed, but it could set clear markers and provide a firm steer as to how development could be brought forward. This provided a blueprint for the City Centre, allowing it to respond to the rapid change that it was expected to face in the coming years.

In this context, the Area Action Plan had been developed in two specific sections. The first would consider overarching policy guidance focused around four key areas: city centre heritage; the built environment; the natural environment; and parking. The second section would provide a more detailed overview of: 9 quarters that had been identified around specific characteristics – The Business Quarter – Friargate; Cathedrals and Cultural Quarter; The Civic Quarter; Far Gosford Street Quarter; Health and Learning Quarter – Swanswell; Leisure and Entertainment Quarter – Sky Dome and Belgrade Plaza; Primary Shopping Quarter – the retail core; Technology Park Quarter – Parkside; and University and Enterprise Quarter; 2 regeneration areas to the north of the City Centre, focused around Bishop Street and Fairfax Street; and an area of planned stability with small infill opportunities to the south of the City, focused around Warwick Row.

RESOLVED that the Cabinet recommends that the Council approves the "City Centre Area Action Plan – The Preferred Approach (2014-2031)" document and authorises a period of seven weeks public engagement beginning on Friday 27th February 2015 and ending on Friday 17th April 2015.

(Meeting finished at 2.50 p.m.)

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Cabinet
Council

10th February 2015
24th February 2015

Name of Cabinet Member:

Cabinet Member for Business, Enterprise and Employment – Councillor K Maton

Director Approving Submission of the report:

Executive Director of Place

Ward(s) affected:

Primarily St. Michaels although there is some overlap into Foleshill, Radford and Sherbourne. The future development proposals for the City Centre are also expected to have an impact on the City as a whole.

Title:

Coventry City Centre Area Action Plan (AAP) – The Preferred Approach

Is this a key decision?

Yes - The proposals have a direct impact on more than 2 wards, whilst the future prosperity of the City Centre will have a direct impact upon the City as a whole.

Executive Summary:

The development of a successful City Centre is an essential component of promoting the growth and prosperity of Coventry. For many visitors, investors, business and local people the City Centre is a gateway to Coventry that represents their principal location for work, learning, leisure, retail and community provisions. It offers a fantastic opportunity to exploit our historic assets, our rich 20th century heritage and showpiece innovative 21st century buildings and public realm, which together will create a unique city centre environment. The draft City Centre Area Action Plan (at Appendix 1) sets out how this can be promoted and achieved.

At a time when Coventry's population continues to grow, its city centre will continue to be a focal point, but must respond in order to stop a period of decline, primarily within its retail offer. This is placed in context through the Councils Shopping and Centres Study (2014), which identifies Coventry as the country's 13th biggest city but with a retail centre ranked 58th. As such, there is a clear disparity between the city's population and the quality of its retail offer.

In recent years however, significant investment in city centre public realm improvements have complemented substantial investments in job creation such as the new Severn Trent head offices and hi-tech business at the University Technology Park. Likewise, more people are now living in the city centre following delivery of new homes over the last 10 years. Coventry University also continues to grow, not only in terms of its student numbers, but also its national and global reputation and the size and quality of its campus.

This Area Action Plan looks to build upon these recent successes and provides a platform for the future to help guide and deliver new developments and investment and support the Councils City Centre First strategy. It includes well known and established proposals such as Friargate, City Centre South and the completion of Belgrade Plaza, but also introduces new ideas and aspirations. For example, new residential led regeneration around the area north of Corporation Street and Fairfax Street, continued growth of the Technology Park, new approaches to city centre parking provision and longer term aspirations for the regeneration of the northern half of the city's retail area.

In addition to new buildings, the Area Action Plan provides a fundamental focus on urban and landscape design, environmental quality, protection of historic assets, green infrastructure, water courses and new routes and linkages helping people move around the city centre and its adjoining areas in an easier and more coherent way. These aspects will all be fundamental in continuing to improve the overall feel of the City Centre and the quality of its built environment.

The development of an Area Action Plan is therefore essential to help provide a clear overview of how all these different aspects can work together to improve the city centre whilst shaping and directing future development. It is important to note that the AAP cannot however define exactly how specific sites will be developed, but it can set clear markers and provide a firm steer as to how development could be brought forward. This provides a blueprint for the city centre, allowing it to respond to the rapid change that it is expected to face in the coming years.

In this context, the Area Action Plan has been developed in two specific sections. The first will consider overarching policy guidance focused around four key areas:

- city centre heritage;
- the built environment;
- the natural environment; and
- parking.

The second section will provide a more detailed overview of:

- 9 quarters that have been identified around specific characteristics and include:
 - i. The Business Quarter – Friargate;
 - ii. Cathedrals and Cultural Quarter;
 - iii. The Civic Quarter;
 - iv. Far Gosford Street Quarter;
 - v. Health and Learning Quarter – Swanswell;
 - vi. Leisure and Entertainment Quarter – Sky Dome and Belgrade Plaza;
 - vii. Primary Shopping Quarter – the retail core;
 - viii. Technology Park Quarter – Parkside; and
 - ix. University and Enterprise Quarter

- 2 regeneration areas to the north of the city centre, focused around Bishop Street and Fairfax Street; and
- An area of planned stability with small infill opportunities to the south of the city, focused around Warwick Row.

Both sections follow on from an introductory section which explains where the city centre currently sits and where it looks to go in the future.

Recommendations:

- 1) The Cabinet is requested to recommend that the Council approves the "City Centre Area Action Plan – The Preferred Approach (2014-2031)" document and authorises a period of seven weeks public engagement beginning on Friday 27th February 2015 and ending on Friday 17th April 2015.
- 2) The Council is recommended to approve the "City Centre Area Action Plan – The Preferred Approach (2014-2031)" document and authorises a period of seven weeks public engagement beginning on Friday 27th February 2015 and ending on Friday 17th April 2015.

List of Appendices included:

Appendix 1 – Coventry City Centre Area Action Plan – The Preferred Approach

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

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 - 24th February 2015

Report title: Coventry City Centre Area Action Plan (AAP) - The Preferred Approach

1. Context (or background)

- 1.1 City centre planning policy is currently contained within the Coventry Development Plan (2001). This was intended to deliver and manage development between 1996 and 2011 as such it has been more than 13 years since these policies were written, meaning they have become dated, implemented or superseded.
- 1.2 The Council first published a draft City Centre Area Action Plan for public consideration in November 2009 which was followed by a revised draft in April 2010. Although published for a period of public engagement the final document was not submitted to the Secretary of State due to significant changes taking place in national planning at that time and the impacts this had on local policy development.
- 1.3 In order to robustly progress an AAP, it is important to have a higher level policy document in place in advance, or at least being developed in parallel. As such, the intervening years have focused on developing a new Core Strategy or more recently a Local Plan. As a result, the Council have not been able to return to developing the AAP for the city centre until now.
- 1.4 Coventry's population is now in excess of 317,000 people and is continuing to grow. Indeed, the city is experiencing a sustained period of population growth for the first time since the 1960's and as a result population projections now identify Coventry as having one of the fastest growing populations in the country. This represents a game changer for the city and requires significant attention in order to provide adequate homes, job opportunities, retail floor space and social and community provisions. The Council's City Centre First Strategy helps emphasise the importance of this Area Action Plan in helping deliver such provisions.
- 1.5 Coventry is the country's 13th largest city, but the influence of the city centre reaches wider than the city's boundary and covers a population in excess of half a million people. The spend power within this catchment is also significant at in excess of £1,200 million; however, only a third of this spend is currently drawn to the city centre. This is also emphasised by the city centre's current national ranking, which currently sees the city centre sit 58th in the nation's retail rankings according to spend, lagging behind other similar centres in terms of the quality and range of shops. With this in mind there is a clear disparity between the size of city's population and the standard of its city centre retail offer. With the Council's aspirations to grow and become a top 10 city again and this level of spend power expected to increase significantly, it is clear that improvements in both quantity and quality of floor space are required to help increase the market share exerted by the city centre.
- 1.6 The principal aim of this AAP (See Appendix 1) is therefore to provide the platform from which to regenerate the city centre. This not only involves new retail provision, but more new homes, employment space and leisure, social and community provisions. It will also provide a strategic overview of accessibility issues including parking, pedestrian movement and associated infrastructure. This is to be managed through the development of two specific sections within the AAP. The first includes four strategic policy areas, whilst the second covers nine quarters reflective of different uses and characteristics and three areas of regeneration. These can be outlined as follows:

Four Strategic Policy Areas

- City centre heritage – This section provides an overarching policy basis for any development that may relate to the city’s heritage assets. This primarily includes statutory and locally listed buildings, conservation areas and scheduled ancient monuments. The policy also considers how development will assess and record archaeological findings and where appropriate preserve and protect them.
- The built environment – This section provides an overarching basis for promoting excellent urban design through new developments, architectural lighting, public art and materials and locally distinctive architecture. It also provides a basis for creating new routes and linkages and ensuring people can move around the city centre in an easier and more coherent way. The section also considers how tall buildings could work in the city centre and manages their relationship with the most important views of the city’s three spires.
- The natural environment - This section provides an overarching basis for incorporating green infrastructure across the city centre and promotes an idea of a green spine running from the extended Greyfriars Green in the south to Swanswell Pool in the north. The section also considers water courses (blue infrastructure) and explores opportunities for deculverting. Other drainage and flood risk issues are considered as well as looking at minimising the impacts of pollutants through the city centre.
- Parking - This section provides an overarching basis for managing parking opportunities across the city centre. This includes provision for cars, cycles and buses/coaches. The section considers how and where people park and how existing provision relates to city centre attractions. The AAP seeks to maintain the existing number of spaces across the city centre but from fewer locations, highlighting a number of surface level car parks as development opportunities. The Salt Lane and Cheylsemore car parks are specifically identified for becoming multi-storey provisions, whilst the redevelopment of Barracks is to be linked to City Centre South. Other multi storey opportunities would also be considered around Friargate, Fairfax Street and Parkside. The section also promotes cycle parking as an integral part of new developments and builds upon the concept of an electric city and driverless technology.

The Quarters (see Figure 9 in Appendix 1)

- The Business Quarter – Friargate: Friargate is identified as the principal location for new office provision across the city centre. A minimum of 185,000sq.m of office floor space is to be allocated, with an allowance for supporting retail and commercial uses at ground floors to create active frontages. At least 400 homes are also proposed for allocation, whilst the improvements to connectivity across the Ring Road are highlighted.
- Cathedrals and Cultural Quarter: Enhancing Coventry’s heritage and cultural offer is an essential element of attracting investment to the city and promoting its image. As part of this area the site at the junction of Hale Street and Trinity Street is proposed for the allocation of 60 homes.
- The Civic Quarter: This quarter focuses on an area of expected redevelopment, with a number of buildings to be vacated in the coming years. The policy offers a flexible approach to future developments but seeks to retain some of the area’s historical character of public service.

- Far Gosford Street Quarter: This quarter focuses on the recent activity to enhance the historic buildings and public realm around Far Gosford Street, including the creation of Far Go Village. The provision of new hot food takeaways in this area will no longer be supported.
- Health and Learning Quarter – Swanswell: Improving links to this area with its recent health and education developments is a priority. The former Coventry and Warwickshire Hospital site in particular provides opportunities for a new school provision to help serve the increase in new homes across the city centre. The remaining listed buildings, which also form part of the former Hospital site will be promoted for conversion to new residential provision.
- Leisure and Entertainment Quarter – Sky Dome and Belgrade Plaza: The completion of the Belgrade Plaza for a mix of uses is a priority. The quarter also identifies redevelopment opportunities around Watch Close and at Ringway House. In relation to Spon Street any further hot food takeaways will not be supported.
- Primary Shopping Quarter – the retail core: The Primary Shopping Quarter responds to national guidance and is established as the focal point for new retail uses in Coventry city centre. New primary frontages are also established and reflect the original shopping precincts as well as West Orchards. A minimum of 37,600sq.m of gross retail floor space is proposed for the plan period, with around a third of this expected to be delivered as part of City Centre South. Indeed this scheme is identified as a key priority for improving the city centres retail offer in the next 5-10 years. Longer term aspirations are then identified around the northern half of the precincts, which could include an expansion of West Orchards. The conversion of Cathedral Lanes to a predominantly restaurant based establishment is supported, as are opportunities to remove the Nationwide building and the Upper Precinct escalators in order to improve connectivity.
- Technology Park Quarter – Parkside: This area focuses around the University led Technology Park and hi-tech job creation. The policies look to promote the expansion of the park and propose allocating around 27,000sq.m of new floor space and around 285 new homes. Part of the quarter is also identified as the London Road Gateway, which looks to enhance the frontage of this area to the Ring Road and London Road. As part of this, opportunities to improve connectivity to the inner city centre at Junctions 4 and 5 will be supported.
- University and Enterprise Quarter: This area focuses upon the continued growth of the university. As such, land at Gulson Road is proposed for a second phase of the Engineering building. The site of Priory Halls is proposed for redevelopment for new homes, whilst opportunities to enhance connectivity through the area and improve its integration with the wider city centre are encouraged. Opportunities to enhance the setting of the Cathedrals and other listed buildings are of particular importance in this area.

Regeneration Areas

- The Bishop Street regeneration area is expected to be a primarily residential led redevelopment of what is largely a vacant and under used part of the city centre. A range of other uses will also be supported to help create active frontages, whilst the connectivity along Bishop Street to the canal Basin is highlighted as a priority.

- The Fairfax Street regeneration area is again identified as a primarily residential led redevelopment opportunity. Of particular importance is the opportunity to remove the slip roads at Junction 2 of the Ring Road and utilise this space to create significant enhancements to the built and natural environment and links between the cathedrals and Swanswell Pool.
- The Warwick Row area is expected to remain largely unchanged over the plan period. There may however be opportunities for small infill developments or appropriate changes of use, which will be supported in principle. The one opportunity of note is the vacant land at Friars Road, which is proposed to be allocated for at least 35 new homes.

2. Options considered and recommended proposal

- 2.1 Two realistic options have been considered as part of this process. The first of these is to do nothing and not progress an Area Action Plan for the city centre. This option has been discounted as without a specific policy basis for guiding city centre development there is a real risk of piecemeal developments that fail to reflect the character of the city centre and which amplify the existing issues around connectivity and quality.
- 2.2 The second option is presented within this Report and the Paper at Appendix 1. This involves engaging key stakeholders and the local community in relation to future proposals for Coventry city centre. These proposals have been informed by evidence and development needs, as well as the opportunities that exist throughout the city centre. With support from the Sustainability Appraisal process, this considers all reasonable alternatives and seeks to engage local people and key stakeholders in the development of the new City Centre Area Action Plan.

3. Results of consultation undertaken

- 3.1 The development of this version of the City Centre Area Action Plan has had regard to a wide range of detail consultation events that have taken place across the city centre in recent years. For example, it has taken into account previous consultation activity and feedback from the 2009 and 2010 versions of the AAP as well as views and thoughts expressed through consultations relating to specific development proposals including: Friargate, Broadgate, Bishopgate and City Centre South.
- 3.2 It is proposed that this version of the City Centre Area Action Plan will be subject to a period of consultation between 27th February – 17th April 2015. The responses received and outcome of that consultation process will be the subject of a future report.

4. Timetable for implementing this decision

- 4.1 Subject to approval by Cabinet and Council, the new City Centre Area Action Plan – The Preferred Approach will be published for a period of 7 consultation referred to at paragraph 3.2 above.

5. Comments from Executive Director of Resources

5.1 Financial implications

There are no material direct financial implications of the proposal to consult on the attached CC AAP. The costs of public engagement are minimal and will be funded from existing budget provision.

The CC AAP as presented details a number of major development and growth opportunities which if progressed could have significant financial implications in terms of either investment cost or disposal receipts. These developments will be considered in turn on a business case basis and reported to members as appropriate detailing relevant implications, including the impact on business rates.

5.2 Legal implications

The proposed consultation period of 7 weeks exceeds the usual minimum specified by the regulations, and by the Council's adopted Statement of Community Involvement, for a planning policy consultation period. This will provide extra time to engage with local people and key stakeholders.

The proposed engagement period will help to ensure that the Council can demonstrate that it has considered all reasonable alternatives when considering its approach to developing the city centre, and that it has continued to involve the local community and others with an interest in the process. This substantially increases the chances that, in due course, the Area Action Plan will be found to be legally compliant by the independent Inspector.

In addition, through this consultation the Council will continue to engage constructively and actively with its neighbouring authorities as part of the Duty to Cooperate, as set out in Section 33A of the Planning and Compulsory Purchase Act 2004 (as introduced by the Localism Act 2011).

It is considered that this consultation process conforms to the requirements of the Planning and Compulsory Purchase Act 2004, the Localism Act (2011) and other associated regulations, the National Planning Policy Framework 2012, and Planning Policy Guidance (2014).

The City Centre Area Action Plan once adopted by the City Council will be a material consideration in relation to any planning application that relates to the area covered by the Action Plan. This Action Plan will also form an integral part of the Coventry Development Plan when adopted

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)?

- A prosperous Coventry: The growth and regeneration of the city centre will support the creation of new homes, jobs, retail floor space and leisure, social and community provisions. These will help support a more prosperous Coventry.
- Citizens living longer, healthier, independent lives: The Area Action Plan will promote new green and blue infrastructure within the city centre, which will help promote active travel and improve mental health. Improvements to accessibility through new routes, linkages and transport options will support aspirations to be an 'Age Friendly City'. The AAP also seeks to minimise pollutants and try and reduce existing levels by supporting more active travel and low emission vehicles.

- Making Coventry an attractive and enjoyable place to be: The growth and regeneration of the city centre will support the creation of new homes, jobs, retail floor space and leisure, social and community provisions. The Area Action Plan will also promote new green and blue infrastructure within the city centre. Together this will help make Coventry a more attractive and enjoyable place to be
- Providing a good choice of housing: The Area Action Plan identifies a number of opportunities for new homes within the city centre. There is also a clear commitment to create a suitable balance between the provisions of new student accommodation, older persons housing and market homes.
- Making places and services easily accessible: The Area Action Plan is committed to promoting sustainable development with adequate provision of infrastructure and improved accessibility to key services and facilities. The document also highlights the importance of connectivity and accessibility within and around the city centre to help create more coherent routes and linkages and maximise gateway opportunities.
- Encouraging a creative, active and vibrant city: The Area Action Plan clearly establishes the city centre as the hub for new retail, office, leisure and community investment. The provision of new housing across the city centre, in a range of types and tenures, will also help to promote the centres vibrancy and vitality.
- Improving the environment and tackling climate change: The Area Action Plan contains a section on the natural environment. This specifically looks at improving environmental quality and minimising the impact of pollutants on the urban environment. Examples such as developing more energy efficient buildings, opportunities around the electric city concept and promotion of low emission vehicles will all help the city centre to reduce its carbon emissions.

6.2 How is risk being managed?

Due to the nature of this engagement process there are limited risks associated with this version of the City Centre Area Action Plan. By virtue of its nature, the paper itself seeks to minimise the risks that may arise at the next stage by engaging with key stakeholders and local people early in the process. The principal risks will become clearer at the next stage of the Action Plan once the final approach to planned city centre developments are known.

6.3 What is the impact on the organisation?

No direct impact.

6.4 Equalities / EIA

The Council will be undertaking a full Equality and Consultation Analysis (ECA) on the new City Centre Area Action Plan as it is developed over the coming months. The consultation period, due to start in February, will inform the ECA and enable the impact of the Action Plan on key protected groups in the city to be fully understood and considered by elected members prior to finalisation of the Plan. As part of that analysis, the Council will have due regard to its public sector equality duty under section 149 of the Equality Act 2010.

Notwithstanding, through the development of new homes, employment opportunities, retail floor space and leisure, social and community provisions, there are likely to be significant economic and social benefits to the city centre and the city as a whole. This will be promoted by urban regeneration and the redevelopment of land currently sitting vacant and derelict as well as increased opportunities for job creation, the delivery of new infrastructure and improvements to accessibility.

6.5 Implications for (or impact on) the environment

At this point, there are no implications for (or impact on) the environment, as the proposal is to carry out a technical engagement exercise. Detailed assessment of these issues can be found in the Sustainability Appraisal Report (SA/SEA) that will be made available as part of the consultation period. The SA/SEA considers each of the options that are the subject of the consultation.

6.6 Implications for partner organisations?

There are no implications for partner organisations that cannot be mitigated or managed through the supporting work that has already been undertaken and will be prepared by the Council as it moves towards the final version of its City Centre Area Action Plan.

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Councillor K Maton	Cabinet Member for Business, Enterprise and Employment	Place	13/01/15	14/01/15

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**COVENTRY CITY
COUNCIL**

**CITY CENTRE AREA
ACTION PLAN**

THE PREFERRED APPROACH

FEBRUARY 2015

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To be inserted

GLOSSARY OF KEY TERMS

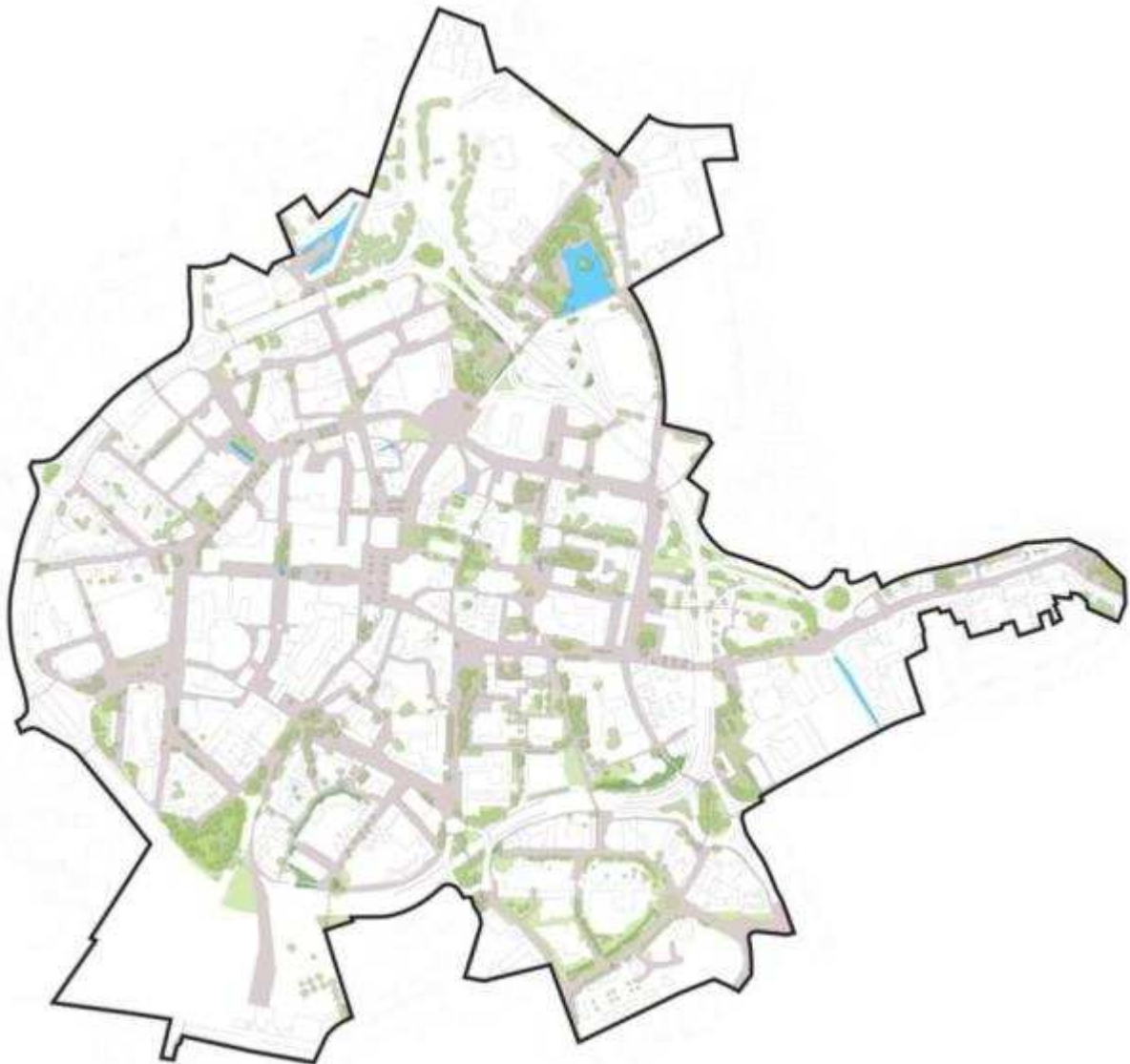
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COVENTRY CITY CENTRE AREA ACTION PLAN (AAP) – 2011-2031

1. Introduction

- 1.1 The City Council is preparing an Area Action Plan (AAP) to help guide, inform and consider development proposals within Coventry City Centre. This Area Action Plan will sit alongside the Council's emerging Local Plan, but will provide greater detail and build upon the policy basis provided in that document.
- 1.2 It will guide how the city centre will develop over the next 15-20 years and set out a number of strategic principles. The document will also identify key areas of regeneration, important heritage assets that must be preserved and areas of opportunity for a range of uses. These include employment, housing, culture and leisure. As such, the AAP is intended to provide a framework for the transformation of the city centre, whilst ensuring the appropriate level of new residential, office and retail floor space is delivered.
- 1.3 This is the first opportunity for stakeholder involvement in the City Centre AAP since the Council withdrew the previous version from submission in 2010. The new version of the AAP has been developed alongside updates to the evidence base and has been prepared in conformity with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).
- 1.4 To support the blueprint for the city centre, the AAP has been developed in two specific sections. The first will consider overarching policy guidance focused around four key areas:
- city centre heritage;
 - the built environment;
 - the natural environment; and
 - parking.
- The second section will provide a more detailed overview of:
- 9 quarters that have been identified around specific characteristics;
 - 2 regeneration areas to the north of the city centre; and
 - An area of planned stability with small infill opportunities to the south of the city.
- 1.5 Figure 1 outlines the extent of the city centre and the area of Coventry covered by this AAP.

Figure 1: Coventry City Centre Boundary



2 Background

- 2.1 Existing planning policy specifically relating to Coventry city centre is contained within the Coventry Development Plan (CDP) 2001. The CDP was intended to deliver and manage development between 1996 and 2011 and amongst other things, included a policy basis for the redevelopment of Lower Precinct, the Coventry Transport Museum and Priory Place, Coventry Technology Park and Belgrade Plaza. Despite this period of successful redevelopment activity, it has been more than 13 years since these policies were written and as such they have become dated, with many of the key policy aims and objectives now implemented or superseded.
- 2.2 The Council first published a draft City Centre Area Action Plan for public consideration in November 2009 in support of the emerging Core Strategy of that time. This was followed by a proposed submission draft of the AAP in

April 2010. Although published for a period of public engagement the document was not submitted to the Secretary of State for examination owing to significant changes to national planning policy at that time and the impacts this had on local policy development.

- 2.3 In order to robustly progress an AAP, it is considered best practice to have a higher level policy document in place in advance, or at least being developed in parallel. As such, the intervening years have focused on developing a new Core Strategy or more recently a Local Plan for Coventry. Due to a number of delays in this process the Council has not been able to return to developing the AAP for the city centre until now.

3 Where is the City Centre Now?

- 3.1 The 2011 Census identified Coventry's population at 316,900 people, a growth of around 5% since the previous census in 2001. This was primarily driven by substantial population growth in the latter half of the decade and means Coventry is experiencing a sustained period of population growth for the first time since the 1960s. As a result, subsequent population projections have identified Coventry as having one of the fastest growing populations in the country. This represents a game changer for the city and requires significant attention through both the Local Plan and the city centre AAP in order to provide appropriate levels of homes, job opportunities, retail floor space and social and community provisions.
- 3.2 Coventry is now the UK's 13th largest city, but the influence of the city centre reaches wider than the city's boundary and covers a population in excess of half a million people. The spend power within this catchment is also significant at in excess of £1,200 million, however only a third of this spend is currently drawn to the city centre¹. This is also emphasised by the city centre's current national ranking, which currently sees the city centre sit 58th in the nation's retail rankings according to spend², lagging behind other similar centres in terms of the quality and range of shops. With the Council's aspirations to grow and return to being a top 10 city and this level of spend power expected to increase significantly, it is clear that improvements in both quantity and quality of floor space are required to help increase the market share exerted by the city centre.
- 3.3 With this in mind there is a clear disparity between the size of city's population and the standard of its city centre retail offer. In addition the Shopping and Centre Study highlights issues around vacant units³, a relatively low market share and a shortage of higher end retailers.
- 3.4 Although the city centre's retail offer has suffered in recent times, there are some positive signs of recovery with small reductions in the number of vacant

¹ Appendix 3 of the Coventry Shopping and Centres Study (Developed by Nathaniel Lichfield and Partners (NLP)) 2014 – linked to the results of the MENS survey

² 2013 Venuescore Shopping Index and CACI 2013 - The Coventry Shopping and Centres Study (2014)

³ The 2014 GOAD report (considered as part of the Coventry Shopping and Centres Study: NLP - 2014) suggests vacancies in Coventry city centre are at 14.8% compared to a national average of 12%.

units and increases in footfall. The platform for supporting the city centres retail offer has also been developing in recent years, with a significant investment in new homes, meaning more people are now living in the city centre. Table 1 below highlights the number of new homes built in the city centre in the last 10 years. This represents around 15% of all completions in Coventry.

Table 1: Completion of new homes in Coventry city centre 2004-2014

Year	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	Total
Total Completions (net)	418	691	1,165	1,149	680	496	705	921	994	1,095	8,314
Within city centre	120	148	156	0	28	97	195	137	152	99	1,132
Outside city centre	298	543	1,009	1,149	652	399	529	784	842	855	7,182
% within city centre	29%	21%	13%	0%	4%	20%	28%	15%	15%	10%	14%

Source: Coventry city council monitoring database

- 3.5 The delivery of new homes within the city centre has been supported by the growth of Coventry University, which has acted as a catalyst for associated development of student accommodation. This has included a number of purpose built student accommodation developments around the Ring Road and conversions of former offices. In the last 12 years such developments have delivered in excess of 2,900 new bed spaces within the city centre, of which more than a third have been completed this decade. In terms of conversion opportunities these have completed in excess of 390 bed spaces in the last 4 years at sites such as Market Way and Trinity Street.
- 3.6 There are also significant numbers of bed spaces yet to be developed within or adjacent to the city centre with approximately 1,400 additional bed spaces with extant planning permission.
- 3.7 There have also been notable completions in the last 10 years of affordable and market housing, including sites at Queen Victoria Road, Belgrade Plaza and Far Gosford Street. In addition significant investments have been made to improve Whitefriars' housing stock at various points across the city centre.
- 3.8 In terms of jobs growth, the amount of people working within the wider city centre remains at around 35,000 jobs, although there has been some fluctuations in the last 5 years. These fluctuations have been reflective of changes to working practices and continued economic restructuring, which has seen some companies move into the city such as Severn Trent Water, whilst others have left such as AXA. It is important to note though that the city centre remains home to some of the city's most significant employers, including the City Council, Coventry University and Severn Trent Water, whilst in recent years it has also attracted new businesses to Coventry University Technology Park helping to diversify the centre's employment base.
- 3.9 Despite some signs of an upturn in performance in 2014, it is clear from the study that the city centre has performed poorly during the recession and to

some extent in the intervening period. This is, in part at least, a result of significant competition from neighbouring towns and city's including Leicester, Birmingham, Solihull and Leamington. As such, it is clear that Coventry must provide a clear blueprint that will not only support the city as a whole but also help the city centre claw back market share and compete more widely with its neighbours.

3.10 Within this context, it is clear that the city centre and its immediate surroundings have enormous potential and currently comprise significant assets to be proud of and utilise. The table below (Table 2) provides a summary of these assets and strengths as well as issues and risks currently facing the city centre. This also includes some of the factors which are currently preventing the city centre from achieving its potential:

Table 2: City Centre Strengths and Weaknesses

Coventry City Centre	
Strengths and Benefits	Issues and Risks
<ul style="list-style-type: none"> • Internationally renowned cathedrals; • Other significant heritage assets, both built and natural; • Good quality museums including Coventry Transport Museum and The Herbert Art Gallery and Museum; • Successful theatres; • A growing and successful University rated Modern University of the year 2014 and 2015; • New buildings and spaces of high quality design including recent investment in public realm enhancements and shared spaces; • A Railway Station on the West Coast Main Line with direct access to Birmingham, Bristol, Manchester and a 1hour journey time to London; • A compact and walkable city centre, with easily accessible links to surrounding residential area; • Regular bus services to and from different parts of the city and neighbouring towns; • Coventry Canal Basin; 	<ul style="list-style-type: none"> • The size and quality of retail units do not meet the standards required by proposed occupiers; • The current mix of units within the heart of the city centre and the limited night-time economy means that the city centre has low levels of activity after 18:00; • Office accommodation in the city centre for the most part is of inadequate size, of poor quality and unattractive; • The city centre feels unconnected, and despite its compact size, it lacks well-connected routes and attractive gateways; • Dated, poor quality sports and leisure facilities; • Limited green and blue infrastructure; • Poor gateways into the city centre; • Poor residential and pedestrian environment in parts of city centre; • A shortage of multi-functional green spaces associated with residential provisions;

<ul style="list-style-type: none"> • A Ring Road that enables easy movement around the city centre and wider city; • The HQ of a FTSE100 company in Severn Trent Water; • A high tech, university led Technology Park; and • A new bohemian area focused around historic Far Gosford Street. 	<ul style="list-style-type: none"> • Poor links between higher quality parking provisions and services; • A relatively low density and inefficient use of land in some parts of the centre; and • Unsympathetic development such as West Orchard external escalators or Coventry Point.
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4. Developing the City Centre

4.1 One of the principle aims of this AAP is to provide the platform from which to regenerate and develop the city centre. This involves new homes, employment space, new retail provisions and leisure, social and community provisions. It will also require a strategic overview of transportation and accessibility issues including parking and pedestrian movement.

4.2 Providing New Homes

To support the continued vibrancy and growth of the city centre it is important to continue promoting the area as a place to live. The 2001 CDP proposed giving the City Centre a 'living heart' and as identified above, this policy approach has helped grow the number of people now living in the city centre.

4.3 Although recent developments have focused on new student accommodation, both in terms of purpose built provision and the conversion of former office buildings, there have also been notable developments of new family housing and new apartments for sale and rent.

4.4 The AAP will continue to encourage the development of more homes within the city centre. Indeed the Draft SHLAA⁴ has identified potential opportunities for in excess of 3,000 homes within the area. It is important though to ensure an adequate balance is made between providing enough homes for the city's student population as well as appropriate accommodation for other elements of the city's population, including: families, young professionals and older people. The importance of this balance has been amplified in recent years with a growth in student focused developments. However it is an area of provision the Council supports as it helps to reduce the pressure on family housing for student occupation elsewhere in the city.

4.5 Notwithstanding, the AAP will look to promote an appropriate balance through the city centre quarters, with a number of sites specifically proposed for varying types of residential development that will help reflect their respective characters.

4.6 Of particular importance will be the build to rent market, which is expected to help overcome some of the viability pressures often associated with the

⁴ Strategic Housing Land Availability Assessment (SHLAA)

apartment market since the recession. This is a market the city council will support and will actively be promoting through this AAP.

4.7 Providing new Jobs

Although the number of city centre jobs has fluctuated in recent years, the overall total remains around 35,000. There are however a range of key employment initiatives being promoted within the city centre, which form a key aspect of this AAP. The most important of these is the new business quarter (known as Friargate) situated around Coventry Railway Station, which already has planning consent for 185,000 m² of new grade A office space. Preparatory works are now underway to deliver the first of 14 new office buildings, with further premises providing new, complimentary retail and leisure facilities, generating up to 15,000 new jobs. This development will see this part of the city centre become the focal point for new office provision and the primary location for new office investment and job creation.

4.8 Other key schemes will include the City Centre South redevelopment, creating 100's of new jobs in retail and leisure, whilst the continued expansion of the Technology Park at Parkside, will create new jobs in the high-tech industry.

4.9 Providing New Retail Floor space

The Shopping and Centres study (2014) recommends the provision of around 37,600sq.m of gross new floor space in the city centre up to 2031, which covers a range of retail needs. This projection is broken down however into short term requirements and longer term contributions which reflect links to economic growth, market conditions and expenditure patterns (see Table 3).

Table 3: Retail Needs in Coventry City Centre (2014 - 2031)

	2014-2021	2021-2031	Total
Totals Retail Floor Space sq.m (gross)*	18,139	19,489	37,628

* Opportunities to occupy retained vacant floor space may reduce this level of need but will need to be considered in the context of demolished floor space as part of redevelopment proposals

Source: Coventry Shopping and Centres Study (2014)

4.10 The required floor space up to 2021 should be delivered within or immediately adjacent the Primary Shopping Area with at least 10,000sq.m being provided within the City Centre South redevelopment. The Shopping and Centres Study (2014) highlights the importance of this scheme in terms of increasing both quality and quantity of floor space in the city centre. As such, it is vital that city centre retail investment be prioritised within this scheme.

4.11 Included within the comparison floor space provision up to 2031 is an allowance for 2,700sq.m gross of retail warehouse floor space, which the study suggests should be directed to the city centre, where this is considered appropriate. Given the type of retail this involves it is acknowledged that this may be difficult to deliver within the Primary Shopping Area. However, opportunities to deliver this floor space within the wider city centre should be explored, especially as part of mixed use schemes.

4.12 Across Coventry as a whole the Shopping and Centres Study (2014) identifies a need for approximately 15,500sq.m of gross retail floor space for convenience shopping. Although this need is primarily focused within the south and north west of the city, opportunities to provide an enhanced convenience food offer within the city centre will be encouraged.

4.13 New Leisure, Social and Community facilities

The Shopping and Centre Study suggests there is potential for Coventry city to increase its market share of cinema trips and therefore support the provision of a new cinema. There is also expected to be sufficient capacity to support 2 new health and fitness clubs over the plan period, of which at least 1 should be situated within the city centre.

4.14 As the city centre becomes an increasingly prominent focus for community services and facilities, opportunities to provide new social, community or leisure uses will be supported in principle. This will form part of the Council's City Centre First Strategy.

5 Health and Wellbeing within the City Centre

5.1 The recent Local Plan document identified a specific policy area linked to the health and wellbeing of Coventry people. In doing so a number of key issues were identified that are of relevance to the city centre, most notably:

- The promotion of active travel and improving accessibility;
- The creation of good quality green infrastructure;
- Improving accessibility to good quality food;
- Improving the built environment; and
- Combating poor air quality and other pollutants.

5.2 Through the course of this AAP specific policy areas will provide a clear steer towards improving health and wellbeing within the city centre, providing specific guidance around the key aspects highlighted above.

6 Key City Centre Principles

6.1 The redevelopment of Coventry's city centre seeks to enhance the vitality and viability of the city as a whole and flagship developments such as Friargate and City Centre South aim to act as a catalyst for further high quality development. Such schemes will help build upon the city centre's strengths and help combat its weaknesses.

6.2 The AAP envisages Coventry city centre as being truly world class, leading in design, sustainability and culture. It also reflects a number of key principles which will help achieve this. As such, Coventry city centre will:

- Preserve or enhance the character and setting of the historic built landscape and where appropriate the archaeological environment;
- Recognise, preserve and re-establish key views to the iconic three spires of St. Michaels, Holy Trinity and Christchurch;

- Enhance its position as a focus for the entire sub-region and as a national and international destination to live, work and play;
- Strive for high quality sustainable built design;
- Provide opportunities to improve health and wellbeing;
- Be attractive and safe for pedestrians, cyclists and motorists;
- Have a connected public realm including public squares and green space, easily accessible through the creation of desirable and legible pedestrian routes;
- Provide accessibility for all;
- Contain high quality office space;
- Include a variety of places to live which cater for different needs;
- Enhance its retail and leisure offer to strengthen the city's sub-regional role;
- Continue to develop a vibrant and attractive night time economy; and
- Be a hub for education.

7. Alternative Options

- 7.1 As already stated, Coventry city centre is of significant importance in the future development of Coventry as a whole and it is therefore necessary and imperative to have adopted planning policy which has the ability to shape and direct future development within the city centre. This will help enable Coventry develop a city centre that reflects the size of the city and a city centre that residents can be proud of.
- 7.2 This has been an overarching theme in the development of this AAP and as such only one alternative option has been considered. That is to not have an Area Action Plan at all and to leave the city centre to develop independently in an ad-hoc fashion. For the reasons set out above this option has been rejected as it will not deliver a coherent and high quality city centre that will support the ambitions of the city as a whole. As such, the development of specific planning policy guidance is considered essential to the rejuvenation of Coventry city centre.

8 Evidence Base

- 8.1 In progressing the new Local Plan and the new City Centre AAP a number of updated evidence documents have been developed. These include:
- An update of the Shopping and Centres Study. This document has been completed by NLP Planning Consultants and provides an update of the previous reports completed in 2006 and 2008;
 - A Draft Strategic Housing Land Availability Assessment(SHLAA), which provides a technical overview of residential development opportunities across Coventry;
 - A new Employment Land Review. This document has been completed by Atkins Planning Consultants on behalf of the Coventry and Warwickshire LEP. The document identifies the importance of Friargate proposals to the sub-regional economy;
 - The Draft Coventry Parking Strategy, which provides an updated overview of Car Parking across Coventry City Centre;

- The Delivering a more Sustainable City SPD (2009);
- Local Flood Risk Management Strategy (2015) and Surface Water Management Plan (2011); and
- The Council's Historic Environment Record

9 Community and Stakeholder Engagement

- 9.1 This document provides the next step in delivering a new City Centre Area Action Plan for Coventry. Its continued progress however requires input and consideration from the people of Coventry, local businesses and other interested Stakeholders. As such, this document is being published for a period of 7 weeks public engagement.
- 9.2 It will begin on Friday 27th February, and run for 7 weeks until Friday 17th April 2015. This period of community and stakeholder engagement will be undertaken in accordance with the Council's adopted Statement of Community Involvement (SCI).
- 9.3 As part of the process specific events will be held across the city with local communities and key stakeholders to help the Council understand areas of support and challenge in order to shape the next stage of the Area Action Plan and the future of the City Centre.
- 9.4 A Sustainability Appraisal and Strategic Environmental Assessment (SA/SEA) has been undertaken, and has been used to help shape this document and its proposals. It is available to view as part of the supporting documents released by the Council that relate to this period of engagement on the new AAP. These are all available to view on the Council's webpages www.coventry.gov.uk/localplan
- 9.5 All responses should be submitted to the Council by 5pm on the 17th April 2015 and should preferably be submitted via email to: localplan@coventry.gov.uk

Alternatively written responses can be submitted to the following address:

Coventry City Council Planning Policy Department
 Floor 3, Civic Centre 4
 Much Park Street,
 Coventry
 CV1 2PY

City Centre Heritage

Coventry has its origins in the late-Saxon period when Leofric and Godiva, the Earl and Countess of Mercia, founded their Priory here. The City became an important centre of trade and industry and by the 14th century it had become England's fourth wealthiest city behind London, York and Bristol. Later in the 19th century Coventry became a major centre for engineering and the heart of Britain's motor industry.

Today despite substantial damage to the centre during World War II, the City still retains many of its major medieval buildings and other heritage assets. Within the AAP boundary there are 117 Listed Buildings including eleven Grade I buildings, 40 Locally Listed Buildings and 13 Scheduled Ancient Monuments.

There are seven Conservation Areas within the city centre (Hill Top, Far Gosford Street, Greyfriars Green, High Street, Lady Herbert's Garden and The Burges, Spon Street and the Coventry Canal) all of which have their own distinctive characteristics. The Areas are subject to an on-going programme to produce Conservation Area Appraisals and Management Plans to guide their preservation and enhancement. Many of the conservation areas suffer from poor settings and poor linkages with other areas of the city centre.

Owing to its medieval history, much of Coventry city centre has significant archaeological potential with extensive deposits surviving despite wartime damage and post-war re-developments. The Phoenix Initiative regeneration project undertaken between 1999 and 2002 excavated the medieval St. Mary's Cathedral Priory, the remains of the west part of the cathedral church are permanently displayed in a garden while the undercrofts were preserved and displayed in the basement of a new building with an associated visitor centre.

Reconstruction of the city centre began in the late 1940's following City Architect Donald Gibson's redevelopment masterplan. This included numerous revolutionary town planning concepts that were widely copied elsewhere including pedestrianised shopping streets, areas zoned by their function and a Ring Road. Much of the Gibson Master-plan can still be seen today, despite some unfortunate later additions which have spoilt its clarity. Several of the post-war buildings including the railway station, the swimming pool and the market are now listed for their historic and architectural interest.

Since the 1960s there has been a lack of significant investment within many areas of the city centre and a clearly identifiable and deliverable plan as to how the centre should develop in a way that is respectful of its heritage. However, since 2012 (coinciding with the city being an official venue for the summer Olympics) a programme of public realm improvements has been implemented with its most notable achievement being the pedestrianisation and redevelopment of Broadgate Square.

Policy CC1: Enhancement of Heritage Assets

- a. All development within, or affecting the setting of, a Conservation Area (as highlighted in Figure 2) shall preserve and enhance its character and appearance and adhere to the policies of the relevant Conservation Area Management Plan.
- b. All development relating to or in close proximity to heritage assets such as statutory and locally listed buildings, Scheduled Monuments, public artwork and non-designated heritage assets (Figure 2) shall be undertaken sympathetically to those heritage assets and seek to enhance their setting.
- c. Where new developments take place adjacent to the remaining sections of the Historic City Wall, opportunities to enhance the setting of the wall and to incorporate it into landscape design should be taken. Where developments take place on the site of the now removed City Wall archaeological excavation must be undertaken prior to development commencing. Opportunities to reflect the line of the Historic Wall should also be incorporated into such developments.
- d. Within Archaeological Constraint Areas and areas of archaeological potential (Figure 3), appropriate archaeological assessment will be required prior to the determination of a development proposal. Where significant archaeological remains are found they shall be recorded in a manner proportionate to their significance. Remains of high significance shall be preserved and protected.
- e. Development within the city centre primary shopping area must respect the principles and significant elements of the post-World War II reconstruction

Figure 2: City Centre Heritage Assets

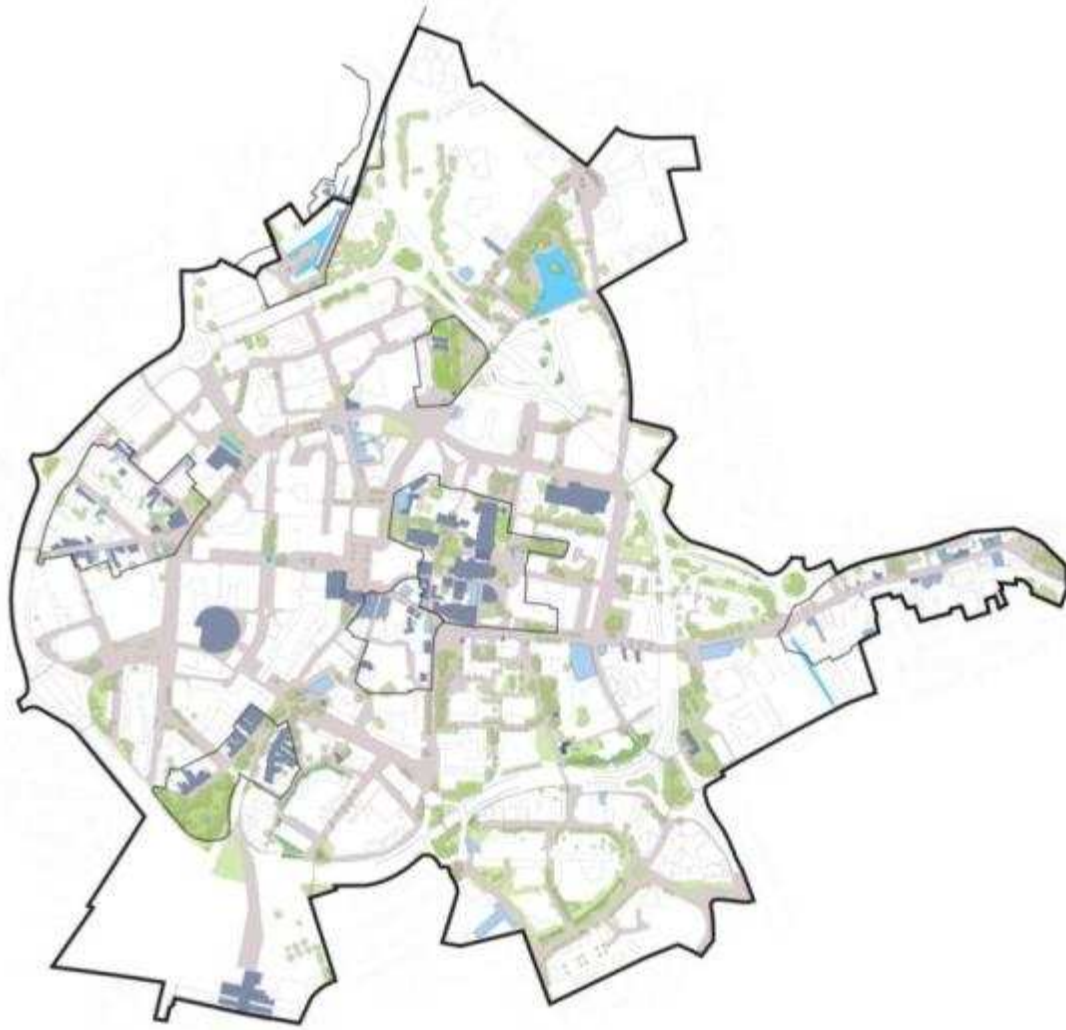


Figure 3: Areas of Archaeological Interest



NB: Areas outlined in red comprise areas of archaeological potential. The line of the former city wall is identified in brown.

The Built Environment

The city centre is the focal point of Coventry and is often perceived as a 'shop window' for visitors, investors, business and local people. Throughout history Coventry has often been at the forefront of pioneering urban design and public realm initiatives from the first pedestrianised shopping precinct to the construction of the Coventry Ring Road and more recently the introduction of shared spaces and new innovative buildings.

At a time when the city centre is facing significant change and redevelopment, it is imperative that the city continues to promote enhancements to the built environment, helping to provide the improved quality of space that will be essential to reviving the fortunes of the city's retail and leisure offer and to improve people's perception of Coventry City Centre. This section of the AAP will therefore provide an overview of design principles to provide a basis upon which to move forward with redeveloping the built environment of Coventry city centre.

Building Design

The NPPF recognises that good building design is an essential element of any townscape and forms an integral part of good planning. To ensure that new buildings within Coventry city centre positively contribute to an excellent built environment the following will need to be taken into account.

Building Massing

Monolithic 'slab' like buildings that wholly occupy the building envelope will not be acceptable. Any block/building will need to be articulated within these envelopes through varied storey heights and the projection and recession of elements along the elevations and above the roofline (for example with entrances and corners) to provide interest at both street level and on the skyline.

Furthermore, the massing of buildings and their positioning within the site footprint will need to have regard to supporting landscaping, with clear plans of hard and soft landscaping. This will ensure building lines or envelopes are referenced to defined spatial dimensions, with appropriate space for public realm routes and footways and green infrastructure as well as establishing strong frontages and clear views.

Proportion

The use of proportion on the façades can help break up the mass of the building and add interest. This should be done horizontally, by giving each building a base, middle and top e.g. emphasising the base/ground floor of the building through different materials and/or a greater floor to floor dimension than the rest of the building and emphasising the top floor of the building through a different material and/or set back etc. It can also be done vertically through (amongst other things) window size, location and rhythm etc.

Roof Design

The overall design of any roof will need careful consideration as again it can be used to break up the mass of a building and make for an interesting roofscape/silhouette. A 'plant zone' will need to be designed into the roof area to ensure that any plant can be screened from view so as to ensure that it does not spoil the final appearance of the building.

Block Depth

This will need careful consideration to ensure adequate levels of natural light penetrate the buildings. Conventional perimeter block development will allow for a deeper block depth as the central courtyard spaces will ensure there is day-lighting to both sides

Active Frontage

All elevations should, wherever possible, have active frontage at ground floor. This will allow for a positive relationship between the buildings and the public realm giving animation and dynamism to the elevations. It will also allow for overlooking and natural surveillance of the public realm.

Entrance Points

Entrance points should be clearly emphasised both in scale and form. This should be achieved by use of vertical elements which project beyond and above the building line, different façade treatments or larger openings in the façade. In order to reinforce the activity at ground floor, buildings will be expected to have more than one entrance, unless shown to be inappropriate for the end use.

Materials

The choice of materials will need careful consideration. They will need to be high quality, durable and sustainable. The use of a large palette of materials on large buildings as an attempt to disguise their mass and bulk is undesirable as this usually proves unsuccessful. It would be preferable to have a building where mass is broken down through architectural design and uses a smaller palette of high quality materials.

Signage

The location of the principal signage should be given consideration at an early stage so that buildings can be designed to comfortably accommodate it rather than it having to be 'retro-fitted' at a later stage.

Safety and Security

The security of staff, the buildings and the sites themselves needs to be taken into account from the outset of the design process. This is important as it will negate the need for expensive and possibly unsightly retro-fit measures at a later stage. This will also help to reduce the fear of crime.

Any boundary treatment will also need careful consideration and the use of palisade or chain link fencing will not be acceptable.

The Central Government publication 'Safer Places: The Planning System and Crime Prevention' gives detailed advice on safety and security issues.

Sustainability

New development must contribute towards the reduction of the city's carbon footprint. Buildings should therefore be designed to be more energy efficient and incorporate sustainable technologies, having regard to the Council's Delivering a More Sustainable City SPD. Recent developments within the city centre such as the new Severn Trent Water headquarters and new Coventry University buildings have successfully incorporated such measures while providing innovative design

Policy CC2: Building Design

- a. High quality design will be required for all new buildings with the criteria set out in the supporting text above forming an integral part of the building design process.
- b. All new buildings shall be sustainably designed to maximise energy efficiency and limit carbon emissions and the resultant impact upon the environment. Sustainable technologies should form an important part of this approach and should be incorporated wherever possible.

Public Art

Coventry City Centre has a strong legacy of public art, particularly from the post war period where public art formed an integral part of the redevelopment of the city. It is an important element in defining the character and identity of the city centre, be it landmark pieces such as the Whittle Arches or small more intimate pieces such as the Niad or historically important pieces such as the Coventry tapestry located in St Mary's Guildhall.

To build on this legacy, public art will be encouraged to be incorporated into buildings and public spaces. It will be particularly encouraged within and around public squares, parks and gardens, civic and cultural buildings, heritage sites, Coventry University, religious centres, leisure centres and business districts. Furthermore, public art will be encouraged along transport corridors, gateways and pedestrian and transport nodes.

Policy CC3: Public Art

- a. Public art should, where appropriate, form an integral part of the design process of any future development proposals.
- b. As an alternative to stand-alone pieces of public art, opportunities should be taken to incorporate this into the design of the buildings e.g. through the use

of artist/architectural glass or ironmongery etc. thus giving it more legitimacy and integrity.

- C. Established public art shall be retained in redevelopment proposals unless the benefits of its removal outweigh the harm of its loss. Where public art is lost replacement works shall be incorporated into new development unless robust justification is provided highlighting that this it is not viable.

Lighting

Carefully designed architectural lighting has the potential to enhance the appearance of important buildings and features including historic buildings and thus improve the experience of the City Centre during the hours of darkness. It can also define routes and boundaries, emphasise views and features and reveal or conceal buildings.

A number of taller and more prominent buildings within the City Centre have benefitted from the addition of architectural lighting which has added to visual interest during hours of darkness. It is however important that such schemes are designed in a way that does not result in unnecessary light pollution or have an adverse impact upon highway safety or the amenities of residents. Schemes should be designed so that during day-time hours the lighting apparatus is not unduly prominent and furthermore they should also consider energy use.

Within a development proposal lighting should be employed to create atmosphere and provide levels of light sufficient to give a feeling of safety and security in hours of darkness. Any lighting scheme will need to cater for vehicular users, pedestrians and cyclists.

Policy CC4: Lighting

Carefully considered architectural lighting proposals for new buildings and refurbishment of existing buildings will be encouraged to enhance the overall appearance of the City during the hours of darkness.

Public Realm

The public realm will act as an essential component in conveying the high quality environment the Council is seeking to achieve in the city centre – a series of high quality, well designed spaces linked by clear and legible pedestrian routes. Therefore high quality hard and soft landscaping will be expected throughout. A high standard of landscape design and boundary treatment will be required as part of the design of any development.

In order to demonstrate a high standard of landscape design the hard and soft landscape elements will need to be considered together and integrated from the outset in any public realm or other scheme design.

Soft Landscape

There are many opportunities to enhance the attractiveness of the city centre and its public realm with planting and other soft landscape elements for the benefit of environment, residents, workers and visitors to the city alike.

These may take the form of formal street tree planting, hedging, informal and native tree and shrub planting in green open spaces, native and ornamental shrub and perennial planting, edible plants, rain gardens and swales and other types of planting. There are also opportunities to integrate planting into the buildings themselves through the use of green walls and roofs, which is particularly valuable in areas of dense building development where planting opportunities at ground and/or connected into natural soils levels may be limited.'

Soft landscape elements that offer the greatest possible ecological and amenity benefits will be positively encouraged to ensure longer term aesthetic and environmental benefit. Soft landscape elements that are well connected with other green infrastructure will be preferred over isolated features because of their greater environmental and multifunctional benefits.

Hard Landscape

Hard landscaping will be an important element in visually and physically linking new developments with adjoining buildings and spaces as well as the wider city centre. It will be important in defining what areas are to be used by pedestrians, cyclists and vehicular users. Therefore it is vitally important that a small palette of materials are chosen that are:

- Durable;
- easy to maintain;
- complement those used on the buildings;
- are appropriate to the scale and use of the spaces; and
- are aesthetically pleasing.

Any hard landscape design should incorporate street furniture e.g. seating, signage, lighting columns, litter bins and cycle storage, as and where appropriate. The design should link to and compliment proposals for soft landscape treatments.

Policy CC5: Public Realm

- a. Where relevant, all development proposals will be required to integrate high quality soft and hard landscape designs.
- b. The palette of materials and street furniture for any development proposal will need to accord with the palette that already exists in the city centre and reflect the character of its respective quarter or adjoining landscaping where no distinctive landscape character exists.

Routes, linkages and gateways

Connectivity and Legibility

Coventry city centre is relatively compact with most of it being within a 10 minute walk from Broadgate (the perceived heart of the city). However many post war developments have made parts of the city centre illegible and difficult to navigate. This has occurred through:

- the placement of buildings severing direct physical and visual links either by physically blocking routes or squeezing them into alleyways or;
- their orientation backing onto pedestrian routes making them appear uninviting or giving the impression that they are not routes for the general public.

This can cause pedestrians to take longer, less direct routes than necessary or worse still can deter them from visiting parts of the city centre, which together can have adverse economic and social consequences.

Linkages

Coventry City centre has a number of high quality spaces and attractions which are enjoyed by locals and visitors alike. Unfortunately many of these spaces and attractions are isolated and poorly connected, meaning visitors to one do not always result in visitors to the others despite their close proximity.

In an attempt to start to address this, the City Council embarked upon a public realm improvement programme in 2010. Phase one of this programme included a multi-million pound transformation and pedestrianisation of Broadgate, a radical reconfiguring of the Gosford Street/Cox Street and Hales Street/Burges junctions, a facelift of Hertford Street and a transformation of the route from the railway station to Bull Yard.

Broadgate is the perceived heart of the city centre but until 2011 was dominated by an oversized road which ran around three sides of the space leaving a small public area in the middle which was flanked by two brick built grass planters. This meant that the usable public space was approximately a quarter of what was potentially available and the square lacked any real sense of place or arrival and the constraints made it difficult to hold events.

The removal of the road allowed for a radical transformation. It allowed the space to be pedestrianised which completely changed the sense of scale and proportion and created a real sense of arrival. This was further enhanced by the use of high quality materials (granite), street furniture, trees and architectural lighting. The result is a truly flexible civic space that feels like the heart of the city.

The Gosford Street/Cox Street and Hales Street/Burges junctions were radically redesigned, transforming what were multi-lane traffic light controlled junctions into non-priority junctions with no traffic signals and no dedicated turning lanes, which significantly reduced carriageway widths creating much wider footways. The angular geometry of the junctions combined with the use of red mastertint at the centre has helped reduce vehicle speeds and give pedestrians more priority when crossing. The widened footways with additional tree planting combined with the simplified and de-cluttered junctions has turned complex road intersections into high quality urban spaces.

The Station to Bull Yard scheme involved the closure of the inbound lanes of Warwick Road from the junction with Greyfriars Road past Bull Yard to where it becomes New Union Street and pedestrianising and landscaping the road space. The subway under Greyfriars Road was filled in and replaced with an at-grade zebra crossing. The route through Greyfriars Green was repaved and the lighting enhanced whilst the ring road flyover was repainted (underside) and fitted with architectural lighting. The subway to the station was filled in and replaced with an at-grade light controlled crossing. The result is a dramatically enhanced more legible and safer pedestrian route from the station to Bull Yard.

Hertford Street was decluttered and the canopy significantly improved. Architectural lighting was added to the link to Greyfriars Lane and the sandstone paving was deep cleaned throughout. The result is a brighter, clearer route with a stronger visual link to Bull Yard.

Alongside new developments and public realm enhancements there has been some improvement to connectivity between the Coventry University campus and the wider city centre. Through the on-going delivery of the university's masterplan opportunities should be taken to further enhance the way the university campus interacts with the wider city. This is of particular importance along the Gosford Street/Jordan Well/Earl Street corridor and around Coventry Cathedral.

These completed schemes combined with those that are currently on site or in the pipe-line have transformed a large part of the city centre and the City Council is actively seeking funds to undertake additional schemes. These include changes to the ring road, which is often seen as a physical and psychological barrier, This is with a view to creating safer, more convenient and attractive routes across it through:

- improvements to existing at-grade crossings and subways;
- improving existing bridges and constructing new ones and/or;
- replacing existing bridges and subways with suitably designed at-grade crossings.

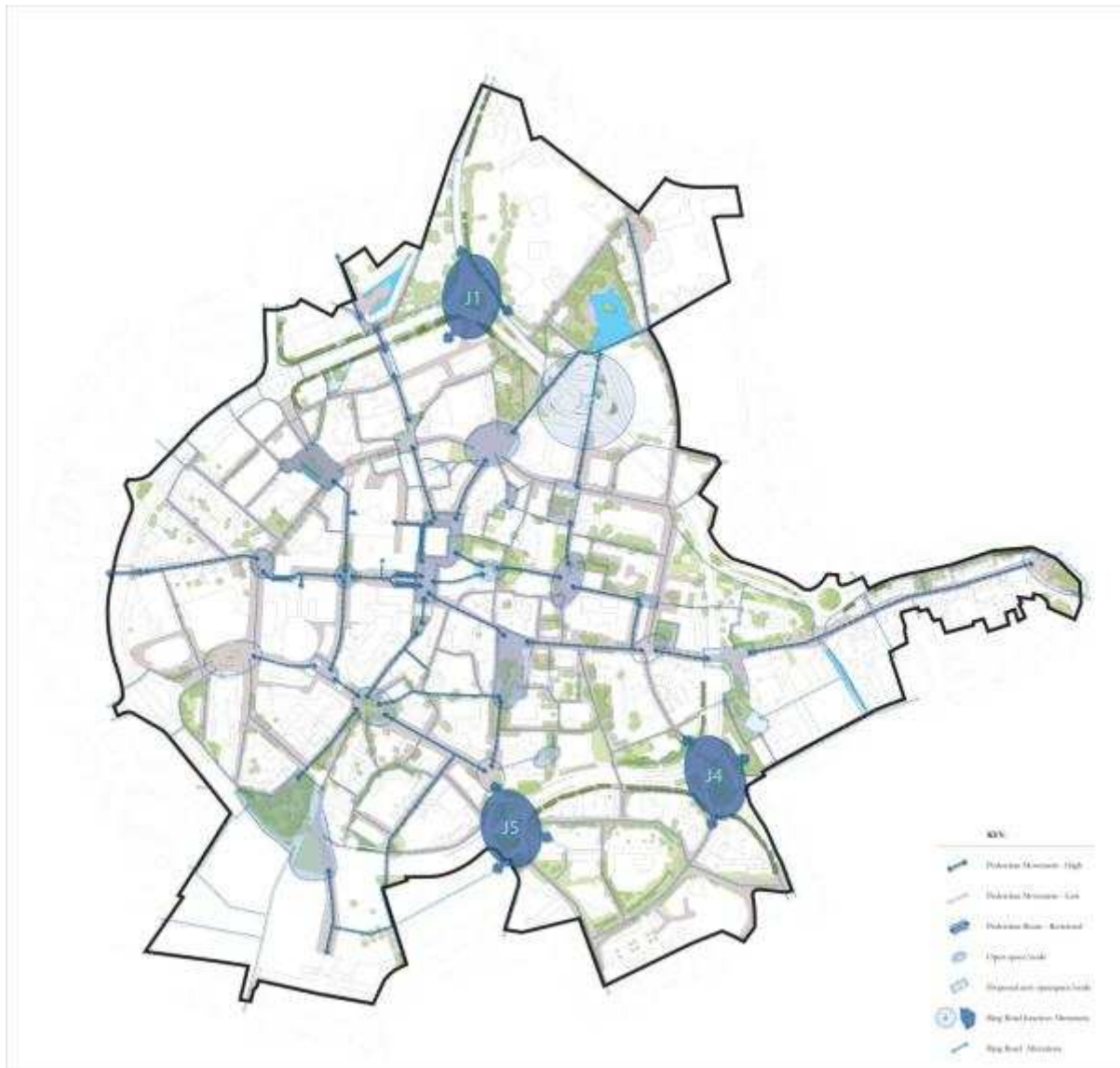
To support improved pedestrian routes, the enhancement of existing public spaces and the provision of significant new attractive and welcoming public spaces will be promoted and encouraged. Within these spaces and other developments within the city centre, opportunities should be taken to incorporate soft landscaping including tree planting to promote biodiversity and create a visually attractive environment. This is considered further in the public realm and green and blue infrastructure sections of this AAP.

Policy CC6: Routes, linkages and gateways

- a. Development proposals will be required to incorporate improvements to the significant routes and linkages as shown on Figure 4.
- b. Development proposals will be required to incorporate improvements to crossing the Ring Road to ensure enhanced connectivity between the city centre and the wider city and should reflect the priorities identified in the supporting text (above). This will be of particular relevance at:

- Ring Road Junction 1
- Ring Road Junction 2
- Ring Road Junction 4
- Ring Road Junction 5
- The Canal Basin crossing between Ring Road Junctions 1 and 9
- Connectivity between Parkside and Much Park Street

Figure 4: Key Routes and Linkages



Tall Buildings and Views of the Three Spires

The spires of St Michael, Holy Trinity & Christchurch have become synonymous with the image of the city – giving rise to the descriptive title of the ‘City of Three Spires’. They are a majestic sight on the skyline and an important link to the city’s medieval past.

The postwar building boom saw a number of tower blocks join the spires on the skyline and whilst many of these buildings added a sense of modernity and dynamism to the city, some, like Civic Centre 4, were to the detriment of the setting of the spires.

Given the importance of the spires to the city it is important that any additional large/tall buildings are carefully designed and located so as to ensure that the spires retain their rightful prominent position on the skyline.

Identified views of the spires

The APP identifies 14 views of the spires considered to be of high value. They are located on the edge of the city centre and, in the majority of cases, are on key routes into the city centre and offer a strong and extended view of one or more of the spires. See figure 5.

The identified views are as follows:

1. Foleshill Road
2. Stoney Stanton Road
3. Swanswell Pool
4. Sky Blue Way
5. Far Gosford Street
6. London Road
7. Parkside
8. Mile Lane
9. Quinton Road
10. Manor Road footbridge and Friars Road
11. Spencer Park & footbridge
12. Upper Holyhead Road
13. Upper Hill Street & footbridge
14. St Nicholas Street

Each of these views has its own particular characteristics, but they are all dynamic in nature with the view of the spires (the number and proportion visible and their location) changing considerably along the length of the views.

The strength of these views depends on a number of factors:

- whether they are viewed on foot or in a vehicle;
- the time of day, with the image of the spires changing dramatically from hours of daylight to night-time when they are lit by architectural lighting;
- the time of year – the spires become more visible on certain routes when the trees are not in leaf and;

- the weather conditions – the spires stand out boldly against a clear blue sky as opposed to overcast weather conditions.

Policy CC7: Tall Buildings

The location of proposed tall buildings will be considered in relation to the views of the three spires, with development proposals reflecting the view cones identified on plan.

Further guidance will be provided in a Tall Buildings SPD.

Figure 5: Key View Corridors of the Three Spires



The Natural Environment

Historically developments within Coventry city centre have focused more on its built form than the natural side of its environment. For example the braded river sections of the River Sherbourne and its tributaries were culverted to make way for roads and buildings. Given the dense urban environment that has developed across the city centre there have also been limited opportunities for urban green space, whilst the Ring Road and poor connectivity between public spaces has meant the green and blue parts of the city centre have become isolated and peripheral. In recent years, as part of the city centre public realm works opportunities have been taken to introduce new green spaces around Holy Trinity Church and Council House square for example. The on-going works around Greyfriars Green will also increase the size of the green and improve its connectivity towards the railway station. Furthermore, the city as a whole has become an Air Quality Management Area, with a particular focus around the city centre and a need to improve air quality and the wider natural environment. This has also formed part of the Council's Public Health agenda, with a view to making the city centre a more pleasant and healthier environment within which to live and travel.

This section of the AAP will therefore provide an overview of how the city centre's natural environment needs to improve and will provide a clear basis for how such improvements can support and compliment the expected redevelopment opportunities within the built environment.

Green and Blue Infrastructure

The term green and blue infrastructure refers to a strategic network of green and blue spaces, such as parks, amenity landscaping, ponds, canals and rivers, and the links between them.

A high quality and well-connected network of green and blue infrastructure assets has the potential to make the city centre a more attractive proposition for external investors and local people. As such, green and blue infrastructure should, where appropriate form an essential element in:

- Improvements to existing pedestrian routes;
- the enhancement of existing public spaces;
- the provision of new public spaces and pedestrian routes; and
- increasing levels of physical activity.

As part of this process, the provision of soft landscaping, including tree planting to promote biodiversity and create a visually attractive environment will be promoted. 'Greening' of the Ring Road will also be supported where highway safety is unaffected through the introduction of vertical planting such as green walls and climber structures to supporting walls and bridges in order to enhance the appearance of the City Centre and to offer screening opportunities.

In recent years the city centre has seen the introduction of new green spaces around Holy Trinity Church and Council House Square, as well as temporary pocket parks at Cox Street, Corporation Street and Hales Street. These new provisions have all

helped to complement existing green and blue infrastructure within the city centre, including Swanswell Pool, the Canal Basin and Greyfriars Green.

Notwithstanding, Green Infrastructure within the city centre remains fragmented, and has been delivered in more of a piecemeal fashion over time. Indeed, quite a large proportion of green infrastructure is vegetation around buildings and site boundaries, which is positive as it adds a greener feel to the city centre, but does lack the necessary elements for a more urban and structured feel. As a result there is a need to consider green infrastructure in more of a holistic context, to support the establishment of local biodiversity networks. This will generate environmental benefits as well as helping to guide routes, enhance views and create usable green spaces and links beyond the city centre. The proposed green spine coupled with the greening of the Ring Road, will support this.

Given that the level of planned development in the city centre is expected to result in an increased density of development and therefore protecting, enhancing and increasing green and blue infrastructure is particularly important. The 2011 Green Infrastructure Study suggested a set of Green Infrastructure Standards for greater levels of sustainable development. The evidence recommended:

- Green infrastructure should be considered in the same manner as any other form of infrastructure servicing new development, and should be an essential component of all developments;
- New green infrastructure associated with development should connect into site level and local green space networks which should in turn connect into the city-wide network;
- All developments should include, green infrastructure elements, including SUDs⁵, urban trees and green roofs, which deliver multiple sustainable benefits to the urban environment through their natural processes.

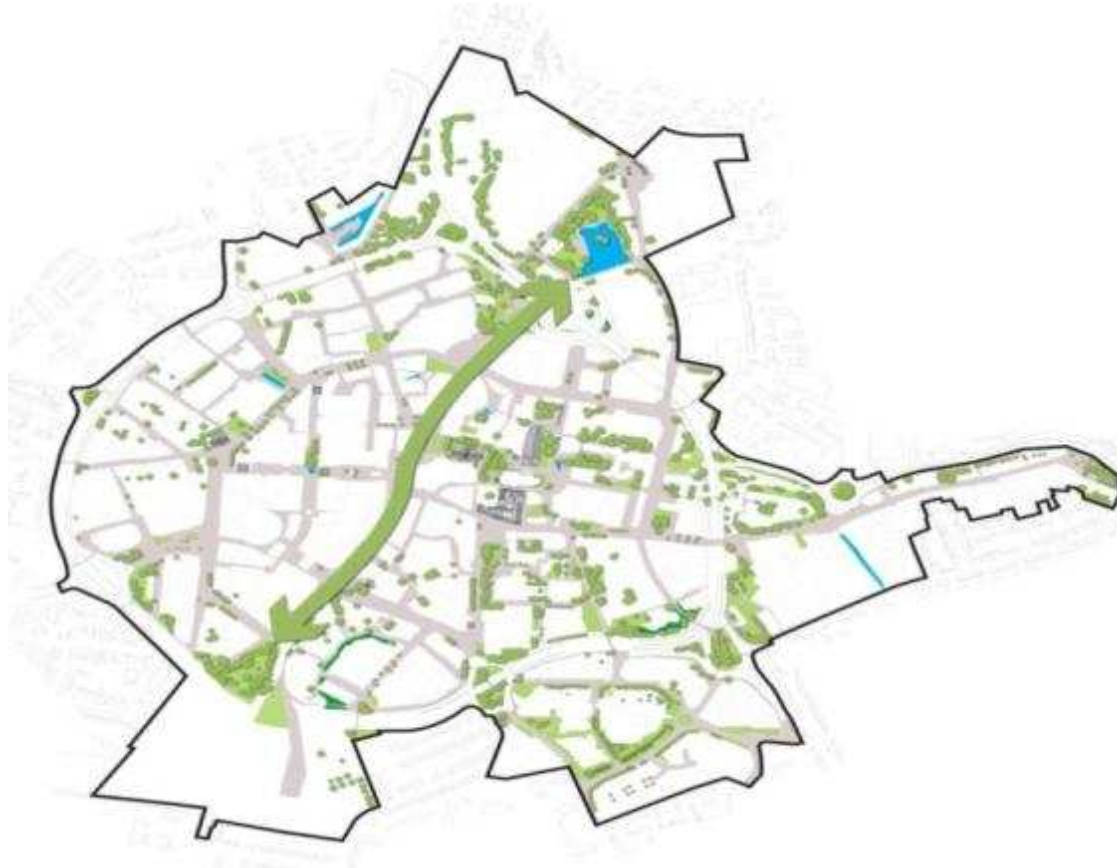
Policy CC8 – Green and Blue Infrastructure

- a. New development will be expected to maintain the quantity, quality and functionality of existing green and blue infrastructure. In line with the city's Green Space Strategy and Local Flood Risk Management Strategy, development proposals should enhance blue and green infrastructure, and create and improve linkages between the quarters. Any development which is likely to adversely affect the integrity of a blue or green corridor will be required to be robustly justified and where appropriate, mitigation measures put in place.
- b. Developments adjacent to the Ring Road should maximise all opportunities to develop the greening of vertical surfaces as far as reasonably possible. Opportunities to add greenery to the area on a north-south axis through the city centre, defined on figure 6 as the 'Green Spine', will generally be encouraged and supported.
- c. Trees that contribute towards public amenity shall be retained and protected unless they have a short life expectancy (less than 10 years), are dangerous

⁵ Sustainable Urban Drainage Systems

or the benefits of their loss significantly outweigh the harm that would be caused by their retention. Where trees are lost, notable replacement planting must be provided.

Figure 6: The Green Spine



Water Quality

The vast majority of the city centre watercourses are currently within culvert, most notably the River Sherbourne. This AAP has already identified an aspiration to explore opportunities to deculvert lengths of the River Sherbourne, most notably around Fairfax Street. This presents its own issues however and will need to be considered in greater detail as part of wider regeneration opportunities in this part of the city centre. An alternative to deculverting could be a recreation or representation of the river channel, which could help form part of a Sustainable Urban Drainage System (SuDS). Although some SuDS features are not always appropriate in areas of ground contamination, opportunities should be taken to explore these within the city centre, not only around Fairfax Street but the centre as a whole.

In addition to the culverted river sections, the city centre hosts Swanswell Pool and the Canal Basin as its other notable water bodies. Development in these areas will need to provide a positive reflection of these areas and where appropriate enhance water quality.

Drainage & Flood Risk

In the national context the risk of major scale flooding in Coventry is low. The city area is not low lying when compared nationally and is not subject to Tidal Surge River Flows. However, there are some areas of the city which are more susceptible to flooding from rivers and surface water, following heavy or prolonged rainfall. There is no evidence of major flood flow paths that could result in deep, fast flowing water within the city centre, but the existence of undulating terrain, basements and underground car parks means that during intense rainfall, some shallow ponding might occur. The widespread nature of this shallow ponding could cause damage to many commercial premises owing to the accessibility requirements typically needed for town centre retail. The second flood risk of scale to the city centre is from the River Sherbourne and the significant residual risk of blockage.

Flooding can never be completely prevented, but the frequency of flooding and impacts upon the communities can be largely reduced. Local flooding is becoming increasingly common due to the impacts of climate change on weather patterns and it is important to address this risk in Coventry. Historically, flood risk management has concentrated on high impact and often low frequency flood events.

When development occurs within the city centre it should seek to deliver open sections of water on the watercourses. This will enhance the overall potential of water to create a more harmonious and attractive environment thus providing a benefit to all users and attracting private investors to the city centre.

The city centre lacks water features and the ring road acts as a barrier to features such as Swanswell Park and the Canal Basin. Water within city centres such as a Rivers, Canals, designed water features or lakes are widely considered to be attractive and deliver amenity value. Therefore, where financially viable, opportunities to de-culvert existing historic watercourses or introduce new water channels and SuDS features into the city centre will be welcomed and supported, where appropriate. This should be undertaken in line with the national guidance in 'Making Space for Water'.

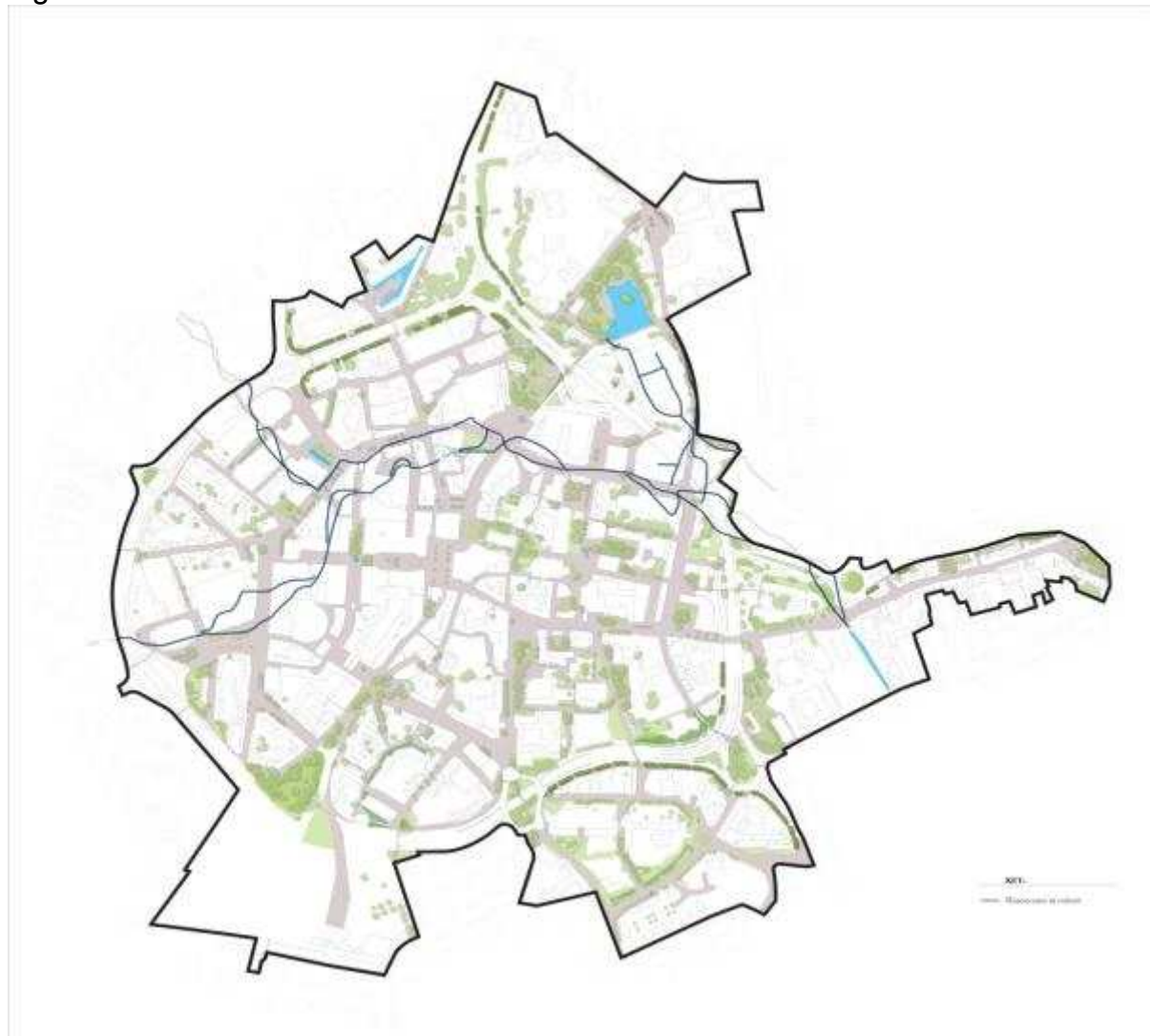
Any new development will require the production of a Flood Risk Assessment. This assessment will need to consider the flood risk from the all sources and residual flood risk. This is to ensure that flood risk to and from all developments is appropriately considered. Through appropriate assessments the impacts of current and future flood risk must be reduced.

Policy CC9: Drainage & Flood Risk

- a. Development shall be designed and located to minimise the risk of flooding and if permitted development, be resilient to flooding. The opportunity must be exercised to maximise the absorption of surface water run-off by the ground. Sustainable Urban Drainage methods shall be incorporated into new developments including treatment for water quality.
- b. When development occurs, a Flood Risk Assessment will need to be produced to appropriately consider the risk of flooding from all sources.

- c. When development occurs, it must consider the evidence in the Local Flood Risk Management Strategy, Surface Water Management Plan and Strategic Flood Risk Assessment. This includes all sites being treated as a Greenfield site when calculating permissible discharge rates.
- d. When development is proposed it should utilise water use reduction systems such as grey water harvesting to reduce the water usage within the proposed developments.
- e. Where a development proposal lies adjacent to the existing de-culverted river Sherbourne, a natural sinuous river channel should be retained. Consideration should be given to remove culverts along Fairfax Street as shown in Figure 7 in order to create multi-functional green/blue spaces or consider opportunities to create a water channel that respects the alignment of the River Sherbourne.

Figure 7: Watercourses



Environmental Management

Environmental Issues can take many forms and include: pollution of water, air or land; and pollution through noise, dust, vibration, smell, light, heat or radiation. These issues may also have an impact on health and wellbeing.

Within city centres, such issues can be amplified due to the higher density of development, concentration of vehicles and relatively less green and blue spaces, unless they are well controlled through suitable mitigation. Coventry's city centre is no different and has its own specific issues to consider including:

- the relationship between new developments and the Ring Road, most notably in relation to air quality and noise;
- pre and post war development legacies and the uncertainty that resides around ground conditions; and
- the interaction of competing and complimentary uses within new and existing development, including noise and odour extraction.

Having regard to these issues new development must be designed to minimise environmental impacts within the city centre and ensure that any impacts such as air quality and noise are appropriately considered and mitigated. Schemes will also need to have regard to the wider policies in the Local Plan.

Air Quality

Coventry is now designated an Air Quality Management Area (AQMA) for nitrogen dioxide, which is the main air quality concern within the city centre and the city as a whole. The source of nitrogen dioxide is the burning of fossil fuels, with vehicles and traffic congestion having the most notable impacts. Of particular concern here will be new developments adjacent to the Ring Road or alongside concentrations of public transport stops, such as Pool Meadow and Corporation Street, which if not designed in an appropriate way could have significant impacts on public health.

In this context new developments will need to have regard to the West Midlands Low Emissions Towns and Cities Guidance (WM LETC Guidance), which places greater focus on mitigating air quality impacts from development through a range of options. This can include an increase in active travel and investment in low emission vehicles and the infrastructure to support them.

Coventry is entering a period of significant redevelopment within its city centre, and it is during such phases that attention will need to be given to the creation of excessive dust and dirt created during the construction processes. As part of the planning process new development proposals will need to adhere to a construction environmental management plan (CEMP), which will assist in mitigating these concerns.

The emerging Local Plan has already identified opportunities around the Council's heat line project. This scheme looks to provide a sustainable source of energy to city centre buildings through the creation of heat from waste. In recent years significant investment has been made to introduce the necessary infrastructure to support heat line within the City Centre, helping to reduce the reliance on fossil fuels and support

the reduction of the city's carbon footprint. Opportunities to connect to the heat line network, or introduce other renewable energy systems within the city centre should be a key priority within new city centre developments.

Contaminated land

Historically the city centre has been a focal point for industry and manufacturing including cycles, motor cars and textiles. Areas that are now occupied by the Parkside Technology Park, Ikea and The Sky Dome are prime examples of such activity.

Any new development or redevelopment of existing sites within the city centre will require an investigation into the quality of the underlying soils and waters and where necessary an appropriate level of remediation to ensure the land is fit for its proposed use and will not pose a risk to future users of the site.

Of similar concern is the significant level of bombing experienced within the city centre during World War 2, which has left a legacy of unexploded ordnance. The key problem with this part of the city centres legacy is that there are no records of where unexploded bombs are beneath the ground, or how bomb damaged buildings were cleared and rebuilt in the post war period. As a result it is only as part of the development process that such legacies can be uncovered.

Noise and Vibration

As focal points for a wide range of leisure, commercial and community provisions, city centres are often noisy and vibrant. Coventry city centre is no different and as redevelopment takes place, improving the quality of the built environment and increasing the centres offer, it will inevitably result in increased noise and increased issues. Of particular focus must be the need to strike an appropriate balance between competing and complimentary uses. Where developments are 'mixed use' in nature the types of uses will need to be carefully considered, especially where residential or quasi-residential provisions are being made.

Night-time entertainment in particular is often considered a 'bad neighbour' to residential developments, not just in terms of noise, but bass vibration as well. Any new development must ensure sufficient noise insulation is installed to mitigate these impacts. As such, new residential provisions will generally be discouraged in areas of existing night time entertainment (and vice versa) to minimise risks to established business, unless satisfactory mitigation measures can be demonstrated.

Odour Extraction

Designated centres are often focal points for commercial premises such as restaurants and hot food takeaways. Coventry city centre is no different and is becoming an increasingly popular place for the provision of such uses. Where new restaurants and/or takeaways are provided within the city centre consideration must again be given to the impacts this could have on adjoining uses, most notably in terms of odour control in this instance. As such, all food premises will require an odour extraction system tailored to the nature and location of the premises to prevent

nuisance from odours. This will also include sufficient mitigation to prevent noise and vibration nuisance from extraction flues.

Heat and lighting

The provision of appropriate architectural lighting and new street lighting is to be promoted alongside new city centre developments. This has previously been considered in the relevant section of this AAP. In promoting such uses however the location and brightness of lighting must give consideration to buildings and uses and mitigate any possible impacts.

The provision of new green infrastructure within the city centre is detailed in Policy CC8. The continued provision of green space and where appropriate blue infrastructure, which help to reduce the urban heat island effect, whilst also having positive impacts on public health.

Policy CC10 – Environmental Management

New development must be designed to minimise environmental impact within the city centre and ensure that any impacts of pollution are appropriately considered and mitigated. In doing so new development schemes (including conversions and changes of use where appropriate) must ensure that:

- I. All construction and demolition schemes adhere to a construction environmental management plan which must be submitted to and approved by the council before works commences. The CEMP must specify how the developer will mitigate noise and dust emissions from the works.
- II. All opportunities to connect to heat line or implement renewable energy generation have been explored and included as part of new development unless shown to be unviable or inappropriate.
- III. Ground contamination needs have been assessed and remediated using the Environment Agency Model Procedures for the Management of Land Contamination (CLR11).
- IV. Proposals for site investigation and remediation schemes (where appropriate) utilise appropriate risk assessment and are approved by the Council in advance of development. Such measures should ensure that sites are 'fit for purpose'.
- V. New residential and commercial development schemes and the introduction of fixed plant machinery have been designed to meet internal and external noise levels specified in BS4142 and BS 8223, or subsequent replacement standards.
- VI. Appropriate odour extraction systems are incorporated where the sale / preparation / consumption of food takes place within the relevant buildings.

- VII. Appropriate consideration has been given to the West Midlands LETC Air Quality guidance (or replacement guidance) and necessary mitigation measures incorporated into schemes.
- VIII. Have regard to other relevant policies within this City Centre AAP and its supporting documentation.

Parking

Accessibility and the provision of adequate and high quality parking provisions have an important role to play in meeting the needs of local people, workers, city centre customers and investors. If people cannot easily access the businesses, shops and services they need, the economic prosperity of the city will stagnate.

Throughout the city centre there are a range of transport options to meet varying customer needs. The provision of appropriate parking plays an important role in meeting the needs of all who use Coventry's highway network, from cyclists and car drivers to coaches and delivery vehicles. Parking supports the regeneration of the city and the expectations of its residents and visitors. This Area Action plan will enable parking provision to be considered in the context of future city centre regeneration and economic prosperity which will support the local economy, shopping, leisure, tourism, accessibility and social inclusion.

Whilst this City Centre Area Action Plan is a key driver for investment and economic prosperity, other documents discuss the importance of parking provision in Coventry. Parking supports the themes and objectives of a range of other strategies:

- The City Council's Corporate Plan;
- West Midlands Local Transport Plan;
- Emerging Coventry Local Plan;
- Emerging Coventry Transport Strategy (including the Coventry Cycling Strategy);
- Coventry Network Management Plan;
- Coventry Parking Strategy; and
- Civil Parking Enforcement Policies.

High quality parking situated in appropriate locations throughout the city centre will also support objectives in the Coventry and Warwickshire Strategic Economic Plan (SEP).

Car Parking

There are currently 21 public car parks providing approximately 3,000 parking spaces. These range from small short stay, to large long stay car parks. There are currently a total of 10 long stay car parks owned and managed by the Council, although the Christchurch car park is only for public use at weekends. These range in size from Cheylesmore with 44 spaces to New Union Street multi-storey with 240 spaces.

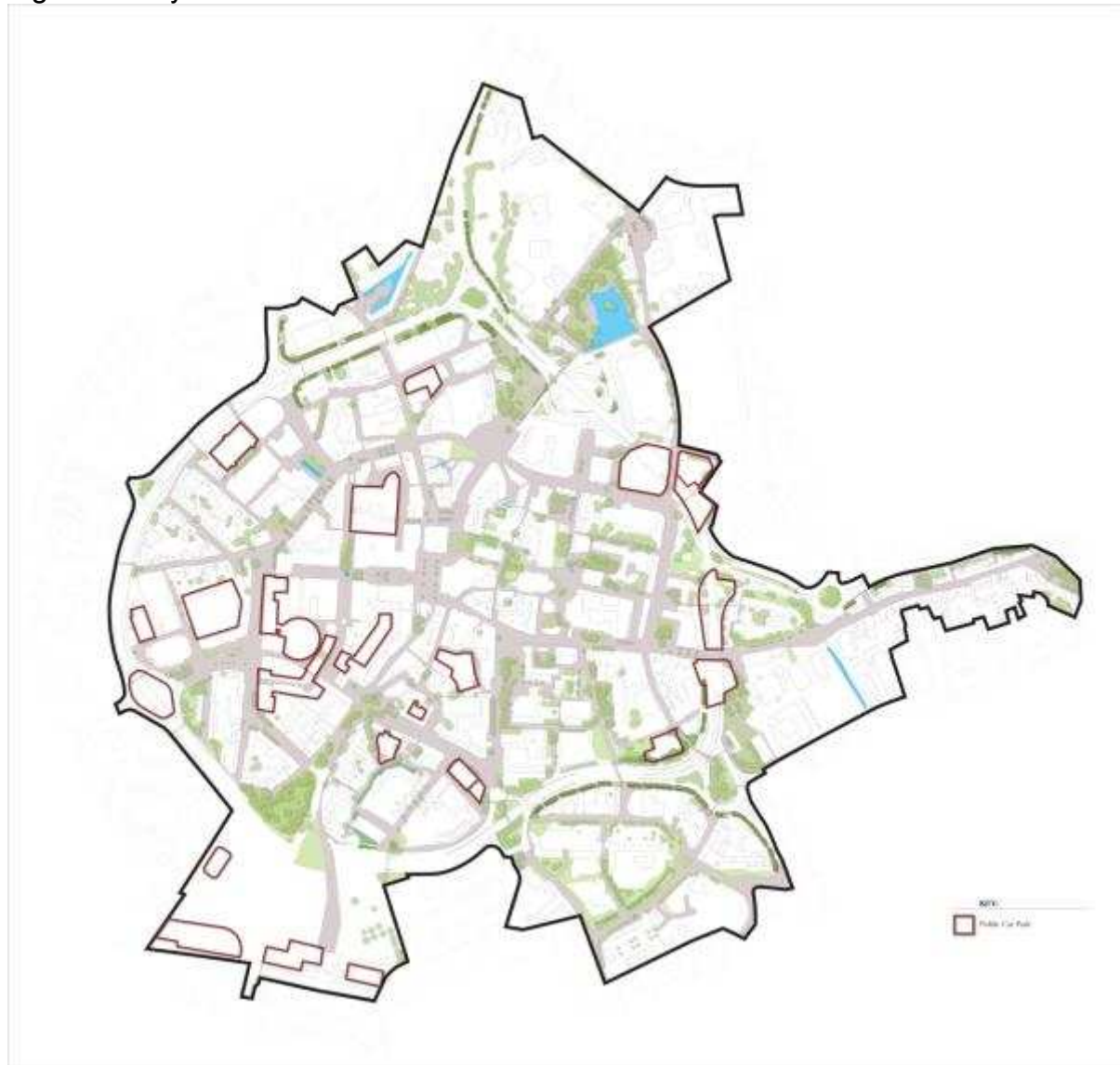
The Council owns and manages a total of 7 short stay car parks ranging from Far Gosford Street with around 30 spaces to West Orchards with around 630 spaces. In addition to those owned by the Council, there are 4 large privately owned and managed car parks in the city centre which cater for both short and long stay public parking. These are primarily located on the edge of the city centre, near key retail and leisure uses such as the Sky Dome and Belgrade Plaza.

This chapter provides a set of principles to direct the provision of public car parking in the city centre. Major shopping, business and leisure redevelopment proposals will affect the type, amount and location of existing and future parking provision.

Developing Car Parking Provision

Parking provision will be easily accessible from the Ring Road and will provide for both short stay and long stay visitors. Existing levels of provision should be maintained, however; reconfiguration of existing car parks will be required to ensure demand is met in the right location. Proposals for the redevelopment of some existing surface level car parks will, where appropriate, be encouraged so long as the overall level of parking provision is maintained. Any reduction in existing provision must be clearly justified and shown to have an acceptable impact on the performance and accessibility of the city centre.

Figure 8: City Centre Car Parks



Additional maps of city centre parking services are available in the Council's draft Car Parking Strategy (2013).

Table 4 and 5 (below) set out existing car park provision across the city centre and consider its initial suitability for alteration or redevelopment to other uses.

Table 4: Long Stay Council Owned and Managed Car Parks

Location	Spaces	Redevelopment Opportunity	
Bishop Street	105	Yes	Future redevelopment opportunities as part of Bishop Street regeneration area.
Cheylesmore	44	No	Potential for the creation of a multi-storey.
Christchurch House	90	Yes	Potential for redevelopment as part of future leisure centre complex.
Gosford Street	171	Partially	Reduction in capacity as part of public realm works between Coventry University and Gosford Street
Grove Street	158	Partially	Heat line scheme has resulted in the reduction in capacity of this car park
Lower Ford Street	168	No	Limited redevelopment opportunity due to the ring road.
Manor House	70	No	Limited opportunity for redevelopment.
Moat Street	140	No	No opportunity for redevelopment due to the ring road.
New Union Street	241	No	Existing multi storey car park.
Whitefriars Street	134	Yes	Existing development allocation.
	1321		

Table 5: Short Stay Council Owned and Managed Car Parks

Location	Spaces	Redevelopment Opportunity	
Far Gosford Street	30	Yes	Redeveloped as part of the Far Gosford Street regeneration scheme.
Leicester Row	82	Yes	Appropriate development will be encouraged.
Barracks	461	Yes	New provision will be made as part of the City Centre South Scheme.
Cox Street	319	Yes	Redevelopment as part of a wider Fairfax Street regeneration area.
City Arcade	234	Yes	New provision will be made as part of the City Centre South Scheme.
Salt Lane	159	No	Potential for the creation of a multi-storey.
West Orchards	630	No	Remains as existing
	1915		

As part of the City Centre South scheme, the existing Barracks and City Arcade car parks will be redesigned and incorporated into the development. In order to address the loss of this parking provision and any other sites that are lost as a result of any development of existing surface level car parks, it will be necessary to create additional capacity in accessible and sustainable locations through the development of multi-storey parking.

Coventry is a national pilot for driverless technology and in partnership with international companies situated within and around Coventry is embracing the concept of an electric city. As such, parking and charging provision for electric vehicles has been trialled across Coventry for some years and further opportunities to expand this network will be supported. Such initiatives help to support improvements in air quality and should have regard to the requirements of the West Midlands LETC guidance on electric vehicle parking provision.

In recent years the council has made significant improvements to the city centre's on street parking offer and will continue to promote metered on-street parking as part of further public realm improvements. The creation of residents parking schemes will continue to review, where it is considered appropriate and supported by residents.

The council is also committed to developing a new Car Park Signage Strategy, which will help guide local people and visitors around the city centre and to the most suitable parking provision.

Bus and Coach Parking

Provision for Bus and coach parking will be provided in Pool Meadow Bus station and at a new transport interchange at the railway station, which is to be developed as part of the wider Station masterplan. The current coach park at White Street is expected to provide an ideal redevelopment opportunity subject to alterations to junction 2 of the Ring Road.

Cycle Parking

In order to support and encourage active travel, the provision of adequate and appropriate cycle parking will be promoted throughout the city centre, and should form an integral part of new development schemes. Opportunities for pay to use bikes will be explored within the city centre, similar to schemes currently operational in London. Further guidance on specific cycle parking requirements can be found in the Delivering a more Sustainable City SPD (2009).

Policy CC11

- a. **Proposals for the redevelopment of the following existing surface level car parks will be encouraged as part of the wider regeneration of the city centre. Schemes will be encouraged that complement existing nearby uses and designs in those specific quarters.**
 - **Bishop St Car Park;**
 - **Whitefriars St Car Park;**
 - **Far Gosford St Car Park;**
 - **Leicester Row Car Park; and**
 - **Cox St Car Park.**

- b. Proposals for the redevelopment of White Street Coach Park will be encouraged, where linked to amendments to the Ring Road.
- c. Proposals to redevelop/re-configure Salt Lane and Cheylesmore surface level car parks to a multi-storey format will be encouraged.
 - Salt Lane car park should be sympathetically designed to take account of its conservation area surroundings, specifically the Grade I listed Ford's Hospital site.
 - Cheylesmore car park should, where possible, be linked to the existing multi-storey car park at New Union Street, which in turn would allow for an improved design of the existing New Union Street car park.
- d. Proposals for multi-storey car parks in the Technology Park Quarter and Fairfax Street Regeneration area will be encouraged. The council will work with partners to encourage public and private usage at appropriate times.
- e. Proposals for further new multi-storey public car parks will be supported, provided they are of good design, are accessible by a short drive from the Ring Road, are justified in terms of the number of spaces provided and ensure an appropriate relationship with adjacent buildings and uses.
- f. Suitable proposals for parking in the Friargate quarter will be encouraged, subject to appropriate design and suitability to the surrounding area. Where appropriate, opportunities for shared public and private parking will be explored.
- g. The provision of new surface level car parking will not be supported within the city centre unless its provision is to support the implementation of longer term regeneration schemes. In such cases surface level provision will only be allowed on a temporary basis.
- h. New cycle parking provision should be delivered as part of new developments within the city centre. This should be in conformity with the requirements in the Developing a More Sustainable City SPD, or replacement document.

The City Centre Quarters and Regeneration Areas

Historically Coventry city centre has developed around specific zones or quarters, with related uses grouping together to support viability and vitality of such uses. As a result 9 specific quarters have been identified that promote similar characteristics, primarily in terms of their uses and functions, but in some cases through design also.

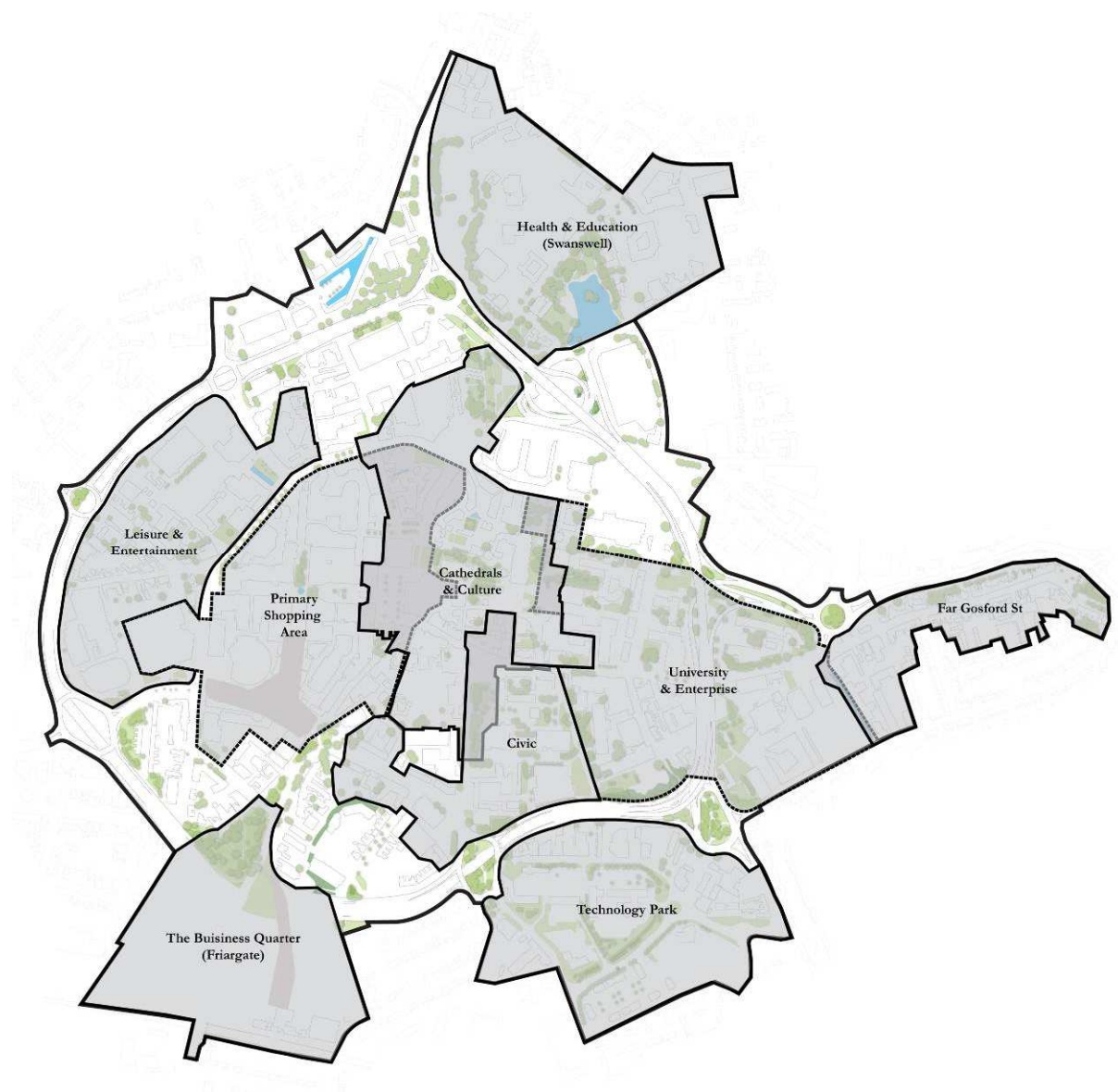
The following chapters of this AAP will explore these quarters and provide policy guidance for their future development.

In addition a further 3 areas within the city centre will be discussed. The first two of these will focus on significant areas of regeneration opportunity towards the northern half of the city centre. These two areas present little historic characteristics and are widely recognised as areas of significant redevelopment opportunities. The third area is situated to the south of the city centre and primarily consists of residential and commercial provision. Much of this area is well developed, and is unlikely to experience much change over the plan period. There may however be opportunities for limited infill development and changes of use.

Each quarter will be presented alongside clear maps identifying routes, linkages, heritage assets and redevelopment opportunities.

Figure 9 below highlights the city centre quarters:

Figure 9: The City Centre Quarters



- Please note that some quarters overlap. When considering development opportunities within the city centre care should be taken to ensure all appropriate policies are considered.

The Business Quarter - Friargate

Exciting and significant change is expected within this quarter over the plan period. The area, spanning 15 hectares (37 acres) lies predominantly to the south of the inner Ring Road Junction 6 although includes the Ring Road junction itself and the Greyfriars Green Conservation Area.

The area is bounded by Grosvenor Road to the west, the railway line to the south and Manor Road to the east, whilst Warwick Road runs north-south through the centre. The area is currently home to:

- Coventry Railway Station and associated multi-storey and surface car parking;
- commercial outlets to the eastern side of Central Six Retail Park;
- dated office accommodation within two large tower blocks and lower level offices;
- Grosvenor Road public surface car park; and
- a vacant development site that was previously the home of the local Tax Office.

Friargate is a bold, major mixed use development which will provide up to 300,000 m² of floor space over the plan period, of which 185,000 m² would be office space. Granted outline planning permission in 2011⁶, a total of 25 new buildings are planned for the site, including 14 high quality new office buildings, two hotels, residential accommodation, leisure facilities and new retail floor space, although the latter must be considered within the context of its impact on the Primary Shopping Area. The first of these new buildings will be completed in 2016 and will provide the new central office for the City Council as part of its building consolidation programme.

As part of these proposals the Friargate area will become the focus for new job creation and economic growth within the city centre. It is expected to generate significant employment opportunities and will stimulate substantial inward investment with more than 13,000 new jobs to be created and approximately 8,000 jobs during construction.

To support this economic investment and promote sustainable transport, plans have also been prepared to expand Coventry railway station with new platform provision to support the NUCKLE⁷ project. This seeks to enhance local rail provision between Coventry and its neighbouring towns to the north and south of the city⁸. In addition to enhanced rail provision further public transport improvements are planned including a new rail/bus interchange around Warwick Road.

The Friargate proposals seek to provide vibrant streets with active ground floor uses and improve key pedestrian and cycle routes from the area to other parts of the city

⁶ planning reference: OUT/2011/0036

⁷ Nuneaton, Coventry, Kenilworth, Leamington rail upgrade project – known as NUCKLE

⁸ This includes new stations at Kenilworth, The Ricoh Arena and Bermuda Park as well as enhanced service provision to Leamington, Bedworth and Nuneaton.

centre. New high quality public spaces will also be created and improvements will be made to Greyfriars Green.

As part of these improvement works, major infrastructure works are already underway including the re-design of Ring Road Junction 6. This will include the removal of the roundabout and the building of a bridge deck across the Ring Road to allow the creation of a new and attractive public boulevard. This will improve the connectivity between this area and the wider city centre and extend Greyfriars Green into Friargate. These works will remove the physical and visual barrier of the Ring Road which currently isolates the Railway Station and surrounding area from the city centre. This will help to bring the Friargate development and Railway Station much closer to the heart of the city centre and to the retail core of the city (including the City Centre Couth major retail development).

Policy CC12

- a. Development proposals within this area must be informed by the approved Masterplan (as identified in the supporting text or any approved amendment thereafter).
- b. The business quarter will be the primary location within the city centre for new office development. As such, at least 185,000sq.m of office space is to be allocated within this area.
- c. The provision of A1-A5 retail floor space will be allowed as part of mixed use buildings and to support the creation of active frontages. Any individual unit should not exceed 500sq.m gross and should not be of a scale that would cause inappropriate competition with the Primary Shopping Area.
- d. Within the business quarter an allocation is to be made for the provision of at least 400 new homes
- e. Other uses that are considered acceptable within the business quarter include:
 - Leisure and recreation uses, including hotels;
 - Social and community uses;
 - New multi-storey car parking; and
 - Provisions for public transport infrastructure
- f. Improvements to and expansion of the Coventry Railway Station will be supported so long as it does not negatively affect the listed building.
- g. Greyfriars Green will continue to be protected as a conservation area and an important 'green' asset to the city centre. Any development proposals that would erode the character of the Green and damage the setting of the listed buildings will not be accepted.

Figure 10: Business Quarter – Friargate



Cathedrals and Cultural Quarter

The Cathedrals and Cultural Quarter is at the heart of Coventry city centre and is rich in history, containing many of the city's most significant historic buildings and cultural assets.

The area encompasses 3 Conservation Areas – Hill Top; Lady Herbert's Garden and The Burges; and High Street. There are numerous heritage assets in the area including Coventry's three Cathedrals; St Mary's Priory Cathedral which was dissolved by Henry VIII in 1545, St Michael's Old Cathedral that was burnt down in the air raids of 1940 and St Michael's New Cathedral designed by Sir Basil Spence. It also contains Holy Trinity Church, St Mary's Guildhall, the Old Grammar School, the city wall and its two surviving gate towers, all of which are Grade I Listed Buildings. The narrow cobbled streets of Bayley Lane and Hay Lane contrast with the predominantly post-war city centre beyond and gives the best impression of how Coventry appeared prior to the second world war.

In addition to comprising many historic assets, this area is also a cultural centre for the city with Coventry Transport Museum and The Herbert Museum & Art Gallery both attracting visitors from across the country and Coventry Cathedral (ruins and new cathedral) is an international attraction as a centre for peace and reconciliation.

Since the turn of the century, there has been notable investment in the area through the Phoenix Initiative from 1999 to 2002 and the re-design of Broadgate in 2012. Broadgate has been the commercial heart of the city since medieval times and takes its name from the gate of Coventry Castle that once stood there. The area was flattened by bombing in November 1940 and then became the central square in City Architect Donald Gibson's post-war masterplan with Broadgate House and the former Leofric Hotel framing the axial route from St Michael's spire to the Upper Precinct. The construction of Cathedral Lanes shopping centre in the late 1980's erected a canopy over much of the space and blocked the link from the Precinct to the Cathedral. However, the removal of the canopy in 2010 and the refurbishment of Broadgate as a pedestrianised square has created an attractive and well-used public space.

The Phoenix Initiative was Coventry's Millennium Project and was conceived to form a pedestrian route between the Cathedral and the Coventry Transport Museum. The scheme saw the redevelopment of a multi-storey car park and a redundant cemetery into a modern mixed-use development of residential apartments, bars and restaurants set around a series of public spaces. The layout is derived from the sites history having been occupied by Coventry's first Cathedral in the medieval period. The excavated remains of the Cathedral are displayed in Priory Gardens while finds from the excavations are exhibited in the Visitors Centre. The remains of the medieval Priory Undercrofts are displayed in a glass fronted basement facing Priory Place.

The ruined St.Michael's was Coventry's second cathedral and was originally one of England's largest parish churches prior to it becoming a cathedral in 1918. It was built between 1230 and 1450 and the spire is the third tallest in England and a focal point of the city. The cathedral was burnt down in November 1940 and the new

St. Michael's Cathedral, which was designed by Sir Basil Spence was constructed between 1956-62. The juxtaposition of the old and new Cathedrals has great symbolic value and represents the Christian doctrines of sacrifice and resurrection. The visitor moves through the war shattered shell of the traditional medieval gothic building and into the crisp modern building and the optimism for the future that it represents.

Lady Herbert's Garden lies at the northern end of the Area between the Coventry Transport Museum and the ring road. The garden was created in the 1930's by the industrialist Alfred Herbert as a memorial to his wife and provides an attractive green oasis within the city centre. The garden is built around the best preserved length of Coventry's medieval wall with gate towers at either end; at the northern end is a group of Alms Houses with further residential properties along Chantury Lane. The Coventry Transport Museum was re-fronted as part of the Phoenix initiative and faces the Priory Place development across a semi-circular public square called Millennium Place.

Burges is one of the best preserved examples of a pre-war street in the city centre; some of the buildings are of medieval origin but are hidden by more modern facades. The name 'Burges' is derived from 'bridges' that cross the River Sherbourne that flows under the northern end of the street and briefly emerges behind it on Palmer Lane. This is one of only two locations where the river is visible inside the AAP boundary. At the end of the street is the Old Grammar School, originally the infirmary hall of the medieval Hospital of John the Baptist and is currently being refurbished to be an exhibition and educational space for the Coventry Transport Museum.

Conservation Area Appraisals and Management Plans for both the Hill Top and Lady Herbert's Garden and The Burges Conservation Areas were adopted in December 2014 and highlighted several issues that need addressing including;

- Although the conservation areas are high quality environments the approaches to them often are not and discourage people from using them.
- The neglected adjoining areas around Bishops Street and Hales Street.
- The route from the Precinct shopping area being blocked by Cathedral Lanes.
- The poor environment in Palmer Lane and views of the River Sherbourne.

Policy CC13

- a. All development proposals within the Hill Top and Lady Herbert's Garden and The Burges Conservation Area will only be considered acceptable if they demonstrate that they preserve and enhance the historic environment of the area and are in adherence with the policies of the respective Conservation Area Management Plans.
- b. Development in areas adjoining the Conservation Areas should enhance their setting and improve linkages between them and other areas of the city centre.
- c. Mixed use development including active ground floor uses (A1, A2, A3, A4) with upper floor residential provision of at least 60 homes will be promoted on the land at the junction of Hales Street and Trinity Street. As part of any

development opportunities should be taken to enhance the setting of the exposed River Sherbourne at Palmer Lane.

Figure 11: Cathedrals and Cultural Quarter – Heritage and Conservation Assets

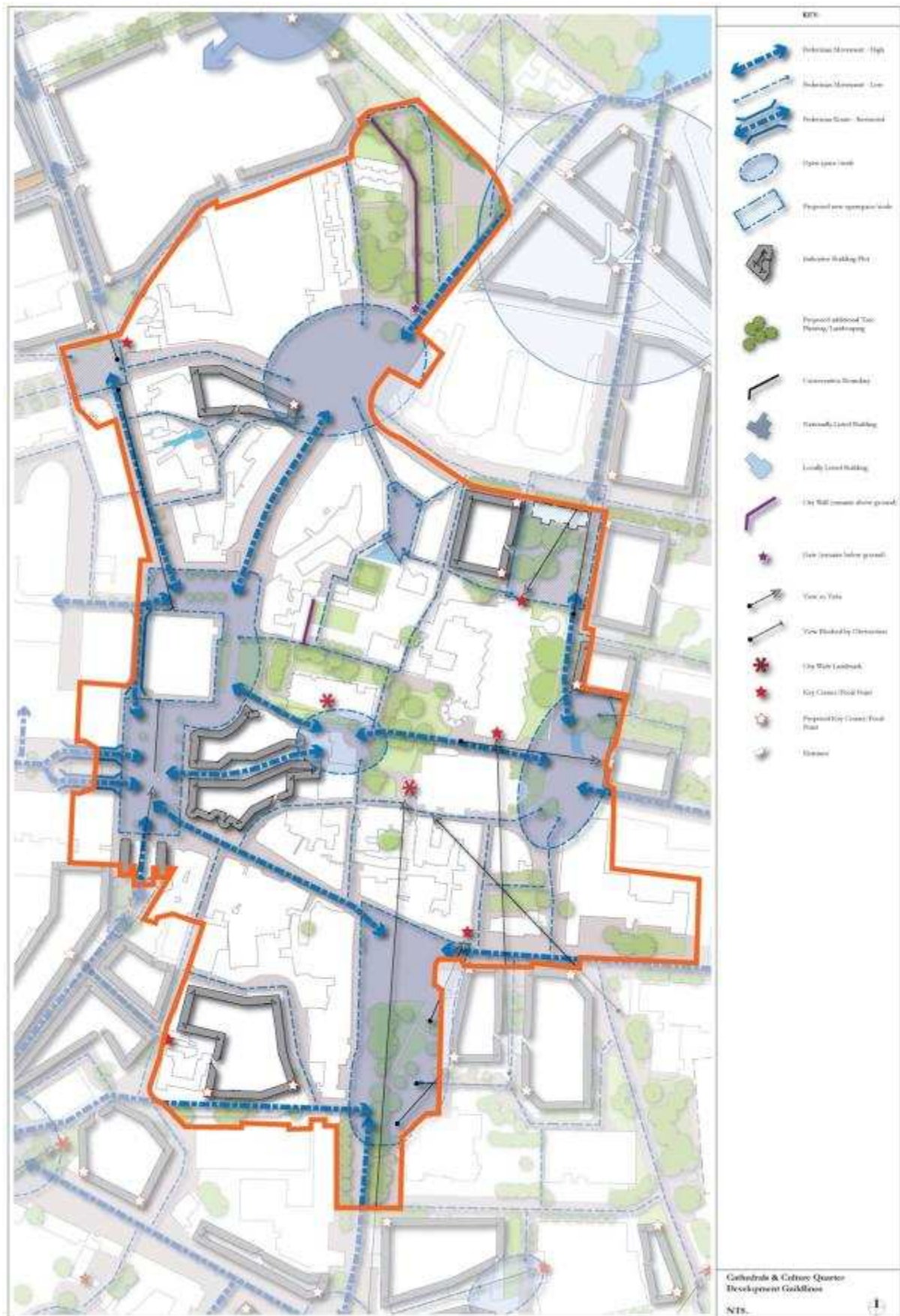
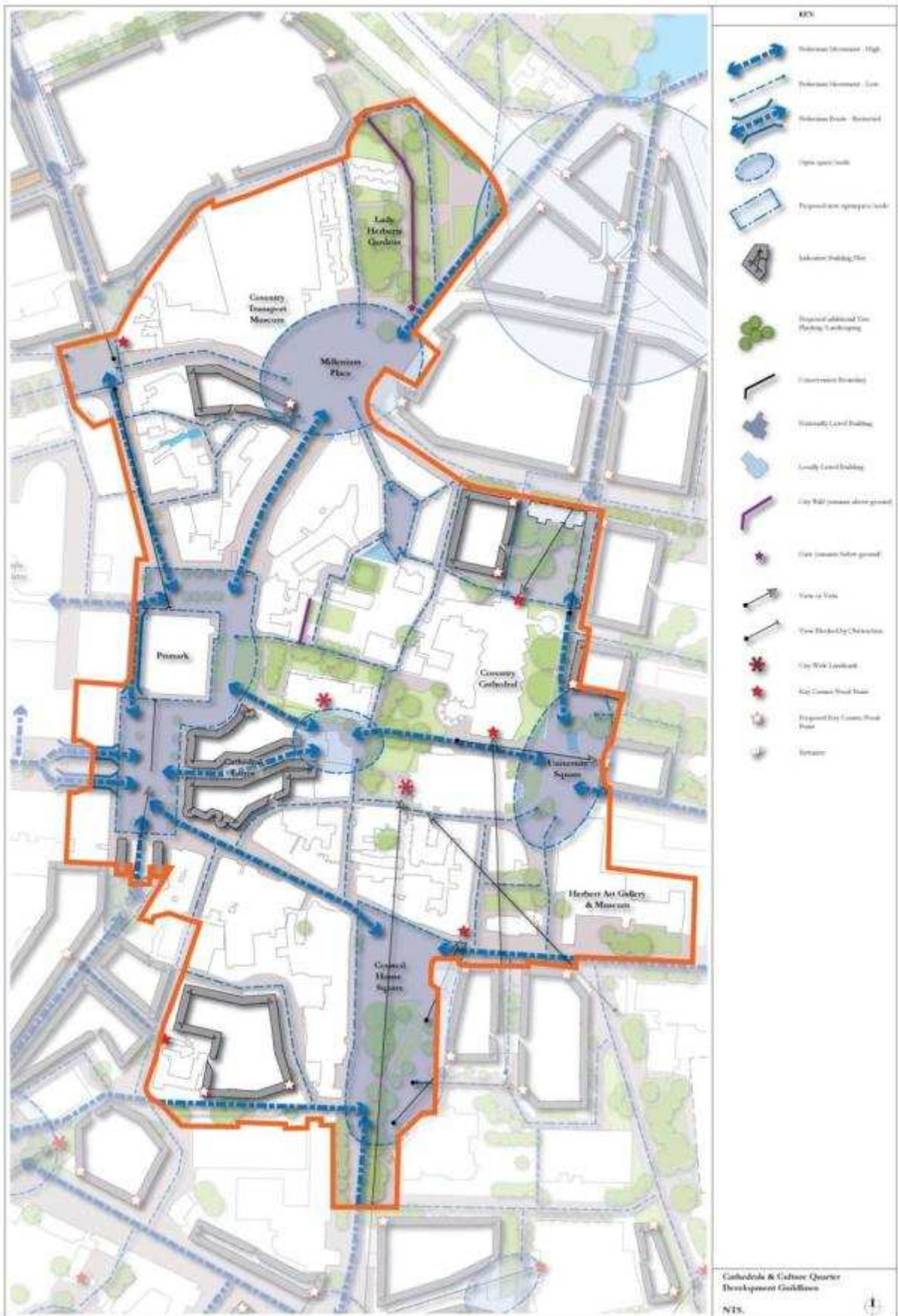


Figure 12: Cathedrals and Cultural Quarter –Development Guidelines



The Civic Quarter

The civic quarter is characterised by office and commercial activity primarily targeted towards public sector operations. It is bounded by Earl Street and Bayley Lane to the north, Much Park Street to the east, the Ring Road and Manor House Drive to the South and Greyfriars Lane and Little Park Street to the west. It includes:

- a substantial area currently occupied by City Council offices (including the Council House, Civic Centres 1-4, Spire House and Christchurch House);
- the Crown Court, Magistrates Court and West Midlands Police Station complex;
- new office Head Quarters for Severn Trent Water at St Johns Street;
- surface car parks at Cheylesmore and Manor House Drive and the multi-storey car park at New Union Street;
- the Registry Office, shops, commercial offices and premises in New Union Street; and
- Job Centre services and Government offices at Cofa Court and Oakwood House.

Sitting largely to the east of the primary shopping area, this area has historically provided a basis for public buildings. Following the end of the 2nd world war the vast majority of the area had to be cleared, removing bomb damaged buildings and other poor quality premises. With a view to retaining the character of public service operations however, the area was identified within the 1951 and 1957 Coventry Development Plans as a focal point for providing new office and operational buildings from which the Local Authority and other public bodies could serve the people of Coventry. As a result, the area is now dominated by post war buildings constructed in the 1950's and 60's, with a range of densities and design. There do however remain a small number of prominent historic buildings, which have provided both a basis and focal point for the civic activity that continues to take place in this area. These include the Grade II listed Council House and Grade I listed St Marys Hall to the north of the area, and the grade II* Cheylesmore Manor House to the southwest corner, which forms part of the Registry Office provision. The Grade II* Greyfriars Spire is also within this quarter and will need to be considered as part of any redevelopment of Christchurch/Spire House. Below ground are the Grade II cellarage below the site of Palace Yard and the Medieval Basement at site of the Old Star Inn. These remnants have now been incorporated into the Civic Centre buildings which front Earl Street and Council House Square.

In recent years the area has become tired and dated, reflective of its post war redevelopment. Although significant investment in the public realm and the development of the new office headquarters for Severn Trent Water have helped inject new life and vibrancy into the area, they have coincided with the changing face of how public functions are provided. This includes a rationalisation of service provision and building usage that will see the City Council release much of the land currently occupied by its civic area buildings as part of its move to Friargate, whilst the Police Station at Little Park Street will also be vacated during the plan period. As such, there is a clear opportunity for this area to regenerate itself again.

This in itself raises challenges and opportunities ensuring that any areas of redevelopment are appropriately integrated with those buildings which remain. The

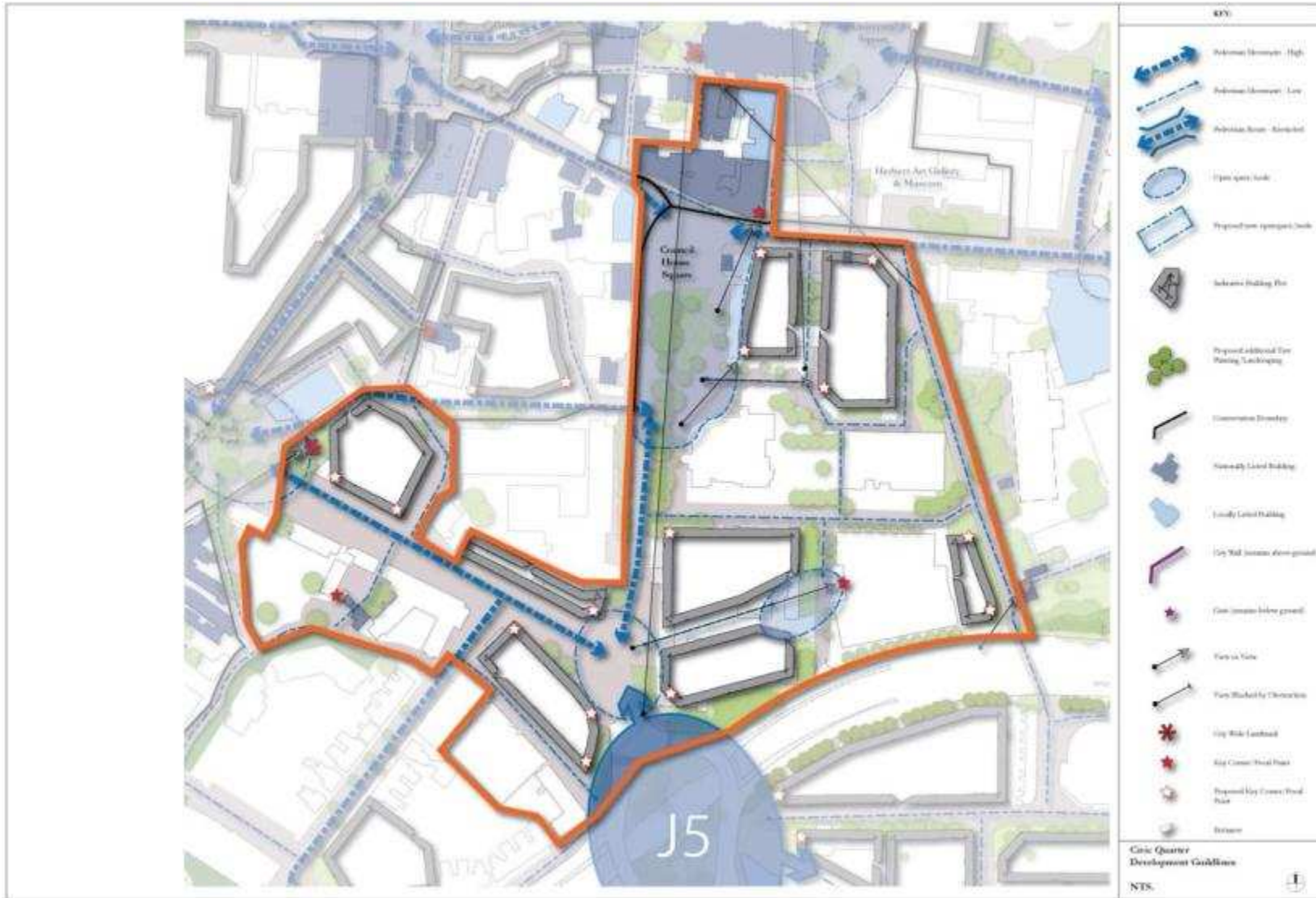
scale of these redevelopment opportunities, within what is a gateway part of the city centre, highlights the importance of comprehensive development proposals that manage the relationship with the distinctive areas that adjoin the civic quarter, in particular the historic cathedral area to the north and primary retail area to the west. Redevelopment opportunities will also be required to continue the public realm enhancements that have recently been completed, especially around Council House Square. Any redevelopment at Junction 5 of the Ring Road around the junction of New Union Street and Little Park Street will also need to ensure high quality frontages to the Ring Road to help provide a gateway feel to this part of the city centre as well as enhanced connectivity across to the Parkside Technology Park.

Within this context, real change is expected within the civic area and by the end of this plan period the area is likely to look very different to how it does now. As such, it may become more appropriate for redevelopment proposals that adjoin other character areas to reflect the characteristics of such areas through design and linkages. In terms of usage however the area should retain much of its public service orientation, building upon recent public realm developments to continue the improvements to the built environment.

Policy CC14

- a. New developments within the Civic Quarter must have regard to its historic characteristics of public service provision. As such, the following uses will be acceptable:
 - Social and community uses;
 - Leisure and recreation uses;
 - Educational uses, including new university provisions;
 - Office use;
 - Residential development; and
 - New multi-storey car parking.
- b. New developments must also respect and enhance the setting of the areas heritage assets, and where appropriate incorporate them into the design of new buildings and landscape.
- c. Other commercial activities (excluding A1 retail) will be supported where they support the provision of active frontages within a mixed use development.
- d. The provision of new retail development is unlikely to be supported within the Civic Quarter unless it can be demonstrably shown to form an integral part of a mixed use scheme.
- e. Opportunities to expand the programme of public realm improvements will be supported
- f. The existing surface level car park at Cheylesmore is encouraged to be redeveloped for a multi-storey provision and incorporated into the adjoining New Union Street multi storey car park. As part of this scheme the overall quality of the parking provision must be improved.

Figure 13: The Civic Quarter



Far Gosford Street Quarter

The historic Far Gosford Street Quarter is located to the eastern side of Coventry city centre. The area comprises Far Gosford Street itself along with short sections of Binley Road, Bramble Street and Vecqueray Street. This area largely reflects the Far Gosford Street Conservation Area boundary and includes a rare visible section of the River Sherbourne.

The area is bounded to the north by the A4600 (Sky Blue Way), Gosford Green to the east and an area of Victorian/Edwardian terraced residential properties to the south. The western edge of the area adjoins Gosford Street which leads to the heart of the city centre and the large Sky Blue Way roundabout which links to the inner Ring Road.

To the eastern end of Far Gosford Street is a landscaped open area of land, on the site of the former St. Margaret's Chapel. A further area of open space within the area is the former All Saints' churchyard to the northern side of the street. A small surface car park is also located to the southern side of the road.

Far Gosford Street itself is a busy, linear commercial street. Buildings within the area vary significantly in date and architectural style with examples of structures from the 15th to 20th centuries. A wide variety of land uses exist along the road including shops, restaurants and hot food takeaways, a bank, nightclubs, public houses, a gymnasium, workshops, offices and residential uses including the sizeable 'Callice Court' purpose built student accommodation.

The area is designated as a conservation area in 1992 due to the concentration of listed and locally listed historic buildings. The area also has a high potential for archaeological remains, particularly the western end closest to the River Sherbourne

Far Gosford Street has a long established existence and was originally the section of Gosford Street that lay beyond the city wall. It was the main road out of Coventry to Leicester and would have been lined with houses as early as the 12th century. The road includes a cluster of timber framed buildings dating from the 15th and 16th centuries. Other notable elements of special interest in the area include:

- The existence of court houses and workshops to the rear of some properties, a once common feature of growth in the post-Medieval period;
- Three groups of distinctive weavers' 'topshops' which provide evidence of the former industrial use of the street for silk and ribbon weaving in the late 18th and early 19th centuries;
- Impressive offices of two former cycle works, which later became automobile manufacturers, and a number of workshops on a further site of automobile manufacturing, documents the late 19th and early to mid 20th century industrial uses of the area.
- The long thin plots along the street originated as medieval burgage plots.

In recent years Far Gosford Street has seen improvements to the built environment through the first phase of a Townscape Heritage Initiative (THI), aided by funding from various partners including the Heritage Lottery Fund and European Regional Development Fund (ERDF). The works to date have been successful and have

principally involved improvements to the public highway, refurbishment works to a number of historic buildings and the addition of new buildings. Phase 2 seeks to extend the heritage restoration work to the remainder of the street whilst also focusing on education of heritage understanding to ensure that the local business and residential community play a pivotal role in the longevity of Far Gosford Street's historic character.

A Conservation Area Appraisal and Management Plan were published and adopted in November 2013 and provide a detailed analysis of the area, defining and recording Far Gosford Street's special architectural and historic interest. The Management Plan sets out suggested actions to maintain and enhance the special character of the area. These detailed documents seek to assist in the delivery of Phase 2 of the THI and also support the active management of the Conservation Area through the planning process. These should be strongly referenced when considering new development proposals within this area.

Far Gosford Street has been defined as a Local Centre in the previous adopted Development Plan for the city. It is proposed that the area remains a defined Local Centre and it should continue to provide for day-to-day convenience shopping, some service and catering uses and social and community uses. The area has however become dominated by hot food takeaways, thus detracting from the historically diverse character of the area and therefore further hot food takeaways will be strongly discouraged.

The location of the area on the edge of the main city centre and adjacent to Coventry University coupled with its historic character, means that it has developed a bohemian feel. It serves a citywide function for musical instruments, specialist cycles and specialist restaurants. Expanding this role, the area is considered to be suitable for the expansion of 'creative industries' including: arts and antiques; crafts; design and fashion; film, photography and video; music; radio and television; and visual and performing arts. The recent refurbishment of the Industrial Estate to the southern side of the street, to create the vibrant Far Go Village and other proposed development in the area have sought to create opportunities to accommodate these type of activities.

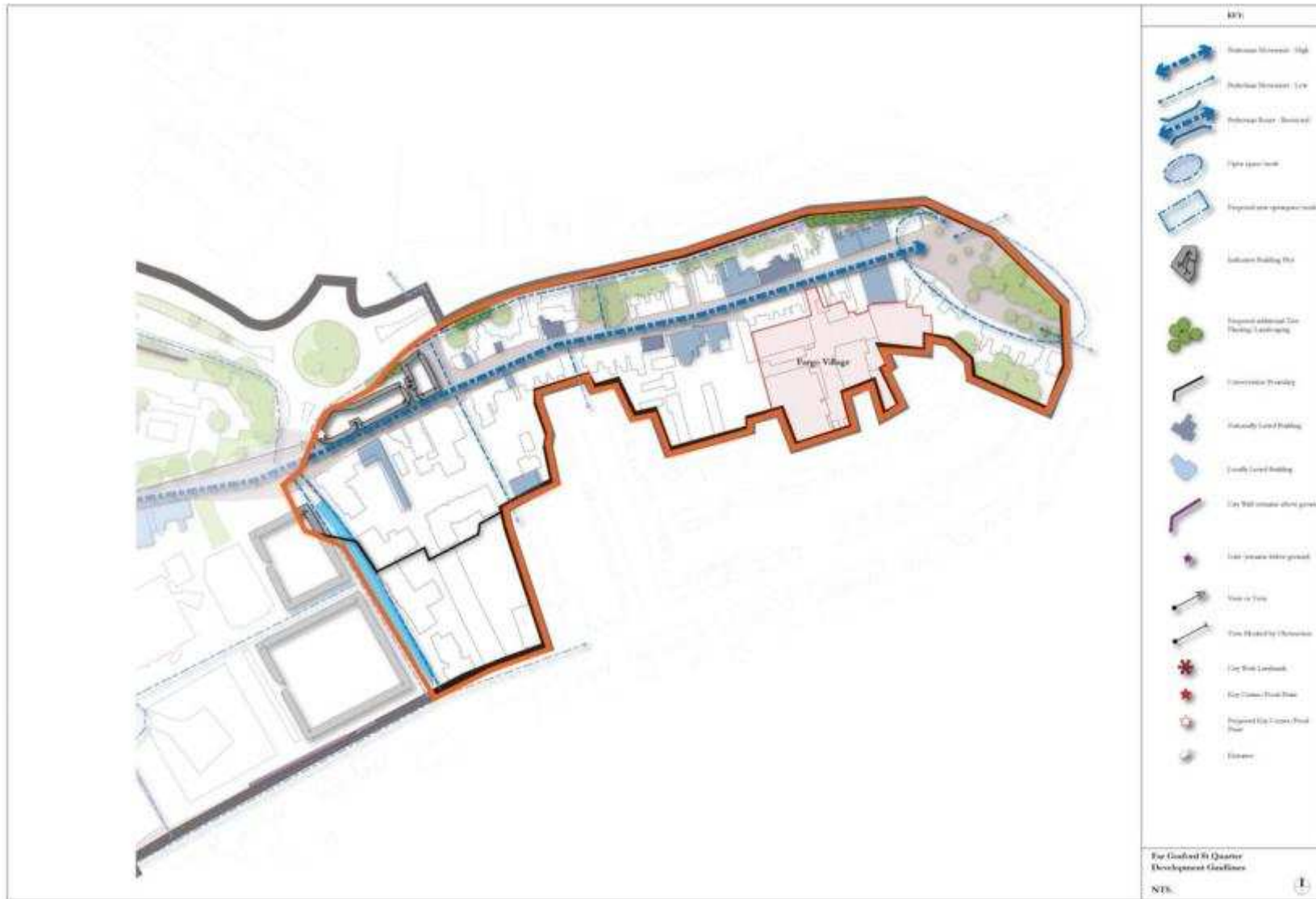
Whilst much work has gone into regenerating Far Gosford Street, there remains scope for further improvements. For example, inappropriate modern alterations and additions have a negative effect on individual structures and a cumulative effect on the character of the Conservation Area. As a result, a number of shop fronts are inappropriately designed with poor quality signage. It is envisaged that the Council's supporting guidance⁹ will assist landowners in this regard and help prevent further undesirable additions to the area.

⁹ This includes the Conservation Area Appraisal and Management Plan and the recently adopted Design Guidance on shop fronts for Conservation areas and historic buildings.

Policy CC15

- a. New developments, changes of use and conversions within the Far Gosford Street Quarter must respect and reflect the area's historic character. As such:
 - I. All development proposals, including applications for signage, within the area will only be considered acceptable if they demonstrate that they respect the historic environment of the area and are in keeping with the aims of the Far Gosford Street Conservation Area Appraisal and Management Plan, published 2013 (or any subsequently published updated documents).
 - II. All new build development within the area must be accompanied by an initial Archaeological Report identifying what archaeological work may be necessary ahead of commencement.
- b. Far Gosford Street will be regarded as a local centre meaning proposals for local shopping provisions will be supported. This will however exclude the provision of any further hot food takeaways (use class A5), which will not be permitted.
- c. To support the local centre designation a mix of creative industries, employment, residential and social and community uses will be supported within the Far Gosford Street Quarter.
- d. The use of upper floors of buildings for residential or office use will be supported and encouraged providing that appropriate noise insulation is included to ensure that the use is compatible with ground floor commercial activity.
- e. Opportunities to enhance the setting of the exposed River Sherbourne within this quarter through improvements to green infrastructure will be encouraged. This should include opportunities to improve wider green linkages beyond the city centre boundary

Figure 14: Far Gosford Street Quarter



Health and Education Quarter - Swanswell

The Health and Education Quarter is situated directly to the north of the Ring Road with strategic links to junctions 1 and 2.

It extends towards Radford in the North-West and includes parts of Foleshill and Hillfields in the north. It includes a wide mix of uses and activities including:

- Older residential areas around Harnall Lane West and Howard Street;
- City College campus and educational buildings linked to the new Sidney Stringer Academy;
- Swanswell Pool; and
- The new City of Coventry Health Centre and additional health facilities.

Until the turn of the century this area had been characterised by the Coventry and Warwickshire hospital and a high density area of housing. In the last 15 years many of these buildings have been demolished, making way for new health and education buildings.

The new City of Coventry Health Centre, south of Howard Street, was completed in 2011. It was developed following the relocation of many aspects of the old Coventry and Warwickshire Hospital to the redeveloped University Hospital at Walsgrave. Alongside some remaining hospital buildings, its development has complimented the modern Mental Health Resources building on Stoney Stanton Road and helps to provide a unique suite of city centre based health facilities.

In 2009 the new home for Coventry City College was completed and saw the relocation of its two constituent parts from Tile Hill and the Butts. The campus also included a new multi storey car park, whilst further education focused buildings have been constructed fronting Primrose Hill Street, linked to the Sidney Stringer Academy, which sits adjacent to the Quarter.

In addition, construction of a new Islamic Academy (Eden School) is expected to commence in 2015 on a significant part of the former Coventry & Warwickshire Hospital site. The remaining parts of the former hospital site comprise the Grade II listed former Outpatients department and Nurses home. Adjacent to these is the listed former church of St Mark. All these buildings should be retained and re-used and converted to preserve their integrity. The Nurses Home will be promoted for conversion to high density residential redevelopment with the Outpatients department and church being suitable for various uses.

Part of the site falls within views of the spires from Stoney Stanton Road and White Street and any development scheme must respect these views whilst providing landmark buildings. There are a number of buildings situated north of Norton Street, including the former St Marks church Annex. Opportunities to convert and reuse these buildings are encouraged. Should these properties be cleared however the site should be reused as an extended area of green infrastructure.

The proposed residential development in and around the city centre could generate enough demand for up to a 2 Form Entry Primary School, which will need a site of around 1.75 ha. Given the character of this quarter, such provision would be most

suitably delivered within this Quarter. This could be provided on land that was previously part of the Coventry & Warwickshire Hospital site, or alternatively on land to the rear of Primrose Hill Street.

New developments will need to respond to the environmental issues posed by the proximity to the Ring Road and the main Stoney Stanton Road. It will also need to improve linkages to adjoining quarters, and explore opportunities to dilute the current barriers created by the Ring Road to the wider city centre. A significant opportunity to achieve this is situated adjacent to the quarter boundary and could involve the removal of the slip roads at Junction 2 of the Ring Road. Alongside the removal of the White Street car and coach park, this could offer significant opportunities for new development proposals, as well as an extension of Swanswell Pool and refurbishment of Volgograd Place, providing new green infrastructure. Such developments should be undertaken in conformity with policy CC8 and CC25. Developments would also need to be of a high quality design along what is still one of the major gateways into the city centre.

Policy CC16

- a. New developments within the Health and Education Quarter must have regard to its established character; respond to the environmental issues associated with its proximity to the Ring Road and deliver high quality buildings and public space which reflect this areas position as a gateway to the inner city centre. As such, the following uses will be acceptable:
 - Education provisions;
 - Public Health provisions;
 - Residential development;
 - Social and community uses; and
 - Green and blue infrastructure
- b. All prospective developments should:
 - reflect and enhance the area's character through mixed-use developments;
 - ensure a mix of residential densities where appropriate;
 - improve and introduce high quality buildings;
 - Promote active travel and ensure it becomes easier and safer to move within the quarter and into adjoining parts of the city centre
 - Mitigate the negative impacts of the Ring Road;
- c. The conversions of existing buildings, where appropriate, and the development of small infill opportunities for new residential developments will be encouraged and supported in principle.
- d. The reuse of the listed buildings which remain as part of the former Coventry and Warwickshire Hospital site will be allocated for conversion to residential use, with the provision of up to 80 units.
- e. Remaining land at the former Hospital site or to the rear of Primrose Hill Street should be retained for the provision of a new 2 form entry primary

school to serve the needs generated from wider housing provision across the city centre.

- f. Swanswell Pool is of historic importance to the local area and the city centre as a whole. Opportunities to expand the park and enhance its quality will be supported. This should include opportunities to improve its linkages to the wider city centre.

Figure 15: Health and Education Quarter – Swanswell



Leisure and Entertainment Quarter

Located to the western side of the city centre this area is characterised by its mix of historic buildings and leisure uses. The area abuts the Ring Road to the west and is bordered to the eastern side by Corporation Street and Queen Victoria Road with Upper Well Street to the north and Croft Road to the south. Other roads within the area include: Spon Street, Lower Holyhead Road, Hill Street, Bond Street, Ryley Street and Watch Close.

The area is a leisure and tourist destination providing a range of attractions. These include:

- buildings of historic interest;
- specialist retailing on Spon Street;
- café/restaurants and nightclubs on Spon Street;
- Coventry Watch Museum on Spon Street;
- the Belgrade Theatre and Belgrade Plaza eateries;
- Sky Dome leisure complex containing a 9-screen cinema, fitness centre, nightclubs, drinking establishments and the multi-purpose Sky Dome Arena; and
- the IKEA retail store.

The variety of uses means that the area not only provides day-time attractions but it is also one of Coventry's major evening/night time destinations.

Whilst comprising social, community, leisure and tourism uses, the area also includes a number of residential properties on Lower Holyhead Road and Hill Street, many of which are historic buildings within the Spon Street Conservation Area which was designated in August 1969.

Spon Street was the subject of a Townscape Scheme which saw the conservation of the street's surviving historic buildings and the re-location of other buildings from elsewhere in the city centre. The Scheme was born out of concern about the loss of historic buildings across Coventry in the 1950's and 1960's. The majority of the buildings along the street were conserved between 1967 and 1990 along with six additional buildings that were relocated from Upper Spon Street and Much Park Street.

The majority of buildings along Spon Street and Hill Street and several on Lower Holyhead Road are Grade II Listed while the Church of John the Baptist and Bablake School are Grade I Listed. There are also numerous Locally Listed buildings including the Town Wall Tavern and the cottages of the Watch Museum.

Spon Street is home to a number of specialist and independent retailers and the street will continue to be encouraged for such uses. The road has however suffered from the opening of a number of hot food takeaways that whilst complimenting the late-night uses within the quarter detract from the character of the area and result in closed property on the road during the daytime. Therefore, further hot food takeaways on Spon Street will not be supported in order to prevent further erosion of the character of this unique street.

Belgrade Plaza, to the north of the area, is a recent development that started in 2007. The development includes a public square incorporating a water feature that is bounded to its south-western side by the long established Belgrade Theatre and modernist extension and to the north by a multi-storey development comprising ground floor café/restaurants and upper floor residential apartments and floor space for offices and a casino. The development also includes a Premier Inn hotel and the multi-storey Belgrade Plaza car park. A further two plots remain as part of the wider complex and these will be priority development opportunities within this quarter.

The Grade II listed Belgrade Theatre was built in 1958 and was the first civic theatre to be built in Great Britain after the Second World War. The theatre is the only professional theatre in Coventry and has seating for 858 people within a two-tier main auditorium and capacity for up to 300 people in a flexible modern auditorium known as 'B2'.

The southern side of the area is characterised by its leisure offer. The Sky Dome is a £40 million multi-use development opened in 1999 comprising an Odeon Cinema, a gymnasium, nightclubs, drinking establishments and restaurants. The Sky Dome Arena, a 3,000 capacity multi-purpose arena, is a significant part of the leisure offer and is regularly used for ice skating and is the home of the nationally successful Coventry Blaze Ice Hockey team. Also to the south of the area and linking the area with the rest of the Primary Shopping Area is the seven floor IKEA retail store, which became the company's first UK city centre store when it opened in December 2007.

This part of the city centre is well served by car parking with Belgrade Plaza, Sky Dome and IKEA multi-storey car parks providing a total of 2648 spaces and therefore proposals for additional car parking within the area will not be supported.

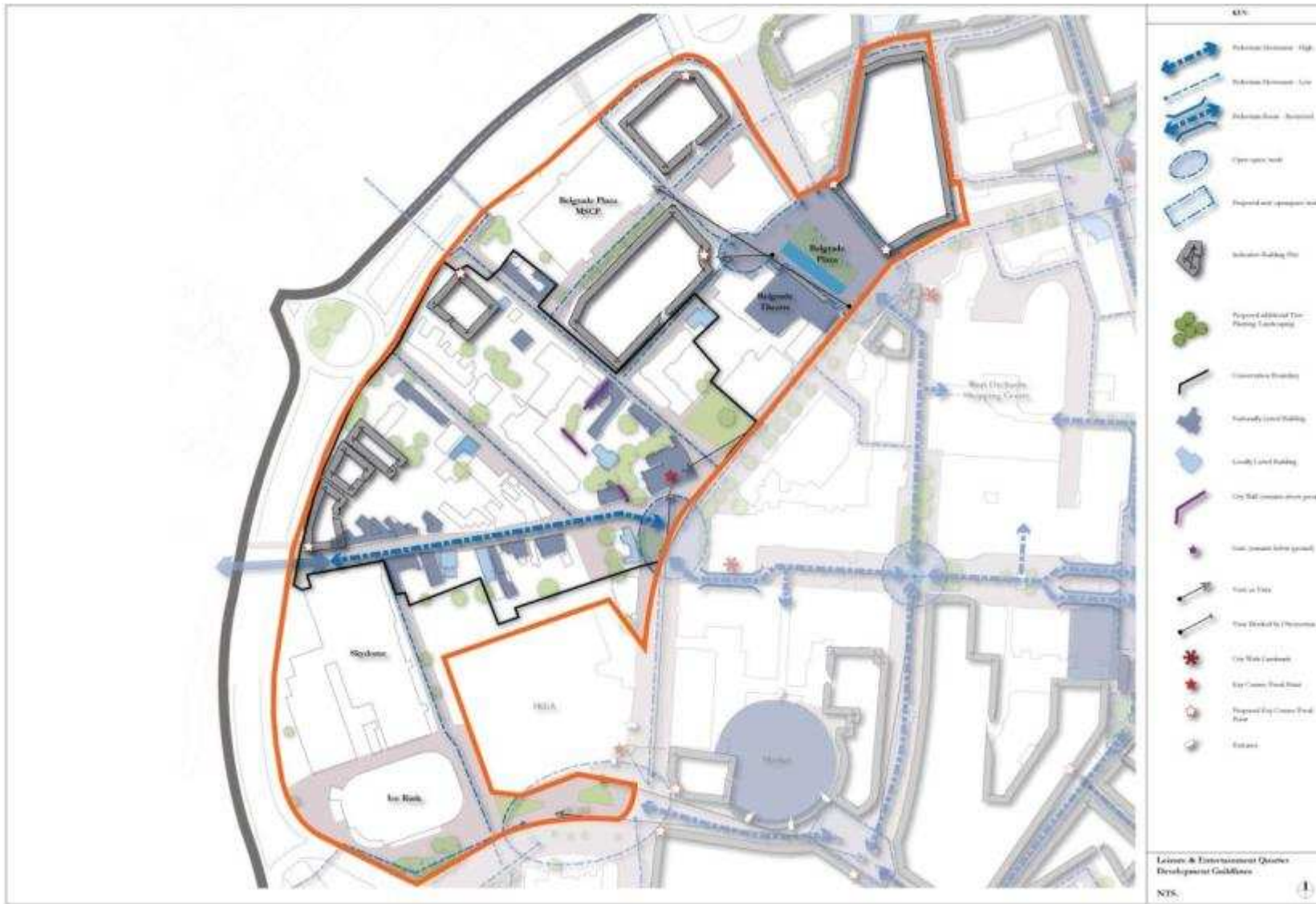
It is envisaged that the area will maintain its current functions and act as an important cultural and leisure destination within the city centre both during the day and evening. Major change to the character of the area is not proposed over the plan period although significant development is promoted on remaining plots to complete Belgrade Plaza and support the re-development of buildings and sites on Watch Close, Hill Street and Spon Street.

Policy CC17

- a. All development proposals within the Spon Street Conservation Area, including applications for signage, will only be considered acceptable if they demonstrate that they respect the historic environment of the area and are in keeping with the aims of the Spon Street Conservation Area Appraisal and Management Plan, published 2015 (or any subsequently updated documents).
- b. Spon Street will be encouraged as a suitable and attractive location for specialist and independent retailers. In order to protect the availability of property for such use, further hot food takeaways (use class A5) will not be permitted within this quarter.

- c. Development for at least 95 homes on vacant land between Bond Street, Hill Street and Ryley Street will be supported subject to:
- The development providing an active frontage at ground floor to Belgrade Plaza. To provide this activity A1-A4 uses will be considered appropriate
 - High quality design that both relates well to the modern Belgrade Plaza development whilst ensuring the setting of adjacent listed buildings and Spon Street Conservation Area is preserved
 - Satisfactory noise mitigation measures, where required.
- d. Proposals for a hotel or residential use on the vacant site bounded by Ringway Hill Cross, Upper Well Street and Ryley Street will be supported and encouraged. The development will be expected to be high density and well-designed reflecting its prominent position adjacent to the Ring Road and its location adjacent to the sizeable Belgrade Plaza development. Active frontages, where appropriate, will be encouraged within use classes A1-A4
- e. Redevelopment proposals for land on Watch Close abutting Ringway Rudge for residential accommodation will be considered acceptable subject to high quality design and noise and air quality mitigation.
- f. The re-development or conversion of the property known as Ringway House on Hill Street will be encouraged for residential use of up to 30 units subject to high quality design that respects the amenities of neighbouring residential properties.
- g. Opportunities to improve the linkages between:
- Spon Street and the Primary Shopping Area;
 - Belgrade Plaza and the Primary Shopping Area; and
 - Belgrade Plaza with the Northern Regeneration Area
 - Improvements to the Ring Road underpass and Spon End.
- will be promoted and encouraged. Where appropriate these improved linkages should be incorporated into, or supported by, new development proposals

Figure 16: Leisure and Entertainment Quarter



Primary Shopping Quarter

The Primary Shopping Quarter is also reflective of the Primary Shopping Area (PSA) as required by National Guidance¹⁰. The definition of a PSA is necessary in order to protect the vitality and viability of the city centre's retail offer and to focus retail uses and investment into the most appropriate and suitable locations. Coventry is currently the 13th largest city in the UK, but ranks 58th in its retailing offer according to spend. Although the city centre has been impacted by the increase in on-line and home shopping, as well as competition from other established centres within Coventry it remains the city's main shopping destination.

It lies at the heart of the city centre and has become established around the precinct cross which sat at the heart of the original Gibson Plan. The PSA contains some 243 Class A1 retail units and serves a wide catchment area, with notable stores such as IKEA, Debenhams, Marks and Spencer's and Next. The West Orchards Shopping Centre offers indoor provisions on a more modern format, whilst the listed circular market offers a unique retail experience. The Shopping and Centres Study recommends strengthening the retail role of the city centre and building upon its strong offer of non-retail services. Recent city centre proposals have discussed the opportunity of expanding the retail core of the city centre, however within a changing retail climate, this AAP is now focusing more on a tighter retail area and will promote significant improvements in both the quality and quantity of retail floor space.

Within this context the PSA will be the principal focus and default location for all new shopping developments including the redevelopment, refurbishment, extension or conversion of buildings for shopping and supporting uses.

The Shopping and Centres Study recommends that the city centre should be the focal point for new retail provision across Coventry and should accommodate at least 37,600sq.m of gross new floor space up to 2031. This should include a range of retail needs (A1-A5) and be phased in accordance with Table 5 below.

Table 5: Retail Needs in Coventry City Centre (2014 - 2031)

	2014-2021	2021-2031	Total
Total Retail Floor space sq.m (gross)*	18,139	19,489	37,628

* Opportunities to occupy retained vacant floor space may reduce this level of need but will need to be considered in the context of demolished floor space as part of redevelopment proposals

NB: Convenience retail floor space is excluded from this table and should be considered separately

Source: Shopping and Centres Study (NLP – 2014)

Having regard to the retail needs of the city centre, considerable change is anticipated within the Primary Shopping Area to enhance the retail offer and provide retailing of a standard to reflect the size of the city. The proposals for the regeneration of the retail element of the city centre comprise both redesign of existing floor space and substantial amounts of new floor space. The Council has decided to phase the regeneration programme of the primary shopping area into two elements, broadly split North/South along the Broadgate/Upper Precinct/Lower Precinct axis.

¹⁰ As set out in Para 23 of the National Planning Policy Framework

Planning permission was granted in May 2012 for a comprehensive redevelopment of the Southern end of the Primary Shopping Area including demolition and alteration of buildings and construction of an anchor retail store and units accommodating shops (use class A1), financial and professional services (A2), cafes/restaurants (A3), public houses (A4) and hot food takeaways (A5), hotel (C1), residential (C3), leisure uses (D2), new multi-storey car park and public realm enhancements. The development proposes a maximum of 57,521 m² A1-A5 floor space. Once the demolition of existing floor space is considered, this scheme will contribute at least 10,000sq.m of the floor space requirement identified in Table 5 for the period to 2021. As such, this scheme is considered a priority in the delivery of this AAP.

Subsequent developments are then expected around the northern half of the PSA, with further redevelopment opportunities helping to improve connectivity to Corporation Street, Spon Street and Belgrade Plaza. Although no formal proposals have been made at this stage, development in this area may include the expansion of the West Orchards Shopping Centre.

Policy CC18: The Primary Shopping Area

- a. The Primary Shopping Area is identified by the red line in Figure 17 and again in appendix 1. This will be the principal focus and default location for all new shopping developments including redevelopment, refurbishment, extension or conversion of buildings for shopping uses. This area is expected to accommodate at least 37,600sq.m of gross new floor space up to 2031, covering a range of retail needs (A1-A5). This will be phased in accordance with Table 5 in the supporting text.
- b. Opportunities to provide a new purpose built convenience food offer within or adjacent to the PSA will also be encouraged and will contribute additional floor space over and above the figure in Table 5.
- c. Other proposals that would introduce new town centre uses within the PSA will be encouraged and supported where they do not undermine or conflict with this or any other policy within this AAP.
- d. Opportunities for new residential provision above new or existing ground floor town centre uses will be supported with a view to supporting the vitality and viability of the city centre as a whole. This will be subject to appropriate design and appropriate mitigation of environmental concerns outlined in policy CC10.
- e. Opportunities to re-establish the original design concept of the precinct cross will be encouraged. This could include the removal the central fountain as well as the external escalators and the ramp within Upper Precinct leading to West Orchards, which should be replaced with attractive and less intrusive structure(s).
- f. The removal of the building, at ground level below Broadgate House, between Broadgate and Hertford Street, currently occupied by the Nationwide Building Society will be supported. The removal of this structure will improve linkages

between Broadgate and Hertford Street and thus enhance and encourage pedestrian movement through the city centre.

Policy CC19: Primary Shopping Area regeneration – South

The regeneration of the Southern part of the Primary Shopping Area, for predominantly comparison shopping will be promoted, encouraged and supported. This should be delivered in accordance with a Masterplan which supports the approved planning permission (outlined above) or replacement document. This will provide for:

- A range of shop sizes that reflect market requirements;
- High quality entrances from the Precinct, Queen Victoria Road and Bull Yard;
- The redevelopment of the Barracks car park and the relocation of the parking spaces as part of a new multi storey car park incorporated within the development;
- The relocation of the listed mural situated in Bull Yard to a new and prominent site situated within the new development; and
- The retention of the listed market building, with improvements made to its setting and connectivity to Queen Victoria Road and Market Way
- Associated residential provision of at least 40 homes as part of upper floors above retail uses.
- Complimentary leisure, office and hotel uses as part of upper floors above retail uses.

Policy CC20: Primary Shopping Area regeneration – North

The regeneration of the northern part of the Primary Shopping Area, focused around Smithford Way, will be promoted and encouraged for predominantly comparison shopping. This will provide for:

- A range of shop sizes that reflect market requirements;
- High quality entrances at Smithford Way and Corporation Street;
- Enhanced linkages to Belgrade Plaza and Spon Street.
- Associated residential, leisure, office and hotel uses on upper floors above retail uses.

Policy CC21: Cathedral Lanes

Cathedral Lanes will be promoted for a change of use to café and restaurant uses, with such uses encouraged to spill out onto Broadgate Square to help reflect the new public realm. Opportunities should also be taken to enhance the façade of the building and create a new link through the building in order to improve the connectivity from Broadgate/Upper Precinct to Coventry Cathedral and the Hill Top Conservation Area.

Figure 17: Primary Shopping Quarter – Heritage Assets

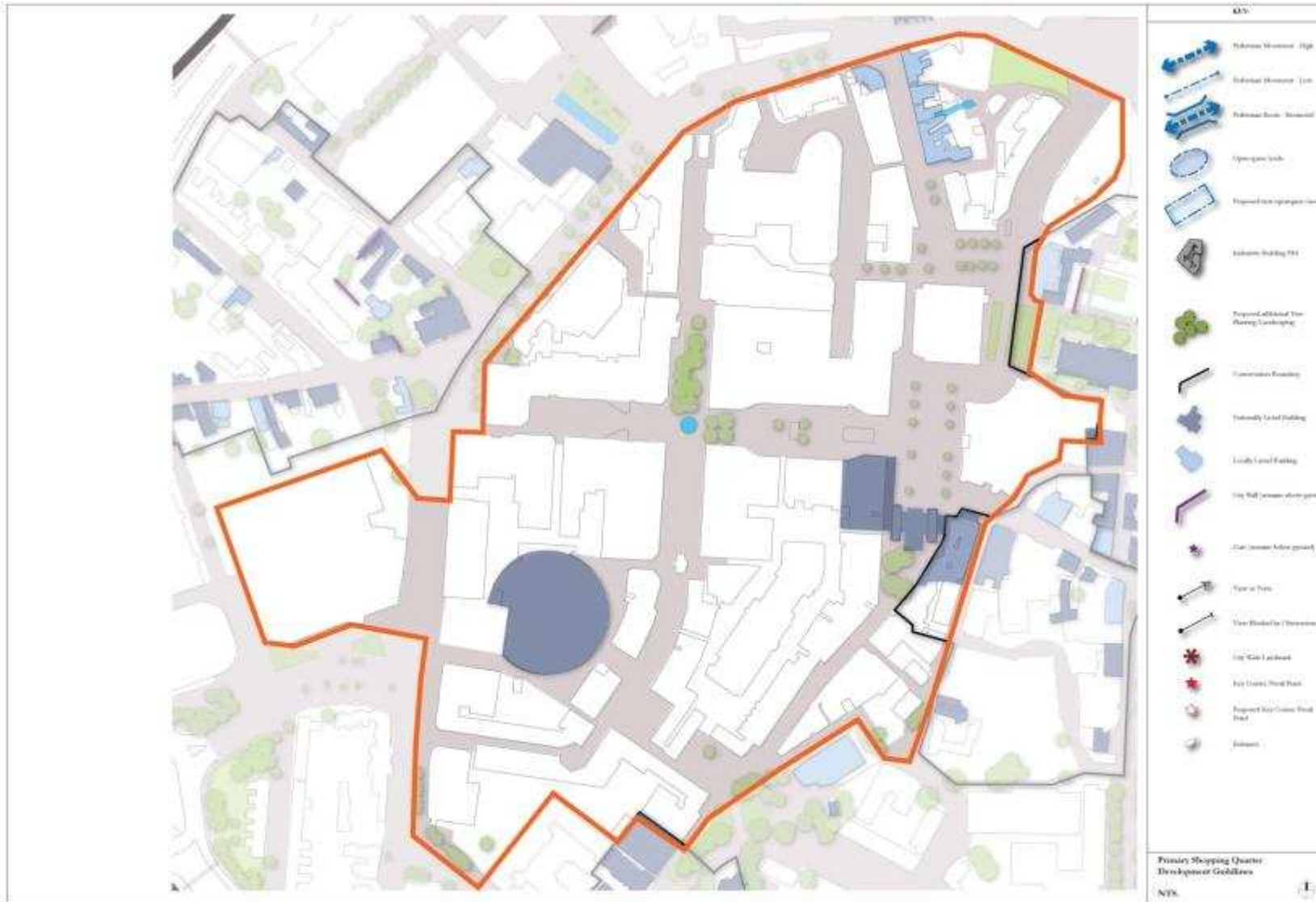
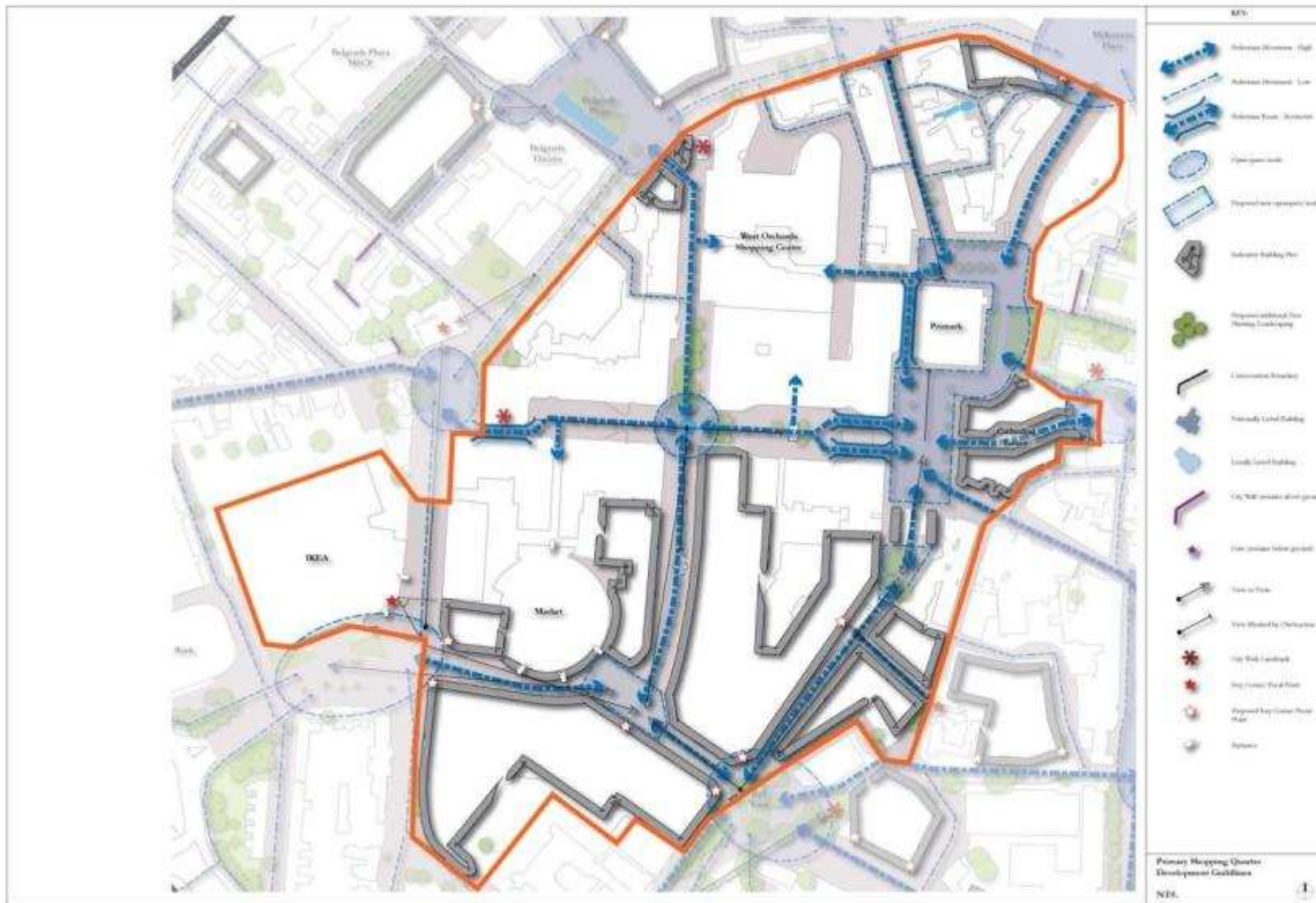


Figure 18: Primary Shopping Quarter – Development Guidelines



Primary and Secondary Frontages

As required by the NPPF, primary and secondary frontages are defined within the PSA. Primary frontages are focused around the Precinct Area and include:

- Upper Precinct (lower levels);
- Lower Precinct (at both levels);
- West Orchards and Orchard Link (both levels);
- Smithford Way;
- Market Way; and
- Broadgate.

Within the PSA, **Primary Frontages** will be designated and will contain a majority of Class A1 retail use but within which, financial and professional services (class A2), café and restaurant uses (class A3), drinking establishments (class A4), non-residential institutions (class D1) and assembly and leisure (class D2) uses will be permitted providing they do not undermine the overall retail function of the primary frontage. Although a clear majority of A1 retail uses should remain within all Primary Frontages at all times, an allowance for some non-A1 retail uses will be acceptable to help support the evening economy and encourage greater activity around the clock. The extent of non-A1 uses will depend on the market circumstances affecting primary retail areas and should have regard to vacancy rates, footfall patterns and retail needs.

Secondary frontages comprise all land within the primary shopping area that falls outside of the primary frontages, but within the PSA including:

- Cathedral Lanes;
- Burges;
- Trinity Street;
- Ironmonger Row;
- parts of Hales Street;
- Hertford Street;
- parts of Corporation Street;
- Bull Yard and Shelton Square and
- the IKEA building, Croft Road

Such frontages provide greater opportunities for a diversity of uses such as restaurants, cinemas and businesses.

Policy CC22: Primary and Secondary Frontages

- a. Primary Frontages, shown in appendix 1, are expected to include a high proportion of retail uses which may include food, drink, clothing and household goods. A clear majority of A1 retail uses should remain within all Primary Frontages at all times. Where proposals would result in less than 60% of primary frontages being classed as A1 retail then the applicant will be expected to demonstrate exceptional circumstances to justify a change of use. Under no circumstances though will A1 retail be allowed to fall below

51% of primary frontages. Class A5 and sui-generis uses will only be permitted in exceptional circumstances.

- b. Secondary frontages are defined as any frontage situated within the PSA that is not identified as a Primary Frontage in appendix 1. Within such frontages a mix of Class A uses will be permitted as well as D1, D2 and sui generis uses.

Technology Park Quarter - Parkside

The Parkside Technology Park was established in 1998 to the south of the city's inner ring road (between Junctions 4 and 5) with primary accesses off Mile Lane and London Road. The technology park is primarily linked to Coventry University and has been a success to date. It offers flexible modern office accommodation within a landscaped setting which supports start-up and innovation-led knowledge-based industries and it is currently home to around 70 businesses.

The Technology Park includes:

- the Coventry University Techno Centre, which incorporates the Innovation and Conference Centres;
- the Enterprise Centre, which represents a 'grow-on' business centre for companies who have expanded beyond the Innovation Centre;
- the Design Hub, which focuses on design implementation;
- the Innovation Village.
- The Serious Games Institute (SGI);
- Institute for Creative Enterprises (ICE);
- Health Design and Technologies Institute (HDTI); and
- the ACT-UK building.

Also within the Technology Park Quarter are a variety of uses including an Ibis hotel; a modern church with conference facilities known as 'The Welcome Centre', a residential terrace on Short Street; and a modern student accommodation block situated off Paradise Street. In addition to these uses are a range of buildings and vacant land, which offer prime opportunities for new developments, the majority of which are focused within the corridor that sits between Parkside and Deasy Road and The Ring Road St Johns and London Road. This area has been identified as the London Road Gateway and represents a prime opportunity to improve the profile of this area relative to the Ring Road as well as facilitating the growth of hi-tech industry within the city centre.

As such, policies within this area will seek to encourage and support the expansion of the Technology Park and promote the redevelopment of low level, poor quality and poorly designed buildings abutting the boundary of the site with the Ring Road for uses including residential, offices and technology park expansion within modern, well designed buildings.

As part of the 'Gateway' approach it will also be imperative to improve the linkages and connectivity across the Ring Road. Specific schemes will be targeted around Ring Road junctions 4 and 5, whilst improvements to the subway linking Short Street with Much Park Street will also be explored. Furthermore, there are clear opportunities to link this quarter with the railway station and Friargate proposals. As such, opportunities to enhance pedestrian routes across Quinton Road and Mile Lane linked to Park Road will be promoted.

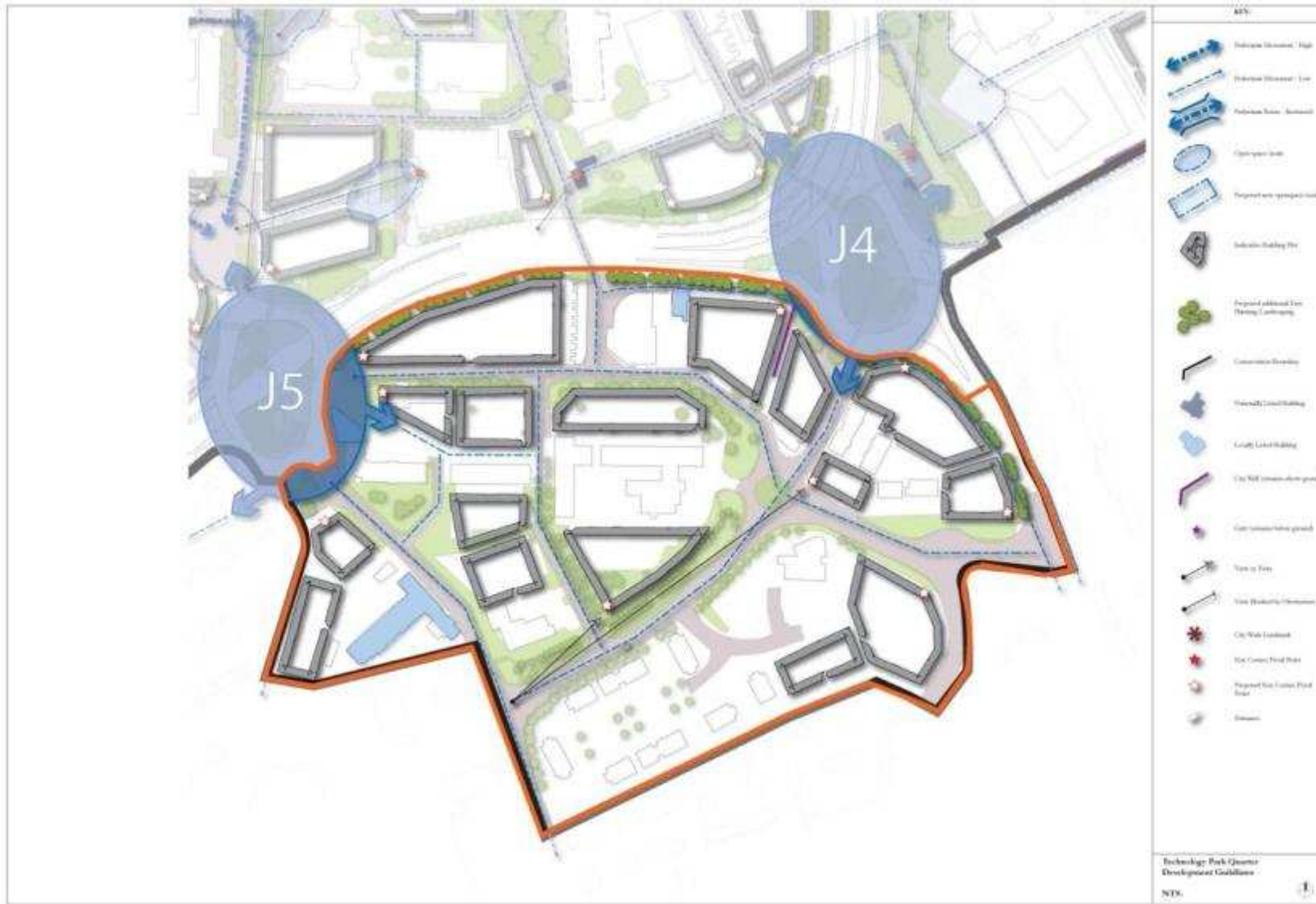
Car parking for the Technology Park and surrounding buildings is all at surface level with some additional on-street car parking on Parkside, Short Street and Paradise Place. As this area grows and redevelops existing parking provision is unlikely to be sufficient to meet demand. As such, opportunities to deck existing car parks will be

supported subject to design, whilst opportunities for purpose built multi-story provision should also be explored.

Policy CC23

- a. Development proposals within the Parkside area, should support the hi-tech character that has been developed within this part of the city centre. As such, the following uses will be acceptable:
 - Hi-Tech industry use;
 - Research and Development activity;
 - Other Education facilities;
 - Residential provisions;
 - Leisure and recreation uses;
 - Social and community uses;
 - Office use;
 - New multi-storey car parking;
- b. The area of land situated north of Parkside and Deasy Road, South of Ring Road St Johns and West of London Road will be allocated as the London Road Gateway. This area must create a high quality frontage to the Ring Road and London Road, including high quality landscaping and more efficient use of land. Where possible, a comprehensive redevelopment of this land is desired.
- c. Developments within the London Road Gateway as well as the vacant sites at:
 - land East of Cheetah Road;
 - land situated between Swift Road and Mile Lane; and
 - The site of the former Formula One hotelshould make provision for at least 285 new homes and 27,000sq.m of gross floor space linked to the Technology Park.
- d. Opportunities to improve the linkages and connectivity across the Ring Road, especially at junctions 4 and 5 of the Ring Road and the subway linking Short Street with Much Park Street will be promoted. Improvement to these links should also include connectivity to the wider green infrastructure assets along London Road, including the cemetery and Charterhouse.
- e. The provision of a well-designed multi-story car park will be supported within a suitable location within the Parkside area subject to appropriate design and access.

Figure 19: Technology Park Quarter – Parkside



University and Enterprise Quarter

The University and Enterprise Quarter is currently dominated by the presence of Coventry University. Under various guises Coventry University dates back to 1843 when it was the Coventry College of Design and therefore has a long and established history within Coventry city centre. In 1970 it became known as Lanchester Polytechnic following amalgamation with two Lanchester Colleges of Technology and Rugby College of Engineering Technology. After being renamed Coventry Polytechnic in 1987 the institution became Coventry University from 1992.

The university is the second largest employer within the city centre and fourth in the city as a whole and therefore is a key influence on the city's economy. The main Coventry University campus incorporates educational buildings on Cox Street, Gosford Street, Cope Street and Jordan Well together with the uniquely designed Lanchester library south of Gosford Street and student halls of residence, most notably around Priory Street.

In recent years the university has grown considerably, not only in terms of employees and students but also in profile, reputation and research output. This is encapsulated by the University being voted Modern University of the year for 2014 and 2015. The University have developed a Masterplan (March 2008) outlining future development plans of their campus, although this has no formal planning status. It is also under review at the present time and there is an ambition to consider an updated masterplan through more of a formal planning process.

The number of full time students now exceeds 15,000 and this growth has resulted in physical expansion of the University and new developments. Notable examples include:

- the £55 million 15,000m² Computing and Engineering Building opened in September 2012;
- the £24 million Student Hub building opened in September 2011; and
- a £5.6 million, 457 space multi-storey car park opened for staff and visitors in 2010.

Development of a new Science faculty building providing over 11,000m² of floor space has recently commenced signifying further intentions by the University to enhance their offer.

The Coventry Ring Road has often been perceived as a barrier to the growth of the city centre; however the University has shown in recent years how new developments can break through this perceived barrier. The expansion of the university campus has managed to successfully expand eastwards along Gosford Street and Gulson Road with the multi-storey car park and Computing and Engineering Building, and south as part of the Technology Park. Further expansion is planned with the second phase of the Computer and Engineering Building envisaged on a temporary student car park accessed from Gulson Road. A key requirement of this further expansion however will be to ensure it interacts with the wider city centre, to help integrate the university campus and its buildings in a clearer and more transparent way with other parts of the city.

The growth of the University has acted as a catalyst for significant associated development, most notably student accommodation, although much of this has been outside of the university and enterprise quarter. The one established student accommodation block within this quarter is Priory Halls at Priory Street. As part of the University's wider development ambitions, there are opportunities to redevelop this site as well as the Foundation Campus at Priory Street and the James Starley building at Cox Street. Both areas offer significant opportunities to enhance the built environment. With regards the possible removal of Priory Halls in particular this offers a prime opportunity to enhance the setting of the city's principal Cathedral and improve the linkages to Poole Meadow and Swanswell Pool. As a peripheral part of the University campus this site may lend itself to alternative forms of development such as high quality market housing, which could support these improvements and help promote post-education student retention within the city centre.

Within the University and Enterprise area are a number of heritage assets, including:

- the remains of the Whitefriars Monastery on London Road, a Grade I listed property which dates from 1342.
- Other listed buildings include the Grade II* 'Medieval stonehouse', a sandstone building adjacent to the Sir John Laing Building and the Grade II* Whitefriars Gate fronting Much Park Street.

In recent years both issues and opportunities have presented themselves in relation to these assets and how they can be incorporated into the University expansion to ensure their longevity and enhanced setting. Future expansion of the University campus must seek to respect the city's heritage assets and wherever possible seek to accommodate and link them to new developments to ensure they have a protected and sustainable future. Opportunities should again be taken to ensure such assets remain accessible to the wider Coventry public.

As part of the continued expansion of the Coventry University campus opportunities must also be taken to improve pedestrian movement and linkages between buildings and public areas. Opportunities have already been identified around Gosford Street as part of the Public Realm Improvement Programme, as well as the introduction of new green infrastructure along Cox Street.

University car parking is also becoming an increasing issue with a number of temporary parking provisions at Gulson Road and Lower Ford Street. These represent a far from ideal solution to long term parking requirements and represent an inefficient use of city centre land. As such, opportunities for new multi-story car parking, either within this area or in close proximity should be explored to support the University's growth agenda.

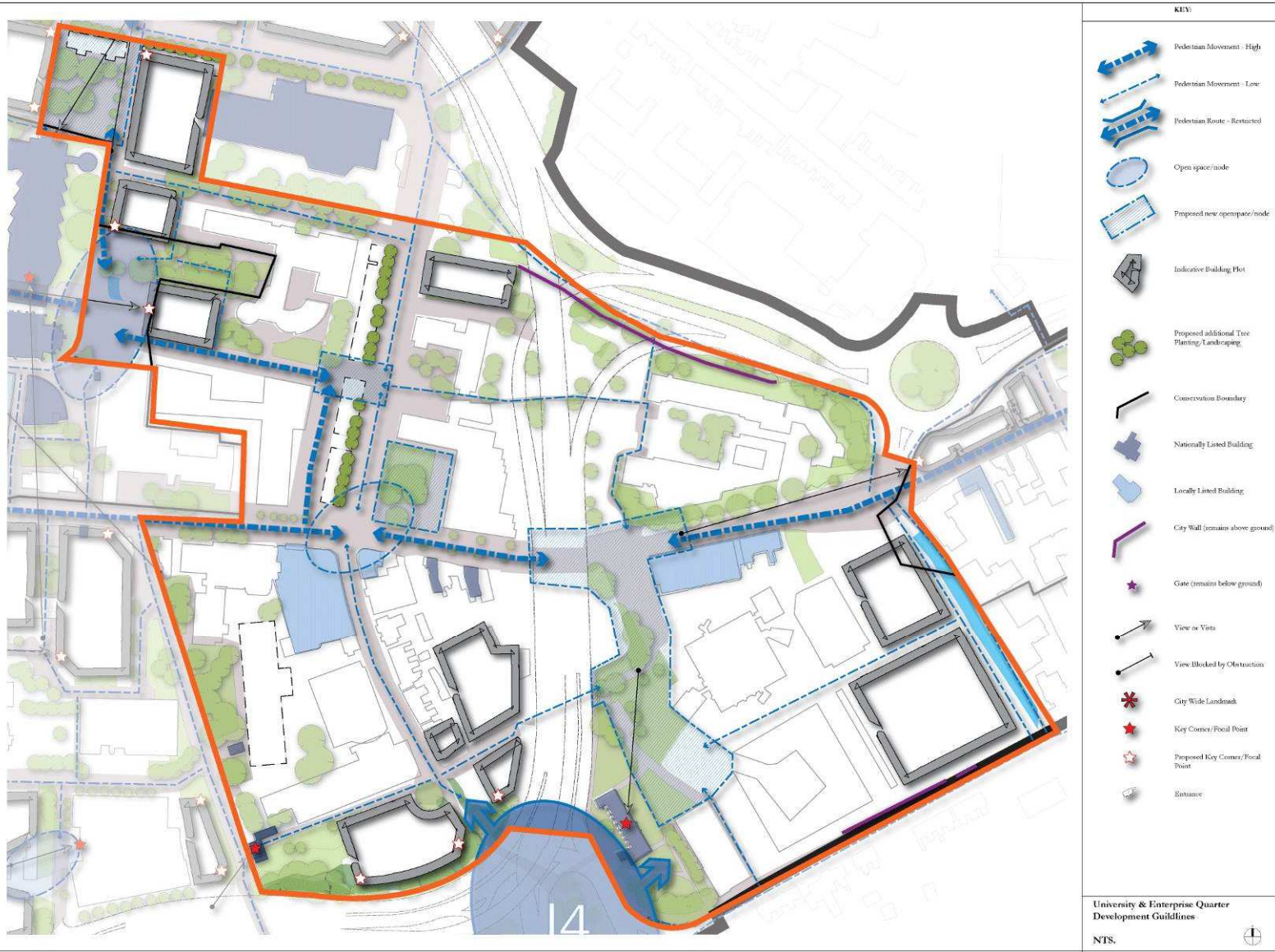
Policy CC24

- a. Within the University and Enterprise quarter, proposals for redevelopment, refurbishment, extension or conversion of buildings for the following uses will be supported subject to high quality building and landscape design:
 - I. Education and faculty buildings;
 - II. University administrative facilities;
 - III. Residential provision including student accommodation; and

IV. Multi-story car parks (subject to evidence of need).

- b. Land to the east of The Computer and Engineering Building on Gulson Road will be allocated for the development of a Phase II Computer and Engineering Building or an alternative faculty building(s). A large innovatively designed building will be supported on the site.
- c. The demolition of the Priory Halls and Foundation Campus building at Priory Street will be supported with new high quality residential buildings being introduced to support the setting of the Cathedrals and improving pedestrian routes and vistas along Priory Street. New development should make provision for at least 85 new homes.
- d. Proposals to bring the Grade I listed Whitefriars Monastery into regular use will be strongly supported subject to that use not having a detrimental impact upon the architectural and historic interest of the building.
- e. Any redevelopment proposals for the Sir John Laing building will be supported only if they include measures to enhance the setting of the adjacent Grade II* listed 'Medieval stonehouse' sandstone building.
- f. Any redevelopment proposals for the James Starley building will be supported subject to high quality design and measures to significantly improve the pedestrian environment along the western side of Cox Street adjacent to the site.
- g. University Square shall remain as an attractive public square at the interface of Coventry Cathedral, the Herbert Art Gallery and Museum and Coventry University.
- h. Within this area new development, where applicable, shall seek to improve and enhance the following pedestrian routes:
 - Jordan Well/Gosford Street to Far Gosford Street;
 - Gosford Street and Gulson Road; and
 - Cox Street between the junction with Fairfax Street and junction with Jordan Well

Figure 20: University and Enterprise Quarter



Regeneration Areas

The following chapter discusses three specific areas of the city centre which do not have a specific or unique identity. The first two of these areas offer a range of redevelopment opportunities, whilst the other represents an area where limited change is envisaged due to its well established residential and commercial form. The three areas are:

- The Bishop Street Regeneration Area, with Bishop Street being the main route linking the Primary Shopping Area and Canal Basin.
- The Fairfax Street Regeneration Area, with Fairfax Street being the main route through the area, linking the University and Enterprise Quarter with the Coventry Transport Museum
- The Warwick Row Area, with Warwick Row being the main route linking the city centre with the Business Quarter (Friargate)

The Bishop Street Regeneration Area

The Bishop Street Regeneration Area is located in between Junctions 1 and 9 of the Ring Road. The area forms a prominent gateway to the city centre from the busy Junction 1 of the Ring Road and the arterial road, B4113 Foleshill Road.

The site includes Coventry Canal Basin, the former Royal Mail sorting office on Bishop Street, the former Coventry Telegraph offices, former AXA tower blocks and the Wickes retail store. The area covers properties on Lamb Street, Chapel Street, Well Street, Silver Street, Bishop Street and Tower Street. Many of the buildings within the area are considered to be of poor design quality and appearance (e.g. the nightclub on Tower Street; the former sorting office) and low rise (e.g. the majority of buildings on Lamb Street) and represent ineffective use of the land whilst other buildings have been vacated and remain empty.

Much of the area has been identified previously as requiring regeneration with the Coventry Development Plan (2001) identifying the parts of this area within the Phoenix Initiative (Millennium Project) strategic regeneration area, one of three such areas within Coventry. Whilst some regeneration of this defined area has been completed, including Priory Place and Millennium Place, the land within the Northern Regeneration Area has lacked any notable investment. Moreover, recent years have seen three of the major employers within the area vacate their large premises for alternative locations. The Royal Mail sorting office closed in November 2010 as the business sought to provide hubs around the City, in July 2012 the Coventry Telegraph vacated their large site for smaller offices at the Canal Basin and in 2012 the former AXA office tower blocks were closed.

Although the Coventry Canal Basin received investment in the late 1980s/early 1990s, the area has not been as successful as desired partly owing to the physical barrier of the Ring Road with a dated pedestrian bridge discouraging movement between the Canal Basin and nearby residential areas and the remainder of the city centre.

Recent years have seen planning applications for major redevelopment in the area, including:

- A mixed use office and residential development at the junction of Well Street and Bishop Street, including an expansion of the multi storey car park.
- Retail led development of the former Royal Mail sorting office and adjoining buildings at Bishop Street. The application also involved the closing of much of Tower Street and the removal of the footbridge over the Ring Road and creation of an at-grade crossing.
- A significant redevelopment of the former Coventry Telegraph offices and neighbouring land with demolition of existing buildings and erection of a mixed use development with a landmark building comprising a mix of retail floor space, a large hotel, student accommodation, market housing and office provision.
- The conversion of the former AXA office buildings to student accommodation, which is expected to be completed in 2015.
- The conversion of multiple properties Corporation Street to student accommodation.

Comprehensive redevelopment within this area will be required to improve the appearance of the area and make it function as part of the city centre. Redevelopment of the area will provide significant opportunities for residential and office development and other town centre uses. A significant level of residential development can be accommodated within this area to assist in delivering the city's housing needs and such a use will support other town centre uses.

Better integration of the Canal Basin into the city centre is a priority of this AAP. Opportunities to remove the existing Ring Road pedestrian bridge and replace it with a pedestrian crossing across the Ring Road will be promoted. Improved relationships between new developments and those existing buildings which are to be retained adjacent to the regeneration area, most notably the Coventry Transport Museum, the listed former Old Grammar School and the Belgrade Plaza, will be promoted.

There are also a number of key routes within this area that should be established as part of wider development proposals. As already highlighted the route to the canal Basin, along Bishop Street is of primary importance. In addition the re-establishment of the historic route around Silver Street and Lamb Street / Chapel Street / Well Street will also be protected. Redevelopment around this latter area must also enhance the setting of the historic city wall. The area is located between two conservation areas and any re-development will need to relate well to both and ensure that their setting is enhanced.

Fairfax Street Regeneration Area

The Fairfax Street Regeneration Area is located between Junctions 2 and 3 of the Ring Road. This is a key transitional area linking the University and Enterprise and the Cathedrals and Cultural Quarter with the Health and Education Quarter to the north. The regeneration area covers Fairfax Street, Cox Street and White Street and contains several surface level car parks some of which have potential for future development.

Key attractors within this area include Pool Meadow bus station, Gala Bingo and the Sports Centre. Its transitional nature means the area contains several buildings

which can be considered in conjunction with adjoining quarters. Due to its layout, the Britannia Hotel sits within both the Cathedrals and Cultural Quarter and the Fairfax Street Regeneration Area, whilst the Priory Hall student accommodation is located within the University and Enterprise quarter, but adjacent to this regeneration area. These two buildings in particular have a significant influence over this regeneration area especially in terms of their routes, linkages and setting of listed buildings.

In this context, there are substantial opportunities in this area to improve views and sight lines to and from the cathedral. Of greatest interest here is Priory Street, which despite sitting within the Cathedrals and Cultural quarter is a key route into this regeneration area. However, there are perceived barriers to movement along Priory Street in the form of Priory Halls university accommodation, which bridges the northern end of Priory Street and acts as a visual barrier, impacting on sight lines to and from the cathedral. Fairfax Street is also one of the main routes through the site and views along the route should be enhanced with potential for greening where appropriate. The elevated section of the Ring Road also represents a significant barrier within this area, and there are opportunities to reduce its scale, especially around Junction 2, with the removal of the slip roads and development of the White Street car and coach park. This section of the Ring Road is currently a gateway view of many visitors to Coventry who arrive on national coach services. Such development would make significant contributions to the visual enhancement of this area.

There is future opportunity for development on Cox Street car park, with its future likely to be linked to that of the Sports Centre building. Proposals to enhance this particular area, will need to support improved routes and linkages and where possible make provisions for new green infrastructure, which will contribute towards the green spine running through the city centre.

Development opportunities within this area must also have regard to opportunities for new blue infrastructure in accordance with policy CC8.

Policy CC25:

- a. Proposals for comprehensive redevelopment within the Bishop Street and Fairfax Street regeneration areas for a mix of uses including a significant proportion of residential development will be encouraged and supported.
- b. Both areas will be primarily promoted for new residential development in a range of types and tenures although a range of other uses will be acceptable subject to conformity with other parts of this AAP. These include:
 - Office;
 - Retail and commercial;
 - Social, community and leisure uses;
 - Education uses (including those linked to the university);
 - Multi storey car parking; and
 - Green and blue infrastructure

- c. Proposals for the redevelopment and reconfiguration of existing parking facilities at Cox Street and Bishop Street will be supported, subject to forming part of a comprehensive scheme that does not reduce the overall level of city centre parking, unless otherwise shown to have an acceptable impact on the city centre as a whole.
- d. The removal of the slip roads around Junction 2 of the Ring Road will be supported alongside the development of the White Street car and coach park. Any proposals should come forward as a comprehensive scheme, include significant green infrastructure and create a new high quality route between Fairfax Street and Swanswell Pool.
- e. The replacement of the existing Canal bridge with a new pedestrian crossing will be supported to help improve the connectivity between the Canal Basin and the wider city centre.
- f. New development opportunities should not conflict with any other policies within this AAP.

Figure 21: Bishop Street Regeneration Area

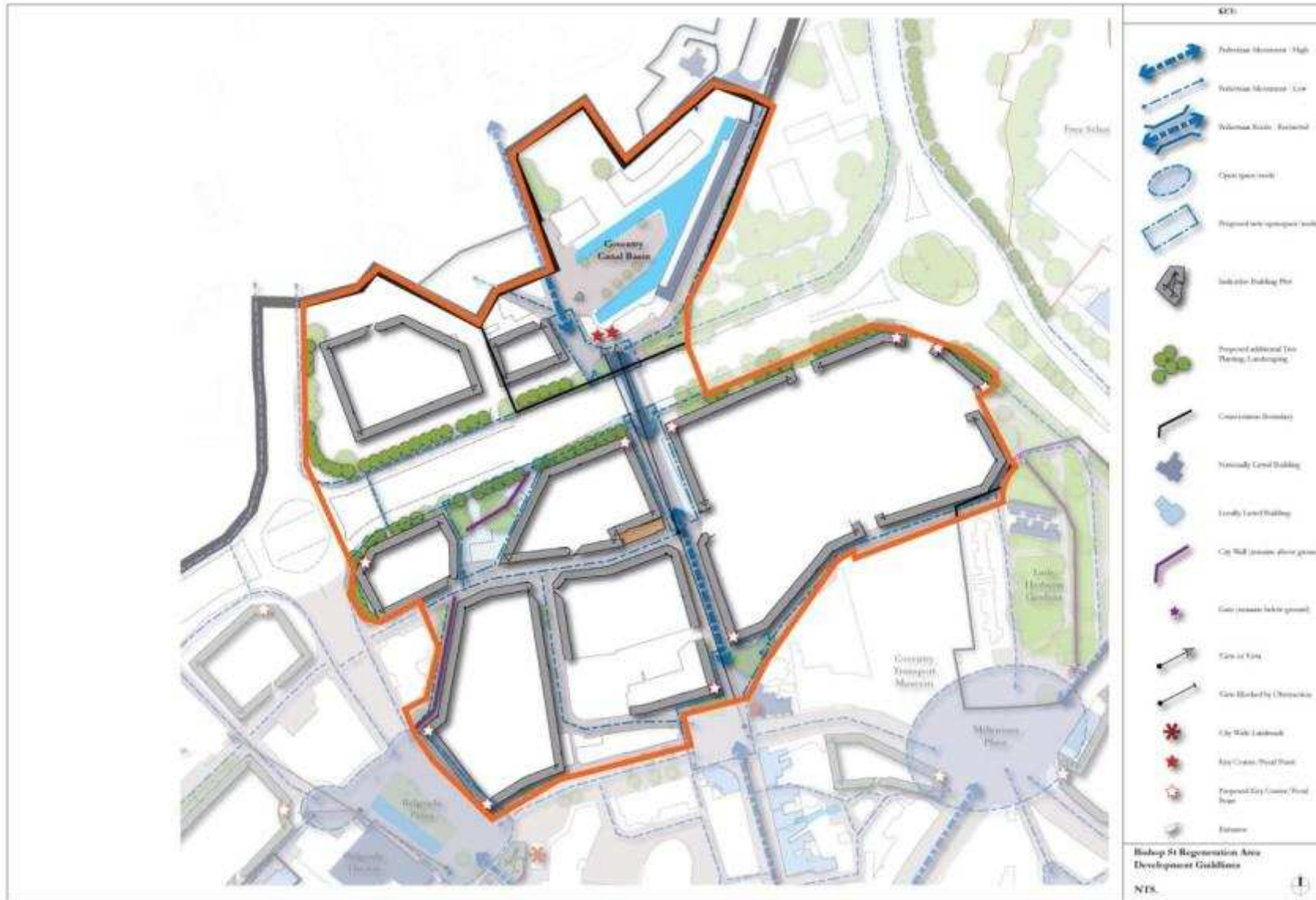
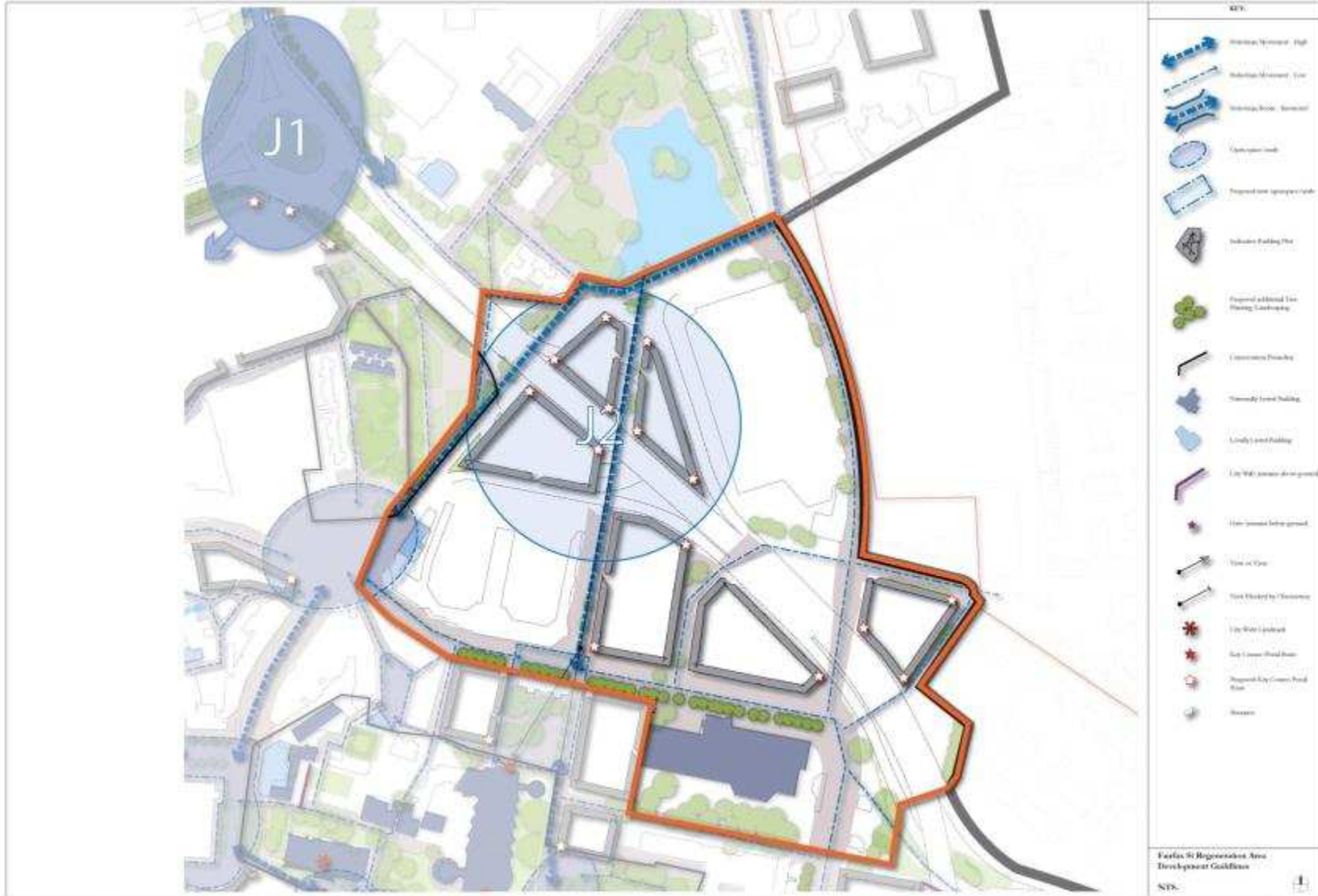


Figure 22: Fairfax Street Regeneration Area



The Warwick Row Area

This area is located between the Ring Road and the Primary Shopping Area. It is an established area containing:

- Greyfriars Green Conservation Area;
- A number of Victorian buildings located at the Quadrant Business Centre;
- Modern residential premises and commercial buildings along Queen Victoria Road and Greyfriars Road;
- Further residential provision around Friars Road and St. Patricks Road;
- A number of office and commercial buildings around Manor House Drive, including Friars House and Sherbourne House.

A key route through the area is Warwick Row, this is an established route linking the city centre with the railway station and contains a number of locally listed and listed buildings. As identified above, the area contains a wide mix of uses, including significant residential apartments and houses, general commercial uses including estate agents, solicitors and advice centres and good quality open space, with links to Greyfriars Green.

As such this area is not expected to see significant development proposals over and above changes of use and suitable infill developments. These will be considered on their own merit, and so long as they relate well to their surrounding buildings and uses and complement existing styles and designs they will be considered acceptable in principle.

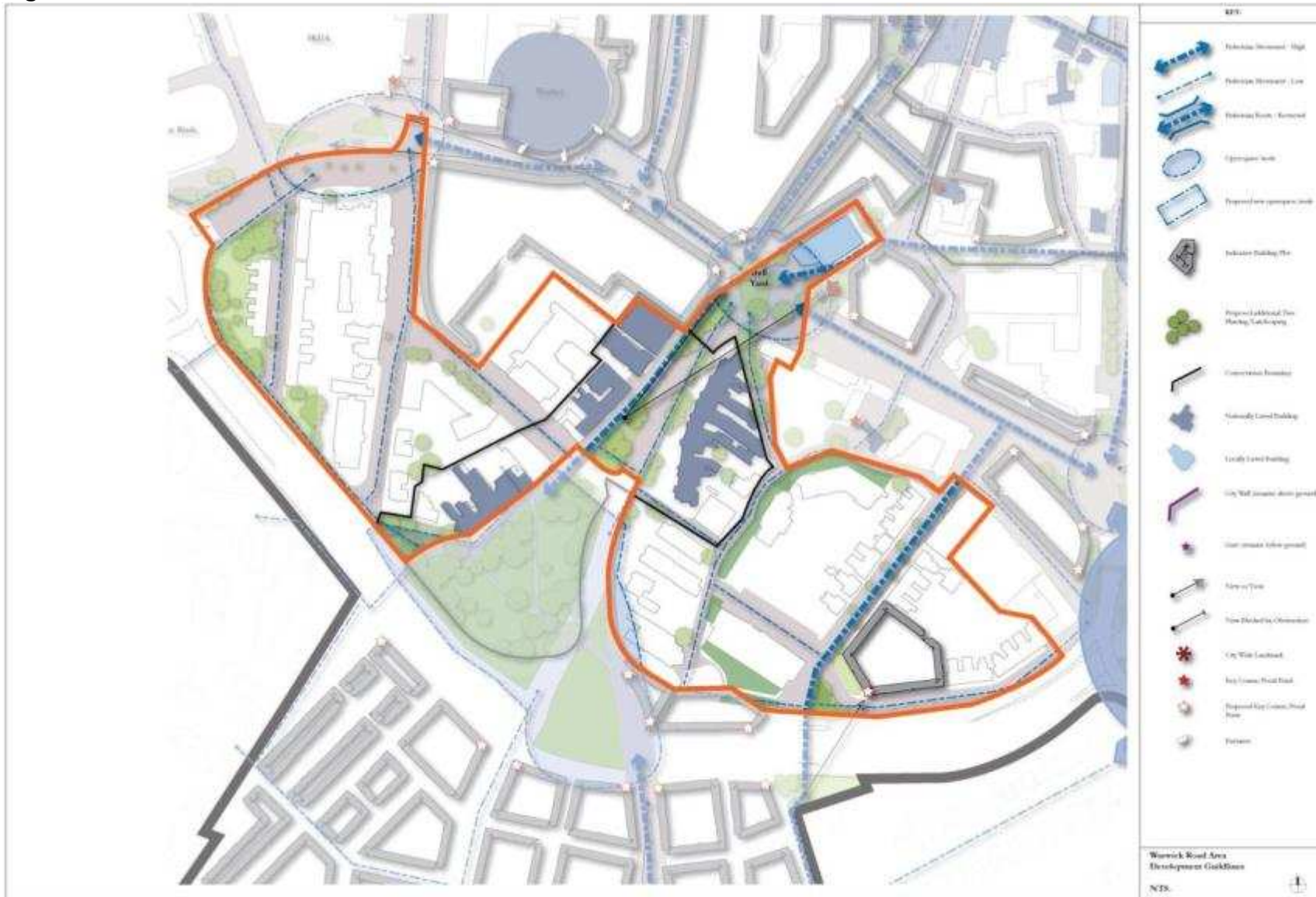
The one principal development site in this area is at the junction of St Patricks Road and Friars Road. This site has been vacant for some time and has previously benefited from planning permission for residential apartments. The site is considered a gateway opportunity, situated on a key route, close to the railway station and adjacent to the Ring Road. Suitable proposals for the redevelopment of this site will be welcomed.

Policy CC26

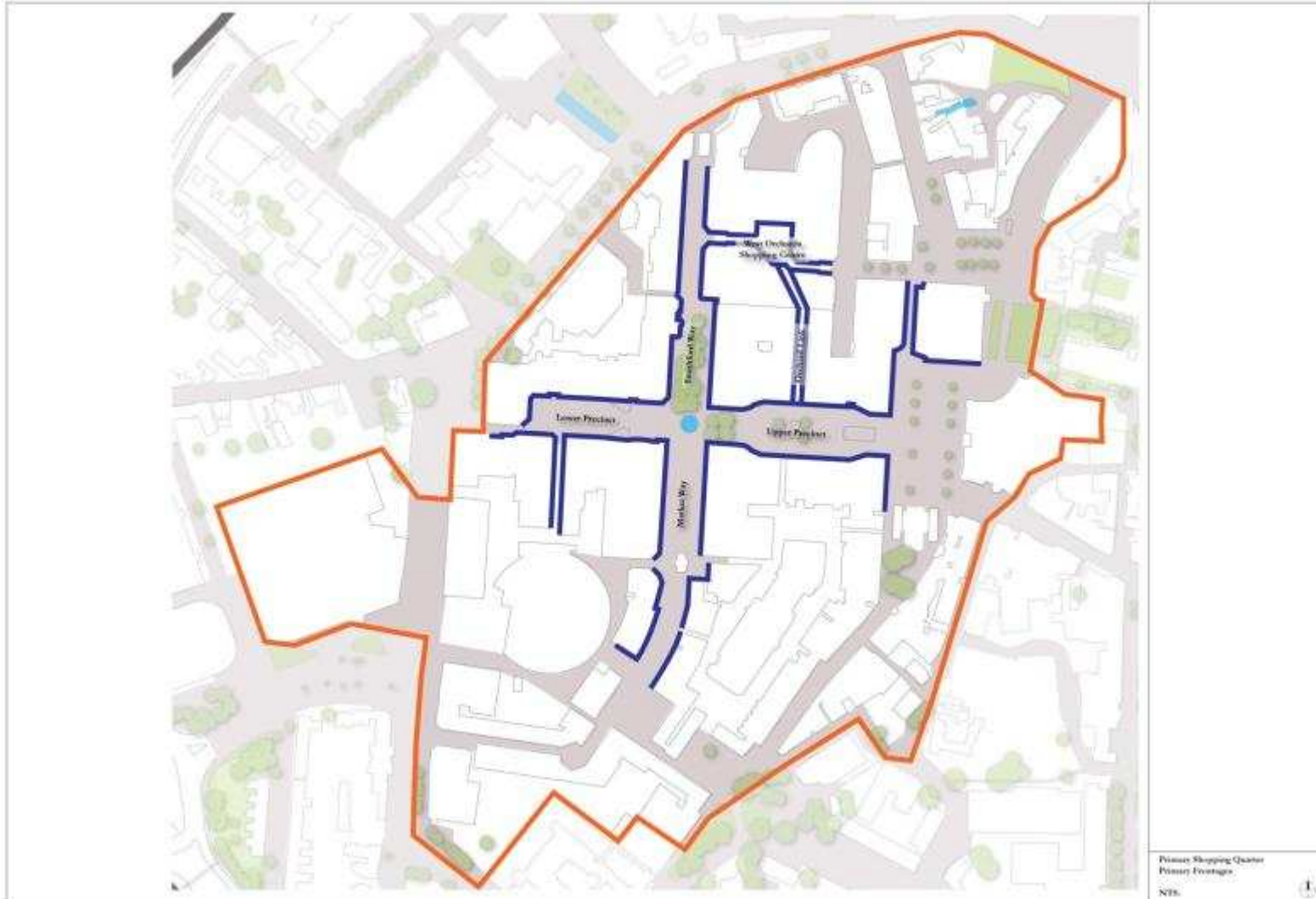
- a. Proposals for limited and sympathetic infill development in the Warwick Row area will be encouraged and supported where appropriate.
- b. Applications for conversions or changes of use will be considered on the basis of their relationship with adjoining buildings and uses. Where appropriate, proposals should complement existing styles and designs of adjoining buildings.
- c. The site at the junction of St. Patricks Road and Friars Road is to be allocated for at least 35 new homes and should provide a high quality building, fronting the Ring Road. Proposals should also incorporate opportunities to provide a green frontage to the Ring Road and relate positively to the pedestrian routes between Friars Road and the Railway Station.

- d. Proposals should enhance the character and quality of the local environment and be compatible with other AAP policies.

Figure 23: The Warwick Row Area



Appendix 1: Primary Frontages within the Primary Shopping Area



The proposed Primary Frontages are shown in blue. All other frontages within this Quarter are considered secondary for the purposes of draft Policy CC22.



**Cabinet
Council**

24th February 2015
24th February 2015

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources - Councillor Gannon

Director Approving Submission of the report:

Executive Director of Resources

Ward(s) affected:

City Wide

Title:

2015/16 Council Tax Setting Report

Is this a key decision?

Yes- Council are being recommended to approve the Council Tax levels for 2015/16

Executive Summary:

This report calculates the Council Tax level for 2015/16 and makes appropriate recommendations to the Council, consistent with the Budget Setting 2015/16 Report on the same agenda. The report recommends a 1.9% increase in the City's Council Tax. Some figures and information are necessarily provisional at this stage due to the Fire Authority's precept not having been confirmed. These are shaded in grey.

The report incorporates the impact of the Council's gross expenditure and the level of income it will receive through grants, fees and charges. This results in a Council Tax requirement, as the amount that its expenditure exceeds all other sources of income.

The report includes a calculation of the Band D Council Tax that will be needed to generate this Council Tax requirement, based on the City's approved Council Tax base. The 2015/16 Band D Council Tax that is calculated through this process is increased by £28.79 from the 2014/15 level.

The Pre-Budget Report was approved on the basis of consulting on a Council Tax rise of 1%. It has subsequently been clarified by the Government that the Council would be required to hold a referendum if it increased council tax by 2% or above. On this basis, the budget is being proposed on the basis of increasing Council Tax by 1.9%.

At the time of writing this report, the precept from the West Midlands Fire and Rescue Authority is not confirmed. The provisional figures provided in this report are based on indicative figures. The precept is due to be decided by the Fire Authority on the 16th February 2015.

Members should note that the recommendations follow the structure of resolutions drawn up by the Chartered Institute of Public Finance and Accountancy, to ensure that legal requirements are

fully adhered to in setting the tax. As a consequence, the wording of the proposed resolutions is necessarily complex.

Recommendations:

That Cabinet recommend to Council the approval of recommendations (1) to (5).

Council are recommended:

(1) To note the following Council Tax base amounts for the year 2015/16, as approved by Cabinet on 6th January 2015, in accordance with Regulations made under Section 31B of the Local Government Finance Act 1992 (as amended) ("the Act"):

a) 74,296.2 being the amount calculated by the Council as its Council Tax base for the year for the whole Council area;

b) Allesley 309.2
Keresley 215.4

being the amounts calculated by the Council as its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) That the following amounts be now calculated by the Council for the year 2015/16 in accordance with Sections 31A, 31B and 34 to 36 of the Act :

(a) £718,717,000 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils (*Gross Expenditure and reserves required to be raised for estimated future expenditure*);

(b) £616,545,753 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act. (*Gross Income including reserves to be used to meet the Gross Expenditure but excluding Council Tax income*);

(c) £102,171,247 being the amount by which the aggregate at (2)(a) above exceeds the aggregate at (2)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;

(d) £1,375.19
$$\frac{(2)(c)}{(1)(a)} = \frac{£102,171,247}{74,296.2}$$

being the amount at (2)(c) above divided by the amount at (1)(a) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. (*Average Council Tax at Band D for the City including Parish Precepts*).

(e) £5,056.00 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts*);

(f) £1,375.12
$$= (2)(d) - \frac{(2)(e)}{(1)(a)} = £1,375.19 - \frac{£5,056.00}{74,296.2}$$

being the amount at (2)(d) above, less the result given by dividing the amount at (2)(e) above by the amounts at (1)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of

its Council Tax for the year for dwellings in those parts of the area to which no special item relates. (*Council Tax at Band D for the City excluding Parish Precepts*);

g)

Coventry Unparished Area	£1,375.12
Allesley	£1,386.33
Keresley	£1,382.50

being the amounts given by adding to the amount at (2)(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (1)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. (*Council Taxes at Band D for the City and Parish*).

h)

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Keresley
	£	£	£
A	916.75	924.22	921.67
B	1069.54	1078.26	1075.28
C	1222.33	1232.29	1228.89
D	1375.12	1386.33	1382.50
E	1680.70	1694.40	1689.72
F	1986.28	2002.47	1996.94
G	2291.87	2310.55	2304.17
H	2750.24	2772.66	2765.00

being the amounts given by multiplying the amounts at (2)(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

(3) To note that for the year 2015/16 the Police and Crime Commissioner for the West Midlands and West Midlands Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwelling shown below:

Valuation Band	Police and Crime Commissioner for the West Midlands	West Midlands Fire Authority
	£	£
A	71.03	36.62
B	82.87	42.73
C	94.71	48.84
D	106.55	54.94
E	130.23	67.15
F	153.91	79.36
G	177.58	91.58
H	213.10	109.88

(4) That having calculated the aggregate in each case of the amounts at (2)(h) and (3) above, the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the following amounts as the amounts of Council Tax for the year 2015/16 for each part of its area and for each of the categories of dwellings shown below:

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Keresley
	£	£	£
A	1024.40	1031.87	1029.32
B	1195.14	1203.86	1200.88
C	1365.88	1375.84	1372.44
D	1536.61	1547.82	1543.99
E	1878.08	1891.78	1887.10
F	2219.55	2235.74	2230.21
G	2561.03	2579.71	2573.33
H	3073.22	3095.64	3087.98

(5) That the Council determines that its relevant basic amount of Council Tax for 2015/16 is not excessive in accordance with the principles approved under Sections 52ZC and 52ZD of the Act.

List of Appendices included:

None

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

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 – 24th February 2015

**Report title:
2015/16 Council Tax Setting Report**

1. Context (or background)

- 1.1 The purpose of this report is to seek approval for the City's 2015/16 Council Tax. The total planned spending (Gross Expenditure) in 2015/16 will be met in part by grant income (including Revenue Support Grant), and fees and charges. Any spending that is in excess of these income streams must be met from Council Tax and is referred to as the 'Council Tax Requirement'.
- 1.2 The details of the planned spending for 2015/16 are proposed in the 'Budget Report 2015/16' that is being considered by the Council in conjunction with this Council Tax Setting Report.
- 1.3 At the time of writing this report, the precept from the West Midlands Fire and Rescue Authority has not been confirmed. A report, with confirmed final figures, will be presented at the Council meeting on the 24th February 2015.
- 1.4 The Pre-Budget Report was approved on the basis of consulting on a Council Tax rise of 1%. It has subsequently been clarified by the Government that the Council would be required to hold a referendum if it increased council tax by 2% or above. On this basis, the budget is being proposed on the basis of increasing council tax by 1.90%.

2. Options considered and recommended proposal

- 2.1 The total Band D Council Tax in 2014/15 was £1,507.82 The figures calculated in this report represent a 1.90% increase from the 2014/15 figures for the City's Council Tax, and a 1.91% increase in total.

Total Council Tax, excluding any element for Parish Precepts, can be broken down as:

	Band D £	Increase from 2014/15 %	Proportion of total bill %
Coventry City Council	1375.12	1.90	89.49
Police and Crime Commissioner for the West Midlands	106.55	1.99	6.93
West Midlands Fire Authority	54.94	1.99	3.58
Total Coventry Council Tax	1536.61	1.91	100.00

- 2.2 The Band D Council Tax is used by Government as the national comparator. However, for Coventry, this does not reflect the demographics of the area and the make-up of the property mix; Coventry's property base is weighted towards Bands A to C. The average Council Tax bill in Coventry is £866.69, after allowing for all discounts and exemptions.

- 2.3 The total or "headline" council tax calculated for each band, for households of 2 or more adults with no reductions, and for households of 1 adult (who receive a 25% discount), is summarised below:

Valuation Band	Value of Property As at April 1991	Proportion of Band D	Chargeable Dwellings		Council Tax	
			No.	%	2 + Adults ¹ £	1 Adult ¹ £
Band A dwellings entitled to Disabled Persons Relief		5/9	120	0.1	853.67	640.25
A	Up to £40,000	6/9	53502	40.6	1024.40	768.29
B	£40,001 to £52,000	7/9	39510	30.0	1195.14	896.35
C	£52,001 to £68,000	8/9	21833	16.6	1365.88	1024.41
D	£68,001 to £88,000	9/9	8700	6.6	1536.61	1152.45
E	£88,001 to £120,000	11/9	4381	3.3	1878.08	1408.55
F	£120,001 to £160,000	13/9	2247	1.7	2219.55	1664.66
G	£160,001 to £320,000	15/9	1341	1.0	2561.03	1920.77
H	Over £320,000	18/9	96	0.1	3073.22	2304.91
			131,730	100.0		

¹ These amounts may be subject to penny rounding when the actual bill is produced

3. Results of consultation undertaken

The proposals in the Pre-Budget Report have been subject to eight weeks public consultation ending on the 27th January 2015. The details arising out of this consultation period have been reported in Appendix 1 of the budget report.

4. Timetable for implementing this decision

The proposals in this report take effect for the financial year starting 1st April 2015

5. Comments from Executive Director of Resources

5.1 Financial implications

A £1m increase or decrease in either the City Council's 2015/16 Council Tax requirement or Government grant, would lead to a £13.46 increase or decrease in Band D Council Tax (£7.59 in the average Council Tax per chargeable dwelling). Every £1 added to or removed from the Council Tax level will raise or reduce Council Tax income by £74,296.

5.2 Legal implications

A statutory duty is placed on the Council, as billing authority, to set for each financial year an amount of council tax for different category of dwellings according to the band in which the dwelling falls. The requirements to calculate and set a Council Tax are set out in the Local Government Finance Act 1992 and are detailed in the report. The Localism Act 2011 made significant changes to this Act, requiring authorities to calculate a Council Tax requirement for the year, not a budget requirement as was previously required. The Local

Government Finance Act 2012 made minor changes to the 1992 Act, clarifying the effect of the changes made to the way non-domestic rates income is distributed.

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 budget report on today's agenda outlines the very tight resource constraints facing the Council and the planned approach to identify savings options that are intended to minimise any adverse impact on the quality and level of services provided and the achievement of key objectives.

6.2 How is risk being managed?

A non-collection rate is built into estimates of Council Tax income. Collection performance is monitored on a regular basis.

6.3 What is the impact on the organisation?

See Budget Setting 2015/16 Report, Council 24th February 2015.

6.4 Equalities / EIA

No further implications

6.5 Implications for (or impact on) the environment

No further implications

6.6 Implications for partner organisations?

No further implications

Report author(s):**Name and job title:**

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Resources

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
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Names of approvers: (officers and members)				
Lara Knight	Governance Services Team Leader	Resources	2/2/2015	2/2/2015
Carol Bradford	Solicitor, Place and Regulatory Team , Legal Services	Resources	2/2/2015	4/2/2015
Barry Hastie	Assistant Director Financial Management	Resources	9/2/2015	9/2/2015
Director: Chris West	Executive Director of Resources	Resources	9/2/2015	9/2/2015
Members: Cllr Damian Gannon	Cabinet Member (Strategic Finance and Resources)		9/2/2015	9/2/2015

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Public report Cabinet Report

Cabinet
Council

24 February 2015
24 February 2015

Name of Cabinet Member:

Strategic Finance and Resources - Councillor Gannon

Director Approving Submission of the report:

Strategic Management Board

Ward(s) affected:

All

Title:

Budget Report 2015/16

Is this a key decision?

Yes - The report sets the Council's Revenue Budget for 2015/16 incorporating revenue spending and savings decisions for 2015/16 and future financial years and the Capital Programme for 2015/16 to 2019/20.

Executive Summary:

This report follows on from the Pre-Budget Report approved by Cabinet on 2nd December 2014 which has since been subject to a period of public consultation. The proposals within this report will now form the basis of the Council's final revenue and capital budget for 2015/16 incorporating the following details:

- Gross budgeted spend of £719m (£5m and 1% lower than 2014/15).
- Net budgeted spend financed by Revenue Support Grant, Council Tax and local Business Rates of £238m (£20m and 8% lower than 2014/15).
- A Council Tax Requirement of £102.2m (£3.4m and 3.4% higher than 2014/15), reflecting a City Council Tax increase of 1.9% detailed in the separate Council Tax Setting report on today's agenda.
- A Capital Programme of £118m (£6m and 5% less than the latest estimated 2014/15 programme) including expenditure funded by Prudential Borrowing of £43m.

The allocation of Government funding for 2015/16 was confirmed in the Local Government Finance Settlement announced on 3rd February 2015. This was broadly in line with previous expectations and incorporated a headline reduction in Revenue Support Grant of £24m (15%) from 2014/15 levels. In overall terms, the reduced Government funding is equivalent to a like-for-like reduction of £638 for every Coventry household between 2010/11 and 2015/16.

In line with its Medium Term Financial Strategy, the Council has continued to meet the challenge of significantly reduced resources through its programme of projects under the abc (A Better Council) banner. This Budget Report reflects a new phase of transformation incorporating the following projects - Kickstart, Customer Journey, City Centre First, a new Workforce Strategy and Doing Things Differently. The report incorporates savings within these programmes plus some expenditure proposals and pressures which together produce a balanced budget position for 2015/16.

This package of changes allows the Council to continue to deliver its key policies, confirmed in the Council Plan approved on 14th January 2014. As part of this, the plan acknowledges the reductions in resources that face the City Council and the need for the Council to reduce costs, maximise income and the use of its assets and work in a flexible and adaptable manner. These themes are reflected within the transformation plans above which will also encompass the need for the Council to revise its expectations and those of its citizens and taxpayers in relation to the range, level and location of services that will be delivered in the future.

Despite the financial pressure it faces the Council is maintaining an ambitious approach to Kickstarting the Friargate business district, implementing the Coventry Investment Fund proposals and leading the drive for economic growth and regeneration. The financial foundations for taking forward these initiatives have been approved within existing decisions and are not subject to specific recommendations within this report.

The proposed rise in Council Tax levels is just below the limit set by Government, beyond which a referendum would be required. This referendum limit has been set at 2% and the recommended Council Tax rise is proposed just below this at 1.9%. This option makes a modest amount of resources (£1.9m) available to the Council in the short-term and guarantees the long-term security of this funding to help protect services provided to the people of Coventry.

Recommendations:

That Cabinet recommend to Council the approval of recommendations (1) to (5).

Council are recommended to:

- (1) Approve the spending and savings proposals in **Appendix 2**.
- (2) Approve the total 2015/16 revenue budget of **£238m** in **Table 1** and **Appendix 4**, established in line with a 1.9% City Council Tax increase and the Council Tax Requirement recommended in the Council Tax Setting Report considered on today's agenda.
- (3) Note the Executive Director of Resources' comments confirming the robustness of the budget and adequacy of reserves in **Section 5.1.2 and 5.1.3**.
- (4) Approve the Capital Programme of £118m for 2015/16 and the future years' commitments arising from this programme of £244m in 2016/17 to 2019/20 detailed in **Section 2.3** and **Appendix 5**.
- (5) Approve the proposed Treasury Management Strategy for 2015/16 in **Section 2.4**, the revised Investment Strategy and Policy at **Appendix 6** for immediate implementation and the prudential indicators and limits described in **Section 2.4** and summarised in **Appendix 7**.

List of Appendices included:

Appendix Number	Title
1	Public Consultation Responses
2	Spending & Savings Proposals
3	Initial Indications of Equality Impacts
4	Summary Revenue Budget
5	Capital Programme 2015/16 to 2019/20
6	Investment Strategy and Policy
7	Prudential Indicators

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

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

24th February 2015

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Report title: Budget Report 2015/16

1. Context (or background)

1.1 Overall Context

- 1.1.1 This report seeks approval for the 2015/16 Revenue Budget and corresponding Council Tax rise, Capital Programme, Treasury Management Strategy and Prudential Indicators. The report includes the 2015/16 Government grant allocation and estimates of the Council's medium term revenue financial position.
- 1.1.2 The revenue budget proposals in this report follow on from the Pre-Budget Report approved by Cabinet on 2nd December 2014. They have been established in line with the Council's current Medium Term Financial Strategy and Council Plan, the vision for which is for the city to be "Globally connected - promoting the growth of a sustainable Coventry economy, and locally committed - improving the quality of life for Coventry people".
- 1.1.3 Delivery of the Council Plan continues to be hugely challenging in the light of 2015/16 witnessing Coventry's biggest ever year on year reduction in resources, set out in section 1.2. In the light of this, the proposals within this report mark a radical departure from the current way in which the Council provides many of its services. This is set out within the Customer Journey and City Centre First strategies that were outlined in the Pre-Budget Report which will consolidate the provision of many customer facing services into a smaller number of customer service points and promote more efficient methods of providing transactional services with customers. A key developing strand of policy is to engage with Coventry citizens, community groups and other stakeholders to determine what part they can play in helping to deliver services, helping the Council to move away from some existing service delivery models. Although the Council remains committed to delivering the best services possible, it will need to focus increasingly on protecting the most vulnerable citizens in the city and enabling the best conditions for economic regeneration and investment in the city.
- 1.1.4 This report's recommendations assume the rejection of the Government's Council Tax Freeze Grant of £1.3m, available if the Council freezes Council Tax at existing levels. Instead the report recommends a Budget that is supported by a rise which approaches the maximum permissible level above which the Council would be required to hold a referendum for its approval. The referendum limit has been set at 2% by Government and the rise recommended in the Council Tax report on today's agenda is 1.9%. The recommended option makes additional resources of £0.6m available to the Council in 2015/16 over and above that on offer through the Council Tax Freeze Grant. In addition, it guarantees permanent Council Tax resources of £1.9m within the Council's tax-base - funding which can help protect services provided to the people of Coventry. Such a rise would be the equivalent of between 30p and 40p per week for a typical Coventry household. Those that receive Council Tax Support (approximately 20% of Coventry households) would not pay any more under this proposal.
- 1.1.5 In addition to the significant on-going cash reduction in general Government resources for the Council through the Settlement Funding Assessment, further reductions in some specific grants have been set out in recent and previous announcements for 2015/16 including for the Education Services Grant, Housing Benefit Administration Grant, Schools Basic Needs Capital Grant and Local Welfare Provision Grant. Some other grants have increased, largely those available to the city's schools and other grants relating to new burdens. Section 1.2.4 provides more detail.

1.1.6 The Council's Medium Term Financial Strategy and Pre-Budget reports set out the massive national changes affecting the financial and policy landscape for local authorities. At a local level the Council continues to face challenges that include providing robust services for vulnerable children and adults, delivering other vital local services to Coventry citizens and helping to make the city an attractive place for businesses to move to and thrive in. With the Council now being allowed to retain 49% of any future Business Rates growth in the future, the strength and vitality of the local economy will take on increasing significance for core Council funding over the coming years.

1.2 Revenue Resources

1.2.1 The Council's total revenue expenditure is funded from a combination of resources as set out in the table below which includes an analysis of the movement from 2014/15 to 2015/16.

Table1: Resources to Fund the Budget

2014/15 £000s		2015/16 £000s	(Increase)/ Decrease £000s	(Increase)/ Decrease %
(98,788)	A: Council Tax Requirement	(102,171)	(3,383)	(3%)
(56,817)	B: Business Rates (Local Share)	(57,976)	23,531	15%
(102,900)	C: Revenue Support Grant and Top-Up	(78,210)		
(393,217)	D: Specific Grants (see section 3.4) **	(400,339)	(7,122)	(2%)
(71,906)	E: Fees, Charges & Other Income**&***	(80,021)	(8,115)	(11%)
(258,505)	Funding of Net Budget (A + B + C)	(238,357)	20,148	8%
(723,628)	Funding of Gross Budget (A + B + C + D + E)**	(718,717)	4,911	1%

*Line E: Fees and Charges, includes Council Tax and Business Rates Collection Fund surpluses and contributions from reserves.

**Line D, E and Gross Budget: 2014/15 values have been re-stated to allow valid comparisons with 2015/16

1.2.2 The resource projection figures in the table above use the Final Local Government Finance Settlement position for 2015/16. No figures are available for future years and it is only possible to make estimates based on control totals of national expenditure. These will inevitably be subject to matters such as the make-up of the next Government and the performance of the national economy as well as the Council's experience of how the local Business Rates Retention scheme impacts upon the Council's overall resources position. The Council's best estimate of expected resource loss is shown

below expressed in the form of the Government's preferred measure, the Settlement Funding Assessment.

Table 2: Coventry's Estimated Settlement Funding Assessment

		2015/16 Final	2016/17 Estimate	2017/18 Estimate
Coventry's Settlement Funding Assessment	£m	(135.2)	(119.1)	(110.6)
Decreases on Previous Year	£m	25.4*	16.1	8.5
	%	15.8%*	11.9%	7.1%

* This is a higher reduction than the £23.5m (15%) shown in Table 1 above. The analysis in this table reflects the Government's rebased 2014/15 starting point.

1.2.3 The 2010/11 equivalent Settlement Funding Assessment provided £1,627 of funding for every household in the city in 2010/11. Since then, the number of Coventry households has risen (from over 132,000 to more than 137,000) at the same time as overall resources have been cut. The equivalent funding per household figure for 2015/16 is estimated at £989, a fall over the period of £638.

1.2.4 Specific Grants – In overall terms specific revenue grant funding has increased between 2014/15 and 2015/16 from £393m to £400m. Within this, the total level of funding received to fund city schools (including the Dedicated Schools Grant and Pupil Premium Grant) is expected to be £218m, compared with £211m in 2014/15. Housing Benefit Subsidy payments have been estimated at £113m, whilst other significant grants/movements include:

- A Public Health Grant of £19.4m (£0.2m increase)
- Over £11m (c£7m increase) relating to adult social care, driven mostly by the changing relationship between the social care and health sectors and relating to new burdens for the Council. This includes contributions from Coventry and Rugby Clinical Commissioning Group and grants relating to the Care Act, the Independent Living Fund and the Better Care Fund.
- Assumed funding for Adult Education of £6.8m (£0.3m increase)
- New Homes Bonus Grant of £7m (£1m increase, although top-sliced from Government Revenue Support Grant)
- Education Services Grant estimated at £3.6m (£1.5m decrease)
- Grants received in lieu of Business Rates amounting to £2.7m such as Small Business Rates Compensation Grant (£0.2m increase)
- Housing Benefit and Council Tax Administration Grant of £2.1m (£0.2m decrease)
- Troubled Families Grant £1.2m (£0.5m increase) as part of a 5 year £6m programme detailed in the report to Cabinet on 10th February 2015

2. Options considered and recommended proposal

2.1 Section Outline

2.1.1 The remainder of the report details the specific proposals recommended for approval. Section 2.2 below outlines the savings and cost pressures reflected in the proposed budget. Approval is being sought for these and the overall budget and Council Tax Requirement in **Appendix 4**. This is predicated on a City Council Tax rise of 1.9% and rejection of the Government's 2015/16 Council Tax Freeze Grant.

2.1.2 The report seeks approval for a 2015/16 Capital Programme of £118m compared with an initial 2014/15 programme of £149m. The Programme is considered in detail in **Section 2.3** and **Appendix 5**.

2.1.3 The report is also required formally to seek Council approval for the Treasury Management Strategy (**Section 2.4**), the Investment Strategy and Policy (**Appendix 6**) and the Prudential Indicators (**Section 2.4** and **Appendix 7**).

2.2 Revenue Budget

2.2.1 The budget includes the saving and expenditure proposals included within the Pre-Budget Report approved by Cabinet on 2nd December 2014 as a basis for Pre-Budget consultation. A line by line impact of how these proposals affect the base budget is given in **Appendix 2** with an indication of where there have been changes to the figures included within the Pre-Budget Report. The changes since the Pre-Budget Report are shown in the table below. These changes enable the Council to deliver a balanced budget for 2015/16.

Table 3: Changes to Pre-Budget Report Position

	Appx 2 Line Ref	2015/16 £m	2016/17 £m	2017/18 £m
Pre-Budget Report Position		1.8	12.9	15.3
Change to Government Settlement	1a	(0.6)	(0.6)	(0.6)
Special Education Needs Transport - Abc Review	10a	0.4	0.0	0.0
Council Tax Estimated Outturn & Tax-base	20	0.3	0.3	0.3
Council Tax - Referendum Limit	21	(0.9)	(0.9)	(0.9)
Business Rates Estimated Outturn & Tax-base	22	(0.4)	1.4	1.5
Birmingham International Airport Dividends	22a	(0.3)	0.3	0.5
Overall Resourcing (Early Intervention Grant)	22b	(0.9)	(0.9)	(0.9)
Local Welfare Provision	22c	0.6	0.6	0.6
Charge for, transfer or remove School Crossing Patrols	33	0.0	0.0	0.0
Total		0.0	13.1	15.8

2.2.2 These changes represent:

- 1a and 22c - Government resources for Local Welfare Provision (Community Support Grants) which replace the previous specific grant of £1.4m and which will be used to maintain a local Community Support Grants scheme.
- 10a - A reversal of the proposed £0.4m saving in Special Education Needs Transport for one year to allow further consultation and consideration of service options.
- 20 & 22 – Balancing adjustments to the estimated outturn and tax-base positions including a £0.7m contribution from the Business Rates reserve.
- 21 - The impact of increasing Council Tax by 1.9% - this provides a greater level of resources than the amount assumed at Pre-Budget time when it was assumed that the Referendum Limit set by the Secretary of State for Communities and Local Government might have been as low as 1%.
- 22a - A revised medium term projection for dividends from the Council's shares in Birmingham Airport.
- 22b - The impact of lost Early Intervention Grant assumed within the overall Pre-Budget funding position is less severe than anticipated.
- 33 – It is now proposed that the Council continues to provide school crossing patrols but only on the basis that schools agree to fund the cost of these. A part year-effect produces a re-profiled saving, reduced by c£0.1m for 2015/16, which will be met by reserve funding for one year only, leaving a net nil change overall.

2.2.3 When the impact of these changes is added to the position shown at the Pre-Budget stage, the final net position is as follows and detailed in Appendix 2.

Table 4: Overall Movement in Budget

	2015/16 £000s	2016/17 £000s	2017/18 £000s
Initial Budget Gap	15,088	44,230	65,030
Changes to Base Position Including Corporate Savings and Unavoidable Cost Pressures	(10,543)	(13,600)	(18,861)
Children's Services Additional Costs	10,000	10,000	10,000
Kickstart, Customer Journey, City Centre First & Workforce Strategy Savings	(7,000)	(13,000)	(25,000)
Place Directorate – Doing Things Differently	(3,275)	(4,175)	(4,675)
People Directorate – Doing Things Differently	(2,100)	(3,650)	(3,650)
Resources Directorate – Doing Things Differently	(2,170)	(6,658)	(7,078)
Final Bottom Line	0	13,147	15,766

2.2.4 Where appropriate, further consultation and equality analyses will be undertaken to now look at the specific proposals before final decisions on the individual proposals are made.

2.3 **Capital Programme**

2.3.1 In **Appendix 5** there are proposals for a Capital Programme of £118m. This compares with the current projected 2014/15 programme of £124m. The proposals include continued very significant investment in highways and public realm works programmes and construction of the Council's new administrative office building in the Friargate Business District.

2.3.2 The 2015/16 Programme requires £42m of funding from Prudential Borrowing, £31m of which relates to the Friargate building and the Coventry Investment Fund. A further £7m relates to non-scheme specific borrowing resulting from spending decisions made in previous years. There is a strong likelihood that non-specific borrowing requirement will be avoided in 2015/16 as a result either of in-year re-profiling of expenditure above the 5% re-scheduling level or as a result of other additional funding being received in-year ahead of the need to spend. Also, the Executive Director of Resources will continue to recommend to members an intention to reduce the overall need to borrow, by applying uncommitted revenue resources or capital receipts as they arise which will reduce capital financing costs over the longer term. In addition, it is intended that close control should continue to be exercised on the approval of any new capital spending commitments in the coming years.

2.3.3 The full programme is detailed in **Appendix 5** with the main items being as follows:

- A total investment of £30m in the City's highways and Public Realm infrastructure. This includes £24m of grant funded works plus a £3m Council funded highways investment programme.
- £20m of planned expenditure on the administrative office building in the forthcoming Friargate Business District and surrounding infrastructure including the Bridgedeck over the ring-road.
- A £16m programme in 2015/16 for Education/Children and Young People relating to investments in schools across the City including continuation of programmes to increase primary school places. This programme is lower than previous programmes reflecting the published reductions in Coventry's Basic Need funding allocations provided by Government.
- Expenditure funded from the Government's Growth Deal and Growing Places funds to support programmes and projects in partnership with the private sector and associated infrastructure schemes to help create economic growth, employment and additional business rates.
- Further spending on the long-term Coventry Investment Fund (CIF) programme of £15 million to stimulate the local economy and create jobs.
- Investment of £8m to progress the Nuckle scheme improving the railway links between Nuneaton and Coventry and completing the new station at the Ricoh Arena planned to be operational in 2015.
- A £2.4m programme of Disabled Facilities Grants.

2.3.4 In addition to the Prudential Borrowing referred to above, the other main sources of funding for the capital expenditure shown above are £59m of Capital grants and £12m of revenue funding and capital receipts. The sources of grant funding are as follows.

Table 5: Capital Grant Funding

	£m
Growth Deal 1	16
Sub-regional & Government funding for the NUCKLE rail project and Highways	12
European Regional Development Fund	9
Education Funding Agency	7
Regional Growth Fund	6
All Other Grants/Contributions	9
Total	59

2.3.5 Some of the risks relating to major projects are outlined in section 5.1.4.7 below and these are relevant to a significant proportion of the Capital Programme. At the time of writing this report, the Council is reviewing a potential affordability gap on several major infrastructure schemes that may require some recasting of the overall highways and Public Realm programmes. It is too early to enable finalisation of the details of this and a forthcoming report to Cabinet and Council will provide an up to date position together with a new bid for external grant funding plus any further solutions that may be required. Whatever the outcome of this, there will be no further call on corporate capital resources to manage these schemes. It is appropriate to raise this matter now due to the proximity of the report, expected in early March, to setting the Council's budget.

2.3.6 Forecast Capital Programme

The Programme included has been evaluated to identify the likely realistic profile of spend, to maximise the amount of expenditure against which we can apply grant resources and to maximise the resources available corporately to the Council to fund the Capital Programme.

A summary of the proposed programme including existing commitments and funding sources is outlined below. This includes expenditure rescheduled into 2015/16 as a result of the 2014/15 budgetary control process. Full details of the proposed programme are included in **Appendix 5**.

Table 6: 2015/16 – 2019/20 Capital Programme (Expenditure & Funding)

Expenditure	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Business, Enterprise and Employment	57,369	89,460	24,213	4,935	0
Strategic Finance and Resources	6,629	2,878	2,817	2,817	2,817
Health and Adult Services	2,389	2,389	2,389	2,389	2,389
Education, Children & Young People	17,102	10,500	6,830	10,098	2,678
Public Services	37,186	10,682	8,268	7,673	6,740
Culture, Leisure, Sports & Parks	3,266	9,288	12,408	12,408	1,671
Community Development, Co-operatives & Social Enterprise	100	0	0	0	0
Total Approved Programme	124,041	125,197	56,925	40,320	16,295
Allowance for Rescheduling	(6,202)	(368)	3,395	1,000	1,251
Programme after Rescheduling	117,839	124,829	60,320	41,320	17,546

Funding	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Prudential Borrowing	42,570	66,637	23,973	12,935	2,065
Grants & Contributions	62,724	47,526	28,442	19,557	8,527
Capital Receipts	1,100	2,100	775	1,600	0
Revenue Contributions	11,265	7,214	6,850	6,850	6,850
Leasing	180	1,352	280	378	104
Total	117,839	124,829	60,320	41,320	17,546

2.3.7 Other significant Schools capital work programmes are excluded from the Programme and will be the subject of future reports to members. Between 2018 and 2022 the Council will need to expand secondary schools by the equivalent of up to 22 forms of entry to meet rising demand for places and support delivery of the City's Special Educational Needs Broad Spectrum policy where suitable facilities for a further primary and secondary broad spectrum school are required. In addition, 7 replacement schools are being funded as part of the Government's Priority School Building Programme (PSBP) and are being delivered by the Education Funding Agency outside of the Council's Capital Programme. This will address some of the worst condition schools in the City although significant condition issues still exist across the City's school estate primarily driven by the age and construction type of buildings. The Council was

unsuccessful in attracting any funding for the 12 schemes that were submitted under PSBP2.

- 2.3.8 The Coventry and Warwickshire Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £15.3m invested in Coventry and Warwickshire between 2016 and 2021. This is in addition to the £74.1m of funding committed by the Government on 7 July 2014. This funding will be used over the lifetime of its Deal (2015-2021) to create up an estimated 4000 new jobs, 1400 new homes built and the potential to generate £220m public and private investment. Currently, the Capital Programme is including up to £53m of the Growth 1 allocation over the next 5 years, while clarification is sought of the overall value out of the initial £74.1m that will be channelled through the Council. This includes an indicative cash-flow based on the anticipated payment profile and will require to be updated as projects profiles and the flexibility conditions of the funding are finalised.

The Growth 2 funding of £15.3m is currently not included in the 5 years programme as the Council is currently unaware of the exact cash-flow and the value to be paid to the Council. It is anticipated that some of these funds may be paid direct to the Sponsor Promoter. Both Growth 1 and Growth 2 will be updated in the programme as part of quarterly monitoring.

- 2.3.9 The programme includes an on-going 5% allowance for the rescheduling of expenditure between years with an adjustment shown at a corporate programme level. This recognises the potential benefits of maintaining a degree of flexibility through the year and the fact that the Council is often faced with rescheduling due to factors outside its control. Any potential new demands that arise over time as new initiatives are identified will need to be subject to rigorous review to balance their priority and affordability. The Council will continue to re-evaluate the future Capital Programme taking into account economic circumstances, its ability to generate capital receipts and the profile of other areas of significant investment that it manages.

2.4 Treasury Management

- 2.4.1 Treasury management entails the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. Local authorities are required to maintain an overarching annual Treasury Management Strategy which is the subject of this section of the report.

- 2.4.2 In addition, authorities are required to set out:

- An Investment Strategy and Policy detailing out how investment risk is managed (**Appendix 6**);
- A suite of prudential indicators for treasury and capital programme management (**Appendix 7**);
- A Minimum Revenue Provision (MRP) statement detailing the way it calculates the prudent provision for the repayment of borrowing (**Section 2.4.6**).

- 2.4.3 The detailed objectives that underpin the Treasury Management Strategy are:

Borrowing, to:

- Maintain adequate liquidity so that cash requirements are met;
- Minimise the cost of debt whilst maintaining long term certainty in interest rate exposure;

- Manage the total debt maturity profile, having no one future year with a disproportionate level of debt repayments;
- Undertake the restructuring of debt, in order to minimise the costs through actively reviewing opportunities for rescheduling.

Investment, to:

- Maintain the capital security of sums invested,
- Maintain adequate liquidity;
- Maximise the revenue benefit by retaining external investments, repaying existing loans and avoiding new borrowing as appropriate given prevailing and forecast interest rates.

The Council is responsible for its treasury decisions and activity. No treasury management activity is without risk and the successful identification and control of risk are integral to the treasury activities and include the following: credit risk; liquidity risk; market or interest rate risk; refinancing risk and legal or regulatory risk

2.4.4 Interest Rate Forecast - In the current economic conditions it is expected that base rate (currently 0.5%) will begin to rise in the second half of 2015, with a gradual pace of increases thereafter. The average for 2015/16 is expected to be around 0.75%. Interest rates are predicted to stay at a much lower level than they have been historically, with the new norm being around 2.5%. The impact of a low base rate is that shorter term borrowing costs and investment returns remain low. Longer term interest rates, for capital programme borrowing through the Public Works Loans Board (PWLB), are influenced by other factors, in particular the price of UK government gilts. During 2014/15 longer term PWLB rates have been in the region of 3.7% to 4.5%. Longer term rates are variable and are set by the PWLB twice a day. Arlingclose, the City Council's treasury advisers, provide regular interest rate forecasts and commentaries.

2.4.5 Borrowing - Based on current estimated levels of spend the expected long term debt position of the authority at 31st March 2015 is as follows:

Table 7: Estimated Long Term Borrowing at 31st March 2015

Type of Debt	Total £m
PWLB	221.3
Money Market Loans	59.0
Stock Issue	12.0
Transferred Debt (other authorities)	17.4
PFI, Finance Lease & Other	71.1
Total Long Term Liabilities	380.8

The main funding sources currently used by Coventry are:

- The Public Works Loans Board (PWLB) or its successor - this is, in effect, the Government. Loans may be obtained at variable or fixed rates of interest.
- Money Market Loans - these are loans obtained from financial institutions and include LOBO (lender's option, borrower's option) loans typically with an initial

fixed rate for 3-4 years, then variable thereafter. Should the lender exercise the option and seek to increase the rate beyond a certain level the borrower can choose to repay the loan, refinancing it at that point in time. This is, in effect, a call option for the lending bank. Coventry has £58m of such loans and in the event of a "call" one approach that would be considered would be to repay the loan, refinancing it from another source, such as the PWLB;

- Stock Issue (Bond issue) – this is the authority's £12m stock issue.
- UK Local Authorities – traditionally inter local authority borrowing has been used to manage shorter term cashflow demands, but there is now greater potential for longer term arrangements;
- PFI & Finance Leases - under accounting rules, liabilities to make payments under PFI schemes and finance leases are included within the City Council's balance sheet.

In addition, the City Council will consider other sources available to local authorities and may invest with these if appropriate: capital bond market investors; UK pension funds (excluding the West Midlands Pension Fund); vehicles set up by local authorities to enable joint local authority bond issues and other institutions authorised by the Prudential Regulation Authority.

Given the revenue budget and associated capital programme outlined in this report, the estimated underlying borrowing requirement for the City Council for each of the capital programme years from 2015/16 is summarised below:

Table 8: 2015/16 Borrowing Requirement (excluding PFI & finance leases)

Underlying Borrowing Requirement	2015/16 £m	2016/17 £m	2017/18 £m
New funds to finance the Capital Programme	42.6	66.6	24.0
Minimum Revenue Provision (debt repayment provision)	(13.1)	(14.8)	(17.3)
Forecast increase in borrowing requirement	29.5	51.8	6.7

This implies a significant increase in the Council's need to borrow over the coming years due to previous decisions taken by Council on schemes such as the Coventry Investment Fund and Friargate for instance. Given the likely reduction in the level of City Council investment balances, this will increase the likelihood that the City Council will need to undertake some longer term borrowing during the coming year and beyond.

Issues that the City Council will take into account in its approach to borrowing include:

- Although local authorities have scope to borrow in advance of need, essentially borrowing on the basis of future planned capital spend, it is proposed that the City Council's current practice of not borrowing in advance of need continues unless circumstances change;
- Non-capital programme factors including the level of short term cashflow balances, the use of reserve balances and the maturity of long term debt such as PWLB and, potentially, LOBO market loans;

- The impact of short term rates, including base rate, being lower than long term rates. This means that where the proceeds of long term borrowing are temporarily held as investment balances, there is a short term “cost of carry” reflecting the difference in short to long term rates. This is an immediate disincentive to undertake long term borrowing, even when long term rates are historically low;
- The potential to reschedule debt through redeeming existing borrowing early and replacing it with borrowing at lower interest rates. This will only be done if revenue benefits justify it, taking into account early repayment costs. However, the lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has tended to reduce the opportunities for local authorities to benefit through debt restructuring.

In the light of forecast interest rates, the objectives underpinning the Treasury Management Strategy and the forecast borrowing requirement for 2015/16 and future years, the Executive Director Resources will undertake the most appropriate form of borrowing depending on prevailing interest rates at the time.

- 2.4.6 Minimum Revenue Provision - Local authorities are required to make prudent provision for the repayment of long term capital programme borrowing through a revenue charge (the Minimum Revenue Provision or MRP). The aim of prudent provision is to ensure that the revenue charge broadly reflects the period over which benefit is derived from the capital spend e.g. the life of an asset purchased or built.

Capital Finance Regulations (SI 2008/414) require the approval of an MRP Statement setting out the authority's approach. It is proposed that the existing policy continues:-

- For capital expenditure incurred before 1st April 2008 or which in future will be Supported Capital Expenditure, the Council will follow existing practice, the so called "Regulatory Method", with MRP broadly based on 4% of the underlying Capital Financing Requirement adjusted for the Adjustment A;
- From 1st April 2008 for all capital expenditure met from unsupported or prudential borrowing MRP will be based on the estimated asset life of the assets or a depreciation calculation;
- MRP for leases brought onto the balance sheet under accounting rules will match the annual principal repayment for the associated deferred liability.

- 2.4.7 Investments - The City Council holds investments, representing income received in advance of expenditure plus balances and reserves held. It is expected that the level of investments will fall in future years as capital programme spend is incurred and existing borrowing matures for repayment.

In line with statutory guidance, the order of objectives in investing the Council's funds remains:

- security of capital;
- liquidity or accessibility of the council's investments;
- yield or return.

The main investments used by the City Council are:

- Call accounts and deposits with banks, building societies, local authorities and the government, largely for fixed durations and rates of interest. During 2014/15 the amount held in these investments has ranged between £50m - £90m;

- Pooled funds such as Collective Investment Schemes (CIS) and Money Market Funds (MMF), which enable local authorities and other investors to diversify their investments. During 2014/15 the amount held in these investments has ranged between £23m and £45m.

The use of call accounts and Money Market Funds helps ensure the liquidity of funds available to the City Council.

Credit risk remains central to local authority investment management. Whilst the risk of banking failures has reduced, it has not dissipated altogether. Unqualified support by governments is now unlikely, in part as the result of regulatory changes. This means that in the event of a banking failure, it is almost certain that unsecured creditors and corporate investors would suffer some losses. This change in the nature of investment risk reflects a move away from “bail out” by government to “bail in” by corporate investors. This will have an even greater effect on the authority in the near future when new guidance comes in which will make Local Authority unsecured investments one of the first investment classes subject to “bail in”. These trends increase the importance of the diversification of investments as a way of mitigating the potential impact of “bail in” risk.

Given the increasing risk and continued low returns from short term unsecured bank investments, the Authority aims to further diversify into more secure assets classes.

The Council's proposed Investment Strategy and Policy (**Appendix 6**) deals with the management of counterparty or "credit risk" by determining how City Council lending or depositing limits are set. Although credit ratings are key components in the management of credit risk, in line with best practice, other sources of information are used. In this respect the counterparty advice that the City Council gets from Arlingclose, the Council's Treasury Management advisors, is significant.

Given the need to ensure an appropriate level of diversification across counterparties, the emergence of “bail in” risk and the likely reduction in the level of investment balances it is proposed that:

- a) the maximum limit for unsecured investments with individual counterparties will stay at £8m. However, for secured investments which are not subject to “bail in”, the maximum limit will be £16m. These limits were established through advice from the Council's treasury advisors using its maximum investment balance for the year, including investments temporarily used to meet cashflow needs (total £160m). Unsecured counterparties have a limit of 5% of this total & secured counterparties have a limit of 10% of this total.
- b) Counterparties will only be used if they have a credit rating of BBB+ or better and are recommended as a suitable counterparty by our treasury advisors.
- c) non-credit rated building societies are included on the counterparty list as an unsecured bank deposit with no credit rating with a £1m investment limit. An unrated building society will only be used where independent credit analysis by the City Council's advisors shows them to be suitably creditworthy. In addition, the regulatory framework governing building societies and insolvency regime provides comfort;
- d) Corporate bonds are included on the counterparty list with an £8m investment limit. A corporate bond is an investment issued by companies other than banks and registered providers. These investments are not subject to bail in, but are exposed to the risk of the company going insolvent. As a result, corporate bonds will only be used when the company has a credit rating of BBB+ or better.

- e) Category or Group investment limits are set to manage the impact of systemic exposure, including for example to building societies as a sector and groups of separate legal entities regulated in the same sovereign state;
- f) Credit rating agencies will soon no longer be including government support in banks' credit ratings. This means several institutions could become BBB+ rated. Therefore, subject to advice from the Council's treasury advisors, BBB+ rated institutions will be considered a suitable counterparty, with any investments in counterparties with a rating of BBB+ being classified as non-specified investments subject to a total limit of £32m.
- g) Registered providers are now included on the counterparty list with an £8m investment limit. These are loans and bonds issued by Registered Providers of Social Housing, formally known as Housing Associations. As providers of public services, these bodies retain a high likelihood of receiving government support if needed.
- h) The minimum sovereign rating for countries, other than the UK, in whom counterparties are located is A-, with any investments in countries with a rating below AA+ being classified as non-specified investments, subject to a total limit of £5m.

Separately, the City Council holds investments or provides loans for operational or policy reasons, for example, in order to stimulate economic development and growth. Such operational investments and loans will be assessed and reported on, on a case by case basis. This will include a full assessment of the risk, including credit risk, and how this will be managed.

The development of the Coventry Investment Fund, with the drive for economic growth at its heart, is a prime example of such an initiative. An investment board makes decisions on which projects to invest in with delegated responsibility from Council and Cabinet. A risk assessment for each project is performed and this is taken into account as part of the due diligence process. The fund also has an evaluation process that considers the following criteria:

- Business Rate Growth/Return on Investment
- Strategic Fit to Council's Vision and Aspirations
- Deliverability
- Jobs Created

2.4.8 Treasury Management Advisors - The authority employs Arlingclose consultants to provide treasury management advice. A key element of this is the provision of advice on credit risk and the supply of information on credit ratings from the 3 rating agencies, referred to above. Regular review meetings with the consultants provide a vehicle through which quality is managed. In addition, within the City Council, senior managers within the Resources Directorate meet on a periodic basis to review treasury issues, including the use of consultants.

2.4.9 Treasury Management Staff Training - The authority's process of performance management, of which Competency Based Appraisals are central, addresses the training requirements of individuals. Staff with involvement in treasury issues attend events, including training courses, seminars and networking sessions focused on treasury management as appropriate.

2.4.10 The Prudential Code - The current capital finance framework rests on the principle that local authorities can borrow whatever sums they see fit to support their capital programmes, as long as they are affordable in revenue terms. The framework requires

that authorities set and monitor against a number of Prudential Indicators relating to capital, treasury management and revenue issues. The indicators are explained below:

Revenue Related Prudential Indicators

Within **Appendix 7** indicators 1 and 2 highlight the revenue impact of the proposed capital programme. These show that the revenue costs of financing the Council's capital expenditure as a proportion of its income from Council Tax and government grant is forecast to increase from 13.16% in 2014/15 to 19.06% in 2017/18. This increase reflects the combined effect of significant investment under PFI contracts and increased levels of prudential borrowing funded spend within the capital programme. In addition, the impact on a Band D Council Tax of the current proposed programme compared to the programme approved last year is set out in indicator 2. This also shows an increase to 2017/18 for broadly the same reasons.

Capital and Treasury Management Related Prudential Indicators

These indicators, set out in **Appendix 2**, include:

- Authorised Limit (Indicator 6) - This statutory limit reflects the level of borrowing which could be afforded in the short term, but is not sustainable. It is the forecast maximum borrowing need with some headroom for unexpected movements.
- Operational Boundary (Indicator 7) - This is based on the probable external debt during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. It should act as an indicator to ensure the authorised limit is not breached.
- Gross Debt less than "Year 3" Capital Financing Requirement (Indicator 3) - The Council needs to be certain that gross external borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) in the preceding year plus the estimates of any additional capital financing requirement for 2015/16 and the next two financial years. The CFR is defined as the Council's underlying need to borrow, after taking into account other resources available to fund the Capital Programme. This revised indicator, which replaces the previous indicator based on net debt, is designed to ensure that over the medium term, gross borrowing will only be for a capital purpose.
- Interest Rate Exposures, Debt Maturity Structure and Investments Longer than 364 Days (Indicators 10, 11 & 12) - The purpose of these prudential indicators is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decisions impacting negatively on the Council's overall financial position. Indicator 11, Maturity Structure of Borrowing, includes a limit of 40% (previously set at 30%) of total debt that can mature in less than 12 months. This takes into account the potential need to take out short term borrowing to meet day to day cashflow requirements, as well as the potential for LOBO market loans to called for repayment.
- Other indicators highlight Planned Capital Spend (Indicator 4), Actual Debt at 31st March 2013 (Indicator 8) and the adoption of the Treasury Management Code (Indicator 9).

All these prudential limits need to be approved by full Council, but can be revised by Council during the financial year. Should it prove necessary to amend these limits, a further report will be brought to Cabinet, requesting the approval of full Council of the changes required.

- 2.4.11 Leasing - The City Council uses operating leases for non-fixed plant and equipment and the Capital Programme includes £0.2m of spend to be resourced from leasing in 2015/16. Leasing will only be used where this is value for money compared with other forms of funding, such as unsupported borrowing.

3. Results of consultation undertaken

- 3.1 The proposals in this report have been subject public consultation ending on the 27th January 2015 including separate meetings with the Trades Unions. The details arising out of this consultation period are reported in **Appendix 1**. The feedback from the consultation shows that the Council's priorities for growing the city and protecting the most vulnerable were clear and supported. There were significant concerns over the level of savings outlined in the budget proposals. The biggest issue raised was the lack of detail available around the City Centre First strategy upon which to comment. There was also concern over the potential impact on local neighbourhoods as well as the potential closures of libraries, community centres and youth facilities. A total of seven petitions were registered during the consultation period and further information about these is included in Appendix 1. The Council will need to consider where appropriate its plans to inform, involve, consult and engage with all interest groups once the more detailed proposals are available.
- 3.2 The changes that have been made between the Pre-Budget Report and this report are detailed in **Section 2.2.1**.

4. Timetable for implementing this decision

- 4.1 Many of the individual expenditure and savings identified within this report will be implemented from 1st April 2015. A number of the proposals including Kickstart, Customer Journey and City Centre First are more strategic in their nature and will be implemented over a longer time-scale. The proposed profile of these savings is set out in Appendix 2.

5. Comments from Executive Director, Resources

This report is concerned wholly with financial matters. The proposals within this report represent the basis of the Council's 2015/16 revenue and capital budget supported by the Council Tax Report that will be considered alongside this one.

5.1.1 Financial implications - Medium Term Position

This budget produces a balanced position for 2015/16. However, the Government has indicated that funding reductions will continue and as a result, current projections for 2016/17 and beyond remain extremely challenging. The years beyond 2015/16 hold significant uncertainty because they will be marked by a new Spending Review within a new parliamentary term but the Council's best estimate is that resources will continue to reduce on a trajectory that is broadly similar to recent years. The best estimate of the overall future resource position plus what we know about the Council's current spending plans and the decisions within this report are reflected in the Table below.

Table 9: Projected Medium Term Financial Position

	2016/17 £m	2017/18 £m
Total Spending after applying fees, charges and specific grants	241.0	236.6
Resources from general government grant, Council Tax and retained Business Rates	(227.9)	(220.8)
Anticipated Budget Gap	13.1	15.8

5.1.2 Financial Implications – Reserves

The Local Government Act 2003 requires the Chief Financial Officer (the Executive Director of Resources) to give assurance on the adequacy of reserves of the Authority for which the budget provides. The final position of reserve balances carried forward into 2015/16 will not be known until finalisation of the 2014/15 accounts and reserve levels will be reviewed at that time. The Council's total reserve balances of £81m at the end of 2013/14 are set out in the table below. Of the overall balance, £18.5m belongs to schools and are outside the Council's control. Explanations for the remaining balances were set out in some detail in the Council's Financial Outturn Report considered by Cabinet in June 2014.

Table 10: Summary of Reserve Movement in 2013/14

	Opening Balance 1 st April 2013 £m	Movement In year £m	Closing Balance 31 st March 2014 £m
Other Earmarked Reserves	(34.8)	(15.1)	(49.9)
Capital Reserves	(5.6)	3.6	(2.0)
Insurance Fund	(4.1)	0.8	(3.3)
Schools Reserves	(19.4)	0.9	(18.5)
General Fund Reserves	(7.3)	0.0	(7.3)
Total Reserves	(71.2)	(9.8)	(81.0)

The level of reserves has been one of the key points raised in the Budget consultation exercise, with some respondents suggesting that the Council should use reserve balances instead of making savings in services. However, it is important to be clear that all of the balances above are held for a clear identifiable purpose and that they either have existing planned expenditure commitments against them or that they are held to protect the Council manage unforeseen risks, potential or known insurance claims or Business Rate volatility.

The Council's external auditors, Grant Thornton, have expressed the view that the level of the Council's General Fund reserves remains low and that this should continue to be an area that is kept under review. In addition, analysis provided by the Local Government Association shows that Coventry has a relatively low level of reserves as a proportion of its net expenditure level when compared with all other Councils (28% giving it a ranking of 251 out of 353 local authorities or 15 out of 36 Metropolitan Districts). The recent report of the House of Commons Public Accounts Committee has noted that late, short-term, local government funding settlements, combined with the introduction of incentive-based funding mechanisms such as Business Rates retention, has increased uncertainty for local authorities over future funding which has led to many adding to their reserves as a hedge against future events.

Taking all this into account, it is the view of the Executive Director of Resources that overall levels are adequate to support the recommended budget for 2015/16 although approaching the minimum acceptable level for a Council of this size in the current financial climate. This judgement is based on the following:

- i) The Council is adequately provided for in terms of its reserves compared to its overall level of budget and better provided for than many other similar authorities.
- ii) The level of insurance reserves is sufficient to meet any likely calls on them (within reasonable limits of assessed risk).
- iii) The level of reserves is sufficient to support contributions to 2015/16 directorate-based budgets (including schools) and Corporate commitments both for capital and revenue purposes.
- iv) The level of uncommitted General Fund Reserves provides a sufficient level of short-term resource to meet any other unforeseen eventualities (within reasonable limits of assessed risk) balanced against pressures to not hold an excessive level of reserve balances.

The Council's policy on reserve usage is set out in the Medium Term Financial Strategy. The overriding aim is to ensure that reserve usage is focused on delivery of the Council's corporate priorities, recognising that reserves can only be used once and that they should not be used to support on-going expenditure. A number of these reserves are dedicated to specific purposes, such as schools and insurance, and the remainder have been brought together and are scrutinised by the Strategic Management Board in order to ensure the best use possible for the corporate objectives of the authority.

5.1.3 Financial Implications – Assurance on the Robustness of the Estimates

Under the terms of the Local Government Act 2003, the Chief Financial Officer is required to give assurance on the robustness of the estimates included in the budget. In the view of the Executive Director of Resources the budget being recommended to the City Council is supported by robust estimates of income and expenditure. This judgement is based on the following:

- i) The budget has been set within the guidelines of the authority's Medium Term Financial Strategy, approved by members, that sets out the broad policies and assumptions that lie behind the Council's medium term financial planning process.
- ii) There is a medium term financial plan in place that sets out the known changes to the current budget over three years incorporating the concept of strictly controlled Directorate budgets, known policy changes and best estimates of the impact of inflationary pressures and expectations of resources.
- iii) The authority operates an integrated medium term policy and financial planning process that incorporates a comprehensive and detailed assessment of the new

policy and technical changes that will affect the proposed budget and the medium term budgetary position of the authority.

- iv) Individual Directorates, working to strict budgets, prepare detailed service budgets that are the financial representation of the authority's statutory duties and corporate service objectives for the coming year.
- v) The authority's individual Directorate Management Teams and its Strategic Management Board have been fully involved in the detailed make-up of the information included in the policy and financial planning process.
- vi) As discussed above, the Authority's level of reserve balances is sufficient to meet other unforeseen eventualities, within reasonable limits of assessed risk that may potentially need to be met by the authority.

Both of the authority's political groups were provided with information on the policy and financial planning process and were consulted on the options available to enable them to take a full part in the final budget setting decisions.

Despite these statements about robustness of estimates and reserves, the scale of savings targets incorporated in the 2015/16 budget and the challenges facing the Council in the next few years is unprecedented and will require regular monitoring and potentially corrective action.

5.1.4 Financial Implications - Budget Risks

5.1.4.1 It is important that Directorate budgets are set within the guiding principle of trying to achieve the maximum benefit from the resources available. This includes consideration of the risks to ensure that budgets and reserves are set at appropriate levels. The Authority carries some inevitable risks in agreeing the budget, and the major financial ones for the coming year are set out in summary below. Where appropriate these risks are included within either corporate or directorate based risk registers and will therefore be monitored through existing processes for managing risk or through on-going budgetary control processes. However the challenges set by the range of new strategic savings programmes mean that the risk of overspending in individual areas continues to be very real and will require specific monitoring action in 2015/16. A range of issues will be kept under review during the year to help deal flexibly with any problems that may arise, such as efforts to reduce the Council's debt management and cash flow costs.

5.1.4.2 **Overall Risks** - In considering the Council's corporate objectives in the context of its financial position, resources have been allocated to meet corporate priorities, and savings have been identified. In these circumstances there are inherent risks that need to be managed:

- a) That new resources are used effectively to deliver corporate objectives. Operational management arrangements and quarterly monitoring reports will address this issue specifically,
- b) That on-going spending and income are controlled to budgets. This pressure is certain to increase due to on-going national financial circumstances and, therefore, compliance with the Council's budgetary control rules remains essential,

5.1.4.3 **Children's Social Care Services** – This area continues to face significant challenges, some of which are reflected by the proposals in this report. The volume of cases and the cost of care for looked after children and for safeguarding other children and young people who cannot otherwise live safely with their families continues to represent a large service and budget pressure. Given that the Council has only partial influence over these volumes there is no guarantee that the resources identified for this area will be sufficient in 2015/16 although the Council's best estimate is included within the budget.

In the longer term, the cost represented by this service area is not sustainable for a city of Coventry's size and it is essential that safe and secure methods are found to deliver services to children within a more proportionate cost envelope.

5.1.4.4 Kickstart, Customer Journey and City Centre First – The relocation of most of the Council's office based services into the forthcoming Friargate building and new Customer Services Centre will create a platform for the Council to implement new ways of working, and maximise the use of technology. This will improve efficiency, enable customers to undertake transactions via more efficient channels and reduce demand for Council services. The City Centre First strategy will result in Council services being delivered out of far fewer properties, by a smaller workforce and (in certain specific services), delivered to a smaller number of service recipients or customers. Savings linked to these projects will amount to £7m in 2015/16 rising to £25m over the medium term. In addition, savings from previously approved abc reviews increase in value by £12m in 2015/16. If these strategies are not managed successfully and implemented in the planned timescale, this will be a significant future financial risk.

5.1.4.5 Health and Adult Social Care – This area continues to operate within a very dynamic environment at a time when social care services for older and vulnerable adults are the subject of cost pressure across the country as a result of demographic factors. Amongst other things this includes:

- The A Bolder Community Services review which is still on target to deliver a further £7m of savings beyond 2014/15.
- The need for successful partnership working with the health sector delivered in large part through the Better Care Fund.
- Changes resulting from the Care Act including eligibility criteria and assessment protocols for people who need care and support and their carers.
- Some overlap with the Council's Public Health service.
- The knock-on impact of national Welfare Reform changes (the impacts of which include reductions in benefit levels for some people and potentially more dependency on Council services of last resort).

5.1.4.6 Local Government Finance Changes – From April 2013 local councils have been able to retain the benefit of 49% of any increase in Business Rate income. This and other changes to funding streams (the Care Act, Better Care Fund, national welfare and benefit provisions, Council Tax Support, Local Welfare Provision) that transfer risk from central to local government, increase the potential volatility in local council bottom lines and require the Council to include some necessarily prudent assumptions in order to anticipate adverse fluctuations in these areas. In addition, the trend for Local Government finance will reduce the reliance upon central government funding and towards locally generated funding sources in the future and the Council will need to continue to secure its Business Rates base through the initiatives such as the Coventry Investment Fund to help ensure that the Coventry is well placed to demonstrate that it is a city that is open for business.

5.1.4.7 Major Projects – The Council is involved in a number of major projects and more than usually complex financial transactions that give it some exposure to a degree of financial and reputational risk. These include projects such as:

- Friargate – The building of a brand new office block and work with an external development agency to regenerate a new business district.

- The Nuckle project to improve local rail connections, now progressing and moving in to Phase 2 and the development of the Station Masterplan (Cabinet 3rd March 2015)
- The Coventry Investment Fund to support local developments and business initiatives, mostly with private sector partners.
- Working with local partners including the Local Enterprise Partnership and involving initiatives such as the Growth Deal and Growing Places to invest in business, regeneration and infrastructure locally.
- A range of significant highway and city centre infrastructure projects including the Friargate Bridgedeck and the Whitley bridge
- Financial arrangements made on commercial terms to help support local organisations and businesses (City College, the Ricoh Arena loan, Coombe Abbey Hotel)

These projects all carry an element of risk, incorporating a mix of external funding risk, risk of default, risk of overruns and over-spending, complex legal arrangements and other reputational eventualities. The Council is clear that its involvement in these projects is vital to help regenerate the city and make Coventry a better place to live, work and do business in. Overwhelmingly, these arrangements have self-funding business cases that keep the Council's financial costs to a minimum.

- 5.1.4.8 **Pensions** – The Council faces inevitable but non-quantifiable increases in past service pension costs over the medium term which, as the Council becomes smaller, threaten to become a massive burden relative to the size of the overall budget. It is important that the Council continues a dialogue with the West Midlands Pension Fund on keeping a sustainable long-term view on recovery of past service pension deficits. It is also important to explore other mechanisms to address this problem alongside the pensions industry, the local government sector and national government.

5.2 Legal implications

This report reflects the Council's statutory obligations in setting a balanced budget. The report also meets the duty to report to the Council on the robustness of the estimates provided and the adequacy of the financial reserves in place in line with Section 25 of the Local Government Act 2003. The Public Sector Equality duty under section 149 of the Equalities Act 2010 requires that decision makers must have on-going due regard to avoid discrimination and advance opportunities for anyone with the relevant protected characteristics. Due regard requires more than just an awareness of the equality duty, it requires rigorous analysis by the public authority, beyond broad options.

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, in common with all local authorities, will continue to be faced with challenging resource constraints over the coming years, which will inevitably have an increasing impact on front-line services. However, the budget is developed within the context of the approved Medium Term Financial Strategy, which in turn rests on the principles set out for the City within the Council Plan. In this way pre budget proposals are aligned to existing policy priorities.

6.2 How is risk being managed?

The inability to deliver a balanced budget is one of the Council's key corporate risks. The proposals within this report are aimed directly at trying to mitigate this risk. The scale and scope of the savings that will be included in the Council's bottom line budget position are such that they represent a significant risk of non-achievement in the future. The savings programmes set out within this report will be monitored robustly to ensure that Strategic Management Board and members are kept up to date with the progress of these reviews.

6.3 What is the impact on the organisation?

The size of the revenue gap to be managed means that the Council will have to change radically to meet the challenges that it faces, both in terms of the way it works and the services it provides. The very large savings included within this report will be met largely from savings in employee budgets. The Council has already begun a new Early Retirement and Voluntary Redundancy programme following approval on 9th September 2014 with a broad plan to reduce employee numbers by c1,000 over three years. Reduced employee numbers across the Council plus the need to do things differently and a new focus on the City Centre will further accentuate the importance of new ways of working under Kickstart and will change the nature of the services provided, and the way the Council works.

6.4 Equalities / EIA

In order to evaluate the impact of the Budget on protected groups, the Council has looked across all major areas of review. Equality analysis is underway for Kickstart, City Centre First and the Workforce Strategy proposals through individual Equality and Consultation Analyses (ECAs). The detailed impact of these programmes will be considered by elected members at the appropriate stages of subsequent decision making for the individual projects. However, initial indications of any positive or negative impact for these areas, alongside other planned savings (listed under Doing things Differently) have been detailed in Appendix 2. From this table it can be seen that Older People and Disabled people are the groups most likely to be impacted upon by planned areas of work, both positively (through Kickstart) and negatively (through changes to Adult Social Care and work on City Centre First). Young people and looked after children will benefit from the investment in Children's Services. As more detailed consideration is given to proposals in Appendix 2 where appropriate further equality impacts will be considered to inform decision making.

6.5 Implications for (or impact on) the environment

No specific impact.

6.6 Implications for partner organisations?

It is anticipated that the City Centre First proposals could prompt a range of different working arrangements with the City Council's partners. These could range from partners sharing Council premises or taking on buildings formerly owned by the Council to delivering a greater range of services in partnership with, on behalf of or instead of the Council. There is also a specific proposal to reduce the level of grant funding provided by the Council compared with historical levels and this will affect a number of the Council's partners for whom funding could be reduced or ended. This report commits the

Council to the over-arching savings detailed in Appendix 2 although the specific details will emerge as individual reviews are undertaken.

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**CONSULTATION ON THE COUNCIL'S BUDGET PROPOSALS
JANUARY 2015**

1. Introduction

- 1.1. Between December 2014 and January 2015 the Council undertook an eight week period of consultation on its budget proposals for 2015/16, prior to making the final decision on its budget.
- 1.2. The Council reported on its priorities, the budget setting context and local financial position and gave an outline of the proposals to balance the Council's 2015/16 budget. The Council asked consultees for their views on its proposals for delivering services in the future while achieving the saving needed and also asked how communities and organisations could get involved in designing and delivering services in a different way.
- 1.3. To help to explain the budget context and implications of the proposals more clearly, a short video was made available for people to view on the Council web pages. The page also had links to more information including the detailed reports. The web page had good coverage with over 3000 visits in addition 5623 people viewed the video on Facebook and 921 on YouTube.

2. Consultation process

- 2.1. A series of meetings were held during January and early February, the consultation process was led by the Cabinet Member Strategic Finance and Resources and supported by members of Strategic Management Board and other senior managers. Wherever possible, the opportunity was taken to attend existing meetings held by local organisations and groups to maximise participation in the consultation process.
- 2.2. The consultation involved the following:
 - Coventry Youth Council
 - Coventry and Warwickshire Chamber of Commerce
 - Local Public Service Board
 - Partner organisations in the Public and Private Sector
 - Voluntary and Community Groups
 - Local Residents
 - Older People's Partnership
 - Physical and Sensory Impairment Partnership
 - The Council's Trade Unions
- 2.3. Representatives from organisations and residents who were unable to attend the meetings were given the opportunity to receive the related reports and to send their comments directly to the Council. Five written responses were received.
- 2.4. In addition to the public meetings, the Council hosted a survey on its website asking for people's views of the budget proposals as well as asking about what things they are currently doing in their community, what they could do more of and what support they may need to continue doing this. This survey was publicised through the local press, the Council website and Facebook pages. There were a total of 170 responses and the results of the survey are summarised in section 4.

- 2.5. The Council consults with the trade unions on an ongoing basis on the implications of specific reviews. Comments and issues raised by the trade unions on the individual reviews are addressed at project level. The Trade Unions were consulted on the draft budget proposals at a series of meetings held in November 2014 and December 2014. In addition a written response was also received from one trade union. The Council continues to consult with the trade unions on the impact and implementation of the Council's budget.
- 2.6. A total of seven petitions were registered during the consultation period. Six of these related to potential cuts to libraries and library services. Once the petitions have closed they will be referred to the appropriate Cabinet Member to consider alongside more detailed proposals on the City Centre First Strategy once these are available. One other petition related to the budget cuts and will be considered by Cabinet at their meeting on 24th February 2015, along with the budget proposals.

3. Outcomes of the public consultation on the Council's budget proposals

- 3.1. The main themes and issues raised during the public consultation meetings are summarised below in section 3. The main themes and issues from the on line survey and written feedback are summarised in section 4.
- 3.2. A full list of comments from the meetings, on line survey and written feedback can be received by contacting insight@coventry.gov.uk

Council Priorities

- 3.3. A summary of comments in relation to the Council's priorities and investment proposals are summarised below.
- 3.4. There was a general agreement that economic improvement and growth was important for the city. Getting the infrastructure right had many benefits in terms of jobs, housing and retail offer. Housing growth was seen to be a key issue to meet population growth and both the Coventry and Warwickshire Chamber and Youth Council discussed the difficulties of having to take unpopular planning decisions to deliver new housing. Whilst more jobs had been created it was important to make sure that this was reflected in increased spend in the city centre as a result regeneration of the city centre, improved road networks and infrastructure were seen to be key priorities.
- 3.5. There was also agreement that focusing on the most vulnerable is the right thing to do. The Youth Council was of the view that early years support for children and families would help to avoid problems further down the line. It was noted that new money was going into children's services but that this was not the case for services for older people. A comment was made that this appeared to be directly opposed to the intention of Coventry being an Age Friendly City. Comments were also made that proposed cuts to services may increase vulnerability and also move pressures to other services particularly in the voluntary sector for example via increased demand on advice services.

Key Strategies

- 3.6. The Council outlined its strategy for delivering services whilst meeting the need to reduce budgets. Comments have been grouped under the following three strands: Customer First, Working Differently with Partners and Communities and City Centre First.

Customer First

- 3.7. It was generally acknowledged that the Council had to do things more efficiently and that one way of doing this would be through more on-line customer transactions. On the other hand concern was expressed that the overall levels of service were to be reduced with less ways for people to be in contact with the Council in the future. One of the main concerns was for older people who may not have sufficient confidence or have access to their own internet facilities. Whilst this would be an increasingly diminishing problem for future generations, a transition period was requested in which there would continue to be some options for face to face and telephone contact. There was some concern over the accessibility of the new Customer Centre which was to be located on the second floor at Broadgate.

Working Differently with Partners and Communities

- 3.8. There were a range of positive offers from groups and organisations wanting to be involved in helping to design and deliver services in different ways. The request was made that organisations should be involved in the earliest stages of planning and the Council was asked to consider the value of a phased approach. Details of interested individuals and organisations were recorded and these will be followed up as part of future community engagement work.
- 3.9. Alternative suggestions were made for the operation of services such as libraries, parks and youth services ranging from social enterprises, community interest groups and involvement of schools and universities. The churches also commented that they had networks and services that could potentially help and be developed to bridge some of the gaps. Other organisations also highlighted advice and support that they could offer to up and coming groups, social enterprise and business.
- 3.10. With regard to volunteering, the voluntary sector suggested that they were particularly well placed to develop a volunteering strategy for the city. The over 55s age group were seen as one group that could be actively encouraged to participate in volunteering. There were however some associated difficulties highlighted around the use of volunteers including health and safety issues, training and transport costs.
- 3.11. There were a number of people already involved in delivering community based services e.g. friends of parks, who said that it was important for the Council to maintain a presence and some professional input into service delivery. There was also a perceived danger of services being set up using short term funding opportunities that could not be sustained in the longer term.

City Centre First

- 3.12. The rationale for bringing more services into the city centre and reducing the number of buildings that the Council operated from was clear, although transport links and parking costs were of concern. There was a lot of interest in how the Council planned to use its vacated buildings and a range of opportunities were discussed from generating new business in the city centre, making neighbourhood based assets available for community groups, sharing locations with other partners and disposal.
- 3.13. By far the biggest concern was the lack of information given on the location of the remaining 3 or 4 hubs. The majority of people said that there must be further consultation once more detailed proposals were available. Early involvement in any proposed changes was extremely important for community organisations to enable future planning.

3.14. There was also considerable concern over the impact that the City Centre First strategy would have on local areas and services. The possible closure of libraries, community centres and youth centres would have most impact on older and young people, increasing the need to travel and thereby disadvantaging the most vulnerable. There was also a risk that some areas would have more capacity to take over community facilities than others which would further reduce opportunities for poorer areas.

3.15. Budget Proposals

Other suggestions and comments on the budget proposals included;

- Generating income through selling services or utilities.
- Sharing costs by delivering services jointly with neighbouring authorities and local organisations.
- Using the Council's remaining reserves to fund services rather than making cuts.
- Opposing austerity and government cuts.
- Impact of borrowing and financial decisions on future generations.

4. Feedback from the on line survey and written feedback

4.1. The feedback from the on line consultation identified some similar themes. The majority of comments received were opposed to cuts being made, a large number of respondents pointed out that both libraries and community centres are vital resources in communities and their closure would have enormous effects on the well-being of an area. Respondents also voiced concern over the City Centre First proposals highlighting the fact that the most vulnerable would bear the brunt of the impact. Other common themes were the Council should stop wasting money on big new schemes, they should spend their reserves and they should oppose the austerity cuts and lobby Central Government.

4.2. A large number of respondents stated that they were already doing things in their community and would be prepared to do more, however a common theme emerged that there was a need for a lot more information about what services need to be run and what this would entail from the Council before respondents could fully respond to a question like this. Areas of support that were mentioned were access to funding, rooms and facilitation/coordination support. 23 respondents registered their details so they could receive invitations to take part in future consultations or to be invited to getting more involved in helping to reshape the way services are designed and delivered.

4.3. Written responses included letters from residents, a twitter conversation with the Cabinet Member and a formal response from trade union (Unison). The main theme of the letters was concern over the proposed cuts to libraries, community centres and children's centres. The view was given that the Council would not be making savings by closing libraries, it would have a radical impact on communities and also a knock on effect on other services such as adult education. There was also concern that if services such as libraries were to be dismantled it was unlikely that they would be re-instated and therefore gone forever. There was also concern over Council plans to reduce the amount spent on repairing vandalism and the feeling that this would have a detrimental impact on the local area and the city.

4.4. A wide range of issues were raised in the trade union (Unison) written response and a separate reply has been prepared. Some of the key concerns included the lack of detail for City Centre First, the impact on communities and in particular the impact on vulnerable, older and disabled people. Other issues raised included the impact of the workforce strategy on employees terms and conditions, the plans for disposal of assets in the city centre and how funding would be used. It was also suggested that plans to

become a City of Culture in 2020 were at odds with cutting various visitor facilities in the city.

5. CONCLUSION

- 5.1. The feedback from the consultation indicates that the Council's priorities for; growing the city and protecting the most vulnerable; were clear and supported. There were significant concerns over the level of savings outlined in the budget proposals. The biggest issue raised was the lack of detail available around the City Centre First strategy upon which to comment. There was also concern over the potential impact on local neighbourhoods as well as the potential closures of libraries, community centres and youth facilities. The Council will need to consider its plans to inform, involve, consult and engage with all interest groups once more detailed proposals become available.
- 5.2. The consultation has given the Council an opportunity to talk to partners, community groups and individuals about some of the challenges and how they can be involved in the design and delivery of future services. This has resulted in some positive offers and potential interest which will be followed up through further discussions.

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Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
Summary Position				
Starting Position For 2015/16 Budget Setting	15,088	44,230	65,030	
Changes to Base Position	(10,543)	(13,600)	(18,861)	
Children's Services Additional Costs	10,000	10,000	10,000	
Kickstart, Customer Journey, City Centre First and Workforce Strategy	(7,000)	(13,000)	(25,000)	
Place - Doing Things Differently	(3,275)	(4,175)	(4,675)	
People - Doing Things Differently	(2,100)	(3,650)	(3,650)	
Resources/Other - Doing Things Differently	(2,170)	(6,658)	(7,078)	
Current Bottom Line	0	13,147	15,766	

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
	Starting Position For 2015/16 Budget Setting	15,088	44,230	65,030	
	Changes to Base Position				
1	2017/18 Resource Changes - Change to Pre-Budget Report	47	47	(1,553)	Revised downward estimate of reductions in Government Revenue Support Grant in 2017/18. This planning estimate will be revised following the next Government Spending Review. The Council's Final Government Settlement also includes a marginal overall resource reduction for 2015/16.
1a	Final Government Settlement Local Welfare Provision - Change to Pre-Budget Report	(617)	(617)	(617)	The Final Settlement has provided an additional £617k linked to the Government's final consultation response on Local Welfare Provision. See line 22c.
2	Pensions Auto Enrolment & Actuarial Review	0	0	(2,000)	Revised downward estimate of future pension costs. This planning estimate will be firmed up when the next actuarial review of pensions is conducted and as the full implementation of auto-enrolment approaches.
3	Demand Management - Non-Delivered Saving in Budget	3,000	3,000	3,000	This saving identified as part of 2013/14 Budget Setting has not been subject to a separate specific work-stream and remains undelivered. This will now be incorporated within programmes aligned to the concepts behind the original saving including Customer Journey and City Centre First
4	Asset Management Revenue Account	(3,200)	(6,000)	(6,400)	The AMRA is a corporate budget which incorporates the revenue financing costs of capital spending. Re-profiling of such spend and low interest rates mean that there will be a significant saving in this area. The saving here is based on existing reported spend profiles. A further AMRA saving of £1.0m from 2016/17 included here is based on an assumption that further capital spending re-profiling will occur in the future.
5	Integrated Transport Authority Levy	200	(600)	(600)	Savings have been identified for the ITA levy to reduce by 5% in 2015/16 and this was built in at 2014/15 Budget Setting. A further saving of c£0.8m p.a. is now planned for 2016/17 and this is reflected here. In addition, Coventry's faster population growth relative to the rest of the West Midlands means that it attracts a proportionately higher percentage of the ITA Levy at a cost to Coventry of c£0.2m p.a..
6	City Centre Rent Loss	(2,000)	(2,000)	(2,000)	A budget was approved previously to fund any rental income loss as a result of the proposed City Centre South re-development. Given that the scheme remains at a relatively early stage it is proposed to remove the rent loss budget at this stage.
7	Coventry & Solihull Waste Disposal Company Additional Dividends	(667)	(667)	(667)	CSWDC has delivered increased dividends over recent years and it is anticipated that the target can be increased further to bring the on-going total to £2m p.a.
8	Remaining Business Rates Contingency	(1,000)	(1,000)	(1,000)	Following the introduction of partial localisation of Business Rates income in April 2013, a contingency budget was established to protect against the risk of Business Rate loss. The Council's Business Rates tax-base has held up well and this item proposes the removal of the remaining on-going contingency budget.
9	Business Rates Pooling Benefit	(400)	(400)	(400)	The Council is part of a Business Rates pool with all other Councils across Warwickshire. A small unbudgeted pooling benefit has been generated in the first year of the pool's operation but it is anticipated that as business rates localisation settles down the benefit is likely to accelerate, reflected in this higher target here.
10	People - Review of LEA Functions and Cut in Education Support Grant	1,952	1,952	1,952	School transfers to Academy status continue, leading to consequent reductions in Education Support Grant. It is not possible for the Education Service to manage within this smaller resource envelope nor to achieve abc savings approved previously, resulting in the pressure reported here.
10a	Special Education Needs Transport - Abc Review - Change to Pre-Budget Report	420	0	0	A reversal of the proposed £0.4m saving in Special Education Needs Transport for one year to allow further consultation and consideration of service options.

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
11	ABCS Financial Strategy Re-Phasing	2,200	1,200	(300)	The Council's A Bolder Community Services savings target is £15m in 2015/16. Plans are now in place or identified to achieve this but the final elements of the savings plan will not be in place until 2017/18 resulting in the re-profiled position proposed here.
12	Waste Disposal	800	800	800	This reflects cost of domestic waste disposal arising as a result of a combination of increased tonnages (more properties and more waste per property) and increased gate fees.
13	Carbon Reduction Commitment (CRC)	200	200	200	The Council has previously been exempted from needing to pay the CRC levy. However, a subsequent change in Government funding arrangements means that this reduction has now been adjusted for within the Council's Revenue Support Grant.
14	Microsoft EA Licences	450	450	450	This on-going cost has been funded from within the ICT Capital Programme in recent years. However, this is not sustainable on a permanent basis and as an on-going revenue cost it is more appropriate for it to be included within revenue budgets.
15	Revenue Underspend Set Aside to Fund Capital Programme	(600)	(600)	(600)	The 2013/14 Outturn Report set aside £2.7m of revenue underspend to replace Prudential Borrowing which will deliver a saving in revenue financing costs of approximately £0.6m.
16	Leisure Facilities Model Contribution Revenue Saving	(400)	(400)	(400)	The 2013/14 Outturn Report set aside £2.0m of revenue underspend to fund leisure facilities and replace Prudential Borrowing which will deliver a saving in revenue financing costs of approximately £0.4m.
17	Inflation Contingencies (includes additional £0.35m cost of 2.2% pay award)	(6,650)	(9,651)	(10,651)	Regular underspends have been reported for inflation contingencies in recent years. The saving here will re-balance contingency budgets and remove the existing degree of corporate budget flexibility. Also, it is assumed that pay awards will not exceed 2% (against a previous assumption of 2.5%) in the years beyond 2015/16. Finally, in line with the 2015-18 Medium Term Financial Strategy, this saving crystallises the principle that the majority of non-employee expenditure budgets will not be inflated over the next three years, delivering stepped savings of £1m p.a.
18	Centralise Furniture & Equipment Budget	(100)	(100)	(100)	This saving will be achieved by exercising greater central control over a range of types of expenditure ahead of the move to Friargate and the Customer Service Centre.
19	Strategic Business Rates Growth Additional Target	0	(1,000)	(1,000)	Following the introduction of partial localisation of Business Rates income in April 2013, the Council's Business Rates tax-base has held up well. This saving establishes a new target for increased Business Rates income to be secured from increases to the Council's business tax-base from 2016/17.
20	Council Tax Estimated Outturn and Tax-Base - Change to Pre-Budget Report	(1,739)	(739)	(739)	Projected 2014/15 surplus and tax-base changes for Council Tax in excess of previous estimates, adjusted downwards by £0.3m from the initial estimate at Pre-Budget.
21	Council Tax - Referendum Limit - Change to Pre-Budget Report	90	1,090	2,090	The Government has announced a Council Tax Referendum limit of 2% which is in line with base planning assumptions but higher than the 1% assumed for 2015/16 in the Pre-Budget Report. The adjustment to the Pre-Budget Report reflects a final Council Tax proposal of 1.9% in 2015/16.
22	Business Rates Estimated Outturn and Tax-Base - Change to Pre-Budget Report	(1,982)	1,390	1,515	Projected 2014/15 surplus for Business Rates subsequently adjusted downwards from the initial estimate at Pre-Budget. The overall changes are balanced here by a £0.7m contribution from the Business Rates reserve in line with its stated purpose.
22a	Birmingham International Airport Dividends - Change to Pre-Budget Report	(253)	339	453	Projected medium term Airport dividends have been scaled down from previous forecasts. However, a one-off distribution of reserves for 2015/16 has been approved which will deliver additional dividends for one year only above previous forecasts.
22b	Overall Resourcing (Early Intervention Grant) - Change to Pre-Budget Report	(911)	(911)	(911)	The impact of lost Early Intervention Grant assumed within the overall Pre-Budget funding position is less severe than anticipated.

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
22c	Local Welfare Provision (Community Support Grants) - Change to Pre-Budget Report	617	617	617	The £1.4m Specific Grant provided for LWP in 2014/15 has been replaced by funding of £617k provided as a late change within the Local Government Settlement reflected in line 1a above. The proposal here is to use this funding to continue a Local Welfare Provision (Community Support Grants) scheme to operate in the future consistent with the Council's priority of supporting its most vulnerable citizens.
	Sub-Total - Changes to Base Position	(10,543)	(13,600)	(18,861)	

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
	<u>Children's Services Additional Costs</u>				
23	Children's Services Additional Costs	13,000	10,000	10,000	Additional resource to fund a significant increase in activity (child protection plans) resulting in the need for additional children's social care staff, and provision for an increase in Looked After Children numbers resulting in additional children's placement costs
24	Temporary Reserve Funding of Children's Services Additional Costs	(3,000)	0	0	
	Sub-Total - Children's Services Additional Costs	10,000	10,000	10,000	
	<u>Kickstart, Customer Journey, City Centre First and Workforce Strategy</u>				
25	Kickstart & Customer Journey	(500)	(3,000)	(5,000)	Savings from the Council's Kickstart and Customer Journey strategy, set out in Appendix 2 of the Pre-Budget Report
26	City Centre First	(500)	(1,000)	(5,000)	Savings from the Council's City Centre First strategy, set out in Appendix 2 of the Pre-Budget Report
27	Workforce Strategy	(6,000)	(9,000)	(15,000)	Savings from the Council's Workforce Strategy, set out in Appendix 2 of the Pre-Budget Report
	Sub-Total Kickstart, Customer Journey, City Centre First and Workforce Strategy	(7,000)	(13,000)	(25,000)	

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
	<u>Place - Doing Things Differently</u>				
28	Income Generation - Bus Lane Fines, Residents Parking, Parking Enforcement	(100)	(100)	(100)	Review and increase of enforcement activity to ensure compliance
29	Sustainability Team	(200)	(400)	(400)	Reflects the plan to ensure this service is self financing so that key Green Agenda issues can continue to be driven forward
30	Highways Capital Repairs	0	(500)	(500)	Coventry's road length is 544 miles. A £0.5m reduction in budget means 7 miles less of roads that can be treated
31	Cultural Trust – Further grant reductions	0	0	(500)	This 14% reduction in grant would be addressed by measures that might include increasing the frequency of touring exhibitions and/or reducing the hours of opening
32	Reduction in Events/Frequency	(300)	(300)	(300)	40% reduction in spend on events which will require ceasing of financial support for smaller events and a review of the delivery basis and frequency of the Godiva Festival
33	Charge for, transfer or remove School Crossing Patrols - Change to Pre-Budget Report	(300)	(300)	(300)	Maintain Council responsibility for School Crossing Patrols but recharge the cost of these to schools. Due to the part-year effect of this approach the 2015/16 saving will be reduced by c£0.1m and balanced from corporate reserves leaving the net 2015/16 budget reduction of £0.3m shown here.
34	Reduced Street Cleaning Standards	(500)	(500)	(500)	Reduction in standards around City 'greening', graffiti removal, cleansing frequencies and removal of verge maintenance
35	Parks	(1,000)	(1,000)	(1,000)	Reduced Parks/activities opening hours, reduction in some sports pitches and bowling greens, some replacement of seasonal bedding with annual seeding, reduction in maintenance standards and return of some areas to wilding
36	Grant Fund Traffic & Highways Posts	(200)	(200)	(200)	Technical Funding Switch
37	Greater Commercialisation of Response Service (Emergency Services Unit)	(200)	(200)	(200)	Greater income generation
38	Close Priory Visitor Centre	(100)	(100)	(100)	Full closure of this cultural offer
39	Grant Funded Support to Posts in Employment Team	(75)	(75)	(75)	Technical Funding Switch
40	Merge Tourist Information Centre and St Mary's - Co-Locate and Single Management	(50)	(50)	(50)	One off investment to generate staff savings and potential for greater income for St Mary's
41	Close Godiva's – Operate St Marys as a functions only operation	(50)	(50)	(50)	Much reduced catering offer
42	Reduce 2 Highway engineers	0	(100)	(100)	Reduction in responsiveness to members and the public
43	Reduce duplication (delaying) – bring together (across the Council and locate in Place) services including enforcement, Travel, strategic housing, project management	(200)	(300)	(300)	Bringing services together to achieve management savings
	Sub-Total - Place	(3,275)	(4,175)	(4,675)	
	<u>People - Doing Things Differently</u>				
44	Review and Recommissioning of Social Work Packages	(1,000)	(2,000)	(2,000)	Review and recommissioning of existing social work packages across Adults and Children's services
45	Social Care Financial Assessments	(100)	(200)	(200)	Streamlining of existing processes to ensure charging is implemented at the earliest opportunity
46	Review of Adult Education courses to support the most vulnerable	(100)	(200)	(200)	Maximisation of training opportunities supported by Adult Education Funding
47	Contract Efficiencies	(250)	(500)	(500)	Reduction of Supported Accommodation spend and other contract efficiencies
48	Fostering	(400)	(400)	(400)	Targeted recruitment drive to increase internal foster care places for Looked After Children, and reduce the number of Looked After Children in more expensive provision.
49	Children's Services Transformation	0	0	0	No further savings have been identified for 2015/16.

	Proposals	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
50	Social Worker Staffing Profile	(100)	(100)	(100)	Review of staffing profile of qualified to unqualified staff to ensure future service sustainability
51	Adult Social Care Charging Policy	(150)	(250)	(250)	Review of existing Adult Social Care charging policy to ensure Care Act compliance and maximise income opportunities
	Sub-Total - People	(2,100)	(3,650)	(3,650)	
	Resources/Other - Doing Things Differently				
52	Cabinet Member Meetings	(50)	(100)	(100)	Proposal to streamline the number of Cabinet member meetings but ensuring retained integrity and transparency of decision making. The majority of savings will be achieved via the Governance Services structure.
53	Review Council Tax Reduction Scheme	0	(3,000)	(3,000)	The Council is currently one of only a small number of authorities that has maintained the previous Council Tax Reduction Scheme at its original 100% level. The proposal here is that the Council reviews its local scheme and reduces the overall level of support with the detail of this being worked through during 2015.
54	Public Health	(500)	(1,138)	(1,658)	This will be achieved through efficiency and other savings across a range of Public Health programmes.
55	Reduction in External Voluntary Sector grants	(700)	(1,200)	(1,200)	This proposal is to reduce the amount of grants paid to external organisations, currently c£11m. This may be a combination of stopping some grants altogether and making a % reduction in others.
56	External Audit	(150)	(150)	(150)	This reflects the lower level of External Audit fees now being incurred compared with previous levels.
57	Procurement	(200)	(200)	(200)	Savings from Procurement administration including efficiencies from the Agresso financial system
58	Transformation - Reduction in External Advisors	0	(400)	(400)	Proposed saving from expenditure on external advisors which has formed a key part of delivering transformation in recent years. It is now assessed that a greater proportion of such work can be delivered by the in-house transformation team.
59	Agency Rebate	(300)	(200)	(100)	The rebate received as part of the Agency Staff contract has delivered underspends in recent years. This proposal is to build this in as a budgeted income line although it is likely to reduce over time dependent on the level of use of agency staff
60	Coroners	(90)	(90)	(90)	Savings achieved through transfer of service from West Midlands Police and collaborative working.
61	Governance Services	(130)	(130)	(130)	Streamlining of Governance Services structure through greater efficiency of processes in addition to the Cabinet Member Meeting item above.
62	Corporate Communications Publications	(50)	(50)	(50)	Further reduction in Corporate Communications publications budget aligned to strict control over communications activity and greater use of digital media rather than traditional print materials.
	Sub-Total - Resources/Other Doing Things Differently	(2,170)	(6,658)	(7,078)	
	Total Bottom Line	0	13,147	15,766	

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Budget Setting 2015: Initial Indications of Equality Impacts

The table sets out the potential equality impact of the budget decisions. ✓ shows a positive impact; ✗ shows a negative impact; and ⚡ shows positive & negative impacts.

	Protected Characteristics*							Local Priority Groups			
	Age: Young People	Age: Older People	Disability	Gender	Pregnancy/Maternity	Race	Religion/Belief	Sexual Orientation	Looked After Children	Carers	Deprivation
Additional children's social care pressures	✓								✓		
City Centre First	✗	✗	✗		✗	✗					✗
Workforce Strategy				✗		✗					
Kickstart programme	Development and Infrastructure	✓	✓	✓	✓						
	Accommodation and Decommissioning			✓	✓	✓		✓		✓	
	Customer Journey	✓	✓	✓		✓					
	New Ways of Working Business Development			✓	✓					✓	
Doing things differently	People Directorate	✗	⚡	⚡					✓	✗	
	Place Directorate	✗		✓							
	Resources Directorate / Public Health		✗					✗			✗

* For Gender Reassignment and Marriage & Civil Partnership – no disproportionate adverse impact is anticipated.

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Summary Revenue Budget

Appendix 4

2014/15	CABINET MEMBER PORTFOLIO'S	Budget Decisions Brought Forward	Pre-Budget and Final Budget Changes	2015/16 Final Budget
£'000		£'000	£'000	£'000
(6,099)	Business, Enterprise & Employment	(1,475)	(1,421)	(8,995)
60,302	Children & Young People	2,809	13,856	76,967
1,941	Community Dev't, Co-operatives & Social Enterprise	183	0	2,124
515	Community Safety & Equalities	(348)	0	167
10,228	Culture, Leisure, Sports & Parks	(22)	(1,400)	8,806
14,260	Education	932	(2,494)	12,698
77,803	Health and Adult Services	(7,352)	(755)	69,696
11,351	Policing & Equalities	(2,323)	788	9,816
674	Policy and Leadership	251	(50)	875
20,117	Public Services	122	418	20,657
10,561	Strategic Finance and Resources	(2,391)	(100)	8,070
201,653	TOTAL CABINET MEMBER PORTFOLIO'S	(9,614)	8,842	200,881
26,378	Borrowing & Investments	243	(4,120)	22,501
4,032	Contingencies & Corporate Budgets	1,940	(12,998)	(7,026)
16,923	Levies From Other Bodies	(1,265)	0	15,658
5	Parish Precepts	0	0	5
7,000	Revenue Contribution to Capital Spend	0	0	7,000
2,514	Contributions to / (from) Reserves	554	(3,730)	(662)
258,505	NET BUDGET AFTER SPECIFIC GRANTS, FEES & CHARGES	(8,142)	(12,006)	238,357
Financed by:				
(102,900)	Central Government Resources	25,744	(1,054)	(78,210)
(98,788)	Council Tax @ 1.9% increase	(2,514)	(869)	(102,171)
(56,817)	Business Rates	0	(1,159)	(57,976)
(258,505)	TOTAL RESOURCES	23,230	(3,082)	(238,357)

2014/15	CABINET MEMBER PORTFOLIO'S	Gross Expenditure	Gross Income	2015/16 Final Budget
£'000		£'000	£'000	£'000
(6,099)	Business, Enterprise & Employment	15,254	(24,249)	(8,995)
60,302	Children & Young People	87,978	(11,011)	76,967
1,941	Community Dev't, Co-operatives & Social Enterprise	2,124	0	2,124
515	Community Safety & Equalities	167	0	167
10,228	Culture, Leisure, Sports & Parks	9,896	(1,090)	8,806
14,260	Education	243,425	(230,727)	12,698
77,803	Health and Adult Services	121,177	(51,481)	69,696
11,351	Policing & Equalities	12,106	(2,290)	9,816
674	Policy and Leadership	1,008	(133)	875
20,117	Public Services	33,944	(13,287)	20,657
10,561	Strategic Finance and Resources	128,843	(120,773)	8,070
201,653	TOTAL CABINET MEMBER PORTFOLIO'S	655,922	(455,041)	200,881
26,378	Borrowing & Investments	28,885	(6,384)	22,501
4,032	Contingencies & Corporate Budgets	5,617	(12,643)	(7,026)
16,923	Levies From Other Bodies	15,658		15,658
5	Parish Precepts	5		5
7,000	Revenue Contribution to Capital Spend	7,000		7,000
2,514	Contributions to / (from) Reserves	5,630	(6,292)	(662)
258,505	NET BUDGET AFTER SPECIFIC GRANTS, FEES & CHARGES	718,717	(480,360)	238,357
Financed by:				
(102,900)	Central Government Resources			(78,210)
(98,788)	Council Tax @ 1.9% increase			(102,171)
(56,817)	Business Rates			(57,976)
(258,505)	TOTAL RESOURCES			(238,357)

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CAPITAL PROGRAMME 2015/16 - 2019/20					
Expenditure	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Portfolio:					
Business, Enterprise & Employment	57,369	89,460	24,213	4,935	0
Strategic Finance and Resources	6,629	2,878	2,817	2,817	2,817
Health and Adult Services	2,389	2,389	2,389	2,389	2,389
Education, Children & Young People	17,102	10,500	6,830	10,098	2,678
Business Mgt & Corporate Budgets	0	0	0	0	0
Public Services	37,186	10,682	8,268	7,673	6,740
Culture, Leisure, Sports & Parks	3,266	9,288	12,408	12,408	1,671
Community Dev't, Co-operatives & Social Enterprise	100	0	0	0	0
Policy and Leadership	0	0	0	0	0
TOTAL PROGRAMME	124,041	125,197	56,925	40,320	16,295
5% Rescheduling	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Allowance for 5% Rescheduling	(6,202)	(368)	3,395	1,000	1,251
PROGRAMME AFTER RESCHEDULING	117,839	124,829	60,320	41,320	17,546
Funding	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Corporate Resources	10,384	8,964	7,625	8,450	6,850
Prudential Borrowing (Funding Specific Schemes)	35,668	63,635	20,740	12,113	1084
Prudential Borrowing (Funding Non-Scheme Specific)	6,902	3,002	3,233	822	981
TOTAL CORPORATE RESOURCES	52,954	75,601	31,598	21,385	8,915
Grant	59,003	46,531	28,442	19,557	8,527
Revenue Contribution to Capital Outlay	1,981	350	0	0	0
Leasing	180	1,352	280	378	104
Section 106	3,721	995	0	0	0
TOTAL SERVICE RESOURCES	64,885	49,228	28,722	19,935	8,631
TOTAL RESOURCES	117,839	124,829	60,320	41,320	17,546

CAPITAL 5 YEAR PROGRAMME BY PORTFOLIO'S**CABINET MEMBER: BUSINESS, ENTERPRISE & EMPLOYMENT**

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Kickstart Office	17,018	26,529	3,575	1,233	0	48,355
Growth Deal	7,280	13,050	4,600	3,600	0	28,530
Coventry Investment Fund (CIF)	10,325	28,000	5,000	0	0	43,325
Nuckle	8,249	8,035	2,495	0	0	18,779
Regional Growth Fund (RGF 3, 4 & Wave 2)	3,853	0	0	0	0	3,853
Growing Places	2,818	5,068	0	0	0	7,886
Coventry Station Masterplan	2,376	8,565	8,415	0	0	19,356
Lythalls Lane (CIF)	2,274	33	0	0	0	2,307
Far Gosford Street	1,578	0	0	0	0	1,578
Coventry & Warks Enterprise and Business Growth	790	0	0	0	0	790
Canley Regeneration	608	10	0	0	0	618
New Deal for Communities	95	170	128	102	0	495
Heatline	60	0	0	0	0	60
Meantime Strategy	27	0	0	0	0	27
Parking Meters	18	0	0	0	0	18
TOTAL APPROVED PROGRAMME	57,369	89,460	24,213	4,935	0	175,977

RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Corporate Resources	4,297	6,656	1,836	2,635	933	16,357
Prudential Borrowing	28,702	53,129	6,867	(1,300)	(933)	86,465
Grant	24,309	29,675	15,510	3,600	0	73,094
Section 106	61	0	0	0	0	61
TOTAL RESOURCES	57,369	89,460	24,213	4,935	0	175,977

CABINET MEMBER: CHILDREN, YOUNG PEOPLE & EDUCATION

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Condition	14,004	7,164	1,300	1,350	1,900	25,718
Basic Need	1,715	0	685	3,939	0	6,339
Devolved Formula Capital	568	511	460	414	373	2,326
Broad Park House (Breaks for Disabled Grant)	245	0	0	0	0	245
Early Years	205	0	0	0	0	205
Pathways to Care (Support to Foster Carers)	190	200	210	220	230	1,050
Leased Equipment	75	75	75	75	75	375
Broad Spectrum School	50	2,450	4,000	4,000	0	10,500
Suitability/Access	50	100	100	100	100	450
TOTAL APPROVED PROGRAMME	17,102	10,500	6,830	10,098	2,678	47,208

RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Corporate Resources	10,234	200	210	220	230	11,094
Grant	6,793	9,468	6,545	9,803	2,373	34,982
Leasing	75	75	75	75	75	375
Section 106	0	757	0	0	0	757
TOTAL RESOURCES	17,102	10,500	6,830	10,098	2,678	47,208

CABINET MEMBER: PUBLIC SERVICES

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Public Realm Phase 3	15,751	0	0	0	0	15,751
Highways Maintenance	5,765	5,035	4,958	4,725	4,725	25,208
Vehicle & Plant Replacement	4,053	3,183	1,770	1,408	475	10,889
Friargate Bridgedeck	3,461	174	0	0	0	3,635
A4600 Congestion Relief Scheme	1,829	0	0	0	0	1,829
Whitefriars Housing Estates	1,700	750	0	0	0	2,450
Integrated Transport Programme	1,540	1,540	1,540	1,540	1,540	7,700
Highways S106	2,500	0	0	0	0	2,500
Whitley Junction	479	0	0	0	0	479
Canely Crematorium - New Burial Graves	65	0	0	0	0	65
Lentons Lane Cemetery	43	0	0	0	0	43
TOTAL APPROVED PROGRAMME	37,186	10,682	8,268	7,673	6,740	70,549

RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Corporate Resources	3,707	2,500	2,500	2,500	2,500	13,707
Prudential Borrowing	5,791	1,906	1,565	1,105	446	10,813
Grant	24,500	4,999	3,998	3,765	3,765	41,027
Revenue Contribution to Capital Outlay	104	0	0	0	0	104
Leasing	105	1,277	205	303	29	1,919
Section 106	2,979	0	0	0	0	2,979
TOTAL RESOURCES	37,186	10,682	8,268	7,673	6,740	70,549

CABINET MEMBER: CULTURE, LEISURE, SPORTS & PARKS

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
City Centre Destination Leisure Facility	1,550	8,950	12,308	12,308	1,571	36,687
Coventry Transport Museum	912	0	0	0	0	912
Play Areas	681	238	0	0	0	919
Investment in Sporting Facilities	123	100	100	100	100	523
TOTAL APPROVED PROGRAMME	3,266	9,288	12,408	12,408	1,671	39,041

RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Corporate Resources	123	100	100	100	100	523
Prudential Borrowing	0	8,600	12,308	12,308	1,571	34,787
Grant	912	0	0	0	0	912
Revenue Contribution to Capital Outlay	1,550	350	0	0	0	1,900
Section 106	681	238	0	0	0	919
TOTAL RESOURCES	3,266	9,288	12,408	12,408	1,671	39,041

CABINET MEMBER: HEALTH & ADULT SERVICES

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Disabled Facilities Grants (Better Care Fund)	2,389	2,389	2,389	2,389	2,389	11,945
TOTAL APPROVED PROGRAMME	2,389	2,389	2,389	2,389	2,389	11,945
RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Grant	2,389	2,389	2,389	2,389	2,389	11,945
TOTAL RESOURCES	2,389	2,389	2,389	2,389	2,389	11,945

CABINET MEMBER: STRATEGIC FINANCE & RESOURCES

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
ICT Change team	3,799	1,061	1,000	1,000	1,000	7,860
Property Repairs	2,330	1,817	1,817	1,817	1,817	9,598
ICT Operations Team	500	0	0	0	0	500
TOTAL APPROVED PROGRAMME	6,629	2,878	2,817	2,817	2,817	17,958
RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Corporate Resources	5,127	2,878	2,817	2,817	2,817	16,456
Prudential Borrowing	1,175	0	0	0	0	1,175
Revenue Contribution to Capital Outlay	327	0	0	0	0	327
TOTAL RESOURCES	6,629	2,878	2,817	2,817	2,817	17,958

CABINET MEMBER: COMMUNITY DEVELOPMENT, CO-OPERATIVES & SOCIAL ENTERPRISE

CAPITAL SCHEME	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Housing Policy (Siskin Drive)	100	0	0	0	0	100
TOTAL APPROVED PROGRAMME	100	0	0	0	0	100
RESOURCES	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Grant	100	0	0	0	0	100
TOTAL RESOURCES	100	0	0	0	0	100

COUNCIL INVESTMENT STRATEGY AND POLICY

1. Governance

In respect of investments, the key requirement of the government's "Guidance on Local Government Investments" initially issued on 12th March 2004 by the ODPM, and revised by Communities and Local Government (CLG) in April 2010, is for local authorities to draw up an annual investment strategy for the management of its investments. The strategy is to be approved by full Council.

2. Principles Governing Investment Criteria

The fundamental principle governing the City Council's investment criteria is the security of its investments, although investment return will be a consideration. The Council will ensure:

- It maintains a policy covering the categories of investment types it will invest in, criteria for choosing investment counter parties with adequate security, and monitoring their security.
- It has sufficient liquidity in its investments, taking into account known and potential cashflow requirements.

3. Types of Investments Available to the City Council

Government guidance on local authority investments categorises investments as either specified or non-specified. Specified investments are:

- denominated in sterling;
- due to be repaid within 12 months;
- not deemed capital expenditure investments under statute;
- invested in one of: UK Government, UK local authority or a body or investment scheme of "high credit quality".

The Authority defines "high credit quality" organisations as those having a credit rating of A- or higher that are domiciled in the UK or a non UK country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

All other investments are classified as non-specified.

The total limit for all non-specified investments is £50m, with specific "sub" limits of:

	£m
Total Long Term Investments	£10m
Total Investments without credit ratings (excluding MMFs)	£10m
Total Investments in foreign countries rated below AA+ (minimum A-)	£5m
Total Investments in counterparties rated below A- (minimum BBB+)	£32m

4. Counterparties and Investments to be Used by the City Council

The Executive Director Resources will maintain a counterparty list based on the criteria set out below. The credit rating criteria stated below are those determined by the Fitch crediting rating agency. In addition, the Council also has regard to the 2 other agencies that undertake credit ratings: Standards and Poor's and Moody's, in determining the lowest acceptable credit quality.

The following investments can be used by the City Council:

Credit Rating	Banks Unsecured	Banks Secured	Corporates	Registered Providers
AAA	£8m 5 years	£16m 5 years	£8m 13 Months	£8m 5 years
AA+	£8m 5 years	£16m 5 years	£8m 13 Months	£8m 5 years
AA	£8m 4 years	£16m 5 years	£8m 13 Months	£8m 5 years
AA-	£8m 3 years	£16m 4 years	£8m 13 Months	£8m 5 years
A+	£8m 2 years	£16m 3 years	£8m 13 Months	£8m 5 years
A	£8m 13 months	£16m 2 years	£8m 13 Months	£8m 5 years
A-	£8m 6 months	£16m 13 months	£8m 13 months	£8m 5 years
BBB+	£4m 100 days	£8m 6 months	£4m 6 months	£4m 2 years
BBB or BBB-	£4m next day only*	£8m 100 days	n/a	n/a
None	£1m 6 months	n/a	n/a	£8m 5 years
Uk Government**		£ Unlimited – 50 Years		
Local Authorities		£8m – 25 Years		
Pooled funds		£8m per fund		

*This only relates to institutions with which the authority performs its banking activities (I.E. HSBC). Unsecured investments will not be made with institutions rated lower than BBB+.

**This relates to investments with the Debt Management Office, Treasury bills & gilts.

In addition to the following category or group limits will apply:

	Cash limit
Any single organisation, except the UK Central Government	£16m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£16m per group
Any group of pooled funds under the same management	£40m per manager
Negotiable instruments held in a broker's nominee account	£80m per broker
Foreign countries	£16m per country
Registered Providers	£40m in total
Unsecured investments with Building Societies	£16m in total
Loans to unrated corporates	£16m in total
Money Market Funds	£80m in total

Investment limits apply at the time the investment is made.

In the event of the City Council's own banker falling below the minimum criteria, balances held at the bank would be minimised as far as possible. In particular, no fixed term deposits would be made with the bank. In such circumstances any balances held would then be classified as non-specified investments.

In addition to credit rating information, in line with best practice, the authority will, through its treasury advisers, consider other information when assessing credit risk and determining organisations with whom the authority will invest. Such information will include:

- Credit Default Swaps (an indicator of risk based on the cost of insuring against non-payment);
- Sovereign support mechanisms;
- Share prices;
- Corporate developments;
- Financial media reviews and commentaries.

The table above sets out the *maximum* limits that provide a sound approach to investment. However, in light of any uncertainty, the Executive Director Resources will, as appropriate, restrict further investment activity to those counterparties considered of higher quality than the minimum. Examples of such precautionary restrictions can include limiting investments to specific organisations, their duration or both. In addition, country limits, whereby investments in certain foreign regulated institutions are restricted will be used to manage risk.

5. Investment Instruments to be Used by the City Council

The City Council may lend or invest money using any of the following financial instruments:

- interest-bearing bank accounts;
- fixed term deposits and loans;

- callable deposits where the Authority may demand repayment at any time (with or without notice);
- callable loans where the borrower may demand repayment at any time;
- certificates of deposit;
- bonds, notes, bills, commercial paper and other marketable instruments; and
- money market funds and other pooled funds.

6. The Monitoring of Investment Counter parties

The credit rating of counter parties will be monitored regularly. The Council receives credit rating information from its advisers, Arlingclose, on a weekly basis. As and when ratings change, the Council will be notified immediately by Arlingclose by telephone and email. There will be a minor time delay between rating changes and the Council receiving notification, and on occasion ratings may be downgraded when an investment has already been made. Any counter party failing to meet the criteria will be removed from the list immediately by the Executive Director Resources and new counter parties which meet the criteria will be added to the list.

In addition, Arlingclose, the City Council's treasury advisers, provide analysis and advice that pulls together credit rating and other information. This facilitates the management of credit risk on a broader base than would credit ratings alone.

7. Financial Derivatives

Due to some uncertainty over Councils' legal powers to use stand alone financial derivative instruments, and the risks associated with their use, the City Council does not intend to use such investment derivatives.

8. Operational Investments and Loans

Separately, the City Council holds long-term investments or provides loans for operational or policy reasons, for example, in order to stimulate economic development and growth. Depending on the nature of the spend these can be accounted for as capital expenditure. Investments made in the past include Birmingham Airport Holdings Ltd, the Coventry and Solihull Waste Disposal Company and the creation of the Coventry Investment Fund.

Operational investments and loans will be assessed and reported on, on a case by case basis. This will include a full assessment of the risk, including credit risk, and how this will be managed.

An investment board makes decisions on which projects The Coventry Investment Fund should invest in with delegated responsibility from Council and Cabinet. A risk assessment for each project is performed and this is taken into account as part of the due diligence process. The Coventry Investment Fund also has an evaluation process that considers the following criteria:

- Business Rate Growth/Return on Investment
- Strategic Fit to Council's Vision and Aspirations
- Deliverability
- Jobs Created

Summary Prudential Indicators

Appendix 7

	Est Outturn 14/15 £000's	Forecast 15/16 £000's	Forecast 16/17 £000's	Forecast 17/18 £000's
1 Ratio of financing costs to net revenue stream:				
(a) General Fund financing costs	34,022	35,349	38,729	42,116
(b) General Fund net revenue stream	258,505	238,357	227,800	220,942
General Fund Percentage	13.16%	14.83%	17.00%	19.06%
2 Estimates of Council Tax Impact ~ Proposed Programme		£168.61	£199.26	£221.39
Estimates of Council Tax Impact ~ Feb 14 Programme		£189.89	£222.19	
3 Gross Debt & Capital Financing Requirement				
Gross debt including PFI liabilities	380,789	398,874	447,336	444,656
Capital Financing Requirement	413,969	443,938	492,400	495,221
Gross Investments	-65,923	-10,000	-10,000	-10,000
Gross Debt to Net Debt:				
Gross debt including PFI liabilities	380,789	398,874	447,336	444,656
less investments	-65,923	-10,000	-10,000	-10,000
less transferred debt reimbursed by others	-17,411	-16,470	-15,437	-14,300
Net Debt	297,455	372,404	421,899	420,356
4 Capital Expenditure (Note this excludes leasing)				
General Fund	123,886	117,659	123,477	60,040
5 Capital Financing Requirement (CFR)				
Capital Financing Requirement	413,969	443,938	492,400	495,221
Capital Financing Requirement excluding transferred debt	396,558	427,468	476,963	480,921
6 Authorised limit for external debt				
Authorised limit for borrowing	403,847	419,260	459,173	465,800
+ authorised limit for other long term liabilities	60,812	75,028	72,726	70,056
= authorised limit for debt	464,659	494,289	531,899	535,856
7 Operational boundary for external debt				
Operational boundary for borrowing	359,847	379,260	419,173	425,800
+ Operational boundary for other long term liabilities	60,812	75,028	72,726	70,056
= Operational boundary for external debt	420,659	454,289	491,899	495,856
8 Actual external debt				
actual borrowing at 31 March 2014	308,433			
+ PFI & Finance Leasing liabilities at 31 March 2014	63,928			
+ transferred debt liabilities at 31 March 2014	18,264			
= actual external debt at 31 March 2014	390,625			
9 CIPFA Treasury Management Code ~ has the authority adopted the code?				Yes
10 Interest rate exposures for borrowing				
Upper Limit for Fixed Rate Exposures	403,847	419,260	459,173	465,800
Upper Limit for Variable Rate Exposures	80,769	83,852	91,835	93,160
11 Maturity structure of borrowing - limits	actual	lower	upper	
under 12 months	12%	0%	40%	
12 months to within 24 months	13%	0%	20%	
24 months to within 5 years	5%	0%	30%	
5 years to within 10 years	8%	0%	30%	
10 years & above	62%	40%	100%	
12 Investments longer than 364 days: upper limit	10,000	10,000	10,000	10,000

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A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Cabinet
Council

24 February 2015
24 February 2015

Name of Cabinet Member:

Cabinet Member for Business, Enterprise & Employment – Councillor Maton

Director Approving Submission of the report:

Executive Director Place

Ward(s) affected:

All wards are affected, particularly St Michaels

Title:

Disposal of Property Assets pursuant to Friargate

Is this a key decision?

Yes -the proposals involve financial implications in excess of £1m per annum.

Executive Summary:

On 25 June 2013 Council approved that the organisation support the development of the Friargate Business District to regenerate the City, transform the Council and deliver savings by the construction of a new Council owned office building at Friargate, the construction of a new bridge deck, the rationalisation of its operational property estate and the subsequent disposal of property assets vacated through such rationalisation. The report required that the capital receipts generated from the disposal of such assets be ring fenced to the Friargate Project as part of the affordability strategy for the investment. The report also required that a disposal strategy be developed that seeks early marketing and negotiations designed to minimise the impact on the City Centre estate. The Council has entered into contractual arrangements for the new building to be built.

Since this time officers have prioritised the disposal of the key City Centre sites, namely Civic Centres 1 – 4 and Spire/Christchurch House. Members have already approved the disposal of the latter, and officers have been working closely with Coventry University in respect of the former.

The University have now presented their proposals for this key site to the Council which are consistent with the Council's vision for the regeneration of this site and the city centre

In accordance with the June 2013 report, terms for the proposed disposal are set out for approval. This report also sets out the wider outline strategy for dealing with the disposal of further property assets which will become surplus as part of the move to Friargate.

Recommendations:

Cabinet is requested to recommend to Council that it:

1. Approve the freehold disposal of the site outlined red on plan 1 comprising Civic Centres 1 – 4 to Coventry University in accordance with the terms set out in in the report.
2. Delegate authority to the Executive Director Place, Executive Director Resources and Assistant Director for Legal and Democratic Services as appropriate in consultation with Cabinet Member for Business Enterprise and Employment to agree any variations or new requirements that are deemed necessary to give effect to the proposals.
3. Delegate authority to the Executive Director, Resources and the Assistant Director for Legal and Democratic Services to complete the necessary legal documentation in this matter and collect the agreed consideration.
4. Approve the outline disposal strategy set out in clause 2.12 and delegate authority to the Executive Director Place in consultation with Cabinet Member for Business Enterprise and Employment to amend the strategy as required to minimise the impact of vacation of the City Centre estate
5. Delegate authority to the Executive Director Place in consultation with the Cabinet Member for Business Enterprise and Employment to agree terms for disposals under the strategy, provided that the terms are in accordance with the Friargate Business case.

Council is requested to approve recommendations 1 to 5 above.

List of Appendices included:

Appendix 1 – Plan of Civic Centres 1-4 site

Background papers:

None

Other useful documents

“Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings”- Council Report 25 June 2013.

Friargate Bridge – Council Report 25 June 2013

<http://moderngov.coventry.gov.uk/ieListDocuments.aspx?CId=130&MIId=9911&Ver=4>

Has it been or will it be considered by Scrutiny?

No

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 - 24 February 2015

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Report title: Disposal of Property Assets pursuant to Friargate

1. Context (or background)

- 1.1 Following Council's approval of the June 2013 report regarding the development of Friargate, early steps were taken in respect of the redevelopment and disposal of the two most significant city centre property clusters; Civic Centres 1 – 4 site and the Christchurch/Spire House sites resulting from the move of Council offices to a single building at Friargate.
- 1.2 Initial efforts to secure redevelopment were therefore focussed on these sites to minimise the impact on the city centre when they are vacated by the Council.
- 1.3 A strategic decision to develop the Christchurch/Spire House site as a city centre leisure destination was taken by Council on 9 September 2014 thus securing the long term redevelopment of this site.
- 1.4 At an early stage Coventry University expressed an interest in the Civic Centre sites, these early discussions resulted in Member approval to enter into a Memorandum of Understanding between the Council and University at MIPIM in March 2014. This gave the University a 12 month exclusivity period in order to allow them to develop their proposals and undertake due diligence.
- 1.5 The University have subsequently presented their proposals to both officers and ruling group members and have made a proposal to purchase the sites.
- 1.6 An outline strategy has also been developed in relation to other property assets, which will be vacated as part of the Friargate Project. This is set out in paragraph 2.14 below.

2. Options considered and recommended proposal

- 2.1 **Disposal to the University (recommended proposal)** Coventry University is a major asset to the local economy. It currently contributes over £100m per annum to the Coventry economy which is set to rise by a further £100m by 2020.
- 2.2 The University currently employs 4,000 staff which is set to rise by 500 in the period to 2019. Student numbers are also set to rise from 23,000 to 27,500 in the same period.
- 2.3 The University's proposals envisage that the site would become the key "front door" site for the University and would provide up to 35,000 sq.m of development incorporating research, HQ, commercial and International centre along with a small amount of post-graduate residential accommodation.

15-20,000 sqm Pure and Applied Research – the Research “Hub”
5-8,000 sqm University HQ
3-5,000 sqm International Centre – the International “Hub”
4,000 sqm incubator/commercial
Graduate/Faculty short term accommodation

- 2.4 The University are committing to invest £100-£125m on site over the period to 2020 although they are advising the majority of this investment is likely to be at the front end of this period. They are indicating that this development will contribute £100m per annum Gross Added Value to the Coventry economy post 2020.
- 2.5 It is estimated that the development once completed will yield Business Rates of between £1.0m and £1.25m per annum. The site currently yields less than £0.5m per annum.
- 2.6 The development would require the demolition of all the CC1-4 buildings and their phased replacement by the University. The University have also indicated that they wish to purchase the freehold of the commercial units and flats above that front Earl Street for possible incorporation into the redevelopment. These shops and the flats above are subject to a mixture of tenancies which are largely subject to security of tenure protection. The University would be responsible for negotiating with the leaseholders to secure vacant possession at their expense and at an appropriate time should the properties be required to facilitate development.
- 2.7 Under the draft Heads of Terms the University propose that they purchase the site and simultaneously enter into a lease back to the Council at a peppercorn until autumn 2017. This provides sufficient time for the Council to complete the move to Friargate and vacate Civic Centres 1-4.
- 2.8 The University has given a commitment to maintain the members car parking currently accommodated in the Magistrates car park albeit this may need to be reconfigured to allow it to be accommodated as development progresses.
- 2.9 Whilst sole negotiations have been held in good faith with the University, the Council has considered the following alternative uses for the site;
- 2.10 **Student Accommodation** - Currently good demand exists within the city centre for student housing sites however such uses can be accommodated in alternate, less well located sites elsewhere in the city centre and such a use on this site would not produce business rate income for the Council.
- 2.11 **Retail** - The site sits close to the retail centre of the City, accordingly retail uses might be possible on the site however such uses would be likely to undermine proposals for City Centre South accordingly such a use would be resisted on planning ground. Existing large retail consents currently exist and have not been taken up by the market

2.12 In respect of the remaining property assets it is proposed to deal as per the list below

<i>Property</i>	<i>Date</i>	<i>Strategy</i>
<i>Broadgate House</i>		<i>Retain & seek uses for upper floors through disposal</i>
<i>Civic Centres 1 - 4</i>		<i>Disposal</i>
<i>Spire House/C'church Hse</i>		<i>Redevelop for City Centre Leisure facility</i>
<i>24 & 42 New Union Street</i>		<i>Retain & seek uses for upper floor through disposal</i>
<i>West Orchard House</i>		<i>Exit lease (already completed)</i>
<i>9 North Avenue</i>		<i>Disposal</i>
<i>Enterprise House</i>		<i>Retain & let (already actioned)</i>
<i>Harp Place</i>		<i>Exit lease</i>
<i>James Brindley House</i>		<i>Retain & let</i>
<i>Eburne Adult Education Centre</i>		<i>Disposal</i>
<i>Faseman House</i>		<i>Disposal</i>
<i>Logan Assessment Centre</i>		<i>Retain & let</i>
<i>312a Charter Avenue</i>		<i>Retain & let</i>
<i>200 Telfer Road</i>		<i>Hold for wider redevelopment</i>
<i>Stoke House</i>		<i>Sold</i>
<i>Elm Bank</i>		<i>Sold</i>

2.13 Officers continue to explore whether services within buildings identified within the strategy can be relocated into existing buildings to enable their disposal and the release of revenue running costs earlier than anticipated in the affordability case. Accordingly it is proposed to recommend that disposals are made under a delegation provided the terms are in line with the Friargate Business case.

2.14 Accordingly, a sale of CC1- CC4 to the University and the approval of the disposal strategy are the recommended options.

3. Results of consultation undertaken

3.1 The purpose of this report is to implement policy decisions previously taken. Accordingly no further consultation is necessary. However, as set out in the report on 25 June 2013, employees are engaging in the Friargate Project through staff briefings. Formal consultation with employees and Trade Unions will take place as required during the project. A communications strategy remains in place, which is aimed at ensuring all stakeholders are aware of the changes and informed throughout the Friargate Project as it progresses.

4. Timetable for implementing this decision

- 4.1 The sale of CC1-4 to the University is scheduled to be completed in March 2015 a lease back to the Council until autumn 2017 to allow the move to Friargate to take place. The remaining properties will be disposed of once the Council has moved to Friargate and they become vacant.

5. Comments from Executive Director, Resources

5.1 Financial implications

The sale will produce a capital receipt in excess of the figure assumed in the Friargate Business case.

Assuming development of the site is made as per the University's plans, additional benefit will accrue as a result of Coventry's share of the much improved business rate yield, which based on high level information will increase Coventry's share by over £0.25m per year.

5.2 Legal implications

Section 123 of the Local Government Act 1972 enables the Council to dispose of land held by them in any manner it wishes provided that best consideration is obtained.

In respect of the proposed disposal of CC1 – CC4, the consideration to be paid by the University exceeds the value assumed in the Friargate Business Plan, which was valued by an Independent Valuer as representing best consideration.

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)?

This report seeks to implement the decisions taken the June 2013 Friargate report.

6.2 How is risk being managed?

Two key risks need to be managed as part of the process, the first is to ensure that the programme for the delivery of the Friargate building does not leave the Council exposed to the costs of renting CC1-4 back from the University. This will be managed through the Friargate contract placement and mitigated through the imposition of Liquidated and Ascertained Damages in the Friargate contract to cover part of the rental costs.

The second risk would be a failure of the University to deliver the Masterplan presented and the consequential loss of Business Rates. To mitigate this risk, the sale contract will seek to impose reasonable endeavours obligations upon the University to deliver the scheme presented.

6.3 What is the impact on the organisation?

This report will deliver capital receipts to support the Friargate business case and will help deliver continuing regeneration of our city centre.

6.4 Equalities / EIA

Property disposal – no impact on services.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

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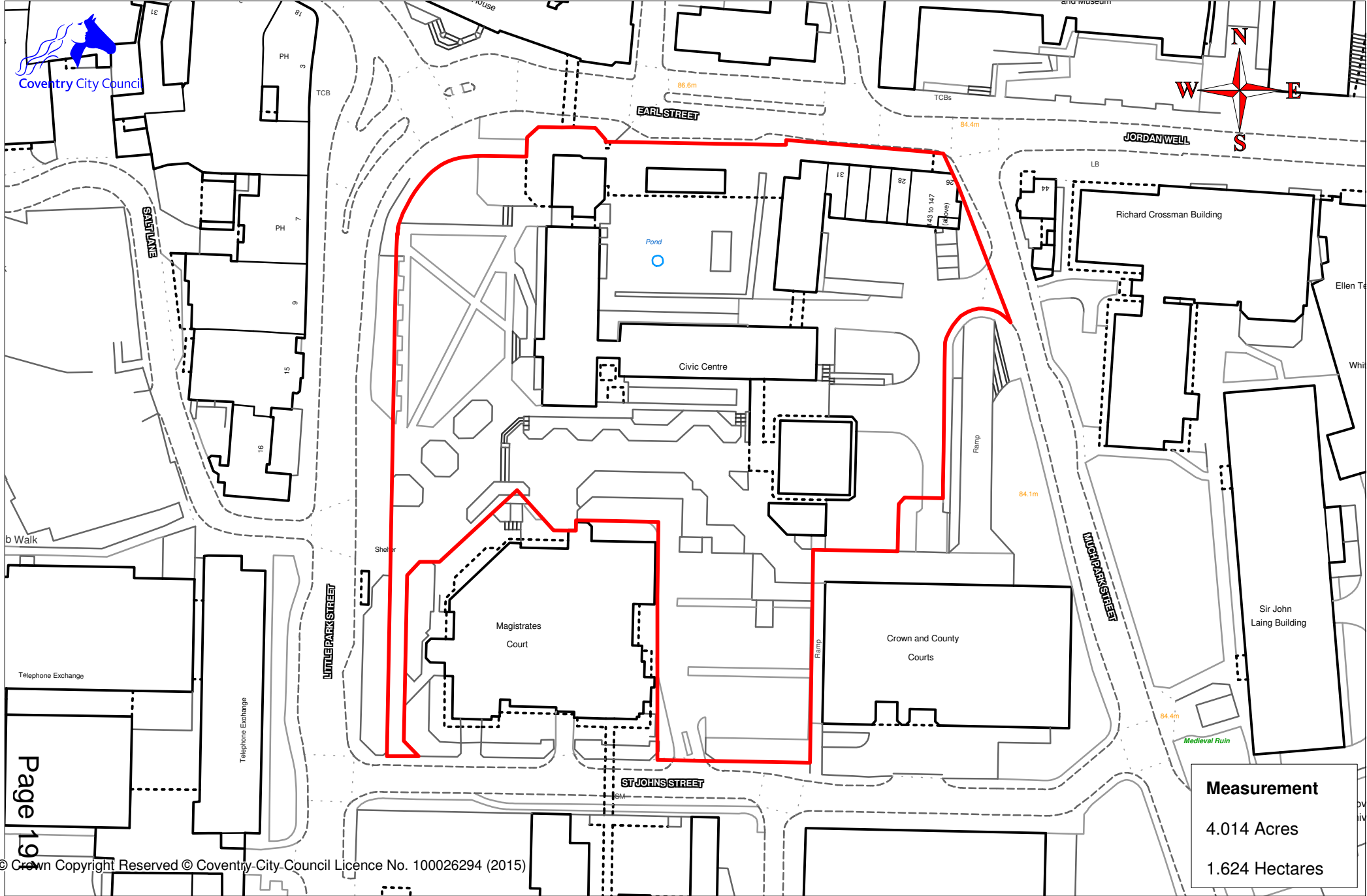
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Civic Centres 1, 2, 3, 4, Coventry.

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Public Report
Council

Council

24 February 2015

Report of the Leader

Councillor Mrs. Ann Lucas, OBE

Ward(s) affected:

Not Applicable

Title:

Appointment of Deputy Cabinet Member

Is this a key decision?

No

Executive Summary:

To receive this report of the Leader on the appointment of an additional Deputy Cabinet Member for the Cabinet Member for Business, Enterprise and Employment, with effect from 6 February 2015.

Recommendations:

The City Council is recommended to note the appointment of Councillor Richard Brown as an additional Deputy Cabinet Member, to assist the Cabinet Member for Business, Enterprise and Employment, with effect from 6 February 2015.

List of Appendices included:

None

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

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

No

Report title: **Appointment of Deputy Cabinet Member**

1. Context (or background)

The Council's Constitution allows the Leader of the Council to appoint and remove Deputy Cabinet Members as non-executive Members, to advise and support Cabinet Members in carrying out their role. Deputy Cabinet Members may deputise for the relevant Cabinet Member in his or her absence but may not discharge any function given to the Cabinet Member and are not members of the Executive.

The Leader is required to report to Council on any new appointment of Deputy Cabinet Members at the next available Full Council meeting.

2. Decision of the Leader

That an additional Deputy Cabinet Member is required to assist the Cabinet Member for Business, Enterprise and Employment with particular emphasis on small businesses.

In order to maintain the impartiality of Scrutiny Boards, Councillor Brown will resign his membership of the Finance and Corporate Services Scrutiny Board for the remainder of the municipal year.

3. Results of consultation undertaken

Not applicable

4. Comments from the Executive Director of Resources

4.1 Financial implications

Deputy Cabinet Members receive a special responsibility allowance of £3,613 per annum and this allowance will be paid pro-rata for the remainder of the municipal Year 2014-15.

4.2 Legal implications

4.2.1 The Leader is required to report on any changes to Deputy Cabinet Members to Council for information.

4.2.2 Any necessary amendments to the Council's Constitution will be made by the Monitoring Officer using her delegated powers.

5. Other implications

Not applicable

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