

**Coventry City Council**  
**Minutes of the Meeting of Cabinet held at 9.30 am on Thursday, 26 November**  
**2015**

Present:

Cabinet Members: Councillor Mrs Lucas (Chair)  
Councillor A. Khan (Deputy Chair)  
Councillor Abbott  
Councillor Caan  
Councillor Gannon  
Councillor Kershaw  
Councillor Lancaster  
Councillor Maton  
Councillor Ruane

Deputy Cabinet Members: Councillor Dr R Auluck  
Councillor Brown  
Councillor Clifford  
Councillor McNicholas  
Councillor Thomas

Non-voting Opposition Members: Councillor Andrews  
Councillor Sawdon (Substitute for  
Councillor Blundell

Other Members: Councillor P Akhtar  
Councillor Crookes  
Councillor Duggins  
Councillor J Mutton  
Councillor M Mutton

Employees (by Directorate):

Chief Executive's: M Reeves (Chief Executive), F Collingham

Place: M Yardley (Executive Director), N Clews, D Cockroft, R Moon, J Moore, A Walster, M Waters, A Williams

People: G Quinton (Executive Director), P Fahy, M McGinty, J Reading,

Resources: C West (Executive Director), P Jennings, L Knight, J Newman, R Sugars,

Apologies: Councillors Blundell and Thomas

## **Public Business**

### **58. Declarations of Interest**

There were no disclosable pecuniary interests declared.

### **59. Minutes**

The minutes of the meetings held on 6<sup>th</sup> and 13<sup>th</sup> October 2015 were agreed and signed as true records.

### **60. Exclusion of Press And Public**

RESOLVED to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private reports in minutes: 78 headed 'The Freehold Disposal of Land at Elms Field Farm and Surrender of Leasehold Interest', 79 headed 'Partnership Working with Whitefriars Housing Group Limited' and 80 headed 'Land Registry, Leigh Court, Torrington Avenue, Coventry – Terms of Disposal' on the grounds that these reports involve the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as they contain information relating to the financial and business affairs of a particular person (including the authority holding that information) and in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **61. 2015/16 Second Quarter Financial Monitoring Report (to September 2015)**

The Cabinet considered a report of the Executive Director of Resources, which set out the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of September 2015.

The headline revenue forecast for 2015/16 was an overspend of £4.7m. This was a significant deterioration from the £1m projected at Quarter 1 and it was noted that at the same point in 2014/15 there was a projected underspend of £0.4m.

The overall revenue position incorporated an overspend of £7.7m within the People Directorate, the majority of which related to Adult Social Care Community Purchasing budgets. These were offset to some degree by underspends within the corporate Asset Management Revenue Account.

The Cabinet noted that the projected capital spending was projected to be £118.4m for the year, which represented a decrease of £7m on the £125.4m reported at the first quarter. The Programme comprised £4.4m approved net additions to the programme and £11m rescheduled expenditure into 2016/17.

Section 5 of the report submitted also set out proposed actions by the Strategic Management Board to address the budgetary position for both the revenue and capital positions.

**RESOLVED that the Cabinet:**

- 1. Approve the forecast revenue overspend at Quarter 2 and the proposed actions to be taken by the Strategic Management Board set out in section 5 of the report submitted.**
- 2. Approve the revised capital estimated outturn position for the year of £118.4m, incorporating £4m net increase in spending relating to approved/technical changes as detailed in Appendix 2, £11.1m net rescheduling of expenditure into 2016/17 as set out in Appendix 4 and £0.3m net underspend, outlined in Appendix 5.**

**62. Medium Term Financial Strategy 2016-19**

The Cabinet considered a report of the Executive Director of Resources, which set out the Medium Term Financial Strategy for 2016-19 for adoption and included the financial planning foundations that support the Council's vision and priorities, leading to the setting of the Council's revenue and capital budgets.

The Government's July 2015 Summer Budget announced a further period of public sector spending reductions over the course of the new Parliament and this provided a key backdrop to the Council's medium term financial position. However, further detail on the local future years funding was due to be published on 25<sup>th</sup> November and the Local Government Finance Settlement was expected in late December. The high likelihood was that these would confirm continued cuts in Revenue Support Grant for local government on a trajectory broadly consistent with cuts made since 2010. Therefore, the fundamental factor shaping the Council's Medium Term Financial Strategy continued to be one of unprecedented financial pressure leading to further significant reductions in spending levels that would be likely to continue in the period up to 2020 and possibly beyond. The Cabinet noted that if the current pattern of local government funding continued this indicated that in real terms for every £10 of net budget the Council had available in 2010/11, it had just over £7 now and would have nearer £5 in 2024/25.

The report submitted summarised the national and local contexts that frame the Strategy and acknowledged the Council's in principle decision to join with other councils across the region to form a West Midlands Combined Authority. Taken together these factors represented a combination of reduced resources, challenging underlying economic and demographic conditions, increased demand, a heightened need to improve the quality of services and new challenges represented by Government reform and local structural and governance relationships. In these circumstances, it was crucial that the Council's financial strategy was robust and flexible. This would provide the financial foundations required to ensure that Council services were fit for purpose to protect the most vulnerable as well as providing decent core services for every citizen in the City. In support of these aims, the report also set out the Council's strategic financial approach to the demands that it faced.

Based on initial estimates of future funding settlements, the City Council's indicative financial position moving into 2016/17 budget setting process showed a major funding gap increasing to £28m in 2018/19. This gave a clear picture of the massive financial challenges faced by the Council. This financial position was

developed further in the Pre-Budget report also being considered and detailed in Minute 63 below, and could be expected to become yet more acute in the period beyond the Medium Term Financial Strategy based on ministerial announcements about continued spending cuts.

The Cabinet noted that the Finance and Corporate Services Scrutiny Board (1) had also considered the report at their meeting on 11<sup>th</sup> November 2015, and a briefing note detailing their recommendations was appended to the report. In particular, the Board recommended that the Cabinet consider incorporating the findings and recommendations of the Reserves and Underspends Working Group into the Medium Term Financial Strategy to address part of the budget shortfall for 2016/17. The Cabinet noted the comments from the Board but decided not to accept their recommendation as the key element of the findings had been incorporated into the Pre-Budget Report.

**RESOLVED that the Cabinet recommend that the Council approve the Strategy.**

**63. Pre-Budget Report 2016/17**

The Cabinet considered a report of the Executive Director of Resources, which presented a set of budget spending pressures and saving proposals for 2016/17 and beyond as a basis for consultation. This was in the context of very large funding cuts across the public sector since 2010 that have affected local government disproportionately badly.

The Government's July 2015 Summer Budget signalled a further period of public sector spending reductions and the proposals within the report included some prudent estimates about what this meant for the Council in terms of expected funding cuts. However, the details of this would only be known both when the Government Spending Review was published on 25<sup>th</sup> November and the Local Government Finance Settlement was announced, probably on either the 18<sup>th</sup> or 21<sup>st</sup> December. These details could be significantly different to the estimates that have been built in.

The Cabinet noted that, at the start of 2016/17 budget setting, the Council faced a budget gap of £13m rising to £28m over the following three years. The proposals in the report reduced the 2015/17 gap to £2m and maintained the medium term position at £28m. Further details were provided on a line by line basis in Section 2 and Appendix 1 of the report submitted.

Sitting behind the overall financial approach was the Council's commitment to protect its most vulnerable citizens and to deliver a range of core services to everyone in the City. There were three elements in the Council's approach that were fundamental to achieving this. These included maintaining an absolute commitment to the growth and regeneration of the City to enable the Council to take greater control of its own financial destiny; overhauling and modernising Council services and implementing savings plans already built into the existing budget; and challenging current budget provision and technical assumptions across the Council to ensure that they could best support the medium term financial plans.

The Cabinet further noted that a large majority of the new proposals within the report submitted were technical in nature and would not affect services to the public. The on-going process of implementing savings across a 3 year period agreed as part of the 2015/16 budget would, however, continue in the short to medium term and delivery of these savings remained crucial to maintaining a balanced budget position.

The report indicated that the most significant new savings proposals for 2016/17 included increased Council Tax revenue reflecting the growth of the City and strong collection performance and a reduction in the amount that the Council would need to set aside to repay its debt if it approved a new Minimum Revenue Provision Policy, which would form part of the final budget report in February 2016.

It was proposed that a period of consultation be undertaken on the budget proposals on the basis that the Council would increase Council Tax levels by the maximum amount allowable by Government without triggering a referendum. The assumption was that this level would be at 2%, although it was acknowledged that this could be set lower and the threshold was unlikely to be announced before the end of January 2016.

**RESOLVED that the Cabinet approve:**

- 1. The content of the report, the revenue spending and savings options detailed in Section 2 and Appendix 1 of the report and the broad Capital Programme proposals in Sections 2.7 and 2.8 as the basis of the Council's budget consultation process.**
- 2. The proposed approach on Council Tax as set out in Section 2.9 of the report.**

**64. Connecting Communities**

The Cabinet considered a report of the Executive Director of Resources, which set out progress made since February 2015 on the Council's commitment to keep Council facilities like libraries open during 2015/16 and proposed a period of consultation on proposals to deliver the Medium Term Financial Strategy target of £1m proposed by the City Centre First programme.

Since 2010 the Council had seen a huge and unprecedented reduction in its resources as Government Policy to balance the public sector budget led to massive grant cuts to Councils. In 2016/17 the Council's grants would be £94m per annum less than in 2010/11 and by 2020 this was predicted to rise to a reduction of £140m per annum.

It was clear that the Council needed to take a new approach to delivering and enabling services in the new and challenging financial context. The new approach would ensure that the best possible services were delivered within the resources available. Closer partnership working with statutory and voluntary agencies and the community would need to be part of this approach.

The Connecting Communities Programme was an ambitious and wide reaching programme focussed on a radical redesign of Council services so they were delivered together in one place in the communities and neighbourhoods where there was most need and within the resources available. It replaced the City Centre First Programme and had been renamed to reflect more effectively the need for communities and other organisations to connect with the Council and others to deliver services. Council service included within the scope of this programme included libraries, youth centres and services, children's centres, play centres, community centres, public conveniences and adult education.

The Cabinet noted that the new approach presented an opportunity to trial more collaborative and participatory ways of working with Coventry people to strengthen relationships across communities. As the approach developed, it would become the major transformation change programme for the Council's People Directorate, which delivered a wide range of key frontline series to the City's residents.

The report submitted proposed a period of public consultation on a set of ten specific proposals relating to play centres, Arena Park Library, Willenhall Library, mobile library services, library media fund, Central Library opening hours, community library opening hours, you services commissioning budget, public conveniences and community centres, to deliver the Medium Term Financial Strategy target of £1m proposed in the original City Centre First programme for 2016/17 and exceed this target on a full year effect by an additional £0.2m. Proposals to achieve a further £3.8m savings needed for 2017/18 would be developed following engagement and further consultation. In addition, it was recommended that a wide-scale engagement programme using innovative engagement methods should take place with residents, community groups and partner organisations over the next six months. The focus of this work would be to co-produce and develop detailed proposals on the future of public services in neighbourhoods.

**RESOLVED that the Cabinet:-**

- 1. Approve a period of consultation from 7<sup>th</sup> December 2015 to 1<sup>st</sup> February 2016 on a set of ten proposals for changes to some services in order to achieve savings of £1.2million for 2016/17 as required by the Medium Term Financial Strategy (MTFS) original City Centre First Programme (now Connecting Communities Phase 1). The proposals for change for 2016/17 are:**
  - a. For the Council to stop providing play activities at Edgewick and Eagle Street Play Centres and to explore the option for them to be used for nursery provision for two, three and four year olds instead.**
  - b. To end delivery of library services from the Arena Park Library facility (and not renew the lease) and to enter into discussions to relocate reduced library provision at an alternative community location in Holbrooks.**

- c. To end delivery of library services (and not renew the lease) from the current Willenhall Library facility and to continue discussions with the Haggard Centre about a more cost effective community library being located within the Centre.
  - d. To end the mobile library service
  - e. To cut the library media fund of £658,000 to £558,000 for 2016/17
  - f. For Central Library to continue to open seven days per week, but to close one hour earlier on weekdays – closing at 7pm instead of 8pm.
  - g. To standardise opening hours across all community libraries. All community libraries will be closed on Wednesdays and Sundays. This will mean Caludon Castle, Earlsdon and Foleshill libraries closing on Wednesdays and Bell Green, Earlsdon, Foleshill, Stoke and Tile Hill closing on Sundays. In addition to these reductions in opening hours, to pursue alternative ways of running the libraries working with other statutory and/or voluntary sector organisations and groups.
  - h. Withdraw the youth services commissioning budget for 2016/17 and work with the community and voluntary sector to explore the best way that youth services for young people should be delivered across Coventry.
  - i. To close six public conveniences located outside the city centre, keeping open the two city centre public conveniences.
  - j. Asset transfer remaining community centres to community organisations on a full responsibility basis.
2. Approve a period of engagement, conducted jointly with key partner organisations, from 7 December to May 2016 (Connecting Communities Phase 2) to include:
- a. Trialling new collaborative and participatory engagement methods in local neighbourhoods, across the city, in organisations and using digital communications.
  - b. Engagement with stakeholders (including community groups and voluntary organisations) to identify existing community strengths, resources and aspirations and the potential in communities to deliver services more collaboratively
  - c. Exploring the extent to which complementary community provision can be developed to support the Council and partners in the delivery of core integrated services
  - d. Co-designing and developing options for future delivery models from emerging ideas.

- e. **Delivery of a further £3.8million saving as per the Medium Term Financial Strategy.**

**3. Authority be delegated to the Executive Director of Resources to:**

- a) **Invite formal expressions of interest from stakeholders in using the Transition Fund, to enable them to take an increased role in providing Council services;**
- b) **Where appropriate, seek submission of a formal application or business case from interested stakeholders.**

**Decisions on award of Transition funding will normally be made by Cabinet unless the matter is urgent or where lower risk/value opportunities are identified, when the Executive Director of Resources will have delegated authority in consultation with the Cabinet Member for Finance and Resources.**

**65. Outcomes of Fair Funding Consultation to Schools 2016-17**

The Cabinet considered a joint report of the Director of Education, Libraries and Adult Learning and the Executive Director of Resources, which provided the results of the consultation on the proposed changes to the Fair Funding Scheme of Delegation and set out proposals for recommended changes to the Scheme and the Fair Funding Formula.

The Cabinet noted that under Section 48 of the Schools Standards and Framework Act 1998, Local Authorities were required to have schemes of delegation which set out the financial controls and arrangement that would operate between schools and the Local Authority. Any proposed revisions to these schemes and/or the Fair Funding Formula must be the subject of consultation and required approval from the Schools Forum.

The Department for Education (DfE) published the Schools Revenue Funding 2016 to 2017: Operational Guide”, which set out the school revenue funding arrangements for 2016/17. Although the DfE had not introduced any directed changes, the Council were proposing some changes to the formula.

The consultation document was circulated to Headteachers, including Academy Headteachers/Principals, Chairs of Governing Bodies, Trades Unions, Diocesan authorities, the Coventry Governors Association, members of the Schools Forum, Early Years free entitlement providers in the private, voluntary and independent (PVI) sectors and elected members on 9<sup>th</sup> September 2015. The consultation period ended on 7<sup>th</sup> October 2015.

The report set out the proposed arrangements under four areas: De-delegated Services, Deprivation Formula Funding, High Needs Banded Funding Framework and Fair Funding Scheme of Delegation.

In particular, the Cabinet noted the position in relation to the Deprivation Formula Funding, where analysis of the implementation of the Pupil Premium Grant (PPG)



additional resources had identified a gap in per pupil funding. The current difference in formula deprivation funding was £950 per pupil in both primary and secondary education. Arising from the implementation of the PPG, the difference in total deprivation funding between the highest and lowest funded schools increased by £750 to £1,700 per primary age pupil and increased by £350 to £1,300 per secondary age pupil.

The substantial amount of additional funding being directed at deprived pupils through the Pupil Premium Grant had appreciably changed the amount of deprivation led funding available to schools and the range of per pupil funding levels. It was therefore important to ensure that the overall level of resource now targeted at deprived pupils remained at an appropriate level.

Schools had been consulted on 2 options which both included the recommendation that a working group be set up to undertake a more detailed review to inform 2017/18 budget setting. The report submitted set out the proposals for each option and the Cabinet noted that the consultation document asked stakeholders for their preference, and any general comments on the proposal. The responses were roughly 50% in favour of each option. It was therefore intended to go ahead with option B, which was to do further work with school stakeholders and make proposals for changing in funding from 2017/18. This would allow detailed consultation to be undertaken with schools, and for the Council to apply for a disapplication to the minimum funding guarantee to allow changes to take effect, and help schools financially plan.

**RESOLVED that the Cabinet:-**

- 1. Approve the recommended changes to the Fair Funding Formula and Fair Funding Scheme of Delegation, which were summarised in section 2 of the report submitted.**
- 2. Delegate authority to the Director of Education, Libraries & Adult Learning and the Executive Director of Resources, in consultation with the Cabinet Member for Education and the Schools Forum, to make necessary amendments to the final detail of the recommended changes, in order to comply with the School Finance (England) Regulations 2015, and implement any other necessary changes.**

**66. Staffing Reductions and Voluntary Redundancy**

The Cabinet considered a report of the Executive Director of Resources, which set out proposals for a further round of early retirement / voluntary redundancy (ER/VR).

Since 2010 the Council had undertaken significant savings exercises across the organisation in response to on-going reductions in Government funding. Savings were initially mainly focused on back office and support services, through reducing senior management posts, merging directorates and by identifying more efficient ways of delivering services. More recently, as back office efficiencies became harder to find, front line services were being affected.

The forthcoming Spending Review announcement was likely to signal further significant resource cuts for local government and by 2017/18 Coventry was likely to face having its government funding cut by well in excess of £100m or over 55% since 2010. Further, significant savings would be needed across services. This meant that the Council would be a smaller organisation in the future. By introducing more efficient and flexible ways of working the Council aimed to deliver better value for residents with less bureaucracy – and fewer employees.

The Council's human resources and financial strategies put into place in 2014/15 were based on the need to plan on the basis of losing a further 1,000 posts over the medium term. The prospects in the coming Spending Review would suggest a significantly larger figure would be required. It was proposed that the next opportunity for staff to express an interest in Early Retirement/Voluntary Redundancy (ER/VR), be commenced and the necessary financial arrangements put in place.

Since 2010 the Council had undertaken four rounds of ER/VR which had resulted in the region of 800 approvals, this ensured that the number of compulsory redundancies was kept to a minimum. It was anticipated that Corporate ER /VR programmes would continue to be a regular feature of the Councils workforce Strategy whether they were general programmes or programmes targeted at specific work groups. In order to be able to respond effectively and as necessary to the changing budgetary pressures flexibility was needed to introduce programmes in a timely fashion.

**RESOLVED that the Cabinet:**

- 1. Approve the launch, consultation and implementation of a fifth ER/VR programme with consultation from 2nd December until 16th January 2016 and a closing date for ER /VR applications of 23rd January 2016.**
- 2. Delegate authority to the Executive Director Resources (following consultation with Cabinet Member for Strategic Finance and Resources) to develop and instigate further (general or specifically targeted) Early Retirement / Voluntary Redundancy programmes as appropriate on an on-going basis.**
- 3. Approve the launch, consultation and implementation of such programmes in the future.**
- 4. Recommend to full Council that it approves the virement of additional resources of £7.4m as identified in section 5 to add to existing budgets of £10.1m to fund redundancy and early retirement costs.**

**67. Director of Public Health Annual Report 2015**

The Cabinet considered a report of the Director of Public Health, which detailed the health of the local community and provided information for decision makers in local health services and authorities on health gaps and priorities that needed to be addressed.

The NHS Act 2006 as amended by the Health and Social Care Act set out a legal duty on the Director of Public Health to produce an Annual Report each year. The content and structure of the report was to be determined locally and could cover any aspect of local health that was locally relevant or important. This year the report focussed on the health needs of the 0-19 population within the City, covering the life course of a child from conception through to 19 years.

The report had been developed in consultation with stakeholders who provided services for 0-19 year olds in the City. The Cabinet noted that a workshop was held prior to the start of the report and the views of parents, school teachers, and representatives from Coventry Infant Feeding Team, Foleshill Women's Training, Coventry Health Lifestyle Service and Integrated Primary Mental Health Service regarding the topic areas and services that should feature within the report. It was further noted that information from the reports would be shared widely with local people, partner agencies and voluntary sector organisations.

The findings of the report would be used to raise awareness and understanding with local partners and the public of how healthy the population was and how this was changing; inform the provision of local services and action plans that could affect the health of the population; and inform the development of key priorities for the Health and Wellbeing Strategy, which the Health and Wellbeing Board has a duty to produce.

The Cabinet noted that the Health and Social Care Scrutiny Board (5) had considered the report at its meeting held on 4<sup>th</sup> November 2015 and were supported the proposals within the report.

**RESOLVED that the Cabinet note the comments from the Health and Social Care Scrutiny Board (5) and approve the publication of the report.**

68. **Continuing as a Marmot City**

The Cabinet considered a report of the Director of Public Health, which set out proposals for Coventry to continue as a Marmot City.

Coventry was one of seven cities in the UK chosen in 2013 to participate in the UK Marmot Network, to become a Marmot City and develop a 'Marmot' approach to tackling health inequalities. In March 2015, Professor Sir Michael Marmot from University College London's Institute of Health Equity and key leaders from Public Health England recognised the progress Coventry had made, and committed to working together with Coventry acting as an exemplar City for its approach to reducing health inequalities for a further three years.

This would enable Coventry to accelerate the progress that had been made in reducing health inequalities over the last two years and to develop a more focused, multi-agency approach to ensure that resources and efforts were concentrated where they could make the biggest difference. As an exemplar City, Coventry would share learning with the wider system and disseminate findings to other areas. Public Health England and University College London would provide expertise and knowledge to support Coventry, and to develop Coventry's capability to measure the impact of the Marmot City programme.

As part of this, partners were working together to develop a Marmot strategy, which would form part of Coventry's overall Health and Wellbeing strategy and be overseen by Coventry's Health and Wellbeing Board. The strategy would consider the conditions which determine health, including: housing, employment, income, environment, and community, as well as access to health services and the overall health of the population, with a particular focus on young people, jobs and the economy, and improving outcomes for people from diverse backgrounds.

The Cabinet noted that the report had also been considered by the Health and Wellbeing Board on 19<sup>th</sup> October 2015, who supported the proposals within the report.

**RESOLVED that the Cabinet:**

- 1. Note the comments from the Health and Wellbeing Board**
- 2. Approve the proposed partnership arrangement and approach**
- 3. Recommend that Council approve the proposed partnership arrangement and approach.**

**69. Delivering Effective Short Term Support in Peoples Own Homes**

The Cabinet considered a report of the Executive Director of People, which set out proposals for the tendering of short term home support to support delivery of integrated services across health and social care, to enable people to remain living independently in their own homes for as long as possible.

Effective home support was a key feature of the delivery of good Health and Social Care Services. Home support enabled people to remain living independently in their own homes, supported carers and, if delivered effectively, allowed for flexibility through a personalised approach to respond to changing care needs over time.

The Cabinet acknowledged that all home support should be as enabling as possible with the key focus of enablement being on points of change in people's circumstances such as deterioration in health, regaining skills following a hospital stay or a temporary change in the support network surrounding an individual.

Due to the benefits to individuals through increased independence and those to the health and social care system through reduced demand for acute services and/or long term support, both the City Council and the Coventry and Rugby Clinical Commissioning Group (CRCCG) contributed financial resources to the delivery of short term home support through contracts with independent sector providers.

The existing contracts were awarded in May 2014 and since then there had been significant pressures on health and social care services through increased hospital activity and increases in referrals to social care. These changes in activity manifested themselves in more people requiring care and support. It was therefore important that there was capacity to provide short term enabling services

that reduced the requirement for ongoing social care, and that there was flexibility to allow for change in response to these demands.

Working in a way that enabled people to be as independent as possible, supported the whole health and social care economy in the City. It contributed to the delivery of improved outcomes for individuals, reduces the demand on acute services through hospital attendances and ensured that the Council were not committing resources to the support of individuals on a long term basis where this could have been avoided. This, in turn, supported financial sustainability.

The Council currently committed £665k per annum to the delivery of short term home support with CRCCG committing £391k. To recognise these increases in demand and the health and social care commitment to support people at home and reduce demand wherever possible the CRCCG had agreed to invest up to an additional £700k in the delivery of short term home support. This increased investment would provide capacity to help ensure that people could access enabling support when required, and for a period that allowed enablement potential to be realised. This would enable step-up support as well as step-down following a hospital admission.

The Cabinet also recognised that a number of people may not be eligible for support from health or social care but would benefit from being more connected into their community through volunteers. To support this initiative the CRCCG had also agreed to grant fund a voluntary sector partnership to complement short term services through creating sustainable community solutions and further reducing demand on health and social care support. This approach would support the delivery of the broader principles of the Care Act (2014) of well-being and prevention.

**RESOLVED that the Cabinet approve:-**

- 1. The tendering of short term home support to support delivery of integrated services across health and social care and delegate authority to the Executive Director of People, in consultation with the Cabinet Member for Health and Adult services for the award of contracts following completion of the tender process.**
- 2. The City Council entering into a grant aid agreement, using resources funded by the Coventry and Rugby Clinical Commissioning Group for a voluntary sector partnership to deliver asset based community support for adults and older people.**

**70. European Funding Programme 2014-20 - Coventry City Council First Round Applications**

The Cabinet considered a report of the Executive Director of Place, which set out proposals for bidding in the first round applications for the European Funding Programme 2014-20.

The new 2014-2020 European Structural Investment Fund (ESIF) Programme was launched in March 2015. The programme would run until 2020, and in the first round funding for projects running from January 2016 to December 2018 £35.8m

had been made available to bid for. This remained a moving feast as Government continued to propose to push funding back towards the later parts of the 2014-2020 programme rather than in the early years.

The Council had been extremely successful in securing European funds in recent years and at the last count had secured in excess of £41million from the current European programme.

The Council had submitted bids in the new programme under the Research and Innovation, Small Medium Enterprise (SME) Competiveness, Low Carbon and Technical assistance and the Inclusive Labour Markets themes. Across all the bids the amount being bid for in the first round was £19.57m, 55% of the funding available.

The Council had already taken a leadership role in bringing partners together from across the Coventry and Warwickshire LEP area to develop projects and programmes that would lead to greater economic growth across the City and the sub-region.

The Cabinet noted that the Council has an outstanding track record of securing, managing and delivering European programme in partnership.

This report provided information on each of the bids under the various programmes and sought approval for the Council to act as accountable body and guarantor for these funding programmes should bids be successful.

**RESOLVED that the Cabinet:**

- 1. Note the success of European Funding in delivering the City's Economic aspirations and to continue supporting the acquisition of European funds into the future.**
- 2. Retrospectively endorse the submission of bids for 2014-2020 European Funding**
- 3. Recommend that Council agree the funding opportunity from ESIF as a significant opportunity in delivering the City's priorities, authorise the City Council to act as guarantor and to delegate authority to the Executive Director Place to enter into the appropriate grant aid agreements should it be successful in securing funds.**

**71. Establishment of and Appointment of Directors to West Midlands Rail Limited**

The Cabinet considered a report of the Executive Director of Place, which set out proposals for the establishment of the West Midlands Rail Limited and sought approval for the appointment of a Director.

The Cabinet noted that West Midlands Rail Limited would be an arms length company working with the Government and the Department of Transport (DfT) to specify the contract for the operation of the West Midlands Rail network, which was proposed to be a variant of the current London Midland network that would be

split into different business units. This would provide the opportunity for local influence over issues like the specification of the rail service frequencies, destinations, fares and integration of rail ticketing with other public transport ticketing and the staffing of stations.

The Cabinet were advised that West Midlands Rail Limited would not be responsible for letting the West Midlands Rail Franchise contract, but would have roles and responsibilities alongside the DfT for the development and management oversight of it. As a result, West Midlands Rail Limited would not be subject to any direct financial risks arising from the contract with the train operating company. Additionally, it would not be responsible for the day to day operation of the train services, which would be undertaken by the train operating company.

The report indicated that other partner Authorities expected to participate in West Midlands Rail Limited included, Birmingham, Dudley, Herefordshire, Northamptonshire, Sandwell, Shropshire, Solihull, Staffordshire, Telford and Wrekin, Walsall, Warwickshire, Wolverhampton, and Worcestershire Councils as well as the West Midlands Integrated Transport Authority. It also provided detail of the governance and administration arrangements for the Company.

It was proposed that the Cabinet Member for Policy and Leadership be appointed as principal director on the Board of West Midlands Rail Limited and that the Deputy Cabinet Member for Business, Enterprise and Employment (Transport) be appointed as substitute director on that Board.

**RESOLVED that the Cabinet:**

- 1. Approve the proposed governance arrangements set out in the report submitted for the development and oversight of the West Midlands Rail Ltd, established as a company limited by guarantee with a Board of Directors appointed from each of the constituent partner authorities for the purpose of providing local democratic strategic guidance for the specification of the new West Midlands rail franchise being let by the Department for Transport (DfT) during 2017.**
- 2. Approve Coventry City Council joining West Midlands Rail Ltd as an Associate member.**
- 3. Approve the appointment by the Council of the Cabinet Member for Policy and Leadership as a principal director on the Board of West Midlands Rail Ltd and the Deputy Cabinet Member for Business, Enterprise and Employment (Transportation) as their substitute director on that Board.**
- 4. Authorise the Executive Director of Resources or his nominee to agree and enter into or execute such documents as are necessary to give effect to these decisions.**

5. **To note that it is intended that West Midlands Rail Ltd will in due course enter into a formal partnership agreement with the DfT that will set out the rights and obligations of West Midlands Rail Ltd in relation to the award of the new West Midlands Rail Franchise and related matters, and that:**
- a) **the agreement will require approval by a 75% vote of West Midlands Rail Ltd's members and will be the subject of a future report to Cabinet/Council; and**
  - b) **any West Midlands Rail Ltd member may resign its membership of West Midlands Rail Ltd at any time, including where the member does not approve the terms of any such agreement.**

**72. Use of Public Space Protection Orders in Coventry**

The Cabinet considered a report of the Executive Director of Place, which set out proposals for the adoption of a process for making Public Space Protection Orders (PSPO's) in the City.

PSPO's were introduced along with other measures in the 2014 Anti-Social Behaviour and Policing Act, which primarily came into effect in October 2014. PSPO's allowed measures to be taken to stop individuals or groups committing nuisance/anti-social behaviour in public spaces.

Only Council's can make PSPO's but must do so in consultation with the Police, the Police and Crime Commissioner (PCC) and any other relevant bodies.

In order to be able to widely use PSPO's and to reduce the risk of legal challenge to any future Orders, it was considered best practice to adopt a policy / process for their use. The proposed process was set out in an Appendix to the report.

**RESOLVED that the Cabinet approve the adoption of the Public Space Protection Order standard process as outlined in Appendix A.**

**73. The Freehold Disposal of land at Elms Field Farm and Surrender of Leasehold Interest**

The Cabinet considered a report of the Executive Director of Place, which sought approval of the freehold disposal of land at Elms Field Farm and the surrender of the leasehold agreement.

A corresponding private report detailing the commercially confidential financial elements of the proposals was also submitted to the meeting and detailed in Minute 79 below.

Land at Elms Field Farm, Wigston Road, had been identified as a potential housing site in the Strategic Housing Land Assessment (SHLAA) and part previously in the Coventry Development Plan 2001. It extended to approximately 9 acres and could, subject to planning consent being granted provide up to 150 new homes.



Approximately 5 acres of the site was currently leased to a tenant farmer on a long lease for 99 years with effect from 1972. This lease had 56 years left to run.

For the Council to successfully bring forward this development site for housing, a surrender of the Lease from the tenant must be negotiated and agreed together with the termination of the short term grazing tenancy of adjoining land also held by the tenant.

The Cabinet noted that, if the Council were unable to reach an agreement with the tenant in respect of the land subject to the Lease then this would result in the land shown coloured blue on the plan appended to the report being “landlocked” and the Council would be unable to deal with access issues to this land. This land was an allocated housing site in the Coventry Development Plan 2001.

A surrender premium had been agreed between the Council and the tenant for the surrender of the Lease and this had been confirmed as representing open market value by external Chartered Surveyors appointed to advise the Council and the Council’s valuation panel. Completion of the surrender of the Lease and payment of the agreed surrender premium would be subject to the Council disposing of the freehold interest of the development site with planning permission by an agreed long stop date of 31st March 2017.

It was therefore proposed that the Council entered into a conditional surrender agreement with the tenant and prepares and submits an Outline Planning Application for residential development.

**RESOLVED that the Cabinet:**

- 1. Authorise the Council to enter into an agreement for surrender with the tenant in respect of the Lease and subject to the successful freehold disposal of the development site to complete a deed of surrender and pay the agreed surrender premium.**
- 2. Approve the preparation and submission of an outline planning application for residential development of the land at Elms Field Farm, Wigston Road.**
- 3. Approve the marketing and disposal of the site by tender.**
- 4. Delegate authority to the Executive Director of Place in consultation with the Cabinet Member for Business, Enterprise & Employment, for any subsequent variation in terms.**
- 5. Delegated authority to the Executive Director of Resources to prepare and complete the necessary documentation to facilitate the agreement for surrender and the freehold sale.**

**74. Partnership working with Whitefriars Housing Group Limited**

The Cabinet considered a report of the Executive Director of Place, which set out proposals to dispose of land interests to Whitefriars Housing Group Limited (Whitefriars) for the development of housing.

A corresponding private report detailing the commercially confidential financial elements of the proposals was also submitted to the meeting and detailed in Minute 80 below.

Since Whitefriars was formed in 2000 and the Council's housing stock was transferred, the Council no longer held any housing stock and therefore could not directly intervene to resolve local housing needs.

However, officers from the Resources and Place Directorates investigated the options and appropriate models for how new housing could be delivered and considered alternatives by other local authorities. The work identified that there were broadly four options of a wholly owned company, a community interest company, a joint venture / land disposal, or a private finance initiative. The advantages and disadvantages of each of the options was summarised in Appendix 1 of the report submitted.

Informal soft market testing with a number of local registered housing providers was undertaken to assess the appetite for partnership working. In light of the current financial climate and the opportunities discussed, certain proposals required significant investment and risk. To minimise risk and ensure that the Council obtained best value under S123 of the Local Government Act 1972, the preferred method to explore was disposal of Council land to the registered housing provider to bring about amalgamation of adjoining land interests in order to maximise the delivery of new housing.

From discussions with the market, it became apparent that a land disposal arrangement with Whitefriars would be the most viable option for the Council. Following discussions with Whitefriars it was agreed that they were prepared to undertake the following:-

- to bring forward schemes at their own design, funding and specification to the sites as detailed on the Matrix at Appendix 2 of the report to provide up to 131 houses which were mainly affordable over a five year period on sites owned by Whitefriars and Council sites to be sold to Whitefriars.
- All development costs would be incurred by Whitefriars for the development of the 131 houses (with the exception of garage infill sites).
- The disposal of the Council interests in land would be assessed independently by the District Valuer at a Market Value and in accordance with Section 123 of the Local Government Act 1972.

In addition to the proposed homes outlined, Whitefriars had identified twenty six garage infill sites that potentially could accommodate 120 homes. As these sites were uneconomical to develop due to size and the lack of opportunity for scales of economies regarding cost, Whitefriars had requested that the Council contributes a subsidy, subject to Whitefriars securing Homes Communities Agency (HCA) funding.

The financial contribution would be budgeted over a five year period but subject to a yearly threshold over the financial year. The funds could be sought from S106 commuted sums, new homes bonus, and / or recycled capital receipts from the land disposals to Whitefriars. This contribution was proposed subject to further legal advice

With regard to the garage infill units developed with a Council contribution, the intention was to target the priority cases as identified in the Homefinder list and allocate these homes for local need.

The sites that had been identified for this project as per the Matrix could only be developed to their full potential through this land disposal programme with Whitefriars, given that some of the projects required land currently owned by Whitefriars in order to be developed. Sites such as Gerard Avenue could not be developed as Whitefriars had control of the access into the Council's site via a ransom strip

The governance and structure of the proposed arrangement with Whitefriars was to be documented in a Memorandum of Understanding currently being negotiated. It was envisaged that any development proposals would be submitted initially to a Project Board, where officers from both the Council and Whitefriars would sit. The Council and Whitefriars would deliberately have equal weighting on the project board, with neither having a casting vote.

**RESOLVED that the Council enters into land disposal arrangements with Whitefriars Housing Group.**

**75. Land Registry, Leigh Court, Torrington Avenue, Coventry - Terms of Disposal**

The Cabinet considered a report of the Executive Director of Place, which sought approval of the disposal of the Council's freehold interest in the site of the Land Registry offices on Torrington Avenue, Coventry.

A corresponding private report detailing the commercially confidential financial elements of the proposals was also submitted to the meeting and detailed in Minute 81 below.

The Land Registry building on Torrington Avenue was constructed on land leased from the Council in 1945 on a 99 year lease. The lease was due to expire in 2044. The user provisions contained in the lease permits the premises to be used for Government purposes only. Terms for the disposal of the freehold to the Land Registry had previously been approved by Cabinet in 2011, although the transaction was never completed. The Cabinet noted that the site was shared with the Job Centre, which would be unaffected by the proposals.

The Government had approved the establishment of Finham Park 2 Free School on the western side of the City and the school opened in September 2015 in temporary accommodation on the existing Finham Park site in Green Lane.

The Education Funding Agency (EFA) had been searching for a permanent site for the Free School. The Land Registry building was under occupied and the building met the Free School/EFA requirements for a Free School. The building comprised 11,000 sq m of offices over 3 floors with 268 parking spaces. Under the terms of the lease a Free School does not constitute a permitted government use.

However, the Government had given Permitted Development Rights for a permanent change of use of office premises to state funded school premises without the need for planning permission subject to prior approval of the Local Planning Authority. The only grounds that needed to be satisfied were those of noise, contamination, transport and highways.

The Land Registry would move out of the building and were believed to be moving to the QCAD building at the Butts, so no jobs would be lost to Coventry.

Agents for the EFA had agreed terms with the Council's agent to purchase the Council's freehold interest in the site of the Land Registry building. The agents had confirmed that the consideration represented the best that could be obtained in the current market, thus satisfying the Council's obligations under Section 123 of the Local Government Act 1972 to obtain the best price reasonably obtainable.

The sale of the Council's freehold interest in the site of the Land Registry building on Torrington Avenue followed a previous resolution by Cabinet to dispose of ground leased assets where there was no strategic reason or financial justification for retention. The capital receipt would be used to pay off debt thus realising an annual revenue benefit as part of Strategic Property Review targets to the Medium Term Financial Forecast.

In school place planning terms, the establishment of a Free School in this location would impact on the operation and intake of the nearby schools of Westwood, Tile Hill Wood and Woodlands Academies and the WMG Academy for Young Engineers.

**RESOLVED that the Cabinet:**

- 1. Approve the disposal of the Council's freehold interest in the site of the Land Registry Offices at Torrington Avenue.**
- 2. Approve that the proceeds be allocated to the Strategic Property Review target to reduce debt servicing costs in accordance with the Council's Medium Term Financial Strategy, which provides that Prudential borrowing should be repaid from capital receipts as they are generated.**
- 3. Delegate to officers within Resources Directorate (Legal Services) to prepare and complete documentation for the freehold sale and collect the agreed purchase sum.**

**76. Outstanding Issues**

The Cabinet considered a report of the Executive Director of Resources, that contained the list of outstanding issues and summarised the current position in respect of each item.

**RESOLVED that the Cabinet notes the dates for future consideration of matters relating to the outstanding issues items listed in the report.**

**77. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

**78. Authority for Attendance at Conference / Seminar**

The Cabinet considered a conference form seeking approval of a delegation to the IMPRESS Project Meeting.

**RESOLVED that John Kyffin-Hughes (IMPRESS Project Manager) and Kevin Palmer (The Energy Manager) to attend the IMPRESS Project Meeting being held in Naples, Italy on the 2<sup>nd</sup> and 3<sup>rd</sup> December 2015.**

**79. The Freehold Disposal of land at Elms Field Farm and Surrender of Leasehold Interest**

Further to Minute 73 above, the Cabinet considered a report of the Executive Director of Place, which set out the commercially confidential aspects of the proposal for the freehold disposal of land at Elms Field Farm and the surrender of a leasehold interest.

**RESOLVED that the Cabinet:-**

- 1. Authorise the Council to enter into an agreement for surrender with the person identified within the report submitted, in respect of the Lease and subject to the successful freehold disposal of the development site to complete a deed of surrender and pay the agreed surrender premium of the amount indicated in the report.**
- 2. Approve the preparation and submission of an outline planning application for residential development of the land at Elms Field Farm, Wigston Road.**
- 3. Approve the marketing and disposal of the site by tender.**
- 4. Delegate authority to the Executive Director of Place in consultation with the Cabinet Member for Business, Enterprise & Employment, for any subsequent variation in terms.**
- 5. Delegated authority to the Executive Director of Resources to prepare and complete the necessary documentation to facilitate the agreement for surrender and the freehold sale.**

**80. Partnership working with Whitefriars Housing Group Limited**

Further to Minute 74 above, the Cabinet considered a report of the Executive Director of Place, which set out the commercially confidential aspects of the proposal for the disposal of land interests to Whitefriars Housing Group Limited for the development of up to 131 houses.

**RESOLVED that the Cabinet:-**

- 1. Agree the principle and purpose of contractual arrangements with Whitefriars Housing Group Limited and delegate authority to Executive Director of Resources and Executive Director of Place, in consultation with the Cabinet Member for Business, Enterprise and Employment and Cabinet Member for Strategic Finance and Resources for any subsequent variation in terms or new requirements to give effect to the disposals.**
- 2. Approve that the identified Council sites be released for the benefit of the project subject to securing Market Value for the land.**
- 3. Encourage the development of family houses on garage infill land with the subsidy to the sum indicated within the report per house subject to Whitefriars securing HCA funding.**

**81. Land Registry, Leigh Court, Torrington Avenue, Coventry - Terms of Disposal**

Further to Minute 75 above, the Cabinet considered a report of the Executive Director of Place, which set out the commercially confidential aspects of the proposal for the disposal of the Council's freehold interest in the site of the Land Registry offices on Torrington Avenue.

**RESOLVED that the Cabinet:-**

- 1. Approve the disposal of the Council's freehold interest in the site of the Land Registry Offices at Torrington Avenue at a purchase price of the sum indicated within the report submitted.**
- 2. Approve that the proceeds be allocated to the Strategic Property Review target to reduce debt servicing costs in accordance with the Council's Medium Term Financial Strategy, which provides that Prudential borrowing should be repaid from capital receipts as they are generated.**
- 3. Delegate to officers within Resources Directorate (Legal Services) to prepare and complete documentation for the freehold sale and collect the agreed purchase sum.**

82. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 10.50 am)