

**Time and Date**

2.00 pm on Tuesday, 21st February, 2017

Place

Council Chamber - Council House

Public Business

1. **Apologies**
2. **Minutes of the Meeting held on 24 January 2017** (Pages 5 - 26)
3. **Coventry Good Citizen Award**
To be presented by the Lord Mayor and Judge Griffith-Jones, Honorary Recorder
4. **Correspondence and Announcements of the Lord Mayor**
5. **Petitions**
6. **Declarations of Interest**

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

It is anticipated that the following matter will be referred as a recommendation from the Appointments Panel, 15 February 2017. The relevant recommendation will be circulated separately.

7. **Director of Finance and Corporate Services**

It is anticipated the the following matters will be referred as recommendations from the Cabinet, 21 February 2017. The reports are attached. The relevant recommendations will be circulated separately.

8. **2017/18 Council Tax Setting Report** (Pages 27 - 34)
9. **Budget Report 2017/18** (Pages 35 - 94)
10. **Digital Coventry Strategy** (Pages 95 - 134)

Item(s) for Consideration

11. **Appointment of Section 151 Officer and Delegation of Powers** (Pages 135 - 164)
Report of the Executive Director of Resources
12. **Appointment of Local Returning Officer for the West Midlands Combined Authority Mayoral Elections** (Pages 165 - 168)
Report of the Executive Director of Resources
13. **Statements**
14. **Debates**
 - 14.1 To be moved by Councillor J Mutton and seconded by Councillor P Seaman

“That this Council disagrees with the 1995 and 2011 Pensions Acts, which has led to a generation of women born after April 1951 to become severely disadvantaged.

Furthermore, we call on the Government to listen and to work with the All Party Political Group to address these inequalities.”

Private Business

Nil

Chris West, Executive Director, Resources, Council House Coventry

Monday, 13 February 2017

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, P Akhtar, R Ali, A Andrews, R Auluck, R Bailey, S Bains, L Bigham, J Birdi, J Blundell, R Brown, K Caan, J Clifford, G Crookes, G Duggins, D Gannon, M Hammon, L Harvard (Chair), J Innes, B Kaur, L Kelly, D Kershaw, T Khan, A Khan, R Lakha, R Lancaster, M Lapsa, J Lepoidevin, A Lucas, P Male, K Maton, T Mayer, J McNicholas, C Miks, K Mulhall, J Mutton, M Mutton, J O'Boyle, G Ridley, E Ruane, T Sawdon, P Seaman, B Singh, R Singh, D Skinner, T Skipper (Deputy Chair), H Sweet, K Taylor, R Thay, C Thomas, S Walsh, D Welsh and G Williams

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

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

Carolyn Sinclair/Suzanne Bennett
024 7683 3166/3072

PLEASE NOTE:

This meeting may be filmed for live or subsequent broadcast via the Council's internet site. At the start of the meeting, the Lord Mayor will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council. Generally, the public seating areas are not filmed.

However, by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you have any queries regarding this, please contact the Governance Services Officer at the meeting.

This page is intentionally left blank

Coventry City Council
Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 24 January 2017

Present: Councillor Harvard (Chair)

Councillor F Abbott	Councillor R Lakha
Councillor N Akhtar	Councillor R Lancaster
Councillor P Akhtar	Councillor M Lapsa
Councillor R Ali	Councillor J Lepoidevin
Councillor A Andrews	Councillor A Lucas
Councillor R Auluck	Councillor P Male
Councillor R Bailey	Councillor K Maton
Councillor S Bains	Councillor T Mayer
Councillor L Bigham	Councillor J McNicholas
Councillor J Birdi	Councillor C Miks
Councillor J Blundell	Councillor K Mulhall
Councillor R Brown	Councillor J O'Boyle
Councillor K Caan	Councillor G Ridley
Councillor J Clifford	Councillor E Ruane
Councillor G Crookes	Councillor T Sawdon
Councillor G Duggins	Councillor P Seaman
Councillor D Gannon	Councillor B Singh
Councillor M Hammon	Councillor R Singh
Councillor J Innes	Councillor D Skinner
Councillor B Kaur	Councillor K Taylor
Councillor L Kelly	Councillor C Thomas
Councillor D Kershaw	Councillor S Walsh
Councillor T Khan	Councillor D Welsh
Councillor A Khan	Councillor G Williams

Honorary Aldermen: J Gazey

Apologies: Councillor J Mutton, M Mutton, T Skipper, H Sweet and R Thay, Honorary Alderman Mrs Wright

Public Business

87. Minutes of the meeting held on 6 December 2016

The minutes of the meeting held on 6 December 2016 were signed as a true record.

88. Exclusion of the Press and Public

RESOLVED that, under Section 100(A)(4) of the Local Government Act 1972 relating to the private reports on “City Centre South Development” and “Friargate Update Report”, on the grounds that they involve the likely disclosure of information defined in Paragraph 3 of the Schedule 12A of the Act as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and

that in all of the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

89. **Coventry Good Citizen Award**

On behalf of the City Council, the Lord Mayor presented Ms Janet Leadbeater with the Good Citizen Award. Her citation read:

“Janet is being honoured with this Good Citizen Award for the work she undertakes to improve the quality of life for those living in the Bell Green area. She has worked for many years as Chair of BATRA (Bell Green Tenants and Residents Association). By arranging ‘walkabouts’ with Councillors and City Officers she has enabled local residents to show them the issues that affect the community; she also works tirelessly to ensure that issues such as street cleanliness are reported.

Janet sat on the committee of ‘Community First’ (Government grant) and her local knowledge was invaluable.

Janet has arranged many social and community events. Particularly of note are the Remembrance Day services which are attended by representatives of the Armed Forces, Police, schools and places of worship; she has led carol singing, arranged for stalls to be set up for local charities and liaised with Whitefriars to enable people attending to have refreshments; she has ensured that Bell Green has had its own Christmas lights and is instrumental in arranging a magnificent Christmas party every year. Janet has even brought the ‘Big Top’ to Bell Green at one of the summer festivals she organises.

Working with local businesses to support these events is another aspect of Janet’s dedication to the local community.

Janet is a bastion of the Bell Green community and rightly deserving of this Good Citizen Award.”

90. **New Years Honours**

The Lord Mayor congratulated the following Coventry citizens who had been included in the New Year Honours list:

- **MBE** to Sian Massey-Ellis, for her services to football and refereeing.
- **BEM** to Mary Hart, founder of Wyken Adventure Centre for her services to young people in Coventry and Warwickshire
- **MBE** to Les Ratcliffe, Head of Community Relations at Jaguar Land Rover, for his services to business, education and the community
- **BEM** to Ivor Wood, former City Secretary of the City Council, for his years of service and volunteering for Guide Dogs for the Blind.

The Lord Mayor had written to congratulate all recipients.

91. **Death of Former Lady Mayoress - Mrs Judith Nolan**

The Lord Mayor referred to the recent death of Mrs Judith Nolan, wife of former Councillor Nick Nolan. Judith, also a former City Council employee in the City Treasurer's Department, was Lady Mayoress in 1994-95, served the city with great dignity and dedication.

Members of the Council noted that the Lord Mayor had written to her family offering the City Council's sincere condolences.

92. **Death of Mr Mark Eaton**

The Lord Mayor referred to the death of Mark Eaton, from the China Britain Business Council and formerly from Coventry & Works Chamber of Commerce, who passed away just before Christmas.

Mark will be remembered for his work maintaining the cities international links with Jinan and China. He accompanied many Former Leaders and Lord Mayors of the City Council on international visits to Jinan drawing on his business acumen and specialist knowledge of Jinan's language, custom and practices.

Members noted that the Lord Mayor had written to his family offering the City Council's sincere condolences.

93. **Honorary Alderman Mrs Joan Wright**

The Lord Mayor extended the City Council's congratulations to Honorary Alderman Mrs Joan Wright on the occasion of her 90th birthday.

94. **Petitions**

RESOLVED that the following petitions be referred to the appropriate City Council bodies:

- (a) **Request to remove the upper precinct escalator – 265 signatures, presented by Councillor Bailey.**
- (b) **Objection to proposals to close Finham Library – 155 signatures, presented by Councillor Sawdon.**
- (c) **Request for double yellow lines at junction of Brandfield Road and Brownhill Green Road and improve road safety along Kelmscote Road and the junction of Keresley Road – 65 signatures, presented by Councillor Williams.**
- (d) **Request to upgrade Naul's Mill Park – 9 signatures, presented by Councillor Kelly.**
- (e) **Request for work on the pond in Naul's Mill Park – 221 signatures, presented by Councillor Kelly**

95. **Declarations of Interest**

There were no declarations of interest.

96. **External Auditor Appointment Process - 2018/19 onwards**

Further to Minute 83 of the Cabinet, the City Council considered a report of the Executive Director of Resources, which set out the options for appointing the external auditor to the Council for 2018/19 accounts and beyond, as the current arrangements only cover up to and including 2017/18 audits.

The Council's current auditors were Grant Thornton UK LLP working under a contract originally let by the Audit Commission and that the audit fees for 2016/17 were £189.158. Responsibility for this contract was transferred to the Public Sector Audit Appointments (PSAA) following the abolition of the Audit Commission.

The PSAA was inviting the Council to opt in, along with all other authorities, so that the PSAA could enter into a number of contracts with appropriately qualified audit firms and appoint a suitable firm to be the Council' auditor.

The report set out the three main options available to the Council, along with the key elements of each of the options. In summary these were to make a stand alone appointment (Option 1); establish a Joint Auditor Panel (Option 2); or to 'opt in' to the Sector Led Body (PSAA) (Option 3).

RESOLVED that the City Council approves Option 3, as described in the report, which is to accept Public Sector Audit Appointments' (PSAA) invitation to 'opt in' to the sector led option for the appointment of external auditors for the five financial years commencing 1st April 2018.

97. **Rugby Borough Council New Local Plan - Publication Draft**

Further to Minute 84 of the Cabinet, the City Council considered a report of the Executive Director of Place, which set out the proposed response on behalf of the Council to Rugby Borough Council's new Local Plan – Publication Draft.

Rugby Borough Council (RBC) published their Local Plan for a period of representations on 26th September 2016, which ran for 6 weeks until 11th November 2016, in accordance with national Regulations relating to the submission of Local Plans. The Local Plan set out the intended development proposals for Rugby Borough to 2031 and, subject to the received representations, RBC intended to submit the Plans to the Secretary of State in early 2017.

Given the timescales involved, officers had submitted an officer representation to RBC to ensure that initial comments were provided. This representation was attached to the report as Appendix 1 and presented for endorsement or comment.

RBC subsequently opted to re-run their consultation process, recommencing on 30th November 2016 until the 11th January 2017. Whilst the officer response had already been provided within the original timescales, it was recommended that the response remain unchanged.

The response had been prepared on behalf of the Council in its role as Local Planning Authority as Coventry's response to RBC at this important stage of its plan's development. The response indicated that the Council supported the Local Plan being proposed by RBC but, for reasons indicated in the report, made comments and sought clarification in relation to the following key areas:

- The RBC Local Plan identified the sites at Pro-Logis Ryton and Ansty Park as strategic employment sites and supported their completion within the Plan period (2011-2031). This reflected the Employment Land Memorandum Of Understanding (MOU) endorsed by the Council in October 2016.
- The RBC Local Plan identified sites for approximately 2,800 homes towards Coventry's unmet housing needs. This was in addition to the Borough Council planning positively for its own Objectively Assessed Needs.
- The RBC Local Plan applied a development strategy and settlement hierarchy that focused growth on Rugby town, supported by a series of small developments around its satellite villages and a new town at Lodge Farm (southeast of Rugby). The RBC Local Plan did not consider the edge of Coventry within its settlement hierarchy and made no residential development proposals on the city's eastern boundary – although this had been proposed in the previous version of the Plan.
- The reasons for excluding the proposed development on the city's eastern boundary (at Walsgrave Hill Farm south of Ansty Park) remain unclear.
- A small area of land at Junction 2 of the M6 was proposed to be removed from existing Green Belt designation. This land was not proposed for any development however and reflected the fact the land in question was heavily influenced by highway infrastructure and did not support the purposes of Green Belt policy.

RESOLVED that the City Council endorse the officer representation to Rugby Borough Council's New Local Plan – Publication Draft as set out at Appendix 1 of the report.

98. **Coventry and Warwickshire Sustainability and Transformation Plan**

Further to Minute 85 of the Cabinet, the City Council considered a report of the Executive Director of People, which set out the City Council's position in respect of the Coventry and Warwickshire Sustainability and Transformation Plan (STP) and how the Council would proceed in working with NHS organisations regarding the further progression of the STP in Coventry.

In December 2015, NHS England outlined a new approach to help ensure that health and care services were built around the needs of the local populations with the introductions of STPs, based upon integration and joint working across the Health and Wellbeing system. They were intended to provide the method by which the NHS Five Year Forward View was translated by the NHS into practice by closing the quality, cost and wellbeing gaps. Although the STP process was governed by NHS England, it was being undertaken with the support of the Local Government Association and required local health and care organisations across the country to come together to form 44 STP footprints with Coventry and

Warwickshire being one footprint. STP footprints were collective discussion and planning forums which brought together health and care leaders to plan services for the populations they served. The Cabinet noted that the Coventry and Warwickshire STP did not have delegated authority for decision making from its member organisations.

The involvement of the key leads from the local authority alongside elected member input and scrutiny would enable the City Council to ensure that the STP could deliver what was required for the citizens of Coventry, and particularly in areas relating to Public Health and Social Care. The City Council would be required, by virtue of its constitution, to make decisions relating the elements of the STP that impact on the City Council through its normal decision making processes.

The Coventry and Warwickshire footprint had submitted its STP to NHS England in October 2016 and following feedback, the plan was released publicly on 7th December 2016. The plan focussed on five key transformational programmes which would be subject to more detailed design so that impacts and benefits could be better understood in order to enable decisions to be made regarding implementation.

It was indicated in the recommendation that the Cabinet had stressed that, whilst the Council recognised and endorsed the aim of health and social care organisations working closer together to improve services for local people, it did not support the approach taken in developing the STP, specifically in relation to transparency and involvement of both the public and local authority members. The Council's involvement to date did not constitute it signing up to the Coventry and Warwickshire STP. Although a number of transformation work streams existed under the STP, the detail and implications of these were not developed, and therefore the City Council would not be in a position to make decisions regarding progressing the implementation of any work stream until more detail is developed and this has been considered through the appropriate decision making processes.had

It was critically important for the City Council to continue to work with health organisations in progressing the STP. The potential implications and opportunities for the City Council in managing very challenging social care demands and delivering on its agenda to improve the health and well-being of its population were significant and required the active input of organisations within the STP programme.

At its meeting, Cabinet had agreed to ensure Councillor scrutiny and involvement in the developing work streams within the Sustainability and Transformation Plan through the Health and Social Care Scrutiny Board (5), Coventry Health and Well Board, relevant Cabinet Member briefings and reports to Cabinet and Council as required. In addition, that all members of Coventry Health & Well-being Board have access to all STP documentation to ensured it could continue its role in facilitating partnership working by providing a strategic link for the Sustainability and Transformation Plan, with a particular emphasis on the Proactive & Preventative work steam, and the crucial role of social care in the overall sustainability of the Health and Social Care economy.

In moving the recommendations, Councillor Abbot, in accordance with the Constitution moved an alteration to Recommendation 2 as follows:

That on the first line of Recommendation 2, the word “Agrees” be replaced by the word “Notes”, that after the words “City Council” the word “must” be inserted, and that the word “continues “ be replaced with the word “continue”, this first line now to read :

“Notes that the City Council must continue to take a key role in the continued partnership working approach.”

RESOLVED that the City Council:

- 1. Note the City Council position in relation Coventry and Warwickshire Sustainability and Transformation Plan as described in the letter from the Leader of City Council, detailed at Appendix 4 of the report, submitted in October to NHS England.**
- 2. Notes that the City Council must continue to take a key role in the continued partnership working approach to the development of the work streams within the Sustainability and Transformation Plan, with a particular emphasis on the Proactive and Preventative work stream and the crucial role of social care in the overall sustainability of the Health and Social Care economy, with such involvement to be led by the Executive Director, People, and this involvement to be signalled publicly through the continued use of the City Council logo on Sustainability and Transformation Plan documentation.**
- 3. Endorse the contents of paragraph 2.4.1 of Health Overview Scrutiny Committee Scrutiny Board (5) who considered the Sustainability and Transformation Plan submission and the proposed approach to engagement at its meeting on the 7 December 2016**

99. Coventry Station Masterplan Update

Further to Minute 101 of Cabinet, the City Council considered a report of the Executive Director of Place, which provided an update on the Coventry Station Masterplan.

The Coventry Station Masterplan programme was set to deliver transformational improvements to Coventry Railway Station. The Coventry Station Masterplan was developed in response to a 2014 study that looked at the city’s future rail needs. It was initially approved at Cabinet in March 2015, funded by Local Growth Deal. Since then, the scheme had developed extensively in terms of design and scope to meet the needs of an aspirational and growing city. This report submitted detailed the current proposals that had been developed over the last 18 months, in partnership with the rail industry and other stakeholders.

It was noted that Coventry Station had experienced the highest growth in rail passengers in the last 5 years outside of London. It was one of the busiest stations on the West Coast Mainline, after London and Birmingham New Street, but since opening in 1962 it had seen little investment or updating. It was given

Grade II listed status by English Heritage in 1995, due to its modern architecture. Apart from the generally tired nature of the existing buildings, there were genuine capacity issues and it was essential that a fitting gateway to the city be created to underpin the redevelopment at Friargate and the wider city regeneration. It was also vital that a station be created that supported continued growth in patronage to underline the City's case for the retention and enhancement of rail services post HS2. The Station Masterplan was an integral part of the City Centre Area Action Plan and the Coventry and Warwickshire LEP's Strategic Economic Plan, and was central to the City Council's economic regeneration and improving connectivity to the wider region, including UK Central and HS2.

The City Council, working with Friargate LLP, had established a collaborative approach between Network Rail, the Department for Transport, the wider rail industry and Coventry and Warwickshire LEP to develop proposals to meet these objectives. As a consequence of this work the scope of the scheme had extended and the total programme had increased to £82.4m, which included £11.8m contingency which was good practice for rail schemes.

Coventry Station Masterplan would deliver extra capacity, accessibility and a better first impression of Coventry, within the station through the following new infrastructure:-

- A second footbridge connecting all four platforms and extended platform canopies;
- A second station entrance building, facing outwards onto Warwick Road and providing step free access to platforms;
- A 644 space multi-storey car park;
- A bus interchange connected directly to the station building via a new access tunnel under Warwick Road;
- Highway improvements;
- Bay platform (NUCKLE 1.2)

The highway improvements would provide the bulk of the infrastructure required to deliver the Friargate Masterplan and make provision for future Rapid Transit services via the railway station. A detailed summary of the scheme changes and enhanced programme from March 2015 to date was set out in Appendix 1 of the report.

It was noted that the report had been considered by the Scrutiny Co-ordination Committee at their meeting on 18th January 2017. They recommended that:

- i) Scrutiny be included in the reporting process relating to the Coventry Station Masterplan.
- ii) The finances of the Masterplan are carefully monitored, including any additional proposed income streams.

RESOLVED that, subject to the outcome of ongoing commercial negotiation with Friargate LLP, the Council:

- i. **Approve the revised cost plan as detailed in section 5.1, give authority for prudential borrowing of £10.9m subject to final**

approval by the Department for Transport and authority to submit a funding bid through the WMCA Devolution Deal.

- ii. Delegate authority to the Executive Director for Place to become the accountable body if successful and authorise the Executive Director for Resources to enter into the appropriate funding agreements with the Coventry & Warwickshire Local Enterprise Partnership and West Midlands Combined Authority.**
- iii. Delegate authority to the Executive Director for Place following consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Strategic Finance and Resources to effect any draw down resources from the programme contingency budget referred to in section 5.1, table 1.**

100. Connecting Coventry - Strategic Transport Investment Programme

Further to Minute 102 of the Cabinet, the City Council considered a report of the Executive Director of Place, which set out a strategic transport investment strategy 'Connecting Coventry' and the opportunities for achieving this including working with Midlands Connect, Coventry and Warwickshire Local Enterprise Partnership and the West Midlands Combined Authority (WMCA).

The report indicated that Coventry was a dynamic and rapidly growing city where transport investment was essential to keep pace with continuing change. In 2004 the city's population was under 300,000. It had grown steadily since to 345,000 and was forecast to reach over 415,000 in the next 20 years. In the proposed next Local Plan period up to 2031 it was forecast that investment and development in Coventry would create 50,000 jobs, with a consequential growth in housing to meet the needs of the growing city.

The Council had been very successful in obtaining funding and delivering schemes from a number of sources for investment in the city's transport infrastructure, with £150m of improvements delivered over the last 5 years. There was now an opportunity to continue to build on this success. However in order to maximize the economic potential of the city and to take full advantage of developments such as High Speed Rail (HS2), it was essential that the Council look to get investment both directly within the city and also in strategic cross boundary transport schemes that support Coventry's growth aspirations.

The principal objectives of this strategy include improving the resilience of the road network (so the strategic road network does not come to a halt when a motorway has to be closed); ensuring connectivity to HS2 and job opportunities around the new station and linking key developments and employment sites to HS2 including Friargate and Jaguar Landrover; and an expansion of railway capacity and reconnecting Coventry to the East Midlands by rail. The strategy was summarized in Appendix 1 of the report submitted.

One major opportunity to help deliver this strategy was the £247m strategic transport package agreed as part of the WMCA Devolution Deal package approved by Council in May 2016. Although an outline package of schemes was included at the time, it was for the City Council to determine which schemes went

forward for funding. The WMCA had an ‘assurance framework process’ which all schemes would have to go through, the main purpose of which was to ensure that all schemes across the region were aligned to the policies of the adopted West Midlands transport strategy entitled ‘Movement for Growth’. The main aims of this strategy were to drive job creation and growth and were in line with the City Council’s own priorities.

This report submitted outlined the schemes that it was proposed to take forward as part of this package, which were summarised in four programmes:

- Coventry South – major highway and rail proposals to facilitate growth, especially around Jaguar Land Rover and the University of Warwick and to provide connectivity to HS2 and UK Central;
- City Centre – a major increase in capacity at Coventry Railway Station (this is subject to a separate Cabinet Report on the ‘Coventry Station Masterplan’ and improvements to selected ring road junctions);
- Coventry North – road capacity improvements to the North West of the city and on the A444 and M6 junction 3;
- Rapid Transit – investment in the development of Very Light Rail and subsequent implementation.

Following the recent Autumn Statement, up to £12m Local Growth Deal 3 funding had been indicatively awarded to Coventry City Council to match fund some of the schemes within the programme. This was still subject to the formal Coventry and Warwickshire Local Enterprise Partnership (CWLEP) governance and contracting processes, but if successful would enable some of the schemes to be brought forward. The funding should be confirmed early in the year.

Approval was sought for the submission of Strategic Outline Businesses Cases to the WMCA for each of these schemes and delegated authority for submission of subsequent business cases in line with WMCA’s Assurance Framework. It was noted that this strategic transport package was in addition to the £150m City Centre funding package that was also negotiated as part of the Devolution Deal.

There was also further potential funding identified as part of the Combined Authority HS2 connectivity package for improving transport connections between Coventry and HS2 which could also potentially fund some further Coventry projects. Subject to approval of the WMCA, £15m of the HS2 connectivity package had been agreed in principle to part fund Friargate West, which was part of the City Centre Package to be delivered as part of this programme. A further £15m had been identified to match fund Very Light Rail, along with £7m to provide additional parking capacity at Tile Hill Station. Securing the funding would be subject to the approval from the Combined Authority.

Scrutiny Co-ordination Committee at their meeting on 18th January 2017, and recommended that the following aspiration for the city is included in the report: ‘That a light rail link be provided to the UK Central HS2 hub as soon as possible and that links be developed to the other major destinations in the city including the hospital’ and that Scrutiny be included in the reporting process relating to Connecting Coventry – Strategic Transport Investment Plan.

RESOLVED that the City Council:

1. Approve the outline Strategic Transport Investment Programme 'Connecting Coventry' as indicated in the report submitted and endorse that officers, following consultation with the Cabinet Member for Jobs and Regeneration, progress the development of the relevant work packages.
 2. Authorise submission of the bids to the West Midlands Combined Authority to secure the devolution deal funding required to deliver the Connecting Coventry packages contained in the report.
 3. Authorise procurement of resources to assist with submission of the bids through the Shared Professional Services Contract which are to be funded from this programme.
 4. Delegate authority to the Executive Director Place and Executive Director Resources, following consultation with the Cabinet Member for Jobs and Regeneration, to:
 - Determine the final content of the relevant Business Cases required to submit the bids;
 - Submit the relevant Strategic Outline Business Cases to the West Midlands Combined Authority in relation to the work packages within the Connecting Coventry Programme;
 - Progress the Business Cases to the final stage in accordance with the Combined Authority's Assurance Framework;
 - Agree the bid for allocation of the HS2 connectivity package funding, subject to approval through the Combined Authority's Assurance Framework.
 5. Agree that, should the bids be successful; that Coventry City Council enters into the necessary legal documentations to secure the funding required to deliver the Connecting Coventry Programme.
 6. Delegate authority to the Executive Director for Place to become the accountable body, and authority to the S151 Officer to enter into the appropriate funding agreements with the Coventry & Warwickshire Local Enterprise Partnership, West Midlands Combined Authority and Department for Transport.
 7. Agree the additional recommendations and comments from the Scrutiny Co-ordination Committee, whilst noting that the Cabinet believed that there was no point in having a very light rail service unless it linked to HS2.
101. **Business Case for the construction of multi-storey car parks in Coventry City Centre**

Further to Minute 103 of the Cabinet, the City Council considered a report of the Executive Director of Place, which set out the business case for the construction of a multi-storey car park in the city centre.

The Council adopted the City Centre Parking Strategy in August 2016, which recognised the need to manage off-street parking provision in the city centre and that over the next decade there would be a significant shortfall of available parking in the right locations as a result of the planned and on-going developments. The Strategy identified that an appropriate level of investment would be required to redress the projected shortfall in order to alleviate future pressures on the demand for parking.

The Council was responsible for 15 public car parks in and around the city centre which could accommodate 3,140 cars. In addition, circa 400 cars can be accommodated on-street within the city centre. Other privately operated car parks have capacity for a further 2,838 vehicles.

During recent years the city centre had been subject to considerable change including the transformation of Broadgate Square, the Railway Station to Bull Yard public realm improvement works and the de-cluttering of traffic signals on several of the key traffic corridors into the city centre (e.g. Little Park St, Gosford St, New Union St, Lidice Place and Corporation St). The transformation would continue at pace throughout the next decade with a number of major development schemes already underway as part of the regeneration of the city centre, all of which, coupled with a projected 3% year on year growth in the local population and economy, would result in a significant increase in demand for parking during the next decade.

The growth in car ownership continued to escalate as did the demand for off-street parking. The City Centre Parking Strategy recognised that projected demands for parking were expected to exceed supply during the next decade and that there would be a significant under provision of approximately 500 spaces by 2025/26 if no action were to be taken to redress the situation.

It was therefore proposed to develop and construct a new multi-storey car park to be built on the site currently occupied by the existing Salt Lane surface level car park. Furthermore, the report submitted sought approval in principle for a potential development of a multi-storey car park on the site of the existing New Union Street multi-storey and Cheylesmore surface car parks. As well as being located on significant gateway sites, these locations were strategically well placed and ideally located to serve the Waterpark and Leisure facility and other planned developments to the south of the city centre.

The aim of the proposal was to provide high quality, sustainable car park facilities that support the aspirational and expected growth of the city centre, whilst complementing the new Waterpark and Leisure Centre, City Centre retail, the Friargate Business District, and a steadily rising growth in the local economy and demands for parking.

RESOLVED that the City Council approves the addition of £10.7million to the capital programme funded from corporate capital resources for 2017/18 and

2018/19 for the development of a new MSCP on the site of the existing Salt Lane surface car park within Coventry city centre.

102. City Centre South Development

Further to Minute 104 of the Cabinet, the City Council considered a report of the Executive Director of Place, which sought approval of the proposed appointment of a Preferred Bidder to deliver the City Centre South scheme and permission to formally enter into a contract with the Preferred Bidder for the delivery of the scheme, subject to satisfactory completion of the legal processes.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration.

Investing in the city centre and creating a new mixed use retail led scheme was a top priority for the Council. Over recent years significant grant funding, mainly from Europe, had been invested in improving the city centre, including the new bridge deck at junction six to create an impressive pedestrian link to the railway station, the transformation of Broadgate and improved settings for some of the city's finest buildings, including the Council House and Holy Trinity church. Work was also underway to demolish Spire and Christchurch House ready for the water park and leisure centre, which will open in 2018.

City Centre South would transform some of the most tired and out dated areas of the city centre, including Bull Yard, Shelton Square, City Arcade and Hertford Street. The vision for the scheme being recommended was for a vibrant mixed use redevelopment, including a new anchor store and other shops, car park, restaurants and leisure provision and new homes. The scheme aimed to better connect the city's much loved, circular market which currently feels cut off from the shopping area and the use of high quality materials to create a nice environment for local shoppers and visitors.

Following on from a recent procurement exercise using the Competitive Dialogue route, officers were now in a position to make a recommendation to appoint a developer to proceed with the scheme. Furthermore, funding from the West Midlands Combined Authority had been secured specifically for this project.

The report submitted set out a number of issues that were considered in order to identify the preferred bidder and those to be considered as part of the proposals for the City Centre South Development, including Council funding to the proposed scheme; Heads of Terms; and further matters in relation to the case for a Compulsory Purchase Order.

It was noted that the decision had already been delayed pending resolution of Combined Authority funding and that, if the project is to complete by 2022, the Council would need to commence as soon as possible. Due to this timescale requirement, in accordance with Part 3e, Paragraph 19 of the City Council's Constitution, Councillor Lancaster, Chair of the Scrutiny Co-ordination Committee, attended the meeting for the consideration of this matter and agreed the need for urgency such that call-in arrangements would not apply to the decisions made by the Cabinet.

RESOLVED that the City Council:

- i. Approve the grant funding in the sum of £98.8 million pounds from the West Midlands Combined Authority and delegate to the Executive Director for Place and Executive Director for Resources in consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Strategic Finance and Resources, the authority enter into the necessary grant funding agreement to secure the funding, subject to the detailed information contained in the associated private report.**
- ii. Approve that £98.8 million is added to the Council's capital programme, all funded from the West Midlands Combined Authority.**

103. Friargate Update Report

Further to Minute 105 of the Cabinet, the City Council considered a report of the Executive Director of Place, which provided an update on the Friargate development and sought approval to sub-lease part of the Friargate building.

A corresponding private report detailing confidential aspects of the proposals.

In 2013, the Council approved starting the Friargate Business District to regenerate the City, transform the Council and deliver savings, through the purchase of the first building on Friargate for occupation by the Council, The Councils operational office buildings would be reduced and agile and flexible working arrangements introduced to support productivity and efficiency gains from Council staff.

The report also recognised the importance of a second tenant and gave approval to negotiate with the Royal Institution of Chartered Surveyors (RICS) to help secure them as the second tenant on Friargate.

The RICS were the institution governing Chartered Surveyors globally and both strategically important nationally and as a second tenant to the Friargate scheme were likely to provide confidence to other potential private sector tenants. The RICS currently had major offices in London and Coventry. The Coventry office was becoming obsolete and the RICS had been looking to relocate to new offices for a period of years. Many of the options under consideration were outside Coventry.

In 2013 discussions commenced between the Council, Friargate Coventry LLP and the RICS to secure the national HQ of the RICS as the second occupier of Friargate and build further space for letting to other occupiers.

In the absence of a second building under construction at Friargate there was an opportunity for the Council to negotiate terms directly with the RICS in order to sublet space in its building at Friargate and secure the RICS as the second tenant on Friargate rather than losing this strategically important business occupier to both Friargate and potentially the City.

If these negotiations proved successful this would require the Council to retain operational building capacity within its existing building portfolio for a quarter of the staff (470) intending to move to Friargate, whilst further discussions continued in order to try and secure early delivery of Building 2.

To that end the opportunity had now arisen for the Council to make a formal application to the West Midlands Combined Authority (WMCA) to secure up to £50m to bring forward development opportunities around Friargate to supplement the £100m already secured from the WMCA for City Centre South.

It was proposed that authority be delegated to officers (in consultation with the relevant Cabinet Member) to make such variations to the Collaborations Agreement (and other associated documents) that may be required to achieve the objectives set out in the report submitted. The Cabinet noted that such delegation would be limited only to the extent required to secure the sub-leasing of part of the Council's building at Friargate to the RICS.

The report had been considered by the Scrutiny Co-ordination Committee at their meeting on 18th January 2017, and that a briefing note outlining their recommendations was circulated. In particular, in addition to endorsing the recommendations to Cabinet, they recommended that Scrutiny Co-ordination Committee be included in the reporting process relating to Friargate. The Cabinet agreed to accept these recommendations.

RESOLVED that the City Council:

- 1. Agree to amend the approved Kickstart strategy to co-locate staff to Friargate, by retaining existing operational buildings to house some of those staff and invest in these buildings in the event that the Council agrees to grant a sub-lease to the RICS**
- 2. Approve that officers be mandated to negotiate terms with the RICS to allow the Council to grant a sub-lease to the RICS to occupy space within its building at Friargate on terms as broadly outlined in this report and delegate authority to the Executive Director of Place and Executive Director Resources in conjunction with the Cabinet members for Finance and Jobs & Regeneration to conclude terms, make minor amendments or corrections and complete the necessary legal documentation.**
- 3. Delegate authority to the Executive Director Place and Executive Director Resources, in consultation with Cabinet Member for Jobs and Regeneration, to enter negotiations with the WMCA in order to secure a grant of up to £50m to secure further Friargate related development and to negotiate a new delivery framework with Friargate LLP subject to the terms of any such agreements being the subject of a subsequent formal report to Cabinet.**
- 4. Delegate authority to the Executive Director for Place and Executive Director for Resources in consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Finance and Strategic Resources to negotiate and make any necessary amendments or**

variation to the Collaboration Agreement and associated document between the Council and Friargate LLP only to the extent required to achieve the sub-leasing of parts of the building to the RICS.

- 5. Approve the Council grant a lease extension to the RICS on their current premises at Westwood Business Park subject to a deal for the occupation of Friargate being finalised.**
- 6. Request officers to bring back a further report on buildings to be retained and investment to maintain them in use for operational purposes and any other mitigation measures.**
- 7. Authorise officers to negotiate a variation of the building contract to split a floor between the Council and RICS and to minimise any non-recoverable costs from not taking two and half floors**

104. Polling District and Polling Place Review

The City Council considered a report of the Chief Executive which detailed amendments to the polling district and polling review scheme which had been approved by Council on 13 October 2016. The amendments were required due to some of the locations no longer being available and comments received at the polls in May and June 2016. The Electoral Arrangements Advisory Panel and Ward Members had been consulted and a consultation document was published on the Council's website as required by legislation.

RESOLVED that the City Council:

- (1) Approves the revised polling district and polling place scheme as set out in the report.**
- (2) Agree that, should further polling places become available prior to the election, the Chief Executive following consultation with the Leader and Deputy Leader and the appropriate Ward Councillors, may make amendments to the scheme as required.**

105. Amendments to Appointments to Outside Body - Local Enterprise Partnership Board

The City Council considered a report of the Executive Director of Resources in respect of amendments to the Coventry and Warwickshire Local Enterprise Partnership Board (CWLEP).

The (CW LEP) had reviewed their structure in order to better reflect public sector representation within Coventry and Warwickshire on the Board. To achieve this and maintain the necessary balance on the Board of private and public representation, the Board has asked both Coventry City Council and Warwickshire County Council whether they would be prepared to reduce their current representation of two to one.

Given the structure and integrity of the Board it is considered that the reduction in numbers of Coventry City Council Directors would not disadvantage Coventry and will enable a more representative public sector element of the Board.

RESOLVED that the City Council:

- (a) Agrees the reduction in their representation on the Coventry and Warwickshire Local Enterprise Partnership Board from two to one.**
- (b) Appoints Councillor Jim O’Boyle as the City Council representative and Councillor Abdul Khan as the substitute.**

106. Question Time

Councillors Duggins provided a written answer to the question set out in the Questions Booklet together with oral responses to supplementary questions put to them at the meeting.

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 Blundell	Councillor Lancaster	Scrutiny process
2	Councillor Williams	Councillor Innes	Grit bins
3	Councillor Williams	Councillor A Khan	Election fraud
4	Councillor Sawdon	Councillor Duggins	Cost of new Committee Rooms
5	Councillor Lepoidevin	Councillor Bigham	Bid for Homeless Prevention Programme funding
6	Councillor Hammon	Councillor O’Boyle	Empty shops and vacant office space in the City Centre
7	Councillor Hammon	Councillor Bigham	Publicising the City of Culture bid
8	Councillor Hammon	Councillor Innes	Council house clocks
9	Councillor Lucas	Councillor A Khan	Safeguarding for whistleblowers

107. Statements

- (a) The Leader of the Council made a statement in respect of “Progress on the Combined Authority”.

Councillor Blundell responded to the statement.

- (b) The Cabinet Member for Children and Young People made a statement in respect of “Children’s Services Improvement Plan”.

Councillor Lapsa responded to the statement.

108. Debate - Employment Figures

The following motion was moved by Councillor Crookes and seconded by Councillor Sawdon:

"This council welcomes the recent release of employment figures which show: Employment running at a record high; unemployment falling and job creation rising."

Councillor O'Boyle proposed the following amendment, which was seconded by Councillor Welsh:

After "This Council" delete the word "welcomes" and insert the word "notes". After the word "show" delete the remainder of the sentence and insert the following with "numbers stalling for the second month running. Further notes and welcomes Coventry City Council's job strategy which links up and secures jobs for often forgotten would be employees with prospective employers in the city."

The amended motion now to read:

"This council notes the release of recent employment figures which shows numbers stalling for the second month running. Further notes and welcomes Coventry City Council's job strategy which links up and secures jobs for often forgotten would be employees with prospective employers in the city."

RESOLVED that the amended Motion as set out above be adopted.

109. **Debate - Government cuts to the NHS**

The following motion was moved by Councillor Abbott and seconded by Councillor Gannon:

*"Coventry city council recognises and pays tribute to the hard work and dedication of the health and social care teams in Coventry who are working tirelessly to try care for sick and vulnerable people across the city this Winter.

We note that Government cuts to the NHS are having a devastating impact on health and social care services across the country and calls on Theresa May and Jeremy Hunt to provide the NHS and Social Care with the increased funding needed to deliver services that are so urgently needed."

Councillor Sawdon proposed the following amendment, which was seconded by Councillor Taylor and lost:

After paragraph 1, delete the 2nd paragraph. In place of the 2nd paragraph insert the words: -

'Council, recognising the funding difficulties facing the NHS and Social Care, instructs the leader of the Council to demonstrate leadership at a local level by organising a healthcare 'summit' to create an opportunity for local providers to explore ways to better utilise the limited funds available.'

The amended Motion now to read: -

'Coventry City Council recognises and pays tribute to the hard work and dedication of the Health and Social Care teams in Coventry who are working

tirelessly to try care for sick and vulnerable people across the city this Winter.

Council, recognising the funding difficulties facing the NHS and Social Care, instructs the Leader of the Council to demonstrate leadership at a local level by organising a healthcare 'summit' to create an opportunity for local providers to explore ways to better utilise the limited funds available.'

RESOLVED that the Motion as set out at * above be adopted.

110. City Centre South Development

Further to Minute 102 above, the City Council considered a private report of the Executive Director of Place that set out confidential aspects of proposals for appointment of a Preferred Bidder to deliver the City Centre South scheme and permission to formally enter into a contract with the Preferred Bidder for the delivery of the scheme, subject to satisfactory completion of the legal processes.

It was noted that the decision had already been delayed pending resolution of Combined Authority funding and that, if the project is to complete by 2022, the Council would need to commence as soon as possible. Due to this timescale requirement, in accordance with Part 3e, Paragraph 19 of the City Council's Constitution, Councillor Lancaster, Chair of the Scrutiny Co-ordination Committee, attended the meeting for the consideration of this matter and agreed the need for urgency such that call-in arrangements would not apply to the decisions made by the Cabinet.

RESOLVED that the City Council:

- i. Approve the grant funding in the sum of £98.8 million pounds from the West Midlands Combined Authority and delegate to the Executive Director for Place and Executive Director for Resources in consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Strategic Finance and Resources, the authority to enter into the necessary grant funding agreement to secure the funding.**
- ii. Approve that £98.8 million is added to the Council's capital programme, all funded from the West Midlands Combined Authority,**

111. Friargate Update Report

Further to Minute 103 above, the City Council considered a private report of the Executive Director of Place that set out confidential aspects of an update on the Friargate development and sought approval to sub-lease part of the Friargate building.

The report had also been considered by the Scrutiny Co-ordination Committee at their meeting on 18th January 2017 and Cabinet, at their meeting on 24 January 2017 recommended that Scrutiny Co-ordination Committee be provided with

assurances about any future rolling programme for building developments on the Friargate site.

RESOLVED that the City Council

- 1) Agree to amend the approved Kickstart strategy to co-locate 1830 staff to Friargate, by retaining existing operational buildings to house 470 of those staff and invest in these buildings in the event that the Council agrees to grant a sub-lease to the RICS**
- 2) Approve that officers be mandated to negotiate terms with the RICS to allow the Council to grant a sub-lease to the RICS to occupy space within its building at Friargate on terms as broadly outlined in this report and delegate authority to the Executive Director of Place and Executive Director Resources in conjunction with the Cabinet members for Finance and Jobs & Regeneration to conclude terms, make minor amendments or corrections and complete the necessary legal documentation.**
- 3) Delegate authority to the Executive Director Place and Executive Director Resources, in consultation with Cabinet Member for Jobs and Regeneration, to enter negotiations with the WMCA in order to secure a grant of up to £50m to secure further Friargate related development and to negotiate a new delivery framework with Friargate LLP subject to the terms of any such agreements being the subject of a subsequent formal report to Cabinet.**
- 4) Delegate authority to the Executive Director for Place and Executive Director for Resources in consultation with the Cabinet Member for Jobs and Regeneration and Cabinet Member for Finance and Strategic Resources to negotiate and make any necessary amendments or variation to the Collaboration Agreement and associated document between the Council and Friargate LLP only to the extent required to achieve the sub-leasing of parts of the building to the RICS.**
- 5) Approve the Council grant a lease extension to the RICS on their current premises at Westwood Business Park subject to a deal for the occupation of Friargate being finalised.**
- 6) Request officers to bring back a further report on buildings to be retained and investment required to maintain them in use for operational purposes and any other mitigation measures.**
- 7) Authorise officers to negotiate a variation of the building contract to split a floor between the Council and RICS and to minimise any non-recoverable costs from not taking two and half floors.**

(Meeting closed at 4.40 pm)

This page is intentionally left blank



**Cabinet
Council**

**21 February 2017
21 February 2017**

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Executive Director of Resources

Ward(s) affected:

City Wide

Title:

2017/18 Council Tax Setting Report

Is this a key decision?

Yes - Council are being recommended to approve the Council Tax levels for 2017/18

Executive Summary:

This report calculates the Council Tax level for 2017/18 and makes appropriate recommendations to the Council, consistent with the Budget Report 2017/18 on the same agenda. The report recommends a 4.9% 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 2017/18 Band D Council Tax that is calculated through this process is increased by £70.68 from the 2016/17 level.

As part of the Chancellor's Autumn Statement (November 2015) it was announced that councils which provide social care to adults would be allowed to increase their share of Council Tax by up to an extra 2%, provided that the additional resources are all used to fund the increasing costs of adult social care. This additional Council Tax charge is known as the 'Adult Social Care (ASC) precept'. The Government indicated that authorities could include this additional 2% precept in each year of the four year period: 2016/17 to 2019/20.

Coventry City Council made use of this flexibility in 2016/17 and increased its Council Tax charge by a total of 3.9%. This was made up of a basic 1.9% increase plus a further 2% ASC precept.

In December 2016 the Government announced that Councils could opt to bring forward some, or all, of the potential 2% ASC precept available in 2019/20 to earlier years. However the maximum increase in any one year was limited to 3%, and the total over the three year period 2017/18 to 2019/20 was limited to the original total increase of 6%.

In order to maximise the resources available to fund ASC services in the city, the recommendations within the Budget Report 2017/18 are based on a proposed increase in Council Tax of 4.9%. This is made up of a basic 1.9% increase plus a further 3% ASC precept, utilising the additional flexibility described above.

At the time of writing this report the precept from the West Midlands Fire and Rescue Authority has not been confirmed. The provisional figures provided in this report are based on indicative figures. The Fire Authority is due to set its precept on the 20th February 2017.

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 2017/18, as approved by Cabinet on 3 January 2017, in accordance with Regulations made under Section 31B of the Local Government Finance Act 1992 (as amended) ("the Act"):

a) 78,971.9 being the amount calculated by the Council as its Council Tax base for the year for the whole Council area;

b) Allesley	327.6
Finham	1491.4
Keresley	233.8

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 2017/18 in accordance with Sections 31A, 31B and 34 to 36 of the Act :

(a) £703,363,014 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) £584,870,944 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) £118,492,070 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) £1,500.43 $\frac{(2)(c)}{(1)(a)} = \frac{£118,492,070}{78,971.9}$

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) £30,271 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts*);

(f) £1,500.05 $= (2)(d) - \frac{(2)(e)}{(1)(a)} = £1,500.43 - \frac{£30,271}{78,971.9}$

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	£1,500.05
Allesley	£1,524.85
Finham	£1,513.86
Keresley	£1,506.66

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 Finham	Parish of Keresley
	£	£	£	£
A	1,000.03	1,016.56	1,009.24	1,004.44
B	1,166.71	1,186.00	1,177.45	1,171.85
C	1,333.38	1,355.42	1,345.66	1,339.26
D	1,500.05	1,524.85	1,513.86	1,506.66
E	1,833.39	1,863.70	1,850.27	1,841.47
F	2,166.74	2,202.56	2,186.69	2,176.29
G	2,500.08	2,541.41	2,523.10	2,511.10
H	3,000.10	3,049.70	3,027.72	3,013.32

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 2017/18 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	77.70	38.09
B	90.65	44.44
C	103.60	50.79
D	116.55	57.14
E	142.45	69.84
F	168.35	82.53
G	194.25	95.23
H	233.10	114.28

(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 2017/18 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 Finham	Parish of Keresley
	£	£	£	£
A	1,115.82	1,132.35	1,125.03	1,120.23
B	1,301.80	1,321.09	1,312.54	1,306.94
C	1,487.77	1,509.81	1,500.05	1,493.65
D	1,673.74	1,698.54	1,687.55	1,680.35
E	2,045.68	2,075.99	2,062.56	2,053.76
F	2,417.62	2,453.44	2,437.57	2,427.17
G	2,789.56	2,830.89	2,812.58	2,800.58
H	3,347.48	3,397.08	3,375.10	3,360.70

(5) That the Council determines that its relevant basic amount of Council Tax for 2017/18 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 – 21 February 2017

**Report title:
2017/18 Council Tax Setting Report**

1. Context (or background)

- 1.1 The purpose of this report is to seek approval for the City's 2017/18 Council Tax. The total planned spending (Gross Expenditure) in 2017/18 will be met in part by grant income, 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 2017/18 are proposed in the 'Budget Report 2017/18' that is being considered by the Council in conjunction with this Council Tax Setting Report.
- 1.3 As part of the Chancellor's Autumn Statement (November 2015) it was announced that councils which provide social care to adults would be allowed to increase their share of Council Tax by up to an extra 2%, provided that the additional resources are all used to fund the increasing costs of adult social care. This additional Council Tax charge is known as the 'Adult Social Care (ASC) precept'. The Government indicated that authorities could include this additional 2% precept in each year of the four year period: 2016/17 to 2019/20.
- 1.4 Coventry City Council made use of this flexibility in 2016/17 and increased its Council Tax charge by a total of 3.9%. This was made up of a basic 1.9% increase plus a further 2% ASC precept.
- 1.5 In December 2016 the Government announced that Councils could opt to bring forward some, or all, of the potential 2% ASC precept available in 2019/20 to earlier years. However the maximum increase in any one year was limited to 3%, and the total over the three year period 2017/18 to 2019/20 was limited to the original total increase of 6%.
- 1.6 In order to maximise the resources available to fund ASC services in the city, the recommendations within the Budget Report 2017/18 are based on a proposed increase in Council Tax of 4.9%. This is made up of a basic 1.9% increase plus a further 3% ASC precept, utilising the additional flexibility described above.
- 1.7 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 21 February 2017.

2. Options considered and recommended proposal

- 2.1 The total Band D Council Tax in 2016/17 was £1,596.95. The figures calculated in this report represent a 4.9% increase from the 2016/17 figures for the City's Council Tax, and a 4.8% increase in total.

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

	Band D £	Increase from 2016/17 %	Proportion of total bill %
Coventry City Council	1,500.05	4.9	89.6
Police and Crime Commissioner for the West Midlands	116.55	4.5	7.0
West Midlands Fire Authority	57.14	2.0	3.4
Total Coventry Council Tax	1,673.74	4.8	100.0

- 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 £995.07, 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	137	0.1	929.86	697.39
A	Up to £40,000	6/9	53,414	40.2	1,115.82	836.86
B	£40,001 to £52,000	7/9	39,840	30.0	1,301.80	976.35
C	£52,001 to £68,000	8/9	22,233	16.7	1,487.77	1,115.82
D	£68,001 to £88,000	9/9	9,006	6.8	1,673.74	1,255.30
E	£88,001 to £120,000	11/9	4,531	3.4	2,045.68	1,534.26
F	£120,001 to £160,000	13/9	2,265	1.7	2,417.62	1,813.21
G	£160,001 to £320,000	15/9	1,343	1.0	2,789.56	2,092.17
H	Over £320,000	18/9	95	0.1	3,347.48	2,510.60
			132,864	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 an eight week period of public consultation ending on the 27 January 2017. 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 2017

5. Comments from Executive Director of Resources

5.1 Financial implications

A £1m increase or decrease in either the City Council's 2017/18 Council Tax requirement or Government grant, would lead to a £12.66 increase or decrease in Band D Council Tax (£7.53 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 £78,972.

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 categories 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 2017/18 Report, Council 21 February 2017.

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: Phil Baggott

**Name and job title:
Lead Accountant**

Directorate: Resources

**Tel and email contact:
02476 833815 phil.baggott@coventry.gov.uk**

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Paul Jennings	Finance Manager Corporate Finance	Resources	2/2/17	6/2/17
Names of approvers: (officers and members)				
Lara Knight	Governance Services Co- ordinator	Resources	2/2/17	6/2/17
Carol Bradford	Corporate Governance Lawyer	Resources	2/2/17	6/2/17
Chris West	Executive Director of Resources	Resources	2/2/17	8/2/17
Councillor John Mutton	Cabinet Member for Strategic Finance and Resources –		2/2/17	8/2/17

This report is published on the council's website:
www.coventry.gov.uk/meetings



Cabinet
Council

21st February 2017
21st February 2017

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Executive Director, Resources

Ward(s) affected:

All

Title:

Budget Report 2017/18

Is this a key decision?

Yes - The report sets the Council's Revenue Budget for 2017/18 incorporating revenue spending and savings decisions for 2017/18 and future financial years and the Capital Programme for 2017/18 to 2021/22.

Executive Summary:

This report follows on from the Pre-Budget Report approved by Cabinet on 29th November 2016 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 2017/18 incorporating the following details:

- Gross budgeted spend of £703m (£11m and 2% higher than 2016/17).
- Net budgeted spend of £232.5m (£0.9m lower than 2016/17) funded from Council Tax and Business Rates less a tariff payment of £0.7m due to Government.
- A Council Tax Requirement of £118.5m (£7.7m and 7% higher than 2016/17), reflecting a City Council Tax increase of 4.9% detailed in the separate Council Tax Setting report on today's agenda.
- New service savings of £1.4m in 2017/18 rising to £10.4m in 2019/20.
- A Capital Programme of £123.2m (£42.2m and 52% more than the latest estimated 2016/17 programme) including expenditure funded by Prudential Borrowing of £60.9m;
- An updated Treasury Management Strategy.

It should be noted that, at the time of producing this Budget Report, the Final 2017/18 Local Government Finance Settlement has not yet been published. The proposals within this Budget Report have been made on the basis of the latest information regarding the likely details of the Settlement. In particular, this includes the estimated impact of joining the '100% Business Rates Pilot'. The difference between these estimates and the details in the Final Settlement are likely to be insignificant and will be met by reserve contributions.

The Settlement is anticipated to incorporate continued reductions in core Government funding over the next 3 years with a planned reduction of £24m in Coventry's funding assessment. However, along with the other 6 West Midlands councils, Coventry is taking part in a 100% Business Rates Pilot scheme. This will enable Coventry to retain 99% of Business Rates income including an element of growth against an historic baseline which would otherwise have been returned to the Government. This money is available for the Council to use within the budget proposals within this report and is in addition to the resource base assumed within the Pre-Budget Report.

In previous years the City Council has had the flexibility to increase Council Tax by up to 2% without holding a local referendum on the matter. In 2016/17 the Government allowed councils to increase this flexibility by a further 2%, up to a maximum of 4%, recognising the increasing pressure on Adult Social Care (ASC) services across the country. This was the basis on which the Pre-Budget position was reported. The Government has subsequently announced a further extension of this ASC flexibility from 2% up to 3%. The recommended budget within this report assumes taking up this 3% flexibility in order to increase the resources available to fund ASC services in the city. As a result, the budget is being proposed on the basis of increasing Council Tax by 4.9%. This proposed increase will be the equivalent of around a pound a week for a typical Coventry household.

This Council's medium term financial position includes the impact of reductions in Government funding that had already been anticipated and savings programmes have been approved previously. At the start of the 2017/18 Budget Setting process the Council faced a financial gap of £19m after taking these factors into account including a temporary delay in the likely achievement of some savings. In broad terms, the Budget has been balanced by additional resources available from Council Tax and Business Rates resources, including those available as a result of the Council's participation in the West Midlands 100% Business Rates Pilot. Costs are also now expected to be lower than planned previously in the areas of contingency budgets, capital financing costs and pensions. New savings totalling £1.4m (rising to £10.4m) have also been identified in service budgets, reduced from £3.2m (rising to £14.7m) following the period of consultation triggered by the Pre-Budget Report. All these proposals are set out in detail in Appendix 1. Where these are different to the proposals that were included in the Pre-Budget Report, this has been indicated within the appendix.

These proposals have been designed to provide the Council with a robust medium term position and subject to the recommendations being approved the Council will have a balanced budget over the medium term period, 2017/18 to 2019/20.

Given the forthcoming national proposals for local government finance to be based on a 100% Business Rates model from 2020/21, the vibrancy and growth of the city is vital to ensure a secure level of Business Rates income. Proposals within the recommended Capital Programme are designed to help achieve this and amount to £123m in 2017/18. These represent an ambitious approach to investing in the City and include the completion of the Council's Friargate office building, the initial construction phase of the new city centre leisure facility, the first phases of the City Centre South and Connecting Coventry schemes and continued advancement of the Coventry Station Master Plan. Over the next 5 years the Capital Programme is estimated to be £600m and represents the largest ever investment by and through the City Council.

The annual Treasury Management Strategy is also set out, incorporating the Minimum Revenue Provision policy that was revised in 2016/17 and covering the management of the Council's investments, cash balances and borrowing requirements.

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 1**.
- (2) Approve the total 2017/18 revenue budget of **£703m** in **Table 1** and **Appendix 4**, established in line with a 4.9% 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 adequacy of reserves and robustness of the budget in **Section 5.1.2 and 5.1.3**.
- (4) Approve the Capital Programme of £123.2m for 2017/18 and the future years' commitments arising from this programme of £480.5m between 2018/19 to 2021/22 detailed in **Section 2.3** and **Appendix 5**.
- (5) Approve the proposed Treasury Management Strategy for 2017/18 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 2.4.11** and summarised in **Appendix 7**.

List of Appendices included:

Appendix Number	Title
1	Budget Financial Proposals – Changes to Base Position
2	Consultation Responses
3	Equality Analysis
4	Summary Revenue Budget
5	Capital Programme 2017/18 to 2021/22
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 – February 21st 2017

Budget Report 2017/18

1. Context (or background)

- 1.1 This report seeks approval for the 2017/18 Revenue Budget and corresponding Council Tax rise, Capital Programme, Treasury Management Strategy and Prudential Indicators. The report includes detail of the resources retained as part of the 2017/18 Government funding allocation and forecasts of the Council's medium term revenue financial position. This will represent the second year of the Government's 4 year funding position for local government which began in 2016/17.
- 1.2 The revenue budget proposals in this report follow on from the Pre-Budget Report approved by Cabinet on 29th November 2016. They have been established in line with the Council's current Medium Term Financial Strategy and Council Plan,
- 1.3 In December the Government announced the provisional Local Government Finance Settlement for 2017/18. This re-affirmed a continuation of public sector spending reductions up to at least 2020. No firm indication has been given for the period after 2020 and this will be the subject of considerable uncertainty until nearer the time.
- 1.4 Resources available to Coventry had fallen by c£95m over a four year period to 2016/17 and the Settlement Funding Assessment for Coventry announced in December shows a further reduction of £12m for 2017/18 and a total reduction of £24m over the coming three years. Incorporating this grant loss, the Council's starting gap for 2017/18 was £11m. However through the current Budget exercise it emerged that some existing savings plans would not be delivered in 2017/18 to the original timescale and this has increased the overall budget shortfall to £19m. The overall budget shortfall rises to £36m by 2019/20 and means that the Council has had to plan for significant reductions in its budgets over the medium term. This report incorporates savings proposals that have been the basis of consultation since approval of the Pre-Budget Report.
- 1.5 In 2016/17 councils nationally had the flexibility to increase Council Tax by up to 2% without holding a local referendum on the matter plus additional flexibility of up to 2% in recognition of the increasing pressure on Adult Social Care (ASC) services across the country. The Pre-Budget Report was approved on the basis of consulting on a Council Tax rise of just under 4%. The Government have increased the ASC flexibility to 3% for 2017/18 and the recommended Budget within this report assumes taking this up in order to increase the resources available to fund ASC services in the city. As a result, the budget is being proposed on the basis of increasing Council Tax by 4.9%.
- 1.6 The 2016/17 Settlement introduced changes to the New Homes Bonus (NHB) Grant with the key change being a reduction in the amount allocated to the Bonus nationally in order to fund the Better Care Fund. Future reductions in Coventry's New Homes Bonus are built into the Council's medium term financial plan. The 2017/18 Local Government Finance Settlement has further top-sliced New Homes Bonus and used this to fund a 2017/18 Adult Social Care Grant causing a further net loss of resources of £0.3m for Coventry.
- 1.7 It is important to recognise the major projects that are being delivered across the city which the Council is leading on or supporting in 2017/18: work will begin on the construction of a new water and leisure facility in the city centre; it is anticipated that further restaurants will be attracted to Coventry to add to the high profile names that have come to the city recently; major projects to enhance the local rail travel offer (the NUCKLE scheme) and Coventry Railway Station (the Coventry Station Master Plan) will continue the transformation of this part of the city; further public realm works will be undertaken to improve the appeal of the city centre in 2017/18; and the Council is in the early stages of putting together the major City Centre South and Connecting Coventry projects. City

Centre South will deliver a new mixed leisure/retail/residential development, with Connecting Coventry delivering a Strategic Transport Investment Programme across Coventry, Warwickshire and Solihull, both supported by funding available as part of the Council's participation in the West Midlands Combined Authority (WMCA). Several of these schemes will progress in areas of the city adjacent to the Friargate regeneration area and the Council will continue to pursue options to take Friargate forward over the medium term. The vast majority of the funding to deliver these schemes comes from sources that can only be used in one-off capital schemes and therefore is not available to support the revenue budget which is the focus of much of this report.

1.8 In February 2016 the Council agreed formally to participation in the West Midlands Combined Authority and this came into existence in June 2016. Subsequently, a devolution deal has been approved which incorporates a WMCA funding package totalling £8bn including specific proposals for schemes across the West Midlands. The schemes that will affect Coventry will result in public and private investment of over £1billion in the city. The first part of this involving £98.8m of WMCA funding for the Coventry City Centre South development was approved in December. In addition, a £620m Strategic Transport and Investment Programme (Connecting Coventry) incorporating £284k of WMCA funding and a further £50m+ of investment for the Friargate development are going through the approval process with WMCA. This forms part of an overall Council Capital Programme estimated to be in excess of £600m over the next 5 years which the Council intends should help to spearhead growth, economic development and job creation in the city and greater self-sufficiency for the City Council through the generation of higher tax revenues.

1.9 Revenue Resources

1.9.1 The Council's total revenue expenditure is funded from a combination of resources as set out in the table below:

Table1: Funding of Revenue Budget

2016/17 £000s		2017/18 £000s	(Increase)/ Decrease £000s	Increase/ (Decrease)
(110,817)	A: Council Tax Requirement	(118,494)	(7,677)	7%
(58,447)	B: Retained Business Rates*	(113,988)	8,576	(7%)
(64,117)	C: Revenue Support Grant and Top-Up*	0		
(380,187)	D: Specific Grants (see section 3.4) **	(390,098)	(9,911)	3%
(79,074)	E: Fees, Charges & Other Income**	(80,783)	(1,709)	2%
(233,381)	Funding of Net Budget (A + B + C)	(232,482)	899	0%
(692,642)	Funding of Gross Budget (A + B + C + D + E)**	(703,363)	(10,721)	2%

*Lines B and C reflect (i) increased resources resulting from the Council's participation in the new West Midlands 100% Business Rates Pilot and (ii) a reduction in the Council's Settlement Funding Assessment. The 2017/18 Business Rates figure takes account of a tariff payment paid to Government and a budgeted pooling payment from the Coventry and Warwickshire Business Rates Pool. See paras 1.9.3 to 1.9.5 below.

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

1.9.2 The resource projection figures in the table above use the Final Local Government Finance Settlement position for 2017/18.

Table 2: Settlement Funding Assessment

		2017/18	2018/19	2019/20
Coventry's Settlement Funding Assessment	£m	110.2	103.9	97.8
Decreases on Previous Year	£m	11.5	6.3	6.1
	%	9.4	5.7	5.8

1.9.3 The 2010/11 equivalent Settlement Funding Assessment provided £1,642 of funding for every household in the city in 2010/11. Since then, the number of Coventry households has increased as overall resources have been cut. The equivalent funding per household figure for 2017/18 is estimated at £800, a fall over the period of £842.

1.9.4 Whilst this indicates further resource cuts for Coventry over this period, the Council's participation in the West Midlands 100% Business Rates Pilot has made new resources available over the next three years. The Council will now retain 99% of Business Rates income including an element of growth between the years of 2013/14 and 2015/16 against a baseline which would otherwise have been returned to the Government. These figures, including the 99% Business Rates position, that are reflected in Table 1 above. The Council's participation in the Pilot is on a no detriment basis meaning that the Council will not receive a lower level of resources than it would have received had it not participated in the Pilot.

1.9.5 This marks the start of a change of direction for the Council moving towards the anticipated national move to a full retention of Business Rates from 2020/21. In particular, whereas the Council received a top-up payment from Government under the previous funding arrangements it will need to make a tariff payment to Government of £0.7m under the new arrangements. This tariff payment is anticipated to grow in the coming years indicating that the Council is judged by Government to be earning a greater level of Council Tax and retained Business Rates than it requires for its assessed spending needs. In part this reflects cuts to Government funding for local government. However, it is also an initial indication that the Council is more self-reliant (in relative terms compared to other areas) and able to fund its own spending requirements. It is this transition that makes it increasingly important for the Council to grow and generate greater resilience and prosperity in the local economy in order for it to be able to support itself under Government plans for local government to become self-sufficient.

1.9.6 Specific Grants – In overall terms specific revenue grant funding has increased between 2016/17 and 2017/18 from £380m to £390m. 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 £194m, compared with £189m in 2016/17. Housing Benefit

Subsidy payments have been estimated at £114m, whilst other significant grants/movements include:

- A Public Health Grant of £22.5m which represents a £0.6m or 2.5% cut from the 2016/17 grant.
- Over £16m of adult social care funding, much of it driven by the changing relationship between the social care and health sectors and including grants relating to the Better Care Fund (BCF) and Improved BCF, the Independent Living Fund and the 2017/18 Adult Social Care Grant.
- New Homes Bonus Grant of £8.0m (£1.6m decrease)
- Assumed funding for Adult Education of £5.6m (£0.2m decrease)
- Education Services Grant estimated at £0.9m (£2.5m decrease)
- Grants received in lieu of Business Rates amounting to £5.8m such as Small Business Rates Relief Compensation Grant (£3.5m increase).
- Housing Benefit Administration Grant of £1.3m (£0.2m decrease)
- Troubled Families Grant £1.3m (£0.1m increase).

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 changes to the savings and cost pressures that were set out as part of the Pre-Budget Report in November. The full list of proposals is provided in **Appendix 1**. Approval is being sought for these and the overall budget and Council Tax Requirement in **Appendix 4**. These are based on a City Council Tax rise of 4.9%, reflecting a 1.9% “base” rise plus 3% in respect of Adult Social Care in line with the Government’s new policy.

2.1.2 The report seeks approval for a 2017/18 Capital Programme of £123m compared with the initial 2016/17 programme of £117m. 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 2.4.11** 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 29th November 2016 as a basis for Pre-Budget consultation. A line by line impact of how these proposals affect the base budget is given in **Appendix 1** 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 2017/18 and, based on current information, form the basis of a balanced budget over the medium term.

Changes in Resources Compared with the Pre-Budget Report Position

The figures in brackets below represent increases in resources compared with the Pre-Budget position. The figures not in brackets represent a reduction in resources compared with Pre-Budget. The individual changes are:

- Line 2 to 2c – Final estimate of Council Tax and Business Rates income including the estimated benefit of taking part in the 100% Business Rates Pilot

- Line 3 – New Homes Bonus reduction announced within the Local Government Finance Settlement
- Line 4a – Adult Social Care Grant announced by Government as part of Local Government Finance Settlement
- Line 4b – Proposal for the Adult Social Care precept to be increased to 3% for 2017/18 and 2018/19 as allowed by Government. The previous assumption was for a 2% increase.

Table 3: Changes in Resources Compared with the Pre-Budget Report Position

	Appx 2 Line Ref	2017/18 £m	2018/19 £m	2019/20 £m
Council Tax Base & Estimated Outturn	2	(0.7)	(4.5)	(4.0)
Business Rates Estimated Outturn	2a	(1.2)	0.0	0.0
Business Rates Tax-Base	2b	(1.6)	2.0	(0.5)
100% West Midlands Business Rates Pilot	2c	(3.6)	(3.0)	(2.2)
Loss of New Homes Bonus	3	2.0	0.1	0.0
2017/18 Adult Social Care Grant	4a	(1.6)	0.0	0.0
Adult Social Care Precept	4b	(1.1)	(2.4)	0.0
Total Change in Resources		(7.8)	(7.8)	(6.6)

Technical and Corporate Changes Compared with the Pre-Budget Report Position

The figures in brackets below represent new or increased income or higher savings compared with the Pre-Budget position. The figures not in brackets represent reduced or delayed savings or an increase in costs compared with Pre-Budget. The individual changes are:

- Line 6a – Reduced cost of employer pension costs compared with previous forecasts a result of recent pension revaluation and agreement with the West Midlands Pension Fund (see 2.2.3 below).
- Line 10a – Future estimated increase in levy (formerly the Integrated Transport Levy)
- Line 11 – Estimated future increase in dividends from the Company
- Line 14a – Increased cost of updating the Council's ICT equipment
- Line 14b – Impact of delay in implementing the Connecting Communities programme

Table 4: Technical and Corporate Changes Compared with the Pre-Budget Report Position

	Appx 2 Line Ref	2017/18 £m	2018/19 £m	2019/20 £m
Pension Cost Savings	6a	(2.1)	(2.1)	(2.1)
WM Combined Authority Transport Levy	10a	0.0	0.4	0.7
Coventry/Solihull Waste Disposal Co.Dividends	11	(0.2)	(0.3)	(0.3)
ICT - Personal Computer Refresh Programme	14a	0.2	0.2	0.2
Connecting Communities	14b	1.4	0.0	0.0
Total Technical and Corporate Changes		(0.7)	(1.8)	(1.5)

Savings Proposals Compared with the Pre-Budget Report Position

Given the resource, technical and corporate changes set out in Tables 3 and 4 above, the Council is in a position to reconsider some of the service reduction proposals that were set out in the Pre-Budget Report in November. In addition, a number of consultation responses have been received, a summary of which is reflected in Appendix 2. In the light of these consultation responses taken alongside the Council's policy priorities, a number of changes have been proposed for consideration as part of final Budget Setting. The changes all represent decisions not to proceed with the savings options in the Pre-Budget Report. Line 35 proposes not to implement the saving in Cabinet Member meetings but retains a proposal to no longer hold Ward Forums.

Table 5: Savings Proposals Compared with the Pre-Budget Report Position

	Appx 2 Line Ref	2017/18 £m	2018/19 £m	2019/20 £m
Parks and Street Cleansing	24	0.5	0.5	0.5
Cease Mobility Pathways	25	0.05	0.05	0.05
Employment Team/Job Shop/Youth Employment	28	0.5	0.5	0.5
Business Investment Activity	29	0.1	0.1	0.1
Council Tax Support Threshold	34	0.0	2.0	2.0
Cabinet Member Meetings	35	0.035	0.035	0.035
Citivision	36	0.05	0.05	0.05
Highways Repairs (reduce programme and/or backfill from capital)	38	0.5	0.5	1.0
Total Changes in Savings Proposals		1.7	3.7	4.2

Use of One-Off Resources Compared with the Pre-Budget Report Position

The figures in brackets below represent an increased use of one-off resources to fund the budget. All other figures are a reduced use of one-off resources. The individual changes are:

- Lines 44 and 46 – Reverses or re-profiles (Line 44) proposals to use capital receipts to fund revenue
- Line 43, 45 and 47 – Reverses proposals to use one-off reserves to fund revenue
- Line 47a – Proposals to contribute to reserves and use this to smooth future budget bottom lines.

Table 6: Use of One-Off Resources Compared with the Pre-Budget Report Position

	Appx 2 Line Ref	2017/18 £m	2018/19 £m	2019/20 £m
Airport Dividend Reserve	43	1.0	0.9	0.8
Use of Capital (revenue in Capital Programme)	44	1.7	3.0	(3.0)
Insurance Reserve	45	0.2	0.0	0.0
Fund Capital Costs from Capital Receipts	46	0.5	0.5	0.5
One-Off Reserves	47	2.0	0.0	0.0
Medium Term Financial Reserves Strategy	47a	0.0	2.9	(2.8)
Total Changes in Use of One-Off Resources		5.4	7.4	(4.6)

Table 7: New Policy Proposals

	Appx 2 Line Ref	2017/18 £m	2018/19 £m	2019/20 £m
Development of Acquisition of Revenue Generating Assets including Housing Company	48	0.1	0.0	0.0
City of Culture	49	0.25	0.0	0.0
New Policy Proposals		0.4	0.0	0.0

2.2.2 The final summary Budget changes compared with the Pre-Budget position and overall Budget position is as follows:

Table 8: Summary Changes to the Pre-Budget Position

	2017/18 £m	2018/19 £m	2019/20 £m
Pre-Budget Position Brought Forward	1.0	(1.5)	8.5
Change in Resources	(7.8)	(7.8)	(6.6)
Technical and Corporate Changes	(0.7)	(1.8)	(1.5)
Changes in Savings Proposals	1.7	3.7	4.2
Changes in Use of One-Off Resources	5.4	7.4	(4.6)
New Policy Proposals	0.4	0.0	0.0
Final Budget Position	0.0	0.0	0.0

2.2.3 Pension Contributions - The Council's arrangements with the West Midlands Pension Fund has been subject to a recent triennial review of superannuation payments covering the period from 2017/18 to 2019/20. Discussions have been held with the Fund and its actuary over the course of the last year and final agreement has been reached on employer superannuation payments to the Fund for the next three years. The agreed payments have been built into this budget and the authority's medium term financial plans. For Coventry, the budgeted employer pension contributions for 2017/18 to 2019/20 will increase from 25.9% to 27.3% for the next three years. The Council has negotiated with the Fund to pay all of its contributions for 2017/18, 2018/19 and 2019/20 via a discounted one-off payment of £93.7m in April 2017 which will be spread over three years in accounting terms. The pension contributions resulting from the negotiation and discussion have improved the Council's financial position relative to the Pre-Budget Report reflected in line 6a of Appendix 1. The position of the Council's pension liability and employer contributions will be reviewed again in 2019.

2.2.4 Employment Costs and the Living Wage - Line 17 of Appendix 1 shows a proposed saving from the Council's employment costs rising to £5m over the course of the next three years. The initial stages of a review have begun although no savings are assumed in year 1. The review will consider a range of options and the Council will work in partnership with the Trade Unions on the proposals. Ahead of this, a decision is required imminently on the Council's Living Wage policy and it is proposed that the Council should move from the Living Wage Foundation Living Wage and align to the Local Government pay spine. This is slightly higher (4%) than the government national living wage. For 2017/18 this will provide a 1% increase on the existing rate of £8.25 to provide a new Coventry minimum rate of £8.33 per hour (and a slight increase for those employees on pay spine 12 who would receive £8.36 per hour in line with the local government pay spine).

2.3 Capital Programme

2.3.1 In **Appendix 5** there are proposals for a Capital Programme of £123.2m. This compares with the current projected 2016/17 programme of £81m. The proposals include continued very significant investment in highways and public realm works programmes, construction of the Council's new administrative office building in the Friargate Business District, investment in the new Sports Destination facility and provision for planned new

investment with WMCA funding including City Centre South, Connecting Coventry and the Friargate district.

2.3.2 The 2017/18 Programme requires £60.9m of funding from Prudential Borrowing, £27.6m of which relates to specific approval for the Friargate Office building and the City Centre Destination Leisure Facility. A further £32.5m 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 2017/18 as a result either of in-year re-profiling of expenditure, or as a result of other additional funding being received in-year ahead of the need to spend. In addition to the opportunities to receive additional external funding, the Council's Section 151 officer will continue to explore options to fund the programme in the most appropriate way depending on the balance of resources. This could include using capital receipts to reduce the overall need to borrow, or re-invest in new income earning assets, which would provide a revenue stream to the Authority.

2.3.3 A full 5-year programme is detailed in **Appendix 5** with the main 2017/18 planned expenditure as follows:

- £18m investment in Sports and Leisure facilities, including the start of the build phase for the new £33m Destination Leisure Facility and completion of the 50m pool at the Alan Higgs Centre.
- An £18m programme in 2017/18 within the Education and Skills Portfolio, most of which relates to investments in schools across the city.
- £17m of investment in the City's Highways and Public Realm infrastructure. The future programme includes provision for a new multi storey car park at Salt Lane.
- £15m of investment for the provision of public infrastructure to enable the development of the Whitley South development. The final scheme is budgeted to cost £35m funded exclusively from external grant.
- £12m of Growth Deal funding to support economic growth and Small & Medium Size Enterprises in the city.
- The first £11m of an eventual £133m programme to take forward the City Centre South regeneration of a major part of the City Centre partly funded by the WMCA as reported to Cabinet in January 2017
- £9m of planned expenditure which will bring to practical completion the Council's new Friargate administrative office building and associated ICT and infrastructure projects.
- The initial £7m of an eventual planned £193m investment in the Connecting Coventry Strategic Transport Investment Programme per the report to Cabinet in January 2017.
- £5m continues the progress of the Coventry Station Masterplan and the Nuckle (1.2) schemes to deliver transformational improvements to Coventry Railway Station, improve the railway links between Nuneaton and Coventry and provide a new platform at the railway station.

2.3.4 In addition to the Prudential Borrowing referred to above, the other main sources of funding for the 2017/18 Capital Programme are £54m of Capital grants, £1.7m of Section 106 developer contributions, £2m of revenue funding and £4m of capital receipts. The sources of grant funding are as follows.

Table 9: Capital Grant Funding

Grant	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	Total £m
Disabled Facilities Grant	2.9	2.9	2.9	0.0	0.0	8.6
Department for Transport	13.6	18.8	14.1	3.9	11.0	61.5
Education Funding Agency	6.1	5.4	2.8	2.5	0.0	16.8
ERDF	2.3	1.5	0.0	0.0	0.0	3.8
Growth Deal	10.5	19.4	6.3	0.1	0.0	36.4
Highways England	0.0	0.0	0.0	4.6	9.5	14.1
Innovate UK	0.3	0.3	0.0	0.0	0.0	0.6
West Midlands Combined Authority	12.3	77.2	54.4	53.4	71.5	268.8
All Other Grants & Contributions	6.4	1.8	0.5	3.1	11.5	23.4
TOTAL PROGRAMME	54.3	127.3	81.0	67.7	103.6	433.9

2.3.5 The programme reflects a move towards the Council's Medium Term Financial Strategy aim of reducing the revenue funding of capital. Capital receipts of £4m are programmed to replace previously assumed revenue contributions over the next three years in line with the revenue programme. Revenue funding of £6m will continue over this period to part fund areas such as Highways and ICT. This will be subject to review on an annual basis and will take into account the level of capital receipts available and the Council's strategic direction in the use of such receipts.

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 2017/18 as a result of the 2016/17 budgetary control process. Full details of the proposed programme are included in **Appendix 5**.

Table 10: 2017/18 – 2021/22 Capital Programme (Expenditure & Funding)

Expenditure	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Strategic Finance and Resources	2,525	2,070	2,650	1,400	1,000	9,645
Education and Skills	17,648	13,625	3,103	2,523	0	36,899
Jobs and Regeneration	63,173	144,496	80,479	66,256	105,464	459,868
City Services	19,254	21,755	6,882	4,142	2,369	54,402
Adult Services	2,905	2,851	2,851	0	0	8,607
Public Health and Sport	17,689	14,327	2,103	0	0	34,119
Community Development	0	115	0	0	0	115
TOTAL PROGRAMME	123,194	199,239	98,068	74,321	108,833	603,655

Funding	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Capital Corporate Resources	659	1,009	1,859	859	459	4,845
Capital Unringfenced Receipts	1,299	0	3,000	0	0	4,299
Capital Ringfenced Receipts	2,005	3,780	230	230	0	6,245
Prudential Borrowing	60,948	63,095	11,242	2,063	1,451	138,799
Grant & Contributions	54,347	127,330	81,041	67,675	103,554	433,947
Capital expenditure (from) revenue account	2,070	3,369	369	3,369	3,369	12,546
Leasing	205	531	202	0	0	938
Section 106	1,661	125	125	125	0	2,036
TOTAL RESOURCES	123,194	199,239	98,068	74,321	108,833	603,655

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

The main driver for interest rates in the UK in 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. In the short term financial markets appear to be staying strong in the wake of the referendum, how long this will continue whilst there is such little detail surround the terms of Brexit remains to be seen.

The Authority's treasury advisor Arlingclose believe that the UK Base Rate will remain at 0.25% during 2017/18. However, the fall and continuing weakness in Sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher and The Bank of England has highlighted that excessive levels of inflation will not be tolerated leading to the belief that a Base Rate rise is not impossible.

2.4.5 Borrowing

Based on current estimated levels of spend the expected long term debt position of the authority at 31st March 2017 is as follows:

Table 11: Estimated Long Term Borrowing at 31st March 2017

Type of Debt	Total £m
PWLB	203.9
Money Market Loans	58.0
Stock Issue	12.0
Transferred Debt (other authorities)	15.4
PFI, Finance Lease & Other	72.8
Total Long Term Liabilities	362.1

The main funding sources currently used by Coventry are:

- The Public Works Loans Board (PWLB) or any successor body - 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 such as the UK Municipal Bonds Agency plc; forward starting loans (where the interest rate is fixed in advance, but the cash is received in later years), other institutions authorised by the Prudential Regulation Authority or approved for investments within the Council Investment Strategy and Policy.

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 2017/18 is summarised below:

Table 12: 2017/18 Borrowing Requirement (excluding PFI & finance leases)

Underlying Borrowing Requirement	2017/18 £m	2018/19 £m	2019/20 £m
New funds to finance the Capital Programme	60.9	63.1	11.2
Minimum Revenue Provision (debt repayment provision)	(7.8)	(9.8)	(12.8)
Other, including transferred debt repayments	(1.1)	(1.3)	(1.4)
Forecast increase/(decrease) in borrowing requirement	52.0	52.0	(3.0)

This implies a significant increase in the Council's underlying need to borrow over the coming years due to previous decisions taken by Council on schemes such as the City Centre Leisure Facility and Friargate. In recent years the high level of City Council investments has ensured that the Council has not needed to borrow. The proposed early payment of the Council's 3 year pension liability in 2017/18 will reduce investment balances over the coming 3 years. This will increase the likelihood that the City Council will need to borrow during the coming year or 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 the level of investment balances, the objectives underpinning the Treasury Management Strategy and the forecast borrowing requirement for 2017/18 and future years, the Section 151 Officer will undertake the most appropriate form of borrowing depending on prevailing interest rates at the time.

- 2.4.6 **Minimum Revenue Provision (MRP)** - Local authorities are required to make prudent provision for the repayment of long term capital programme borrowing through a revenue charge (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. broadly the life of an asset purchased or built.

The Local Authorities (Capital Finance and Accounting) Regulations 2003 require the approval of an MRP Statement setting out the authority's approach. It is proposed that the policy continues:-

- For capital expenditure incurred before 1st April 2008, the Council will set MRP as a fixed charge of 2% pa of the relevant element of the 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, using either the annuity or equal instalments calculation method 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;
- Voluntary revenue provision will not be made and capital receipts not set aside to repay debt, unless approved in line with the financial procedure rules.

- 2.4.7 **Capitalisation of Interest** ~ Under the accounting code of practice authorities are able to capitalise interest on capital schemes during the construction period of the scheme. However, it is not currently Coventry City Council's policy to do this. It is proposed that with effect from 2016/17, the policy within the Treasury Management Strategy is changed so that interest costs on "qualifying assets" are capitalised, where these are material. The

impact of this change in policy will be to reduce the charge to revenue in the short term, with an increase over the long term as the capital costs of schemes is increased by the amount of the interest incurred during construction.

2.4.8 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, the government and registered providers, largely for fixed durations and rates of interest. During 2016/17 the amount held in these investments has ranged between £50m and £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 2016/17 the amount held in these investments has ranged between £40m and £85m.
- Corporate Bonds, which are investments issued by companies other than banks and registered providers. These allow local authorities to reduce their exposure to bail in risk. During 2016/17 the amount held in these investments has been anything up to £35m

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. Recent changes in legislation means "bail in" has an even greater effect on the authority as Local Authority unsecured investments are 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 keep diversifying 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 and the threat of "bail in" risk it is proposed that:

- a) the maximum limit for unsecured investments with individual counterparties is reduced from £10m to £8m. Similarly, for secured investments which are not subject to “bail in”, the maximum limit will be reduced from £20m to £16m. These limits were established through advice from the Council’s Treasury advisors using an estimate of the Council’s maximum investment balance for 2017/18, including investments temporarily used to meet cashflow needs (total £150m). 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 the Council’s treasury advisors. If the Authority’s current account banks rating falls below this, overnight balances will be minimised to as close to zero as possible.
- c) Non-credit rated building societies and challenger banks are included on the counterparty list as an unsecured bank deposit with no credit rating with a £1m investment limit. An unrated building society or challenger bank 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 a reduced £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) Registered providers are included on the counterparty list with a reduced £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;
- g) 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 £4m.

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.

2.4.9 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.

2.4.10 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.

2.4.11 **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 13.33% in 2016/17 to 14.53% in 2018/19. This increase reflects the increased levels of prudential borrowing funded spend within the proposed 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 2018/19 for broadly the same reasons.

Capital and Treasury Management Related Prudential Indicators

These indicators, set out in **Appendix 7**, 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 2017/18 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 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% 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 be "called" for repayment.
- Other indicators highlight Planned Capital Spend (Indicator 4), Actual Debt at 31st March 2016 (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.

- 2.4.12 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 2017/18. 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 to public consultation ending on the 27th January 2017. The Council hosted a survey on its website asking for people's views of the budget proposals. This survey was publicised through the Council website and Facebook pages. In addition, a meeting was held with the Chamber of Commerce during January. The details arising from this consultation are set out in Appendix 2.
- 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 2017. The proposed profile of these changes are set out in Appendix 1.

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 2016/17 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 report sets out proposals that will deliver a balanced budget over the medium term which will take the Council to the end of the period covered by the Government's 4 year funding settlement announced last year. New funding arrangements are anticipated to be put in place for 2020/21 which will represent the start of a new period of uncertainty for Local Government. However, on the basis of the budget proposals within this report the Council will be in a strong position to meet the financial challenges that it is likely to face. It will remain key for the Council to deliver the savings proposals that have been assumed within the Budget and to continue to seek efficient delivery of services into the future.

5.1.2 Financial Implications – Reserves

The Local Government Act 2003 requires the Chief Financial Officer 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 2017/18 will not be known until finalisation of the 2016/17 accounts and reserve levels will be reviewed at that time. The total revenue reserve balances available to the Council at the end of 2015/16 stood at £57m. Other reserve balances incorporate reserves owned by schools and outside the Council's control, which stood of £26m and reserves set aside to fund capital schemes of £12m. Explanations for the balances were set out in the Council's Financial Outturn Report considered by Cabinet in July 2016. The level of balances is set out in the table below.

Table 13: 2015/16 Reserve Balances

Reserves	Balance at 31st March 2015 £000	Increase/ (Decrease) £000	Balance at 31st March 2016 £000
General Fund Balance	(5,160)	1,336	(3,824)
Non-Schools Revenue Reserves:			
Private Finance Initiatives	(11,061)	(710)	(11,771)
Potential Loss of Business Rates Income	(7,100)	4,430	(2,670)
Early Retirement and Voluntary Redundancy	(5,109)	(7,391)	(12,500)
Achievement of Future Savings	(3,424)	2,532	(892)
Birmingham Airport Dividend	0	(4,400)	(4,400)
Children's Social Care	(3,000)	1,000	(2,000)
Leisure Development	(1,459)	583	(876)
Public Health	(1,402)	365	(1,037)
Health and Social Care Schemes	(1,417)	1,137	(280)
Vehicle Purchase Programme	(1,547)	1,547	0
Troubled Families	(710)	9	(701)
Insurance Fund	(2,912)	510	(2,402)
Management of Capital	(2,112)	(225)	(2,337)
Other Corporate	(2,369)	920	(1,449)
Other Directorate	(6,434)	(487)	(6,921)
Other Directorate funded by Grant	(4,478)	1,377	(3,101)
Non-Schools Revenue Reserves	(54,534)	1,197	(53,337)
Schools Reserves:			
Schools (specific to individual schools)	(18,050)	(1,933)	(19,983)
Schools (for centrally retained expenditure)	(6,471)	630	(5,841)
Total Schools Reserves	(24,521)	(1,303)	(25,824)
Capital Reserves:			
Useable Capital Receipts Reserve	0	(6,660)	(6,660)
Capital Grant Unapplied Account	(384)	(5,352)	(5,736)
Total Other Reserves	(384)	(12,012)	(12,396)
Total Reserves	(84,599)	(10,782)	(95,381)

The level of reserves has been one of the points raised in the Budget consultation exercise, with comment that the Council should use reserves to fund 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. Schools reserves are set aside exclusively for the purpose of supporting schools expenditure and capital reserves are set aside to support capital expenditure. Local authority reserves must also be viewed in the context of the risks that are faced, set out below, in section 5.1.4.

The Council's external auditors, Grant Thornton, have expressed the view previously 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 unringfenced reserves as a proportion of its net expenditure level when compared with all other Councils.

For all of these reasons it is not appropriate to apply reserves on a regular basis to support the revenue position. The final Budget proposals include a contribution to reserves in 2018/19 which will then be used to balance the 2019/20 budget as part of a medium term strategy.

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 2017/18 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 some 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 2017/18 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 all balances are reported and scrutinised regularly.

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 and the Efficiency Plan submitted to Government in 2016.
- 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 Directorates have been involved in the make-up of the information included in the policy and financial planning process through the Strategic Management Board.
- 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 2016/17 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

In setting the budget and implementing the policies that sit behind it, the Council inevitable carries some risk. The major financial risk are set out below and will be managed through existing processes, including in year financial monitoring.

5.1.4.1 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:

- That new resources are used effectively to deliver corporate objectives. Operational management arrangements and quarterly monitoring reports will address this issue specifically,
- That on-going spending and income is 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,

5.1.4.2 Children's Social Care Services – The volume of cases and the cost of care continues to represent a large service and budget pressure. The current proposed budget scales back the £10m pa additional resources provided in 2015/16 to £8m from 2017/18. It is essential that work underway is progressed to ensure safe and secure methods are found to deliver services to children within budget.

5.1.4.3 Delivering the Base Programme – the existing base programme includes a number of transformation programmes which are fundamental in improving the efficiency of the Council through the development of new ways of working and interacting with our customers. If not managed successfully or implemented in the planned timescale, this will have a significant financial impact on the authority and its ability to deliver services.

5.1.4.4 Health and Adult Social Care – This area continues to operate within a very dynamic environment with expanding users numbers and increasingly complex care packages which continue to represent a large service and budget pressure. This area of activity is naturally difficult to predict and the Council needs to take further action to ensure an appropriate balance between the budgets in this area and the level of activity in line with Council policy.

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

- New Regeneration projects within the city centre including the start of the City Centre South development.
- Friargate – The building of a brand new office block and work with an external development agency to regenerate a new business district.
- City Centre Leisure Facility – The development of regionally significant water facility on the site of the Christchurch and Spire House office buildings.
- A range of significant highway and city centre infrastructure projects including the Whitley South infrastructure project to improve major road links
- The Nuckle project to improve local rail connections bring in the enhanced train service and new platform at Coventry alongside the development of the Coventry Station Masterplan
- Working with local partners including the Local Enterprise Partnership and involving initiatives such as the Growth Deal to invest in business, regeneration and infrastructure locally.
- Financial arrangements made on commercial terms to help support local organisations and businesses such as the 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.

5.1.4.6 **Local Government Finance Changes** – the regime in which local authorities work is increasingly one in which risk is transferred from central to local government. This increased localisation has been brought forward locally with the Council's participation in the West Midlands 100% Business Rates Pilot, with the proportion of business rates retained locally increasing from 49% to 99% for 2017/18. The longer term changes represents a resource risk for the Council and the buoyancy of local Business Rates and Council Tax is fundamental for the its financial sustainability. However, due to the nature of accounting for these local income sources, the risk applies to future years such that the 2017/18 budget estimates are secure whilst the Business Rates Pilot is on a no detriment basis.

5.2 Legal implications

The proposals in this report are designed to meet the Council's statutory obligations in relation to setting a balanced 2017/18 budget by mid-March 2017. This includes the duty to report to the Council on the robustness of the estimates provided and the adequacy of the financial reserves in place. Section 31A of the Local Government Finance Act 1992 (as amended) and Section 25 of the Local Government Act 2003 refer.

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 impact on front-line services. 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 Budget proposals are aligned to existing policy priorities. There are some initial signs that the Council is moving into a new phase of financial self-sufficiency and it will want to ensure that its key objectives and financial strategies are aligned as this situation develops.

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 programme will continue to be monitored robustly to ensure that Strategic Management Board and members are kept up to date with the progress of these reviews. The establishment of a balanced medium term Budget position is a significant step forward however and places the Council in a stronger financial position than it has been in recent years.

6.3 What is the impact on the organisation?

The savings proposals within the Council's bottom line mean 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 in previous Budgets but relating to future years will be met largely from savings in employee budgets. A new Early Retirement and Voluntary Redundancy programme is being implemented in order to continue the reductions in employee numbers needed to deliver new and existing savings plans. Reduced employee numbers across the Council plus the need to do things differently will further accentuate the importance of new ways of working and will change the nature of the services provided, and the way the Council works.

6.4 Equalities / EIA

As indicated in the table attached as Appendix 3, some of the proposals contained in this year's Budget Report have been the subject of equality and consultation analyses (ECAs); further information on these can be found in the overview table. Many of the other savings are at the early stages of development and will require detailed ECAs to be carried out at the relevant time. The equalities impact will therefore be considered by elected members at the appropriate stages of subsequent decision making for the individual proposals.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

Report author(s): Paul Jennings

Name and job title: Finance Manager (Corporate Finance)

Directorate: Resources

Tel and email contact: 02476 833753 paul.jennings@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Resources	08/02/17	08/02/17
Jaspal Mann	Policy Officer	People	03/02/17	03/02/17
Helen Williamson	Lead Accountant	Resources	03/02/17	06/02/17
Sunny Singh Heer	Accountant	Resources	01/02/17	03/02/17
Michael Rennie	Lead Accountant	Resources	06/02/17	07/02/17
Gail Quinton	Executive Director People	People	08/02/17	08/02/17
Names of approvers for submission: (officers and members)				
Finance: Barry Hastie	Assistant Director Finance	Resources	08/02/17	08/02/17
Legal: Carol Bradford	Lawyer	Resources	08/02/17	08/02/17
Director: Chris West	Executive Director Resources	Resources	08/02/17	09/02/17
Members: Councillor John Mutton	Cabinet Member (Strategic Finance and Resources)		08/02/17	08/02/17

This report is published on the council's website:
www.coventry.gov.uk/councilmeetings

This page is intentionally left blank

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	Budget Deficit Brought Forward		10,563	24,299	35,944
1	Previous Savings Not Delivered	A delay in the delivery of savings is anticipated in the following areas in 2017/18 only: Adult Social Care online self-assessment (£0.1m), whole Council review of employment costs (£1.3m), Face/Telecare Systems (£2m), All Age Disability high care packages (£0.3m), Financial Assessment charging process (£0.1m), Children's Transformation process redesign (£2.1m), Children's Transformation programme residential redesign (£0.25m), Edge of Care (£0.7m), external Residential Care re-commissioning (£0.8m), Fostering & Specialist fostering (£0.6m), Supported Accommodation (£0.15m), Highways and Property restructure (£0.2m).	8,611	0	0
	Revised Medium Term Deficit		19,174	24,299	35,944

	Resource Changes				
2	Council Tax-Base and Estimated Outturn (Change to Pre-Budget Report)	This represents a significant improvement in the level of Council Tax income that is likely to be available. It incorporates the 2015/16 actual Council Tax surplus and 2016/17 projected surplus in excess of previous estimates. This reflects increases in the city's tax-base above the underlying estimate and includes the effects of continuing reductions in the level of Council Tax Reduction Scheme payments and tighter review and management of discounts.	(4,211)	(4,952)	(4,523)
2a	Business Rates Estimated Outturn (Change to Pre-Budget Report)	This incorporates the 2016/17 projected Business Rates surplus in excess of previous estimates.	(1,230)	0	0
2b	Business Rates Tax-Base (Change to Pre-Budget Report)	This reflects changes in the city's tax-base and the changes following the 2017 Business Rates Revaluation. It takes account of amounts set aside to account for future Business Rates volatility (in 2018/19) and the updated cost to the Council as a Business Ratepayer following revaluation.	(1,548)	2,011	(481)
2c	West Midlands Business Rates Pilot (Change to Pre-Budget Report)	The projected benefit of the Council's participation in the Business Rates pilot. The Council's participation was approved in a report to Cabinet on November 1st 2016.	(3,638)	(3,049)	(2,230)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
3	New Homes Bonus (Change to Pre-Budget Report)	This includes additional grant of £0.3m reflecting Coventry's share of unallocated resources available nationally and underlying new housing growth across the city. However, the 2017/18 Local Government Finance Settlement has top-sliced New Homes Bonus resources to fund the 2017/18 Adult Social Care Grant (see line 4a below) resulting in a net £1.7m reduction for Coventry.	1,666	59	49
4	Better Care Fund (Adult Social Care)	The Council's 2016/17 Budget included very significant increases in the projected costs of adult social care. Corresponding indicative Better Care Fund grant resources for managing services delivered between Adult Social Care and health are being built in here. This will enable the Council to manage costs included previously in the budget for Adult Social Care.	0	(5,960)	(5,960)
4a	2017/18 Adult Social Care Grant	This is a new one-off grant announced as part of the 2017/18 Local Government Finance Settlement. The Council approved significant additional medium term resources for Adult Social Care as part of last year's Budget Setting and the new grant announced here will help to fund this additional spend.	(1,558)	0	0
4b	Adult Social Care Precept	The Council's financial plans assume an Adult Social Care "Precept" of 2% for each of the years 2017/18 to 2019/20 in line with previous Government expectations. The 2017/18 Local Government Finance Settlement has given councils the opportunity to increase the Precept to 3% for 2017/18 and 2018/19 (in which case, no increase would be allowed for 2019/20). This change would increase the assumed total increase in Coventry's Council Tax from 3.9% to 4.9%.	(1,129)	(2,373)	35
5	Education Support Grant (Pension Liability)	This reflects a further reduction in Education Support Grant. The Council is unable to reduce that part of the corresponding expenditure which relates to historic pension liabilities.	758	1,300	1,300
	Total Resource Changes		(10,890)	(12,964)	(11,810)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	<u>Technical and Corporate Changes</u>				
6	Salary and Inflation Contingencies	This assumes that previously planned for amounts for pay awards, pensions' increases from the current actuarial review and pensions auto-enrolment from 1st April 2017 can be scaled back compared with previous medium term estimates.	(2,000)	(2,000)	(2,000)
6a	Pension Costs (Change to Pre-Budget Report)	The Council has worked with West Midlands Pension Fund to agree employer pension contributions for the next three years following the latest triennial review. Future increases had been built into the Council's medium term financial plans previously based on initial projections but the final position is that the actual increases will be lower than anticipated. The Council is also intending to pay the three year costs up-front and achieve a cash-flow saving from the pension fund.	(2,079)	(2,079)	(2,079)
7	Asset Management Revenue Account	This corporate budget incorporates the revenue financing costs of capital spending and the financial impact of the management of the Council's cash balances. The re-profiling of capital spend to later years has two effects – it decreases capital refinancing costs and increases investment income as a result of higher cash balances. There is also an impact as a result of the full impact being felt of the new Minimum Revenue Provision (MRP) policy which was introduced in February 2016.	(1,500)	(1,500)	(1,500)
8	Audit Fee	The audit fee payable to the Council's external auditors Grant Thornton has reduced from £231k to £173k. These costs are subject to a national scale of fees.	(58)	(58)	(58)
9	Airport Dividends	This reflects a marginal change in the Council's projected dividend from its shares in Birmingham International Airport.	(145)	12	(66)
10	Combined Authority	For 2016/17 Budget Setting the Council had set aside £500k (on-going) as an initial estimate of the cost of supporting development of Combined Authority proposals. Moving forward, the current estimate of these costs is that they will be c£250k. This creates a saving compared with the previous budgeted amount.	(250)	(250)	(250)
10a	West Midlands Transport Authority Levy (Change to Pre-Budget Report)	This levy (previously the West Midlands Integrated Transport Authority Levy). Is paid for by all 7 West Midlands councils based on population share. Although small savings have been announced, these have been more than cancelled out for Coventry due to its increase in relative population size.	26	441	684

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
11	Coventry & Solihull Waste Disposal Company Dividends (Change to Pre-Budget Report)	Coventry and Solihull Councils will continue to challenge to seek to maximise returns from their shareholding in the waste disposal company. An increased estimate has been included compared with the Pre-Budget position based on latest discussions with the company.	(670)	(536)	(536)
12	Coventry Investment Fund	The CIF was established in 2013 to support investment in schemes that generate business rates growth. It is proposed no further funding which attracts a revenue cost should be committed. Future schemes may be eligible for WMCA funding or for Council funding on an individual basis where it can be demonstrated that this is cost neutral.	(550)	(1,939)	(1,926)
13	Sports Contingency	Remove contingency set aside to develop sports provision across the city.	(150)	(150)	(150)
14	Policy Contingency	This budget allows the lead member for finance to support high priority policy developments. It underspends on a regular basis and this proposal is to limit the budget to £75,000 per annum.	(83)	(83)	(83)
14a	Information & Communications Technology - Personal Computer Refresh Programme (Change to Pre-Budget Report)	The programme for updating the Council's personal computer stock has been re-assessed leading to an updated cost profile.	159	159	159
14b	Connecting Communities (Change to Pre-Budget Report)	Reassessment of the consultation and implementation phase of the Connecting Communities means that not all of the savings will be delivered to the previously planned timescale, leading to the shortfall shown here.	1,404	0	0
	Total Technical and Corporate Changes		(5,896)	(7,983)	(7,805)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	<u>Savings Proposals</u>				
15	Commercial Property - Asset Opportunities	Creation of new income streams from the re-investment of receipts from the disposal of non income earning assets	(250)	(300)	(300)
16	General - Car Parking, Pest Control, Bereavement (Change to Pre-Budget Report)	Opportunities exist to increase charges and/or improve full cost recovery in some service areas. The key services where it is considered this is achievable are bereavement services, car parking and parts of the pest control service	(575)	(575)	(575)
17	Employment Costs	Review the Council's employment costs.	0	(1,000)	(5,000)
18	Regional Shared Traffic Management Service	West Midlands (Combined Authority) wide traffic and transportation provision. This would require the co-operation of other WM authorities.	0	(150)	(150)
19	Developing a Commissioning Function with the Health Economy	The People Directorate contains a number of commissioning functions across its services. An initial review of the benefits of consolidating functions will be carried out to deliver initial savings. Further work on opportunities for integrating with health colleagues will also form part of this work.	0	(180)	(180)
20	Adult Social Care Commissioning - Voluntary and Third Sector	Review voluntary sector spend to reprioritise against Council objectives resulting in either a direct reduction in actual costs of care and support or a reduction in voluntary and third sector spend	0	(500)	(500)
21	Merge apprenticeships and Employment Services (Change to Pre-Budget Report)	The initial proposal was to combine the two separate teams that currently manage apprenticeships internally and externally to produce a cost saving . The initial £75k saving will not be pursued but an equivalent saving will be delivered from line 16.	0	0	0
22	Revenues and Benefits Service business process review	Review of business processes for the administration of Revenues and Benefits - to include an improved digital offering and automated self service solution – to realise efficiencies in back office administration.	0	(50)	(150)
23	Consumer Protection	The proposal would put an end to pre-emptive work of trading standards, reverting to statutory enforcement function only.	(75)	(75)	(75)
24	Parks and Street Cleansing (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to Identify service reductions to cleansing and grass cutting schedules and reduce the the number of litter bins or how often they are emptied - will no longer be pursued.	0	0	0
25	Cease Mobility Pathways (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to close the shopmobility service, which lends out free scooters and powered wheelchairs to people with a disability who shop in the city centre - will no longer be pursued.	0	0	0

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
26	Re-design of household waste collection	<p>Residents currently have three bins - a blue lidded bin for recycling (collected every other week), a brown lidded bin for garden waste (collected every other week between March & November) and a green lidded bin for household waste including food (collected weekly).</p> <p>This proposal would see the garden waste service extended to the full year, with the added benefit that this bin would also accept food waste. Green lidded bins for household waste would then be collected on the week following the garden and food waste collection. This ensures that residents could dispose of food waste weekly if they wish. The blue lidded bin would be collected as currently. The proposed savings acknowledge that flats have limited space for bin storage and often do not have private gardens and hence no brown lidded bins. The saving figures therefore assumes no change to flat collection arrangements.</p>	0	(1,000)	(1,000)
27	Schools Cleaning decentralisation	The cost to the Council of providing this service to schools has risen significantly in the last two years. This, together with falling customer numbers has resulted in the service becoming unsustainable financially. It is proposed that school cleaning teams are transferred to and managed directly by schools from the start of the 2017/18 academic year.	(50)	(50)	(50)
28	Employment Team/Job Shop/Youth Employment (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to end most of the employment support services provided by the Council, close the Job shop, and to stop the NEETS placement service and the Youth Employment Initiative - will no longer be pursued.	0	0	0
29	Business Investment Activity (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - which would impact on the team handling inward investment in the city and result in significant loss of grant and the ability to deliver other grant programmes - will no longer be pursued.	0	0	0
30	Highways - reduce reactive repairs	Improvements in our asset management systems are allowing us to target repairs more efficiently. However, we will continue to monitor the speed with which we repair potholes and will ensure that all priority repairs (potholes deeper than 1.5 inches) continue to be dealt with within 5 days	(100)	(100)	(100)
31	Planning Capacity Reduction	Reduction of the cost and/or increase income within the planning function	(100)	(100)	(100)
32	Community Development and Engagement functions	Review of Community Development and Engagement functions to ensure functions can deliver required support	(100)	(150)	(150)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
33	Revenues and Benefits staffing levels	Review of staffing levels across the service within the context of channel shift, merging of cross service functions and a diminishing housing benefit caseload resulting from the phased implementation of universal credit.	(100)	(200)	(200)
34	Council Tax Support Threshold (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to further revise of the Council Tax Support Scheme - will no longer be pursued.	0	0	0
35	Cabinet Member Meetings/Ward Forums (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that the saving to cease formal Cabinet Member meetings will no longer be pursued. This leaves a proposal to end Ward Forums .	(15)	(15)	(15)
36	Citivision (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to cease hard-copy Citivision delivered to Coventry homes - will no longer be pursued.	0	0	0
37	Sustainability Team Commercialisation	Reduction of the cost and/or increase income within the Sustainability Team.	(75)	(125)	(125)
38	Highways Repairs - reduce programme and/or backfill from capital (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to fund £500k of 2017/18 Highways Repairs from capital receipts rather than the existing revenue budget - will no longer be pursued. In future years a decision will be required on whether the budget is reduced or further capital receipts are used to fund expenditure up to existing levels.	0	0	0
39	Internally provided services - review options	A number of internally provided services continue to be delivered by Adult Social Care despite a number of closures and changes in recent years. This work will review the scope and benefits associated with further changes to the internal services.	0	(500)	(500)
40	Public Health - future contract tendering	As Public Health contracts are retendered, changes to delivery models and increased efficiency will be sought	0	(500)	(500)
41	All age disability review	Review of All Age Disability Service to ensure cost effective transition arrangements and management of costs meeting assessed needs.	0	(250)	(250)
42	Review of transport spend including SEN	People Directorate has significant levels of transport spend across service user groups. A review of transport delivery and eligibility is required to reduce cost and maximise independence	0	(500)	(500)
	Total Savings Proposals		(1,440)	(6,320)	(10,420)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
43	Use of Existing One-Off Resources Airport Dividend Reserve (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use of £4.4m special airport dividend received in 2015/16 - will no longer be pursued.	0	0	0
44	Use of Capital (revenue in Capital Programme) (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use existing Capital Receipts to fund Capital Programme expenditure that is currently funded from revenue will be scaled back from Pre-Budget levels, now requiring £4.299m of contributions over three years.	(1,299)	0	(3,000)
45	Insurance Reserve (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use part of the existing Insurance Reserve to help balance revenue bottom line - will no longer be pursued.	0	0	0
46	Fund Capital Costs from Capital Receipts (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to identify capital receipts to fund capital spend and replace planned borrowing costs - will no longer be pursued.	0	0	0
47	One-Off Reserves (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to identify one-off reserve balances to help balance revenue budget on a one-off basis - will no longer be pursued.	0	0	0
47a	Medium Term Financial Strategy Reserves Strategy (Change to Pre-Budget Report)	This is a new proposal to balance the three year financial programme. A contribution will be made to reserves in 2018/19 and this balance used to balance the programme in subsequent years.	0	2,968	(2,910)
	Total Use of Existing One-Off Resources		(1,298)	2,968	(5,909)

	Policy Proposals				
48	Development of Acquisition of Revenue Generating Assets including Housing Company (Change to Pre-Budget Report)	This provides budgetary provision to fund the initial potential costs of establishing a housing company and developing plans for identifying income earning assets.	100	0	0
49	City of Culture Contribution (Change to Pre-Budget Report)	Initial provision to fund expenditure to develop Coventry's City of Culture bid.	250	0	0
	Total Policy Proposals		350	0	0

	Total Balance		0	0	0
--	----------------------	--	----------	----------	----------

Appendix 2

CONSULTATION ON THE COUNCIL'S BUDGET PROPOSALS 2017-2020

JANUARY 2017

1. Introduction

- 1.1. Between December 2016 and January 2017, the Council undertook an eight week period of consultation on its budget proposals for 2017/18 to 2019/20, 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 2017/18 to 2019/20 budgets. The Council asked for views on its proposals for delivering services in the future while achieving the savings needed.

2. Consultation Process

- 2.1. The Council hosted a survey on its website asking for people's views on the budget proposals. This survey was publicised through the Council website, Facebook and Twitter pages. There were a total of 227 respondents, of whom 74 left comments. The results of the survey are summarised in section 3.
- 2.2. In addition, a meeting was held with the Chamber of Commerce during January to understand the views of the Chamber on the Council's budget proposals. The issues raised during the meeting are summarised in section 4.
- 2.3. The Trade Unions were also consulted on the draft budget proposals at a series of meetings held between November 2016 and January 2017. The Council continues to consult with the trade unions on the impact and implementation of the Council's budget.
- 2.4. Two online petitions have been started: Save our Job Shop and the essential support that helps Coventry residents into work and Stop the closure of our shop mobility. These are available to view on the Council's website.

3. Outcomes of the Consultation on the Council's Budget Proposals

- 3.1. The main issues that were raised through the public consultation on the Council's budget proposals are set out below. A table is included at the end of this report that provides a summary of the comments made during the consultation, grouped into subject areas
- 3.2. In addition to survey responses, written responses were received from Trade Unions, Coventry and Warwickshire Chamber of Commerce, Coventry Older Voices and the Disability Equality Advisory Panel
- 3.3. A full list of comments from the meetings, online survey and written feedback can be received by contacting insight@coventry.gov.uk.

Feedback from the on line survey and written feedback

- 3.4. Whilst recognising the current financial climate and the Council's reduced resources, a number of respondents felt that it was vital for the Council to continue investing in the city, in order to support the city's economy and stimulate growth.
- 3.5. A large number of respondents referred to the importance of the Job Shop in the city and the need to continue providing employment support for the most vulnerable groups in the city. It was stressed that this support would be vital in ensuring the continued growth for the city centre. Whilst most respondents stressed the importance of the provision of employment support there were some that viewed the Job Shop as a duplication of provision and one that the Council did not need to support.
- 3.6. There were concerns that changes to the bin collections and street cleansing would result in increased fly tipping and more litter on the streets at a time when the city is already very dirty. Concerns were also raised about the proposed changes to the Shop Mobility Service and Trading Standards, claiming that it would be vulnerable people that would be most affected by any changes. Throughout the comments there was a general concern expressed over the negative impact of the budget cuts on some of the most vulnerable people in the City.
- 3.7. There were mixed views about the importance of the Universities in the future development of the city centre. Many residents felt the city has become over-run with student accommodation and that the Universities should be paying for improvements to the city centre. It was highlighted several times that a way for the Council to raise money would be to charge either the students directly or their landlord's Council Tax.
- 3.8. The voluntary sector felt that there needed to be recognition of the role that they have in delivering some of the early preventative services which in turn could help to manage the demand for Council services as well as their role in securing resources into the city.
- 3.9. Even though the Council is required to set a balanced budget a number of respondents expressed their view that the Council needed to do more to fight the scale of spending cuts coming down from the Government.
- 3.10. A number of respondents highlighted that both the budget report and consultation should be improved in order to make it more meaningful to local people. A number of residents said that the budget proposals were so broad that there was insufficient detail in the savings proposals upon which to comment. They were interested to understand what further consultation would take place when more detailed proposals emerged.

4. Feedback from Consultation Meeting

- 4.1. A presentation was given, which generated a discussion on a number of areas, the comments made on the Council's proposed budget proposals centred on the perceived negative impact on the planning process that would be felt if the service was reduced. It was widely felt that any reduction in service would be a barrier to the growth the city needs. In fact the response went as far as to suggest that the planning team needed further investment at this time.

Summary of Responses from the Council's Public Budget Consultation – January 2017

Priority / Theme	Comments	
Tell us what you think about the proposed budget plans for 2017/20?		
Employment Services	<ul style="list-style-type: none"> • Save job shop as it helps the tax payer save money from people not working, also boosts the local economy due to the job increase saving the city long term due to economic development. • The proposed closure of the job shop would be hugely detrimental to the city. • Having read your proposals I am astounded to see that you are looking to cut employment support services, including the successful Job Shop. • In addition a cut in the funding of existing services and in closing the Job Shop which is quite a flagship for this work, will lose the city a very high amount of leveraged funding that comes in on the back of existing activities. This would include European and national grants, and initiatives more holistically focused on boosting the local economy. • Employment Team/Job Shop/Youth employment this type of work is supported at a national level with huge resources and Coventry City Council is duplicating this work • I am appalled by the proposed cuts to the Employment Team and the closure of the Job Shop, at a time when we need to be investing in local people not turning our back on them. Many of the people that access the Job Shop are NOT eligible to receive support from the Job Centre, so NO this is not an alternative 	Residents/Trade Unions/Organisations
Waste Services/Street Cleansing	<ul style="list-style-type: none"> • Cutting back on waste disposal will lead to more fly tipping and unauthorised fires and so forth no cost saving. • The plans for waste collection are rubbish! • I think the further reduction in street cleansing and reduction in number of litter bins and their emptying is short sighted and unacceptable, particularly in view of the Council's drive to achieve City of Culture status in 2021 	Residents/Trade Unions/Organisations

Priority / Theme	Comments	
	<ul style="list-style-type: none"> Do not agree with reduction in street cleaning Coventry is dirty enough already and needs more cleansing not less. The proposal to end weekly bin collections is disgraceful. It just means we're paying more in Council Tax for a degraded level of service. Aside from the likely problems with smell and insects/vermin during hot weather, it's bound to lead to an increase in fly-tipping and litter on the streets. 	
Shop mobility	<ul style="list-style-type: none"> The ceasing of the Shop Mobility service is likely to backfire - it is a well-used service, much valued by people who have money to spend in local shops. I think a number of the more marginal savings proposed will have disproportionate impact and should be avoided, in my view by slightly increasing Council Tax. In particular, I think that the proposals to close all pro-active trading standards, to cease Ward Forums, to further cut Community and Development services, and to close shop mobility are all likely to have a high impact while achieving only relatively minor savings It is not acceptable to close this service for disabled people + older less mobile people who need to use this service. It will make some very vulnerable people more socially isolated + does not go well for Coventry who aspire/ are supposed to becoming an Age Friendly City. 	Residents/Trade Unions/Organisations
Trading Standards	<ul style="list-style-type: none"> The proposal would put an end to pre-emptive work of trading standards, reverting to statutory enforcement function only. This is open to interpretation and would have wide implications as to the work of trading standards and could seriously restrict its work and the protection that it could provide for Coventry Citizens 	Residents/Trade Unions/Organisations
Planning	<ul style="list-style-type: none"> We are on the cusp of great things in Coventry and we don't want any changes to the planning system to become a barrier to this growth Need to ensure that capacity and quality are not impacted by any changes to the planning department 	Members of Coventry and Warwickshire Chamber of Commerce
Overall proposals	<ul style="list-style-type: none"> The way you are dealing with the central government cuts to budgets is as usual for this council totally wrong and isn't for the best. Cutting services, some vital ones may I add is not the right thing to do. Whilst these cuts stem from a Tory government, we believe that this Labour led Council should not be just passing them on. Total council reserves have 	Residents/Trade Unions/Organisations

Priority / Theme	Comments	
	<p>risen again in the last year and now stand at £95 million! Some of that money should be used to preserve services against cuts and use the time bought to lead a serious campaign against the Tory government for the restoration of essential local funding.</p> <ul style="list-style-type: none"> • A scandalous betrayal of the Coventry public. Use your reserves or refuse to carry out these terrible cuts and force the government to come in and run the authority - that way they get the blame not you. Stand up for what you believe in! • Appreciate the very difficult decisions - but the council could do more to help citizens understand the difficult moral, social and financial issues faced. The cuts should be targeted more at those who can afford rather than the most vulnerable in our communities. • The Council is facing a challenging situation but overall I consider the approach is ok Coventry will have no more services in 2020 at this rate. We will potentially be the city of culture with nothing worth living in for. • How can we be a City of Culture or even be considering this if we don't value the people living in it • Stop spending on non-essential such as 1/2 marathons when saying there is NO money • Coventry will have no more services in 2020 at this rate. We will potentially be the city of culture with nothing worth living in for. • How can we be a City of Culture or even be considering this if we don't value the people living in it 	
<p>What do you think the Council could do differently to reduce costs and save money in the future?</p>		

Priority / Theme	Comments	
Communication	<ul style="list-style-type: none"> • Get a lot better at communicating with the people you are meant to be representing and serving that way they get the blame not you. Stand up for what you believe in! • What consultation events have you held across the city to share information about the tough decisions and work with Coventry people to come up with their suggestions? 	Residents/Trade Unions/Organisations
Infrastructure Projects	<ul style="list-style-type: none"> • Invest in the city's infrastructure/ business to attract more investment • Stop building new council offices ,use what you have until Coventry becomes strong and self-reliant again • Ditch the money spent/wasted on prestige projects to "revitalise" the City Centre and pay more attention to the needs of ordinary people living out in the suburbs. 	Residents/Trade Unions/Organisations
Council Staff/Number of Councillors	<ul style="list-style-type: none"> • There seems no need to have quite so many councillors per ward as they no longer need to be out in their communities because communication is more effective and faster using email and other social media, the work can be done in a different more efficient way, and as charities are now picking up all the previous statutory and community services, not needing help from the city council • As the majority of the council costs are staff related they should review staffing costs, particularly at the most senior level. • Look closely at the high salaries paid to what continues to be an exceptionally high number of senior managers. 	Residents/Trade Unions/Organisations
Voluntary Sector	<ul style="list-style-type: none"> • Commission more services from the voluntary sector • More actively facilitate (including ongoing material if not financial) support for social enterprise solutions to key community service provision 	Residents/Trade Unions/Organisations
Universities	<ul style="list-style-type: none"> • Could the council levy some kind of 'poll tax' on student dwellings being erected all over the city? Some of the revenue could then be used to be more pro-active in addressing the concerns of local people over the 'swamping of the city centre' with student accommodation 	Residents/Trade Unions/Organisations

Priority / Theme	Comments	
	<ul style="list-style-type: none"> • Student accommodation which is everywhere should not be totally council tax free. They are using services , they should be paid for • Charge both universities fees for all the student accommodation and expansion they are creating in the city. It is about time they paid back to the community. 	
Overall Comments		
	<ul style="list-style-type: none"> • I bet this consultation is just a box ticking exercise and that the comments will be ignored and the plans pushed ahead regardless of the comments. • The council should be open and honest with people so that they know it's just not possible to deliver the services they may want or may have received in the past • Why is there no coordinated central volunteer line and service within the council for litter picking, park maintenance etc. • To make this a meaningful consultation, there should be better ways of presenting the information so that everyone can understand. 	Residents/Trade Unions/Organisations

This page is intentionally left blank

Appendix 3 - Budget Report 2017-18 – Overview of Equality Analysis

Savings Proposals	Equality Analysis
<i>No equalities impact anticipated</i>	
General – Pest Control	This service is proposing to raise additional income through increasing the amount of commercial work carried out. It is therefore not anticipated that there will be any impact on any protected groups, as the same level of service provision to individual service users will be maintained.
Regional Shared Traffic Management Costs	This saving is expected to be achieved through reduced administrative costs through collaborative working in the West Midlands Combined Authority. There are therefore no equality issues in relation to this area.
Highways Repairs	This proposal will involve a switching of resources and no actual reduction in the Highways Capital Investment fund. There will therefore be no equalities impact in relation to this proposal.
All age disability review	This savings proposal relates to a review which has taken place of the All Age Disability Team to fully integrate all sections of the service and redesign business processes. No ECA was required as part of this work.
<i>ECA to be carried out as proposals begin to be developed</i>	
General – Car Parking	The service will conduct a review aimed at exploring opportunities for raising additional income. Once the details of this review are known, an ECA will be carried out if appropriate.
Workforce Reform (Employment Costs)	Full equality and consultation analyses will be completed for any proposals that are to be taken forward for further consideration, as part of the Workforce Reform (Employment Costs) programme. It is anticipated that all employees will be affected in some way throughout the delivery of the programme, including employees with a protected characteristic. However, any review of the workforce costs will also enable the Council to identify and mitigate equal pay anomalies.
Commissioning function across health economy	This savings proposal is at the early stages of development. It is therefore too early to outline any potential equality impacts. An ECA will be carried out at the appropriate time.
Adult Social Care Commissioning – Voluntary Sector	This proposal relates to a review of voluntary sector spend to reprioritise against Council objectives. An ECA will be carried out at the appropriate stage.
Merge Apprenticeships and Employment Services	This savings proposal is at the early stages of development. It is therefore too early to outline any potential equality impacts. An ECA will be carried out at the appropriate time.

Savings Proposals	Equality Analysis
Housing Benefits/Customer Interface Review	The proposed changes to the Housing Benefits service will achieve savings by implementing process improvements and reducing staffing levels within the service. A full ECA will be carried out at the appropriate stage, however, it is acknowledged that the proposed changes will mean that claims may take longer to process – thus putting additional financial pressure on financially vulnerable people.
Consumer Protection	A number of options are currently being explored before this proposal can be developed further. It is therefore too early to outline any potential equality impacts. An ECA will be carried out at the appropriate time.
Planning Capacity Reduction	This savings proposal is at the early stages of development; a number of options need to be considered before any analysis of potential equality impact can be carried out. An ECA will therefore be carried out at a later stage.
Community Development functions	This savings proposal is at the early stages of development. It is therefore too early to outline any potential equality impacts. An ECA will be carried out at the appropriate time.
Housing Benefits Staffing levels	The proposed changes to the Housing Benefits service will achieve savings by implementing process improvements and reducing staffing levels within the service. A full ECA will be carried out at the appropriate stage, however, it is acknowledged that the proposed changes will mean that claims will take longer to process – thus putting additional financial pressure on financially vulnerable people.
Sustainability Team	There are different options to be considered in order to determine the best way to achieve savings required in this area. An ECA will be carried out at a later stage to explore the equality implications of any proposals in more detail, particularly around the provision of fuel poverty advice to vulnerable people.
Internally provided services – review options	This savings proposal relates to the review of alternative delivery options for internally provided services. An ECA will be carried out a later stage to explore the equality implications.
Early Help review	Elements of the Early Help Services are already being reviewed as part of the Connecting Communities programme. An opportunity exists to further develop proposals. An ECA will be carried out at the appropriate stage.
<i>Initial ECAs produced</i>	
Redesign of Household Waste Collection	This proposal relates to a redesign of waste collection in the city; moving to alternate weekly collection of non-recyclable waste and the introduction of a food waste collection service. An ECA has been carried out on the proposed

Savings Proposals	Equality Analysis
	<p>changes, which has shown that there should not be any adverse impact on any protected group over and above the general impact that may be experienced by all residents in the city as they adjust to a new schedule of collections. The service is aware of the issues already affecting certain groups living in particular areas of the city and this data will continue to be monitored if the proposed changes are implemented. By way of mitigation, all arrangements for the new service will be communicated effectively, with methods used to ensure that core messages reach key groups.</p>
<p>School Cleaning decentralisation</p>	<p>It is proposed to achieve savings in this area by ending the centralised cleaning of schools and transferring staff to schools for local management. The ECA on this proposal has shown that TUPE regulations should mean that there is minimal impact on staff. The consultation with the cleaning staff affected by the proposal and their trade unions will take place after full Council on the proposal. The ECA will be reviewed at this point.</p>
<p>Highways – reduce reactive repairs</p>	<p>This savings proposal relates to a planned reduction in the Highways reactive maintenance budget. An ECA has been carried out which shows that this proposal could potentially impact more on older people and people with disabilities – as there may be delays in repairing road and pavement defects.</p>
<p>Public Health – future contract tendering</p>	<p>It is proposed to achieve savings through the re-commissioning of future public health contracts, including Drug and Alcohol treatment services, 0-19 nursing services and Children’s Lifestyle Services. A separate ECA on Drugs and Alcohol Re-commissioning has already been completed. At this time it is unknown if there will be any specific impacts on protected groups of re-commissioning of the other 2 contracts; separate ECAs will be carried out at a later stage.</p>
<p>Review of Transport Spend inc SEN</p>	<p>It is proposed to achieve savings through implementation of a revised Travel Assistance Policy for school age children and a new Travel Assistance Policy for post 16 and post 19 students. A detailed ECA has been carried out in relation to this proposal; this shows potential negative impact for children and young people who currently are in receipt of travel assistance but who will no longer be eligible under the new proposals. By way of mitigation, the Council is proposing phased implementation to enable families to make alternative arrangements. Independent travel training will also be offered to students, and the Council may also consider a personal transport budget.</p>

Savings Proposals	Equality Analysis
General - Bereavement	An ECA has been carried out in relation to an increase in fees and charges for cremation and burial services. This has shown that there could be potentially negative impact on Older people, disabled people and people from certain religious groups.

Revenue Budget

Appendix 4

2016/17 Restated *	CABINET MEMBER PORTFOLIOS	Budget Decisions Brought Forward	Pre- Budget and Final Budget Changes	2017/18 Final Budget
£'000		£'000	£'000	£'000
1,596	Policy and Leadership	2,453	(7)	2,446
8,303	Policing and Equalities	7,883	139	8,022
7,021	Strategic Finance and Resources	8,575	(221)	8,354
73,071	Children and Young People	67,357	4,906	72,263
13,744	Education and Skills	13,309	773	14,082
(7,279)	Jobs and Regeneration	(6,803)	(99)	(6,902)
25,124	City Services	27,474	(525)	26,949
78,643	Adult Services	79,816	791	80,607
5,093	Public Health and Sport	3,852	(306)	3,546
6,428	Community Development	6,570	(222)	6,348
211,744	TOTAL CABINET MEMBER PORTFOLIOS	210,486	5,229	215,715
22,397	Borrowing and Investments	24,085	0	24,085
(16,325)	Contingencies & Corporate Budgets	(9,664)	(9,001)	(18,665)
15,087	Levies From Other Bodies	14,878	26	14,904
30	Parish Precepts	30	0	30
3,750	Revenue Contribution to Capital Spend	(131)	2,201	2,070
(3,302)	Contributions to / (from) Reserves	143	(5,800)	(5,657)
233,381	NET BUDGET AFTER SPECIFIC GRANTS, FEES & CHARGES	239,827	(7,345)	232,482
	Financed by:			
(47,626)	Central Government Resources	(34,646)	34,646	0
(110,817)	Council Tax	(115,880)	(2,614)	(118,494)
(74,938)	Business Rates	(78,741)	(35,247)	(113,988)
(233,381)	TOTAL RESOURCES	(229,267)	(3,215)	(232,482)

* Restated to reflect changes in portfolios between years

2016/17 Restated *	CABINET MEMBER PORTFOLIOS	Gross Expenditure	Gross Income	2017/18 Final Budget
£'000		£'000	£'000	£'000
1,596	Policy and Leadership	3,018	(572)	2,446
8,303	Policing and Equalities	10,137	(2,115)	8,022
7,021	Strategic Finance and Resources	128,532	(120,178)	8,354
73,071	Children and Young People	82,217	(9,954)	72,263
13,744	Education and Skills	220,198	(206,116)	14,082
(7,279)	Jobs and Regeneration	10,677	(17,579)	(6,902)
25,124	City Services	53,325	(26,376)	26,949
78,643	Adult Services	112,332	(31,725)	80,607
5,093	Public Health and Sport	26,275	(22,729)	3,546
6,428	Community Development	10,244	(3,896)	6,348
211,744	TOTAL CABINET MEMBER PORTFOLIOS	656,955	(441,240)	215,715
22,397	Borrowing and Investments	25,413	(1,328)	24,085
(16,325)	Contingencies & Corporate Budgets	2,368	(21,033)	(18,665)
15,087	Levies From Other Bodies	14,904	0	14,904
30	Parish Precepts	30	0	30
3,750	Revenue Contribution to Capital Spend	2,070	0	2,070
(3,302)	Contributions to / (from) Reserves	1,622	(7,279)	(5,657)
233,381	NET BUDGET AFTER SPECIFIC GRANTS, FEES & CHARGES	703,362	(470,880)	232,482
	Financed by:			
(47,626)	Revenue Support Grant	0	0	0
(110,817)	Council Tax	0	(118,494)	(118,494)
(74,938)	Retained Business Rates	0	(113,988)	(113,988)
(233,381)	TOTAL RESOURCES	0	(232,482)	(232,482)

* Restated to reflect changes in portfolios between years

Capital 5 Year Programme by Portfolio's

CABINET MEMBER: JOBS AND REGENERATION

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
UK Central + Connectivity	6,938	39,199	40,702	33,852	72,680	193,371
City Centre Regeneration	11,274	54,131	19,002	27,507	21,404	133,318
Coventry Station Masterplan	2,982	14,732	12,173	4,442	9,070	43,399
Warwick Road Station Access	344	29	0	0	0	373
Nuckle 1.2	1,237	7,842	5,758	0	2,310	17,147
Nuckle	87	0	0	0	0	87
Growth Deal	11,525	2,000	2,250	100	0	15,875
Whitley South Infrastructure	15,232	19,768	0	0	0	35,000
Kickstart Office	8,956	1,806	0	0	0	10,762
ESIF - Business Support	875	475	0	0	0	1,350
ESIF - Low Carbon	1,030	720	0	0	0	1,750
ESIF - Innovation	400	300	0	0	0	700
Canley Regeneration	238	0	0	0	0	238
New Deal for Communities	35	25	239	0	0	299
Growing Places	1,655	2,667	0	0	0	4,322
Refit - Guaranteed energy savings	0	447	0	0	0	447
Climate Change	10	0	0	0	0	10
Housing Venture	355	355	355	355	0	1,420
TOTAL APPROVED PROGRAMME	63,173	144,496	80,479	66,256	105,464	459,868

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Corporate Resources	35	25	239	0	0	299
Prudential Borrowing	7,181	1,703	8,263	749	1,910	19,806
Grant	31,703	114,248	71,622	65,152	103,554	386,279
Section 106	125	125	125	125	0	500
Resource Switch - Prudential Borrowing	22,124	27,615	0	0	0	49,739
Ringfenced Receipts	2,005	780	230	230	0	3,245
TOTAL RESOURCES	63,173	144,496	80,479	66,256	105,464	459,868

CABINET MEMBER: EDUCATION AND SKILLS

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Basic Need	3,451	10,346	0	0	0	13,797
Condition	4,305	1,300	2,430	2,187	0	10,222
Broad Spectrum School	9,005	500	0	0	0	9,505
Devolved Formula Capital	472	414	373	336	0	1,595
Suitability/Access	100	100	100	0	0	300
Swanswell	15	0	0	0	0	15
Broad Park House (Breaks for Disabled Grant)	100	215	0	0	0	315
Plas Dol-y-moch Expansion	0	550	0	0	0	550
Pathways to Care (Support to Foster Carers)	200	200	200	0	0	600
TOTAL APPROVED PROGRAMME	17,648	13,625	3,103	2,523	0	36,899

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Corporate Resources	200	200	200	0	0	600
Prudential Borrowing	0	550	0	0	0	550
Grant	6,079	5,375	2,803	2,523	0	16,780
Section 106	925	0	0	0	0	925
Resource Switch - Prudential Borrowing	10,444	7,500	100	0	0	18,044
TOTAL RESOURCES	17,648	13,625	3,103	2,523	0	36,899

CABINET MEMBER: COMMUNITY DEVELOPMENT

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Housing Policy (Siskin Drive)	0	115	0	0	0	115
TOTAL APPROVED PROGRAMME	0	115	0	0	0	115

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Grant	0	115	0	0	0	115
TOTAL RESOURCES	0	115	0	0	0	115

CABINET MEMBER: CITY SERVICES

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Highways Maintenance & Investment	13,518	5,710	4,594	2,369	2,369	28,560
Highways S106	154	0	0	0	0	154
Intelligent Mobility & Age Friendly Programme	305	332	0	0	0	637
Integrated Transport Programme	1,533	1,068	1,540	0	0	4,141
Public Realm Phase 4	935	0	0	0	0	935
Vehicle & Plant Replacement	2,265	4,445	748	1,773	0	9,231
Canely Crematorium - New Burial Graves	44	0	0	0	0	44
Multi Storey Car Parks	500	10,200	0	0	0	10,700
TOTAL APPROVED PROGRAMME	19,254	21,755	6,882	4,142	2,369	54,402

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Corporate Resources	1,343	0	2,000	0	0	3,343
Prudential Borrowing	2,560	11,114	546	1,773	0	15,993
Grant	13,660	4,741	3,765	0	0	22,166
Capital expenditure (from) revenue account	1,070	2,369	369	2,369	2,369	8,546
Leasing	205	531	202	0	0	938
Section 106	416	0	0	0	0	416
Ringfenced Receipts	0	3,000	0	0	0	3,000
TOTAL RESOURCES	19,254	21,755	6,882	4,142	2,369	54,402

CABINET MEMBER: STRATEGIC FINANCE & RESOURCES

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
ICT Operations Team	700	1,050	1,900	900	500	5,050
ICT Change Team	1,825	1,020	750	500	500	4,595
TOTAL APPROVED PROGRAMME	2,525	2,070	2,650	1,400	1,000	9,645

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Corporate Resources	1,023	940	2,650	400	0	5,013
Prudential Borrowing	502	130	0	0	0	632
Capital expenditure (from) revenue account	1,000	1,000	0	1,000	1,000	4,000
TOTAL RESOURCES	2,525	2,070	2,650	1,400	1,000	9,645

CABINET MEMBER: ADULT SERVICES

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Dept of Health Social Care Grant	54	0	0	0	0	54
Disabled Facilities Grants	2,851	2,851	2,851	0	0	8,553
TOTAL APPROVED PROGRAMME	2,905	2,851	2,851	0	0	8,607

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Grant	2,905	2,851	2,851	0	0	8,607
TOTAL RESOURCES	2,905	2,851	2,851	0	0	8,607

CABINET MEMBER: PUBLIC HEALTH AND SPORT

CAPITAL SCHEME	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Play Areas	195	0	0	0	0	195
Investment in Sporting Facilities	100	270	100	0	0	470
City Centre Destination Leisure Facility	16,508	14,057	2,003	0	0	32,568
Alan Higgs Centre - 50m Swimming Pool	886	0	0	0	0	886
TOTAL APPROVED PROGRAMME	17,689	14,327	2,103	0	0	34,119

RESOURCES	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Corporate Resources	100	270	100	0	0	470
Prudential Borrowing	17,394	14,057	2,003	0	0	33,454
Section 106	195	0	0	0	0	195
TOTAL RESOURCES	17,689	14,327	2,103	0	0	34,119

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, and revised 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 £68m, with specific "sub" limits of:

	£m
Total Long Term Investments	£24m
Total Investments without credit ratings or rated below A- (minimum BBB+)	£40m
Total Investments (except pooled funds) with institutions domiciled in foreign countries rated below AA+ (minimum A-)	£4m

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

The Section 151 Officer 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 2 Years	£8m 5 years
AA+	£8m 5 years	£16m 5 years	£8m 2 Years	£8m 5 years
AA	£8m 4 years	£16m 5 years	£8m 2 Years	£8m 5 years
AA-	£8m 3 years	£16m 4 years	£8m 2 Years	£8m 5 years
A+	£8m 2 years	£16m 3 years	£8m 2 Years	£8m 5 years
A	£8m 13 months	£16m 2 years	£8m 2 Years	£8m 5 years
A-	£8m 6 months	£16m 13 months	£8m 13 months	£8m 5 years
BBB+	£4m 100 days	£16m 6 months	£4m 6 months	£4m 2 years
None	£1m 6 months	n/a	n/a	£4m 5 years
Uk Government*	£Unlimited - 50 Years			
Local Authorities	£8m - 25 Years			
Pooled funds	£8m per fund			

*This relates to investments with the DMO, 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	£40m 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. As the Council's own banker, NatWest, are currently rated at BBB+, any balances held are 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. In order to manage risk, the Section 151 Officer will restrict investment activity as appropriate, for example by limiting 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 Section 151 Officer 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.

Summary Prudential Indicators

Appendix 7

	Forecast 16/17 £000's	Forecast 17/18 £000's	Forecast 18/19 £000's	Forecast 19/20 £000's
1 Ratio of financing costs to net revenue stream:				
(a) General Fund financing costs	31,111	31,501	33,649	36,151
(b) General Fund net revenue stream	233,381	232,482	231,519	226,934
General Fund Percentage	13.33%	13.55%	14.53%	15.93%
2 Estimates of Council Tax Impact ~ Proposed Programme		£168.71	£190.84	£214.41
Estimates of Council Tax Impact ~ Feb 16 Programme		£172.76	£190.48	
3 Gross Debt & Capital Financing Requirement				
Gross debt including PFI liabilities	368,709	411,779	453,787	442,115
Capital Financing Requirement	380,814	430,383	479,714	474,219
Gross Investments	-110,167	-30,000	-30,000	-30,000
Gross Debt to Net Debt:				
Gross debt including PFI liabilities	368,709	411,779	453,787	442,115
less investments	-110,167	-30,000	-30,000	-30,000
less transferred debt reimbursed by others	-15,437	-14,300	-13,050	-11,674
Net Debt	243,106	367,479	410,738	400,441
4 Capital Expenditure (Note this excludes leasing)				
General Fund	80,732	122,989	198,708	97,866
5 Capital Financing Requirement (CFR)				
Capital Financing Requirement	380,814	430,383	479,714	474,219
Capital Financing Requirement excluding transferred debt	365,377	416,083	466,664	462,545
6 Authorised limit for external debt				
Authorised limit for borrowing	404,411	399,968	436,969	429,005
+ authorised limit for other long term liabilities	72,865	70,415	67,745	65,213
= authorised limit for debt	477,277	470,383	504,714	494,218
7 Operational boundary for external debt				
Operational boundary for borrowing	364,411	359,968	411,969	409,005
+ Operational boundary for other long term liabilities	72,865	70,415	67,745	65,213
= Operational boundary for external debt	437,277	430,383	479,714	474,218
8 Actual external debt				
actual borrowing at 31 March 2016	281,024			
+ PFI & Finance Leasing liabilities at 31 March 2016	74,919			
+ transferred debt liabilities at 31 March 2016	16,470			
= actual external debt at 31 March 2016	372,413			
9 CIPFA Treasury Management Code ~ has the authority adopted the code?				Yes
10 Interest rate exposures for borrowing				
Upper Limit for Fixed Rate Exposures	391,297	399,968	436,969	429,005
Upper Limit for Variable Rate Exposures	78,259	79,994	87,394	85,801
11 Maturity structure of borrowing - limits	actual	lower	upper	
under 12 months	13%	0%	40%	
12 months to within 24 months	1%	0%	20%	
24 months to within 5 years	14%	0%	30%	
5 years to within 10 years	11%	0%	30%	
10 years & above	61%	40%	100%	
12 Investments longer than 364 days: upper limit	30,000	24,000	24,000	24,000

This page is intentionally left blank



Cabinet
Council

21 February 2017
21 February 2017

Name of Cabinet Members:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Executive Director, Resources

Ward(s) affected:

All

Title:

Digital Coventry Strategy

Is this a key decision?

No.

Executive Summary:

Technology is increasingly present across all sectors and becoming integrated in many aspects of our lives. Coventry needs a digital strategy because digital technology has the potential to transform the city and lives of residents while generating long-term savings and income – digital is important for our 21st century City. Coventry City Council is already responding to this challenge through its transformation work, including Customer Journey and Kickstart programmes, alongside digital innovations within individual services and superfast broadband.

We know from speaking to residents, including recent petitions received, that access to high quality internet connections is incredibly important to them. We know, from speaking to businesses, that this is also a priority for them – it helps them to grow their business and want to locate in the City. As well as being an essential service, investment in broadband is proven to generate jobs and bring wealth to an area - for every £1 of public investment in broadband infrastructure £20 in net economic benefits are gained.

We can make the services the Council provides to its customers better by redesigning them and opening up self-service channels through the internet – this means people can access services 24/7 from the comfort of their home. It's also more efficient for us to do things this way. We already have 70% of customers using our online services for booking a tip visit or ordering a copy certificate.

As we reduce Council budgets further we are looking at every way to protect the most vulnerable and front line services – we have firm savings plans of £1m by reducing our buildings, working in a more digital way and moving more of our services online.

To fully realise the benefits that digital technology can bring, we need to pull together our digital work, increase its scope beyond the work that the Council is doing as an organisation and align this work to other partners so that we are co-ordinating this work across Coventry. We need to make sure we don't leave people behind as digital becomes part of day to day life.

We are establishing this Digital Coventry Strategy because it will benefit the people of Coventry, develop Coventry as a place and improve the outcomes that the Council can deliver. It will support the delivery of the Council Plan, including promoting the growth of Coventry's economy, improving the quality of life of Coventry people and delivering our priorities with fewer resources.

Recommendations:

Cabinet is asked to recommend that Council:

1. Approve the Digital Coventry Strategy attached to this report at Appendix 1.
2. Note that the Digital Coventry Strategy will be a regularly reviewed document that will be updated, following the present iteration, to reflect the needs of our customers, advances in technology and the ambitions of the Council.

Council is asked to:

1. Approve the Digital Coventry Strategy attached to this report at Appendix 1.
2. Note that the Digital Coventry Strategy will be a regularly reviewed document that will be updated, following the present iteration, to reflect the needs of our customers, advances in technology and the ambitions of the Council.

List of Appendices included:

Appendix 1 – Digital Coventry Strategy

Background papers:

None

Other Useful Documents:

None

Has it been or will it be considered by Scrutiny?

No – Although this report is not being considered by Scrutiny, the Finance and Corporate Services Scrutiny Board (1) were presented the draft strategy on the 6th July 2016. The Finance and Corporate Services Scrutiny Board (1) and Business, Economy and Enterprise Scrutiny Board (3) established a joint task and finish group to consider three themes: Broadband and other infrastructure, digital service transformation and digital skills and culture. This work concluded during November 2016.
That the Strategy:

- a) Clearly sets out our digital aspirations for the city.
- b) Explains to residents why the focus in terms of broadband infrastructure is on businesses due to the funding streams available, and how residential properties should benefit as a consequence of this investment. This is to emphasise the importance of connections for residential as well as businesses.

- c) Should be flexible enough to cope with new technology as it becomes available and is therefore a living document.

It should be noted that these comments have already been incorporated into the Digital Strategy attached to this report at Appendix 1.

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, 21 February 2017

1 Context (or background)

- 1.1 Internet and digital technologies have transformed lives on a global scale and continue to do so at an ever-increasing pace. The effect has been to revolutionise banking, shopping, health care and social interaction as well as the places where we live and work. Companies such as Google, Twitter, Facebook, Uber and Airbnb are all now household names, even though they are relatively new, they have developed fast. Having access to high speed internet is now often described as the fourth utility – and is an important consideration for residents and businesses when considering living, working or investing in a city.
- 1.2 Digital technologies are helping to plan better, more sustainable growth in cities worldwide: to make cities better connected, safer, greener and better places to live. The pace of technology evolution is also changing what people want from the services that the public sector - including the Council - provides. People want transactional services and information to be available through their own device, any time, day or night - mirroring the experience they have with banking and retail. Even services that require some form of human interaction, including social care, can be enhanced by technology and can often help people to live independently for longer or for families to better support their loved ones.
- 1.3 Digital change is already happening and it is important that Coventry understands how we can harness these changes to best effect – for the Council, for customers, for residents and for Coventry. Today computer skills and knowledge of the internet allow people to find new and better jobs, work in more flexible ways, enable inexpensive forms of communication and social interaction to community infrastructures and government services, improve access to learning opportunities and provide access to more convenient and often cheaper products and online services
- 1.4 It is important that despite the widespread nature and uptake of digital technology, we don't leave residents behind who don't have the skills or access to take advantage of this opportunity. Digital inequality matters because those without access and the right combination of access, skills, motivation and knowledge are missing out on important areas of the digital world. This does not just impact individuals but also on families, communities, political processes, democracy, public services, economic and social health.
- 1.5 Digital is a fundamental part of the change that Coventry needs to embrace, to develop the physical environment of the city and deliver on the ambition of becoming an even greater place to do business.
- 1.6 We do not have the funding, capacity and all of the expertise to deliver the digital innovation that we know would benefit the city. We have strong partners, including two world class universities, communities and businesses in the city who are already engaged in digital innovation – relationships we can develop to make Coventry digital.
- 1.7 We know that digital can help us to achieve the reductions in the cost of public services through increased efficiency, automation and effectiveness. We can use digital to increase the productivity of the public sector workforce – through flexible and agile working. We can also use the opportunity of digital to completely rethink the way we deliver services rather than just computerising them – this work is enabling at least £1m of savings to be delivered and forms part of future savings within our Budget plans.
- 1.8 The ability to operate in a digital age is a key skill for all of our residents, and in particular young people leaving school. This will help to increase their job readiness and ability to

thrive in work, maximising the use of technology to support health, wellbeing, community networks and democracy through a person's life.

- 1.9 We recognise too that there is a need for human interaction – digital can enhance the way that services are delivered and the way that people want to live. There are also new challenges that arise as a result of the digital revolution including cyber-security and cyber-bullying – issues that also require management and new thinking.
- 1.10 Therefore by recognising these issues and the opportunities digital brings, it is important that a city wide, co-ordinated approach is taken and the Council uses this as it develops policy, financial and service plans. The Digital Coventry Strategy attached to this report at Appendix 1 delivers the framework to achieve this.

2 Options considered and recommended proposal

- 2.1 Not adopting the strategy would leave Coventry at a disadvantage compared to other UK cities in digital adoption and transformation. Projects may not be coordinated effectively and we may not necessarily focus our resources on the correct priorities for the greatest outcomes.
- 2.2 Coventry could fall behind in key aspects of digital, such as broadband speeds, that would have an impact on growing the local economy and the quality of life for our residents.
- 2.3 The aims of our digital strategy are to:
 - Set the scene for Coventry City Council and partners for the future direction of digital services, infrastructure and innovation.
 - Be an over-arching document that gives a clear direction of where the Council, working alongside all of our partners, wants to be in the next five years – recognising we will continually adapt and evolve to keep up to date with the latest advances in digital technologies.
 - Focus limited public resources to achieve the best digital outcomes across the whole Council, the city and beyond.
 - Encourage and direct investment in the digital programme by others and to maximise limited public resources.
 - Encourage services, people and organisations to work together to share developments and knowledge.
 - Address the growing demand for digital services and focus on what residents want in order to deliver outcomes that matter to them.
 - Enable the Council, residents, businesses and partners to get the most out of digital.
- 2.4 The strategy sets our 4 priority themes and case studies that describe existing activity against those themes:
 - **Digital place** – Infrastructure, digital innovation and data are promoted within the city to deliver economic growth and public service reform.
 - **Digital customer and inclusion** – Enabling customers to get the information they need and to access our services through online self-service.
 - **Digital communities** – Using digital technology to engage with our citizens and to work closely with our partners to address complex issues and help people to live independently for longer.
 - **Digital workforce** – Enabling a workforce which has access to the right tools to do its job and is confident in maximising the use and benefits of technology in its daily work.
- 2.5 Our aspirations for the next five years will see a clear shift in the way our customers engage with the Council. Advances in digital solutions as to the way we store and analyse data will enable us to be clearer about how and when we should be delivering services. We aim to influence that all residents and businesses across the city will have access to superfast broadband and be confident in realising its potential. External funding streams to date have focussed on the provision of super-fast broadband to businesses, which in

turn offer some opportunity to reduce barriers to connecting residential areas. The Council will continue to work with suppliers, partners and Government to influence the delivery of broadband to residents. We also aim to influence that Coventry will have high coverage of ultra-fast broadband realised through pro-active relationships with suppliers and partners. People will be able to access free Wi-Fi across the city as we continue to increase the number of public Wi-Fi hotspots across the whole city.

- 2.6 Cabinet is recommended to approve the strategy to maximise the opportunities that digital technology will deliver for the Council, for customers, for residents and for Coventry.

3 Results of consultation undertaken

- 3.1 None.

4 Timetable for implementing this decision

- 4.1 Subject to approval it is proposed to adopt the strategy with immediate effect.

5 Comments from Executive Director, Resources

5.1 Financial implications

There are no direct financial implications of adopting the strategy. We will work to maximise the use of existing budgets to deliver the aims of the strategy and to leverage external funding or partner effort where possible. We will also work to ensure that the strategy underpins saving delivery across the organisation as set out in para 1.7.

5.2 Legal implications

The strategy provides a high level framework to facilitate the council becoming a 'digital council'. The Government Digital Strategy of 2012 set the scene for digital change. The implementation of digital strategy will need to ensure that the council complies with relevant legislation such as Data Protection Act.

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)?

- 6.1.1 Adoption of this strategy aligns with and supports the Council Plan as digital changes create the opportunity for innovation and growth, improving the lives of Coventry residents and helping the Council to deliver outcomes in a more effective and efficient way, working with partners and residents.
- 6.1.2 It also supports the draft City Centre Area Action Plan by encouraging the expansion of digital infrastructure.
- 6.1.3 The strategy also supports the CWLEP Strategic Economic Plan by unlocking programmes that address digital connectivity.
- 6.1.4 Adoption of the strategy also aligns with the WMCA Strategic Economic Plan by promoting digital as a key driver to growth and productivity.

6.2 How is risk being managed?

6.2.1 The risk of resources not being aligned to the appropriate digital priorities is being managed through the creation of a Digital Coventry Governance Board. This has been created to have an oversight of all activity that contributes to the delivery of the Digital Coventry Strategy ensuring that digital activity across the organisation is co-ordinated and in line with the aspirations of the Strategy.

6.3 What is the impact on the organisation?

6.3.1 The outcomes from new and existing Digital projects and work may not be maximised if we do not take a strategic approach to digital. This could lead to an impact on ability to deliver services in an efficient and effective manner impacting on the quality of life for our residents.

6.3.2 A lack of investment in the digital infrastructure across the city would lead to Coventry falling further behind in broadband speeds and connectivity which would have a negative impact on the local economy.

6.4 HR Implications

6.4.1 There are no direct HR implications as a result of this report. HR impacts would be considered for each individual programme launched via the strategy. The Council's draft Workforce Strategy includes the importance of digital and commits to developing a Digital Skills Strategy and plans.

6.5 Equalities / EIA

6.5.1 As the strategy is an over-arching document it has been determined that an Equalities and Consultation Analysis is not required. The individual digital programmes that support the Digital Coventry strategy will cover the specific equality considerations that impact on their scope.

6.6 Implications for (or impact on) the environment

6.6.1 The actual impacts on the environment would be considered for each individual programme launched via the strategy.

6.6.2 However it is envisaged that the strategy would promote positive impacts on the environment in a number of ways. For example data from traffic monitoring or weather patterns from networked monitoring stations across our highways infrastructure could lead to informed decisions on traffic management that would reduce carbon emissions. Faster broadband speeds could see more people working from home reducing the carbon footprint for Coventry.

6.7 Implications for partner organisations?

6.7.1 Over the next 12 months we will work more closely with partners in the city to progress the digital agenda, including Warwick and Coventry Universities, technology suppliers, businesses and innovators and providers who are delivering infrastructure within the city. It is expected that through this closer working the delivery of key aspects for digital innovation will be expedited as priorities, resources and investment opportunities are aligned. The Council will also include digital in its commissioning and procurement activities.

Report authors:**Name and job title:**

Lisa Commene, Assistant Director ICT, Transformation and Customer Services

Paul Ward, Head of ICT Strategy, Systems and Development.

Gary Griffiths, Lead ICT Strategy Delivery Manager

Directorate:

Resources

Tel and email contact:

024 7678 7542

Paul.ward@coventry.gov.uk

(All queries should be directed to the above person)

Contributor/ Approver name	Title	Directorate	Date doc sent out	Date response received or approved
Contributors:				
Marc Greenwood	Head of Business Systems and Continuous Improvement	People	31/10/16	03/11/16
Andy Baker	Insight Manager (Intelligence)	People	31/10/16	03/11/16
Andy Williams	Resources and New Projects Manager	Place	31/10/16	03/11/16
Mamta Dhand	Organisational Development Advisor	Resources	31/10/16	03/11/16
Richard Greenslade	Technical Architect	Resources	31/10/16	03/11/16
Phil Helm	Finance Manager	Resources	31/10/16	03/11/16
Mark Chester	Head of ICT Infrastructure and Operations	Resources	31/10/16	03/11/16
Alison Hook	Communications Manager (Digital and e-Communications)	Chief Execs	31/10/16	03/11/16
Jane Murphy	Head of Transformation and Major Projects	Resources	31/10/16	03/11/16
Clare Storey	Programme Manager - Transformation	Resources	31/10/16	03/11/16
Cllr Richard Brown	Elected Member Digital Champion	-	02/11/2016	03/11/16
Approvers:				
Legal: Oluremi Aremu	Legal Services Manager	Resources	26/10/2016	26/10/2016
Finance: Rachael Sugars	Finance Manager, Resources	Resources	26/10/2016	26/10/2016
Director: Chris West	Executive Director Resources	Resources	26/10/2016	28/10/2016
Members: Councillor John Mutton	Cabinet Member – Strategic Finance & Resources	-	02/11/2016	02/11/2016

This report is published on the council's website:
www.coventry.gov.uk/councilmeetings

This page is intentionally left blank

Digital Coventry



Table of Contents

Introduction	3
Vision for our digital strategy	11
The aims of our digital strategy	11
Our priority themes for Digital Coventry	14
Digital place	15
Digital customer and inclusion	18
Digital communities	21
Digital workforce	25
The next 12 months for Digital Coventry	28
Where will we be in 5 years?	29
Digital Coventry on a page	30

Introduction

Internet and digital technologies have transformed lives on a global scale and continue to do so at an ever-increasing pace.

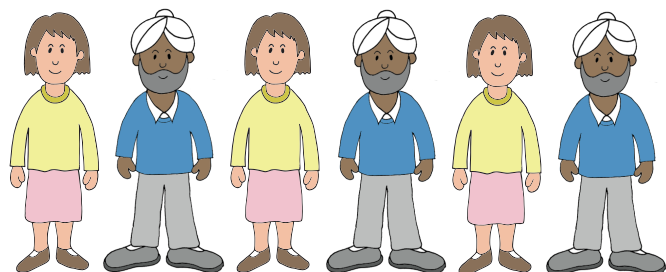
The effect has been to revolutionise banking, shopping, health care and social interaction as well as the places where we live and work. Companies such as Google, Twitter, Facebook, Uber and Airbnb are all now household names and even though they are relatively new, they have developed fast.

Having access to high speed internet is now often described as the fourth utility – and is an important consideration for residents and businesses when considering living, working or investing in a city. We need to influence the access to high speed internet with service providers including how we can use funding streams available for businesses to make it easier to connect homes. Digital technologies are helping to plan better, more sustainable growth in cities worldwide: to make cities better connected, safer, greener and better places to live.

The pace of technology evolution is also changing what people want from the services that the public sector - including the Council - provides. People want transactional services and information to be available through their own device, any time, day or night - mirroring the experience they have with banking and retail. Even services that require some form of human interaction, including social care, can be enhanced by technology and can often help people to live independently for longer or for families to better support their loved ones.

A growing population

345,000 (Mid - 2015)



424,800 (Projected-2033)

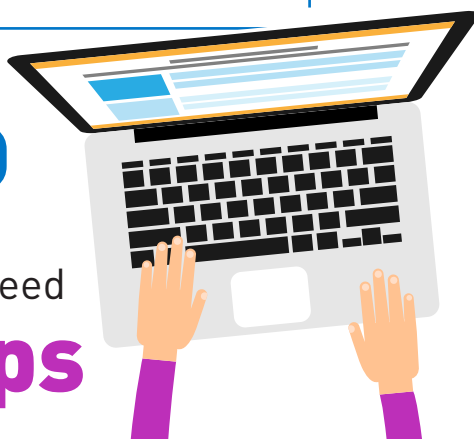
11th
largest city in
the UK

and one of the fastest
growing outside of London

100%

of households receive
broadband internet speed
of at least **2 Mbps**

(Go On UK)



92%

of households have access
to **Superfast**
internet connections
(24 mbps)

(Ofcom UK Fixed Broadband Data 2013)

A young city...

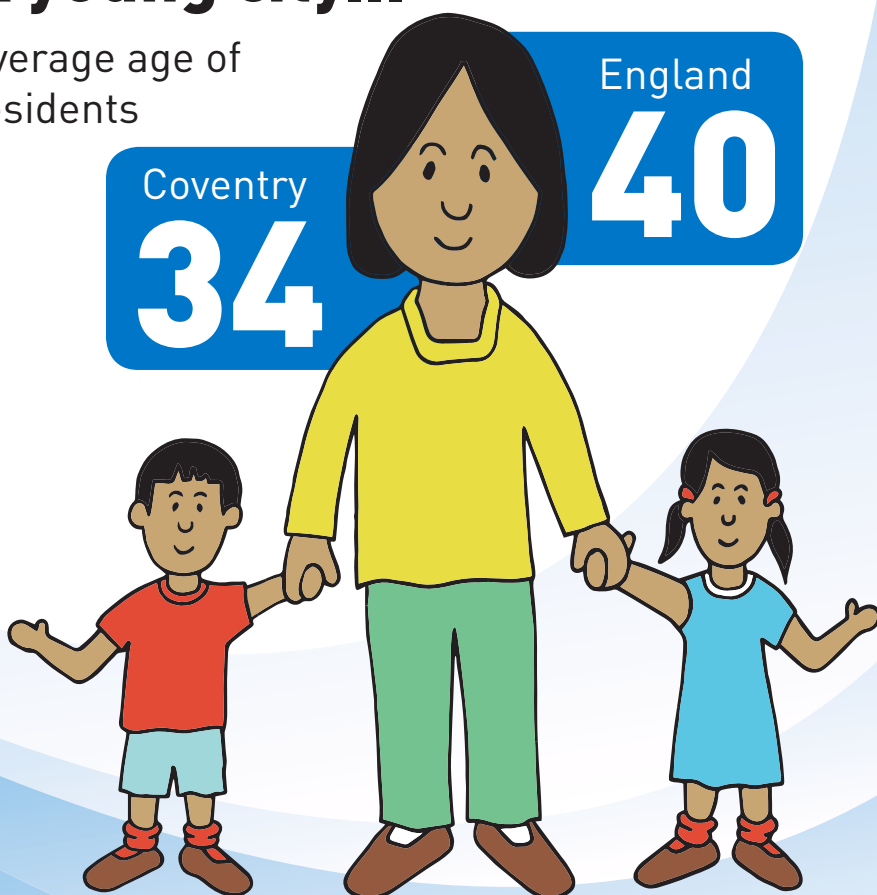
Average age of
residents

Coventry

34

England

40





Coventry has **20%** better **3G & 4G**

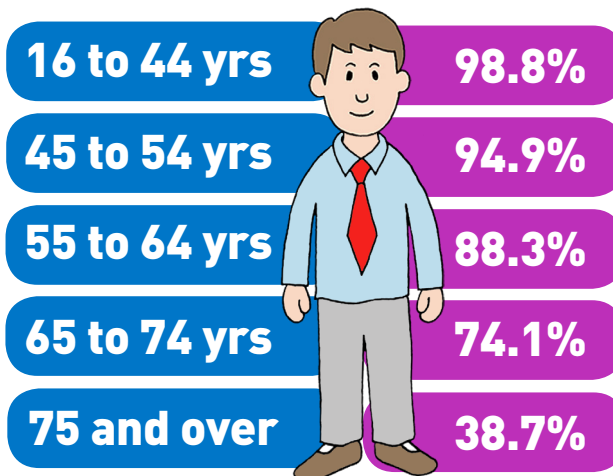
mobile phone coverage than the UK average and **98%** better than the worldwide average

(Opensignal.com)

Two out of three

adults in Coventry own a smartphone

87.9% of adults in the UK have used the internet in the last 3 months



Almost all adults aged 16-44 have used the internet recently

Nationally, “recent internet use” is on the increase for those aged 65 and over. Adults aged 75 years and over have consistently shown the lowest rates of internet use. In **2011**, the percentage of recent internet users aged 75 and over was **19.9%**. In **2016**, this has **nearly doubled to 38.7%**, up from 33.0% in 2015.

(Office for National Statistics)



It is estimated that online price comparison and searching the web to find the best deals can typically **save £200+** per year on **gas and electricity** bills and into the **£1000s** on food shopping per year.

50,880 students at Coventry universities

The 5 basic digital skills are: Managing Information, Communicating, Transacting, Problem-solving, Creating



Digital change is already happening and it is important that Coventry understands how we can harness these changes to best effect – for the Council, for customers, residents and for Coventry as a 21st century city. It is also important that despite the widespread nature and uptake of digital technology, we don't leave residents behind who don't have the skills or access to take advantage of the opportunity.

Coventry is a city that is used to reinventing itself; it's done so successfully for centuries. Digital is a fundamental part of the change we will make as we develop the physical environment of the city and deliver on the ambition of becoming an even greater place to do business.

The Council is facing significant challenges – since 2010 funding from central government has been cut by 50% this equates to grant cuts of £655m since 2011/12. This means we have £200 less per resident in Coventry to spend on services. We do not have the funding, capacity and all of the expertise to deliver the digital innovation that we know would benefit the city. We have strong partners, including two world class universities, communities and businesses in the city who are already engaged in digital innovation – relationships that we can develop to make Coventry digital. We have work to do to ensure that our workforce has the skills to deal with the digital age and we are facing unprecedented reductions in funding that will continue to change the services that we provide.

We know that digital can help us to achieve reductions in the cost of public services through increased efficiency, automation and effectiveness. We can use digital to increase the productivity of the public sector workforce - through flexible and agile working. We can also use the opportunity of digital to completely rethink the way that we deliver services rather than just computerising them. We need to focus on designing digital processes and solutions with a strong emphasis on user experience and ease of use – in the same way the Government Digital Service (GDS) has done for some central government processes, including renewing a passport or taxing a car.

The ability to operate effectively in a digital age is a key skill for all of our residents, and in particular young people leaving school. This will help to increase their job readiness and ability to thrive in work, maximising the use of technology to support health, wellbeing, community networks and democracy throughout a person's life. The whole population must have access to technology, infrastructure and skills to ensure they will get the most from the digital age and we want everyone to have an equal opportunity to do this.

Digitalisation provides the opportunity to deliver vastly improved and accessible data that can be used to predict and plan both tactically and strategically – not only how public money can be spent to better effect, but also to influence the priorities for private investment that will underpin economic growth and enable a proactive and personalised service to users. Data is an asset which can be shared in a controlled way with citizens and local enterprises. Data can be used in new and innovative ways to support the ambition of the city.

The digital revolution also presents challenges that we must understand and prepare for, including cyber-resilience and cyber-bullying. We also don't underestimate the importance of maintaining human interaction in our lives and the services the Council delivers – digital provides the opportunities to enhance the way things are done.

Technology is increasingly present across all sectors and is becoming integrated in many aspects of our lives. Coventry needs a digital strategy because digital technology has the potential to transform the city and the lives of residents while generating long-term savings and income. Coventry City Council is already responding to this challenge through its transformation work, including Customer Journey and Kickstart programmes, alongside digital innovations within individual services. However, to fully realise the benefits that digital technology can bring, we need to pull together our digital work into one place, increase its scope beyond the work that the Council is doing as an organisation and align this work to other partners so that we are co-ordinating this work across Coventry.



We are establishing this Digital Coventry Strategy because it will benefit the people of Coventry, develop Coventry as a place and improve the outcomes that the Council can deliver. It will support the delivery of the Council Plan, including promoting the growth of Coventry's economy, improving the quality of life of Coventry people and delivering our priorities with fewer resources.

Cllr John Mutton
Cabinet Member for Strategic Finance and Resources

J. R. Mutton

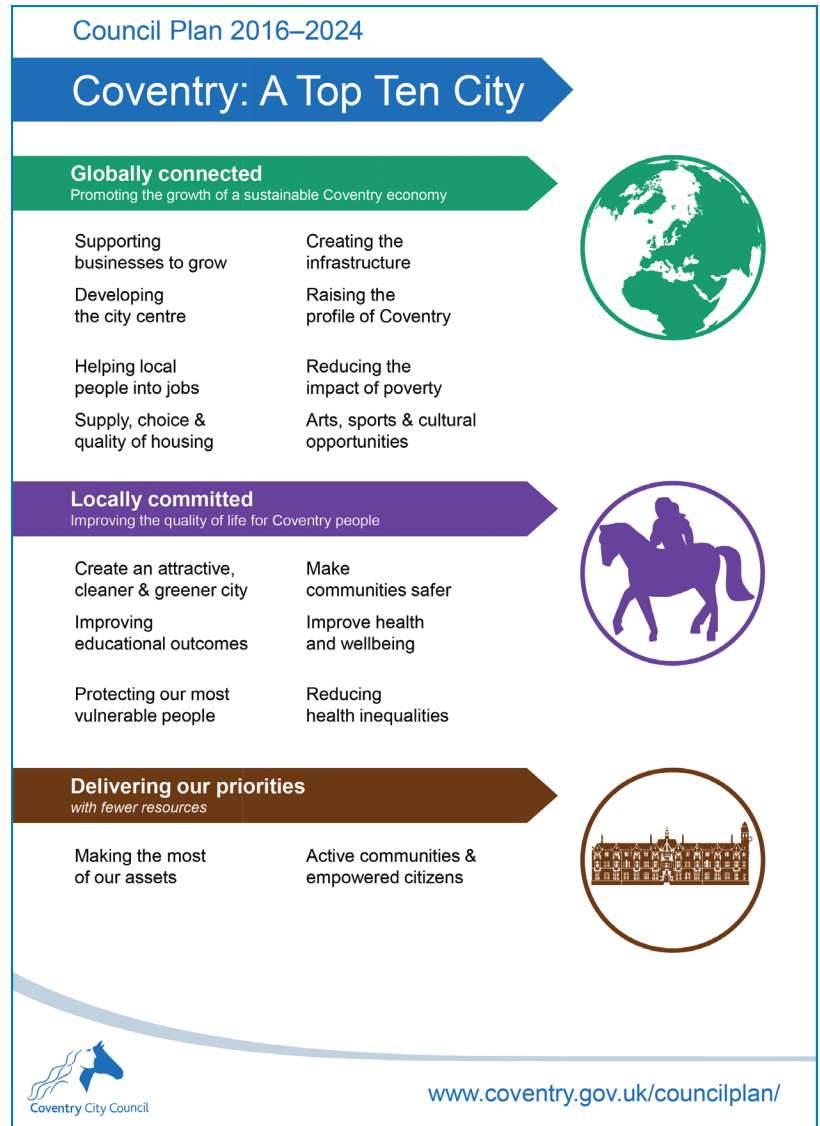


Our digital strategy - vision and aims

The [Council Plan](#) sets out the Council's vision and priorities for the city.

How does the digital strategy link to the Council Plan?

The digital revolution matters to Coventry because digital changes create the opportunity for innovation and growth, improving the lives of Coventry's residents and helping the Council to deliver outcomes in a more effective and efficient way, working with partners and residents.



■ **Supporting business growth, infrastructure development and city:**

Cloud computing, high speed internet connections including gigabit connections through Coventry Core, public Wi-Fi and 4G encourage new businesses to start up, reducing the need for upfront computing and communications infrastructure costs. This leads to a positive impact on inward investment and jobs. As the city grows, effective planning of new infrastructure – utilities, roads and fibre optics - through the use of smart data will make the city a more attractive place to live, work, learn, study and invest in. We can boost city centre footfall and tourism by making our city centre easy to navigate around and promoting events and businesses using technology.

■ **Attractive cleaner and greener city:**

Faster internet connectivity and cloud computing can aid and encourage people to work, learn and study from home without the need for a long distance commute. This will have a positive impact on travel patterns, commuting and road traffic. Connected air sensing technology can provide real time information on air quality, which can be used dynamically for route planning as well as providing long term data for analysis and insight. This will provide the means to log progress against green targets and plan to reduce congestion.

■ **Improving educational outcomes:**

Now an essential tool in education, increased internet connection speeds, digital tools and literacy can help raise the skill levels, employability and earning potential for all age groups.

■ **Improving health and wellbeing:**

Joining up customer records and sharing data with partners and customers will enable us to act sooner with families with complex needs, and enable greater access to service choice at lower cost through My Account (our online customer portal). Online information/advice services, assistive and telecare solutions allow people to take control of their own lives, live independently for longer and positively impact social, equality and financial inclusion objectives.

■ **Delivering our priorities:**

Using digital solutions will enable the Council to develop a more flexible and skilled workforce, to integrate services across functional and geographical boundaries, to rationalise our property estate as services become less dependent on buildings and to save money. We will build stronger communities by enabling customers and businesses to be included in the digital economy and digital society, so our most vulnerable residents are included.



- **Raising the profile of Coventry with active citizens, strong and involved communities:** Using digital and social media to showcase Coventry and the work that has happened and is underway to improve the city. We will be able to engage with citizens and businesses about the city's developments and projects via new digital channels. Communities can create their own networks and take a leading role in creating a vibrant economy and places to live and work.
- **Supporting open data and innovation:** Coventry can make real time data available which can be used local businesses to create new digital solutions, making connections that have never been considered before. This could link traffic information with air quality and health and social care, enriched with demographic data. Coventry can be seen as a digital city not just by its infrastructure but also in the way information is shared and collaborated with partners in all sectors.

The Digital Strategy also aligns with:

- The Coventry and Warwickshire Local Enterprise Partnership (CWLEP) Strategic Economic Plan objective of Unlocking Our Growth Potential through programmes that address digital connectivity and support for the digital sector.
- The West Midlands Combined Authority Strategic Economic Plan – with a particular focus on delivering growth and public service reform across eight priority themes – new manufacturing economy, creative and digital, environmental technologies, medical and life sciences, HS2 (High Speed 2 - the planned high-speed railway linking London to the West Midlands and beyond), skills for growth and employment for all, housing and maximising the economic geography.
- The draft City Centre Area Action Plan and the Draft Local Plan which include policies which directly encourage the expansion of digital infrastructure.
- The emerging Digital Economy Bill as announced at the 2016 Queen's speech for the state opening of Parliament.

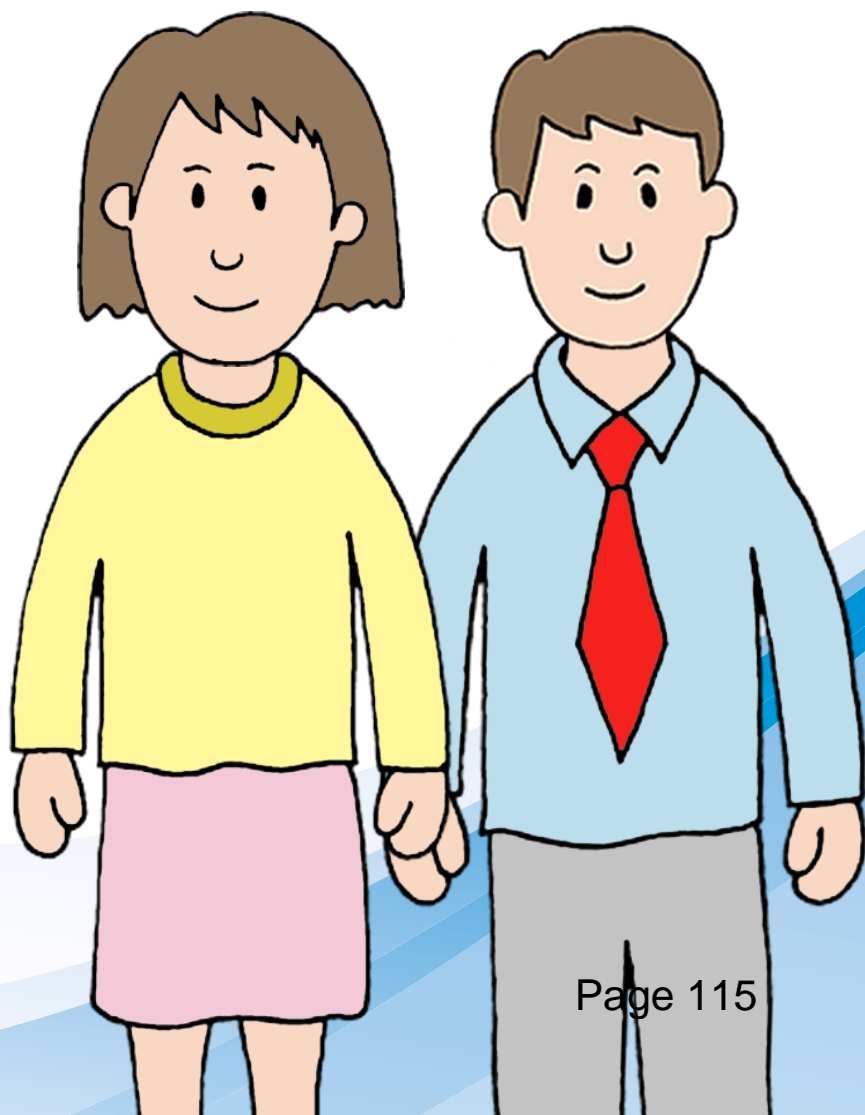


Vision for our digital strategy

To make Coventry a Digital Place

The aims of our digital strategy

- To set the scene for Coventry City Council and partners for the future direction of digital services, infrastructure and innovation.
- To be an over-arching document that gives a clear direction of where the Council, working alongside all of our partners, wants to be in the next five years – recognising that we will continually adapt and evolve to keep up-to-date with the latest advances in digital technologies.
- To focus limited public resources on achieving the best digital outcomes across the whole Council, the city and beyond. To encourage and direct investment in the digital programme by others and to maximise limited public resources.
- To encourage services, people and organisations to work together to share developments and knowledge.
- To address the growing demand for digital services and focus on what residents want in order to deliver outcomes that matter to them.
- To enable the Council, residents, businesses and partners to get the most out of digital.

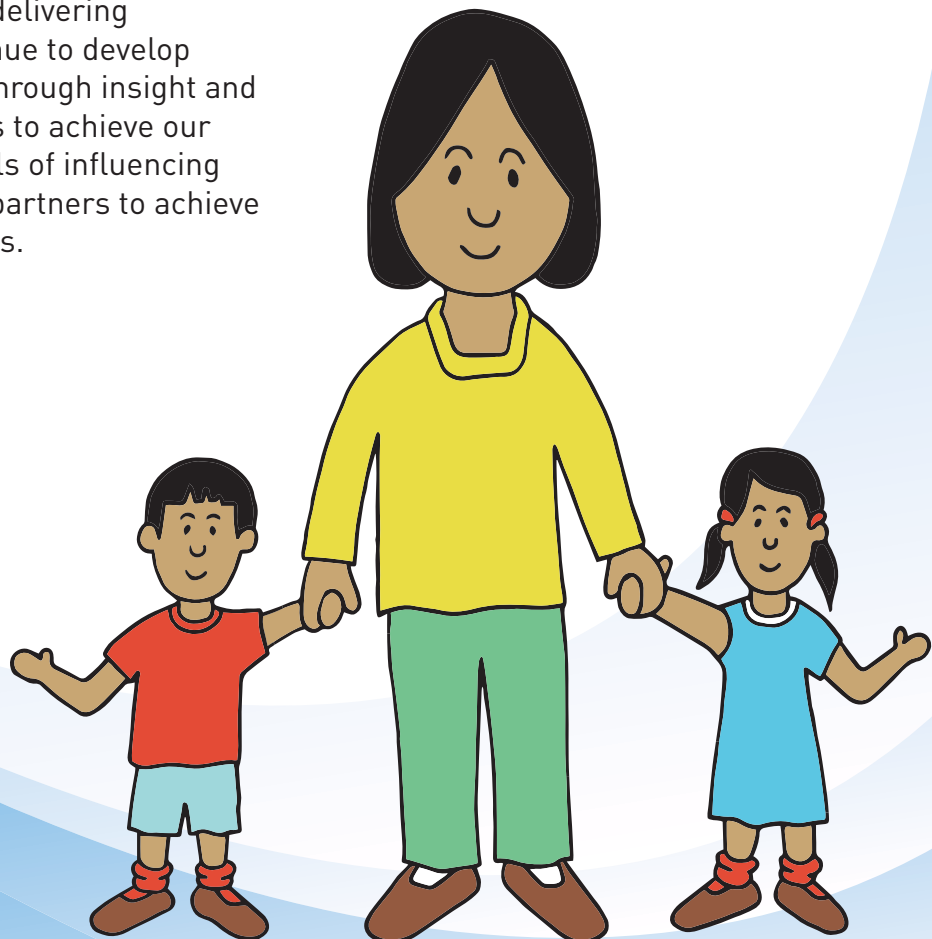


The Council will play a part in delivering the Digital Strategy, but we will not do that alone. This is a digital strategy for the city and not just for the Council. The universities, businesses, residents, public sector including the NHS and the police, the voluntary and community sector will all be progressing digital work and will continue to innovate and devise solutions. This agenda cannot be controlled or directed by one organisation alone.

The Council's role will be focussed on helping to identify the priorities that will lead to the biggest impacts on economic growth and public service reform – this will include the infrastructure to support digital innovation in the city, providing insight and delivering public service reform directly, including working in a more digital way as a Council and promoting work that will support every resident in the city to benefit from digital change.

Our Digital Strategy will need:

- Us to ensure that our **key policies and strategies are integrated** with our digital **ambition** and **principles** including planning, procurement, economic growth, early help, adult and children's social care, education, workforce, ICT, customer journey programme and commissioning. **The use of digital must be designed with the customer at the heart and is not an end in itself.**
- An **effective and progressive digital connectivity infrastructure in the city**, including broadband/fibre, mobile telecommunications (4G) and public Wi-Fi. This supports the Council's Local Plan and Government's Digital Communication Infrastructure Strategy ambitions.
- Us to develop the **digital skills and confidence of our workforce** so they are equipped to apply technology productively and proactively to find better ways of delivering public services. We need to continue to develop specialist skills and capabilities through insight and business intelligence to enable us to achieve our ambitions. This also includes skills of influencing and working collaboratively with partners to achieve outcomes through different means.



- Influencing the **development of digital skills and solutions within our communities** through partners (including voluntary organisations), schools, colleges and universities, so they are engaged, not excluded from the revolution. Engaging residents digitally too so that we reinvigorate democracy across communities.
- Changing the **way we design, procure and build digital systems** so that the customer journey is at the heart of how new systems operate and work. Reshaping the traditional local government software and service market to ensure there is increased choice and better value for money. Suppliers will be challenged to offer functionality rich digital systems with a focus on the customer experience, data quality, integration and adaptability.
- **Protecting privacy, delivering robust information, data and cyber security and investing in delivering digital resilience** so that our online services can be trusted to be safe, reliable and to work through implementing the actions in our Information Management and ICT strategies.
- **Redesigning** and implementing business policies, strategies and processes to have digital and customer focused design at their core.
- Focusing on, and maximising the value in, our **data and information**. This includes identifying our core data and information assets. Creating “**golden records**” for these core data sets with a focus on data integrity and quality. Making data open when we can and sharing with our partners where governance allows.
- Designing and implementing digital services which align with **industry and sector standards, policies and procedures**. Where these do not exist, we will define them.



Our priority themes for Digital Coventry

Priority	What it means
Digital place	<p><i>Infrastructure, digital innovation and data are promoted within the city to deliver economic growth and public service reform.</i></p> <p>This means enabling the right infrastructure in the city to support our Digital Coventry ambition, including internet connectivity to deliver economic prosperity and improve lives of residents. Establishing Coventry as a leading Smart City with specific focus on energy, health and transport industries. Using innovation to deliver better public services, with less money - this includes maximising digital channels to engage hard to reach groups. It also means harnessing the power of data and insight more effectively - so we can reduce duplication and target services.</p>
Digital customer and inclusion	<p><i>Enabling customers to get the information they need and to access our services through online self-service.</i></p> <p>This means making sure Council services can be accessed via the internet and are user-friendly. This could be for information or advice, to signpost to other services not provided by the Council, to make a payment or to request, apply or report something. It also means making internet access available for people who may not have this at home and building digital skills working with partners.</p>
Digital communities	<p><i>Using digital technology to engage with our citizens and to work closely with our partners to address complex issues.</i></p> <p>This means maximising the potential of digital technology in how we communicate and engage with our citizens, customers and partner organisations. It means providing the right digital environment within communities, and developing with partners, citizens and customers the innovative provision of services such as health and social care. It also encourages collaboration within citizen groups to help people access new networks or community resources to help individuals help themselves, promoting independence.</p>
Digital workforce	<p><i>Enabling a workforce which has access to the right tools to do its job and is confident in maximising the use and benefits of technology in its daily work.</i></p> <p>This means providing the right technology, such as tablets and phones, so that teams can work in different places, can access systems they need, when they need to and simplifying processes and systems for the benefit of customers and teams. It also means developing a Digital Skills Strategy so we are recruiting and training with digital in mind.</p>

Digital place

Our vision

“Infrastructure, digital innovation and data are promoted within the city to deliver economic growth and public service reform.”

This means enabling the right infrastructure in the city to support our Digital Coventry ambition, including internet connectivity to deliver economic prosperity and improve the lives of residents. Establishing Coventry as a leading Smart City with specific focus on energy, health and transport industries. Using innovation to deliver better public services, with less money - this includes maximising digital channels including social media to engage hard to reach groups. It also means harnessing the power of data and insight more effectively.

Our journey so far



We are trialling eight [solar-powered smart bins](#) in Broadgate Square. These bins have sensors in them which provide alerts when they are full, or reaching capacity and need emptying. The data that the bins provide is accessible through a cloud-based management portal. We also get daily reports emailed to us with data about the bins. As the bins are powered, they

have a compactor in them to allow them to take more waste before they need emptying. The trial has been successful and we are now looking at installing 20 more smart bins within the city.

“Previously we had staff on continuous bin runs throughout the day, now we only need to deploy staff to the bins when they need emptying making us much more efficient.”

Area Manager – Street Cleansing and Grounds



We have started a trial of digital air quality monitoring solutions using [Air Sensa](#) technology. Each sensor takes continuous readings of air quality and atmospheric conditions. These readings are

then sent to a cloud based software platform where it can be interpreted by a number of apps with features such as pollution - avoiding journey planning. We also hope to be able to share this data with our partners for them to create their own apps and provide further insight from the data. If the trial is successful we will install more sensors across the city.

“It is hoped that live air quality data can link to the Urban Traffic Management Control data to allow real time traffic management changes in line with pollution levels.”

Head of Regulatory Services



We teamed up with Appy Parking and Nwave to trial an innovative new parking app that will help to make finding an on-street parking space in Coventry simple.

Appy Parking shows available spaces in real time in order to eliminate the need to trawl the city's streets looking for a gap.

It is being trialled at three locations in the city to show on-street spaces at New Union Street, Warwick Road and St John's Street.

"It is hoped that not only will the app and sensors make looking for a parking space for all car users a thing of the past, but it will help businesses be more productive and also reduce pollution."

Transport Innovation Manager

COVENTRY CORE

POWERED BY CityFibre

We have developed a 140km state of the art fibre network. Working with our partner CityFibre it is being updated and extended through the Coventry Core initiative to reach more businesses.

The network currently connects over 300 key sites throughout the city, including government buildings, schools and hospitals. To make it ready for Coventry's business community it's been upgraded and extended to reach more businesses.

"This is a major step forward for Coventry businesses and for the city as a whole. It will give businesses a competitive advantage over their rivals elsewhere and will make the city very attractive in terms of inward investment."

Advent Communications – Based in Coventry

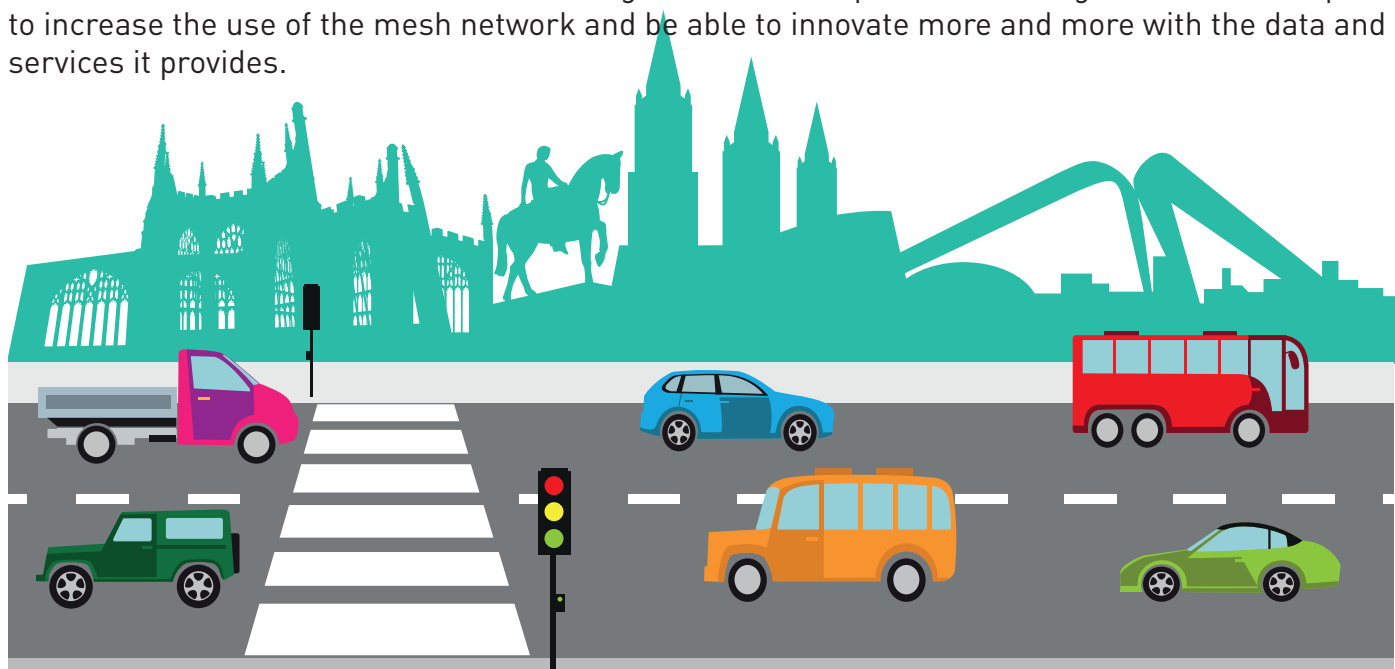


Case Study – A connected city helping with transport

Over recent years, Coventry has developed a network of connected devices led by our Traffic and Transport teams that help our Urban Traffic Management and Control function in the provision of Intelligent Transport, not only in the city but the wider sub region. There are a number of different device types connected on what is known as a mesh network. They can all talk to each other and provide real-time information back to a central hub.

To date we have 500 devices connected to this network and they all help in the provision of our traffic lights, totems/signs, CCTV, Variable Message Signs, Automated Number Plate Recognition systems and parking meters.

Our mesh network is a fundamental building block of our aspiration for a Digital Place. We hope to increase the use of the mesh network and be able to innovate more and more with the data and services it provides.



How we will achieve our vision

- Provision of **high bandwidth, resilient** and **reliable internet connectivity** across **business** and **residential** areas. This will include developing the Coventry Core further - our **Gigabit City** partnership with CityFibre.
- Provision of **high coverage, resilient** and **reliable mobile telecommunications** across the city.
- Traditional **highways** and **building** developments are **designed with digital** in mind.
- **Innovation** opportunities are **actively sought out** to maximise the investment made in our **digital infrastructure**, e.g. developing our mesh network.
- **Innovate**, taking advantage of the **latest technologies** available for **economic growth**, creating an environment that **enables others** to **grow their business**.
- **Implement** digital technologies that are not only **green and low carbon** in themselves but also **enable and support** other green and low carbon **initiatives, activities** and **working practices**.
- Create a leading **digitally rich learning culture** with support from the two universities, our many colleges, schools, academies, libraries and educational services.
- Create an environment that **attracts leading digital businesses** to the city and supports the **innovation of start-ups**.

- Positioning Coventry as a “**living lab**” encouraging new **innovations** and **demonstrators**.
- **Innovation** and **efficiency** will be enabled through leading edge **data visualisation** and **analytic tools**.
- **Data** will be **shared** between **partner organisations** where we are licensed to do so to increase **process efficiency**.
- Where possible, practical and when we are allowed, our **data is made open** and published.
- **Data quality** and **integrity** is built into all **service design** and **working practices**.
- Align with existing or define new **standards** to include public data hubs, Geographical Information Systems (**GIS**), Internet of Things strategy and devices, transport data (traffic flow, parking, public transport) air sensors etc. Learn from and align to **Smart City frameworks** and **standards**
- Digital **security is reviewed** not only at the design stages of a new service but **continually through the life cycle** of the digital technology.
- Digital **security standards, practices** and **procedures** are continually updated in line with **industry trends in cyber resilience**.

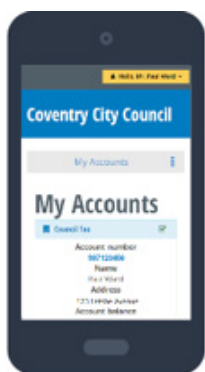
Digital customer and inclusion

Our vision

“Enabling customers to get the information they need and to access our services through online self-service.”

This means making sure Council services can be accessed via the internet and are user-friendly. This could be for information or advice, to make a payment or to request, apply or report something. It also means making internet access available for people who may not have this at home and building digital skills through partners.

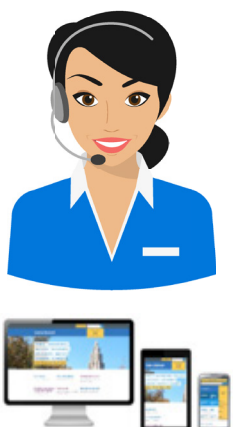
Our journey so far



We introduced our new online self-service platform “MyAccount” in May 2015. Since then nearly 43,000 people have signed up for an account and 44,600 forms have been submitted online by our customers. We now have over 70% of residents paying Council Tax via Direct Debit. We are working hard to increase and improve the online services we offer based on customer feedback.

“Excellent innovation” and “Very effective and efficient.”

Some customer feedback, on MyAccount



In November 2015 we opened a new Customer Services Centre in the heart of the city centre. The centre is a modern and fresh environment which is well equipped with our latest technologies. Customers are be supported by our meet and greet team who can help you to access our online services using one of our self-service machines or make a payment using our payment kiosks. Customers can also book to see one of our advisers using our new appointment booking system.

Since opening, the centre has scored 4.45 out of 5 in overall customer satisfaction.

We are currently redesigning our homelessness process. Our focus is on customer-centric, digitally enhanced service design covering the end-to-end process for individuals presenting to the organisation as potentially homeless. We are expecting to deliver a much more efficient and automated process. During initial testing we have identified the potential to reduce the initial decision-making time from 90 days to 30 minutes. Our solution then provides a clear decision for those who wouldn't be eligible for our help, supported by signposting to organisations that may be able to provide information and advice for their situation.



“Very clear guidance and upfront info.”
“Just great stuff - wish it had been available when I worked in housing.”

Customer Ambassador feedback

Design Council

We have been selected to be part of the “Design in Public Sector Programme” funded by the Local Government Association learning to use Design Council methodology to address perceived issues of demand management. Through this programme we are focussing on access to, and demand for, our Adult Social Care services. We are including prevention, signposting and predictive analysis in health and social care as part of our design thinking.

“The programme helps us to learn new tools and techniques to understand the problem better to create more effective and longer term solutions.”

Transformation Programme Manager feedback

Case Study

New app making Coventry more accessible and inclusive

We are currently piloting a new digital service called “assist-Mi.” The service is free of charge for users and offers comprehensive assistance to people with disabilities who can request assistance when visiting venues in Coventry. People can download an app and then connect via two way messaging to the venue they plan to visit.

The member of staff at the organisation will, at the same time, get a profile of the customer so they understand what their needs are likely to be and anticipate the service user’s arrival.



“It helps us all understand more about the importance of accessible venues.” – Chair of the Disabled Employees Network

The pilot is a partnership with Coventry City Council and Coventry Citizens’ Advice Bureau.

Venues that are part of the pilot include the Council House, Coventry University, the Herbert Art Gallery and Citizens’ Advice Bureau.

Full details are available on the [Assist-Mi website](#).

“It gave me the choice of planning my journey to make my trip into the city smoother and easier and of course it is great that it is free for individuals.”

Feedback from a user during the pilot

How we will achieve our vision

- **Design** services, **end-to-end, with, and for**, the **customer and service users**. This activity has already started with our recent work on homelessness, waste, registrars and adult social care services.
- **Accessibility, user experience** and **efficiency** are at the heart of **service design**. This was at the heart of our redesigned, device independent website and is a theme that runs through our **continually improved** and **updated content**.
- **Data** will be **collected once**, only when we need it, and **shared** when required across our services to increase **process efficiency** for the customer.
- **Digital assistance** will be provided to ensure that customers can **access services for themselves**. This includes at our city centre Customer Services Centre and also digital tools across other locations including libraries.

- Enabling online **self-serve access** for **all services** through [MyAccount](#) and associated appointment booking and payment systems.
- Improving our **technical infrastructure** to support and **underpin the digital customer experience** e.g. this could include using flexible **cloud services** to deliver **scalability (ability to grow)** in times of high demand as well as for site independent business recovery.
- Increasing **online self-service** transactions **24/7**, **reducing face to face and telephony** transactions, **reducing demand for services overall** freeing up resource to **help the most vulnerable, focus on processes** that still need **human judgement and interaction**.

Digital communities

Our vision

“Using digital technology to engage with our citizens and to work efficiently with our partners, to address complex issues.”

This means maximising the potential of digital technology in how we communicate and engage with our citizens, customers and partner organisations. It means providing the right digital environment within communities, and developing the innovative provision of services such as health and social care with partners, citizens and customers. It also encourages collaboration within citizen groups to help people access new networks or community resources to help individuals help themselves, promoting independence.

Our journey so far

We have recently extended our free public Wi-Fi offering to all of the city’s libraries. This means that members of the public can take their laptop, tablet or smartphone and connect, for free, to the internet via our public Wi-Fi.

We are currently planning on being able to provide free public Wi-Fi within the city centre and the retail market.

In April 2016 there were nearly 13,200 public Wi-Fi sessions for a total of nearly 4,600 hours at our libraries.





The [Bell Green Silver Surfers](#) have some 18 members (and a waiting list) with ages ranging from their 60s to their 80s. It is a self-managing and self-sufficient computer club organised by, and for, the senior members of the Bell Green Community. The Silver Surfers meet every Thursday, regardless of the weather, to learn about the latest technologies to enhance their lives.

The seniors in the group are digitally more confident than ever before. They are able to shop online, pay bills and develop financial spreadsheets to help manage money at home. They are able to communicate with their children and grandchildren on sites such as Skype and Facebook. Flowers and bargain white goods are bought online and photos are shared and printed.

“The Bell Green Silver Surfers have reduced the need for members visiting their GP, and they have reduced the dependency on outside support from mainstream services.”

Community Development Officer



We have been an early adopter of the Child Protection Information Sharing (CP-IS) system. This allows information to be shared between our Children’s Social Care system and the systems used by the NHS. This allows for earlier identification of where a child is at risk of neglect or abuse.

“CP-IS will provide an invaluable safeguard for vulnerable children if they attend unscheduled health care settings.”

Head of Business Systems – People Directorate



With our partners at Coventry University and University of Warwick, along with a number of other partners from both the private and charity sectors, we contributed to the creation of [FabLab Coventry](#). The aim of FabLab Coventry is “to encourage all citizens in Coventry to become more technically skilled, but in an environment that is fun, well equipped, geared for self-paced learning, and open to everyone, regardless of income or educational background”.

“Fab Lab Coventry is a home where citizens of all ages, makers, doers, entrepreneurs, activists, creatives, students and researchers can come together to build a better Coventry. To do this Fab Lab provides state-of-the-art advanced manufacturing and digital fabrication equipment to anyone wishing to take part.” FabLab Coventry

Case Study

Digital Technology supporting Housing with Care

Mrs S is 89 and has angina, hypertension and dementia. She is physically quite fit, and having run a farm with her husband before retiring to a bungalow she is used to spending time outside each day. As Mrs S's dementia progressed she began to need more support, and in 2008 she moved to a Housing with Care scheme, in her own self-contained flat.

A system was fitted that included a property exit sensor. Staff at the scheme turn the sensor on in the evening, and if Mrs S leaves her flat during the night it raises an alert on the night staff's pager. They can then assist Mrs S back to her flat.

Mrs S has also been given a GPS device which is placed in her handbag. As Mrs S always takes her bag with her when she leaves her flat, this means the monitoring centre can locate Mrs S and alert her family if she becomes lost.

The system means Mrs S has been able to remain in the flat she has called home for seven years, close to her son and daughter who live nearby.

She remains part of her community, going out with family and friends and spending time with other tenants living at the scheme. She also continues to enjoy visiting the nearby dementia day centre.

Remaining in familiar surroundings may also have helped Mrs S to remain more independent, as changes of environment can be detrimental for people with dementia.

The GPS device has now been in use for 88 weeks, and has avoided approximately £25,000 costs to the Council.

“We didn't want to see Mrs S go into residential care, as she's really happy living here. With the new system we know that if she does go out the family will be alerted and can contact us.

We can look on the system and see where she is. It has maintained her independence and her safety and meant she can stay here where she is happy.”

Member of the care team at Mrs S's Housing with Care scheme

Coventry
TeleCareline

“I think the system is marvellous. I'm so grateful it's been put in, it gives us such peace of mind.

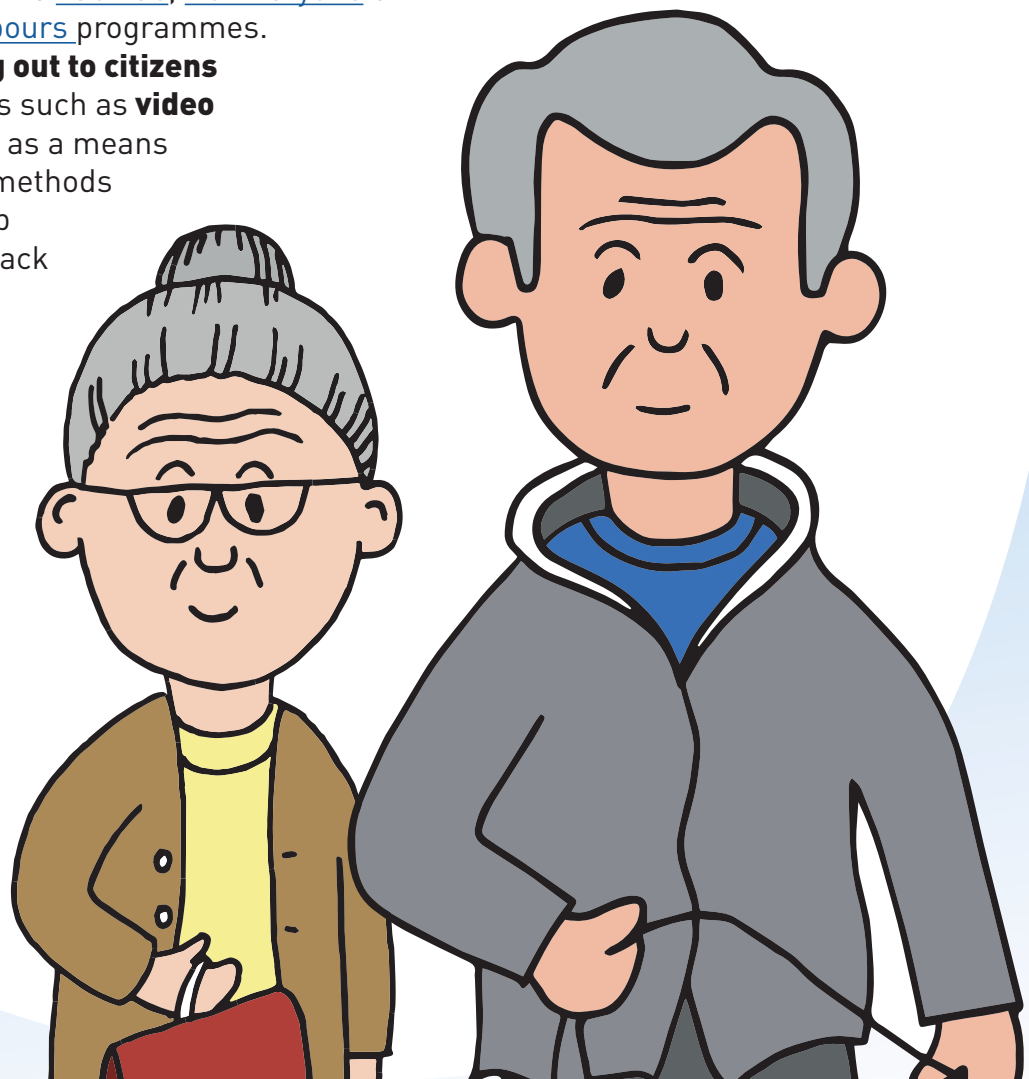
Mum has been able to maintain her independence and stay out of residential care.”

Mrs S's son



How we will achieve our vision

- **Collaborating** across our **partners**, including the **voluntary sector** to create, **new innovative, efficient methods of service delivery**.
- **Modernising** IT facilities in **community settings** including **libraries** and our **Customer Service Centre**, through our **Connecting Communities** and **Kickstart** programmes.
- **Improving efficiency** and **accessibility** to Council services for **disabled and vulnerable groups** by harnessing **advances in technology** including improved translation services, customer focussed system design, video conferencing etc.
- **Public Wi-Fi** – implementing the city centre Wi-Fi contract to **provide free city centre Wi-Fi hotspots**. Public Wi-Fi enabled across all **library locations**. Expanding this across other city locations and Council buildings.
- Work with our **research** partners, including our **two universities** to explore **innovative assistive technologies** to directly support within the **health and social care environment**.
- Establish suitable **data sharing agreements** and **legal frameworks** to enable the **sharing of complex and sensitive data** between partner organisations including the NHS and Police to improve **process efficiency** and **outcomes for our citizens**.
- Using **social media** analysis to engage with **citizens** via **digital channels** that they are **already using** – not necessarily introducing new tools. We will talk to local communities to understand how best they want us to engage with them via these channels.
- **Empowering citizens** by **increasing resilience** within **communities** by making more people aware of **resources within their community**. Developing their own solutions by **pooling existing community resources** and matching **volunteers** to areas of **need**.
- **Encourage** people to **develop their digital skills** in community settings through initiatives such as at the [Fab Lab](#), [DotEveryone](#) or [Cheylesmore Good Neighbours](#) programmes.
- Use **new ways of reaching out to citizens** in more accessible formats such as **video** and **create Citizen Panels** as a means of engagement. Use new methods such as **quick polls** to help understand citizens' feedback on engagements better.



Digital workforce

Our vision

“Enabling a workforce which has access to the right tools to do its job and is confident in maximising the use and benefits of technology in its daily work.”

We need a rapid change in culture and mind-set to demonstrate a clear commitment to embracing IT innovation and to provide a clear vision for a more digital future; one that offers a vibrant and exciting environment for the up-and-coming generation of digital talent.

This will be done through providing the right technology, such as tablets and phones, so that teams can work in different places and can access the systems they need, when they need to and simplifying processes and systems for the benefit of customers and teams.

We also need to ensure that our employees at every level of the organisation have the digital skills, confidence and commitment to adopt a digital first approach to working collaboratively across boundaries to deliver services and meet customer needs. It means developing a Digital Skills Strategy, providing a clear vision and expectation of digital standards and addressing gaps through training and recruitment.



We are introducing a new type of telephone system for our staff which allows them to use their computer as a phone. This also gives greater flexibility and mobility to staff as well as introducing new communication methods such as conference calling, video calling and instant messaging. So far we have rolled out to **2500** users. Our plan is for all main office sites to be live by December 2016.

81%

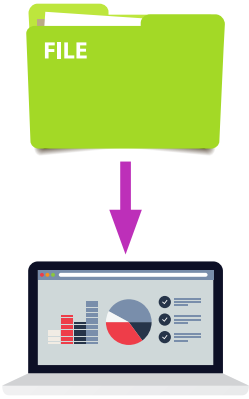
of early users say they can work more flexibly



We have introduced a new type of laptop computer – a 2-in-1 laptop. This means they can also be used as a touch screen tablet device, making them more versatile and accessible to use in meetings and when users are away from a desk. Alongside this we have also made it easy for teams to connect to our network when they are working away from the office, as long as they have an internet connection. So far we have issued this type of device to **30%** of our Council users.

“Light and agile, I take it everywhere. Versatile – no more paper, I use it as a tablet at meetings.”

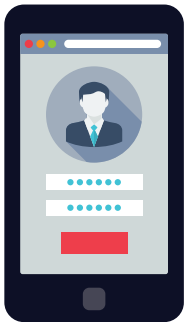
Finance Business Partner



We have introduced new electronic systems for users to be able to store, access, share, collaborate on and archive their files. This is being matched with redesigning our document management policies and procedures with a view to the organisation becoming as paper-light as possible. So far we have rolled out these systems to **62** out of **91** services. Our plan is for all services to have access to these systems by early 2017.

“I really like being able to work on the same document together – and seeing people’s changes added.”

Corporate Performance Officer



Having renegotiated a new corporate Mobile Telephony contract we are now able to provide corporate smartphone technology to our users. This means that they can not only make and receive calls but also access emails and create Wi-Fi hotspots for them to be able to connect their laptop to the internet to access our network. So far we have provided smartphones to **2500** of our users.

“Using my phone to create a Wi-Fi hotspot, I can access network files, emails and take notes while working in schools.”

Educational Psychologist



Case Study

New devices supporting new ways of working

Natasha is a social worker in our Referral and Assessment Service. She was part of the test project for the new 2-in-1 laptops that we are now rolling out across the organisation. We wanted to be sure that the type of device we are offering is fit for purpose for the people that will be using them day-to-day.

“One of the intended outcomes of the tablet is that we will become more paper light. As social workers we write copious records and this is often in writing on paper and then they have to be typed up back at the office. By using the tablet, the records will be typed up straight away, and therefore, saving a lot of time so we can see more service users and children.”

Natasha – Social Worker

The testing of these devices was successful and feedback from the group was captured. This informed our approach to rolling these devices out further. We have provided nearly 1300 so far, with lots of positive feedback.



How we will achieve our vision

- **Innovate**, taking advantage of the **latest technologies** available.
- Focus on **process efficiency** and **automation** through the use of technology and the use of **efficient, digitally enhanced** models of **service delivery** and **process**, which in turn will **reduce cost** and **support improvement in outcomes**.
- Ensure that **data integrity and quality** are at the heart of operating processes with a specific focus being given to **insight** and **continual service** improvement in the future shaping of services.
- In line with our **Digital Transformation** agenda, **services** will be **designed, end-to-end, with and for the customer and service users**.
- Ensure that the **workforce** is suitably **skilled** in the use of **digital technology and service redesign**. This will be supported by the creation of a **Digital Skills Strategy**.
- **Service managers** are **accountable** for **continually reviewing** the processes they are responsible for to ensure they **remain up to date** with the latest technology trends. Changes to processes are carefully managed and controlled to ensure **service continuity** whilst innovating.
- **Remove complexity** by **reducing** and **consolidating** the number of IT systems in use by Coventry City Council through our **Systems Consolidation** programme.
- Ensuring that the **right documents, information and data** are available to the **right people** at the **right time** through the creation of a **digital collaboration environment** which includes re-imagining our **intranet**.

The next 12 months for Digital Coventry

The following activities will be undertaken within the next 12 months

- Review progress and build more detailed plans and activity across all services.
- Add and highlight any additional initiatives that are identified to ensure these are aligned with existing plans or resources.
- Take stock and review the Council's digital offer and the outcome of the training and support programmes to determine if this support is working and if it should continue.
- Be clearer of the position regarding infrastructure and look for any gaps in coverage or access.
- We will continue to deliver more online services and monitor channel shift and the customer experience.
- In line with the ambitions of the Draft Local Plan, developers of new development (residential, employment and commercial) will be expected to facilitate and contribute towards the provision of internet connectivity infrastructure and ensure this meets the ambitions of the Government's Digital Communications Infrastructure Strategy and the European Digital Agenda.
- Work more closely with partners in the city to progress the digital agenda – including Warwick and Coventry Universities, technology suppliers, businesses, innovators and providers who are delivering infrastructure within the city.
- We will actively align its digital work with that of the CWLEP, West Midlands Combined Authority in delivering the Strategic Economic Plan and Public Service Reform.

Where will we be in five years?

Digital technology changes and evolves at an incredible pace. The Digital Coventry programme will focus on being up to date with the latest technological innovations which may well require us to adapt our plans as the technology advances.

At the time of writing, these are our aspirations for the next five years

- In five years we will see a clear shift in the way our customers engage with the Council. As the uptake and usage of digital services increase, customers will expect a seamless multi-channel experience, mirroring their experiences across wider sectors.
- Advances in digital solutions as to the way we store, manage and analyse data, will enable the Council to be clearer about which face to face services are required, when these should be delivered and who they should be delivered to.
- Council and partners will have enabled all customers and businesses to access the internet and be more confident in realising its potential.
- Customers will have access to equipment and support to access digital services in a wider range of public and non-public buildings.
- The city will continue to have full internet connectivity coverage. Working with suppliers and partners we will strive for the city to have high coverage of ultrafast internet connection (300Mbps).
- The city will have a growing number of free Wi-Fi hotspots with an aspiration to provide city wide public Wi-Fi.
- The city will continue to position itself as a digital leader taking advantage of any possibilities to adopt new technologies early or as part of pilot initiatives. This would include positioning ourselves to influences where possible becoming an early adopter city for 5G mobile telephony technology when this is available.
- Digital delivery and ambition will have been realised and will be actively enabling economic growth and improving the wellbeing of Coventry residents by boosting competitiveness, increasing productivity in the public and private sectors, reducing reliance on public services and securing public service reform.
- In order to keep pace with technology and to respond to changes in public services including reductions in resources, we will be working much more closely with other partners to help design and deliver the required changes.

For more information or for any queries regarding this strategy, please contact:

Lisa Commane

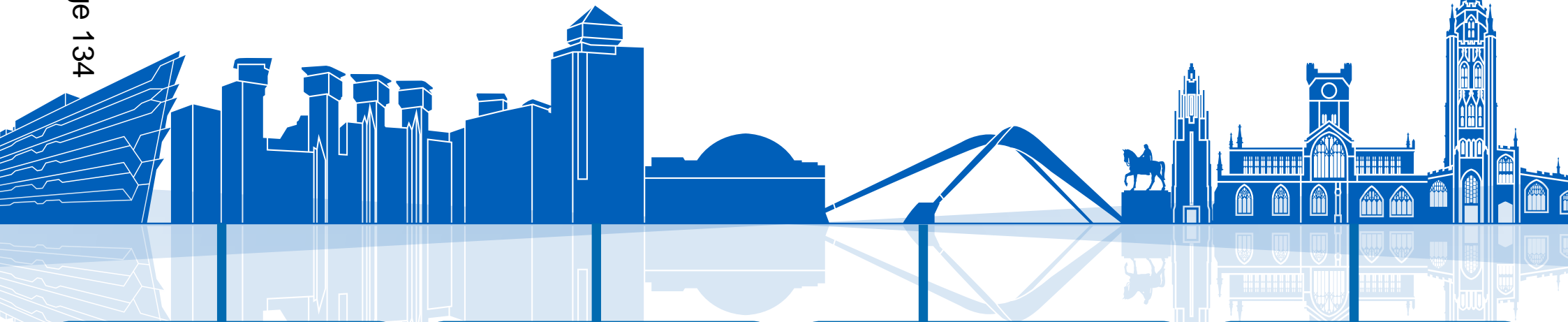
Assistant Director ICT, Transformation and Customer Services lisa.commane@coventry.gov.uk

Paul Ward

Head of ICT Strategy, Systems and Development paul.ward@coventry.gov.uk

Get involved using #digitalcov

Digital Coventry



Digital customer and inclusion

Making sure our online systems are easy to use and everyone has the skills and opportunity to use them, so they can get the service they want when they want it.



Digital communities

Using the latest technology to talk to city people and encourage them to talk to each other so they can do more for themselves and their communities by going online. Helping people live independently for longer.



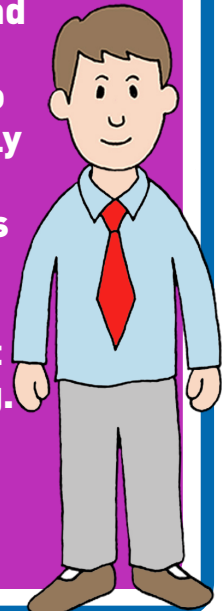
Digital place

Developing the city's internet connectivity for residents and so local businesses have the digital/online tools they need to create jobs and prosperity helping us offer a better quality of life to Coventry people.



Digital workforce

Giving workers the skills and equipment they need to work flexibly and putting digital skills at the heart of recruitment and training.





Public Report

Council

21 February 2017

Name of Cabinet Member:

Cabinet Member for Policing and Equalities - Councillor Abdul Khan

Director Approving Submission of the report:

Executive Director of Place

Ward(s) affected:

All

Title: **Appointment of Section 151 Officer and Delegation of Powers**

Is this a key decision?

No

Executive Summary

The Council is required by Section 151 of the Local Government Act 1972 to appoint a Chief Finance Officer (the Section 151 Officer). That position is held by the Executive Director, Resources. As he is about to leave the Council, the City Council needs to appoint another officer to fulfil this statutory function.

In addition, changes to the directorate structure of the Council following the departure of the Executive Director, Resources mean that a number of changes need to be made to the Scheme of Delegation for Employees in the Constitution. Other parts of the Constitution also need to be amended to reflect changes in the structure and in post titles.

This report sets out:

- (a) A recommendation that the Director of Finance and Corporate Services be appointed as the Council's Chief Finance Officer under Section 151 of the Local Government Act 1972;
- (b) Changes needed to allocate functions of the Executive Director, Resources to other officers, including Proper Officer functions and onwards delegations; and
- (c) Changes needed to other parts of the Constitution to reflect the changes in the directorate structures.

Recommendations:

Council is recommended to:

1. Designate the Director of Finance and Corporate Services as Chief Finance Officer under Section 151 of the Local Government Act 1972 with effect from 22 February 2017;
2. Approve the proposed allocation of the functions of the Executive Director, Resources to other officers as set out in Appendix 1 to the report, including Proper Officer functions and onwards delegations with effect from 22 February 2017; and
3. Authorise the Legal Services Manager (Place and Regulatory) to amend the Constitution accordingly and to make consequential changes to the other parts of the Constitution reflecting the changes in the Scheme of Delegation and in post titles.

List of Appendices included:

Appendix 1: Proposed Amendments to the Scheme of Delegation

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

Report title: Appointment of Section 151 Officer and Delegation of Powers

1. Context (or background)

- 1.1 Section 151 of the Local Government Act 1972 requires each local authority to appoint an officer to oversee the proper administration of its financial affairs (the Section 151 Officer). Any person appointed as Section 151 Officer must be a member of a prescribed accountancy body. The role is currently carried out by the Executive Director, Resources. As he is now leaving the Council and the post of Executive Director, Resources is to be disestablished, the Council needs to appoint a new Section 151 Officer.
- 1.2 The Council's Scheme of Delegation to Employees sets out functions and powers which are delegated to named post holders. The Executive Director, Resources has a number of delegated powers which under the Constitution are further delegated to other officers. Certain functions are exercised by the Executive Director as Proper Officer (with an onwards delegation in the Scheme to other officers) and these need to be re-delegated by full Council. The same applies in relation to one Proper Officer function of the Chief Executive.
- 1.3 In other parts of the Constitution there are references to the Executive Director, Resources. As the post is to be disestablished, these references need to be updated to whichever post is to take over those particular functions.

2. Options Considered

2.1. Appointment of Section 151 Officer

The Council must have a Section 151 Officer appointed to oversee the proper financial administration of the Council. As the person appointed must be a member of a prescribed accountancy body, it is recommended that the holder of the newly created post of Director of Finance and Corporate Services be appointed as Section 151 Officer with effect from 22 February 2017.

2.2 Appointment of Proper Officer

The Executive Director, Resources is the Council's appointed Proper Officer for a number of functions with onwards delegation to, among others, the City Solicitor and the Assistant Director (Finance, Revenues and Benefits). As the posts of Executive Director and Assistant Director are to be disestablished, the appointment of Proper Officer and onwards delegations need to be reallocated by Council. The table in Appendix 1 to this report sets out all of the Executive Director, Resources' delegations (including Proper Officer functions) and proposals for reallocation of the Proper Officer functions and onwards

delegations. An additional column has been added to the table to show to which officer or officers it is recommended that these functions be delegated.

2.3 Reallocation of Delegations to Executive Director, Resources

2.3.1 The table in Appendix 1 to this report sets out extracts from different sections of the Scheme of Delegation to Officers (Part 2M of the Constitution) as follows:

- Section 5: General Delegations to all Senior Officers
- Section 6.1: Delegations to the Chief Executive
- Section 6.2: Delegations to the Executive Director, Resources

The third column of the table sets out the proposed reallocation of the delegations currently given to the Executive Director.

2.3.2. Members are asked to note that when the Constitution is updated to reflect the changes in structure, job titles and functions, a separate section will be created for the Section 151 Officer's functions and delegations set out in paragraphs 6.2.26 to 6.2.28 in the table. This is because the Section 151 Officer derives these powers directly from his appointment by full Council and not from an onwards delegation from an Executive Director.

2.3 Consequential Amendments to Other Parts of the Constitution

2.3.1 Throughout the Constitution there are references to the Executive Director, Resources, for example in the Council Procedure Rules in Part 3A and the Financial Procedure Rules in Part 3F. The Council is asked to authorise the Legal Services Manager (Place and Regulatory) to make the necessary amendments to the rest of the Constitution depending on where the responsibility for the particular function is to be reallocated.

2.4 Recommendations

Council is recommended to:

1. Designate the Director of Finance and Corporate Services as Chief Finance Officer under Section 151 of the Local Government Act 1972 with effect from 22 February 2017;
2. Approve the proposed allocation of the functions of the Executive Director, Resources to other officers as set out in Appendix 1 to the report, including Proper Officer functions and onwards delegations with effect from 22 February 2017; and
3. Authorise the Legal Services Manager (Place and Regulatory) to amend the Constitution accordingly and to make consequential changes to the other parts of the Constitution reflecting the changes in the Scheme of Delegation and in post titles.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken because the changes are required to ensure that the Council complies with its statutory duty to appoint a Section 151 Officer and to ensure that functions may be exercised at the appropriate level.

4. Timetable for implementing this decision

- 4.1 The amendments need to take effect from 22 February 2017.

5. Comments from the Executive Director, Resources

- 5.1 Financial implications
None.

- 5.2 Legal implications
The Council must designate an officer as Chief Finance Officer under Section 151 of the Local Government Act 1972. In addition only Council can appoint officers as proper officers.

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 Constitution sets out the governance arrangements of the Council and it is important that these reflect changes in operational matters within the Council.

6.2 How is risk being managed?

Having a Constitution that reflects changes in operational matters will ensure that the Council meets its legal obligations.

6.3 What is the impact on the organisation?

To put in place appropriate governance arrangements that reflect operational changes.

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title: Carol Bradford, Corporate Governance Lawyer, Regulatory Team.

Directorate: Resources

Tel and email contact: 024 7683 3976/ carol.bradford @coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services	Resources	10.02.17	
Carolyn Sinclair	Governance Services	Resources	10.02.17	
Names of approvers for submission: (officers and members)				
Julie Newman	Legal Services Manager, People	Resources	03.02.17	06.02.17
Helen Lynch	Legal Services Manager, Place and Regulatory	Resources	03.02.17	06.02.17
Gail Quinton	Executive Director, People	People	07.02.17	10.02.17
Martin Yardley	Executive Director, Place	People	07.02.17	08.02.17
Chris West	Executive Director, Resources	Resources		
Members: Councillor Abdul Khan	Cabinet Member Policing and Equalities			

APPENDIX 1: PROPOSED AMENDMENTS TO THE SCHEME OF DELEGATION

NB In the first and second columns the post or posts to be deleted are in *italics and underlined*; in the last column the post or posts to whom functions are to be re-allocated are shown in **bold italics**.

A. PROPOSED AMENDMENTS TO GENERAL DELEGATIONS: PART 2M, PARAGRAPH 5

	Description	Currently Exercised By	Proposal
	Human Resources		
9	To manage the Directorate establishment including the appointment, suspension, discipline, dismissal and severance of staff below Assistant Director level.	Members of Strategic Management Board, Directors, the Director of Public Health and Assistant Directors, subject to early retirement and other severance payments being authorised by <i>the Executive Director Resources and the Head of Human Resources and Organisational Development jointly</i> .	Director of Finance and Corporate Services as Section 151 Officer in consultation with the Executive Director, People/Director of Customer Services and Transformation/ and the Head of Human Resources and Organisational Development
10	In respect of employees within their own service area:	(i) to (viii): Members of Strategic Management Board, Directors, the Director of Public Health,	

<ul style="list-style-type: none"> (i) Appoint staff within the approved establishment; (ii) Approve changes to job descriptions and job titles where there are no grading implications subject to agreement with the <u>Executive Director, Resources</u> or the Head of Human Resources and Organisational Development (iii) Control and manage performance, TOIL and working hours in accordance with Health and Safety requirements and Council policy; (iv) Authorise paid overtime working below spinal column point 29; (v) Grant compassionate and special leave for urgent, personal or domestic reasons or for magisterial duties, or for trade union purposes in accordance with approved policies; (vi) Ensure compliance with absence control policies and performance targets; (vii) Approval of car lease subsidy for selected posts, where recruitment and retention needs are identified in accordance with specified criteria (viii) Approve foreign travel by employees where the direct cost to the City Council does not exceed £100 in consultation with the relevant Director; 	<p>Assistant Directors, Heads of Service and Managers;</p>	<p><i>(ii) Executive Director People and Director of Customer Services and Transformation</i></p>
---	--	--

	<p>(ix) Authorising extensions to sick pay.</p> <p>(x) Authorise payments within the JNC for Chief Officers pay and grading structures.</p>	<p>(ix): Members of Strategic Management Board and the Head of Human Resources and Organisational Development and reported quarterly to relevant Cabinet Member;</p> <p>(x): Members of Strategic Management Board <u>/Executive Director, Resources /Human Resources Business Partners.</u></p>	<p>(x) Members of Strategic Management Board <i>in consultation with Director of Finance and Corporate Services as Section 151 Officer and Executive Director, People, Director of Customer Services and Transformation or Head of Human Resources and Organisational Development</i></p>
12	The making of agreements with other local authorities for the placing of staff at the disposal of those other local authorities.	Members of Strategic Management Board, Directors, the Director of Public Health and Assistant Directors, in consultation with the <u>Executive Director, Resources.</u>	Executive Director, People with onwards delegation to Director of Customer Services and Transformation and Head of Human Resources and Organisational Development
Finance, Procurement and Contracts			

13	To ensure compliance with the City Council's financial rules agreed by the Council (such as Financial Procedure Rules, Finance Function manuals and other instructions) and to report to the <u>Executive Director, Resources</u> when they become aware that there is a failure to comply with the rules.	Members of Strategic Management Board, Directors, the Director of Public Health Assistant Directors, Heads of Service and Managers.	Director of Finance and Corporate Resources as Section 151 Officer
15	To collaborate with the <u>Executive Director, Resources</u> and other Executive Directors and Directors in undertaking any matters with financial implications and achieving value for money in the provision of services.	Members of Strategic Management Board, Directors, the Director of Public Health, Assistant Directors, Heads of Service and Managers.	Director of Finance and Corporate Resources as Section 151 Officer

B. PROPOSED AMENDMENTS TO CHIEF EXECUTIVE’S DELEGATIONS: PART 2M, PARAGRAPH 6.1

	Statutory or other Functions	Current Nominee/Limitations	Proposal
	General		
1	Witness and receipt of Declarations of acceptance of office.	<u>Executive Director, Resources</u> , City Solicitor.	Delete Executive Director, Resources,
4	Power to make payments or provide other benefits in cases of maladministration.	<u>Executive Director, Resources</u>	Director of Finance and Corporate Services as Section 151 Officer

	Human Resources		
7	Approval of special payment arrangements.	<u>Executive Director, Resources/</u> Human Resources Managers.	Executive Director, People, and Director of Customer Services and Transformation
	Communications		All communications functions in paragraphs 6.1.14 to 6.1.16 to be reallocated to the Executive Director, People
14	To promote the working of the Council, within the Code of Recommended Practice on Local Authority publicity.	<u>Assistant Director (Communications).</u>	Director of Customer Services and Transformation
15	To issue statements to the press on behalf of the Council if the public standing of the Authority could be affected by the absence of a statement, whether or not it has been agreed with the Cabinet Member or committee chairman concerned.	<u>Assistant Director (Communications)</u>	Director of Customer Services and Transformation
16	To promote the Council's views as agreed by members in the relevant decision-making forum.	<u>Assistant Director (Communications)</u>	Director of Customer Services and Transformation

C. PROPOSED AMENDMENTS TO EXECUTIVE DIRECTOR, RESOURCES' DELEGATIONS: PART 2M, PARAGRAPH 6.2

Statutory or other Functions		Current Nominee/Limitations	Proposal
Human Resources Functions			<i>All human resources functions in paragraphs 6.2.1 to 6.2.17 to be reallocated to Executive Director, People</i>
1	Approval of human resources policies (including adoption of new policies and amendments of existing policies).	<u>Head of Human Resources and Organisational Development</u>	<i>Director of Customer Services and Transformation and Head of Human Resources and Organisational Development</i>
2	Prepare a Pay Policy Statement under the Localism Act 2011, to be presented to Council for adoption before 31 March each year.	<u>Head of Human Resources and Organisational Development</u>	<i>Director of Customer Services and Transformation and Head of Human Resources and Organisational Development</i>
3	Authorise and implement local and national changes to pay policy, terms and conditions of employment and wage and salary awards and ensure the Council's policies comply with the requirements of all employment legislation.	<u>Head of Human Resources and Organisational Development</u>	<i>Director of Customer Services and Transformation and Head of Human Resources and Organisational Development</i>
4	Authorising payments of (a)planned and emergency overtime above		<i>(a) All Directors and Assistant</i>

	<p>spinal column point 29;</p> <p>(b) honoraria, acting allowances and bonuses in accordance with relevant local and national schemes;</p> <p>(c) merit increments; and</p> <p>(d) market related pay and market related supplements.</p>	<p>(a) <u>Assistant Directors</u>;</p> <p>(b) and (c) <u>Head of Human Resources and Organisational Development</u> in consultation with relevant member of Strategic Management Board;</p> <p>(d) <u>All Assistant Directors</u>.</p>	<p>Directors</p> <p>(b) and (c) Director of Customer Services and Transformation / Head of Human Resources and Organisational Development</p> <p>(d) All Directors and Assistant Directors</p>
5	<p>Approval of grading and designation of posts including:</p> <p>(a) approval and implementation of job evaluation scheme; and</p> <p>(b) authorising operation and outputs of job evaluation results and appeals.</p>	<p>(a) <u>Head of Human Resources and Organisational Development</u></p> <p>(b) <u>HR Business Partner</u>.</p>	<p>(a) Director of Customer Services and Transformation / Head of Human Resources and Organisational Development</p> <p>(b) Director of Customer Services and Transformation / / Head of Human Resources and Organisational Development</p>
6	<p>To approve the pattern of holidays each year.</p>	<p><u>Head of Human Resources and Organisational Development</u></p>	<p>Director of Customer Services and Transformation / Head of Human Resources and Organisational Development</p>
8	<p>Approval for buying out employment conditions.</p>	<p>Directorate HR Managers (up to 1 year's value); <u>Head of Human Resources and Organisational Development in consultation with relevant Cabinet Member (for 1 to 2 years)</u>.</p>	<p>Director of Customer Services and Transformation / Head of Human Resources and Organisational Development in consultation with relevant Cabinet Member (for 1 to 2 years).</p>

9	To administer, revise and amend any Council car loan or car leasing scheme and any car allowances scheme.	<u>Head of Human Resources and Organisational Development</u>	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development
10	To administer, revise and amend any Employee Benefit Scheme.	<u>Head of Human Resources and Organisational Development</u>	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development
11	To decide whether a course has been approved for Post Entry Training Support and to exclude courses where appropriate i.e. the cost of the course does not justify the administration involved.	<u>Head of Human Resources and Organisational Development</u>	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development
13	Approval of requests from employees to allow them to continue to work beyond the age of 75.	<u>Head of Human Resources and Organisational Development</u>	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development

14	Approval for early retirement on the grounds of efficiency and redundancy.	Head of Human Resources and Organisational Development and <u>Executive Director, Resources</u> in consultation with relevant Cabinet Member for requests proposing added years.	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development and Director of Finance and Corporate Services in consultation with relevant Cabinet Member for requests proposing added years.
15	Approval of early non-ill health retirements.	<u>Head of Human Resources and Organisational Development and Executive Director, Resources</u> jointly.	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development and Director of Finance and Corporate Services jointly
16	Ensure compliance with policy and codes of practice in the recruitment, retention and development of the workforce.	<u>Head of Human Resources and Organisational Development.</u>	Director of Customer Services and Transformation / Head of Human Resources and Organisational Development
17	The making of agreements with other local authorities for the placing of staff at the disposal of those other local authorities.		Director of Customer Services and Transformation / Head of Human Resources and Organisational Development

Functions in relation to Council Meetings and Members			All Council Meeting functions in paragraphs 6.2.18 to 6.2.25 to be reallocated to Executive Director, Place
18	Receipt of Notice of Resignation of Office; and receipt of Notice of casual vacancy from two local government electors.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
19	Keeping a record of disclosures of Members' Interests.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
20	To receive notification of nominations to Committees and of political groups.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
21	Convening of meeting of Council to fill casual vacancy in office of Chairman.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
22	Receipt of Notices regarding address to which summons to meetings is to be sent and signature of summonses to Council meetings.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
23	Certification of resolutions and minutes of proceedings.	<u>Members and Elections Team Manager</u>	Director of Finance and Corporate Services and Members and Elections Team Manager

<p>24</p>	<p>All Proper Officer functions and all matters and actions relating to meetings, reports agendas, and minutes of Council, Cabinet, Cabinet Members and committees and sub committees in accordance with the Access to Information Procedure Rules, including:</p> <p>(a) Exclusion from public copies of agendas, reports etc of items not to be open to members of the public; and papers not open to Members;</p> <p>(b) Identification of background papers in the case of a report prepared by an elected or co-opted Member;</p> <p>(c) Supply of committee papers to the Press;</p> <p>(d) Preparation of summaries of minutes;</p> <p>(e) To produce a record of every decision taken at a meeting including decisions by individual Cabinet Members including a statement of:</p> <p>(i) the reasons for the decision and alternative options considered</p>	<p><u>Members and Elections Team Manager</u> in all cases except:</p> <p>(f) All Executive Directors, Directors including the Director of Public Health and Assistant Directors.</p>	<p><i>Proper Officer:</i></p> <p>Executive Director, Place</p> <p><i>Onwards delegation</i></p> <p>Director of Finance and Corporate Services and Members and Elections Team Manager in all cases except:</p> <p>(f) All Executive Directors, Directors including the Director of Public Health and Assistant Directors.</p>
-----------	---	--	--

	<p>and rejected</p> <p>(ii) any conflict of interest declared by any Cabinet Member, either in connection with a decision of Cabinet, or who is consulted by the Cabinet Member or employee making the decision; and</p> <p>(iii) in respect of any declared conflict of interest , a note of dispensation granted by the Chief Executive;</p> <p>(f) To produce a record of every executive decision taken by employees, including a statement of:</p> <p>(i) the reasons for the decision;</p> <p>(ii) alternative options considered and rejected;</p> <p>(g) Power of rectification of the record of decision;</p> <p>(h) Ensuring publication of notices containing details of key decisions /urgency provisions and private meetings of Cabinet;</p> <p>(i) Where permitted, making reports and other documents available for</p>		
--	---	--	--

	<p>public inspection and on the Council's website; and</p> <p>(j) To consider and respond to representations from the public as to why an item of business of the Cabinet should be held in public.</p>		
25	To determine the membership of Appeals Committees, having regard to the knowledge, expertise and preferences of Members, to hear appeals against decisions of the City Council, with the exception of school admission and exclusion appeals and those matters where there is a statutory right of appeal.	<u>City Solicitor</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
Financial, Audit and Procurement Functions			
26	To undertake the role of S151 officer under the Local Government Act 1972 that requires that every local authority in England and Wales should "... make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs".	<u>Executive Director, Resources (as Proper Officer)</u>	Proper Officer: Director of Finance and Corporate Services
27	To make reports to the Council in under Section 114 of the Local Government Finance	<u>Executive Director, Resources (as Proper Officer) or Assistant Director (Finance,</u>	Proper Officer: Director of Finance

	Act 1988 which requires a report to all the local authority's members to be made by that officer, in consultation with the monitoring officer and head of paid service, if there is or is likely to be unlawful expenditure or an unbalanced budget.	<u>Revenues and Benefits)</u>	and Corporate Services
28	To ensure that the financial management of the Council is adequate and effective and that it has a sound system of internal control which is regularly reviewed and in particular to: (a) determine accounting records and control systems; (b) undertake an adequate internal audit of the Council's accounting records and system of internal control; and (c) prepare, sign and arrange public inspection of the Council's Statement of Accounts.	<u>Executive Director, Resources (as Proper Officer) or Assistant Director (Finance, Revenues and Benefits) or other nominee</u>	Proper Officer: Director of Finance and Corporate Services
29	The creation of Local Authority Companies, the designation of employees as directors of the company for trading purposes and the provision of a council indemnity to employees for the director role.	<u>Executive Director, Resources</u>	Executive Director, Place in consultation with Director of Finance and Corporate Services and City Solicitor
30	The creation of trust companies, the designation of employees as trustees and the provision of a council indemnity to employees		Executive Director, Place in consultation with Director of Finance and Corporate Services and City

	for the trustee role.		Solicitor
31	<p>The power to sign, or affix the Common Seal to:</p> <p>(a) contracts for works and services to or from the Council where the total value of the contract exceeds £150,000;</p> <p>(b) land disposals or purchases;</p> <p>(c) leases and other miscellaneous legal documents; and</p> <p>(d) all other documents which require the formal seal of the Council.</p>	<u>City Solicitor and other authorised signatories within the Resources Directorate designated by the City Solicitor</u>	Executive Director, Place with onwards delegations to City Solicitor and other authorised signatories within the Place Directorate designated by the City Solicitor
32	To put in place any procedures to deal with expressions of interest under the Community Right to Challenge legislation and to receive and deal with expressions of interest from relevant bodies in providing or assisting in providing a relevant service on behalf of the City Council in accordance with any such procedures and with the provisions of Part 5 of chapter 2 of the Localism Act 2011.	<u>Assistant Director (Procurement) in consultation with the Audit and Procurement Committee</u>	Executive Director, People with onwards delegation to Director of Customer Services and Transformation and Assistant Director (Procurement) in consultation with the Audit and Procurement Committee
33	Authority to increase costs in relation to Council Tax and National Non-domestic Rates Liability Orders and Committal Court Costs.	<u>Executive Director, Resources or Assistant Director (Finance, Revenues and Benefits)</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services

34	Authority to take action to recover money owed to the Council including but not limited to: (a) institution of insolvency proceedings; and (b) instructing certificated bailiffs to levy distress on property.	<u>City Solicitor and Assistant Director (Finance, Revenues and Benefits)</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services and City Solicitor
35	Authority to review annually the Council's Local Council Tax Support Scheme subject to the proviso that if such a review results in proposals to revise or amend the Scheme, these must be approved by the Council.	<u>Assistant Director (Finance, Revenues and Benefits)</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services
Registration, Local Land Charges and Coroners Services			All Registration etc functions in paragraphs 6.2.36 to 6.2.43 to be reallocated to Executive Director, Place
36	General supervisory responsibility over births, marriages and deaths registration service including: (a) Acting as Proper Officer for the purposes of the registration service and the Registration Services Act 1953; (b) Making any necessary change to the service as result of directions or instructions from the General Register Office or changes imposed by statute; and (c) Authority to set, review, amend, or	(a) and (b): <u>Legal Services Manager (People) and Legal Services Manager (Place and Regulatory)</u> (c): <u>Legal Services Manager (People) and Legal Services Manager (Place and Regulatory) in consultation with Cabinet Member (Policing and Equalities).</u>	(a) Proper Officer: Executive Director, Place (a) and (b) Director of Finance and Corporate Services and Legal Services Manager (People) and Legal Services Manager (Place and Regulatory) (c) Director of Finance and Corporate Services and Legal Services Manager (People) and Legal Services Manager (Place and Regulatory) in consultation with Cabinet Member

	increase fees in connection with the births, marriages and deaths registration service (including fees for the approval and review process relating to secular and/or religious premises as venues for marriages and civil partnerships) and identify any areas for additional income generation.		<i>(Policing and Equalities).</i>
37	To exercise the Council's powers to licence premises for marriages and civil partnerships in accordance with the law and any guidance. The Marriage Act 1949 and the Civil Partnership Act 2004 including any guidance made or given under these statutes such as the Marriages and Civil Partnerships (Approved Premises) Regulations 2005 and the Marriages and Civil Partnerships (Approved Premises) (Amendments) Regulations 2011.	<u>City Solicitor</u>	<i>Director of Finance and Corporate Services and City Solicitor</i>
38	To receive, determine, approve, review, amend, refuse and revoke, with or without conditions, applications under the Marriage Act 1949 and Civil Partnership Act 2004 for the use of secular and/or religious premises for the solemnisation of marriages and the registration of civil partnerships.	<u>City Solicitor in consultation with Cabinet Member (Policing and Equalities).</u>	<i>Director of Finance and Corporate Services and City Solicitor in consultation with Cabinet Member (Policing and Equalities).</i>
39	To impose, vary, modify or enforce any conditions attached to the grant of approval for secular and/or religious premises for the	<u>City Solicitor in consultation with Cabinet Member (Policing and Equalities).</u>	<i>Director of Finance and Corporate Services and City Solicitor in consultation with Cabinet Member</i>

	solemnisation of marriages and the registration of civil partnerships.		<i>(Policing and Equalities).</i>
40	To create, maintain and update a public register of those premises registered for the solemnisation of marriages and the registration of civil partnerships.	<u>City Solicitor</u>	<i>Director of Finance and Corporate Services and City Solicitor</i>
41	Authority to make changes in response to new legislation and guidance.	<u>City Solicitor (where no discretion) and in consultation with Cabinet Member (Policing and Equalities (where discretion))</u>	<i>Director of Finance and Corporate Services and City Solicitor (where no discretion) and in consultation with Cabinet Member (Policing and Equalities (where discretion))</i>
42	To maintain the Local Land Charges Register and to issue official search certificates.	<u>Legal Services Manager (People) and Legal Services Manager (Place and Regulatory)</u>	<i>Director of Finance and Corporate Services and Legal Services Manager (People) and Legal Services Manager (Place and Regulatory)</i>
43	Revision of scale of fees for mortuary staff.	<u>City Solicitor</u>	<i>Director of Finance and Corporate Services and City Solicitor</i>
Legal and Procedural Matters			<i>All Legal and Procedural functions in paragraphs 6.2.44 to 6.2.59 to be reallocated to Executive Director, Place</i>
44	Authority to make changes to the Scheme of Delegation as set out in Part Two of this	<u>City Solicitor</u>	<i>Director of Finance and Corporate</i>

	Constitution to ensure that all delegated powers are assigned to relevant employees and to ensure that any new legislation of a technical nature is delegated to the appropriate Council body.		Services and City Solicitor
45	Certification of photographic copies of documents and authentication of documents.	<u>Legal Services Manager (People) and Legal Services Manager (Place and Regulatory)</u>	Director of Finance and Corporate Services and Legal Services Manager (People) and Legal Services Manager (Place and Regulatory)
46	To witness the affixing of the Council's seal.	<u>City Solicitor and authorised signatories designated for that purpose by the City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor and authorised signatories designated for that purpose by the City Solicitor
47	Authority to serve requisitions for information in connection with any of the functions of the Council.	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
48	To institute, defend, participate in, settle, withdraw or otherwise act as appropriate, any legal proceedings and issue and serve all notices and orders in any case where action is necessary to give effect to the decisions of the Council or in any case where the Executive Director, Resources considers that such action is necessary to protect the Council's, the City's or other appropriate interests.	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor

49	Authorisation of employees, under any legislation/ enactment that confers authorisation thereunder, to appear in Court on the City Council's behalf.	<u>Executive Director, Resources/ City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
50	To monitor use of the general power of competence and compliance with the Localism Act 2011.	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
51	Generally to make, and where unopposed (or where objections have been withdrawn), to confirm any order in relation to the Council's functions as a Local Planning Authority and as a Highways Authority including but not limited to orders in relation to: (a) public paths, footpaths, and gating; (b) trees; (c) traffic regulation, parking and cycle tracks; (d) the Definitive Map; and (e) determination of village green / open spaces (f) conservation areas.	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
52	To reduce the charge for making a public path order by 20% or 40% where it is considered that the charge would otherwise be	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor

	unreasonably in excess of the actual costs of the City Council.		
53	<p>Generally to issue, serve, vary or withdraw any notice in relation to the Council's functions as a Local Planning Authority including but not limited to :</p> <p>(a) planning contravention notices;</p> <p>(b) breach of condition notices (including extending time for compliance);</p> <p>(c) stop notices and temporary stop notices;</p> <p>(d) enforcement notices in respect of security shutters and grilles; and</p> <p>(e) Article 4 notices (prevention of demolition without planning consent).</p>	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
54	<p>To prosecute on behalf of the Council as Local Planning Authority offences in connection with:</p> <p>(a) planning contravention notices;</p> <p>(b) breach of condition notices;</p> <p>(c) stop notices and temporary stop notices;</p> <p>(d) enforcement notices;</p> <p>(e) listed buildings and conservation</p>	<u>City Solicitor provided always that the power to prosecute any offences in connection with functions which are within the terms of reference of the Planning Committee may not be exercised without the express prior approval of the Planning Committee</u>	Director of Finance and Corporate Services and City Solicitor provided always that the power to prosecute any offences in connection with functions which are within the terms of reference of the Planning Committee may not be exercised without the express prior approval of the Planning Committee

	<p>areas;</p> <p>(f) trees and high hedges;</p> <p>(g) advertisements; and</p> <p>(h) proper maintenance of land.</p>		
55	Power to enter into agreements regulating development or use of land.	<u>City Solicitor/ Assistant Director (Planning, Transport and Highways)</u>	Director of Finance and Corporate Services and City Solicitor/Assistant Director, Streetscene and Greenspace
56	<p>Authority to prosecute for offences in connection with:</p> <p>(a) removing children from care; and</p> <p>(b) nurseries, full day, sessional care and childminding.</p>	<u>City Solicitor in consultation with the Executive Director, People or Director of Children's Services</u>	Director of Finance and Corporate Services and City Solicitor in consultation with the Executive Director, People or Director of Children's Services
57	To make arrangements for school admission and exclusion appeals under the School Standards and Framework Act 1998 and to determine applications for further appeals in accordance with the set criteria.	<u>City Solicitor</u>	Director of Finance and Corporate Services and Members and Elections Team Manager
58	Approval and making of school instruments of government and any subsequent changes approved by governing bodies.	<u>Jointly with the Executive Director, People</u>	Director of Finance and Corporate Services and City Solicitor jointly with the Executive Director, People or their nominee

59	To determine whether a representation received from the Licensing Authority, Local Planning Authority or Environmental Health Authority whilst acting as responsible authorities for the purposes of the Gambling Act 2005 is vexatious, frivolous or would certainly not influence the determination of an application.	<u>City Solicitor</u>	Director of Finance and Corporate Services and City Solicitor
Miscellaneous			
60	To exercise the powers and duties of the Council as Parish Trustee.	<u>Members and Elections Team Manager</u>	Proper Officer: Executive Director, Place Onwards delegation: Director of Finance and Corporate Services and Members and Elections Team Manager
61	Keeping of the Roll of Freemen and Honorary Aldermen.	<u>Members and Elections Team Manager</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services and Members and Elections Team Manager
62	Deposit of documents with Proper Officer.	<u>Members and Elections Team Manager</u>	Proper Officer: Executive Director, Place Onwards delegation: Director of Finance and Corporate Services and Members and Elections Team

			Manager
63	Certification of byelaws; and send copies of byelaws for parish records.	<u>Members and Elections Team Manager</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services and Members and Elections Team Manager
64	To make any minor or technical changes to the Code of Corporate Governance to ensure that it is kept up to date.	<u>City Solicitor in consultation with the Chair and Vice-Chair of the Audit and Procurement Committee.</u>	Executive Director, Place with onwards delegation to Director of Finance and Corporate Services and Members and Elections Team Manager in consultation with the Chair and Vice-Chair of the Audit and Procurement Committee
65	To provide financial and other assistance to organisations or individuals providing external housing services , which the relevant Cabinet Member has approved	<u>Assistant Director (ICT, Transformation and Customer Services)</u>	Executive Director, People with onwards delegation to Director of Customer Services and Transformation
66	Generally to take action and operate all legislative and administrative procedures and to exercise all of the powers of the Council in relation to homelessness and the assessment of applicant's housing need and priority for housing.	<u>Assistant Director (ICT, Transformation and Customer Services)</u>	Executive Director, People with onwards delegation to Director of Customer Services and Transformation



Public report

Council

Council

21 February 2017

Name of Cabinet Member:

Cabinet Member for Policing and Equalities – Councillor A Khan

Director Approving Submission of the report:

Executive Director of Resources

Ward(s) affected:

None

Title: Appointment of Local Returning Officer for the West Midlands Combined Authority Mayoral Elections

Is this a key decision?

No

Executive Summary:

This report seeks approval for the appointment of a Local Returning Officer for the election of a combined authority mayor.

Recommendations:

That the City Council appoints the Chief Executive to be the Local Returning Officer for the City of Coventry in respect of the elections for the West Midlands Combined Authority Elected Mayor.

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 – 21 February 2017

Report title: Appointment of Local Returning Officer for the West Midlands Combined Authority Mayoral Elections

1. Context (or background)

- 1.1 On 4th May 2017 elections will be held for the elected Mayor of the West Midlands Combined Authority. At its board meeting on the 20 January, the West Midlands Combined Authority agreed to appoint the Birmingham Returning Officer as the Combined Authority Returning Officer. He will have responsibility for the co-ordination of the Mayoral election across the seven metropolitan areas in the West Midlands.
- 1.2 The Combined Authority (Mayoral Elections) Order 2017 requires each constituent council to appoint an officer of the council to be the returning officer for the election of a combined authority mayor.
- 1.3 As has been the practice for elections in Coventry, this paper recommends the appointment of the Council's Chief Executive as the Coventry Local Returning Officer.

2. Options considered and recommended proposal

- 2.1 It is recommended that the City Council appoints the Chief Executive to be the Local Returning Officer for the City of Coventry in respect of the elections for the West Midlands Combined Authority elected Mayor.

Results of consultation undertaken

- 3.1 Not applicable

4. Timetable for implementing this decision

- 4.1 The appointment will take effect from the date of the Council Meeting.

5. Comments from Executive Director of Resources

- 5.1 Financial implications

There are no direct financial implications for the City Council arising from this appointment.

Local authorities will be able to recover costs associated with the election, including payment as decided by each returning area to its local returning officer, from the West Midlands Combined Authority.

- 5.2 Legal implications

All Councils are required to appoint an officer to be its Returning Officer in accordance with section 35 of the Representation of the People Act 1983 for the election of councillors within the City. The Returning Officer's general duty at those elections is to do all such acts and things as may be necessary for the effectual conduct of those elections. For Coventry City Council that is normally the Chief Executive.

Ordinarily statutory provisions will provide that the person appointed as the Returning Officer for principal area elections (i.e. city council elections) will also be appointed as the Local Returning Officer for any other polls held in the City (such as the Police and Crime Commissioner).

However Schedule 2 of the Combined Authorities (Mayoral Elections) Order 2017 specifically requires each constituent council to appoint an officer of the council to be the returning officer for the election of a combined authority mayor.

Whilst the Local Returning Officer is appointed by the Council, he is individually legally responsible for the delivery of the election.

The Combined Authorities (Mayoral Elections) Order 2017 will provide the supplementary governing legislation for the conduct of the Mayoral election.

6. Other implications

Not applicable

Report author:

Name and job title:

Adrian West, Members and Elections Team Manager

Directorate:

Resources Directorate

Tel and email contact:

Tel: 024 7683 2286

E-mail: adrian.west@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Julie Newman	Legal Services Manager (People)	Resources	10/02/17	10/02/17
Paul Jennings	Finance Manager	Resources	10/02/17	10/02/17
Names of approvers for submission: (Officers and Elected Members)				
Chris West	Executive Director	Resources	10/02/17	10/02/17

This report is published on the council's website: www.coventry.gov.uk/meetings