



Cabinet Member for Strategic Finance and Resources

Time and Date

10.00 am on Thursday, 3rd August, 2017

Place

Committee Room 2 - Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting**
 - (a) To agree the minutes of the meeting held on 23 March, 2017 (Pages 3 - 6)
 - (b) Matters Arising
4. **Final Hospitality Statement and Charity Appeal for the Lord Mayoralty of Councillor Lindsley Harvard 2016-2017** (Pages 7 - 14)

Report of the Deputy Chief Executive (Place)
5. **Business Rates Discretionary Rate Relief Policy** (Pages 15 - 40)

Report of the Deputy Chief Executive (Place)
6. **Cumulative Sickness Absence 2016/17** (Pages 41 - 60)

Report of the Deputy Chief Executive (People)
7. **Agency Workers and Interim Managers - Performance Management Report Q4 (1 January to 31 March, 2017 with a final summary of 2016/17 compared with 2015/16** (Pages 61 - 74)

Report of the Deputy Chief Executive (People)
8. **Outstanding issues Report** (Pages 75 - 78)

Report of the Deputy Chief Executive (Place)
9. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

Private Business

Nil

Martin Yardley, Deputy Chief Executive (Place) Council House Coventry

Wednesday, 26 July 2017

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

Membership: Councillor J Mutton (Cabinet Member)

By invitation Councillor K Taylor (Shadow Cabinet Member)

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.

Suzanne Bennett

Tel: 024 7683 3072

Email: Suzanne.bennett@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of Cabinet Member for Strategic Finance and Resources
held at 10.00 am on Thursday, 23 March 2017

Present:

Members:

Councillor J Mutton (Cabinet Member)

Councillor J Lepoidevin (Shadow Cabinet Member)

Other Members:

Councillor L Kelly (Chair of the Finance and Corporate Services Scrutiny Board)

Employees:

People:

B Barrett, W Jackson, P Johnson, C Pallister, R Sherwood,
A Smith

Place:

S Bennett, B Hastie, S McGinty, A Walster

Public Business

31. Declarations of Interest

There were no declarations of interest.

32. Minutes

The Minutes of the meeting held on 15 December, 2016 were signed as a true record.

There were no matters arising.

33. Agency Workers and Interim Managers - Performance Management Report Quarter 3 (1 September to 31 December, 2016)

The Cabinet Member for Strategic Finance and Resources considered a report of the Deputy Chief Executive (People) which provided performance information on the use of agency workers for the Q3 period 1 September to 31 December, 2016; which compared Q3 2016/17 with Q2 2016/17 expenditure; and which detailed Interim Manager and other agency worker spends for the same period.

Appendix 1 to the report showed the total expenditure over time on agency workers by Directorates up to and including Q3 2016/17 for spends with the Master Vendor supplier. Pertemps, including for interims. Appendix 2 to the report showed the justification of new orders placed by Directorates for agency workers during Q3 2016/17 which resulted in spend with Pertemps. Appendix 3 to the report showed equalities data for workers supplied through the Pertemps contract.

In particular, the Cabinet Member welcomed alternative solutions to agency staff. These included the development of ideas in Children's Services regarding an alternative contract that pitches hourly rates similar to those that can be earned working through an agency and, in Place Directorate, the establishment of a "pool" of workers who are contracted full time but who may be placed within any team that requires them and a "bank" of casual workers who are offered work when shifts cannot be covered. The Cabinet Member asked to be kept informed of any progress on this issue.

RESOLVED that the Cabinet Member for Strategic Finance and Resources:-

(1) Notes the agency/interim spend for Quarter 3

(2) Notes the work done on providing in-house solutions to providing agency and interim workers.

34. **Apprenticeship Levy**

The Cabinet Member for Strategic Finance and Resources considered a report of the Deputy Chief Executive (People) that indicated that, as of April 2017, the Council will be required to pay the Apprenticeship Levy. This Levy of 0.5% of the pay bill which will be in the region of £1m and will be collected by HMRC via the PAYE system and converted into digital vouchers. The Levy contributions will be used to fund apprenticeship training moving forward, replacing the previous model of apprenticeships being funded between employers and the Skills Funding Agency.

Historically, payment for corporate apprenticeship training has been on average less than £5k per year in total. The Council's contribution also includes maintained schools and the split of the £1m is approximately £600k Council and £400k between schools. As the Levy payment is statutory and funds expire if not used, it is paramount to ensure that the City Council effectively utilises these funds.

The report indicated that it was proposed to use the levy funds:-

(1) To provide training to existing and future apprenticeships

(2) To offer apprenticeships to existing members of staff, initially in Leadership and Management Development and Project Management (for non-project managers) and to explore training needs across the Council. In addition the introduction of Degree Level Social Work Apprenticeships were being explored nationally and Coventry would play a role in developing the Standards, although this would not be ready for delivery for another 2 years.

(3) To expand current work with schools. A range of information relating to the Levy had been sent to all maintained schools across the City and the Apprenticeship Team were working closely with Head teachers to discuss this further.

The Cabinet Member stressed the importance of find innovative ways of spending the Levy and ensuring that the Council did not lose any of this funding.

RESOLVED that the Cabinet Member for Strategic Finance and Resources approves Option 1 as detailed in the report in relation to utilising the Apprenticeship Levy and that:-

- (1) The Council's existing apprenticeship programme continues to be funded in line with the Council's Apprenticeship Strategy**
- (2) That apprenticeships be offered to existing members of staff**
- (3) That the current work undertaken with schools be expanded**
- (4) That a Briefing Note explaining the Levy Fund be sent to all Members**
- (5) That officers be requested to submit a further report detailing progress on this issue to the Cabinet Member in 3 months time.**

35. Outstanding Issues

The Cabinet Member noted a report of the Deputy Chief Executive (Place) that identified those issues on which further reports had been requested and were outstanding so that progress could be monitored.

36. Any Other Items of Urgent Public Business

There were no items of urgent public business.

(Meeting closed at 10.50 am)

This page is intentionally left blank



Cabinet Member for Strategic Finance and Resources

3 August 2017

Name of Cabinet Member

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:
Director of Finance and Corporate Services

Ward(s) affected:

None

Title:

Final Hospitality Statement and Charity Appeal for the Lord Mayoralty of
Councillor Lindsley Harvard 2016/2017

Is this a key decision?

No

Executive Summary:

This is the end of year hospitality budget report for the Mayoral Year of Councillor Lindsley Harvard 2016/2017. The report updates the Cabinet Member on how the budget was allocated during the Mayoral Year. The total spend was £57,162.55; this was £8,433.45 less than the allocated budget and this balance was returned to corporate reserves.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is recommended to :-

- (i) Note the contents of Appendix 1 which sets out detailed expenditure of £57,162.55 against the hospitality budget; and
- (ii) Note the final sum of £17,100.32 raised for the Lord Mayor's Charity Appeal 2016/2017

List of Appendices included:

Appendix 1 – Breakdown of the Hospitality Budget for whole Mayoral Year 2016/2017.

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?

No

1. Context (or background)

- 1.1 The annual hospitality budget for the Mayoral Year was £65,596. This report provides detail of the expenditure against the budget for the year which totalled £57,162.55.
- 1.2 The Office of Lord Mayor works for the good of the city and all its people. As Coventry's first citizen, the Lord Mayor is the non-political, ceremonial head of the city. The Lord Mayor will:
 - Promote work with other organisations.
 - Help to encourage investment and opportunity for businesses.
 - Encourage equal opportunities for all
 - Work with those who can help the city to be successful.
 - Thank those individuals and organisations who have brought success to the city.
 - Welcome visitors to the city, promoting its historic past and exciting future.
 - Represent the city at home, nationally and internationally as an "Ambassador" for Coventry.

2. Options considered and recommended proposal

- 2.1 The Cabinet Member is recommended to approve Appendix 1 of the report which sets out how the hospitality budget was spent, including the return of £8,433.45 to corporate reserves.
- 2.2 The Cabinet Member is also recommended to note the total of £17,100.32 raised for the Lord Mayor's Charity Appeal. This year's beneficiaries were the Coventry Branch of the Alzheimer's Society to ensure local residents benefitted from the money raised and Cancer Research at the University of Warwick.
- 2.3 Expenditure against the hospitality budget is carefully monitored throughout the year to ensure that activities undertaken support the aims of the Lord Mayoralty and the City Council and stays within budget.

3. Results of consultation undertaken

- 3.1 No consultation is required.

4. Timetable for implementing this decision

- 4.1 There are no further events planned as the Mayoral Year 2016/2017 has now come to an end.

5. Comments from Director of Finance and Corporate Services

- 5.1 Financial implications
There are no financial implications arising from this report. Expenditure of £57,162.55 against the budget for the year of £65,596 ensured that the balance of £8,513.45 was returned to corporate reserves.
- 5.2 Legal implications
There are no legal implications arising from this report.

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 Lord Mayor's Hospitality Budget is spent to reflect the Lord Mayor's Mission Statement as outlined in the Council's Constitution which aligns itself to the Council's core aims and objectives.

6.2 How is risk being managed?

No significant risks are associated with the budget management. Health and Safety issues are considered for all events with the more significant events being monitored by the Council's Safety Events Group.

6.3 What is the impact on the organisation?

No impact, the events are managed by the Lord Mayor's office.

6.4 Equalities / EIA

An Equality Impact Assessment for the Lord Mayor's Office was last undertaken in February 2012 to ensure the Mayoralty promotes equality across the city and the recommendations in this report do not constitute a change in service or policy.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

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

Jane Barlow, Principal Private Secretary to the Lord Mayoralty

Directorate:

Resources

Tel and email contact:024 7683 3047 jane.barlow@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:				
Adrian West	Members and Elections Team Manager	Place	11/07/2017	24/07/2017
Names of approvers for submission: (officers and members)				
Democratic: Suzanne Bennett	Governance Services Officer	Place	11/07/2017	11/07/2017
Finance: Paul Whitmore	Lead Accountant	Place	11/07/2017	13/07/2017
Legal: Rob Parkes	Place Team Leader, Legal Services	Place	11/07/2017	13/07/2017
Barry Hastie	Director of Finance and Corporate Resources	Place	11/07/2017	24/07/2017
Councillor J Mutton	Cabinet Member for Strategic Finance and Resources		13/07/17	13/07/17

This report is published on the council's website:

www.coventry.gov.uk/councilmeetings

Hospitality Budget for Mayoral Year 2016/2017 – Councillor Lindsley HarvardACTUAL Costs of Functions of 1st Quarter: 19th May – 18th August 2016

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
19.05.16	Contribution towards the Annual Meeting of the City Council	-	£3,000.00
20.05.16	Commencement of Mayoral Year Dinner	96	£3,791.09
08.06.16	Refreshments for Lord Mayor's Peace Committee Meeting	15	£21.00
10.06.16	International Children's Games Parents Evening	70	£220.82
11.06.16	Tickets for Mayor of Warwick Charity - A Royal Celebration Tea	2	£30.00
13.06.16	Lunch during the West Midlands DL Meeting	12	£107.40
17.06.16	Civic Visit to Kiel (flights)	3	£578.11
25.06.16	Costs associated with Armed Forces Day	-	£570.16
30.06.16	Contribution towards Community Cohesion Awards Ceremony	-	£500.00
12.07.16	Refreshments for Good Citizen Recipient prior to Full Council	6	£14.10
18.07.16	Contribution towards 50th Anniversary of Coventry & Warwickshire MIND	-	£250.00
29.07.16	Tickets for Whitnash Town Council Civic Dinner	1	£30.00
06.08.16	Refreshments for Japanese Embassy prior to Hiroshima Day Service	20	£96.83
12.08.16	Mayor of Leamington's Charity Quiz Night	4	£20.00
18.08.16	Retirement Dinner for Rev David Mayhew	23	£1,085.10
	Mayoral Refreshments between 19 th May – 18 th August 2016		-
	1st Quarter Budget Total		£10,314.61

ACTUAL Costs of Functions of 2nd Quarter: 19th August – 18th November 2016

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
19.08.16	International Children's Games Presentation	50	£121.46
06.09.16	Refreshments for Good Citizen Recipient prior to Full Council	6	£21.90
14.09.16	Refreshments to mark a couple's long service over 37 years delivering milk in Upper Stoke	3	£16.05
15.09.16	Queens Award for Voluntary Service presentation evening to Royal British Legion Coventry Poppy Appeal Group	72	£1,009.39
17.09.16	Contribution towards German Circle 70th Anniversary Event	-	£100.00
19.09.16	Visit of Freeman of City of Gloucester	19	£12.83
24.09.16	Mayor of Leamington's Charity Heritage Walk	1	£10.00
28.09.16	Afternoon Tea for 90th Birthday	3	£12.15
05.10.16	Civic Reception for Team GB Paralympians of Coventry	40	£503.66
07.10.16	Mayor of Stratford Town Council Charity Ball	2	£90.00
11.10.16	Refreshments for Good Citizen Recipient prior to Full Council	6	£21.30
23.10.16	Mayor of Nuneaton & Bedworth Fundraising Evening	2	£30.00
28.10.16	Reception for Winners of Employability UK	8	£6.80
31.10.16	Civic Visit to Volgograd	-	£473.45
10.11.16	Hosting international visitors from Twin Cities of Kiel and Dresden – Accommodation and Meals	-	£2,401.19
10.11.16	Launch of Coventry's Medieval Colouring Book	90	£1,610.09
11.11.16	Annual Peace Lecture	7	£159.42
13.11.16	Remembrance Sunday	180	£6,374.64
17.11.16	Visitors from Muscat University, Oman	18	£42.30
	Mayoral Refreshments between 19 th August – 18 th November 2016		£190.11
	2nd Quarter Budget Total		£13,206.74

ACTUAL Costs of Functions of 3rd Quarter: 19th November 2016 - 18th February 2017

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
30.11.16	Lord Mayor's Christmas Gift Fair	-	£375.00
01.12.16	Coventry & Warwickshire Magistrates Festive Evening	60	£307.53
05.12.16	Festive chocolate donation to Coventry Cyrenians	-	£218.50
06.12.16	Refreshments for Good Citizen Recipient prior to Full Council	8	£28.40
06.12.16	Festive refreshments following Council Meeting	54	£547.16
15.12.16	Festive Civic Heads Dinner	94	£4,196.23
19.12.16	Donation to the International Children's Games	-	£1,000.00
20.12.16	Festive Open House	-	£119.00
24.01.17	Refreshments for Good Citizen Recipient prior to Full Council	5	£18.25
25.01.17	Civic Lunch for citizen celebrating her 100th Birthday	5	£21.75
27.01.17	Holocaust Memorial Day & Rededication of Lidice Place	70	£445.50
01.02.17	Visit of Pupils from King Henry VIII School	12	£12.00
01.02.17	City of Culture Thanksgiving Dinner	96	£3,912.02
04.02.17	Mayor of Leamington Charity Event	2	£80.00
13.02.17	Visit of Elliott Miller & Felipe, Visitors from USA	3	£7.05
16.02.17	Visitors from Zoe's Place Baby Hospice	9	£84.35
17.02.17	Mayor of Solihull Charity Dinner	2	£100.00
	Mayoral Refreshments between 19 th November 2016 - 18 th February 2017		-
	3rd Quarter Budget Total		£11,472.74

ACTUAL Costs of Functions of 4th Quarter: 19th February – 18th May 2017

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
21.02.17	Refreshments for Good Citizen Recipient prior to Full Council	5	£18.25
28.02.17	Welcome Dinner for Rev Graeme Anderson	24	£1,383.16
08.03.17	Lunch with Parkinson's Volunteer - Phil Williams	5	£3.85
08.03.17	Reception for Young Firefighters of WM Fire Service	16	£188.00
10.03.17	Tickets for Warwick District Council Dinner	2	£85.00
13.03.17	Mayor of Hinckley & Bosworth Charity Event	1	£20.00
14.03.17	Lunch prior to Full Council for Honorary Alderman and Good Citizen	50	£1,735.67
15.03.17	Lunch with Don Branston, President of Broad Street RFC	4	£80.00
21.03.17	Visit of Special Educational Needs students from Milton Keynes on a history day in the city	15	£83.25
24.03.17	Contribution towards the Lord Mayor's Charity Ball	230	£8,050.33
28.03.17	Contribution towards the Phoenix Awards Presentation Event	-	£721.56
01.04.17	Mayor of Whitnash Charity Ball	2	£90.00
05.04.17	Thanksgiving event for Community Volunteers	65	£2,409.12
08.04.17	Mayor of Warwick's Civic Dinner	2	£125.00
10.04.17	Rotary Dinner with welcome International Vice President, Jennifer Jones	120	£1,206.38
18.04.17	Retirement Dinner for Les Ratcliffe MBE TD, Head of Community Relations, Jaguar Land Rover	27	£1,512.26
27.04.17	Civic Visit to Dresden	2	£544.10
05.05.17	Welcome Reception for Rugby Players from twin city of Kiel	32	£272.00
07.05.17	Lunch from annual Freeman's Guild Service and Parade	80	£2,599.51
10.05.17	Lunch with new Lord-Lieutenant for the West Midlands	3	62.80
12.05.17	End of Year Charity Celebration Event	24	£850.99
16.05.17	Retirement Lunch for Gary Breakwell, Sword Bearer	6	£127.23
	Mayoral Refreshments between 19 th February – 18 th May 2017		-
	4th Quarter Budget Total		£22,168.46
	Total Budget		£57,162.55



Cabinet Member for Strategic Finance and Resources

3 August 2017

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor John Mutton

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

All

Title:

Business Rates Discretionary Rate Relief Policy

Is this a key decision?

No

Executive Summary:

In April 2017 a national revaluation of business rates properties came into effect. Ratepayers who experience increased bills as a result of the revaluation are supported by a national scheme of transitional relief which phases the increased liability over a period of five years.

For the 2017 revaluation, the Government have announced additional support, beyond the national transitional scheme, for pubs, local newspapers, small businesses and rural businesses.

In addition, the Government have provided additional funding for Councils to set up their own schemes of discretionary support for businesses impacted by the revaluation – these are to be known as ‘local discretionary relief schemes’ (LDRSs).

The Department for Communities and Local Government (DCLG) have stipulated that all of the additional support will be administered through section 47 of the Local Government Finance Act 1988. Section 47 governs the use, by Councils, of discretionary reductions in business rates liability. The DCLG does not intend to introduce new

legislation to facilitate the additional revaluation support and therefore Local Authorities (LAs) wishing to implement the new schemes are required to amend their existing discretionary rate relief (DRR) policies.

The parameters governing the new support for rural businesses, local newspapers, pubs and small businesses are prescribed by DCLG and it is proposed the Council administer these schemes in line with the criteria laid out. The DCLG have not provided any guidance on how LDRSs should operate and LAs are free to design their own schemes of support.

Coventry is proposing a scheme of support based on the following principles:

- Support is provided to businesses occupying a property with a rateable value greater than £12,000 and not more than £100,000;
- The business should have an increased liability, after all other reliefs, including small business and pub relief, greater than 1 per cent as a result of the 2017 revaluation;
- The property is occupied;
- The following types of business are excluded from support:
 - Coventry City Council buildings
 - Buildings occupied by NHS bodies
 - GP surgeries and health centres
 - National and international companies
 - Banks
 - Betting shops
- Eligible businesses will receive a reduction in their bill in year 1 of the scheme totalling 100 per cent of their increased liability.

Recommendations:

The Cabinet Member Strategic Finance and Resources is recommended to:

1. Approve the amended DRR policy included at appendix 1;
2. Delegate authority to the Director of Finance and Corporate Services to approve the specific parameters and percentage thresholds of the final scheme;
3. Delegate authority to the Director of Finance and Corporate Services to review and adjust, following consultation with the Cabinet Member Strategic Finance and Resources, the scheme in the first and subsequent years in response to fluctuations in forecast levels of spend against the funding;
4. Delegate authority to officers to make decisions in respect of reliefs provided in accordance with section 47 of the Local Government Finance Act 1988.

List of Appendices included:

Appendix 1 – Proposed Discretionary Rate Relief policy

Appendix 2 – Proposed West Midlands Combined Authority principles

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?

No

Report title: Business Rates Discretionary Rate Relief Policy

1. Context (or background)

- 1.1 In April 2017 a national revaluation of business rates properties came into effect. Ratepayers who experience increased bills as a result of the revaluation are supported by a national scheme of transitional relief which phases the increased liability over a period of five years.
- 1.2 For the 2017 revaluation, the Government have announced additional support, beyond the national transitional scheme, for pubs, local newspapers, small businesses – supporting small business relief (SSBR) and rural businesses.
- 1.3 In addition, the Government have provided additional funding for Councils to set up their own schemes of discretionary support for businesses impacted by the revaluation.
- 1.4 The Department for Communities and Local Government (DCLG) have stipulated that all of the additional support will be administered through section 47 of the Local Government Finance Act 1988. Section 47 governs the use, by Councils, of discretionary reductions in business rates liability. The DCLG does not intend to introduce new legislation to facilitate the additional revaluation support and therefore Local Authorities (LAs) are required to amend their existing discretionary rate relief (DRR) policies.
- 1.5 The parameters governing the new support for rural businesses, local newspapers, pubs and small businesses are prescribed by DCLG and it is proposed that the Council administer these schemes in line with the criteria laid out. The DCLG have not provided any guidance on how LDRSs should operate and LAs are free to design their own schemes of support.
- 1.6 In designing LDRSs, the DCLG require LAs to consult with major precepting authorities and Combined Authority members.
- 1.7 In total, the DCLG have made available £300 million of support for LDRSs. Coventry's share of the £300 million is set out in the table below:

Coventry's share of the national funding for LDRSs

Year	2017/18	2018/19	2019/20	2020/21
Funding (£000)	422	205	84	12

- 1.8 The funding is allocated on the basis of the number of properties within the LA area with a rateable value of less than £200,000 who have at least a 12.5 per cent increase in their bill as a result of the revaluation. The DCLG have yet to confirm whether LAs will be able to carry forward funding between years. In addition to the core funding the DCLG have confirmed new burdens funding will be made available

to LAs to compensate for the costs of administering the new schemes. The level of funding is yet to be determined.

- 1.9 LAs will be compensated directly for expenditure in respect of the specific rural relief, local newspaper relief, pub relief and small business relief and this is in addition to the £300 million. All of the reliefs are being administered in accordance with LA discretionary powers and therefore the LA is not obligated to award reliefs. However, the DCLG have made clear that, because the reliefs are fully funded, they expect LAs to exercise their discretionary powers. Equally, it is clearly in the interests of local businesses and the wider local economy that the Council utilise this funding as far as possible.

2. Options considered and recommended proposal

Newspaper relief

This relief is provided in respect of office space occupied by local newspapers. The relief is £1,500 per annum for two years from April 2017. The relief is limited to one award per local newspaper and is subject to state aid rules. One eligible business has been identified in Coventry.

Pub relief

- 2.1 The pub relief scheme is available to establishments providing the facility to purchase alcohol, without the need to purchase food, to people who can walk in off the street. The relief is limited to premises with a rateable value of less than £100,000. State Aid rules will apply and so the Council will not provide relief to national chains. The relief consists of a one off reduction of £1,000 from their annual bill in 2017/18.
- 2.2 The parameters of this scheme are set out in guidance by the DCLG in the Council has no discretion in respect of the operation of the scheme. The DCLG have stipulated that the relief should be provided in accordance Council's discretionary section 47 powers and therefore the Council is not statutory bound to provide the relief. Nevertheless, awarding the relief is beneficial for local businesses and the wider local economy and is cost neutral to the Council and therefore the revised DRR policy provides for this type of relief on the basis stipulated by the DCLG.
- 2.3 It is expected around 140 pubs could qualify for the relief attracting a maximum of £140,000. The Council will write to all eligible pubs informing them of the award and requesting that they respond to the Council in the event that they do not deem themselves to be eligible. There will be an online application form for any pubs who do not receive an award but feel they meet the criteria.

Supporting small business relief

- 2.4 In 2016/17 businesses occupying properties with a rateable value of less than £6,000 are entitled to 100 per cent small business rates relief (SBRR). Those with rateable values between £6,000 and £12,000 were entitled to tapered relief. The Government have, from 1 April 2017, increased these thresholds to £12,000 and £15,000 respectively.

- 2.5 Those businesses who, owing to the revaluation, lose their entitlement to small business rate relief – i.e. those whose rateable value increases to more than £15,000 – will be eligible to receive SSBR. SSBR is a five year scheme and will limit the increase for eligible businesses to the greater of:
- A percentage increase per annum of 5%, 7.5%, 10%, 15% and 15%
 - A cash value of £600 per annum
- 2.6 Businesses will remain in the scheme for five years or until they reach the bill they would have paid without the scheme.
- 2.7 As with pub relief, the Council is under no statutory obligation to award the relief but the relief will benefit local businesses and has therefore been included in the amended policy.
- 2.8 The Council is reliant on our software provider to provide technical changes to the revenues database before this relief can be administered. It is expected that these changes will be made in August 2017 and awards will be made in September 2017. Initial forecasts suggest approximately 57 businesses will benefit to the value of approximately £62,000.

Local discretionary relief schemes

- 2.9 The DCLG have made clear that LAs are free to design their own schemes of support. The only stipulation the DCLG have made is that LAs should consult preceptors and Combined Authority members. West Midlands Combined Authority (WMCA) members have agreed to design schemes which satisfy nine overarching principles – these are detailed in appendix 2. The Council's proposed scheme satisfies these principles.
- 2.10 In liaising anecdotally with other LAs, the Council identified three broad approaches to the design of a LDRS.
- An open, application based scheme reviewing the individual circumstances of each applicant based on the level of increase experienced and their financial circumstances;
 - An allocative scheme providing relief at a fixed percentage of the increased bill awarded to companies subject to a minimum level of increase and a maximum rateable value;
 - Replicate the funding parameters and allocate to businesses with an increase of 12.5 per cent and a rateable value less than £200,000.
- 2.11 The Council's proposed approach involves a combination of approaches two and three. The proposal is to award relief to companies on the following basis:
- Support is provided to businesses occupying a property with a rateable value greater than £12,000 and not more than £100,000;

- The business should have an increased liability equal to or greater than 1 per cent as a result of the 2017 revaluation – the increase will be calculated following the award of any other reliefs including pub relief and SSBR;
- The property is occupied;
- The following types of business are excluded from support:
 - Coventry City Council buildings
 - Buildings occupied by NHS bodies
 - GP surgeries and health centres
 - National and international companies
 - Banks
 - Betting shops
- Eligible businesses will receive a reduction in their bill in year 1 of the scheme totalling 100 per cent of their increased liability;
- The Council will aim to allocate between 90 and 95 per cent of the funding in each of the four years. The residual 5 - 10 per cent is intended to mitigate against the risk of overspending at a cost to local tax payers and to provide some capacity for the Council to consider ad hoc awards on an exceptional basis.

2.12 It is proposed that each business receives a 100 per cent reduction in the increased element of their 2017/18 bill. That percentage is derived so that the overall award allocates between 90 and 95 per cent of the funding for 2017/18. The same methodology would then be applied in the subsequent three years with the allocation reduced accordingly. In simple terms if a 100 per cent reduction allocates 95 per cent of the year 1 funding of £422,000 then in year 2 a 50 per cent reduction would allocate approximately 95 per cent of the £205,000 funding. The precise allocation for future years cannot be calculated until near the time when we know whether funding can be carried over between years and we can take account of the tax base as it is then as some companies will move on and no longer qualify for relief.

2.13 The Council will exclude national and international companies that are likely to be affected by State Aid rules.

2.14 The proposed approach has the following advantages:

- It avoids the administrative complexity, for both the Council and businesses, of having to undertake an application process and deal with the provision of information;
- It focusses a greater share of the funding on properties with a lower rateable value and thus smaller businesses;
- It aids Council forecasting to ensure that we both maximise expenditure to support local businesses but also reduce the risk of overspending at a cost to local taxpayers.
- The award will be applied after pub relief and SSBR therefore maximising the local retention of Government funding.

2.15 Current forecasts suggest the proposed approach will result in the following:

- Approximately 560 businesses would benefit
- The initial forecast allocation is approximately £395,000 (94 per cent of year 1 funding of £422,000)

3. Results of consultation undertaken

- 3.1 The framework agreed by West Midlands Combined Authority members is included at appendix 2 and the Council's proposed scheme satisfies those criteria.
- 3.2 The Council has maintained dialogue with colleagues at the Federation of Small Businesses who have been broadly supportive of the Council's proposed approach.
- 3.3 The Council has written to major preceptors but has not received a response at the time of writing.

4. Timetable for implementing this decision

- 4.1 It is proposed that the amended policy come into effect immediately. The administration of SSBR is reliant on the Council's software provider Capita making relevant changes to the revenues system. The timescale for this is beyond the control of the Council and it is likely that the relevant software release will be installed in September 2017.

5. Comments from Executive Director, Place

5.1 Financial implications

In respect of pub relief and SSBR, the Council will be fully compensated for foregone business rates revenue by way of a grant paid under section 31 of the Local Government Act 2003. This expenditure is demand led and there is no limit on the amount that the Council can reclaim from central government.

The funding for LDRS, again paid under section 31, is capped on an annual basis. Expenditure beyond the annual cap will represent a net cost to the Council in terms of foregone business rates revenue. The Government is yet to confirm whether underspends may be carried forward between years. The Council will be compensated only for actual reliefs granted up to the level of the cap and so the overall resource impact on the Council will be cost neutral providing the cap is not exceeded.

5.2 Legal implications

The proposed amendments to the DRR policy would be administered in accordance with section 47 of the LGFA 1988. This provides the statutory basis upon which LAs may provide discretionary relief to business rates payers.

Challenges to the scheme would take the form of initial complaint to the Council and ultimately through Judicial Review.

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 measures provide support for a range of businesses within Coventry which will support the local economy, protect jobs and help to foster economic growth. The measures support the Council's objectives in respect of promoting the growth of a sustainable Coventry economy.

6.2 How is risk being managed?

The forecast expenditure against funding is based on analysis of the business rates database at a point in time. If there are retrospective changes to properties this may impact on the level of expenditure and ultimately result in the Council spending beyond the cap at a cost to local tax payers. The Council aims to allocate 95 per cent of the funding in each year to help mitigate against the risk of overspending.

6.3 What is the impact on the organisation?

The Government have confirmed that new burdens funding will be made available to LAs to reimburse the additional cost of administering the proposed schemes. The final amount of funding is yet to be confirmed. The revenues service will deliver the schemes within existing resources.

6.4 Equalities / EIA

No impact

6.5 Implications for (or impact on) the environment

No impact

6.6 Implications for partner organisations?

No impact

Report author(s):

Name and job title:

Barrie Strain
Acting Head of Revenues

Directorate:

Place

Tel and email contact:

02476 833599

Barrie.strain@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:				
Carolyn Sinclair	Governance Services Officer	Place	05/07/17	05/07/17
Joy Smith	Senior Operational Manager	Place	05/07/17	05/07/17
Other members				
Names of approvers for submission: (officers and members)				
Finance: Paul Jennings	Finance Manager	Place	05/07/17	12/07/17
Legal: Gill Carter	Team Leader	Place	05/07/17	12/07/17
Communications: Darren O'Shaughnessy	Communications Manager	Place	12/07/17	12/07/17
Director: Barry Hastie	Director of Finance and Corporate Services	Place	05/07/17	05/07/17

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

Coventry City Council

Non Domestic Rates Policy for all Discretionary Relief – (excluding charities & not for profit organisations)



Version	Author	Approved by	Date approved
1.0 final draft	Karen Holtom and Joy Smith	To be approved by Cabinet Member SFAR	Due to be considered 3 August 2017

Introduction

A National Non-Domestic Rate (NNDR) is payable on all non-domestic properties.

The amount payable is calculated by multiplying the rateable value (set by the Valuation Office Agency) with a national multiplier (which is increased each year by the retail price index). Councils are responsible for the collection of rates and any business rate growth or loss is shared between Central Government, the Council and its preceptors.

The Council has several areas where it can exercise its discretion to provide reductions to the amount of business rates that are due to be paid.

This policy document outlines the areas of local discretion and the Council's approach to:

- Hardship Relief
- Partly Occupied Relief
- Discretionary relief – Section 69 The Localism Act 2011 (unlimited reasons)
- New Build exemption
- Pubs Relief
- Local Newspaper Relief
- Supporting Small Businesses Rate Relief
- Revaluation Support Relief

The Council has ultimate discretion in considering an application.

This policy provides an overarching framework for discretionary relief in order that the Council's decision-making in respect of relief may be fair, consistent and transparent.

1.Hardship Relief

General Principles

Section 49 of the Local Government Finance Act 1988 gives the billing authority (the Council) power to reduce or cancel rates (in occupied or unoccupied properties) where:

- the Council is satisfied that the ratepayer would sustain hardship if it did not reduce or remit the rates; and
- it is reasonable to make such a decision having regard to the interest of local council tax payers.

1.1 Key Criteria:

- Each case should be considered on its own merits.
- The test of hardship need not be confined to financial matters; all relevant factors should be considered, including the impact on the local community.

- The interest of council tax payers should be viewed wider than the direct financial cost to business ratepayers

1.2 Claiming Hardship Relief

- Applicants are required to complete an application form for rates to be reduced or cancelled because of hardship.
- Applicants must include copies of trading accounts and bank statements.
- Applications will be considered by the Senior Operations Manager (Revenues).
- The Council may request additional information in support of an application. If supporting information is not provided within one calendar month from the date of request the Council may deem the application to be unsuccessful.

1.3 Maximum award

The Council can award between 1% to 100% relief.

1.4 Notification

The Council will inform customers, by letter or email, of the outcome of their application within seven days of making a decision.

Where the application is successful, the notification will include the following information:

- a. The amount of Rate Relief to be awarded for the period.
- b. Details of when an amended Non Domestic Rate Demand will be issued.

Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision (see Reviews & Appeals).

1.5 Requirement to make payment of amounts falling due

Ratepayers must continue to pay any amount of business rates that falls due pending the outcome of the application. The Council may apply its normal recovery procedures in cases where payments are not received.

2. Section 44A Part Occupied Property Relief

General Principles

Section 44a of the 1988 Act enables a billing authority (the Council) to grant relief on a property that is partly occupied or not fully occupied, so long as the situation exists for a short time only.

Full rates will remain payable on a partly occupied property if the authority chooses not to exercise its power in this respect.

2.1 Key Criteria

The permanency of the situation needs to be ascertained. In some cases it may be appropriate to request the Valuation Officer to split the assessment.

The Council will consider whether granting the relief will be beneficial to both Council Tax payers & Non Domestic Ratepayers. Some examples where it may be deemed reasonable to award the relief are:

- Where full occupation is being phased in over a period of time; this may be due to relocation to the City.
- Where there are difficulties in occupying the whole of the property due to short term practical or financial restraints.
- Temporary occupation, for example due to remedial building or refurbishment works, fire damage or similar.

2.2 General exclusions

In general terms the following conditions are unlikely to be awarded relief:

- Full vacation occurring in stages over a period of time, taking business out of the City.
- Where there is no intention to occupy the whole of the property.
- Where the property has already received the benefit of the relief for the same area in the previous financial year.
- Where unoccupied areas are continuously rotated to consecutively apply for the relief.

2.3 Business Case

If a ratepayer is moving to different parts, within the same property more than once, the Council will require a business case to be submitted in support. This will need to explain clearly why such changes to the business are required and the reason this results in another part of the premises being temporarily unoccupied.

2.4 Claiming Section 44a

All applicants are required to complete an application form available on the Council's website.

The Council may request additional information in support of an application. If supporting information is not provided within 1 calendar month from the date of request the Council may deem the application to be unsuccessful.

2.5 Retrospective Claims

Relief will only be considered if the Council has the opportunity to conduct a visit during the period requested.

Relief will not normally be awarded in respect of any period prior to the day an application is made except where:

- The applicant is newly liable for business rates and an application is received within 1 calendar month of the new liability arising or
- There are exceptional circumstances and the ratepayer can demonstrate good cause for not submitting the application earlier

No consideration shall be given to an award for a retrospective period where the Council is not able to verify to its satisfaction that the circumstances giving rise to the application pertained for that period.

2.6 Inspectors Visit

A visit to the property for which relief is sought will need to be made by a Revenues Inspector

2.7 Maximum Award

The relief will cease on the day one of the following arises:

- the occupation of any area of the unoccupied parts of the premises;
- the ending of the rate period in which the apportionment was requested;
- a further apportionment is required; or
- the area becomes completely occupied.

2.8 Notification

A letter of notification will be sent to the ratepayer and an amended bill issued to show the:

- period of the award; and
- amount of the relief

The letter will also inform the ratepayer that regular unannounced visits to the premises will be made by council inspectors and that the Council must be informed immediately of any change of circumstances that may affect the relief.

Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision (see Reviews and Appeals).

3. Discretionary relief – Section 69 The Localism Act 2011 (Unlimited reason)

General Principles

Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 allowing local authorities to reduce the business rates of any local ratepayer for any reason, not just those that can currently be granted discretionary rate relief. The local

authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area.

3.1 Key Criteria

Relief may be granted for any reason and therefore specific criteria cannot be listed as each application will be considered on its own merits. However, whilst there is a cost implication to the council in awarding relief, it may be that the immediate cost of the relief is outweighed by the long-term benefit i.e attracting growth and jobs to the area.

3.2 Claiming Relief

All requests for relief must be made in writing.

The Council may in any circumstances verify any information or evidence provided by the ratepayer by contacting third parties, other organisations and the ratepayer.

Where the request does not contain sufficient information, the Council will contact the ratepayer to seek any missing information or clarification where it is necessary.

The Council may request additional information in support of an application. If supporting information is not provided within one calendar month from the date of request the Council may deem the application to be unsuccessful.

3.3 Maximum award

The Council can award any amount up to 100% relief.

3.4 Finance

. There is currently no budgetary provision for meeting the cost of any such award.

Therefore any decision to award relief will be made by the Head of Service in conjunction with the Director, Finance and Corporate Services.

3.5 Notification

The Council will inform the customer applying, in writing (or email), of the outcome of their application within seven days of making a decision.

Where the application is successful, the notification will include the following information:

- The amount of Rate Relief to be awarded for the period.
- Details of when an amended Non Domestic Rate Demand will be issued.

Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision (see Reviews and Appeals).

3.6 Requirement to make payment of amounts falling due

Ratepayers must continue to pay any amount of business rates that falls due pending the outcome of the application. The Council may apply its normal recovery procedures in cases where payments are not received.

4 New Build Empty Property Relief

General Principles

The Chancellor announced in his Autumn Statement on 5 December 2012 that all newly built commercial property completed between 1 October 2013 and 30 September 2016 will be exempt from empty property rates for the first 18 months, up to the state aid limits*. As this is a temporary measure, the Government is not changing Legislation, although a guidance note has been provided.

The property does not have to be empty on the valuation date or continuously unoccupied to qualify and separate empty periods will be allowed up to the 18 month period.

Properties that will benefit from the relief will be unoccupied non domestic hereditaments that are wholly or mainly comprised of qualifying new structures.

Structures means:

- Foundations and/or
- Permanent walls and/or
- Permanent Roofs

New means:

- Completed less than 18 months previously and
- Completed after 1 October 2013 and before 30 September 2016

4.1 Claiming Empty New Builds

All applicants are required to complete an application form available on the Council's website.

In terms of considering whether a property is 'wholly or mainly' comprised of qualifying new structures, the intention is that 'mainly' means that more than half of the property consists of a qualifying new structure.

4.2 Maximum Award

100% relief from unoccupied charge for the first 18 months, subject to state aid limits. A declaration form will need to be completed by the ratepayer.

4.3 Notification

Where the application is successful, a non-domestic rate demand will be issued showing the:

- period of relief; and
- amount of relief awarded

Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision (see Reviews and Appeals).

4.4 Requirement to make payment of amounts falling due

Ratepayers must continue to pay any amount of business rates that falls due pending the outcome of the application. The Council may apply its normal recovery procedures in cases where payments are not received.

5. Pubs Relief

General Principles

The Government announced in the Spring statement on 8th March 2017 that it will provide a discount of up to £1,000 to public houses with a rateable value of less than £100,000 for the financial year 2017/18.

As this is a measure for 2017/18 only, the Government is not changing legislation, however it will reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will fully reimburse local authorities for the local share of the discretionary relief using a grant under Section 31 of the Local Government Act 2003.

5.1 Key Criteria

Properties that will benefit from the relief will be occupied properties with a rateable value of less than £100,000 that are used as a public house.

The Department for Communities & Local Government has issued a guidance note outlining what they consider a public house to mean. Eligible public houses should:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar

The Government does not consider properties that are being used for the provision of the following services to visiting members of the general public to be eligible for the relief:

- restaurants
- cafes
- nightclubs
- hotels
- snack bars

- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- concert halls
- casinos

This list is not exhaustive and it is for local authorities to determine whether particular properties not listed in the guidance notes are eligible for the relief, having considered broader factors.

Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid de minimis limits*.

5.2 Claiming Pubs Relief

New applicants are required to complete an online application form available at: <http://www.coventry.gov.uk/businessrates>.

5.3 Maximum award

The total amount of Government funded relief available for each property under this this scheme is £1,000.

The maximum relief awarded will not exceed the net liability.

5.4 Notification

Where the application is successful, a revised bill will be issued. Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision.

5.5 Requirement to make payment of amounts falling due

Ratepayer's must continue to pay any amount of business rate that falls due pending the outcome of an application. The Council may apply its normal recovery procedures in cases where payments are not received.

6 Local Newspaper Relief

General Principles

The Government announced in the Autumn statement on 23rd November 2016 that it will provide a discount of up to £1,500 per year for 2 years from 1st April 2017, to office space occupied by local newspapers.

As this is a measure for 2017/18 and 2018/19 only, the Government is not changing legislation, however it will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

The purpose of the relief is to assist local newspaper publishers as they adapt to industry changes from print to digital and maintain a local physical presence.

6.1 Key Criteria:

- The property must be occupied by a local newspaper title and used wholly or mainly as offices for journalists and reporters.
- The local newspaper can be chargeable or free.
- Only one discount is available per local newspaper title and per property
- State Aid limits apply

6.2 Exclusions:

- Local council newspapers
- On-line only publications
- Local magazines

6.3 Claiming Local Newspaper Relief

There is no application form. Applicants should apply for the relief in writing to the Business Rates Team confirming that they satisfy each of the eligibility criteria.

6.4 Maximum Award

The total amount of government funded relief available is £1,500 for each financial year 2017/18 and 2018/2019 for one local newspaper title and property.

The relief will be applied against the net bill after all other reliefs.

6.5 Notification

Where the application is successful, a revised bill will be issued.

Where the application is not successful, the notification will provide full reasons for the decision and confirm the applicant's right to request a review of the decision.

6.6 Requirement to make payment of amounts falling due:

Ratepayer's must continue to pay any amount of business rate that falls due pending the outcome of an application. The Council may apply its normal recovery procedures in cases where payments are not received.

7. Supporting Small Businesses Rate Relief

General principles

The Government announced in the Spring Statement 8th March 2017 that it will provide relief to those ratepayers facing large increases in business rates charge as a result of the loss of Small Business Rates Relief due to the revaluation effective 1st April 2017. This relief is in addition to the Transitional Relief arrangements introduced 1st April 2017.

The Government is not changing legislation and will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

7.1 Key Criteria

To support ratepayers losing some or all of their small business rates relief as a result of the revaluation, the Supporting Small Businesses Rate Relief will ensure that the increase per year in charge is limited to the **greater** of:

- a. A percentage increase per annum of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 plus inflation. Unlike the Transitional Relief scheme, for the first year of the scheme the percentage increase is taken against the charge for 31st March 2017 after Small Business Rate Relief, or
- b. A cash value of £600 per financial year. This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after Small Business Rate Relief are brought into paying something.

This means that in the first year of the scheme all ratepayers losing some or all of their Small Business Rate Relief will see the increase in their charge capped at £600. The cash minimum increase is £600 per financial year thereafter. As a result ratepayers who have paid nothing under Small Business Rate Relief and are losing some or all of their entitlement to Small Business Rate Relief (i.e. moving from £6,000 rateable value or less to more than £15,000) will be paying £3,000 in year 5.

Those ratepayers on the Supporting Small Business Relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the small business supplement (1.3p 2017/18) to fund Small Business Rate Relief while they are eligible for the Supporting Small Businesses Relief scheme.

Ratepayers will remain in the Supporting Small Businesses Relief scheme for either 5 years from 1st April 2017 or until they reach the charge they would have paid without the Supporting Small Businesses scheme. A change of ratepayer will not effect eligibility for the Supporting Small Businesses Rate Relief scheme but eligibility will be lost if the property becomes unoccupied or occupied by a charity or Community Amateur Sports Club.

Relief will be recalculated on any changes to the rateable value.

7.2 Eligibility Criteria:

- The ratepayer has lost some or all entitlement to Small Business Rate Relief as a result of the 2017 Revaluation.
- The property is occupied.
- State Aid limits apply

7.3 Exclusions:

- The property is unoccupied.
- The property is occupied by a charity or a Community Amateur Sports Club.

7.4 Claiming Supporting Small Businesses Rate Relief

There is no application form. Entitlement to Supporting Small Businesses Relief is automatically calculated and granted to eligible ratepayers.

7.5 Notification:

A revised bill will be issued showing any entitlement.

8 Revaluation Support Relief**General Principles**

The Government announced in the Spring Statement 8th March 2017 that it will provide funding to local authorities to provide additional relief to support businesses in their area over a period of 4 years from 1st April 2017.

Local authorities are expected to develop their own eligibility criteria to award relief from the funding targeting local businesses suffering adversely as a result of the Revaluation undertaken by the Valuation Office Agency which came into effect 1st April 2017.

The Government is not changing legislation and will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended) to grant relief in line with their own eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

8.2 Key Criteria

- Businesses facing an increase of at least 1% in their business rate bills following the revaluation
- The amount of relief provided to eligible businesses will be equivalent, in year one, to 100% of their increased liability. In the remaining 3 years this amount will be adjusted.
- Properties must be occupied
- Rateable value must be between £12,000 and £100,000

- Multiple properties occupied by the same ratepayer where total of the rateable values do not exceed £100,000
- Relief will be recalculated on any changes to the rateable value
- state aid limits apply

8.3 General Exclusions

In general terms the following organisations are unlikely to be granted DRR:

- Excepted hereditaments within the meaning of s47 Local Government Finance Act 1988 and wider public sector premises
- Properties occupied by multinational and national chain companies
- National charities or charities not local to Coventry
- Doctors surgeries or health centres (funded by NHS)

8.4 Claiming Revaluation Support Relief

There is no application form. Entitlement to Revaluation Support Relief is automatically calculated and granted to eligible ratepayers.

However, if a ratepayer believes they may qualify and has not been awarded relief they should request a review.

8.5 Notification

A revised business rate bill will be issued showing any entitlement.

9. Reviews and Appeals (all reliefs)

The Senior Operational Manager will normally take decisions on the award or otherwise of Hardship Relief and approved by the Head of Service. Decisions to award Section 47 (unlimited reasons) will be made by Head of Service in conjunction with the Director, Finance and Corporate Services.

With regard to all other reliefs, the decision to award or otherwise will be made by the Business Rates Team following set guidelines and overseen by the Senior Operational Manager (Revenues). All decisions will normally be final except as set out in this paragraph. An applicant may make a request for a review of a decision but only where either;

- Additional information that is relevant to the application and that was not available at the time the decision was made becomes available, or
- There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was taken.

A request for a review must be made within four weeks of receipt of notification of the decision and must set out the reasons for the request and any supporting information.

In the cases of Hardship Relief and Section 47 (unlimited reasons) relief, a review will be conducted by the Head of Service in consultation with the Director, Finance & Corporate Services .

All other cases will be reviewed by the Head of Revenues & Benefits.

10. Payments

All awards of relief will be credited against the applicant's business rate account to reduce the amount payable.

The principles outlined below apply to the new discretionary rate relief schemes being developed to support businesses most affected by the 2017 revaluation. The government announced funding for this scheme in the Spring Budget 2017 but requires local authorities to set their own criteria for distributing this funding to businesses in their areas.

Within the West Midlands, members of the Combined Authority will design their own schemes in accordance with the following principles:

1. Relief will be available to businesses on properties which have a rateable value of less than £200,000 on the 2017 list, subject to the exclusions below.
2. Properties which are empty or which are eligible for charitable or Community Amateur Sports Club relief will not be eligible for relief.
3. Businesses which otherwise meet the eligibility criteria but which are operated by larger entities (e.g. national or multi-national businesses) will not be entitled to relief. This is to protect against accidental breaches of EU State Aid regulations and to ensure support is targeted at smaller enterprises. Properties for which the billing authority or major precepting authorities are liable will also be excluded.
4. Each authority will determine, based on their funding allocation, a threshold for the minimum percentage increase in net business rates bills which will apply to eligible businesses in their area. Each authority will then distribute [95%] of the funding available to them to eligible businesses in their area, in proportion to the amount that a business' net bill (after reliefs) has increased above the locally-determined minimum threshold following the revaluation.
5. The balance of [5%] will be held back to manage the risk of changes or challenges in year which affect the amount of grant that needs to be paid out. If the grant available exceeds the call on the funding, the excess will be retained for allocation in future years if government rules allow.
6. Revised bills reflecting the new lower charge will be reissued to eligible businesses without any requirement for them first to apply for support.
7. The amount of relief awarded will be recalculated in the event of a change of circumstances (e.g. a backdated change to the rateable value). That this may be done should be made clear in the conditions of an award for the relief.
8. Entitlement to relief will be granted for one financial year at a time and will be recalculated annually. This will be made clear in the conditions of an award for the relief.
9. The schemes will run for the financial years from 2017/18 to 2020/21 unless government guidance to the contrary is issued. The parameters of the schemes will be reviewed annually and policies will be revised as necessary.

Notes

In the first instance, grants to compensate for the estimated cost of relief (100% of the cost for the WM pilot authorities) will be paid to billing authorities, but ultimately the funding will need to be shared with the major precepting authorities. This will be done automatically at year end via the NNDR3 return.

It is anticipated that the impact of the relief on the combined authority's share of business rates growth will be neutralised through the gainshare methodology, as is the case with other costs funded through section 31 grants.



Cabinet Member for Strategic Finance and Resources

3rd August 2017

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive People

Ward(s) affected:

None

Title:

Cumulative Sickness Absence 2016/2017

Is this a key decision?

No

Executive Summary:

To enable Cabinet Member for Strategic Finance and Resources to monitor:

- Levels of sickness absence for the 12 month period of 2016/2017.
- The actions being taken to manage absence and promote health at work across the City Council.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is asked to receive this report providing sickness absence data for the 12 month period of 1 April 2016 – 31 March 2017 and endorse the actions taken to monitor and manage sickness.

List of Appendices included:

Please note that the Directorates listed in the tables reflect the organisational structure during this reporting period. The next report will reflect the revised Directorate structures.

- Appendix 1 Coventry City Council: Targets Vs Actual Days Lost per FTE 2012-17
- Appendix 2 Directorate Summary Out-turn 2016 / 2017 vs. 2015 / 2016
- Appendix 3 Coventry City Council Reasons for Absence (2016 / 2017)
- Appendix 4 Days Lost per FTE, by Directorate (2016 / 2017)
- Appendix 5 Coventry City Council Percentage Breakdown of Absence (2016/2017)
- Appendix 6 Coventry City Council Spread of Sickness Absence, by Length of Days (2016 / 2017)
- Appendix 7 & 8 Summary of Occupational Health & Counselling Services Activities Undertaken (2016 / 2017)

Other useful background papers:

None.

Has it or will it be considered by Scrutiny?

No.

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

No

Will this report go to Council?

No.

Report title: Cumulative Sickness Absence 2016/2017

1. Context (or background)

1.1 Annual and bi-annual information is based on full time equivalent (FTE) average days lost per person against the FTE average days per person available for work. This is the method that was previously required by the Audit Commission for annual Best Value Performance Indicator reporting. The City Council continues to use this method to ensure consistency with previously published data.

1.2 This report gives the cumulative sickness absence figures for the Council and individual directorates.

1.3 Performance

Table shows days lost per FTE for the period of 2016- 2017

Days Lost per FTE			Officers		Teachers		combined
Actual (cumulative)			9.59		5.57		8.74
Cost of Sickness: £'000's			Officers		Teachers		combined
Actual			10,811		2,078		12,889

1.4 Reasons for Absence

1.4.1 Appendix 3 Illustrates that:

- The most occasions of sickness absence across the City Council in April 2016 – March 2017 is Infections, Colds and Flu accounting for **3,104** occasions. The amount of time lost through Infections, Colds and Flu was **7301** days.
- The amount of days lost through Stress, Depression, and Anxiety was **14,996** days, making it the highest cause of time lost. However, it is not possible to differentiate between personal stress and work related stress.
- The second, third and fourth most prevalent reasons for days lost are due to Other Musculo-Skeletal Problems **12,963** days; Infections, Colds and Flu **7301** days, Stomach, Liver and Gastroenteritis **7056** days.

1.4.2 A comparison of the last 5 years actual sickness levels against target are shown in Appendix 1.

1.4.3 A comparison of Q4 2016/17 with Q4 2015/16 shows:

- A reduction in the number of the occurrences of absence by **442**
- A reduction in the total days lost per FTE by **5249.92** days

- Stress has reduced by **1178.52** days and by **69** occasions
- Musculo-Skeletal absence has reduced **1298.95** days and by **72** occasions
- Infection, Colds and Flu has increased by **40.78** days but with a reduction by **8** of the number of occasions
- Chest, Respiratory, Chest Infection has reduced by **63.60** days and by **60** occasions
- Stomach, Liver, Gastroenteritis has reduced by **315.18** days and increased by **1** occasion

1.4.4 Please note that the Directorates listed in the appendices reflect the organisational structure during this reporting period. The next report will reflect the revised Directorate structures.

1.5 Frequent and Long Term Absence

1.5.1 Appendix 5 provides the breakdown between frequent and long-term absence during 2016/2017

1.5.2 Appendix 6 provides a more detailed breakdown of the duration of absences.

1.6 Dismissals through Promoting Health at Work Corporate Procedure

1.6.1 During 2016/2017 there have been a total of **14** dismissals in accordance with the Promoting Health at Work Corporate Procedure. **11** dismissals have been due to ill health retirement and **3** dismissals have been where the required standards of attendance have not been met.

2. Options considered and recommended proposal

2.1 Activities during Q4

HR Support Teams aim to ensure a consistent approach to sickness absence management and is responsible for providing information on sickness absence to Directorate Management Teams/Senior Managers on a monthly basis and supporting managers in the application of the Council's Promoting Health at Work procedure.

2.1.2 Directorate Management Teams review summary absence reports on a monthly basis to monitor progress and determine actions needed to address any hotspots.

2.1.3 HR Support Teams undertake proactive strategies to support the Council to reduce levels of sickness absence. They include:

- A robust approach to the management of sickness absence casework with the application of a revised model, resulting in no more than 4 meetings having to take place before a decision is made about an employees continued employment.
- A monthly system to alert Service Managers when employees hit a sickness absence trigger point and have not been seen as part of the Promoting Health at Work Procedure.
- Training is provided to managers to support dealing with both practical and procedural issues. An ongoing programme of training is taking place across the Council as a whole. This includes receiving the absence phone call, conducting effective Return to Work Interviews, supporting Disabled Employees and understanding the rational for making Reasonable Adjustments in the work place to facilitate an employee's return to work.
- Training has allowed Managers the opportunity to refresh their knowledge and understanding of the Promoting Health at Work process.
- The implementation of an intranet based absence toolkit '*Managing Absence - Your Guide*' along with a desk top icon for easy access. The purpose of the toolkit is to enable managers to deal with the routine "day to day" sickness absence management tasks. The toolkit contains a number of simple and easy to use guides. The toolkit also provides detailed FAQs, 'how to guides' and some straightforward 'golden rules' to help managers and links to relevant policies, procedures, checklists and scripts.

2.1.4 A number of service areas across the Council hold regular 'performance summits / clinics' on a monthly, quarterly or as needed basis. These incorporate both the management of sickness cases as well as areas of performance concerns, which in some cases have a direct link.

2.1.5 These serve as a useful mechanism to safeguard the general well-being of the organisation ensuring performance and attendance are well-managed for all parties. This guarantees absence levels remain a high priority with the aim to reduce these levels for the Council and to enable services to be cost-effectively delivered to the public.

2.1.6 The purpose of 'performance clinics', are to provide an opportunity for Management with the relevant Head of Service / Assistant Director, to review sickness and performance cases within a given area. This is to ensure cases are being addressed in a timely manner and are being robustly, consistently, fairly and appropriately managed through the application of the Promoting Health at Work process and other relevant processes.

2.1.7 The clinics provide an opportunity for Managers to share good practice and experience in managing absence levels, as well as to gain further advice, support and updates from HR on changes to procedure and support the Council can provide to its employees and Managers.

2.1.8 One of the key benefits of performance clinics has been to identify hotspot areas, or key issues/reasons for absence within service areas. This enables the advice, support and resources to be tailored to ensure these issues are addressed and managed and that our employees are appropriately supported. This has proved to be very useful in making a positive impact in the working environments and on attendance levels.

2.1.9 There is no outstanding casework from absence triggers generated from Q4.

2.2 Talking Health, Safety and Wellbeing

2.2.1 The primary aim of the initiative is to act as central source of information and encourage Council employees to get Fit and Healthy.

2.2.2 The initiative has delivered the following events in Quarter 4:

- Talking Health, Safety and Wellbeing articles are being published weekly on a Wednesday, in the Beacon daily communication. Some of articles are featured below:
- Communication on key health and safety issues continues to be published on a weekly basis each Wednesday.
- The articles for Quarter 4 included: mental wellbeing 'Feeling Warm and Cosy is a State of Mind; Wellbeing at Work; Kicking the Habit; Improvements in Near Miss Reporting.
- The total hits were 1414

2.3 Activities during Q4 from the Occupational Health Team

- The Fast Care Musculoskeletal Clinics continue - in key areas (3 City Arcade, Whitley Depot and Faseman House), will continue to support high risk areas for musculoskeletal problems.
- The 171 (36%) incidents of musculoskeletal problems which were assessed as aggravated by work were distributed across directorates and schools, no single area was represented as a hot spot. No single condition was significantly represented.
- From the 469 cases closed, 54% of those seen more than once demonstrated a significant improvement in pain and function
- In Q4 Conflict and Aggression Training was carried out at Whitley Depot and Resilience Training for Children's Services
- Mediation was carried out in People Directorate and 2 x schools.
- NHS Health Checks which support the Marmot Programme have continued: 57

were carried out over Q4 as part of the Wellbeing Programme. 41 required additional interventions to prevent deterioration in health.

- A Wellbeing event was run for Highways and Streetpride, requested by Service Management to look at general health and heart conditions specifically.
- A Retirement Course was run in March supporting employees making decisions around retirement. 13 City Council Employees attended.
Mental Wellbeing
- The Mandatory Workplace Mental Wellbeing Audit Programme continues to be rolled out across the Council and schools, based on sickness absence for stress, anxiety, depression, MSK and gastric problems.

The Service continues to support social workers in the MASH team through Mental Wellbeing Support groups carried out on a monthly basis.

2.4 Targets 2017 / 2018

Detailed below are the targets 2013 / 2018.

Coventry - 5 Year Corporate Sickness Targets	
Year	Target
2013/14	8.5
2014/15	8.5
2015/16	8.5
2016/17	8
2017/2018	8

2.5 Comparison Information

Coventry City Council has collected sickness out turn data for 2016/17 for the other West Midlands Metropolitan Authorities.

West Midlands Metropolitan Authority	Days Lost per FTE	(excluding Schools)
Birmingham	10.48	
Coventry	10.08	
Dudley	10.99	
Solihull	10.58	
Walsall	10.47	
Sandwell	8.44	

Outturn does not include absence for schools (we have been unable to obtain figures from Wolverhampton)

3. Results of consultation undertaken

No consultation has been undertaken.

4. Timetable for implementing this decision

None

5. Comments from the Director of Finance and Corporate Services

5.1 Financial implications

Sickness absence impacts on the ability of the Council to deliver its services with replacement cover required in many service areas at an additional cost to the Council.

5.2 Legal implications

There are no legal implications resulting from this report.

6. Other implications

There are no other specific implications.

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard)/organisational blueprint/LAA (or Coventry SCS)?

Sickness absence is one of the Council's corporate plan targets and performance is reported to Cabinet Member (Strategic Finance & Resources) twice a year – at the end of Q2 and the end of Q4.

6.2 How is risk being managed?

The Promoting Health at Work strategy will require further development to examine more intensively issues such as working conditions, accidents, work related ill health, and industrial injuries in addition to managing absence. This will involve liaison with colleagues in the area of safety management and Occupational Health, and will also include analysis of sickness data to identify the relationship between specific causes of absence and occupational groups.

6.3 What is the impact on the organisation?

Human Resources

The HR Support Teams and the Occupational Health and Counselling Service support absence management across the whole City Council. The teams support managers to deal with sickness promptly and consistently within all directorates.

Information and Communication Technology

Improvements will continue to be made to the reporting process through Resource link management information to improve accuracy and detail of information in relation to all absences.

Trade Union Consultation

Consultation with the trade unions is ongoing. The trade unions are kept up to date on the latest absence figures and are actively involved in casework regarding sickness absence management.

6.4 Equalities/EIA

The application of the sickness absence management processes are continually reviewed to ensure compliance with the Council's duty under Section 149 of the Equality Act 2010.

6.5 Implications for (or impact on) the environment

None.

6.6 Implications for partner organisations?

None.

Report author(s):

Name and job title:

Pat Chen, Head of Employment & Practice

Directorate:

People

Tel and email contact:

024 7683 2693

pat.chen@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:				
Wilma Green	HR Advisor	People	06/07/17	10/07/17
Angie White	Occupational Health & Safety Manager	People	25/07/17	25/07/17
Louise Hughes	Accountant	Place	25/07/17	25/07/17
Suzanne Bennett	Governance Services Co-ordinator	Place	06/07/17	10/07/17
Names of approvers: (officers and members)				
Barbara Barrett	Head of HR /OD	People	06/07/17	10/07/17
Julie Newman	Children & Adult Legal Service Manager	Place	25/07/17	25/07/17
Councillor J Mutton	Cabinet Member for Finance and Strategic Resources	I	10/07/17	10/07/17
Gail Quinton	Deputy Chief Executive	People	25/07/17	26/07/17

This report is published on the Council's website:

www.coventry.gov.uk/meetings

Coventry City Council
Target Vs Actual Days Lost per FTE
2012 - 2017

Coventry - 5 Year Corporate Sickness Summary			
Year	Target	Actual	RAG Rating
2012/13	8	9.53	☹️
2013/14	8.5	9.14	☹️
2014/15	8.5	9.4	😐
2015/16	8.5	8.51	😊
2016/17	8	8.64	😐

RAG Key Code		
Red	☹️	Above Target
Amber	😐	Less than 1 day
Green	😊	On Target

Figures include School sickness

Corporate / Directorate Comparisons against Target**Coventry City Council**

2016/17	2015/2016	Annual Target 2016/2017
8.64	8.51	8

This demonstrates an increase of 0.13 days per FTE compared to 2015/16.

Chief Executive's Directorate

2016/17	2015/2016	Annual Target 2016/2017
0	0.90	2

This demonstrates a reduction of 0.9 days per FTE compared to 2015/16.

Place Directorate

2016/17	2015/2016	Annual Target 2016/2017
10.16	9.66	9.30

This demonstrates an increase of 0.5 days per FTE compared to 2015/16.

People Directorate

2016/17	2015/2016	Annual Target 2016/2017
11	12.00	10.95

This demonstrates a reduction of 1 day per FTE compared to 2016/17.

Teachers in Schools

2016/17	2015/2016	Annual Target 2016/2017
5.44	4.54	4.56

This demonstrates an increase of 0.90 days per FTE compared to 2015/16.

Support Staff in Schools

2016/17	2015/2016	Annual Target 2016/2017
7.95	8.13	7.55

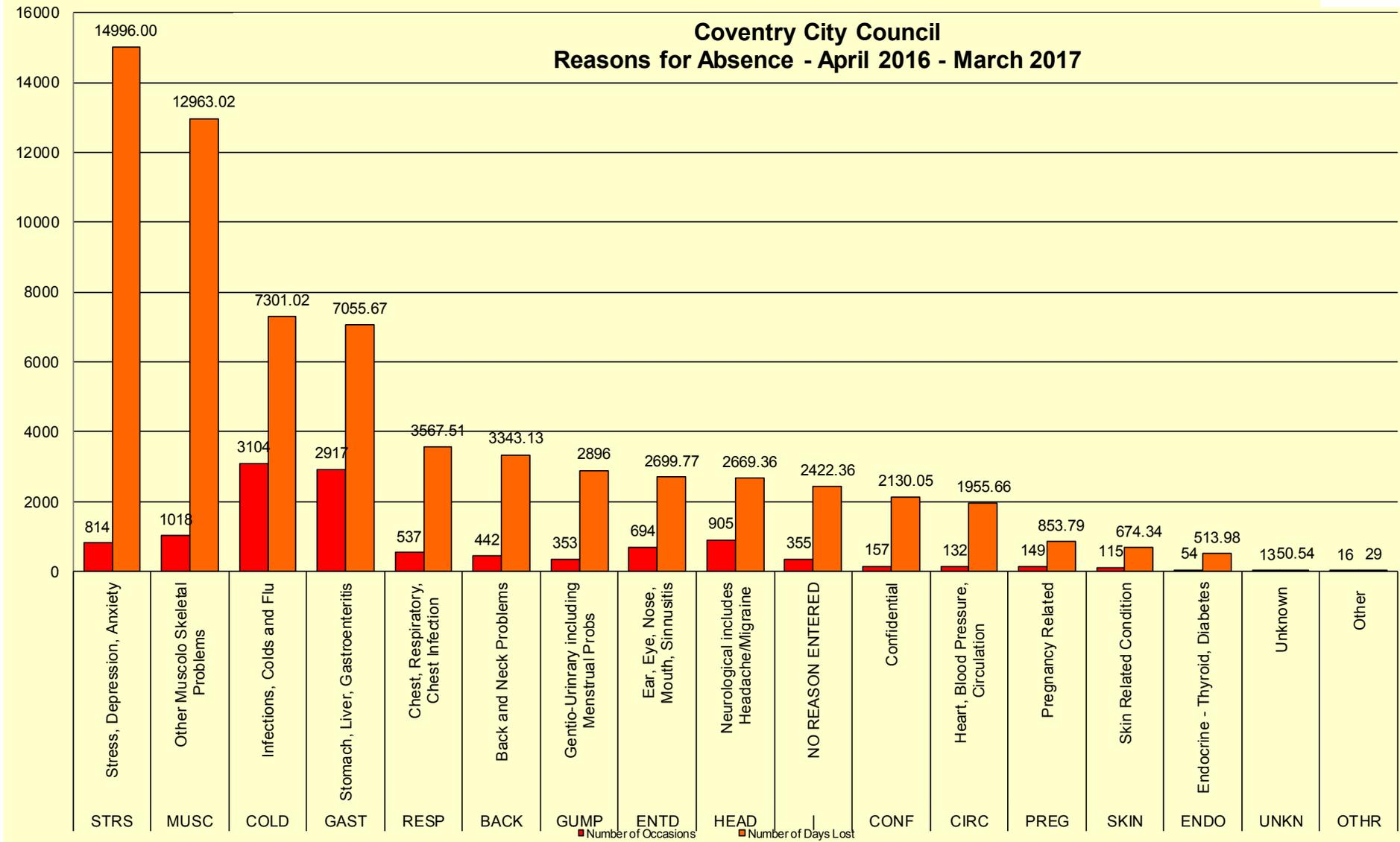
This demonstrates a reduction of 0.18 days per FTE compared to 2015/16.

Resources Directorate

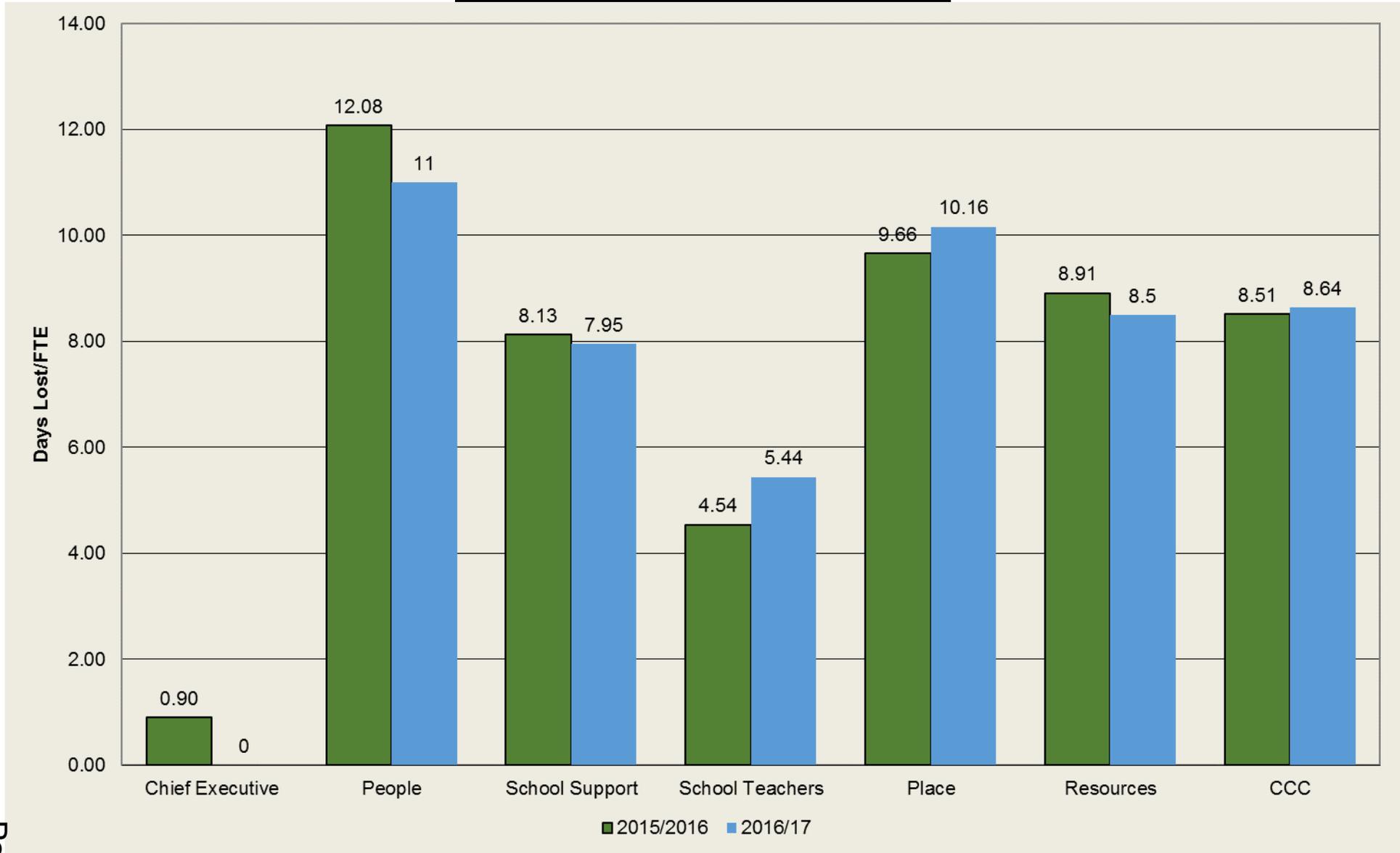
2016/17	2015/2016	Annual Target 2016/2017
8.5	8.91	8.00

This demonstrates a reduction of 0.41 days per FTE compared to 2015/16.

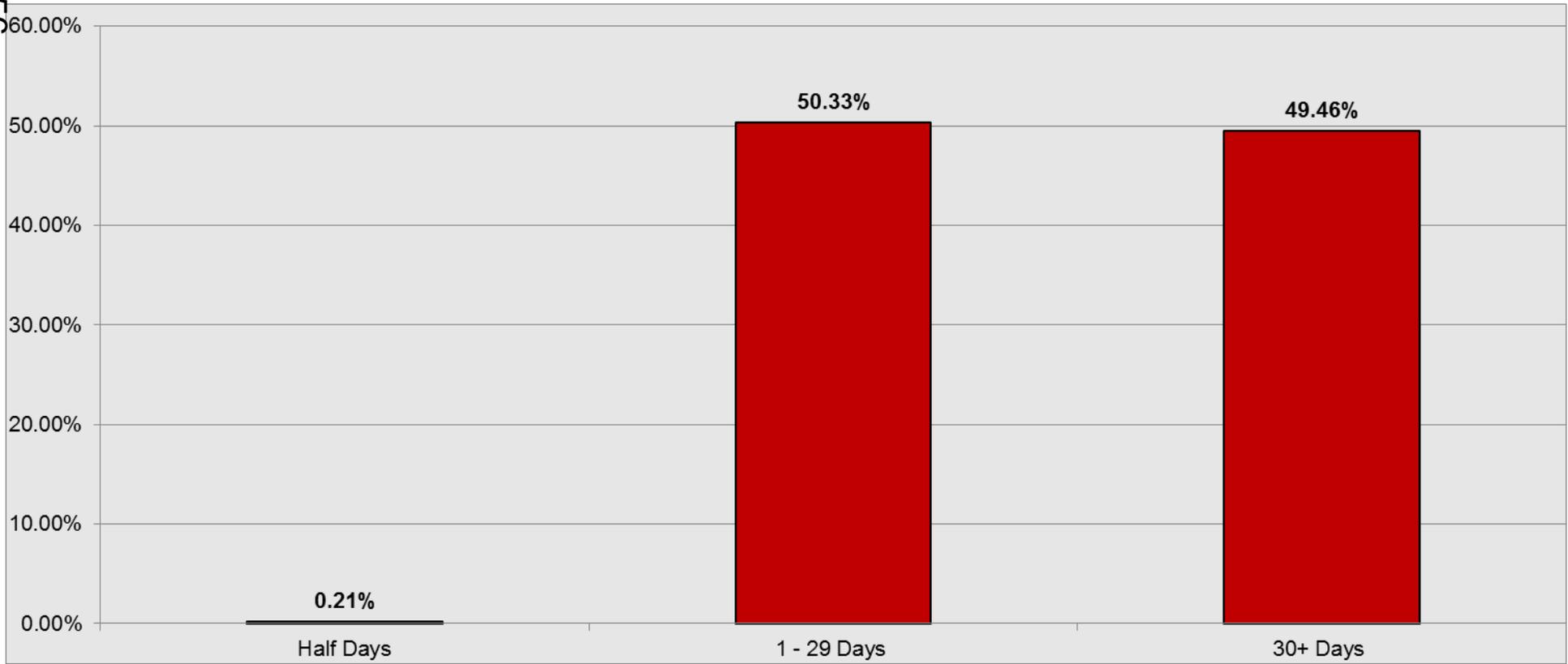
Due to the change in the structures and composition of Directorates, an accurate evaluation against last year's performance / statistics is not always directly comparable.



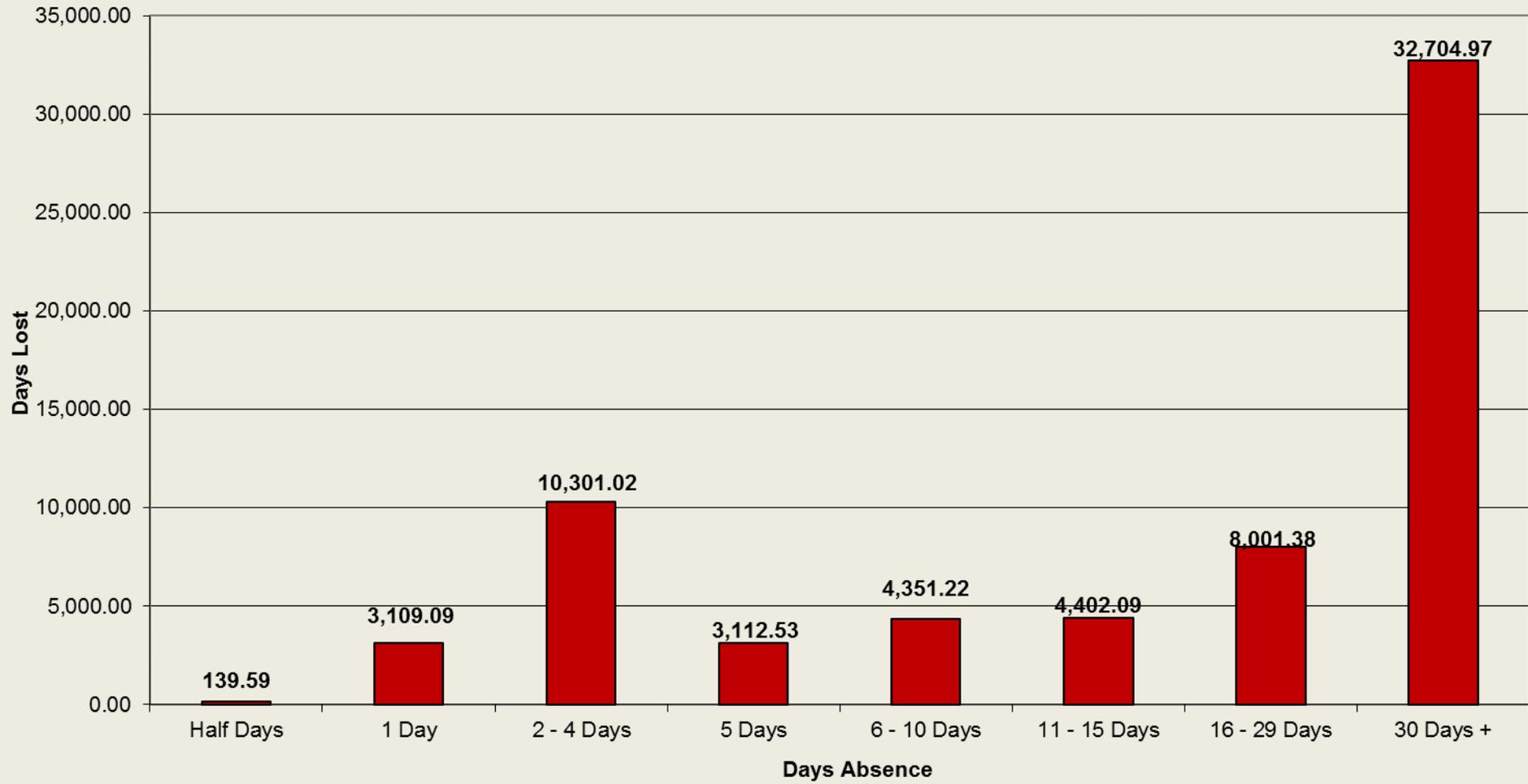
2015/2016 vs. 2016/2017 - Days Lost Per FTE



Coventry City Council
April 2016 – March 2017
Sickness Absence – Percentage Breakdown



Coventry City Council Spread of Sickness Absence April 2016 - March 2017



OCCUPATIONAL HEALTH
Promoting Health at Work Statistics
1st April 2016 – 31st March 2017 (Q4)

Occupational Health Activity	April- June 2016	July- September 2016	October- December 2016	January- March 2017	Total for Year
Pre-Employment health assessments	160	260	148	216	784
January to March 2017 49% of pre-employment forms were processed within 3 working days 100% clearance slips were returned to the Recruitment Team/School within 3 working days					
Sickness absence health assessments and reviews including case conferences	267	255	262	324	1108
January to March 2017 Referrals to support services, work place assessments and case conferences were part of the health management plan. Advice on workplace adjustments, medical redeployment and ill health retirement were also given. 100% of employee ill health referral forms processed within 3 working days 88% reports sent to HR/schools within 3 working days					
Vision screening and other surveillance procedures including vaccinations	85	30	78	28	221
January to March 2017 From the 28 screenings which took place 13 required additional intervention to prevent a deterioration in health and maintain the employee in work.					
Healthy Lifestyles screens and follow up appointments	87	69	58	85	299
January to March 2017 57 were NHS Health Checks aimed at individuals between 40 and 75 years of age who are registered with a Coventry GP From the initial healthy lifestyle screens, 29 were identified as having previously unidentified health problems and required a follow up appointment at the OHU or referral to their GP.					

The above figures do not include income generation work for contracts, advice, support and guidance, telephone enquiries, health education training, developing policies, quality standards and guidance notes, etc., in support of the Managing Health at Work process

COUNSELLING SERVICE
Promoting Health at Work Statistics
1st April 2016 – 31st March 2017 (Q4)

Appendix 8

Counselling and Wellbeing Activity	Apr – Jun 2016	Jul – Sep 2016	Oct – Dec 2016	Jan – Mar 2017	Total for Year
New referrals for counselling	97	74	114	116	401
Counselling sessions	359	429	478	493	1759
Service evaluation					
Number of employees completing questionnaire	24	7	24	23	78
Counselling helped avoid time off work (not on sick leave)	13	4	15	16	48
Counselling helped early return to work (on sick leave when counselling started)	7	1	6	5	19
Did not affect sickness absence	4	0	4	0	8

The above figures do not include income generation work for contracts, advice, support and guidance, telephone enquiries, health education training, developing policies, quality standards and guidance notes, etc., in support of the Managing Health at Work process

This page is intentionally left blank

Cabinet Member for Strategic Finance and Resources

3 August 2017

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (People)

Ward(s) affected:

None

Title:

Agency Workers and Interim Managers – Performance Management Report Q4 (1 January to 31 March 2017) with a final summary of 2016/17 compared with 2015/16.

Is this a key decision?

No.

Executive Summary:

The purpose of this report is to provide the Cabinet Member with performance information on the use of agency workers procured for the Q4 period 1 January to 31 March 2017 and to consider Interim Manager and other agency worker spends for the same period.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to:

1. Note the agency / interim spend for Q4.
2. Note the work done on providing in-house solutions to providing agency and interim workers.

List of Appendices included:

The information attached in Appendix 1 shows the total Directorate expenditure on agency workers up to and including Q4 2016/17 for spends with the Master Vendor supplier, Pertemps, including interims. The dotted line shows the trend line for the data shown; it does not predict spend in future quarters.

The information attached in Appendix 2 show the justification of new orders placed by Directorates for agency workers during Q4 2016/17 which resulted in spend with Pertemps.

Appendix 3 shows equalities data for workers supplied through the Pertemps contract.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

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

No

Will this report go to Council?

No

Report title:

Agency Workers and Interim Managers – Performance Management Report Q4 (1 January to 31 March 2017) with a final summary of 2016/17 compared with 2015/16.

1 Context (or background)

- 1.1 Coventry City Council has a Master Vendor Contract with Pertemps for the supply of agency workers. This came into effect in December 2013 and has recently been extended. Through the contract, Pertemps will supply all suitable agency workers through their own agency or via a 2nd tier arrangement with other agencies on behalf of the Council, using rates of pay based on an agreed pay policy and a negotiated mark-up rate with the Master Vendor. The information supplied by Pertemps gives detailed information on agency worker usage and expenditure. However, Pertemps is not always able to supply the required agency workers and on occasion service areas will use other suppliers where this is the case.

2 Directorate Commentary on Agency worker Spend for Q4 2016/17

- 2.1 Table 2.2 below shows comparative expenditure in Q3 and Q4 2016/17 and indicates an overall decrease in total spend. The Master Vendor Contract covers all agency workers required by the core Council. The Pertemps contract does not cover agency workers in schools.

Please note that the Directorates listed in the table reflect the organisational structure during this reporting period. The next report will reflect the revised Directorate structures.

2.2 Table of Spend with Pertemps: comparing Q3 2016/17 and Q4 2016/17

Directorate	Spend Q3 2016/17	Spend Q4 2016/17	Increase/decrease
People Directorate	£1,066,522	£954,099	-£112,423
Place Directorate	£248,271	£160,663	-£87,608
Resources Directorate	£112,529	£133,361	£20,832
Chief Executives	£0	£0	--
TOTAL	£1,427,322	£1,248,123	-£179,199

2.3 People Directorate

There is a continuing reduction in spend this quarter as the service continues to recruit permanent, experienced Children's social workers. Agency and interim spend is most significant in People and the 10.5% reduction in spend from Q3 to Q4 has contributed to the overall council reduction this quarter by 12.5%.

The recruitment campaign continues with the Recruitment Team working closely with colleagues in People Directorate to ensure a co-ordinated process for recruitment and the reduction in Agency workers. The ongoing recruitment campaign is attracting Children's

social workers to Coventry with some Agency workers opting to take permanent roles with the service as indicated in table 2.3 below.

Table 2.3: Recruitment of Social Workers as at 12 July 2017

	Have accepted offer	Of those accepted: have started
Experienced	43	34
Newly Qualified	41	30
Total	84	64

The cost of Children's Social Workers is being restrained by the West Midlands regional agreement. This involves 14 local authorities and has the effect of capping the rates paid to all newly appointed agency social workers. Q4 spend on Children's social workers is £630,876 compared with £806,508 in Q3, representing a reduction in the monthly average from £268,836 in Q3 to £210,292 in Q4.

Q4 spend on Children's social workers represents 66.1% (Q3 = 75.6%) of the agency spend by People directorate and 50.55% (Q3 = 56.5%) of the corporate spend on the Pertemps contract.

2.4 Place Directorate

The Place Directorate recorded a 35% decrease in spend during Q4; there is a high use of agency staff to support services over the Christmas holiday period which accounts for the significant decrease in Q4. Roles covered during Q4 include:

- Waste Services (collectors and drivers)
- Neighbourhood Operative – Vacancy Cover and Extra Workload
- Planning Officer – Vacancy Cover
- Semi-Skilled Operator – Vacancy Cover and Extra Workload
- Visitor Information Assistant – Vacancy Cover
- General Driver – Vacancy Cover
- Drainage operative

2.5 Resources Directorate

The Resources Directorate recorded a rise during Q4 as a result of a variety of roles being covered, including:

- Lawyer – Vacancy Cover
- HR advisor – Vacancy Cover and Extra Workload
- ICT– Project Work
- Housing Assessment Officer – Extra Workload (now within the Pertemps contract)

Some of these roles are highly qualified and specialist and require an appropriate pay rate to attract those with the required skills.

2.6 Table of Comparison of Pertemps spend between 2015/16 and 2016/17

Directorate	Spend 2015/16	Spend 2016/17	Increase/decrease
People Directorate	£6,721,392	£6,998,555	£277,163
Place Directorate	£345,364	£688,513	£343,149
Resources Directorate	£786,993	£545,813	-£241,180
Chief Executives	£0	£0	£0
TOTAL	£7,853,749	£8,232,845	£379,096

Overall there is a 4.8% increase for the year.

3 Spend outside of the Pertemps Contract

3.1 Table for Comparison of expenditure Q3 2016/17 with Q4 2016/17 outside of the Pertemps contract:

Directorate	Total Spends in Q3	Total Spends in Q4	Increase / Decrease in Spend
People: Children's	£228,452	£310,979	£82,527
People: Education	£80,720	£140,205	£59,485
People: Adults	£0	£0	--
Place	£294,801	£552,982	£258,181
Resources	£60,905	£28,525	-£32,380
TOTAL	£664,878	£1,032,691	£367,813

This includes workers contracted through other agencies outside of the Pertemps contract or contracted directly.

3.2 Directly Contracted Workers

The number of directly contracted workers has reduced significantly in Children's Services and at the end of the quarter there were 5 active contractors. In addition seven Quality Assurance Monitoring Officers undertook assignments in Coventry schools during the quarter.

3.3 People: Children's Services

There has been a reduction in the number of directly contracted interims during the quarter as a number of contracts have ended. At the end of the quarter there were four interims remaining. In addition there are a number of agency social workers who are not engaged via the Pertemps contract who are contributing to meeting the demands of this service.

3.4 People: Education

Of this spend, £117.5k; agency staff to help meet demand on the Performing Arts Service was £88k (75%) while the remaining 25% was to support centrally employed teaching teams and working directly with schools for quality monitoring and to improve the completion of early years PEPs.

3.5 Place

Of this spend, £594k was spent through the Professional Services Contract for infrastructure works which is externally funded.

3.6 Resources

Spend has reduced as one directly contracted interim joined permanent staff during the quarter. Also Pertemps has been able to locate Homelessness officers which has moved some of this spend onto the Pertemps contract.

3.7 Comparison of spend outside of the Pertemps Contract

The method of reporting was changed at the start of 2016/17 and so it is not possible to provide a meaningful comparison with the previous year.

4 Rebate

4.1 The cost of agency workers is made up of the pay rate for the work plus working time directive payments, national insurance payments and a margin or mark up to the agency. As part of the Master Vendor contract, fixed pay rates have been set corporately for each job category. Given that national insurance payments and the working time directive are fixed legislative requirements, Pertemps procurement of agency workers is based on reducing agency mark ups in order to generate cashable savings. The rebate for Q4 is £206,149 which compares with a figure of £254,499 for Q3 and reflects the reduced level of activity shown in table 2.1.

4.2 A decision has been made to end the system of rebate payment with effect from the end of Q4, March 2017. In effect this will mean that the prices paid by service areas have reduced by circa 20% but there will be an identical reduction in the income to the authority.

5 Alternative solutions to agency staff

5.1 Work has commenced on developing in-house solutions to some of the Council's staff shortages. Within the People Directorate, Children's Services is developing some ideas on an alternative contract that pitches hourly rates similar to those that can be earned working through an agency. Other benefits and inducements are also being considered as part of a package to be offered to Social Workers to take roles with the Council.

The Place Directorate has two strategies to reduce the reliance on agency workers within Waste. Firstly there is a pool of employees, who are contracted full time but who may be placed within any team that requires them. These employees typically fill in to cover leave and absence. Secondly there is a small bank of casual workers, usually drawn from workers

who have previously worked for the Council via an agency, who are offered work when shifts cannot be covered through the substantive workforce or during times of peak activity. This bank of casual workers is being expanded in anticipation of increases in workload.

A Recruitment Plan has been developed with the objective of recruiting to 20 specialist roles within the Highways, Traffic and Transport Teams, reduce the cost of agency spend and promote Coventry City Council as the employer of choice.

Over 160 CVs were received through the creation of a Talent Pool which allowed applicants to register their interest. In addition a microsite has been developed which includes a career video promoting the major programme of capital investment in highways and infrastructure within the city and the benefits of working for Coventry City Council.

One appointment has been made and managers are confident in recruiting to other vacancies. A marketing plan will be implemented for vacancies that remain and an apprentice/graduate programme will be introduced.

6 Overall Management Comment

The Master Vendor contract is a planned strategy to work towards reducing the level of agency spends and to better understand where and how we use agency workers.

There will always be the need to use agency workers. However, it is acknowledged that current usage is still too high because of the need to cover sickness absence, short-term cover whilst Fundamental Service Reviews are taking place and to cope with sudden surges of demand. This will require the need for scarce skills and workers during these reviews; organisational restructures and sudden peaks in demand.

In terms of the cost of using agency workers, it is important to note that not all of the cost is in addition to normal staffing spend. Although agency cover associated with sickness absence in front line services is often an additional cost, in the case of agency cover for vacant posts the cost will be funded at least in part by the relevant staffing budget.

Where opportunities exist for bulk recruitment campaigns to front line essential services, the Human Resources Recruitment Team will continue to work with service managers to identify workers, who are available for casual, temporary or permanent work in order to reduce the use of agency workers. However, some roles continue to be hard to recruit. In the case of children's social workers we have had some success with the current campaign which has been evolved to make extensive use of social media. The result of the current campaign are shown in table 2.3 above. Nevertheless recruitment of experienced, high quality children's social workers continues to be difficult.

The contract with Pertemps came into effect on the 2 December 2013 and is joint with Warwickshire and Solihull following an extensive tendering process. The contract is a hybrid Master Vendor arrangement which will provide the Council with additional advantages to the existing Master Vendor contract. Background work is currently being undertaken on the future supply of agency workers.

7 Results of consultation undertaken

- 7.1 The report sets out the steps the Council is taking to reduce expenditure on agency workers, particularly in those areas where they are used most intensively.
- 7.2 The report is able to identify more accurately spend on agency workers and the reasons for spend.
- 7.3 Officers will continue to bring the monitoring information to the Cabinet Member and steps will continue to be taken to endeavour to reduce the level of expenditure.
- 7.4 Management Information has given the opportunity for the Recruitment Team to target large areas with high usage of agency workers to try and reduce the need for agency workers. This work is ongoing.

8 Timetable for implementing this decision

Not applicable

9 Comments from Director Customer Services & Transformation

9.1 Financial implications

Quarterly monitoring of expenditure on agency workers will continue throughout the contract. The cost of agency workers for the current reporting period from the Pertemps system is £1,248,123 which equates to 4.12% of the overall wage bill for this quarter (excluding schools).

Pertemps operate a live management accounts system which places the cost of agency workers in the period the work took place rather than the period of time in which the Council was billed for or paid the related invoices. The system shows the volume of agency activity/usage in a particular quarter irrespective of when invoices are paid. Therefore this information will be different from that which has gone through the Council's financial systems during Q4.

The total Pertemps expenditure for the full year of £6.42m equates to 4.12% of the overall wage bill (excluding schools) for the same period.

Pertemps system only incorporates timesheets authorised by managers and therefore the costs for a particular quarter will increase throughout the year as more timesheets are authorised. We actively work with the master vendor to keep outstanding timesheets to a minimum.

9.2 Legal implications

There are no specific legal implications associated with this report.

10 Other implications

10.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The Agency Worker Contract arrangement provides good value for money in relation to the procurement of agency workers. It also provides firmer controls on the use of agency workers and has in place sound management reporting to see where spend is taking place to target recruitment, maximise resources, and reduce spend on agency workers.

10.2 How is risk being managed?

There may be a risk to the Council where managers go outside of the Pertemps and contract directly with workers with the advent of changes to IR35 arrangements. There has been numerous communications across the Council to inform managers of changes and there will continue to be as the changes that have been made bed in.

10.3 What is the impact on the organisation?

Through the rigorous monitoring of the use of agency workers and alternative strategies for resourcing short-term work requirements, the dependency on agency workers should be reduced. The Council's Policy on the use of agency workers states that Agency Workers should only be used when:

- Proper recruitment processes have failed to secure an appointment and staff cover has become crucial to the delivery of services;
- Short-term temporary cover is required until proper recruitment processes have been completed and an appointment is made;
- Unplanned absences require immediate cover to ensure continuity of services;
- Unplanned, short-term or peak workloads occur.

Human Resources are proactively supporting managers to reduce agency spend.

10.4 Equalities / EIA

The master vendor has made considerable efforts to ensure that the equalities monitoring form is completed. The graphs in appendix 3 show the main equalities data at corporate level for the agency workers who were on assignment with us in the month of September 2016.

No equality impact assessment has been carried out as the recommendations do not constitute a change in service or policy.

10.5 Implications for (or impact on) the environment

None

10.6 Implications for partner organisations?

None

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

Philip Johnson, HR Advisor – Corporate Support

Directorate:

People Directorate

Tel and email contact:Telephone 024 7683 3261 philip.johnson@coventry.gov.uk

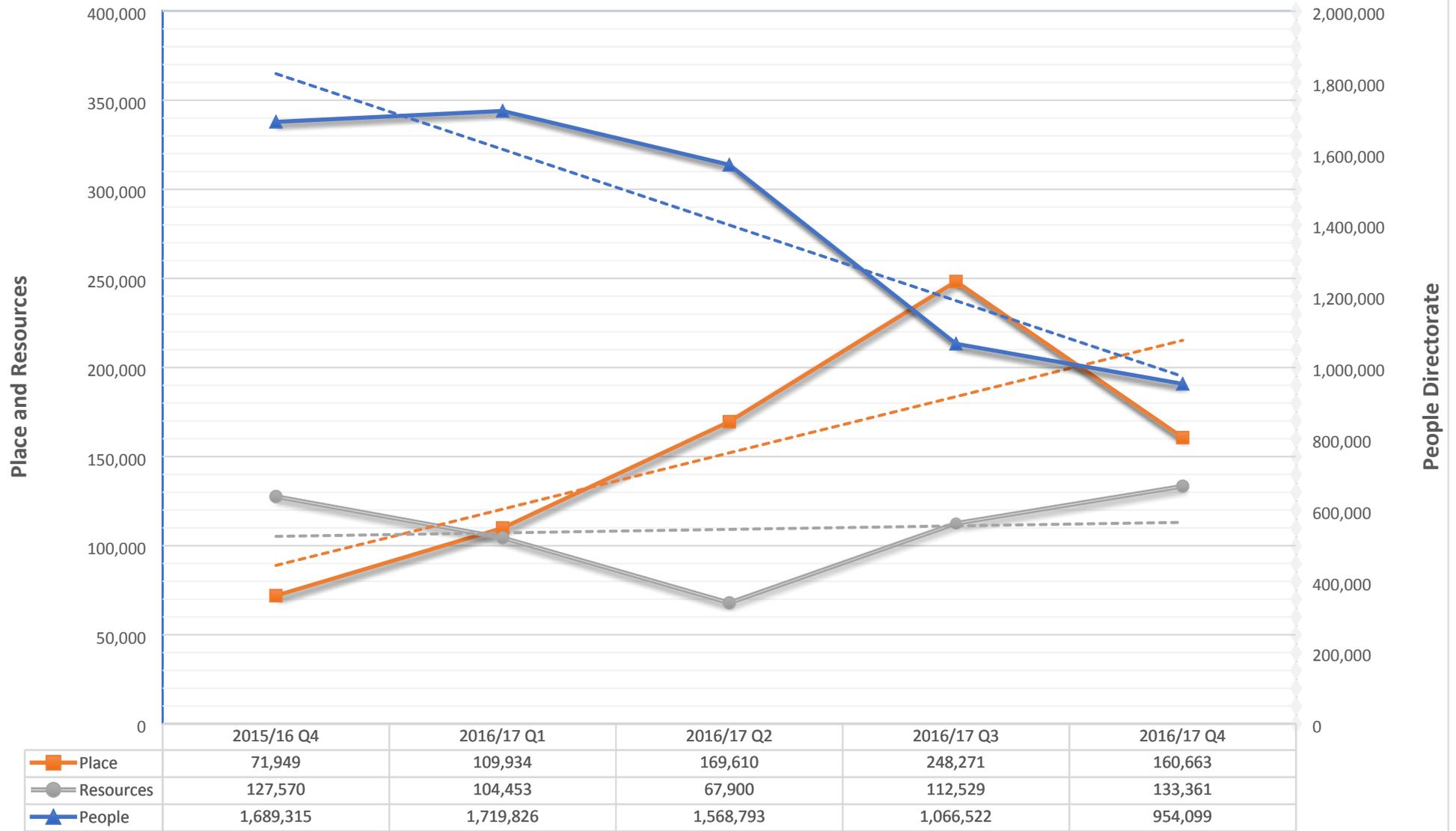
Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Officer	Place	29/06/2017	03/07/2017
Other members				
Names of approvers: (officers and members)				
Lisa Commane	Director of Customer Services & Transformation	People	29/06/2017	10/07/2017
Barbara Barratt	Head of HR & OD	People	29/06/2017	10/07/2017
Pat Chen	Head of Employment Policy & Practice	People	29/06/2017	10/07/2017
Kathryn Sutherland	Lead Accountant, Finance	Place	29/06/2017	10/07/2017
Julie Newman	Legal Services Manager, People	Place	29/06/2017	
Member: Councillor J Mutton	Cabinet Member for Strategic Finance and Resources		29/06/2017	

This report is published on the Council's website:

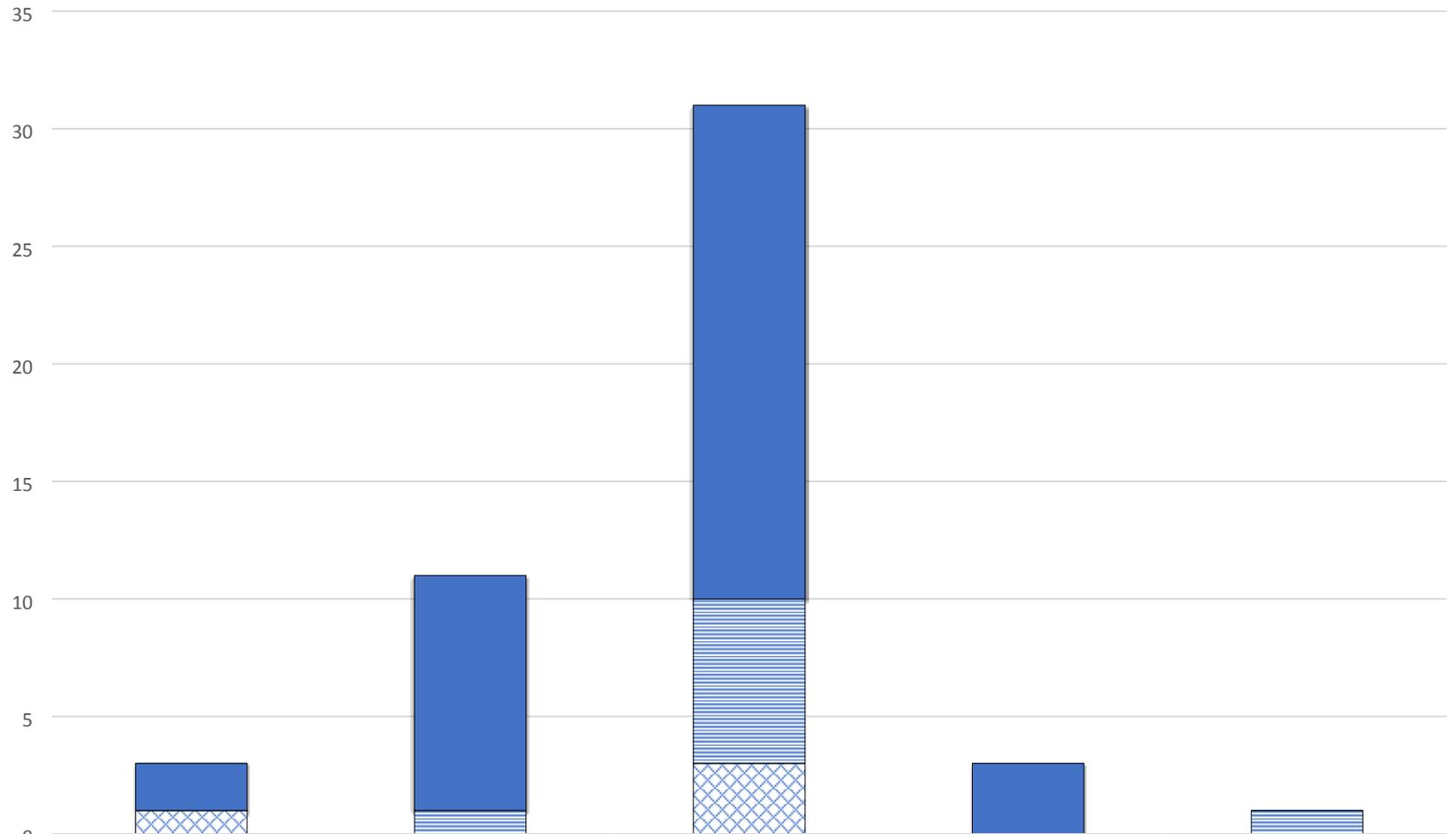
www.coventry.gov.uk/meetings

Appendix 1 - Comparison of Directorate Spend with Pertemps Q4 2015/2016 to Q4 2016/17



Appendix 2: Breakdown of Reason for Order for New Orders Placed in Q4 2016/2017

Number of orders placed Jan-March 2017

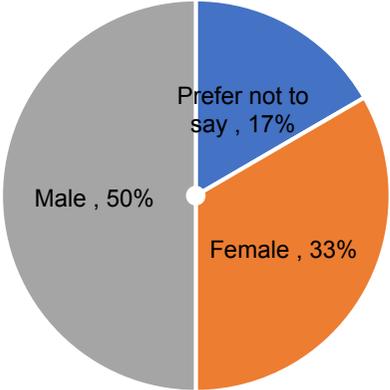


	Extra Workload	Sickness Cover	Vacancy Cover	Maternity/Paternity	Holiday leave
Resources Directorate	1	0	3	0	0
Place Directorate	1	1	10	0	1
People Directorate	3	11	31	3	1

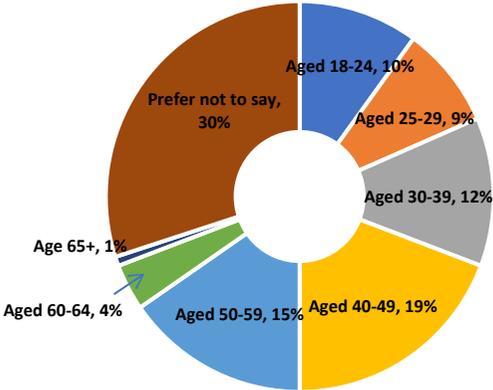
Resources Directorate Place Directorate People Directorate

Appendix 3 - Equality Data for Agency Workers via the Pertemps Contract (Q4 2016/2017)

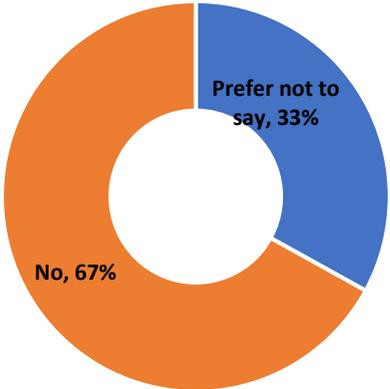
By Gender



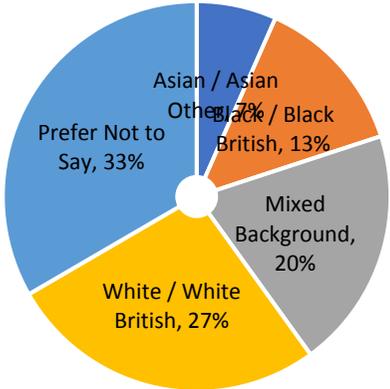
By Age Range



By Disability



Ethnic Origin



This page is intentionally left blank

Cabinet Member for Strategic Finance and Resources

3 August, 2017

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

None

Title:

Outstanding Issues Report

Is this a key decision?

No

Executive Summary:

In May 2004 the City Council adopted an Outstanding Minutes System, linked to the Forward Plan, to ensure that follow up reports can be monitored and reported to Members. The attached appendix sets out a table detailing the issues on which further reports have been requested by the Cabinet Member for Strategic Finance and Resources so he is aware of them and can monitor progress.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to consider the list of outstanding issues and to ask the Member of the Management Board or appropriate officer to explain the current position on those which should have been discharged at this meeting or an earlier meeting.

List of Appendices included:

Table of Outstanding Issues.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

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

No

Will this report go to Council?

No

Report author(s): Suzanne Bennett

Name and job title: Governance Services Officer

Directorate: Place

Tel and email contact: 024 7683 3072

Suzanne.bennett@coventry.gov.uk

Enquiries should be directed to the above person.

This report is published on the council's website:

www.coventry.gov.uk/meetings

	Subject	Date for Further Consideration	Responsible Officer	Proposed Amendment to Date for Consideration	Reason for Request to Delay Submission of Report
1	Progress on the Apprenticeship Levy CM for SF&R 23.03.17 (Minute 34))	June 2017	Executive Director of People Barbara Barratt	October, 2017	No progress to report at current time.

This page is intentionally left blank