

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 1 August 2017

Present:

Members: Councillor G Duggins (Chair)
Councillor A Khan (Deputy Chair)
Councillor F Abbott
Councillor L Bigham
Councillor K Caan
Councillor J Innes
Councillor K Maton
Councillor J Mutton
Councillor J O'Boyle
Councillor E Ruane

Deputy Cabinet Members Councillor P Akhtar
Councillor R Ali
Councillor B Kaur
Councillor R Lakha
Councillor C Thomas
Councillor D Welsh

Non-Voting Opposition Members: Councillor A Andrews
Councillor G Ridley

Other Members: Councillor M Mutton

Employees (by Directorate):

Chief Executive's People Place Apologies: M Reeves (Chief Executive),
S Botchway, P Fahy, L Gaulton, S Lam
M Yardley (Deputy Chief Executive (Place)), S Bennett,
D Cockroft, B Hastie, K Mawby, J Newman
Councillors Clifford and McNicholas

Public Business

21. Minutes

The Minutes of the meeting held on 4 July, 2017 were agreed and signed as a true record.

There were no matters arising.

22. Declarations of Interest

There were no disclosable pecuniary interests.

23. **Exclusion of Press And Public**

RESOLVED that the press and public be excluded under Sections 100(A)(4) of the Local Government Act 1972 relating to the private reports in Minute 28 below headed “Friargate Letting to Financial Ombudsman Service” and in Minute 29 below headed “Extension of Contract for Materials Recycling Facilities (MRF) and Associated Bulking and Transport” on the grounds that these reports involve the likely disclosure of information as defined in Paragraph 3 of Schedule 12A of the Act, as they contain information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

24. **Council Plan 2016/17 End of Year Performance Report**

The Cabinet considered a report of the Chief Executive which indicated that the Council Plan is Coventry City Council’s corporate plan which sets out the Council’s strategic direction and priorities for the next ten years.

The current Plan, which was last reviewed in July, 2016, sets out the Council’s vision and priorities for the City. As part of this vision, the Council seeks to promote the growth of a sustainable economy; is committed to reform so that everybody, including the City’s most vulnerable residents, can share in the benefits of the City’s growth; underpinned by a Council that is enabling communities to solve local problems, at a time when the Council has to deliver its priorities with fewer resources.

The 2016/17 end of year performance report set out the progress made towards the Council Plan in April 2016 to March 2017. The reports uses indicators, contextual information and comparative information to describe and explain how the Council and the City’s performance compares to previous years and to other places.

The report also included data setting out the impact and progress made this year for groups with protected characteristics as set out in the Council’s equality objectives and towards the Council’s Marmot (health inequalities) agenda.

The Cabinet noted that the report had been considered by the Scrutiny Co-ordination Committee at their meeting on 12 July, 2017 and a Briefing Note setting out their recommendations had been circulated. The Committee had recommended that Cabinet considers the addition of indicators in the following areas for inclusion in the 2017/18 report:-

- Health Indicators on Obesity, TB and Diabetes in the City
- Housing Indicators on Social Housing, Homefinder performance, numbers of empty properties and the numbers brought back into use.

The Cabinet did not identify any further areas that they wished to address in further detail.

RESOLVED that the Cabinet:-

- 1. Approves the inclusion of the Health and Housing Indicators in the 2017/18 report, as recommended by Scrutiny Co-ordination Committee and as outlined above.**
- 2. Approves the performance report**
- 3. Agrees to work with officers with a view to developing more streamlined and timely performance reporting arrangements**
- 4. Considers and notes the Council's performance this year as set out in the performance report**

25. Improved Better Care Fund

The Cabinet considered a report of the Deputy Chief Executive (People) which indicated that the integration of health and care had been a long standing policy ambition based on the premise that more joined up services will help to improve the health and care of local populations and make more efficient use of available resources.

Whilst the Sustainability and Transformation Programme (STP) is the primary planning tool for health and care, the Better Care Fund is the only mandatory policy to facilitate integration. The Better Care Fund (BCF) is a programme spanning both the NHS and local government which seeks to join-up health and care services, so that people can manage their own health and wellbeing, and live independently in their communities for as long as possible.

In March 2017 a new policy framework for the Better Care Fund covering the period 2017 to 2019 was issued at the same time as significant additional funding being made available to Councils in order to protect adult social care. These sums arise from the 2015 spending review and the 2017 spring budget. Taken together these sums comprise the Improved Better Care Fund (BCF).

This additional funding, which was being made available by the Department for Communities and Local Government direct to Councils, was intended for three purposes:-

- 1) To meet adult social care need
- 2) To provide support to the NHS (especially through application of the 8 High Impact Changes)
- 3) To sustain the social care provider market

Plans for use of the grant need to be agreed by the City Council with the relevant CCG (in this case the Coventry and Rugby Clinical Commissioning Group (CRCCG)) and with the local Health and Well-Being Board. Once plans are agreed the resources can start to be spent but must be done so through a pooled budget arrangement (unless ministerial exception is granted)

Since the implementation of the Better Care Fund (BCF) in 2015, the Council has had a BCF plan facilitated by the Health and Wellbeing Board supported by a

Section 75 partnership agreement with Coventry and Rugby Clinical Commissioning Group (CRCCG). A new plan is required covering the period to 31 March, 2019 with a supporting section 75 partnership agreement identifying how the additional resources identified in the spring budget are to be used. Once the planning tools are made available, this new plan will be developed followed by the required section 75 partnership agreement.

The report and associated appendices sought approval for the use of the additional Better Care Fund resource against the three stated purposes. The use of the grant without the associated planning tools being provided, completed and assured is permissible on the basis that spend plans have been agreed by the Local Authority and the CCG through the Health and Well-Being Board.

RESOLVED that the Cabinet:-

- 1. Approves the programme plan for the resources made available through the Improved Better Care Fund (BCF) against the areas identified for 2017/19**
- 2. Approves entering into a new Section 75 Partnership Agreement with the Coventry and Rugby Clinical Commissioning Group for the delivery of the BCF plan once the plan is completed. This will include the governance arrangements for the operation of the Section 75 Partnership Agreement and maintain the City Council as the host for the pooled budget to enable the delivery of the BCF plan**
- 3. Delegates authority to the Director of Adult Services and the Director of Finance and Corporate Resources, as the Section 151 officer, following consultation with the Cabinet Member for Adult Services and the Cabinet Member for Strategic Finance and Resources to finalise the section 75 agreement with Coventry and Rugby Clinical Commissioning Group following approval of the plan.**
- 4. Recommends that the City Council approves acceptance of a grant in excess of £2.5m in relation to the additional BCF grant.**

26. The Future of the Employment Support Service (TESS)

The Cabinet considered a report of the Deputy Chief Executive (Place) which detailed a proposal to use European grant funding and £326,375 of earmarked reserves to support the TESS service to continue to deliver employment support for people with disabilities, including learning disabilities and mental ill health.

The service costs the Council £280,000 p.a., of which £272,000 is staff costs. The service comprises of 5.2 FTE staff and helps between 25 and 35 customers into work each year.

Budget pressures resulting from the loss of one-off funding and the impact of ER/VR within the Economy and Jobs Service meant that in 2015 this part of the Service could no longer be sustained by Council resources. Despite the lack of Government grant, Coventry City Council recognised the value of the service for vulnerable people and were keen to avoid service closure. The Employment

Support Service (TESS) is the most expensive of the employment services to operate and had a high cost per job outcome. The cost of delivering a job outcome for a TESS customer is £8,640. This compares to approximately £400 per job outcome through the Job Shop and reflects the significantly larger intervention required to support TESS customers into work.

In March 2015, following a review of all employment services delivered by Economy and Jobs, it was proposed that without any offer of funding from partner organisations, TESS would close at the end of July 2015. Officers were requested by members to investigate alternative options to deliver a supported employment service in light of the financial position. Options investigated included developing a sustainable model for supported employment delivery in partnership with other agencies in the City, externalising the service through a form of social enterprise and merging the service with another local authority delivering supported employment provision. This was considered by the Cabinet Member for Business, Enterprise and Employment in September 2015.

However, one-off funding from Public Health and the Clinical Commissioning Group was then secured to allow the service to continue to operate until the end of December 2015. During this period grant funding from the European Structural Investment Funds was also pursued. However, there was a significant national delay in approving the European Programme. In order to allow time to pursue European funds, the service operated at a budget pressure which was partly offset by grant surplus from other programmes. The Council has now secured European Social Fund grant for the period April 2017-December 2017, which could help continue the TESS service.

RESOLVED that the Cabinet:-

- 1) Approves the use of £326,375 of earmarked reserves as “match” funding against European grant in order to continue the TESS service for the period April, 2017 until December 2019**
- 2) Agrees that the City Council should continue to pursue external funding for this service from January 2020 as no further Council reserves will be allocated.**

27. Procurement of a Framework for Purchase of Modular Build Classrooms and Separate Purchase of 3 Units to Satisfy Immediate Nursery Requirement

The Cabinet considered a report of the Deputy Chief Executive (People) which indicated that the requirement for a modular building framework had been identified by Education to enable the fast and efficient delivery of services required across the City. Currently, there is no capacity to complete capital building projects for schools or nurseries under the timescales specified. The Council would benefit from efficiency delivery of standardised modular building units that could easily be modified to meet the specific needs of the end user.

There are some immediate requirements within the City as a result of the National introduction of 30 hours free nursery provision for all children aged 3 and the requirement to ensure sufficient places are made available to facilitate this.

Monies and project approvals were being made available by the Department for Education (DFE), however, the spend deadlines were very tight thus limiting the Council on what can be delivered. The small modular solution enables single and double sized classroom extensions at various establishments around the City. Disruption would be kept to a minimum as most of the building work is constructed off site. On site there are some ground preparation works, assembly and landscaping. This will limit disruption to approximately 6 weeks per site. Currently there is a requirement for 3 immediate nursery units (single) estimated at approximately £700k, and this funding is secure. In addition, 3 replacement Key units (double) along with a Key + unit (quad) combined are required with an estimated cost to be £1.2 million. These will be procured in line with the framework agreement for which approval was sought.

The three 30 hour free nurseries needed to be in situ and money spent by November, 2017 in order to meet DfE requirements. There could be further 30 hour free provision required subject to funding. These other units are expected to be in place by January, 2018 i.e. for the start of the term following the introduction of the new 30 hours free nursery places for children aged 3.

The Key + unit is provision for primary aged pupils who have been excluded from mainstream schools and provides schooling in a specialist school type setting for primary aged children who need help adjusting in a mainstream school.

In addition to the specific identified projects there was a further interest in modular provision from schools looking for additional space and the potential for wider use across other services in the Council in future.

RESOLVED that the Cabinet:-

- 1) Approves the initial procurement of 3 nursery modular units for Mount Nod Primary School, Sacred Heart Primary School and St Gregory's Primary school, to be funded from existing DfE approvals.**
- 2) Approves the procurement of a 4 year framework (3 years plus potential extension for a further 12 months) for modular buildings to support future needs across the City up to a maximum of £4m.**
- 3) Delegates authority for the award of the initial procurement and the framework to the Deputy Chief Executive (People) once a compliant procurement tender exercise has been conducted.**

28. Friargate Letting to Financial Ombudsman Service

The Cabinet considered a report of the Deputy Chief Executive which indicated that in 2013, the Council approved starting the Friargate Business District to regenerate the City, transform the Council and deliver savings through the purchase of the first building on Friargate for occupation by the Council. The Council's operational office buildings will be reduced and agile and flexible working arrangements introduced to support productivity and efficiency gains from Council staff.

Securing a second tenant to the Friargate scheme remains strategically important to provide confidence to other potential tenants. The Council were approached confidentially in early May by the Financial Ombudsman Service who were conducting a property search in the Midlands and negotiations commenced with the financial Ombudsman Service to become the second tenant at Friargate by taking up occupation in the Council's building.

The Financial Ombudsman was seeking modern office accommodation for up to 300 staff from October 2017, to supplement their office accommodation in London. Time was of the essence to agree the terms and complete an agreement for lease to them in May to permit occupation in October. Acting under powers of urgency and after consulting the Leader of the Council and the Cabinet Member for Jobs and Regeneration, the agreement for lease was completed at the end of May. The report therefore sought retrospective approval to that lease to ensure that this strategically important business occupier to both Friargate and the City was not lost.

The consequence of completing this lease requires the Council to retain operational building capacity within its existing building portfolio for staff (350) intending to move to Friargate, and the upper floors of Broadgate House had been retained for this purpose for the medium term.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration. (Minute 32 below refers)

Councillor O'Boyle, Cabinet Member for Jobs and Regeneration, paid tribute to officers for all their hard work in this regard.

RESOLVED that the Cabinet retrospectively:-

- 1. Agrees to amend the approved Council strategy to co-locate staff to Friargate, by retaining the upper floors of Broadgate House to co locate staff not now destined for Friargate and invest in these buildings for staff.**
- 2. Approves the letting to the Financial Ombudsman Service of Floors two and three of the Council's new building at Friargate**
- 3. Requests officers to bring back a further report on investment to maintain Broadgate House in use for operational purposes and any other mitigation measures.**

29. Extension of Contract for Materials Recycling Facilities (MRF) and Associated Bulking and Transport

The Cabinet considered a report of the Deputy Chief Executive (Place) which, in accordance with the City Council's Rules for Contracts, sought approval to a proposal to extend the existing Materials Recycling Facility (MRF) and associated Bulking and Transport contract for the final two years available.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration. (Minute 33 below refers)

Under the revised Waste Strategy for England 2007, the Council has a statutory obligation to make collections of the following materials from the kerbside:-

- Paper
- Metal
- Plastic
- Glass

This Contract supports the delivery of that statutory obligation.

The Contract was let in 2009 for an initial period of four years with options to extend for up to a maximum of a further six year, making a total of ten years. In 2013 and 2015, the Council extended the provision for two years. The proposed extension will expire on 6 September, 2019 and there are no further provisions to extend beyond that.

The Contract is made up of two Lots. Lot 1 is for the provision of a MRF, a specialised facility which receives, separates and prepares recyclable materials for marketing to end-user manufacturers. This lot is currently operated by Biffa Waste Services. Lot 2 is for the provision of bulking and transport of the waste to the MRF and is currently operated by Tom White Waste.

RESOLVED that the Cabinet approves an extension to both Lot 1 (Material Recycling Facility Treatment) and Lot 2 (associated bulking and transport) of the existing MRF contract for the final two years available.

30. **Outstanding Issues**

The Cabinet considered a report of the Deputy Chief Executive (Place) which contained a list of outstanding issues and which summarised the current position in respect of each item.

RESOLVED that the Cabinet requests that future reports contain a date for further consideration of matters relating to the outstanding issues listed in the report.

31. **Any Other Items of Public Business**

There were no other items of public business.

PRIVATE BUSINESS

32. **Friargate Letting to Financial Ombudsman Service**

Further to Minute 28 above, the Cabinet considered a report of the Deputy Chief Executive (Place) which set out confidential aspects in relation to retrospective approval of a lease to the Financial Ombudsman Service for floors two and three of the Council's new building at Friargate and other matters relating thereto.

RESOLVED that the Cabinet retrospectively:-

- 1. Agrees to amend the approved Council strategy to co-locate staff to Friargate, by retaining the upper floors of Broadgate House to co locate staff not now destined for Friargate and invest in these buildings for staff.**
- 2. Approves the letting to the Financial Ombudsman Service of floors two and three of the Council's new building at Friargate**
- 3. Requests officers to bring back a further report on investment to maintain Broadgate House in use for operational purposes and any other mitigation measures.**

33. Extension of Contract for Materials Recycling Facilities (MRF) and Associated Bulking and Transport

Further to Minute 29 above, the Cabinet considered a private report of the Deputy Chief Executive (Place) which detailed the confidential aspects of the proposals to extend the existing Materials Recycling Facility and associated Bulking and Transport contract for the final two years available.

RESOLVED that the Cabinet approves an extension to both Lot 1 (Material Recycling Facility Treatment) and Lot 2 (associated bulking and transport) of the existing MRF contract for the final two years available

34. Any Other Items of Urgent Private Business

There were no other items of urgent private business.

(Meeting closed at 2.30 pm)