

**Time and Date**

2.00 pm on Tuesday, 16th October, 2018

**Place**

Council Chamber - Council House

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1. **Apologies**
2. **Minutes of the meeting held on 4 September 2018** (Pages 5 - 14)
3. **Exclusion of the Press and Public**  
To consider whether to exclude the press and public for the items of private business for the reasons shown in the report.
4. **Coventry Good Citizen Award**  
To be presented by the Lord Mayor and Judge Lockhart, Honorary Recorder
5. **Correspondence and Announcements of the Lord Mayor**
6. **Petitions**
7. **Declarations of Interest**

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

8. **Medium Term Financial Strategy 2019-22** (Pages 15 - 32)  
From the Cabinet, 2 October 2018
9. **Coombe Abbey Park Ltd - Capital Financing and Country Park Investment** (Pages 33 - 46)  
From the Cabinet, 2 October 2018

**It is anticipated that the following matters will be referred as Recommendations from Cabinet Member for Policing and Equalities on 8th October 2018. The reports are attached. The relevant Recommendations will be circulated separately**

10. **Monitoring Officer Protocol** (Pages 47 - 60)
11. **The Coventry Award of Merit** (Pages 61 - 68)

Note: There is no corresponding private report on the agenda in respect of this item as the Recommendations will be considered in public at the meeting.

12. **Question Time**

- (a) Written Question – There are no written questions
- (b) Oral Questions to Chairs of Scrutiny Boards/Chair of Scrutiny Co-ordination Committee
- (c) Oral Questions to Chairs of other meetings
- (d) Oral Questions to Representatives on Outside Bodies
- (e) Oral Questions to Cabinet Members and Deputy Cabinet Members on any matter

13. **Statements**

14. **Debates**

To be moved by Councillor R Brown and seconded by Councillor P Akhtar:

“That this Council notes the unprecedented rise in crime within the City.

These are not just crimes against property such as burglaries, but a rise in crimes against persons.

The effect of this on some of the residents in our local communities is to make them frightened, intimidated and in many cases isolated.

The obvious solution to this is to give our Police Force the tools they need to do their job. There must be a more visible presence of Officers on the streets and resources available for the detection of crime.

Therefore this Council will petition the Government to act now and to make the funding available for our Police Force to carry out its duties and responsibilities in keeping the streets safe for all our citizens”.

**Private Business**

15. **Coombe Abbey Park Ltd - Capital Financing and Country Park Investment** (Pages 69 - 82)

(Listing Officer: A Walster, tel: 024 7683 2621)

Monday, 8 October 2018

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

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

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language please contact us.

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

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## Coventry City Council

### Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 4 September 2018

Present:

Members:

Councillor J Blundell (Chair)

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

Honorary Alderman: D Batten, D Chater, H Fitzpatrick, J Gazey, M Hammon, K Mulhall, J Wright

Apologies: Councillor J Innes, T Khan and S Walsh

#### **Public Business**

#### **34. Minutes of the meeting held on 10 July 2018**

The minutes of the meeting held on 10 July 2018 were signed as a true record.

#### **35. Exclusion of the Press and Public**

**RESOLVED** that the press and public be excluded under Section 100(A)(4) of the Local Government Act 1972 relating to Minute 51 below headed "Commercial Waste Expansion Plan", on the grounds that it involved the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and that in all of the circumstance of the case, the public interest in

**maintaining the exemption outweighs the public interest in disclosing the information.**

**36. Coventry Good Citizen Award**

On behalf of the City Council, the Lord Mayor and His Honour Judge Lockhart QC presented Mr Richard Stanton with the Good Citizen Award. His citation read:

*“Richard Stanton served with the West Midlands Fire Service based in Canley for 25 years.*

*As a member of the South and Mid Wales Cave Rescue Team, he and his diving partner, John Volanthen, were called to help rescue the youth football team and their coach trapped in the Tham Luang caves in Thailand in July of this year.*

*The team of divers risked their lives in rescuing the boys who had been trapped for nine days before being found by Mr Stanton and Mr Volanthen. It has been reported to be the most challenging underground rescue in history, with more than 90 Special Forces Soldiers originally drafted in to help.*

*In an interview in 2007, Mr Stanton stated that he became interested in diving as a child, after watching a programme called "Underground Eiger". He went on to join diving clubs at university.*

*Richard Stanton has been described as "one of the world's most accomplished cave-divers" and in 2004 he was involved in the rescue of six British cavers who were trapped for 8 days in a cave at the Mexican Alpazat caverns.*

*In 2008 Richard Stanton received the EUROTEK award for his contribution to advanced and technical diving and in 2012 he received a medal from the Royal Humane Society for his attempt to rescue a diver from a French cave.*

*He was appointed a Member of the Most Excellent Order of the British Empire (MBE) in the 2013 New Year Honours.”*

**37. Correspondence and Announcements of the Lord Mayor**

**(a) Death of Ian Fletcher**

The Lord Mayor referred to the recent death of Ian Fletcher, husband of Colleen Fletcher MP.

Members noted that a letter, expressing the Council's sincerest condolences had been sent to Colleen and her family.

**(b) Neville Staple's Grandson**

The Lord Mayor referred to the recent shocking death of Neville Staple's grandson, Fidel Glasgow.

Members noted that a letter expressing the Council's sincerest condolences had been sent to the family.

**(c) Becky Cooke (nee Ainsbury)**

The Lord Mayor referred to the recent death of Becky Cooke who had worked in Members Services.

Members noted that a letter expressing the Council's sincerest condolences would be sent to her family.

**(d) Presentation of Illuminated Address**

The Lord Mayor presented Councillor Tony Skipper, Lord Mayor for 2017/18, with his Illuminated Address.

**38. Petitions**

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

- (a) Request for traffic calming measures on Terry Road near junction with St Georges Road and Blue Coat School – 165 signatures, presented by Councillor O'Boyle**
- (b) Request for parking permits for residents of Kings Grove, Stoke – 18 signatures, presented by Councillor McNicholas**
- (c) Request for refurbishments of play facilities at the Tic Toc play area, Stoke Green, Stoke Park and Gentleman's Green – 22 signatures, presented by Councillor McNicholas**
- (d) Request for the City Council to complete the adoption process of Bannerbrook Park – 188 signatures, presented by Councillor Male**
- (e) Request for installation of speed bumps along Avon Street – 256 signatures, presented by Councillor Auluck**
- (f) Request for the City Council to adopt the roads: Burlywood Close, Seashell Close and Mistyrose Close – 38 signatures, presented by Councillor Williams**
- (g) Objection to the proposed auger bore referred to in planning application DC/2018/1950 – 73 signatures, presented by Councillor Williams**
- (h) Request that the City Council not grant an easement over the Village Green in Holloway Field – 73 signatures, presented by Councillor Williams.**
- (i) Request for allocated parking for Holloway and Thistley Fields residents – 11 signatures, presented by Councillor Williams**
- (j) Concerns that residential properties in Cannon Close could be turned into student properties and requesting a review – 38 signatures, presented by Councillor Taylor**

**(k) Request for permanent crossing across Cannon Hill Road – 662 signatures, presented by Councillor Sawdon.**

**39. Declarations of Interest**

There were no declarations of interest.

**40. The Coventry Award of Merit**

Further to Minute 11/18 of the Cabinet Member for Policing and Equalities, the City Council considered a report of the Deputy Chief Executive (Place) which provided advice from the recent meeting of the Cabinet Member for Policing and Equalities Advisory Panel – Coventry Award of Merit to support the nomination of Mr R Stanton to receive the Coventry Award of Merit following the key role that he played in the rescue of 12 boys and their football coach from the Tham Luang caves in Thailand.

The Advisory Panel met on 30<sup>th</sup> July, 2018 to advise the Cabinet Member for Policing and Equalities following the receipt of a nomination for Mr R Stanton and unanimously supported the granting of the award. Rick Stanton was nominated following his internationally publicised key role in the rescue of 12 boys and their football coach from the Tham Luang caves in Thailand. The group had been trapped for 9 days before being found by Rick and his diving partner John Volanthen. It had been reported to be the most challenging underground rescue in history. Mr Stanton had previously been involved in other rescue missions, as well as being a firefighter with West Midlands Fire Service for 25 years. A copy of the nomination form was set out at an appendix to the report.

**RESOLVED that the City Council grant the Coventry Award of Merit to Mr Richard Stanton.**

**41. Audit and Procurement Committee Annual Report 2017-2018**

Further to Minute 26 of the Audit and Procurement Committee, the City Council considered the Audit and Procurement Committee's Annual Report which provided an overview of the Committee's activity during 2017/2018.

**RESOLVED that the Audit and Procurement Committee Annual Report for 2017-18 be noted.**

**42. Additional Funding to Deliver the Upper Precinct Public Realm Scheme**

Further to Minute 18/18 of the Cabinet, the City Council considered a report of the Deputy Chief Executive (Place) noting the use of the urgency provision, as set out in Paragraph 6 of Part 3C of the Council's Constitution, by the Leader, following consultation with the Chair of the Scrutiny Co-ordination Committee, to take a decision approving additional capital funding to deliver the Upper Precinct Public Realm scheme.

In March 2018, the Cabinet approved the 'Public Realm Phase 5' programme which identified priority public realm and streetscape schemes to be delivered across the city centre (their minute 139/17). The report noted the significant



investment in public realm in the city centre since 2011 and how this investment had played a key role in attracting the private sector, including Shearer Property Group's (SPG) investment in the Cathedral Lanes scheme, to invest in the city and support our vision for transforming the city centre as a place for business, leisure and shopping.

The March 2018 Cabinet report also identified the fantastic opportunity the award of UK City of Culture provides to further enhance the city centre ahead of 2021 and as a lasting legacy for residents and businesses. To this end, the report identified a priority order for the schemes, based on location and likely footfall, that would maximise the impact on the city centre. The number one priority was the proposal to bring forward the transformation of the Upper Precinct through public realm enhancements to create a high quality public space.

**RESOLVED that the City Council notes the use of the urgency provision, as set out in Paragraph 6 of Part 3C of the Council's Constitution, by the Leader, following consultation with the Chair of the Scrutiny Co-ordination Committee, to take a decision approving that £450,000 is added to the Council's capital programme, funded from corporate reserves, to enable the delivery of the Upper Precinct public realm scheme.**

#### 43. **Commercial Waste Expansion Plan**

Further to Minute 23/18 of the Cabinet, the City Council considered a report of the Deputy Chief Executive (Place) which sought approval to conclude negotiations with Nuneaton and Bedworth Borough Council (NBBC) to deliver domestic recycling collections to the residents of Nuneaton and Bedworth Borough.

A corresponding private report detailing confidential aspects of the proposals was also submitted to the meeting for consideration (Minute 51 below refers)

Coventry City Council's Commercial Waste Team continued to deliver a gross income of c.£5.7m per annum. Over the last five years a proportion of this income had been achieved by successfully providing a Commercial Waste service on behalf of NBBC.

Building on this successful relationship with NBBC the City Council's Commercial Waste Team had explored further areas for joint working between the two authorities.

The report sought delegated approval from Cabinet to conclude negotiations with NBBC, and to enter into an agency agreement with them to deliver domestic recycling collections to the residents of the Nuneaton and Bedworth Borough. Further approval was also sought from Council to include the cost of purchasing five split bodied vehicles in the 2018/2019 capital programme, to service this arrangement.

**RESOLVED that the City Council approve that the Council's 2018/2019 capital programme, funded from the on-going revenues of NBBC agency agreement, for the acquisition of 5 new vehicles to be used to service the arrangement set out in this report.**

#### 44. **Annual Report of Ethics Committee 2017/18**

Further to Minute 6/18 of the Ethics Committee, the City Council noted a report of the Director of Finance and Corporate Services which formed the second annual report of the Ethics Committee setting out the work of the Committee over the last municipal year. In particular, the report detailed:

- Further work that the Committee has done in reviewing the revising governance arrangement and developing a Member Officer Protocol and Monitoring Officer Protocol. This follows on from work in 2016/17 on the Whistleblowing Policy and Complaints Protocol
- Representations that the Committee has made to the Committee on Standards in Public Life as part of its review of local government ethical Standards
- Training for Councillors and Independent Persons on the Code of Conduct and ethical matters
- A review of ethical standards in parish councils

**RESOLVED that the City Council notes the Annual Report of the Ethics Committee for 2017/18.**

#### 45. **UK City of Culture 2021 - City Readiness**

Further to Minute 7/18 of the Cabinet, the City Council considered a report of the Deputy Chief Executive (Place) which sought approval for the City Council to invest in a city readiness programme aligned to Coventry City of Culture 2021.

On 5 December 2017 (minute 74/17 referred), Coventry City Council committed £4.75m of Corporate Reserves for the UK City of Culture 2021 build-up programme, title year and legacy programme, to be drawn-down if the city was awarded the title. On 7<sup>th</sup> December 2017, Coventry was awarded the title of UK City of Culture 2021 and on 10 July 2018 (minute 23/18 referred) the Council approved £3.25m of reserve contributions as part of £5.05m of reserves to be set aside to meet the Council's commitments to UK City of Culture and cultural events cost.

Alongside the Council's contribution to UK City of Culture build-up, title year and legacy programmes, the city had been reviewing the potential for a city readiness programme, aligned to Coventry 2021. Ahead of City of Culture 2017, Hull developed such a readiness and legacy programme structured across themes of Place, Product, Positioning and People. Designed to maximise the benefits of being awarded the title, a city readiness and legacy programme addresses the benefits of aligned investment in areas such as city infrastructure; destination promotion and marketing; cultural capital; skills and sector development. Hull City Council successfully used UK City of Culture as a catalyst to accelerate development and regeneration. Investment from its City Plan and first-in capital commitments to the Hull New Theatre and Feren's Art Gallery allowed the city to lever significant national funding from Government via the Northern Powerhouse and from Heritage Lottery Fund for its museums. Its investment in tourism also

enabled the city to secure regional packages of funding from the Explore England Fund. It was proposed that Coventry City Council invest in such a city readiness programme for Coventry.

**RESOLVED that the City Council:**

- i) Approves the addition of £5m to the capital programme for 2018/19 onwards for the development of a cultural capital investment programme in order to lever in external cultural and heritage monies in support of the Five Goals and Seven Big Ideas for Cultural Growth, as outlined in the Coventry Cultural Strategy 2017-2027.**
- ii) Authorises that the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services be given the delegated authority to approve all elements of capital expenditure associated with Recommendation i) above.**
- iii) Delegates authority to the Deputy Chief Executive (Place) and the Director of Finance and Corporate Services, following consultation with the Cabinet Member for Strategic Finance, to identify and bid for grant assistance, where available, that supports the aims of the City of Culture and the European City of Sport. The delegated authority given under this recommendation shall include the power to accept the terms and conditions of grant funding and the entering into all necessary legal agreements to secure the grant funding where the level is below the existing Council threshold of £2.5m.**
- iv) Delegates authority to the Deputy Chief Executive (Place) and the Director of Streetscene and Regulatory Services, following consultation with the Cabinet Members for Policing and Equalities and Planning and Housing and the Chairs of Licensing and Regulatory Committee and Planning Committee, to explore opportunities to provide a one-stop shop for Planning, Building Control and Licensing services and simplify and streamline the decision making process to eliminate/reduce delays for development and events.**

**46. Capital Funding for Phase 2 Extension Plans for Lenton's Lane Cemetery**

Further to Minute 35/18 of the Cabinet, the City Council considered a report of the Deputy Chief Executive (Place) that sought approval to commence with phase 2 of the extension programme for Lenton's Lane Cemetery that would ensure that Coventry City Council would be able to supply burial as an option for the residents of Coventry for approximately the next 35-40 years.

In 2011/12 Bereavement Services began and completed phase 1 of the Lenton's Lane Cemetery extension. Given the lead time to create new burial space, it was now necessary to proceed with phase 2 of the Lenton's Lane extension to ensure that there would be continuing grave provision within the City.

**RESOLVED that the City Council approve:**

- i) £260,000 being made available from Corporate Capital Resources during September 2018 to commence the first part of the project, to cover the appointment of the design team and cover the ecology reports required.
- ii) That £1,893,000 is added to the Capital Programme, being made available from Corporate Capital Resources during 2019/2020, to complete the project as described in section 1 of the report.

47. **Scrutiny Annual Report 2017/18**

**RESOLVED** that the City Council notes the Scrutiny Boards' Annual report to the City Council for 2017/18 which highlighted examples of the wide-ranging scrutiny work undertaken during the year across all the Scrutiny Boards and the Scrutiny Co-ordination Committee.

48. **Question Time**

Councillors Maton, Abbott, Ruane, and N Akhtar provided written answers to the questions set out in the Questions Booklet together with oral responses to supplementary questions put to them at the meeting.

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

	<b>Questions asked by</b>	<b>Question put to</b>	<b>Subject matter</b>
1	Councillor Sawdon	Councillor Harvard	Section 106 Agreements and use of Community Infrastructure Levy
2	Councillor Williams	Councillor Duggins	Data protection issue
3	Councillor Bailey	Councillor A Khan	Display of Wasps Rugby shirt
4	Councillor Lapsa	Councillor A Khan	Request consultation in respect of display of WW1 silhouettes
5	Councillor Mayer	Councillor A Khan	Inventory of items in members offices
6	Councillor Lapsa	Councillor A Khan	Number of parking tickets issues on junction of Beech Tree Avenue and Elm Tree Avenue

49. **Statements**

There were no statements.

50. **Debates**

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

“This Council notes the difficulties facing the retail sector in the city centre and calls upon the leadership to consider free evening parking on a regular basis”

The following amendment (additional wording in bold) was moved by Councillor O'Boyle and Seconded by Councillor Duggins and, in accordance with the Constitution, accepted by Councillor Crookes:

"This Council notes the difficulties facing the retail sector in the city centre and ~~calls upon the leadership to consider free evening parking on a regular basis~~ **and welcomes all ongoing work and suggestions to increase the viability and footfall of the City Centre**"

A further amendment (additional wording in bold) was moved by Councillor Crookes, seconded by Councillor Lapsa and lost:

"This Council notes the difficulties facing the retail sector in the City Centre and welcomes all ongoing work and suggestions **including considering free evening parking on a regular basis** to increase the viability and footfall of the City Centre"

**RESOLVED that the Motion as set out below be unanimously adopted:**

**"This Council notes the difficulties facing the retail sector in the city centre and calls upon the leadership to consider free evening parking on a regular basis and welcomes all ongoing work and suggestions to increase the viability and footfall of the City Centre".**

#### 51. **Commercial Waste Expansion Plan**

Further to Minute 43 above, the City Council considered a private report of the Deputy Chief Executive (Place) that set out confidential aspects of proposals to conclude negotiations with Nuneaton and Bedworth Borough Council for the delivery of domestic recycling collections to the residents of the Nuneaton and Bedworth Borough, and the inclusion of the cost of purchasing five split bodied refuse vehicles in the 2018/2019 Capital Programme, to service this arrangement.

**RESOLVED that the City Council approves that the sum now indicated is added to the Council's 2018/2019 capital programme, funded from the on-going revenues of the NBBC agency agreement, for the acquisition of 5 new vehicles to be used to service the arrangements set out in the report.**

(Meeting closed at 4.40 pm)

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# Agenda Item 8

<p><b>Council – 16<sup>th</sup> October, 2018</b></p> <p><b>Recommendation from Cabinet</b></p> <p><b>2<sup>nd</sup> October, 2018</b></p>
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**Coventry City Council**

**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 2 October 2018**

Present:

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

Deputy Cabinet  
Members Councillor P Akhtar  
Councillor R Ali  
Councillor R Lakha  
Councillor T Skipper

Non-Voting Opposition  
Members: Councillor R Bailey (Substitute for Councillor Andrews)  
Councillor T Sawdon (Substitute for Councillor Ridley)

Other Members: Councillor Clifford  
Councillor M Mutton

Employees (by Directorate):

Chief Executive's  
People M Reeves (Chief Executive),  
G Quinton (Deputy Chief Executive (People)), A Errington,  
L Gaulton, P Hargrave, N Hart, L Lawson, S Mills,  
R McKenzie-Wilson, K Nelson

Place M Yardley (Deputy Chief Executive (Place)), O Aremu,  
A Chowns, P Helm, P Jennings, L Knight, R Moon, A Walimia,  
A Walster

Apologies: Councillor B Kaur, A Andrews and G Ridley

## RECOMMENDATION

### 43. **Medium Term Financial Strategy 2019-22**

The Cabinet considered a report of the Deputy Chief Executive (Place) which presented the Medium Term Financial Strategy (MTFS) 2019-2022 for adoption by the City Council.

The Cabinet noted that the report had also been considered by the Finance and Corporate Services Scrutiny Board (1) at their meeting held on 12<sup>th</sup> September 2018. A briefing note setting out their recommendations was appended to the report and accepted by the Cabinet.

The previous MTFS was approved in December 2017. The Strategy sets out the financial planning foundations that support the Council's vision and priorities and the financial and policy context for the Council's forthcoming budget process. It was noted that proposals within the Pre-Budget report would be considered by the Cabinet in November 2018 and the final Budget Setting Report would be submitted to Cabinet and Council in February 2019.

The national funding background to the MTFS is that the Council is approaching the final year (2019/20) of the current four year funding settlement from Government. From 2020/21 there will be significant upheaval in the funding arrangements for all councils and local authorities continue to face severe financial pressures. Although the previous government policy of targeting a budget surplus by 2020 has been pushed back, uncertainty of the future of local government finance and wider financial matters, including future Brexit negotiations, mean that the pressure on public finances is unlikely to ease in the foreseeable future. This Strategy assumes that reductions in available revenue resources and spending levels are likely to continue.

On a local level, the Council continues to be faced with a challenging and fluid financial position affected by temporary shortfalls in delivery of its existing savings plans and financial pressures within services for children, housing and homelessness. Although the Council has some ambitious Capital Programme plans, the scale and pace of these represent a significant challenge in terms of the Council's ability to deliver them to the required timescales and within its existing project capacity.

Notwithstanding the approaches set out in this strategy, the Council will need to maintain dynamic financial models that take account of changes in its medium term budget position and ongoing re-evaluation of its Capital Programme. This may include adopting some measures which have a shorter-term focus or which re-evaluate the Council's approach to financial risk. These will be set out fully at the point of decision making.

In summary, the key national and local contexts that frame this Strategy include:

- A paramount need to protect the most vulnerable people in the city;
- Expectations on the Council to maintain service levels and standards across a wide range of core services;



- Fast population growth causing greater demand and expenditure pressures in areas such as housing, social care and waste disposal;
- Likely future reductions in government resources within a revised local government funding framework;
- A 75% Business Rates retention system emphasising the increasing importance of promoting growth in the local economy;
- A massive Capital Programme which defines the Council's aspirational outlook but which establishes a major programme and logistical challenge in order to deliver it.

Taken together, these factors represent a combination of reducing resources, challenging underlying economic and demographic conditions, increased demand, a heightened need to improve the quality of services and new challenges represented by government reform and local structural and governance relationships. In these circumstances it is crucial that the Council's financial strategy is both robust and flexible. This will provide the financial foundations required to ensure that Council services are fit for purpose to protect the most vulnerable as well as providing decent core services for every citizen in the city.

In support of these aims, the City Council's strategic financial approach to the demands that it faces includes:

- A Council Plan focusing on economic growth, quality of life and a commitment to protecting the vulnerable, whilst delivering services with fewer resources;
- A Local Plan setting the blueprint for taking the City forward, identifying land to satisfy housing, infrastructure and developmental demand;
- A fundamental commitment to protecting the city's vulnerable children, adults and older people;
- Managing the demand for services selectively, through digital working and community engagement;
- Transformation projects to change the way the Council works and engages with its customers in part to achieve the delivery of savings;
- A programme of major capital schemes to drive regeneration and economic growth in the city including its public realm, the city's highways network and its cultural and leisure offer to make Coventry an attractive place to live and work.
- Growing the city's local income base, within the environment of increasing localisation of funding sources, including Business Rates;
- Partnership working, including as part of the West Midlands Combined Authority, together with voluntary organisations and other partners;
- A continued drive towards income maximisation, including investment in commercial ventures within the context of robust risk management arrangements and mindful of sector guidance;
- A continued Workforce Strategy requiring a workforce working in flexible ways consistent with a modern organisation, ensuring that the Council has the talent in place necessary to deliver the challenging agenda that it faces;
- Seeking to optimise the use of pooled funding available to support social care and health;

- Seeking to modernise, rationalise and prioritise services, consider alternative service delivery models and work in tandem with partners and neighbouring authorities;
- Strong corporate financial planning, monitoring and project management arrangements;

Based on the 2018/19 approved budget, the initial financial gap for the following 3 years as at the start of the new Budget Setting round was £0.0m for 2019/20; £20.8m for 2020/21 and £23.5m for 2021/22.

The Cabinet acknowledged that it is important to be clear, as indicated above, that the position set out is dependent on the achievement of outstanding savings programmes over the medium term. In total these are still expected to amount to c£11m in 2019/20 although there are plans in place to deliver the majority of these.

The position from 2020/21 onwards is based on early estimates and could be subject to major change depending on the outcome of the forthcoming changes in the local government finance regime which will not emerge until 2020. The scale of the financial gap is not unusually large in a historical context or compared with authorities similar to Coventry. It will nevertheless require the Council to consider further reductions in services and the need to prioritise the services that it wishes to maintain in the future and identify those that may be allocated fewer resources or ceased altogether.

**RESOLVED that the Cabinet recommend that Council approve the Strategy as the basis of its medium term financial planning process.**

(Meeting closed at 3.05 pm)

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Finance and Corporate Services Scrutiny Board (1)  
Cabinet  
Council

12<sup>th</sup> September 2018  
2<sup>nd</sup> October 2018  
16<sup>th</sup> October 2018

**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: All**

**Title:**

Medium Term Financial Strategy 2019-22

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**Is this a key decision?**

Yes - Cabinet and subsequently Council are being recommended to approve the Medium Term Financial Strategy incorporating decisions which have financial implications in excess of £1m

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**Executive Summary:**

This report presents a Medium Term Financial Strategy (MTFS) for adoption by the City Council. The previous strategy was approved in December 2017. The Strategy sets out the financial planning foundations that support the Council's vision and priorities and the financial and policy context for the Council's forthcoming Budget process. Cabinet will consider proposals within the Pre-Budget Report in November and the final Budget Setting Report will be brought to Cabinet and Council in February 2019.

The national funding background to the MTFS is that the Council is approaching the final year (2019/20) of the current four year funding settlement from Government. From 2020/21 there will be significant upheaval in the funding arrangements for all councils and local authorities continue to face severe financial pressures. Although the previous government policy of targeting a budget surplus by 2020 has been pushed back, uncertainty over the future of local government finance and wider financial matters including future BREXIT negotiations mean that the pressure on public finances is unlikely to ease in the foreseeable future. This Strategy assumes that reductions in available revenue resources and spending levels are likely to continue.

On a local level, the Council continues to be faced with a challenging and fluid financial position affected by temporary shortfalls in delivery of its existing savings plans and financial pressures within services for children, housing and homelessness. Although the Council has some ambitious Capital Programme plans, the scale and pace of these represent a significant challenge in terms of the Council's ability to deliver them to the required timescales and within its existing project capacity.

Notwithstanding the approaches set out in this strategy, the Council will need to maintain dynamic financial models that take account of changes in its medium term budget position and ongoing re-evaluation of its Capital Programme. This may include adopting some measures which have a shorter-term focus or which re-evaluate the Council's approach to financial risk. These will be set out fully at the point of decision making.

In summary, the key national and local contexts that frame this Strategy include:

- A paramount need to protect the most vulnerable people in the city;
- Expectations on the Council to maintain service levels and standards across a wide range of core services;
- Fast population growth causing greater demand and expenditure pressures in areas such as housing, social care and waste disposal;
- Likely future reductions in government resources within a revised local government funding framework;
- A 75% Business Rates retention system emphasising the increasing importance of promoting growth in the local economy;
- A massive Capital Programme which defines the Council's aspirational outlook but which establishes a major programme and logistical challenge in order to deliver it.

Taken together, these factors represent a combination of reducing resources, challenging underlying economic and demographic conditions, increased demand, a heightened need to improve the quality of services and new challenges represented by government reform and local structural and governance relationships. In these circumstances it is crucial that the Council's financial strategy is both robust and flexible. This will provide the financial foundations required to ensure that Council services are fit for purpose to protect the most vulnerable as well as providing decent core services for every citizen in the city.

In support of these aims, the City Council's strategic financial approach to the demands that it faces includes:

- A Council Plan focusing on economic growth, quality of life and a commitment to protecting the vulnerable, whilst delivering services with fewer resources;
- A Local Plan setting the blueprint for taking the City forward, identifying land to satisfy housing, infrastructure and developmental demand;
- A fundamental commitment to protecting the city's vulnerable children, adults and older people;
- Managing the demand for services selectively, through digital working and community engagement;
- Transformation projects to change the way the Council works and engages with its customers in part to achieve the delivery of savings;
- A programme of major capital schemes to drive regeneration and economic growth in the city including its public realm, the city's highways network and its cultural and leisure offer to make Coventry an attractive place to live and work.
- Growing the city's local income base, within the environment of increasing localisation of funding sources, including Business Rates;
- Partnership working, including as part of the West Midlands Combined Authority, together with voluntary organisations and other partners;

- A continued drive towards income maximisation, including investment in commercial ventures within the context of robust risk management arrangements and mindful of sector guidance;
- A continued Workforce Strategy requiring a workforce working in flexible ways consistent with a modern organisation, ensuring that the Council has the talent in place necessary to deliver the challenging agenda that it faces;
- Seeking to optimise the use of pooled funding available to support social care and health;
- Seeking to modernise, rationalise and prioritise services, consider alternative service delivery models and work in tandem with partners and neighbouring authorities;
- Strong corporate financial planning, monitoring and project management arrangements;

Based on the 2018/19 approved budget, the initial financial gap for the following 3 years as at the start of the new Budget Setting round was:-

	<b>2019/20</b> <b>£m</b>	<b>2020/21</b> <b>£m</b>	<b>2021/22</b> <b>£m</b>
<b>Revised Revenue Budget Gap</b>	0.0	20.8	23.5

It is important to be clear as indicated above that the position set out is dependent on the achievement of outstanding savings programmes over the medium term. In total these are still expected to amount to c£111m in 2019/20 although there are plans in place to deliver the majority of these.

The position from 2020/21 onwards is based on early estimates and could be subject to major change depending on the outcome of the forthcoming changes in the local government finance regime which will not emerge until 2020. The scale of the financial gap is not unusually large in a historical context or compared with authorities similar to Coventry. It will nevertheless require the Council to consider further reductions in services and the need to prioritise the services that it wishes to maintain in the future and identify those that may be allocated fewer resources or ceased altogether.

### **Recommendations:**

Finance and Corporate Services Scrutiny Board (1) is recommended to

- (1) Consider whether there are any comments/recommendations that it wishes to make to Cabinet.

Cabinet is recommend to:

- (1) Consider any comments/recommendations from the Finance and Corporate Services Scrutiny Board (1)
- (2) Recommend that Council the approve the Strategy as the basis of its medium term financial planning process.

Council are recommended to:

- (1) Approve the Strategy as the basis of its medium term financial planning process.

**List of Appendices included:**

None

**Other useful background papers:**

None

**Will this report go to Council?**

Yes, 16<sup>th</sup> October 2018

## **Medium Term Financial Strategy 2019-22**

### **1. Context (or Background)**

#### **1.1 Background**

- 1.1.1 This Strategy sets out the financial planning foundations that support the setting of the Council's revenue and capital budgets, including the policy assumptions and financial management framework that underpin the strategy. The process will culminate with the Budget Setting Report in February 2019, following the consideration of the Pre-Budget report in December 2018.
- 1.1.2 Local authorities are facing severe financial pressures, which are likely to continue for the foreseeable future. The National Audit Office recently reported that local authorities have faced significant central government funding cuts of nearly 50% since 2010/11, which at a time of increasing service demand, particularly in the social care sphere, mean that many authorities are using reserves to fund services in a way that is financially unsustainable. Within the context, earlier in 2018 a Section 114 Notice was issued at Northamptonshire indicating that the authority was at risk of spending more than the resources they have available.
- 1.1.3 At a local level, the level of resources available to Coventry has reduced significantly with a fall which will total c£120m between 2010 and 2020. Within this environment of downward pressure on resources, the Council has delivered very significant savings and identified other sources of income in order to balance its overall budget. This Medium Term Financial Strategy forms part of the process to refresh the Council's strategic approach to the nature and scale of services it provides in the context of the need to close future budgetary gaps.
- 1.1.4 Approaching the current Pre-Budget process, the Council's financial position has remained under pressure as a result of shortfalls in delivery of its existing savings plans and the growing costs of looked after children, housing and homelessness. The Council's current medium term budget process will need to be applied flexibly and may for instance require the adoption of measures which have a more short-term focus or re-evaluate the Council's approach to financial risk. Where this is necessary, the implications will be set out in full as part of the decision making process.
- 1.1.5 Although there is significant uncertainty with regard to the national local government funding regime from 2020/21, it is clear that the starting point for the Council is a large financial budget gap. The Council will continue to seek to identify solutions that minimise the impact on services but it remains highly likely that the overall package of measures will include reductions in those Council services that are considered to be of a lower relative priority.

#### **1.2 National and Local Context**

- 1.2.1 Apart from the increasing financial pressures that all public bodies face, there is a range of developments set out below, which impact on the City Council:-
- The development of the West Midlands Combined Authority (WMCA), of which the Council is a member, as a route to maximising investment in Coventry to drive growth and more efficiently co-ordinate services across the sub-region. The WMCA's Devolution Deal plans to provide financial support in 2 broad areas: City Centre South and Friargate

(£150m capital) and transport/connectivity (£370m capital). The precise arrangements and processes through which WMCA programmes are delivered, as well as financed, through for example any potential Council Tax levy or Business Rates supplement, will continue to develop through the course of the MTFS planning period. Consequently, the significance of the programmes and the associated resourcing streams mean that these areas continue to represent a financial risk to the authority over the MTFS period.

- The government's review of local government funding which it is anticipated will take effect from 2020/21, along with the move from 50% to 75% local business rate retention from the same date, increases the uncertainty surrounding the level of resources available to local authorities as a whole and the distribution of those resources between authorities. However, prior to 75% localisation the Council continues to be part of the West Midlands business rates pilot scheme through which 99% of business rates are retained locally with the benefits of this being shared between the Council and the WMCA, and a "no detriment" clause to protect the Council against any adverse movements.
- The operation of integrated social care and health services within the Better Care Fund, now within the context of Sustainability and Transformation Plans across the health sector. This area continues to operate within a very dynamic environment with expanding adult social care user numbers and increasingly complex care packages.
- The increasing focus of local authorities on wider commercial sources of income, including investment in commercial property has the potential to expand the resource base, but also present authorities with different types of financial risk which need to be managed. Nationally, the regulatory framework within which local authorities invest in commercial assets has changed following revisions to statutory investment guidance and the Prudential Code for capital spend, reflecting a concern that authorities are increasing their risk exposure through commercialisation. From 2018/19 authorities are be required to develop strategies for broader commercial investments which support the active management of the risks associated with the investments.
- The critical importance of regeneration and economic growth, particularly in the light of the planned changes to Business Rates. Within the regeneration arena, the next few years are likely to see significant fluidity in the range of funding streams available from European and sub-regional sources as a result of Brexit and the development of the Combined Authority.
- The city's rapid population growth and the consequent demographic and socio-economic trends are causing increases in demand or expenditure pressures in areas such as social care and waste disposal. The costs of housing homeless individuals and families has emerged as a significant additional cost pressure more recently and now represents one of the most challenging financial developments facing the Council.
- The continued difficult economic circumstances for many, affecting the number of people seeking to access local government and voluntary sector services.
- A schools sector which continues to be fragmented across maintained, academy and free school provision. This changed face of local education provision and the reduced role of councils is putting more pressure on the remaining rump of local authority education services and finances.
- The designation of Coventry's as 2021 City of Culture, which provides a great opportunity for the city to move forward. Financially, it is forecast that the city will benefit by £350m through increased tourism and the unlocking of capital investment, helping to drive



economic growth and job generation in the process. To date £4.75m has been allocated from reserves to support the 2021 City of Culture events. However, there will undoubtedly be financial pressures on the authority's revenue and capital resources, as investment schemes are brought forward running up to 2021. In the context of the wider budget pressures, one of the key considerations for the Council as 2021 approaches will be to decide the right level of investment that it is required to provide for City of Culture preparations. The desire to deliver a successful and well-regarded City of Culture year and to maximise the opportunity to achieve positive future cultural and financial legacies will depend to some degree on the level of the Council's support. However, any additional investment in services to achieve this will inevitably result in financial pressure and a need to reduce the Council's budget provision elsewhere. This will be a crucial point of consideration and decision for the Council going forward.

1.2.2 Coventry has significant potential for growth with two global universities, excellent transport infrastructure links and a talent pool for employers to recruit across the region. The city has a young and growing population and on the most recent measure had a high enterprise growth rate. However, it fares less well on other measures, for instance Gross Value Added per head (an average level of economic value generated per person) where Coventry ranks significantly below the national average.

1.2.3 The starting point for the Council's MTFs is the forecast 3 year programme set out in the 2018/19 Budget Report in February 2018. Whilst the 2018/19 and 2019/20 financial years were balanced, the current planning process starts with a significant forecast deficit in 2020/21:

Per Budget Report 2018/19	2018/19 £m	2019/20 £m	2020/21 £m
Forecast Revenue Bottom Line deficit	0.0	0.0	20.7

1.2.4 The Pre-Budget Report, which will be considered by Cabinet in November 2018, sets out the detailed financial position over the next 3 years, including emerging pressures and the non-delivery of programmed savings, together with potential technical savings to partially offset the impact of these. More recently, the Quarter 1 2018/19 Financial Monitoring Report sets out a forecast overspend in the year of £2m, highlighting significant pressures, with the potential to impact on future years.

1.2.5 The current Capital Programme approved in February 2018 is:-

	2019/20 £m	2020/21 £m	2021/22 £m
Capital Programme Spend	262.5	239.7	191.3

1.2.6 This Programme, provided for a number of large investment programmes across the city including the construction of the City Centre Leisure Facility; Coventry Station Masterplan and regionally significant infrastructure schemes through the UK Central Connectivity programme, as well as investment in school buildings and business development. The major proportion of the total planned capital spend of £694m over the next 3 years is being met from grant (£490m), including significant sums through the WMCA, and also prudential borrowing (£172m). The level of prudential borrowing has been low in recent years, in part as a consequence of temporarily using grant received up front prior to the implementation of the various capital schemes. However, 2017/18 saw the highest level of prudential borrowing in several years and the current capital programme indicates a

significant level of prudential borrowing over the MTFS period, increasing the authority's underlying indebtedness in the coming years. The position will be updated in the Pre-Budget Report.

1.2.7 The Council's revenue reserve balances totalled £67.1m as at 31<sup>st</sup> March 2018 with a further £31.2m of capital reserves that are only available to fund major capital schemes, and £24.3m of reserve balances belonging to or earmarked to support schools. The Council's revenue reserves are being reviewed in order to assess their adequacy for current known liabilities and approved policy commitments, with the objective of releasing reserves where they can be better used to drive efficiencies and service improvement or support policy priorities. The make-up of the Council's reserves as at 31<sup>st</sup> March 2018 was:

	Balance at 31st March 2017	(Increase)/ Decrease	Balance at 31st March 2018
	£000	£000	£000
<u>Council Revenue Reserves</u>			
General Fund Balance	(3,134)	(1,568)	(4,702)
Private Finance Initiatives	(11,308)	527	(10,781)
Potential Loss of Business Rates Income	(1,970)	(1,444)	(3,414)
Early Retirement and Voluntary Redundancy	(8,261)	0	(8,261)
Birmingham Airport Dividend	(4,400)	0	(4,400)
City of Culture	0	(5,050)	(5,050)
Kickstart Project	(2,986)	(2,082)	(5,068)
Adult Social Care	(18)	(4,780)	(4,797)
Leisure Development	(894)	(705)	(1,599)
Public Health	(740)	134	(606)
Troubled Families	(686)	200	(486)
Insurance Fund	(1,786)	191	(1,595)
Management of Capital	(5,566)	(766)	(6,332)
Other Corporate	(973)	375	(598)
Other Directorate	(5,839)	(1,355)	(7,194)
Other Directorate funded by Grant	(2,785)	592	(2,194)
<b>Total Council Revenue Reserves</b>	<b>(51,346)</b>	<b>(15,731)</b>	<b>(67,077)</b>
<u>Council Capital Reserves</u>			
Useable Capital Receipts Reserve	(20,489)	(3,489)	(23,978)
Capital Grant Unapplied Account	(9,737)	2,558	(7,179)
<b>Total Council Capital Reserves</b>	<b>(30,226)</b>	<b>(931)</b>	<b>(31,157)</b>
<u>School Reserves</u>			
Schools (specific to individual schools)	(18,126)	(1,464)	(19,590)
Schools (for centrally retained expenditure)	(4,493)	(249)	(4,742)
<b>Total School Reserves</b>	<b>(22,619)</b>	<b>(1,713)</b>	<b>(24,332)</b>
<b>Total Overall Reserves</b>	<b>(104,191)</b>	<b>(18,375)</b>	<b>(122,566)</b>

## 2. Options Considered and Recommended Proposal

- 2.1 The remainder of the report contains the proposed Medium Term Financial Strategy. It is recommended that Cabinet and Council approve the Strategy subject to any comments or changes from Finance and Corporate Services Scrutiny Board. The Strategy is structured around the following core elements:
- The Council Plan;
  - Strategic Policy Assumptions within the MTFS;
  - Strategic Financial Management Framework.

### 2.2 Council Plan

- 2.2.1 The MTFS rests on the principles, visions and priorities set out for the City within the Council Plan 2016-2024, which was revised in August 2016. In summary these are:
- Globally Connected;
  - Locally Committed;
  - Delivering our Priorities with Fewer Resources.

The full plan is available on the Council's website or via the following link: [Coventry Council Plan - August 2016](#)

### 2.3 Strategic Policy Assumptions within the MTFS

- 2.3.1 The Council has been engaged in delivering a transformation programme in recent years but is now moving into a new phase of Budget planning that will require a fresh look at some major areas of expenditure and how it can deliver the savings required to deliver a balanced budget. This will include policy led consideration of which services are provided, whether it is appropriate for the Council to continue to deliver them in the same way and whether there are some new and innovative approaches to delivering services. The revised approach is currently being developed under the initial banner of 'One Coventry' with its component parts being analysed into the following headings: Housing and Homelessness; Children's Services Transformation; Customer Services (digital demand); Business Services redesign; delivering the Capital programme; delivering the Council's savings target; Workforce Reform.
- 2.3.2 Even if the Council achieves significant success through this approach and those set out below, it will nevertheless need to consider reductions in the level of some of its services. Therefore, a key part of its approach will be to prioritise the services that it wishes to maintain in the future and those that may be allocated fewer resources or ceased altogether.
- 2.3.3 The engagement in partnership working is central to the delivery of the Council Plan and the MTFS, through:-
- The Council's membership of the West Midlands Combined Authority providing the opportunity to maximise investment in the city and work more efficiently across the region;
  - Integrated working of Health and Social Care through the Better Care Fund;
  - Partnership with various stakeholders such as the Coventry and Warwickshire Local Enterprise Partnership in driving economic growth;
  - Engaging voluntary bodies in order to develop alternative delivery models to enable local services to be delivered at a reduced cost.

- 2.3.4 The Council will continue to drive towards Income Maximisation through a number of routes:
- maintaining the Council's default position that fees and charges should increase annually in line with inflation;
  - generating capital receipts where there is a clear business case for doing so by disposing of property and thereby providing funds for capital reinvestment in services, driving growth or making savings through the repayment of debt.
- 2.3.5 The Council will continue to look for opportunities to invest in commercial ventures in order to secure a financial return where this is consistent with the parameters of its priorities and the Council Plan. This will potentially include property schemes, share purchase and the provision of loans to external organisations. This will only be done in line with the developing regulatory framework in these areas, including the new Treasury Management Code; Prudential Code for Capital Finance, the statutory Guidance on Minimum Revenue Provision and the revised government Statutory Guidance on Local Government Investments. The Council's approach to these requirements will be brought together in an overarching report alongside, or as part of, the Council's 2018/19 in-year monitoring and 2019/20 budget setting.
- 2.3.6 Through the Local Plan, the Council is seeking to take the city forward by working closely with its neighbours and partners. In order to drive further growth the plan identifies land to satisfy the demand for homes, community and commercial uses, as well as addressing the need for digital connectivity and the right infrastructure.
- 2.3.7 The Capital Programme will continue to be resourced from a number of sources including: prudential borrowing, capital receipts and grant. The Council will seek to minimise the revenue funding of capital, in particular where the capital expenditure is of a one-off nature.
- 2.3.8 The Council is obliged to work towards ensuring that its pension liabilities within the West Midlands Pension Fund are funded. The Council's level of funding last reported was at 77%. The Council's contributions to the pension fund have increased significantly in recent years and, following the latest triennial review, stand at 27.3% from 2017/18. As an alternative to making monthly payments, in order to efficiently manage the burden of contributions, an upfront payment of £93m was made in 2017/18 to cover the next 3 years. The Council will continue to work with the West Midlands Pension Fund to agree employer pension contributions that strike a balance between increasing the funding level over the long-term and maintaining sustainability and affordability in relation to the Council's overall financial position.

## 2.4 Strategic Finance Management Framework

2.4.1 The Strategic Financial Management Framework encompasses the Council's strategic financial management processes and also the key financial assumptions on which the MTFS rests.

2.4.2 The financial management processes that underpin the MTFS are:-

- A corporate planning and monitoring process that considers capital and revenue together;
- Overall direction undertaken by Strategic Management Board (SMB);

- A framework founded on delegation and clear accountability, with budgets managed by the designated budget holder, reported through Directorate Management Teams, SMB, Cabinet and Audit and Procurement Committee;
- A drive to identify efficiencies and achievable savings to enable the Council to optimise delivery of its policy priorities;
- Strong project management approaches, including a specific focus on cost control;
- Where feasible, the establishment of a balanced revenue budget and capital programme over the medium term planning period.
- The management of reserves in a way that supports the MTFs and the Council's priorities. In particular, the City Council's approach is based on:
  - A policy that reserves are not to be used to: (i) meet on-going expenditure or (ii) fund capital expenditure other than for mostly short life asset rolling programmes or in exceptional circumstances, for capital schemes of major importance;
  - The classification of reserves as a corporate resource, with Cabinet via Strategic Management Board considering the application of budgeted amounts unspent at year end;
  - Holding reserves for a clearly identifiable purpose. This will include protecting against known or potential liabilities, at a minimum level consistent with adequate coverage of those liabilities, taking into account the overall level of risk faced by an organisation of the City Council's size.

#### 2.4.3 The key financial or technical assumptions that underpin the MTFs are:

- The Council's funding level for 2019/20 has been set out by Government. Beyond that, the initial forecast assumes resource reductions broadly in line with those experienced in the latter years of the multi-year settlement;
- As a technical assumption, Council Tax increases of just under 3% per annum and no further Social Care precept increases. This will be subject to political debate and decision as well as any changes at a national level;
- The existing 2% local government pay award has been built in for 2019/20 but beyond this, 1% pay awards have been assumed. This area will be kept under close review and it is expected that the Council will continue to reflect sector agreed pay awards;
- Business Rate income will be assumed to be inflated broadly in line with recent CPI inflation levels but flexed each year where shorter term inflation expectations dictate.
- Planning on the basis of the underlying Council Tax-Base growing at 0.6% per annum in line with historical trends but flexed each year where shorter term expectations dictate;
- The budget for the Council's Asset Management Revenue Account will continue to be reviewed annually in detail as part of the MTFs, taking into account any impact of changes in: the capital programme, cash-flow forecasts, the level of provision to repay debt through Minimum Revenue Provision (MRP) and forecast interest rates. The Council's Minimum Revenue Provision (MRP) policy will be based on an approach that is both prudent and affordable in a way that reflects the long term nature of local authority debt and assets;
- Forward financial estimates will be guided by existing CPI inflation levels in line with practice adopted across a broad range of public sector areas. This will provide the financial planning benchmark for increases in fees and charges and any areas of expenditure subject to specific inflation requirements assessed by the Director of

Finance and Corporate Services. Actual increases in fees and charges will depend upon local factors such as the need to generate sufficient income to meet the cost of trading services. The majority of non-employee based expenditure budgets will not be inflated – the assumption will be that continued procurement and commissioning work plus underlying efficiency savings and the reduced purchasing requirements of some services will deliver savings equivalent to the cost of inflation. A number of areas subject to external contracts are more likely to reflect inflation patterns dictated by pay inflation and this expectation will be built into Council budgets in the affected areas.

### **3. Results of consultation undertaken**

- 3.1 No consultation has been undertaken as part of the MTFs. The implementation of the Strategy through Budget Setting and other individual projects, programmes and initiatives will be accompanied by specific consultations as appropriate.

### **4. Timetable for implementing this decision**

- 4.1 The MTFs will underpin the proposals and approaches that will be set out in the forthcoming Pre-Budget Report and will be implemented in parallel to the proposals for setting the 2019/20 Budget.

### **5. Comments from the Director of Finance and Corporate Services**

#### **5.1 Financial implications**

The main body of this report is concerned wholly with financial matters. It is important that the assumptions and principles detailed in the Strategy are adopted in order for the City Council to be able to deliver balanced budgets over the medium term. Taking into account both the strategic policy and financial management assumptions set out in the report, a revised projected gap will be set out in the forthcoming Pre-Budget Report.

Moving into the next phase of financial planning the initial position shows a balanced position in 2019/20 followed by a forecast gap of £21m in 2020/21 which is expected to rise further in the years beyond that. In addition, there are further developments which could affect the Council's Budget position adversely over this period: challenges in delivering its remaining savings targets, growth in demand pressures across several major services and the uncertainty surrounding the local government finance regime.

It is clear that Coventry faces the challenges and major policy choices faced by many other authorities and the size of the gap makes it inevitable that areas not previously considered will now need to be reviewed with some services being delivered differently or quite possibly not at all. In addition, the Council will need to consider some financial approaches that provide some flexibility allowing a relatively short-term focus. This in turn will provide more time to identify further necessary structural changes to the Council's services. These approaches may include but will not be restricted to; the use of reserves, the use of Capital receipts, repayment of debt, investment in property and other investment assets, application of the Council's Minimum Revenue Provision policy and updating estimates of the Council's Business Rates and Council Tax resources.

#### **5.2 Legal implications**

The proposals in this report provide the foundations to allow the Council to meet its statutory obligations in relation to setting a balanced budget by mid-March each year, in accordance with Section 32 of the Local Government Finance Act 1992 and section 25 of the Local Government Act 2003.

## 6. Other implications

### 6.1 How will this contribute to achievement of the Council's Plan?

The Council will continue to be faced with challenging resource constraints in the coming years. Whilst the focus is to identify additional income generation and savings options that are intended to have as little adverse impact as possible on services, this will not always be possible, and it is inevitable that changes will have a more marked effect on front-line services. Within these very difficult circumstances, the MTFS is closely aligned to the Council Plan priorities that are so critical to ensuring the city's success.

### 6.2 How is risk being managed?

Inability to deliver a balanced budget is one of the Council's key corporate risks. The proposals within this report are aimed at mitigating this risk by providing a robust platform from which to deliver balanced budgets.

### 6.3 What is the impact on the organisation?

The Council will continue to be faced with some decisions about; which are its core priorities; which services it may no longer be able to afford; the best mechanisms through which to deliver its services. In addition, the Council will continue to make selective use of early retirement/voluntary redundancy as a mechanism by which it is able to reduce staffing levels across the Council and will review the pay and conditions of its employees through the Workforce Reform programme.

### 6.4 Equalities / EIA

Equality impacts that flow from proposals within the Council's budget will be subject to assessment prior to the relevant decisions being taken. The Pre-Budget Report will provide a further indication of how any equality issues will be managed.

### 6.5 Implications for (or impact on) the environment

No specific impact

### 6.6 Implications for partner organisations?

Implementation of the Council's financial plans continue to affect the way it works with some of its partners and the implications of these changes need to be managed in consultation with partners as individual changes are identified.

#### Report author(s):

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Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
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Paul Jennings	Finance Manager	Place Directorate	31/7/18	31/7/18

	Corporate Finance			
Martin Yardley	Deputy Chief Executive (Place)	Place Directorate	28/8/18	29/8/18
<b>Names of approvers for submission:</b> (officers and members)				
Legal: Carol Bradford	Solicitor	Place Directorate	31/7/18	7/8/18
Director:-Barry Hastie	Director of Finance and Corporate Services	Place Directorate	31/7/18	3/9/19
Members: Cllr John Mutton	Cabinet Member for Strategic Finance and Resources		24/8/18	29/8/18

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**Council – 16<sup>th</sup> October, 2018**  
**Recommendation from Cabinet**  
**2<sup>nd</sup> October, 2018**

**Coventry City Council**

**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 2 October 2018**

Present:

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

Deputy Cabinet  
Members Councillor P Akhtar  
Councillor R Ali  
Councillor R Lakha  
Councillor T Skipper

Non-Voting Opposition  
Members: Councillor R Bailey (Substitute for Councillor Andrews)  
Councillor T Sawdon (Substitute for Councillor Ridley)

Other Members: Councillor Clifford  
Councillor M Mutton

Employees (by Directorate):

Chief Executive's  
People M Reeves (Chief Executive),  
G Quinton (Deputy Chief Executive (People)), A Errington,  
L Gaulton, P Hargrave, N Hart, L Lawson, S Mills,  
R McKenzie-Wilson, K Nelson

Place M Yardley (Deputy Chief Executive (Place)), O Aremu,  
A Chowns, P Helm, P Jennings, L Knight, R Moon, A Walimia,  
A Walster

Apologies: Councillor B Kaur, A Andrews and G Ridley

## RECOMMENDATION

49. **Coombe Abbey Park Ltd - Capital Financing and Country Park Investment**

The Cabinet considered a report of the Deputy Chief Executive (Place), which set out proposals to proceed with an investment into Coombe Abbey Country Park and Coombe Abbey Park Ltd (CAPL) on a commercial arms length basis.

A corresponding private report was also submitted to the meeting setting out the commercially confidential matters of the proposal. (Minute 55 below refers.)

In December 2017 the City Council purchased 100% of the shares in Coombe Abbey Park Ltd (CAPL), the operator of Coombe Abbey Hotel. Following this purchase, officers have been reviewing a variety of different projects to increase partnering between CAPL and the wider City Council.

The report set out three proposals, which included the provision of a capital loan facility to CAPL; entering into a lease to enable a high wire assault course to be built; and entering into a lease with CAPL on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake de minimis works to the property before doing so.

The Council refinanced CAPL on 29<sup>th</sup> November 2013 with a loan which is repayable over 15 years, ending in November 2028. CAPL continues to service this debt from its existing revenue streams under the City Council's ownership and the securities from this loan remain in place for a further 10 years. It is proposed that a maximum facility of £1.95m is made available to CAPL over the next 10 years this period being in line with the Council's existing loan facility to CAPL. The new facility will ensure that appropriate security is obtained in order to protect the Council.

Upon first use, a one off arrangement fee of £15k would be payable from CAPL to the City Council. Monies advanced to CAPL would be subject to interest rates based on commercial rates, and all drawdowns will be repayable by the term of the loan.

Coombe Country Park, whilst owned and operated by the City Council sits within the planning authority of Rugby Borough Council. Within the Coventry boundary, the updating and establishment of play areas and parks is primarily funded from S106 contributions and grant monies obtained by the City Council and/or friends groups.

Whilst hugely popular with Coventry residents, no formal friends group exists for Coombe Country Park. Also S106 money raised in Coventry cannot be spent in Rugby Borough Council's area. Therefore, the funding of new facilities in Coombe Country Park has to come from a limited parks budget or through more innovative schemes.

An opportunity has arisen for CAPL to build a high wire assault course and tree top experience in Coombe Country Park. CAPL have been in dialogue with a supplier of tree top high wire assault courses. A provisional deal has now been reached where CAPL will enter into an agreement with the supplier to deliver a high wire facility in Coombe Abbey Country Park.

CAPL will pay a rent to the Council on the park land required for the development of the high wires assault course. The rent will comply with obligations of S123 of the Local Government Act 1972 to achieve best consideration.

The high wires course which is proposed will result in an increase in numbers of people attending the Park, so an opportunity has arisen for CAPL to establish a second café for Coombe Country Park in order to cater for the additional demand.

CAPL will pay a rent to the Council for the lease and licence to establish a second café, and the rent will comply with obligations of S123 Local Government Act 1972 to achieve best consideration.

Landlord works are required in order to bring the building up to a lettable standard and the cost of this is estimated at approximately £20k, payable by the Council from existing Parks budgets. The Tenant will then be responsible and incur the costs for fit out as part of the tenant obligations.

The Cabinet agreed to:

1. Delegate authority to the Deputy Chief Executive (Place) to enter into a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry.
2. Delegate authority to the Deputy Chief Executive (Place) to negotiate and agree the terms of a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry.
3. Delegate authority to the Deputy Chief Executive (Place) to enter into a lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake refurbishment works up to the value of £20k to the property to bring up to lettable standard.
4. Delegate authority to the Deputy Chief Executive (Place) to negotiate and agree terms of the lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park.

**RESOLVED that the Cabinet recommend to Council that it:**

1. **Approves in principle the grant of a capital loan facility up to the sum of £1.95m for Coombe Abbey Park Ltd**
2. **Delegates authority to Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer) or nominated representative, following consultation with the Cabinet Member for Strategic Finance and Resources and the City Solicitor, to undertake all necessary due diligence and to finalise the terms and details of the loan arrangement and to thereafter manage the loan facility. The authority under this recommendation shall include the power to negotiate and agree variations to the terms of the loan facility.**

- 3. Approves the addition of £1.95m to the Councils approved capital programme for the purposes of a capital loan facility to Coombe Abbey Park Ltd, financed from capital receipts.**

(Meeting closed at 3.05 pm)

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**A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of an organisation**

Cabinet  
Council

2<sup>nd</sup> Oct 2018  
16<sup>th</sup> Oct 2018

**Name of Cabinet Member:**

Cabinet Member for Strategic Finance – Cllr John Mutton

**Directors Approving Submission of the report:**

Deputy Chief Executive (Place)

**Ward(s) affected:**

None

**Title:**

Coombe Abbey Park Ltd – Capital Financing and Country Park investment

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**Is this a key decision?**

Yes – as the total facility is in excess of £1m.

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**Executive Summary:**

In December 2017 the City Council purchased 100% of the shares in Coombe Abbey Park Ltd (CAPL), the operator of Coombe Abbey Hotel.

Following the purchase the City Council has explored greater joined up working between CAPL and the City Council. The three proposals from this work are:

1. How CAPL and the management of Coombe Abbey Country Park, which surrounds the hotel can be better partnered.
2. How CAPL raises funds for capital projects in the Hotel. Including the financing of the Hotel's on-going capital programme.

This report seeks approval to proceed with an investment into Coombe Abbey Country Park and CAPL on a commercial arms length basis.

**Recommendations:**

Cabinet is requested to:

- 1) Delegate authority to the Deputy Chief Executive (Place) to enter into a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry

- 2) Delegate authority to the Deputy Chief Executive (Place) to negotiate and agree the terms of a lease with Coombe Abbey Park Ltd to facilitate the building of a high wires assault course for Coventry.
- 3) Delegate authority to the Deputy Chief Executive (Place) to enter into a lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake refurbishment works up to the value of £20k to the property to bring up to lettable standard.
- 4) Deputy Chief Executive (Place) to negotiate and agree terms of the lease and licence with Coombe Abbey Park Ltd on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park.
- 5) Recommend to Council that it:
  - a) Approves in principle the grant of a capital loan facility up to the sum of £1.95m for Coombe Abbey Park Ltd
  - b) Delegate authority to Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer) or nominated representative, following consultation with the Cabinet Member for Strategic Finance and Resources and the City Solicitor, to undertake all necessary due diligence and to finalise the terms and details of the loan arrangement and to thereafter manage the loan facility. The authority under this recommendation shall include the power to negotiate and agree variations to the terms of the loan facility.
  - c) Approves the addition of £1.95m to the Councils approved capital programme for the purposes of a capital loan facility to Coombe Abbey Park Ltd, financed from capital receipts

Council is requested to:

- 1) Approve in principle the grant of a capital loan facility up to the sum of £1.95m for Coombe Abbey Park Ltd
- 2) Delegate authority to Deputy Chief Executive (Place) and the Director of Finance and Corporate Services (Section 151 Officer) or nominated representative, following consultation with the Cabinet Member for Strategic Finance and Resources and the City Solicitor, to undertake all necessary due diligence and to finalise the terms and details of the loan arrangement and to thereafter manage the loan facility. The authority under this recommendation shall include the power to negotiate and agree variations to the terms of the loan facility.
- 3) Approve the addition of £1.95m to the Councils approved capital programme for the purposes of a capital loan facility to Coombe Abbey Park Ltd, financed from capital receipts

**List of Appendices included:**

None

**Other useful background papers:**

None

**Has it been or will it be considered by Scrutiny?**

No

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

No

**Will this report go to Council?**

Yes

**1. Context (or background)**

- 1.1 Following City Council's purchase of Coombe Abbey Park Ltd (CAPL) the operator of Coombe Abbey Hotel (CAH) your officers have been reviewing a variety of different projects to increase partnering between CAPL and the wider City Council.
- 1.2 This report considers three proposals, and seeks approval to progress.
- 1.3 **Project 1 – Provision of a Capital Loan Facility to CAPL:**
- 1.4 Historical CAPL capital purchases have been funded from a mixture of revenue and finance leasing. For example, when the hotel replaced its main boiler plant in 2016 the company capitally leased these over a period of five years, avoiding the need to finance a large purchase from their revenue stream. Whilst the revenue stream in CAPL could withstand such a purchase it would have reduced the cash in the business that was available to distribute to shareholders at the year end.
- 1.5 Since the City Council purchased CAPL in December 2017, the budgeted capital programme has continued to be funded from revenue generated from the business. However, a number of these purchases would historically have been capitally leased to in order to maintain higher cash level in the business to enable a sustainable distribution to the shareholders.
- 1.6 Now that CAPL is 100% in the ownership of the City Council, there is an opportunity for the City Council to provide a capital loan facility to CAPL on a commercial basis rather than CAPL obtaining these facilities on the open market.
- 1.7 The City Council refinanced CAPL on 29<sup>th</sup> November 2013 with a loan which is repayable over 15 years ending in November 2028. CAPL continues to service this debt from its existing revenue streams under the City Council's ownership, and the securities from this loan remain in place for a further 10 years.
- 1.8 It is proposed that a maximum facility of £1.95.m is made available to CAPL over the next 10 years, this period is in line with the City Council's existing loan facilities to CAPL. The new £1.95 million facility will ensure that appropriate security is obtained in order to protect the Council.
- 1.9 Upon first use, a one off arrangement fee of £15k would be payable from CAPL to the City Council. Monies advanced to CAPL would be subject to interest rate based on commercial rates, and all drawdowns will repayable by the Term of the Loan (10 years).
- 1.10 **Project 2 –Enter into a lease to enable a high wire assault course to be built at CAPL:**
- 1.11 Coombe Country Park, whilst owned and operated by the City Council sits within the planning authority of Rugby Borough Council.
- 1.12 Within the Coventry boundary, the updating and establishment of play areas and parks is primarily funded from S106 contributions and grant monies obtained by the City Council and/or friends groups.



- 1.13 Whilst hugely popular with Coventry residents, no formal friends group exists for Coombe Country Park. Also S106 money raised in Coventry cannot be spent in Rugby Borough Council's area. Therefore, the funding of new facilities in Coombe Country Park has to come from a limited parks budget or through more innovative schemes. As a City Council we welcome opportunity for park development that returns a revenue to the city.
- 1.14 An opportunity has arisen for CAPL to build a high wire assault course and tree top experience in Coombe Country Park.
- 1.15 CAPL have been in dialogue with a supplier of tree top high wire assault courses. A provisional deal has now been reached where CAPL will enter into an agreement with the supplier to deliver a high wire facility in Coombe Abbey Country Park.
- 1.16 CAPL will pay a rent to the Council on the park land required for the development of the high wires assault course, such rent will comply with obligations of S123 LGA 1972 to achieve best consideration.

**Project 3 – Enter into a lease with CAPL will on the existing catering space in Top Pool Lodge to establish a second café for Coombe Country Park and undertake de minimis works to the property before doing so.**

- 1.17 The high wires course which is proposed above will result in an increase in numbers of people attending the Park, so an opportunity has arisen for CAPL to establish a second café for Coombe Country Park in order to cater for the additional demand.
- 1.18 CAPL will pay a rent to the Council for the lease and licence to establish a second café, such rent will comply with obligations of S123 LGA 1972 to achieve best consideration.
- 1.19 Landlord works are required in order to bring the building up to a lettable standard and the cost of this is estimated at approximately £20k, payable by the Council from existing Parks budgets. The Tenant will then be responsible and incur the costs for fit out as part of the tenant obligations.

**2. Options considered and recommended proposal**

- 2.1 Two options have been considered in reaching the recommendations above for each project.
- 2.2 **Project 1 – Provision of a Capital Loan facility to CAPL:**
- 2.3 **Option 1 (Not recommended)** – is to not provide a capital loan facility to CAPL. The City Council would then not benefit from the additional revenue stream.
- 2.4 **Option 2 (recommended)** – to provide a capital loan facility to CAPL. This will provide an additional revenue stream for the Council due to the interest repayments and the arrangement fee.
- 2.5 **Project 2 & 3 – Provision of a lease to CAPL for the high wire assault course and catering space:**
- 2.6 **Option 1 (Not recommended)** – is to not enter into lease agreements with CAPL to establish a high wires assault course and catering lease in Coombe Abbey Park. This option would see the potential loss of leisure and catering facilities for Coventry and surrounding area and the financial benefits that would accrue for CAPL, plus a loss of rental income to the Council from CAPL for the land leases.

- 2.7 **Option 2 (recommended)** – to enter into lease and financing agreements with CAPL to establish a high wires assault course and catering lease in Coombe Abbey Park. This option will see the development of potential leisure facility for Coventry and surrounding and provide a rental income to the City Council.

### 3. **Results of consultation undertaken**

Initial pre-application planning consultation has been undertaken by the hire wire assault course supplier with local residents, Rugby Borough Council, and Brinklow Parish Council on the establishment of a high wire course at Coombe Country Park.

No consultation has taken place on the establishment of capital loan facility for CAPL.

### 4. **Timetable for implementing this decision**

Planning determination is due in early October 2018. On positive determination, it is anticipated that construction works could commence in November 2018 with estimated completion during January 2019.

The opening of the Café at Top Pool would coincide with the opening of the high wires assault course.

The CAPL capital loan facility would be available from the 1<sup>st</sup> November 2018.

### 5. **Financial implications**

#### **Proposal for a Capital Loan Facility for CAPL of £1.95m**

The report proposes making available to CAPL, a capital loan facility to enable them to finance their capital expenditure over a period up to the life of the asset, rather than them seeking finance from the open money market or financing capital spend from revenue, and adversely impacting on the level and/or sustainability of dividends payable to the Council as shareholder.

The City Council refinanced CAPL on 29<sup>th</sup> November 2013 which is repayable over 15 years ending in November 2028. CAPL continues to service this debt from its existing revenue streams under the City Council's ownership, and the securities from this loan remain in place for a further 10 years.

It is being proposed that the facility would have a ceiling of £1.95m and be made available on commercial terms to CAPL over the next 10 years in line with the City Council's existing loan facilities to CAPL.

After a one off arrangement fee of £15k will be payable to the City Council, monies would be advanced to CAPL and all drawdowns would be repayable within the life of the asset financed, and no later than the Term of the Loan facility (10 years). The interest rate for the overarching facility will be on a commercial basis subject to further due diligence ensuring compliance with State Aid.

The facility provides financial planning certainty to CAPL rather than taking out individual loans against each capital purchase of assets. In addition this provides a financial benefit and revenue return to the Council when compared to current returns achievable on the money market.

Arrangements will be put in place to confirm the appropriateness of each proposed draw down from the facility including the robustness of any business case based investment. Should the Council not be satisfied (acting reasonably), it will have the right to refuse advances to CAPL from the capital loan facility.

Should the proposals proceed, then the income from the lease for the land and café lease would also be a direct benefit for the City Council

As the loan facility is proposed for capital financing purposes, the approval of such a facility will require the additional of £1.95m to the capital programme. As annual repayment of advances would be treated as capital receipts, it is proposed that the initial funding is also from capital receipts

Funding for the £20k improvements to the Top Pool lodge will be identified from existing Parks revenue resources

## 6. Legal implications

### 6.1 Powers

6.1.1. Under Section 12 of the Local Government Act 2003 the Council has a specific power to invest. The power states "a local authority may invest for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs". This provides the Council with a power to invest in Coombe Abbey Park Limited, for any purpose relevant to its functions (this function would have to be identified) or if the Council can show it is for the prudent management of its financial affairs. Under section 1 of the Localism Act 2011, the Council also has a power "to do anything that individuals generally may do" (the "General Power of Competence"). "Individual" means an individual with full capacity. The General Power of Competence gives the Council:

- i. power to do a thing anywhere in the United Kingdom or elsewhere,
- ii. power to do it for a commercial purpose or otherwise for a charge, or without charge, and
- iii. power to do it for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.

### State Aid

6.1.2. Article 107 (1) of the Treaty on the Functioning of the European Union ("**Treaty**") states "*...any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market.*"

6.1.3. The Treaty does not define in any more detail what constitutes state aid. However, the term has been interpreted to include the provision of grants, loans on favourable terms, the transfer of assets at less than the market rate, and tax advantages. Not all state aid is unlawful, and it is possible to justify some types of financial assistance under pre - approved mechanisms.

6.1.4. It is possible that a third party (and/or European Commission) who has not received state aid could bring legal proceedings in the UK courts for damages. Such a claim could, for example, be brought by a competitor who feels it has suffered loss because it has not been given aid.

6.1.5. A recipient can be ordered to repay all aid received over a ten-year period if the European Commission finds it has been provided unlawfully. It is no defence that repayment may force the recipient into insolvency.

6.1.6. Market Economy Investor Principle ("MEIP") can provide an appropriate mechanism to potentially justify aid to any third party following the Council's loan. A Loan does

not automatically constitute state aid if the Council carries out prior due diligence that demonstrates that investments are likely to generate sufficiently high returns and that a private prudent investor would have made the same investment. i.e the Council can invest in the proposal in return for an appropriate commercial return which would satisfy the expectations of a private prudent investor.

6.1.7. The risk of state aid is not dependent upon whether the financial return is actually ever achieved by the Council, as whether state aid exists or not is assessed at the time of the funding advanced, but there must be a realistic prospect of the financial return being achieved by the Council.

6.1.8. The Council is complying with EU State aid law as the transaction is being undertaken upon arms' length terms and will comply with the MEIP principle, meaning that no benefit is conferred on the vendor and there is no distortion to competition. It is important that Coombe Abbey Park Limited is to be treated as commercially at arm's length.

## **Procurement**

6.1.9. The Council is not purchasing any services, goods or works as part of the transaction, and so the Public Contracts Regulations 2015 and the Council's contract procedure rules will not apply.

## **Best Consideration**

6.1.10. The Council has the general power under section 123(1) of the Local Government Act 1972 to dispose of land and property in any manner it wishes. The Secretary of State's consent is not required provided the disposal is for the best consideration that can reasonably be obtained. The leases entered into will discharge this obligation.

## **7. Other implications**

### **7.1 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 provision of a high wires assault course at Coombe Country Park will increase the leisure offer to both Coventry residents and tourists visiting the City. As well as providing a further opportunity for resident to take part in fun physical exercise.

The provision of a capital loan facility for CAPL will provide an additional revenue stream to the City Council.

### **7.2 How is risk being managed?**

The risk of providing the capital loan scheme for CAPL will be managed through the City Council's treasury management process. Appropriate security will be obtained as part of the legal arrangements put in place for the facility.

### **7.3 What is the impact on the organisation?**

None

### **7.4 Equalities / EIA**

The report recommendations do not affect the Council's policy, provision of any service or its statutory functions. It is not required to undertake an Equality Impact Assessment.

**7.5 Implications for (or impact on) the environment**

None

**7.6 Implications for partner organisations?**

None

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Place

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Michelle Salmon	Governance Services Officer	Place	11 <sup>th</sup> Sept 18	11 <sup>th</sup> Sept 2018
Grant Mckelvie	Commercial Business Director	Place	5 <sup>th</sup> Sept 18	5 <sup>th</sup> Sept 18
<b>Names of approvers for submission:</b> (officers and members)				
Gail Quinton	Deputy Chief Executive	People	7 <sup>th</sup> Sept 18	10 <sup>th</sup> Sept 18
Phil Helm	Finance Manager	Place	5 <sup>th</sup> Sept 18	5 <sup>th</sup> Sept 18
Gurbinder Singh Sangha	Corporate and Commercial Lawyer – Legal Services	Place	5 <sup>th</sup> Sept 18	5 <sup>th</sup> Sept 18
Councillor J Mutton	Cabinet Member for Strategic Finance and Resources	-	7 <sup>th</sup> Sept 18	7 <sup>th</sup> Sept a8

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Cabinet Member for Policing and Equalities  
Council

8 October 2018  
16 October 2018

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities—Cllr Abdul Khan

**Director Approving Submission of the report:**

Director of Finance and Corporate Services

**Ward(s) affected:**

**Not applicable**

**Title:** Monitoring Officer Protocol

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**Is this a key decision?**

No

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**Executive Summary:**

At its meeting on 26 July 2018, the Ethics Committee approved a draft Monitoring Officer's Protocol. The Protocol is attached at the Appendix to this report. The members of the Constitutional Advisory Panel have also been consulted about the contents of the protocol and have approved it for consideration by the Cabinet Member and then by full Council.

**Recommendations:**

The Cabinet Member is recommended to:

- (1) Approve the draft Monitoring Officer Protocol; and
- (2) Recommend to full Council that it approves the Protocol and agrees to its being included in the Constitution.

Full Council is recommended to:

- (1) Approve the Protocol and agree to its being included in the Constitution.

**Appendix included: Draft Monitoring Officer Protocol**

**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?**

Yes, it will be considered by full Council

**Will this report go to Council?**

Yes



## **Report title: Draft Member/Officer Protocol**

### **1. Context (or background)**

- 1.1 At its meeting on 15 July 2016 the Ethics Committee resolved that the then Acting Monitoring Officer be requested to draft a Monitoring Officer Protocol for its consideration.
- 1.2 The decision to draft a Monitoring Officer Protocol arose from the Committee's consideration of public interest reports issued in connection with two other councils. The Acting Monitoring Officer at that time undertook a review of governance matters raised by these two reports to ensure that appropriate checks and balances were in place in Coventry. Many of the actions criticised in the two reports arise from a 'blurring of the lines' between Officers and Members, inappropriate behaviour by members towards Officers and a lack of arrangements in place to deal with such issues. Whilst there were, and are, no particular areas of concern in Coventry, the lack of any arrangements to deal with issues if they occurred could result in an erosion of ethical standards.
- 1.3 Such arrangements are typically set out in Member/Officer Relations Protocol and a Monitoring Officer Protocol. Such protocols are considered to be good practice.
- 1.4 A Monitoring Officer Protocol is beneficial as it sets out for both members and officers the roles and responsibilities of the Monitoring Officer, what resources should be available to the Monitoring Officer and how they will discharge those duties. It also sets out what is expected of members and other officers in terms of keeping the Monitoring Officer informed to ensure the effective and efficient discharge of their roles and responsibilities.

### **2. Options considered and recommended proposal**

#### **Option 1: Consider and Approve the Draft Protocol (recommended)**

- 2.1 The draft Protocol is attached at the Appendix to this report. It has been drafted both to reflect current practices within the Council and best practice in other local authorities. It includes revisions made by members of the Ethics Committee and Independent Persons following informal consultation after the Committee's meeting on 29 March. The draft Protocol was approved by Ethics Committee on 26 July 2018 and approved by members of the Constitutional Advisory Panel.
- 2.2 The Protocol sets out the statutory responsibilities of the Monitoring Officer and how those will be discharged. It is partly a statement of current practice and convention. In some respects, however, it seeks to promote greater clarity and certainty. In particular, it makes it clear that the Monitoring Officer can only fulfil their statutory functions with the assistance and co-operation of members and other officers.
- 2.3 The Protocol outlines working arrangements including:
  - Access to resources
  - Access to information
  - The relationship between the Monitoring Officer, other statutory officers, leading members and external bodies
  - Standards matters
  - The Constitution

Monitoring and periodic review of the Protocol is the responsibility of the Monitoring Officer.

- 2.4 If the Cabinet Member is minded to approve the Protocol (with or without amendments), it would need to be considered by full Council before being incorporated into the Constitution.

## 2.5 Recommendation

The Cabinet Member is recommended to:

- (1) Approve the draft Monitoring Officer Protocol; and
- (2) Recommend to full Council that it approves the Protocol and agrees to its being included in the Constitution.

Full Council is recommended to:

- (1) approve the Protocol and agree to its being included in the Constitution.

## Option 2: Do nothing (not recommended)

- 2.6 The Council is not required by law to have a Monitoring Officer Protocol. If the Cabinet Member could decide not to pursue this matter. However, officers are strongly of the view that having a formal Protocol will assist both members and officers in understanding the roles and responsibilities of the Monitoring Officer and in setting clear standards which will help to maintain excellent working relationships.

## 3. Results of consultation undertaken

The protocol has been considered and approved by the Ethics Committee and members of the Constitutional Advisory Panel.

## 4. Timetable for implementing this decision

- 4.1 The decision will be implemented as soon as it has been through the procedure for making changes to the Constitution.

## 5. Comments from Director of Finance and Corporate Services

### 5.1 Financial implications

There are no specific financial implications arising from the recommendations within this report.

### 5.2 Legal implications

There are no specific legal implications arising from this report, as there is no statutory obligation on the Council to have a Monitoring Officer Protocol, although it is recommended as it assists both officers and members in understanding the role, what is expected of them and what they can expect in return from the Monitoring Officer. The approval of a Monitoring Officer Protocol assists in compliance for the Council as a whole, in its duty to promote high standards of ethical conduct.

## 6. Other implications

None

**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)?**

Not applicable

**6.2 How is risk being managed?**

There is no direct risk to the organisation as a result of the contents of this report.

**6.3 What is the impact on the organisation?**

**6.4 Equalities / EIA**

**6.5**

There are no public sector equality duties which are of relevance at this stage.

**6.5 Implications for (or impact on) the environment**

None

**6.6 Implications for partner organisations?**

None at this stage

**Report author(s): Carol Bradford**

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**Directorate:** Place Directorate

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Suzanne Bennett	Governance Services	Place	26.09.18	
<b>Names of approvers for submission: (officers and members)</b>				
Finance: Graham Clark		Place	10.07.18	10.07.18
Legal: Julie Newman	City Solicitor and Monitoring Officer	Place	10.07.18	11.07.18
Barry Hastie	Director of Finance and Corporate Services	Place	10.07.18	10.7.18

Councillor Walsh	Chair, Ethics Committee		10.07.18	10.07.18
Councillor A Khan	Cabinet Member for Policing and Equalities		27.09.18	27.09.18

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## **Appendix 1: Draft Monitoring Officer Protocol**

### **1. STATUTORY RESPONSIBILITIES**

- 1.1 The Monitoring Officer is a statutory appointment under the provisions of Section 5 of the Local Government and Housing Act 1989. This Protocol provides guidance on how the duties of the Monitoring Officer will be carried out at Coventry City Council.
- 1.2 The role of the Monitoring Officer is assigned to the Legal Services Manager under the provisions of the Constitution. The Monitoring Officer may appoint a Deputy Monitoring Officer.
- 1.3 A summary of the Monitoring Officer's responsibilities are set out more fully in the Table set out at the end of this Protocol.

These duties will be carried out in accordance with the Council's Constitution, legislative requirements and relevant Government guidance. The Monitoring Officer's ability to carry out these duties and responsibilities effectively will depend upon the proactive assistance and co-operation of Members and Officers:

- (i) complying with the law and relevant Codes of Conduct;
- (ii) complying with any general guidance, codes or protocols issued by the Ethics Committee and the Monitoring Officer;
- (iii) making lawful and proportionate decisions;
- (iv) not taking action that would bring the Council, their offices or professions into disrepute.

### **2. WORKING ARRANGEMENTS**

- 2.1 The Monitoring Officer will promote effective working relations with Members and Officers to advance good governance, the highest standards of ethical behaviour, as set out in the Seven Principles of Public Life (the "Nolan Principles", first formulated by the Committee on Standards on Public Life in 1995) and the effective discharge of the Monitoring Officer's statutory duties. A speedy flow of relevant information and access to debate, particularly at the early stages of any decision-making by the Council, is central to fulfilling those responsibilities. Members and Officers are required to work with the Monitoring Officer (and relevant staff) to this end.
- 2.2 The following arrangements and understandings between the Monitoring Officer, Members, the Head of Paid Service, the Section 151 Officer and Officers are designed to ensure the effective discharge of the Council's business and functions.

### *Resources*

2.3 The Monitoring Officer will:

- (i) report to the Council, as necessary, on the staff, accommodation and resources s/he requires to discharge his/her statutory functions;
- (ii) have sufficient resources to enable him/her to address any matters concerning his/her functions as Monitoring Officer;
- (iii) have control of a budget sufficient to enable him/her to seek Counsel's opinion on any matter concerning his/her functions;
- (iv) appoint a deputy and keep the deputy briefed on any relevant issues that may be required to be dealt with in the absence of the Monitoring Officer.

### *Access to Information*

2.4 The Monitoring Officer will:

- (i) be informed by Members and Officers of any issue(s) that may become of concern to the Authority, including: issues relating to legal powers, ethical standards, probity, propriety, procedural or other constitutional issues that are likely to arise or have arisen;
- (ii) have advance notice (including receiving agendas, minutes, reports and related papers) of all relevant meetings of the Authority (including any meetings at which Officer delegated decisions are taken) at which a binding decision may be made (including a failure to take a decision where one should have been taken);
- (iii) have the right to attend (including the right to be heard at) any meeting of the Authority (including any meetings at which Officer delegated decisions are taken) before any binding decision is taken (including a failure to take a decision where one should have been taken);
- (iv) have access to the Strategic Management Board and receive advance notice of meetings, agenda and reports to those meetings, including the right to attend;
- (v) in carrying out investigation(s), have unqualified and unrestricted access to any information held by the Council and to any Officer who can assist in the discharge of his/her functions.

### *Relationships*

2.5 The Monitoring Officer will:

- (i) ensure the other two Statutory Officers (Head of Paid Service and the

Section 151 Officer) are kept up to date with relevant information regarding any legal, ethical standards, probity, propriety, procedural or other constitutional issues that are likely to arise or have arisen;

- (ii) meet as frequently as necessary with the Chief Executive (Head of Paid Service) and the Director of Finance and Corporate Services to consider and recommend action in connection with Corporate Governance issues and any legal, ethical standards, probity, propriety, procedural or other constitutional issues that are of concern, that are likely to arise or have arisen;
- (iii) develop a close working relationship of respect and trust with the Leader, Cabinet Members and Ethics Committee with a view to ensuring the effective and efficient conduct of Council business;
- (iv) develop an effective working relationship with the Council's Independent Persons, its external auditors and the Local Government Ombudsman (including having the authority, on behalf of the Council, to refer any breaches or give and receive any relevant information, whether confidential or otherwise, through appropriate protocols, if necessary);
- (v) in consultation, as necessary, with the Leader, Cabinet, Ethics Committee and the Council's Independent Persons, defer the making of a formal report under Section 5 of the Local Government and Housing Act 1989 where another investigative body is involved.

### *Standards Matters*

2.6 The Monitoring Officer will:

- (i) give informal advice and undertake relevant enquiries into allegations of misconduct and, if appropriate, make a written report to the Ethics Committee where, in the opinion of the Monitoring Officer, there is a serious breach of the Members' Code of Conduct, in accordance with the Council's Complaints Protocol;
- (ii) be responsible, on behalf of the Ethics Committee, for preparing any training programme for Members on ethical standards and Code of Conduct;
- (iii) carry out investigations into matters referred to him/her under the Council's Whistle Blowing Policy in respect of Members and arrange the conduct of hearings into allegations of breaches of the Code of Conduct.
- (iv) Maintain and keep up to date the Member's Registers of Interest and publish those registers along with those for parish councils within the city.

### *The Constitution*

2.7 The Monitoring Officer will regularly review and monitor operation of the Constitution, reporting changes as necessary through the agreed procedure for amending the Constitution.

### **3. MEMBER AND OFFICER RESPONSIBILITIES**

To ensure the effective and efficient discharge of the arrangements set out in paragraph 2 above, Members and Officers will report any breaches of statutory duty, Council policies or procedures and other constitutional concerns to the Monitoring Officer, as soon as practicable, who will keep the reporting Members/Officers informed as appropriate.

### **4. ADVICE**

The Monitoring Officer is available for Members and Officers to consult on any issues relating to the Council's legal powers, possible maladministration, impropriety and probity issues, or general advice on the constitutional arrangements (e.g. Council Procedure Rules, Policy Framework, Terms of Reference and Scheme of Delegation etc.).

### **5. MONITORING THE PROTOCOL**

The Monitoring Officer will monitor the arrangements set out in the Protocol to ensure that they have been complied with. S/he will report to the Ethics Committee if s/he thinks that amendments are necessary in the light of any issues that have arisen during the year.

### **6. CONFLICTS AND INTERPRETATION**

- 6.1 Where the Monitoring Officer has received a complaint or is aware of an event which may lead to him/her issuing a statutory report, relating to a matter upon which s/he has previously advised the Council, s/he shall consult the Chief Executive who may then either refer the matter to the Deputy Monitoring Officer for investigation and report to the Chief Executive, or ask a neighbouring authority to make their Monitoring Officer available to investigate the matter and report to the Chief Executive and/or the authority as appropriate.
- 6.2 Questions of interpretation of this guidance will be determined by the Monitoring Officer.



## 7. SUMMARY OF FUNCTIONS

	<b>Description</b>	<b>Source</b>
<b>1</b>	Report on contraventions or likely contraventions of any enactment or rule of law.	Ss5 and 5A, Local Government and Housing Act 1989
<b>2</b>	Report on any maladministration or injustice where the Ombudsman has carried out an investigation.	Ss5 and 5A, Local Government and Housing Act 1989
<b>3</b>	Appointment of a Deputy.	S5, Local Government and Housing Act 1989
<b>4</b>	Report on the sufficiency of resources.	S5, Local Government and Housing Act 1989
<b>5</b>	Establish and maintain the Register of Members' Interests, and declarations of gifts and hospitality received.	S28 , Localism Act 2011 and Code of Conduct for Elected and Co-opted Members
<b>6</b>	Receive copies of certificates under the Local Authorities (Contracts) Regulations 1997.	Local Authorities (Contracts) Regulations 1997
<b>7</b>	Maintain, monitor and review the Constitution.	S9P Local Government Act 2000 and the Constitution
<b>8</b>	Support the Ethics Committee and promote and maintain high standards of conduct with particular reference to the Council's approved Code of Conduct for Elected and Co-opted Members.	S27 Localism Act 2011 and Code of Conduct for Elected and Co-opted Members
<b>9</b>	Conduct investigations into alleged misconduct.	S28 Localism Act 2011 and the Complaints Protocol
<b>10</b>	Consult with the Head of Paid Service and the Chief Finance Officer on issues of lawfulness and decision making.	Constitution
<b>11</b>	Advise whether executive decisions are within the budget and policy framework.	Constitution
<b>12</b>	Advise on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity, budget and policy framework issues to all Members.	Constitution

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**Council – 16 October, 2018  
Item 10  
Recommendation from Cabinet  
Member for Policing and  
Equalities - 8 October, 2018**

**Coventry City Council  
Minutes of the Meeting of Cabinet Member for Policing and Equalities  
held at 3.30 pm on Monday, 8 October 2018**

Present:

Members: Councillor A S Khan (Cabinet Member for Policing and Equalities)

Employees (by Directorate):

Place: S Bennett, J Newman

Apology: Councillor P Akhtar (Deputy Cabinet Member for Policing and Equalities)

**RECOMMENDATION**

**16. Monitoring Officer Protocol**

The Cabinet Member for Policing and Equalities considered a report of the Director of Finance and Corporate Services which indicated that, at its meeting on 26 July, 2018, the Ethics Committee approved a draft Monitoring Officer's Protocol, a copy of which was appended to the report. The Members of the Constitutional Advisory Panel had also been consulted on the contents of the Protocol.

The decision to draft a Monitoring Officer Protocol had arisen from the Ethics Committee's consideration of public interest reports issued in connection with two other Councils. The report indicated that a Monitoring Officer Protocol is beneficial as it sets out for both members and officers the roles and responsibilities of the Monitoring Officer, what resources should be available to the Monitoring Officer and how they will discharge those duties. It also sets out what is expected of Members and other officers in terms of keeping the Monitoring Officer informed to ensure the effective and efficient discharge of their roles and responsibilities. Such Protocols are considered to be good practice.

The draft Protocol had been drafted both to reflect current practices within the Council and best practice in other local authorities and sets out the statutory responsibilities of the Monitoring Officer and how those will be discharged. It is partly a statement of current practice and convention. In some respects, however, it seeks to promote greater clarity and certainty. In particular, it makes it clear that

the Monitoring Officer can only fulfil their statutory functions with the assistance and co-operation of Members and Officers.

The Protocol outlines working arrangements including:-

- Access to resources
- Access to information
- The relationship between the Monitoring Officer, other statutory officers, leading members and external bodies
- Standards matters
- The Constitution

The monitoring and review of the Protocol is the responsibility of the Monitoring Officer.

**RESOLVED that the Cabinet Member for Policing and Equalities recommends that the City Council approves the draft Monitoring Officer Protocol as attached to the report submitted and agrees to its inclusion in the Constitution.**

(Meeting closed at 3.45 pm)



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**A separate report is submitted in the private part of the agenda in respect of this item as it contains details of individuals required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to individuals. The Recommendations to Council on 16 October will be in public, detailing the nominees for the Awards.**

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities  
Councillor A Khan  
Council

8 October, 2018

16 October, 2018

**Director Approving Submission of the report:**

Deputy Chief Executive, Place

**Ward(s) affected:** None

**Title:**

**The Coventry Award of Merit**

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**Is this a key decision?**

No

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**Executive Summary:**

The Coventry Award of Merit was established by the City Council in the 1960s as a means of acknowledging and honouring personal behaviour reflecting the highest ideals of citizenship or outstanding performance in any field of human endeavour which enhances the good name of Coventry and affords inspiration to its citizens. The grant of the Award of Merit is made by full Council on the recommendation of Cabinet Member for Policing and Equalities, who is advised by a panel established for the purpose. Nominations can be received from any organisation or individual. A number of nominations have been received by the City Council for the Coventry Award of Merit from a variety of sources. The nominations were considered by the all-party Advisory Panel at its meeting on 25 September, 2018, the membership of which includes the Honorary Recorder and the Lord Mayor.

The Cabinet Member for Policing and Equalities is requested to consider the nominations in light of the advice of the Coventry Award of Merit Advisory Panel. A corresponding private report details the nominations recommended for approval by the Advisory Panel. The recommendations that are submitted to the Council Meeting will be in public detailing the nominees for the Award.

**Recommendations:**

The Cabinet Member for Policing and Equalities is recommended to:

Consider the advice from the meeting of the Cabinet Member for Policing and Equalities Coventry Award of Merit Advisory Panel held on 25 September, 2018 and make recommendations to Council accordingly.

Council is recommended to:

Approve the recommendations of the Cabinet Member for Policing and Equalities and grant the Coventry Award of Merit to the recipients recommended by the Cabinet Member for Policing and Equalities.

**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?**

Yes - Cabinet Member for Policing and Equalities (Coventry Award of Merit) Advisory Panel – 25 September, 2018

**Will this report go to Council?**

Yes – 16 October, 2018

## **Report title:**

### **The Coventry Award of Merit**

#### **1. Context (or background)**

- 1.1 The Coventry Award of Merit was established by the City Council in the 1960s as a means of acknowledging and honouring personal behaviour reflecting the highest ideals of citizenship or outstanding performance in any field of human endeavour which enhances the good name of Coventry and affords inspiration to its citizens.
- 1.2 Any person, company or other organisation shall be eligible for consideration for the Coventry Award of Merit who has:-
- Rendered outstanding service to the City of Coventry in service to the local community.
  - By outstanding personal effort in the field of sport, industry, government or the arts, brought particular renown to the City of Coventry.
  - Made an outstanding contribution to the national life or in international affairs in any field of human activity in a manner which has brought credit upon the City of Coventry.
  - By personal example of courage or devotion to duty and service to others, demonstrated the highest ideals of citizenship.
- 1.3 The Award has previously taken the form of a citation under the common seal together with a presentation of a gold medallion pendant from a ribbon in the City's colours. The motif on the medallion is the phoenix, symbolising the resurgence of Coventry from the flames of the Blitz.
- 1.4 The Advisory Panel is made up of the following members:
- Cabinet Member for Policing and Equalities, Councillor A Khan (Chair)
  - Cabinet Member for Strategic Finance and Resources, Councillor J Mutton
  - Shadow Cabinet Member for Policing and Equalities, Councillor A Andrews
  - Chair of Scrutiny Co-ordination Committee, Councillor T Khan, (or his representative)
  - The Lord Mayor, ex officio, Councillor J Blundell
  - The Council's Honorary Recorder, His Honour Judge A Lockhart QC
- 1.5 The Advisory Panel met on 25 September, 2018 to advise the Cabinet Member for Policing and Equalities on possible recipients of the Award.
- 1.6 The Cabinet Member for Policing and Equalities will consider the advice from the Panel and make recommendations to Council for approval at the Council meeting on 16 October, 2018.

- 1.7 The Panel noted that where the Cabinet Member was minded to accept its advice that he would have to consult the proposed recipient of the Award prior to presenting proposals for approval to full Council on 16 October, 2018. It was recommended that pending such consultation that the nominations should remain confidential.

## **2. Options considered and recommended proposal**

- 2.1 Cabinet Member is recommended to endorse the view that confidentiality should be maintained pending reporting to the full Council meeting.

## **3. Results of consultation undertaken**

- 3.1 The Cabinet Member consulted the Advisory Panel on 25 September, 2018 and will consider its advice in making his recommendations to Council.

## **4. Timetable for implementing this decision**

- 4.1 The Cabinet Member for Policing and Equalities will consider recommendations from the Coventry Award of Merit Advisory Panel and will then make recommendations regarding recipients to the City Council for approval at their meeting on 16 October, 2018.
- 4.2 Following the decision of Council on 16 October, 2018 suitable arrangements will be made for an Awards Ceremony should the Council approve recipients of the Awards.

## **5. Comments from the Director of Finance and Corporate Services**

- 5.1 Financial implications  
As in previous years the costs associated with the Ceremony and the Awards will be met from within the existing budget of the Lord Mayor's Hospitality Budget.
- 5.2 Legal implications  
There are no legal implications associated with this decision.

## **6. Other implications**

None

### **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)?**

One of the Council's key priorities is to develop a strong sense of civic pride across the city. These awards give recognition to individuals or organisations that have rendered outstanding service to the city and promote civic pride.

### **6.2 How is risk being managed?**

None identified.



**6.3 What is the impact on the organisation?**

These Awards enhance and promote the reputation of the Council and the City of Coventry

**6.4 Equalities / EIA**

There are no EIA implications

**6.5 Implications for (or impact on) the environment**

None.

**6.6 Implications for partner organisations?**

None.

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

Suzanne Bennett, Governance Services Co-ordinator

**Directorate:**

Place

**Tel and email contact:**

Extension 3072 – Suzanne.bennett@coventry.gov.uk

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Adrian West	Members and Election Team Manager	Place	17/09/18	28/09/18
Jane Barlow	Principal Private Secretary to the Lord Mayoralty	Place	17/09/18	17/09/18
<b>Names of approvers for submission:</b> (officers and members)				
Finance: Graham Clark	Lead Accountant, Finance	Place	17/09/18	18/09/18
Legal: Julie Newman	City Solicitor and Monitoring Officer	Place	17/09/18	17/09/18
Director: Barry Hastie	Director of Finance and Corporate Services	Place	17/09/18	17/09/18
Deputy Chief Executive: Martin Yardley	Deputy Chief Executive, Place	Place	26/09/18	28/09/18
Members:	Councillor A Khan	Cabinet Member for Policing and Equalities	26/09/18	27/09/18

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**Council – 16 October, 2018  
Item 11  
Recommendation from Cabinet  
Member for Policing and  
Equalities - 8 October, 2018**

**Coventry City Council  
Minutes of the Meeting of Cabinet Member for Policing and Equalities  
held at 3.30 pm on Monday, 8 October 2018**

Present:

Members: Councillor A S Khan (Cabinet Member for Policing and Equalities)

Employees (by Directorate):

Place: S Bennett, J Newman

Apology: Councillor P Akhtar (Deputy Cabinet Member for Policing and Equalities)

**RECOMMENDATION**

**17. The Coventry Award of Merit**

The Cabinet Member for Policing and Equalities considered a public and private report of the Deputy Chief Executive (Place) which indicated that the Coventry Award of Merit was established by the City Council in the 1960s as a means of acknowledging and honouring personal behaviour reflecting the highest ideals of citizenship or outstanding performance in any field of human endeavour which enhances the good name of Coventry and affords inspiration to its citizens. The grant of the Award of Merit is made by full Council on the recommendation of Cabinet Member for Policing and Equalities, who is advised by an Advisory Panel established for the purpose. Nominations can be received from any organisation or individual and any person, company or organisation are eligible for consideration for the Award of Merit who has:-

1. Rendered outstanding service to the City of Coventry in service to the local community.
2. By outstanding personal effort in the field of sport, industry, government or the arts, brought particular renown to the City of Coventry.
3. Made an outstanding contribution to the national life or in international affairs in any field of human activity in a manner which has brought credit upon the City of Coventry.
4. By personal example of courage or devotion to duty and service to others, demonstrated the highest ideals of citizenship.

The Award has previously taken the form of a citation under the common seal together with a presentation of a gold medallion pendant from a ribbon in the City's colours. The motif on the medallion is the phoenix, symbolising the resurgence of Coventry from the flames of the Blitz.

A number of nominations have been received by the City Council for the Coventry Award of Merit from a variety of sources. The nominations were considered by the all-party Advisory Panel at its meeting on 25 September, 2018, the membership of which includes the Honorary Recorder and the Lord Mayor.

The corresponding private report detailed the advice of the Advisory Panel in relation to the proposed recipients of the Award. The Advisory Panel had also recommended that, where the Cabinet Member was minded to accept its advice that he would have to consult the proposed recipients prior to presenting proposals for approval to Council on 16 October, 2018 and therefore pending such consultation the nominations should remain confidential.

**RESOLVED that, having considered the advice from the Coventry Award of Merit Advisory Panel and having consulted with the proposed recipients, the Cabinet Member for Policing and Equalities recommends that the City Council grants the Coventry Award of Merit to:-**

- 1. Jane Frankish, Headteacher, Broad Heath Community Primary School**
- 2. Kerry Blakeman, former Chief Inspector of Police**
- 3. Roger Medwell DL, former Chairman and CEO of NP Aerospace, former Chair and current Vice Chair of Coventry Godiva Harriers and Chair of Culture Coventry**
- 4. Councillor George Duggins, Leader, Coventry City Council**

(Meeting closed at 3.45 pm)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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