

**Coventry City Council**  
**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 7 January 2020**

Present:

Members: Councillor G Duggins (Chair)  
Councillor A Khan (Deputy Chair)  
Councillor K Caan  
Councillor P Hetherton  
Councillor T Khan  
Councillor K Maton  
Councillor J Mutton  
Councillor M Mutton  
Councillor J O'Boyle  
Councillor P Seaman

Deputy Cabinet Members Councillor P Akhtar  
Councillor R Ali  
Councillor B Gittins  
Councillor G Lloyd  
Councillor D Welsh

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

Other Members: Councillor R Brown  
Councillor J Clifford  
Councillor J McNicholas  
Councillor K Sandhu  
Councillor R Singh  
Councillor C Thomas

Employees (by Directorate):

Chief Executive's M Reeves (Chief Executive)  
People G Quinton (Deputy Chief Executive (People)), N Hart  
Place M Yardley (Deputy Chief Executive (Place)), S Bennett,  
D, Blackburn, A Chowns, B Hastie, P Jennings,  
J Kilgallon, J Newman, R Sugars, A Walster, S Weir

Apologies: Councillor N Akhtar

## **Public Business**

### **65. Declarations of Interest**

Councillors R Ali, K Caan and A S Khan declared disclosable pecuniary interests in matters the subject of Minutes 67 (Additional Licensing in Coventry – Consultation Results) and 68 (Selective Licensing in Coventry – Consultation Results).

They left the meeting for consideration of these items.

66. **Minutes**

The Minutes of the meeting held on 10 December were agreed and signed as a true record.

There were no matters arising.

67. **Additional Licensing in Coventry – Consultation Results**

Further to Minute 96/18, the Cabinet considered a report of the Deputy Chief Executive (Place), which set out the results of consultation on Additional Licensing in Coventry.

The report indicated that the Housing Act 2004, Part 2, provided a discretionary power, subject to carrying out consultation, for Local Housing Authorities to licence all private landlords in a designated area with the intention of ensuring that Houses in Multiple Occupation (HMOs) meet a minimum standard of management.

On the 8<sup>th</sup> January 2019, the Cabinet authorised officers to proceed with a citywide 10-week consultation beginning on the 9<sup>th</sup> January 2019 and ending on 20<sup>th</sup> March 2019. The consultation was undertaken in the form of online questionnaires, ward drop in sessions, focus groups and Member meetings. There were a mix of responses but with the highest number being from landlords and residents. The responses highlighted a number of issues that both residents of HMOs experience and residents living alongside HMOs. There was a strong support for the introduction of an Additional Licensing scheme, the fee structure was considered reasonable and proportionate by the majority, likewise there was support to manage the licence period depending upon the compliancy of the particular landlord. There were some concerns around the legality of the fee structure and how the length of licence would be determined in practice. These have been considered and addressed with some recommended amendments. The full consultation results were set out at Appendix 2 of the report submitted. The report also provided a summary and analysis of the consultation results and further recommendations.

In addition, a petition bearing 14 signatures was received objecting to the Additional Licensing and was set out within the report. The petition organiser was invited to the meeting for the consideration of this matter, but did not attend. The petitioners were opposing the imposition of selective and additional licensing schemes and requested that the proposed licensing schemes be stopped.

It was proposed that a city wide Additional Licensing scheme be extended to all HMOs in the city (in all 18 wards) and would include all smaller multiple occupied properties not currently subjected to mandatory HMO licensing. This would serve to address all HMOs whatever the size and ensure a level playing field for the quality and management of them.

**RESOLVED that, the Cabinet:**

1. **Note the matters raised by the petitioners.**

2. **Having considered the consultation results attached at Appendix 2, request that Council approve the following: -**
- i. **Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all Houses in Multiple Occupation (HMOs), irrespective of the number of storeys, that contain three or four occupiers;**
  - ii. **Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all HMOs as defined under Section 257 of that Act where those HMOs are mainly or wholly tenanted, including those with resident landlords;**
  - iii. **That the designations in paragraphs i and ii above come into force on the 4th May 2020 for a period of 5 years;**
  - iv. **Designate the Deputy Chief Executive (Place) to sign the Coventry City Council Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2020 as attached at Appendix 7 in accordance with the provisions set out in 2M 3 of the Scheme of Delegations in the Council's Constitution.**
  - v. **Resolve to adopt the proposed fees and charges structure as attached at Appendix 4 and review those fees annually to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive; and**
  - vi. **Resolve to adopt the HMO Licensing Policy 2020 as attached at Appendix 3.**

68. **Selective Licensing in Coventry - Consultation Results**

Further to Minute 95/18, the Cabinet considered a report of the Deputy Chief Executive (Place), which set out the results of consultation on Selective Licensing in Coventry.

The report indicated that the Housing Act 2004, Part 3, provided a discretionary power, subject to carrying out consultation and approval of the appropriate national authority, for Local Housing Authorities to licence all private landlords in a designated area with the intention of ensuring that a minimum standard of management is met.

On the 8<sup>th</sup> January 2019, the cabinet authorised a city-wide 10 week consultation beginning on 9<sup>th</sup> January 2019 and ending on 20<sup>th</sup> March 2019. The consultation was undertaken in the form of on-line questionnaires, ward drop in sessions, focus groups and Member meetings. There were a mix of responses with the highest number being from landlords and residents. Notably, there was an even balance between those in support and those against introducing selective licensing. However, detailed investigation revealed the strength of the views conveyed more were in strong disagreement than those strongly supporting. Furthermore, a much

higher proportion of respondents disagreed that the fee structure was reasonable and proportionate. Notwithstanding, the response to the principle of the scheme was generally support for mechanisms within the proposed scheme which included fee reduction criteria, higher fees for non-compliant landlords, longer licences for compliant landlords and conditions around property condition and management. Generally there was a concern around how areas had been selected, the use of data from the 2011 Census, and, in particular Ward Councillors raised concern with some areas not being included where they considered there to be problems which brought the issue of out of date data into question further. The consultation results were set out in full in Appendix 2 of the report submitted.

It was noted that in April 2018, the Government Select Committee completed research which included evaluating Selective Licensing. More recently, in July 2019, the Government published findings from an independent review of the use and effectiveness of Selective Licensing Schemes. This review resulted in several recommendations which included looking at the criteria applied to engage validation by the Secretary of State for designations and the data sources used to specify the designated area. How the Government proposes to move forward is currently unknown. It is anticipated that changes to the current legislation will be implemented in due course. The report also provided a summary and analysis of the consultation results and a recommendation.

In addition, a petition bearing 14 signatures was received objecting to the Selective Licensing and was set out within the report. The petition organiser was invited to the meeting for the consideration of this matter, but did not attend. The petitioners were opposing the imposition of selective and additional licensing schemes and requested that the proposed licensing schemes be stopped.

It was proposed that officers keep Selective Licensing under review, alongside the implementation of the Additional Licensing scheme, until such time as the conclusions of the Independent Review of Selective Licensing are published by Government. Once the results are published, officers should be in a better position to apply a more accurate, up to date statistical assessment, using appropriate evidence that should also become available. As such, the non HMO private rented housing would continue to be managed using existing powers set out within the report. The Cabinet noted that if the Additional Licensing scheme is progressed as recommended, the team will increase and existing staff will be able to concentrate solely on the management of the non-HMO private rented housing using the relevant powers that already exist.

**RESOLVED that, the Cabinet:**

- 1. Note the matters raised by the petitioners.**
- 2. Having considered the consultation results attached at Appendix 2, request that Council approve the following: -**
  - a) That the proposed Selective Licensing scheme not be progressed at this time**

- b) That officers are instructed to review the conclusions of the Independent Review of Selective Licensing once these are published by Government and conduct an accurate, up to date statistical assessment, once appropriate evidence becomes available and report the findings to Cabinet at a future meeting.

69. **The 2020/21 Council Tax Base Report**

The Cabinet considered a report of the Deputy Chief Executive (Place), which established the 2020/21 Council Tax base for tax setting purposes.

The Council tax base was the measure of the taxable capacity of an area, for the purpose of calculating an authority's Council Tax. It represented the estimated number of Band D equivalent chargeable dwellings for the year. It also took into account the authority's estimated Council Tax collection rate.

The report made the necessary calculations in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 to establish the Council tax base for the City Council and its parishes. These regulations applied to financial years beginning 1<sup>st</sup> April 2013 onwards, and included the impact of the change from awarding Council Tax benefit to the introduction of a Council Tax Support Scheme (also known as the Council Tax Reduction Scheme).

The report did not set the actual level of Council Tax in Coventry, that would be set by Council on 25<sup>th</sup> February 2020.

**RESOLVED that, the Cabinet:**

1. **Approve that the Council Tax collection rate for 2020/21 be set at 98.3%.**
2. **Agree that, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amounts calculate by the City Council for 2020/21 shall be:**

**a net tax base of 83,905.5 for the whole of the City Council area made up as follows:**

<b>Allesley Parish</b>	<b>337.6</b>
<b>Finham Parish</b>	<b>1552.2</b>
<b>Keresley Parish</b>	<b>239.7</b>
<b>All Other Coventry City Council Wards</b>	<b><u>81,776.0</u></b>
<b>TOTAL</b>	<b>83,905.5</b>

3. **That the following grant payments should be made to parish councils to reflect the impact in 2020/21 of Council Tax reductions on their tax bases:**

<b>Allesley Parish</b>	<b>£895</b>
<b>Finham Parish</b>	<b>£2,983</b>
<b>Keresley Parish</b>	<b><u>£953</u></b>
<b>TOTAL</b>	<b>£4,831</b>

**70. Outcomes of Fair Funding Consultation 2020-2021**

The Cabinet considered a report of the Deputy Chief Executive (Place) that provided results of the consultation on proposed changes to the Fair Funding Scheme of Delegation (“the Scheme”) and seeks approval for recommended changes to the Scheme and the Fair Funding Formula.

Under Section 48 of the School Standards and Framework Act 1998, Local Authorities (LAs) are required to have schemes of delegation which set out the financial controls and arrangements that will operate between schools and the LA. Any proposed revisions to these schemes and / or Fair Funding Formula must be the subject of consultation and require approval by the Schools Forum.

The Department for Education (DfE) published the “Schools Revenue Funding 2020 to 2021: Operational Guide” which sets out the school revenue funding arrangements for 2020/21.

The DfE introduced its National Funding Formula (NFF) for LAs in 2018-19, whereby allocations for LAs were determined under the NFF approach, but LAs retained control over how they chose to distribute that funding amongst their schools. In Coventry the decision was made in 2018-19 and 2019-20 to mirror the NFF allocation for schools as far as possible as this provided all schools with a minimum 0.5% increase in funding per pupil.

The report indicated that there had not been any significant changes to the operation of the local school funding formula for 2020-21; with the main changes aimed at providing flexibility to allow LAs to deliver the Funding Floor (a net 1.84% per pupil funding increase compared with 2019-20) as set out in the NFF . It was proposed that corresponding changes be made to the funding formula and approval was sought of the Fair Funding Scheme of Delegation.

The consultation document was circulated on the 14<sup>th</sup> November 2019 to Head Teachers including Academy Head Teachers/Principals, Chairs of Governing Bodies, relevant Councillors, Trade Unions, Diocesan authorities, the Coventry Governors Association, members of the Schools Forum and Early Years Free Entitlement providers in the private, voluntary and Independent (PVI) sectors. The consultation period ended on 1st December 2019. This was a shorter consultation time than usual, as allowed by the DfE due to their delay in publishing some of the key funding information to LAs.

Stakeholder groups were briefed throughout the consultation period. These included Primary, Secondary and Special School Head Teacher Partnerships, Primary Finance representative head teachers, the Schools Trade Union representatives, and the Schools Forum. The consultation document also sought

to act as an information document to school stakeholders regarding anticipated local budget pressures. A summary of the responses to the consultation was provided at Appendix 1 of the report submitted.

**RESOLVED that, the Cabinet:**

- 1. Approve the recommended changes to the Fair Funding Formula and Fair Funding Scheme of Delegation, which were summarised in Section 3 of the report submitted.**
- 2. Delegate authority to the Cabinet Member and Director of Education and Skills to make any necessary amendments to the final detail of these recommended changes, in order to comply with the School Finance (England) Regulations 2019 once full detail of the schools funding settlement has been published by the Department for Education for 2020/21. Any changes will be made following discussion with the Schools Forum as appropriate.**

**71. UKBIC Additional Grant Funding Award from Innovate UK**

The Cabinet considered a report of the Deputy Chief Executive (Place), which detailed an additional grand funding award from Innovate UK to the UK Battery Industrialisation Centre (UKBIC).

The UKBIC is a cutting-edge research facility which will bridge the gap between battery research in universities and large-scale manufacturing. The project has been funded through Innovate UK alongside an £18m loan from the West Midlands Combined Authority (WMCA).

Following further industry engagement and technological developments, Innovate UK have offered a further £3.1m in order to fund and cover the increased costs and future proof against technology changes.

The report indicated that, between now and the end of the project, there would be further adjustments needed and more funding would be forthcoming which would ensure that the battery facility is able to adapt to technological changes. Authority was therefore sought to accept up to a total of £15m of additional funding from Innovate UK if additional cash beyond the £3.1m currently offered becomes available.

The UKBIC programme was part-way through development and progressing well. The programme is due for completion in March 2020, when the UKBIC facility will open for business. The shell core of the building had been completed and handed over and a team of 50 had been recruited to date to work for the new company UKBIC Ltd.

**RESOLVED that, the Cabinet recommend that Council:**

- 1. Authorise the Council to act as Accountable Body and accept £3.1m from Innovate UK and also to make the necessary adjustment to the Capital Programme.**

2. **Should further grant funding be made available by Innovate UK, authorise the Council to act as Accountable Body and accept up to a total sum of £15m and make the necessary adjustment as required to the Capital Programme.**
3. **Delegate authority to the Director of Business Investment and Culture, the Finance Manager (Corporate Resources) and the City Solicitor and Monitoring Officer, following consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for Strategic Finance and Resources, to undertake the necessary due diligence, negotiate the terms and conditions of the funding agreement with Innovate UK and enter into the necessary agreement to bring into legal effect the recommendations set out in 1 and 2 above.**

72. **Outstanding Issues**

There were no outstanding issues.

73. **Authority for Attendance at Conference**

**RESOLVED that, the Cabinet authorise the attendance of the Programme Delivery Manager (Mitigation) (Sumairah Miraj) and the Programme Officer MiFriendly Cities (Dajan Vasilj) at the Cities Forum 2020, being held in Porto, Portugal on the 30<sup>th</sup> and 31<sup>st</sup> January 2020.**

Note: This matter was considered as urgent business, the reasons for urgency being to approve attendance at the conference at the earliest opportunity as the next meeting of Cabinet was scheduled to take place after the date of the conference.

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

There were no other items of public business.

(Meeting closed at 2.20 pm)