

Coventry City Council
Minutes of the Meeting of Cabinet Member for Strategic Finance and Resources
held at 10.00 am on Thursday, 12 December 2019

Present:

Members: Councillor J Mutton (Cabinet Member)

Employees:

People: S Griffin, S Newing

Place: P Jennings, C Sinclair

Apologies: Councillor T Sawdon (Shadow Cabinet Member)

Public Business

15. **Declarations of Interest**

There were no declarations of interest.

16. **Minutes of Previous Meeting**

The minutes of the meeting held on 26 September 2019 were signed as a true record. There were no matters arising.

17. **Exclusion of Press and Public**

RESOLVED that the Cabinet Member for Strategic Finance and Resources agreed to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the private report entitled “Central England (formerly Coventry) Law Centre Pension Guarantee” (Minute 10 refers) on the grounds that the report involved the likely disclosure of information defined in Schedule 12A of the Local Government Act 1972 (as amended), as it contained information relating to the financial and business affairs of any particular person (including the authority holding that information) and in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

18. **Policy Contingency Approval - Gating Scheme**

The Cabinet Member considered a report which sought approval for grant funding of c£4,986 to enable a gating scheme to be put in place within the Willenhall area of the City. Any decision to progress the scheme would be subject to the Citizen housing organisation receiving legal advice that the scheme could proceed.

The Cabinet Member for Strategic Finance and Resources was responsible for approving the allocation of resources of up to £75,000 each year from an on-going Policy Contingency budget.

The Cabinet Member was approached by residents of Remembrance Road and Meadfoot Road in the Binley and Willenhall Ward earlier in the year in relation to

proposals to provide a gating scheme to improve security in the area. The area had been the subject to illegal and anti-social behaviour which local residents believed was made worse by common access to several alleys that backed on to properties in the area.

Gating schemes had been installed across the city over a period of many years although the Council no longer has an on-going budget for such schemes due to previous reductions in Community Safety funding. Such schemes allowed local residents to access to the alleys as keyholders but restrict access to non-residents. Perceptions were that such schemes help to reduce illegal and anti-social behaviour.

The area affected by the scheme incorporates properties managed by Citizen (the social housing provider formerly known as Whitefriars Housing Group) and alleys between houses which connect to a number of roads in the area. The gating scheme would be supported by and procured through Citizen and the scheme would be implemented with their support. The Council's role would be restricted to providing the funding.

RESOLVED that the Cabinet Member for Strategic Finance and Resources approve a one-off grant of £4,986 from the Policy Contingency budget to enable provision of a gating scheme within the Willenhall are of the city subject to the consultation process and the agreement of the Citizen housing organisation.

19. **Sickness Absence for the 12 Month Period Ending 30 September, 2019**

The Cabinet Member considered a report of the Deputy Chief Executive (People) detailing the Sickness Absence data for the 12-month period ending 30 September 2019. The report enabled the Cabinet Member to monitor levels of sickness absence for the 12-month period ending 30 September 2019 and the actions being taken to manage absence and promote health at work across the City Council.

The reporting methodology for 2019/20:

- Was based upon a rolling 12-month period
- Excluded schools' workforce data (schools' data was inconsistent with the data of the workforce as a whole)
- Measured sickness absence as days lost per full time equivalent (FTE)

The target of 9.3 days per FTE employee was set for the 2019/20 financial year and was currently at 11.76 days for the rolling 12 months to the end of September 2019.

The main reasons for absence remained Stress, Depression and Anxiety. The other main reasons for days lost was due to sickness absence were other musculoskeletal problems and infections, colds and flu.

The Cabinet Member expressed concern that the sickness absence figures remained high and suggested that the 'Manager Induction' initiative should be rolled out to all managers as soon as possible in order that absence levels could

start to be reduced. In the meantime, the Cabinet Member asked that Officers provide him with details of the full programme timescales.

RESOLVED that the Cabinet Member for Strategic Finance and Resources:

- 1) **Note the sickness absence data for the 12-month period ending 30th September 2019 and endorsed the actions taken to monitor and manage sickness.**
- 2) **Note that the sickness and absence policies and procedures were under review, which was a joint piece of work with the trades unions and the work being undertaken to improve health and well-being with the aim of reducing absence levels. It was acknowledged this work was in the early stages.**
- 3) **That, in respect of the Manager Induction Initiative, officers provide the Cabinet Member for Strategic Finance and Resources with details of the full programme for all managers.**

20. **Agency Workers - Performance Management Report Q2: 1 July to 30 September 2019**

The Cabinet Member for Strategic Finance and Resources considered a report of the Deputy Chief Executive (People) which provided performance information on the use of agency workers procured for the Q2 period 2019/20.

The City Council had a Master Vendor Contract with Reed for the supply of agency workers. Through the contract, Reed would supply all suitable agency workers either through their own agency or via a 2nd tier arrangement with other agencies, using rates of pay based on an agreed pay policy and a negotiated mark-up rate with the Master Vendor. The information supplied by Reed gave detailed information on agency worker usage and expenditure. Spend was based on timesheets paid during the quarter.

The report highlighted across the council several examples where agency staff were being used during service pressure or restructure/change and special projects. This had a cumulative impact across the business incorporating numerous internal and external factors that affected the context of the council and demonstrated why using agency workers was, on occasions appropriate, but also provided detail around what measures were in place to ensure this didn't drift.

Whilst the control of agency spend was managed locally within individual service areas, the internal and external factors that drive the workforce challenges lends itself to the whole of the organisation. Financial constraints, technology, political, local and legislative agendas as well as the speed of change, high customer demand and more attractive offers added to the recruitment and retention pressures the organisation was faced with.

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

- **The recruitment and retention challenges impacting and affecting the Service and strategies in place or working towards to support these.**

- **The agency / interim spends for Q2 2019/20.**
- **The cumulative spend for both agency workers via Reed and outside Reed (Table 2.1 of the report submitted).**

21. **Central England (formally Coventry) Law Centre Pension Guarantee**

The Cabinet Member considered a report of the Director of Finance and Corporate Services which sought approval for the Council to provide a pension guarantee to the Central England Law Centre (formerly Coventry Law Centre) to mitigate future potential risks in relation to its pension position. This guarantee would be at a net nil cost to the Council.

A corresponding private report was also submitted to the meeting setting out the commercially confidential matters of the proposals (Minute 10 below refers).

Central England Law Centre (CELC), formerly Coventry Law Centre, was the largest law centre in the UK. It had developed from what was Coventry Law Centre, and its focus is still very much on the city. The CELC provided specialist legal advice to Coventry citizens, covering areas including but not restricted to social care and health, welfare benefits, housing, debt, immigration and asylum.

CELC has been a key local delivery partner for the Council for many years and the Council provides £440k p.a. core funding to the Law Centre. Within the Council, CELC was regarded as an effective and important voluntary sector delivery body within the city. This was demonstrated by the level of on-going funding provided by the Council and fact that the Council has periodically chosen the Centre to provide a number of other work programmes supported by specific grant funding.

Historically, CELC employees had access to the Local Government Pension Scheme via the West Midlands Pension Fund (WMPF). Scheme entry was closed for new employees in May 2007 and there was now a small number of active members of the scheme. In addition, there are former CELC employees who are already in receipt of their pension or who will be able to draw their pension when they reach the relevant age.

The CELC had just received the latest triennial superannuation report which determines its employer pension contributions for the next three years. Only employees working in Coventry and who were historically part of Coventry Law Centre are members of the WMPF rather than employees of other parts of the CELC. The previous (2016) deficit calculated on a 'funding basis' was £211k whereas the recent revised valuation for 2019 indicates a surplus of £69k. This means that the CELC would only have to make employer superannuation payments in relation to the current cost of its employees' pensions, not any deficit recovery payments.

However, WMPF had also provided a revised calculation for a crystallisation of the pension costs based on the least risk approach. When the remaining employees who were active members of the WMPF ceased their employment with CLC, the Law Centre would need to pay the liability to the Fund calculated on this basis. The guarantee would be of benefit only to CELC employees and therefore does not confer any advantage on CELC.

The WMPF was able to avoid charging the least risk calculated sum if the relevant body was able to align itself with another organisation with a strong financial covenant and active employees within the Fund. The purpose of the report was to recommend that the Council takes on this role by providing a pension guarantee to CELC and the WMPF.

RESOLVED that the Cabinet Member for Strategic Finance and Resources:

- (1) Approve the Council providing a pension guarantee to the Central England Law Centre as set out in the report.**
- (2) Delegate authority to the Director of Finance and Corporate Services following consultation with the Cabinet Member for Strategic Finance and Resources to identify, agree and arrange the legal and financial measures required.**

22. Outstanding Issues

The Cabinet Member for Strategic Finance and Resources noted that work was currently being undertaken in relation to the Apprenticeship Levy and that a report would be submitted in due course.

23. Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.

There were no other items of public business.

24. Central England (formerly Coventry) Law Centre Pension Guarantee

Further to Minute 7 above, the Cabinet Member considered a private report of the Director of Finance and Corporate Services, setting out the commercially confidential matters relating to a pension guarantee to the Central England Law Centre (formerly Coventry Law Centre) to mitigate future potential risks in relation to its pension position.

RESOLVED that the Cabinet Member for Strategic Finance and Resources:

- (1) Approve the Council providing a pension guarantee to the Central England Law Centre as set out in the report.**
- (2) Delegate authority to the Director of Finance and Corporate Services following consultation with the Cabinet Member for Strategic Finance and Resources to identify, agree and arrange the legal and financial measures required.**

25. Any other items of private business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.

There were no other items of private business.

(Meeting closed at 10.40 am)