



Audit and Procurement Committee

Time and Date

3.00 pm on Monday, 27th January, 2020

Place

Diamond Room 2 - Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting** (Pages 3 - 8)
To agree the minutes of the meeting held on 11th November 2019.
4. **Exclusion of Press and Public**
To consider whether to exclude the press and public for the item(s) of business for the reasons shown in the report.
5. **Outstanding Issues** (Pages 9 - 14)
Report of the Deputy Chief Executive (Place)
6. **Work Programme 2019/20** (Pages 15 - 16)
Report of the Deputy Chief Executive (Place)
7. **2019-2020 Second Quarter Financial Monitoring Report (to September 2019)** (Pages 17 - 42)
Report of the Deputy Chief Executive (Place)
8. **Corporate Risk Register Update** (Pages 43 - 74)
Report of the Deputy Chief Executive (Place)
9. **Half Yearly Fraud and Error Report 2019-20** (Pages 75 - 84)
Report of the Deputy Chief Executive (Place)

10. **Annual Governance Statement 2018-19 – Update on Planned Actions**
(Pages 85 - 100)

Report of the Deputy Chief Executive (Place)

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

Private business

12. **Consideration of Approval of Severance Package** (Pages 101 - 108)

Report of the Deputy Chief Executive (People)

(Listing Officer: B Perks, tel: 07891 432881)

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

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

Friday, 17 January 2020

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, Governance Services, Governance Services, Tel: 024 7697 2642 / 2643, Email: lara.knight@coventry.gov.uk / michelle.salmon@coventry.gov.uk

Membership: Councillors M Ali, J Blundell, R Lakha (Chair), T Sawdon, R Singh and H Sweet

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

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Public Document Pack Agenda Item 3

Coventry City Council

Minutes of the Meeting of the Audit and Procurement Committee held at 3.00 pm on Monday, 11 November 2019

Present:

Members: Councillor R Lakha (Chair)
Councillor M Ali
Councillor R Brown (Substitute for Councillor H Sweet)
Councillor T Sawdon
Councillor R Singh

Employees (by Directorate):

People M Burn, S C Lam

Place P Hammond, B Hastie, P Jennings, M Salmon, K Tyler,
A Walster

Apologies: Councillor S Bains
Councillor J Blundell
Councillor H Sweet

Public Business

35. Declarations of Interest

Councillor R Singh declared an interest in the matter the subject of minute 41 below headed 'Internal Audit Plan 2019-2020 – Half Year Progress Report', in so far as it relates to Frederick Bird Primary School, as his relative was a teacher at the school.

36. Minutes of Previous Meeting

The minutes of the meeting held on 2nd September 2019 were agreed and signed as a true record, subject to an amendment to the attendance for the meeting to include Councillor R Brown as substitute for Councillor M Ali.

There were no matters arising.

37. Exclusion of Press and Public

RESOLVED to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private report in Minute 45 below headed 'Procurement and Commissioning Progress Report', on the grounds that the report involves the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial and business affairs of a particular person (including the authority holding that information) and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

38. **Outstanding Issues**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) that identified issues on which a further report / information had been requested or was outstanding, so that Members were aware of them and could manage their progress.

An Appendix to the report provided details of issues where a report back had been requested to a meeting, along with the anticipated date for consideration of the matter. A further Appendix to the report provided details of items where information had been requested outside formal meetings, along with the date when this had been completed.

Members noted that in respect of the Further Reports Requested to Future Meeting Appendix, Item 1 headed 'Quarter Three Internal Audit Progress Report 2018/19 – Update on Frederick Bird School' had been included in the 'Internal Audit Plan 2019-2020 - Half Year Progress Report' being considered at this meeting and the Appendix could be updated accordingly.

RESOLVED that the Audit and Procurement Committee notes the outstanding issues report.

39. **Work Programme 2019/20**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place), which set out the Work Programme of scheduled issues for consideration by the Committee for the Year 2019/2020.

RESOLVED that the Audit and Procurement Committee notes the Work Programme for 2019/2020.

40. **City Council Treasury Management Investment Activity**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) outlining the City Council's Treasury Management Investment Activity. The report provided details of the Council's Lending List and the most recent list of investments that the Council held.

In September 2018 the Council changed strategy regarding the Collective Investment Funds it held. Previously the funds were low risk and low return. This strategy changed to embrace more volatility in returns whilst maintaining a low risk of default to achieve higher potential returns.

Since the last report, £9.2m of PWLB borrowing had matured and as such been repaid. No new long-term borrowing had been taken out and there were no plans to do this in the near future, with advice continuing to be to keep any borrowing to a short-term duration.

As a result of the significant payments required to repay the above borrowing and the large capital program that was currently underway, some short-term borrowing had been undertaken in this financial year. This had totalled £49.5m, with the amount outstanding as at 11 October 2019 being £29m. The average rate of borrowing for the 1st two quarters of this financial year had been 0.72%, meaning the interest earned on investment balances had more than compensated for any interest paid on short-term borrowing.

RESOLVED that the Audit and Procurement Committee notes the report on City Council Treasury Management Investment Activity.

41. Internal Audit Plan 2019-2020 - Half Year Progress Report

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) that provided an update on the internal audit activity for the period April to September 2019, against the Internal Audit Plan for 2019-20. It is the first monitoring report for 2019-20, which was presented in order for the Audit and Procurement Committee to discharge its responsibility 'to consider summaries of specific internal audit reports as requested' and 'to consider reports dealing with the management and performance of internal audit'.

An Appendix to the report provided a list of the audits finalised between April and September 2019, along with the level of assurance provided.

The following audits were currently in progress:

- Audits at Draft Report Stage – Compliance with HR procedures – Children’s Services, Coroner’s Service Capacity Review, St Osburgs Primary School.
- Audits On-going – Trading Standards Exercising Warrants, Car Park Business Passes, Parking Platform Grant, Agency Workers Contract, Sport & Arts – Review of Grant Processes.

Details of a selection of key reviews completed in this period were provided in a further Appendix to the report. In all cases, the relevant managers had agreed to address the issues raised in line with the timescales stated. These reviews would be followed up in due course and the outcomes reported to the Audit and Procurement Committee.

At the end of September 2018, the Service had completed 38% of the Audit Plan against a planned target of 50%. It was acknowledged that progress in quarter two was slightly below target. The number of audits completed had been affected by a piece of work following up matches from the National Fraud Initiative and the undertaking of some larger audit reviews.

Members noted that the restructure of the Internal Audit Service had been completed and following the recent successful recruitment to two posts, it was anticipated that section would be fully staffed by April 2020. A small number of audits had been postponed until 2020-2021, these having been selected on the basis that they did not have a significant impact on the management of risk. A further update on the resource position would be provided to the Audit and Procurement Committee in the quarter three progress report. Members further noted that Frederick Bird Primary School had made significant progress in

implementing nine of twelve audit recommendations, with work continuing to complete the remaining three. In respect of the Council's self-insurance of properties, Members were advised that usual insurance standards applied to assessments.

RESOLVED that the Audit and Procurement Committee:

- 1) Notes the performance as at quarter two against the Internal Audit Plan for 2019-2020.**
- 2) Considered and notes the summary findings of the key audit reviews detailed in an Appendix to the report.**

42. Complaints to the Local Government and Social Care Ombudsman 2018-2019

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (People), which had also been considered by the Cabinet Member for Policy and Leadership on 7th November 2019 and would also be considered by the Ethic Committee on 5th December 2019, which set out the number, trends and outcomes of complaints to the Local Government and Social Care Ombudsman (LGSCO) relating to Coventry City Council in 2018/2019. Appendices to the report provided: the Local Government and Social Care Ombudsman Annual Review letter 2019; Coventry City Council Complaints Handling Guidance; and Local Government and Social Care Ombudsman Investigation Decisions in 2018/2019 for Coventry City Council.

Coventry City Council's complaints policy set out how individual members of the public could complain to the Council, as well as how the Council handled compliments, comments and complaints. The Council informed individuals of their rights to contact the LGSCO if they were not happy with the Council's decision after they had exhausted the Council's own complaints process.

The Local Government and Social Care Ombudsman (LGSCO) was the final stage for complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It was a free service that investigated complaints in a fair and independent way; and provided a means of redress to individuals for injustice caused by unfair treatment or service failure.

Every year, the LGSCO issued an annual letter to the Leader and Chief Executive of every Council, summarising the number and trends of complaints dealt with in each Council that year. The latest letter, issued July 2019, covered complaints to Coventry City Council between April 2018 and March 2019 (2018/19). This year it included a new statistic on compliance. It recorded an authority's compliance with the recommendations made to remedy complaints.

The report set out the number, trends and outcomes of complaints to the LGSCO relating to Coventry City Council in 2018/2019. In particular, it focused on upheld complaints, service areas with a high number of complaints, compliance with the Ombudsman's recommendations, learning from complaints, and how the Council compared to previous years and to other local authorities.

RESOLVED that the Audit and Procurement Committee:

- 1) Notes the Council's performance in relation to complaints to the Local Government and Social Care Ombudsman.**
- 2) Notes the Council complaints process and guidance.**
- 3) Receives assurance that the Council takes appropriate actions in response to complaints investigated and where the Council were found to be at fault.**

43. Post of Director of Business, Investment & Culture - Salary Approval

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (Place) that sought agreement, in line with statutory guidance under S40, of the Localism Act 2011 and the Council's Pay Policy statement, for a salary range of up to £117,028 pa for the post of Director of Business, Investment and Culture.

The post had been in place on a temporary basis due to the challenges and opportunities facing the council, in terms European City of Sport, UK City of Culture 2021, Commonwealth Games 2022 and the local economy post Brexit, require a re-shaping of the way that we work to ensure Economic Growth and prosperity. As part of the One Coventry initiative and programme there was an urgent need to capitalise on opportunities, therefore there was a need to establish the post on a substantive basis.

The Director of Business, Investment and Culture will be responsible for:

- Strategic Lead, European City of Sport, UK City of Culture 2021 and Commonwealth Games 2022
- Sports, Culture & Destination
- Economic Growth
- Climate Change & Sustainability
- Strategic Business Support (Place)

The Business Case, attached as an Appendix to the report, identified that the post of Director of Business, Investment & Culture should be graded at Grade D2, the salary range for which is £108,007 to £117,028.

Statutory Guidance under S40 of the Localism Act 2011 required that full Council, or some other agreed formal meeting of Elected Members should be offered the opportunity to approve salary packages over £100,000. In Coventry, this responsibility had been allocated to the Audit and Procurement Committee under its terms of reference.

RESOLVED that the Audit and Procurement Committee agrees a salary range of up to £117,028 pa for the post of Director Business, Investment & Culture.

44. **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.

45. **Procurement and Commissioning Progress Report**

The Audit and Procurement Committee considered a report of the Deputy Chief Executive (People) that contained information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972 as amended. The grounds for privacy were that it contained information relating to the financial and business affairs of a particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighed the public interest in disclosing the information.

The report provided an update on the procurement and commissioning undertaken by the Council. Details of the latest positions in relation to individual matters were set out in the Appendix to the report.

The Committee questioned officers, received responses and discussed various aspects of the document, and requested that they be provided with clarity on the figures indicated in the first two columns in respect of the Council Chamber Webcasting Facilities Upgrade and whether the figures include the webcasting of the Planning Committee. Further, they requested that a meeting be arranged between officers and the Chair of the Committee to review and determine the most appropriate format and submission of the information contained in the Appendices and to establish clarity of the role of the Committee in their consideration of future reports.

RESOLVED that the Audit and Procurement Committee:

- 1) **Notes the current position in relation to the Commissioning and Procurement Services.**
- 2) **Agrees that there are no recommendations to be made to the Cabinet Member for Strategic Finance and Resources, Cabinet or Council on any of the matters reported.**

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

There were no other items of private business.

(Meeting closed at 4.30 pm)

Audit and Procurement Committee

27th January 2020

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:

N/A

Title:

Outstanding Issues

Is this a key decision?

No

Executive summary:

This report is to identify those issues on which further reports / information has been requested or are outstanding so that Members are aware of them and can monitor their progress.

Recommendations:

The Committee is recommended to:-

1. Consider the list of outstanding items as set out in the Appendices, and to ask the Deputy Chief Executive concerned to explain the current position on those items which should have been discharged.
2. Agree that those items identified as completed within the Appendices be confirmed as discharged and removed from the outstanding issues list.

List of Appendices included:

Appendix 1 - Further Report Requested to Future Meeting

Appendix 2 - Information Requested Outside Meeting

Other useful background papers:

None

Has it or will it be considered by scrutiny?

No

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

**Report title:
Outstanding Issues**

1. Context (or background)

- 1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Forward Plan, to ensure that follow-up reports can be monitored and reported to Members.
- 1.2 At their meeting on 25th January 2017, the Audit and Procurement Committee requested that, in addition to further reports being incorporated into the Committee's Work Programme, that a report be submitted to each meeting detailing those additional reports requested to a future meeting along with details of additional information requested outside of the formal meeting.
- 1.3 Appendix 1 to the report outlines items where a report back has been requested to a future Committee meeting, along with the anticipated date for further consideration of the issue.
- 1.4 In addition, Appendix 2 sets out items where additional information was requested outside of the formal meeting along with the date when this was completed.
- 1.5 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.

2. Options considered and recommended proposal

- 2.1 N/A

3. Results of consultation undertaken

- 3.1 N/A

4. Timetable for implementing this decision

- 4.1 N/A

5. Comments from the Director Finance and Corporate Resources

- 5.1 Financial implications

N/A

- 5.2 Legal implications

N/A

6. Other implications

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

N/A

- 6.2 How is risk being managed?**

This report will be considered and monitored at each meeting of the Cabinet

6.3 What is the impact on the organisation?

N/A

6.4 Equalities / EIA

N/A

6.5 Implications for (or impact on) the environment

N/A

6.6 Implications for partner organisations?

N/A

Report author(s):

Name and job title:

Lara Knight
Governance Services Co-ordinator

Directorate:

Place

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Names of approvers: (officers and Members)				

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Appendix 1

Further Reports Requested to Future Meetings

	Subject	Minute Reference and Date Originally Considered	Date For Further Consideration	Responsible Officer	Proposed Amendment To Date For Consideration	Reason For Request To Delay Submission Of Report
1.	Annual Governance Statement 2018/19 - The Committee requested an update report in January 2020 to assure themselves that all is in order at the half year point in relation to Governance arrangements.	Minute 5/19 24 th June 2019	27 th January 2020	Karen Tyler		

* identifies items where a report is on the agenda for your meeting.

Appendix 2

Information/Action Requested Outside Meeting

	Subject	Minute Reference and Date Originally Considered	Information Requested / Action Required	Responsible Officer	Date Completed
1.	Information Governance Annual Report 2017/2018	Minute 20/18 16 th July 2018	a) A letter from the Chair of the Committee relating to data protection training for Elected Members, be sent to Members. b) In addition to the completion of Data Protection Training, workshops be arranged for Elected Members to support them on the requirements of the GDPR	Adrian West/ Sharon Lock	Ongoing
2.	Procurement and Commissioning Progress Report – Future Reporting Arrangements	Minute 22/18 16 th July 2018 and Minute 45/19 11 th November 2019	Discussion be held with the Chair of the Committee to determine the most appropriate format and submission of future reports. To include clarity of the role of the Committee in considering the reports.	Karen Tyler/ Mick Burns	Ongoing
3.	Procurement and Commissioning Progress Report – Webcasting Upgrade	Minute 45/19 11 th November 2019	The Committee be provided with clarity on the figures indicated in the first 2 columns in the Appendix in respect of the Council Chamber Webcasting Facilities Upgrade and whether the figures include the webcasting of the Planning Committee.	Mick Burns	

Audit and Procurement Committee

Work Programme 2019-2020

24th June 2019

Internal Audit Annual Report 2018-2019
Annual Governance Statement 2018-2019
Internal Audit Plan 2019-2020
Draft Statement of Accounts 2018-2019

15th July 2019

Audit Findings Report 2018-2019 (Grant Thornton)
Revenue and Capital Out-turn 2018-2019
Statement of Accounts 2018-2019
Audit Committee Annual Report 2018-2019
Procurement Progress Report (Private)
Consideration of Early Retirement in the Interests of the Efficiency of the Service (Private)

2nd September 2019

Audit Findings Report 2018-2019 (Grant Thornton)
Annual Audit Letter 2018-2019 (Grant Thornton)
Audited 2018-2019 Statement of Accounts
Quarter One Revenue and Corporate Capital Monitoring Report 2019-2020
Annual Fraud and Error Report 2018-2019
Whistleblowing Annual Report 2018-19
Consideration of Approval of Severance Package (Private)

11th November 2019

Half Year Internal Audit Progress Report 2019-2020
Treasury Management Update
Complaints to the Local Government and Social Care Ombudsman 2018-2019
Post of Director of Business, Investment and Culture - Salary Approval
Procurement Progress Report (Private)

27th January 2020

Quarter Two Revenue and Corporate Capital Monitoring Report 2019-2020
Corporate Risk Register Update
Half Yearly Fraud Update 2019-2020
Code of Corporate Governance (Adrian West)
Annual Governance Statement - Half Year Update

16th March 2020

Grant Certification Report (Grant Thornton)
Quarter Three Revenue and Corporate Capital Monitoring Report 2019-2020
Quarter Three Internal Audit Progress Report 2019-2020
Internal Audit Recommendation Tracking Report
RIPA (Regulation of Investigatory Powers Act) Annual Report 2018-2019
Procurement Progress Report (Private)

Date to be Agreed/Confirmed

Outside Body - Governance and Financial Arrangements for Coventry City of Culture Trust
Outside Body - Governance and Financial Arrangements for Coombe Abbey Park Limited
Outside Body - Governance and Financial Arrangements for Culture Coventry
Information Governance Annual Report 2018-2019



Cabinet
Audit and Procurement Committee

19th November 2019
27th January 2020

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources - Councillor J Mutton

Director Approving Submission of the report:

Director of Finance and Corporate Services

Ward(s) affected:

City wide

Title:

2019/20 Second Quarter Financial Monitoring Report (to September 2019)

Is this a key decision?

No

Executive Summary:

The purpose of this report is to advise Cabinet of the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of September 2019. The headline revenue forecast for 2019/20 is for net balanced budget position. At the same point in 2018/19 there was a projected overspend of £0.5m. The headline capital position reports £4.8m of expenditure rescheduled into 2020/21.

The largest area of budget pressure and the biggest movement since Quarter 1 has emerged within services for housing and homelessness which are projecting an overspend of £2.8m for the year. There are other overspends in services relating to Looked After Children Placements and Special Education Needs (SEN) Transport with compensating below budgeted expenditure in corporate areas.

The Council's capital spending is projected to be £218.7m and includes major scheme expenditure including investment in the A46 Link Road, Coventry Station Masterplan, Whitley South infrastructure and the National Battery Plant.

Recommendations:

The Cabinet is requested to:

- 1) Approve the Council's revenue monitoring position.
- 2) Approve the revised capital estimated outturn position for the year of £218.7m incorporating: £5m net increase in spending relating to approved/technical changes, £4.8m net rescheduling of expenditure into 2020/21; and
- 3) Approve a contribution to reserves of £0.7m earmarked to fund future costs of managing the Council's major projects.

- 4) Approve the addition £0.5m to the capital programme in 2019/20 for Waste Containers to be funded by Prudential Borrowing.

The Audit and Procurement Committee is requested to:

- 1) Consider the proposals in the report and forward any recommendations to the Cabinet.

List of Appendices included:

Appendix 1	Revenue Position: Detailed Directorate breakdown of forecast outturn position
Appendix 2	Capital Programme: Analysis of Budget/Technical Changes
Appendix 3	Capital Programme: Estimated Outturn 2019/20
Appendix 4	Capital Programme: Analysis of Rescheduling
Appendix 5	Prudential Indicators

Background papers:

None

Other useful documents

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?

Audit and Procurement Committee, 27th January 2020

Will this report go to Council?

No

Report title:

2019/20 First Quarter Financial Monitoring Report (to September 2019)

1. Context (or background)

- 1.1 Cabinet approved the City Council's revenue budget of £231.5m on the 19th February 2019 and a Directorate Capital Programme of £195.4m. This is the second quarterly monitoring report for 2019/20 to the end of September 2019. The purpose is to advise Cabinet of the forecast outturn position for revenue and capital expenditure and to report on the Council's treasury management activity.
- 1.2 The current 2019/20 revenue forecast is for expenditure to be balanced to budget after taking account of a recommended contribution to reserves of £0.7m to fund future costs of managing the Council's major projects. The reported forecast at the same point in 2018/19 was an overspend of £0.5m. Capital spend is projected to be £218.7m, a small fluctuation since quarter 1 forecast of £0.3m.

2. Options considered and recommended proposal

- 2.1 This is a budget monitoring report and as such there are no options.
- 2.2 **Revenue Position** - The revenue forecast position is analysed by service area below.

Table 1 - Forecast Variations

Service Area	Revised Net Budget £m	Forecast Spend £m	Forecast Variation £m
Public Health	1.3	0.9	(0.4)
People Directorate Management	1.4	1.5	0.1
Education & Inclusion	12.6	14.1	1.5
Children & Young People	73.9	75.1	1.2
Adult Social Care	77.5	77.5	0.0
Customer Services & Transformation	12.9	16.3	3.4
Human Resources	1.5	1.9	0.4
Place Directorate Management	2.5	2.6	0.1
Business Investment & Culture	7.1	7.3	0.2
Transportation & Highways	4.6	4.7	0.1
Streetscene and Regulatory	28.1	28.9	0.8
Project Management & Property	(7.9)	(8.0)	(0.1)
Finance & Corporate Services	7.3	7.0	(0.3)
Contingency & Central Budgets	7.3	0.3	(7.0)
Total Spend	230.1	230.1	0.0

- 2.3 An explanation of the major forecast variances is provided below. Further details are provided in Appendix 1.

People Directorate

The People Directorate continues to face significant financial challenges in 2019/20 and beyond. The largest forecast pressure is Housing & Homelessness (temporary accommodation), and work is underway, overseen by Strategic Housing Board, to reduce the cost of supporting families and individuals in temporary accommodation. The significant increase in forecast since quarter 1 is a result of: the level of activity transferring to the council from the previously outsourced contract; the additional and less costly Temporary Accommodation solutions not being available as early in the financial year as previously forecast and; an increase in activity in the second quarter particularly within the non-family cohort.

Other pressures are LAC Placements (temporary delays in delivery of Children's placement transformation and some high cost placements as a result of youth violence), and SEN transport (increasing demand and changes in provision). Children's Transformation Board continues to monitor the LAC placement transformation and associated budget reductions, and the Strategic Transport group is reviewing cost and considering any steps that can be taken to reduce cost.

Adult Social Care is showing a balanced position, although there is increasing pressure surrounding packages of care alongside increasing demand in Deprivation of Liberty safeguards (DOLs) which are managed in year using iBCF protecting social care resources. A significant amount of work has been underway to resolve recruitment problems to contribute to reducing the pressure created by agency covering vacancies. The majority of agency is currently within Children's services where the number of posts covered by agency continues to fall (28 at the end of August, a reduction of 11 since the 2018/19 year end). The public health underspend relates to the holding of migration grant income centrally which is funding costs of other services across the Council.

Place Directorate

The Place Directorate is projecting a £0.9m net deficit at quarter 2.

There is a residual c£1.6m deficit, the majority of which is income related. Commercial waste is forecasting a deficit of £0.4m whilst it continues to grow its income to achieve the aspirational commercial income targets required of it. Bus gate and parking enforcement are also projected to be £0.7m lower than both budget and previous years as a result of temporary gate closures and a lower activity trend generally, however this is offset by higher parking income expected of £0.3m. Car parking income at parks is also £0.1m lower this year due to the new equipment at Coombe Park being delayed, and St Mary's Guildhall catering and events continues to trade £0.1m below budgeted income levels. In addition to this, there is a large overspend expected in relation to domestic refuse and recycling of £0.4m which is largely due to the cost of maintaining cover for a number of operational issues, primarily unofficial industrial action, sickness and the requirement to maintain collections over the Christmas period.

There are a variety of compensating variations with approximately £1.2m of additional income expected to be generated from a combination of higher building control activity (£0.19m), recovery of enforcement costs (£0.13m), higher than budgeted highways DLO cost recovery (£0.2m) and significant income from recovery of overpaid housing benefit overpayments (£0.7m). There are also one-off underspends expected resulting from a planned management action to underspend on operational property of £0.4m, and £0.3m lower fleet debt repayment costs in this financial year.

A £0.6m of the variation relates to agency spend in Streetpride which is fully offset by a salary underspend in that service.

Contingency and Central Budgets

Net Asset Management Revenue Account expenditure is anticipated to be £1.9m less than budget because of lower costs of capital financing, higher investment income and higher loan income. Other corporate budgets reflect lower than budgeted pension costs linked to an early payment arrangement with the West Midlands Pension Fund (£2m), uncommitted resources related to one-off social care funding (£1m), Coventry and Warwickshire Business Rate Pool income in excess of budget (£1.1m), projected additional savings from the Friargate Project (£0.75m) and lower than budgeted levy costs (£0.6m). The recommended contribution to reserves for managing the costs of major projects is reflected in this area.

- 2.4 **Capital Position** - The 2019/20 capital outturn position for quarter one reported a revised outturn position of £218.6m compared with the original programme reported to Cabinet in February 2019 of £195.4m. Table 2 below updates the budget at quarter 2 to take account of a £5m increase in the programme from approved/technical changes, £4.8m of net rescheduling now planned to be carried forward into future years. This will not result in the Council losing any funding. In total, the revised projected level of expenditure for 2019/20 is £218.7m. Appendix 3 provides an analysis by directorate of the movement since budget setting.

The Resources Available section of Table 2 explains how the Capital Programme will be funded in 2019/20. It shows 73% of the programme is funded by external grant monies, whilst 23% is funded from borrowing. The programme also includes funding from capital receipts of £3.5m.

Table 2 – Movement in the Capital Budget

CAPITAL BUDGET 2019-20 MOVEMENT	Qtr 2 Reporting £m
Estimated Outturn Quarter 1	218.5
Approved / Technical Changes (see Appendix 2)	5.0
“Net” Rescheduling into future years (see Appendix 4)	(4.8)
Revised Estimated Outturn 2019-20	218.7

RESOURCES AVAILABLE:	Qtr 2 Reporting £m
Prudential Borrowing (Specific & Gap Funding)	50.2
Grants and Contributions	158.7
Capital Receipts	3.5
Revenue Contributions	6.3
Total Resources Available	218.7

The position above assumes an addition of £0.5m to the Capital Programme in 2019/20 for Waste Containers. Approval is sought via this report due to the need to fund the expenditure from Prudential Borrowing. This borrowing will be funded from additional income generated from the containers.

2.5 Treasury Management

Interest Rates

The current Bank of England Base Rate has been at 0.75% since August 2018. The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked downturn in growth due to both Brexit uncertainty and the aforementioned global uncertainties.

The probability of a no-deal EU exit in the immediate term has decreased, although this cannot be entirely ruled out for 2019. However, the weaker global economy severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to lower interest rates.

All of this means that the central forecast for the Bank Rate is to remain at 0.75% until at least the end of 2022. There are significant risks on both sides of this forecast due to Brexit outcomes & the weak global economy however these risks mean it is more likely rates will be cut rather than increased.

Long Term (Capital) Borrowing

The net long term borrowing requirement for the 2019/20 Capital Programme is £41.3m, taking into account borrowing set out in Section 2.4 above (total £50.2m), less amounts to be set aside to repay debt, including non PFI related Minimum Revenue Provision (£8.9m). Although the Council's recent Capital Programmes have incorporated prudential borrowing as part of the overall resourcing package, no long-term borrowing has been undertaken for several years, due in part to the level of investment balances available to the authority. The anticipated future high level of capital spend combined with the new lower level of investment balances available mean that the Council will need to keep this under review over the next few years. The actual pattern of these factors and the level and expected movement in interest rates will dictate when the Council next seeks to borrow although current advice remains for any borrowing to be of a short-term duration.

During 2019/20 interest rates for local authority borrowing from the Public Works Loans Board (PWLB) have varied within the following ranges:

PWLB Loan Duration (maturity loan)	Minimum 2019/20 to P6	Maximum 2019/20 to P6	As at the End of P6
5 year	1.21%	1.93%	1.27%
50 year	1.77%	2.61%	1.87%

The PWLB now allows qualifying authorities, including the City Council, to borrow at 0.2% below the standard rates set out above. This "certainty rate" initiative provides a small reduction in the cost of future borrowing.

On 9th October the Treasury increased the interest rate of PWLB borrowing by 1% in response to the high levels of borrowing and record lows that the PWLB interest rates had fallen to. This will have the impact of increasing the cost of any long-term borrowing taken out after this date. However, The Council has no plans to take any new long term borrowing in the near future with advice continuing to be to keep any borrowing to a short-term duration.

Regular monitoring continues to ensure identification of any opportunities to reschedule debt by early repayment of more expensive existing loans replaced with less expensive new loans. The premiums payable on early redemption usually outweigh any potential savings.

Short Term (Temporary) Borrowing and Investments

In managing the day to day cash-flow of the authority, short-term borrowing or investments are undertaken with financial institutions and other public bodies. The City Council held £22m of short term borrowing from other public bodies at an average interest rate of 0.65%.

Returns provided by the Council's short-term investments yield an average interest rate of 1.16%. This rate of return reflects low risk investments for short to medium durations with UK banks, Money Market Funds, Certificates of Deposits, other Local Authorities, Registered Providers and companies in the form of corporate bonds.

Although the level of investments varies from day to day with movements in the Council's cash-flow, investments held by the City Council identified as a snap-shot at each of the reporting stages were: -

	As at 30th September 2018	As at 30th June 2019	As at 30th September 2019
	£m	£m	£m
Banks and Building Societies	13.0	6.0	5.0
Money Market Funds	12.0	4.2	0.4
Local Authorities	6.0	0.0	0.0
Corporate Bonds	5.0	9.0	9.0
Registered Providers	6.0	10.0	10.0
Total	42.0	29.2	24.4

External Investments

In addition to the above investments, a mix of Collective Investment Schemes or "pooled funds" is used, where investment is in the form of sterling fund units and non-specific individual investments with financial institutions or organisations. These funds are generally AAA rated, are highly liquid as cash, can be withdrawn within two to four days, and short average duration. The Sterling investments include Certificates of Deposits, Commercial Paper, Corporate Bonds, Floating Rate Notes, Call Account Deposits and Equities. These pooled funds are designed to be held for longer durations, allowing any short-term fluctuations in return to be smoothed out. In order to manage risk these investments are spread across a number of funds.

As at 30th September 2019 the pooled funds were valued at £30m, spread across the following funds: CCLA, Schroders, Investec, Columbia Threadneedle and M&G Investments.

Prudential Indicators and the Prudential Code

Under the CIPFA Prudential Code for Capital Finance authorities are free to borrow, subject to them being able to afford the revenue costs. The framework requires that authorities set and monitor against a number of Prudential Indicators relating to capital, treasury management and revenue issues. These indicators are designed to ensure that borrowing entered into for capital purposes was affordable, sustainable and prudent. The purpose of

the indicators is to support decision making and financial management, rather than illustrate comparative performance.

The indicators, together with the relevant figures as at 30th September 2019 are included in Appendix 5. This highlights that the City Council's activities are within the amounts set as Performance Indicators for 2019/20. Specific points to note on the ratios are:

- The Upper Limit on Variable Interest Rate Exposures (indicator 9) sets a maximum amount of net borrowing (borrowing less investments) that can be at variable interest rates. At 30th September the value is -£61.2m (minus) compared to +£84.5m within the Treasury Management Strategy, reflecting the fact that the Council has more variable rate investments than variable rate borrowings at the current time.
- The Upper Limit on Fixed Interest Rate Exposures (indicator 9) sets a maximum amount of net borrowing (borrowing less investments) that can be at fixed interest rates. At 30th September the value is £250.5m compared to £422.4m within the Treasury Management Strategy, reflecting that a significant proportion of the Council's investment balance is at a fixed interest rate.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a financial monitoring report.

5. Comments from the Director of Finance and Corporate Services

5.1 Financial implications

Revenue

In overall terms, this report indicates that the Council's financial position for the current year continues to be sound. The underlying underspend position before the recommended contribution to reserves (£0.7m) provides a strong expectation of achieving a better than balanced position at year-end. As reported at quarter 1, this incorporates individual instances where spending has been reported below budget that cannot be relied upon beyond 2019/20. In contrast, there are services that are reporting overspends, mostly within demand led budget areas where it is more difficult for the Council to exercise complete control. There is a high risk that these additional pressures will continue into the 2020/21 financial year and for this reason these are being included within the Pre-Budget proposals being brought to Cabinet alongside this report.

These pressures include ones that reflect what appear to be intractable long-term trends, including the cost and complexity of Looked After Children placements. However, the most significant current issue and the one that has proved most volatile in the current financial year is the cost of homelessness and housing. Although the Council has taken a number of decisions designed to tackle this issue some of these have not taken effect as quickly as desired. This means that the Council is continuing to pay for temporary accommodation solutions at a higher cost than would otherwise have been the case. In addition, the city is also experiencing increasing numbers of people for whom temporary accommodation is having to be provided. The continued trend of additional pressure within demand led services alongside reductions in headline Government funding continue to provide strong evidence of the need for the Council to identify cost efficiencies and commercial opportunities in order to maintain financial stability.

Given the uncertainty facing local government finances beyond 2019/20, the Director of Finance and Corporate Services is clear that the Council needs to take measures to protect its financial position in the short-term to provide some protection against any financial shocks over the next few years. The Council is facing significant financial budget shortfalls over the medium term and an unpredictable picture in relation to how the Government will implement the Spending Review, a new local government finance formula and a revised Business Rates retention scheme. The quarter 1 report referenced the possibility that if the future financial position turns out to be better than anticipated any one-off resources set aside would remain available to invest in future projects and capital plans. In an acceleration of this plan, this report seeks approval for resources to be set aside to fund future costs of managing the Council's major projects. This reflects the need for the Council to secure the high-quality capacity and expertise required to take forward the extensive regeneration of the city through several of the high-profile projects within the Capital programme including but not limited to City Centre South.

In the interim, the Council needs to ensure that it continues to hold a strong focus on managing services within existing budgetary limits or moving towards this. This includes continuing to implement transformational change to deliver existing savings plans, ensuring that demand for services is managed within existing policy parameters and identifying new ways of responding to service pressures to control costs.

In summary, the relatively positive position reported at quarter 2 should not deflect from the expectation of a very challenging outlook for the Council's revenue position and officer attention both at a corporate level and in several service areas is focussed strongly on responding to these challenges.

Capital

The largest areas of rescheduling in the second quarter include the City Centre South scheme, the A46 Corridor scheme, Schools Basic Need and the deferral by planning of the Indoor Bowls facility. In addition, two schemes have seen acceleration, the ESIF programme and the City Centre Connectivity and Friargate Programme. None of the rescheduled programmes will result in any funding being lost to the Council.

As part of the commercialisation programme, Commercial Waste have been set some challenging growth targets over the next few years and are actively seeking new contracts/customers. £500k pa for next 3 years will need to be spent on purchasing and refurbishing containers to service these new contracts. This will be initially funded by prudential borrowing paid back over 5 years and will be repaid by income generated through the contracts while providing an additional income to the Council revenue bottom line.

5.2 Legal implications

None

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

The Council monitors the quality and level of service provided to the citizens of Coventry and the key objectives of the Council Plan. As far as possible it will try to deliver better value for money and maintain services in line with its corporate priorities balanced against the need to manage with fewer resources.

6.2 How is risk being managed?

The need to deliver a stable and balanced financial position in the short and medium term is a key corporate risk for the local authority and is reflected in the corporate risk register. Budgetary control and monitoring processes are paramount in managing this risk and this report is a key part of the process.

6.3 What is the impact on the organisation?

It remains important for the Council to ensure that strict budget management continues to the year-end. Any resources available at year-end will be managed to ensure the Council's financial resilience or used to fund future spending priorities.

6.4 Equalities / EIA

No impact.

6.5 Implications for (or impact on) Climate Change and the environment

No impact at this stage although climate change and the environmental impact of the Council's decisions are likely to feature more strongly in the future.

6.6 Implications for partner organisations?

No impact.

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Names of approvers for submission: (officers and members)				
Barry Hastie	Director of Finance and Corporate Services	Place	5/11/19	6/11/19
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Councillor J Mutton	Cabinet Member Strategic Finance and Resources	-	4/11/19	4/11/19

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Appendix 1 Revenue Position: Detailed Directorate Breakdown of Forecasted Outturn Position

Appendix 1 details directorates forecasted variances.

Budget variations have been analysed between those that are subject to a centralised forecast and those that are managed at service level (termed “Budget Holder Forecasts” for the purposes of this report). The Centralised budget areas relate to salary costs – the Council applies strict control over recruitment such that managers are not able to recruit to vacant posts without first going through rigorous processes. In this sense managers have to work within the existing establishment structure and salary budgets are not controlled at this local level. The Centralised salaries and Overheads under-spend shown below is principally the effect of unfilled vacancies.

Directorate	Revised Budget	Forecast Spend After Action/ Use of Reserves	Centralised Forecast Variance	Budget Holder Forecast Variance	Net Forecast Variation
	£m	£m	£m	£m	£m
Public Health	1.3	0.9	0.0	(0.4)	(0.4)
People Directorate Management	1.4	1.5	0.1	0.0	0.1
Education and Skills	12.6	14.1	(0.1)	1.6	1.5
Children and Young People's Services	73.9	75.1	(1.8)	3.0	1.2
Adult Social Care	77.5	77.5	(0.7)	0.7	0.0
Customer Services & Transformation	12.9	16.3	(0.3)	3.7	3.4
Human Resources	1.5	1.9	0.2	0.2	0.4
Total People Directorate	181.1	187.3	(2.6)	8.8	6.2
Place Directorate Management	2.5	2.6	0.1	0.0	0.1
City Centre & Major Projects Development	7.1	7.3	0.1	0.1	0.2
Transportation & Highways	4.6	4.7	(0.1)	0.2	0.1
Streetscene & Regulatory Services	28.1	28.9	(0.3)	1.1	0.8
Project Management and Property Services	(7.9)	(8.0)	0.2	(0.3)	(0.1)
Finance & Corporate Services	7.3	7.0	(0.1)	(0.2)	(0.3)
Total Place Directorate	41.7	42.5	(0.1)	0.9	0.8
Total Contingency & Central Budgets	7.3	(0.4)	0.0	(7.7)	(7.7)
Total Spend	230.1	229.4	(2.7)	2.0	(0.7)
Resourcing	(231.4)	(231.4)	0.0	0.0	0.0
Ringfenced Funding Streams	1.3	1.3	0.0	0.0	0.0
Total	0.0	(0.7)	(2.7)	2.0	(0.7)

Reporting Area	Explanation	£m
Centralised (non-controllable variances)		
People Directorate	The Directorate underspend against its salary budgets and turnover target is mainly due to continuing vacancies in Adult and Children's Social Care which accounts for the majority of the £2.5m underspend. This is partially offset by a non-salary overspend in Adult and Children's Social Care (e.g. agency, overtime). This position is reduced from 18/19 outturn (£5.5M) as a number of vacancies have been filled. It is expected that vacancy levels and agency costs will continue to reduce, which will continue to reduce the centralised salary underspend and the budget holder overspend through the year.	(2.6)
Place Directorate	Overall there are still a number of vacancies which are being covered by agency staff to ensure some services are maintained. The largest of these is in relation to the Streetpride service which has been holding vacancies forecast at £0.6m. These are now being recruited to and the cost of these agency cover arrangements are included in the variation narratives above. The centralised salary 'underspends' variation is almost entirely offset by the £2.5m turnover target assumptions applied to Place Directorate budgets, hence only a c£50k surplus.	(0.1)
Total Non-Controllable Variances		(2.7)

People Directorate			
Service Area	Reporting Area	Explanation	£M
Public Health	Public Health - Migration	This underspend relates to the holding of migration grant income centrally which is funding costs of other services across the Council.	(0.5)
Public Health	Other Variances Less than 100K		0.1
Public Health			(0.4)
Education and Skills	SEND & Specialist Services	The overspend relates to SEN Transport as a result of an increase in demand for SEN Transport, proportional to the increase in EHC Plans and special school placements. The overall number of pupils being transported has increased by 20% since 2017, and there has been a more than 50% increase in the use of external taxis linked to demand, provision changes, and the needs of pupils. Strategic Transport Group is in the process of reviewing this and considering ways in which costs can be reduced.	1.3
Education and Skills	Employment & Adult Education	To date it has not been possible to deliver a £200k financial savings target set as part of previous budget setting processes to ensure we maximise ESFA grant funding against internal training programmes.	0.2
Education and Skills	Education Improvement & Standards	Schools trade union support is funded from maintained schools pooled resource, and individual buyback from non-maintained schools. There is a funding pressure as a result of maintained schools reducing the pooled budget from last September, and not all non-maintained schools buying into the service. The LA have been unable to reduce the expenditure level to match the income reduction. In addition the governor support traded service's buyback income is not covering expenditure levels. the service is exploring a number of options to reduce expenditure. This is offset by a small projected underspend in relation to the historic pension liabilities budget.	0.1
Education and Skills			1.6
Children and Young People's Services	LAC & Care Leavers	The variance is as a result of the placement pressures (£1.2M overspend). Children in external children's homes are above projected numbers and there have been some high cost placements as a consequence of youth violence. In addition, the numbers of looked after children continue to be over those originally projected. The supported accommodation continues to	2.9

		show an overspend as a result of high cost placements due to the needs of some young people (£0.5M). Finally, there is additional use of agency workers due to social work need within the permanence service. Care leaver allowances is forecasting a £0.2M overspend due to an increase in activity levels and equally, the Through Care budget is also forecasting an overspend (£0.3M) as a result of increase in activity.	
Children and Young People's Services	Help & Protection	The budgetholder variance largely relates to the costs of agency staff covering vacancies across the service. This is more than offset by underspends across centralised salary budgets. We continue to recruit permanent social workers and reduce agency staff levels.	1.0
Children and Young People's Services	Commissioning, QA and Performance	The budget holder forecast is an overspend of £113k. It is offset by a £136k underspend on the centralised side, making a net underspend of £23k. The reason for the projected overspend of £113K is agency spend on staff and this is reflected in the £135K underspend on the centralised side which covers permanent salaries. The staff posts being covered by agency spend are Independent Reviewing Officers who perform a statutory function on behalf of the LA, these posts are currently being recruited to permanently.	0.1
Children and Young People's Services	Children's Services Management Team	The service has delivered savings as a result of service changes and review. These support the delivery of the Children's Services Transformation programme in the current and future years.	(1.0)
Children and Young People's Services			3.0
Adult Social Care	All Age Disability and Mental Health Community Purchasing	Pressures are being experienced with the number of nursing home placements increasing, with Mental Health services a notable change. This is being reviewed in conjunction with health partners to manage this trend. Work is also continuing to control spend on placements and seek more cost-effective placement options. This position continues to be monitored.	1.1
Adult Social Care	All Age Disability and Mental Health Operational	There remain significant pressures in Deprivation of Liberty Assessment demand leading to additional assessment costs. The All Age Disability Team has also seen increasing demand and a high turnover of staff leading to increased Agency costs, recruitment to posts is ongoing.	0.6
Adult Social Care	Older People Operational	Additional costs of agency staff pending recruitment, / additional pressures on telecare	0.1

		budget whilst restructuring taking place to achieve longer term savings.	
Adult Social Care	Older People Community Purchasing	Budget pressures continue to increase. This is a consequence of increased numbers in residential placements and home care packages over this period. Work is already underway to reduce the number of residential placements, which it is expected redress this trend.	(0.2)
Adult Social Care	Adult Social Care Director	Use of Improved Better Care Fund Protecting Social Care resources to manage Adult Social Care pressures	(1.1)
Adult Social Care	Other Variances Less than 100K		0.2
Adult Social Care			0.7
Customer Services & Transformation	Housing & Homelessness	Housing and Homelessness is forecasting an overspend of £2.8M due to a combination of continued and increased demand, activity transferring to the council from the previously outsourced contract and the additional and less costly Temporary Accommodation solutions not being available in Q2 as previously forecast. Although an additional £3.4M has been allocated to the service in 2019/20 in recognition of the increased demand, the majority of this overspend is driven by the gap between what we pay out for temporary accommodation compared with what we can reclaim through the Housing Benefit Subsidy grant. This has been further exacerbated by an increase in activity in the last 3 months particularly in the number of non-families in temporary accommodation. There are a number of mitigations in place to reduce the level of expenditure in this area, closely monitored by Strategic Housing Board.	3.1
Customer Services & Transformation	Customer and Business Services	Whilst the overall position is one of underspend, there are aspects of the budget that are showing as an overspend, these relate to: agency spend which is being used to bridge the gaps until the business services review is complete and a savings target attributed to business services of £172k. The savings target will be shared across the organisation proportionate to the number of individuals returning to service areas with the remaining centralised savings target being met through the release of vacancies held across the service, a consequence of the business services review. Once the centralised teams have settled and we better understand the detail of the work we will review vacancies and determine their distribution based around performance.	0.3
Customer Services & Transformation	ICT & Digital	The majority of the overspend relates to the need to accelerate the refresh of part of the PC estate to avoid potential significant ICT service problems within the service and possibly across	0.2

		the wider organisation. Action being taken to reduce the overspend includes reviewing sources of funding and reducing spend temporarily in other ICT areas e.g. mobile phones. There is also a net 80K under-recovery of traded income	
Customer Services & Transformation	Other Variances Less than 100K		0.1
Customer Services & Transformation			3.7
Human Resources		The HR Service continues to face challenges linked to reducing trading income particularly from schools.	0.2
Human Resources			0.2
Total Non-Controllable Variances - People			8.8
Place Directorate	Place		
Service Area	Reporting Area	Explanation	£M
Place Directorate Management	Other Variances Less than 100K		0.0
Place Directorate Management			0.0
City Centre & Major Projects Development	Sports, Culture, Destination & Bus Relationships	St. Mary's trading deficit £146k, a project team is looking to address this deficit for future years.	0.1
City Centre & Major Projects Development			0.1
Transportation & Highways	Traffic	Bus gate and parking enforcement are projected to be c£0.5m lower than both budget and previous years as a result of both temporary bus gate closures and a lower activity trend generally. This is offset by a forecast increase in income from car parks.	0.3
Transportation & Highways	Highways	There is expected to be a small surplus from DLO trading activities as a result of one-off fees generated from external works.	(0.2)
Transportation & Highways	Other Variances Less than 100K		0.1
Transportation & Highways			0.2

Streetscene Regulatory Services	&	Streetpride & Parks	This is mainly related to issues with Car Parking at Coombe. New pay machines and barriers have recently been installed. There has also been urgent spend to upgrade mess room facilities (Streetpride - City Centre)	0.9
Streetscene Regulatory Services	&	Planning & Regulatory Services	This relates primarily to the one off recovery of legal fees, together with vacancies in building control	(0.2)
Streetscene Regulatory Services	&	Other Variances Less than 100K		0.1
Streetscene Regulatory Services	&	Other Variances Less than 100K		
Streetscene Regulatory Services	&	Waste & Fleet Services	Domestic Waste - Increased pool cover for sickness / long term sickness, additional bin purchases & more realistic forecast for Christmas cover. Waste Disposal costs have increased partly through increased tonnages and partly through higher gate fees for co-mingled recycling.	0.5
Streetscene Regulatory Services	&	Environmental Services	A mixture of overtime & agency to cover long term sickness, higher costs due to increase in the number of vehicles & shortfall against aspirational income targets	0.2
Streetscene Regulatory Services	&	Planning & Regulatory Services	Additional income primarily in the building control service following increased activity, and also recovery of enforcement costs in environmental health	(0.3)
Streetscene Regulatory Services	&	Other Variances Less than 100K		(0.1)
Streetscene Regulatory Services	&			1.1
Project Management and Property Services		Facilities & Property Services	Trading surplus from minor building work projects carried out by compliance and surveying team.	(0.1)
Project Management and Property Services		Other Variances Less than 100K		(0.2)
Project Management and Property Services				(0.3)
Finance Corporate Services	&	Legal Services	Primarily the cost of agency and external cover for vacant posts and the use of external counsel in Legal Services.	0.3
Finance Corporate Services	&	Revenues and Benefits	There is a surplus as a result of an increase in housing benefit overpayment recovery. This is offset by additional costs required to administer an increasing council tax base and lower court cost income.	(0.4)

Finance & Corporate Services	Other Variances Less than 100K		(0.1)
Finance & Corporate Services			(0.2)
Total Non-Controllable Variances - Place			0.9
Contingency & Central Budgets			
Service Area	Reporting Area	Explanation	£M
Contingency & Central Budgets	Corporate Finance	Net Asset Management Revenue Account expenditure is anticipated to be £1.9m less than budget because of lower costs of capital financing, higher investment income and higher loan income. Other corporate budgets reflect lower than budgeted pension costs linked to an early payment arrangement with the West Midlands Pension Fund (£2m), uncommitted resources related to one-off social care funding, Coventry and Warwickshire Business Rate Pool income in excess of budget (£1.1m), projected additional savings from the Friargate Project (£0.75m) and lower than budgeted levy costs (£0.6m). The recommended contribution to reserves for managing the costs of major projects is reflected in this area.	(7.7)
Total Non-Controllable Variances - Contingency & Central Budgets			(7.7)

Approved / Technical Changes

SCHEME	EXPLANATION	£m
PLACE DIRECTORATE		
Public Realm Phase 5	West Midlands Combined Authority Board on 28th June 2019 approved £31.6m devolution deal funding for the Council's City of Culture public realm programme. £0.5m is the element of this funding anticipated to be spent this financial year.	0.5
Commercial Waste Containers	Approval sought as part of this report	0.5
City Centre Destination Leisure Facility	To be funded through revenue reserves	0.4
MRF Development Costs	The proposed development for a Regional Materials Recycling Facility with Partnering Authorities was approved at Cabinet on 27th August 2019. This is an addition to the programme to accommodate 19/20 forecast of this scheme	1.5
GD-42UK City of Culture 20/21	The increase in forecasted spend shows that the Cultural Capital Investment Projects are making good progress and the programme is growing with new projects being approved. This is a complex programme working in partnership with a range of Cultural partners, together strengthening the City Cultural assets.	1.9
Other Under £100k		0.2
SUB TOTAL - Place Directorate		5.0
TOTAL APPROVED / TECHNICAL CHANGES		5.0

Appendix 3

DIRECTORATE	ESTIMATED OUTTURN QTR 1 £m	APPROVED / TECHNICAL CHANGES £m	OVER / UNDER SPEND NOW REPORTED £m	RESCHEDULED EXPENDITURE NOW REPORTED £m	REVISED ESTIMATED OUTTURN 19-20 £m
PEOPLE	14.3	0.0	0.0	(2.0)	12.3
PLACE	204.2	5.0	(0.0)	(2.8)	206.4
TOTAL	218.5	5.0	(0.0)	(4.8)	218.7

Rescheduling and Accelerated Spend

SCHEME	EXPLANATION	£m
PEOPLE DIRECTORATE		
Basic Need	Works underway to expand secondary schools – projects currently at planning stage with programme of works to commence early 2020, which means much of the expenditure will be seen in 20/21	-1.0
SUB TOTAL - People Directorate		-1.0
PLACE DIRECTORATE		
GD08 - Business Innovation Fund (Duplex Fund)	The project team met with the contractor in early September and are now working from a reprofiled position - spend acceleration measures are being considered by the team with a view to not slipping finance into 20/21. The project team is due to confirm the latest position at November Project Delivery Board.	-0.4
GD14 - A46 N-S Corridor (Stanks)	The project team has been progressing the complicated legal sign off necessary to fully launch the fund and is now in a position to progress and release funding. This has resulted in a delay to the spend profile.	-1.3
GD34 City Centre Connectivity and Friargate	Early Contractor Involvement commissioned with Eurovia has led to a firmer programme and cashflow, that requires acceleration of spend than thought at Budget Setting.	2.2
ESIF - Business Support Phase 2	The Business support programme was contracted to deliver ERDF grants of £2m from 2019-2021. The programme started with a healthy pipeline at the start of 2019 and with Business Advisors working closely with Businesses we have had a greater demand than forecasted in the 1st year of the programme. The high demand for investment fund grants has resulted in awarding grants of £1.89m to businesses by Q4 2019, of this we defrayed expenditure of £837k up to Q3. This has been a great achievement for the Programme, as businesses have been able to invest and create jobs which has enabled businesses to add Economic Growth value to the region.	1.3
ESIF - Low Carbon	The programme has committed 70% of the 3 years budget and grant within the first 10 months of the programme	0.2

City Centre Destination Leisure Facility	The spend relates to project enhancements such as a central control booth in the water park, to minimise future revenue costs (i.e requirement for lifeguards) and extended programme PC anticipated in April.	0.4
Re-provision of Coventry's Indoor Bowls Facility	The project has been deferred twice at planning committee resulting in programme delays.	-1.9
Disabled Facilities Grants	Delays in spending due to procurement process issues. Actions are being taken to remedy this	-1.0
Play Areas	Due to staffing capacity and adverse weather, we have been unable to carry out some of the projects this year. These will be re-assigned to 20/21.	-0.2
City Centre South	The variation in forecast is due to revisions to the demolition programme for Coventry Point (compared with the anticipated programme) which means that the spend profile has changed".	-2.4
Other Under £100k	Miscellaneous	-0.6
SUB TOTAL - Place Directorate		-3.8
TOTAL RESCHEDULING		-4.8

Prudential Indicators

Indicator	per Treasury Management Strategy	As at 30th September 2019
Ratio of Financing Costs to Net Revenue Stream (Indicator 1) , illustrating the affordability of costs such as interest charges to the overall City Council bottom line resource (the amount to be met from government grant and local taxpayers).	13.40%	13.48%
Gross Borrowing should not, except in the short term, exceed the estimated Capital Financing Requirement (CFR) at the end of 3 years (Indicator 2) , illustrating that, over the medium term, net borrowing (borrowing less investments) will only be for capital purposes. The CFR is defined as the Council's underlying need to borrow, after taking account of other resources available to fund the capital programme.	Year 3 estimate / limit of £472.7m	£321.3m Gross borrowing within the limit.
Authorised Limit for External Debt (Indicator 5) , representing the "outer" boundary of the local authority's borrowing. Borrowing at the level of the authorised limit might be affordable in the short term, but would not be in the longer term. It is the forecast maximum borrowing need with some headroom for unexpected movements. This is a statutory limit.	£487.6m	£321.3m is less than the authorised limit.
Operational Boundary for External Debt (Indicator 6) , representing an "early" warning system that the Authorised Limit is being approached. It is not in itself a limit, and actual borrowing could vary around this boundary for short times during the year. It should act as an indicator to ensure the authorised limit is not breached.	£467.6m	£321.3m is less than the operational boundary.
Upper Limit on Fixed Rate Interest Rate Exposures (Indicator 9) , highlighting interest rate exposure risk. The purpose of this indicator is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decisions impacting negatively on the Council's overall financial position.	£422.4m	£250.5m
Upper Limit on Variable Rate Interest Rate Exposures (Indicator 9) , as above highlighting interest rate exposure risk.	£84.5m	-£61.2m
Maturity Structure Limits (Indicator 10) , highlighting the risk arising from the requirement to refinance debt as loans mature:		
< 12 months	0% to 40%	22%
12 months – 24 months	0% to 20%	1%
24 months – 5 years	0% to 30%	6%
5 years – 10 years	0% to 30%	6%
10 years +	40% to 100%	66%

Investments Longer than 364 Days (Indicator 11) , highlighting the risk that the authority faces from having investments tied up for this duration.	£30m	£0.0m
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Public report

Audit and Procurement Committee

27 January 2020

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor Duggins

Director Approving Submission of the report:

Director of Finance and Corporate Services

Ward(s) affected:

City Wide

Title:

Corporate Risk Register

Is this a key decision?

No – Although the Corporate Risk Register covers the whole of the City, the impact will not significantly affect communities

Executive Summary:

The purpose of this report is to provide the Audit and Procurement Committee with the outcome of the review of the Corporate Risk Register 2020-21 in Appendix A. This provides the Audit and Procurement Committee with an overview of the Council's corporate risk profile and the controls in place to address these risks.

Recommendations:

The Audit and Procurement Committee are requested to:-

1. Note the current Corporate Risk Register, indicating that they have satisfied themselves that Corporate Risks are being identified and managed.
2. Identify any areas where they require additional information (if any).

List of Appendices included:

Appendix One – Corporate Risk Register

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

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

No

Will this report go to Council?

No

Report title: Corporate Risk Register

1. Context (or background)

- 1.1 Local Government has been operating within a challenging environment of substantial budget cuts and major policy change. There is concern that pressure will continue on the level of available revenue resources to manage spending levels. In addition to reducing resources there are demographic challenges leading to increased demand for services whilst quality must be maintained. The pace of change and the scale of the challenges requires the Council to regularly assess its risk profile and implement suitable controls to manage these risks.
- 1.2 The Audit and Procurement Committee's Terms of Reference requires the Committee to monitor the effective development and operation of risk management within the Council. The Council's Risk Management Policy and Strategy identifies that the Committee will receive risk management reports to assist it to provide independent assurance of the risk management framework and associated control environment.
- 1.3 This report provides the Audit and Procurement Committee with the outcome of the review of the Corporate Risk Register 2020-21.

2. Options considered and recommended proposal

- 2.1 The Risk Register at Appendix 1 has been reviewed in consultation with the Senior Management Board and the allocated Risk Manager. It identifies the main risks facing the Council, the planned risk treatment, the progress made to date, where responsibility lies for the Council's response and the risk control status using a traffic light system.
- 2.2 It should be noted that this report covers only those risks that are viewed as the most critical for the Council and which are considered at a corporate level. Risk management activity continues at other levels throughout the Council dealing with those of a lower level.
- 2.3 The Corporate Risks listed in Appendix 1 can be considered as falling into two separate categories:

Operational/ Business as Usual – those risks that could affect the underlying and fundamental operations and structure of the Council

- CR 001 – Finance:
- CR 006 – Health and Adult Social Care
- CR 007 – Safeguarding/Protecting Vulnerable Adults, Children and Families
- CR 013 – Combined Authority for the West Midlands
- CR 014 – Information Governance
- CR 016 – Failure to comply with Health and Safety Legislation
- CR 020 – Brexit

Specific/Project – those risks that could affect specific projects or the major change initiatives to how we operate

- CR 002 – Sky Blue Sports and Leisure
- CR 003 – ICT Infrastructure and Change
- CR 005 – Workforce Strategy
- CR 011 – Friargate Business District

CR 017 – City Centre South
CR 018 – Coventry Station Masterplan
CR 019 – Homelessness and Temporary Accommodation

- 2.4 The Corporate Risks and the control measures in place to address them are more fully described in Appendix 1. Audit and Procurement Committee are asked to review the content of the register and satisfy themselves that the process is operating effectively within the Council as required under the Risk Management Policy and Strategy.
- 2.5 There are some changes to the Risk Register from the previous report to Members.

Risks added:
CR 019 – Homelessness and temporary accommodation
CR 020 – Brexit

Risk with a change of title:
CR 006 – Health and Adult Social Care

3. Results of consultation undertaken

None

4. Timetable for implementing this decision

There is no implementation timetable, this is a monitoring report.

5. Comments from Director of Finance and Corporate Services

5.1 Financial implications

There are no financial implications directly associated with the risk register although the management of the risks is essential to the operation of the Council, the pursuit of its priorities and its financial integrity.

5.2 Legal implications

The maintenance and review of the Corporate Risk Register ensures that the Council meets its statutory obligation under the Accounts and Audit Regulations 2015 to have appropriate measures in place to ensure that risk is appropriately managed

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)

Effective risk management arrangements are an integral component of strategic decision making, service planning and delivery, increasing the likelihood of achieving Corporate aims and objectives.

6.2 How is risk being managed?

The Council has a policy and framework to support risk management arrangements across the organisation as part of its overarching Governance processes. This report forms part of that practice.

6.3 What is the impact on the organisation?

Effective Risk Management arrangements are part of the good governance arrangements which lead to improved decision making and operational practices across the organisation.

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) the environment

No impact

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title:

Roger Martin - Insurance Manager

Directorate:

Place

Tel and email contact:

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Place	10/1/20	14/1/20
John Gregg	Director of Children's Services	People	18/12/20	7/1/20
Susanna Newing	Director of Human Resources	People	2/12/20	2/12/20
Colin Knight	Director of Transportation & Highways	Place	6/1/20	7/1/20
Barry Hastie	Director of Finance and Corporate Resources	Place	16/12/19	18/12/19

Peter Fahy	Director of Adult Services	People	10/12/19	19/12/19
Richard Moon	Director of Project Management and Property Services	Place	10/12/19	16/12/19
David Ashmore	Director of Housing and Transformation	People	10/12/19	19/12/19
Andy Williams	Director of Business, Investment and Culture	Place	10/12/19	19/12/19
Angie White	Service Manager Occupational Health, Safety and Wellbeing Services	People	12/12/19	16/12/19
Adam Hunt	Head of Property and Development	Place	10/12/19	16/12/19
Adrian West	Members and Elections Team Manager	Place	18/12/19	23/12/19
Names of approvers for submission: (officers and members)				
Finance: Paul Jennings	Finance Manager	Place	8/1/20	8/1/20
Legal: Carol Bradford	Corporate Governance Lawyer	Place	10/1/20	10/1/20
Director: Barry Hastie	Director of Finance and Corporate Services	Place	8/1/20	8/1/20
Members: Councillor Duggins	Cabinet Member for Policy and Leadership	-	10/1/20	10/1/20

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

Coventry City Council – Corporate Risk Register

Risk Ref	Risk Owner	Last Updated		
001 – Finance	Deputy Chief Executive - Place	January 2020		
Risk Description: Financial and other pressures on the requirement to deliver our statutory duties and other services results in an inability to achieve a balanced budget in the short and medium term.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<p>Robust arrangements are in place to oversee the Council's annual budget setting process. The financial planning process includes an early assessment of likely resource pressures and there is a defined consultation period to support the budget setting process.</p> <p>The budget is updated as new information is known and in response to any relevant internal and external factors. This analysis is also used to inform actions required to balance the budget. The outcome of the process in terms of an agreed budget is then approved by Full Council in February each year.</p>	February 2020 (Budget Report)	<p>In November 2019, Cabinet approved the Pre-Budget Report for 2020/21 incorporating proposals which would move the Council towards a near balanced position for the year. Further proposals will be brought forward as part of the final Budget Report in February 2020 that will balance the budget.</p> <p>Significant unbalanced positions remain for future financial years.</p> <p>Substantial planned changes in the local government funding model have been and will be subject to decisions by the new Government following the December 2019 general election. This presents significant uncertainty and financial challenge over the medium term.</p> <p>SMB and CLT have identified a transformation programme incorporating workstreams to help move the Council's medium-term budget position towards a balanced position and Members have been briefed on this.</p>	Director of Finance and Corporate Resources	Green
<p>A rigorous structure exists to oversee the budgetary control process from budget setting through to monitoring, oversight and scrutiny.</p> <p>This includes input and oversight by Directorate Management Teams, Strategic Management Board, Cabinet and Audit Committee. These arrangements along with specific project / programme boards also oversee the delivery of agreed savings.</p>	Ongoing	<p>A robust budgetary control time-line is being adhered to driven by formal reporting deadlines. This includes specific steps which require sign off within Directorate management teams. Early reporting and the availability of live budgetary control forecasting are possible through use of the Agresso financial system.</p> <p>Officer based monitoring arrangements are established to ensure that both corporate and service specific savings targets have appropriate structures to deliver</p>	Director of Finance and Corporate Resources	Green

Page 50		<p>their required financial targets. The budget is managed on a whole Council basis. The Director of Finance and Corporate Resources will seek to balance any areas of budgetary overspend with underspends in other areas.</p> <p>The 2019/20 Quarter 2 position reflects a balanced position, and this follows an underspent position for the 2018/19 financial year indicating a relatively sound overall position.</p>		
<p>Issues should be identified at an early stage allowing time for corrective action to be undertaken to address the financial concern identified. These are formally reported through the regular Revenue and Capital Monitoring Reports during the year.</p>	Ongoing	<p>The main areas of concern are in housing / homelessness, looked after children and SEN Transport. Work has progressed more recently to address the wider issues of housing and homelessness in the city, although this remains an area where the Council's plans to control costs have yet to take effect. Medium term budget plans take account of the likely profile of ongoing expenditure pressures in some of these areas although this will need to be refreshed in the current Budget process.</p>	Director of Finance and Corporate Resources	Green
<p>To ensure that there is an effective consultation process around proposals outlined in the Pre-Budget Report.</p>	Ongoing	<p>The proposals in the 2020/21 Pre-Budget Report have been subject to public consultation over an eight-week period during which the Council fulfilled its requirements to involve stakeholders with whom we have a statutory requirement to consult.</p> <p>In addition, the consultation had a significant profile on the City Council's website and social media platforms to encourage public engagement.</p>	Director of Finance and Corporate Resources	Green

Risk Ref	Risk Owner	Last Updated		
002 – Sky Blue Sports and Leisure Ltd and Ors and Coventry City Council and Ors	Deputy Chief Executive - Place	December 2019		
Risk Description: An adverse outcome in respect of legal action by the owners of the football club results in a significant financial and reputational impact to the Council.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Appropriate arrangements are put in place to defend the legal action being taken against the Council by the owners of Coventry City Football club.	Ongoing	<p>The Supreme Court upheld the judgement of the Court of Appeal which was to refuse permission for the hearing. The Judicial Review process in the English Courts is exhausted.</p> <p>The owners of Coventry City Football Club have now raised a complaint with the European Commission which the City Council has responded to via the department for Business, Energy and Industrial Strategy. A decision is awaited as to whether the European Commission is minded to investigate the complaint.</p>	Director of Finance and Corporate Resources	Green

Risk Ref	Risk Owner		Last Updated	
003 - ICT Infrastructure and Change	Deputy Chief Executive - People		December 2019	
<p>Risk Description: The major programme of ongoing developments and implementation of an ICT and Digital strategy is not implemented successfully and causes the following risks to the Council: (1) additional financial pressures (2) significant disruption to the day to day running of the Council both in the implementation phase as a result of continuing to operate with ageing systems in the meantime and an ongoing basis, (3) does not underpin the Council's transformation programme and associated new ways of working. (4) infrastructure and systems are not resilient to enable business continuity and data security as the Council becomes more heavily reliant on ICT. (5) Moving to a Digital approach to delivering services offers greater opportunity for Cyber-attacks.</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Embed and track actions within our approved Coventry Digital Strategy.	Ongoing – annual review	Strategy approved. Digital Change Board established. Member Champion in place.	Director of Housing and Transformation	Green
To review our provision for ICT Cyber security and the methods employed to protect our networks from Cyber-attack. To ensure that any attacks against the Council's ICT network can be defended and impact minimised.	Ongoing	A security audit of the Council's Cloud presence has been completed and there are proactive and ongoing programmes of activity around cyber resilience within ICT. The Audit Committee have also maintained oversight of this area. Cyber Resilience is also a fundamental part of the continuing ICT Service plan for 2019/20 and future years, it also forms part of the newly published ICT strategy. A recent restructure in the network services team doubles the size of our ICT Security Team to provide more support, focus and resilience in this area. During 2020/21 the Council will be undertaking a "Cyber Essentials Plus" accreditation, which is developed by the National Cyber Security Centre to provide further assurances.	Director of Housing and Transformation	Amber
<p>To continue to review disaster recovery arrangements both within ICT and with Directorates to ensure that the impact of any disruption can be managed and any disruption minimised.</p> <p>To feed into the wider review of Business Continuity arrangements following the outage in May 2017.</p>	Ongoing	Regular updates are provided to Audit Committee on Disaster Recovery provision. Work is in progress to test the provision for each key line of business system. A full review of ICT recovery plans was completed last financial year and is now continually reviewed as part of "business as usual" with monthly "checkpoint" meetings to review any concerns. Regular external audits are carried out to review the arrangements. Further work is planned with the CSW resilience team to ensure that the ICT protocols and inputs to the Council's wider Business Continuity arrangements are robust, understood and operating effectively.	Director of Housing and Transformation	Amber

<p>To agree a programme of audit / peer review work to gain assurance around the efficacy of arrangements in place including our core network infrastructure and cyber arrangements.</p>	<p>Ongoing</p>	<p>An independent health check review of the Council's core network infrastructure has been scoped and commissioned following the network outage on 23rd May 2017. Immediate remedial actions have been taken and a full network redesign programme has been agreed with SMB. This will take 18 – 24 months to complete.</p> <p>A plan of ICT audits has been agreed for 2017 - 2020, and this is underway. Regular meetings are held with Internal Audit to ensure the plan meets the ongoing needs.</p>	<p>Director of Housing and Transformation</p>	<p>Green</p>
<p>Robust contract and supplier management.</p>	<p>Ongoing</p>	<p>Significant work in year to improve the approach to supplier management including regular supplier meetings and working with Procurement Department. Going forward the Council needs to explore its approach to supporting ICT with more dedicated procurement resource and expertise, including opportunities across the WMCA area to enable it to more closely monitor this area of significant spend proactively, particularly with pressures on ICT spend post Brexit and as we rely more on digital tools. Recent communication with the Crown Commercial Service to also input to the Council's approach.</p>	<p>Director of Housing and Transformation</p>	<p>Amber</p>
<p>Develop and periodically review Corporate and Directorate ICT strategies, roadmaps and technology catalogues to ensure technology is kept up to date and maintains a sufficient level of capacity to support increased, or change, of use.</p>	<p>Ongoing</p>	<p>Corporate roadmap has been refined; this will be reflected in directorate strategies and be continually reviewed. Individual ICT projects are subject to change management and appropriate project management arrangements.</p> <p>A revised ICT Strategy was approved by Cabinet in October 2019.</p> <p>The Strategy is based on the key principles of "Coventry as a Platform" which seeks to streamline and modernise processes and systems and the "Digital Workforce", ensuring staff have the relevant skills and tools to make the best use of the technologies available. The Strategy is aligned to the One Coventry approach and reflects requirements stemming from:</p>	<p>Director of Housing and Transformation</p>	<p>Green</p>

- Medium Term Financial Strategy
 - One Coventry Council Plan
 - Coventry UK City of Culture 2021
 - Digital Coventry Strategy for the city
- The Strategy also recognises the priority of protecting the Council's technology estate, data and users from cyber-threats through robust and proactive approaches to the Council's cyber security measures.

Risk Ref		Risk Owner	Last Updated	
005 – Workforce Strategy		Deputy Chief Executive - People	November 2019	
Risk Description: If the council does not deliver “The People Plan” key workforce and organisational development objectives will not be met, resulting in the failure of “One Coventry” and the council’s priorities of being Globally connected, locally committed and delivering its priorities with fewer resources not being delivered.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<p>Organisational Development</p> <p>One Coventry values will be established which will enable the council to have a workforce that is engaged in a supportive culture of learning, well-being, competence and leadership.</p>	One year	<p>A staff consultation exercise has been commenced that will develop, introduce and embed a set of organisational values.</p> <p>The workforce Equality, Diversity and Inclusion action plan is being implemented.</p> <p>The council is ensuring organisational compliance with mandatory training, appraisals and inductions.</p> <p>We have completed a stakeholder analysis and put in place a diversity of communication methods to ensure timely and effective consultation with all stakeholders. This will be captured in a written plan and monitored for effectiveness.</p>	Director of Human Resources	Amber
<p>Pay, Reward and recognition</p> <p>The council will have a total reward strategy that attracts, values and retains talent that will support the organisational values and priorities</p>	One year	<p>A pay modeller has been engaged to assist the Council in developing a pay structure in line with best practice, undertake an equality review and help shape the future offer.</p>	Director of Human Resources	Amber
<p>Recruitment and Retention</p> <p>The council will develop flexible recruitment methods which meet the needs of the Council and provides a diverse workforce for the future, that is commercially aware and strives for excellent customer care.</p>	One year	<p>A new recruitment system; Tridpad has been purchased and is in the process of being implemented with a launch date of the 1/4/20. A part of the introduction of the system, is generating a review of processes as we work towards being an employer of choice.</p>	Director of Human Resources	Amber

<p>Health and Well-being</p> <p>A supportive culture of health and well-being will be established as an essential element of the Council's offer to employees.</p>	<p>One year</p>	<p>Working with Public Health and the trades unions, a health and well-being plan is being developed to introduce some creative initiatives to support staff at work.</p> <p>A review with the trades unions of 'Promoting Health at Work' policy is planned, work has commenced on the Terms of Reference.</p>	<p>Director of Human Resources</p>	<p>Amber</p>
<p>Workforce Planning and Management Information and Support</p> <p>The Council will have a positive employee relations climate which is supported by effective policies and procedures and management information.</p>	<p>One year</p>	<p>Working in partnership with our trade union colleagues, a timetable to review policies and procedures has been produced which provides an order and timeframe to deliver required change. The first five identified are the trades unions priorities.</p>	<p>Director of Human Resources</p>	<p>Amber</p>

Risk Ref	Risk Owner	Last Updated		
006 – Health and Adult Social Care	Deputy Chief Executive - People	January 2020		
Risk Description: The organisation is unable to deliver its statutory requirements in respect of the provision of social care within the resources available and work in partnership with health to deliver the national expectation of an integrated care system, resulting in significant risks to vulnerable residents, reputational damage and overspends.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Implementation of the Better Care Fund projects and use of Better Care Fund and Adult Social Care Support Grant.	Ongoing	<p>The revised 2017-19 Improved Better Care Fund including the additional money for Adult Social Care announced in the spring budget was agreed with CRCCG and Cabinet and has been approved by NHSE.</p> <p>The projects identified, as well as the reprofiling of the initial allocations, has enabled costs and demands to be managed into the 19/20 year.</p> <p>Increasing pressures within Mental Health services are providing further challenge this year.</p> <p>Uncertainty remains regarding future grant allocations, however a one-year rollover of grants as well as an additional Social Care Grant has been promised to cover 20/21.</p> <p>Monthly budgetary meetings review the position and actions are identified to manage the overall resource envelope.</p>	Director of Adult Services	Amber
To work with the social care market to ensure services are sustainable and any changes are managed with minimal impact on service users.	Ongoing	<p>Providers continue to be engaged on an individual basis to understand and risk assess issues that exist that may threaten sustainability.</p> <p>The prevalence of enhanced payments to residential care homes for older people is increasing the overall spend in this area and a commissioning process is underway in order to attempt to achieve a greater level of consistency and clarity on fee levels.</p>	Director of Adult Services	Green

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 29</p>		<p>A provider contingency plan is in place that is used in instances of provider failure.</p>		
<p>Develop the Coventry and Warwickshire Integrated Care System (ICS) and local arrangements to deliver the Long Term Plan.</p>	<p>Ongoing</p>	<p>The development of the Coventry and Warwickshire ICS and delivery of the Long Term Plan is the major NHS led change programme aimed at delivering financially sustainable and quality services across health and social care.</p> <p>Senior officers and elected Members are involved in the development of the Long Term Plan.</p> <p>The City Council is a key partner in the progression and delivery of this work through a range of existing and new governance arrangements and is leading on the Population Health and Prevention work stream to help ensure that the maximum benefit for the City Council can be achieved.</p>	<p>Deputy Chief Executive</p>	<p>Amber</p>

Risk Ref	Risk Owner			Last Updated
007 – Safeguarding / Protecting Vulnerable Adults, Children and Families	Deputy Chief Executive - People			January 2020
Risk Description: A child, young person or vulnerable adult experiences abuse or neglect leading to significant harm or death and the Council and its statutory partners or commissioned services are deemed to have failed to safeguard or protect.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Implement learning and action plans from Serious Case Reviews (SCR) and Safeguarding Adults Reviews (SAR).	Ongoing	Ongoing work in this area to progress learning from SCRs and SARs. For every review there is a work plan which includes an assurance that the recommendations from SCRs and SARs are completed.	Director of Adult Services Director of Children's Services	Amber
Re-invigoration of quality assurance framework around social work cases in all teams within children's services.	Ongoing	Quality Assurance is actively in place ensuring strong compliance and a firm baseline for review. Robust performance information and new audit tools have been developed with an increased levels of audit activity. Children's and adult's peer reviews and inspections included a sample audit of cases to inform learning. Other quality activity is underway through the Practice Improvement Forum and workforce development. Managers now focus on the quality of practice	Director of Children's Services	Green
Introduction of a use of Care Director for the recording of Safeguarding adults processes and progress to facilitate better monitoring of cases and capacity to performance monitor.	Ongoing	Care Director is now being used to record safeguarding activity. Performance monitoring will be established as a result of this.	Director of Adult Services	Amber
Ensure Early-help services are effective and the provision of an improved response to need.	Ongoing	Successfully established 8 early help hubs	Director of Children's Services	Green
Deliver an improving Children's Services.	Ongoing	Identification and early assessment of those children who need immediate protection. Identification of risks and actions taken to protect them are appropriate and effective. Assessment and planning strengthened by	Director of Children's Services	Amber

		use of a risk-management model to support child-focused practice.		
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Passive</p> <p>Awareness raising for all Council employees of signs and indicators of risk to children, young people and vulnerable adults.</p>	Ongoing	<p>Safeguarding training is part of mandatory training. This informs all staff of what to do if they are concerned about a child or adult at risk of harm or abuse.</p> <p>All staff are reminded of the importance of updating their training and this is checked at the point of appraisal.</p> <p>Improving safeguarding training uptake is ongoing and a key element of the workforce sub-group responsibilities. There is an ongoing issue in assurance of training completion as statistics currently only count on-line training and not classroom based (which a number of ASC staff attend).</p> <p>Posters disseminated to reinforce the responsibilities of staff to protect children and young people at risk of abuse.</p> <p>Safeguarding Boards annual conferences and events to raise awareness across all agencies and promote prevention and protection of children, young people and vulnerable adults.</p> <p>An enhanced suite of training is in place for practitioners and managers undertaking safeguarding activity.</p> <p>An Adult Safeguarding awareness week was held in November 2019.</p>	<p>Director of Adult Services Director of Children's Services</p>	Amber

Risk Ref	Risk Owner		Last Updated	
011 – Friargate Business District	Deputy Chief Executive - Place		December 2019	
Risk Description: Failure to attract businesses to move to the Friargate Business District.				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Delivery of a series of high quality commercial buildings, as part of a comprehensive master planned development, through Friargate JV Project Ltd (a joint venture of which the Council is a 50% shareholder).	JV entered into – Jan 2019	<p>Building Two has planning consent – work is underway to take forward the delivery process for the building (anticipated completion date 2022).</p> <p>JV entered into between parties January 2019 and the JV Board meetings underway. The JV has authorised the next stage of Building Two’s design and cost development (RIBA Stage 3). The Council is currently undertaking due diligence on the programme, costs and lettability of this building in conjunction with our commercial advisors, Cushman and Wakefield, and the Friargate JV. It is anticipated that a report to Members will be brought forward in early 2020 setting out officer recommendations for next steps.</p> <p>The WMCA has approved £51.2m grant funding for the purposes of accelerating delivery of the overall Friargate Business District. This funding will be used to deliver Building Two (subject to a formal Grant Agreement being entered into with the WMCA which is anticipated to be in place by March 2020).</p>	Director – Project Management and Property Services	Green
Cushman and Wakefield (CW) appointed to develop letting strategy for Building Two	Ongoing	CW are working with the Council to develop the overall lettings strategy and commence engagement with potential tenants.	Director – Project Management and Property Services	Green

Risk Ref	Risk Owner	Last Updated		
013 – Constituent Membership of the West Midlands Combined Authority	Chief Executive	December 2019		
<p>Risk Description:</p> <p>Alongside the considerable opportunities to fast-track economic growth and public sector reform that constituent membership of the West Midlands Combined Authority (WMCA) brings – sit financial, organisational, legal, reputational and political risks. This includes elements of the WMCA Devolution Deal investment programme, much of which relates to Coventry transport infrastructure schemes, for which funding sources including a Council Tax precept and Business Rates levy have not been progressed at this stage.</p> <p>A detailed risk register has been completed at a WMCA level which is reviewed by its Audit & Risk Committee and Overview & Scrutiny, but it is essential that the risks are understood by Coventry, as a City Council and as a City and that mitigation plans are put in place.</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
The overall financial implications on the Council's budget and medium-term financial strategy of local contributions to Treasury's additional £36.5 million annual revenue contribution in order to fund the £8 billion infrastructure/growth programme.	Ongoing	Annual constituent membership fees profiled into budget. Funding of the WM Growth Company is subject to a separate business/investment case and has not resulted in additional financial contributions from the Council at this stage.	Director of Finance and Corporate Resources	Green
Create detailed delivery plans for phasing of circa £100million capital expenditure on City Centre South.	Ongoing	Funding released for delivery of detailed planning application and demolition.	Director of Project Management and Property Services	Green
Create detailed delivery plans for phasing of circa £50million capital expenditure on Friargate.	Ongoing	Joint Venture for Friargate signed. Hotel development agreed. Detailed cost analysis for Friargate 2 underway.	Director of Project Management and Property Services	Amber

Risk Ref	Risk Owner	Last Updated		
014 – Information Governance	Chief Executive	December 2019		
<p>Risk Description: Breach of the DPA2018/GDPR: The Council manages a significant amount of personal data and information in the delivery of services using a range of systems and media. With data held in many places and in varying formats it becomes susceptible to loss, misuse, inadvertent release and breach of privacy. These risks are increased by the growing use of electronic transfer and management of information (including the use of the Government Public Sharing Network).</p> <p>The Law imposes strict timeframes on the Council to meet statutory requirements for responding to requests for information. The Council is exposed to financial penalties, sanctions and reputational damage for failure to meet statutory deadlines and for beaches to the Data Protection Act 2018/GDPR.</p> <p>The introduction of the General Data Protection Regulation (GDPR) in May 2018 introduced some major changes regarding the use of personal data which impact on the Information Governance Team and service areas ability to meet the statutory deadlines. Also, in 2018 The Data Protection Act 2018 came into force. The Act updates the DPA1998 and complements the GDPR therefore the risks will remain post Brexit.</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<ul style="list-style-type: none"> • Approved Information Management Strategy and associated programme of work • Implement a Council wide training programme • Effective plans in place to meet requirements of GDPR • Effective systems and working arrangements in place to deliver local and national requirements • New software and ways of working are being developed to improve the timeliness and quality of responses to information requests in line with legislative requirements 	Ongoing	<p>Information Management Strategy Group (IMSG) and Information Governance Team has Corporate oversight for progress on the Information Management Strategy implementation.</p> <p>Comprehensive Information Management and Data Protection Training Strategy approved April 2018. Refresh and update being undertaken to ensure the high level of compliance in year 1 is maintained.</p> <p>Communications plans are being strengthened to maintain and raise awareness and embed a positive information governance culture.</p> <p>A significant amount of work was undertaken in preparation for GDPR and further work continues to build on this. Children’s Services, one of the Council’s identified high risk areas, is building privacy into its programme of service re-design.</p> <p>An IT platform has been developed to handle Freedom of Information requests and Subject Access Requests. A business case is being prepared for the development of software which will help to control</p>	Director of Finance and Corporate Resources (SIRO)	Amber

information asset management and data security incidents.

Risk Ref	Risk Owner		Last Updated	
016 Failure to comply with Health and Safety legislation	Chief Executive		December 2019	
<p>Risk Description: Failure to comply with Health and Safety legislation/practice leading to (a) injury to employees and other parties (b) intervention and prosecution by the HSE and other agencies (c) increase in sickness absence (d) liability claims (e) damage to reputation (f) corporate manslaughter (g) reduction in performance and standards</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Corporate Health and Safety Policy and Strategy with roles and responsibilities clearly defined Health and safety consultation and communication with employees Health and safety audit, monitoring and inspection programmes Health and safety action plans identifying areas for improvement	Ongoing	Approved Health and Safety Policy statement setting out roles, responsibilities - version July 2019 – 2021. Formal health and safety consultation arrangements through Health & Safety Strategy Group, Joint Safety Forum and operational Health & Safety committees. Informal health and safety communication through management and team meetings Managers Health & Safety Annual Self Audit Monitoring and inspection at service level by managers Independent audit, inspection and monitoring by Health & Safety staff to ensure compliance and high performance Corporate Health & Safety Action Plan – version July 2019 – 2021 Directorate/service action plans developed from audits, monitoring and inspection of the workplace.	Chief Executive	Amber

Health and safety training, toolkits and information dissemination Page 66	Ongoing	Risk Assessment toolkit and guidance on key Health & Safety issues available for managers and employees. Mandatory Health and Safety training programme Toolbox talks and awareness campaigns on high profile issues Newsletter – Be Safe, Be Healthy, Be Well		Green
Process and system for recording and monitoring incidents and accidents	Ongoing	Alcamus incident reporting system in place. Investigations carried out as required. Procedures for reporting work related injuries, diseases and dangerous occurrences		Green
Professional Health & Safety and Occupational Health Service	Ongoing	Team of Occupational Health and Health & Safety staff providing specialist advice and support to the organisation Health surveillance in line with legislative requirements		Green
Arrangements for statutory / legislative inspections and assessments Electrical, fire, asbestos and water hygiene	Ongoing	Contracts/procedures in place to comply with legal assessments/inspections Independent audit by Health and Safety Team		Green

Risk Ref	Risk Owner		Last Updated	
017 – City Centre South	Deputy Chief Executive - Place		December 2019	
Risk Description: Failure to redevelop the City Centre South area to provide a high quality mixed use scheme with the consequent social and economic regeneration of the whole City Centre				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<ul style="list-style-type: none"> Securing 'Anchor' tenants and uses of sufficient quality <p>Securing 'aspirational' anchor tenants and uses will be a challenge given the way the retail market has changed in recent years and an 'anchor' for the scheme will involve a mix of uses (including public realm and residential development) and tenants. Getting this right will help attract suitable retail and leisure adjacencies and increases the likelihood that the social and economic benefits of the project will be delivered.</p>	Current through to completion of the scheme	<p>Working with SPG to attract scheme anchor(s).</p> <p>The Council is working with SPG to develop the outline planning application for the scheme. Given the challenges in the retail market the application will include proposals for an 'anchor' that is relevant to a modern city centre redevelopment scheme, as well as including a wide mix of uses suitable for a contemporary city centre.</p>	Director – Property Services and Development	Amber
<ul style="list-style-type: none"> Securing planning permission for the revised scheme <p>Failure to secure planning permission will result in time delay and additional cost whilst subsequent options are considered. This would impact negatively on the length of the overall delivery programme and will also delay the implementation of any CPO process that may be required to assemble the site.</p>	Up to 24 months from April 2019	<p>The scheme is being developed within the parameters of the City Centre Area Action Plan to ensure that it aligns with current Council planning policy.</p> <p>The planning application is being developed as a close collaboration between SPG and Council Development and Property Officers to further ensure the development of a high quality scheme. Public engagement will commence in 2020 on the revised scheme. In addition, the principle of outline planning permission for City Centre South has already been established with the granting of the original outline planning permission for a previous version of the scheme.</p>	Director – Property Services and Development	Amber
<ul style="list-style-type: none"> Securing funding for the scheme <p>The developer will need to secure a funder or funders to take forward the delivery of the scheme once planning permission is secured.</p>	Ongoing	The Council is working with its commercial advisors, Deloitte, and SPG and their commercial advisors to explore investment funding strategies for the revised scheme as well as undertaking soft market testing. Developer discussions with potential funders are ongoing and the development funding opportunity is promoted at MIPIM every year.	Director – Property Services and Development	Amber

<ul style="list-style-type: none"> Time delay in the site assembly period <p>It is important that there is timely acquisition of land and property to enable the scheme to proceed as planned.</p> <p>The majority of the site is owned by the Council, but a smaller number of acquisitions are required either voluntarily or, as a last resort, by CPO.</p>	<p>Current through to completion of the scheme</p>	<p>The Council will use reasonable endeavours to secure these by negotiation and as far as possible these will be conditional agreements whereby the costs are not incurred until the land is needed.</p> <p>Opportunities for making early acquisitions where appropriate are considered when they arise e.g. the Aviva assets purchased in March 2018. A Land Assembly Group has been convened to ensure a joined up approach between the Council and SPG to these issues.</p>	<p>Director – Property Services and Development</p>	<p>Amber</p>
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Risk Ref	Risk Owner		Last Updated	
018 – Coventry Station Masterplan	Deputy Chief Executive - Place		January 2020	
<p>Risk Description: Coventry Station Masterplan consists of 3 major phases to improve the Station and frequency of rail travel from Coventry to Nuneaton. The work streams are as follows:</p> <p>Phase 1. A high quality glazed footbridge connecting all four platforms at the station</p> <p>Phase 2. A second station building, 633 space multi-storey car park and new bus interchange complemented by highway improvements to Warwick Road and the creation of a new western link road to unlock the western extent of the Friargate development.</p> <p>Phase 3. A new bay platform at Coventry Station, with associated track and signalling works.</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
Management of project costs in excess of forecast budget.	Current through to completion of the scheme	<p>Tender costs have been received that surpass budget. An exercise has been undertaken to provide a robust financial status for the whole programme based on latest tender costs and latest commercial costs for the projects under contract, which puts the project significantly over budget.</p> <p>Discussions are ongoing with funders and key stakeholders including the Department of Transport and Network Rail and consideration is being given to whether further funding can be obtained and/or the project restructured to ensure its deliverable within the funding envelope. All options will be taken to Strategic Board for Member steer, followed by Cabinet and Council in March to gain necessary approvals.</p>	Director – Transport & Highways	Red
Management of programme delivery to mitigate delay during all phases.	Current through to completion of the scheme	<p>Robust governance arrangements are in place that require all programmes to be monitored closely at bi-monthly Operational Boards, bi-monthly Strategic Boards (held on alternate months), monthly senior level Delivery Boards and bi-weekly Project Monitoring Group meetings.</p> <p>Co-location of all partners is planned for January 2020, which will enhance cooperation, communication and efficient working.</p> <p>Phase 2 contracts will be entered into as soon as possible, operating under a letter of intent at present to mitigate delay.</p> <p>Positive engagement is being undertaken with key stakeholders including Network Rail and Avanti West Coast whose support is key for expedient decision making which will aid the programme.</p>	Director – Transport & Highways	Amber

<p>Minimising disruption to rail passengers during construction, due to reduced car parking and platform lengths.</p>	<p>Current through to completion of the scheme</p>	<p>Work has been completed to create a temporary car park adjacent to Westminster Road to replace some of the rail car parking that will be lost during construction.</p> <p>The project team and contractor are working closely with the station franchise operator Avanti West Coast Trains to look at phasing and how any platform restrictions are communicated to passengers to ensure rail services remain unaffected and passengers continue to use the station throughout construction.</p>	<p>Director – Transport & Highways</p>	<p>Green</p>
<p>Mitigating delay to completion of Phase 3.</p>	<p>Current through to completion of the scheme</p>	<p>Tenders were received on 27/09/19 and they were in excess of the project budget.</p> <p>The scope of the project is being considered and discussions are ongoing with funders regarding delivery options. Recommendations will be made to Cabinet.</p> <p>Discussions are underway with funders with regards to any change to the original scope and timing of the project. The Department for Transport have requested an updated Full Business Case to be produced to help inform decision making regarding strategic delivery and any additional funding for the scheme.</p>	<p>Director – Transport & Highways</p>	<p>Amber</p>

<p>Mitigating any delay to the completion of the pedestrian boulevard up to the front of the railway station by December 2020.</p> <p>This is a priority for the Council as it will create a high-quality traffic free route from one of the city's main gateways to the city centre, which is important to enhance visitor experience during City of Culture 2021.</p>	<p>Current through to completion of the scheme</p>	<p>In order to deliver the pedestrian boulevard buses and taxis will need to be diverted from in front of the station.</p> <p>The taxi rank will be constructed to the east of the station in a new loop.</p> <p>However, buses will be more challenging to move as this requires relocation to the new interchange to the west of Warwick Road in the current rail car park. A CPO has been approved by the Secretary of State in order to do this, however there is still a timing issue with regards to the impact on rail parking if the bus interchange is to be constructed before the new multi-storey car park opens, which will provide replacement spaces.</p> <p>A logistics planning session has been held and key activities that are ongoing are:</p> <ul style="list-style-type: none"> • Liaise with TfWM with regards to the bus interchange scope and phasing. • Liaison with Avanti West Coast Trains in order that land in the western rail carpark can be released so that an alternative bus interchange can be made, exploring options for alternative rail parking as necessary so as not to have a detrimental impact. 	<p>Director – Transport & Highways</p>	<p>Amber</p>
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Risk Ref	Risk Owner		Last Updated	
019 – Homelessness/Temporary Accommodation	Deputy Chief Executive - People		December 2019	
Risk Description: There is a risk that the number of people presenting themselves as homeless or at risk of being homeless will continue to rise. The increase in demand coupled with limited alternatives to high cost accommodation continues to present considerable financial risk to the Council.				
72 Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<p>The Council is actively working towards early prevention of homelessness, an increased housing supply and reducing demand for temporary accommodation, focussing on:</p> <ul style="list-style-type: none"> • Targeted and universal prevention • Specific housing development projects for temporary and permanent accommodation • Reducing cost and improving quality of existing accommodation • Supporting vulnerable people 	Ongoing	<p>The council has a number of active projects to increase the supply and quality of temporary accommodation and reduce costs. The rates for existing temporary accommodation have been negotiated and a number have reduced resulting in a full year cost reduction in excess of £1million. Further progress will continue to reduce costs.</p> <p>These measures, and ongoing improvements in data collection and analysis is allowing for more proactive work to reduce the financial risk. However, demand for the service continues to rise, which is a real challenge.</p> <p>The Council has made progress with key accommodation projects, such as Caradoc Hall, which will be leased by the Council and has 102 units of temporary accommodation. Caradoc Hall went live in December and will be fully utilised during January 2020.</p> <p>Other projects of this type are also being developed which will allow the Council to exercise greater control over the accommodation.</p>	Director of Housing and Transformation	Red
		<p>Cabinet and Council adopted the new Housing and Homelessness Strategy 2019 to 2024 in March 2019. The strategy focuses the entire housing system, from prevention of homelessness to housing supply. The strategy will deliver projects to specifically reduce demand “upstream”, thereby reducing the numbers of homeless clients requiring different forms of statutory service. Furthermore, the Council is also currently consulting on its housing allocation scheme (homefinder).</p>	Director of Housing and Transformation	Red

		Cabinet has agreed a new Rough Sleeping Strategy in December 2019, which is complemented by a new Rough Sleeper outreach team and ongoing participation in the Housing First programme. These initiatives will enable the Council to support the most vulnerable residents, including provision to prevent them from becoming homeless or rough sleeping in the first place.		
		The linked recommissioning exercise will deliver a more fit for purpose support contract in April 2020, with new targeted and universal prevention elements. The contracts have been awarded and are being mobilised.	Director of Housing and Transformation	Red
		Recruitment to the Housing Team is complete. Even so, this is a new team and further work is required to meaningfully reduce the risk profile linked to homelessness and temporary accommodation.	Director of Housing and Transformation	

Risk Ref	Risk Owner	Last Updated		
020 Brexit	Chief Executive	December 2019		
<p>Risk Description: The full impact of the United Kingdom leaving the European Union with or without a deal after the passing of the Withdrawal Agreement and once the Transition Period ends on 31/12/2020, will have a significant impact on the Council being able to fulfil either its statutory responsibilities and/or public/stakeholder expectations.</p>				
Planned Treatment:	Timescale	Progress to date:	Risk Manager	Control Status
<p>The Council is actively working to ensure all reasonable steps are in place as it prepares for leaving the EU by 31 January 2020 and ultimately 31 December 2020 (once the Transition Period ends), with or without a deal.</p> <p>A Brexit Preparedness Group has been established led by a Director to ensure a robust and coordinated response</p>	<p>31 January 2020 (Withdrawal Agreement)</p> <p>31 December 2020 (end of Transition Period)</p> <p>Ongoing review</p>	<p>Brexit preparations have been ongoing for some time. Key actions being:</p> <ul style="list-style-type: none"> • Updating of Business Continuity Plans • Engaging with key suppliers to raise awareness and ensure contingency planning • Promoting the EU settlement scheme with social care providers to support continuity of workforce • Contributing to work of the Local Resilience Forum in ensuring regional resilience planning • Working with the Coventry & Warwickshire Local Enterprise Partnership Growth Hub, the Chamber of Commerce and local businesses to support preparations for Brexit • Working with WMCA to support management of the wider regional impacts of Brexit 	<p>Director of Adult Services</p> <p>Director of Business, Investment and Culture</p>	<p>Amber</p>



Coventry City Council

Public report

Report to

Audit and Procurement Committee

27th January 2020

Name of Cabinet Member:

Cabinet Member for Policy and Leadership - Councillor G Duggins

Director approving submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

City Wide

Title:

Half Yearly Fraud and Error Report 2019-20

Is this a key decision?

No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with a summary of the Council's anti-fraud and error activity undertaken by the Internal Audit Service during the financial year 2019-20 to date.

Recommendation:

The Audit and Procurement Committee is recommended to note and consider the anti- fraud and error activity undertaken during the first half of the financial year 2019-20.

List of Appendices included:

None

Background papers:

None

Other useful documents:

None

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee.

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title:

Half Yearly Fraud and Error Report 2019-20.

1. Context (or background)

- 1.1 Fraud in the public sector has a national focus through the publication of "Fighting Fraud and Corruption Locally – The Local Government Counter Fraud and Corruption Strategy". Whilst the national strategy states that the level of fraud in the public sector is significant, the current trends in fraud activity includes areas which Coventry City Council does not have responsibility for, for example, social housing, and the levels of identified / reported fraud against the Council remain at relatively low levels, in terms of both numbers and value.
- 1.2 This report documents the Council's response to fraud and error during the first half of the financial year 2019-20 and is presented to the Audit and Procurement Committee in order to discharge its responsibility, as reflected in its terms of reference *'to monitor Council policies on whistle blowing and the fraud and corruption strategy'*.

2 Options considered and recommended proposal

- 2.1 The Internal Audit Service is responsible for leading on the Council's response to the risk of fraud and error. The work of the team has focused on four main areas during 2019-20, namely:

- Council Tax
- National Fraud Initiative
- Referrals and Investigations considered through the Council's Fraud and Corruption Strategy
- Proactive work

A summary of the key activity that has taken place during 2019-20 to date is detailed below.

- 2.2 Council Tax – Work undertaken in this area has focused on the following:

- Reviewing Council Tax Exemptions / Discounts – A rolling programme of reviews is normally undertaken on an annual basis to provide an appropriate response to the inherent risk of fraud / error in the area, as the Council is reliant on the customer to report any changes in circumstances which would affect their entitlement to an exemption / discount. However, in 2019-20 to date only limited work has been undertaken in this area, given the focus of the Team's work on following up matches arising from the National Fraud Initiative (see 2.3 below). As a rolling programme of work, this is not viewed as significant. Notwithstanding this, the work undertaken has resulted in:
 - 20 exemptions have been removed from customers' accounts. These exemptions were removed on the basis that the customer failed to report a change in circumstances.
 - Revised bills have been issued amounting to approximately £28k.

- £20k of this money has been paid to the Council to date. The outstanding balances are being recovered through agreed payment instalment arrangements or are subject to the Council's standard recovery arrangements in relation to Council Tax.

Given that on an individual basis, the amounts involved were not sizeable, these cases have been treated as an error (as oppose to fraud). The Council's approach to this reflects the need to use resources in the most cost-effective way. However, further investigation / action would be considered in the event that any individual case was considered to be significant (i.e. in excess of £10k).

- Council Tax Referrals – The Council receives referrals from both internal and external sources linked to concerns around the payment of council tax support or council tax discounts / exemptions. Table one below indicates the number of referrals received by source during the first half of the financial year 2019-20.

Table One – Council Tax Fraud Referrals Received April to September 2019

Source	Referrals 2019-20 to date
C/F from 18/19	2
Housing Benefits	4
Council Tax	4
Members of the public	3
Other	5
Total	18

Whilst a significant number of cases are passed to the Department of Work and Pensions to investigate under agreed arrangements (i.e. where housing benefit is also in payment), the Internal Audit Service have validated two concerns to date in 2019-20, which has resulted in revised bills / overpayments of around £8k being issued, all of which has now been recovered.

2.3 National Fraud Initiative (NFI) – The NFI exercise is led by the Cabinet Office. The exercise takes place every two years and matches electronic data within and between public bodies, with the aim of detecting fraud and error. The results of the last exercise were released in January 2019 and identified approximately 10,000 matches for the Council to consider. A summary of the work undertaken in 2019-20 on these matches is detailed below:

- Around 2500 matches have been reviewed and processed. Given the high number of matches, priority has been given to known problem areas and key matches as judged by the Cabinet Office. However, changes introduced by the Cabinet Office in the risk rating approach and the release of additional matches under a pilot scheme (see below for further details) has required more focus to be given to this area of work in 2019-20.
- Table two overleaf highlights a breakdown of those areas where errors / overpayments have been identified:

Table Two – Breakdown of National Fraud Initiative results April 2019 to January 2020

Match type	Number of errors / discrepancies	Issue	Overpayments
Housing benefit claimants to student loans	5	Housing benefit claimants who had failed to declare their student loan	£38,200 (includes outcomes reported by the Department of Work and Pensions)
Housing benefit claimants to taxi drivers	1	Housing benefit claimant who failed to declare the correct date they started work as a taxi driver	£250
Housing benefit claimants to personal alcohol licenses	1	Other overpayment – review of the data match led to identification that housing benefit should not have been paid due to the non-commerciality of the tenancy agreement between the claimant and the landlord	£20,500 (this has been classed as un-recoverable)
Housing benefit claimants to deceased	3	Housing benefit claimants who had died and the Council were not aware of the correct date their tenancy ended	£600 (£250 of this has been classed as un-recoverable)
Pensions to deceased	1	The Council has continued to pay a pension after the individual had died	£1200
Council tax support to pensions	1	Other overpayment – review of the data match led to identification that the claimant had moved out of the address but the liability had not been updated	£1700
Council tax support to council tax support	1	A customer in receipt of council tax support moved out of the area and failed to notify the	£1500

		Council	
Council tax support to personal alcohol licenses	1	Council tax support claimant who failed to declare their full income	£1500
Council tax support to deceased	6	Other overpayments – In all cases whilst the Council were already aware the claimant had deceased, review of the data match led to identification that other persons should have been liable for the council tax	£5700
Council tax support to HMRC earnings and capital	8	Council tax support claimants who had failed to declare employment	£40,200
Council tax support to HMRC household composition	5	Council tax support claimants where review identified that other persons should have been liable for the council tax / household income was not fully declared	£40,000
Duplicate invoices	2	Duplicate creditor payments	£5000
Total	35		£156,350

- It is worth noting that in August 2019, the Cabinet Office released additional matches under a pilot scheme using data held by the HMRC to target three fraud risks:
 - Undeclared property ownership
 - Undeclared earnings and capital
 - Undeclared persons in a household

Whilst this is currently a pilot exercise, the initial results, both within the Council (as highlighted in the table above) and across other local authorities suggest that use of this data within the National Fraud Initiative will further strengthen the effectiveness of information available to the Council through this exercise to tackle fraud and error.

- Whilst the NFI exercise takes place every two years, Council Tax matches relating to the award of single person discounts are received on an annual basis as they are matched to the new electoral register which is published each December. In 2019-20, Internal Audit have completed the work started in 2018-19 to follow up those matches relating to

council tax bands D and above. In total, a further 15 single person discounts were cancelled in 2019-20. This has resulted in revised bills / overpayments being issued of around £16,800.

2.4 Referrals and Investigations – From time to time, the Internal Audit Team receive referrals or are asked to assist with investigations relating to employee misconduct and other fraud against the Council involving external individuals. Table three below indicates the number of referrals by source in 2019-20, along with figures for the previous three financial years.

Table Two - Fraud Referrals Received between 2016-17 and 2019-20

Source	Referrals 2016-17	Referrals 2017-18	Referrals 2018-19	Referrals 2019-20 to date
Whistle blower	5	2	3	2
Manager	15	23	21	5
Complaint / External	1	5	2	1
Total	21	30	26	8

It is important to note that there is no mechanism for determining the number of referrals the Council should receive on an annual basis and whilst the number received during the period April 2019 to September 2019 is lower than previous years it is very difficult to anticipate or identify the reasons behind fluctuations in numbers. It is worth noting that this information only reflects referrals made in respect of concerns relating to fraud and corruption and does not include other matters raised under the Whistleblowing Policy.

2.4.1 Of the eight referrals received, three have led to full investigations. The reasons for referrals not resulting in a full investigation include (a) our initial assessment / fact finding does not find any evidence to support the allegations (b) appropriate action has already been taken, and (c) the nature of the event means it is impractical to pursue further.

2.4.2 In addition to the three investigations highlighted in 2.4.1 above, a further three investigations were carried forward from 2018-19. All of the six investigations related to fraud / theft.

Three out of the six investigations are still on-going, whilst of the remaining three:

- In one case, which related to Adult Social Care, action was taken to change the care provider being used. In addition, around £2k is being recovered from the provider.
- In one case, whilst there was insufficient evidence to pursue the matter under the Council's disciplinary process, other action was taken by management / Human Resources to manage wider employment risks which were identified in the course of the investigation.
- In one case involving an external fraud against the Council, it was impractical to pursue the matter further. However, as a result of the investigation, a number of control improvements were identified and implemented in order to provide a robust response to the increased risk of fraud in this area.

2.4.3 Proactive work – The Council's response to fraud also considers an element of proactive work to ensure that all key fraud risks are considered. In 2019-20, this work has included:

- Continuing delivery of face to face awareness sessions with staff from Adult Social Care in relation to direct payment fraud.
- Participation in a regional workshop to assist in development of the new national fraud and corruption strategy for local government.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a monitoring report.

5. Comments from the Director of Finance and Corporate Services

5.1 Financial Implications

All fraud has a detrimental financial impact on the Council. In cases where fraud / error is identified, recovery action is taken to minimise the impact that such instances cause. This also includes action, where appropriate, to make improvements to the financial administration arrangements within the Council as a result of frauds identified. In total, during 2019-20 to date, around £210k has been identified from the work of Internal Audit in relation to fraud and error and is subject to the Council's standard arrangements for recovery of monies owed (unless otherwise stated.)

5.2 Legal implications

The Council has a duty under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs. To effectively discharge this duty, these arrangements include Council policies and procedures which protect the public purse through managing the risk of fraud and error.

All cases are conducted in line with the Data Protection Act 2018 and if appropriate are referred to the Police for investigation.

6. Other implications

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

The scope and content of this report is not directly linked to the achievement of key Council objectives, although it is acknowledged that fraud / error can have a detrimental financial impact on the Council.

6.2 How is risk being managed?

The risk of fraud is being managed in a number of ways including:

- Through the Internal Audit Service's work on fraud which is monitored by the Audit and Procurement Committee.
- Through agreed management action taken in response to fraud investigations and / or proactive reviews.

6.3 What is the impact on the organisation?

Human Resources Implications

Allegations of fraud made against employees are dealt with through the Council's formal disciplinary procedure. The Internal Audit Service are fully involved in the collation of evidence and undertake, or contribute to, the disciplinary investigation supported by a Human Resources representative. Matters of fraud can be referred to the police concurrent with, or consecutively to, a Council disciplinary investigation.

6.4 Equalities / EIA

Section 149 of the Equality Act 2010 imposes a legal duty on the Council to have due regard to three specified matters in the exercise of their functions:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The "protected characteristics" covered by section 149 are race, gender, disability, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment. The duty to have due regard to the need to eliminate discrimination also covers marriage and civil partnership.

The Council acting in its role as Prosecutor must be fair, independent and objective. Views about the ethnic or national origin, gender, disability, age, religion or belief, political views, sexual orientation, or gender identity of the suspect, victim or any witness must not influence the Council's decisions.

6.5 Implications for (or impact on) Climate Change and the environment

No impact

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title:

Karen Tyler – Chief Internal Auditor

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Place

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Lara Knight	Governance Services Co-ordinator	Place	10/1/2020	14/1/2020
Paul Jennings	Finance Manager Corporate Finance	Place	10/1/2020	10/1/2020
Names of approvers: (officers and members)				
Barry Hastie	Director of Finance and Corporate Services	Place	10/1/2020	14/1/2020
Adrian West	Members & Elections Team Manager	Place	10/1/2020	15/1/2020
Councillor G Duggins	Cabinet Member for Policy and Leadership		10/1/2020	13/1/2020

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Coventry City Council

Public report

Report to

Audit and Procurement Committee

27th January 2020

Name of Cabinet Member:

Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:

Director of Finance and Corporate Services

Ward(s) affected:

City Wide

Title:

Annual Governance Statement 2018-19 – Update on planned actions

Is this a key decision?

No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with an update on the actions planned in 2019-20 to address the governance issues highlighted in the Annual Governance Statement for 2018-19.

Recommendations:

The Audit and Procurement Committee is recommended to note and consider the progress made against the actions planned in 2019-20 to address the governance issues highlighted in the Annual Governance Statement for 2018-19.

List of Appendices included:

Appendix One - Update on the 2018-19 Annual Governance Statement action plan

Background papers:

None

Other useful documents:

Annual Governance Statement 2018-19

<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=553&MId=12088&Ver=4>

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title:

Annual Governance Statement 2018-19 – Update on planned actions

1. Context (or background)

- 1.1 Coventry City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this responsibility, the City Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.
- 1.2 To demonstrate such arrangements, the City Council had adopted a Code of Corporate Governance, which is consistent with the principles reflected in the CIPFA / SOLACE framework and guidance 'Delivering Good Governance in Local Government' (2016).
- 1.3 The Annual Governance Statement ('AGS') explains how Coventry City Council has complied with the Code and in doing so, reflects the requirements of the Accounts and Audit Regulations 2015, which requires all relevant bodies to prepare an Annual Governance Statement. The AGS also details key governance / control issues identified through the assessment that the Council faces in the coming year.
- 1.4 The Audit and Procurement Committee approved the AGS for 2018-19 at its meeting on the 24th June 2019. As part of this, the Committee requested that they receive an update report during the year on the actions planned to be undertaken by the Council in 2019-20 to address the governance issues highlighted.

2. Options considered and recommended proposal**2.1 Disclosures made in the 2018-19 Annual Governance Statement**

Part of the function of the AGS is to highlight areas that the Council considers require internal control / governance improvements. The 2018-19 statement set out the following issues (disclosures) which were identified in the development of the AGS:

- Seeking sustainable improvement in Children's Services
- Ensuring delivery of the Council's vision and corporate objectives, in line with the Medium-Term Financial Strategy.
- Raising Educational standards
- Implementation of the Information Management Strategy
- Delivery of the Workforce Strategy
- Delivery of the ICT Strategy
- Management of increasing demand in relation to homelessness and the associated costs of housing families in temporary accommodation.
- Producing a corporate data access standard
- Governance over relationships with partners and outside bodies
- Governance over the programme of capital projects

2.2 Improvement actions

The Annual Governance Statement also sets out the actions planned to be taken by the Council in the forthcoming year to address the disclosures made. This includes identifying officers who will be responsible for the actions and a timescale for delivery. Whilst some of

these actions will be one-off, ring fenced pieces of work which are relatively straightforward to deliver, other actions form part of larger, more complex activities which are delivered over a period of time and which may be on-going for several years before the required improvements to the actual governance issue become tangible. Consequently, the level of progress made during the year to address matters may vary.

Attached at Appendix One is an update on all of the actions planned to be undertaken in 2019-20. This provides the Committee with assurance that progress is being made across all of the identified areas. A further update will be provided when the Annual Governance Statement for 2019-20 is presented to the Audit and Procurement Committee in June /July 2020.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable associated with this report.

5. Comments from the Director of Finance and Corporate Services

5.1 Financial Implications

There are no specific financial implications associated with this report. Internal control / governance have clear and direct effects on finance within the Council. Since these vary widely, it is not useful to attempt to summarise them here, beyond noting that all systems and controls are designed to help improve value for money obtained, the probity and propriety of financial administration and / or the management of operational risks.

5.2 Legal implications

The City Council is required by the Accounts and Audit regulations 2015 to approve, and subsequently publish, the Annual Governance Statement alongside the Statement of Accounts. Reporting on progress in regards to the delivery of the action plan contained in the Statement represents good governance.

6. Other implications

6.1 **How will this contribute to achievement of the Council's plan?**

The governance framework comprises the systems and processes (i.e the internal control environment), and culture and values, by which the authority is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

6.2 **How is risk being managed?**

The key risk that exists is that planned actions are not implemented. This risk is managed through the Council's governance framework which includes arrangements to provide oversight of planned actions through reporting to senior management and designated committees / boards and assurance provided to the Audit and Procurement Committee through this report. Defined processes also exist to gain assurance that agreed actions

arising from the work of Internal Audit, External Audit or another external agency have been implemented on a timely basis.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) Climate Change and the environment

No impact

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title:

Karen Tyler – Chief Internal Auditor

Directorate:

Place

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Appendix One – Update on the 2018-19 Annual Governance Statement action plan

Ref	Governance issue	Planned actions 2019-20	Responsible Officer	Deadline	Current progress
1	Sustainable improvement in Children's Services	A new Executive Improvement board has been established to drive forward continuous improvement of Children's Services. A new Children's Safeguarding Partnership is due to be launched later in the year in line with revised statutory guidance. A review of the re-design has been concluded and small service changes will be made this year in response. A further phase of transformational activity will commence to support further improvement activity. Service Performance reviews will be implemented service wide and Quality Assurance visits by Children's Services Leadership Team will commence.	Director of Children's Services	On-going	<p>The Children's Improvement Executive has been established with an independent chair and attended by member and exec level representation. It is meeting regularly and supporting the continued improvement of Children's Services.</p> <p>The revised Children's Services arrangements were launched within timescale and in accordance with statutory guidance.</p> <p>The review of the redesign has been completed and has seen resource shifted within Children's Services to reflect changes in demand. This has contributed to delivering required savings.</p> <p>Service performance reviews have been implemented and take place twice yearly.</p> <p>Quality Assurance visits involving the entire Children's Service senior leadership team have commenced. The first one took place at the Coundon office and included the lead member for Children's Services. Further visits are planned for 2020.</p>

Ref	Governance issue	Planned actions 2019-20	Responsible Officer	Deadline	Current progress
	Ensuring delivery of the Council's vision and corporate objectives, in line with the Medium-Term Financial Strategy	The Council faces uncertainty due to anticipated changes in the Local Government finance system and a lack of clarity on the future of some major income streams such as Better Care Fund resources. Initial estimates indicate a significant financial gap and work has begun at an early stage to identify a range of options to enable the Council to respond to the possible range of budget scenarios. Members will receive regular briefings on potential new areas of policy development and these will be formally reported to Cabinet Members, Cabinet and Council as appropriate.	Director of Finance and Corporate Services	February 2020	<p>The Government Spending Round announced in September 2019 indicated an improved resource position for the Council compared with previous assumptions. This has been built into the Pre-Budget Report taken to Cabinet in November 2019. Together with a modest set of savings and additional income proposals this leaves the budget close to being balanced for 2020/21.</p> <p>The Provisional Local Government Settlement announced in December 2019 provides further grant funding above the levels assumed and the impact of this flexibility is being considered as part of the process to finalise the Council's 2020/21 Budget.</p> <p>There continues to be no information in relation to the future of local government spending beyond 2020/21. Without this, the risk remains that the Council is faced with significant future budget gaps. In order to address future budget pressure the Council is currently pursuing transformation programmes under the 'One Coventry' approach including the key themes of Commercialisation, Digitalisation and Place Based Services.</p>

Ref	Governance issue	Planned actions 2019-20	Responsible Officer	Deadline	Current progress
3	Raising educational standards	<p>Continue to improve outcomes for ALL pupils, including pupils with an Education, Health and Care Plan (EHCP) and receiving Special Educational Needs (SEN) support, so they are in line with or better than national by ensuring that individual school, Primary Network and Collaborative priorities align with and contribute to specific citywide priorities:</p> <p>Early Years: Improving Good Level of Development (GLD) Primary: Increasing the proportion of children achieving Greater Depth in Writing and making accelerated progress in writing by the end of Key Stage 2 Secondary and 16-18:</p> <ul style="list-style-type: none"> Improving Progress 8 Improving progress in both English and Maths by the end of 16-18 (GCSE resits) <p>All phases: Narrowing the gap to national for our vulnerable groups:</p> <ul style="list-style-type: none"> GLD for all groups Key Stage 1 and Key Stage 2 achievement for children with SEN and an EHCP Key Stage 4 progress for disadvantaged and pupils receiving SEN support 	<p>Director of Education and Skills</p> <p>Head of Education Improvement and Standards 0-19</p> <p>Senior Adviser Education Improvement 11-19 (25)</p>	On-going	<p>Termly meetings continue to take place with Primary Networks and Secondary Collaboratives to both review and monitor data trends and predictions, which ensures city priorities are reflected at school level.</p> <p>Early Years: Good Level of Development (GLD) improved at a faster rate than national for the second consecutive year. Primary: Improvements at a faster rate than national in Key Stage 2 “Writing at expected standard and at greater depth” Secondary and 16-18: Key Stage 4 Progress 8 showed a small decline and with no national change. The gap has therefore widened marginally. However, the more acute measure of % of strong passes in English and Maths improved faster than national. For 16-18 year olds the trend was downward in English and upwards in Maths.</p> <p>Special Educational Needs (SEN): There is a widening gap at Early Years Foundation Stage for pupils identified at SEN support and with an Education, Health and Care Plan (EHCP). However, Key Stage 1 shows a narrowing of the gap in most subjects with SEN support above national in reach of Reading, Writing and Maths and also for Year 1 phonics.</p> <p>At Key Stage 2, the strengthening position continues with SEN support now within 1% of national for the combined measures of Reading, Writing and Maths. EHCP pupils narrowed the gap by over 2%.</p>

					<p>SEN Support Key Stage 2 progress scores for Writing are now above national, and although remaining below for Reading and Maths, the gap has closed.</p> <p>EHCP Key Stage 2 progress scores remain below national, having considerably widened for all 3 subjects. This is viewed in the Coventry context of the needs of the EHCP cohort. At Key Stage 4 there was a widening of the gap for EHCP but the improvements in SEN Support saw the gap narrowed.</p> <p>Disadvantaged: The gap narrowed with national in all the Primary School Key Stages - Early Years Foundation Stage, Key Stage 1 and Key Stage 2. In secondary, Key Stage 4 progress slowed and with some national improvement, no change locally saw a small widening of the gap.</p>
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Ref	Governance issue	Planned actions 2019-20	Responsible Officer	Deadline	Current progress
4	Implementation of the information management strategy	Review and update of Information Management Strategy and Information Management Training Strategy.	Head of Information Governance	March 2020	<p>A review has taken place of the Information Management Strategy and the latest version went to the Information Management Strategy Group for approval in October 2019. Still in draft form, it now requires contribution from the Group to ensure it accurately reflects the Group's intentions/objectives.</p> <p>The Information Management Training Strategy is under review and scheduled for completion by the end of March 2020. As part of this, all mandatory Data Protection related training courses are being reviewed by the Data Protection Team in December 2019/January 2020 to ensure they are fit for purpose.</p>

Ref	Governance issue	Planned actions 2019/20	Responsible officer	Deadline	Current progress
95	Delivery of the Workforce Strategy	<p>During 2019/20 the following actions are planned:</p> <ul style="list-style-type: none"> • The further development and implementation of the workforce strategy to embed the Council's One Coventry approach • The launch of a new Equality, Diversity & Inclusion project focusing on recruitment and selection • A focus on ensuring that our case work is improved and timely • The progression of 'Our Future Workforce' change programme • Creating opportunities for talent mapping and career progressions at all levels across the organisation • Improved Employee Engagement which can be measured through job satisfaction • Continued development of industrial relations • Improvement in digital skills across the workforce • The continuation of ensuring the safety and wellbeing of our employees. 	Director of Human Resources	On-going	<p>The new post of Director of Human Resources commenced in July 2019 and has immediately developed a clear plan of action for HR over the next two years with the development and introduction of the People Plan. The Plan identifies 6 key objectives across 5 areas of work, all of which provide details of actions to deliver the overall aims of the plan.</p> <p>The continued development and enhancement of robust management information (HR analytics) including a HR scorecard to inform strategic decision making and to track progress has been embedded over 2019/20. During the year, an extensive employee engagement has taken place to develop a set of agreed behaviours that will reflect One Coventry. Building on the Year of Wellbeing, HR with Public Health are developing a staff health and wellbeing plan.</p> <p>Improvements continue to be made on improving appraisal completion. The Council is working hard to deliver its commitment to Equality, Diversity and Inclusion through establishing a project board and agreed action plan of priorities. The Council continues to build on its digitalisation programme through the introduction of Microsoft Team to support staff to work more flexibly and efficiently. The Digiknow service is helping to share knowledge and skills both face to face support at induction as well as video and e-learning to increase digital skill levels across the Council.</p>

Ref	Governance issue	Planned actions 2019/20	Responsible officer	Deadline	Current progress
6	Delivery of the ICT Strategy	During 2019/20 the Council will publish an updated ICT Strategy which will continue to provide assurance with regards to our core infrastructure, cyber security plans and digital skills development whilst also supporting innovation and our digitalisation agenda. The ICT Strategy will align with the One Coventry approach.	Head of ICT & Digital	Sep 2019	<p>The revised ICT Strategy was approved by Cabinet in October 2019.</p> <p>The Strategy is based on the key principles of “Coventry as a Platform” which seeks to streamline and modernise processes and systems and the “Digital Workforce”, ensuring staff have the relevant skills and tools to make the best use of the technologies available. The Strategy is aligned to the One Coventry approach and reflects requirements stemming from:</p> <ul style="list-style-type: none"> - Medium Term Financial Strategy - One Coventry Council Plan - Coventry UK City of Culture 2021 - Digital Coventry Strategy for the city <p>The Strategy also recognises the priority of protecting the Council’s technology estate, data and users from cyber-threats through robust and proactive approaches to the Council’s cyber security measures.</p>

Ref	Governance issue	Planned actions 2019/20	Responsible officer	Deadline	Current progress
	Management of increasing demand in relation to homelessness and the associated costs of housing families in temporary accommodation	To deliver to the Housing and Homelessness Strategy and the agreed action plan through the Council's Strategic Housing Board.	Director of Housing and Transformation	On-going	<p>The new five-year Housing and Homeless Strategy was agreed by Council in March 2019. The revised strategy seeks to address the challenges and opportunities of the entire Housing System, from the prevention of homelessness to the provision of housing.</p> <p>Over 2019/20 there has continued to be a significant increase in demand, in line with the Housing Reduction Act (2017).</p> <p>However, new initiatives such as the introduction of Housing First and the council's new temporary accommodation solutions (e.g. Caradoc, Frank Walsh House) are expected to make significant inroads on the Council's financial pressures in late 2019/20 and over 2020/21, as well as providing more suitable temporary housing for residents.</p>
8	Corporate data access standard	Development and implementation of a corporate access standard and protocol for all systems that hold personal data.	Member and Elections Team Manager	December 2019	A working group has met to review standards and facilities in key systems. A checklist and protocol have been drafted for review. Once agreed, appropriate action will be taken to implement the standard for all systems holding personal data.

Ref	Governance issue	Planned actions 2019/20	Responsible officer	Deadline	Current progress
9	Governance over relationships with partners and outside bodies	<p>The Council has a strong foundation of partnership working, which was positively recognised in our recent Local Government Association (LGA) Corporate Peer Challenge. This has included our pivotal involvement in forming the West Midlands Combined Authority, the Place Forum and the Coventry and Warwickshire Local Enterprise Partnership. However, it is recognised that in order to continue to respond to challenges and to adapt to new approaches in terms of the role of the local authority in the community, the Council needs to ensure that there are effective arrangements over its relationships with partners and outside bodies which provide governance and flexibility to deliver effective outcomes. Partnership working principles have been established and work is planned in 2019/20 to develop protocols to underpin this. These will be used to gain assurance that key relationships, such as with the City of Culture Trust and the Friargate Joint Venture are being appropriately governed. In addition, a People Partnership is in its early stages of implementation with a focus on strengthening partnership arrangements across the City and working together to improve collaboration and connectivity in spirit of our One Coventry approach.</p>	Deputy Chief Executive (People)	On-going	<p>Partners have welcomed and embraced the development of a One Coventry approach. The People Partnership has developed into a One Coventry partnership group which is leading the development of a One Coventry approach beyond the Council.</p> <p>A number of strategic plans are being aligned through the review of the One Coventry Council Plan and this is being used to achieve more strategic planning coherence with key partners. This is also supporting the revisions to governance arrangements for key priorities e.g., city of culture, health and wellbeing.</p>

Ref	Governance issue	Planned actions 2019/20	Responsible officer	Deadline	Current progress
10	Governance over the programme of capital projects	<p>The Council has an ambitious programme of capital projects, which in 2019/20 will continue to accelerate in advance of the Council becoming City of Culture in 2021. Whilst providing ongoing regeneration and redevelopment of the city and supporting business rate growth, the scale of the programme requires robust governance and strategic control to ensure that the programme is delivered successfully. Governance arrangements are established with delivery overseen by project boards who report to the responsible cabinet members via established briefing and reporting mechanisms. Governance is also provided via the City of Culture Readiness Board and the Place Programme Delivery Board. In 2019/20 the focus will be on ensuring that as the programme continues to move at pace, governance arrangements remain embedded and integral to programme delivery whilst also ensuring that there are effective processes in place to maintain a view of the overall programme, so its inter-dependencies are managed / joined up, maintaining momentum on the Council's wider aspirations.</p>	Deputy Chief Executive (Place)	On-going	Governance arrangements continue to be in place and embedded, including the City of Culture Readiness Board and the Place Programme Delivery Board which meet regularly.

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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