

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 15 December 2020
(This meeting was held remotely)

Present:

Members: Councillor G Duggins (Chair)
Councillor R Brown
Councillor K Caan
Councillor M Mutton
Councillor J O'Boyle
Councillor P Seaman
Councillor P Hetherton
Councillor D Welsh

Non-voting Deputy
Cabinet Members:

Councillor P Akhtar
Councillor B Gittins
Councillor G Lloyd

Non-Voting Opposition
Members:

Councillor G Ridley

Other Non-Voting
Members:

Councillor N Akhtar
Councillor L Bigham
Councillor J Clifford
Councillor R Lakha
Councillor C Miks
Councillor R Singh
Councillor C Thomas

Employees (by Service):

Chief Executive M Reeves (Chief Executive)

Deputy Chief Executive G Quinton (Deputy Chief Executive)

Law and Governance J Newman (Director of Law and Governance), G Holmes
M Salmon

Finance B Hastie (Director of Finance), Paul Jennings

Apologies: Councillor A Andrews
Councillor A S Khan

Public Business

56. Declarations of Interest

There were no disclosable pecuniary interests.

57. **Minutes**

The minutes of the meeting held on 1st December 2020 were agreed as a true record. There were no matters arising.

58. **Pre-budget Report**

The Cabinet considered a report of the Director of Finance that outlined as a basis for consultation a set of new revenue budget proposals for 2021/22 to 2023/24 which represented changes to the Council's existing Budget. Consultation views were also sought on the potential level of Council Tax and Adult Social Care Precept increases for 2021/22 and on the Council's COVID-19 Equality Impact Assessment. The final Budget proposals and the Council Tax and Adult Social Care increases would be subject to Council approval in February 2021.

The Council's overall future strategy was set out in the "One Coventry Council Plan" which described the Council's key priorities including: improving the quality of life for Coventry people, especially the most vulnerable; promoting the growth of a sustainable Coventry economy and ensuring that residents shared in the benefits; and making the most of our assets and working closer with partners and residents to enable people to do more for themselves. Implicit within the plan was the Council's commitment to delivering a range of core services to everyone in the city.

2020 was expected to be a crucial year for local government in England incorporating several areas of developments in relation to its financial planning environment. However, the emergence of COVID-19 had meant that such developments had been delayed for at least one year. The Chancellor of the Exchequer's Spending Review 2020 announcement (SR2020) on 25th November was overwhelmingly focussed on a one-year perspective. Although SR 2020 included some further support for local government, at the time of writing the Council was still awaiting the 2021/22 Provisional Local Government Finance Settlement which would include details on several key funding announcements which would dictate the funding envelope within which the Council would need to operate next year. As a result, the financial Pre-Budget position set out in the report was assumption sensitive and was likely to be subject to significant changes in a small number of key areas prior to the setting of the final Budget in February.

The delay of key expected reforms for local government funding, which had now been put back until 2022/23 at the earliest, left local government facing enormous uncertainty for the period after 2021/22. As a result, the report and the Council's Medium Term Financial Strategy (a draft of which had been considered by the Finance and Corporate Services Scrutiny Board (1) on 14th December 2020) had a greater focus on the immediate term than usual, dictated in large part by the need to manage the current and pressing challenges facing the Council and the city.

The financial proposals in the report did not include any new service cuts. The Council's view was that this was not the appropriate time to reduce vital services and the approach taken thus far was to try and manage the Budget position through a range of technical measures, including using one-off resources to meet

one-off financial pressures. That being said, the report did not include sufficient measures to present a balanced budget in 2021/22, with a financial gap of £6m still remaining at this stage. The report included a range of approaches in section 5 which were intended to balance this position.

The pre-existing Medium-Term Financial Strategy included an approach incorporating a number of transformation themes such as commercialisation and digitalisation. This work had been somewhat delayed through 2020 as the Council had shifted its focus by necessity to meeting the challenge of Covid. However, these themes were still intended to become an increasing focus of the Council's financial strategy beyond 2021/22 both to deliver financial savings, but also to improve the way that the Council was able to deliver services to its citizens.

The proposals in the report were made as a basis for public consultation and the results of the consultation would be reflected in the final Budget Report in February and considered as part of the final decisions recommended in that report. Further work would be undertaken to confirm all the financial assumptions between now and the final Budget Report in February.

An outline of the resources and the spending and savings proposals were provided in Section 2 and on a line by line basis in Appendix 1 of the report. The Council's Council Tax assumptions and the basis on which it was consulting was set out in section 2 of the report. The Covid Equality Impact Assessment was included at Appendix 2 and explained in section 6.4 of the report.

Indicative details were included within the report for the Council's prospective Capital Programme for 2021/22 based on current knowledge. This would be updated in the February Budget Report, reflecting the most up to programme information available. The draft Programme was based overwhelmingly on pre-existing decisions and patterns of expenditure.

RESOLVED that Cabinet approves as a basis of consultation: the revenue spending and savings options in Section 2 and Appendix 1 of the report; the broad Capital Programme proposals in sections 2.6 to 2.8 of the report; the approach in relation to Council Tax and the Adult Social Care Precept in Section 1.10 of the report including a Council Tax rise of just under 2% and an Adult Social Care Precept of 3%; the draft COVID-19 Equality Impact Assessment at section 6.4 and Appendix 2 of the report.

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

There were no other items of public business.

(Meeting closed at 2.15 pm)