

Coventry City Council
Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 22 February 2022

Present:

Members: Councillor J McNicholas (Chair)

Councillor F Abbott	Councillor J Lepoidevin
Councillor N Akhtar	Councillor G Lloyd
Councillor P Akhtar	Councillor A Lucas
Councillor R Bailey	Councillor P Male
Councillor L Bigham	Councillor A Masih
Councillor J Birdi	Councillor K Maton
Councillor J Blundell	Councillor B Mosterman
Councillor R Brown	Councillor J Mutton
Councillor J Clifford	Councillor M Mutton
Councillor G Duggins	Councillor S Nazir
Councillor B Gittins	Councillor J O'Boyle
Councillor L Harvard	Councillor G Ridley
Councillor G Hayre	Councillor K Sandhu
Councillor M Heaven	Councillor T Sawdon
Councillor P Hetherington	Councillor P Seaman
Councillor A Hopkins	Councillor R Simpson
Councillor J Innes	Councillor G Ridley
Councillor T Jandu	Councillor B Singh
Councillor S Keough	Councillor R Singh
Councillor AS Khan	Councillor R Thay
Councillor R Lakha	Councillor A Tucker
Councillor M Lapsa	Councillor D Welsh

Honorary Alderman: D Batten, D Chater, T Skipper, K Taylor

Apologies: Councillor M Ali, R Auluck, K Caan, R Lancaster, C Miks,
E Ruane, D Skinner, C Thomas and S Walsh

Public Business

74. Minutes of the meeting held on 18 January 2022

The Minutes of the Meeting held on 19 January 2022 were signed as a true record.

75. Coventry Good Citizen Award

On behalf of the City Council, the Lord Mayor presented John White with the Coventry Good Citizen Award. His citation read:

Since 2008 John has been the CEO of Coventry's own international children's charity, Global Care. Working tirelessly both behind the scenes and from the front line, to ensure the charity's limited resources are used wisely in supporting the poorest and most vulnerable children from all

around the world, through education, vocational training, feeding and welfare care, with results which have been transformative for thousands of needy children over the years.

John is very committed and involved with almost every aspect of Global Care's work. As well as overseeing the management of the charity at home in the UK, and the staff team, he is closely involved with the charity's international partners, spending several weeks each year travelling to often inhospitable places, building connections which allow Global Care to support children in some of the world's most fragile states - including Syria and South Sudan. In addition, John is ultimately responsible for the charity's three shops, in Coventry, Kenilworth and Bulkington, which support the broader work of Global Care, but are also committed to offering opportunities to vulnerable adults here in Coventry and the local areas.

John is highly dedicated, leads by example and is very person-centred in his approach and his dedication is so much encompassed in our Coventry's commitment to Peace and Reconciliation. He has invested so much his time, efforts, and resources to helping better the lives of young children in Coventry and across the world, his actions truly reflect his character, and he is a worthy recipient of this Coventry Good Citizen Award.

76. Correspondence and Announcements of the Lord Mayor

The Deputy Lord Mayor referred to the recent sad death of former Councillor Margaret Lancaster who died on 15th February 2022.

Margaret represented Holbrook Ward from 1993 until 2008. During this time, she was Chair of the Licensing and Regulatory Committee, Deputy Co-ordinator of the Social Care and Health Policy Co-ordinating Committee, Chair of the Care Policy Team, Chair of Health Policy Team Chair, Chair of the Health and Safety Committee, Chair of the Traffic Panel, Chair of the Social Justice Policy Team and Deputy Chair of Scrutiny Board (3). She was also the Lead Member for the Physical Disability Policy Team.

Members paid tribute to Margaret and noted that a letter of condolence had been sent to her family by the Lord Mayor and the Leader to convey sincerest condolences on behalf of the City Council.

Members then stood for a minute silence in memory of Margaret.

77. Petitions

RESOLVED that the following petition be referred to the appropriate City Council body:

- a) **Support the bid to plant an avenue of cherry trees in Caludon Park – 196 signatures, presented by Councillor A Hopkins**

- b) **Request the Council to take action to upgrade the 200m length of Birmingham Road from Neale Avenue and Rye Hill to the same standard as the recently resurfaced part of Birmingham Road. – 601 signatures, presented by Councillor J Birdi**
- c) **Request to include Cannon Park Road in the City of Coventry (Cannon Hill Road Area) (20mph Zone) Order 22 – 132 e-signatures, presented by Councillor M Heaven**

78. Declarations of Interest

There were no declarations of interest.

79. Motion without Notice

In accordance with the Constitution, a Motion without Notice was moved by Councillor M Mutton, seconded by Councillor G Lloyd and adopted that agenda items 7 (Council Tax Setting Report 2022/23) and 7 (Budget Report 2022/23) be considered together.

It was noted that a recorded vote would be taken in respect of all decisions relating to matters the subject of Minutes 80 and 81 below (including any amendments).

80. Council Tax Setting Report 2022/2023

Further to Minute 82 of the Cabinet, the Council considered a report of the Chief Operating Officer (Section 151 Officer) which calculated the Council Tax level for 2022/23 and made appropriate recommendations to Council, consistent with the Budget Report 2022/23.

The report indicated that some of the figures and information set out within the report were identified as provisional, as the Police and Crime Commissioner and the Fire and Rescue Authority precepts had not been confirmed at the time of publication. Confirmation had now been received in relation to these precepts and that the figures within the report were all confirmed as accurate.

The report incorporated the impact of the Council's gross expenditure and the level of income it would receive through Business Rates, grants, fees and charges. This resulted in a Council Tax requirement, as the amount that its expenditure exceeds all other sources of income.

The report included a calculation of the Band D Council Tax that would be needed to generate this Council Tax requirement, based on the City's approved Council Tax base. The 2022/23 Band D Council Tax that was calculated through this process had increased by £52.06 from the 2021/22 level.

Each year the Government determined the maximum Council Tax increase that local authorities could set without triggering a referendum. For 2022/23 the Secretary of State had published a report which proposed that the rise in Coventry City Council's Council Tax must be below 3% in 2022/23 to avoid triggering a referendum, comprising a 1% precept for expenditure on adult social care and a maximum of 2% for other expenditure. At the time of writing, the Secretary of State's report was subject to parliamentary approval. The recommendations

within the Budget Report 2022/23 were based on a proposed increase in Council Tax of 2.9%, including a core Council Tax rise of 1.9% and a 1% Adult Social Care Precept.

The recommendations followed the structure of resolutions drawn up by the Chartered Institute of Public Finance and Accountancy, to ensure that legal requirements were fully adhered to in setting the tax. Consequently, the wording of the proposed resolutions was necessarily complex.

RESOLVED that the City Council:

1. Note the following Council Tax base amounts for the year 2022/23, as approved by the Cabinet on 11th January 2022, in accordance with Regulations made under Section 31B of the Local Government Finance Act 1992 (“the Act”):

(a) 84,264.3 being the amount calculated by the Council as its Council Tax base for the year for the whole Council area;

**(b) Allesley 356.9
Finham 1,524.6
Keresley 237.0**

being the amounts calculated by the Council as its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

2. That the following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 31A, 31B and 34 to 36 of the Act:

(a) £748,832,629 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils (*Gross Expenditure and reserves required to be raised for estimated future expenditure*);

(b) £595,438,188 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act (*Gross Income including reserves to be used to meet the Gross Expenditure but excluding Council Tax income*);

(c) £153,394,441 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;

(d) £1,820.40 2(c) = £153,394,441

1(a) 84,264.3

being the amount at 2(c) above divided by the amount at 1(a) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. (*Average Council Tax at Band D for the City including Parish Precepts*).

(e) £43,527

being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts*);

(f) £1,819.88

$$= \frac{2(d) - 2(e)}{1(a)} = \frac{£1,820.40 - £43,527}{84,264.3}$$

being the amount at 2(d) above, less the result given by dividing the amount at 2(e) above by the amounts at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which no special item relates. (*Council Tax at Band D for the City excluding Parish Precepts*);

(g)

Coventry (unparished area)	£1,819.88
Allesley	£1,856.73
Finham	£1,833.83
Keresley	£1,858.33

being the amounts given by adding to the amount at 2(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year of dwellings in those parts of its area to which one or more special items relate (*Council Taxes at Band D for the City and Parish*).

(h)

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Finham	Parish of Keresley
A	£1,213.25	£1,237.82	£1,222.55	£1,238.88
B	£1,415.46	£1,444.12	£1,426.31	£1,445.37
C	£1,617.67	£1,650.43	£1,630.07	£1,651.85
D	£1,819.88	£1,856.73	£1,833.83	£1,858.33
E	£2,224.30	£2,269.34	£2,241.35	£2,271.29
F	£2,628.72	£2,681.95	£2,648.87	£2,684.26
G	£3,033.13	£3,094.55	£3,056.38	£3,097.21
H	£3,639.76	£3,713.46	£3,667.66	£3,716.66

being the amounts given by multiplying the amounts at 2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

3. Note that for the year 2022/23 the Police and Crime Commissioner for the West Midlands and the West Midlands Fire Authority have stated that the following amounts in precepts issued to the Council, in

accordance with Section 40 of the Act, for each of the categories of dwelling shown below:

Valuation Band	Police and Crime Commissioner for the West Midlands	West Midlands Fire and Rescue Authority
	£	£
A	125.03	45.35
B	145.87	52.91
C	166.71	60.47
D	187.55	68.03
E	229.23	83.14
F	270.91	98.26
G	312.58	113.38
H	375.10	136.05

4. That having calculated the aggregate in each case of the amounts at 2(h) and 3 above, the Council, in accordance with Sections 30 and 36 of the Act hereby sets the following amounts as the amounts of Council Tax for the year 2022/23 for each part of its area and for each of the categories of dwelling shown below:

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Finham	Parish of Keresley
	£	£	£	£
A	1,383.63	1,408.20	1,392.93	1,409.26
B	1,614.24	1,642.90	1,625.09	1,644.15
C	1,844.85	1,877.61	1,857.25	1,879.03
D	2,075.46	2,112.31	2,089.41	2,113.91
E	2,536.67	2,581.71	2,553.72	2,583.66
F	2,997.89	3,051.12	3,018.04	3,053.43
G	3,459.09	3,520.51	3,482.34	3,523.17
H	4,150.91	4,224.61	4,178.81	4,227.81

5. Determines that its relevant basic amount of Council Tax for 2022/23 is not excessive in accordance with the principles set out in the Secretary of State's report, under Sections 52ZC and 52ZD of the Act.

Note: In accordance with the Constitution, a recorded vote was taken in respect of the above Recommendations.

The Councillors voting For and Against the Recommendations were as follows:

<u>For</u>		<u>Against</u>	<u>Abstain</u>
Councillors:	Councillors:	Councillors:	Total: 0
F Abbott	M Mutton	R Bailey	
N Akhtar	G Lloyd	J Birdi	
P Akhtar	R Nazir	J Blundell	
L Bigham	J O'Boyle	M Heaven	
R Brown	K Sandhu	T Jandu	

J Clifford	P Seaman	S Keough
G Duggins	B Singh	M Lapsa
B Gittins	R Singh	J Lepoidevin
G Hayre	R Thay	P Male
P Hetherton	A Tucker	A Masih
A Hopkins	D Welsh	B Mosterman
J Innes	Lord Mayor	G Ridley
AS Khan		T Sawdon
R Lakha	Total: 29	R Simpson
A Lucas		
K Maton		Total: 14
J Mutton		

Result: Carried

For: 29

Against: 14

Abstain: 0

81. **Budget Report 2022/2023**

The Cabinet considered a report of the Chief Operating Officer (Section 151 Officer), which set out the proposals for the Council's final revenue and capital budget for 2022/23.

The report followed on from the Pre-Budget Report approved by Cabinet on 14th December 2021, which had since been subject to a period of public consultation. The proposals within the report now formed the basis of the Council's final revenue and capital budget for 2022/23 incorporating the following details:

- Gross budgeted spend of £749m (£25m decrease from 2021/22)
- Net budgeted spend of £237m (£6 and 3% lower than 2021/22) funded from Council Tax and Business Rates less a tariff payment of £19.3m due to Government.
- A Council Tax Requirement of £153.4m (£7.1m and 5% higher than 2021/22); reflecting a City Council Tax increase of 4.9% detailed in the separate Council Tax Setting report on today's agenda.
- A number of new expenditure pressures and technical savings proposals.
- A Capital Strategy including a Capital Programme of £145.1m including expenditure funded by Prudential Borrowing of £23.9m.
- The updated Treasury Management Strategy, Capital Strategy and a Commercial Investments Strategy.

The financial position set out in the Budget Report was based on the Final 2022/23 Local Government Finance Settlement. Although the core funding position broadly matched that of 2021/22, the Settlement included some significant new one-off grants that will help the Council to manage the pressures it faces, in particular in relation to social care and the wider costs of inflation. The position after 2022/23 remains uncertain despite the Government's medium-term spending plans being set out in the Spending Review published in October 2021. A review of the local

government financial allocation model will begin in 2022, although it is not yet certain whether this will be completed in time for 2023/24 Budget Setting. As a result, it is not possible to provide a robust medium term financial forecast at this stage and the Council has provided some prudent planning figures for future years. Initial assumptions indicate the likelihood that there will be a substantial gap for the period following 2022/23. The view of the Chief Operating Officer is that the Council should be planning for such a position.

The Pre-Budget Report was based on an increase in Council Tax of 2.9% and this position had been maintained for the final proposals in the report now submitted. This incorporated an increase of 1.9%, which was within the Government's limit of 2% above which a referendum would need to be held plus a further 1% Adult Social Care (ASC) Precept in line with Government expectations. The Precept was trailed in the Autumn Budget Report and Spending Review 2021 and included in the Local Government Settlement as the means for councils to maintain their "core spending power". The precept was essential to enable councils including Coventry to manage increases in the costs of care. In total, the rise in Council Tax bills would be the equivalent of around £1.00 a week for a typical Coventry household including the rises in precepts for Police and Fire.

The Local Government Finance Settlement helped the Council to close the significant financial gap which it has at the start of the Budget process. Further measures include the identification of additional Council Tax resources and new commercial and other income streams. All these proposals were set out in detail in Appendix 1 of the report. Where these were different to the proposals that were included in the Pre-Budget Report, this had been indicated within the Appendix. There were no new service savings required as a result of this budget.

The proposals did not provide the Council with a balanced medium term position beyond 2022/23. The Council's current medium term bottom line incorporated a combination of future inflationary and service pressures and the fall out of uncertain specific grant resources. Some of the future funding assumptions were speculative at this stage and would be revised through 2022 as any changes to local government finance become clearer. The initial approach would however be dictated by an intention to review and update technical information as it becomes available to the Council and to identify further efficiencies from, or generate further income within, Council Services. The Council is seeking currently to update its policy priorities and these will be included as part of the 'One Coventry Plan' which will be approved later this year. Through 2022 it will also refine and implement a programme of activity designed to review how best to deliver its services, improve integration between some of them and optimise the effectiveness of others.

Whatever the future holds for national changes to local government finance the Council remained committed to strengthening its own financial self-sustainability and the need to support the vibrancy and growth of the city. Over the coming year the Council would continue to invest in and pursue activities that strengthen its existing financial interests and those of the city although this would be done within the restrictions imposed by Government in relation to access to borrowing from the Public Works Loans Board. The Council's view was that a positive and ambitious strategy would be preferable to a more passive approach which would leave the Council more vulnerable to central government and the wider pressures on local government services. The Council's existing financial resilience and its belief in

the city's long-term economic strength meant that this remained an ideal time to commit to Coventry's reset and recovery.

The recommended Capital Programme proposals were a key part of the Council's approach and amounted to £145.1m in 2022/23. The proposals reflected the Council's ambitions for the city and included: extensive highways infrastructure works including specific schemes relating to air quality, Pinchpoint schemes and the Housing Infrastructure Fund (HIF); work moving towards completion of the second office building within the Friargate district of the city; the Council's share of capital loan financing to progress the construction phase of the city's new Materials Recycling Facility; continuation of the A46 link road to the south of the city and initial stages of the City Centre South redevelopment. Over the next 5 years the Capital Programme was estimated to be £365m as part of on-going massive investment delivered by and through the City Council.

The annual Treasury Management Strategy, incorporating the Minimum Revenue Provision policy, and also the Commercial Investment Strategy were set out within the report. These covered the management of the Council's treasury and wider commercial investments, cash balances and borrowing requirements. These strategies and other relevant sections of the report reflected the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code and Prudential Code for Capital Finance, as well as statutory guidance on Minimum Revenue Provision (MRP) and Investments.

The budget proposals also included additional investment for ICT licensing and assurance requirements. A proportion of this investment related to Microsoft licensing as part of the Council's Enterprise Agreement renewal, which needed to be in place by 1st April 2022. As a consequence, the report included recommendations relating to the procurement of the renewed Microsoft Enterprise Agreement covering the Council's use of the core Microsoft software packages for a three year period from 1st April 2022.

The Cabinet agreed to:

1. Authorise the procurement of a new three-year contract for a reseller for the renewal of the Council's Microsoft Enterprise Agreement for the 3 year period from 1st April 2022 (per paragraph 2.2.2 of the report)
2. Delegate authority to the Chief Operating Officer and the Director of Law and Governance to agree the contract award following the procurement process.

An amendment, as detailed in Appendix 1 to these Minutes, was moved by Councillor Sawdon, seconded by Councillor Ridley and lost.

A second amendment, as detailed in Appendix 2 to these Minutes, was moved by Councillor Ridley, seconded by Councillor Sawdon and lost.

RESOLVED that the City Council:

1. **Approve the spending and savings proposals in Appendix 1 of the report.**

2. Approve the total 2022/23 revenue budget of £749m in Table 1 and Appendix 3, established in line with a 2.9% City Council Tax increase and the Council Tax Requirement recommended in the Council Tax Setting Report considered on today's agenda.
3. Note the Chief Operating Officer's (Section 151 Officer) comments confirming the adequacy of reserves and robustness of the budget in Section 5.1.2 and 5.1.3.
4. Approve the Capital Strategy incorporating the Capital Programme of £145.1m for 2022/23 and the and the commitments arising from this programme totalling £365.5m between 2022/23 to 2026/27 detailed in Section 2.3 and Appendix 4.
5. Approve the Council's Treasury Management Strategy and Minimum Revenue Provision Statement for 2022/23 in Section 2.4 and the Prudential Indicators and limits described and detailed in Appendix 6a, the Commercial Investment Strategy for 2022/23 in Section 2.5 and Appendix 5, and the Commercial Investment Indicators detailed in Appendix 6b.

Note: In accordance with the Constitution, a recorded vote was taken in respect of the Recommendations.

The Councillors voting for and against **the first amendment** as detailed in the Appendix 1 to these minutes were as follows:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
Councillors:	Councillors:	Councillors:
R Bailey	F Abbott	M Mutton
J Birdi	N Akhtar	G Lloyd
J Blundell	P Akhtar	R Nazir
M Heaven	L Bigham	J O'Boyle
T Jandu	R Brown	K Sandhu
S Keough	J Clifford	P Seaman
M Lapsa	G Duggins	B Singh
J Lepoidevin	B Gittins	R Singh
P Male	G Hayre	R Thay
A Masih	P Hetherton	A Tucker
B Mosterman	A Hopkins	D Welsh
G Ridley	J Innes	Lord Mayor
T Sawdon	AS Khan	
R Simpson	R Lakha	Total: 29
Total: 14	A Lucas	
	K Maton	
	J Mutton	
		Total: 0

Result: Lost

For: 14

Against: 29
Abstain: 0

The Councillors voting for and against **the second amendment** as detailed in the Appendix 2 to these minutes were as follows:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
Councillors:	Councillors:	Councillors:
R Bailey	F Abbott	M Mutton
J Birdi	N Akhtar	G Lloyd
J Blundell	P Akhtar	R Nazir
M Heaven	L Bigham	J O'Boyle
T Jandu	R Brown	K Sandhu
S Keough	J Clifford	P Seaman
M Lapsa	G Duggins	B Singh
J Lepoidevin	B Gittins	R Singh
P Male	G Hayre	R Thay
A Masih	P Hetherton	A Tucker
B Mosterman	A Hopkins	D Welsh
G Ridley	J Innes	Lord Mayor
T Sawdon	AS Khan	
R Simpson	R Lakha	
	A Lucas	
Total: 14	K Maton	Total: 29
	J Mutton	

Result: Lost

For: 14
Against: 29
Abstain: 0

The Councillors voting for and against the **Recommendations** were as follows:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
Councillors:	Councillors:	Councillors:
F Abbott	M Mutton	R Bailey
N Akhtar	G Lloyd	J Birdi
P Akhtar	R Nazir	J Blundell
L Bigham	J O'Boyle	M Heaven
R Brown	K Sandhu	T Jandu
J Clifford	P Seaman	S Keough
G Duggins	B Singh	M Lapsa
B Gittins	R Singh	J Lepoidevin
G Hayre	R Thay	P Male
P Hetherton	A Tucker	A Masih
A Hopkins	D Welsh	B Mosterman
J Innes	Lord Mayor	G Ridley
AS Khan		T Sawdon
R Lakha	Total: 29	R Simpson

A Lucas
K Maton

Total: 14

Result: Carried

For: 29
Against: 14
Abstain: 0

(Meeting closed at 5.10 pm)