



### **Time and Date**

2.00 pm on Tuesday, 31st August, 2021

### **Place**

Council Chamber, Council House, Earl Street, Coventry CV1 5RR

Please note that in line with current Government and City Council guidelines in relation to Covid, there will be limited public access to the meeting to manage numbers attending safely. If you wish to attend in person, please contact the Governance Services Officer indicated at the end of the agenda

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### **Public business**

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes** (Pages 5 - 10)
  - (a) To agree the minutes from the meeting of Cabinet on 13<sup>th</sup> July 2021
  - (b) Matters arising
4. **Exclusion of Press and Public**

To consider whether to exclude the press and public for the item of private business for the reason shown in the report.
5. **2021/22 First Quarter Financial Monitoring Report (to June 2021)** (Pages 11 - 36)

Report of the Director of Finance
6. **Empty Dwellings Strategy 2021-2026** (Pages 37 - 68)

Report of the Director of Streetscene and Regulatory Services
7. **Social Value and Sustainability Policy** (Pages 69 - 110)

Report of the Director of Law and Governance
8. **Managed Service Provider for Temporary Agency Workers** (Pages 111 - 120)

Report of the Deputy Chief Executive

9. **One Coventry Plan Annual Performance Report 2020/2021** (Pages 121 - 188)  
Report of the Director of Health and Wellbeing
10. **Refugee Transition Outcomes Fund (RTOF) Project** (Pages 189 - 200)  
Report of the Director of Health and Wellbeing
11. **European Social Fund 2014-2020 - European Structural & Investment Funds (ESIF) - Coventry - ESF Application to Youth Employment Initiative** (Pages 201 - 212)  
Report of the Director of Education and Skills
12. **Restructuring Coventry City Council Subsidiaries** (Pages 213 - 232)  
Report of the Director of Law and Governance
13. **Outstanding Issues**  
There are no outstanding issues
14. **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**

15. **Restructuring Coventry City Council Subsidiaries** (Pages 233 - 292)  
Report of the Director of Law and Governance  
  
(Listing Officer: J Newman, Tel: 024 7697 6891)
16. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

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Julie Newman, Director of Law and Governance, Council House, Coventry

Friday 20<sup>th</sup> August 2021

Note: The person to contact about the agenda and documents for this meeting is Michelle Salmon, Governance Services, Email: michelle.salmon@coventry.gov.uk

#### Membership

Cabinet Members:

Councillors R Brown, K Caan, G Duggins (Chair), P Hetherington, A S Khan (Deputy Chair), M Mutton, J O'Boyle, K Sandhu, P Seaman and D Welsh

Non-voting Deputy Cabinet Members:  
Councillors P Akhtar, B Gittins, G Hayre and G Lloyd

By invitation:  
Councillors P Male and G Ridley (Non-voting Opposition representatives)

### **Public Access**

Please note that in line with current Government and City Council Covid guidelines, there will be limited public access to the meeting to manage numbers attending safely.

Any member of the public who would like to attend the meeting in person is required to contact the officer below in advance of the meeting regarding arrangements for public attendance. A guide to attending public meeting can be found here:

<https://www.coventry.gov.uk/publicAttendanceMeetings>

**Michelle Salmon, Governance Services,  
Email: [michelle.salmon@coventry.gov.uk](mailto:michelle.salmon@coventry.gov.uk)**

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**Coventry City Council**  
**Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 13 July 2021**

Present:

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

Non-Voting Deputy  
Cabinet Members:

Councillor P Akhtar  
Councillor B Gittins  
Councillor G Hayre  
Councillor G Lloyd

Non-Voting Opposition  
Members:

Councillor G Ridley  
Councillor P Male

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 N Hart (Communications)  
Finance B Hastie (Director of Finance)  
Law and Governance J Newman (Director of Law and Governance), S Bennett,  
M Salmon  
Streetscene and  
Regulatory Services D Butler  
Apologies: Councillor P Hetherton  
Councillor J Innes

## **Public Business**

### **7. Declarations of Interest**

There were no disclosable pecuniary interests.

### **8. Minutes**

The minutes of the meeting held on 15<sup>th</sup> June 2021 were agreed as a true record. There were no matters arising.

### **9. Revenue and Capital Outturn 2020/21**

The Cabinet considered a report of the Director of Finance, that would also be considered by the Audit and Procurement Committee on 26<sup>th</sup> July 2021 and by Council on 7<sup>th</sup> September 2021, that outlined the final revenue and capital outturn position for 2020/21 and reviewed treasury management activity and 2020/21 Prudential Indicators reported under the Prudential Code for Capital Finance. Appendices to the report provided: a detailed breakdown of Directorate Revenue Variations; Capital Programme Changes and Analysis of Rescheduling; and Prudential Indicators.

The 2020/21 financial year had been one like no other, with organisational and financial impacts exceeding anything experienced previously during peacetime. Some of these impacts were unseen in consideration of the Council's outturn position – for instance Business Rates reliefs provided and business grants paid out through the year – but their scale had been staggering, nonetheless. The purpose of this report was not to catalogue the changes to society and Council services through the year, although where these had had a financial effect on the Council this would be outlined.

The overall financial position included the following headline items:

- A balanced revenue position after a recommended £9.2m was set aside in reserves to enable the city's recovery from Covid, invested in the Council's key priorities and strengthening the Council's financial sustainability.
- Capital Programme expenditure of £194.2m which represented the second largest programme in the modern era.
- An increase in the level of available Council revenue reserves from £90m to £123m including Covid funding and the net underspend contribution.

Further detail included:

- A net underspend of £8.5m within central budgets after adjusting for the impact of Covid resulting overwhelmingly from one-off circumstances and the application of resources to fund previously approved decisions.
- A revenue underspend of £3.4m within Housing and Homelessness due in large part to the number of households living in temporary accommodation being lower than anticipated.

- Identified income loss and expenditure related to COVID-19 of £31m funded in-part by in-year Government emergency funding and sales fees and charges compensation grants provided for this purpose.
- A shortfall in this in-year Covid funding of £2.2m.

The underlying revenue position had improved by £8.7m since Quarter 3 when an underspend of £0.5m was forecast. In particular the overall underspend (before outturn reserve contributions) and the improved position related to improvements within Contingency and Central budgets which were set out in the report. In overall terms the favourable outturn position shown must be put in the context of the Covid-19 crisis. The position was an indication of the prudent management of the Council's financial position but there were reasons to be cautious about the financial future of local government. These were explored more fully in the financial implications section of the report but could be seen in the uncertain future for local government finance nationally, the externalised and more volatile nature of some of the Council's financial relationships and the continued and potential legacy impacts of Covid. On this basis it was entirely appropriate for the Council to maintain a robust financial position and to retain control of its own financial destiny as far as it was able. This was important not just as an internal Council matter but connected directly to the Council's capacity to improve services for residents and invest in the city and its communities.

As indicated above the financial impact of Covid on the Outturn position had been estimated at £31m. This was not a definitive figure because in many cases the Covid impact was difficult to disentangle from other trends – for instance, how much of the large reduction in car parking income might have happened without the Covid pandemic. What was known was that Government funding provided through 2020/21 had covered a very significant proportion of the cost although this did not take account of the loss in Business Rates and Council Tax income calculated to have been suffered.

Further financial loss due to Covid had continued into the early months of 2021/22 at a much-reduced rate compared with 2020/21 although it remained difficult to provide a reliable estimate of this. The Council had been able to carry forward into 2021/22 £7.55m of Covid resources set aside as part of the 2019/20 outturn position and had been allocated £11m out of the Government's emergency Covid funding for 2021/22. Other specific Covid grants had also been announced whilst a further opportunity was likely to be available to claim compensation for lost income in the first quarter of the year. On this basis there was a strong possibility that the Council would be able to manage the large majority of the financial Covid impact from Government resources over the medium term. Given that the Covid impact would extend into 2022/23 and that a tight funding settlement was anticipated from Government next year it was important that the Council continued to maintain a strong financial position to protect itself in what could be a very challenging financial environment. The recommended proposals put forward by the Director of Finance - the Council's Section 151 officer - were explained in section 5.1 of the report.

**RESOLVED that the Cabinet:**

- 1) Approves the final revenue outturn position including reserve contributions of £9.2m available from the year-end revenue bottom line for the purposes described in Section 5.1 of the report.**
- 2) Approves the final capital expenditure and resourcing position in section 2.3 and Appendix 2 of the report, incorporating expenditure of £194.2m against a final budget of £226.9m; £32.5m expenditure rescheduled into 2021/22 and a net overspend £0.2m.**
- 3) Approves the outturn Prudential Indicators position in section 2.4.4 and Appendix 3 of the report.**
- 4) Recommends that Council gives approval of reserve contributions of £9.2m available from the year-end revenue bottom line for the purposes described in Section 5.1 of the report.**

**10. Local Development Scheme**

The Cabinet considered a report of the Director of Streetscene and Regulatory Services that sought approval of the updated Local Development Scheme 2021, which had last been published in 2015. The Local Development Scheme 2021 was attached as an Appendix to the report.

The report had also been considered by the Communities and Neighbourhoods Scrutiny Board (4) at their meeting on 8<sup>th</sup> July 2021 (their minute 04/21 referred) and a briefing note of their recommendation to Cabinet was circulated.

The Local Development Scheme (LDS) was a project plan that set out which Local Plan documents were to be prepared, and the timetable for the preparation and completion of these, so that local communities and interested parties could keep track of progress. It was a legal requirement that a local planning authority was prepared, kept up to date and made publicly available. The LDS would therefore be published on the Council's website.

The documents covered by the LDS included the Local Plan which set the development strategy and policies for the Coventry City Council area and a number of Supplementary Planning Documents which expanded upon the Local Plan policies.

The Local Plan for Coventry was adopted December 2017. Paragraph 33 of the National Planning Policy Framework and Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 required that policies in local plans should be reviewed to assess whether they needed updating at least once every five years. Members gave consideration to whether the Local Plan should be reviewed earlier than this date and was determined at Council on 8th December 2020 (their minute 58/21 referred) that the triggers had not been met, and that the review should take place in December 2022. This LDS would therefore run until December 2022 in line with the timescale for review of the policies above.

For clarity, although not a legal requirement, the LDS also included a timetable for a suite of Supplementary Planning Documents which expanded upon Local Plan policy. The topics for these were: Open Space, Affordable Housing, Energy, Tall Buildings, Residential design, and Biodiversity. In addition, the LDS set out information and guidance on Neighbourhood Plans, local plan monitoring and data standards.

**RESOLVED that the Cabinet approves:**

- 1) The recommendation of the Communities and Neighbourhoods Scrutiny Board (4) to note that the Board supports the Local Development Scheme.**
- 2) The Local Development Scheme attached as Appendix 1 to the report and confirms that it can be brought into effect at the earliest opportunity.**

#### **11. Adoption of Statement of Community Involvement**

The Cabinet considered a report of the Director of Streetscene and Regulatory Services that sought approval to adopt the revised Statement of Community Involvement (SCI), attached as an Appendix to the report.

The Communities and Neighbourhoods Scrutiny Board (4) considered the consultation draft at their meeting on 18th March 2021 (their minute 28/20 referred). A Briefing Note of their recommendation to Cabinet that they note that the Board supported the Statement of Community Involvement in principle, was attached as a further Appendix to the report.

The Planning and Compulsory Purchase Act 2004 (Section 18) required Local Planning Authorities to produce a Statement of Community Involvement (SCI) which explained how they will engage communities and other interested parties in producing their Local Plan and determining planning applications.

The current SCI was adopted in 2012 and required updating to ensure that it reflected current planning practice and guidance and provided resilience to enable consultation and engagement to adapt to exceptional and unforeseen circumstances such as, although not exclusively, those highlighted by the current Covid-19 pandemic.

The planning process had to comply with a variety of legal procedures in terms of public consultation and engagement. The SCI set out how the Council would address these and how the public could expect to be engaged and kept informed. It also set out local standards for consultation and engagement. This applied to both Planning Policy, setting out how the process would be undertaken when preparing new or revised policy documents, and to Development Management in relation to the planning applications process.

A new SCI had been produced and whilst there was no legal requirement to consult on it, it was considered good practice to do so. Public consultation was undertaken for a period of six weeks from 15th February to 29th March 2021. The responses had been analysed and the SCI amended accordingly. A further

Appendix to the report contained the schedule of summarised comments received and the officers' responses to each, including any changes made to the SCI as a result.

The new SCI would be published on the Council's website.

**RESOLVED that the Cabinet adopts the Statement of Community Involvement attached as an Appendix to the report.**

12. **Outstanding Issues**

There were no outstanding issues.

13. **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)



Cabinet  
Audit and Procurement Committee

31<sup>st</sup> August 2021  
27<sup>th</sup> September 2021

**Name of Cabinet Member:**

Cabinet Member for Strategic Finance and Resources - Councillor R Brown

**Director Approving Submission of the report:**

Director of Finance

**Ward(s) affected:**

City wide

**Title:**

2021/22 First Quarter Financial Monitoring Report (to June 2021)

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**Is this a key decision?**

No

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**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 June 2021. The headline revenue forecast for 2021/22 is for net expenditure to be **£14.3m** over budget before the application of COVID-19 emergency funding for local government. After the use of this grant, the net over-spend is **£4.0m**. At the same point in 2020/21 there was a projected overspend of £6.7m.

The position includes an underlying overspend of £6.5m within Children's Services although £3.8m of this has been attributed to the pandemic and funded from one-off Covid funding accordingly leaving a net overspend of £2.7m. In order to anticipate the likely future budgetary position within Children's Services it will be necessary to understand more fully the extent to which these pressures will continue beyond the period when Covid is a significant contributory factor. Looking ahead to next year, it will be a key focus of management to identify the causes and to reduce the budget pressures within Children's Services as a fundamental element of balancing the 2022/23 Budget position.

Elsewhere, budget pressures have emerged within Streetscene and Regulatory Services, Legal and Governance Services and Finance although the overall corporate position is within acceptable tolerances at this stage of the financial cycle.

The Council and the city continue to receive Government support linked to Covid within the 2021/22 financial year. This amounts to c£19m announced to date to support Council services directly and a further c£45m channelled through the Council to support Coventry businesses and external suppliers. Although further allocations cannot be ruled out the pace of funding announcements has

slowed markedly reflecting the wider easing of lockdown measures. The scale of any residual Covid related grants is therefore likely to be modest.

The Council's capital spending is projected to be £247.1m and includes major scheme expenditure which ranges from investment in to the A46 Link Road, Coventry Station Masterplan, Friargate Building 2 and the Hotel, Air Quality and Secondary Schools expansion. The size of the programme and the nature of the projects within it continue to be fundamental to the Council's role within the city.

The Council's services and its financial position are moving gradually towards a business as usual position as the year progresses with activity and impacts arising from the Covid pandemic starting to subside. Some pockets of service activity continue to be significantly affected although often this is not resulting in a net financial cost. It is clear though that significant financial risk remains in relation to the underlying funding position for local government as well as the future trajectory of Covid costs and funding within a few service areas. It remains a financial imperative therefore to focus on the medium-term horizon and for the Council to tackle the anticipated legacy effects of Covid.

**Recommendations:**

The Cabinet is requested to:

- 1) Approve the Council's revenue monitoring position incorporating the application of Covid emergency funding.
- 2) Approve the revised forecast capital outturn position for the year of £247.1m incorporating: £32.5m rescheduling from 2019/20 outturn, £18.8m net increase in spending relating to approved/technical changes, £24.4m net rescheduling of expenditure into future years and a small £0.2m underspend.

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 2021/22
- 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?**

Yes - Audit and Procurement Committee, 27<sup>th</sup> September 2021

**Will this report go to Council?**

No

**Report title:**

2021/22 First Quarter Financial Monitoring Report (to June 2021)

**1. Context (or background)**

- 1.1 Cabinet approved the City Council's revenue budget of £243.8m on the 23rd February 2021 and a Directorate Capital Programme of £220.4m. This is the first quarterly monitoring report for 2021/22 to the end of June 2021. 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 2021/22 revenue forecast is for expenditure to be £4.0m over budget. This is after applying £10.3m of emergency funding received from Government for the purpose of managing the estimated cost of COVID-19 to the Council. The reported forecast at the same point in 2020/21 after adjusting for Covid-related funding was an overspend of £6.7m. Capital spend is projected to be £247.1m.
- 1.3 It is not unusual for the revenue position to reflect a projected forecast at this stage which then improves over the course of the year. Nevertheless, if such an improvement did not occur the Council maintains a strong balance sheet and could manage an overspend of this magnitude at year-end.

**2. Options considered and recommended proposal**

- 2.1 This is a budget monitoring report and as such there are no options.

**Revenue Position** - The revenue forecast position is analysed by service area below. The position shown for each service area assumes that all Covid costs are met from the emergency funding referenced above.

**Table 1 - Forecast Variations**

<b>Service Area</b>	<b>Revised Net Budget</b>	<b>Forecast Spend</b>	<b>Total Over/ (Under) Spend</b>	<b>Covid Impact*</b>	<b>Non-Covid Forecast Variation</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Adult Social Care	81.8	81.9	0.1	0.1	0.0
Business Investment & Culture	5.4	5.8	0.5	0.3	0.1
Children & Young People's Services	77.5	84.0	6.5	3.9	2.7
Contingency & Central Budgets	6.0	4.6	(1.4)	0.0	(1.4)
Education and Inclusion	16.7	17.8	1.1	0.8	0.3
Finance	4.9	5.9	1.0	0.2	0.8
Housing and Transformation	13.2	13.7	0.5	0.4	0.1
Human Resources	1.3	1.4	0.1	0.0	0.1
Legal and Governance Services	4.1	4.9	0.8	0.3	0.5
Directorate Management	1.4	1.4	0.0	0.0	0.0
Project Management & Property	(4.5)	(3.2)	1.3	1.6	(0.3)

Public Health	0.4	0.3	(0.1)	0.0	(0.1)
Streetscene and Regulatory	29.4	31.6	2.2	1.2	1.0
Transportation & Highways	6.3	8.0	1.7	1.5	0.2
<b>Sub-Total</b>	<b>243.8</b>	<b>258.2</b>	<b>14.3</b>	<b>10.3</b>	<b>4.0</b>
<b>Covid Emergency Funding Contribution</b>				<b>(10.3)</b>	
<b>Total</b>	<b>243.8</b>	<b>258.1</b>	<b>14.3</b>	<b>0.0</b>	<b>4.0</b>

\*Covid Emergency Funding will be applied at year-end as contributions of specific grant.

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

The largest part of the value of variations reported at quarter 1 are as a direct result of the COVID-19 impacts across the City Council totalling an estimated £10.3m. It must be stressed that the differentiation between Covid and non-Covid costs is subject to significant estimation uncertainty. Covid financial impacts accounted for a budget variation of c£31m in 2020/21.

#### **Directorate - Covid-Related**

Children and Young People's Services continues to account for a significant amount of the overspend caused by both the total number of placements and the average unit cost of those placements, as well as a continued reliance on agency staff to manage the increase in caseloads. The Quarter 1 Children's Services' position includes an overspend of £3.8m that is attributed to the pandemic and which will be funded from one-off Covid funding accordingly.

Other Covid related impacts include: forecast commercial property rent losses (£1.5m); parking and enforcement income loss (£1.5m); income losses from cancelled events and outdoor education provision; and additional staffing across several services reflecting staffing cover for additional Covid tasks or to cover for Covid related absence including within Streetscene and Regulatory.

#### **Directorate - Non-Covid**

The Quarter 1 position also includes variations which are separate from those attributable to Covid.

The non-Covid overspend in Children and Young People's Services is £2.7m. Significant spend pressures include the additional costs of looked after children placements as a result of increased demand, higher unit cost of placements partly attributable to the youth violence in the city, an increase in support packages for disabled children and the use of allowances to promote permanence outcomes for children.

The £1m net overspend within Streetscene and Regulatory reflects prolonged use of agency staff within Domestic Refuse as a result of high sickness, self-isolation, and accrued leave (the cost of part of which is included in the Streetscene Covid impact figure of £1.2m and is referenced above). Added to this is pressures on workload, which has resulted in a decision to accelerate the two additional rounds planned for April 2022, together with some reactive cost of ensuring all bins are collected. Additional vehicle and fuel costs have also been incurred reflecting spot hires required for the additional rounds.

### Contingency and Central Budgets

A favourable variation of £1.4m is forecast at this stage arising from a combination of Business Rates pooling income and lower than anticipated employer superannuation costs. The corporate position continues to be predicted on a relatively prudent basis and could improve over the course of the year.

### Covid-Related Grants

The Government has announced a range of grant funding allocations to manage the financial impact of COVID-19 and deliver services to mitigate or address the effects of the pandemic.

**Table 2: Covid Funding Allocations**

	Grant Value	Sub-Total
<b>Funds Council Expenditure - Unallocated</b>	<b>£000</b>	<b>£000</b>
Emergency Funding*	(11,314)	
Sales, Fees and Charges Income Loss (Quarter 1 claim outstanding)	tbc	
		<b>(11,314)</b>
<b>Funds Council Expenditure – Specific**</b>		
Contain Outbreak Management Fund	(2,920)	
Holiday Activities and Food Programme 2021	(1,500)	
Covid Local Support Grant (to 16 <sup>th</sup> April - replaces Winter Grant Scheme)	(449)	
Covid Local Support Grant (16 <sup>th</sup> April to 20 <sup>th</sup> June)	(304)	
Covid Local Support Grant (from 20 <sup>th</sup> June)	(1,217)	
Welcome Back Fund (Support to High Streets)	(334)	
LA Practical Support Payment (Public Health)	(94)	
Clinically Extremely Vulnerable Support***	(263)	
Clinically Extremely Vulnerable Support	(407)	
		<b>(7,488)</b>
<b>External Provider or Programme Spend</b>		
Adult Social Care Infection Control and Protection Fund	(1,083)	
Adult Social Rapid Testing Fund	(813)	
		<b>(1,896)</b>
<b>Grants to Businesses and Individuals</b>		
Restart Grants	(13,573)	
		<b>(13,573)</b>
<b>Business Rates &amp; Council Tax Collection Fund Contributions</b>		
Retail Leisure and Hospitality Business Rates Reliefs	(30,000)	

		(30,000)
<b>Overall Support</b>		<b>(64,271)</b>

\*A further £7.6m remains from the 1<sup>st</sup> tranche of funding paid in 2019/20.

\*\* A further £8.3m is available having been carried forward as receipts in advance. £6.1m of this is COMF.

\*\*\*A further £0.5m has been carried forward relating to other Covid grants of which £0.4m relates to CEV.

The emergency funding allocation of £11.3m is sufficient currently to manage the cost of £10.3m detailed in Table 1. In addition, the specific grants communicated to date of £7.5m are being used to address Covid-specific priority programmes and are shown with a net nil position overall. The remaining grants and reliefs above are being passported to external Coventry businesses and Council suppliers in line with grant conditions.

### 2.3 Capital

The quarter 1 2021/22 capital outturn forecast is £247.1m compared with the original programme reported to Cabinet in February 2020 of £220.4m. Table 3 below updates the budget at quarter 1 to take account of a £32.5m increase in the base programme from net rescheduling from 2020/21 into 2021/22, £18.8m of new approved/technical changes and £24.4m of rescheduling now planned to be carried forward into future years.

The resources available section of Table 3 explains how the Capital Programme will be funded in 2021/22. It shows 79% of the programme is funded by external grant monies, whilst 13% is funded from borrowing. The programme also includes funding from capital receipts of £14.5m.

**Table 3 – Movement in the Capital Budget**

CAPITAL BUDGET 2021-22 MOVEMENT	Qtr 1 Reporting £m
February 2020 Approved Programme	220.4
Net rescheduling of expenditure from 2019/20	<u>32.5</u>
Revised Programme	252.9
Approved / Technical Changes (see Appendix 2)	18.8
“Net” underspend (See Appendix 3)	(0.2)
“Net” Rescheduling into future years (See Appendix 4)	(24.4)
Revised Estimated Outturn 2019-20	<u>247.1</u>
<b>RESOURCES AVAILABLE:</b>	<b>Qtr 1 Reporting £m</b>
Prudential Borrowing (Specific & Gap Funding)	32.1
Grants and Contributions	195.3
Capital Receipts	14.5
Revenue Contributions and Capital Reserve	5.2
Total Resources Available	<u>247.1</u>

2.4 Treasury Management

**Interest Rates**

The Base Rate was maintained at 0.10% by the Bank of England throughout 2020/21 and into 2021/22. The medium-term outlook shows growing market confidence in the economy following the gradual easing of COVID-19 restrictions. The current forecasts predict the base rate are expected to remain at 0.10% until at least the first quarter of 2024.

**Long Term (Capital) Borrowing**

The net long term borrowing requirement for the 2021/22 Capital Programme is £18.9m, taking into account borrowing set out in Section 2.3 above (total £32.1m), less amounts to be set aside to repay debt, including non PFI related Minimum Revenue Provision (£13.2m). The Council has no immediate plans to take any further new long-term borrowing although this will continue to be kept under review.

The Public Works Loan Board (PWLB) is the main source of loan finance for funding local authority capital investment. In November 2020, the rules governing local authority access to PWLB changed and borrowing interest rates were reduced by 1%. The Treasury Management Strategy 2021/22 approved by Cabinet on 23 February 2021 reflected this change and agreed that the Council will not buy investment assets primarily for yield.

Interest rates for local authority borrowing from the Public Works Loans Board (PWLB) between 1<sup>st</sup> April and 30 June 2021 have varied within the following ranges:

<b>PWLB Loan Duration (maturity loan)</b>	<b>Minimum 2021/22 to Q1</b>	<b>Maximum 2021/22 to Q1</b>	<b>As at the End of Q1</b>
5 year	1.32%	1.44%	1.36%
50 year	2.03%	2.26%	2.07%

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.

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**

The Council’s Treasury Management Team acts on a daily basis to manage the City Council’s day to day cash-flow, by borrowing or investing for short periods. By holding short term investments, such as money in call accounts, authorities help ensure that they have an adequate source of liquid funds. At the start of the financial year £54m of short-term borrowing remained outstanding. This borrowing was all taken out with other local authorities and was primarily required to facilitate the previous upfront payment of pension contributions of £97.8m. All short-term borrowings were fully repaid by the end of Quarter 1.

Returns provided by the Council’s short-term investments yielded an average interest rate of 0.02% over the last 12 months. 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 the reporting stages were: -

	<b>As at 31st March 2021</b>	<b>As at 30<sup>th</sup> June 2021</b>
	<b>£m</b>	<b>£m</b>
Banks and Building Societies	0.0	0.0
Local Authorities	0.0	0.0
Money Market Funds	15.0	57.5
Corporate Bonds	0.0	0.0
Registered Providers	10.0	0.0
<b>Total</b>	<b>25.0</b>	<b>57.5</b>

### **External Investments**

In addition to the above in-house investments, a mix of Collective Investment Schemes or "pooled funds" is used, where investment is in the form of sterling fund units and not specific individual investments with financial institutions or organisations. The pooled funds are generally AAA rated; are highly liquid, as cash can be withdrawn within two to four days; and have a short average duration. These investments include Certificates of Deposits, Commercial Paper, Corporate Bonds, Floating Rate Notes, Call Account Deposits, Property and Equities. However, they are designed to be held for longer durations allowing any short-term fluctuations in return due to volatility to be smoothed out. In order to manage risk these investments are spread across several funds (CCLA, Schroders, Ninety-One Investec, Columbia Threadneedle and M&G Investments).

Returns provided by the Council's pooled funds yielded an average interest rate of 4.39% over the last 12 months. As at 30<sup>th</sup> June 2021 the pooled funds were valued at £29.4m (£28.9m at 31 March 2021), against an original investment of £30m. There remains an expectation that the full value will be recovered over the medium term - the period over which this type of investment should always be managed. Current accounting rules allow these 'losses' to be held on the Council's balance sheet and not counted as a revenue loss although this is due to change in April 2023. These investments will continue to be monitored closely.

### **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 Prudential Indicators relating to capital, treasury management and revenue issues. These indicators are designed to ensure that borrowing for capital purposes is 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 30<sup>th</sup> June 2021 are included in **Appendix 5** to the report. This highlights that the City Council's activities are within the amounts set as Performance Indicators for 2021/22. 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 June 2021 the value is -£76.0m (minus) compared to +£96.2m 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 June 2021 the value is £252.5m compared to £481.1m 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 the Director of Law and Governance**

#### **5.1 Financial implications**

##### **Revenue**

Based on budget monitoring trends in previous years the Council will expect to be able to balance its overall revenue budgetary position over the remainder of the year. Should this not be the case, the Council has taken steps to ensure that it has a strong balance sheet position supported by reserve balances and provisions set aside for amounts owed to it which together provide protection against unexpected adverse budget variations. The position will continue to be monitored through the year, in particular in response to any further potential worsening of pandemic conditions through the Autumn and Winter months.

Within this overall picture, the position within Children's Services continues to represent a serious financial issue for the Council. This is being managed in 2021/22 through a combination of time-limited budget funding agreed by the Council and Covid resources available on a one-off basis. However, it remains likely that much of the budgetary pressure being experienced currently will outlast the direct impacts of Covid. Looking ahead to 2022/23, in addition to the current headline overspend of £6.5m, temporary budget funding of £1.4m will fall-out next year which, on one measure, could imply a financial gap of £7.9m. Management attention is focussed currently on projects to understand and mitigate these overspends and this work is of crucial importance as the Council begins its preparations for setting next year's Budget. The need for action to manage down the cost overruns in Children's Services will form what is likely to be the most important part of Strategic Management Board's approach to balancing the 2022/23 Budget position.

Further clarity should emerge as the year progresses on the degree to which recent Covid related income pressures will lessen over time or continue into 2022/23 and therefore need to be reflected in forthcoming Budget deliberations. It seems unlikely that further significant Government support will be made available meaning that the Council will need to plan based on managing any remaining pressures from within its own resource base.

The unrestricted emergency funding of £11.3m made available for 2021/22 is enough to manage the initial estimates of cost in excess of budget. The Council has also brought forward unrestricted funding of £7.6m from 2020/21 and has a range of other Covid-specific grants available such as the Contain Outbreak Management Fund (COMF) which it will seek to utilise in a way that best manages support to local communities and services across the city. The Covid pressures shown in this report represent variations to Budget. These do not include

Covid pressures of nearly £16m (including within the Council Tax and Business Rates Collection Fund) that the Council had already taken account of as part of the Budget approved in February 2021, the large part of which has been managed locally by the Council without Government funding. Some of these pressures have also been assumed to continue into 2022/23 and therefore it is crucial for the Council to manage its Covid resources on a multi-year basis, maximising the use of specific and time-limited Covid grants in-year but managing more general and flexible funding to support Covid priorities running into next financial year.

### **Capital**

The Council's Capital Programme continues to include a range of strategically important schemes across the city. Current forecasts indicate that the Council's capital spending is projected to be £247m compared with the base budget of £220m. This takes account of programme spend brought forward from 2020/21 plus new approvals added to the programme. At this early stage it is expected that £24m of the approved programme is likely to not now occur until 2022/23, with City Centre Regeneration and Friargate 2 accounting for much of this delayed spend.

This continues to be a large mostly grant funded programme continuing the trend of recent years. The programme includes major scheme expenditure on secondary schools' expansion, the second Friargate building, Coventry Station Masterplan, the Air Quality programme, the A46 Link Road and residual Public Realm works.

### **Legal implications**

None

## **6. Other implications**

### **6.1 How will this contribute to the Council Plan ([www.coventry.gov.uk/councilplan/](http://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. The impact of Covid has represented a heightened level of financial risk over this period. The Council has sought to take a proportionate approach to supporting key sectors, partners and vulnerable groups ensuring that a fundamental safety net is provided but doing so in a financially sustainable way, ensuring that the Council can maintain legacy support within the broad financial envelope indicated by Government emergency funding announcements.

### **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. The Council continues to monitor any changes to the financial position represented by Covid.

**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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This report is published on the council's website: [www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

## Appendix 1

### Revenue Position: Detailed Directorate Breakdown of Forecasted Outturn Position

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

Service Area	Revised Net Budget £m	Forecast Spend £m	Centralised Variance £m	Budget Holder Variance £m	Total Variance £m	Covid Impact £m	Non-Covid Forecast Variation £m
Adult Social Care	81.8	81.9	(0.1)	0.2	0.1	0.1	0.0
Business Investment & Culture	5.4	5.8	0.2	0.2	0.4	0.3	0.1
Children & Young People	77.5	84.0	(1.7)	8.2	6.5	3.8	2.7
Contingency & Central Budgets	6.0	4.6	0.0	(1.4)	(1.4)	0.0	(1.4)
Education and Inclusion	16.7	17.8	(0.1)	1.2	1.1	0.8	0.3
Finance	4.9	5.9	(0.0)	1.0	1.0	0.2	0.8
Housing and Transformation	13.2	13.7	0.6	(0.2)	0.5	0.4	0.1
Human Resources	1.3	1.4	(0.1)	0.2	0.1	0.0	0.1
Legal and Governance Services	4.1	4.9	0.2	0.6	0.8	0.3	0.5
Directorate Management	1.4	1.4	0.0	0.0	0.0	0.0	0.0
Project Management & Property	(4.5)	(3.2)	0.2	1.1	1.3	1.6	(0.3)
Public Health	0.4	0.3	(0.1)	(0.0)	(0.1)	0.0	(0.1)
Streetscene and Regulatory	29.4	31.6	(0.2)	2.4	2.2	1.2	1.0
Transportation & Highways	6.3	8.0	(0.2)	1.9	1.7	1.5	0.2
<b>Sub-Total</b>	<b>243.8</b>	<b>258.2</b>	<b>(1.1)</b>	<b>15.4</b>	<b>14.3</b>	<b>10.3</b>	<b>4.0</b>
<b>Covid Emergency Funding Contribution</b>						<b>(10.3)</b>	
<b>Total</b>	<b>243.8</b>	<b>258.1</b>	<b>(1.1)</b>	<b>15.4</b>	<b>14.3</b>	<b>0.0</b>	<b>4.0</b>

under-spend shown below is principally the effect of unfilled vacancies.

## Budget Holder Forecasts

Service Area	Reporting Area	Explanation	£m
Education and Skills	SEND & Specialist Services	SEN Transport is forecasting an overspend of £375k. This forecast absorbs demand growth of circa 80 additional in-City placements and an increase in external placements. The forecast is based on an assumption that fleet vehicles will be able to operate at increased capacity.	0.4
Education and Skills	Education Entitlement	The Outdoor Education Service (OES) is forecasting an over-spend of £184k. Due to Covid the OES service is reopening in a phased way and has had to have some expenditure to reopen. It is planned this will be part of the recovery programme to be addressed next academic year once local OES services can start to be delivered. The forecast also includes a £400k pressure relating to dedicated school transport for the 2021/22 academic year. This is as a result of fall out of a DfE grant that was funding a number of dedicated school transport routes in the 20/21 academic year. Work is ongoing to identify options to ensure that the pressure can be reduced/eliminated in future years.	0.5
Education and Skills	Employment & Adult Education	To date it has not been possible to deliver the outstanding £189k financial savings target set as part of previous budget setting processes to ensure we maximise grant funding against internal training programmes.	0.2
Education and Inclusion	Other Variances Less than 100K		0.1
<b>Education and Inclusion</b>			<b>1.2</b>
Children and Young People's Services	Commissioning, QA and Performance	The forecast overspend is largely linked to a £0.1m Safeguarding training income target that is not expected to be met. The opportunities to increase income in this area are currently under review as part of the commercialisation programme. There is also pressure due to the higher cost of agency staff vs. permanent staff within the Safeguarding service, where lots of posts are covered by agency.	0.2
Children and Young People's Services	Help & Protection	The overspend relates to agency staff who are covering vacant posts and those on maternity leave. It is partly offset by an underspend on vacant posts, within the centralised variance. Recruitment continues to be a priority and a service-wide review of agency staff is planned to take place within the next quarter.	2.5
Children and Young People's Services	LAC & Care Leavers	The pressure on the placements budget forms the majority of this overspend, with £2.4m relating to residual COVID activity, and £1.6m arising from further unit cost rises in both the external fostering and residential market due to the COVID impact on supply and demand. The remaining overspend relates to: £0.5m Special Guardianship Order (SGO) allowances, from an increase in SGO orders to promote permanence for children (partially offset by an	5.3

		underspend in RO fees and some one-off income on the ACE budget), £0.7m pressure in LAC permanency due to agency staff and professional fees, and £0.3m Children's Disability Team due to an increase in support packages. There are projects underway in all of these areas to identify ways to mitigate these overspends and understand ongoing pressures.	
Children and Young People's Services	Children's Services Management Team	Pressure in the Social Worker Academy due to running costs and grant fallout to be managed.	0.2
<b>Children and Young People's Services</b>			<b>8.2</b>
Adult Social Care	Adult Social Care Director	£0.2m underspend representing the use of iBCF and other resources to manage the underlying Adult Social Care financial position.	<b>(0.2)</b>
Adult Social Care	All Age Disability and Mental Health Community Purchasing	Overspend due to additional COVID related homecare and placement costs arising as a result of reduced day care services and other miscellaneous increased costs.	<b>0.1</b>
Adult Social Care	All Age Disability and Mental Health Operational	There remains significant pressures in Deprivation of Liberty Assessment demand leading to additional assessment costs (£0.1m). The all Age Disability Team and Mental Health services have also seen increasing demand alongside staff turnover. Ensuring statutory need is met has been essential and has resulted in additional forecast agency cost in both areas.	<b>0.2</b>
Adult Social Care	Other Variances Less than 100K		0.1
<b>Adult Social Care</b>			<b>0.2</b>
Housing Services & Transformation	Housing and Homelessness	Although the service has seen a small increase in demand during Quarter 1, this hasn't yet been at the levels that are anticipated following the lifting of the eviction ban. The service continues to focus on prevention and further reducing the costs of temporary accommodation	(0.5)
Housing Services & Transformation	ICT & Digital	The Quarter 1 position reflects a reduction in income from our schools' service. The services to school offering is currently being reviewed in line with the corporate review of traded services. There are further uncertainties with the ICT budget with regards to demand for hardware and the fluctuation caused by increased demand due to COVID. Further work is taking place to understand this impact for Quarter 2	0.2
Housing Services & Transformation	Other Variances Less than 100K		0.1
<b>Housing Services &amp; Transformation</b>			<b>(0.2)</b>
Legal & Governance Services	Legal Services	The variations are all staffing related, the majority of which (£490k) are as a result of an increased caseload volume for care proceedings. £290k of this is directly related to volumes caused by the COVID-19 pandemic. Additionally, a net pressure of almost £200k is forecast reflecting the cost of agency staff to cover vacancies.	0.7

<b>Legal &amp; Governance Services</b>			<b>0.7</b>
Finance & Corporate Services	Revenues and Benefits	<p>This variation is due to a Housing Benefit subsidy pressure of £1.5m due to an increase in the volume and unit cost of supported accommodation, for which the Council only receives partial subsidy payments if the provider is not a registered social landlord. The Council has historically had the opportunity to recover overpayments to offset this pressure, however due to customers transferring to Universal Credit and the effects of COVID, this is no longer the case such that it can now only be mitigated by an estimated £0.8m, leaving a net pressure of £0.7m.</p> <p>The remaining pressures are due to administration costs associated with an increasing council tax base and a delay in the implementation of digital solutions and therefore the ability to generate savings. This is currently being partially offset by staff vacancies.</p>	1.0
<b>Finance &amp; Corporate Services</b>			<b>1.0</b>
Human Resources	HR and Workforce Development Management	This comprises the remaining balance of the HR savings target offset by some in-year spending controls. Work to address the remainder of the savings target, which increases by a further £150K in 2022/23, continues.	0.2
<b>Human Resources</b>			<b>0.2</b>
Business Investment and Culture	Sports, Culture, Destination & Bus Relationships	Aside from COVID 19 related pressures, the sports and culture service is operating within budget. However, a delayed 'wave' profit share (6 months loss of £185k) the cost of maintaining Brandon Wood Golf Course (£57k), footfall caps for Godiva festival (£53k), and unrecovered catering staff costs at St. Mary's (£41k) are all pandemic related costs expected to materialise.	0.2
<b>Business Investment and Culture</b>			<b>0.2</b>
Transportation & Highways	Parking	COVID-19 Income pressures due to a significant reduction in parking and enforcement income during the COVID-19 restriction periods. It is anticipated that this will continue to affect the position throughout the rest of the financial year.	1.4
Transportation & Highways	Transport and Innovation	This reflects additional Highways Development Management staff resources which have been brought in to support major planning applications and to provide cover for vacancies.	0.2
Transportation & Highways	Other Variances Less than 100K		0.3
<b>Transportation &amp; Highways</b>			<b>1.9</b>
Streetscene & Regulatory Services	Streetpride & Parks	This reflects primarily covid related pressures of £266k resulting from cancelled events in parks, additional staffing and cleaning at the crematorium, and additional vehicles in streetpride. Other pressures	0.5

		include expected agency cover of c£100k (offset by vacancy), and fleet pressures of £110k due to spot hire and avoidable damage cost	
Streetscene & Regulatory Services	Waste & Fleet Services	This is primarily related to pressures in domestic refuse collection. A significant cost relates to availability of both drivers and crew caused by high sickness, self-isolation, and accrued leave, meaning temporary cover arrangements will need to be put in place. Added to this is pressures on workload, which has resulted in a decision to accelerate the two additional rounds planned for April 2022, together with some reactive cost of ensuring all bins are collected.	1.5
Streetscene & Regulatory Services	SSGS Management & Support	Additional costs are being incurred on Car Park Mgt and Security due to ongoing COVID restrictions. The service is looking for a long term solution for this.	0.2
Streetscene & Regulatory Services	Environmental Services	There is an income pressure of £90k in Pest Control (of which £35k relates to COVID). The service is working on potential contracts to reduce this. The remainder relates to the ESU which is experiencing both recruitment pressures due to vacancies and self-isolations (£95k), and also income pressures of £65k due primarily to lower demand for some services including call handling and CCTV monitoring	0.3
<b>Streetscene &amp; Regulatory Services</b>			<b>2.5</b>
Project Management and Property Services	Commercial Property and Development	Pandemic related losses in respect of rents are forecast at £1.5m for 21/22. Aside from these pressures, a small surplus to reflect cost management particularly around repairs and maintenance is forecast	1.3
Project Management and Property Services	Facilities & Property Services	This surplus reflects a forecast trading surplus across Repair and Maintenance and Building compliance works	(0.2)
<b>Project Management and Property Services</b>			<b>1.1</b>
<b>Public Health</b>			<b>0.0</b>
Ringfenced Funding	SEND & Specialist Services	SEN Provision is forecasting an overspend of £1.3m. The forecast expenditure reflects demand growth throughout the system including growth in mainstream EHC Plans, and the cost of extended entitlement post 16 as a consequence of Covid disruption to courses this is in addition to post 16 demand growth. There is significant additional pressure on special school placements particularly in the area of SEMH (behaviour) which has increased the LAs dependency on external independent schools. This is likely to persist until Woodfield is able to increase local capacity. SEN Support Services are forecasting an under spend of £0.4m. The under spend represents salary forecasts taking into account vacancies, all of which have been recruited to and will be filled in September 21.	1.0

Ringfenced Funding	Schools	High Needs unallocated resource which has been earmarked to fund the SEND review.	(2.8)
Ringfenced Funding	Education Entitlement	The Management committee for Coventry ELC & Hospital Education have looked to secure reserves of the total income of around 5% - however the under spend of £165k is due to the vacancies that were not filled during lockdown and less spend due to working from home, there is a strategic direction for investment in the centres long term which is why the board wish to have reserves.	(0.2)
Ringfenced Funding	Education Improvement & Standards	The underspend is across staffing budgets and is a result of delays in the implementation of the Early Years Restructure. All vacant posts are either recruited to are in the process of being recruited to so the underspend is not ongoing beyond the current financial year.	(0.2)
Ringfenced Funding	Financial Strategy	Technical adjustment to remove total of ringfenced variances from corporate position	2.2
<b>Ringfenced Funding</b>			<b>0.0</b>
Corporate & Contingency	Corporate Finance	A favourable variation of £1.4m is forecast at this stage arising from a combination of Business Rates pooling income and lower than anticipated employer superannuation costs. The corporate position continues to be predicted on a relatively prudent basis and could improve over the course of the year.	(1.4)
<b>Corporate &amp; Contingency</b>			<b>(1.4)</b>
<b>Total Non-Controllable Variances</b>			<b>15.4</b>

## Appendix 2

### Capital Programme Approved / Technical Changes

SCHEME	EXPLANATION	£m
SEND	Part of the works in 20/21 should have been funded through Basic Need Grant and not SEND as this was earmarked for another project, budgets have now been realigned in 21/22 to reflect this	0.4
City Centre Destination Leisure Facility	Funds from reserves to cover costs of resurfacing at the Wave	0.3
Public Realm Phase 5	Palmer Lane Regeneration, Cabinet Member Report for Jobs, Regeneration and Climate Change on 15th July 2021. Approval of £950k addition to the capital programme to fund the overall estimated £1.6m scheme.	1.0
Highways Maintenance & Investment	Additional Highways Maintenance Funding announced by the DfT in February 2021 but after Budget Setting report had gone to Council	0.8
UK Central + Connectivity - VLR	Technical adjustment as this element of the Getting Building Fund was built into the programme at Capital Outturn 2020-21	(0.4)
City Centre Regeneration	Additional revenue funding to fund expenditure not eligible from grant - via rental income	0.2
GD46/GBF08 - Ricoh Arena Renewal	New Grant Received	3.9
National Battery Manufacturing Development Facility - Faraday Challenge	New Grant Received	3.4
Public Building Retrofit - council buildings	New Grant Received	6.3
Public Building Retrofit - schools	New Grant Received	2.5
Coventry Station Masterplan	New Grant Received	0.4
<b>TOTAL APPROVED / TECHNICAL CHANGES</b>		<b>18.8</b>

### Appendix 3

DIRECTORATE	BASE BUDGET 21/22 plus 20/21 RESCHEDULING £m	TOTAL APPROVED TECHNICAL CHANGES £m	TOTAL OVER / UNDER SPEND £m	TOTAL RESCHEDULED EXPENDITURE £m	REVISED ESTIMATED OUTTURN QTR1 21-22 £m
PEOPLE	41.2	2.8	0.0	(4.9)	39.1
PLACE	211.7	15.9	0.1	(19.5)	208.3
<b>TOTAL</b>	<b>252.9</b>	<b>18.8</b>	<b>0.1</b>	<b>(24.4)</b>	<b>247.4</b>

## Appendix 4

### Rescheduling and Accelerated Spend

SCHEME	EXPLANATION	£m
ESIF - Business Support Phase 2	The programme is behind schedule due to COVID	(0.5)
Vehicle & Plant Replacement	Moved some refuse vehicles into next year as lead-times are 26 weeks and will fall into next year's budget	(0.3)
ESIF - Low Carbon	The programme is behind schedule due to COVID	(0.2)
Lenton's Lane Cemetery - Phase 2	This is due to the re-profiling of the programme over the next 2 years	(0.3)
The Avenue Bowls Club	There has been a delay in the appointing of a Contractor due to COVID Restrictions	(0.8)
Schools -Basic Need	Due to the rescheduling at end of 20/21, this has been re-profiled to 22/23	(2.3)
Schools - Condition	Due to the rescheduling at end of 20/21, this has been re-profiled to 22/23	(0.3)
Disabled Facilities Grants	The DFG grant allocation can be used for both DFG's and other Adult Social Care capital schemes. The Government continues to award additional funding to the City Council on top of the already increased DFG resources. The impact of Covid has reduced our ability to realise maximising the use of existing DFG adaptation opportunities alongside improvements to Social Care property and new investments in other eligible spend. An expanded programme of works has been identified however due to the backlog caused by Covid increased spend may not be possible until next year.	(2.3)

City Centre Regeneration	Spend on City Centre South is currently forecast to be £3.1m for 21/22. This represents c£10m slippage that is made up predominately of Land Acquisitions. The timing of Land Acquisition spend is driven by the expected CPO processes, the timing of which is also linked to the granting of planning. Since planning committee resolved to grant consent in April 2021 a workstream is now in place to achieve this, with a decision regarding the making of a CPO likely to be taken during 21/22 with the associated spend being incurred thereafter.	(10.4)
Friargate	Appointment of a contractor and construction start towards the end of 20/21 gave the Council a much more accurate spend profile reflecting the construction of Two Friargate. While the construction end date remains unchanged, the profile of constructions costs slips some spend from 21/22 into 22/23.	(5.7)
MRF Development Costs (loan)	Realignment of the loan facility into future years	(1.2)
Miscellaneous under £100k		(0.1)
<b>TOTAL RESCHEDULING</b>		<b>(24.4)</b>

## Underspend

SCHEME	EXPLANATION	£m
Green Homes Grant	Due to very high demands for installs, our project delivery partner is struggling with capacity to fulfil the external wall insulation by the September deadline to spend this grant	(0.2)

## Appendix 5

### Prudential Indicators

Indicator	per Treasury Management Strategy 2021/22	As at 30th June 2021
<b>Ratio of Financing Costs to Net Revenue Stream (Indicator 1)</b> , This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs.	14.62%	14.47%
<b>Gross Borrowing should not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) at 31<sup>st</sup> March 2021 plus the estimates of any additional CFR in the next 3 years (Indicator 2)</b> , 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 and is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.	Estimate / limit of £529.5m	£331.8m Gross borrowing within the limit.
<b>Authorised Limit for External Debt (Indicator 5)</b> , This statutory limit sets the maximum level of external borrowing on a gross basis (i.e. excluding investments) for the Council. Borrowing at this level could be afforded in the short term but is not sustainable. The Authorised limit has been set on the estimated debt with sufficient headroom over and above this to allow for unexpected cash movements.	£549.5m	£331.8m is less than the authorised limit.
<b>Operational Boundary for External Debt (Indicator 6)</b> , This indicator refers to the means by which the Council manages its external debt to ensure it remains within the statutory Authorised Limit. It differs from the authorised limit as it is based on the most likely scenario in terms of capital spend and financing during the year. It is not a limit and actual borrowing could vary around this boundary for short times during the year.	£529.5m	£331.8m is less than the operational boundary.
<b>Upper Limit on Fixed Rate Interest Rate Exposures (Indicator 9)</b> , These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The Upper Limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could impact negatively on the overall financial position.	£481.1m	£252.5m
<b>Upper Limit on Variable Rate Interest Rate Exposures (Indicator 9)</b> , as above highlighting interest rate exposure risk.	£96.2m	-£76.0m
<b>Maturity Structure Limits (Indicator 10)</b> , This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of		

<p>uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, thereby managing the effects of refinancing risks.</p> <p>The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.</p> <p>&lt; 12 months  12 months – 24 months  24 months – 5 years  5 years – 10 years  10 years +</p>	<p>0% to 50%  0% to 20%  0% to 30%  0% to 30%  40% to 100%</p>	<p>4%  3%  21%  3%  69%</p>
<p><b>Investments Longer than 364 Days (Indicator 11)</b>, This indicator sets an upper limit for the level of investment that may be fixed for a period greater than 364 days. This limit is set to contain exposure to credit and liquidity risk.</p>	<p>£30m</p>	<p>£30.0m</p>

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Cabinet

31<sup>st</sup> August 2021

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities – Councillor A S Khan  
Cabinet Member for Housing and Communities – Councillor D Welsh

**Director Approving Submission of the report:**

Director of Streetscene and Regulatory Services

**Ward(s) affected:**

All

**Title:**

Empty Dwellings Strategy 2021-2026

---

**Is this a key decision?**

No – although this matter affects all wards in the City, the impact is not expected to be significant.

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**Executive Summary:**

The provision of good quality housing for Coventry residents is a priority for the City Council. The report proposes a new Empty Dwellings Strategy for 2021 -2026 (Appendix 1 to the report) and sets out the housing scene in Coventry and how the Council will target long term empty dwellings in the city, which can be a magnet for vandalism, anti-social behaviour and a wasted housing resource.

The new strategy will replace the current Council policy on empty dwellings and will take into account changes in legislation and the housing market in Coventry.

The new strategy will also tie together the adopted Coventry Local Plan 2017 which details how Coventry City Council will meet the future house building needs up to 2031 and the need to consider the city's existing housing stock and in particular the quality of homes provided via the Private Rented Sector (PRS).

**Recommendations:**

The Cabinet is requested to:

- 1) Consider and approve the amended “Empty Dwellings Strategy 2021 - 2026” attached at Appendix 1 to the report.

**List of Appendices included:**

Appendix 1 – Empty Dwellings Strategy 2021 to 2026  
Appendix 2 – Equality and Consultation Analysis

**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?**

No

**Will this report go to Council?**

No

## **Report title: Empty Dwellings Strategy 2021-2026**

### **1. Context (or background)**

- 1.1. Most local authorities have an Empty Dwellings Strategy, setting out how they intend to minimise the number of long-term empty dwellings in their area. With a national housing shortage, leaving properties empty for long periods wastes a valuable housing resource and represents an environmental blight on the local neighbourhood.
- 1.2. A policy to address empty dwellings in the city was approved in 2014, however it is considered that this now requires updating to reflect changes in legislation and the housing market in Coventry.
- 1.3. Long term empty dwellings are the main focus of the new strategy. Coventry currently has around 1,661 long term empty dwellings recorded with Council Tax with some of these properties being empty for a considerable length of time. This represents 57% of the total number of empty dwellings. The strategy will have three main objectives 1) Advice/Assistance, 2) Enforcement and 3) Prevention, and presents a framework for coordinated work moving forward.
- 1.4. A copy of the new Empty Dwellings Strategy 2021 – 2026 is attached as Appendix 1 to this report and provides the detail of how the Council will work closely with all departments within the Council coordinating activities around vacant dwellings focusing on the three main objectives.

### **2. Options considered and recommended proposal**

- 2.1. **Do nothing** - This option is not recommended because the Council has already adopted a policy to deal with empty dwellings which has now been reviewed to take into account changes in legislation and the housing market. Adopting this option would prevent the ability for the Council to address the growing problem of empty dwellings.
- 2.2. **Approve the policy** – This is the preferred option.

### **3. Results of consultation undertaken**

- 3.1. The new range of measures set out in the Strategy have been subject to national consultation by the Ministry for Housing, Communities and Local Government and the results of this have been taken into consideration by Government when developing guidance provided to Local Authorities for implementing these powers. There is no statutory requirement to consult further on the measures set out in the policy.

### **4. Timetable for implementing this decision**

- 4.1. The policy must be published first to allow the Council to implement civil penalties. The implementation can commence once the report has been approved and the Strategy is published.

## **5. Comments from the Director of Finance and the Director of Law and Governance**

### **5.1. Financial implications**

The financial implications associated with the recommendation are limited to the employee costs associated with implementing the Strategy and any costs involved in publishing the document.

In cases where there is a financial burden the matter will be subject of a separate report that will be submitted to Cabinet for approval.

### **5.2. Legal implications**

The Council has a duty to assess and plan for housing needs and takes the view that empty dwellings are a wasted resource that could be used as an opportunity to reduce the pressures on the housing market in Coventry.

The Coventry & Warwickshire Strategic Housing Market Assessment (SHMA) (2013) acknowledged that each Council should plan to meet the need for affordable housing in its area.

There are a number of powers which the Council can use to try to bring empty residential properties back into use to provide affordable housing.

Compulsory Purchase Orders under the Acquisition of Land Act 1981, as amended by the Planning and Compulsory Purchase Act 2004; Empty Dwelling Management Orders made under the Housing Act 2004 and the enforced sales procedure which is a power available in the civil courts where, for example in the County Court can make an order for sale on a property in proceedings relating to land under Part 40 of the Civil Procedure Rules.

Further details relating to these powers can be found in Appendix 3 of the Empty Dwellings Strategy.

## **6. Other implications**

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

The Council Plan takes forward the main themes agreed by the Council in recent years. It reaffirms the Council's ambition – developed with the Strategic Partnership and partners to make Coventry: A Top Ten City.

This ambition is driven through three corporate priorities which directly address the needs of the City and include, in particular:

- Promoting the growth of a sustainable Coventry economy by:
  - Increasing the supply, choice and quality of housing.
- Improving the quality of life for Coventry people by:
  - Improving the health and wellbeing of local residents

- Protecting our most vulnerable people
- Reducing health inequalities

The Health and Wellbeing Strategy 2019-23 recognises that creating health, wealth and happiness requires more than simply managing people`s health problems.

The health and wealth being of people can be improved if people have jobs, good housing, and are connected to families and communities.

The Councils Housing and Homelessness Strategy 2019-2024 affirms the Council`s view that housing plays a crucial role in the economic growth of the city. The ambition for Coventry is “*to ensure decent homes, housing choice and support for Coventry citizens*” through various themes including:

- Preventing Homelessness and Supporting Homeless Households:
- Support for people and communities;
- Improving the use of existing homes; and
- Housing development

The Housing Strategy links into the Council Plan and the Health and Wellbeing Strategy by contributing to the delivery of the key corporate priorities but also in supporting the local economy through ensuring communities have stable and safe places to live.

## 6.2. How is risk being managed?

The Strategy will inform decisions taken by Regulatory Services that will have an impact on the interests of all residents. The Strategy has been developed to take into account the need to respect the relevant rights under the Human Rights Act and relevant guidance provided by Government.

Decisions of Regulatory Services are open to challenge through the First Tier Property Tribunal and the Planning Inspectorate and in certain cases the Magistrates Court and beyond. The Strategy is designed to ensure our compliance with legislation and statutory guidance, minimising the risk of legal challenge.

When deciding on the most appropriate course of action the Council will have regard to relevant guidance provided by Government. In the case of compulsory purchase powers, the Council will ensure that a separate report is considered by Cabinet in each case and that the public benefit of using such powers greatly outweighs the interference with a person`s property.

## 6.3. What is the impact on the organisation?

The adoption of the policy should have limited impact on the organisation. There is a post allocated as human resource. The financial implications will be considered on a case by case basis through a separate report. There is a potential positive impact, in that any income received from civil penalties associated with enforcing standards in empty dwellings provides an opportunity to undertake further proactive

work and statutory functions in relation to the Council's enforcement activities covering the PRS and empty dwellings.

**6.4. Equalities / EIA**

The Empty Dwellings Strategy makes links to the Council's Equality and Diversity Policies and an Equalities Assessment exists for regulatory activities. A specific Equalities Assessment has been completed for this report and is attached at Appendix 2 to the report.

**6.5. Implications for (or impact on) climate change and the environment?**

6.6. There are no implications for climate change and the environment.

**6.7. Implications for partner organisations?**

The Empty Dwellings Strategy contributes towards the work of the Community Safety Partnership.

The effective operation of the Strategy by regulatory services has an impact on the quality of properties in the City and on the co-existence of empty dwellings with local residents and communities.

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Michelle Salmon	Governance Services Officer	Law and Governance	09/07/2021	09/07/2021
<b>Names of approvers for submission: (officers and members)</b>				
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Andrew Walster	Director of Streetscene and Regulatory Services	-	09/07/2021	12/07/2021
Councillor A S Khan	Cabinet Member for Policing and Equalities	-	12/07/2021	27/07/2021
Councillor D Welsh	Cabinet Member for Housing and Communities	-	12/07/2021	28/07/2021

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# Empty Dwellings Strategy 2021- 2026



Contents

<b>Empty Dwellings Strategy 2021- 2026</b> .....	1
<b>Introduction</b> .....	3
<b>Strategic Context</b> .....	3
<b>Ambitions</b> .....	4
<b>Current Position</b> .....	4
<b>Moving Forwards 2021-2026</b> .....	5
<b>Action Plan</b> .....	7
<b>Delivering the Strategy</b> .....	7
<b>Monitoring &amp; Reviewing the Strategy</b> .....	9
<b>Appendices</b> .....	9
<b>Appendix 1 – Statistical Context</b> .....	10
<b>England</b> .....	10
<b>West Midlands</b> .....	10
<b>Coventry</b> .....	11
<b>Appendix 2 – Empty Dwellings Criteria for Enforcement</b> .....	13
<b>Appendix 3 – Legislation available for dealing with vacant dwellings</b> .....	14

**Figures**

Figure 1- Number of vacant and long-term vacant dwellings 2004 to 2019.....	10
Figure 2 - Vacant and long-term vacant dwellings by region .....	10
Figure 3 - Number of Long-Term Vacant dwellings in West Midlands 2019.....	11
Figure 4 - Percentage of all vacant dwellings in Coventry between 2010 and 2020.....	12
Figure 5 - All vacant dwellings in Coventry as a percentage of the total housing stock 2010 to 2020.....	12
Figure 6 – All long-term vacant dwellings in Coventry as a percentage of the total number of vacant dwellings 2010 to 2020.....	13

## Introduction

Coventry City Council's Empty Dwellings Strategy sets out what the council will do, with partners, to bring homes back into use, to make best use of housing stock in the city and to reduce the negative impact vacant dwellings can have on surrounding homes, neighbourhoods and communities.

By having an Empty Dwellings Strategy and a clear programme of actions and interventions, we can:-

- Improve neighbourhoods and create better environments for local communities;
- Reduce vandalism and anti-social behaviour;
- Improve the health and wellbeing of communities and individuals;
- Help meet housing need by providing additional housing options for the local community;
- Ensure best use of assets;
- Improve housing conditions;
- Increase New Homes Bonus (which can be reinvested into the local area);
- Increase Council Tax income and potentially increase spend on local goods and services from the occupants of formerly vacant dwellings;
- Balance new build with the best use of existing stock; and
- Increase income and capital value to homeowners and reduce the costs of council tax liability.

Dwellings are left empty for a variety of reasons and plans to bring properties back into use need to be tailored to each circumstance. This Strategy recognises there is no one simple solution to the problem of vacant dwellings and outlines a range of options to bring properties back into use.

## Strategic Context

There are approximately 24,000,000 dwellings in England. Statistics published by the Ministry of Housing, Communities and Local Government (MHCLG) put the number of vacant dwellings in England in October 2019 at 648,114. This represents a 2.2% increase on the previous year's total.

Of these there are 225,845 properties that were classed as long-term vacant dwellings (unoccupied 6 months+). This was a 4.5% increase on the previous year's total and equates to 35% of vacant dwellings and 0.94% of all properties nationally.

In the West Midlands region, the total number of vacant dwellings in October 2019 was 66,322, which equates to 2.6% of the total housing stock. This was an increase of 2,013 properties from the previous year.

The proportion of long-term vacant dwellings was 0.9% of the total stock or 23,515 properties. This represents 35% of the total number of vacant dwellings in the West Midlands.

Since 2010 the number of vacant dwellings in Coventry was steadily decreasing to levels of around 3,189 properties in 2016.

In 2017 however, the numbers began to increase to the point where in 2019 there were 3,830 vacant dwellings. These levels exceed those seen for a number of years in Coventry.

Further statistical details can be found in Appendix 1 to this Strategy.

## Ambitions

The City Council has a duty to assess and plan for housing need and takes the view that every empty home is a wasted opportunity for a Coventry family. The Coventry & Warwickshire Strategic Housing Market Assessment (SHMA) (2013) identified a need for an additional 477 affordable homes to be provided in the city each year. This increased to 600 affordable homes in 2015 when an update of the SHMA was released.

The SHMA acknowledged that each Council should consider drawing together evidence as part of the plan-making process how it can meet the need for affordable housing. In doing so, consideration should be given to increasing the overall housing provision where it would help to meet the identified need for affordable housing. With housing and land in short supply in Coventry vacant dwellings offer an alternative option to support the process of providing much needed affordable housing in the city.

Vacant dwellings are a wasted resource and become a drain on public funds in that they can quickly fall into disrepair and become blights on our neighbourhoods. Often, they can become magnets for fly tipping, anti-social behaviour, vandalism and arson.

The Council's vision is ***to reduce the number of long-term vacant dwellings in Coventry to a practical minimum.***

This will be supported through this Strategy with the aim of focusing on the issue of long-term vacant dwellings. Three objectives have been developed to support this vision:-

**Objective 1** – To promote the range of advice, assistance and support available to bring vacant dwellings back into use and develop new solutions such as a Private Sector Leasing scheme;

**Objective 2** – To use enforcement action in bringing long term problematic vacant dwellings back into use; and

**Objective 3** – To better understand why dwellings are being left empty in the city and where possible prevent dwellings from becoming empty for long periods of time.

## **Current Position**

There are two types of vacant dwellings - those that are empty for short periods of time and longer-term vacant dwellings that can become more problematic.

The short-term vacant properties are re-occupied relatively quickly and are necessary for the housing market to function. These properties rarely require intervention to bring them back into use; they are generally reoccupied within six months.

Longer term vacancies are properties that have remained empty for over six months. These are the ones that usually cause complaints from neighbours and can become detrimental to the neighbourhood; they are the focus of this strategy.

There are significant advantages for everyone in the area by bringing empty homes back into use.

For the owner:-

- Leaving a property empty increases the risk of vandalism and crime which will make the property costly or difficult to insure;
- In the case of arson the full value of the asset could be lost and there may be resultant claims from neighbours for damages;
- The owner will also incur additional costs because they will be expected to maintain the property and remove fly tipping and detritus;
- Generally the Council charges the owner full Council Tax on empty homes. Long term empty homes are liable for a long term empty council tax premium as follows:
  - From 1 April 2019 any property having been empty and unfurnished for more than two years will attract a 100% empty premium.
  - From 1 April 2020 any property having been empty and unfurnished for more than five years will attract a 200% empty premium.
  - From 1 April 2021 any property having been empty and unfurnished for more than ten years will attract a 300% empty premium.
- There is the potential to gain rental income and over a period of time the possibility that the home will increase in value; and
- The owner could choose to sell the home and realise the cash value and invest the money in a different asset.

For local residents:

- Bringing an empty home back into use will significantly reduce the opportunities for vandalism, fly tipping and antisocial behaviour; and
- Unsightly properties can have a negative effect on an area, depress house prices and reduce pride in the area. They can also have a direct impact on adjoining properties through dampness and structural problems.

### **Moving Forwards 2021-2026**

Coventry City Council wants to improve the current position and bring the percentage of long-term vacant dwellings more in line with the national and regional average; recognising it has no control over these wider figures. There will also be a focus on reducing the number of properties that have been empty for long periods of time.

In order to achieve this the Council will work closely with all departments within the Council coordinating activities around vacant dwellings focusing on the following three objectives.

**Objective 1 - To bring empty homes back into use using a range of advice, assistance and support.**

The Council will provide advice and support to homeowners on a one-to-one basis and work closely with the owner to understand the reasons the property is empty. With the owner's agreement, the Council will determine the best course of action to bring the property back into use. An advice and guidance leaflet will be made available for all empty homeowners in the city to highlight what the Council can offer.

The different types of advice or assistance available could include :-

**Advice on selling / renting the empty property**

The Council can offer advice on local estate agents, lettings agents or auctioneers who can assist in the sale or letting of the property.

The Council can also inspect the property and assess it according to the Housing Health and Rating System.

The Council will then be able to give the necessary advice as to what the health and safety risks are and how these can be rectified.

**Bringing properties up to a lettable standard**

The Empty Dwellings Officer, working with the Housing Options Team will explore potential incentives to bring empty properties to a lettable standard in exchange for nomination rights to help households who may be facing homelessness. This could be achieved through the development of the Council's "Let's Rent" scheme which currently exists for private landlords.

Under a Private Sector Leasing Scheme the Council can enter into a lease with a private landlord. The Council will then use the property as an affordable decent home for local households who face homelessness.

A Tenant Finder Scheme is able to assist the owner of an empty property through the lettings process whilst providing good quality homes for local residents who need somewhere to live. The scheme will guide the empty homeowner through the process of letting their property and assist with finding suitable tenants through our Housing Options Team. The Council will work with established local lettings agents and we will inspect the property to ensure that it is at a lettable standard.

**Provide assistance with garden or house clearances**

Coventry City Council's StreetScene team can offer a garden and house clearing service for empty homeowners.

The service includes:- pest control, garden clearances, house clearances, graffiti removal or removing sharps / needles. The team will go out to the property and give a quote for the works. If the owner wants the work to proceed, it is completed at a time to suit all parties. If the owner is not willing to work with the Council, then the EDO can arrange for the property to be cleared as 'works in default'. Once the work is completed, a charge is placed on the property which will be paid when the property is sold.

**Objective 2 - To use enforcement action to bring long term, problematic empty homes back into use**

The Council has many Regulatory powers that it can utilise in order to address the impact an empty property has on neighbours and the local area. With the legislation available the Council can serve a notice on the homeowner to ensure that these issues are addressed and in, turn, encourage the owner to bring the property back into use. Where all attempts of intervention have failed or if there is an immediate risk to health or safety, the EDO will consider a number of enforcement options that are available to them as set out in appendix 2.

**Objective 3 - To better understand why homes are being left empty in the city and where possible, prevent homes from becoming empty for long periods of time.**

As well as bringing empty homes back into use, the Council wants to stop properties becoming long term empty in the first place or reduce the time they are empty. Advice and guidance will be sent out with letters by Council Tax to empty homeowners approaching the six month and two-year empty date. This will open communication with empty homeowners and reduce long term empties in the city.

**Action Plan**

Action 1 - Secure approval of the revised Empty Dwellings Strategy 2021 – 2026

Action 2 - Appoint a suitably experienced Empty Dwellings Officer.

Action 3 - Review and revise the advice and assistance available to owners of empty dwellings.

Action 4 - Explore opportunities for private sector leasing scheme, Tenant Finder Schemes and social letting.

Action 5 - Explore opportunities for partnership working with local registered providers.

Action 6 - Develop links with internal and external agencies i.e. lettings agents

Action 7 - Development of policies and procedures of enforcement options which include: Compulsory Purchase Orders, Empty Dwelling Management Orders and Enforced Sales.

**Delivering the Strategy**

In order to deliver the Empty Dwellings Strategy, the Council will need to appoint an EDO to ensure that the three objectives are met, demonstrating the Council's commitment to tackling vacant dwellings.

The Council has opportunities to recycle funding to carry out interventions and enforcement actions highlighted in this strategy, but the EDO can't do this alone; close working relationships between other departments in the Council and stakeholders in the city will be essential for the objectives of this strategy to be achieved.

**Data Analysis**

The EDO will require monthly data on empty properties within the city. The data will be analysed to understand the flows of empty properties including how many become empty and how many are brought back into use. Continued analysis of this data will look at whether there are trends or issues to explore further. For example, it could highlight if there are certain areas

in the city that are experiencing higher levels of long-term empties than others. The empty homes in Coventry could be mapped and updated biannually to identify clusters of empty properties that could lead to neighbourhood decline and also to identify whether certain owners have multiple empty properties in specific geographical locations. Each empty property will be risk assessed and interventions prioritised accordingly.

### **Reporting Empty Properties**

The EDO will explore the effectiveness of creating an online reporting tool, so members of the public can report a property in real time and not have to phone or email the Council. This will ensure that the Council is made aware of any issues quickly and will have all the relevant information at hand.

When it comes to proceeding with formal action the Council will adopt a staged approach as per its Enforcement Policy and the phases set out below.

### **Phase 1- Option appraisal**

Before any formal action is considered, the Council will seek to work with the owner to identify the range of options available to them to bring the home back into use. Once a property is identified as being empty for six months or more the Council will initially contact the homeowner to:-

1. Gather information on why the home is empty and the owner's plans for the property;
2. Supply an information pack which will:
  - a. Advise on the pitfalls and costs of leaving the home empty.
  - b. Advise on the options available to bring the property back into use.
  - c. This may involve practical guidance on matters such as letting, leasing, property valuation, building regulations and planning, demolition, and debt recovery, drawing as required on the expertise of other departments in the Council and elsewhere.
  - d. The aim will be to help the owner arrive at a solution, which meets their needs and preferences whilst achieving the overall aims and objectives of this policy.
3. It is our aim to agree at this stage, a way forward with the homeowner. This will involve the negotiation of an appropriate timescale for the resolution of their chosen option. We will then revisit the case at the end of the time period;
4. If at the end of this time period, there has been no satisfactory progress we will:
  - a. Contact the homeowner to determine what assistance we can provide to help to bring the home back into use.
  - b. When this has been established, we will negotiate a further timescale for resolution of their chosen option.
5. If there has been no satisfactory progress and the criteria in Appendix 2 have been satisfied, then the case will progress to Phase 2; and
6. In cases where the home is subject to regular environmental crime and the route of anti-social behaviour, the process will skip stage 2 and move straight to phase 3.

### **Phase 2 - informal warning**

Before any formal action is considered, the Council will make clear to the homeowner its intention in bringing the home back into use and the reasons why (see Appendix 2).

1. The Council will agree a further course of action with the homeowner to address any specific issues of concern and ultimately set a date for bringing the home back into use. This will be confirmed in writing; and
2. If at the end of the agreed time period insufficient progress has been made the Council will write to the homeowner:
  - a. pointing out that satisfactory progress has not been made;
  - b. requesting a reason for lack of progress; and
  - c. confirming that formal action will ensue if no reasonable explanation or undertaking is offered and the case will move to Phase 3.

### **Phase 3 - Formal Action**

Where the owner of a property is untraceable or demonstrates an unwillingness to work with the Council and/or satisfactory progress has not been made, the Council will consider taking appropriate enforcement action to:

- mitigate/abate problems emanating from the dwelling; and
- ultimately bring the dwelling back into use. A list of available enforcement powers are contained in Appendix 3.

Where the Council has used compulsory purchase powers, or powers to force the sale of an empty home it will endeavour to ensure that the dwelling is:

1. brought back into use as quickly as possible; and
2. where possible is used to provide affordable housing.

The Council will seek to recover all of its costs where possible in bringing empty properties back into use. The extent of enforcement activity undertaken by the Council will be determined by the resources available to fund both the revenue and capital related elements of the activity. The Council will look at all options available legally and within available resources prior to taking enforcement action to ensure that the Council is not being subjected to unnecessary risk.

### **Monitoring & Reviewing the Strategy**

In order for the Strategy to remain effective and relevant, it is important that it is continually monitored throughout the period of the Strategy.

Monitoring the strategy will be carried out by the following means:-

Monthly data tracking (data received from Council Tax and analysed by the Housing Enforcement Team).

Six monthly reporting to Cabinet Members for Housing and Communities and Policing and Equalities.

The detailed action plan to be monitored by the Property Licensing and Housing Enforcement Team and reviewed annually to ensure it is relevant and up to date.

### **Appendices**

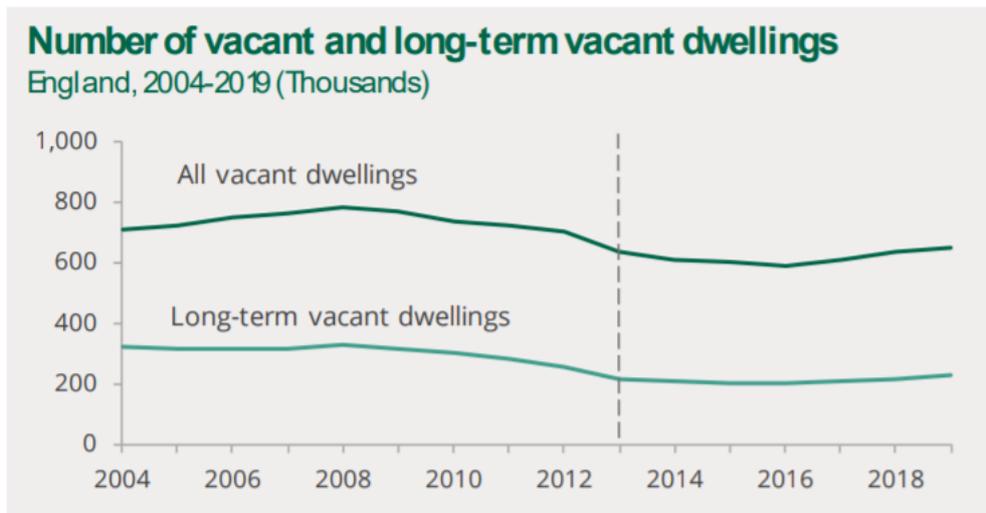
## Appendix 1 – Statistical Context

### England

The percentage of vacant dwellings has been steadily increasing since 2016 in England and has risen again in 2019 to levels beyond those last seen in 2013. Overall, the number of homes that are long term vacant has also increased since 2016, from 200,145 to 225,845.

Figure 1 shows the number of vacant dwellings and long-term vacant dwellings in England between 2004-2019 and as can be seen both are steadily rising since 2016.

Figure 1- Number of vacant and long-term vacant dwellings 2004 to 2019



### West Midlands

In the West Midlands region, the total number of vacant dwellings in October 2019 was 66,322, which equates to 2.6% of the total housing stock. This was an increase of 2,013 properties from the previous year.

The proportion of long-term vacant dwellings was 0.9% of the total stock or 23,515 properties. This represents 35% of the total number of vacant dwellings in the West Midlands.

Figure 2 below shows the comparison of vacant and long-term vacant dwellings by region in 2019.

Figure 2 - Vacant and long-term vacant dwellings by region 2019

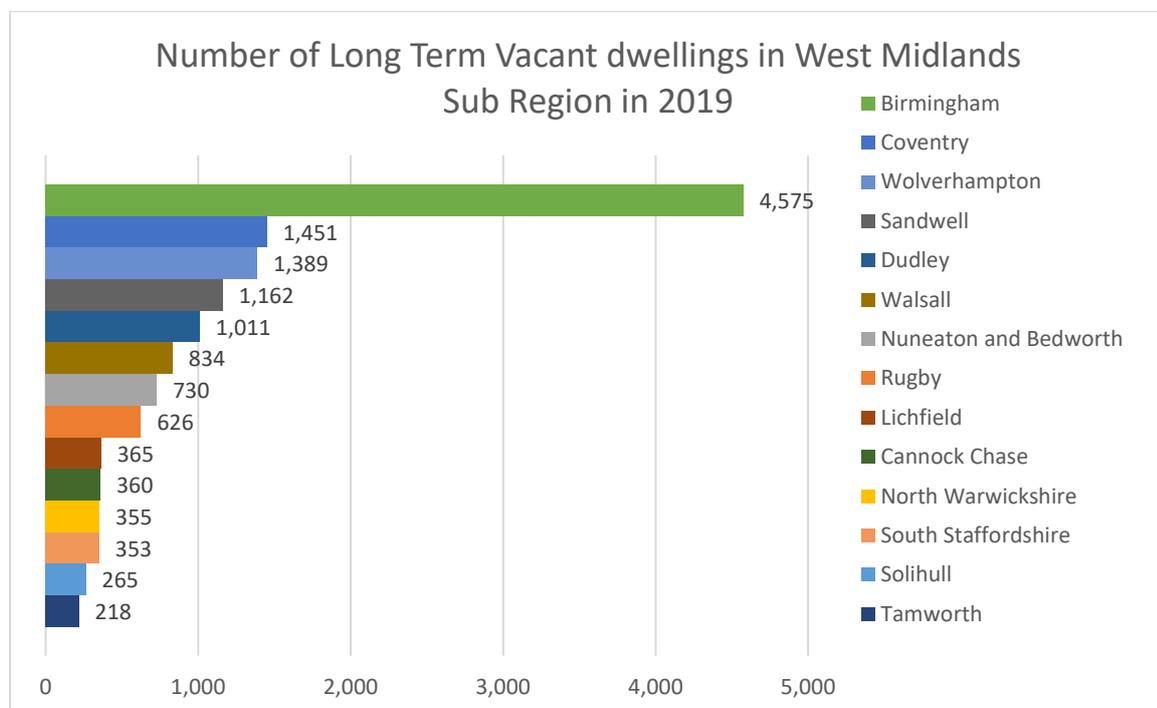
### Vacant and long-term vacant dwellings by region England, 2019

	All vacant dwellings		Long-term vacant	
	Number	as % of total stock	Number	as % of total stock
North East	44,566	3.6%	18,154	1.5%
North West	104,738	3.2%	39,195	1.2%
Yorkshire & The Humber	76,191	3.1%	28,884	1.2%
East Midlands	56,909	2.7%	20,324	1.0%
West Midlands	66,322	2.6%	23,515	0.9%
East of England	65,851	2.4%	20,972	0.8%
London	71,666	2.0%	24,677	0.7%
South East	96,128	2.4%	29,562	0.7%
South West	65,743	2.5%	20,562	0.8%
<b>Total</b>	<b>648,114</b>	<b>2.7%</b>	<b>225,845</b>	<b>0.9%</b>

According to most recent figures for the West Midlands for 2019, the highest level of vacant dwellings in the region were found in Birmingham, Coventry and Wolverhampton.

Figure 3 below provides the overall figures for the West Midlands in 2019, which places Coventry as the second highest authority in the region.

Figure 3 - Number of Long-Term Vacant dwellings in West Midlands 2019



#### Coventry

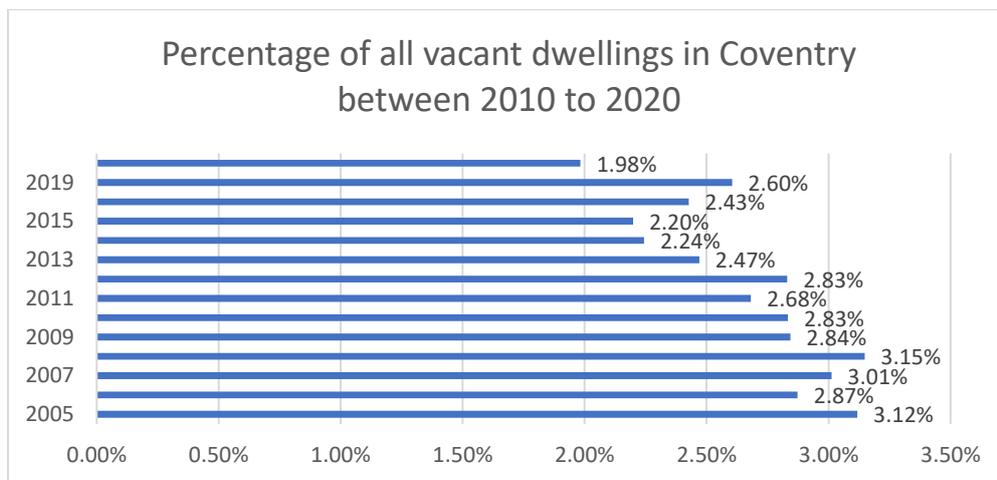
Since 2010 the number of vacant dwellings in Coventry was steadily decreasing to levels of around 3,189 properties in 2016.

In 2017 however, the numbers began to increase to the point where in 2019 there were 3,830 vacant dwellings. These levels exceed those seen for a number of years in Coventry.

As can be seen from Figure 4 below the percentage of vacant dwellings has decreased steadily since 2005, only rising again in 2018/19 and then dropping back off again in 2020 to 2%.

This would suggest that the average number of vacant dwellings is below both the national average and the slightly higher average for the West Midlands. The levels are also significantly better than those for previous years in Coventry.

Figure 4 - Percentage of all vacant dwellings in Coventry between 2010 and 2020

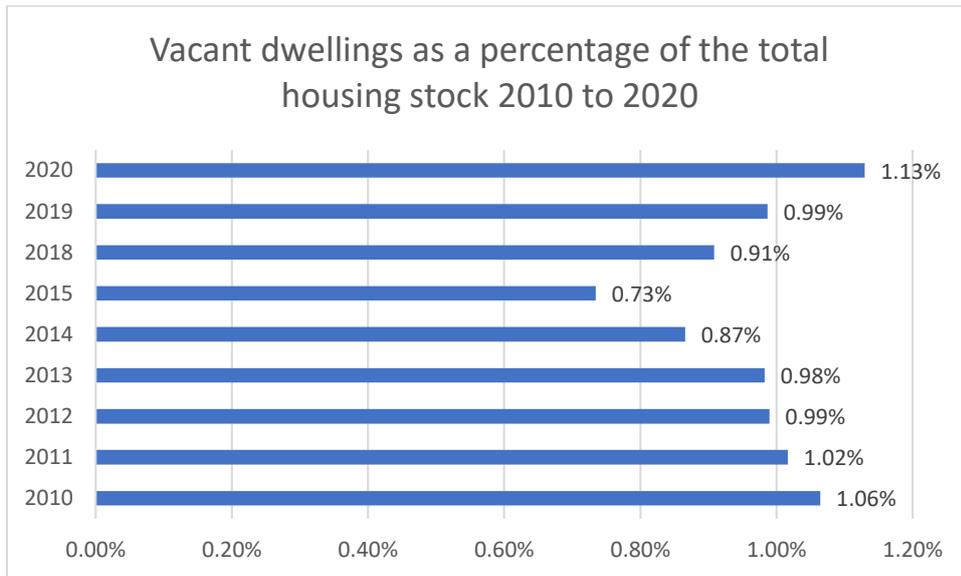


When we consider the figures for long-term vacant dwellings as a percentage of the total housing stock in Coventry and the total number of vacant dwellings we can see however, that the picture is somewhat different.

The average vacant dwellings as a percentage of the total number of dwellings in Coventry at 1.3% is above the national and regional average of 0.9%.

Figure 5 below provides the percentages of all vacant dwelling in Coventry in each year between 2010 and 2020 as a percentage of the total housing stock. This shows that, in the case of long-term vacant dwellings, although there was a decline in percentages between 2010 and 2015 over the last five years there has been a considerable increase to record levels now in 2020.

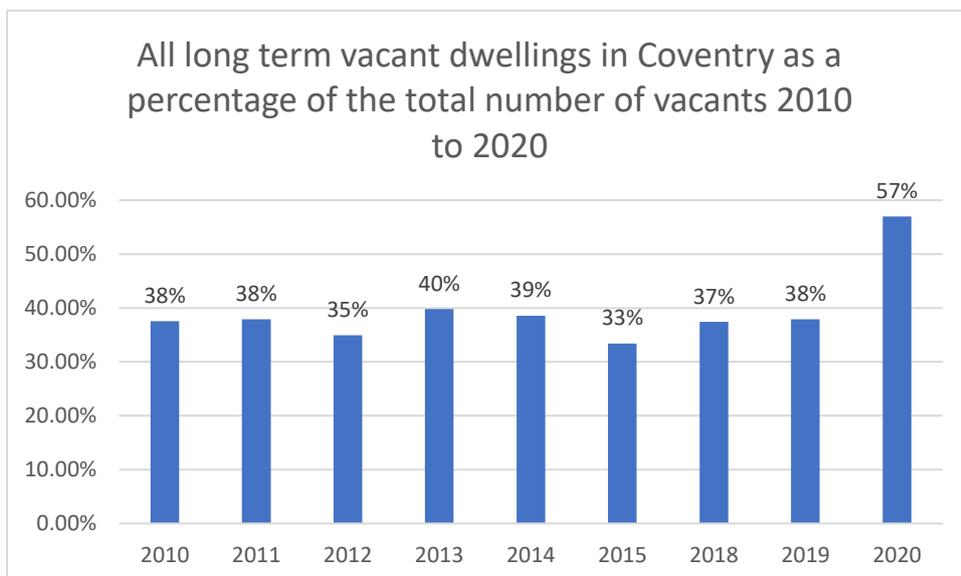
Figure 5 - All vacant dwellings in Coventry as a percentage of the total housing stock 2010 to 2020



Furthermore, when we consider the number of long-term vacant dwellings as a percentage of the total number of vacant dwellings this also increases significantly for 2020.

As can be seen from Figure 6 below the current percentage of long term vacant dwellings as a proportion of the total number of vacant dwellings is now estimated to be 57% - which means that approximately 1,661 or over half of all vacant dwellings have been empty for 6+ months or more.

*Figure 6 – All long-term vacant dwellings in Coventry as a percentage of the total number of vacant dwellings 2010 to 2020*



## Appendix 2 – Empty Dwellings Criteria for Enforcement

Where the Council has been unsuccessful in negotiating with the owner in returning an empty home back into use, it will actively consider using its available powers to force the dwelling back into use where:

1. The dwelling has been empty for more than six months and
  - a. the owner cannot be traced;
  - b. there are more than three incidents in the six-month period of ASB, environmental crime;
  - c. the visual appearance of the dwelling is such that it is having a detrimental effect on the area; or
  - d. the amount of money owed to the Council exceeds £1,000.
  
2. The dwelling has been empty for two years or more and
  - a. The owner can be traced;
  - b. there are more than three incidents in the six-month period of Anit Social Behaviour, environmental crime;
  - c. the visual appearance of the dwelling is such that it is having a detrimental effect on the area; or
  - d. the amount of money owed to the Council exceeds £1,000.

In the case of money owed to the Council this debt will normally be any outstanding Council Tax; and/or costs incurred by the Council through carrying out works in default (to maintain the home/garden and secure the home from entry) where Legal Notices have been served, but where there has not been compliance.

Where the homeowner has been receiving care in hospital, or a residential home, decisions about the dwelling will be made in accordance with the Charging for Residential Accommodation Guide (CRAG) in support of the National Assistance (Assessment of Resources) Regulations 1992 (S.I. 1992/2977).

### **Appendix 3 – Legislation available for dealing with vacant dwellings**

#### **Compulsory Purchase Orders**

Making compulsory purchase orders (CPOs) on empty properties may be justified where there appears to be no other chance of a suitable property being used as a home. Before a CPO is confirmed, the Council will have to show that it has taken steps to encourage the owner (if found) to bring the property into acceptable use. The Council will also need to show its reasons for making a CPO and justify interfering with the human rights of the owner or those of anyone else with an interest in the property. This is not a quick process and it can take many months to complete. The owner of a compulsory purchased property may be entitled to compensation for the loss at a level equivalent to the open market value.

#### **Housing Act 1985 Section 17**

This Act gives the Council the power to take over land, houses or other properties to increase the number of houses available or improve the quality of the housing stock. The main uses of this power are to get land for housing. This includes bringing empty properties back into use as homes and improving substandard ones. Where the Council get control of a property through this power, it will usually sell it to:

- a private-sector developer

- an owner-occupier or
- a registered social landlord

### **Town and Country Planning Act 1990 Section 226**

The powers in section 226 are intended to help local authorities which have planning powers to take control of the land they need to put in place their community strategies and local development documents. These planning powers are wide enough to allow the Council to take over land for redevelopment. This includes empty properties.

### **The Housing Act 2004**

The Housing Act 2004 gives the Council powers to make sure that properties are safe and suitable to live in. The powers may also apply to empty properties and include:-

- Powers of entry – these allow the Council to enter a property to inspect it if the owner or occupier(s) refuse to let an officer in (the Council has to give at least 24 hours' notice). If an owner and/or occupier stops our officer from getting in, the Council may get a warrant to enter from the courts. This allows the Council to force entry if it must;
- Power to require information – the Council can serve notices asking for certain information, for example, about who owns a property. This allows the Council to act to improve the property using the other powers described;
- Hazard-awareness notices – these will make sure that the owner or the person responsible is aware of a danger and the need to carry out repairs or alterations;
- Power to serve notices – the Council can serve improvement notices when work needs to be done to improve living conditions for occupiers or neighbours. The work specified depends on the conditions found and what the law allows the Council to do;
- Powers to enter a property and carry out work (emergency remedial action) – if an owner does not carry out work to the standard specified by a notice, the Council may do the work and charge the owner for it;
- Power to take over managing properties – there are a number of reasons why the Council may do this, including not being able to issue a licence or if a property has been empty for a long time;
- Power to close a property (prohibition order) – the Council could issue this notice only after it has carried out a detailed assessment to decide the best course of action to deal with a seriously substandard property. The Council might close a property where improvements are too expensive, or the condition of the property is too bad to repair. The notice would mean that nobody could live in the property; and
- Power to order a property to be demolished or an area is cleared – this is done in similar circumstances to closing a property.

### **Empty Dwelling Management Orders (EDMOs) Housing Act 2004**

EDMOs allow the Council to take management control of certain empty properties for initially up to 1 year (under an interim EDMO) and then up to 7 years (under a final EDMO). Under an interim EDMO the Council can only grant tenancies with the permission of the owner, but under a final EDMO the owner's consent is not required.

The Council must apply to the First Tier Tribunal (Property Chamber) for an EDMO. The Property Chamber must be satisfied that there is no reasonable prospect that the property will be reoccupied in the near future without the imposition of the EDMO and that there is an

element of “nuisance” being caused by the property. The Property Chamber will take into account the interests of the community and the effect the order will have on the rights of the relevant proprietor and may have on third parties.

There are, however, certain properties that are exempt from an EDMO. These include:

- Second homes
- Holiday lets
- Flats and houses normally occupied by students
- The owner is in prison
- The owner is receiving or giving care
- The owner is in the armed forces
- The relevant proprietor is temporarily residing elsewhere
- The property is on the market for sale or let

### **Enforced sales procedures**

Where the Council has issued and enforced a charge against a property it will have all the legal rights of a mortgage lender under the Law of Property Act 1925. The Council may have issued the charge against the property because the owner did not:

- Comply with a statutory notice issued; or
- Pay Council Tax or other debts owed to the Council.

### **Dangerous or dilapidated Buildings or structures**

Under Section 77 & 78 of the Building Act 1984, the Council can order an owner to make a property safe or allow the Council to take emergency action to make it safe.

### **Statutory nuisance (statutory nuisance or premises which can affect health)**

Under Section 80 of the Environmental Protection Act 1990 and Section 76 of the Building Act 1984 the Council can order an owner to make a property safe or allow the Council to take emergency action to make the building safe.

### **Unsecured properties**

These are empty properties that are not secure so they can be broken into, vandalised, set on fire and so on. Local Government (Miscellaneous Provisions) Act 1982, Section 29 provides the Council with the power to order an owner to make a property secure or allow the Council to board it up in an emergency or fence off the property.

### **Unightly land and property affecting the amenity of the area**

The Public Health Act 1961 provides for the Council to order an owner to remove waste from a property or for the Council to do it in default of a notice.

Section 215 of the Town and Country Planning Act 1990 provides that the Council can require the owner to address unsightly land or the external appearance of a property and Section 79 of the Building Act 1984 can be used to require the owner to address a property adversely affecting the amenity of an area through its disrepair.

### **Blocked or defective drains or private sewers**

Powers exist within the Local Government (Miscellaneous Provisions) Act 1976, Building Act 1984 and the Public Health Act 1961 to require the owner to address blocked, defective or obstructed drainage and to carry out any works in default should the owner fail to comply.

**Vermin (If present or there is a risk of attracting vermin that may be detrimentally affect people's health)**

Under the Environmental Protection Act 1990, Building Act 1984, Prevention of Damage by Pests Act 1949 and Public Health Acts of 1936 and 1961 the Council can require the owner to remove waste so that vermin is not attracted to the site and exercise powers to carry out these works in default should the owner fail to comply.

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# Coventry City Council Equality and Consultation Analysis (ECA) Form

*In line with the principles of decision making outlined in the City Council Constitution, the Council will ensure that its decision making is open and transparent, and that due regard is given to the Council's obligations and desire to promote equality of opportunity and equal treatment.*

## Form 1

***This part must be completed and before formal consultation is undertaken and must be available during the consultation stage.***

**Author of this document: Adrian Chowns**

**Name of Service Area/Proposal: Regulatory Services – Empty Dwellings Strategy 2021-2026**

**Head of Service: Andrew Walster**

**Date of completion: July 2021**

### *Background to the planned changes*

---

**1. What is the background to the planned changes? Why is this change being considered?**

A policy to address empty dwellings in the city was approved in 2014, however it is considered that this now requires updating to reflect changes in legislation and the housing market in Coventry.

Coventry currently has around 1,661 long term empty dwellings recorded with Council Tax with some of these properties being empty for a considerable length of time. This represents 57% of the total number of empty dwellings. The strategy will have three main objectives 1) Advice/Assistance, 2) Enforcement and 3) Prevention, and presents a framework for coordinated work moving forward.

Long term empty dwellings are the main focus of the new strategy.

**2. Who do you need to consider as part of this ECA? *\*stakeholder analysis***

Landlords

Agents

Residents

### *Pre-Consultation Engagement*

---

*This section refers to any activities that took place (such as briefings, meetings, workshops, scoping exercises etc) with stakeholders before the formal consultation period.*

## Coventry City Council Equality and Consultation Analysis (ECA) Form

### 3. What engagement activities took place prior to formal consultation and what feedback (if any) was received in relation to equality issues?

There is no requirement to conduct a consultation exercise because the process for dealing with empty dwellings is set out in Government guidance which was developed as part of a national consultation exercise.

#### *Analysis of Impact*

---

In this section please ensure that you consider the three aims of the general duty as they affect **protected groups**. These groups are:

Age  
Disability  
Gender  
Gender reassignment  
Marriage/Civil Partnership  
Pregnancy/Maternity  
Race  
Religion/Belief  
Sexual Orientation

The **three aims of the general duty** require that a public authority, in the exercise of its functions, must have due regard to the need to:

- Eliminate discrimination, harassment and victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The Policy will not have a negative impact on any protected groups as it not specific to:-

- Age
- Disability
- Gender
- Gender reassignment
- Marriage/Civil Partnership
- Pregnancy/Maternity
- Race
- Religion/Belief
- Sexual Orientation

The adoption of the new strategy will enable the Council to address issues associated with empty dwellings and will have a positive impact upon all groups. The use of enforcement action detailed in the strategy will enable the Council to take formal enforcement action against owners of empty dwellings that are a blight to our neighbourhoods.

**Coventry City Council**  
**Equality and Consultation Analysis (ECA) Form**

- 4. Outline below how this proposal/review could impact on protected groups positively or negatively, and what steps/mitigations (if any) could be taken to reduce any negative impact that has been identified.**

*Note – when identifying potential impacts below, please only include impacts that may exist over and above general impacts that may affect the wider community/population. (For example, a reduction in grant to Coventry Citizens Advice would affect all service users through a reduced level of first line advice being available to all – but it would affect the following groups more; age, disability, gender and race as they represent a larger proportion of the clients who use the advice service.)*

The amendment of the Empty Dwelling Strategy will enable the Council to implement new powers that exist, providing a holistic approach to dealing with problems associated with empty dwellings. In doing so the Council will be improving the standard and management of properties and sending out a positive message that it takes the issue of empty dwellings extremely seriously.

- 5. Are there any other vulnerable groups that could be affected?** i.e. deprivation, looked after children, carers.

Also include any information about the health inequalities/Marmot implications of this proposal. Contact Caroline Ryder ([caroline.ryder@coventry.gov.uk](mailto:caroline.ryder@coventry.gov.uk)) or Hannah Watts ([hannah.watts@coventry.gov.uk](mailto:hannah.watts@coventry.gov.uk)) in Public Health for more information.

Housing is a key determinant of health and cold, damp, unsafe homes impact on all groups but particularly the young and old. By returning empty dwellings back into use the available stock in Coventry will be increased and improved which will provide a direct improvement in health through better living conditions.

- 6. What are the gaps in evidence? Can this be addressed during the consultation stage?**

National data exists and there is no requirement for a consultation to be carried out. Once the new service is implemented the Council will consider whether there is a need to collect and analyse relevant equalities data.

- 7. What are the likely impacts of this project/review on staff from protected groups?** For further support please contact Andy Hyland ([andy.hyland@coventry.gov.uk](mailto:andy.hyland@coventry.gov.uk) tel: 7683 3426)

Coventry City Council  
Equality and Consultation Analysis (ECA) Form

## Form 2

*This section should be completed AFTER any consultation has been concluded.*

Author of this document:

Date of completion:

### *Potential Impacts – further information*

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8. Referring to the information detailed in question 4 of ECA Form 1, state if the potential impacts have been confirmed. Also detail below any additional information about potential impacts that has been highlighted during any consultation.

### *Outcome of equality impact*

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9. Indicate which of the following best describes the equality impact of this project/review:

There will be **no** equality impact if the proposed option is implemented

There will be **positive** equality impact if the proposed option is implemented

There will be **negative** equality impact if the proposed option is implemented but this can be objectively justified

There will be both **positive and negative** impacts if the proposed option is implemented

### *Summary of ECA*

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**Write a paragraph below which summarises the key aspects of this ECA.**

*This paragraph should be included in the Equalities/EIA section of any Cabinet/Cabinet Member Report.*

# Coventry City Council Equality and Consultation Analysis (ECA) Form

## Approvals from Director and Cabinet Member

**Name of ECA Author:** Adrian Chowns

**Date:** 9<sup>th</sup> July 2021

**Director:** Andrew Walster

**Cabinet Member:** Councillor David Welsh and Councillor  
Abdul Khan

**Please detail below any committees, boards or panels that have considered this analysis.**

<b>Name</b>	<b>Date</b>	<b>Chair</b>	<b>Decision taken</b>
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### *Next steps*

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Please send this completed ECA to the Insight Team as follows:

Wendy Ohandjanian ([wendy.ohandjanian@coventry.gov.uk](mailto:wendy.ohandjanian@coventry.gov.uk) tel. 7683 2939)

Jaspal Mann ([jaspal.mann@coventry.gov.uk](mailto:jaspal.mann@coventry.gov.uk) tel. 7683 3112)

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**Cabinet**

**31 August 2021**

**Name of Cabinet Member:**

Cabinet Member for Strategic Finance and Resources – Councillor R Brown

**Director Approving Submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

All

**Title:**

Social Value and Sustainability Policy

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**Is this a key decision?**

Yes - The proposals are likely to have a significant impact on residents or businesses in two or more electoral wards in the City.

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**Executive Summary:**

Coventry City Council recognise the potential and impact of embedding Social Value in our procurement processes and contracts with third parties, as well as in our work with partner organisations and communities. Our vision is to ensure that Coventry as a city embeds the social value ethos, to consider activities holistically, taking account of the wider economic, social and environmental effects, which will enable us to challenge inequalities and promote diversity & inclusion, deliver sustainability, support the local economy and work with the local community.

This paper recommends that cabinet approves an updated Social Value policy for Coventry. The policy commits the Council to take action through its procurement and contract management activities to ensure that social value and sustainability outcomes are maximised through the supply of goods, services and works to the Council. Furthermore, social value is embedded throughout the City Council's other policies and within the planning application process.

This policy is an evolution and replacement of the current Social Value Policy which was adopted by Cabinet on the 11th February 2014. Following a recommendation of the Finance and Corporate Services Scrutiny Board (1), the Cabinet Member for Strategic Finance and Resources requested that Officers draft a revised Social Value Policy.

The key elements of the policy are to:

- Build social value into council contracts and major planning applications to maximise the impact gained from all money spent from the Councils budgets and from major developments within the City.

- Increase the proportion of the council's expenditure which goes to local businesses and providers rather than those outside of the area.
- Raise the living standards of Coventry residents and commit to working towards the Joseph Rowntree Living Wage
- Introduce systems for assessing and measuring social value.
- Commit to working with partner agencies (in a One Coventry way) to develop further how to achieve social value.
- Create links between Social Value delivery and the United Nations 17 sustainable development goals.

Coventry City Councils Contract Procedure Rules already take steps to ensure that at least 2 out of 3 quotes for contracts up to £100,000 are from local companies and that social value considerations in line with the existing Social Value toolkit are considered as part of tender exercises, but this policy looks to build on successes to date, enhance our commitment to sustainability and to formalise and measure Social Value and Sustainability outcomes more clearly.

Social value returns will be monitored and reported on an annual basis to Cabinet Member for Strategic Finance & Resources and to Procurement Board. The first year of the policy will be a baseline year with targets set subsequently to increase the amount of social value secured.

**Recommendations:**

The Cabinet is requested to:

- 1) Approve the Social Value and Sustainability Policy attached as Appendix 1 to this report, which will supersede the current Social Value Policy.
- 2) Subject to the approval of recommendation 1) above, delegate authority to the Director of Law and Governance to implement the Policy.

**List of Appendices included:**

Appendix One – Social Value and Sustainability Policy  
 Appendix Two – Equalities Impact Assessment

**Background papers:**

None

**Other useful documents**

Existing Social Value Policy - [https://www.coventry.gov.uk/downloads/file/13781/coventry\\_social\\_value\\_policy](https://www.coventry.gov.uk/downloads/file/13781/coventry_social_value_policy)

Coventry City Council Social Value case studies:

<b>Case Study Title</b>	<b>Link</b>
Coventry Transport Museum Extension	<a href="https://www.coventry.gov.uk/downloads/file/16782/case_study_-_coventry_transport_museum_extension">https://www.coventry.gov.uk/downloads/file/16782/case_study_-_coventry_transport_museum_extension</a>
Linking employment and skills plans with education providers	<a href="https://www.coventry.gov.uk/downloads/file/26483/case_study_-_linking_employment_and_skills_plans_with_education_providers">https://www.coventry.gov.uk/downloads/file/26483/case_study_-_linking_employment_and_skills_plans_with_education_providers</a>
City Wharf Development	<a href="https://www.coventry.gov.uk/downloads/file/16784/case_study_-_city_wharf_development">https://www.coventry.gov.uk/downloads/file/16784/case_study_-_city_wharf_development</a>

Coventry Fuel Poverty Project	<a href="https://www.coventry.gov.uk/downloads/file/16785/case_study_-_coventry_fuel_poverty_project">https://www.coventry.gov.uk/downloads/file/16785/case_study_-_coventry_fuel_poverty_project</a>
Costain	<a href="https://www.coventry.gov.uk/downloads/file/16786/case_study_-_costain">https://www.coventry.gov.uk/downloads/file/16786/case_study_-_costain</a>
Construction Shared Apprenticeship Scheme	<a href="https://www.coventry.gov.uk/downloads/file/26482/case_study_-_construction_shared_apprenticeships_scheme">https://www.coventry.gov.uk/downloads/file/26482/case_study_-_construction_shared_apprenticeships_scheme</a>
Fargo	<a href="https://www.coventry.gov.uk/downloads/file/16788/case_study_-_fargo">https://www.coventry.gov.uk/downloads/file/16788/case_study_-_fargo</a>
Stoke House	<a href="https://www.coventry.gov.uk/downloads/file/18880/case_study_-_stoke_house">https://www.coventry.gov.uk/downloads/file/18880/case_study_-_stoke_house</a>
The Langleys Care Home	<a href="https://www.coventry.gov.uk/downloads/file/18881/case_study_-_the_langleys_care_home">https://www.coventry.gov.uk/downloads/file/18881/case_study_-_the_langleys_care_home</a>
Stopping Smoking Services	<a href="https://www.coventry.gov.uk/downloads/file/20538/case_study_-_stopping_smoking_services">https://www.coventry.gov.uk/downloads/file/20538/case_study_-_stopping_smoking_services</a>
Cook and Eat Well	<a href="https://www.coventry.gov.uk/downloads/file/20539/case_study_-_cook_and_eat_well">https://www.coventry.gov.uk/downloads/file/20539/case_study_-_cook_and_eat_well</a>
Health Checks	<a href="https://www.coventry.gov.uk/downloads/file/20540/case_study_-_health_checks">https://www.coventry.gov.uk/downloads/file/20540/case_study_-_health_checks</a>
Belgrade Plaza	<a href="https://www.coventry.gov.uk/downloads/file/26484/case_study_-_belgrade_plaza">https://www.coventry.gov.uk/downloads/file/26484/case_study_-_belgrade_plaza</a>
Health and Well-being	<a href="https://www.coventry.gov.uk/downloads/file/26485/case_study_-_health_and_well-being">https://www.coventry.gov.uk/downloads/file/26485/case_study_-_health_and_well-being</a>
One Friargate	<a href="https://www.coventry.gov.uk/downloads/file/26486/case_study_-_one_friargate">https://www.coventry.gov.uk/downloads/file/26486/case_study_-_one_friargate</a>

WMCA social value policy - <https://www.wmca.org.uk/media/1921/social-value-policy.pdf>

Has it been or will it be considered by Scrutiny?

Yes – The Social Value principles have been considered by the Finance and Corporate Services Scrutiny Board (1) and a Working Sub-Group of the Chairs of the Finance and Corporate Services Scrutiny Board (1) in 2019/20. Following a recommendation of Scrutiny Board, the Cabinet Member for Strategic Finance and Resources requested that Officers review and draft a revised Social Value Policy.

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: Social Value and Sustainability Policy**

### **1. Context (or background)**

#### **1.1 Background**

- 1.1.1 The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires organisations which commission public services to think about how they can also secure wider social, economic and environmental benefits.
- 1.1.2 The Act is a tool to help commissioners get wider value for money from procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems. However, Social Value goes wider than just our Procurement activity and is being embedded in planning and other areas of activity.
- 1.1.3 Coventry City Council procures a significant level of goods, works and services annually. Expenditure with suppliers in 2019/2020 was circa. £450m which accounted for c.£250m of revenue spending and a further c.£200m of capital monies. In procuring these works, goods and services, the Council has the duty to obtain best value, which is delivered through the award of contracts to the Most Economically Advantageous Tender (MEAT).
- 1.1.4 However, the potential for creating Social Value in the city goes far beyond procurement activity and the Council's approach aims to generate benefits for the community by consider a much wider range of activities. The new policy considers community, environmental and economic themes and how activities within each of these themes can be used to create Social Value for the city and its residents.
- 1.1.5 The commitment to addressing sustainability in procurement is in line with the Government's Sustainable Development Strategy (2005) and follows the principles laid down in 'Procuring the Future'- the Sustainable Procurement National Action Plan.

#### **1.2 Current Position on Social Value**

- 1.2.1 The Council's current Social Value Policy was adopted by Full Cabinet on the 11th February 2014 and incorporates the Public Service (Social Value) Act 2012 that came into force on 31st January 2013. In July 2019 a progress report was taken to the Finance and Corporate Services Scrutiny Board (1). Following a recommendation of Scrutiny Board, the Cabinet Member for Strategic Finance and Resources requested that Officers review and draft a revised Social Value Policy.

The Social Value Working Group have reviewed the Policy and are proposing a new and extended policy, considering Social Value & Sustainability has in a much wider content than procurement and subsequent third contracts. For example, the Council has been very successful in delivering Social Value & Sustainability by working with organisations who have received planning permission for Major Developments ensuring that local people benefit from the employment opportunities created. This policy was originally timetabled for Cabinet in Summer 2020 but was delayed due to the Covid 19 health pandemic. The Social Value consultation was subsequently reopened to incorporate the impact of Covid 19 and increased focus on structural inequalities and environmental impact.

- 1.2.2 There are examples of successful social value activity in some contracts and service provision, although it was identified that there were no formal processes in place to coordinate this activity or any agreed methods of measurement or benefit capture. Some examples of Social Value achieved whilst the previous policy was in place are included in the case studies linked to at the start of this report.
- 1.2.3 The measurement of Social Value to date has predominantly been done subjectively, with the 15 case studies published. Whilst these case studies are informative and bring alive Social Value delivery, they do not place a value or measurement on it. The Council has now adopted a set of national benchmarks for Social Value which allow these benefits to be captured much more objectively and expressed as a monetary value.
- 1.2.4 The current policy format uses three key themes, namely Economic, Environmental and Social criteria, this is consistent and widely adopted within National frameworks and other Local Authority Social Value Policies.
- 1.2.5 The current policy is informed by the United Nation's Sustainable Development Goals (SDGs), particularly the elements of them relating to intragenerational equity, particularly where it relates to equalities. The new policy aims to adopt more proactive positive action measures to address poverty and inequality issues.

## **2. Options considered and recommended proposal**

- 2.1 **Option One** - The Council may chose not to adopt a Social Value Strategy and comply only with the minimum standards required by legislation only, however in doing so it will lose the opportunity to take a leading role in Social Value activities carried out within the City. By establishing its priorities, the Council can direct Social Value in a manner that compliments the work it already undertakes, meets the needs of the local economy and delivers for its citizens. This option is not recommended.
- 2.2 **Option Two** – retain the existing Social Value Policy as implemented in 2014. The Current policies do not reflect the Councils developing and emerging approach to wealth building, social value and sustainability. This option is not recommended.
- 2.3 **Option Three** - The Council agrees the renaming of the Social Value Policy to Social Value and Sustainability Policy and agrees the content of the revised policy as listed below. This is the option recommended in this report.

### **2.3.1 Policy Name Change**

- 2.3.1.1 The Policy name has changed from 'Social Value Policy' to 'Social & Sustainability Policy', further to an increased focus on Sustainability to the policy

### **2.3.2 New Policy definition**

- 2.3.2.1 The new policy definition has been updated as below to support the increased focus on Sustainability.

*The umbrella of 'Economic', 'Social' and 'Environmental' themes, whereby the Council meets its needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only for the Council, but also to its local society and economy, whilst protecting, sustaining and enhancing the environment for the long term.*

### **2.3.3 Delivery of Social Value & Sustainability via three channels**

2.3.3.1 The focus of the policy has been widened to be cross-cutting and not just procurement focussed. Social Value & Sustainability can be delivered via the three channels below:

1. Commissioning & Procurement and subsequent third-party contracts
2. Major Development Project Planning Applications
3. City Council Partners

2.3.3.2 Commissioning & Procurement and subsequent third-party contracts

- The current Social Value Policy focuses most on procurement activity with regards to monitoring of social value. However, the new Policy confirms that the Council will look to strengthen its procurement processes, by introducing objective measurement/monitoring tools as well as or instead of use of subjective analysis within its procurement processes, where relevant and proportionate. An objective assessment allows tenderers' Social Value commitments to be quantified as a financial value.
- It is recognised that social value must be proportionate to the size and nature of the individual contract and that the benefit must also be tangible, measurable and enduring.
- It is the intention to ensure that there are formal contractual obligations in relation to social value offered and that these are not just aspirations. The clear identification and measurement of individual KPI's will enable the achievement of the Councils corporate objectives and make Coventry a better place to live, work, do business and learn.

2.3.3.3 Major Development Project Planning Applications

- Progress has been made in the last 12 months to implement changes to the Councils planning policies to ensure Social Value is captured and delivered as part of the planning application process.
- All Major Development Project Applications are requested to develop a Social Value and Sustainability action plan incorporating jobs, apprenticeships, skills, supply chain, community & school engagement and sustainability.
- All major development projects must engage with the Council's Economic Development Service team to develop a Social Value and Sustainability action plan or the planning consultation will not be discharged against the planning application.

2.3.3.4 City Council Partners

- The Council's relationships with local residents, communities and partners (public, private and voluntary sectors, schools, colleges and universities) has never been more critical. The council is committed to collaborating with partners to improve the quality of the lives of local residents, to build community capacity and make the most effective use of collective resource.
- Partnership working arrangements exist across a number of forums that enables the council to make a greater positive impact on the lives of local people across areas such as health and wellbeing and local employment as well as sustainability and local procurement, creating alignment with the ambitions of the city council's Social Value and Sustainability Policy.

### **2.3.4 Living Wage**

2.3.4.1 The new Policy confirms that the Council has committed to pay its' staff directly employed, the Living Wage Foundation 'Real' Living Wage and that we will be encouraging our sub-contractors and partners to also follow our lead to promote this objective.

### **2.3.5 Focus on sustainability and 17 United Nation's Sustainable Development Goals**

2.3.5.1 The new policy will link to all 17 of the United Nation's Sustainable Development Goals (SDGs). The 17 Goals include 'No Poverty', 'Good Health & Wellbeing' and 'Affordable clean energy'. Creating Social Value & Sustainability is essential for meeting these Goals by ensuring employment opportunities, improving air quality, promoting a circular economy and addressing climate change.

### **2.3.6 Equalities**

2.3.6.1 The new Policy confirms that Equality Impact Assessments are carried out regularly as part of the commissioning process. These assessments allow the impact on key groups to be analysed and also consider the impact on vulnerable residents and those living in deprived areas.

### **2.3.7 Marmot City and Marmot Group**

2.3.7.1 The new policy confirms that in 2013, Coventry committed to a city-wide approach to tackle health inequalities as set out in Sir Michael Marmot's 2010 report, 'Fair Society, Healthy Lives'. In doing this, Coventry became one of seven so-called 'Marmot Cities'. Of the original seven cities that committed to tackling health inequalities through this approach, Coventry is the only one that has continued this approach.

2.3.7.2 Further to Coventry becoming a Marmot City, the Marmot Group was formed which is a multi-agency partnership group, with representation from the Council, Public Health England NHS, Police and other agencies. The Marmot Group aims to ensure opportunities arising through Social Value work are targeted appropriately and result in a reduction in health inequalities.

### **2.3.8 Monitoring and Measurement**

2.3.9 Social Value and Sustainability outcomes will be reported on an annual basis to the Councils procurement board and Cabinet member for Strategic Finance and Resources. It is proposed that the first years' data is used to set a baseline for future measurement.

## **2.4 Benefits to having a Social Value & Sustainability Policy**

2.4.1 There are many benefits to having a Social Value & Sustainability Policy and to adapting the policy, so it includes the points listed above such as more focus on sustainability and inclusion of the 17 United Nation's Sustainable Development Goals:

2.4.1.1 The Council is committed to developing a positive sense of place and good quality of life for all its citizens as well as being a place that people want to work and do business. As a significant employer and commissioner of services, the Council wants to ensure it achieves maximum value from its expenditure and that it is supporting the local economy.

2.4.1.2 Having a clear direction will encourage investment into the Coventry economy.

2.4.1.3 Encourages the distribution of wealth around the City.

2.4.1.4 Is streamlined and formalised the Councils approach to social value and sustainability.

2.4.1.5 Utilises the Councils position as a leading buyer of goods, services and works in order to influence positive behavioural change within the supply chain in terms of social value and sustainable and ethical practices.

2.4.1.6 Sets out the Councils position and direction on social value and sustainability issues when working with partner organisations.

## 2.5 **Next Steps**

2.5.1 Implementation work will be progressed for the Social Value and Sustainability policy, with particular regard towards updating procurement and planning documents, working with partners, updating the social value toolkit to take account of the wider sustainability aims, familiarising and training staff on the updated policy and implementing changes into practice

2.5.2 Procurement and Commissioning Team will create a methodology to capture all social value measures offered by contractors as part of procurement activity to enable monitoring and reporting.

2.5.3 It is the intention that the Social Value and Sustainability approach evolves, so that it can respond accordingly as and when corporate priorities shift, or the performance monitoring arrangements tell us that we need to make changes.

## 3. **Results of consultation undertaken**

3.1 Consultation on the new Social Value and Sustainability policy has been undertaken with a wide range of organisations and groups, both internal and external to the Council. These include various partner organisations/groups, Trade Unions, internal staff groups, supplier workshops, peer review with other Councils, Members, and the wider public as part of an open consultation exercise.

3.2 Further to consulting with the above stakeholders, numerous updates have been made to enhance the policy. The amendments include reference to the One Coventry Approach and the key role the One Coventry Partnership plays with regards to driving the One Coventry Approach and ensuring a joined-up public sector approach to the development and delivery of strategic City-wide priorities.

## 4. **Timetable for implementing this decision**

- The implementation of the policy will be overseen by the Director of Law Governance.
- *Key milestones include:*

<i>Social Value and Sustainability Policy Approved By Cabinet</i>	<i>August 2021</i>
<i>Social Value toolkit updated</i>	<i>September 2021</i>
<i>Communications and dissemination of policy</i>	<i>September 2021</i>
<i>Establish Social Value baseline position</i>	<i>By July 2022</i>
<i>Annual Report on Social Value</i>	<i>September 2022</i>

## **5. Comments from the Director of Finance and the Director of Law and Governance**

### **5.1 Financial implications**

5.1.1 There are no direct identifiable financial implications associated with implementing the policy. Whilst there, may be some costs involved in the delivery and monitoring processes, it is envisaged that these cost pressures will be contained within existing budgets of the relevant services.

5.1.2 Where Social Value is specified within the requirement, it is likely that suppliers will build the financial implications of delivering such social value into the prices that they submit. On this basis the Council will need to bear the cost of social value although it is impossible to give a robust financial estimate of this. The Council's assessment is that the secondary financial benefits (e.g. better paid Coventry citizens) plus the non-financial benefits of social value will in all probability outweigh any such cost. However, where we allow suppliers to bid and offer Social Value as added value, it is highly likely that the Council will not see a direct cost impact but will see the financial benefits of the additional value added.

### **5.2 Legal implications**

5.2.1 The aim of the Public Services (Social Value) Act 2012 is not to alter the commissioning and procurement processes, but to ensure that as part of these processes, Coventry Council gives consideration to the wider impact of the services delivery. It allows the Council for example, to choose a supplier under a tendering process who not only provides the most economically advantageous offer e.g. providing consideration for quality and cost, but one which goes beyond the basic contract terms and secures wider benefits for the community.

5.2.2 The Act applies to services contracts and contracts which combine service with the purchase or hire of goods. However, the Council has for many years considered social, economic and environmental issues when procuring goods, services and works. Therefore, the Council will continue to encourage consideration of Social Value outcomes in all contracts above the Public Contract Regulations 2015 threshold, where it can be evidenced that it is relevant to the subject matter of the contract. For those contracts that fall below the Public Contract Regulation 2015 threshold, the approach should be to maximise these outcomes where possible and practical to do so.

5.2.3 All procurement is undertaken in accordance with both the Public Contract Regulations 2015 and the Councils Contract Procedure Rules as set out in the Constitution Part 3G: Contract Procedure Rules

5.2.4 Some matters are not considered to be relevant considerations and therefore cannot be taken account of in a procurement process. That applies to matters which are defines as 'non-commercial'; regard may not be had to these in a procurement process (Local Government Act 1988). However, the Council can make use of public

procurement in support of common societal goals (such as those referred to in the proposed policy), provided that these are relevant and proportionate to the subject matter of the contract. A procurement process can ask for evidence of delivery of these so long as they are linked to the subject matter of the contract and that this is done in a transparent, non-discriminatory and proportionate way (Public Contract Regulations 2015 – Regulation 70).

5.2.5 The Council has a duty to obtain best value in the procurement of goods / services and works and to secure continuous improvement in the way functions are carried out having regard to a combination of economy, efficiency and effectiveness (Local Government Act 1999). This means that where procurement is concerned, the Council must weigh up the costs of the contract against the benefits of the particular relevant issue (here, social value issues) on a case by case basis.

5.2.6 There is a statutory requirement to consider ‘Social Value’ i.e. how the economic, social and environmental well-being of the area might be improved, for contracts worth over the Public Contract Regulations 2015 thresholds. Within the constraints set out above, this approach can be applied to all contracts.

## 6. Other implications

### 6.1 How will this contribute to the Council Plan ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/))?

With reference to the new Social Value & Sustainability Policy, the Council has developed a set of representative and example outcomes that allows it to consider the economic, social and environmental well-being of Coventry City and its residents, as per Appendix 1 in the policy. These outcomes are supported by the vision, values and priorities contained in the One Coventry (Council Plan 2016-24) . Suppliers, Contractors and Developers are encouraged to align their values with the Council’s Plan, as well as the Social Value and sustainability requirements of the individual contract or planning permission they are applying for and how they can align their bid submission/planning application to meet the required outcomes.

### 6.2 How is risk being managed?

Risk	Mitigation
There is a risk that Social Value commitments will be made but not delivered upon.	To mitigate this, it is important that the Council effectively monitors contracts and uses all tools available to secure Social Value.
Risk that Contractors will simply inflate their prices to cover the cost of delivering social value.	In reality it is far more likely that contractors will use their existing Corporate Social Responsibility budgets or volunteering days to support social value delivery as they are keen to benefit from the wellbeing experienced by their staff when they are participating in such activity. In addition, they are aware that successful social value delivery gives them a competitive advantage in the public sector.

### 6.3 What is the impact on the organisation?

There is no direct change on the composition of the Council's workforce, ICT structure etc. further to the updates made to the new Social Value & Sustainability policy. However, as outlined in various sections of this report, the Council and its employees can benefit from the policy revisions, for example payment of the Real Living Wage. The Council's employees that are a Coventry resident will also see benefits, further to policy aims such as improvement in air quality.

### 6.4 Equality Impact Assessment (EIA)

6.4.1 Section 149 of the Equality Act 2010, known as the Public Sector Equality Duty, requires the Council to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people.

6.4.2 When making policy, delivering services or otherwise exercising its functions the Council must comply with the Public Sector Equality Duty, and have regard to the age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation of the citizens concerned.

6.4.3 An Equalities Impact Assessment (EIA) has been carried out on the new Social Value & Sustainability policy, attached as Appendix 2 to the report. All Protected Groups have been considered as part of this EIA and there are numerous Protected Groups that will be impacted as a result of the changes to the current Social Value policy as per the following examples:

- 'Deprivation' Protected Group – The new policy aims to reduce health inequalities through the Council, partners and contractors implementing processes and policies which will benefit residents through approaches such as recruitment of local people, use of apprenticeship places and payment of the Real Living Wage where possible.
- 'Disability', 'Gender Reassignment', 'Race', 'Religion and belief', 'Sex', 'Sexual Orientation' and 'Sexual Orientation' Protected Groups - The Council will consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate. There are various actions being taken by the Council such as a recruitment pilot with leading Equality, Diversity and Inclusion specialists Diversity by Design, which aims to increase the diversity of applicants. There is also the introduction of anonymised recruitment and re-launching of Employee Networks.

6.4.4 The new Social Value & Sustainability Policy is designed to support the Council in commissioning contracts which also secure wider social, economic and environmental benefits. It also encourages commissioners to talk to their local provider market or community to design better services. Both of these principles support better outcomes for residents, and will drive activity in education, employment, health and environment. It will be necessary to consider the specific impacts of the social value activities within their contracts on a case by case basis.

## **6.5 Implications for (or impact on) climate change and the environment**

This policy will have a significant positive impact on helping to reduce the ecological footprint of the City Council and its partners on the environment. The highest impact of the City Council's Carbon footprint assessment comes from its indirect affects referred to as Scope 3 activities. With an incomplete assessment of Scope 3 the indirect impacts from the goods we purchase and the services we contract, already far exceeds Scope 1 and 2 combined (i.e. the fuels we consume for heating and lighting our buildings and mobilising our vehicle fleet and the electricity we purchase that is from non-renewable or carbon free sources). Social Value & Sustainability are intrinsically linked so this Policy will provide a valuable framework to assist the City Council and hopefully its partners in reducing the carbon footprint, addressing the environmental, social and economic equalities and promoting a circular sustainable economy.

## **6.6 Implications for partner organisations?**

The Council is keen to develop a collaborative approach to Social Value with partners in the City, particularly other anchor institutions. The effectiveness of Social Value is amplified when all public sector partners act together adopting similar Social Value Principles.

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This report is published on the council's website: [www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

# **Appendix One**

## **Social Value and Sustainability Policy**



**Social Value and  
Sustainability Policy**

**Coventry City Council**

## **Social Value and Sustainability Policy**

### **1. Our Vision**

Coventry City Council recognise the potential and impact of embedding Social Value in our procurement processes and contracts with third parties, as well as in our work with partner organisations and communities. Our vision is to ensure that Coventry as a city embeds the social value ethos, to consider activities holistically, taking account of the wider economic, social and environmental effects, which will enable us to challenge inequalities and promote inclusion, deliver sustainability, support the local economy and work with the local community.

### **2. Purpose and Introduction of the Policy**

This policy outlines Coventry Council's definition of Social Value and Sustainability and explains how Social Value and Sustainability are considered and addressed through its day to day activities. Coventry Council has embedded the Public Services (Social Value) Act 2012 within procurement processes and subsequent third-party contracts where proportionate and relevant.

Coventry City Council sees Social Value and Sustainability as having a much wider context than simply procurement and subsequent third-party contracts within its organisation, such as within Major Development Project Planning. Long term sustainable solutions, and additional value and benefits can also be driven and delivered to our communities by engaging and working closely with partners and key anchor institutions within the City.

This view is also in line with the Council's One Coventry approach and our One Coventry Values. One Coventry is the organisational approach that helps shapes the way the Council works with its partners to improve the City and improve people's lives. It includes the Council's vision, values and priorities, new ways of working, and core areas of activity to deliver the One Coventry Plan objectives, key strategies and approaches. One Coventry will enable better use of resources to deliver better outcomes for people, and help the Council meet the challenges of increasing demand and reduction in funding. The One Coventry Partnership is the key partnership forum to drive the One Coventry approach for the City. Adopting the One Coventry Approach enables the Council to work together with other Partners in the City as a Partnership. The One Coventry Partnership consists of senior officers from broad 'public sector' agencies from across the City e.g. Coventry University. The One Coventry Partnership's aim to enable a consistent, joined-up public sector approach to the development and delivery of strategic City-wide priorities. The One Coventry Partnership also promotes and works to develop a One Coventry approach culture for how the public sector behaves and relates to communities and the voluntary and its community sectors.

So many decisions we make have wider implications for society and the environment at a local and global level whether it is:

- the goods we are purchasing; or
- the services we commission from others to address local needs; or

- shaping future planning for development across the City; or
- influencing the way, we and our partners work.

With a clear policy framework in place the Council can make a big difference to people’s lives and help to address those environmental, economic and social issues impacting upon inequalities and sustainability. Social value addresses two forms of equity:

**1. Intergenerational equity** - where the actions of the existing generation are not carried out at the expense of future generations, we aim to leave the next generation with the same or a better environment and quality of life as that which we have today;

and that of

**2. Intragenerational equity** - where there is fairness and justice in today’s society whether that be addressing inequalities within our City or inequalities between our society and that in other parts of the world e.g. Fair Trade.

The Council’s commitment to delivering the 17 United Nation’s Sustainable Development Goals (SDGs) listed below will be supported by this policy framework.



Social value as with the United Nation’s Sustainable Development Goals ‘...recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.’

Source: <https://sdgs.un.org/goals>

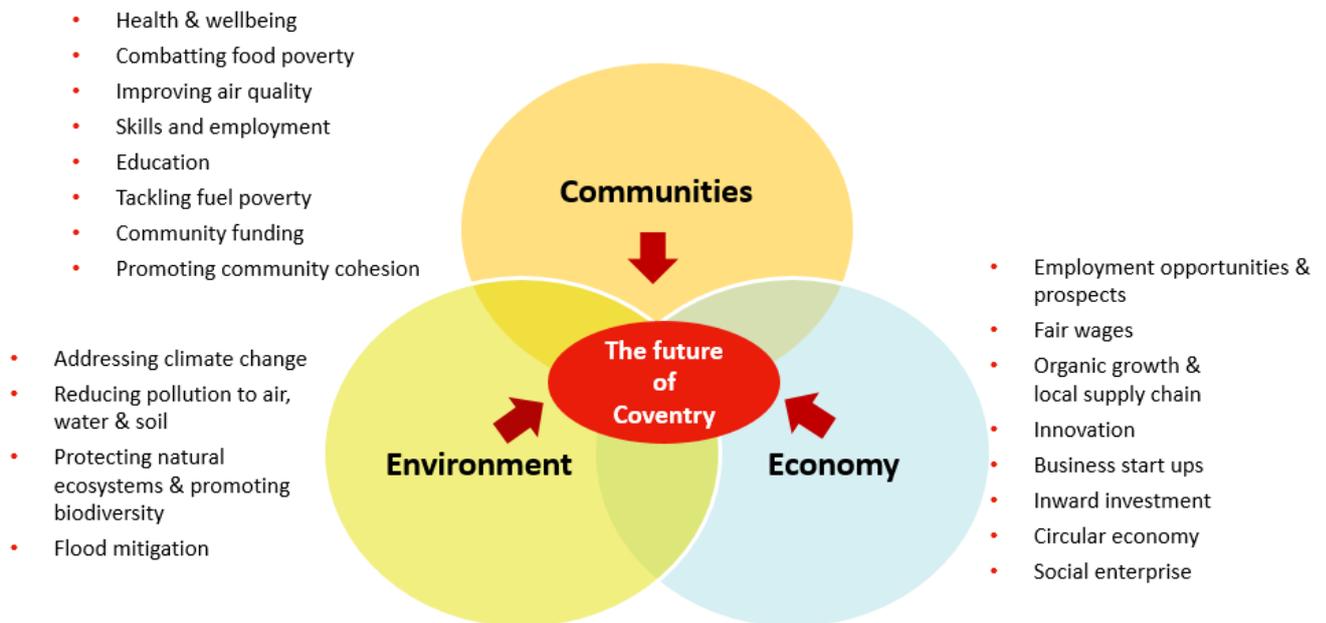
Arguably, all the SDGs are relevant to this policy and promote social value across the city. Below are some examples that can be linked to measurable outcomes of the Social Value & Sustainability Policy:

- Goal 1: No Poverty
- Goal 2: Zero Hunger

- Goal 3: Good Health & Wellbeing
- Goal 7: Affordable clean energy
- Goal 8: Decent work and economic growth
- Goal 10: Reduced inequalities
- Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.
- Goal 12: Ensure sustainable consumption and production patterns.
- Goal 16: Promote peaceful and inclusive societies for sustainable development.

### 3. Creating Social Value

Creating Social Value is essential for meeting these goals and these can be illustrated by the following types of activity:



Declining resources, increasing pollution, growing pressures on our ecosystem services and increasing inequalities impacting upon social welfare and health are new challenges and we need to explore opportunities to operate in different ways in order to maximise our effectiveness at meeting them. This means working together within the Council and with other organisations, groups and residents around Coventry to benefit our communities and those who live, work and study in the City.

Coventry City Council is seeking to lead by example on the low carbon agenda and aims to be a Zero Carbon sustainable City. The target date for achieving zero carbon status will be set by the partners working across the City once the commitments are declared by the Council and its private, public and voluntary sector partners.

The West Midlands Combined Authority (WMCA) has set a series of target dates for the region for achieving a percentage reduction to 1990 levels of carbon emissions.

<b>By 2022</b>	<b>By 2027</b>	<b>By 2041</b>
36%	69%	100%

Coventry City Council has also endorsed and supported Eurocities call to revise the EU 2030 climate targets to at least 55% by 2030 and up to 65% with the right support, compared to 1990 levels. Coventry City Council has joined 58 cities from across Europe who want to see this more ambitious target, ensuring a green and just recovery across these cities. The Council intends to develop a new Climate Change Strategy and Action Plan, which will involve engagement across a broad section of public, private, voluntary and community agencies with commitments to local and citywide individual and collaborative actions for carbon reduction and delivering sustainable development. The next Strategy and Action Plan therefore will be a Citywide commitment with the stakeholders making their own and collaborative commitments and measurable targets for carbon reduction measures across the City.

An important part of this goal is to reduce the significant health inequalities which exist within the City population. Life expectancies can vary by as much as 10.5 years between the richest and poorest neighbourhoods. Ensuring the health of all Coventry residents is improved by using the Social Value & Sustainability policy to drive policies and practices within the Council, its partners and contractors which result in more equitable outcomes, taking a proportionate universalism approach, and universal services are provided proportionate to the level of need.

Coventry City Council will encourage other organisations and businesses to follow its example. We will continue to drive competition and innovation across the City and amongst a range of suppliers, including small and medium sized enterprises (SMEs), maximising every opportunity to become energy and resource efficient, as well as promoting supplier diversity through ethical and sustainable procurement practices. We will deliver savings and promote inclusive economic growth which reduces socio-economic inequality such as providing good quality, secure jobs and supporting the real living wage for their staff.

We will promote supplier diversity through our ethical and sustainable procurement practices; particularly focusing on increasing the number of Voluntary Community Social Enterprise's (VCSE's) and Small Medium Enterprises (SMEs), within the Council's supply chain. This will be achieved by improving the visibility and accessibility of the Council's business opportunities, facilitated through direct engagement, supplier workshops and timely promotion of opportunities.

Better Value for Money delivering more for the public pound by requiring your suppliers to do more than 'just' deliver the core services

- Increases local spend by rewarding organisations that are local or have a local supply chain, especially SMEs and VCSEs
- Increases opportunities for disadvantaged people and promotes social mobility
- Promotes a responsible supply chain by requiring businesses to compete
- Leads to a cleaner, greener city
- Builds stronger more resilient communities
- Leads to greater innovation and long-term thinking

#### 4. Background to the Policy

Coventry City Council implemented its first Social Value Policy in 2014, following Publication of the Public Services (Social Value) Act 2012. This policy is the second revision and has been updated to fall in line with the latest practices of evaluating, embedding and measuring Social Value and Sustainability.

This policy replaces the Council's Energy and Water Management Policy and covers a much broader definition of sustainability. This new policy will ensure that the way we operate as a Council will be as sustainable as possible and help the city to achieve its climate change targets. Underpinning this policy sits a number of specific sustainability policies such as 'Energy & Carbon' and 'Single Use Plastics', which support the Council's Social Value and Sustainability outcomes as detailed in Appendix 1.

Coventry City Council plays an important role in the provision of services to the people of Coventry as well as our influence over economic growth and development. Our property estate, operations, and the actions of our staff and suppliers have environmental impacts and we are seeking to reduce our impacts including carbon emissions within the Council and the city. The specific sustainability policies aim to set out the context in which we will work both internally and with our stakeholders to manage our environmental responsibilities and to ensure we lead by example and work towards a clean, green, sustainable Coventry.

The impacts of Climate Change disproportionately impact on those living in the more deprived areas, therefore mitigating against Climate Change will contribute towards reducing health inequalities.

Since 2013, Coventry has been a Marmot City, demonstrating a strong unified commitment to addressing the health inequalities in the city which ultimately result in those in the most deprived areas of the city living fewer years in good health and dying at a younger age than their more affluent peers. These health inequalities are driven by a range of wider determinants: social economic and environmental factors which impact on people's lives, which are affected by policies and practices implemented by the council and other organisations and businesses across the city. Embedding social value can lead to improved service delivery, greater economic growth, greater engagement with the voluntary, community and social enterprise sector, improved wellbeing and quality of life and an increase in the resilience of communities. Acting to increase social value also has the potential, in the longer term, to reduce demand on health and other services by improving the health and wellbeing of the population ["Using the Social Value Act to reduce health inequalities in England through action on the social determinants of health" Public Health England & UCL Institute of Health Equity Sept 2015].

However, we know that we cannot do this alone and the One Coventry approach will help us to challenge ourselves to ensure that our focus is on those things that people value most. It will help the Council to do the right thing and be clear about why we do things and why we can't, but it will also help us to bring in new ideas and involve the right people. We must enable our residents to do more for themselves and change traditional relationships.

## 5. Defining Social Value and Sustainability

The Public Services (Social Value) Act 2012 does not define what is meant by 'Social Value'. Therefore, Coventry City Council has adopted and developed the definition of Social Value as originally set out by the Sustainable Procurement Taskforce. Social Value and Sustainability are defined as:

**The umbrella of 'Economic', 'Social' and 'Environmental' themes, whereby the Council meets its needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only for the Council, but also to its local society and economy, whilst protecting, sustaining and enhancing the environment for the long term.**

## 6. Our Social Value and Sustainability Outcomes

Coventry City Council has developed a set of representative and example outcomes that allows it to consider the economic, social and environmental well-being of Coventry City and its residents, as per Appendix 1. These outcomes are supported by the vision, values and priorities contained in the One Coventry Plan. Suppliers, Contractors and Developers are encouraged to align their values with the Council's Plan, as well as the Social Value and sustainability requirements of the individual contract or planning permission they are applying for and how they can align their bid submission/planning application to meet the required outcomes.

The Council has committed to pay its' directly employed staff, the Living Wage Foundation 'Real' Living Wage. We will be encouraging our sub-contractors and commissioned providers to work towards this objective. In addition, we will be encouraging our partners to follow our lead to promote this objective.

The Council's commitment to equality, diversity and inclusion is at the heart of achieving our Social Value and Sustainability Outcomes. The Council is committed to meeting all parts of the Public Sector Equality Duty through incorporating equality and diversity into all stages of its commissioning and procurement activity and this is demonstrated by key actions within the Diversity and Inclusion Strategy. This will enable the Council to help deliver resource-efficient services to the people of Coventry, as well as encourage our partners / providers to deliver good equalities practice within their own organisations.

The Council will also ensure that Equality Impact Assessments are carried out regularly as part of the commissioning process. These assessments will allow the impact on key groups to be analysed and also consider the impact on vulnerable residents and those living in deprived areas.

## 7. Delivery of Social Value and Sustainability

Coventry City Council delivers Social Value and Sustainability through various channels as listed below:



### 7.1 Commissioning & Procurement and Subsequent Third-Party Contracts

#### 7.1.1 Consideration

Before commencing a procurement process, the Council considers how the economic, social and environmental well-being of the City may be improved through the procurement of its services and subsequent third-party contracts.

The aim of the Public Services (Social Value) Act 2012 is not to alter the commissioning and procurement processes, but to ensure that as part of these processes, Coventry City Council gives consideration to the wider impact of the services delivery. It allows the Council for example, to choose a supplier under a tendering process who not only provides the most economically advantageous offer e.g. providing consideration for quality and cost, but one which goes beyond the basic contract terms and secures wider benefits for the community.

The Act applies to services contracts and contracts which combine service with the purchase or hire of goods. However, the Council has for many years considered social, economic and environmental issues when procuring goods, services and works. Therefore, the Council will continue to encourage consideration of Social Value outcomes in all contracts above the Public Contract Regulations thresholds, where it can be evidenced that it is relevant to the subject matter of the contract. For those contracts that fall below the Public Contract Regulations thresholds, the approach should be to maximise these outcomes where possible and practical to do so.

#### 7.1.2 Consultation

In discharging its statutory duties, the Council is required to consider whether consultation should take place as part of the commissioning process, so as to allow the community and voluntary sectors to be more closely involved; this again ties in with the One Coventry approach. Consultation should be considered as part of the process of looking at how a procurement might be offered for tender, in such a way to improve the area's economic, social and environmental well-being.

#### 7.1.3 Implementation

The Council has also developed a Procurement & Commissioning Social Value and Sustainability Implementation Framework (Appendix 2), which sets out the Council's approach to delivering its Social Value and Sustainability Policy. The Framework sets out how the Council will ensure that Social Value and Sustainability is embedded in its commissioning cycle, the governance arrangements in place to deliver and a set of indicators that will be used to consider the potential Social Value and Sustainability that could be delivered with regard to the Council's Social Value & Sustainability outcomes.

#### 7.1.4 Evaluation

The Council procures a wide range of goods and services, and it is recognised that there can be no 'one size fits all' model. This Social Value and Sustainability policy will therefore need to be applied in a proportionate manner and be tailored to reflect the service or goods to be procured. It is the responsibility of service commissioners and procurement leads to consider, on a contract by contract basis, the potential Social Value outcomes that could be delivered through the procurement process and the most appropriate procurement strategy and Social Value and Sustainability evaluation tools to achieve these outcomes. The evaluation tools utilised can be of both an objective and/or subjective nature, to quantify the Social Value and Sustainability offered as part of the procurement & commissioning exercise.

#### 7.1.5 Demonstration

Applications to provide services from organisations should therefore demonstrate and where appropriate their supply chains', ability to add economic, social and environmental value to the City above and beyond simply providing the tendered service and to provide evidence which would contribute to the outcomes set out in Appendix 1.

#### 7.1.6 Contract Monitoring and Management

The Council will monitor and record Social Value and Sustainability delivered throughout the contract period e.g. via contract management meetings, to ensure that supplier commitments made at the procurement & commissioning exercise stage are fulfilled. Through contract management, the Council will also look to understand what additional Social Value and Sustainability outcomes suppliers can deliver, to that committed to prior to contact award, as well recording contributions to the economic, social and environmental themes from suppliers that were not obliged to commit to delivering social value & sustainability outcomes at the tender stage.

## 7.2 Major Development Project Planning Applications

### 7.2.1 Consideration

All major planning applications (as defined by the Town and Country Planning Act) will be asked to develop a Social Value and Sustainability action plan incorporating jobs, apprenticeships, skills, supply chain, community & school engagement and sustainability.

### 7.2.2 Consultation

A planning consultation will be attached to the planning application relating to a Social Value and Sustainability action plan. The developer/contractor must meet with the Economic Development Service (EDS) Social Value and Sustainability Officer to develop a plan and set targets/outcomes in relation to the project. The One Coventry approach enables the Council to talk & work with the right stakeholders, groups & residents, to ensure people's opinions are heard and acted on.

### 7.2.3 Implementation

All major development projects must engage with the EDS Social Value and Sustainability action plan or the planning consultation will not be discharged against the planning application.

### 7.2.4 Evaluation

Developers/contractors are required to complete the EDS submission form detailing the measures and outcomes they plan to achieve in relation to Social Value and Sustainability on the major development site

### 7.2.5 Measurement / Demonstration

Developers/contractors must meet with Coventry City Council EDS service to demonstrate that action is being taken on the plan by liaising with identified stakeholders. Evidence of achievements against targets must be submitted quarterly for monitoring and reporting.

Further information on the Economic Development Service can be viewed in our [Economic Growth & Prosperity Strategy for Coventry 2018-2022](#)

## 7.3. Council Partners

7.3.1 Anchor institutions are large, public sector organisations that are unlikely to relocate and have a significant stake in a geographical area. As an Anchor Institution, the Council is keen to work in partnership with others to improve the City and the lives of local people. The Council will work towards a shared set of Social Value and Sustainability principles with its Partners and Key Anchor Institutions within the City. By working in a One Coventry approach, together, we will:

- Harness the combined influence of key partner organisations and scale up the impact of cross organisational activity in local communities;
- identify key links and work with Partners on specific initiatives that align with both the Council's and the Partner's individual Social Value and Sustainability outcomes.

## 8. Social Value and Sustainability Tool Kit

The Council's Social Value & Sustainability Tool Kit is an internal document used by Council Officers to assist and ensure that the principles of this Social Value & Sustainability policy, are embedded within the Council's day to day activities and delivered through the three main areas below:



Coventry City Council implemented its first Social Value Tool Kit following the launch of its Social Value Policy in 2014. The latest Tool Kit is the second revision and has been updated to also provide guidance on delivering Social Value & Sustainability via Major Development Project Planning and approaches the Council can adopt to work more closely with its City Partners.

The Tool Kit provides guidance and ideas on how to consider and incorporate Social Value & Sustainability, for example within a procurement process through to the contract management stage. Tools are provided in the Tool Kit, to evaluate and measure social value & sustainability objectively such as the TOMs (Themes, Outcomes and Measures) National Framework. The Tool Kit provides guidance whilst also linking into other Council strategies policies and processes that should be considered.

## 9. Monitoring and Review of Social Value and Sustainability Delivered

The Social Value and Sustainability Policy will be monitored on an ongoing basis i.e. through the use of objective e.g. the TOMs (Themes, Outcomes and Measures) National Framework and/or subjective criteria, to quantify the Social Value and Sustainability delivered. Reports on the Social Value and Sustainability delivered will be submitted to the Council's relevant Cabinet Member(s) on an annual basis.

**Appendix 1: Our Social Value and Sustainability Outcomes where relevant and proportionate**

**Economic Outcomes**

Create jobs, upskill local people - increase the number of local people in employment

Support and empower local people to connect with jobs – maximising knowledge training opportunities, skills & access to employment opportunities via economic growth.

Minimising the impacts of business on our current & future environment, using resources efficiently and promoting re-use and repair to support a sustainable circular economy with opportunities to work with local SMEs, VCSEs – delivering sustainable and inclusive economic growth for the City to prosper

Improved employability of young people – supporting young people into apprenticeships

Enhance Coventry’s profile as a city that is open for business by supporting the growth of an innovative green economy – secure inward investment from key sectors

**Social Outcomes**

Consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate

Provide opportunities e.g. employment opportunities for all, including the most vulnerable, to make a valuable contribution

Promote the safeguarding and welfare of children, young people and vulnerable adults

Progression and consideration towards paying the Real Living Wage

Improving the protection, health and wellbeing of local residents, inc. employees and reducing health inequalities

Marmot Partnership Group aims to ensure opportunities arising through Social Value work are targeted appropriately and result in a reduction in health inequalities

**Environmental Outcomes**

Ensuring environmental sustainability by retaining, protecting and enhancing the environment, the efficient and responsible use of resources and tackling climate change in Coventry.

Efficient use of resources by minimising waste and reducing its impacts, and procuring materials from sustainable and ethical sources

Reduce energy, water and fuel consumption/use, and maximise renewable and low/zero carbon technologies

Effective and improved environmental performance

Note: The example Outcomes listed above is not exhaustive list of outcomes and it should be noted that many of the Outcomes may apply across more than one Theme, e.g. Real Living Wage could also feature as an Economic Outcome (as well as a Social Outcome)

## **Appendix 2: Procurement & Commissioning Social Value and Sustainability Implementation Framework**

Throughout the Procurement & Commissioning process, the Council will ensure Social Value and Sustainability is considered and subsequently delivered

### Governance Arrangements

The Council will use its existing governance arrangements, through both its democratic governance, as set out in the Council's Constitution, and its Strategic Category Panels, in order to ensure scrutiny and control of procurement decisions so that the Council achieves Social Value, where appropriate.

The Strategic Category Panels ensure that the Council achieves the best possible outcomes using the resources available, as efficiently as possible and with a view to reducing health inequalities. By embedding Social Value and Sustainability and the One Coventry approach into the Procurement governance documents, which are taken to Strategic Category Panels for approval, the Council will meet its obligations under the Public Services (Social Value) 2012 Act.

### Procurement & Commissioning Exercise

The opportunities to secure improvements to social, environmental or economic wellbeing will vary from contract to contract. Consideration of Social Value and Sustainability is built into all the stages of the Council's procurement & commissioning exercise – when reviewing service provision; conducting a needs analysis; consulting stakeholders and/or the marketplace; and specifying the services to be procured. Together with work through the One Coventry approach to engage residents, businesses and organisations, this offers more genuine opportunities to local Small Medium Enterprises (SMEs), Voluntary, Community and Social Enterprises (VCSEs) and community groups to become involved, ensuring Supplier Diversity, whilst maintaining our focus on obtaining value for money.

### Social Value and Sustainability Indicators

The Council has identified a set of indicators that can be used to measure and track the amount of Social Value & Sustainability delivered through contracting arrangements. When commissioning goods and services, commissioners and procurement leads must consider the indicators for inclusion into the award criteria or as a performance obligation, where appropriate. These indicators are not an exhaustive list, and commissioners and procurement leads may wish to consider additional indicators.

Themes	Outcomes	Indicators
<b>Economic</b>	Create jobs, upskill local people, increase the number of local people in employment	<ul style="list-style-type: none"> <li>• No. of local people upskilled increased</li> <li>• No. of training weeks provided to local people</li> <li>• No. of local people in employment within services commissioned</li> <li>• No. of local people employed on site</li> <li>• No. of job opportunities advertised locally</li> <li>• No. of people who are long-term unemployed or long-term economically inactive moving (back) into employment</li> </ul>
	Improved employability of young people - Supporting young people into apprenticeships	<ul style="list-style-type: none"> <li>• No. of businesses operating apprenticeship schemes/work placements</li> <li>• No. of local people accessing apprenticeships/work placements within services commissioned</li> <li>• No. of weeks of apprentices on site</li> <li>• No. of apprentices</li> <li>• No. of hours dedicated to supporting young people (under 24s) into work (e.g. CV advice, mock interviews, careers guidance)</li> </ul>
	Support and empower local people to connect with jobs - maximising knowledge, training opportunities, skills & access to employment opportunities via economic growth	<ul style="list-style-type: none"> <li>• No. of training places/apprenticeships/work placements</li> <li>• No. of local people supported to gain a qualification</li> <li>• No. of employees benefiting from Learning &amp; Development activities</li> <li>• Level of qualifications achieved</li> <li>• No. of weeks of apprentices on site</li> <li>• No. of apprentices</li> <li>• No. of local people upskilled increased</li> <li>• No. of training weeks provided to local people</li> <li>• No. of job opportunities advertised locally</li> </ul>

	Minimising the impacts of business on our current and future environment, using resources efficiently and promoting re-use and repair to support a sustainable circular economy with opportunities to work with SMEs, VCSEs – delivering sustainable and inclusive economic growth for the City to prosper	<ul style="list-style-type: none"> <li>• No of contracts with SMEs and VCSEs</li> <li>• Local spend breakdown</li> <li>• Evidence that suppliers work with SMEs and VCSEs via contracting/sub-contracting arrangements</li> </ul>
	Enhance Coventry's profile as a city that is open for business by supporting the growth of an innovative green economy - secure inward investment from key sectors	<ul style="list-style-type: none"> <li>• No of new investment/construction projects</li> <li>• Total amount in £ spent in the local supply chain from major development sites</li> <li>• 'Number of VAT registered businesses registration rate</li> </ul>
<b>Social</b>	Consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate	<ul style="list-style-type: none"> <li>• No. of people upskilled from under represented groups</li> <li>• No. of people from under represented groups taken on as apprentices</li> <li>• Percentage of women (FTE) hired on contract</li> <li>• Percentage of employees (FTE) BAME hired on contract</li> </ul>
	Provide opportunities e.g. employment opportunities for all, including the most vulnerable, to make a valuable contribution	<ul style="list-style-type: none"> <li>• No. of vulnerable people e.g. 'Care Leavers' in employment</li> <li>• No. (or percentage) of opportunities advertised to/offered to care leavers</li> </ul>
	Promote the safeguarding and welfare of children, young people and vulnerable adults	<ul style="list-style-type: none"> <li>• Corporate/One Coventry Plan Indicator</li> </ul>
	Progression and consideration towards paying the Real Living Wage	<ul style="list-style-type: none"> <li>• No. of suppliers paying at least the relevant Real Living Wage as specified by the Living Wage Foundation</li> <li>• Percentage of staff on contract that is paid at least the</li> </ul>

		relevant Real Living Wage as specified by the Living Wage Foundation
	Improving the health and wellbeing of local residents, including employees and reducing health inequalities	<ul style="list-style-type: none"> <li>No. of businesses with a Thrive at Work award</li> <li>Donations or in-kind contributions to local community projects (£ &amp; materials) and equipment or resources donated to VCSEs (£ equivalent value)</li> </ul>
	Marmot Partnership Group aims to ensure opportunities arising through Social Value work are targeted appropriately and result in a reduction in health inequalities	<ul style="list-style-type: none"> <li>Indicators based on individual service requirements and linked to other Outcome Indicators</li> <li></li> </ul>
<b>Environmental</b>	Ensuring environmental sustainability by retaining, protecting and enhancing the environment, the efficient and responsible use of resources and tackling climate change in Coventry.	<ul style="list-style-type: none"> <li>Increased biodiversity</li> <li>Percentage of open space with wildlife conversation designation (e.g. Local Nature Reserve, Sites of Interest for Nature Conservation)</li> <li>Amount of green space available</li> <li>Car miles saved on the project as a result of green transport programme or equivalent (e.g. cycle to work programme, public transport or carpooling etc.)</li> <li>Percentage of fleet or construction vehicles on the contract that is at Least Euro 6 or LEV Savings in CO2 emissions on contract achieved through de-carbonisation (e.g. renewable energy / improved building fabric)</li> </ul>
	Efficient use of resources by minimizing waste and reducing its impacts, and procuring materials and ethical sources	<ul style="list-style-type: none"> <li>Amount of waste sent to landfill decreased/Tonnes waste diverted against relevant benchmark (Real Estate Environmental Benchmark)</li> <li>Council and Supplier recycling rates increased</li> <li>Supplier reduced packaging</li> <li>No. of companies that evidence reduction of waste</li> <li>Percentage of procurement contracts that includes</li> </ul>

		<p>commitments to ethical and Sustainable procurement</p> <ul style="list-style-type: none"> <li>• Percentage of procurement contracts that promote reuse of goods and services (e.g. use of waste hierarchy).</li> </ul>
	Reduce energy, water and fuel consumption and maximise renewable and low/zero carbon technologies	<ul style="list-style-type: none"> <li>• Reduced carbon footprint of business (Inc. through improved energy and resource efficiency).</li> <li>• Reduced water consumption</li> <li>• Increased use of renewable technologies</li> </ul>
	Effective and improved environmental performance	<ul style="list-style-type: none"> <li>• Where appropriate Certification to Environmental Management System Standards (e.g. ISO140001, ISO50001, ISO20121) or evidence of an equivalent environmental management system.</li> <li>• Adherence of known environmental quality assurance standards (e.g. food for life served here standard, forestry stewardship council, marine stewardship council).</li> <li>• Environmental Policies and action plans in place</li> <li>• Evidence of communication and reach to Coventry citizens to promote behaviour change across sustainability.</li> </ul>

### Glossary

Term	Description
Equalities Impact Assessment	An Equality Impact Assessment is a tool used by the Council to ensure that we consider the effect of the Council's decision-making processes on different groups of people protected from discrimination – these are called 'protected groups'.
Protected Groups*	Under the Equality Act 2010 certain groups are classed as having 'protected characteristics' These groups are age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. The needs of these groups are specifically considered when the Council is making any policy decisions.
Vulnerable Groups*	These are groups who may not specifically fall under the protected characteristics groups but may be more affected by decisions made by the council and are therefore considered when the Council is making policy decisions. Groups which fall under this definition may include, but are not limited to, people on low incomes, single parent families and people with multiple and complex needs.
Under represented Groups*	These groups include under represented gender groups, under represented ethnic groups e.g. minority ethnic groups, disabled including people with physical or learning disabilities, white working class boys, homeless, rehabilitating young offenders, Not in Education or Employment or Training (NEETs) including those with low or no qualifications, older people, , ex- offenders and ex-forces.
Marmot City	In 2013, Coventry committed to a city-wide approach to tackle health inequalities as set out in Sir Michael Marmot's 2010 report, 'Fair Society, Healthy Lives'. In doing this, Coventry became one of seven so-called 'Marmot Cities'. Of the original seven cities that committed to tackling health inequalities through this approach, Coventry is the only one that has continued this approach.
Marmot Group	A multi-agency partnership group which leads on the work in Coventry to address health inequalities. The group includes representation from the Council, NHS, Police, Fire Service, voluntary agencies, Coventry & Warwickshire LEP, Chamber of Commerce, DWP and Public Health England.
Long-Term Unemployment	Anyone unemployed (not in work but seeking work) for 12 months or more is considered long-term unemployed.

\*Note: These groups may cross over depending on the individual's needs & situation and the Council policies that are in place, for example a 'homeless' person could fall under 'Under represented Groups' and/or 'Vulnerable Groups'.

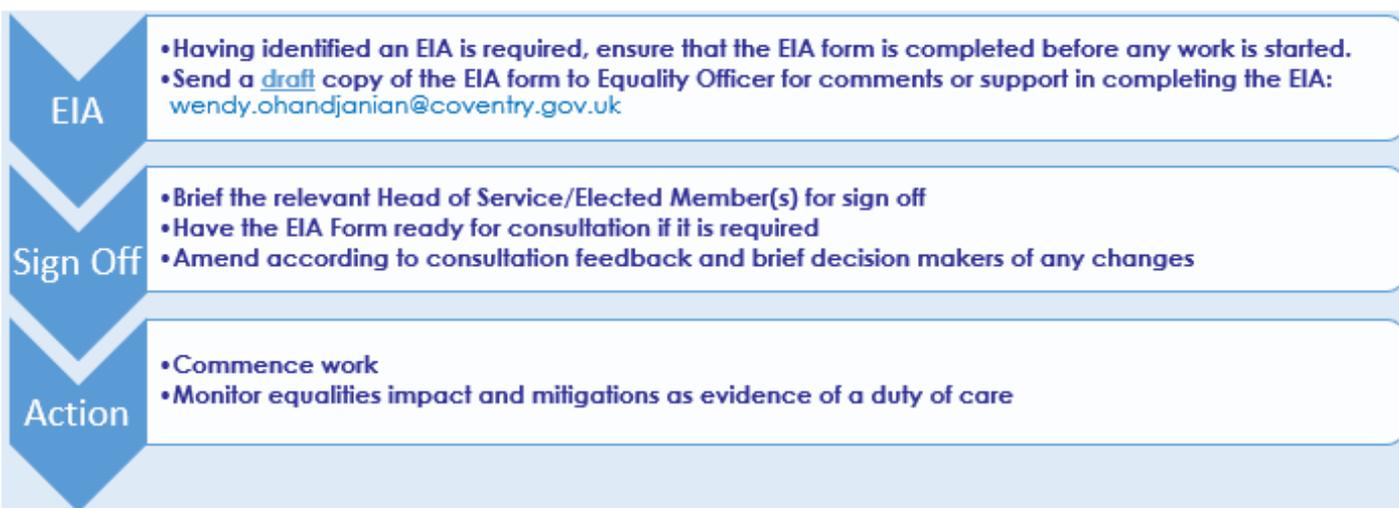
## **Appendix Two**

# **Equalities Impact Assessment**

## EQUALITY IMPACT ASSESSMENT (EIA)



<b>EIA Author</b>	Name	Mick Burn and Emma Franklin
	Title	Head of Procurement & Commissioning and Category Officer
	Date of completion	11/02/2021
<b>Head of Service</b>	Name	Mick Burn
	Title	Head of Procurement & Commissioning
<b>Cabinet Member</b>	Name	Richard Brown
	Portfolio	Cabinet Member (Strategic Resources & Finance)



### SECTION 1 – Context & Background

#### 1.1 What is the area of work for the EIA?

The Social Value policy is being updated to create a new Social Value & Sustainability Policy. The EIA is on the new Social Value & Sustainability Policy, of which is currently going through an approval process. The new Social Value & Sustainability Policy will be launched and published on the Council's website, following all the necessary consultations and approvals.

## **1.2 In summary, what is the background to the planned change? Why is this change being considered?**

Coventry City Council implemented its first Social Value Policy in 2014, following Publication of the Public Services (Social Value) Act 2012. The new Social Value & Sustainability Policy is the second revision and has been updated to fall in line with the latest practices of evaluating, embedding and measuring Social Value and Sustainability.

## **1.3 Who has primary responsibility for delivery?**

The Council's Procurement & Commissioning Services Team has primary responsibility for delivery of the new Social Value & Sustainability Policy.

## **1.4 Who are the main stakeholders? Who will be affected?**

There are internal and external stakeholders affected by this policy.

### Internal

Numerous internal stakeholder departments have contributed to the update of the Policy, in order to create the new Social Value & Sustainability Policy. These internal stakeholders include the following but not limited to:

- Procurement & Commissioning Services
- Public Health
- Economic Development Service
- Community Resilience
- Sustainability & Low Carbon
- HR & Organisational Development

### External

Numerous external stakeholders are affected by the new Social Value & Sustainability Policy. These external stakeholders include the following but not limited to:

- Coventry residents
  - Inc. vulnerable and protected groups
- Coventry businesses and organisations
- Partners – City of Coventry Anchor Institutions
- Suppliers/Providers/Contractors e.g.
  - Local Small Medium Enterprises (SMEs),
  - Voluntary, Community and Social Enterprises (VCSEs) and community groups
- Developers

## SECTION 2 – Consideration of Impact

**2.1** In order to assess your area of work for relevance to the Equality Act 2010 and the Public Sector Equality Duty, please answer the following questions:

Does this area of work have due regard to the need to: -

- (a) Eliminate discrimination, harassment, victimisation and any other conflict that is prohibited by the Equality Act 2010
- (b) Advance equality of opportunity between two persons who share a relevant protected characteristic
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

**Yes (X) No ( )**

If No please state the reason/s below:

### 2.2 Baseline data and information (sources and dates if applicable)

The Council will consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities it serves, where relevant and proportionate. There are various actions being taken by the Council such as a recruitment pilot with leading Equality, Diversity and Inclusion specialists Diversity by Design, which aims to increase the diversity of applicants. There is also the introduction of anonymised recruitment and re-launching of Employee Networks.

The Council will commit to meeting all parts of the Public Sector Equality Duty through incorporating equality and diversity into all stages of its commissioning and procurement activity. This will enable the Council to help deliver resource-efficient services to the people of Coventry, as well as encourage our partners / providers to deliver good equality practice within their own organisations. The Council will also ensure that Equality Impact assessments are carried out regularly as part of the commissioning process, to remain transparent and responsive to the impact on protected groups.

### 2.3 On the basis of evidence, has the potential impact of the area of work been judged to be positive (+), neutral (=) or negative (-) for each of the equality groups below and in what way?

*Please outline the impact on the Council workforce in question 2.8 – not below*

Protected Characteristic	Impact type +, =, -	Nature of impact
Age 0-18	+	Through the Council's Children's Services teams and the provision of subsequent third party contracts the Council will promote and the safeguarding and welfare of children, young people of vulnerable

		<p>adults. There will also be support for young people into apprenticeships</p> <p>The Council's DWP team has been working with the DWP on their Mentoring Circles scheme for young people aged between 16-24. The mentoring circles supports jobseekers to break down perceived barriers to employment and build aspirations to work in organisations that may be seen as inaccessible.</p>
Age 19-64	+	<p>Through the Council departments such as HR and the Employer Hub/Job Shop, there is support to connect local people with jobs in order to maximise knowledge, training opportunities and upskilling, including employment for the most vulnerable.</p> <p>The City Council has committed to pay its' staff directly employed, the Living Wage Foundation 'Real' Living Wage. The Council will be encouraging our sub-contractors and partners to also follow our lead to promote this objective.</p>
Age 65+	+	<p>Through Council's departments such as Public Health there will be improved the protection, health and wellbeing of local residents, inc. employees</p> <p>The Council will ensure through its own services and third party contracts environmental sustainability by retaining, protecting and enhancing the environment, along with the efficient and responsible use of resources into order to tackle climate change in Coventry. 65+ and the other age groups above will benefit from these environmental and sustainability strategies.</p> <p>All age groups would benefit from the social value delivered as a result of major developments within the City.</p>
Disability	+	<p>The Council will consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate. There are various actions being taken by the Council such as a recruitment pilot with leading Equality, Diversity and Inclusion specialists Diversity by Design, which aims to increase the diversity of applicants. There is also the introduction of anonymised recruitment and re-launching of Employee Networks.</p> <p>The Council will commit to meeting all parts of the Public Sector Equality Duty through incorporating equality and diversity into all stages of its commissioning and procurement activity. This will enable the Council to help deliver resource-efficient services to the people of Coventry, as well as encourage our partners / providers to deliver good equalities practice within their own organisations. The Council will also ensure that Equality Impact assessments are carried out regularly as part of the commissioning process, to ensure it remains transparent and responsive to the impact on protected groups.</p>
Gender reassignment	+	
Race (Including: colour, nationality, citizenship ethnic or national origins)	+	
Religion and belief	+	
Sex	+	
Sexual orientation	+	

Pregnancy and maternity	=	There is no direct identified impact on this group
Marriage and Civil Partnership	=	There is no direct identified impact on this group

**2.4 Does the area of work have any potential impact on the most deprived/vulnerable people and their families known as health inequalities/Marmot implications of this proposal. If you need assistance in establishing impact contact:**  
Tracy Richards ([tracy.richards@conventry.gov.uk](mailto:tracy.richards@conventry.gov.uk)) or Karen Lees ([karen.lees@coventry.gov.uk](mailto:karen.lees@coventry.gov.uk))  
**in Public Health for more information**

Protected Characteristic	Impact type +, =, -	Nature of impact
Deprivation	+	<p>This policy aims to reduce health inequalities through the Council, partners and contractors implementing processes and policies which will benefit residents through approaches such as recruitment of local people, use of apprenticeship places and payment of the Real Living Wage where possible. Improvements to public realm and communities which are sustainable and reduce environmental risks such as air pollution will benefit residents overall, but should see the biggest improvements in areas of greatest deprivation where risks and impacts are generally higher.</p> <p>The Marmot Steering Group (attended by our Public Health team) aims to ensure opportunities arising through Social Value work are targeted appropriately and result in equitable benefit, including for those people that live in deprived areas.</p> <p>The Community Resilience Team's role is to meet with and link developers to local groups/organisations in the city that may benefit from some support. This support can be in a variety of ways (i.e. financially, provision of materials, volunteering staff time). The team provide the developers with a list of groups they work with and suggestions of support that could be offered to them. Alongside this, the team will also identify any other groups that the developer may have a specific interest in (i.e. men's groups, homelessness groups).</p>
Looked after Children	+	As per 2.3, through the Council's Childrens Services teams and the provision of subsequent third part contracts the Council will promote and the safeguarding and welfare of children, young people of vulnerable adults. There will also be support for young people into apprenticeships
Armed Forces	=	There is no direct identified impact
Carers	=	There is no direct identified impact

## 2.5 How will the impact of the area of work in 2.3 and 2.4 be monitored?

Third party contracts and subsequent Social Value & Sustainability offered by suppliers/providers and contractors, is monitored during contract management meetings attended by the contract manager and/or procurement representatives. For some larger value contracts a new social value tool will be used to put a monetary value on against the social value measures delivered.

The Marmot Steering Group work is monitored through the multi-agency Marmot Partnership Group, which reports into the Coventry Health & Wellbeing Board.

## **2.6 Who will be responsible for monitoring?**

The Council's Public Health team through the Marmot Steering Group, monitor the impact of the Group's work and how it has improved Coventry residents' lives such as those living in areas of high deprivation .

The Council's Childrens Services teams will monitor the work they do with regards to Looked after Children

For Third party contracts the Council's appointed contract manager will be responsible for monitoring the contracts and Social Value & Sustainability delivered.

## **2.7 If any potential negative impacts, have been identified what mitigating actions will be put in place if possible?**

No negative impacts have been identified

## **2.8 Are there any potential impact(s) of this area of work on Council staff from protected groups? Please summarise:**

As per 2.3 –

- The Council will consider equality and diversity in the provision and operation of services, including a workforce that is representative of the communities we serve, where relevant and proportionate. There are various actions being taken by the Council such as a recruitment pilot with leading Equality, Diversity and Inclusion specialists Diversity by Design, which aims to increase the diversity of applicants. There is also the introduction of anonymised recruitment and re-launching of Employee Networks.
- Through Council departments such as HR and the Employer Hub/Job Shop there is support to connect local people with jobs in order to maximise knowledge, training opportunities and upskilling, including employment for the most vulnerable.

**You should only include the following data if this area of work will potentially have an impact on Council staff: This can be obtained from: [andy.hyland@coventry.gov.uk](mailto:andy.hyland@coventry.gov.uk)**

This section has not been completed, since there is no direct change on the composition of the Council's workforce, as a result of this Policy update.

**Headcount:**

**Contract count:**

**Contract status:**

Full-time	
Part-time	

**Sex:**

Female	
Male	

**Age:**

16-24	
25-34	
35-44	
45-54	
55-64	
65+	

**Disability:**

Disabled	
Not Disabled	
Prefer not to state	
Unknown	

**Ethnicity:**

White	
BAME	
Prefer not to state	
Unknown	

**Sexual Orientation:**

Heterosexual	
LGBT+	
Prefer not to state	
Unknown	

**Religion:**

Any other	
Buddhist	
Christian	
Hindu	
Jewish	
Muslim	
No religion	
Sikh	
Prefer not to state	
Unknown	

**2.9 Completion Statement. Put and X in the appropriate box**

**NOTE: (to be completed after the EIA is completed but, before the area of work commences)**

**As the appropriate Head of Service for this area, I confirm that in this EIA the potential equality impact is:**

No impact has been identified for one or more equality groups

Positive impact has been identified for one or more equality groups

Negative impact has been identified for one or more equality groups

Both positive and negative impact has been identified for one or more equality groups

<b>Signed Head of Service:</b>	<b>Date:</b> 11/02/2021
If applicable complete information below:	
<b>Name of Councillor:</b> Richard Brown	<b>Date sent to Councillor:</b> 22/07/2021
<b>Name of Director:</b> Julie Newman	<b>Date sent to Director:</b> 22/07/2021

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Cabinet

31 August 2021

**Name of Cabinet Member:**

Cabinet Member for Strategic Finances and Resources – Councillor R Brown

**Director Approving Submission of the report:**

Deputy Chief Executive

**Ward(s) affected:** All

**Title:**

Managed Service Provider for Temporary Agency Workers

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**Is this a key decision?**

Yes - It has the potential to affect all wards within the City and expenditure is in excess of £1m

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**Executive Summary:**

The Council currently has a call off contract for the supply of temporary agency workers. This acts as a support contract if the Council's first choice sourcing routes of employment from the casual working pool or fixed term appointments are unsuccessful in fulfilling temporary staffing vacancies.

The current provider delivers a managed service provider (MSP) solution which involves supplying their own temporary workers as well as workers from a 2nd tier of suppliers, that the provider manage on behalf of the Council. Twenty nine 2<sup>nd</sup> tier supplier supplied agency workers to the Council in the last year. The 2nd tier suppliers tend to be used for more specialist requirements such as social care. As part of the contract, an electronic ordering system is supplied by the provider to allow the Council and suppliers to communicate requirements, supply c.v.'s, upload key support documentation for new starters and for the completion of timesheets. This ensures the Council quicker access to the temporary market, real time visibility of the status of requests and an electronic, auditable trail for all of our transactions.

The benefits appointing a managed service provider brings to the Council include:

- Contracting with one supplier with expertise of the market who can then source from an extensive supplier pool on the Council's behalf.
- A supplier that can manage all of the employment and IR35 legislation that are significantly higher in the temporary agency market.
- A saving in resource in staff not having to engage the market and contract manage multiple suppliers.
- One point of contact for all our requirements and queries.
- Benefitting from lower rates by accumulating our spend with one supplier.
- Obtaining management information on the Council's ongoing agency spend.
- A significant reduction in the amount of invoices the Council would have to process and pay.

Some investigation was completed prior to the procurement of the existing contract about the possibility of removing the contract and the Council potentially establishing its own 'agency'. The idea was raised following another West Midlands Authority establishing an in-house agency, removing the need for a MSP contract. The findings found that the implementation and ongoing costs would be significant and would not eliminate the need for agencies particularly in specialised markets such as social care. For these reasons establishing our own in-house agency to replace an MSP service was not recommended. In the last year a working group has revisited exploring mechanisms for the Council to potentially manage some of its temporary agency requirements in the future, but this has not progressed to anything definitive and would not be possible to implement prior to our current agency contract expiring.

The spend through the agency contract had been falling over a number of years. Over the last year, the contract has seen an increase in spend due to the Council's COVID response and the need to recruit additional resource to support the Council's with new requirements or to support the existing workforce. The increased spend is also a result of our HR Recruitment's work to move temporary contract requirements from alternatively procured contracts, onto the agency contract. This has increased the overall spend under the agency contract but delivered overall savings to the Council on the margins the alternative contracts charged.

Coventry City Council (CCC) led the procurement process for the existing contract with collaboration from Solihull Metropolitan Borough Council (SMBC) who also use the same contract. The existing contract was procured using ESPO's (Eastern Shires Purchasing Organisation) Managed Services for Temporary Agency Resource framework (MSTAR2). This allowed us to aggregate spend for both councils to achieve greater savings and efficiencies both by driving down prices and by resourcing one tender process instead of two. The contract is due to expire on the 25<sup>th</sup> June 2022 and has no contractual extensions available. Due to the value of spend the Council must follow the Public Contract Regulations 2015 and compliantly procure a new contract.

It has been agreed between SMBC and CCC that CCC will again lead the re-procurement of the new contract.

Procurement Services has investigated 3 compliant procurement routes available for the new contract. Further details on these can be found in 2.2 of this report. From the routes investigated, we feel the route that proposes the greatest value and lowest risk to be a further competition via ESPO's Managed Services for Temporary Agency Resource framework (MSTAR3). Further details on the reasoning for this can be found in 2.3 – 2.6 of this report.

**Recommendations:**

**Cabinet is requested to:**

- 1) Authorise the procurement of a new three-year contract with the option to extend for one further year for a managed service provider for temporary agency workers to commence from the 25<sup>th</sup> June 2022 and expire on the 24<sup>th</sup> June 2026 (if extension is taken).
- 2) Delegate authority to the City Solicitor to agree the award of contract to agree the award of contract(s) following a further competition using Eastern Shires Purchasing Organisations (ESPO) Managed Services for Temporary Agency Resource 3 (MSTAR3) Lot 1b.
- 3) Authorise the City Council to enter into Contract(s) with the successful supplier of the further competition for a three-year contract with the option to extend for one further year.

**List of Appendices included:**

None

**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 body?**

No

**Will this report go to Council?**

No

## **Report title: Managed Service for Temporary Agency Workers**

### **1. Context (or background)**

- 1.1 Coventry City Council (CCC) currently has a contract for a managed service provider (MSP) for temporary agency workers. The provider supplies their own temporary workers as well as managing a 2<sup>nd</sup> tier of suppliers with twenty-nine having supplied the Council in the last year.
- 1.2 The contract was procured by Coventry City Council and includes Solihull Metropolitan Borough Council who use the contract. CCC and Solihull engage in joint contract management of the overarching contract whilst our in-house HR, supported as necessary by Procurement Services, contract manage CCC's agreement on a day to day basis.
- 1.3 The contract commenced on the 25<sup>th</sup> June 2018 and is due to expire on the 24<sup>th</sup> June 2022. There are no further contractual extensions available for the contract and so a procurement for a new contract is now required.
- 1.4 Solihull Metropolitan Borough Council (SMBC) have confirmed they wish to continue to collaborate with CCC and will retender with us subject to their own internal governance approvals.
- 1.5 The new contract will be to replicate the existing contract's core service model of appointing a managed service provider for temporary agency workers. There will be no guarantee of value or volume offered for the new contract. If our demand for temporary agency workers diminished, there would be no negative impact as a result to the Council.
- 1.6 The expenditure through the contract for the financial year 2020/21 at CCC was £7.3m. The year prior to this (2019/2020) saw a CCC expenditure of £4.9m.

### **2. Options considered and recommended proposal**

- 2.1 Procurement Services has conducted research to identify the potential procurement routes available to the Council.
- 2.2 3 options were identified as per below:
  - Option 1 – Direct award using a public sector procurement framework
  - Option 2 - A over threshold tender
  - Option 3 - Further competition using a public sector procurement framework
- 2.3 For option 1, Procurement identified three procurement frameworks that allow the compliant award of a contract without requiring a tender process. Crown Commercial Services Public Sector Resourcing Framework (RM3749) is a sole supplier framework meaning a direct award could be made. The framework has been disregarded though as it did not include scope for social care supply which would have to be procured through an alternative framework. This would require the Council to procure and contract manage 2 contracts instead of 1 using more resource and potentially lose any savings made from the bulk procurement of all of our agency spend
- 2.4 As part of option 1, benchmarks were concluded on pre-submitted framework rates for the suppliers on the applicable lots for our MSP requirement; on Yorkshire Purchasing Organisations (YPO) Managing Temporary and Permanent Recruitment (942) and ESPO's Managed Services for Temporary Agency Resource 3 (MSTAR3) frameworks (MSTAR3), based upon 12 months spend from CCC and SMBC. The outcome of both benchmarks

was that the Council would only be able to appoint a new MSP, who has never supplied the Council before. That would represent a significant risk in moving a contract of such value and importance to a new supplier based on a benchmark exercise with no qualitative evaluation. By direct awarding, it is possible the standard framework rates that would need to be contracted upon may not be as competitive as what could be achieved by re-opening competition (options 2 and 3).

- 2.5 For option 2, the Council would need to publish a tender that any supplier, in a very populated and heavily legislated market, could access and respond to. It would take a significant amount of resource to evaluate and would carry significant risk, due the variety of different backgrounds / sizes / collaborations of suppliers that may tender. This could prove difficult for the Council to evaluate and manage. The option would also carry risk due to the expertise / understanding needed to incorporate everything that could be deemed technically / legislatively necessary into the tender and evaluate it through our own procurement process. Concluding a further competition (option 3) through a public sector framework would negate these risks, as the suppliers who can respond, have already been appointed following technical / legal input at the framework providers and been deemed suitable to deliver the services.
- 2.6 For option 3, the Council would conclude a further competition via either the ESPO or YPO frameworks benchmarked in 2.4. Both frameworks are very similar in that they offer the same scope for delivery, have a number of the same suppliers, the same rebate applied and could likely deliver similar outcomes. The differentiator between the frameworks from the benchmark concluded in 2.4, is that the ESPO framework indicated lower rates would be obtained for our contract than the YPO framework. For that reason, the use of ESPO's MSTAR3 framework would be recommended for further competition.
- 2.7 Following the considerations provided on all three options; the option that we have deemed is most likely to offer the Council the best value for money and least risk is option 3. For that reason, we intend to proceed to complete a further competition, using ESPO's MSTAR3 framework Lot 1b, to award the new contract.
- 2.8 Some investigation was completed prior to the procurement of the existing contract about the possibility of removing the contract and the Council potentially establishing its own 'agency'. The idea was raised following another West Midlands Authority establishing an in-house agency, removing the need for an MSP contract. The findings found that the implementation and ongoing costs would be significant and would not eliminate the need for agencies particularly in specialised markets such as social care. For these reasons establishing our own in-house agency to replace an MSP service was not recommended. In the last year a working group has revisited exploring mechanisms for the Council to potentially manage some of its temporary agency requirements in the future, but this has not progressed to anything definitive and would not be possible to implement prior to our current agency contract expiring.
- 2.9 A procured value of £52m shall be set for the contract to cover both CCC and SMBC expenditure over the potential maximum 4 year contract term. This has been set with some headroom due to the unknown as to how long COVID related agency expenditure may be required for. As per 1.5, setting this value gives no commitment to this value of expenditure or any specific value or volume for the new contract.
- 2.10 The intention for the new contract is to still pro-actively try to reduce our use of agency staff where possible which was shown prior in the falling expenditure prior to 2020-2021.

### **3 Results of consultation undertaken**

- 3.1 Basic consultation has taken place with key stakeholders at CCC close to the service. The existing contract is managed by the Human Resources (HR) Recruitment on a monthly basis with quarterly review meetings joint conducted with SMBC representatives. Feedback obtained from services areas on the current contract will be taken and incorporated into the new specification. Following cabinet approval HR and Procurement Services will engage further with key stakeholders for their views and feedback to support the building of the tender documentation.

### **4. Timetable for implementing this decision**

- 4.1 The current contract expires on the 25<sup>th</sup> June 2022. Subject to approval of this report, Procurement Services intend to publish the further competition to suppliers at the start of October 2021. Returns will be requested from suppliers for the start of November 2021. Evaluation will take place in November with the expectation that the contract will be awarded before the Christmas closure. Contract sign off and implementation would be expected in January 2022.

### **5 Comments from the Director of Finance and the Director of Law and Governance**

#### **5.1 Financial implications**

Spend under the agency workers contract varies dependent on volume and mix of agency workers needed. In 2020/21 spend under the contract was £7.3m compared to £4.9m the year before. The cost of agency workers is funded by the relevant service department from within existing resources.

The Council does not provide suppliers with a guarantee of value or volume under this contract. If demand diminished for temporary agency workers, there would be no negative financial impact to the Council and spend under the contract would reduce accordingly.

Quarterly monitoring of expenditure on agency workers will continue throughout the contract.

#### **5.2 Legal implications**

Due to the potential value of the contract, the procurement in financial terms exceeds the threshold for a full competition and as such is subject to the Public Contracts Regulations 2015 (PCR 2015).

The procurement which is the subject of this report will also be subject to the Council's Contract Procedure Rules. There is therefore a requirement that it be tendered competitively and that the process be transparent, non-discriminatory and ensures the equal treatment of bidders.

In section 2.7 of this report it sets out the procurement strategy for this contract, that it will be procured by a further competition using ESPO's MSTAR3 national framework which allows a compliant procurement route in accordance with the PCR 2015.

## **6 Other implications**

### **6.1 How will this contribute to the Council's priorities?**

This contract is as a support contract if the Council's first choice sourcing routes of employment from the casual working pool or fixed term appointments are unsuccessful in fulfilling temporary staffing vacancies. It enables the Council to compliantly procure temporary workers and maintain a flexible workforce in line with current demands to support the delivery of the Council's priorities and services.

The contract provides value for money and compliance in relation to the procurement of agency workers. It also provides firmer controls on the use of agency workers and has in place sound management reporting to see where spend is taking place to target recruitment, maximise resources, and reduce spend on agency workers.

### **6.2 How is risk being managed?**

Potential risk exists in terms of the risk of change if another MSP is successful in the further competition for the new contract. As this is a competitive market and there are ten suppliers on ESPO's MSTAR3 framework able to tender, there is a strong probability a new supplier could be appointed. Risks of change include disruption to current services reliant on agency workers, implementation of a new computer system and building new interface(s) to our in-house system, disruption to current agency staff who may need to TUPE to a new agency to continue working at the Council, and disruption to existing relationships the Council currently has through our existing MSP with 2<sup>nd</sup> tier suppliers who supply specialist workers.

Procurement will ensure as part of the further competition evaluation, implementation of the new contract is included. MSP's will have to include an implementation plan for the new contract with detail on how they will manage any potential risks to the Council. This will be scored and weighted to give the Council insight as to the MSP's resource and understanding. The market is heavily populated so switching providers is common and MSP's have expertise to manage and minimise disruption to customers.

Research shows a large proportion of MSP's work with the same second tier suppliers. A large number of 2<sup>nd</sup> tier supplied workers at the Council are within social care which is more specialised, so we expect if we switch MSP we will be able to maintain the same relationships and lines of communication established through the current contract. MSP's do not lock their supply chains and if the Council wishes to engage with a third party supplier, we can approach the MSP to establish a relationship with them to facilitate this through the contract.

The intention is that the contract will be awarded in December 2021 and signed in January 2022 to allow five months to implement the new contract. If the incumbent supplier is successful, this time would be used to review and improve existing processes. If a new supplier is successful, the implementation will be managed by HR with support from Procurement, ICT, Finance and other stakeholders from the Council. An implementation / project plan will be agreed and will highlight the resource required from both parties and key dates and milestones to be achieved. Internal communications will be frequent with the entire Council, with focused communications to areas that heavily rely on the contract such as social care. This will help to ensure understanding across the organisation and reduce the risk of potential disruption.

The current contract was implemented in 2018 replacing our existing MSP at that time. It was implemented with no significant disruption to the Council. Some of the same officers involved in the implementation will be available to offer their experience and expertise to the new implementation as required.

### **6.3 What is the impact on the organisation?**

The organisation has an operational requirement to take on staff to cover for sickness absence, cover during service reviews, meet spikes in demand and undertake special projects. The provision of this contract provides best value for the organisation.

### **6.4 Equalities / EIA**

The MSP's we will engage with through the further competition will already have been evaluated on equality including compliance with the Equality Act 2010. MSP's in the temporary agency market have equality legislation and initiatives high on their agenda due to the nature of the service they provide and how important it is to this market. MSP's will be asked to adhere and apply the Council's policies on equality. As a MSP they will also manage the 2<sup>nd</sup> tier supply chain applying and monitoring equality adherence on the Council's behalf.

### **6.5 Implications for (or impact on) climate change and the environment**

Due to the nature of the contract there are no implications on the environment.

### **6.6 Implications for partner organisations**

This is a shared contract between CCC and Solihull Metropolitan Borough Council. Our withdrawal from a collaboration on the contract would potentially impact on our partners because the reduced size of the potential contract spend would damage their ability to obtain such low costs in the future, as well as potentially ours. By not participating in the shared contract, Coventry and our partner organisation could see an increase in future rates.

Joint working has encouraged the sharing of best practice not just in relation to agency workers but also in relation to wider aspects of HR.

**Report author(s):****Name and job title:**

Michael Duffy – Category Manager  
 Sam Griffin – Recruitment Manager

**Service:**

Human Resources

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Ewan Dewar	Finance Manager	Finance	15/07/2021	16/07/2021
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Mick Burn	Head of Procurement & Commissioning	Housing and Transformation	19/07/2021	20/07/2021
Susanna Newing	Director of Human Resources	-	22/07/2021	26/07/2021
Michelle Salmon	Governance Services Officer	Law and Governance	26/07/2021	26/07/2021
<b>Names of approvers for submission:</b> (officers and members)				
Julie Newman	Director of Law and Governance	-	27/07/2021	28/07/2021
Barry Hastie	Director of Finance	-	27/07/2021	03/08/2021
Gail Quinton	Deputy Chief Executive	-	03/08/2021	03/08/2021
Councillor R Brown	Cabinet Member for Strategic Finances and Resources	-	04/08/2021	09/08/2021

This report is published on the council's website: [www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

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Coventry City Council

**Public report**  
Cabinet

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Scrutiny Co-ordination Committee  
Cabinet

21 July 2021  
31 August 2021

**Name of Cabinet Member:**

Cabinet Member for Policy and Leadership – Councillor G Duggins

**Director approving submission of the report:**

Chief Executive

**Ward(s) affected:**

All

**Title:**

**One Coventry Plan Annual Performance Report 2020-21**

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**Is this a key decision?**

No

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**Executive summary:**

Our One Coventry approach helps to shape the way the Council works with its partners to improve the city and improve people's lives. It includes the Council's vision and priorities, new ways of working, and core areas of activity to deliver the One Coventry Plan objectives, key strategies, and approaches. A One Coventry approach will be taken to the Council Plan refresh, putting the needs of our communities at the heart of our continued vision to be "globally connected; locally committed".

This annual performance report sets out the progress made towards the One Coventry Plan in 2020-21. For each objective, this report sets out the trends, actions taken, and performance metrics to provide an assessment of the progress made against previous years and with other places. This year's report sets out the progress made against an incredibly challenging year where the Covid-19 pandemic has wreaked havoc on our health and wellbeing, jobs and employment, and business and economy.

It is intended for the current One Coventry Plan (2016-24) to be refreshed during 2021, to create greater alignment between the key themes and priorities that are emerging in the city and regionally, and the work that is undertaken across Council services and with partners.

**Recommendations:**

Scrutiny Co-ordination Committee is asked to:

- 1) Consider the Council's performance as set out in the performance report.
- 2) Identify any issues they may wish to raise with Cabinet.

- 3) Identify areas that Scrutiny Co-ordination Committee or other Scrutiny Boards may wish to address as part of this year's scrutiny work programme.
- 4) Note the intention to refresh the current One Coventry Plan (2016-24) to reflect emerging priorities and make any comments as part of the engagement and consultation process on the draft Plan as this is developed.

Cabinet is asked to:

- 1) Consider any recommendations from Scrutiny Co-ordination Committee.
- 2) Approve the performance report.
- 3) Consider the Council's performance this year and identify areas that they wish to address in further detail.
- 4) Note the intention to refresh the current One Coventry Plan (2016-24) to reflect emerging priorities.

**List of appendices included:**

Appendix I – One Coventry Plan Annual Performance Report 2020-21

Appendix II – One Coventry Performance Management Framework 2021-22

**Background papers:**

None

**Other useful documents:**

One Coventry Plan [www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/)

Council's performance and open data [www.coventry.gov.uk/performance/](http://www.coventry.gov.uk/performance/)

Performance management framework <https://smarturl.it/PMF>

Equality objectives [www.coventry.gov.uk/equality/](http://www.coventry.gov.uk/equality/)

Statement of accounts [www.coventry.gov.uk/statementofaccounts/](http://www.coventry.gov.uk/statementofaccounts/)

**Has it been or will it be considered by Scrutiny?**

Yes – Scrutiny Co-ordination Committee 21 July 2021

**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:**  
**One Coventry Plan Annual Performance Report 2020-21**

**1. Context (or background)**

- 1.1 One Coventry includes the Council's vision and priorities, new ways of working, and core areas of activity to deliver the One Coventry Plan objectives, key strategies, and approaches. The current plan, last refreshed in 2016, covers the period from 2016 to 2024. It builds on the Council's long-standing principles (being globally connected, locally committed, and working together to deliver priorities with fewer resources) and sets out new ways of working to help the Council face the current challenges of increasing demand and reduction in funding.
- 1.2 The annual performance report sets out the progress made towards the One Coventry Plan. For each objective, this report sets out the trends, actions taken, and performance metrics, to provide an assessment of the progress made against previous years and other places.
- 1.3 The Council uses agreed indicators to show progress made towards its priorities. This is supported by a wider basket of measures such as equality and perception measures that help explain the trends and story behind the headlines. Indicators are selected from key strategies and aligned to directorate priorities and equality and health inequalities objectives.
- 1.4 Further information including infographics, open data, maps, and a publication schedule are available at [www.coventry.gov.uk/infoandstats/](http://www.coventry.gov.uk/infoandstats/).
- 1.5 The Council's priorities are delivered through strategies aligned to the One Coventry Plan; as set out in the performance management framework. As part of the performance management process, leadership teams within each directorate and the Corporate Leadership Team have been involved in ensuring that the organisation's key strategies are aligned to the One Coventry Plan.
- 1.6 This report contains the following changes and clarifications requested by Scrutiny Co-ordination Committee on 21 July as set out in the Action Note: updated Covid deaths figure with the final 2020 figures released 22 June; a picture (National Express Coventry Number 10 Bus Route) and description of life expectancy by middle-layer super output area (MSOA) 2015-2019; and clarification of which customer service areas are included in online services and a list of services included. Data on healthy life expectancy for the same time period was unavailable and thus was not provided. It also contains small improvements to wording for clarity in relation to queries from Members at Scrutiny Co-ordination Committee, in relation to public health, customer services, and climate change and sustainability.

**2. Options considered and recommended proposal**

- 2.1 The Covid-19 pandemic has made the past year one full of difficulties for everyone around the world. In Coventry, Covid-19 has to date directly resulted in the deaths of 682 residents; caused long-term health conditions affecting the day-to-day activities for thousands of residents; and the associated lockdowns and restrictions have caused disruption to the daily lives of all 379,000 residents of the city. To put this in perspective, more residents have died from Covid-19 than from the city's darkest hour when much of the city centre was devastated during the night of the Coventry Blitz on 14/15 November 1940.

- 2.2 The social and economic upheaval associated with the Covid-19 pandemic and associated restrictions has had a negative effect on a number of indicators. While business support grants and furlough schemes have provided some limited relief, economic activity has collapsed over much of the year; and this is reflected in a significant drop in the in-year Council tax and business rates collection rates – at a time when demand for Council services have been unprecedented.
- 2.3 The One Coventry Plan is currently measured using **75** indicators, of which **29** indicators improved; **8** stayed the same; **16** indicators got worse; can't say for **8** indicators; and progress is not available for the remaining **14** indicators. This means, **70%** (37/53) of directional indicators (excluding cannot say or not available) improved or stayed the same. This is lower than the performance seen in previous years: 79% (50/63) in 2019/20, 78% (52/67) in 2018/19, 71% (42/59) in 2017/18, and 75% (43/57) in 2016/17; reflecting the significant pressures the city and Council services are facing.
- 2.4 A large number of indicators are not available this year compared to before. This is because there is limited data on school performance as a result of exam cancellations last summer, and limited data on some survey-based adult social care measures.
- 2.5 Many of the Council's key priorities have an equality dimension or address an inequality caused by economic or social circumstances. Consequently, this report also sets out how the Council addresses these equality and health inequalities.

### **3. Results of consultation undertaken**

- 3.1 No consultation has been undertaken in relation to this report.
- 3.2 During the pandemic, the Council has continued to meet and consult with employee networks; and inform, consult, and engage community groups through Let's Talk Coventry, the Coventry Household Survey, and social media; and continue to work closely with partner organisations to help the Council achieve its equality and health inequalities objectives for the city.

### **4. Timetable for implementing this decision**

- 4.1 There is no timescale for a decision linked to this performance report.
- 4.2 Over the past couple of years, members have expressed a need for the One Coventry Plan to better reflect changes to the national and regional context, including: Brexit; maximising the impact of the UK City of Culture 2021; the large-scale proposed and ongoing infrastructure developments in the city and sub-region not least HS2; and leading on climate justice and sustainability. We intend to work towards refreshing the One Coventry Plan during 2021 to ensure that it best reflects the Council's current priorities, with a view to bringing this to full Council alongside the medium-term financial strategy in autumn 2021.

### **5. Comments from the Director of Finance and the Director of Law and Governance**

#### **5.1 Financial implications**

Delivery of the Council's objectives will have an impact on the Council's overall financial position. However, there are no direct financial implications from this report.

#### **5.2 Legal implications**

The single data list sets out a list of all the datasets that local government must submit to central government. In addition, the Government's local government transparency code sets out the minimum data that local authorities should be publishing; the frequency it

should be published; and how it should be published. There is no requirement placed on local authorities to publish a report on its performance or any requirement on the Council to publish performance on any indicators or metrics.

Coventry City Council does so as it is committed to providing information that helps the Council work together with neighbours and partners, fulfilling its One Coventry Plan vision, priorities, values, and ways of working; and sees it as good practice to do so.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's key priorities?**

The performance report sets out the progress made towards the One Coventry Plan, that is, the Council's vision and priorities. The performance management framework sets out how the Council plans and organises the resources at its disposal to achieve the vision and priorities, as set out in the Council Plan.

### **6.2 How is risk being managed?**

The performance report helps the Council manage risk by measuring and reviewing progress in relation to the priorities of the One Coventry Plan. It identifies areas where we are making good progress, areas where progress is not as expected, and areas where the Council needs to take corrective action.

### **6.3 What is the impact on the organisation?**

The One Coventry Plan impacts on the whole organisation. Effective performance management arrangements at all levels will help to ensure that the Council's priorities are delivered.

### **6.4 Equalities / EIA**

The Council's performance management framework and reporting arrangements must have due regard to the public sector equality duty under section 149 of the Equality Act 2010. This includes the need to eliminate unlawful discrimination, harassment, and victimisation; to meet the needs of people regardless of their background; and to encourage all people to participate in public life, or in other activities where their participation is low.

Many of the key priorities set out in the One Coventry Plan are also equality objectives. In addition, a specific set of equality objectives has been agreed and progress against these is reported annually to the Cabinet Member (Policing & Equalities). This contributes to meeting the Equality Act 2010 (Specific Duties) Regulations 2011.

### **6.5 Implications for (or impact on) climate change and the environment**

The Council has confirmed its commitment to addressing the issue of climate change. This report includes environmental progress measures including air quality, energy use, and carbon dioxide emissions from local authority operations.

### **6.6 Implications for partner organisations**

Whilst this report reflects progress against the Council's priorities, it also includes actions and measures where the contribution of partners is essential to their delivery.

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[www.coventry.gov.uk/performance/](http://www.coventry.gov.uk/performance/)

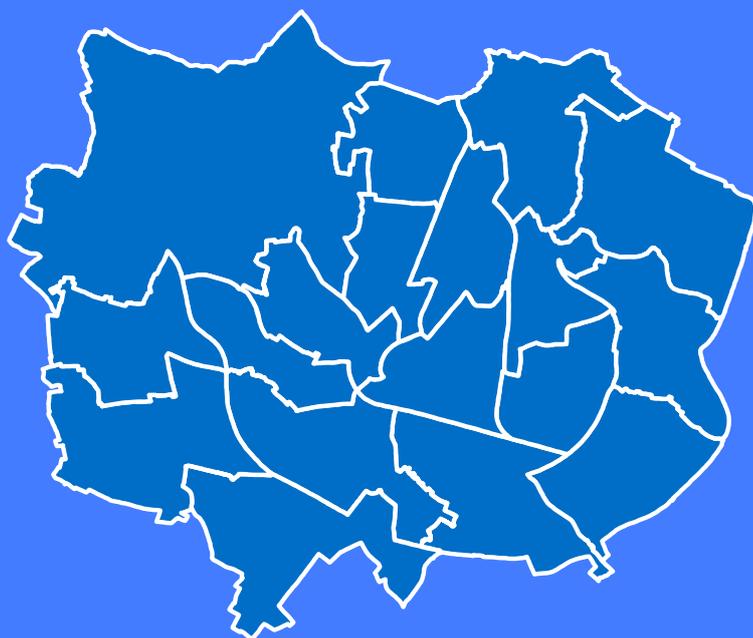
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This report is published on the Council’s website: [www.coventry.gov.uk/meetings/](http://www.coventry.gov.uk/meetings/)

# One Coventry Plan

## Annual Performance Report 2020-2021



## Table of contents

Infographic	3	Locally committed	21
Overview	4	Create an attractive, cleaner, and greener city	22
What is One Coventry?	4	Fly-tipping	23
About this report	4	Increase in recycling and composting	24
Executive summary	5	Streetpride and cleanliness	25
Globally connected: promoting the growth of a sustainable Coventry economy	6	Upkeep of parks	25
Locally committed: improving the quality of life for Coventry people	6	Make communities safer	26
Delivering our priorities with fewer resources	6	Domestic abuse	27
Globally connected	7	Improving educational outcomes	27
A challenging economic outlook	8	Improving health & wellbeing	28
Supporting businesses through difficult times	8	Protecting our most vulnerable people	31
Less business rates collected	9	Update on children's services transformation	32
Creating the infrastructure	9	Adult social care	33
Improving transportation	9	Housing and homelessness	35
A transformed city centre experience	10	Reducing health inequalities	36
Investment in infrastructure	11	Locally committed indicators	40
A new boutique hotel on the Friargate Boulevard	11	Delivering our priorities with fewer resources	44
Delivering Two Friargate	11	Making the most of our assets	45
City centre south	12	Active communities & empowered citizens	47
Visits to the city centre	12	Delivering our priorities with fewer resources indicators	49
Raising the profile of Coventry and arts, sports & cultural opportunities	14	Further information	50
Hosting major events	15	Change log	50
Helping local people into jobs	15	Feedback	51
Levels of employment maintained	16		
Increase in unemployment	16		
Increasing qualification levels	16		
Young people not in education, employment, or training	17		
Growth in median annual pay	17		
Supply, choice & quality of housing	18		
Globally connected indicators	19		

# One Coventry Plan Annual Performance Report 2020-2021

The Covid-19 pandemic has made the past year one full of difficulties for everyone. For the Council, the pandemic contributed to an large increase in the demand for many of our services.

The challenging economic climate has resulted in fewer active enterprises and higher unemployment, particularly for men.



Our housing stock has grown, with a slight increase in larger family and aspirational homes in line with our objectives.



Difficulties faced by households and businesses have resulted in a drop in the in-year collection of council tax and business rates.



Fly-tipping has increased by 62%. While we have investigated many more fly-tips, this massive increase puts pressure on our ability to respond.



There has been a 9.5% increase in crime, with increases in assault, harassment, and domestic abuse.



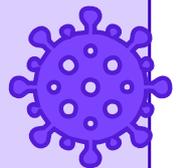
More residents have taken up walking and cycling for leisure this year, particularly during the lockdowns.



After the first lockdown, the city saw a sustained and considerable increase in the number of looked after children.



Covid-19 killed 682 people in the city – that is more than on the night of the Coventry Blitz in November 1940.



Self-service transactions has increased nearly three-fold – as more processes moved to online and virtual.



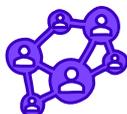
Carbon emissions decrease – with the exception of transport emissions as the Council delivered essentials to shielding residents.



Staff sickness absence decreased from 12.71 to 10.47 days per year.



Globally connected



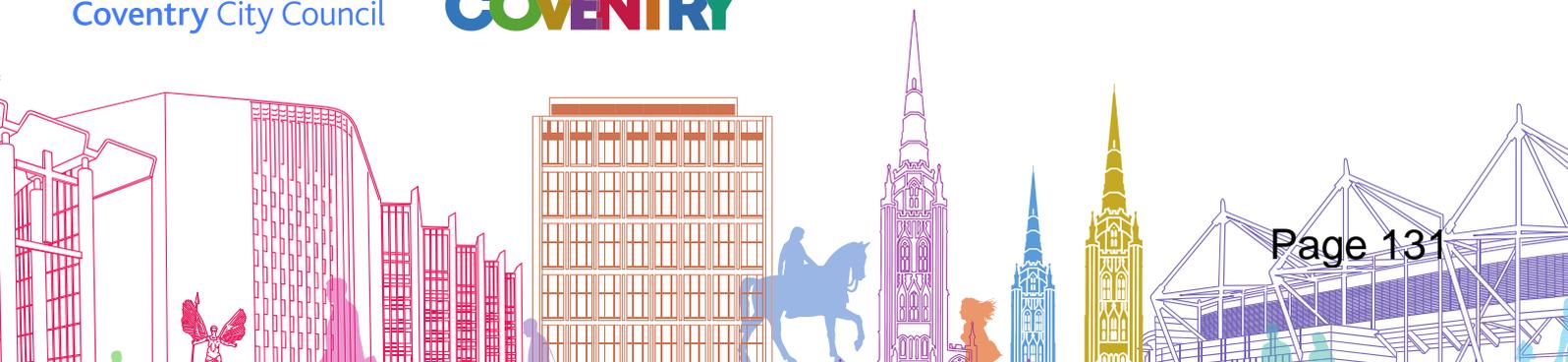
Locally committed



Delivering our priorities with fewer resources



[www.coventry.gov.uk/performance/](http://www.coventry.gov.uk/performance/)



## Overview

### What is One Coventry?

Our One Coventry approach helps to shape the way the Council works with its partners to improve the city and improve people’s lives. It includes the Council’s vision and priorities, new ways of working, and core areas of activity to deliver the One Coventry Plan objectives, key strategies, and approaches.

The current plan sets out our vision to be:

#### Globally connected

Promoting the growth of a sustainable Coventry economy by:

- supporting businesses to grow;
- developing the city centre;
- creating infrastructure for the city to thrive; and
- raising the profile of Coventry.

And ensure that residents share in the benefits by:

- helping local people into jobs;
- increasing the supply, choice, and quality of housing;
- reducing the impact of poverty; and
- increasing access to arts, sports, and cultural opportunities.

#### Locally committed

Improving the quality of life for Coventry people by:

- creating an attractive, cleaner, and greener city;
- improving educational outcomes;
- making communities safer; and
- improving health and wellbeing.

Especially for our most vulnerable residents by:

- protecting our most vulnerable people; and
- reducing health inequalities.

### Delivering our priorities with fewer resources

Making the most of our assets and work closer with partners and residents to enable people to do more for themselves.

## About this report

This annual performance report sets out the progress made towards the One Coventry Plan in 2020–21. For each objective, this report sets out the trends, actions taken, and performance metrics to provide an assessment of the progress made against previous years and with other places. This year’s report sets out the progress made against an incredibly challenging year where the Covid-19 pandemic has wreaked havoc on our health and wellbeing, jobs and employment, and business and economy.

### Indicators

The Council uses indicators to show progress made towards its priorities. This is supported by a wider basket of measures such as equality and perception measures that help explain the trends and story behind the headlines. Indicators are selected from key strategies and aligned to directorate priorities.

### Open data

Further details including infographics, raw data, maps, and open data is available on [Facts about Coventry](#) and the [Citywide Intelligence Hub](#).

### Abbreviations & symbols used

Symbol	Progress	Target status
	Improved (or target already achieved)	On-target
	Got worse	Off-target
	Similar, unchanged, or statistically insignificant	–
	Cannot say; no clear direction of travel	–
	Not available or no updated data	No target set
SN	Statistical neighbours (similar authorities)	
WMCA	West Midlands Combined Authority	
WMR	West Midlands Region	
CIPFA	Chartered Institute of Public Finance & Accountancy nearest neighbours (similar authorities)	

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# Executive summary

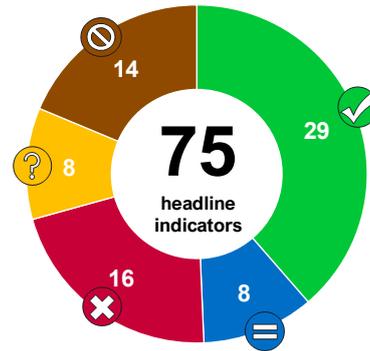
The Covid-19 pandemic has made the past year one full of difficulties for everyone around the world. In Coventry, Covid-19 directly resulted in the deaths of 682 residents; caused long-term health conditions affecting the day-to-day activities for thousands of residents; and the associated lockdowns and restrictions have caused disruption to the daily lives of all 379,000 residents in the city. To put this in perspective, more residents have died from Covid-19 than from the city's darkest hour when much of the city centre was devastated during the night of the Coventry Blitz on 14/15 November 1940.

The social and economic upheaval associated with the Covid-19 pandemic and associated restrictions has had a negative effect on a number of indicators, with the city facing increases in unemployment; increases in crime (particularly violent crime, and domestic abuse); and decreases in the size of the city's economy (as measured by gross domestic product). While business support grants and furlough schemes have provided some limited relief, economic activity has collapsed over much of the year; and this is reflected in a significant drop in the in-year council tax and business rates collection rates.

All of these factors have contributed to an unprecedented level of demand for all kinds of Council services; for example, worries about money, school closures and other pandemic-related stresses on families increasing demand for children's services; increase in online deliveries leading to large increases in the demand for household waste and recycling services; and limits on social contact impacting on the effectiveness of a wide range of services to our most vulnerable residents.

To address these challenges, the Council has significantly transformed the way it works, resulting in more than doubling of transactions completed through self-service channels to reducing sickness absence despite the pandemic; not to mention the leading role it has taken in supporting residents through the pandemic from supporting the city's most residents through deliveries of essentials and supporting businesses to re-open safely; to going full steam ahead with transformation projects from the rail station developments to city centre public realm works. As the city recover from the pandemic, echoes of the city's Phoenix-like resurgence after the Blitz can be seen everywhere, from the global coverage of the world's first Covid-19 vaccination outside of clinical trials at the city's University

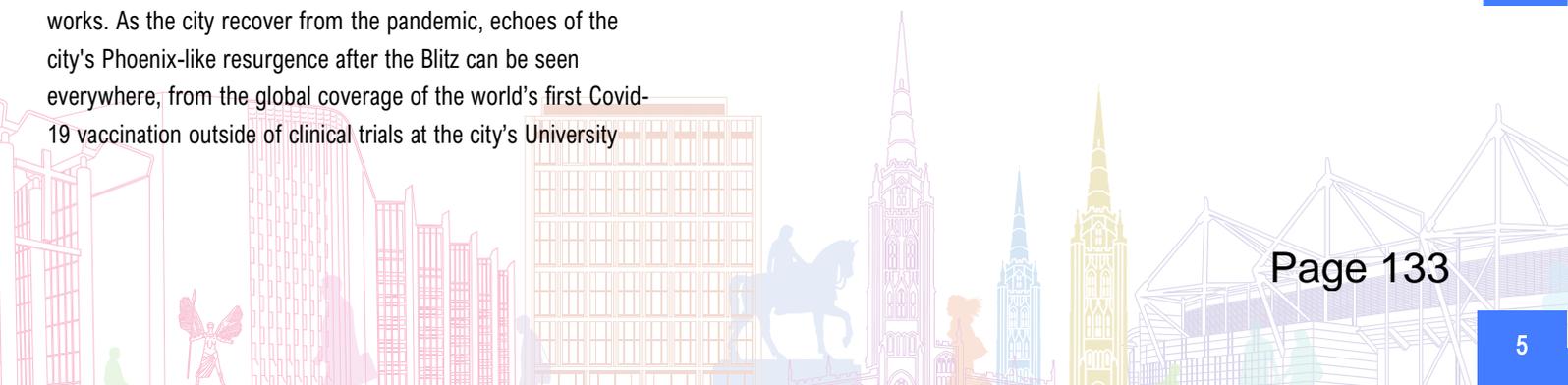
Hospital; to a year of the city in the spotlight as the UK City of Culture 2021.



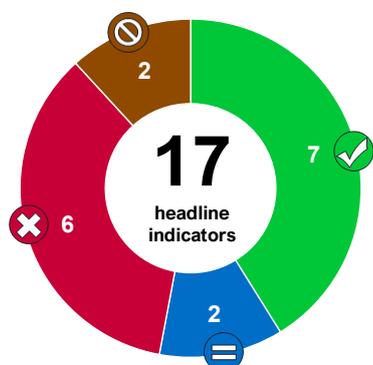
The One Coventry Plan is currently measured using 75 indicators, of which 29 indicators improved; 8 stayed the same; 16 indicators got worse; can't say for 8 indicators; and progress is not available for the remaining 14 indicators.

This means, 70% (37/53) of directional indicators (excluding cannot say or not available) improved or stayed the same. This is lower than the performance seen in previous years: 79% (50/63) in 2019/20, 78% (52/67) in 2018/19, 71% (42/59) in 2017/18, and 75% (43/57) in 2016/17; reflecting the significant pressures the city and Council services are facing.

A large number of indicators are not available this year compared to before. This is because there is limited data on school performance as a result of exam cancellations last summer, and limited data on some survey-based adult social care measures.



## Globally connected: promoting the growth of a sustainable Coventry economy

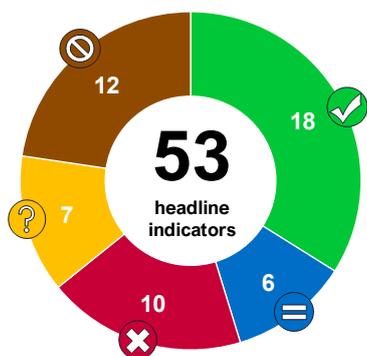


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## Locally committed: improving the quality of life for Coventry people



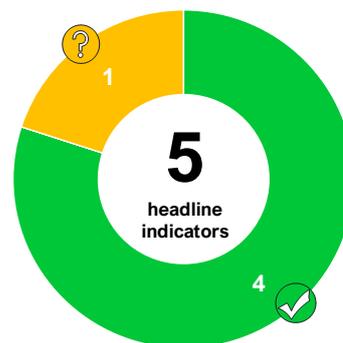
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## Delivering our priorities with fewer resources



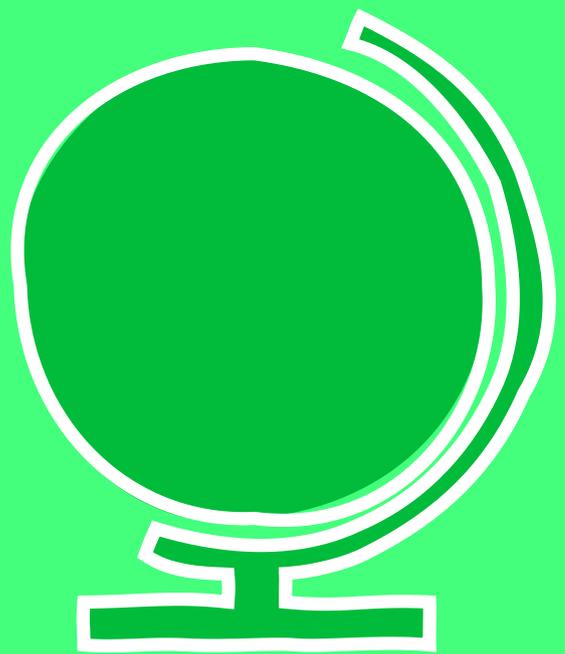
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# Globally connected

Promoting the growth of a sustainable  
Coventry economy



## A challenging economic outlook

The pandemic has had a strong, negative impact on the economic wellbeing and vitality of countries and cities around the world – and Coventry is likely to be no exception.

In the past thirty years, given its size, Coventry has performed below average. However, in the mid-2010s growth in a number of internationally significant business sectors in the region including advanced manufacturing and engineering; energy and low carbon; connected autonomous vehicles; business, professional & financial services; and digital, creative, and gaming have created good jobs for local residents. Unfortunately, progress appears to have now stalled.

Coventry's regional gross domestic product (GDP) per head stood at £29,608 in 2019, down from £29,681 in 2018. This new figure, replacing the previous gross value added (GVA) figure, considers the effect of taxation including VAT, and subsidies; but, the latest figure, for 2019, obviously does not consider the effect of the pandemic. Coventry fares better than the West Midlands figure of £27,574 but perform worse than the England average of £33,809.

In 2019, Coventry's total GDP grew by 1.0%, but the total population of the city grew faster meaning that GDP per head actually fell (-0.2%). This compares unfavourably to the overall England annual growth in GDP per head in 2019 of 3.0% and the

average growth amongst similar places to Coventry (CIPFA nearest neighbours) of 2.7%.

Note that ONS estimates suggest that Coventry has been one of the fastest growing population centres outside of London in recent years, so the reduction could be partly a side-effect of the growth of the local universities – many students are economically inactive, even though they contribute in other ways to the life and vitality of the city's economy.

## Supporting businesses through difficult times

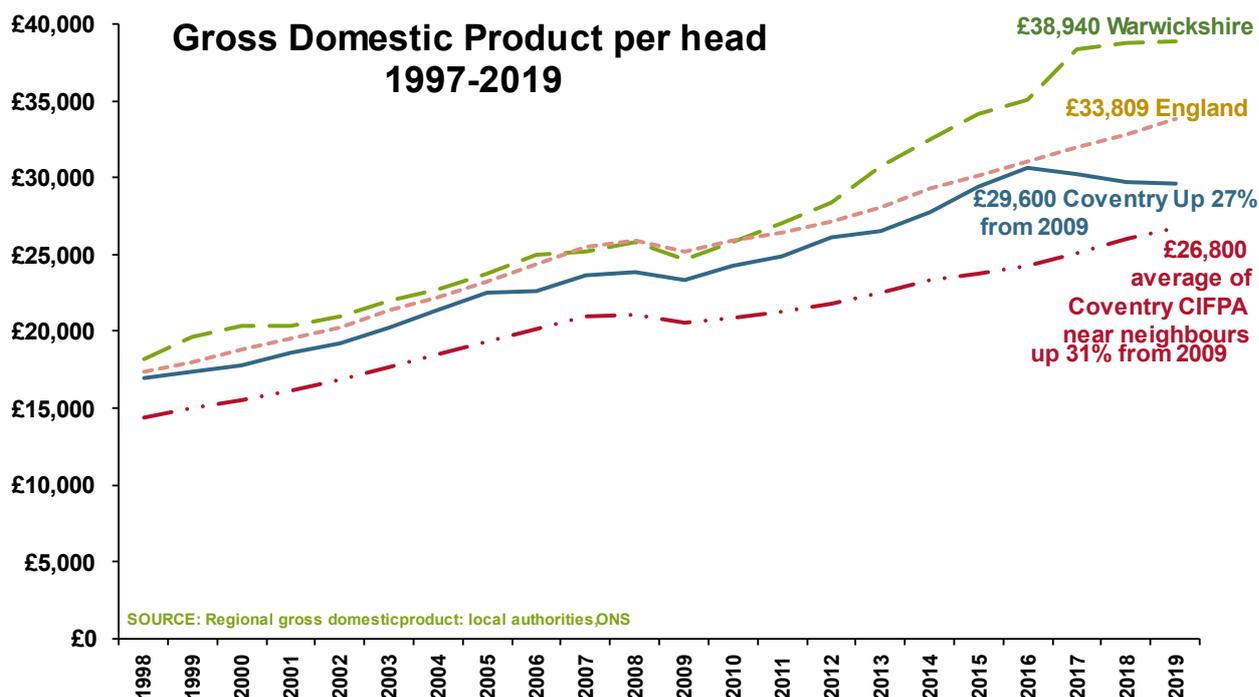
The Council has gone to great lengths to support businesses during the coronavirus pandemic. Restrictions imposed on society to help reduce the spread of the virus has meant many businesses have had to close and many of those that stayed open have suffered significantly reduced trade.

To support those businesses, the Council's economic development service has:

- awarded over £18.5m in direct cash grants to more than 1,500 businesses that were forced to close in Coventry; and
- awarded over £13.4m in discretionary cash grants to over 2,000 businesses in Coventry.

Discretionary grants have also been disbursed in more creative ways:

- a new one-to-one business support programme, run in conjunction with the Chamber of Commerce;

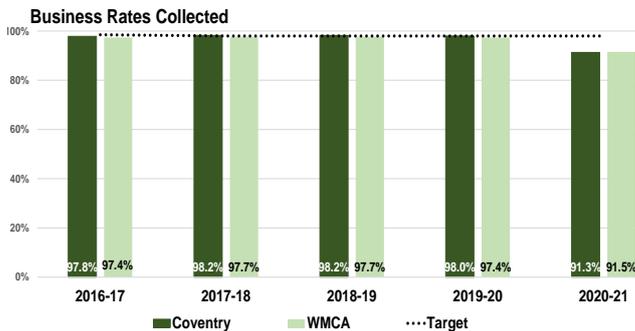




- supporting the Coventry Business Improvement District (BID) to help increase footfall;
- bespoke support for market traders who might have otherwise missed out on grants; and
- specific support for nightclubs that have remained closed since the start of the first national lockdown.

Alongside the large-scale Covid-19 response to support businesses in need, the service has also continued to run the three European Regional Development Fund (ERDF) business support programmes, with many switching to a digital format to provide remote support via video conference, alongside a popular series of online webinars. These programmes secured a further £8.12m this year to extend them to June 2023. This financial year the three programmes combined have paid out grants of £1.45m to 108 companies. When taking matched funding into account, this represents a total investment of £5,052,331 to the Coventry and Warwickshire economy. Overall, when non-financial support is included, the three programmes have supported 264 businesses and created 117 new jobs.

## Less business rates collected



Business rates total rateable value reduced to £317m in 2020/21 from £319m in 2019/20. The total rateable value of Coventry businesses has been relatively stable for several years and in overall terms the movement observed represents a variation of only 1%. There are multiple events and trends that can affect this figure including the overall health of the local economy and trends within different sectors including those which may not have a need for a traditional property base. At present, it is difficult to assess the impact that the Covid-19 pandemic has had on business rates, as much of the full impact on businesses has been cushioned by measures taken nationally to 'freeze' the economy; and it could be some time before any medium-term trends are clear.

What is clear, however, is that the pandemic, and associated restrictions and economic impact have resulted in a significant reduction in business rates in-year revenue. 91.3% of collectable

business rates were collected in-year, a reduction from 98.0% in 2019/20. This is below the target in-year collection rate of 98%.

## Creating the infrastructure

### Number 1 in the West Midlands for digital accessibility

Coventry is the top-ranked city in the West Midlands and comes eighth out of 379 locations in a report on full-fibre coverage throughout the UK.

The report by the telecoms regulator, Ofcom, 'Connected Nations 2020' measures access to high quality internet connection to properties. Over half (54.7%) of properties in Coventry have access to full-fibre broadband, typically offering speeds of at least 300Mbps, and often up to gigabit speeds; far above the UK urban area average of 18%.

## Improving transportation

### Coventry railway station

The £131m Coventry and Warwickshire local growth fund allocation to Coventry in 2015-2021 has delivered major transport, skills, and cultural infrastructure schemes, including the Coventry Station Masterplan, Very Light Rail scheme, and infrastructure works and venue upgrades as part of preparations for City of Culture.

The £82m renovation of Coventry Train Station is nearing completion. The project includes a new station building, five retail units, and a new 633-space multi-storey car park.

Below: new railway station building and car park



## Very light rail

Very light rail seeks to revolutionise affordable public transport in towns and cities. In May 2020, the project secured £1.5m funding to explore the creation of a low-cost trackform.

Below: very light rail vehicle prototype on the streets of Coventry



In March 2021, the Coventry City Council's prototype Very Light Rail vehicle, which has the potential to transform how people move about the city, moved ready for real on track testing.

The vehicle moved from NP Aerospace in the city for some static software testing before moving to a dedicated track at the Black Country Innovative Manufacturing Organisation in Dudley.

The prototype vehicle completed a tour of Coventry after leaving the vehicle production site. It stopped outside the Co-op building and the Transport Museum so that the public could get a better view.

## £1.5 million makeover for Pool Meadow

Coventry's Pool Meadow bus station's £1.5 million upgrade includes eye-catching artwork and murals for the 2021 City of Culture. The bus station's facelift saw the installation of new electronic passenger information screens, new LED lighting and colour scheme, refurbished public toilets, new benches, bins, and planters.



## A transformed city centre experience

Coventry's pedestrianised shopping precinct was the first pedestrianised shopping centre in Europe when it was created in the 1950s by the then Chief Architect for Coventry City Council, Sir Donald Gibson CBE. It was heralded for its pioneering design, featured in architectural journals, and attracted architectural students from around the world.

Subsequent developments in the 1980s-1990s departed from Gibson's original vision; and the UK City of Culture in 2021 presented Coventry with an opportunity for the city to restore the city centre to its design goals and transforming the shopping and visitor experience for the city.

As part of a wider £44m city centre programme, the Council secured an additional £11m of funding this year for investment in the City Centre and public realm. This has led to improvements including:

- Upper Precinct public realm transformation;
- Market Way public realm improvements;
- city centre public arts programme including Hertford Street, Pepper Lane, Pool Meadow;
- Bull Yard fountains and picnic benches; and
- lighting of Coventry's three spires.



Above: Pepper Lane



Above: Hertford Street; below: Upper Precinct fountains



## Investment in infrastructure

The Getting Building Fund (GBF) is a programme to support the recovery of UK regions after Covid-19. Coventry and Warwickshire Local Enterprise Partnership has received a GBF allocation of £19.825m across 11 projects, which Coventry City Council manages on its behalf. At the end of March 2021 all 11 projects had signed Grant Aid Agreements and final funding contracts. Most of the projects have begun construction work and have begun spending the GBF grant allocation. They include a major refurbishment of the Ricoh Arena in preparation for hosting the Commonwealth Games in 2022, advancement of the Very Light Rail R&D stage, capital works at host venues for UK City of Culture 2021, and the Catalyst project at the former Art Deco building on Abbey Street in Nuneaton to support the creation of flexible office and workshop space for new creative SMEs.

## A new boutique hotel on the Friargate Boulevard

One of the Council's key corporate priorities is the realisation of high-quality new hotels within the city to support its economic development, inward investment, and visitor economy ambitions. In Autumn 2020, an Agreement for Lease was signed between Castlebridge and the Council that will result in a 100 bed Hotel Indigo being delivered in the Friargate business district. As well as being a fantastic new hotel in its own right (alongside a high-quality restaurant and bar open to the general public), the hotel will play a key role in enhancing the city's reputation, be a catalyst for the wider Friargate scheme and provide approximately 40 permanent jobs.

In order to take forward the construction of the hotel, Castlebridge need to secure the necessary development financing and their ability to do so has, unsurprisingly, been affected by the Covid-19 crisis over the past 12+ months which has had a significant impact on the leisure and hospitality sector as well as all other sectors of the economy. In March 2021, Council approved the principle of a repayable loan agreement with Castlebridge to provide gap funding for part of the cost of developing the hotel.

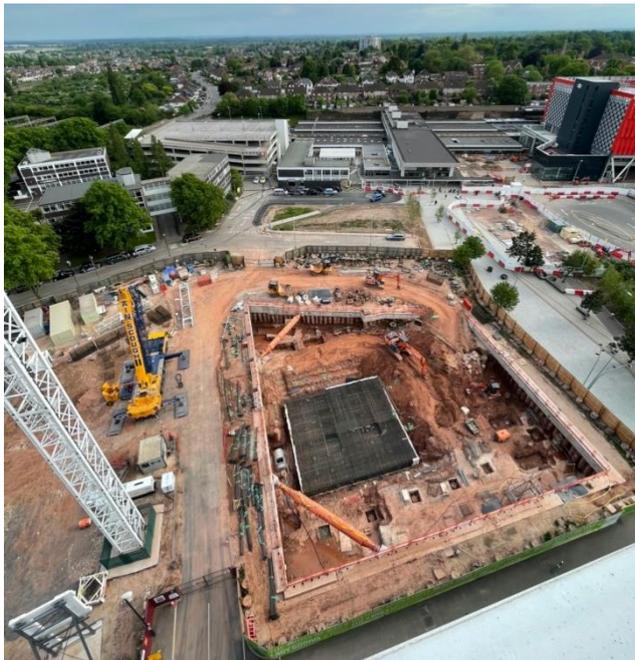
## Delivering Two Friargate

The Council is working with the Friargate Joint Venture to realise the delivery of the next commercial office building within the Friargate business district, Two Friargate. Two Friargate will provide 134,000 square feet of high-quality commercial office space which will be on a par with the best the region has to offer and will play an important part in the Council delivering its economic development and inward investment objectives for the city.

In September 2020, Coventry City Council approved funding worth £17m to support the development of Two Friargate (this funding is in addition to the £51.2m grant that the Council received from the West Midlands Combined Authority in 2018 to support the delivery of the first phase of Friargate).

Two Friargate started on site in November 2020 and will be complete during the Autumn of 2022. A second office building at Friargate is part of the wider plans to expand the Friargate development and to make it and the city an even more attractive place for businesses to invest in.





Above: site preparation for Two Friargate

It is estimated that the scheme will create 700 jobs during the construction phase of the scheme, with many more jobs created when the building is operational.

## City centre south

City centre south is the Council's key regeneration priority for the city centre and will transform seven hectares of the city through a new, mixed use development scheme that will provide hundreds of new homes, a high-quality public realm environment and modern, forward looking commercial, leisure and retail spaces. The Council has been working with its development partner, Shearer Property Group, to prepare a planning application for the scheme and, following public consultation, this was submitted to the Council in November 2020 with a Resolution to Grant Planning Consent achieved in April 2021. One of the key enabling projects for City Centre South, the demolition of Coventry Point, was completed in Autumn 2020.

## Visits to the city centre

### Unprecedented decreases in city centre footfall

Footfall in the retail area of Coventry city centre, the volumes of people walking around pedestrianised parts, were at unprecedented low levels. This is unsurprising given the various states of lockdown local residents were in during this time due to the pandemic and that retail and hospitality were forced to be

closed for long periods during 2020/21. Overall, the volume of footfall in 2020/21 (April 2020 to March 2021) was 60.7% lower than it was previous year 2019/20. The data that gives indications of the picture across the country overall shows the Coventry drop in footfall to be in line with the average in other places.

Footfall was down significantly and to a similar extent across all locations in the prime retail areas of the city centre. Footfall was down by most in April to June; 84% lower compared to April to June 2019. Footfall across the period July to September 2020 was down by 38% compared to the same period in 2019, it was year-on-year down 49% in October to December 2020, and in January to March 2021 footfall was down 78% compared to 2020. So, footfall changed as restrictions on movement, government advice and restrictions on retail, leisure and hospitality changed throughout the year. The advice to work from home will also have had a significantly negative impact on footfall. It was at record low levels throughout the whole year, for no single week in the preceding 10 years over which footfall has been measured in this way was footfall anywhere close to such low levels nor have the year on year % change for any single week been anywhere near the % reduction for any of the whole quarters of 2020/21.

Footfall hit its lowest level during April 2020, 90% lower than normal levels at the same time in 2019. It grew gradually and very slowly up until June when it was about 80% down, and when retail reopened during June footfall jumped, almost doubling in a week but still at levels more than 50% lower than in the year before. Footfall gradually increased, reaching levels about 30% lower than in the year before by the end of October; the November lockdown then meant levels were low again. When restrictions were relaxed in December footfall recovered but remained 30% to 40% lower than during the same Christmas period in 2019. The January 2021 lockdown brought footfall levels down to extremely low levels again, about 80% lower than normal and they increased gradually and slowly up to the end of March 2021.

Coventry footfall had been falling a little last year, 6.5% down from the previous year (part of this fall was due to the significant drop in the last weeks of March 2020) but the fall this year was unprecedented and on a totally different way and scale than in any time previously measured. It is difficult to use this year's data, or trends from previous years, to predict what footfall will be like in the coming year; particularly because predicting the path of recovery is almost impossible given there is no precedent but also combining this with the fact that we are entering Coventry's year as the UK City of Culture and the attractions and events that will take place in the city centre during the year. Also,



### Overall recovery and spend index

This index looks at everyone who was in the city centre at any time of the day, compared to a pre-lockdown baseline of 100. The spend index looks at relevant offline sales made in the city centre at any time of the day, compared to a pre-lockdown baseline of 100.



the remodelling of the public realm that has taken and is taking place will change the way people experience the city centre and how they walk around it.

Note that city centre demolition works have resulted in some technical difficulties in the collection of footfall data – for instance, demolition of Coventry Point has meant that there is no data available for Market Way; while the opening up of the vista between Upper Precinct and Broadgate Square means that the Upper Precinct footfall counters is unable to count all pedestrians passing through.

### High streets recovery tracker

Top: Centre for Cities overall recovery and spend index

The Centre for Cities and presented in their high streets recovery tracker allows us to track the ups and downs of footfall in Coventry's 'high street' area to how other cities have fared. By the end of February 2021, Coventry has an index of 24, meaning footfall was 76% lower than normal at this point; in this measure we rank relatively poorly compared to other cities; amongst the lowest quarter of all English cities in terms of how much city centre footfall has recovered.

They estimate the 'spend index' for Coventry 'high street' at 79 between February and April 2021, implying spending levels in retail in the area were 21% lower than normal levels; this ranks Coventry amongst the bottom half of city centres in this respect. Recovery in footfall has been relatively better at the weekend with an index of 24, compared to a lower recovery at the night-time, with an index of 15 and the level of footfall amongst people who usually work in the city centre, which was still incredibly low by the end of February with an index of 6.

### Google mobility data

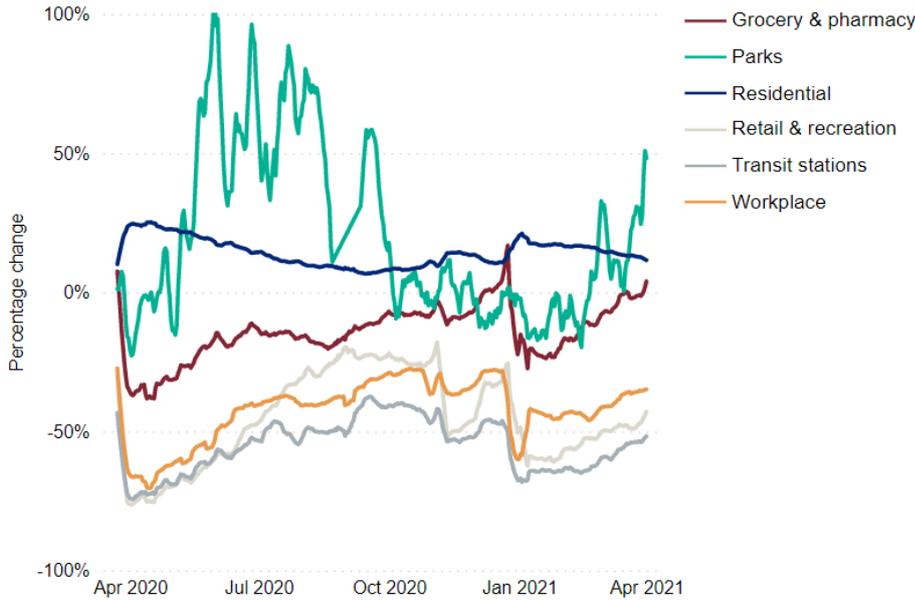
Google mobility data gives us a picture of people's movements more generally across a wider area of the city. It shows that movement of Coventry residents in workplace areas, retail, and recreation areas and around transit stations had remained at significantly lower levels than before the pandemic throughout 2020/21 (against a baseline period of January to February 2020). Movement levels around these three types of location were gradually recovering during the first few months of 2021 after lows in early January 2021; lows at levels similar to those in late March 2020 during the first lockdown. However, by the end of March 2021 movement levels remained significantly lower than normal; 35%, 43%, and 52% lower than in January to February 2020, respectively. On the other hand, perhaps due to people doing their daily exercise and people being less likely to travel distances by car, movement levels in Coventry residential areas were consistently higher than normal throughout the year and in Coventry parks they spiked at levels much higher than normal in spring and summer 2020 and spring 2021; but came down to lower levels than normal during the colder months in the autumn and winter of 2020.

Next page: Google mobility data – percentage change in movement compared to the baseline (seven day moving average).

### Perceptions of the city centre

Provisional results from our biennial household survey, conducted in February 2021, suggest nearly three in ten residents did not visit the city centre in the past year; with just over half of residents giving the city centre a negative rating. This

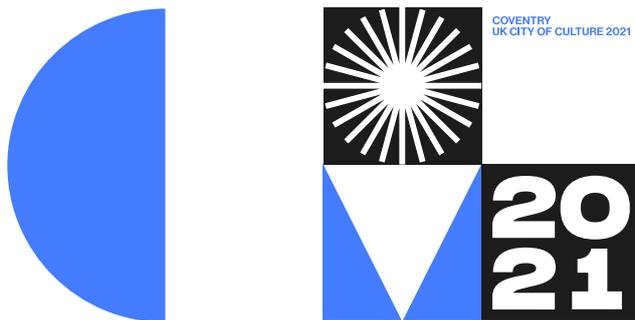




is, however, to be expected and in this particular case, should not be a cause for concern at this stage, given the waves of pandemic-related lockdowns resulting in closure of much of the leisure and retail offer, as well as office-based workers working from home; and significant disruption to the city centre offer during this period as a result of the infrastructure and public realm works across much of the city centre.

## Raising the profile of Coventry and arts, sports & cultural opportunities

### UK City of Culture 2021



Coventry is the UK City of Culture 2021. The City of Culture Trust's story of change sets out how it will ensure the City of Culture programme leads to lasting impacts for the city:

- Coventry citizens positively influence and shape the city they want to live in;
- Coventry's culture contributes to the social and economic prosperity of the city and region;
- Coventry is a global and connected city; and

- Coventry is recognised as a future facing pioneering city.

In 2020-21, the City of Culture Trust experienced a challenging year alongside the rest of the regional and national cultural sector, given that coronavirus pandemic-related restrictions have decimated audiences, participation and income for arts and cultural organisations; and associated jobs in all sorts of creative industries.

Nevertheless, 2020-21 saw the launch of the official branding for the UK City of Culture; and the Trust continuing with lively and innovative online engagement and events in advance of the main programme delivery.

In particular, in 2020-21, the Trust saw efforts to increase and widen participation from all areas of Coventry, in particular, areas with historically lower levels of participation and higher levels of multiple deprivation; developments of and launch of the Cultural Place Profiler to help arts and cultural organisations to plan and deliver programmes to meet the needs and wants of audiences; launch of the official City of Culture branding and initial programme; and the delivery of its first major test event, Coventry Glides, at the Cathedral ruins.

### Encouraging investment

Coventry continues to strengthen its position as a key player in the UK's automotive industry. In February 2021, the Council announced its intention to seek funding and planning permission for a new Gigafactory in Coventry. With the automotive industry accelerating its transition to electrified vehicles, battery production is going to be a critical factor in maintaining the UK's competitiveness in the marketplace. And with the new Rules of



Origin EU trading regulations set to come into place in the coming years, it is critical for battery production to take place inside the UK. A Gigafactory in Coventry has the potential to create thousands of new jobs, both in the factory and the wider supply chain. And with the development of the UK Battery Industrialisation Centre (UKBIC) - the funding for which was successfully secured by CCC in 2017 - as well as additional battery research centres at the University of Warwick and elsewhere in the region, Coventry is the logical choice for a Gigafactory. Coventry Airport has been identified as the site for the new proposal, and up to £500m of government funding is being sought, as well as a key commercial partner for the project. If successful, a Gigafactory in Coventry will make it a global player in the automotive industry for years to come.

## Hosting major events

### Coventry's Rugby League World Cup fixtures

The Rugby League World Cup (RLWC2021) comes to England in 2021, and tournament organisers revealed in July 2020 the much-anticipated fixture schedule for what promises to be the biggest and best World Cup in the history of the sport. The men's, women's and wheelchair teams all compete at the same time in a major sporting first.

Coventry will be hosting the current men's World Cup holders, Australia as they take on Scotland at The Ricoh Arena. The game will take place on Friday 29 October 2021 and will kick off at 7.30pm.



## Helping local people into jobs

### Providing personalised job support during a pandemic

The Job Shop has worked hard to adapt our services and provide customers with the same levels of personalised 1 to 1 support. Since March 2020, the shop has achieved:

- 1,898 new customers registrations;
- 1,116 supported in to work;
- 99 virtual events hosted with wide range of employers and training providers; and
- 3,551 face-to-face and virtual appointments booked through the new online booking portal.

### Supporting young people into work

The youth hub provides an integrated service for all young people aged 16-24 and claiming Universal Credit, enabling job shop advisors and Jobcentre Plus staff to support Coventry's young people to re-engage with training and the labour market. Since its launch in late July the hub has supported 1,009 young people.

### Kickstart

In September 2020, the Department for Work and Pensions Kickstart Scheme was launched. Since its launch, the job shop has been acting as an official 'gateway' organisation to support local businesses through the Kickstart application process. The job shop provides funding to employers to create six-month paid job placements for 16-24 years old on universal credit who are at risk of long-term unemployment. As a gateway, the job shop secured over 330 vacancies with 15 companies for local young people. Presently there are another 85 live vacancies with over 100 to be released in 2021/22.

### Virtual jobs and skills fairs

The job shop has adapted to host regular virtual jobs fairs. These started in May 2020 and have ran every month since except for December 2020 and January 2021. The virtual jobs and skills fairs have involved 22 employers and 20 training providers; reaching some 8,154 video views and 200 customers booked on to Q&A events.

### Training for accredited qualifications

The Skills 4 Growth European Social Fund programme has helped 64 small and medium-sized enterprises, leading to accredited training and qualifications for 221 employees meeting their identified skills needs.



## Apprenticeships

The apprenticeship levy, imposed on larger businesses including the Council, helps businesses support their employees' professional developments, as part of the Government's levelling up agenda to increase productivity.

This year, the Council has transferred £292,146 of unspent Council apprenticeship levy funds to support smaller, non-levy paying businesses with apprenticeship training costs. This has supported 48 apprentices in 16 businesses in the city.

Discussions have taken place with other large local employers to share practice on how the scheme was developed and set up to achieve the reported results.

## Levels of employment maintained

The full impact of the pandemic on the economy has been cushioned by Coronavirus job retention schemes and self-employment income support schemes. As a result, data for Jan-Dec 2020 suggests that 181,400 residents, that is, 71.3% of Coventry residents remain economically active in employment, compared to 73.7% for West Midlands and 75.4% for Great Britain. This is a decline from 73% in Jan-Dec 2019.

There appears to be a gender-divide in this with the pandemic affecting male employment more than female employment: male employment declined sharply from 78.7% in Jan-Dec 2019 to 73.9% in Jan-Dec 2020; compared to a small increase in female employment from 67% to 68.6% in the same period. The decline in male employment diverges from regional and national trends, which only saw a small decline.

## Increase in unemployment

There has been an increase in unemployment from 8,800 in Jan-Dec 2019 to 11,300 in Jan-Dec 2020; an increase from 4.6% to 5.9%. This is bigger than the increase regionally and for Great Britain, from 4.8% to 5.3% and 3.9% to 4.6% respectively. At 5.9% the Coventry unemployment rate is now higher than average compared to a group of similar local authority areas (CIPFA near neighbours). Government support schemes will have mitigated the pandemic impact on unemployment, it is hard to predict what the full impact on unemployment will be once support schemes end. From Coventry workplaces there were 57,000 employments on furlough by April 2021 (Coronavirus Job Retention Scheme). Statistics in May 2021 count 6,800 claims from Coventry residents made to the fourth grant of the self-employment income support scheme amounting to £17.6m in

total. Some of these individuals may become unemployed once the schemes end.

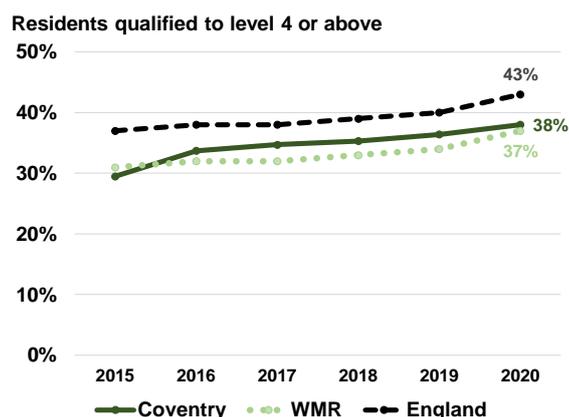
As with employment levels, there is a gender divide – male unemployment has increased from 4,600 to 6,300 (from 4.2% to 6.3%), while female unemployment has decreased, from 6.5% to 5.3%. This contrast regional or national trends, where female unemployment has also increased.

The gendered change in unemployment does *not* appear to be due to women dropping out of the workforce and becoming economically 'inactive'. Indeed, in 2020, the city saw an increase of 5,200 women becoming economically active (from 71.8% to 72.5%). In contrast, 7,300 men dropped out of the workforce in Coventry entirely (from 82.3% to 79.1%).

The gendered differences *may* possibly be because of the continuation of a lot of essential key worker jobs where women work, in particular, in health and social care throughout the pandemic. Additionally, national opinion and lifestyle surveys suggests that women have been disproportionately affected during the pandemic, with women spending significantly less time working from home, and more time on unpaid household work and childcare.

## Increasing qualification levels

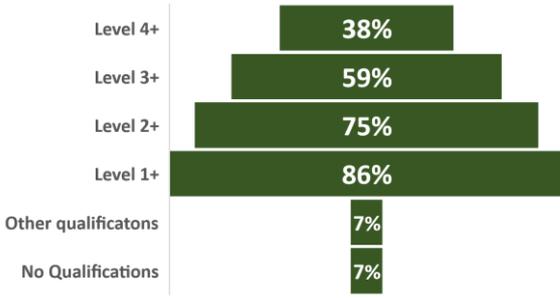
In Jan-Dec 2020, 38.1% of Coventry residents (93,900) were qualified to higher education level (NVQ level 4 or above), up from 36.4% in 2019. This compares to 37.1% regionally, and 43.1% for Great Britain.



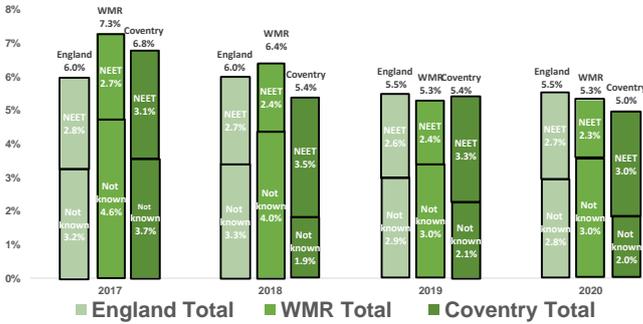
At the other end of the spectrum, 7.1% of Coventry residents (17,500) have no qualifications; compared to 8.2% for West Midlands and 6.4% for Great Britain. This marks a decrease from 9.1% a year ago.



Qualifications in Coventry (% aged 16-64)



## Young people not in education, employment, or training



For the third consecutive year Coventry remains on target below (better than) England, with 5% of young people not in education, employment, or training. This is an improvement on our last two year's performance from 5.4% to 5.0%. Coventry's combined figure of 5.0% equates to approximately 370 young people in total.

During the Covid-19 pandemic, the Council has continued to follow young people's post-16 destinations. For any young person identified as not in education, training, or employment (NEET), they have been supported remotely. Monthly NEET and destination not known figures continue to be very low.

## Growth in median annual pay

Provisional median annual gross pay in Coventry for 2020 was £24,537, up 2.2% from 2019. This rate of growth is slower than the WMCA (up 4.6% to £24,262), Warwickshire (up 8.5% to £27,612), West Midlands region (up 4.2% to £24,634) and England (up 3.6% to £26,055).

Historically the average earnings amongst all Coventry residents in work have been relatively low and has consistently been lower than the average pay by workplaces located in the city; on

average, commuters into Coventry get paid more. This remains the case.

However, average Coventry workplace and average Coventry resident earnings are above average compared to similar local authority areas (CIPFA near neighbours).

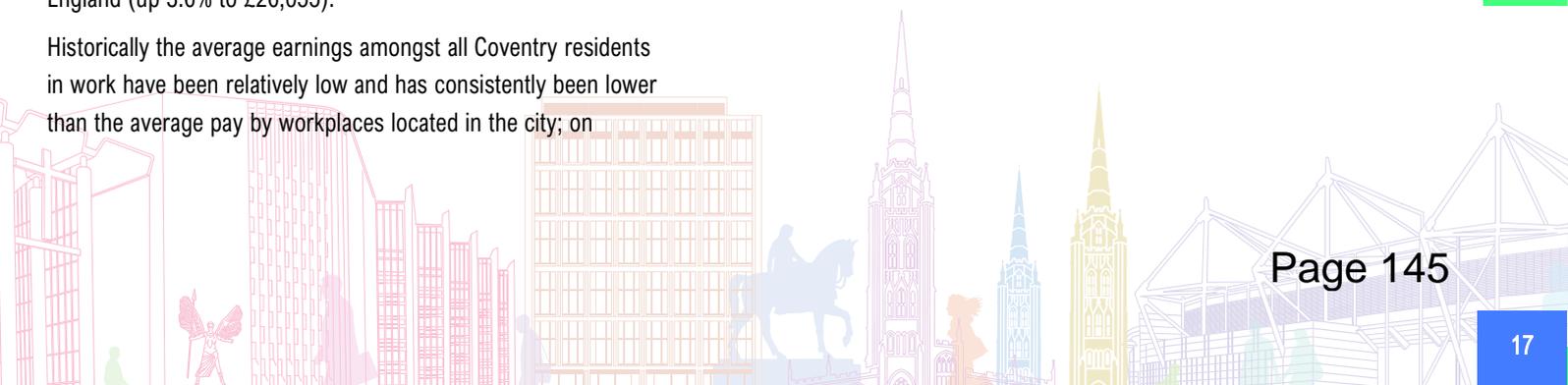
## Gender pay gap

Median gender pay gap in Coventry is 18.8% in 2020 – higher than the 16.5% for WMCA; 15.5 for Warwickshire; 16.1% for West Midlands region, and 16.5% for England. This large gap is mainly explained by more women in part-time work. If we only include full-time work, the gap falls to 5.8% (compared to 8.9% for WMCA; 10.1% for Warwickshire; 7.6% for West Midlands region; and 8.4% for England).

There is a big difference in median annual pay between men and women – at £29,523 for men and £20,602 for women. However, women's pay has been rising faster than men's pay – up 4.2% for women compared to 1.0% for men.

If we look only at full-time jobs, the overall full-time pay is £29,102 – and again, there is a gender gap – £31,377 for men and £26,614 for women. However, full-time women's pay has also risen at a faster rate than full-time men's pay, up 7.2% for women, compared to just 0.6% for men.

Please note that the gender pay gap measures the overall difference in pay – it does not consider the different types and levels of jobs and occupations undertaken.



## Supply, choice & quality of housing

### Policy updated to improve housing standards

A new version of policy designed to enforce standards in private sector housing was approved by Cabinet in February 2021.

The Private Sector Housing Enforcement Policy outlines the steps that the Council can take to protect tenants from unsafe homes and tackle rogue property owners. Although the policy was originally introduced in 2018, changes to national legislation have meant that it needs to be updated for the Council to better protect residents.

The new version of the policy will allow the Council to issue civil penalties against property owners who have acted irresponsibly against tenants or who have failed in maintaining legal standards for housing. In addition to this, the updated policy will also enable the Council to undertake enforcement actions on letting agents when needed.

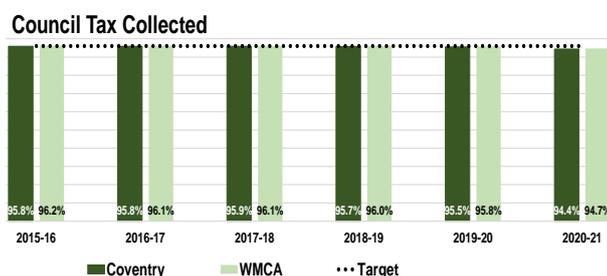
### Increase in the number of higher-banded properties as a percentage of all properties

The overall number of properties increased by 1,120 from 146,882 in March 2020 to 148,002 in March 2021. The number

of properties in the higher Council tax bands of C to H, increased by 381 from 43,391 in March 2020 to 43,772 in March 2021. As a result, there has been a slight increase in the percentage of higher banded properties relative to the overall tax base, now at 29.58%.

### Reduction in council tax collected

Despite the economic impact associated with the Covid-19 pandemic, the city has experienced only a small reduction in the percentage of council tax collected in-year in 2020/21. In 2019/20 95.5% of council tax was collected in-year; this reduced to 94.4% in 2020-21.



The tax base remains buoyant with increases in the number of properties and the amount of council tax available to collect. The base increased from £157.7 million in March 2020 to £162.4 million in March 2021.





# Globally connected indicators

Indicator	Previous	Current	Comparators	Progress	Target	Status
Regional gross domestic product (pound per head)	£29,681 (2018)	<b>£29,608 (2019 provisional)</b>	WMR £27,574 (2019 provisional), England £33,809 (2019 provisional)	✘	To increase	⊖
Business rates tax base (change from 2002 base)	138.70 (2018/19)	<b>138.70 (2019/20)</b>	WMCA 125.89 (2019/20), England 160.19 (2019/20)	⊖	To increase	⊖
Business rates total rateable value (and collection rate)	£319m (98.0%) (2019/20)	<b>£317m (91.3%) (2020/21 provisional)</b>	WMCA 91.5% (2020/21), England 93.0% (2020/21)	✘	£320m (98%+)	✘
Active enterprises (number and rate per 10,000)	341 (10,065) (2019)	<b>338 (10,120) (2020)</b>	WMCA 396, Warwickshire 598 (2020), England 526 (2020)	⊖	To increase	⊖
City centre footfall (year-on-year % change)	-6.5% (2019/20)	<b>-60.7% (2020/21)</b>	N/A (No regional data), UK index -61.2% (2020/21)	✘	To increase	⊖
Visitor trips	10,030,000 (2019)	<b>N/A (2020)</b>	N/A (No data), England N/A (No data)	⊖	To increase	⊖
Resident employment rate	73% (Jan-Dec 2019)	<b>71.3% (Jan-Dec 2020)</b>	WMR 73.7% (Jan-Dec 2020), England 75.7% (Jan-Dec 2020)	✘	To increase	⊖
Unemployment (model-based)	4.6% (Jan-Dec 2019) revised	<b>5.9% (Jan-Dec 2020)</b>	WMR 5.3% (Jan-Dec 2020), England 4.6% (Jan-Dec 2020)	✘	To decrease	⊖
16-17-year-olds not in education, employment, or training (NEET) including not knowns	5.4% (NEET 3.3%, Not known 2.1%) (2019)	<b>5.0% (NEET 3.0%, Not known 2.0%) (2020)</b>	WMR 5.3% (NEET 2.3%, Not Known 3.0%) (2020), England 5.5% (NEET 2.7%, Not Known 2.8%) (2020)	✔	Below (better than) national average	✔
Residents qualified to level 4 or above (working age population)	36% (Jan-Dec 2019)	<b>38% (Jan-Dec 2020)</b>	WMR 37% (Jan-Dec 2020), England 43% (Jan-Dec 2020)	✔	To increase	⊖
Median annual pay (full-time employees) of residents <sup>1</sup>	£28,747 (2019 revised)	<b>£29,102 (2020 provisional)</b>	WMR £29,481 (2020 provisional), England £31,766 (2020 provisional)	✔	To increase	⊖
Median annual pay (all employee types) of residents <sup>2</sup>	£24,020 (2019 revised)	<b>£24,537 (2020 provisional)</b>	WMR £24,634 (2020 provisional), England £26,055 (2020 provisional)	✔	To increase	⊖
Gross disposable household income per head	£15,353 (2018 provisional)	<b>Not available</b>	N/A (No data), England N/A (No data)	⊖	To increase	⊖
Change in Council tax base (change from 2009 base)	109.15 (2019/20)	<b>110.28 (2020/21)</b>	WMCA 108.36 (2020/21), England 111.94 (2020/21)	✔	To increase	⊖

<sup>1</sup> Median annual pay (full-time employees) of residents' does not take inflation into account.

<sup>2</sup> Median annual pay (all employee types) of residents' does not take inflation into account.

# One Coventry Plan Annual Performance Report 2020-2021

Globally connected

Indicator	Previous	Current	Comparators	Progress	Target	Status
Total amount of Council Tax in an area and number of properties	£157.7m (146,882 properties) (31/03/2020)	<b>£162.4m (148,002 properties) (31/03/2021 provisional)</b>	N/A (No data), England N/A (No data)	✔	To increase	⊘
Properties in higher Council Tax bands (C to H)	29.54% (43,391) (31/03/2020)	<b>29.58% (43,772) (31/03/2021)</b>	WMCA 35.7% (2020), England 56.2% (2020)	✔	To increase	⊘
Council tax collection rate	95.5% (2019/20)	<b>94.4% (2020/21)</b>	WMCA 94.7% (2020/21), England 95.7 % (2020/21)	✘	96%+	✘



# Locally committed

Improving the quality of life for  
Coventry people



## Create an attractive, cleaner, and greener city

### City air quality plan taking shape

In July 2020, Cabinet approved a local air quality action plan to comply with the Environment Act 1995 (Coventry City Council) Air Quality Direction 2020; and this was followed by approval of the full business case in December 2020. Coventry has been awarded grant funding of £24.5m to implement the scheme.

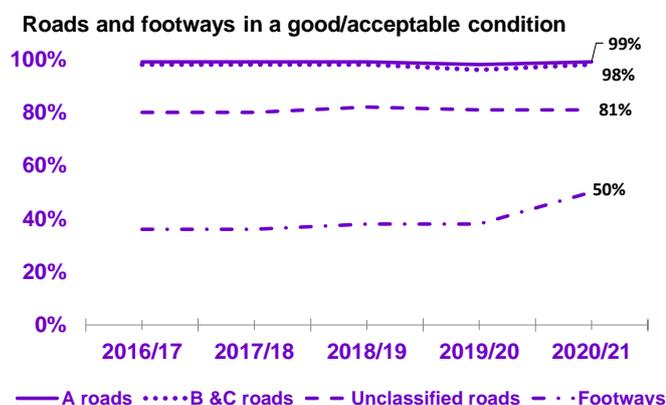


The package of measures includes:

- capacity improvements on the B4106 through Spon End and Junction 7 of the Ring Road, including improved routes for pedestrians and cyclists;
- opening Upper Hill Street onto the Ring Road, giving left in/left out access to the Ring Road via the anti-clockwise on-slip road at Junction 8;
- closure of Barras Lane between the A4114 Holyhead Road and Coundon Road/Upper Hill Street allowing the removal of the signals at the Barras Lane / Holyhead Road junction;
- reducing the number of polluting vehicles by introducing restrictions on the eastern section of the A4114 Holyhead Road on the approach to Junction 8;
- construction of a segregated cycle route linking Coundon with the city centre along Coundon Road and Upper Hill Street;
- engagement initiative (travel planning) for schools, businesses, and communities along Holyhead Road Corridor;
- banning the right turn from Cash's Lane onto Foleshill Road;
- HGV ban on part of Foleshill Road; and
- assigning electric buses to Foleshill Road.

## Improvements in the footway network and overall road network quality maintained

The 2020/21 survey shows 99% of A roads, 98% of B & C roads, 81% of unclassified roads and 50% of footways to be in a good/acceptable condition.

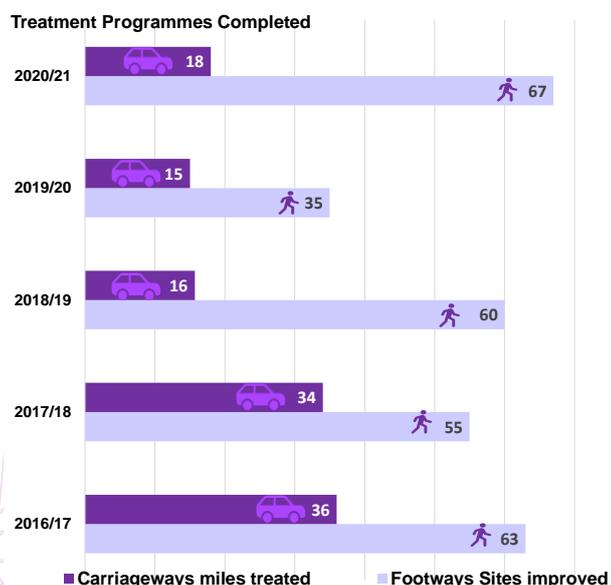


A larger sample of footway condition data was analysed for 2020/21 compared to smaller samples used in previous years. National reporting requirements only analyse a small sample of the footway network, however this year we collected and analysed data on a much large proportion of footway; this showed an apparent improvement in the footway network.

### Fewer priority potholes reported

1,339 “priority 1” potholes were reported in the financial year 2020/21, down from 1,528 in 2019/20. This is a decrease of 189 over the 12-month period.

In 2020/21, 18 miles carriageway treated miles of carriageways were treat and 67 footway sites improved.





## £2 million in new funding for footway improvements

A successful bid was made to the Department for Transport for footway improvements along bus routes. This enabled 67 sites to be improved in 2020/21 compared to 35 sites in 2019/20.

Additionally, a further £5.5m of funding was secured for the Swanswell Viaduct of the ring road (A4053), which helped progress the refurbishment and upgrade of this vital road.

The pandemic had little effect on the day-to-day service provided by the Council to maintain its roads and pavements, with inspections, maintenance and repairs continuing throughout. The team have proved incredibly resilient and adaptable to new working regimes and have continued to serve customers throughout.

## Number 1 for electric vehicle charging points outside of London



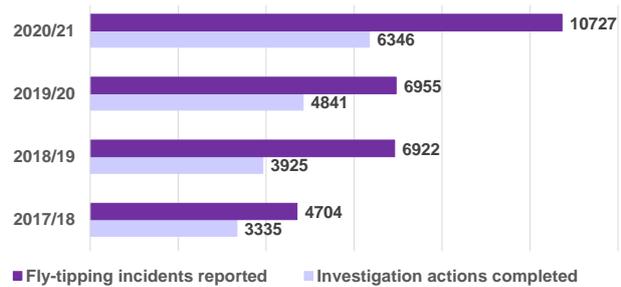
Coventry received an electric vehicle (EV) boost with 30 new on-street electric vehicle charging points installed in the Holyhead Road area as part of an exciting new pilot project. UK-based EV infrastructure company, Connected Kerb, is behind the project driven by Coventry City Council, funded through grant funding of just under £1.5 million. This brings the total number of EV charging points across the city to 488 – making Coventry the most accessible city for EVs outside of London, overtaking Milton Keynes. Usage data for the charging points are being monitored – while usage during the Covid-19 first lockdown was low, this has recovered after the second national lockdown in November 2020, with usage increasing month-on-month, up 86% from January to June 2021. [A map of charging points for EVs in Coventry and elsewhere in the UK is available on Zap-Map.](#)



The scheme has also installed air quality sensors, which are fitted onto the same posts as the charge points, providing data on pollution levels.

## Fly-tipping

### Large increase in fly-tipping



In 2020/21, the Covid-19 pandemic has had a massive detrimental impact the number of fly-tipping reports. The number of reports increased from 6,955 in 2019/20 to 10,727; an increase of 4,119 (up 62%). This is in line with the national trend – with cities and regions elsewhere also reporting a large increase in fly-tipping.

### More investigations undertaken into fly-tipping

The Council has responded to the increase in fly-tipping by increasing the number of investigatory actions. In 2020/21, the Council undertook 6,346 investigations against fly-tipping, an increase of 1,505 investigations compared to last year (up 31%). Since 2017/18, the Council has nearly doubled the number of investigations undertaken; but given the large increase in fly-tipping this year, it outstrips the Council's capacity to respond.



## Engaging residents and gathering intelligence to target problem areas

Fly-tipping reports continued to be followed-up with intelligence from citizens and partners including the police and housing associations. 'Hot streets' are identified, allowing resources to be targeted on problem areas.



We continue to use the targeted use of overt surveillance equipment in fly-tipping hot spots, in order to deter and capture images of these responsible.

The street enforcement team has targeted resources towards locations where issues are occurring and at the times that are needed. This will increase the number of front-line patrolling officers, ultimately leading to more community engagement 'on the street', which we have found is the best way to reduce fly-tipping. More officers time is also being devoted to investigating the most serious incidents of fly-tipping and focussing on problem locations.

## Increase in recycling and composting

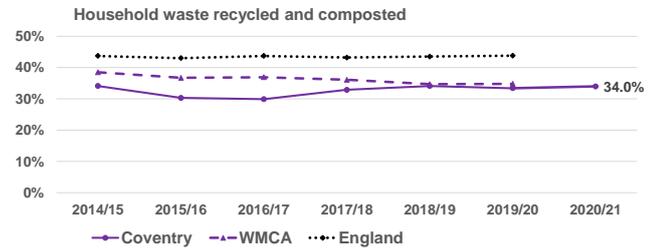
The provisional data for 2020/21 shows that the percentage of household waste recycled and composted has increased slightly from 33.4% in 2019/20 to 34.0%.

Running an operational service during a pandemic has been challenging but also offered new opportunities. As the country closed food and drink outlets, we have seen a higher volume of recyclable materials being offered for collection through the kerbside blue bins.



Above image: online deliveries have created more packaging materials and the trend for continuing shopping in this way is increasing.

Engaging with public face-to-face was suspended and advice on managing waste was given by phone during the pandemic; although now we are once again able to speak to residents in person.



The bulky household collection received a boost from the City of Culture fund used for a "spring clean" of the city. This has, amongst other benefits, helped residents to clear away large items at half price. The spring clean funding has allowed us to increase the number of daily collections, and the half price deal has been so successful it has been continued from March into the new financial year. During the final quarter of the year, over four tonnes of items collected through bulky waste were suitable for reuse and will have a new home.



**131,232 tonnes of household waste collected through cleansing, waste collections, the public waste site(tip) and bulky waste schemes in 2020/21**

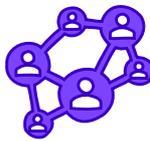
When restrictions on non-essential travel were relaxed after the lockdown, the Coventry Household Recycling and Reuse Centre (the tip) on London Road reopened on 18 May 2020, with a new booking system introduced to manage capacity. Residents were able to book in advance either online or by phone to book a trip to the tip. The systems enabled the tip to safely reopen and comply with the Government's social distancing rules.

Following positive feedback from residents, the booking system at the Household Recycling and Reuse Centre has now been made permanent. Residents are reporting that the booking system makes a trip to the tip much easier and safer.

Residents can book online at [www.coventry.gov.uk/recycling/](http://www.coventry.gov.uk/recycling/).

## Trial of electric bin lorries

A successful zero emission electric bin lorry trial was carried out in 2020/21. The bin lorries are fully electric with zero emissions



and are able to work a nine-hour shift after just six hours 45 minutes battery charge.

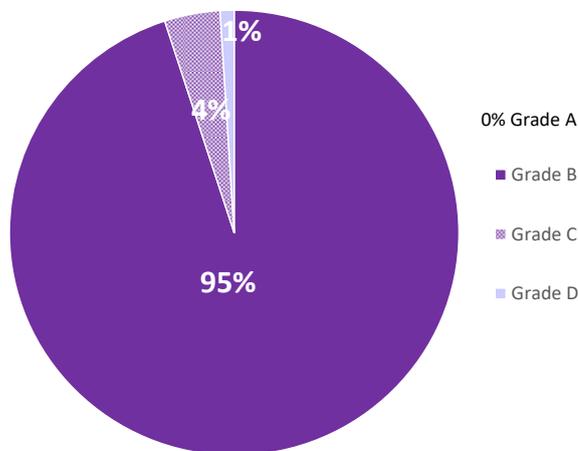


The Council hopes to gradually replace the diesel fleet to help reduce air pollution in residential areas as well as meeting green targets for carbon reduction.

## Streetpride and cleanliness

95% of inspected sites meet Grade B cleanliness standard

### Inspection results 2020/21



There has been a 3-percentage point increase in sites falling below the Grade B cleanliness standard in 2020/21.

In 2020/21 95% of inspections completed were graded B and none were graded grade A, therefore in 2020/21 the percentage of sites graded B or above reduced from 98% to 95%.

The percentage of sites below standard increased from 2% to 5%, with 4% graded C and 1% graded D. Inspections are undertaken on a weekly basis by the supervisory team. These inspections have been developed to measure work undertaken by the Streetpride teams, such as cleanliness, fly tipping, graffiti, grass cutting, hedges and shrub beds of the local environment.

The frequencies of cleansing have been developed and adjusted over time to manage resources to meet a defined standard (grade B, predominantly free of litter and refuse apart from some small items) in the code of practice as far as possible.

The pandemic has had an impact on service delivery as a result of operational staff absences due to the requirement to isolate. Measures have been undertaken to reallocate resources to maintain key services.

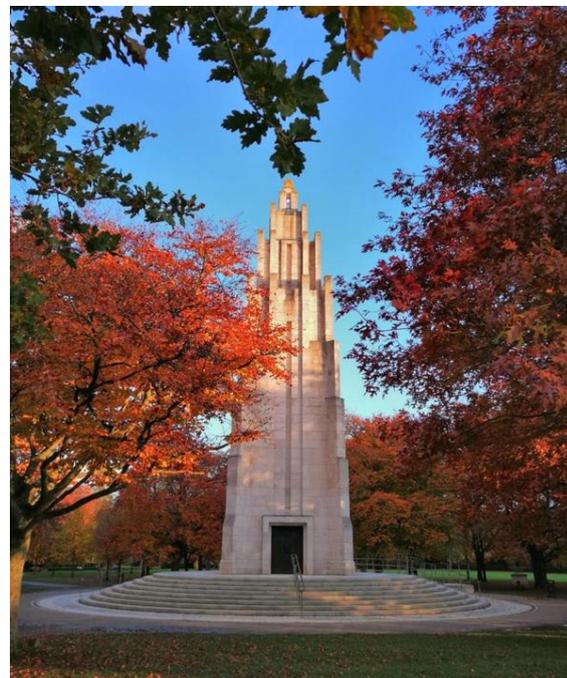
## Upkeep of parks

### Five parks win Green Flags

In October 2020, parks and green spaces across the country were raising their Green Flag Award with pride in a year when millions of people have seen the value of having great quality green spaces on their doorstep.

Among them were five parks in Coventry which were raising a Green Flag Award for the ninth year running:

- War Memorial Park;
- Coombe Country Park;
- Longford Park;
- Allesley Park; and
- Caludon Castle Park.



Above: War Memorial Park

Visit or find out how to volunteer in your local park at: [www.coventry.gov.uk/parks/](http://www.coventry.gov.uk/parks/)

## Go Parks: innovative partner delivery in parks

Go Parks, a new initiative for the people of Coventry that helped find new and exciting ways of using parks and greenspaces was introduced in August 2020. This brought everything from sport and physical activity to wellbeing and culture to local parks.



The Go Parks: Active Schools Challenge was held in February 2021, over 100 schools took part with a total of 384,905 points awarded, winning great prizes for Coventry schools. A video highlight of the Active Schools Challenge is on YouTube at <https://youtu.be/t6SCOgibEVo>.

## Make communities safer

### 9.5% increase in overall crime recorded

Total recorded crime in Coventry increased in April 2020 to March 2021 to 31,309 from 28,592 in 2019/20. This is a 9.5% increase; a much larger increase than in 2019/20 which was only 0.8%. In 2020/21 Coventry ranked fourth out of the eight policing areas, accounting for 11.2% of the West Midlands force's total. Crime has increased throughout the year; however, this may be due to the reduction in recorded crime during the first lockdown experienced at the beginning of the time period. March 2021 recorded the highest number of offences in Coventry for the year.

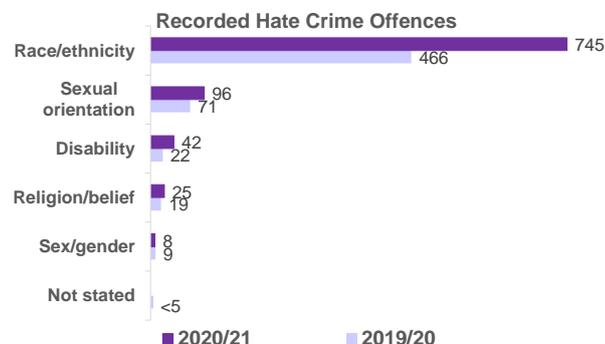
The top three offences for Coventry in 2020/21 were common assault (accounting for 10.3% of crimes), assault occasioning actual bodily harm (7.1%) and harassment (6.2%). Notably of the top three, both common assault and harassment increased significantly, both seeing an increase of 900+ offences recorded in 2020/21.

### Slight increase in youth offending

Coventry has seen a slight increase in the rate of first-time entrants to the youth justice system in young people aged 10-17. This has increased from 224 per 100,000 in 2019/20 to 230 in 2020/21. This reverses a trend since 2016 where the number of first-time entrants has decreased – and the youth offending

service will be closely monitoring the trends on a quarterly basis as pandemic-related restrictions ease to assess the longer-term pattern.

### 55% increase in the number of hate crimes recorded



This is a year where the death of George Floyd in America has sparked protests and conversations about racial inequalities, not just in the USA, but in the UK and around the world too – and here in Coventry.

In 2020/21, 916 hate crime offences were recorded. This is an increase of 328 (55%) from 588 offences in 2019/20. Racially motivated hate crime continued to be the most common hate strand recorded in 2020/21 with 81% of the total being attributed to this strand. Following this was homophobic hate crime (11%) and disability hate crime (5%). Together, these three accounted for 97% of the year's total.

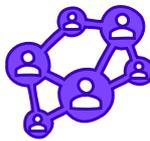
In October 2020, a video produced in Coventry by local communities highlighted the thoughts and feelings of victims of hate crime and providing details of how people, who experience or witness hate crime, can report it.

The video, titled '*Together we can stop hate crime*', tells the experiences of people from different communities in the city.

Each person's story explains the cruelty of hate crime, which is defined by a hostility or prejudice towards someone on the basis of either their race, religion, disability, or as a result of homophobia or transphobia.

It was put together by the Council with support from Together in Action (TIA), plus community and police partners.





The video is on YouTube at <https://youtu.be/kBeQzbnw5aU> and anyone experiencing a hate crime can report it at [www.report-it.org.uk](http://www.report-it.org.uk) or go to a library or family hub to get information.

## Domestic abuse

### 37% increase in domestic abuse crimes reported

There has been an 36.7% increase in domestic abuse reported in 2020/21. The number of reports increased from 7,463 in 2019/20 to 10,203 in 2020/21. In 2020/21, there were 6,237 crimes and 3,966 'non-crime' incidents reported over the 12 months.

Domestic abuse has increased across the West Midlands Police force area, with Coventry mirroring activity seen across the West Midlands. Whilst this shows a general increase of domestic abuse in Coventry, consideration is also needed for the service provision changes experienced throughout the last year as access to support and knowledge of what support is available would likely have lessened due to the lockdown imposed at the beginning of the year, therefore an increase may also signal a continued confidence in reporting.

### 10,203 domestic abuse offences reported in 2020/21

**Females**  
7719

**Males**  
2112

372 Gender not recorded

Females accounted for the vast majority of domestic abuse offences recorded in Coventry in 2020/21, accounting for 78.5%, reflecting the gendered nature of this crime, and the disproportionate impact of violence against women and girls. However, males proportionally increased from recording 18.6% in 2019/20 to 21.5% in 2020/21.

In November-December, the Council and the city's domestic abuse services (Coventry Haven, Valley House, Panahghar and Relate) joined global organisations and communities to raise awareness of domestic abuse; reminding communities that, while the consequences of the pandemic and lockdown

**DOMESTIC ABUSE - HOW CAN I GET HELP DURING LOCKDOWN?**

For some people, lockdown might offer some ways of getting support that you haven't had before. If you are thinking about getting some help or want to leave an abusive partner, these suggestions might help you:

- ▶ Online shopping lets you have to go - you might have to leave the house to go shopping which means you can't shop safely or help.
- ▶ If you need to shop for you, can you safely ask for help on your shopping list?
- ▶ Does someone you know need help? A neighbour, friend or relative? Helped them please to discuss to get out of the house or speak to others.
- ▶ Everyone can leave the house for exercise once a day. Could you make use of this time to get help?

Remember - if you are experiencing abuse you are allowed to leave to go and stay with someone else. The Government have said you can, and if you do you won't be accused of breaking the rules.

- ▶ If there isn't anyone safe to talk to, call the Coventry SafeTalk Helpline on 0800 111 4908. Monday - Friday 9.30am - 5.30pm & Saturday - Sunday 10am - 1pm.
- ▶ You can also call Coventry Helpline directly for support on 02475 444077.
- ▶ If it is not safe to call, visit [www.safe2talk.org.uk](http://www.safe2talk.org.uk).
- ▶ Coventry Haven offer a live 'chat' session from 9am - 6pm Monday - Friday, access on their website [www.coventryshaven.co.uk](http://www.coventryshaven.co.uk).

measures are challenging for all of us, it can pose extra difficulties and risk for those who are living with domestic abuse. Staying indoors is even harder for people whose home is not the haven it should be and enforced isolation may increase abusive behaviour. It reduces victim's ability to access help and support; and isolation may be used as a tool of coercive and controlling behaviour by perpetrators, as they attempt to shut down victim's routes to safety and support.



The city's Safeguarding Adults Board launched campaigns to ensure people experiencing domestic abuse know they can access help – and demand on the Safe to talk helpline has increased with more than 1,000 calls received since the start of Covid-19.

Additionally, an 18-week perpetrator programme, Choose2Change, has been introduced to try and stop further abuse in the future.

## Improving educational outcomes

### School performance and pupil attainment

Due to the Covid-19 pandemic and the national lockdown, school examinations including GCSE and A-level examinations were cancelled in summer 2020. As a result, there are limited indicators available for 2020.

Pupils scheduled to sit GCSE and A-level exams in 2020 were awarded either a centre assessment grade (based on what the school or college believed the student would most likely have achieved had exams gone ahead) or their calculated grade using a model developed by Ofqual - whichever was the higher of the two. The GCSE grades awarded to pupils in 2020 will remain with them as they stay on in further and higher education or enter employment after leaving school. However, the cancellation of summer 2020 GCSE exams and the new method of awarding grades has led to a set of pupil attainment statistics that are unlike previous years.

Each of the pupil level attainment statistics have increased, more than would be expected in a typical year. This reflects the change to the way GCSE grades were awarded rather than improvements in pupil performance. As a result, the 2020 data should not be directly compared to attainment data from previous years for the purposes of measuring changes in student performance.

## Key stage 4

The following table sets out the attainment 8 results at key stage 4 for Coventry and England. Progress 8 data was not published. No comparisons are made against previous years as the results are not comparable.

		2020
Coventry	Average Attainment 8 score of all pupils	47.2
	Percentage of pupils achieving grades 4 or above in English and Mathematics GCSEs	66.9%
	Percentage of pupils achieving grades 5 or above in English and Mathematics GCSEs	44.8%
England	Average Attainment 8 score of all pupils	50.2
	Percentage of pupils achieving grades 4 or above in English and Mathematics GCSEs	71.2%
	Percentage of pupils achieving grades 5 or above in English and Mathematics GCSEs	49.9%

## Key stage 5

**A levels**  
36.75 points



**Tech levels**  
29.20 points



**General applied**  
31.44 points

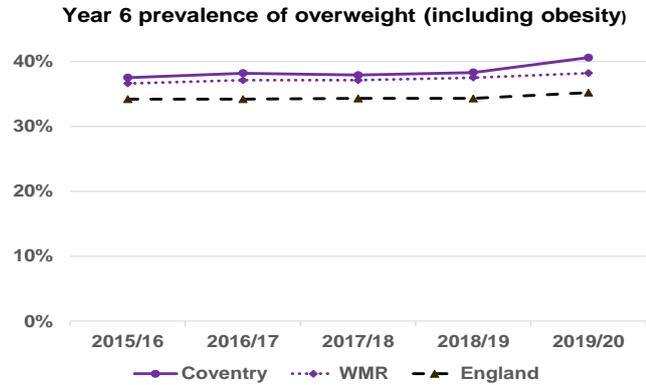


The following table sets out the three key metrics at key stage 5:

		Coventry	SN	England
A Level	Average Points Score	36.75	36.86	39.51
	Average Grade	C+	C+	B
Tech Level	Average Points Score	29.20	29.02	29.77
	Average Grade	Merit	Merit	Merit
General Applied	Average Points Score	31.44	29.77	31.25
	Average Grade	Merit	Merit	Merit

## Improving health & wellbeing

### Increase in overweight children

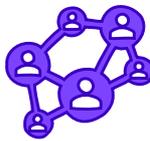


2019/20 has seen an increase in the rate of overweight or obese children aged 10-11 in the city, a 2.3% increase to 40.6%. Covid-19 has resulted in delays to completing the national child measurement programme in 2020/21 – and completing this during the remainder of the school year is a priority. The Council is working with school nurses and health visitors to support to children and families around healthy eating, being active and wellbeing; including supporting healthy behaviours alongside the buggy workout programme for new mums.

During Covid-19, services were adapted, including running live activity and fitness sessions over Zoom; working with schools to provide activities and online sessions; and, when restrictions were relaxed, outdoor face-to-face sessions in-line with government guidance.

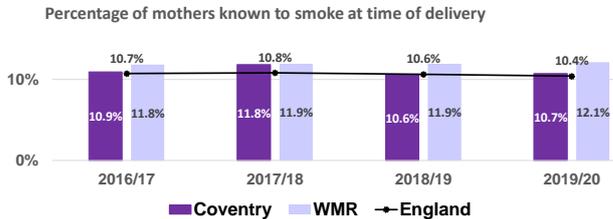
The Go Parks challenge, focused on increasing the activity levels of pupils, teachers, and families, saw excellent results. British Cycling have also delivered sessions with community centres and family hubs during the Easter break and have further sessions arranged with schools across the summer holidays.





## Smoking status amongst mothers at time of delivery

Smoking status amongst new mothers at time of delivery for Coventry in 2019/20 has remained consistent to last year and is statistically similar to England's.

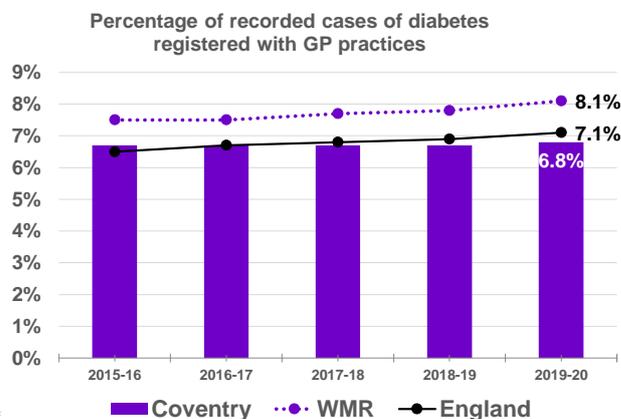


In 2019/20, over 300 women sought support from stop smoking services to quit, with 133 who achieved abstinence by the time of delivery. Although the prevalence of smoking has been reducing, the number of women achieving abstinence from cigarettes at time of delivery from a stop smoking service has remained consistent over the last few years. During Covid-19, services moved to an online model of delivery and carbon monoxide verification was paused in line with national guidance. The service saw a significant increase in reaching 'hard-to-engage' pregnant women and their family members to quit smoking during this time.

As part of the local maternity and neonatal system across Coventry and Warwickshire, University Hospital Coventry and Warwickshire (UHCW) will be leading on embedded stop smoking in pregnancy services in maternity. They will work alongside community stop smoking services ensuring a robust offer for pregnant women and their families to quit smoking.

## Slight increase in diabetes prevalence recorded

There were 29,142 people with diabetes registered with GP practices in Coventry in 2019/20. This has increased by 996 cases, from 28,146 in 2018/19. As a percentage, this is an increase from 6.7% to 6.8% of the GP registered population.



While the prevalence of diabetes in Coventry remains below England and West Midland levels, it has continued to see a gradual rise year on year. Our population health data, demographics and relative deprivation all indicate that Coventry is most probably under-reporting the level of diabetes in the city – meaning that people with diabetes in the city may not be getting the help they need.

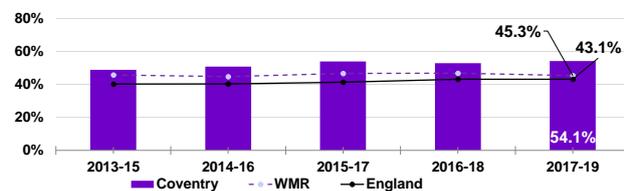
The pandemic has had an effect on the ability of the health system to record and support people with diabetes – as routine primary health care work, including health checks, and opportunistic screening were paused; and to date, has not been fully restored as the health system continues to deal with the backlog of unmet health care demand.

This has also significantly impacted on the care delivered to people with diabetes – with just over half (55.2%) of people with type 2 diabetes receiving all eight care processes – meaning that more people will not have received the screening to detect complications of diabetes during the pandemic.

The reduced detection of diabetes, late presentations, and the impact of Covid-19 on people with diabetes receiving their annual review and eight care processes has the potential to adversely impact on the health of our population for a significant time.

## Increase in percentage of late HIV diagnoses

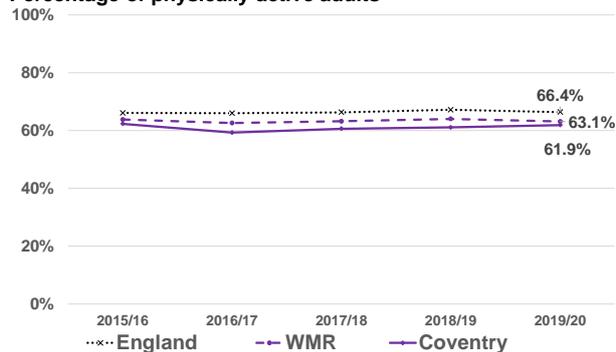
There has been a slight increase in the *percentage* of late HIV diagnoses from 52.8% in 2016-18 to 54.1% in 2017-19. However, the overall count has reduced from 47 to 40, as fewer HIV diagnoses were made overall. Evidence suggests HIV testing coverage has increased in the past few years and the number of new HIV (positive) diagnoses are coming down. Despite this, Coventry remains a high prevalence area for HIV, when compared with other areas in the West Midlands.



Local data suggests that there has been a significant decrease in the number of individuals accessing HIV testing in pharmacies during the pandemic. To compensate this, the online national HIV test ordering service has been promoted to ensure residents can continue to access HIV tests. In 2020/21, 405 individuals accessed a HIV test from the online service. The Council will recruit new pharmacies to deliver HIV testing in 2021/22.

## 6 in 10 adults are physically active

Percentage of physically active adults



The national Sport England active lives adult survey indicates 61.9% of adults in Coventry were physically active in 2019/20. Fewer adults are physically active in Coventry than the West Midlands Region (63.1%) and England (66.4%). This survey took place before the pandemic and therefore does not consider the changes in patterns of behaviour due to the pandemic and associated lockdowns.

## Lockdowns and restrictions associated with the pandemic shifted physical activity

A national survey with around 2000 adults (16+) undertaken via Sport England indicates that during the first national lockdown (March to May 2020), when many activities were unavailable, large numbers of people were walking, cycling, and running – despite worries about leaving home – and working out at home to stay active.

As restrictions eased (May-September 2020), physical activity levels held; but as other parts of society reopened, the number of people active on most days (five or more days a week) declined, and the number active on some days (1-4 days per week) increased, compared to the first lockdown.

As restrictions resumed in September to January, and the weather turning and the rule-of-six and regional tier system introduced, the number of people active on most days fell lower by October, despite stable participation in most activities.

During the third national lockdown, physical activity levels were unchanged – with many other activities unavailable, walking and cycling for leisure have increased, as has activity taking place at home.

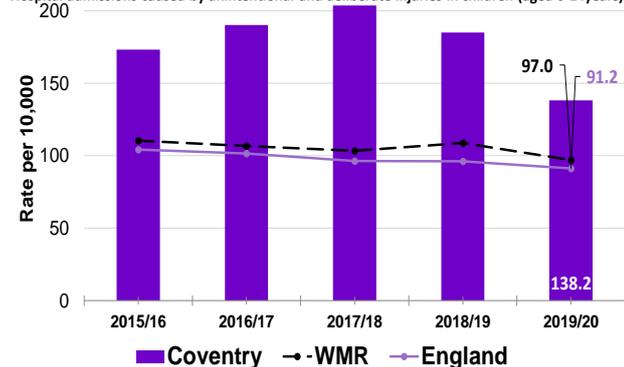
Early, provisional results from the Coventry household survey 2021 conducted in February 2021 suggest that three quarters of residents spent some time on active recreation – with half of

residents spending at least an hour a week on active recreation. This has increased from the previous household survey in 2018.

## Fewer admissions to hospital due to childhood injuries

The city's Early Help Strategy identified preventing childhood accidents as one of ten key outcomes. A task group, with representatives from the Council, fire service, midwifery, and voluntary sector organisations, have worked to highlight accident hotspots in the household and help advise practitioners on practical steps to help families take on preventative measures.

Hospital admissions caused by unintentional and deliberate injuries in children (aged 0-14 years)

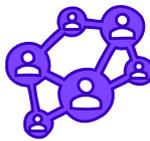


There has been a reduction in hospital admissions caused by injuries in children aged 0-14, with the rate per 10,000 reducing from 184.9 in 2018/19 to 138.1 in 2019/20.

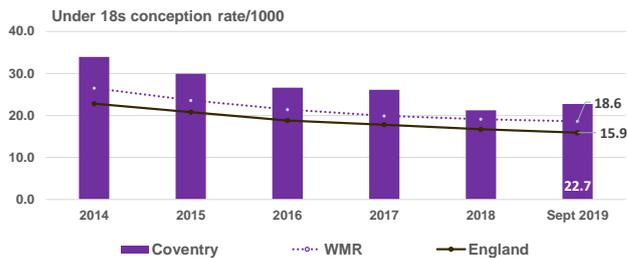
Due to school closures associated with the pandemic, children have spent more time at home. Figures are expected to show an increase due to increased exposure to potential household harms and domestic abuse. Additionally, face-to-face workshops run by MAMTA to support migrant families to access childhood accident prevention resources were suspended during the pandemic, meaning there may be more families unaware of the support and resources available.

There are a few organisations who carry out home safety checks, so it is not surprising if a household receives multiple visits from different professionals. The group is looking to map existing safety checks to better align the support and advice offered. Partnering with Child Accident Prevention Trust (CAPT), the group is exploring the use of pictorial and multi-lingual resources to spread accident prevention messages to families who do not have English as a main language.

Locally committed



## Increase in conceptions to under-18s



Provisional data for October 2018 to September 2019 suggests an increase in the under-18 conception rate to 22.7 per 1,000 girls aged 15-17 in Coventry. This contrasts the data for West Midlands Region and England which both show a reduction to 18.6 and 15.9, respectively.

The increase in the under-18 conception rate marks a reversal of a decade-long trend whereby the city's under-18 conception rate has fallen from a peak of 68.1 in 2008.

## Cycle training for children and adults

Over the summer holidays in 2020, free training was available for children at leisure centres with British Cycling. All sessions were free for Coventry residents and Go CV card holders. All the sessions were delivered in small groups with social distancing in line with the government guidance at the time.



Free cycle training sessions for adults were also available at Xcel Leisure Centre and the Canal Basin where you could learn to ride, develop your skills away from traffic or build your confidence riding on the road.

## Better cycling experience

Working with Transport for West Midlands (TfWM), the Council introduced active travel schemes over the summer months, responding to the additional demand for walking and cycling within the city. Pop-up cycle lanes, wider pavements and bike

share schemes are amongst some of the measures introduced to encourage more people to cycle and walk when moving around the city.



Above: West Midlands cycle hire scheme, and wider pavements and dedicated cycle lane on Hollyfast Road.

## Protecting our most vulnerable people

The Council helps to keep children and adults safe from harm; provide early intervention for families; and prevent homelessness, while services continue to face significant and sustained pressures.

## Breastfeeding

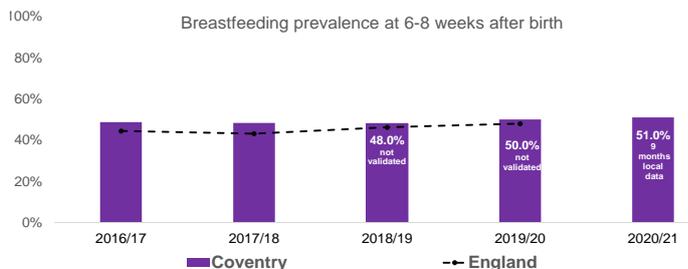
In 2019/20, 94.6% of Coventry infants' breastfeeding status were known. Public Health England (PHE) requires the figure to be 95% or above before reporting, and so the Coventry's figures were not published. Of Coventry infants whose breastfeeding status was known in 2019/20, 50% were totally or partially breastfed at 6-8 weeks after birth. This is an increase from 2018/19 rates of 48%. Compared to England's rate of 48% in 2019/20, Coventry's is significantly higher.

The city has adopted the UNICEF baby friendly initiative infant training programme. All of the service's staff, excluding school nurses, have attended relevant training; and audits have been carried out with staff and service users in preparation for the pending UNICEF re-accreditation assessment.

The pandemic-related restrictions meant that, for a portion of 2020/21, face-to-face contact and home visits were not allowed. It was originally estimated that the restrictions would decrease breastfeeding levels, so the service aimed to protect breastfeeding levels – as well as ensure that infant formula was available.

The service received a great increase in the number of calls for support by anxious families in response to pregnancy in lockdown, breastfeeding and queries about the safety of the

Covid-19 vaccination. Families have also reported feeling isolated, lonely, and vulnerable; and have raised concerns about their own mental health or that of their family members. In response to restrictions and increased demand, the service adapted, increasing virtual contact. Families in Coventry can now access the service via Zoom breastfeeding cafes and virtual specialist clinics. In addition, Covid-safe face-to-face clinic consultations were carried out in family hubs once restrictions relaxed.



Provisional data for the first three quarters of 2020/21 suggest that, of the Coventry infants whose breastfeeding status was known, 51% were totally or partially breastfed at 6-8 weeks after birth – maintaining the performance level seen in 2019/20. This may reflect well on the new hybrid virtual and face-to-face delivery model; as well as improved collaboration between health visiting and infant feeding teams.

Building on the learning from the pandemic, the service is looking to continue their hybrid offer of virtual and face-to-face support, including monthly infant feeding workshops for all staff; new training for peer support volunteers; a new-style breastfeeding café at a physical venue; and, recognising the mental health concerns reported, a Mindfulness Day.

## Update on children's services transformation



The ongoing journey to excellence in children's services has maintained its momentum throughout the pandemic. Services have embraced system change and adopted digital solutions, to make sure the city's most vulnerable children are getting the best outcomes.

Despite the lockdown restrictions, recent improvements include:

- redesign of business processes and forms for *signs of safety* to allow early help for vulnerable children and families before issues become entrenched;
- continued drive to increase the number of internal foster care placements; and
- moving to electronic processes for our residential services, through the implementation of a new module in the children's case management system.

## Supporting families through receiving the right help at the right time

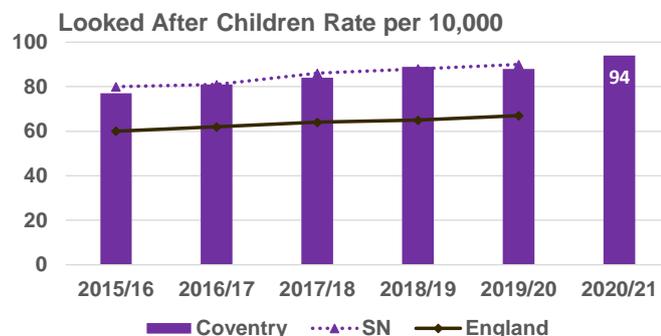
Last July, Coventry's Safeguarding Children Partnership launched its Early Help Strategy for 2020-2022.



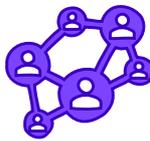
The vision is for Coventry children and young people to have supportive families, live safe from harm, fulfil their potential, are healthy, and have positive fulfilling lives.

## Increase in the number of looked after children

At the end of March 2021, 747 children were looked after by Coventry City Council. This is an increase of 46 children from March 2020, when there were 701 looked after children. Expressed as a rate per 10,000 children, Coventry's rate has increased from 88.0 March 2020 to 93.7 in March 2021.



There was a considerable increase in new children becoming looked after in July and December 2020 – and the number of looked after children peaked at 754 in December 2020. Trends in



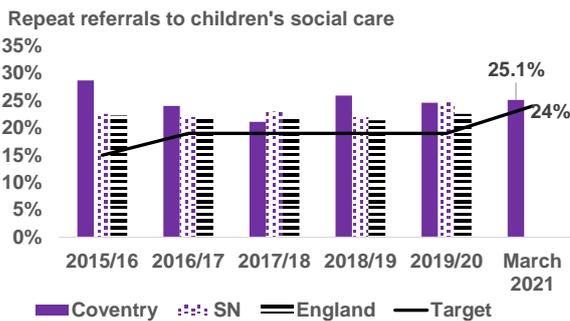
Coventry reflect wider trends regionally and nationally and may be linked to increased isolation associated with pandemic-related lockdowns.

A total of 304 new looked after children started during 2020/21; the highest number between 2015/16 to 2020/21.

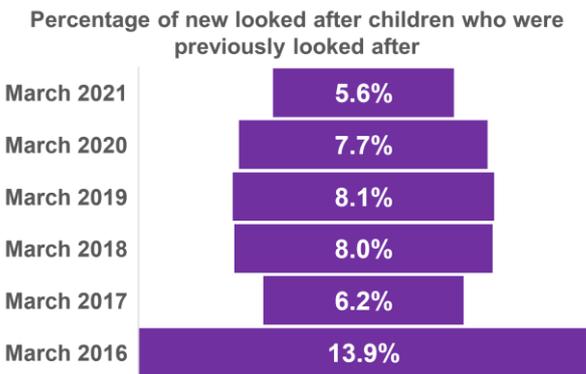
Coventry is launching the Family Valued model in April 2021, a model of system change where training in restorative practice is provided across children's services and partner agencies, with one of the aims of improving outcomes in Coventry by reducing the number of children looked after.

### Increase in repeat referrals to children's social care

Repeat referrals to children's social care have increased slightly from 24.6% in 2019/20 to 25.1% at March 2021. Throughout the year a responsive 'dip-sampling' approach has been employed to help social workers and managers understand the reasons behind the re-referrals, so that actions can be put in place to support improvement and further reduce re-referrals moving forward into the new financial year.



### Fewer looked after children previously looked after



The percentage of new looked after children who were previously looked after has reduced to 5.6% in 2020/21, from 7.7% in 2019/20. The excellent performance in reducing the numbers of children returned to being looked after is evidence that outcomes for vulnerable and at-risk children are improving in the city.

### Digital counselling and support to improve the mental wellbeing of children and young people

Kooth, a new anonymous digital counselling and support service for children and young people went live in Coventry in April 2021.



Kooth is a safe, free, and confidential way for young people to access emotional wellbeing and early intervention mental health support. The service, funded by Councils and the clinical commissioning group, is open to all young people in Coventry and Warwickshire aged 11-25 years.

### Up to 70% off water bills for care leavers

In an industry-first, Severn Trent, the water company, is offering up to 70% discount on water bills for care leavers. This helps provide financial support to care leavers as they move into independent living; and is part of the care leavers covenant, a commitment by local authorities to help support young adults leaving the care system. Severn Trent is the first utility company to join forces with a local authority, in offering this type of support to care leavers. The scheme will give the care leavers up to 70% off their water bill in the first year, and then further discounts until the age of 25.

### Adult social care

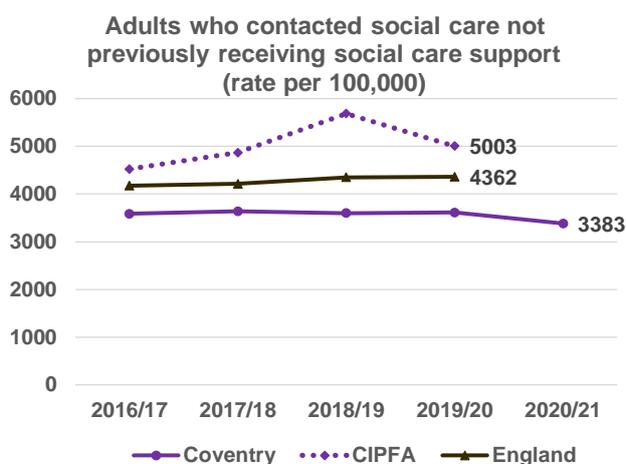
When the pandemic commenced, adult social care adapted quickly to continue to deliver most of our responsibilities for assessment and safeguarding through digital means while ensuring we continued to undertake face to face work where this was required. As we progress towards recovery from the pandemic, we will increasingly blend the use of technology with face to face work. We did, however, have significant challenges in respect of care capacity and were one of only six local authorities to activate the Care Act easements due to a shortage of care and support staff early in the pandemic. This required us to temporarily reduce our approach to promoting independence and reassign staff from day centre activity to other services.

## Stable number of people in receipt of long-term care

As of 31 March 2021, there were 3,404 people receiving long-term ongoing support from adult social care. The number and rate have stayed at a similar level over the last 5 years and remain lower than comparators.

## Fewer new people asking for support from adult social care

In 2020/21, 9,870 adults (a rate of 3,383 per 100,000) contacted social care who had not previously received social care support. This is a reduction of 6% from 2019/20, when 10,367 adults (3,600 per 100,000) requested help.

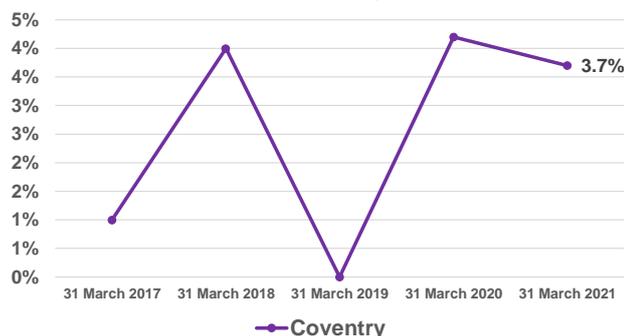


The number of adult safeguarding S42 enquiries (476 enquiries) and rate per 100,000 population (163 per 100,000) have both fallen in comparison with last year.

## % of service users placed in adequate social care services

The proportion of adult social care service users placed in regulated adult social care services rated as inadequate has reduced to 3.7%. As of 31 March 2021, 30 people were placed in residential and nursing care within the city that were rated by the Care Quality Commission (CQC) as inadequate, out of 810 people placed. Where a service is rated as inadequate following CQC inspection, adult social care ensures that residents continue to have their care and support needs met and work with the home to ensure remedial actions are put in place.

Proportion of adult social care service users placed in regulated adult social care services rated as inadequate



## Satisfaction measures not available this year

The adult social care survey was paused in 2020/21. This means that data on the proportion of adult social care service users who feel safe; and the overall satisfaction of people who use services with their care and support is not available. We did however undertake a smaller survey of our own, which although was not statistically significant did indicate a high level of satisfaction with the support received from those who responded.

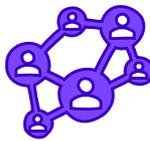
The carers survey has also been paused – so overall satisfaction of carers with social services is also unavailable.

## Impact of the pandemic on the care sector

The impact of the pandemic on the care sector and care homes in particular is well reported and Coventry has not been immune from this impact.

The Council has worked with the care sector in Coventry throughout the pandemic supporting with ensuring adequate personal protective equipment (PPE) was in place and additional funding to support infection control, testing and workforce resilience was provided. We have also been supporting the care sector with the roll-out of Covid-19 vaccinations to care staff. As of 29 June 2021, 80% of frontline care staff have received the first dose of the vaccination, and 66% with both doses.

A full report setting out the performance of adult social care against objectives set can be found in the local account, available at <https://www.coventry.gov.uk/localaccount/>.



# Housing and homelessness

## Less statutory homeless (in priority need) households

The number of households accepted as statutory homeless (in priority need) decreased from 913 in 2019/20 to 722 in 2020/21. However, this is still a significant increase from 388 in 2018/19. The past year has seen an increase in approaches to the service particularly from single people. Like many services, the delivery of the front-line statutory service moved to a telephone-only service at the outset of the first lockdown on 23 March 2020. There has also been a year-on-year increase in approaches to the service:

- 2018/19: 3,789 approaches
- 2019/20: 4,530 approaches
- 2020/21: 4,497 approaches

With the eviction ban due to expire, the service expects an increase in approaches, especially from families, in 2021/22.

## More homelessness cases prevented and relieved

The number of homelessness cases prevented and relieved increased from 552 in 2019/20 to 1,083 in 2020/21 against a corporate target of 750. The front-line processes were reviewed, and changes made to how customers can access the service.

The introduction of appointments has seen an increase in cases going onto prevention; giving more opportunity to work with customers to resolve their circumstances before they become homeless.

## Temporary/supported accommodation

The Council delivered a number of significant projects during 2020/21, reducing the spend on temporary accommodation. Projects include:

- implementing a temporary accommodation charging policy;
- re-negotiating the costs of temporary accommodation, securing better accommodation at cheaper cost; and
- no family was placed in B&B accommodation in 2020/21, except in an out of hours emergency;
- the implementation of an agreement with Cornerstone Partnership and *Let's Rent Coventry*, the Council's rent guarantee scheme, increasing the number of private rented properties at local housing allowance rates for homeless households;

- approval to purchase a range of temporary accommodation, a number of which are now refurbished and providing enhanced support to single people. This includes the conversion of a former student accommodation block, a 26-bed unit on Holyhead Road that opened in March 2021; and
- newly commissioned housing-related support contracts, which went live in April 2020.

Below: new accommodation secured to support single homeless people (image source: Google Maps)



## Supporting rough sleepers

In March 2020, at the outset of the first national lockdown, the Government issued a directive for Councils to accommodate all people rough sleeping in their boroughs. In Coventry, this coincided with an increase in the city's rough sleepers team from three officers to nine officers. Working with partners across the city, in particular the Salvation Army, the team accommodated over 350 individuals temporarily and moved over 250 into permanent accommodation. Working with partners, the Council also secured over three million pounds in funding to meet the accommodation needs of rough sleepers in the city. Launched in February 2020, *Change into Action* is an alternative giving scheme supporting local specialist charities and street teams working to change the circumstances of rough sleepers and those at risk of rough sleeping in Coventry. Next year, the Council will be refreshing the city's rough sleeping strategy with local experts by experience and working towards our ambition to eliminate rough sleeping in 2022.

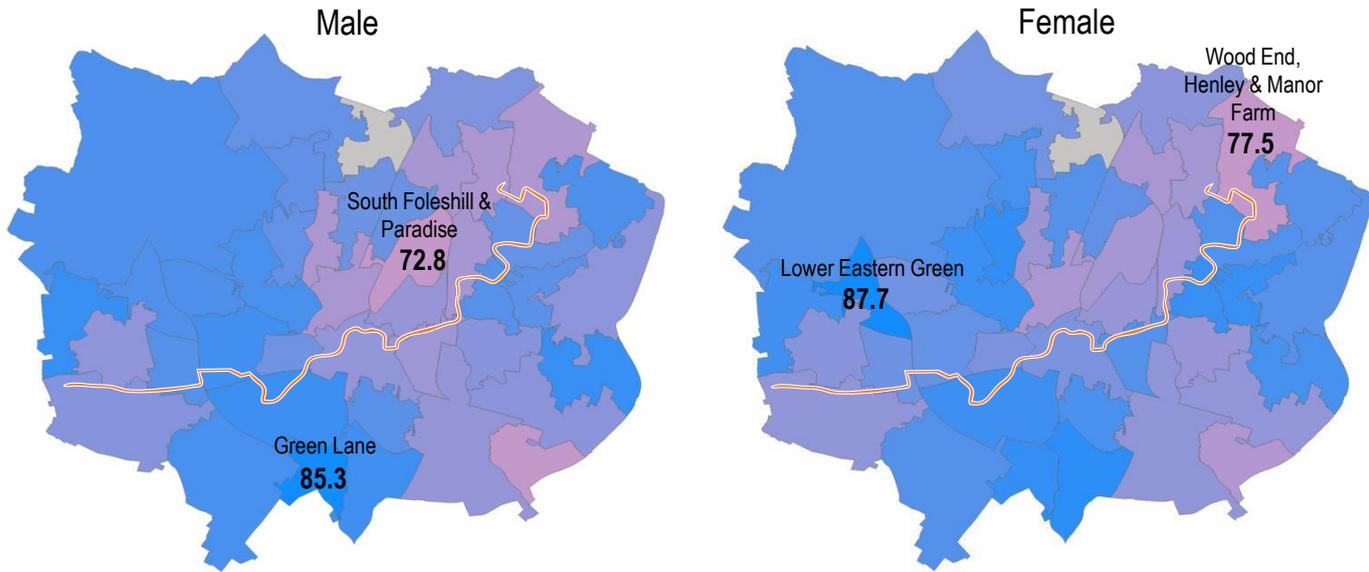
### Homelessness



## Reducing health inequalities

### Life expectancy

#### Life expectancy at birth (in years) by MSOA (2015-2019)



Males living in the most deprived parts of the city die on average twelve years younger than males living in the least deprived parts of the city; and for females, the difference is ten years.

72 87 Coventry Bus Route 10

### Healthy life expectancy

Healthy life expectancy indicates the average number of years a person could expect to live in good health. Coventry's healthy life expectancy at birth for males (61.9 years) and females (64.2 years) are both similar to the figures for the West Midlands Region and for England. Trend-wise, England's healthy life expectancy figures for both males and females have been stable from 2009-11 to 2017-19. While male figures have tended to perform worse than England average between 2009-11 and 2012-14, it has caught up since 2013-15 and has remained statistically similar to England average.

### Direct impact of Covid-19

Between 1 April 2020 and 31 March 2021, Coventry experienced 23,205 cases of Coventry. Women were more badly affected than men – with 46.9% of the city's Covid-19 cases were amongst men, and 53.1% amongst women.

Coventry North East was the worst hit of the three parliamentary constituency areas of the city.

The Wards with the highest number of cases was Foleshill (1,864 cases) followed by Lower Stoke (1,731) and St Michael's (1,614).

The Wards with the lowest number of cases was Earlsdon (774 cases) followed by Whoberley (876) and Woodlands (916).

Accounting for the different population in the wards, the ward with the highest rate of Covid-19 infections was Holbrook, followed by Foleshill, and Longford; and the lowest, St Michael's.

In terms of ethnicity, of the 23,205 cases:

- 4,020 are of people of an Asian ethnicity (17.3%);
- 1,446 Black (6.2%);
- 611 Mixed (2.6%);
- 754 Other (3.2%);
- 1,310 White Other (5.6%);
- 10,490 White British (45.2%);
- 4,574 Unknown (19.7%).

### Hospitalisations due to Covid-19

Up until 30 June 2021, 2,807 patients were admitted to University Hospitals Coventry and Warwickshire (UHCW) due to Covid-19. This includes 2,527 admissions between 1 April 2020 and 31 March 2021. At the peak of the winter wave in January 2021, 286 beds at UHCW were occupied by Covid-19 patients, and 43 Covid-19 patients were in mechanical ventilation beds; placing



obvious and severe pressures on the hospital's capacity to respond to other illnesses, accidents, and emergencies.

## Deaths due to or involving Covid-19

The following table sets out the number of people in Coventry who died due to or involving Covid-19. That is, a person with Covid-19 recorded as a cause of death on their death certificate as certified by their doctor.

Place of death	2020-21 (4 Apr 2020 to 2 Apr 2021)		Since the pandemic began (21 Mar 2020 to 4 Jun 2021)	
	Covid-19 deaths	All deaths	Covid-19 deaths	All deaths
Hospital	430	1,464	489	1,754
Care homes	131	636	141	757
Home	36	874	42	1,037
Hospice	7	161	8	196
Elsewhere	1	51	2	64
<b>Total</b>	<b>605</b>	<b>3,186</b>	<b>682</b>	<b>3,808</b>

In 2020/21, Covid-19 accounted for nearly one-fifths of all Coventry deaths. Over 90% of Covid-19 deaths are "due to" (caused by) Covid-19; and fewer than 10% are "involving" Covid-19 (where Covid-19 is a contributing factor to the death).

Separate data from the Care Quality Commission suggests 200 care home residents in Coventry died due to Covid-19 – this is more than the figure in the table above, because the ONS data shows *place of death* (some care home residents will have died elsewhere, in hospital, for example.)

To put Covid-19 deaths in perspective with major events in Coventry's history, the official death toll during the Coventry Blitz on 14-15 November 1940 was 554 people; and around 1,250 people were killed in Coventry by air raids between June 1940 and August 1942.

## Wider health impacts of Covid-19

Good health and wellbeing are influenced by multiple factors, such as employment status, living environment, personal relationships, and having a voice in decisions that affect you. During the pandemic, many facets of life that were key to health and wellbeing, also known as the wider determinants of health, were impacted. Nationally, Public Health England reports that, during the pandemic:

- half of the survey responses of people who had a worsening health condition in the preceding seven days did not seek advice for their condition. The most common reason given was to 'avoid putting pressure on the NHS';

- self-reported mental health and wellbeing has worsened;
- increase in people were helping others more than before; and
- increase in snacking, cooking from scratch, eating healthy meals, and eating with family
- increase in people attempting to quit smoking has increased.

Together, these will have a mixed impact on overall health and wellbeing.

Locally, draft, preliminary findings from the Council's latest household survey, conducted in February 2021 found:

- just under three-quarters of a representative sample of Coventry residents said their health was good, a decrease from 2018;
- fewer residents reported smoking cigarettes or e-cigarettes than in 2018;
- similar number of residents reported eating the recommended level of fruit and vegetables;
- fewer residents reported eating takeaways; and
- an increase in residents consuming alcohol at least once a week.

Residents were also asked about the impact of the pandemic on various factors. Fewer residents were worried about their relationships with people they live with, their job, connectedness to the local community; but there were greater concerns about the impact on their finances, physical and mental wellbeing, and lifestyles.

The Council worked with Warwickshire on a joint Coventry and Warwickshire Covid-19 health impact assessment. The assessment sought to identify key factors that may affect the population's health and wellbeing as a direct result of Covid-19.

Key findings include:

- an integrated recovery: the analysis shows that health and wellbeing has been deeply impacted by changes across the wider determinants of health; health behaviours and lifestyles; the health and care system; and the places and communities we live in. The implication is that recovery must be connected across all four parts to have the biggest chance of success; and
- the double impact – the harm from Covid-19 itself has been unequally distributed across the population. The analysis shows that the wider impacts from the pandemic and lockdown will fall more heavily on those same communities most directly affected by the

disease – with the burden falling on communities who are living in areas of greater deprivation, with less ability to mitigate against the disease.

## Local picture for mental wellbeing

The Coventry and Warwickshire Mental Health Needs Assessment survey results have revealed:

- inequalities regarding access to services for people with protected characteristics (women, ethnic minorities, LGBT+ people); people at financial disadvantage (including digital disadvantage); and people living with or facing multiple complex needs (such as homelessness, substance misuse, offending behaviour, mental ill-health, domestic abuse);
- service disruptions and an increase in waiting times across a wide range of health and social care services, including mental health services;
- struggles with isolation; the blanket coverage of the pandemic in social media; and digital exclusion from the shift to digital-only services.

Additionally, the Coventry Safe Haven survey suggest that people experiencing mental ill health have experienced greater levels of social isolation, contributing to an increase in depression, self-harm, and suicidal thoughts. Service users have reported struggling with the lack of physical presence and contact; changing the dynamics of their relationships.

## Vaccinating Coventry

The coronavirus (Covid-19) vaccines are safe and effective. They are our best defence against the virus and gives the best protection against the disease. On 8 December 2020, Coventry's University Hospitals Coventry and Warwickshire (UHCW) was the first place in the world where a patient, Margaret Keenan, received a coronavirus vaccination as part of a vaccination programme outside of a clinical trial.

Anyone who gets Covid-19 can become seriously ill or have long-term effects (long Covid). Research has shown that the vaccines significantly reduce the risk of getting seriously ill or dying from Covid-19; reduce the risk of getting symptoms of Covid-19; and help reduce the risk of catching and spreading Covid-19.

Current evidence suggests that the Pfizer-BioNTech vaccine is 96% effective against hospitalisation after 2 doses, and the Oxford-AstraZeneca vaccine is 92% effective against hospitalisation after 2 doses.

In Coventry, we know that people in some of our more deprived neighbourhoods and from some communities are less likely to be

vaccinated against Covid. If this were left unaddressed, this would leave some communities at greater risk of preventative death and disease.

The Council has been working with our NHS partners, GP practices and community, faith, and voluntary sector leaders to encourage our residents to get vaccinated to protect themselves and their family and friends against Covid; this has included opportunities to see how the Covid-19 vaccine is prepared; talks from medics and community and faith leaders to address any concerns or reservations; and pop-up clinics to encourage people to get vaccinated. This has helped address some of the inequality gaps in the city - but still more efforts are required to get everyone vaccinated in the city.

The Covid-19 vaccination is free. Residents can book their Covid-19 vaccination on the NHS website at:

<https://www.nhs.uk/conditions/coronavirus-Covid-19/coronavirus-vaccination/book-coronavirus-vaccination/>

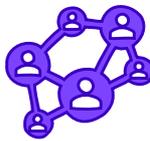
## Local outbreak management

While the vaccination programme is our best defence against Covid, it is also important to prevent infections via non-pharmaceutical interventions (NPIs) and manage outbreaks - along with work to encourage vaccination uptake across all our communities. Our approach is set out in the [Coventry Local Outbreak Management Plan](#).

This has involved:

- encouraging uptake of regular lateral flow testing to identify asymptomatic individuals with Covid-19 including running a number of community testing sites and encouraging home testing;
- Covid-19 advisors working to provide advice, information, and guidance - and enforcement where required - to help businesses and workplaces stay safe;
- running a welfare service to ensure people who have unfortunately tested positive for Covid-19 to be able to safely isolate as required by legislation;
- information and communications to remind residents and communities of continued importance of washing hands, covering face; making space; and good ventilation for fresh air; and
- from March 2021, local operation of the NHS test and trace programme.

Our wider activity, up to the end of March 2021, is set out in the infographic on the next page:



# Outbreak management in Coventry

This is what we have achieved...

- Engaging communities
- Reducing transmission
- Supporting residents
- Test & trace
- Compliance & enforcement

Locally committed

<p><b>5,300</b></p> <p>social media posts to inform and encourage residents, reaching 194.6m impressions</p>	<p><b>102 37</b></p> <p>primary &amp; secondary schools supported to manage outbreaks</p>	<p><b>273</b></p> <p>community messengers across Coventry to help our communities</p>
<p><b>3,026</b></p> <p>vulnerable residents contacted to identify food, support and contact needs during the first lockdown</p>	<p><b>43,979</b></p> <p>community (lateral flow) tests conducted since the launch on 16 December; 514 positives identified</p>	<p><b>200</b></p> <p>rough sleepers homed in the city as part of Everyone In</p>
<p><b>7</b></p> <p>community testing centres in operation with a capacity of over 7,000 tests every day of the week</p>	<p><b>1,375</b></p> <p>most vulnerable households supported with food parcels</p>	<p><b>100</b></p> <p>businesses and workplaces supported or visited in relation to outbreak management</p>
<p><b>73</b></p> <p>infection control audits completed to support and reduce transmission in care homes</p>	<p><b>265</b></p> <p>advice and compliance actions taken by our 3 officers to help businesses and workplaces stay covid-safe</p>	<p><b>670+</b></p> <p>residents supported via good neighbours scheme</p>
<p><b>289</b></p> <p>workplace, education &amp; care settings followed-up through outbreak identification rapid response</p>	<p><b>38 27</b></p> <p>looked after children shared lives carers supported via 10 new social workers</p>	<p><b>35</b></p> <p>outbreaks in complex workplace settings supported through incident management teams</p>
<p><b>10</b></p> <p>tracers to make welfare call &amp; undertake enhanced contact tracing on every case – 11,500 contacted</p>	<p><b>119</b></p> <p>visits to businesses undertaken (78 outbreaks; 41 complaints) to help employees stay covid-safe</p>	<p><b>3</b></p> <p>additional specialists appointed to support victims of domestic violence and abuse</p>
<p><b>45</b></p> <p>Covid advisors employed to support shops, restaurants and other places to be Covid-secure</p>	<p><b>17,000</b></p> <p>contacts responded to provide support through the Winter Grant Scheme</p>	<p><b>67</b></p> <p>whole setting testing completed to support outbreak management</p>

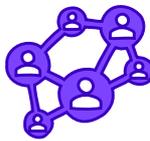
## Reset and recovery

As the pandemic continues, challenges to health and wellbeing are expected to become more acute. Areas of concern include increasing rates of unemployment (which may increase further as furlough and income support schemes ends); residents who are less able to access support due to the digital divide; worsening mental wellbeing for adults and children; continued increase of domestic abuse offences; and young children struggling with the transition to school due to fewer opportunities to develop socially during lockdown.

The relationship between the wider determinants of health, and health and wellbeing, is widely understood amongst the city's organisations. Partner organisations in the city have a strong history of collaboration. This has contributed to a good understanding of residents' needs, and existing assets to address the needs, at neighbourhood level. Residents' involvement in decision-making, sharing insights, and operational volunteering have been invaluable as well. The King's Fund population health model, which is featured in the city's health and wellbeing strategy 2019-2023, highlights the roles of partners and the community in improving the population's health and wellbeing, and continues to guide the city's response to the pandemic.

## Locally committed indicators

Indicator	Previous	Current	Comparators	Progress	Target	Status
Principal roads (A roads) in a good/acceptable condition	98% (2019/20)	<b>99% (2020/21)</b>	N/A (No data), England N/A (No data)	✓	95%	✓
Non-principal roads (B and C roads) in a good/acceptable condition	96% (2019/20)	<b>98% (2020/21)</b>	N/A (No data), England N/A (No data)	✓	95%	✓
Unclassified roads in a good/acceptable condition	81% (2019/20)	<b>81% (2020/21)</b>	N/A (No data), England N/A (No data)	✓	80%	✓
Footways and pavements in a good/acceptable condition	38% (2019/20)	<b>50% (2020/21)</b>	N/A (No data), England N/A (No data)	✓	50%	✓
Fly-tips reported in the city	6,955 (2019/20)	<b>10,727 (2020/21)</b>	N/A (No data), England N/A (No data)	✗	≤ 6608	✗
Household waste recycled and composted	33.4% (2019/20 provisional)	<b>34.0% (2020/21 provisional)</b>	WMCA 34.8% (2019/20), England 43.8% (2019/20)	✓	To increase	⚠
Cleanliness levels-Grade A	3% (2019/20)	<b>0% (2020/21)</b>	N/A (No data), England N/A (No data)	✗	A&B=100%	✗
Cleanliness levels-Grade B	95% (2019/20)	<b>95% (2020/21)</b>	N/A (No data), England N/A (No data)	⚖	A&B= 100%	✗
Cleanliness levels-Grade C	2% (2019/20)	<b>4% (2020/21)</b>	N/A (No data), England N/A (No data)	✗	=0%	✗
Cleanliness levels-Grade D	0% (2019/20)	<b>1% (2020/21)</b>	N/A (No data), England N/A (No data)	✗	=0%	✗

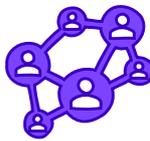


Indicator	Previous	Current	Comparators	Progress	Target	Status
Crime (rate per 1,000 population and number of crimes)	77.0 (28,592 crimes, +0.8%) (2019/20)	<b>84.3 (31,309 crimes, +9.5%) (2020/21)</b>	NA (No data) England N/A (No data)	✘	To decrease	⊖
Drug offences and drug markers recorded	548 drug offences and 1,082 drug markers (2019/20)	<b>774 drug offences and 1,502 drug markers (2020/21)</b>	N/A (No data), England N/A (No data)	?	None set	⊖
First time entrants to youth justice system (rate per 100,000 young people aged 10-17)	224 (2019/20)	<b>230 (2020/21)</b>	Family group average of 249 (Jan-Dec 2019/20), England 208 (Jan-Dec 2019)	✘	To decrease	⊖
Domestic abuse (crime and non-crime) offences known to the police	7,463 (+10.1%) (2019/20)	<b>10,203 (+36.7 %) (2020/21)</b>	N/A (No data), England N/A (No data)	?	None set	⊖
Repeat victims of domestic abuse reported	23.8% (2019/20)	<b>29.6% (2020/21)</b>	N/A (No data), England N/A (No data)	✘	To decrease	⊖
Pupils attending a good/outstanding primary school	91% (March 2020)	<b>N/A (March 2021)</b>	SN N/A (March 2021), England N/A (March 2021)	⊖	≥ National Average	⊖
Pupils attending a good/outstanding secondary school	71% (March 2020)	<b>N/A (March 2021)</b>	SN N/A (March 2021), England N/A (March 2021)	⊖	≥ National Average	⊖
Pupils attending a good/outstanding special school	100% (March 2020)	<b>N/A (March 2021)</b>	SN N/A (March 2021), England N/A (March 2021)	⊖	≥ National Average	⊖
Primary school pupils with permanent exclusions	0.01% (March 2020)	<b>N/A (March 2021)</b>	SN N/A (March 2020), England N/A (2019/20)	⊖	≥ National Average	⊖
Secondary school pupils with permanent exclusions	0.04% (March 2020)	<b>N/A (March 2021)</b>	SN N/A (March 2020), England N/A (2019/20)	⊖	≥ National Average	⊖
Key stage 2 expected standard in reading, writing & maths	62% (2019)	<b>N/A (2020)</b>	SN N/A (2020), England N/A (2020)	⊖	Better than SN	⊖
Key stage 4: attainment 8	43.6 (2019)	<b>47.2 (2020)</b>	SN 47.4 (2020), England 50.2 (2020)	✔	Better than SN	✘
Key stage 4: progress 8	-0.12 (2019)	<b>N/A (2020)</b>	SN N/A (2020), England N/A (2020)	⊖	Better than SN	⊖
Key stage 4: standard pass (grades 9-4) in English and maths	59.4% (2019)	<b>66.9% (2020)</b>	SN 66.2% (2020), England 71.2% (2020)	✔	Better than SN	✔
Key stage 4: good pass (grades 9-5) in English and maths	38.0% (2019)	<b>44.8% (2020)</b>	SN 44.4% (2020), England 49.9% (2020)	✔	Better than SN	✔
Key Stage 5 level 3 average point score A Level entry	30.37 (Grade C) (2019)	<b>36.75 (Grade C+) (2020)</b>	SN 36.86 (Grade C+) (2020), England 39.51 (Grade B) (2020)	✔	Better than SN	✘

# One Coventry Plan Annual Performance Report 2020-2021

Locally committed

Indicator	Previous	Current	Comparators	Progress	Target	Status
Key Stage 5 level 3 average point score and grade tech Level entry	31.94 (Distinction) (2019)	<b>29.20 (Merit) (2020)</b>	SN 29.02 (Merit) (2020), England 29.77 (Merit) (2020)	✓	Better than SN	✓
Key Stage 5 level 3 average point score and grade general applied entry	26.33 (Merit) (2019)	<b>31.44 (Merit) (2020)</b>	SN 29.77 (Merit) (2020), England 31.25 (Merit) (2020)	✓	Better than SN	✓
Smoking status at time of delivery	10.6% (9.7%-11.6%) (2018/19)	<b>10.7% (9.8%-11.7%) (2019/20)</b>	WMR 12.1% (2019/20), England 10.4% (2019/20)	⚖	To decrease	⊘
Adults achieving 150 minutes of physical activity per week	61.1% (56.8%-65.2%) (2018/19)	<b>61.9% (57.5%-66.1%) (2019/20)</b>	WMR 63.1% (2019/20), England 66.4% (2019/20)	⚖	To increase	⊘
Hospital admissions caused by injuries in children 0-14 (rate per 10,000)	184.9 (1,255 injuries) (2018/19)	<b>138.2 (945 injuries) (2019/20)</b>	WMR 97.0 (2019/20), England 91.2 (2019/20)	✓	To decrease	⊘
Overweight or obesity among children in Year 6	38.3% (36.8%-39.7%) (2018/19)	<b>40.6% (39.1%-42.2%) (2019/20)</b>	WMR 38.2% (2019/20), England 35.2% (2019/20)	✗	To decrease	⊘
Recorded cases of diabetes as recorded on GP practice	6.7% (28,146) (2018/19)	<b>6.8% (29,142) (2019/20)</b>	WMR 8.1% (2019/20), England 7.1% (2019/20)	?	None set	⊘
HIV late diagnosis	52.7% (42.1%-63.1%) (2016-18)	<b>54.1% (42.1%-65.1%) (2017-19)</b>	WMR 45.3% (2017-19), England 43.1% (2017-19)	⚖	To decrease	⊘
Conceptions to girls aged under 18 (rate per 1,000 girls aged 15-17)	21.2 (2018)	<b>22.7 (Sept 2019 provisional)</b>	WMR 18.6 (Sept 2019 provisional), England 15.9 (Sept 2019 provisional)	✗	To decrease	⊘
Good level of development at age 5	69.0% (2019)	<b>N/A (2020)</b>	SN N/A (2020), England N/A (2020)	⊘	Better than SN	⊘
Gap (in the good level of development at age 5) between the lowest achieving 20% and the rest	38.6% (2019)	<b>N/A (2020)</b>	SN N/A (2020), England N/A (2020)	⊘	Better than SN	⊘
Looked after children (rate per 10,000 population under 18 & number)	88.0 (701 children) (March 2020)	<b>93.7 (747 children) (March 2021)</b>	SN 90.0 (2019/20), 67.0 England (2019/20)	?	None set	⊘
Repeat referrals to children's social care	24.6% (March 2020)	<b>25.1% (March 2021 provisional)</b>	SN 24.7% (2019/20), England 22.6% (2019/20)	✗	<24%	✗
Percentage of new looked after children who were previously looked after (rolling 12 months)	7.7% (March 2020)	<b>5.6% (March 2021 provisional)</b>	N/A (No data), England N/A (No data)	✓	<7.7%	✓
Early help assessments closed with all actions complete	72.8% (March 2020)	<b>72.5% (March 2021)</b>	N/A (No data), England N/A (No data)	?	None set	⊘
Households accepted as statutory homeless (in priority need)	913 (6.2 per 1,000 households 2019/20)	<b>722 (5.0 per 1,000 households) (2020/21)</b>	N/A (No data), England N/A (No data)	✓	<900	✓



Indicator	Previous	Current	Comparators	Progress	Target	Status
Homelessness cases prevented and relieved	552 (3.8 per 1,000 households 2019/20)	<b>1083 (7.4 per 1,000 households) (2020/21)</b>	N/A (No data), England N/A (No data)	✓	>750	✓
Overall satisfaction of people who use services with their care support	63.1% (2019/20)	<b>N/A- not collected (2020/21)</b>	CIPFA 63.2% (2019/20), England 64.2% (2019/20)	⊘	To increase	⊘
Overall satisfaction of carers with social services	40.1% (2018/19)	<b>N/A- not collected (2020/21)</b>	CIPFA 38.5% (2018/19), England 38.6% (2018/19)	⊘	To increase	⊘
Adult safeguarding S42 enquiries (number and rate per 100,000 population)	532 (185 per 100,000) (2019/20)	<b>476 (163 per 100,000) (2020/21)</b>	WMR 207 per 100,000 (age-standardised) (2019/20), England 292 per 100,000 (age-standardised) (2019/20)	?	None set	⊘
Proportion of adult social care service users placed in regulated adult social care services rated as inadequate	4.2% (31 March 2020)	<b>3.7% (31 March 2021)</b>	N/A (No data), England N/A (No data)	✓	<4%	✓
Adult social care service users receiving long term on-going support	3405 people (1,232 per 100,000) (31 March 2020)	<b>3404 people (1167 per 100,000) (31 March 2021)</b>	CIPFA 1594 per 100,000 population (2019/20), England 1424 per 100,000 (2019/20)	✓	<1238	✓
Proportion of adult social care service users who feel safe	76.7% (2019/20)	<b>N/A- not collected (2020/21)</b>	CIPFA 68.9% (2019/20), England 70.2% (2019/20)	⊘	To increase	⊘
Adults who contacted social care not previously receiving social care support	10,534 (3,611 per 100,000) (2019/20)	<b>9,870 (3,383 per 100,000) (2019/20 provisional)</b>	CIPFA 5,003 per 100,000 (2019/20), England 4,362 per 100,000 (2019/20)	?	None set	⊘
Breastfeeding rates at 6-8 weeks	N/A (48% not validated 2018/19) Count 2009 (2018/19)	<b>N/A (50% not validated 2019/20) Count 2107 (2019/20)</b>	WMR no data available (2019/20), England 48% (2019/20)	✓	To increase	⊘
Male healthy life expectancy at birth	61.9 (60.23-63.0) (2016-18)	<b>61.9 (60.1-63.7) (2017-19)</b>	WMR 61.5 (2017-19), England 63.2 (2017-19)	=	To increase	⊘
Female healthy life expectancy at birth	62.5 (60.6-64.3) (2016-18)	<b>64.2 (62.4-65.9) (2017-19)</b>	WMR 62.6 (2017-19), England 63.5 (2017-19)	=	To increase	⊘



# Delivering our priorities

with fewer resources





## Making the most of our assets

The Council has continued to take a balanced commercial approach to meeting its budgetary pressures and maintain an appropriately prudent approach to managing its finances. This approach has helped the Council to avoid some of the worst effects of budget cuts experienced elsewhere across the country in recent years.

## One Coventry values

Work to create the 'One Coventry Values' commenced in early 2020 with the launch of the HR People Plan. One of its key aims was to develop, introduce and embed a set of organisational values for One Coventry.

Our 'One Coventry Values' have been co-created with the support and input of all employees across the Council, so they are reflective of how we want to be represented both as colleagues and to the wider community. We want to ensure there is clarity of purpose through the Council's vision of our One Coventry values and behaviours; putting diversity and inclusion at the heart of everything we do. Moving forward the values will become an integral part of our reward strategy, appraisals, recruitment, attraction and onboarding, recognition and development and employee engagement.

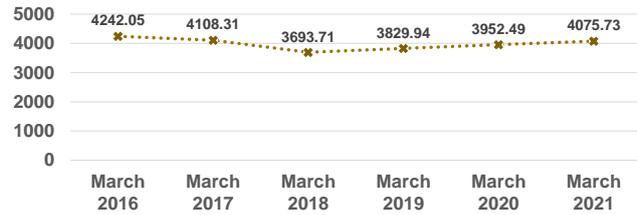
Our values define us as an organisation and influence everything we do and how we treat each other. We recognise the crucial role each and every one of us plays in helping to achieve our goals. We want Coventry City Council to be an inclusive workplace where people know they are valued and feel empowered in their roles to achieve excellence for our customers and communities.

Our values are ONE COV:

- Open and fair - we are open, fair, and transparent;
- Nurture and develop - we encourage a culture where everyone is supported to do and be the best they can be;
- Engage and empower - we engage with our residents and empower our employees to enable them to do the right thing;
- Create and innovate - we embrace new ways of working to continuously improve the services we offer;
- Own and be accountable - we work together to make the right decisions and deliver the best services for our residents; and
- Value and respect - we put diversity and inclusion at the heart of all we do.

## Further increase in full-time equivalent employees

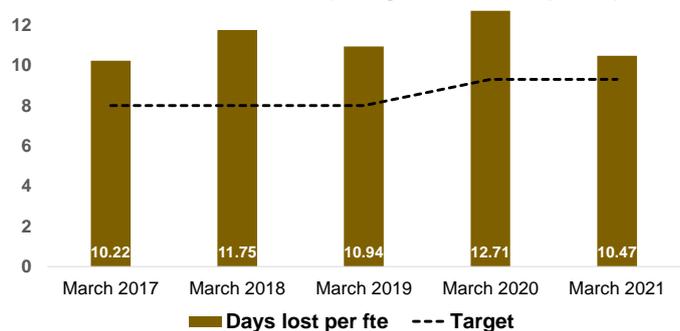
Employee headcount full time equivalents (fte)



There were 4,075.73 full-time equivalent (fte) employees in the Council at the end of March 2021, an increase of 123.24 fte compared to a year ago. This is the third year there has been an increase and following many years of reducing numbers. Some of the increase this year will be due to the Covid-19 pandemic - where the additional contain outbreak management funding has been used to staff teams supporting people to maintain self-isolation; support businesses and workplaces with Covid-safe measures; and deliver community testing, NHS test and trace and welfare programmes.

## Reduction in sickness absence

Council sickness absence (rolling twelve month period)



In 2020/21, 10.47 days per fte (excluding schools) were lost due to sickness absence - down from 12.71 in 2019/20. The top reason for absence was stress, depression, and anxiety, followed by musculoskeletal problems and stomach, liver, and gastroenteritis; Covid-19 came fourth in the list. Notwithstanding the reduction in sickness seen this year, measures are continuing to be taken to reduce the rate further including improved health and wellbeing support for employees targeted at the most frequent causes of absence. The effects of Covid-19 on Council staff have included a greatly increased number of staff working from home which has placed significant emphasis on mental health and wellbeing.

## Towards a more diverse workforce representative of the communities we serve

Improving equality, diversity, and inclusion has been a key priority of the Council's people plan, and in June 2021, the new workforce diversity and inclusion strategy 2021-2023 was launched. The strategy recognises that Coventry's strength lies in its diversity, and in order to be able to effectively meet the needs of our communities it is vital that we have a workforce that is reflective of the people we serve. By creating a culture that values diversity and actively promotes inclusion we will be able to harness these various perspectives and experiences to build an atmosphere where differences of opinion and outlook are not only respected but sought out and appreciated.

## Increase in self-service transactions

In 2019/20 there was 121,391 transactions completed through self-service channels this increased to 352,751 transactions in 2020/21. There was a significant increase based on new processes being introduced to manage facilities such as tip visits to ensure that services could continue to function during the Covid-19 pandemic. Established services also saw a smaller increase in self-serve. The table below sets out the top ten forms submitted in 2020/21 and 2019/20.

April 2020 – March 2021		April 2019 – March 2020	
Form	Numbers	Form	Numbers
Book a tip visit	160,999	Report a missed bin	8,428
Go Parks Lockdown Lottery	31,959	Council Tax - Change of address	8,417
Council Tax - Change of address	9,486	Street scene	5,875
Report a missed bin	9,373	Book a tip visit	5,850
Street scene	8,861	Bin requests	5,520
Register Office - Request a copy certificate	7,856	Children's Services - Multi agency referral and initial information	4,351
Bin requests	6,256	Free school meals and extra pupil premium funds for schools	3,998
Business rates - COVID 19 grant funding	6,126	Register Office - Request a copy certificate	3,423
Customer satisfaction survey	6,045	Council Tax - Apply for a discount	3,232
Adult Social Care - Referral form	5,796	Primary school in year admissions and transfers	2,964

## Improved capture rate

The percentage of customer telephone contact answered [capture rate] improved from 91% in 2019/20 to 94% in 2020/21. Work has continued to improve processes to ensure that they are as efficient as possible, performance is focussed on an individual and team level to ensure that we are able to support residents with their enquiries.

## Further reductions in carbon emissions

	2019/20	2020/21	2019/20 – 2020/21 % Difference
<b>Scope 1 Total</b>	4,097,289	4,689,011	<b>+14%</b>
<b>Fleet</b>	2,423,784	3,039,766	<b>+25%</b>
<b>Buildings</b>	1,673,505	1,649,244	<b>-1%</b>
<b>Scope 2 Total</b>	5,804,810	4,469,925	<b>-23%</b>
<b>Buildings</b>	5,804,810	4,469,925	<b>-23%</b>
<b>Scope 1 &amp; 2 Total</b>	9,902,099	9,158,936	<b>-8%</b>
<b>Scope 3 Total</b>	10,756,000	7,173,211	<b>-33%</b>
<b>Business Travel</b>	425,187	174,107	<b>-59%</b>
<b>Buildings</b>	9,871,682	6,640,887	<b>-33%</b>
<b>Scope 1, 2 &amp; 3 Total</b>	20,658,099	16,332,147	<b>-21%</b>

Emissions from scopes 1 and 2 in 2020/21 have decreased 8% since 2019/20 and 64% from the 2008/09 baseline. This reduction is partly attributable to the impact of Covid-19 which has resulted in reduction of electricity consumption in some Council offices. There has also been reduced streetlighting consumption, as a result of improvements to the extent to which dimmable controls are in operation across the city, which will now be a permanent change. Although this data only accounts for scopes 1 and 2 emissions, the Council are further developing our reporting of scope 3 data by ensuring we record and calculate additional scope 3 emissions to be used in future reports. The following defines what is meant by Scopes 1, 2 & 3:

1. All direct emissions from the activities of an organisation or under their control, e.g., fuel consumption on site such as natural gas and fleet fuel.
2. Indirect emissions from electricity purchased and used by the organisation.
3. All other indirect emissions from activities of the organisation, occurring from sources that they do not own or control.

Fleet fuel consumption increased by 25% from 2019/20. The increase has resulted from vehicles being added to the fleet to provide Covid-19 support services and to increase economic opportunities. Passenger transport created 28 additional routes for home to school transport and all pool cars, and additional spot hired vehicles, were used to distribute medical supplies to vulnerable people in isolation. Waste significantly expanded the bulk bin vehicles and skips vehicles to manage increased demand, as well as starting a new recycling contract on behalf of Nuneaton and Bedworth Borough Council. The addition of these factors caused an increase in scope 1 emissions.

Overall scope 1 building emissions have only decreased by 1% from 2020/21 to 2019/20, a slowing of the reduction seen in previous years. However, this is attributable to improved reporting of LPG, causing LPG fuel consumption to appear (308%) higher than in previous years. Gas oil, natural gas, and



kerosene both saw drastic decreases in consumption in 2020/21. In the 2019/20 and 2020/21 reports, scope 3 emissions expanded to include liquid fuel, gas, and electricity consumption of scope 3 buildings. This also included business travel, district heat loss and electrical transmissions and distributions as previously reported. However, due to methodological changes, care must be taken with this comparison: scope 3 building emissions are calculated based on data provided by leased or outsourced properties. Currently the data available is incomplete. Work is underway to revise existing procedures to develop a procedure to record more scope 3 building data which we have not been able to capture data for previously. The improved capture of scope 3 data may show an increase in emissions.

The Wave was successfully connected to Heatline in August 2020. Heatline is a lower carbon alternative to traditional fuel heating systems, thus reducing Scope 3 building carbon emissions. Moving The Wave to Heatline saved approximately 347,120 kilograms of CO<sub>2</sub> equivalent emissions per year. Further work is also in progress to broaden scope 3 to capture emissions associated with employee commuting, water treatment, waste and procured goods.

The Council acknowledges we have a major role to play in not only setting an example for others to follow but mobilising all that live and work in the city to embrace the challenges that climate change and delivering a sustainable future presents us. This is not seen as a threat but more as an opportunity. We have the opportunity to position ourselves as a leading city in a global market. The Council, with the support of the WMCA and funding from Innovate UK, has set up a Regional Energy Systems Operator project to look at the most environmentally sound ways of generating and supplying heat and power across the city. The outcomes of this action research will provide vital information which builds upon our track record in addressing climate change within the organisation. The Council has set up an independent Climate Change board to mobilise businesses, communities, and voluntary organisations across the city into developing a new citywide climate change and sustainability strategy and action plan. The plan will build upon the great work currently happening throughout the city and will ensure Coventry is a leading driver for sustainable growth and employment, urban innovation and creating a green healthy environment.

Coventry City Council's action dates back to being a signatory in 2008 for The Covenant of Mayors. We continue our work to a more sustainable future in the new Climate Change strategy which is currently under development. The new strategy will need to set out a path to decarbonising, not just the council's emissions, but all citywide emissions in order to mitigate the

effects of climate change. This is in mind of the WMCA having set a target of carbon neutrality for the region by 2041, as part of the new strategy for the West Midlands. In view of this, the council recently joined 58 cities from across Europe as part of the Eurocities initiative who have signed a letter to the President of the Council of the European Union in favour of an ambitious revision of the EU 2030 energy and climate targets to at least 55% by 2030, up to 65% with the right support, compared to 1990 levels alongside funding to be channelled to a green and just recovery in cities.

### Regenerating the economy

In 2020/21 capital grants that have been the subject of grant funding bids to external bodies account for c£119m of funding for projects within the Council's Capital Programme.

### Active communities & empowered citizens

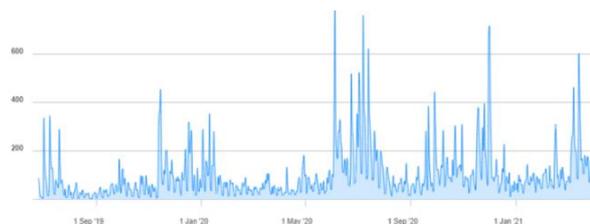


### Engaging local communities

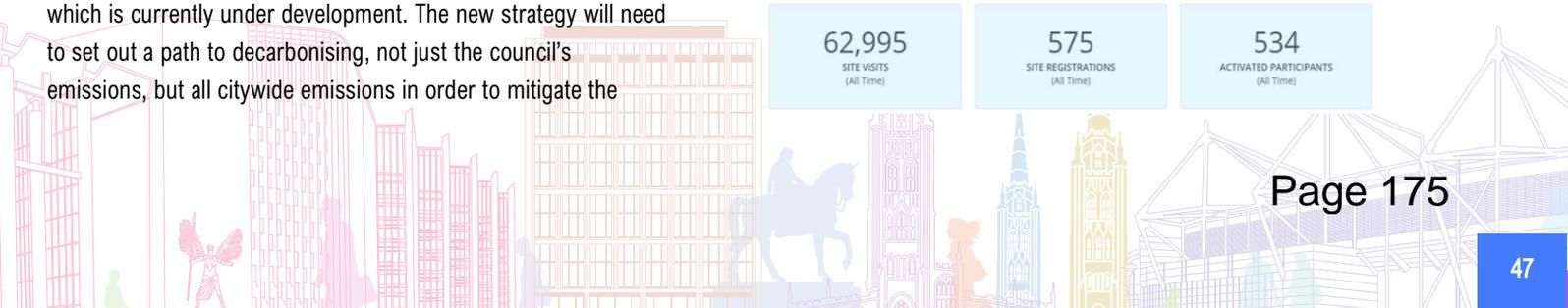
The Council's engagement platform "Let's Talk Coventry" enabled the Council to generate better connectivity and collaboration amongst local communities. This has been particularly useful in gaining insights from the public throughout the Covid-19 pandemic and subsequent lockdowns.

Let's Talk Coventry has also been used to inform residents about the availability of Covid-19 community testing and vaccinations as well as uncovering barriers to the uptake of testing and vaccinations. The findings have had a direct impact on the messaging and communications channels we have used throughout the pandemic.

The platform has improved our online engagement offer using a variety of deliberative tools as well as surveys. The graph below shows the increase in engagement with the platform.



62,995 SITE VISITS (All Time)	575 SITE REGISTRATIONS (All Time)	534 ACTIVATED PARTICIPANTS (All Time)
-------------------------------------	-----------------------------------------	---------------------------------------------



## Keeping residents informed about the pandemic

In order to ensure residents were informed and kept up to date with information regarding the Covid-19 pandemic we delivered 81,000 leaflets city wide encouraging residents to use their local testing centres. The leaflets were also used in mosques, churches, food banks, in local shops, and trade suppliers.

Radio adverts were also used to advertise information and enable access for a range of audiences in a variety of languages.

Use of social media has been an excellent way in transmitting facts and information to large audiences. Coventry City Council's social media alongside targeted posting to specific groups has enabled us to stay in touch and keep residents informed.

One of the most successful ways in which we engaged citizens was through videos alleviating some of the fear's residents may feel when going for a lateral flow test and to dispel some of the misconceptions about the testing process. Several videos were made in different languages and promoted through informal channels such as WhatsApp groups as well as our formal social media channels.

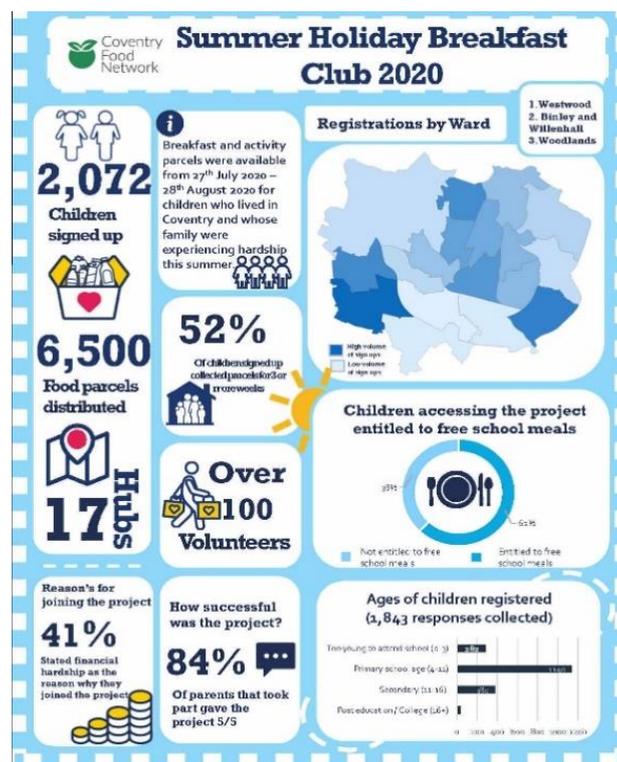
## A food resilient city where no one goes hungry

Coventry Food Network is a newly formed local multi-agency food partnership involving statutory, voluntary, and private organisations across sectors and researchers from the two Universities in the City. It has evolved from the work carried out by Feeding Coventry, a registered charity set up in 2016 with a vision to make Coventry a "food resilient city where no one goes hungry".

The Coventry Food Network and Feeding Coventry responded to the pandemic by distributing emergency food supplies to those in food crisis and witnessed a dramatic shift from food bank centred distribution to 'food hubs', social supermarkets and other community provision. A great deal of work has been done to co-ordinate the provision of emergency food and ensure no-one in Coventry goes hungry because of the pandemic.

Last summer, the Coventry Food Network and Feeding Coventry worked together to provide breakfast and activity packs to any family that found the prolonged closure of schools during the holidays particularly difficult.

The infographic below outlines some of the achievements over the summer:



## Meeting the public sector equality duty

Over the past year, the Council has continued to demonstrate its commitment to both the public sector equality duty and the growth of its agenda on equality, diversity, and inclusion more widely. A new set of equality objectives were launched in April 2020 as part of our focus to prioritise and deliver on clearly defined equalities outcomes. Also, a comprehensive programme of equality impact assessments (EIAs) was carried out to assess the potential equality impact of the coronavirus pandemic in relation to the schools, Council services and the Council workforce. These service EIAs were collated, analysed, and used to develop an over-arching EIA for the organisation in respect of the local impact of Covid-19. The results of this EIA showed that people belonging to an ethnic minority group and disabled people have been most disproportionately impacted. The information contained in the Council's Covid-19 EIA has been used to inform policy development and decision-making both within the organisation and through our partnership work in the city.



Recognising, valuing and celebrating diversity



# Delivering our priorities with fewer resources indicators

Indicator	Previous	Current	Comparators	Progress	Target	Status
Carbon dioxide emissions (from local authority operations)	9,902 tonnes (-62%) (2019/20 estimate)	<b>9,366 tonnes (-64%) (2020/21 estimate)</b>	N/A (No data), England N/A (No data)	✔	To decrease	⊘
Core employee headcount (full-time equivalents, fte)	3952.49 (March 2020)	<b>4075.73 (March 2021)</b>	N/A (No data), England N/A (No data)	?	None set	⊘
Council staff sickness absence (rolling twelve-month period)	12.71 days per fte (2019/20)	<b>10.47 days per fte (2020/21)</b>	N/A (No data), England N/A (No data)	✔	9.3 days	✘
Number of transactions completed through self-service channels	121,391 (2019/20)	<b>352,751 (2020/21)</b>	N/A (No data), England N/A (No data)	✔	To increase	⊘
Customer telephone contact answered (capture rate) (New Indicator)	91% 2019/20	<b>94% 2020/21</b>	N/A (No data), England N/A (No data)	✔	95%	✘

Delivering our priorities with fewer resources



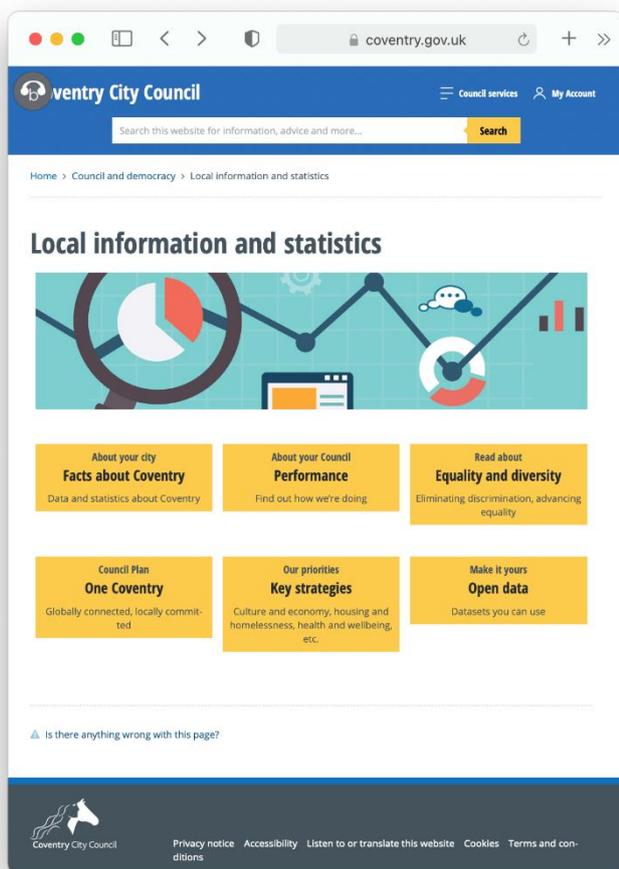
## Further information

The city's One Coventry Plan is on the Council's website at [www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/).

Online and previous versions of this performance report is available at: [www.coventry.gov.uk/performance/](http://www.coventry.gov.uk/performance/)

A wealth of additional information and statistics include:

- Information and statistics hub including open data: [www.coventry.gov.uk/infoandstats/](http://www.coventry.gov.uk/infoandstats/)
- Facts about Coventry: [www.coventry.gov.uk/factsaboutcoventry/](http://www.coventry.gov.uk/factsaboutcoventry/)
- Citywide intelligence hub: [www.coventry.gov.uk/citywideintelhub/](http://www.coventry.gov.uk/citywideintelhub/)



## Change log

The following list sets out indicators that are new, revised or deleted, or where data is unavailable for this report.

New indicators:

- Regional gross domestic product (pound per head)
- Number of transactions completed through self-service channels

Deleted indicators:

- Gross value added (pound per head)
- Transactions done online or self-service

Data not available:

- Gross disposable household income
- Visitor trips
- Pupils attending a good/outstanding primary school
- Pupils attending a good/outstanding secondary school
- Pupils attending a good/outstanding special school
- Primary school pupils with permanent exclusions
- Secondary school pupils with permanent exclusions
- Key stage 2 expected standard in reading, writing & maths
- Key stage 4: progress 8
- Good level of development at age 5
- Gap (in the good level of development at age 5) between the lowest achieving 20% and the rest
- Overall satisfaction of people who use services with their care support
- Overall satisfaction of carers with social services
- Proportion of adult social care service users who feel safe



## Feedback

Thank you for reading this annual performance report. If you have any feedback or comments about this report, please contact the Insight Team:

Web: [www.coventry.gov.uk/infoandstats/](http://www.coventry.gov.uk/infoandstats/)

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Insight Team

Coventry City Council





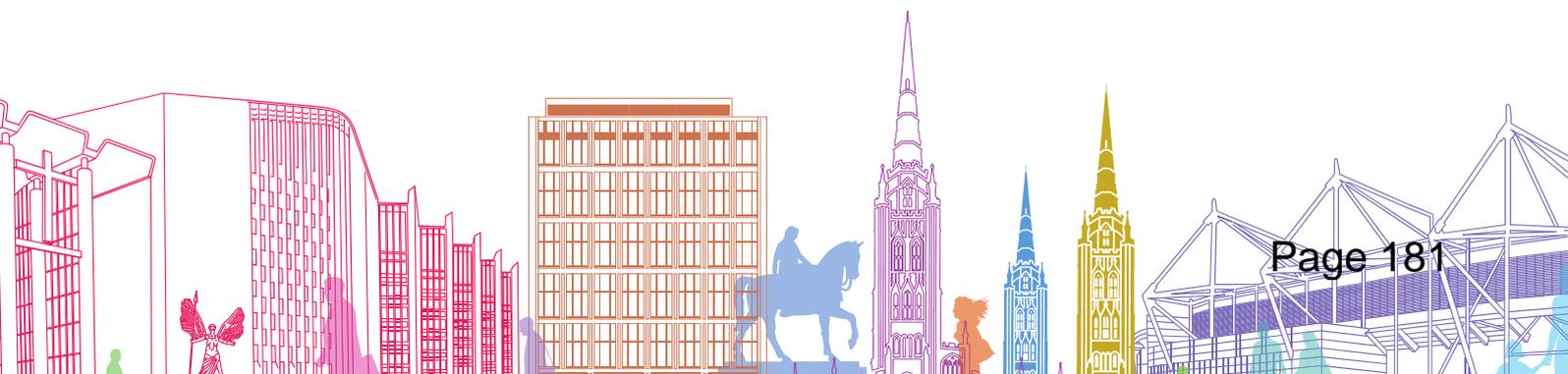
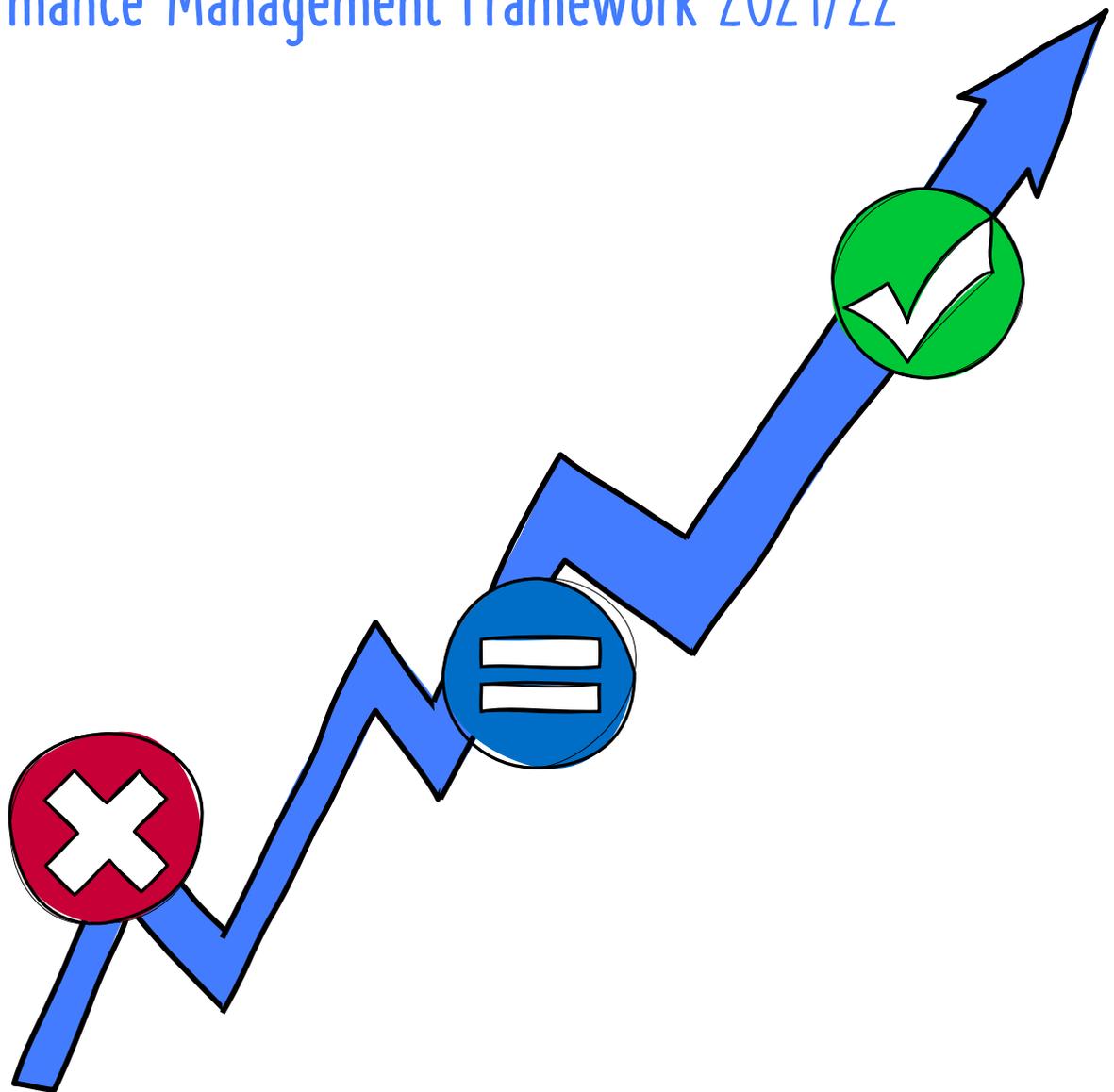
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## Performance Management Framework 2021/22



# Table of contents

1 Introduction .....	3
2 The Council's approach .....	3
3 Improving outcomes relevant to people's lives.....	3
Balanced scorecard approach .....	3
Story of change .....	3
Beyond metrics .....	3
4 Key documents .....	4
One Coventry Plan.....	4
Key strategies .....	4
Action plans .....	4
Appraisals .....	4
5 Value & behaviours.....	4
6 Performance measures .....	5
7 Reporting arrangements.....	5
Reports .....	5
Performance Hub .....	6
8 Symbols and vocabulary .....	6
9 Find out more.....	6
How do I... ..	7



# 1 Introduction

Organisational performance management helps us ensure we achieve what we set out to do. It does so by setting out how we plan and organise our resources to achieve the things we want to do – our vision and priorities, as set out in the [Council Plan](#).

By aligning our resources, actions and activities to the Council's vision, priorities and desired outcomes, it helps us measure how public money is turned into results for citizens.

# 2 The Council's approach

Performance management is everyone's responsibility, and it is also part of our day-to-day operation. The performance management cycle is made up of:

- **planning** – developing a strategy or plan;
- **doing** – implementing the strategy/plan and undertaking the activities;
- **reviewing** – monitoring the implementation of the plan, through performance dashboards, metrics and measures; and
- **revising** – revising a strategy or plan following the review.

Our performance management framework recognises the diversity of our business and is mindful that services already respond to a wide range of other performance management arrangements, e.g., statutory returns, partnership working arrangements, and different legal, regulatory, or policy frameworks.

Consequently, the Council's performance management framework is **not** about adding yet another layer of bureaucracy, indicators, metrics, or targets on top of what is already required of managers. Instead, this framework builds on the systems and processes already in place, while ensuring a unified, **One Coventry** approach, striking a balance between minimising administrative burden and ensuring commonality across the organisation. Additionally, as we increasingly deliver our priorities in partnership, where we commission, champion, or co-ordinate services with partners and communities, we need to ensure that we work together for the good for Coventry people.

# 3 Improving outcomes relevant to people's lives

## Balanced scorecard approach

The Council uses a balanced scorecard approach to manage its performance. That is, we recognise that we cannot rely solely on financial measures (whether we balanced our budget or not) to measure our performance. Instead, we monitor our performance using outcomes, finance, workforce, and quality measures to ensure strategy is aligned to delivery.



## Story of change

A story of change (also known as a theory of change or logic model) approach is the recommended approach for setting out how a proposed public sector intervention will transform its inputs or resources into outputs, and outcomes. Further exploration of the use of a story of change approach can be found on [GOV.UK](#).

## Beyond metrics

To fully tell the story of change, the Council's performance management framework also recognises that red-amber-green ratings – even the outcomes, workforce, and quality metrics of a balanced scorecard – only tell a part of the story; and therefore, the use of qualitative case studies and narratives are highly recommended – and this is indeed the approach adopted in the One Coventry Plan to demonstrate how outcomes for Coventry residents are delivered by public services working in partnership with our communities and partners.



## 4 Key documents

The Council's vision is connected to its delivery at every level of the organisation, from the Council Plan to employee appraisals.

### One Coventry Plan

The Council Plan, One Coventry, is the organisation's top-level strategy setting out our vision and priorities. In other authorities this may be called a corporate plan or corporate strategy.

The Council Plan is agreed by Full Council; and is the day-to-day responsibility of Corporate Leadership Team along with Cabinet and Scrutiny Co-ordination Committee.

Progress towards the Council Plan is formally reported annually to Cabinet and Scrutiny Co-ordination Committee; and, more informally shared with all members via an annual all members' seminar.

### Key strategies

The organisation has a set of key strategies setting out how it will achieve the Council Plan vision. Typically, strategies set out the strategic direction to deliver a key priority, including key objectives, deliverables and targets. Examples include our Local Plan, Housing and Homelessness Strategy, Cultural Strategy, Green Space Strategy, and Health and Wellbeing Strategy.

Key strategies are the responsibility of a management team at an appropriate level of responsibility, along with the relevant cabinet member and/or board.

Progress reported to a strategic group regularly and at least annually to relevant cabinet member and/or board.

### Action plans

Underneath each key strategy are a series of work plans or action plans. These set out how we deliver the strategy. For instance, a work plan or action plan will set out the activities, timescales, resources and responsibilities, translating strategies into operational activities. Examples include

Action plans are the responsibility of a service or team; and progress should be reported regularly to managers responsible for a strategy.

### Appraisals

Individual employees are all subject to annual appraisals. These set out objectives for an individual and their progress towards their objectives and progress towards the expected standards and behaviours, along with the One Cov values.

Responsibility for appraisals sit with individual employees and their manager. Each employee must have an annual appraisal; with objectives and progress reviewed regularly through one-to-one meetings.

## 5 Value & behaviours

In addition to *what* we do – our vision and strategy, it is important to consider *how* we do it – our values and behaviours/principles. The following sets out what effective performance management means in line with the Council's One Coventry Values and Behaviours.

Our One Coventry Values are:

- **Open and fair** – we are fair, open, and transparent.
- **Nurture and develop** – we help and encourage everyone to be their best and do their best.
- **Engage and empower** – we talk and listen to others, working together as one.
- **Create and innovate** – we embrace new ways of working to continuously improve.
- **Own and be accountable** – we work together to deliver the best services for our residents.
- **Value and respect** – we put diversity and inclusion at the heart of all we do.

In addition to the performance management framework, these values are part of the Council's reward strategy, appraisals, recruitment, attraction and onboarding, recognition and development, and employee engagement.

Our behaviours are also aligned to the performance management framework – and the following sets out how performance fits in with the six core behaviours:

- **Putting customers first** – goals or targets are challenging but achievable and realistically reflects

the level of funding and resources available – so that we deliver the best possible outcomes for the people of Coventry. Services do not shy away from setting a goal or target when it would be appropriate to do so; and management also recognises that goals and targets can change as the situation requires.

- **Being adaptable** – performance management adapts to needs of each service including the legal, regulatory, policy frameworks of each area; as well as the needs of the organisation. Where possible, services are flexible to work together to adopt common reporting arrangements.
- **Always improving** – a learning culture where performance management is used to understand what went well, what didn't work as planned, and what can be done better. There is no blame culture; poor performance is not used to apportion blame to a service area; but is used to help recognise where things can be done better.
- **Working together** – where possible, performance information is shared openly between people who need to or have a right to know; whether they are in another part of the Council or in a partner organisation. Information is shared by default, and not suppressed just because they may reveal something uncomfortable.
- **Leading by example** – everybody works together collaboratively and recognises that they have a role in the organisation's performance management no matter where they are in the formal hierarchy; and everyone takes steps to ensure information is recorded accurately.
- **Understanding how we work** – to ensure that performance reports and dashboards provide the right information to the right people at the right time. Services work together to having a simple, consistent set of performance indicators to minimise duplication: write once, use anywhere.

## 6 Performance measures

Where required by a funding body, or where appropriate, progress may be monitored using a consistent set of **headline indicators**. To fully document a story of change, a wider basket of indicators including **lag** (output oriented, easy to measure but harder to influence) and **lead** (more input

oriented, hard to measure but easy to influence) indicators may be drawn on to explain the trends and stories behind the headlines. These may include:

- **outcomes** that our strategies can influence but not directly control (e.g. long-term ones like life expectancy or short-term ones like unemployment);
- **outputs** showing how much a service has delivered of something (e.g. jobseekers supported);
- **inputs** demonstrating efficiency in our resource usage (e.g. savings delivered); and
- **perceptions** showing what residents think of our services (e.g., respondents satisfied).

These may be **quantitative** indicators; but could also be **qualitative** measures, as appropriate to need.

When setting performance measures, we should be mindful that we are responsible for a diverse range of services, including services which we:

- **directly provide** through staff we directly employ;
- **commission** through private, voluntary or public sector providers;
- deliver in **partnership or co-ordination** with others; and
- do not provide, but we **champion or support** through our political leadership or other forum.

To measure our performance, it is important to recognise that we are one organisation in a complex, interconnected web of people, interests, organisations, and systems. This means that performance measures need to be set carefully; considering, amongst other things: statutory requirements; priorities; resources; and how we compare to other relevant places. In addition, it is recommended that measures are set in consultation with frontline staff, and discussed with clients/customers/service users – and finally, reviewed and agreed by managers with the relevant cabinet member, in line with the relevant strategy.

## 7 Reporting arrangements

### Reports

The Council strives to be open and transparent, and in line with our digital strategy priority to maximise the value in our

data and information, we make all of our key performance reports publicly available on the Council website.

Our current performance reporting arrangements consist of:

- an annual performance report to Cabinet and Scrutiny Co-ordination Committee summarising the Council’s progress towards its priorities, including inequalities (protected characteristics under the Equality Act and health inequalities as a Marmot city);
- an annual members seminar summarising our performance;
- live, web-based performance information setting out a publication schedule, trends/comparators, progress reports, maps and infographics; and
- indicator data published as open data on GitHub.

## Performance Hub

The Council’s Performance Hub sets out guidance for performance management alongside performance dashboards and data. This is accessible to all Coventry City Council members and officers on SharePoint at <https://smarturl.it/PerformanceInfoHub>.

## 8 Symbols and vocabulary

The Council has a consistent set of symbols and vocabulary used to describe the performance of its services. Two columns are used to describe performance:

- **progress** (whether something has improved or worsened); and
- **target status** (whether or not a target has been met).

The following table sets out the symbols and its definition:

Symbol	Progress	Target status
	Improved (or target already achieved)	On-target
	Got worse	Off-target
	Similar, unchanged or statistically insignificant	–
	Cannot say; no clear direction of travel	–
	Not available or no updated data	No target set

In the One Coventry Plan annual performance report, indicators and symbols are used as one part of a wider performance report – the context and narrative are just as important.

## 9 Find out more

Further guidance on performance management is available on the Performance Hub at: <https://smarturl.it/PerformanceInfoHub>

In addition, a wealth of information and statistics is available on the Council’s website including:

- Information and statistics hub: <https://www.coventry.gov.uk/infoandstats/>
- Facts about Coventry: <https://www.coventry.gov.uk/factsaboutcoventry/>
- Coventry Citywide Intelligence Hub: <https://www.coventry.gov.uk/citywideintelhub/>
- Council Plan: <https://www.coventry.gov.uk/councilplan/>
- Performance: <https://www.coventry.gov.uk/performance/>
- Key strategies: <https://www.coventry.gov.uk/policy/>



## How do I...

The Insight Team may be able assist your Coventry City Council service in improving your performance:

### How do I... get facts and figures about the city and its people?

- Visit **Facts about Coventry** for key numbers and how we compare to other places
- Browse the **Joint Strategic Needs Assessment** to understand assets and needs in the city's communities
- Look at the **Citywide Intelligence Hub** for details, numbers and links to data sources



### How do I... use insight to improve what we do?

- **See:** understand how you are currently doing and how that's changed over time
- **Judge:** Compare and contrast what you're doing with other places and with local population groups and possible future demand to identify gaps and inequalities
- **Act:** Plan what you want to do given the resources available, involving and consulting with users and wider communities



### How can insight and communities help you?

- We can signpost you to the right place – Facts about Coventry, Citywide Intel Hub; reports like our Performance Report or JSNA; or external sources.
- We can help you understand your data – what is it telling you? How does it compare to the population? (e.g. Acorn geodemographic segmentation)
- We can help you reach the right communities – via Let's Talk Coventry for example!

Contact us: [insight@coventry.gov.uk](mailto:insight@coventry.gov.uk)

## Version control

### Version

2021

### Document Owner

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### Document Location

Published location: <https://smarturl.it/PMF>

### Reviewing arrangements

The performance management framework is to be reviewed in 2022 along with the One Coventry Plan 2021/22 annual performance report.

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Cabinet

31<sup>st</sup> August 2021

**Name of Cabinet Member:**

Cabinet Member for Housing and Communities - Councillor D Welsh

**Director Approving Submission of the report:**

Director of Public Health and Wellbeing

**Ward(s) affected:**

All

**Title:**

Refugee Transition Outcomes Fund (RTOF) Project

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**Is this a key decision?**

Yes- the decision to be taken in this report will have a significant effect on people living or working within two or more wards in the City

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**Executive Summary:**

Coventry has a long tradition of welcoming people to the city from all over the world. The City Council supports this tradition and aims to enable and empower all those who have arrived in our welcoming city to thrive and prosper. In line with this aim, the City Council Migration team has managed and continues to manage projects and partnerships across a number of externally funded programmes including through EU (Urban Innovative Actions) and UK Government (Ministry of Housing Communities and Local Government and Home Office) projects. It also has a strategic responsibility for supporting newly arriving migrants and plays a key part in supporting the city's Local Migration Network.

Following a competitive bidding process, Big Issue Invest (BII) were successful in their bid for outcome-based funding for the Home Office project known as The Refugee Transitions Outcomes Fund (RTOF). A condition of the fund was that projects must include Social Impact Bonds, which allow for up-front cash investment to be provided by a social investor so that the Home Office only pays for outcomes if and when achieved.

Social Impact Bond projects entail the setting up of a Special Purpose Vehicle (SPV), which is a subsidiary to the social investor, in this case BII. The bid was a consortium regional bid comprising Birmingham, Coventry, Sandwell and Wolverhampton local authorities with the largest cohort of asylum seekers accommodated locally and respective partner organisations. The Council and its partners (St. Francis Church of Assisi, Ashley Community Housing (ACH) and Spring Housing) supported development of BII's bid and have been awarded £622,283 of funding through the RTOF.

The Big Issue Group is dedicated to supporting and tackling the issue of poverty and inequality in the UK. Founded in 2005, Big Issue Invest extends The Big Issue's mission by financing the growth of sustainable social enterprises. Since 2013, BII has invested into successful Social Impact Bonds/Social Outcomes contracts from a dedicated Outcomes Investment Fund (£10m) and is currently managing commitments of over £7m into 19 investees.

The RTOF is a £13.99m Home Office initiative which seeks to improve employment, housing and wider integration outcomes for newly recognised refugees. The project is funded until March 2024 and will enable the city to offer intensive support to former asylum seekers granted leave to remain in the last 18 months.

The total regional project award is £2,463,900 and aims to support 361 individuals across four local authority areas. Coventry's portion of the funding is £622,283 which will assist 93 people, with Coventry City Council's portion of the outcome funding being £184,237 and Coventry City Council's partners portion of the outcome funding being £438,046. There remains the potential to increase number of participants supported over the lifetime of the Project, but it is dependent on the success of the project and the availability of additional funding from the Home Office.

Whilst the proposal was based on a partnership approach, delivery across each Local Authority area is based on local delivery models supported by local providers with considerable experience of working with this cohort of participants.

### **Recommendations:**

The Cabinet is requested to:

- 1) Note the success of the partnership work between Coventry City Council, other Local Authorities and the wider delivery partnership in developing the funding bid.
- 2) Note that BII and its consortium bidding partners (which include Coventry City Council) have been successful in their bid for the Home Office funding.
- 3) Authorise Coventry City Council to accept funding up to £622,283 under RTOF subject to satisfactory conclusion of (4) below.
- 4) Delegate authority to the Director of Public Health & Wellbeing, following consultation with the Director of Finance and the Director of Law and Governance, to undertake all necessary due diligence which shall also include the authority to enter into any legal agreement necessary to facilitate the ability for Coventry City Council to participate in the project.

### **List of Appendices included:**

Appendix 1 - RTOF Outcomes

### **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?**

No

**Will this report go to Council?**

No

## Report title: Refugee Transitions Outcomes Fund (RTOF) Project

### 1. Context (or background)

- 1.2 Coventry has a long tradition of welcoming people to the city from all over the world. The City Council supports this tradition and aims to enable and empower all those who have arrived in our welcoming city to thrive and prosper. In line with this aim, the City Council Migration team has managed and continues to manage projects and partnerships across a number of externally funded programmes including through EU (Urban Innovative Actions) and UK Government (Ministry of Housing Communities and Local Government and Home Office) projects. It also has a strategic responsibility for supporting newly arriving migrants and plays a key part in supporting the city's Local Migration Network.
- 1.3 In addition to the work supporting Refugee Resettlement, the Council have been able to build and grow the infrastructure and support that Coventry can offer to existing Refugee and Migrant communities through the expansion of projects and securing of funds. These projects include ESOL for Integration Fund, Specialist Training and Employment Programme (STEP), work on the EU Settlement Scheme and more recently MyCoventry.
- 1.4 Work on the now concluded Building Bridges project demonstrated the importance of the period after a former asylum seeker is granted leave to remain, and the difficulties that can be experienced when individuals are not promptly connected to support around housing, integration and employment support.
- 1.5 The Home Office currently accommodate around 900 asylum seekers in dispersed accommodation in the city, with an addition of almost 300 individuals living in temporary hotel accommodation. Of this number, we would expect typically two thirds to acquire some sort of refugee status. At present the city receives no funding from the Home Office to support the impact of either asylum seekers whilst their cases are being considered, or those successful. RTOF is therefore a funding pilot which will provide support to this cohort of refugees, and evidence to support further investment by the Home Office.
- 1.6 The RTOF is a pilot scheme led by the Home Office to support refugee integration and self-sufficiency. The Home Office selected six pilot areas in high asylum dispersal areas in England to be awarded funding:
  - West Midlands
  - Greater Manchester Combined Authority
  - Liverpool City Council
  - North East Strategic Migration Partnership (led by Middlesbrough Council)
  - Plymouth City Council
  - South Yorkshire and Humber (led by Sheffield City Council).
- 1.7 The RTOF is an outcomes fund, meaning it will use a payment by results (PbR) approach whereby payments are made by the Home Office to the BII SPV for specific outcomes as they are achieved. (Appendix 1 includes details of outcomes to be achieved)). A condition of the fund was that projects must include Social Impact Bonds which allow for upfront cash investment to be provided by a social investor whereby the Home Office only pays for outcomes if and when they are achieved. In this case, the successful social investor was Big Issue Invest (BII) who were able to demonstrate their commitment to invest in the local delivery model in each of the four local authority areas, and their track record of participation in previous successful PbR initiatives.

- 1.8 Social Impact Bond projects entails the setting up of a Special Purpose Vehicle (SPV), which is a subsidiary to the social investor, in this case, BII. The SPV is fully owned by BII and will act as a contracting entity.
- 1.9 The SPV's purpose is to facilitate the flow of finance attached to Social Impact Bonds and then close down after the project ends. They also have the potential to become co-owned by local authorities or main providers in order to form part of the local legacy of the project. In the case of RTOF, the SPV will act as a finance vehicle and contracting entity only. To cover the costs of the SPV set-up and associated management and admin requirements, BII will receive 4% of the overall project funding (approx. £100k across the region)
- 1.10 The Council are recruiting 2 dedicated members of staff and they along with existing Migration Team staff will deliver the project and achieve the targeted outcomes. The BII SPV will provide payment of these staff costs who will in turn will claim funding based on outcomes from the Home Office.
- 1.11 It is anticipated that BII SPV will enter into contract separately with Coventry City Council and Coventry City Council's partner organisations. Participation in the RTOF is subject to the satisfactory negotiation of this contract.

## **2 Options considered and recommended proposal**

- 2.1 There remains an option to decline the offer of the funding. This option has been discounted as it will mean less resources being available to support refugees in the City when demands on the city from this cohort of individuals would continue to persist. No other funding from the Home Office has been made available to specifically support this cohort of refugees.
- 2.2 The recommended option is for the Council to accept the RTOF funding and for the Council to enter into contract with the SPV. The acceptance of this funding will support us in ensuring that refugees granted status within the last 18 months are supported comprehensively to maximise their contribution to society in the City's growing economy. The funding will also develop good practice across the four cities and add to the evidence base around how refugees can be supported into successful outcomes.

## **Summary of the key partners in delivery of the Refugee Transitions Outcomes Fund**

### **2.3 Coventry City Council £184,237 (Migration Team)**

- 2.3.1 The Council Migration Team will manage the project, co-ordinate and oversee the work locally to ensure outcomes are met and will provide employment support to participants on the programme through an Integration Officer. The Integration Officer will lead the partnership in meeting the outcomes of the funding by identifying eligible participants, reducing silo working and duplication across the city and ensuring that participants receive the most appropriate level of support. The Integration Officer will also directly support 13 participants into sustained employment. This approach is based upon Coventry's successful Local Authority Asylum Liaison Support Officer model (LAASLO), which links with existing services, provides essential liaison support as asylum seekers transition to become refugees. Given that LAASLOs support asylum seekers within Coventry, the Integration Officer will provide coordinated and strategic oversight that ensures that eligible participants that secure refugee status are identified for RTOF at the point of refugee decision. This coordination role will help facilitate and avoid disruption of the individual's progression towards integration.

2.3.2 The Council will also ensure that learning from various strands of the project are shared, culminating in the final evaluation and knowledge-share at the end of the project.

#### 2.4 **St Francis Employability £73,295**

2.4.1 St Francis are a Church/Community Centre with strong community ties in Radford and across Coventry, promoting meaningful contact between host and migrant communities, offering services including specialist employment support, Job clubs, Volunteering, ESOL, Training, Food bank and destitution support alongside childcare facilities that reduce barriers for communities to engage.

2.4.2 St Francis will source volunteering opportunities to 40 individuals supported through RTOF to help them gain valuable experience in a working environment with a view to enabling individuals to find sustainable employment.

#### 2.5 **Ashley Community Housing (ACH) £169,983**

2.5.1 Ashley Community Housing (ACH) supports refugees and migrants with specialised training, employment and housing support. ACH is a leading provider in refugee integration services, operating in the West of England and the West Midlands whilst offering advice and assistance across the UK and beyond. ACH will provide end to end employment, housing and integration support to 40 participants with a view to ensuring long term sustainability of housing tenancies and employment.

#### 2.6 **Spring Housing £194,768**

2.6.1 Spring Housing Association supports people in housing need across the West Midlands to move into and sustain their accommodation. Spring Housing will provide end to end employment, housing and integration support to 40 participants with a view to ensuring long term sustainability of housing tenancy and employment.

**Table 1: Summary of Funding request**

<b>CCC Migration Team</b>	£184, 237
<b>St Francis Church of Assisi</b>	£73,295
<b>Ashley Community Housing</b>	£169,983
<b>Spring Housing</b>	£194, 768
<b>Total</b>	<b>£622,283</b>

### 3 **Project Governance**

3.1 The governance structure and delivery partnership is demonstrated in the organogram below. Broadly it covers:

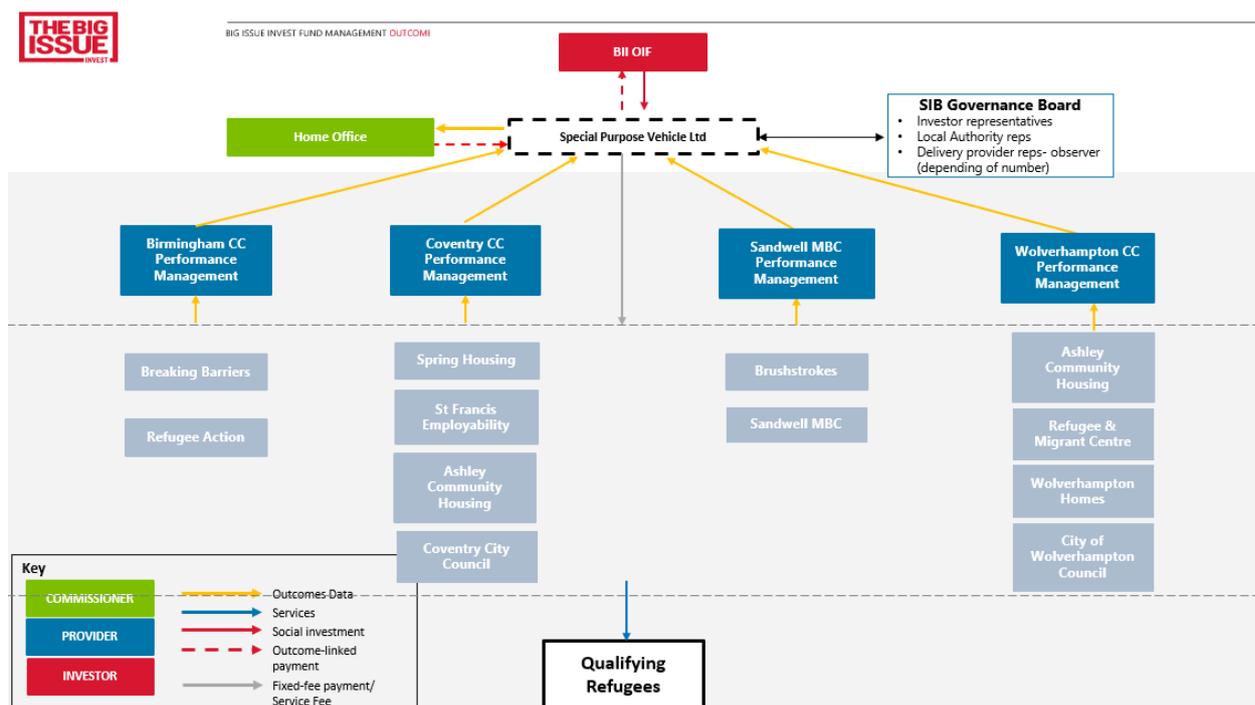
3.2 **Special Purpose Vehicle** – this will be owned 100% by BII and act as a vehicle solely to facilitate financial and outcomes flows for the duration of this project.

**Social Impact Bond Governance Boards** – these will be set up by BII in conjunction with the local authorities. Each local authority will have representation at every governance board, as will delivery partnership organisations as necessary. The governance boards will be underpinned by a Terms of Reference and / or Memorandum of Understanding. A provisional structure for this element of governance is:

<b>Strategic governance</b>	<b>SPV Board governance</b>	<b>Operational governance</b>
Quarterly/half yearly to review the aspiration/vision and impact with a view to longer term sustainability and impact – investor, commissioners, strategic partners,	Monthly to review data, learning, outcomes, impact, performance, finance – investor, commissioners, key delivery partners, other stakeholders including service users.	Weekly/fortnightly – meetings to review operational success, blockages, client feedback.

- **Local authorities** - All local authorities will be party to a Performance Management agreement with the SPV which sets out their performance management function within the project. LAs having a performance management function will build on their existing relationships with providers, their role and oversight as a single point of contact and allow local access to data and learning from delivery which will inform future plans.
- **Delivery Partnership** - Delivery partners will be party to a contract with the SPV and measured through KPIs.

## Organogram



#### **4. Results of consultation undertaken**

- 4.1 In preparation for this proposal, face to face meetings (pre Covid-19) and remote Microsoft Teams meetings (during Covid-19 national lockdown) were held with organisations over 4 months, including consultations with wider (external) stakeholders and internal Council teams. Local organisations were invited to take part in a stakeholder session and put forward proposals to become part of the successful bid.
- 4.2 The proposal was informed by work that the Council have been undertaking over the last 6 years to identify local needs of former asylum seekers and address local, social and economic inequalities that hinder integration. Developed with learning earlier successfully delivered projects, including findings from the local Coventry Migration Network that includes voluntary, statutory and private sector organisations working together to support refugees and newly arrived communities to integrate into the city.

#### **5. Timetable for implementing this decision**

- 5.1 Subject to the successful completion of agreements with the Home Office and the SPV the project will run from September 2021 to March 2024. Once final agreement has been reached each delivery partner will enter into a Partnership Agreement that sets out their contribution to the project in terms of outcomes and amount of funding available to them. This process is expected to be completed by the end of September 2021.
- 5.2 The project will run until March 2024. Currently, it is not anticipated that there will be an extension to this timetable. However, other Home Office projects have successfully negotiated extensions in the past.

#### **6 Comments from the Director of Finance and the Director of Law and Governance**

##### **6.1 Financial implications**

- 6.1.1 The total grant awarded across the West Midlands region is £2,463,900 with Coventry's element receiving £622,283 over the lifetime of the project. The breakdown of the £622,283 between partners is set out in Table 1 at the end of section 2 above. The City Council element of the project is estimated to cost £184,237.
- 6.1.2 The Council are recruiting two dedicated members of staff and they, along with existing Migration Team staff, will deliver the project and achieve the targeted outcomes. The BII SPV will provide payment for these staff costs who will in turn claim funding based on outcomes from the Home Office.
- 6.1.3 Payment by the Home Office to the SPV is based on outcomes. There are set rates for each outcome. If all partners achieve all of their targets, then the SPV will be able to recoup their full investment. If outcomes are not fully achieved, the loss will be borne by the SPV.

##### **6.2 Legal implications**

- 6.2.1 It is anticipated that the contractual arrangements will be as follows:
- 6.2.2. BII SPV will be the accountable body under the funding provided by the Home Office.
- 6.2.3 Following the conclusion of any contractual arrangement between the Home office and BII SPV, Coventry City Council will enter into contract with BII SPV which will set out the Council's involvement in the project including any targeted outcomes that Coventry City Council will aim to deliver.

6.2.4 Legal Services (as part of its due diligence) will ensure that any risk to Coventry City Council is adequately managed and mitigated prior to entering into contract.

6.3.5 The Council has the power to enter into the arrangements within this report pursuant to its power contained within section 1 of the Localism Act 2011 (“General Power of Competence”).

6.2.6 BII and BII SPV and the partner organisations (which include Coventry City Council) participated in a compliant procurement process in accordance with the Public Contract Regulations 2015.

## 7 Other implications

### 7.1 How will this contribute to the Council Plan ( [www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/) )

7.1.1 Inward migration into the City has been a significant factor in population growth in recent years and RTOF will support the wider delivery of the Council’s key objectives by supporting community cohesion and ensuring that participants on the programme contribute to the City’s economic prosperity and cultural diversity. Additionally, the following specific issues will be addressed:

- **Protecting our most vulnerable** – The programme is aimed at a vulnerable group of our society including a section of our population who seek asylum after having to flee their home countries due to threats and fear of their life.
- **Helping local people into jobs** - RTOF provisions are based upon identified local best practice, and will deliver specialist employment support, and career mentoring to support participants into sustained employment, targeting parts of the economy with staff shortages.
- **Fostering community and social links** – Most of the delivery will take place in key community-based settings to build a sense of belonging as well as develop beneficiaries’ own skills. This approach builds connections between communities to improve people’s lives and foster integration.
- **Increasing the supply, choice and quality of housing.** Through our delivery partners, ACH and Spring Housing, RTOF seeks to provide secure, stable and sustainable tenancies to participants on the programme. Participation in RTOF will also reduce pressure on other statutory and voluntary services.
- **Improving Language and Learning** - To encourage empowerment and participation in community settings, RTOF will support participants to increase their language skills through ESOL support alongside volunteering to facilitate community cohesion, engagement and skills development.

### 7.2 How is risk being managed?

7.2.1 The Council will oversee the £622,283k RTOF funding and will be responsible for ensuring that the funding is spent in compliance with the programme’s regulations, and this will include ensuring that partners meet their contractual obligations.

7.2.2 The Council has a good track record for designing and delivering successful projects targeting newly arrived communities and for maintaining and achieving effective financial controls along with well-established procedures for managing public funds and these will be applied to the RTOF project.

7.2.3. The following key risks have been identified across the programme that could have an impact on the success of the project. Risks will be monitored regularly to ensure any mitigating action can be expedited swiftly to reduce risk:

<b>Risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Proposed actions</b>
<b>Partner withdraws from the project</b>	Minor	Possible	Coventry City Council, Migration Team are part of the local Migration Network and have strong relationships with external organisations and are very well connected throughout the city. We have a pool of additional organisations who could fulfil the role of a partner withdrawing.
<b>Project unable to achieve outcome target for SPV to draw down funding from Home Office</b>	Serious	Remote	Project outcomes will be discussed at both a strategic and operational level through the governance structure highlighted in the report. The SPV have committed to accept full financial risk against any outcomes that may not be met. Participation in the project will not put the City Council at risk financially as the SPV will reimburse any expenditure that is made on the project up to a maximum of £622,283..
<b>Key delivery staff leave their posts.</b>	Serious	Possible	For any delivery staff leaving posts, vacancies will be publicly advertised to replace vacant positions. Interim arrangements whereby other team members temporarily support the project will also be implemented whilst recruitment is being undertaken.
<b>Project outcomes will not be met due to changes to Covid-19 Guidance</b>	Serious	Possible	Confident that delivery partners already have experience with hybrid/blended models of delivery and supporting participants solely on-line if required to do so due to further Covid-19 restrictions.
<b>Cost to Council of project delivery is higher than amount included in bid</b>	Minor	Possible	Costs of Migration projects are monitored on a regular basis. If costs appear to be higher than expected then steps will be taken to manage all costs within the overall Migration budget

### 7.3 What is the impact on the organisation?

#### 7.3.1 HR Implications

To ensure the successful delivery of this project, additional staff resources will be required. Any new staff will be recruited on a temporary fixed-terms basis.

#### 7.3.2 Equalities / EIA

The participants on the programme will be from newly arrived communities from diverse ethnic backgrounds. With refugees being some of the most disadvantaged and vulnerable

groups in the City, many of the elements of this programme are designed to assist and support them to achieve better housing and employment outcomes. The programme will focus on skills, development, volunteering opportunities, employment and housing support, as well as social connections to address local, social and economic inequalities that hinder integration.

#### **7.4 Implications for (or impact on) climate change and the environment**

The project will seek to minimise negative environmental impacts by encouraging project staff to use public transport and keep electronic records where possible. Covid-19 has necessitated partners to provide innovative solutions to delivery which has either seen a hybrid/blended model of delivery or delivery that is fully on-line. It is anticipated that elements of this type of delivery will continue, thereby reducing the need to travel to and from meetings and classes (where appropriate). This will in turn, impact positively on the environment and help reduce the City's carbon footprint.

#### **7.5 Implications for partner organisations**

The funding will have a positive implication for the voluntary sector/partners by bringing in additional resources, capacity and infrastructure into the city. The funding also aims at promoting community cohesion and enhancing the contribution residents are making towards the economy and more importantly the social fabric of the city.

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Cabinet

31 August 2021

**Name of Cabinet Member:**

Cabinet Member for Education and Skills – Councillor Dr K Sandhu

Cabinet Member for Jobs, Regeneration and Climate Change – Councillor J O’Boyle

**Director Approving Submission of the report:**

Director of Education and Skills

**Ward(s) affected:**

All

**Title:** European Social Fund 2014-2020 – European Structural & Investment Funds (ESIF) –  
Coventry - ESF Application to Youth Employment Initiative

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**Is this a key decision?**

Yes - the proposals involve financial implications in excess of £1m per annum and are likely to have a significant impact on residents or businesses working or living in two or more electoral wards in the City.

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**Executive Summary:**

The 2014-2020 European Structural Investment Fund (ESIF) Programme was launched in March 2015. The ESIF Programme will now run until 2023 in the UK.

A Cabinet report was approved on 26 November 2015 for successful projects from the first round of funding under the programme. In that report it was noted that further rounds of funding would be available and that the Council would seek to apply in those rounds.

A further Cabinet report was approved on 18<sup>th</sup> February 2020 and Council on 25<sup>th</sup> February 2020 to draw down up to a further £11.38m from ESIF for three Phase 2 Programmes. These programmes are now all successfully providing additional support to local residents.

A further call for applications under the Youth Employment Initiative (Priority 1.3) was released by the Department of Work and Pensions in January 2021. A further Council led application was therefore submitted in response to this call. The application has been successful, and the Council has now been offered a Funding Agreement to secure these funds and commence delivery of the programme. The total project cost of this application (Grant plus Match Funding from the City Council and delivery partners) is £3.17m, with just over 66% of these costs being made available from the ESIF grants to support the applications. The Council has again taken a leadership role by bringing partners together from across the Coventry & Warwickshire LEP area to develop projects and programmes that will lead to improved employment prospects across the City and the sub region.

The Council has an outstanding track record of securing, managing and delivering EU-funded employability support programmes. This report provides information on the new bid and requests Members' approval for the Council to act as accountable body guarantor and delivery partner for this funding programme.

**Recommendations:**

Cabinet is asked to:

- 1) Note the success of European Funding via ESIF in delivering the City's education, skills and economic aspirations and continue to support the Council bidding for European Funds that are still available via the ESIF programme and which will support the objectives of the Economic Growth & Prosperity Strategy 2018 – 2022 and the One Coventry Council Plan 2016 – 24.
- 2) Approve the acceptance of the ESF grant funding, totalling £2.11m from ESIF to be utilised in delivering the City's priorities as set out in this report.
- 3) Delegate authority to the Director of Education and Skills, in consultation with the Director of Finance and the Director of Law and Governance, to negotiate final terms and entry into: (a) the grant funding agreement to secure the ESIF funding with the City Council acting as the Accountable Body for the funding; and (b) back to back funding agreement with such delivery partners as deemed necessary to deliver the City's priorities as set out in this report.

**List of Appendices included:**

None.

**Background papers:**

None.

**Other useful documents**

[Economic Growth and Prosperity Strategy 2018-2022](#)

[West Midlands Local Industrial Strategy 2019](#)

[Coventry & Warwickshire LEP Area ESIF Strategy](#)

[Coventry & Warwickshire's Strategic Economic Plan \(SEP\)](#)

[European Structural Investment Fund \(ESIF\) Funding Applications for Approval 2016](#)

[European Social Fund 2014-2020 – European Structural & Investment Funds \(ESIF\) – Coventry](#)

[ESF Second Round Applications - 2020](#)

**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: European Social Fund 2014-2020 – European Structural & Investment Funds (ESIF) –Coventry - ESF Application to Youth Employment Initiative**

**1. Context (or background)**

- 1.1. In 2014, applications opened for the new programme of European Structural and Investment Funds (ESIF). In the first round, funding for projects running from January 2016 to December 2019 were made available (Phase 1). The programme has now been extended with a new round (Phase 2) and will run until December 2023.
- 1.2. ESIF includes both the European Regional Development Fund (ERDF) and the European Social Fund (ESF). ERDF is designed to fund economic development projects, while ESF provides support to help people find sustainable employment.

**An Envious Track Record**

- 1.2.1. The Council already manages and delivers a number of highly successful programmes to help local residents where they need additional support to access local jobs. The City Council has been responsible for managing well over £85m of EU funding since 2007 alone. A range of ESF Phase 1 and 2 programmes, managed by the Employment and Skills Service and delivered by the City Council and a delivery consortium have been operating since January 2016. These Programmes have delivered high quality support to help disadvantaged and disengaged Coventry residents to move toward and into sustainable education, training activities and consequently toward and into sustainable jobs.
- 1.2.2. Residents assisted on the current Phase 2 programmes which started delivery between March 2020 and January 2021 include people who are Black and Minority Ethnic Origin (BAME) (44% of total participants assisted), women (56%), young people age 15-24 who are not engaged in education, employment or training (NEET) (or are at risk of becoming NEET) (34%), people with disabilities (42%), people who are lone parents (19%). Support services have been based at the high-profile Council managed Job Shop in Bull Yard in Coventry City Centre. This facility has become nationally renowned and offers an innovative physical hub from which the 'spoke' support activities right across Coventry have been coordinated and delivered. Activities have been delivered by a wide range of local delivery partners chosen for their track records of successful delivery and their specialist skills in supporting the most disadvantaged local residents to overcome often complex and multiple barriers to labour market participation.
- 1.2.3. Across these existing Phase 2 programmes and including the Phase 1 Programmes (ended March 2020) the Council Employment & Skills Service is managing £34m of ESF funds, with a total of £19m to be received in ESF grant. Up to 30th June 2021, the Phase 2 Programmes have delivered:
  - 1,519 participating Coventry residents, with multiple and enduring barriers to labour market participation, who were either unemployed or inactive when initially registered on programmes.
  - 251 participants directly assisted to get a job.
  - 53 participants have been assisted into education or vocational training courses.
  - 560 participants have so far achieved one or more positive outcomes as a direct result of programme intervention.

1.2.4. Ongoing work is continuing with this caseload. It is anticipated a significant increase in positive outcomes will be achieved once the relevant support has been completed and the detailed evidence required by Department of Work and Pensions (DWP), who manage the ESF funds, has been collated and submitted. Activities on Programmes are scheduled to continue until December 31, 2023.

### 1.3. Phase 2 Programme

Further calls for Phase 2 applications under the Youth Employment Initiative were announced in January 2021 under the priority axis of Skills for Growth and Inclusive Labour Markets. Projects can run from April 2021, or on a date to be agreed as soon as Funding Agreements have been issued.

1.3.1. All Phase 2 programmes, including the Youth Employment Initiative must be completed by the 31<sup>st</sup> December 2023, with final claims expected no later than February 2024.

1.3.2. Coventry City Council and Delivery Partners have already commenced delivery of programmes for ESF Phase 2 under the Access to Employment for Job Seekers and Inactive People, Inclusive Labour Markets, Sustainable Integration of Young People into the Labour Market and Active Inclusion Investment Priorities.

1.3.3. There is EU and Government commitment to continue to fund these programmes of activity to their closure in December 2023, as detailed below:

The Head of the European Social Fund Division at the Department for Work and Pensions (DWP) has written to all ESF Grant recipients to confirm that the Programme will continue under the existing rules and guidance until its closure.

Under the terms of the Withdrawal Agreement, the UK will continue to participate in EU annual budgets funded under the current Multiannual Financial Framework (2014-2020 MFF). The UK will continue to make its contribution and get receipts from current EU programmes under the normal rules. This includes all European Structural and Investment Funds (ESIF), including the ESF Programme. As a result, even after the end of the implementation period, the ESIF programmes under the current MFF will continue to receive funding via the usual processes for their lifetime.

This means that:

- ESF grant recipients should continue to deliver activities and submit claims to the ESF Managing Authority in line with their ESF Funding Agreement.
- Applications for ESF will be progressed as usual. This applies to either existing applications or bids for funds made via the ESF Reserve Fund.

## 2. Options considered and recommended proposal

### Do Nothing

2.1 The first option could have been to decline the opportunity to apply for further ESIF funding. This was quickly discounted because the Council has an excellent track record of using European funding to run successful projects to help local residents gain access to local jobs. ESIF is the primary source of employability support funding currently available to support people into jobs, and job focused learning and training.

### Act as a Delivery Partner rather than as a Lead Bidder

- 2.2 An alternative option was to seek to join ESIF bids as a delivery partner rather than as lead bidder. This approach could provide some benefits in terms of reduced financial risk and programme management costs whilst still making EU funding available for some of the Council's activities. However, as a City there is not another appropriate partner with the track record, financial capacity, local knowledge and network presence to effectively manage a large diverse portfolio of specialist programmes like the one we are proposing. Other organisations also had the opportunity to form partnerships and directly bid for the funds, however, they were unable to take up that opportunity. Therefore, this option has been discounted.

### Accept the Grant Funding and act as Accountable Body

- 2.3 The recommended option is for the Council to act as lead applicant for ESIF projects, and to act as accountable body for this funding programme with grant agreements in place with partners as described in sections 4 below. This maximises the EU grant available. This also allows the Council to take a leadership role, working with key partners, in how ESIF projects are delivered. As previously mentioned, the Council has an excellent track record of managing grants of this type using them to help people into jobs and promote economic growth for Coventry. These bids will allow this work to continue in the new projects/programmes.
- 2.4 If Cabinet do not approve this report then Coventry City Council would miss out on funding earmarked for the applications listed in the section below. Grant funding of £2.11m for employment and skills support for young people would be lost.

## **3. Summary of Bid**

### **Your Vision Your Future**

- 3.1 The programme will support 1,200 young people aged 16-29 who are either unemployed or inactive in the labour market with supported interventions to help them to access sustainable jobs, education and learning opportunities. The programme will be customised to combat the negative shock caused by COVID-19 and ensure that young people in Coventry who are not in employment, education or training (NEET) are assisted to not miss out on the very real opportunities being created by major new local and regional investment plans, the City of Culture, Commonwealth Games and the predicted economic 'bounce back' in the post pandemic period. Support will be focused on developing creative and entrepreneurial interventions to work with those young people who have faced the toughest challenge in recent months. This will include young people:
- In the most deprived areas of Coventry;
  - With mental health and wellbeing challenges;
  - Who have been in the care system;
  - Who are recent migrants into Coventry;
  - Those with other multiple and complex barriers.
- 3.2 The Employment & Skills Service have established a new extended consortium of 8 specialist third sector, private and statutory providers who all have substantial delivery expertise and in-depth knowledge of the needs of young people in Coventry. The partners offer is based on extensive local knowledge, established networks and in-depth understanding of the needs of these specific cohorts in Coventry. In response to this call the Employment and Skills service (ESS) will significantly enhance the current offer.

3.3 The Council will act as accountable body for the project value of £3.17m - ESIF grant value of £2.11m (66.6%). The project will be delivered over a period of 2 years and 4 months.

3.4 Result indicators for the project are listed below.

Unemployed and Inactive Coventry Residents Supported	1200
People below the age of 25	888
People aged 25 - 29	312
People who are Black and Minority Ethnic Origin (BAME)	457
People with a disability or health condition	286
People who live in a single adult household with dependent children	84
Male	600
Female	600
People completing a supported intervention	564
People supported into Employment, Education & Training on leaving	649
People in employment six months after leaving the programme	408

#### 4. Results of consultation undertaken

4.1 The ESIF bid has been developed by a consortium created and led by the Council Employment & Skills Service. This partnership brings together a broad representation of organisations working on employability support activities in Coventry. This includes public, private and third sector organisations. Partners involved in the development of Your Vision Your Future are:

- Coventry City Council – Employment & Skills Service
- Coventry City Council – Adult Education Service
- Coventry City Council – Migration Team
- PET-Xi Ltd
- Working Actively to Change Hillfields Ltd (WATCH)
- Coventry University – (Disruptive Media Lab)
- NewStart4u CIC
- Godiva Awakes Trust (Imagineers)

4.2 Each of these partners have had the opportunity to influence the ESIF bid in the relevant themes, allowing the views of a wide range of people and businesses from Coventry to be considered in the project design.

4.3 The ESIF bids deliver against Coventry & Warwickshire’s Strategic Economic Plan (SEP), which underwent a significant consultation process. They will also deliver against the Coventry & Warwickshire’s ESIF Strategy, which again was developed after extensive consultation.

#### 5. Timetable for implementing this decision

5.1 If approved the Council will enter into the Funding Agreement with the DWP (ESF Managing Authority) and commence delivery of the Programmes from September 1st, 2021.

Each delivery partner will be given a Grant Aid Agreement that sets out their contribution to the project in terms of match funding, outputs to be achieved and sets out how much ESIF funding will be available to them.

- 5.2 The Programme will run until December 2023. While in previous EU funding programmes, the Council has successfully negotiated extensions of both time and funding on numerous occasions, this will be the end of ESF funding. All ESF project delivery must end by 31/12/2023.
- 5.3 Your Vision Your Future delivery will end on 31/03/2023 with final claims being submitted by the 05/02/2024.

**6. Comments from the Director of Finance and the Director of Law and Governance**

**6.1 Financial implications**

The Council is proposing to be the accountable body for the Your Vision Your Future Programme as specified in the report, totalling £3.17m costs, if approved. These schemes provide access to substantial external funding and are expected to bring significant economic benefit to the city.

Whilst there is some financial risk relating to performance, compliance and grant claw-back there is no immediate implication as a result of being the accountable body. The Employment & Skills Service have robust processes in place to track delivery against output targets and have regular discussions with the Managing Authority. Grant Aid Agreements will also be issued to partners which will pass on the risk of any funding claw back to them in the event of non-compliance on their part. Grant risk is discussed further in Section 7.2.

Covid-19 continues to have an impact on delivery, and this is being evaluated by the Managing Authority on an individual contract basis. There are no indications currently to suggest that funding will be reduced due to under performance. Should the Council find itself in a position where it is unable to deliver the required outputs, the contract can be terminated.

Table 2 (below) illustrates that the total match funding provided by the Council for salaries and associated overheads is £0.51m for this application. This reflects current revenue budgetary provision for the 2 years and 4 months grant programme period. In addition, Delivery Partners will be providing £0.53m in match funding over the same period. All programme funding is revenue. The Employment and Skills Service Programme Management Team will monitor this to ensure grant is fully maximised where possible.

**Table 2 – Summary of Financial Profile for Your Vision Your Future**

	ESIF Grant	YEI Grant	CCC Match	Delivery Partner Match	Total
<b>Total</b>	<b>£1,057,971</b>	<b>£1,057,971</b>	<b>£518,326</b>	<b>£ 539,963</b>	<b>£3,174,231</b>

If grant is accepted this commits Coventry City Council as accountable body to identify match funding for the duration of the project. Council match, which is already secured as part of the Council’s commitment to the Economic Growth and Prosperity Strategy, is required for the individual projects depending on the type of activity being funded, the source of funding, and the contributions from delivery partners. Should the level of available CCC match funding change for any reason, it will be necessary to find alternative match within the programmes in order to maintain the level of ESIF grant that has been requested.

## 6.2 Legal implications

6.2.1 The City Council has the power to enter into this activity by the general power of competence secured by Section 1 of the Localism Act 2011. The activity set out in this report is within the boundaries and limits on the general power set out in Section 2 and 4 of the Localism Act 2011 respectively. Legal and compliance issues associated with the Grant Funding and the delivery of the Project will be delivered within the Conditions of Grant Funding Agreement, in accordance with the Council's financial rules where appropriate.

6.2.2 If approved, the Council will act as the accountable body for the ESIF projects on the terms of the EU and DWP requirements. The Council will be issued with a grant offer containing terms and conditions. The terms and conditions will be devolved to any partners within the various programmes. These will ensure appropriate conditions and obligations which are imposed upon the Council are passed to the grant recipients who receive the funding for delivering projects.

## 7. Other implications

### 7.1 How will this contribute to the Council Plan ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/))?

Your Vision Your Future will contribute to the Council's Plan aim to make 'sure that residents share in the benefits' helping local people into jobs through improving employability through access to skills and qualifications and by creating routes into work, including apprenticeship, placement and new job opportunities.

Your Vision Your Future will also make a significant contribution towards delivering the outcomes of the Council's Economic Growth and Prosperity Strategy and the West Midlands Industrial Strategy, by tackling skills deficiencies, creating opportunities and pathways for unemployed and inactive people to be supported into work. Proposed activity will also support 'connecting our poorest communities' economic growth' by 'removing or managing barriers to work' for the most vulnerable Coventry residents.

Your Vision Your Future will engage and address the needs of Coventry's most vulnerable young people by developing supported pathways into education, training and employment.

Your Vision Your Future will positively impact on the pre-NEETS and NEETS figures in the city by working with the delivery partners to develop supported pathways into education, training and employment for young people who are NEET or at risk of becoming NEET.

Your Vision Your Future will make a strong contribution to the Council's aims to promote the growth of a sustainable Coventry economy in which all residents and businesses can benefit.

The ESIF strategy also delivers part of the Coventry & Warwickshire Local Enterprise Partnership's Strategic Economic Plan.

### 7.2 How is risk being managed?

The Council will act as the accountable body for the total project costs of £3.17m. The Council will be responsible for ensuring that the funding is spent in compliance with the programme's regulations. This will include ensuring that partners use their grant correctly.

Managing these complex programmes with several partners does present some risk in relation to performance, compliance and grant claw-back. The Council has a good track record for maintaining and achieving significant financial controls and well-established

procedures for handling public funds. These will be applied to this ESIF project in order to ensure that the best possible value is achieved for the EU's investment in the schemes. Risk will be managed using the following approach:

**Grant Aid Agreements** will be issued to partners which will pass on the risk of any funding claw back to partners in the event of non-compliance on their part.

**The project will establish an Operational Group of management-level representatives** from each of the delivery partners. This group will be chaired by Council officers and will manage risk by ensuring that partners are on course to achieve their output targets and are keeping records correctly etc.

In addition, **the project will be overseen by a single Strategic Board** chaired by the appropriate senior manager from the Council to ensure that risk is managed across all Programmes.

The accountable body function will be completed by the Council's **Employment & Skills Service** within the People Directorate. This is **a specialist function which is responsible for managing large employability support funding contracts**. The team has significant knowledge in this area and has experience of delivering and managing complex, multi-partner European Social Fund projects.

The team has a great deal of experience in this area and is highly regarded by the Government's DWP Team.

The Council's **Economic Development Team** will provide technical assistance to this ESIF project. This is a specialist function which is responsible for managing large economic development funding contracts. The team has a great deal of experience in this area and is currently managing funds worth £100m+ and is highly regarded by the Government's Local Growth Team.

### 7.3 What is the impact on the organisation?

To ensure successful delivery of these large projects and the Council's ability to provide an adequate accountable body function, additional staff resources will be required. Some staff are already in place for the existing externally funded projects. All new staff will be recruited on a temporary fixed term contract basis.

### 7.4 Equality Impact Assessment (EIA)

The project will have a positive equalities impact. Many of the interventions are designed to assist people from groups which may otherwise struggle to access support. For example, each programme will run customised services designed to help Black, Asian and Minority Ethnic people, young people, women, lone parents, newly arrived refugees and migrants, people who are disabled and people with long term health conditions to access jobs and employability focused learning and training opportunities. Your Vision Your Future has included a full Gender Equality and Equal Opportunities Policy & Implementation Plan. This includes specific actions. It will be required that the Programme Management Teams, delivery partners and all programme staff deliver on these.

The Programme Management Teams and Management staff within the Employment and Skills Service will also maximise efforts to ensure that each programme maximises any positive equalities impacts. Actions will include, carrying out equality and diversity training as part of inductions for all delivery staff, running accessibility audits of delivery locations to make sure they are accessible and safe, considering barriers that may prevent participants

from accessing the programme e.g. childcare costs, travel and implementing measures to overcome this, monitoring and checking equality data on claim documentation and discussing any under representation for action at the Strategic and Operational Group.

#### **7.5 Implications for (or impact on) climate change and the environment**

Your Vision Your Future will have a positive environmental impact. Your Vision Your Future has included a full Environmental Sustainability Development Policy and Plan. This includes specific actions. It will be required that the Programme Management Teams, delivery partners and all programme staff deliver on these. The Programme Management Teams and Management staff within the Employment and Skills Service will also maximise efforts to ensure that each programme minimises any negative environmental impacts. Actions will include, raising awareness of sustainability among staff and participants, minimising waste and increasing recycling, reducing energy use, reducing travel and promoting sustainable travel options, for example by encouraging project staff to use public transport and keep electronic records where possible.

#### **7.6 Implications for partner organisations?**

Securing this ESIF funding will allow the Council to part-fund the activities of a number of important partner organisations working in employability support. Funding will be passed on to partner organisations through these programmes, giving them focused funding 2 years and 4 months to deliver significant and aligned outcomes for residents in Coventry.

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Oluremi Aremu	Major Projects Lead Lawyer	Law and Governance	06/08/2021	10/08/2021
Jeanette Essex (on behalf of Kirston Nelson, Director of Education and Skills)	Head SEND & Specialist Services	Education and Skills	10/08/2021	10/08/2021
Councillor Dr K Sandhu	Cabinet Member for Education and Skills	-	10/08/2021	11/08/2021
Councillor J O'Boyle	Cabinet Member for Jobs, Regeneration and Climate Change	-	10/08/2021	16/08/2021

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**A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.**

Scrutiny Co-ordination Committee  
Cabinet  
Council

26th August 2021  
31st August 2021  
7th September 2021

**Name of Cabinet Member:**

Cabinet Member for Policy and Leadership – Councillor G Duggins

**Director Approving Submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

None

**Title:**

Restructuring Coventry City Council Subsidiaries

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**Is this a key decision?**

Yes - the proposals involve financial implications in excess of £1m per annum.

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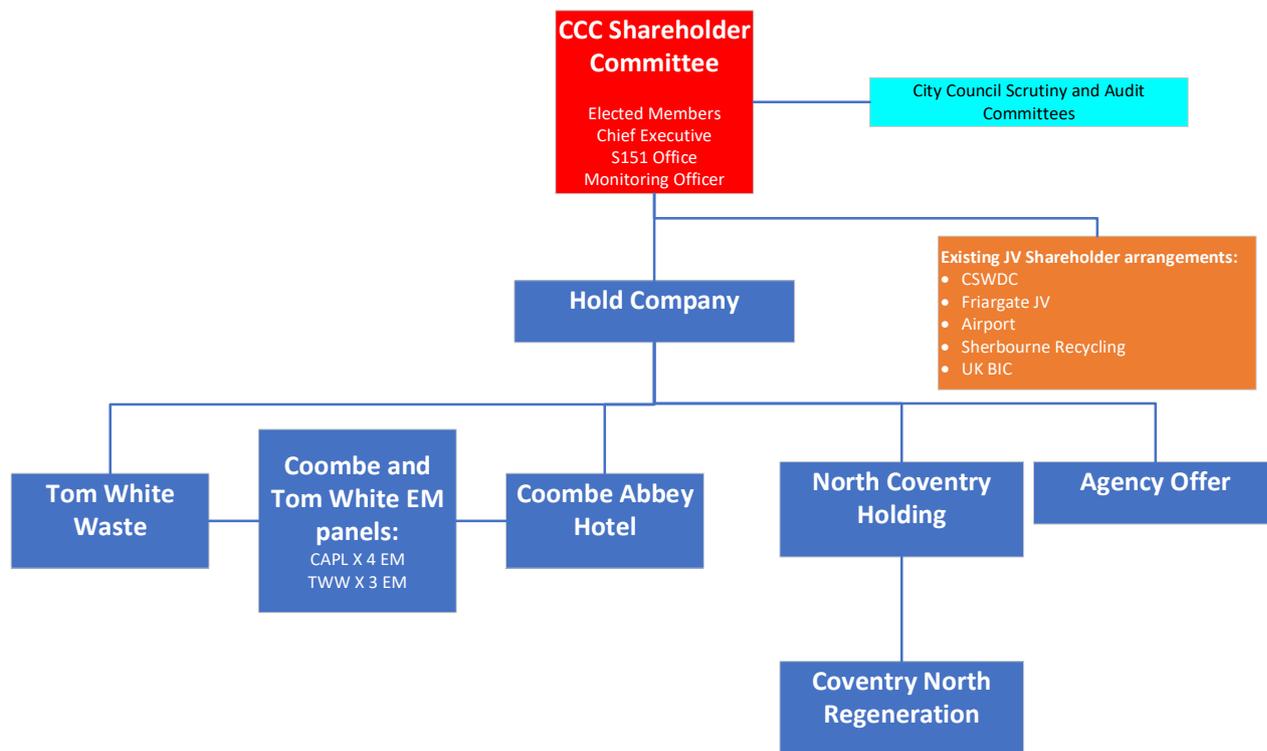
**Executive Summary:**

The City Council's portfolio of wholly owned company investments and joint ventures companies has grown in both volume and complexity over a number of years. (A full list of the City Council's company investments is given in the body of the report.)

Each of these investments has been considered separately by the City Council at the point of purchase and / or investment through detailed due diligence, along with, reports to Cabinet and Council to recommend the appropriate course of action. Equally each investment has its own governance structure which regulates how the company or joint venture operates and performs. However, there is currently no single internal process to allow the City Council to consider the performance of its investments, including the mix of commercial investments and suitable apportionment of risk across different sectors.

In response to the City Council’s auditors (Grant Thornton) advocating improvements in the overarching arrangements for our commercial investments, this report seeks approval of a revised governance structure for the City Council’s commercial investments through the establishment of new sub-committee of Cabinet (the Coventry City Council Shareholder Committee). Along with the grouping of all wholly owned investments under a single parent company (HoldCo). The outline structure is shown below in Figure 1.

**Figure 1: Proposed Governance Structure for the City Council’s Commercial Investments**



To facilitate the above structure and following independent advice from Pinsent Mason LLP and Deloitte LLP this report also seeks:

- The transfer of shares in all wholly owned companies to HoldCo, and the assignment to the City Council of new shares in HoldCo.
- The adoption of all relevant terms of reference and policies for the Shareholder Committee and HoldCo.
- The financial restructuring of North Coventry Holdings (NCH), in order to release funds back to the City Council.

**Recommendations:**

Scrutiny Co-ordination Committee is asked to:

- 1) Consider the content of the report and endorse the recommendations to Cabinet.
- 2) Identify any further comments or recommendations they may wish to make to Cabinet for consideration alongside the recommendations set out below.

The Cabinet is requested to:

- 1) Consider any recommendations from Scrutiny Co-ordination Committee.

- 2) Approve the use of its powers under Section 12 of Local Government Act 2003 and Section 1 of the Localism Act 2011 to establish HoldCo, a wholly owned subsidiary to act as a holding company.
- 3) Approve the use of its powers under Section 12 of Local Government Act 2003 and Section 1 of the Localism Act 2011 to transfer the current shares in Tom White Waste Limited (TWW), Coombe Abbey Park Limited (CAPL) ,North Coventry Holdings which are currently held by the Council, into HoldCo and set up the subsidiary companies as set out in paragraph 3.2 of this report .
- 4) Delegate authority to the Chief Executive, following consultation with the Director of Finance, Director of Law and Governance and the Cabinet Member for Strategic Finance and Resources, to finalise the necessary due diligence and finalise the terms of, and enter into, the relevant legal agreements as well as any associated documents deemed necessary to complete the transaction.
- 5) Approve the implementation of the governance structure and Terms of reference for the Shareholder Committee, Delegations Policy and the Conflicts Policy as shown in the appendices of the report.
- 6) Note that the Leader shall exercise his authority under Local Government Act 2000 to appoint Members onto the Shareholders Committee to represent the Council as sole shareholder of HoldCo.

The Cabinet is requested to recommend that Council:

- 7) Delegate authority to the Director of Finance following consultation with the Cabinet Member for Strategic Finance and Resources, the ability to carry out the necessary legal and financial transactions to facilitate a reduction in the share capital in NCH. The authority under this delegation shall also include the power to determine how any payments released as a consequence of the reduction in share capital in NCH is to be treated.
- 8) Authorise the Director of Law and Governance to make the necessary amendments to the Council's Constitution arising from this report

Council is asked to:

- 1) Delegate authority to the Director of Finance, following consultation with the Cabinet Member for Strategic Finance and Resources, the ability to the carry out of the necessary legal and financial transactions to facilitate a reduction in the share capital in NCH. The authority under this delegation shall also include the power to determine how any payments released as a consequence of the reduction in share capital in NCH is to be treated.
- 2) Authorise the Director of Law and Governance to make the necessary amendments to the Council's Constitution arising from this report

**List of Appendices included:**

Appendix 1 – Shareholder Committee Terms of Reference

**Background papers:**

None

**Other useful documents**

None

**Has it been or will it be considered by Scrutiny?**

Yes – Scrutiny Co-ordination Committee on 26<sup>th</sup> August 2021.

**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?**

Yes – 7th September 2021

## Report title: Restructuring Coventry City Council subsidiaries

### 1. Context (or background)

1.1 The City Council has continued to grow its portfolio of commercial investments held at arm's length. These include:

1.1.1 Wholly owned companies:

- North Coventry Holdings (NCH),
- Coombe Abbey Park Limited (CAPL), and
- Tom White Waste Limited (TWW).

1.1.2 Joint ventures:

- Coventry and Solihull Waste Disposal Company (CSWDC),
- Birmingham Airport,
- the UK Battery Industrialisation Centre (UKBIC),
- Sherbourne Recycling Limited, and
- Friargate Joint Venture.

1.2 The variety and complexity of the above commercial investments has precipitated an internal review of the governance arrangements for the City Council's commercial investments. In addition, the City Council is mindful of examples where other local authorities have not got the governance of commercial arrangements correct. The City Council has therefore taken any recommendations from the Public Interest Reports resulting from the failures detailed below and incorporated these in the proposals set out in this report.

1.3 **National Picture** - Grant Thornton, in its role as auditor has published two separate "Reports in the Public Interest" on the structure and governance of local authority owned trading companies. These reports refer to:

- Nottingham City Council – "Report in the Public Interest concerning the Council's governance arrangements for Robin Hood Energy Ltd"
- London Borough of Croydon – "Report in the Public Interest concerning the Council's financial position and related governance arrangements."

1.4 Whilst both of the above reports refer to circumstances of both Nottingham and Croydon, there are a number of wider recommendations that represent good practice for all local authorities.

1.5 The above reports highlighted areas where Councils should strengthen their governance arrangements to ensure companies are managed in a robust and transparent manner in order to help prevent the issues which occurred in the companies owned by Nottingham and Croydon. This resulted, in some cases, in the company becoming insolvent and significant losses incurring in those companies. Pinsent Mason and officers considered the recommendations from these reports and how Coventry City Council ("the Council") can apply these in managing its commercial investments.

1.6 Coventry City Council has several commercial investments in companies that generate net revenue, contributing to the medium-term financial strategy (MTFS) and supporting the provision of frontline services. Revenue flows back to the Council in the form of interest payments on loans, dividends, commercial rent and payment for services delivered to the relevant companies by the Council.

- 1.7 Several traded services within the Council would benefit from operating within a revised commercial governance structure. The Local Government Act 2003 sets out the legal framework for trading activities for local authorities which the Council needs to be comply with when undertaking commercial activities for a commercial purpose. In December 2017 the Council acquired shares in Coombe Abbey Park Limited (CAPL) and shares in Tom White Waste (TWW) in March 2020. These companies currently operate at arm's length to the Council as standalone investments on a commercial basis, but it is considered that there will be merit in bringing them together under one group company structure to manage the investment on behalf of the Council, improve governance, decision making and deliver efficiencies across the group of commercial investments .
- 1.8 The Council wholly owns North Coventry Holdings Ltd (NCH) which has a subsidiary, Coventry North Regeneration (CNR), that was originally set up to undertake the construction of the Ricoh Arena (now the Coventry Building Society Arena). These companies hold tax value that could be unlocked through utilising them as part of group company structure to deliver a specific project such as new development.
- 1.9 The Council also has commercial interests as part of joint ventures, with other partners where the governance arrangements vary from company to company. All Council companies, whether owned in part or full, will sit under the same governance 'umbrella' being proposed, in relation to the role of the Shareholder Committee. In respect of existing joint venture companies such as CSWDC which has an established Shareholder Panel, the Shareholder Committee would not replace the existing Shareholder Panel as it is made up of other joint venture partners and it is not possible to change the Articles of Association or other governance agreements relating to the company without requiring consent from other joint venture partners. However, the members which represent Coventry City Council at those panels in its capacity as shareholder should be same members that sit on the Shareholder Committee to ensure consistency and good governance. Appendix 1 to the report sets out the Terms of Reference for the Shareholder Committee.
- 1.10 There are a number of key outcomes that will be delivered to strengthen the governance arrangements within our Council companies, incorporating the recommendations from the Public Interest reports raised by Grant Thornton. The proposed reorganisation of the City Council's wholly owned external companies addresses the recommendations (see Appendix 5) and seeks to achieve these objectives:
- Robust and consistent governance
  - Flexible model for managing its investments
  - Management of conflicts of interests
  - A tax efficient structure for our commercial investments.
- 1.11 The recommended structure will strengthen the governance arrangements and increase consistency in reporting, as well as scrutiny in the management and operation of the companies, to enable Council Members and officers to have greater level of confidence and transparency in how these businesses operate.

## 2. Options considered and recommended proposal

- 2.1 **Option 1: Do nothing** – Whilst the City Council has individual governance arrangements in place for each of its commercial investments, doing nothing would prevent the City Council from bringing the decision making, strategic oversight, and performance management into one Shareholder Committee and realising the governance benefits that the single overarching approach can bring. Likewise doing nothing would leave no opportunity for the City Council to respond to the recommendations made by Grant Thornton in their Public Interest reports on Nottingham and Croydon. Where Grant Thornton conclude that strong governance arrangements and clear accountability need to be in place to manage the potential conflicts between running a commercial company in a competitive market and the

implications of being owned and funded by a public body, who must be accountable to the public.

- 2.2 In addition, not arranging the wholly owned investments under HoldCo would mean that the financial benefits of a group structure would also not be available to benefit the City Council in the future.
- 2.3 Accordingly, this is not the recommended option.
- 2.4 **Option 2 (recommended) – establish a holding company to manage the Councils wholly owned company investments**
- 2.5 All commercial investments come with an element of risk based on the competitive market within which they operate and more recently the impact of Covid-19. Strong governance arrangements support the management and mitigation of such risks, leading to the successful operation of the any company.
- 2.6 It is proposed that the City Council establishes a wholly owned subsidiary to act as a holding company, HoldCo. The Council would transfer the existing shares it holds in CAPL, TWW, NCH and CNR and into HoldCo.
- 2.7 There is the potential for HoldCo to consider and explore establishing a new company (TradeCo) to undertake new commercial operations, for example one idea being explored is for TradeCo to act as an employment agency providing services back to the Council using the Teckal arrangement. This could initially reduce the City Council's reliance upon very expensive consultancy arrangements in a number of its capital projects, as well as strengthening the knowledge base of engineers and project managers available to the City Council. If the business case supported this, the necessary approvals would be required.
- 2.8 Holdco will sit as a strategic anchor between the Council and the trading companies, providing a single point of responsibility, clear accountability and visibility of the companies' performance.
- 2.9 HoldCo will not be a public facing company, all activity and revenue generation would take place through the subsidiary companies as they do now.
- 2.10 The vision of HoldCo is to introduce consistency and strengthen governance addressing the issues that are present in the current do-nothing approach. In particular the establishment of the HoldCo will provide strong strategic leadership which, in turn will:
  - deliver sustainable growth across existing commercial investments,
  - identify and execute opportunity for investment in new initiatives and opportunities; and
  - seek to increase the financial return to the shareholder, Coventry City Council, to help offset other frontline service budget pressures.
- 2.11 North Coventry Holdings (NCH) was established in January 2004, to acquire the shares that the Council held in Coventry North Regeneration (CNR established in September 2002) to undertake the construction of the Ricoh Arena. The companies have subsequently not been involved in any development activity. NCH holds the sale proceeds for the Council's shares in Arena Coventry Limited. Once the sale proceeds have been extracted from NCH, this company will be dissolved as there is no value in retaining it. Coventry North Regeneration would be retained due to the tax value it holds that could be utilised in the future.
- 2.12 The objectives that the HoldCo structure seeks to address are to provide:
  - **Robust and consistent governance** - a clear and consistent approach to decision making for all commercial investments in Council companies. Reviewing the process to remove inefficiencies and strengthen reporting and governance associated with managing these investments. All Members of the Board of Directors will have undergone appropriate training to understand their role on the Board, legal

responsibilities associated with being a Director of a company and the time commitment required to attend meetings and take an active interest in the company.

- **Flexible model for managing its investments** – The structure provides a flexible model for the Council to manage and grow commercial businesses over time and the ability to accommodate other Traded Services that may need to move from the Council into a Company. This structure lends itself to incorporating additional corporate entities within a robust governance framework. Holdco would be the vehicle to provide finance to the wider group either through onward lending from the Council or through access to private sector funding. The HoldCo structure as proposed is the most tax efficient.
- **Management** – the structure and strengthening of the governance arrangements will better manage conflicts of interest whilst allowing HoldCo and subsidiaries to operate commercially whilst protecting the Council's public sector duties and accountability. The proposed change includes the creation of a Shareholder Committee. The representatives on existing Shareholder Panels will continue and will be a subset of the Shareholder Committee. This Shareholder Committee would oversee all companies the Council has a commercial interest in.

2.13 This is the preferred option as it:

- Strengthens the existing governance arrangements for the City Council's commercial investments.
- Incorporates the recommendations of the Grant Thornton reports in the public interest for Nottingham and Croydon, and
- Provides a more financially efficient structure within which to manage the City Council's commercial investments.

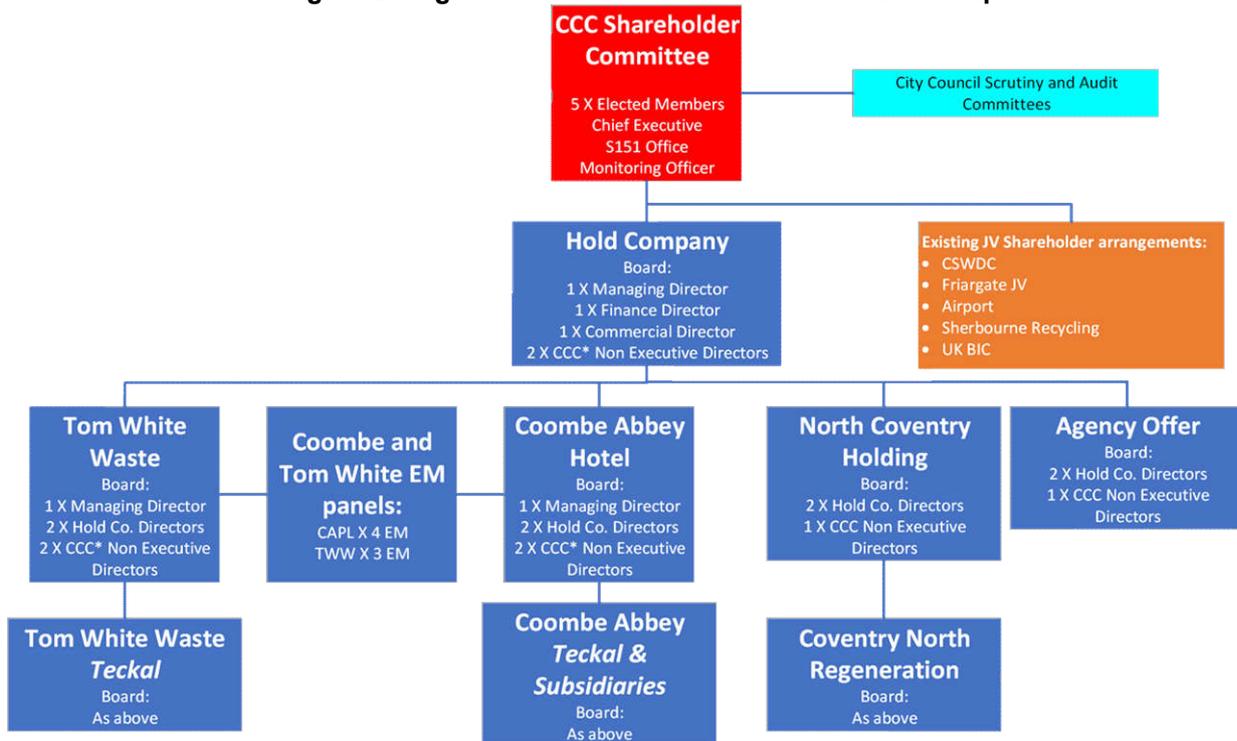
2.14 Section 3 sets out further details in relation to this option and the steps required for implementation.

### **3. Implementation of the preferred option**

3.1 **Holding company group structure** - The Council has received legal advice from Pinsent Masons LLP and tax advice from Deloitte LLP and as a result, concluded that the structure above in Figure 1 is the most tax efficient and ideal for the operation of the services through a holding company.

3.2 Figure 2 indicates each company would have a Teckal subsidiary to allow the Council to contract services directly from the company without the need for a competitive procurement exercise using the Teckal exemption where the Council felt the Teckal company is best placed to provide this service.

**Figure 2: Organisational Structure for the HoldCo Group**



\* The second CCC non-executive Director could be replaced with an industry specific appointment where necessary.

- 3.3 NCH will be required to restructure its balance sheet (share capital) to enable the company to release the consideration received plus interest earned, as a result of the sale of shares in Arena Coventry Limited (ACL) in 2014. Currently it is not possible to extract these funds from the company by way of a dividend due to the company having insufficient distributable reserves to undertake this transaction. The restructure of shares would allow these funds to be extracted in line with the Articles of Association and returned to the City Council.
- 3.4 Any working capital required to create and operate HoldCo would be met from existing budgets in the Council, NCH and CAPL and the due diligence costs and costs required to enter into the legal agreements will be met from the Commercialisation strand of the Funding for the Future resource.
- 3.5 A Service Level Agreement will be entered into between the Council and HoldCo which will enable the Executive Directors to provide services back to the Council to assist with current ongoing capital project or future projects and / or service support. The Council and Hold Co will also enter into a Service Level Agreement for the Council to provide services to Hold Co.
- 3.6 Future operating costs for HoldCo will be met from the dividend income received by HoldCo prior to passing the balance of any dividends back to the Council which would be approved by the Shareholder Committee as part of the Business Plan and in line with the Delegations Policy.
- 3.7 A key objective of HoldCo will be the year on year growth of the financial return to the Council. This will be achieved both in respect of organic growth within the portfolio of HoldCo subsidiaries and will also include for strategic investment in new opportunities within a subsidiary or an investment in other opportunities, property transactions (to the extent they are for investment rather than Council operational purposes) acquisitions or Joint Ventures.

- 3.8 **Governance and management of the Holding companies** – HoldCo and each trading company will have its own Executive Board of Directors (detailed in Figure 2), where the Managing Director will have an executive position supported by at least two other suitably qualified Directors with the skills and capacity to undertake the role and who are independent from the day to day management responsibility. In the individual subsidiaries the existing Executive Director posts are either filled or in the position of being filled where there is a vacancy.
- 3.9 It is proposed that there will also be 2 Non-Executive Directors (NEDs) on each company Board, made up of suitably qualified officer representatives from the Council with responsibility for oversight and input into corporate decisions or industry experts to strengthen the governance at this level. The appointment to NED posts will be time limited to a 4-year term at which point they will be extended or replaced due to good governance perspective. Any CCC NED post holder would have to resign or be removed by the Board of the Company if they left their post at the Council.
- The Board of Directors for each subsidiary will ultimately be accountable to the Holding company, with the HoldCo Board of Director's accountable to the Shareholder's Committee and ultimately the Council for performance.
- 3.10 The Shareholder Committee will be a group of elected members with responsibility to take all decisions as per the Delegations Policy and the Shareholders Committee's Term of Reference (Appendix 1).
- 3.11 Profits generated by each of the trading companies would be provided to HoldCo by way of a dividend which will either be reinvested into the group in line with approvals from the Shareholder Committee or distributed to the Council as a dividend.
- 3.12 The good governance recommendations by Grant Thornton, it is recommended that the HoldCo group will have a dedicated company secretary. Part of the role of the company secretary will be to assist the directors in understanding the legal frameworks that apply to decision making (including the requirements of the delegation's policy). Through this role, they will provide support from a governance perspective, ensuring decisions are taken in accordance with all relevant legal processes and help guide directors on their obligations in respect of conflicts.
- 3.13 The strategy, objectives and funding requirements of the HoldCo group will be set out in the overarching group business plan (HoldCo business Plan). The Group Governance Agreement (GGA) report sets out what is required within the annual business plan along with the process for approval, responsibility for delivery and mechanism for any changes.
- 3.14 Each trading company will have its own Business Plan, setting out the financial projections, business strategy and opportunities to be pursued over the coming financial year. Each Trading Company Business Plan will be prepared by the Board of Directors of the relevant Trading Company with updates being made on an annual basis along with ad-hoc amendments being made as and when required in line with the GGA.
- 3.15 Each company within the HoldCo structure will be subject to an external audit on an annual basis providing reasonable assurance that the company's financial statements present a true and fair view of the financial performance and operation of the company in line with specific laws and regulations that govern the preparation of these accounts.
- 3.16 Each year the HoldCo Board will prepare and submit a detailed annual report to the Shareholder Committee. Alongside this, the HoldCo Board will also prepare an executive summary of the report which will be submitted to the Council's Scrutiny Co-ordination Committee and Internal Audit. The details of the annual reporting process are set out in the GGA. Scrutiny Co-ordination Committee and internal Audit will review the summary of the Annual report and make representations, ask questions and challenges to the HoldCo Board to take into account within the updated HoldCo business Plan for the following financial year prior to presenting this for approval at the Shareholder Committee.

- 3.17 The GGA also highlights the role that the Council's Procurement Board will play in the oversight and scrutiny of the procurement activity carried out by the HoldCo Group. A Procurement Report will be prepared and submitted alongside the annual update to the Business Plan.
- 3.18 CCC internal Audit team will also carry out audits of HoldCo and its respective subsidiaries on a 3-year cycle to ensure compliance with the policies which are to be adopted.
- 3.19 Further information is set out in the Private report.

#### **4. Results of consultation undertaken**

- 4.1 No consultation has been undertaken with regards to the implementation of the new structure.

#### **5. Timetable for implementing this decision**

- 5.1 Subject to approval of this report, the holding company would be established from 31st October 2021.
- 5.2 Appointment to the Executive Director and Non-Executive Director posts would take place following Member approval ready for the posts to be occupied once the company is established.
- 5.3 The Appointment to the Shareholder Committee will be determined before the company is incorporated and then annual appointments thereafter in line with the constitution.
- 5.4 Ongoing monitoring of the proposal and decisions sets out in this report would be undertaken in line with a Group Governance Agreement.

#### **6. Comments from the Director of Finance and the Director of Law and Governance**

##### **6.1 Financial implications**

The overarching drivers for the proposals within the report are to ensure that the various trading subsidiaries of the City Council operate within a consistent, robust and legally compliant framework. There are however a number of financial implications resulting from the recommendations in the report, as follows:

- Ongoing financial costs and benefits of creating the proposed structure
- Corporation tax implications
- Equity investment and share transfer in the holding company
- Payment of Dividend from North Coventry Holdings (NCH) to the City Council
- One off impact and funding of legal and tax adviser costs

Each of these is explained in turn below:

##### Ongoing financial costs and benefits

The annual gross cost for the Holding company are set out in the table shown in the private section of this report.

It is proposed the year 1 costs are met by way of a one-off grant from the Council as working capital funded from existing resources. The ongoing annual costs would be funded from the additional commercial benefit and tax efficiency achieved through implementing this structure.

The creation of the Holding company structure should deliver at least a breakeven position by the end of year 1, taking into account the cost of operating Holdco from year 2 onwards, assuming the trading subsidiaries achieve the financial projections.

#### Corporation tax implications

The group arrangements allow any tax losses generated in year, to be redistributed to the entities in the group, reducing the tax burden on those companies. As the trading performance of the group improves, this in turn will increase the savings and return to the Council. These current savings are on the assumption that all things remain as is and there is no further growth or investment in the businesses which will not be the case.

HoldCo and the subsidiaries will prepare detailed business plans including a budget estimate for future years for approval by Shareholder Committee in the Spring 2022 where the expected return to the Council in future years will be shared.

#### Equity investment and share transfer

The value of the investments that the Holding Company is proposed to acquire from the Council are recorded in the Council's Statement of Accounts at c£17m. The equity value for the Holdco will be equal to this value so there is an equal but opposite entry in relation to the share transfer and no reduction in the value of the investments. No cash will transfer for the sale of shares.

#### Payment of Dividend from North Coventry Holdings (NCH) to the City Council

Some years ago, NCH as a wholly owned subsidiary of the City Council disposed of its shares in Arena Coventry Limited (ACL). Whilst this has been treated as a City Council capital receipt, technically it still sits on the NCH balance sheet. It is proposed that the proceeds remain within the Holding Company moving forward, but approval is being requested to undertake the appropriate accounting transactions required to access these funds in the future. This would be achieved by a reduction in the share capital within NCH. No VAT should apply as a result of this transaction based on tax advice from KPMG and Deloitte.

#### One off impact/funding of legal and tax adviser costs

In order to make the proposed structural changes, and ensure the associated legal documentation is in place, there will be additional professional fees incurred for legal and tax advice as set out in the private section of this report. Should Members approve the recommendations, it is proposed that these costs will be funded from earmarked resources set aside for Commercialisation.

## **6.2 Legal implications**

- 6.2.1 The Council has the power to establish the HoldCo under section 1 of the Localism Act 2011 ("LA 2011"), which broadly gives the Council the power to do: -

- (a) anything that an individual may do;
- (b) for a commercial purpose or otherwise for a charge; and
- (c) for the benefit of other areas than the Council's administrative areas,

such power generally being known as the "**General Power of Competence**" or "GPC" for the purpose of this report.

- 6.2.2 Although the GPC is a wide-ranging power it is subject to restrictions. Specifically, section 4 of the LA 2011 provides that, where the GPC is to be used by an authority to do things for a '*commercial purpose*', then the authority must do them 'through a company'.
- 6.2.3 A core objective for the Council in establishing the HoldCo Group is a desire to further commercialise its commercial ventures and to increase revenue for the benefit of the Council.
- 6.2.4 In establishing the HoldCo the Council, would be considered to be acting for a commercial purpose. Accordingly, HoldCo itself would have to be established as a company.
- 6.2.5 In this context a company limited by shares is the preferred vehicle for the HoldCo. This is because a company limited by shares provides the ability for the Council to extract profit by way of dividend.
- 6.2.6 [The Council has a number of powers to directly provide and charge for services including:
- - (a) S93 of the Local Government Act 2003 ("**LGA 2003**") – which provides the Council with the power to charge for discretionary services; and
  - (b) s1 of the Local Authorities (Goods and Services) Act 1970 ("**LAA 1970**") which allows the Council to provide and charge for goods and services (including administrative, professional and technical services).
- However: -
- (c) s93 of the LGA 2003 only allows the Council to charge on a 'cost-recovery basis'; and
  - (d) S1 of the LAA 1970 only permits trade with other public bodies.
- 6.2.7 Accordingly, neither of the above powers can provide a legal basis for providing the Traded Services on a for-profit basis on the open market.
- 6.2.8 In order to legally provide the Traded Services, the Council must rely on the 'trading powers' set out in s95 of the LGA 2003. These provisions give the Council the power to do for a commercial purpose anything that it is otherwise authorised to do for the purposes of carrying out its functions.
- 6.2.9 This power is subject to a number of restrictions as set out in the Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009. Critically the 2009 Order states that the traded activities must be carried out through a company.
- 6.2.10 The Council are working with Pinsent Masons LLP its external solicitors. Legal services have undertaken due diligence on the various legal advice received and are satisfied with the legal implications.

6.2.11 Pinsent Masons LLP and Legal Services identified some risks in the structure in relation to procurement and state aid. However, the Council has obtained an opinion from leading Counsel James Goudie which endorses the structure which is to be taken by the Council.

### **6.3 Governance and Articles**

6.3.1 The Articles of each of the current subsidiaries will be redrafted to reflect that HoldCo will be the sole shareholder. As soon as the Transaction is completed the necessary resolutions will take place to approve the Governance proposals set out in this report and each of the companies (including HoldCo) will enter into the GGA.

### **6.4 Services to Hold Co**

6.4.1 The Council can provide services directly to Hold Co, for example a contract to provide back office support such as payroll, recharging staff or internal services, it can use the “incidental power” under section 111 of the Local Government Act 1972, which enables it to “to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions” (its function in this case being the General Power of Competence). The Council also have the power under Section of Local Authorities Goods and Services Act 1970 to provide services back to Hold Co.

### **6.5 Hold Co Services to the Council**

6.5.1 The governance structure presented enables the Council to procure services from HoldCo or the trading subsidiaries, for example if Executive Directors are required to assist with Capital Projects it is able to do so by awarding a services contract to HoldCo using Regulation 12 of the Public Procurement Regulations 2015 the Teckal exemption.

### **6.6 Working Capital Grant**

6.6.1 The working capital grant to assist with year one operating costs is to be compliant with State Aid Regulations. As the sum is below the threshold the exemption used is Under EC Regulation 1407/2013 (De Minimis Aid Regulation) as published in the Official Journal of the European Union 24 December 2013, the support provided is a De minimis aid. There is a ceiling of €200,000 for all De minimis aid provided to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years). Hold Co would satisfy this condition and would enter into a document which obliges the organisation to comply with the conditions.

## **7. Other implications**

### **7.1 How will this contribute to the Council Plan ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/))?**

The proposals detailed in the main report will support the trading subsidiaries to grow in line with the Globally Connected aspect of the Council Plan. Strengthening the governance of the commercial investments that the Council holds, should lead to greater support and a dedicated resource to manage the investments through the Holding company. In turn we are expecting that these new arrangements should deliver a return that will support the Council to continue to provide services in line with the Council’s core aims., A greater focus on the commercial operation of our investments should support increased commercial returns to support the Council when there are fewer resources available to deliver front line services.

### **7.2 How is risk being managed?**

As with all commercial investments there is an element of risk due to the markets within the businesses operate. This paper goes some way to strengthen the governance arrangements in place for the trading entities the Council has an interest in. The report takes into account the recommendations that were proposed by Grant Thornton in the Public Interest reports that have been produced for Nottingham City Council and London Borough of Croydon in relation to the management of their commercial interests. Each recommendation has been addressed with this proposed structure.

Each Executive and Non-Executive Director will undertake training to understand the role and the responsibilities of being a Director. They will be selected based on the skills they can bring towards the management and operation of the businesses.

The role of the Shareholder's Committee, Scrutiny, internal and external audit are included in the Group Governance Agreement, strengthening the role of oversight and challenge in relation to the management and operation of HoldCo and the trading subsidiaries. The Conflicts Policy clearly set out how conflicts will be managed and reduces the risk that such incidents would have an impact on the management and operation of the companies.

### **7.3 What is the impact on the organisation?**

The implementation of the proposed structure should have little impact on each of the trading subsidiaries. Changes will be present at the Management Team and Board level for each company, with the Managing Director now taking on an Executive Director role.

### **7.4 Equality Impact Assessment (EIA)**

No equality impact assessment has been carried out as there is no change in Council policy or service. The proposed changes relate to the structure in place at arm's length to the Council. The appointment to the various roles detailed in the report will be undertaken in line with Section 149 of the Equality Act 2010, known as the Public Sector Equality Duty, which requires the Council to have due regard to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people.

### **7.5 Implications for (or impact on) climate change and the environment**

The proposed arrangements should not impact of climate change and the environment.

### **7.6 Implications for partner organisations?**

The proposals will impact on the management and operation of the trading subsidiaries, who are aware of the proposed changes. This will be managed to ensure there will be a smooth transition when implementing the new structure. The implementation of the Holding company will strengthen the governance and reporting framework in place to manage these investments.

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**PART 2N: COVENTRY SHAREHOLDER COMMITTEE**

**1. Overview**

- 1.1 A Coventry Shareholder Committee (“the Shareholder Committee”) has been established, the purpose of which is to take decisions on behalf of the Council, to represent the interests of the Council as shareholder and to ensure the satisfactory performance of any Company (as defined in 1.3 below) to protect the Council’s interests as shareholders.
- 1.2 The Shareholder Committee will exercise the Council’s role as shareholder in any company, limited by shares or guarantee, wholly or partly owned by the Council for the purposes of service provision and/or trading activities. The decisions taken by the Shareholder Committee will be within the functions of Cabinet and will ensure that the performance of any such company is satisfactory, thus protecting the Council’s interest as shareholders in the Company.
- 1.3 Any reference in these terms of reference to “Company” is defined as a company in which the Council holds shares.
- 1.4 The Coventry Shareholder Committee is a sub-committee of Cabinet and will exercise the functions delegated to it by Cabinet as set out in section 3 below and will operate in accordance with Cabinet Procedure rules set out in Part 3 D of the Council’s Constitution.
- 1.5 All members of the Shareholder Committee shall have received appropriate training before carrying out any functions set out in section 3.1 below.

**2. Composition**

- 2.1 The Shareholder Committee shall comprise of elected members drawn from the Cabinet to be appointed by the Leader of the Council. The Leader of the Council will appoint the Chair and Deputy Chair of the Shareholder Committee. This will have a maximum of 5 elected members and a minimum of 3 elected members.
- 2.2 The Chief Executive, Section 151 Officer, City Solicitor (or their nominees) will be advisors to the Shareholder Committee to provide open and robust technical advice. Additional advisors may be invited to attend the Shareholder Committee as required.

### 3. Functions delegated to the Shareholder Committee

3.1 The Shareholder Committee will have responsibility for the following delegated functions **except** where specific functions have been delegated to an employee:

- Any decisions that relate to any matter identified as being reserved to be taken by the Shareholders within the Articles of Associations and/or the Delegations Policy for the relevant Company.

Provided that where a decision that relates to any such matter affects the budgetary framework or has been reserved to Full Council under the Delegations policy for the relevant Company, the Shareholder Committee will consider the decision and provide a recommendation to Full Council.

- Report to the Council annually on the performance of the trading activities of the relevant Company

3.2 The Shareholder Committee will not have operational control over Companies. All decisions regarding the day to day operation of each Company, its business developments and commercial opportunities, staff terms and conditions and the development and implementation of its internal procedures, rest with the Directors of each Company.

### 4. Accountability of Decisions

4.1 The Scrutiny Co-ordination Committee will be responsible for the scrutiny function in relation to the operation of the Shareholder Committee. The Scrutiny Co-ordination Committee will be able to call the Shareholder Committee to account for progress in relation to any Company for which the Council is a shareholder and any returns it is making.

4.2 Any recommendations the Scrutiny Co-ordination Committee wishes to make will be submitted to the Shareholder Committee for reconsideration.

4.3 The Chair of the Shareholder Committee will be required to answer questions on its work at Full Council meetings.

4.4 All decisions of the Shareholder Committee will be open to the Call in arrangements and subject to the call-in criteria.

### 5. Quorum

5.1 The quorum for a meeting of the Shareholder Committee is a minimum of 3 members, one of whom must be the Chair or the Deputy Chair of the Shareholder Committee.

## 6. Operation of the Shareholder Committee and Frequency of meetings

- 6.1 The Cabinet has delegated to the Shareholder Committee the authority to take decisions as set out in paragraph 3.1 in respect of 100% of the Council's shareholding in any Company.
- 6.2 The Shareholder Committee will meet twice annually, or as required.
- 6.3 In cases of urgency, decisions will be made in accordance with the provisions set out in the Constitution by the Chief Executive.
- 6.4 Any decisions made by the Shareholder Committee must be notified to the Company's Directors as soon as reasonably practicable following such decision being taken.
- 6.5 An authorised representative of the Shareholder Committee will be given authority on behalf of the Shareholder Committee to take decisions at a Company's general meeting.
- 6.6 The Shareholder Committee will review the Terms of Reference annually.

## 7. **Access to Information and Procedure relating to Shareholder Committee**

- 7.1 As an Executive Committee of Cabinet, meetings of the Shareholder Committee are subject to the Access to Information Procedure Rules set out in Part 3B of the Council's constitution.
- 7.2 it is expected that all meetings of the Shareholder Committee will involve the consideration and review of Exempt Information (i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information)).

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