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Coventry City Council

## Agenda

### **Finance and Corporate Services Scrutiny Board (1)**

#### **Time and Date**

2.00 pm on Thursday, 9th March, 2023

#### **Place**

Diamond Rooms 1 and 2 - Council House

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#### **Public Business**

##### **1. Apologies and Substitutions**

##### **2. Declarations of Interest**

##### **3. Minutes**

(a) To agree the minutes of the meeting held on 15 February 2023 (Pages 3 - 6)

(b) Matters Arising

##### **4. Financial Position of the City of Culture Trust (Pages 7 - 8)**

Briefing Note

##### **5. Work Programme and Outstanding Issues (Pages 9 - 12)**

Report of the Scrutiny Co-ordinator

##### **6. Any other items of Public Business**

Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved

#### **Private Business**

Nil

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Julie Newman, Chief Legal Officer, Council House, Coventry

Wednesday, 1 March 2023

Note: The person to contact about the agenda and documents for this meeting is Carolyn Sinclair [carolyn.sinclair@coventry.gov.uk](mailto:carolyn.sinclair@coventry.gov.uk)

Membership: Councillors R Auluck (Chair), J Blundell, R Brown (By Invitation),

B Gittins, P Hetherton (By Invitation), R Lakha, J Lepoidevin, J McNicholas, S Nazir, E Ruane and T Sawdon

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**Carolyn Sinclair**

**carolyn.sinclair@coventry.gov.uk**

# Agenda Item 3a

## Coventry City Council

### Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1) held at 2.00 pm on Wednesday, 15 February 2023

Present:

Members: Councillor C Miks (Chair for the meeting)

Councillor J Blundell

Councillor B Gittins

Councillor R Lakha

Councillor J Lepoidevin

Councillor C Miks

Councillor S Nazir

Councillor E Ruane

Councillor T Sawdon

Other Members: Councillor R Brown, Cabinet Member for Strategic Finance and Resources

Employees:

Law and Governance: G Holmes, C Sinclair

Finance: B Hastie, P Jennings, T Pinks

Apologies: Councillor R Auluck and J McNicholas

## **Public Business**

### **24. Declarations of Interest**

There were no declarations of interest.

### **25. Minutes**

The Minutes of the meeting held on 11 January 2023 were signed as a true record.

#### Matter Arising

Minute 20 (ICT and Digital Update) - The Board noted that their recommendation relating to the Member Casework Tool had been sent to the Cabinet Member. The Scrutiny Co-ordinator agreed to report back on the response when received.

NB: Councillor E Ruane raised an item of urgent business at this point in respect of the City of Culture Trust finances, the detail of which is set out at Minute 29 below (Any Other Business).

## 26. Reserve Balances

The Board received a briefing note and presentation which detailed the position in relation to the Council reserve balances.

Information had been provided as an Appendix to the briefing note which showed balances for each individual reserve areas over a two-year period. These were listed in order of the size of the balance in April 2022 (largest first) within categories. In addition, a brief description had been provided for each balance for clarification.

The Council's total level of non-schools revenue reserves stood at £140.5m at 31 March 2022 and capital reserve were £36.7m. The Council was also required to account for £31.0m of reserve balances that belong to the city's schools or were funded from Dedicated Schools Grant and were therefore ring-fenced for schools' usage.

The Council's reserve balances included an extra-ordinary balance of £18.6m at the end of 2021/22. Government Covid Business Rates reliefs announced for 2021/22 had the effect of reducing the amount of Business Rates payable in-year causing a deficit within the Business Rates Collection Fund. Accounting rules mean that the corresponding grant (from Government) cannot be applied to the Collection Fund until 2022/23 and must be carried forward within General Fund reserves. This treatment will be common to all billing authorities across England. To ensure like for like comparisons this balance was treated as an extra-ordinary item.

There were several reserve balances that warranted initial coverage due to their value and these were detailed in the report summary.

The Board questioned Officers and received responses on a number of matters relating to the presentation including:

- In respect of the current waiting list for disabled facilities equipment, the Board requested that funds currently sitting in reserves balances be used to address the waiting list for Disabled Facilities Grant requests and agreed that this be recommended to the relevant Cabinet Members.
- Due to the increase in staff working from home, Members asked that a review of the Council estate be undertaken and requested that this be added to the work programme.

**RESOLVED that the Board:**

- (a) Note the contents of the presentation and the detailed reserves listing.**
- (b) Recommend that the Cabinet Member for Adult Services and the Cabinet Member for Strategic Finance and Resources were use the COVID19 Emergency Assistance and Clinically Extremely Vulnerable Grants reserve to reduce the waiting list currently for provision requested under the Disabled Facilities Grant.**

## **27. CIPFA Resilience Index**

The Board received a briefing note and presentation which detailed the position in relation to the Chartered Institute of Public Finance and Accountancy (CIPFA) Resilience Index. The presentation showed the Council's relative performance or ranking in a series of risk categories defined within the index.

CIPFA produced the Resilience Index on an annual basis. The Index was a comparative analytical tool that was intended to be used by chief financial officers to support good financial management. The index showed a council's position on a range of measures associated with financial risk highlighting where additional scrutiny may be required. CIPFA put forward the indicators selected as having been informed by extensive financial resilience work undertaken by CIPFA, public consultation and technical stakeholder engagement.

Section 151 officers were invited to use the index for instance in setting out the proposed budget for the year, producing their medium-term financial strategy or for in preparing their statements of the robustness of the budget and the adequacy of reserves. The data for the resilience index is obtained from the Revenue Expenditure and Financing England Outturn Report 2021-22 ("RO Forms") and reflects figures submitted by Local Authorities to the Department for Levelling Up, Housing and Communities (DLUHC) as at 31 March 2022.

CIPFA recognised some limitations in the returns (e.g. reflecting the previous financial year) but justified it as being a consistent and transparent starting place for a discussion on financial resilience that can be tracked over time. The index was made up of a set of indicators which take publicly available data and compare similar authorities across a range of factors. There was no single overall indicator of financial risk, so the index instead highlights areas where additional scrutiny should take place in order to provide additional assurance.

The Board questioned Officers and received responses on matters relating to the presentation including a request from Members to receive additional information to show comparative data from Coventry's statistically nearest neighbours.

**RESOLVED that the Board noted the contents of the briefing note and presentation.**

## **28. Work Programme and Outstanding Issues**

The Board noted the Work Programme with the inclusion of an additional item of a review of the Council's estate as set out in Minute 26 above.

There were no outstanding issues.

## **29. Any other items of Public Business**

### **City of Culture Trust**

Cllr E Ruane raised, as a matter of urgent business, his concern that this Board had not been briefed on the financial matters relating to the City of Culture Trust.

Following discussion, the Board agreed that the matter should be the subject of an additional meeting.

**RESOLVED that, in accordance with the Constitution, the Board would notify the Chief Legal Officer that they are calling for an additional meeting to seek to understand the financial position of the City of Culture Trust and the risk to public finances.**

(Meeting closed at 3.40 pm)



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**To: Finance and Corporate Services Scrutiny Board 1**

**Date: 9<sup>th</sup> March 2023**

**Subject: Financial Position of the City of Culture Trust**

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### **1 Purpose of the Note**

- 1.1 Finance and Corporate Services Scrutiny Board 1 requested an additional meeting to consider the implications of significant financial concerns reported by the Coventry City of Culture Trust that had put into question the ability of the Trust to continue and deliver the legacy programme envisaged.

### **2 Recommendation**

- 2.1 That Finance and Corporate Services Scrutiny Board note the financial position of the City of Culture Trust and any information received.

### **3 Background and Information**

- 3.1 The Coventry City of Culture Trust ("the Trust") was established principally to deliver the UK City of Culture 2021 programme across the City.
- 3.2 The Trust had continued in existence beyond the end of the main programme in May 2022 in order to deliver a series of legacy activities which were planned up to March 2024. The Trust was forecast to manage within its c£40m multi-year budget funded mostly from public sector grants, charitable trust donations and ticketing and commercial income. However the Trust reported some significant financial concerns which put into question the ability of the Trust to continue and deliver the legacy programme envisaged.
- 3.3 The additional meeting was called to consider the financial position of the City of Culture Trust and the risk that the Trust may not be able to deliver the legacy activities it had planned.
- 3.4 Subsequent to the meeting being called, on 28<sup>th</sup> February 2023, the Trust entered administration.
- 3.5 The wider City of Culture programme and legacy have been considered regularly at meetings of the Scrutiny Co-ordination Committee and is next scheduled for a meeting early in the new municipal year. Therefore this additional SB1 meeting will focus on just the financial issues identified above.
- 3.6 There may be some questions which raise issues that are subject to commercial confidentiality or ongoing legal proceedings that any attendees will not be able to address in detail at a public meeting or share with the City Council.
- 3.7 Officers of the City of Culture Trust have been invited to the meeting.

**Victoria Castree  
Scrutiny Co-ordinator  
02476 971699**

# Agenda Item 5

SB1 Work Programme 2022/23

Last updated 28/02/23

Please see page 2 onwards for background to items

<b>13<sup>th</sup> July 2022</b>
- Introduction to Local Government Finance
<b>21<sup>st</sup> September 2022</b>
- HR Update and People Plan - Workforce Diversity & Inclusion Update
<b>9<sup>th</sup> November 2022</b>
- Procurement and Social Value Update - Recruitment & Selection and Tribepad the Council's Applicant Tracking System
<b>11<sup>th</sup> January 2023</b>
- ICT & Digital Update - Digital Inclusion
<b>15<sup>th</sup> February 2023</b>
- Reserve Balances - CIPFA Resilience Index
<b>9<sup>th</sup> March 2023</b>
- City of Culture Trust
<b>29<sup>th</sup> March 2023</b>
- HR/ Workforce update to include: • Apprenticeship Update • HR/Workforce Management information • Managing an Agile Workforce • Early Retirement/ Voluntary Redundancy
<b>2023/24</b>
- Equality and Diversity – Interview Panels - Financial Management Code - Medium Term Financial Strategy - Coventry Connects - Council Office Space

Date	Title	Detail	Cabinet Member/ Lead Officer
<b>13<sup>th</sup> July 2022</b>	- Introduction to Local Government Finance	The report will include opportunities, challenges and risks for LG finance nationally and locally; the current Position on issues including inflation, reserves, treasury management and grants; the budget settings process; benchmarking and making best use of CCC published financial information.	Cllr Brown Barry Hastie
<b>21<sup>st</sup> September 2022</b>	- HR Update and People Plan	To review the new plan for 2022-2025. This will what is being done to develop, retain and attract new talent to CCC.	Cllr Brown Susanna Newing
	- Workforce Diversity & Inclusion Update	To provide Finance and Corporate Services Scrutiny Board with an opportunity to scrutinise the Council's Workforce Diversity & Inclusion and Anti-Racism work.	Cllr Brown Grace Haynes
<b>9<sup>th</sup> November 2022</b>	- Procurement and Social Value Update	To receive an update on procurement and social value. To include the financial implications of ethical procurement and social value.	Cllr Brown Oluremi Aremu
	- Recruitment & Selection and Tribepad the Council's Applicant Tracking System	To include the impact of the introduction of anonymised recruitment and a demonstration of the system.	Cllr Brown Susanna Newing Grace Haynes
<b>11<sup>th</sup> January 2023</b>	- ICT & Digital Update	To review the position with regards to ICT & Digital and the progress being made against the ICT & Digital strategy and service plans. To include progress against the feedback from the last feedback ICT survey. To consider what work is taking place and how decisions are being taken to future proof ICT investments.	Cllr Hetherston Susanna Newing/ Paul Ward
	- Digital Inclusion	Identified at the meeting on 13 <sup>th</sup> July 2022. To include the levels of digital poverty in the City.	Cllr Hetherston Susanna Newing/ Paul Ward/ Adrienne Bellingeri Laura Waller

<b>Date</b>	<b>Title</b>	<b>Detail</b>	<b>Cabinet Member/ Lead Officer</b>
<b>15<sup>th</sup> February 2023</b>	- Reserve Balances	To receive an update on the position of Council Reserves and identify recommendations for the Cabinet Member.	Cllr Brown/ Paul Jennings
	- CIPFA Resilience Index	To receive information on the outcome of the CIPFA Financial Resilience Index.	Cllr Brown/ Barry Hastie/ Paul Jennings
<b>9<sup>th</sup> March 2023</b>	- City of Culture Trust	An additional meeting to discuss the City of Culture Trust.	Julie Newman
<b>29<sup>th</sup> March 2023</b>	- HR/ Workforce update to include: <ul style="list-style-type: none"> <li>• Apprenticeship Update</li> <li>• HR/Workforce Management information</li> <li>• Managing an Agile Workforce</li> <li>• Early Retirement/ Voluntary Redundancy</li> </ul>	<p>To receive an update on apprenticeships within CCC.</p> <p>For the Board to scrutinise the HR/Workforce Management dashboard.</p> <p>To scrutinise the mechanisms in place to enable managers to manage an agile workforce to include how staff are supported, developed and performance management undertaken.</p> <p>To receive an update on ER/VR at an appropriate time.</p>	Cllr Brown Susanna Newing
<b>2023/24</b>	- Equality and Diversity – Interview Panels	As a follow up to the item on Recruitment & Selection and Tribepad the Council's Applicant Tracking System, to review the analysis of the outcome of increasing the diversity of interview panels.	Cllr Brown Susanna Newing Grace Haynes
	- Financial Management Code	The Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code authorities will be able to demonstrate their financial sustainability. This item will	Cllr Brown/ Barry Hastie/ Paul Jennings

<b>Date</b>	<b>Title</b>	<b>Detail</b>	<b>Cabinet Member/ Lead Officer</b>
		examine Coventry's progress towards meeting the FM Code principles.	
	- Medium Term Financial Strategy	To discuss the Council's Medium Term Financial Strategy prior to its approval through the political process. This is an annual item.	Cllr Brown /Barry Hastie/ Paul Jennings
	- Coventry Connects	To include Customer Service channels including the feedback loop for customers and councillors and continuous improvement.	Cllr Brown/ Cllr Hetherston Adrienne Bellingeri/ Paul Ward
	- Council Office Space	Review the usage of Council office space within the context of more flexible working practices.	