

Time and Date

2.00 pm on Tuesday, 9th July, 2024

Place

Council Chamber - Council House

1. **Apologies**

2. **Minutes of the Meetings held on 19 March, 16 May and 25 June 2024**
(Pages 5 - 30)

3. **Correspondence and Announcements of the Lord Mayor**

To include consideration of a Motion to move of a Vote of Thanks to Councillor T Sawdon in recognition of his 50 years of public service as a City Councillor.

4. **Petitions**

5. **Declarations of Interest**

Matters Left for Determination by the City Council/Recommendations for the City Council

6. **Local Government Association (LGA) Corporate Peer Challenge 2024 - Outcome of Peer Challenge** (Pages 31 - 78)

From the Cabinet 11 June 2024

7. **Scrutiny Co-ordination Committee Annual Report 2023-24** (Pages 79 - 92)

From the Scrutiny Co-ordination Committee 10 June 2024

8. **Annual Report of the Ethics Committee 2023-24** (Pages 93 - 102)

From the Ethics Committee, 27 June 2024

It is anticipated that the following matter will be referred as Recommendations from the Cabinet meeting held on 9 July 2024. The report is attached. The relevant Recommendations will be circulated separately.

9. **Revenue and Capital Outturn 2023/24** (Pages 103 - 146)

From the Cabinet, 9 July 2024

Items for Consideration

10. **Statement of Assurance (Director of Children's Services)** (Pages 147 - 156)

Report of the Director of Law and Governance

11. **Annual Report from the Leader to the Council on Key Decisions made under Special Urgency Provisions 2023/2024** (Pages 157 - 160)

Report of the Director of Law and Governance

Other item

12. **Acceptance of Grant Funding - Household Support Fund** (Pages 161 - 166)

Report of the Chief Executive

13. **Question Time**

- (a) Written Question – Booklet 1 (Pages 167 - 170)
- (b) Oral Questions to Chairs of Scrutiny Boards/Chair of Scrutiny Co-ordination Committee
- (c) Oral Questions to Chairs of other meetings
- (d) Oral Questions to Representatives on Outside Bodies
- (e) Oral Questions to Cabinet Members and Deputy Cabinet Members on any matter

14. **Statements**

15. **Debates**

- (a) To be moved by Councillor P Male and seconded by Councillor J Lepoidevin:

“This Council calls upon the WMCA to review its proposed increase to bus fares that will significantly impact upon low income, working families”.

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

Monday, 1 July 2024

Note: The person to contact about the agenda and documents for this meeting is Usha Patel/Suzanne Bennett 024 7697 2301 / 2299

Membership: Councillors F Abbott, S Agboola, N Akhtar, P Akhtar, M Ali, R Bailey, L Bigham, J Birdi, J Blundell, R Brown, K Caan, B Christopher, G Duggins, J Gardiner, S Gray, L Harvard, G Hayre, M Heaven, P Hetherington, A Hopkins, J Innes, T Jandu, A Jobbar, A Kaur, L Kelly, T Khan, AS Khan, R Lakha, R Lancaster (Deputy Chair), M Lapsa, J Lepoidevin, G Lewis, G Lloyd, P Male, K Maton, J McNicholas, C Miks, B Mosterman, M Mutton (Chair), S Nazir, J O'Boyle, E M Reeves, G Ridley, E Ruane, K Sandhu, T Sawdon, P Seaman, B Singh, R Singh, R Thay, CE Thomas, D Toulson, A Tucker and D Welsh

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Usha Patel/Suzanne Bennett
024 7697 2301 / 2299

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Coventry City Council
Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 19 March 2024

Present:

Members: Councillor J Birdi (Chair)

Councillor F Abbott
Councillor S Agboola
Councillor N Akhtar
Councillor P Akhtar
Councillor M Ali
Councillor R Bailey
Councillor J Blundell
Councillor R Brown
Councillor K Caan
Councillor G Duggins
Councillor J Gardiner
Councillor S Gray
Councillor L Harvard
Councillor G Hayre
Councillor P Hetherton
Councillor A Hopkins
Councillor J Innes
Councillor T Jandu
Councillor A Jobbar
Councillor A Kaur
Councillor L Kelly
Councillor S Keough
Councillor T Khan
Councillor AS Khan
Councillor R Lakha

Councillor R Lancaster
Councillor M Lapsa
Councillor J Lepoidevin
Councillor G Lloyd
Councillor P Male
Councillor K Maton
Councillor J McNicholas
Councillor C Miks
Councillor B Mosterman
Councillor M Mutton
Councillor S Nazir
Councillor J O'Boyle
Councillor E M Reeves
Councillor G Ridley
Councillor K Sandhu
Councillor T Sawdon
Councillor P Seaman
Councillor R Simpson
Councillor B Singh
Councillor R Singh
Councillor R Thay
Councillor CE Thomas
Councillor D Welsh

Honorary Alderman: D Batten, J Clifford, H Fitzpatrick and T Skipper

Apologies: Councillors L Bigham, M Heaven, A Masih, E Ruane and A Tucker

Public Business

107. Minutes of the Meeting held on 20 February, 2024

The Minutes of the Meeting held on 20 February 2024 were agreed and signed as a true record.

108. Exclusion of the Press and Public

RESOLVED that the City Council agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the private report in Minute 124 below headed 'Procurement of a new contract for the Supply of Electricity and Ancillary Services' and Minute 125 below

headed 'City Centre Cultural Gateway Project Update' on the grounds that the reports involve the likely disclosure of information as defined in Paragraph 3 of Schedule 12A of the Act, in that it refers to the identity, financial business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.

109. Correspondence and Announcements of the Lord Mayor

As this was the final Ordinary meeting of Council of the 2023/24 Municipal Year, the Lord Mayor, Councillor J Birdi, thanked all Councillors for their attendance and support during his year as Lord Mayor.

Members paid tribute to the Lord Mayor, thanking him for his Chairmanship and wished him well for the remaining weeks of his term as Lord Mayor of the City.

110. Petitions

RESOLVED that the following petitions be referred to the appropriate bodies/outside organisations:

- (a) Request for implementation of a residents only parking scheme and one-way traffic flow system on Holmesdale Road – 116 signatures, presented by Councillor S Nazir
- (b) Request for a resident only parking scheme on Stoney Stanton Road – 11 signatures, presented by Councillor S Nazir
- (c) Request for land at Baginton Fields to be designated as Local Green Space – 167 signatures, presented by Councillor B Mosterman
- (d) Request to reduce the height of trees in front of Alvin Close – 19 signatures, presented by Councillor CE Thomas
- (e) Objection to Planning Application PL/2023/0002662/OUT: proposed development with entrance via High Beech – 158 signatures, presented by Councillor G Ridley
- (f) Objection to the proposed mobile phone mast on James Green Road – 103 signatures, presented by Councillor G Ridley
- (g) Request that swift action be taken to address the flooding issue in Templars Avenue Alleyway and prevention of future occurrences – 127 signatures, presented by Councillor M Lapsa in Councillor A Masih's absence
- (h) Request that the City Council campaign for changes to law regarding disabled parking bays – 9 signatures, presented by Councillor N Akhtar

111. Declarations of Interest

Councillor L Kelly declared a disclosable pecuniary interest in the matter referred to in Minutes 116 and 124 below (Procurement of a New Contract for the Supply of Electricity and Ancillary Services). She withdrew from the meeting during the consideration of the items.

112. **City Centre South Additional Grant Funding**

Further to Minute 71 of Cabinet, the City Council a report of the Director of Property Services and Development, which sought approval to accept additional West Midlands Combined Authority (WMCA) Funding of up to £12.24m to facilitate the delivery of the City Centre South project.

A corresponding private report detailing confidential matters was also submitted for consideration (Minute 123 below refers).

City Centre South would deliver transformational improvements to Coventry city centre through the creation of a new residential led community providing new homes, jobs, commercial and leisure opportunities and high-quality public spaces.

The Council's development partner, Shearer Property Regen Ltd (SPRL), led by Hill Developments were continuing to move the scheme forward and have made considerable progress since being appointed as the funding partner under the terms of the Development Agreement between the Council, SPRL and Shearer Property Group (SPG).

The report sought formal approval to the next stage of the project following the previous Council Decisions in December 2022 (their minutes 85/22 and 91/22 referred) which approved the provision of Council funding to the scheme.

Since the recommendations contained in the December 2022 reports were approved, a significant amount of work had been undertaken to progress the scheme, including the Compulsory Purchase Order (CPO) being confirmed by the Secretary of State, the delivery of high-quality new premises for the Shopmobility scheme and a significant amount of ground investigations and surveys being undertaken. However, changes in fire safety regulations proposed earlier this year in the wake of the Grenfell disaster had required changes to the design of, and timescales for, the scheme resulting in viability challenges which needed to be resolved before the scheme could commence further.

These changes announced by Michael Gove, Secretary of State for Levelling Up, Communities & Housing, in July 2023, would require all residential buildings over 18m in height to incorporate dual stair cores and additional fire-fighting lifts to improve means of escape and building safety in the event of fire. This change was not anticipated at the time the previous reports were considered.

This change in regulation has had a significant, adverse effect on scheme viability due to increasing build costs and reduced sales/lettable area, thus depressing overall scheme viability. In order to address this issue and to prevent the scheme from stalling the Council had been able to successfully negotiate an additional grant assistance from the West Midlands Combined Authority (WMCA) of up to £12.24m ("Additional WMCA Funding") in addition to the £98.8 million pounds already provided. The report therefore requested authority to accept the Additional WMCA Funding and delegated authority to amend the Development Agreement with SPRL and Grant Agreements with WMCA in order to be able to apply this funding towards the delivery of the scheme.

RESOLVED that the City Council:

- 1) Approves the acceptance of the Additional WMCA Funding of up to £12.24m to be added to the £98.8m previously secured which will be utilised to facilitate the delivery of City Centre South.**
- 2) Delegates authority to the Director of Property Services and Development, following consultation with the Chief Operating Officer (Section 151 Officer), the Chief Legal Officer, the Cabinet Member for Jobs, Regeneration and Climate Change, the Cabinet Member for Strategic Finance and Resources and the Cabinet Member for Housing and Communities, to undertake the necessary due diligence and approve and enter into the legal agreements and undertakings necessary to give effect to recommendation 1) above.**
- 3) Add the Additional WMCA Funding to the Council's 5 Year Capital Programme.**

113. Public Sector Decarbonisation Scheme - Coventry City Council Public Buildings

Further to Minute 88 of the Cabinet, the City Council considered a report of the Director of Property Services and Development, which indicated that the UK had committed to reduce the carbon emissions associated with its public buildings compared to 2017 levels by 50% by 2032 and 75% by 2037. To support this, the Department for Energy Security and Net Zero (DESNZ) had continued offering the Public Sector Decarbonisation Scheme (PSDS), but now required a local match contribution. The PSDS grant scheme provided grants of up to £325 per tonne of carbon emissions saved by capital energy efficiency and heat decarbonisation projects that directly reduce fossil fuel use.

Coventry City Council had previously been successful in Phase 1 of the grant scheme which had helped the Council reduce emissions from its buildings and schools by over 1000 tonnes of carbon per year.

The Council had now submitted a bid to the Phase 3c grant scheme to support the delivery of a second phase of building decarbonisation projects. Due to the change in criteria for the PSDS grant, a smaller pipeline of buildings than in Phase 1 has been identified as suitable candidates for Phase 2. The proposed scope of works has a combined project value of up to £1.85m with a maximum grant contribution of £786k available via the PSDS grant scheme.

The report sought approval to provide match funding for the project on an “invest to save” basis. Any investment would look to be recovered through revenue savings achieved from reductions in the buildings’ energy bills. Overall, the project is targeting carbon savings of up to 174 tonnes of carbon per year and estimated net savings of £40k per year after repayment of financing costs.

The report indicated that the energy improvement opportunities were identified during the building selection process and that, by delivering all of the measures together, the Council will achieve reduced carbon emissions associated with these buildings and will deliver financial savings estimated at £40k per year, net of

financing costs. The buildings proposed for improvement and the measures proposed were detailed in the report.

Cabinet had noted that Scrutiny Co-ordination Committee, had considered the report at their meeting on 11 March 2024 and a detailed Briefing Note, outlining their consideration, was circulated. Cabinet had also received assurances from the Director of Finance and Resources and the Director of Property Services and Development in relation to the financial position, how the match funding would be met and the expected savings which would be achieved by reducing property running costs, as detailed in the financial business case.

RESOLVED that the City Council:

- 1) Approves the proposal to allocate up to £1m of corporate capital funding, funded from prudential borrowing towards Public Building Decarbonisation Phase 2 works with a total capital value of up to £1.85m as set out in the report ("the Project"), subject to successful award of the PSDS grant.**
- 2) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Property Services and Development, the Director of Law and Governance, Cabinet Member for Jobs, Regeneration and Climate Change and the Cabinet Member for Strategic Finance and Resources, to approve the final scope and finances allocated to the Project, including in the event that grant funding is not successful.**
- 3) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Property Services and Development, the Director of Law and Governance, Cabinet Member for Jobs, Regeneration and Climate Change and the Cabinet Member for Strategic Finance and Resources, to commence any necessary procurement activities and finalise the terms and conditions of the required contracts to facilitate delivery of the Project.**
- 4) Approves the addition of up to £1.85m to the Capital Programme to reflect the delivery of the works recommended as part of this report.**

114. West Midlands Investment Zone

Further to Minute 91 of the Cabinet, the City Council considered a report of the Director of Regeneration and Economy, which indicated that the UK Government had invited the West Midlands Combined Authority (WMCA) to prepare a proposal for a West Midlands Investment Zone (WMIZ). The sectoral focus for WMIZ will be advanced manufacturing, which the report indicated was an excellent fit with the One Coventry Plan ambition to increase the economic prosperity of the city and region. A total of £160m in funding is available for WMIZ over a ten-year period, and this would be used for tax incentives for investors in WMIZ sites, capital funding to prepare these sites for development, and revenue schemes designed to develop the target sector. The WMIZ proposals would also allow business rates growth on designated sites to be retained locally for 25 years for reinvestment in the development of the Advanced Manufacturing Sector. Business rates would be

retained above existing levels on a “no detriment” basis such that no Local Authority would be worse off through its involvement in the WMIZ.

The WMIZ included sites in Coventry/Warwick, Birmingham and Wolverhampton. There are four sites in Coventry and Warwick District; Whitley East in Coventry and Whitley South, Coventry Airport and Segro Park in Warwick District. Whitley East had been allocated as an employment site in the Coventry Local Plan. The WMIZ £160m budget includes an initial £23m for infrastructure works to prepare the Coventry Airport site for development, and this report sought approval to accept that funding together with any additional funding that became available from the IZ budget up to a total value of £35m. The report also sought delegated approval to enter into a Memorandum of Understanding for business rates retention related to the Whitley East site.

Governance decisions for WMIZ would be taken by a WMIZ Joint Committee/ Board which Coventry City Council, Warwick District and Warwickshire County Council will all be represented on. West Midlands Universities including Coventry University and University of Warwick were also non-voting members of this group. A Coventry and Warwickshire Investment Zone office group would meet to ensure that consistent briefings are provided to Coventry and Warwickshire members of the WMIZ Joint Committee / Board.

RESOLVED that the City Council:

- 1) Approves acceptance of up to £35m in West Midlands Investment Zone (WMIZ) funding, noting that initially £23m will be available for infrastructure provision on the Coventry Airport site (subject to the conditions of the grant being satisfactory).**
- 2) Delegates authority to the Director of Regeneration and Economy, following consultation with the Director of Finance and Resources, the Director of Law and Governance, and Cabinet Member for Jobs, Regeneration and Climate Change, to:**
 - a) Undertake all necessary due diligence in relation to acceptance of the WMIZ funding allocation.**
 - b) Continue to negotiate on all the matters associated with this report and to take such action as is deemed necessary, incidental or ancillary to or in consequence of bringing into effect the recommendations contained in this report, including but not limited to entering into any associated legal agreements (including the authority to effect any lease variations/surrender and any associated documents if appropriate) that are necessary to deliver the West Midlands Investment Zone.**
- 3) Authorises the addition to the 5 Year Capital and/or Revenue Programme (as appropriate) of any West Midlands Investment Zone funding received by the Council up to a maximum of £35m.**

115. City Centre Cultural Gateway Project

Further to Minute 92 of the Cabinet, the City Council considered a report of the Director of Regeneration and Economy which sought approval for additional capital funding to cover an increase in cost for the main construction works to the former IKEA building which would be known as the City Centre Cultural Gateway (CCCG). The CCCG will be a landmark destination that will be home to a Collections Centre of national significance and will bring together multiple partners and investors across creative, cultural and technology sectors to engage local people.

Approval had previously been given for the acquisition and development of the CCCG, however currently the economic conditions and volatility within the construction market had returned tender prices from a selected Contractor that take the overall project cost beyond the approval by Council in March 2023 (Minute 127/23 refers).

A corresponding private report detailing commercially sensitive confidential matters was also submitted for consideration (Minute 125 below refers).

The project would bring together a collaboration of key national and local partners: Arts Council England (ACE), British Council (BC), Culture Coventry Trust (CCT) and Coventry University. Coventry University will be developing a new Cultural Hub that will offer a student gallery, café, library and exhibition space, dance studio, conference area, artists' studios, post-production filming facilities and a shop to sell students' artwork, with some of these facilities being accessible to the public.

The report also sought future additional capital (under delegation once there has been a developed and approved business case for future tenancies), for the basic fitting out of Floors 1 and 2 to enable them to earn future rental income.

The following amendment was moved by Councillor G Ridley, seconded by Councillor P Male and lost:

"That, in order to proceed with Option 3 (Approve the Additional Capital, without Future Capital Investment into Floors 1 and 2) as detailed in the report, Recommendation 2 (as detailed below) be **deleted**:

- 2) Delegate authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy, the Director of Law and Governance and the Cabinet Member for Housing and Communities, to approve capital expenditure of a further sum in the amount set out in the private element of the Report to be financed from prudential borrowing to fund the construction and professional fees to be utilised towards the delivery of further works to Floors 1 and 2 , only once there has been a developed and approved business case for future tenancies.

(Recommendations 1, 3 and 4 as set out in the report to remain)"

RESOLVED that the City Council:

- 1) Approves capital expenditure of a further sum in the amount set out in the private element of the Report to be financed from prudential borrowing to fund the construction and professional fees for delivery of the City Centre Cultural Gateway Project.**
- 2) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy, the Director of Law and Governance and the Cabinet Member for Housing and Communities, to approve capital expenditure of a further sum in the amount set out in the private element of the Report to be financed from prudential borrowing to fund the construction and professional fees to be utilised towards the delivery of further works to Floors 1 and 2 , only once there has been a developed and approved business case for future tenancies.**
- 3) Notes that the Agreement for Lease between Coventry City Council and Arts Council England, British Council and Culture Coventry in respect of the Collection Centre Development will include a mechanism that facilitates the ability for a request to be made to the City Council to deliver Partner Variations (including fit-out works) on their behalf with the cost being repaid to the City Council.**
- 4) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy, the Director of Law and Governance and the Cabinet Member for Housing and Communities, to undertake the necessary due diligence including approving any incidental and ancillary actions required to bring into legal effect the recommendation set out in Recommendation (3) above.**

116. Procurement of a New Contract for the Supply of Electricity and Ancillary Services

Further to Minute 93 of Cabinet, the City Council considered a report of the Director of Regeneration and Economy, which indicated that electricity spending fluctuated due to various factors like global events affecting energy markets. The current Council's electricity contract ends on 30 September 2024 and covered electricity for over 250 Council facilities and around 100 other places like schools. By starting the process early, the chosen supplier could buy energy over time instead of all at once, which helped avoid sudden price increases in the market.

Since 2016, the Council had been using the Eastern Shires Purchasing Organisation (ESPO) framework to buy electricity. ESPO acted as an intermediary, allowing the Council to access wholesale markets typically only available to large buyers. While this framework had helped manage market volatility to some extent, it was not very flexible and historically had not taken full advantage of renewable energy and new market opportunities.

By partnering with E.ON as the new Strategic Energy Partner, the Council could access a customized supply arrangement that opened up opportunities to save costs and generate revenue from new energy market mechanisms. This partnership allowed the Council to tap into E.ON's expertise and resources in ways that were not possible before.

The recommended option presented the best available opportunity for the Council to minimise the costs associated with the supply of electricity. Besides potential cost savings and flexibility, this new approach also aimed to deliver more social value directly related to the Council's electricity needs.

A corresponding private report detailing commercially sensitive confidential matters was also submitted for consideration (Minute 124 below refers).

The report sought approval to enter contracts with E.ON UK PLC and its subsidiaries, Npower and E.ON Next, as part of the Strategic Energy Partnership contract procured via competitive dialogue, in compliance with Procurement Regulations 2015, signed on September 12, 2023.

In accordance with the Constitution, the report also informed Council of the decision undertaken by the Chief Executive on 19th December 2023 to exercise emergency functions to secure an immediate hedging of energy using an interim 12-month standard flex contract which would be superseded by the supply contract in the report should the recommendations be approved.

RESOLVED that Cabinet recommends that Council:

- 1) Approves the proposal to enter into an electricity supply contracts pursuant to the Strategic Energy Partnership for the supply of electricity up to 31st March 2030.**
- 2) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy and the Director of Law and Governance, to finalise the terms and conditions of the supply contract and any other legal agreements required to facilitate delivery of the electricity supply and its ancillary services.**
- 3) Delegates authority to the Head of Energy Services, following consultation with the Director of Regeneration and Economy, to oversee the ongoing management of the wholesale purchasing strategy during the term of the contract.**
- 4) Notes the exercise of the emergency functions by the Chief Executive on 19 December 2023 pursuant to Paragraph 3.8 (a) of Part 2M of the Constitution to secure an immediate hedging of energy using an interim 12-month standard flex contract.**

117. Proposed Amendments to the Constitution

Further to Minute 17 of the meeting of the Cabinet Member for Policing and Equalities, the City Council considered a report of the Director of Law and

Governance which set out how the Council carried out its business and made decisions. It was a living document and was reviewed and updated from time to time to ensure that it met changing legislative requirements and reflected changes in practise within the Council.

The Constitutional Advisory Panel at its meeting on 26 February 2024 considered proposed changes to the Constitution. These were:

- a) Amendments to the Contract Procedure Rules as set out in Part 3G of the Constitution
- b) Amendments to the Financial Procedure Rules as set out in Part 3F of the Constitution

In relation to the Contract Procedure Rules, the report indicated that the Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR") was a new set of rules which governed the arrangement of healthcare services in England, introduced by regulations made under the Health and Care Bill, and which came in to force as of 01 January 2024. The PSR must be followed for all applicable procurement activity by Integrated Care Boards (ICBs), the NHS and Local Authorities. Relevant authorities must follow one of seven (7) processes when procuring health care services. In addition, there was no threshold to the PSR, meaning that all applicable activity, regardless of value, must follow the new Regulations.

The proposed amendments to the Contract Procedure Rules ("CPRs") were the second of three changes being considered by Council following the inclusive procurement changes in December 2023 and anticipated changes with the introduction the new Procurement Act coming in summer 2024.

The proposed amendments reflected new governance arrangements specific to procurement activity captured by the PSR and was summarised in the report.

The Constitutional Advisory Panel agreed that all of the proposed amendments, as detailed in Appendix A in the report, be recommended to the Cabinet Member for Policing and Equalities for approval.

In relation to the Financial Procedural Rules the report indicated that Legal Services, in consultation with the Council's Financial Services, had conducted a review of the approval requirements for grant income and grant expenditure set out in the Constitution following feedback from its officers. The Council was regularly under extreme pressure to accept and administer grants in short timescales imposed by funding bodies. If such timescales were not complied with the Council may not be able to accept the grant.

It was considered that the current constitutional requirements affected the Council in efficiently accepting and administering grant in the necessary timescales. Currently the approval requirements for grant income and grant expenditure could, at times, lead to unnecessary complication and inefficient governance. It was considered that the approval requirements for grant income and grant expenditure should be amended so that (where relevant) approval can be sought for both the acceptance of the Grant Income and delegated authority to facilitate the Grant

Expenditure at the same time where possible and drive efficiency in the governance approval process. In addition, the current constitutional requirements had resulted at times in the exercise of the Chief Executive Emergency Powers where time does not permit the approval of Council. The proposed changes would help to reduce such instances.

The proposed changes to Part 3F Financial Procedure Rules could be summarised as follows and were recommended in furtherance to the Council's on-going commitment to effective governance arrangements:

- Administrative changes (titles).
- Updated procedural requirements for filing of grants on the grant register.
- Updated financial thresholds.
- Updated officer and member approval requirements.

The Constitutional Advisory Panel agreed that all of the proposed amendments, as detailed in Appendix B, be recommended to the Cabinet Member for Policing and Equalities for approval.

RESOLVED that the City Council:

- 1) Approves the proposed amendments to the Contract Procedure Rules (Part 3G of the Constitution) as detailed in Appendix A to the report with immediate effect**
- 2) Approves the proposed amendments to the Financial Procedure Rules (Part 3F of the Constitution) as detailed in Appendix B to the report with immediate effect**
- 3) Authorises the Director of Law and Governance to make any necessary amendments to the Constitution.**

118. Annual Pay Policy Statement 2024/25

The City Council considered a report of the Director of HR which recommended the approval of the Annual Pay Policy Statement which was appended to the report.

Local Authorities are required by sections 38 and 39 of the Localism Act 2011 to produce an annual Pay Policy Statement. The statement must articulate the City Council's policies towards a range of issues relating to the pay of the workforce, particularly the most senior staff (or "chief officers") and the relationship of their pay to the lowest paid employees.

RESOLVED that the City Council approves the Annual Pay Policy Statement 2024/25.

119. Question Time

Councillors Brown, Welsh, O'Boyle and AS Khan provided written answers to the questions set out in the Questions Booklet, together with oral responses to supplementary questions asked at the meeting.

The following Members answered oral questions put to them by other Members as set out below, together with supplementary questions on the same matters:

	Questions asked by	Question put to	Subject matter
1	Councillor Seaman	Councillor Thomas	Update on the work of DEAP including the Sports Charter
2	Councillor Gardiner	Councillor Hetherton	EV streetlight charging
3	Councillor Mosterman	Councillor Hetherton	Upkeep of newly planted trees
4	Councillor Keough	Councillor Hetherton	Plans to extend the Coundon cycleway to Keresley
5	Councillor Gray	Councillor O'Boyle	Plans regarding the proposed Solar Farm at Lentons Lane
6	Councillor Gray	Councillor Hetherton	Waste to Energy Plant
7	Councillor Simpson	Councillor Hetherton	Engagement Process for Earlsdon Local Neighbourhood Scheme
8	Councillor Lapsa	Councillor Hetherton	Speeding in Tile Hill Village
9	Councillor Sawdon	Councillor Hetherton	Brentwood Avenue highway changes

120. Statements

There were no Statements.

121. Debate - Programme of Road and Pavement Repairs

The following Motion was moved by Councillor J Blundell and seconded by Councillor B Mosterman:

"We note that Coventry City Council has released a programme of road and pavements repairs for the forthcoming municipal year. However, we would strongly urge that priority continues to be given to these important works to ensure that the physical infrastructure of Coventry's Highways is maintained in a safe, secure and accessible condition for all."

The following amendment was moved by Councillor P Hetherton and seconded by Councillor G Lloyd and carried:

At the end of the sentence add the following

“in spite of the Conservative Group voting against the proposals contained in the Budget in February 2024”.

The amended Motion now to read:

“We note that Coventry City Council has released a programme of road and pavements repairs for the forthcoming municipal year. However, we would strongly urge that priority continues to be given to these important works to ensure that the physical infrastructure of Coventry’s Highways is maintained in a safe, secure and accessible condition for all in spite of the Conservative Group voting against the proposals contained in the Budget in February 2024”

RESOLVED that the amended Motion, as set out above, be adopted.

122. **Debate - Spring Budget 2024 - Funding for Local Authorities**

The following Motion was moved by Councillor M Mutton and seconded by Councillor CE Thomas:

“This Council notes the Spring Budget 2024 and is dismayed that the Chancellor did not see fit to announce plans for an increased settlement nor any plans for long term funding settlements for Local Authorities, leaving Councils unable deliver a number of very necessary services needed for their Communities nor are they able to put in plans for the long term delivery and sustainability of those services.

We believe that a direct result of the choices that have been made in this budget, will leave more and more Councils in danger of having to issue S114 notices in the next few years.

Therefore, we call on the Prime Minister to call a General Election now and let the people pass judgement on his failing Government.”

The following amendment was moved by Councillor G Ridley, seconded by Councillor T Sawdon and lost:

That the Debate as set out on the agenda be amended as follows:

In the first line, delete the word “dismayed” and replace with the word “disappointed”

Delete paragraphs 2 and 3.

The amended Motion now to read:

“This Council notes the Spring Budget 2024 and is disappointed that the Chancellor did not see fit to announce plans for an increased settlement nor any plans for long term funding settlements for Local Authorities, leaving Councils unable deliver a number of very necessary services needed for their Communities nor are they able to put in plans for the long term delivery and sustainability of those services.”

RESOLVED that the substantive Motion, as set out above, be adopted.

123. City Centre South Additional Grant Funding

Further to Minute 74 of the Cabinet, and Minute 112 above, the City Council considered a private report of the Director of Property Services and Development, which set out the commercially confidential matters relating to proposals for City Centre South additional grant funding.

RESOLVED that the City Council:

- 1) Approves the acceptance of the Additional WMCA Funding of up to £12.24m to be added to the £98.8m previously secured which will be utilised to facilitate the delivery of City Centre South.**
- 2) Delegates authority to the Director of Property Services and Development, following consultation with the Chief Operating Officer (Section 151 Officer), the Chief Legal Officer, the Cabinet Member for Jobs, Regeneration and Climate Change, the Cabinet Member for Strategic Finance and Resources and the Cabinet Member for Housing and Communities, to undertake the necessary due diligence and approve and enter into the legal agreements and undertakings necessary to give effect to recommendation 1) above.**
- 3) Agrees to add the Additional WMCA Funding to the Council's 5 Year Capital Programme.**

124. Procurement of a New Contract for the Supply of Electricity and Ancillary Services

Further to Minute 93 of Cabinet and Minute 116 above, the City Council considered a report of the Director of Regeneration and Economy, which set out the commercially sensitive confidential matters relating to the procurement of a new contract for the supply of electricity and ancillary services.

RESOLVED that the City Council:

- 1) Approves the proposal to enter into an electricity supply contracts pursuant to the Strategic Energy Partnership up to the value as identified in the private report for the supply of electricity up to 31st March 2030.**
- 2) Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy and the Director of Law and Governance, to finalise the terms and conditions of the supply contract and any other legal agreements required to facilitate delivery of the electricity supply and its ancillary services.**
- 3) Delegates authority to the Head of Energy Services, following consultation with the Director of Regeneration and Economy, to oversee the ongoing management of the wholesale purchasing strategy during the term of the contract.**

- 4) **Notes the exercise of the emergency functions by the Chief Executive on 19th December 2023 pursuant to Paragraph 3.8 (a) of Part 2M of the Constitution to secure an immediate hedging of energy using an interim 12-month standard flex contract.**

125. City Centre Cultural Gateway Project Update

Further to Minute 97 of Cabinet and Minute 115 above, the City Council considered a private report of the Director of Regeneration and Economy, which set out the commercially sensitive confidential matters relating to the City Centre Cultural Gateway Project Update.

RESOLVED that the City Council:

- 1) **Approves capital expenditure of a further sum in the amount set out in the private report to be financed from prudential borrowing to fund the construction and professional fees for delivery of the City Centre Cultural Gateway Project.**
- 2) **Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy, the Director of Law and Governance and the Cabinet Member for Housing and Communities, to approve capital expenditure of a further sum in the amount set out in the private report to be financed from prudential borrowing to fund the construction and professional fees to be utilised towards the delivery of further works to Floors 1 and 2, only once there has been a developed and approved business case for future tenancies.**
- 3) **Notes that the Agreement for Lease between Coventry City Council and Arts Council England, British Council and Culture Coventry in respect of the Collection Centre Development will include a mechanism that facilitates the ability for a request to be made to the City Council to deliver Partner Variations (including fit-out works) on their behalf with the cost being repaid to the City Council.**
- 4) **Delegates authority to the Director of Finance and Resources, following consultation with the Director of Regeneration and Economy, the Director of Law and Governance and the Cabinet Member for Housing and Communities, to undertake the necessary due diligence including approving any incidental and ancillary actions required to bring into legal effect the recommendation set out in Recommendation (3) above.**

(Meeting closed at 6.30 pm)

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Coventry City Council
Minutes of the Annual Meeting of Council (Part 1) held at 11.10 am on Thursday,
16 May 2024

Present:

Members: Councillor J Birdi (Chair)

Councillor F Abbott	Councillor AS Khan
Councillor S Agboola	Councillor R Lakha
Councillor N Akhtar	Councillor R Lancaster
Councillor P Akhtar	Councillor M Lapsa
Councillor M Ali	Councillor J Lepoidevin
Councillor R Bailey	Councillor G Lewis
Councillor L Bigham	Councillor G Lloyd
Councillor J Blundell	Councillor P Male
Councillor R Brown	Councillor K Maton
Councillor K Caan	Councillor J McNicholas
Councillor B Christopher	Councillor S Nazir
Councillor G Duggins	Councillor J O'Boyle
Councillor J Gardiner	Councillor G Ridley
Councillor S Gray	Councillor K Sandhu
Councillor L Harvard	Councillor T Sawdon
Councillor G Hayre	Councillor P Seaman
Councillor P Hetherton	Councillor R Singh
Councillor A Hopkins	Councillor R Thay
Councillor T Jandu	Councillor D Toulson
Councillor A Jobbar	Councillor A Tucker
Councillor A Kaur	Councillor D Welsh
Councillor L Kelly	

Honorary Alderman D Batten, J Clifford, D Skinner and T Skipper

Apologies: Councillors M Heaven, J Innes, T Khan, C Miks,
B Mosterman, E M Reeves, E Ruane, B Singh and
CE Thomas
Honorary Alderman: H Fitzpatrick, M Hammon and K Taylor

Public Business

1. Correspondence and Announcements of the Lord Mayor

The Lord Mayor welcomed Councillors B Christopher, G Lewis and D Toulson to their first meeting in the Council Chamber.

There were no formal announcements of the Lord Mayor.

2. Motion without Notice - Deferral of Items

In accordance with the Constitution, a Motion without Notice was moved by Councillor P Seaman and seconded by Councillor G Lloyd that: -

“Agenda item 3 (Election of the Chair of the Council (being the Lord Mayor of the City)), item 4 (Vote of thanks to the Retiring Lord Mayor) and item 5 (Election of the Vice-Chair of the Council (being the Deputy Lord Mayor of the City)) be deferred to Part 2 of the Annual Meeting to be held on 4 July 2024”.

RESOLVED that the Motion as outlined above be adopted.

3. Election of the Leader of the Council

It was moved by Councillor P Seaman and seconded by Councillor G Lloyd that Councillor George Duggins be elected as the Leader of the Council for the remainder of his term of office.

RESOLVED that Councillor George Duggins be elected as Leader of the Council for the remainder of his term of office.

4. To receive a report of the Leader of the Council on the composition of the Cabinet and the appointment of Deputy Cabinet Members and allocation of Executive Functions within the Cabinet

The City Council received a report of the Leader, Councillor G Duggins, together with a Statement, which confirmed the composition of the Cabinet, the appointment of Deputy Cabinet Members and the allocation of executive portfolios/functions within the Cabinet (detailed below):

CABINET PORTFOLIOS 2024/25

Member	Portfolio
The Leader Policy and Leadership Councillor G Duggins	One Coventry Council Plan Scrutiny External relations / public relations Chair of Cabinet / Management Board meetings Emergency Planning Regional Matters West Midlands Combined Authority Corporate Governance Information Management and Governance Risk Management Political Management
The Deputy Leader Policing and Equalities Councillor AS Khan Deputy Cabinet Member Councillor P Akhtar	Community Safety Community Cohesion Public Protection and Licensing Prosecution and Enforcement Democratic Services, including Lord Mayor's Electoral Services Equalities Legal Services Training (Members)

	Constitutional Matters Domestic Violence and Sexual Exploitation Local Policing Media Strategy Events and Parks International Liaison and diplomacy Peace, reconciliation and twinning Deputising on Leader Items
Cabinet Member Strategic Finance and Resources Councillor R Brown	Strategic Finance Medium Term Financial Strategy Budget Setting / Transformation External Resources Operational Finance incl. Revenues and Benefits Service Transformation and value for money Procurement Human Resources Organisational Development Key Staff Recruitment and Retention Customer Services Health and Safety Pensions Digital Strategy
Cabinet Member Children and Young People Councillor P Seaman	Children and Families (Early Help) Children and Young People's Social Care Child Exploitation Young People Youth Offending Service Safeguarding *S19 Children Act 2004 Lead Member Fostering, Adoption, Special Guardianship Orders and Kinship Care Corporate Parenting
Cabinet Member Education and Skills Councillor K Sandhu	Post 16 Education and Training Schools Early Years Special Educational Needs and Disability Libraries Adult Education Higher and Further Education (incl. Universities) Skills and Employability
Cabinet Member Jobs, Regeneration and Climate Change Councillor J O'Boyle	Economic Development City Centre (Regeneration) International Trade and Inward Investment Commercial and Operational Property Growth Company Urban Regeneration Transportation Tourism and Marketing Sustainability and climate change Social Enterprise Strategy

<p>Cabinet Member City Services</p> <p>Councillor P Hetherton</p> <p>Deputy Cabinet Member Councillor G Lloyd</p>	<p>Highways, Drainage and Lighting</p> <p>Licensing Policy (Hackney Carriage and Private Hire)</p> <p>Public Realm</p> <p>Street Services (Ground Maintenance, Refuse (domestic and commercial), Street Cleaning)</p> <p>Waste Management</p> <p>Flood Management</p> <p>Environment</p> <p>Bereavement Services</p> <p>Traffic Management and Road Safety</p> <p>Average Speed Cameras</p> <p>Parking Policy and Operations</p> <p>Information Technology</p>
<p>Cabinet Member Adult Services</p> <p>Councillor L Bigham</p> <p>Deputy Cabinet Member Councillor S Nazir</p>	<p>Social Care for Adults and Older People</p> <p>Better Care Fund</p> <p>Transforming Care</p> <p>Carers</p> <p>Adult Safeguarding</p> <p>Adult social care integration with health</p> <p>Loneliness and Isolation</p> <p>Digital Exclusion</p> <p>Armed Forces Champion</p>
<p>Cabinet Member Public Health, Sport and Wellbeing</p> <p>Councillor K Caan</p> <p>Deputy Cabinet Member Councillor G Hayre</p>	<p>Health Strategy and Policy</p> <p>Integrated Care Systems</p> <p>Health Inequalities and Marmot</p> <p>Air Quality</p> <p>Local Health Economy</p> <p>Public Health</p> <p>Sexual Health</p> <p>Teenage Pregnancies</p> <p>Mental Health</p> <p>Poverty</p> <p>Fuel Poverty</p> <p>Sport, Physical Activity and Parks</p>
<p>Cabinet Member Housing and Communities</p> <p>Councillor D Welsh</p> <p>Deputy Cabinet Member Councillor S Agboola</p>	<p>Archives</p> <p>Arts</p> <p>Heritage</p> <p>Museums</p> <p>Conservation</p> <p>City of Culture 2021 Legacy</p> <p>Mutuals</p> <p>Community and Voluntary Sector Relations</p> <p>Community Centres</p> <p>Refugees and Asylum Seekers</p> <p>Welfare Advice Services</p> <p>Housing and Homelessness</p> <p>Planning Policy</p>

*Cabinet Member Children and Young People is designated as the Lead Member for Children's Services as required by Section 19 of the Children's Act 2004

5. **Minutes**

The Minutes of the Meeting held on 19 March 2024 were agreed and signed as a true record.

6. **Return of persons elected as Councillors for the City on 2 May 2024**

The return of Councillors elected for the following Wards of the City on 2 May 2024 was reported:

Ward	Name	Political Party	Year of Retirement
BABLAKE	Bea Christopher	Labour	2026
BINLEY AND WILLENHALL	Christine E Thomas	Labour	2026
CHEYLESMORE	Barbara Mosterman	Conservative	2026
EARLSDON	Antony Tucker	Labour	2026
FOLESHILL	Shakila Nazir	Labour	2026
HENLEY	Ed Ruane	Labour	2026
HOLBROOK	Rachel Lancaster	Labour	2026
LONGFORD	George Duggins	Labour	2026
LOWER STOKE	Catherine Miks	Labour	2026
SHERBOURNE	David Toulson	Labour	2026
ST MICHAEL'S	Naeem Akhtar	Labour	2026
UPPER STOKE	Kamran Caan	Labour	2026
WAINBODY	John Blundell	Conservative	2026
WESTWOOD	Grace Lewis	Labour	2026
WHOBBERLEY	Jayne Innes	Labour	2026
WOODLANDS	Gary Ridley	Conservative	2026

WYKEN	Angela Hopkins	Labour	2026
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7. Declarations of Interest

There were no declarations of interest.

8. Matters Left for Determination by the City Council

The City Council considered the following documents which were tabled at the meeting:

- (i) The size, appointments and Terms of Reference for those Boards and Committees (as set out in the Constitution)
- (ii) The allocation of seats to Political Groups in accordance with the Political Balance Rules
- (iii) Nominations and Appointments to Outside Bodies
- (iv) A programme of ordinary meeting of the Council, Cabinet, Scrutiny Boards, Committee and Advisory Panels for 2024/25 including the time and date of the Annual Meeting 2025 and agree the scheme of delegations as set out in the Constitution

RESOLVED that the City Council approve the size and Terms of Reference for those Boards and Committee, as set out in the Constitution, the allocation of seats, appointments and programme of meetings together with the appointments to outside bodies (as appended to these minutes) and agree the scheme of delegations as set out in the Constitution.

9. If required, to consider any changes to the Constitution or any other matters arising from the Annual Meeting decisions and appointments

There were no other matters arising.

(Meeting closed at 11.20 am)

Coventry City Council
Minutes of the Annual Meeting of Council (Part 2) held at 2.00 pm on Tuesday, 25
June 2024

Present:

Members: Councillor M Mutton (Chair)

Councillor F Abbott	Councillor R Lakha
Councillor S Agboola	Councillor R Lancaster
Councillor N Akhtar	Councillor J Lepoidevin
Councillor P Akhtar	Councillor G Lewis
Councillor M Ali	Councillor G Lloyd
Councillor L Bigham	Councillor P Male
Councillor J Birdi	Councillor K Maton
Councillor J Blundell	Councillor J McNicholas
Councillor K Caan	Councillor C Miks
Councillor B Christopher	Councillor S Nazir
Councillor G Duggins	Councillor J O'Boyle
Councillor J Gardiner	Councillor E M Reeves
Councillor S Gray	Councillor G Ridley
Councillor L Harvard	Councillor K Sandhu
Councillor G Hayre	Councillor P Seaman
Councillor M Heaven	Councillor B Singh
Councillor P Hetherton	Councillor R Singh
Councillor A Hopkins	Councillor CE Thomas
Councillor J Innes	Councillor D Toulson
Councillor T Jandu	Councillor A Tucker
Councillor A Jobbar	Councillor D Welsh
Councillor A Kaur	
Councillor L Kelly	
Councillor AS Khan	

Honorary Alderman: J Clifford, D Skinner, T Skipper

Apologies: Councillors R Bailey, R Brown, T Khan, B Mosterman,
E Ruane and T Sawdon
Honorary Alderman D Batten, H Fitzpatrick

Public Business

10. Return of person elected as Councillor for Radford Ward on 20 June 2024

The City Council noted the return of Councillor Mal Mutton as a Labour Councillor elected for Radford Ward in the City, on 20 June 2024.

11. Declarations of Interest

There were no declarations of interest.

12. **Election of the Chair of the Council (being the Lord Mayor of the City)**

It was moved by Councillor P Hetherton, seconded by Councillor M Ali and supported by Councillors G Ridley and S Gray, that Councillor Mal Mutton be elected as Chair of the Council (being the Lord Mayor of the City) for the ensuing year.

RESOLVED that Councillor Mal Mutton be elected as Chair of the Council for the 2024/25 Municipal Year, having made the declaration of office prescribed by the Local Government Act 1972 (as amended) and having been invested with the Lord Mayor's Chain of Office.

13. **Vote of thanks to the Retiring Lord Mayor**

A vote of thanks for the retiring Lord Mayor, Councillor Jaswant Singh Birdi, was moved by Councillor G Ridley, seconded by Councillor T Jandu and supported by Councillors G Duggins and S Gray.

Councillor Birdi responded to the vote of thanks.

RESOLVED:

(1) That the warmest thanks of the Council are due and are thereby given to Councillor Jaswant Singh Birdi for the zeal and impartiality with which he has discharged the arduous duties of the office of Lord Mayor during the year 2023/24; and

(2) That a copy of this resolution, under the Common Seal, be presented to Councillor Jaswant Singh Birdi and Mrs Birdi.

14. **Election of the Vice-Chair of the Council (being the Deputy Lord Mayor of the City)**

It was moved by Councillor L Kelly, seconded by Councillor J McNicholas and supported by Councillors G Ridley and S Gray that Councillor Rachel Lancaster be elected as Vice Chair of the Council (being the Deputy Lord Mayor of the City) for the ensuing year.

RESOLVED that Councillor Rachel Lancaster be elected as Vice Chair of the Council for the 2024/25 Municipal Year, having made the declaration of office prescribed by the Local Government Act 1972 (as amended) and having been invested with the Deputy Lord Mayor's Badge.

15. **Correspondence and Announcements of the Lord Mayor**

(a) Recent Tragic Events

The Lord Mayor referred to the recent tragic deaths of two children in the City.

Thoughts were with both families at this sad time and Members noted that letters of sincere condolences on behalf of the City Council had been sent on behalf of the City Council.

(b) Death of Arther ‘Gaps’ Hendrickson

The Lord Mayor referred to the recent sad death of Arthur ‘Gaps’ Hendrickson, frontman of the Coventry 2-Tone band The Selector, which was formed in 1979 and had released a number of top 40 singles in the UK.

On behalf of the City Council, the Lord Mayor conveyed sincerest condolences to his family and friends at this sad time.

(c) King’s Birthday Honours

The Lord Mayor referred to awards made to Coventry citizens in the recent New Year’s Honours List:

- Colleen Fletcher, former MP for Coventry North East - OBE for parliamentary and political service.
- Tina Costello, Chief Executive Officer of the Heart of England Community Foundation - OBE for services to charity and voluntary organisations across the West Midlands and Warwickshire.
- Andrew Wright, formerly the head teacher at Harborne Hill School in Birmingham – OBE for his services to children in care, care-experiences young people and the education community.
- Brian Beever who served as the group treasurer for the 36th/51st Scout Group, county training adviser and district treasurer for the Bablake Scout District – MBE for his services to young people in Coventry.
- Reverend Father Mykola Matwijiwskyj, the Vicar General of the Ukrainian Catholic Eparchy of the Holy Family of London – MBE for his extensive community service.

On behalf of the City Council, the Lord Mayor extended congratulations to all recipients.

(d) Kirston Nelson, Director Partnerships and Performance

Members noted that Kirston Nelson, Director of Partnerships and Performance would be leaving the City Council in July 2024 to become Corporate Director for Stronger and Safer Communities at Swindon Council in Wiltshire.

The Lord Mayor and Members thanked Kirston for her service over the past 9 years and wished her every success in her new role.

(e) Civic Visits to Dresden and Kiel

Members noted the Lord Mayor and Lady Mayoress' recent visits to the City of Dresden between 7th and 9th June to celebrate the 65th Anniversary of our twinning link and a visit to Coventry's twin City of Kiel, attending the International Cities Forum.

(Meeting closed at 2.45 pm)

Agenda Item 6 Council – 9 July 2024

Recommendation from Cabinet – 11 June 2024

Coventry City Council Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 11 June 2024

Present:

Members: Councillor G Duggins (Chair)
Councillor L Bigham
Councillor R Brown
Councillor K Caan
Councillor P Hetherton
Councillor AS Khan
Councillor J O'Boyle
Councillor K Sandhu
Councillor P Seaman
Councillor D Welsh

Non-Voting Deputy
Cabinet Members:

Councillor S Agboola
Councillor G Hayre
Councillor G Lloyd
Councillor S Nazir

Non-Voting Opposition
Members:

Councillor G Ridley
Councillor S Gray

Other Non-Voting
Members:

Councillor R Lakha

Employees
(by Service area):

Finance: E Dewar

Law and Governance: J Newman (Director), S Bennett

Transformation: M McGinty

Apologies: Councillor F Abbott
Councillor N Akhtar
Councillor L Harvard
Councillor A Jobbar

1. **Declarations of Interest**

There were no disclosable pecuniary interests.

RECOMMENDATIONS

3. **Local Government Association (LGA) Corporate Peer Challenge 2024 - Outcome of Peer Challenge**

The Cabinet considered a report of the Chief Executive which outlined the outcome of the Local Government Association (LGA) Corporate Peer Challenge held in Coventry in January, 2024.

The report indicated that the Local Government Association (LGA) is the national voice of local government, working with Councils to support, promote, and improve local government. The LGA's Corporate Peer Challenge offer is effective and well regarded by the sector and provides robust, strategic and credible challenge and support to Councils.

It is expected that all Councils receive a Corporate Peer Challenge at least every five years covering core areas and any specific areas requested by the Council. Coventry City Council's first Corporate Peer Challenge took place in October 2018. In 2023, it had been agreed that Coventry City Council would again host a Corporate Peer Challenge as this was now timely.

The Peer Challenge took place from 15th to 18th January 2024. The visit focused on five core themes (local priorities and outcomes, organisational and place leadership, governance and culture, financial planning and management, and capacity for improvement). These areas are critical to Councils' performance and improvement.

The Peer Team were also asked to provide feedback on Transformation: the organisation's corporate capacity and plans for service Transformation. Transformation was specifically chosen on the basis that it would benefit from some external challenge and feedback on future delivery plans.

The LGA Corporate Peer Challenge feedback report was provided as an appendix to the report (Appendix A). This report provided a detailed response on findings, including a number of observations and suggestions within the main section of the report.

In summary, during the course of the Peer Challenge week, the Peer Team found that:

- Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting its heritage

- Coventry is a well-run Council, with strong officer and political leadership
- Employees and elected members are passionate and proud about what they do
- The Council should take further steps to improve diversity across the organisation at all levels
- There is recognition that tough times are still ahead, but people are up for the challenge
- There is a need to ensure that the transformation programme is adequately resourced to enable delivery at pace
- The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement
- Partners and residents are eager to step up and become more involved at an earlier and more strategic level
- There is a need to review our external and internal communications and engagement strategy

There are some areas where further work is suggested by the Peer Team. These areas are described in the 'Key recommendations' section of the LGA's feedback report.

Following the Peer Challenge in January, the Council has reflected on the Peer Team's findings in order to determine its response to the recommendations that have been made. The Council response was provided as a further appendix to the report (Appendix B). The report indicated that the Council are embracing the opportunity to reflect on this feedback and are committed to making improvements where it can through organisational ownership.

The report had also been considered by Scrutiny Co-ordination Committee at their meeting on 10th June, 2024 (their Minute 4/24 refers). A Briefing Note was circulated that set out the Committee's consideration of the report and a Recommendation to Cabinet that the Recommendations in the report be supported, which the Cabinet accepted. Cabinet noted that as a result of their consideration of the report, the Scrutiny Co-ordination Committee had added the following items to their Work Programme for consideration during 2024/25:-

- Major Cultural Events
- Recruitment and Retention
- CCC Transformation Programme

Cabinet also noted that the Scrutiny Co-ordination Committee had been proved with useful information at their meeting in relation to work being done by HR, particularly in relation to recruitment, to ensure a more diverse workforce. The Chair, Councillor Duggins, requested that a Seminar for all Members be held to consider this information further.

RESOLVED that Cabinet:-

- 1) **Notes the contents of the report and supports the work to deliver the actions outlined in Appendix B in response to recommendations made by the Peer Team**

- 2) Notes Scrutiny Co-ordination Committee's consideration of this matter and accepts their recommendations.**
- 3) Notes that a Seminar will be held for all Members to consider the work being undertaken to ensure a more diverse workforce.**
- 4) Recommends that Council considers the contents of the report and the Council response document and supports the work to deliver the actions outlined in Appendix B in response to Recommendations made by the Peer Team.**

Scrutiny Co-ordination Committee
Cabinet
Council

10 June 2024
11 June 2024
9 July 2024

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:

Local Government Association (LGA) Corporate Peer Challenge 2024 – Outcome of Peer Challenge

Is this a key decision?

No – although the proposals affect more than two electoral wards, the impact is not expected to be significant.

Executive summary:

The Local Government Association (LGA) is the national voice of local government, working with Councils to support, promote, and improve local government. The LGA's Corporate Peer Challenge offer is effective and well regarded by the sector and provides robust, strategic and credible challenge and support to Councils.

It is expected that all Councils receive a Corporate Peer Challenge at least every five years covering core areas and any specific areas requested by the Council. Coventry City Council's first Corporate Peer Challenge took place in October 2018. In 2023, it was agreed that Coventry City Council would again host a Corporate Peer Challenge as this was now timely.

The Peer Challenge took place from 15th to 18th January 2024. The visit focused on five core themes (local priorities and outcomes, organisational and place leadership,

governance and culture, financial planning and management, and capacity for improvement). These areas are critical to Councils' performance and improvement.

We also asked the Peer Team to provide feedback on transformation: the organisation's corporate capacity and plans for service transformation. Transformation was specifically chosen on the basis that it would benefit from some external challenge and feedback on future delivery plans.

The LGA Corporate Peer Challenge feedback report is provided as an appendix to this report (Appendix A). This report provides a detailed response on findings, including a number of observations and suggestions within the main section of the report.

In summary, during the course of the Peer Challenge week, the Peer Team found that:

- Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting its heritage
- Coventry is a well-run Council, with strong officer and political leadership
- Employees and elected members are passionate and proud about what they do
- The Council should take further steps to improve diversity across the organisation at all levels
- There is recognition that tough times are still ahead, but people are up for the challenge
- There is a need to ensure that the transformation programme is adequately resourced to enable delivery at pace
- The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement
- Partners and residents are eager to step up and become more involved at an earlier and more strategic level
- There is a need to review our external and internal communications and engagement strategy

There are some areas where further work is suggested by the Peer Team. These areas are described in the 'Key recommendations' section of the LGA's feedback report.

Following the Peer Challenge in January, the Council has reflected on the Peer Team's findings in order to determine its response to the recommendations that have been made. The Council response is provided as an appendix to this report (Appendix B). We are embracing the opportunity to reflect on this feedback and are committed to making improvements where we can through organisational ownership.

Recommendations:

Scrutiny Co-ordination Committee is recommended to:

- (1) Support the recommendations to Cabinet.
- (2) Identify any further recommendations to Cabinet in relation to the outcome of the Peer Challenge.
- (3) Request a further progress update after the LGA Peer Team's review and the subsequent LGA feedback report has been received.

Cabinet is requested to:

- (1) Support the work to deliver the actions outlined in Appendix B, in response to recommendations made by the Peer Team.
- (2) Consider any comments made by Scrutiny Co-ordination Committee in relation to the outcome of the Peer Challenge.

Council is requested to:

- (1) Note the content of the Peer Team's feedback report and the Council response document, and support the work to deliver the actions outlined in Appendix B, in response to recommendations made by the Peer Team.

List of Appendices included:

The following appendices are attached to the report:

Appendix A – LGA Corporate Peer Challenge Feedback Report

Appendix B – Council Response to Peer Team Recommendations

Background papers:

None

Other useful documents

None

Has it or will it be considered by Scrutiny?

Yes – 10th June 2024

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

No

Will this report go to Council?

Yes – 9 July 2024

Report title: LGA Corporate Peer Challenge 2024 – Outcome of Peer Challenge

1. Context (or background)

- 1.1. Peer Challenge is a core element of the LGA's sector-led improvement offer to local authorities. The activity is improvement focused, with the scope being agreed by the Council and tailored to reflect local needs and specific requirements.
- 1.2. In autumn 2023, the Council held an initial scoping meeting with the Local Government Association to determine the main focus (in addition to the core areas) of the Challenge. Discussion focused on when it would be best to undertake the onsite activities, the nature and composition of the Peer Team and the results the Council was seeking to achieve. It was subsequently agreed that a Corporate Peer Challenge would take place in January 2024.
- 1.3. The core components of each Corporate Peer Challenge relate to local priorities, organisational leadership, governance, financial resilience and capacity for improvement. These elements help Councils to check they have the capacity to continue to deliver their priorities.
- 1.4. The core components are described in further detail below:
 - 1. Local priorities and outcomes** - Are the Council's priorities clear and informed by the local context? Is the Council delivering effectively on its priorities?
 - 2. Organisational and place leadership** - Does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
 - 3. Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
 - 4. Financial planning and management** - Does the Council have a grip on its current financial position? Does the Council have a strategy and a plan to address its financial challenges?
 - 5. Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the Council have the capacity to improve?
- 1.5. In addition, Coventry City Council asked the LGA to provide feedback on **transformation**: the organisation's corporate capacity and plans for service transformation. Transformation was specifically chosen on the basis that it would benefit from some external challenge and feedback on future delivery plans.
- 1.6. The Peer Team identified many strengths across these areas which are summarised below.
- 1.7. Core Component – 1) Local Priorities and Outcomes

- The One Coventry Plan has good brand recognition within the Council and good political and officer buy-in.
- Coventry's children's services were rated 'good' following an inspection by Ofsted in July 2022 and the Council is ambitious to achieve an "outstanding" rating. The Council continues to address inequality in the city as evidenced by the continuing decline in the numbers of 16-17 year olds not in education, employment or training (NEET) – currently at 3.5% and the lowest bar one of the city's statistical near neighbours.
- The Local Job Shop is an example of an innovative approach to improving outcomes, helping around 14,000 residents find work in the last 10 years.
- The Council is developing innovative approaches to addressing climate change, including the partnership with E.ON. It is using the climate action to strengthen local supply chains and skills.
- Residents are starting to feel the benefits of some of the investments the Council is making in the city – especially the impact and legacy of the City of Culture.

1.8. Core Component – 2) Organisational and Place Leadership

- The Council has strong political leadership led by a Leader and Cabinet that work together well to address cross cutting issues.
- The visibility of the new Chief Executive has been valued by Council employees, elected members and partners and has been immediately impactful.
- There are pockets of good practice on Equality, Diversity and Inclusion (EDI) – the apprenticeship scheme and legal services is a good example.
- The Council is seen as a strong and trusted partner both strategically and operationally.
- The Council and the work it does is really valued by the Combined Authority.

1.9. Core Component – 3) Governance and Culture

- Scrutiny is seen as a place for good cross-party working that addresses pre and post decision-making and there is a good relationship between scrutiny and Cabinet.
- A statutory officer group is in place and the constitution is regularly reviewed.
- Managers and employees feel empowered to deliver.
- Employee networks have attracted over 1000 members and the chairs and the networks are valued.
- There is an appropriate consideration of risk. The Council knows the issues and it will be important to maintain a strong approach as it faces a challenging national and local environment.
- The Council welcomes external challenge and should continue this approach to support its further development and transformation.

1.10. Core Component – 4) Financial Planning and Management

- The approach to financial management has been prudent as evidenced by a healthy balance sheet underpinned by robust financial management processes, but there is recognition that this is going to get tougher.
- The Council's financial situation is well understood by the leadership team and members.
- There has been regular engagement through the year on the financial position and proposals to address challenges, in which scrutiny plays an active role.

1.11. Core Component – 5) Capacity for Improvement

- The Council has a clear performance framework on which to build its improvement approach.
- Members and officers are ambitious for further improvement. This should be continued and will drive continuous improvement across the organisation.
- The Council has a clear ambition to pursue excellence in key areas e.g. ambition for achieving 'outstanding' in future OFSTED inspections.
- Recent leadership appointments are rapidly diagnosing and identifying further opportunities to drive through improvement.
- The Council has a track record of delivering on wicked issues (e.g. for those not in education, employment or training – NEETs). There is already-established best-practice in the organisation which can be shared and deployed to support continued improvement in other areas.

1.12. Additional Area of Focus – Transformation

- There is a genuine recognition for the need for transformation and a real ambition to 'save, do more, do better'. It is positive that the Council has made this a priority.
- There is real innovation emerging for example Coventry Connects, with residents at the heart of the programme. The agile and iterative approach is enabling some early examples of what the overall programme could achieve.
- The corporate programme of transformation builds on and will contribute to work that is underway in service areas. The approach being taken is owned by senior leadership and this will be invaluable to its success.

1.13. The LGA and the Council worked together to agree the timetable of activities and ensure the input of partners. The Corporate Peer Challenge took place from 15th to 18th January 2024. Peers reviewed a range of information to ensure they were familiar with the Council, the challenges facing the Council and plans for the future. The Peer Team spoke to more than 100 people during their time in Coventry, including a range of Council employees, Elected Members, external partners and residents, across more than 35 interviews and focus groups.

1.14. A 'Position Statement' was required to be submitted to the LGA, in advance of the onsite activities. This document provided a narrative on the Council's ambitions, progress and challenges.

- 1.15. The Peer Challenge concluded on 18th January 2024 with a high-level feedback discussion where the Peer Team shared their findings with senior officers and Elected Members.
- 1.16. The LGA's feedback report was received following the Peer Team's visit (Appendix A). This report provides a detailed response regarding these findings and includes recommendations for the Council to consider. The LGA will also publish the feedback report on their website.
- 1.17. The Peer Challenge did not provide an overall performance rating but it did highlight what is working well and where there are opportunities for improving. It is a matter for the Council, with the support of its partners, to decide how the areas for improvement identified during the Peer Challenge are taken forward.
- 1.18. In summary, the Peer Team found that Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting our heritage. They also acknowledged that Coventry is a well-run Council, with strong officer and political leadership and found that employees and Elected Members are passionate and proud about what they do. In addition, the Peer Team said that there is recognition that tough times are still ahead, but people are up for the challenge. Positively, partners and residents are eager to step up and become more involved at an earlier and more strategic level.
- 1.19. The Peer Team also found that there are elements for the Council to work on, for example the Council should take further steps to improve diversity across the organisation at all levels. The Peer Team found that there is a need to ensure that the transformation programme is adequately resourced to enable delivery at pace and that the Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement. The Peer Team reflected that there is a need to review our external and internal communications and engagement strategy.
- 1.20. The Council has now reflected on these findings and suggestions in order to determine its response to the recommendations identified by the Peer Team during their time in Coventry. There is an expectation that the outcomes and resulting action plan, will be owned and delivered by the City Council, whilst recognising that the Council neither can, nor should, seek to do everything itself.
- 1.21. The LGA feedback report highlights 10 main recommendations, specifying areas for improvement, arising from the Peer Challenge. The recommendations are as follows:

1. City Centre masterplan

The Council should continue to work at pace to develop a city centre masterplan with the support and involvement of partners.

2. One Coventry Plan

The next iteration of the One Coventry Plan needs to include a corporate delivery plan supported by consistently developed service plans and should include a review

of the corporate strategy framework to ensure strategies are linked and gaps are identified.

3. Employees

The Council has rich data from the recent workforce survey and should develop actions to address the issues it highlights. A key element of this would be ensuring there is further support for the employee networks.

4. Medium Term Financial Strategy (MTFS)

Future financial modelling within the MTFS should consider the full impact and risk of key underlying assumptions e.g. demographic change, inflation, and policy on issues such as real living wage.

5. Financial accounts

The Council should make swift progress to sign off and publish their outstanding financial accounts.

6. Transformation programme

The transformation programme is at a very early stage of development, and the Council should focus on rapid engagement and mobilisation of the right skills, capacity and capability needed to deliver.

7. Communications

The Council should develop a refreshed external communication strategy.

8. Performance management

The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement.

9. Elected Member training

Elected Members are keen to engage with opportunities for training and development and the Council should review barriers to take up of the current offer and how these can be addressed.

10. Workforce Diversity

The Council should take further steps to improve diversity across the organisation at all levels.

1.22. The Council's response (Appendix B) describes the work that is being undertaken to address each recommendation. Many of the actions set out in the action plan were

already in progress before the Peer Challenge and have not been initiated as a direct result of Peer Challenge feedback.

- 1.23. Some of the work to address the Peer Team recommendations will be complex, requiring input from a range of stakeholders and consideration of resource requirements but this will only become clear as the work progresses.
- 1.24. There is an expectation that each Council will commit to a progress review visit within 10 months of the Peer Challenge. The purpose of this is to help the Council assess the impact of the Peer Challenge and demonstrate the progress it has made against the areas of improvement and development identified by the Peer Team. The progress review is anticipated to take place in November 2024. The LGA will then produce a Progress Review Report which is expected to be published within twelve months of the Corporate Peer Challenge (January 2025).
- 1.25. The current LGA sector-led improvement support offer includes an expectation that all Councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that Coventry will commission its next Peer Challenge by 2029.

2. Options considered and recommended proposal

- 2.1. There is an expectation that all Councils will take up the Peer Challenge offer, at a time of their choosing, as an effective tool for improvement. Independent evaluations of the LGA's Corporate Peer Challenge programme have previously concluded that there is a positive impact and a range of benefits from the Council receiving a Peer Challenge.
- 2.2. Cabinet is recommended to support the work to address the recommendations identified in the LGA's feedback report.

3. Results of consultation undertaken

- 3.1. A range of partner organisations and stakeholders were engaged in the Peer Challenge which included Council employees, Elected Members, Trade Unions, partners and residents.

4. Timetable for implementing this decision

- 4.1. The improvement plan associated with the Peer Challenge will be monitored through the Council's Leadership Board and implementation responsibility will be identified in the action plan.
- 4.2. As outlined above, there is an expectation that the Council will commit to a follow-up progress review within 10 months of the Peer Challenge. This will provide some assurances on progress following the Peer Team's initial visit.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. Financial Implications

There are no specific financial implications associated with this report. Should it transpire that the delivery of any of the specific actions require additional resources, these will be sought from within existing resources, ensuring appropriate organisational governance is in place to identify the requirement and the associated funding source.

5.2. Legal Implications

There are no specific legal implications associated with this report.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

Progressing the areas identified during the Peer Challenge will make a positive contribution to the delivery of the Council's priorities, particularly in relation to promoting the growth of a sustainable Coventry economy and improving the quality of life and outcomes for Coventry people.

6.2. How is risk being managed?

The Council's Leadership Board will be responsible for oversight of delivery of Peer Challenge recommendations. Where recommendations are associated with other change or improvement programmes, risk will be managed through individual programme governance arrangements.

6.3. What is the impact on the organisation?

There are no direct implications at this stage.

6.4. Equalities / EIA?

No specific analysis of equality impacts was completed in the course of the Peer Challenge.

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

None

6.6. Implications for partner organisations?

Although led by the City Council, the Peer Challenge included a number of partner organisations as well as representatives from various partnership boards across the city and wider geographical area. Progressing the improvements identified will require input and leadership from everyone.

Report author(s):

Michelle McGinty
Strategic Lead for Transformation and Change

Service Area:

Transformation

Tel and email contact:

Tel: 02476 971409

Email: Michelle.McGinty@coventry.gov.uk

Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Officer	Law and Governance	15/05/24	15/05/24
Vanessa Millar	Project Support Officer	Transformation	18/04/24	18/04/24
Gennie Holmes	Scrutiny Co-ordinator	Law and Governance	18/04/24	18/04/24
Ewan Dewar	Head of Finance	Finance	18/04/24	25/04/24
Other Members				
Names of approvers for submission: (officers and members)				
Finance: Barry Hastie	Director of Finance and Resources	Finance	16/05/24	20/05/24
Legal: Julie Newman	Director of Law and Governance	Law and Governance	16/05/24	20/05/24
Chief Executive Julie Nugent		-	16/05/24	17/05/24
Members: Councillor G Duggins	Cabinet Member for Policy and Leadership	-	17/05/24	20/05/24

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LGA Corporate Peer Challenge

Coventry City Council

15-18 January 2024

Feedback report





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1 Executive summary

Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting its heritage. The council is well-run, with strong officer and political leadership. Employees and elected members are passionate and proud about what they do. There is recognition that tough times are still ahead, but people are up for the challenge. Partners and residents are eager to step up and become more involved, and this will need to be grounded in better external communications and engagement.

Coventry has rebounded quickly post covid to see visitor numbers above those in 2019. The Council has a significant opportunity to work now with Destination Coventry, the West Midlands Growth Company and other partners to refresh the tourism strategy and to ensure that the structures are in place to sustain its strong performance.

The peer team heard about and were able to see at first hand the significant regeneration that is ongoing in the city. This includes, among a range of schemes, the Friargate scheme and the development of city centre south. At a strategic level the broad vision and ambition for the city is well articulated through the One Coventry Plan. However, partners told the peer team that there was a need for a city centre masterplan.

The peer team were pleased to see that the One Coventry Plan has good brand recognition within the council and good political and officer buy-in. The Plan is intrinsically linked to the Medium-Term Financial Strategy (MTFS) as both are aimed at securing the level of services and supporting the ambition needed to address the council's priorities. Partners are signed up to One Coventry, and they now want to be more involved in the development and implementation of actions that emerge from the plan.

Residents told the peer team that they saw, and were benefiting from, a number of investments the council has made in the city, this included improvements to the cityscape and more generally the impact and legacy of the City of Culture, particularly the arts offer.

The resident survey provides the council with rich insights which can and should be used with partners to tackle some of the city's biggest issues including inequality and

resident engagement and satisfaction with services.

Partners told the peer team that the council was seen as a strong partner both strategically and operationally. Together partners are seeking to address challenging issues such as rough sleeping where multi-disciplinary teams are being deployed to support individuals with complex needs. The community and voluntary sector told the peer team that it was working well with the council on the ground but raised some concerns about the mechanisms for it to engage strategically with the council.

The council benefits from strong political leadership. The Leader has been in position since May 2016 and the peer team were told that he is widely respected within the council and across city and West Midlands partnerships. The Cabinet is a strength with portfolio holders working together to deliver for communities while having a detailed understanding of the financial pressures. The council already plays a significant leadership role across the region but given its strengths it could do even more.

The council's Chief Executive (CEO) has been in post for around six months and there was universal praise from employees, members and partners for her visibility, engagement and leadership approach; the peer team perceived that she has been immediately impactful.

The residents that the peer team met were concerned at the quality of the communication from the council. There were two main elements to this: the timeliness and meaningfulness of engagement on key decisions; and a perception that the council's communications were not telling communities about all the good work that is going on. On this latter point, concern was also shared by front-line councillors.

The council is committed to delivering on its equality and diversity ambitions and there are examples of good practice including the apprenticeship scheme operating in legal services. The peer team heard from some employees that they felt there was still a ceiling on progression for employees from diverse backgrounds. More work needs to be done to realise progress on equality and diversity within the council. The leadership teams lack diversity and this could impact on the council's ability to meet the needs of its diverse communities.

The peer team got a real sense that employees felt empowered and wanted to

deliver great things for the City and its communities. This is being supported by action to address what had been a siloed working culture within the council.

In the view of the peer team, the council's approach to financial management has been prudent, as evidenced by the current healthy level of reserves, underpinned by robust financial management processes, but there is recognition that the financial situation is getting tougher.

The peer team note that Coventry has unaudited accounts for 2020/21, 2021/22 and 2022/23. In the view of Coventry's external auditor, Grant Thornton (Annual Report 2021-2022 published November 2023), the delays in the preparation of the financial statements could expose the council to financial risk.

There is a genuine recognition across the council of the need for transformation and a real ambition to 'save, do more, do better'. The approach being taken to transformation is owned by senior leadership and this will be invaluable to its future success.

There is real innovation emerging, for example within Coventry Connects, the aim of which is to improve the way the council engages with residents and the way it uses data to improve services by considering the use of technology and integrating processes. The agile and iterative approach is enabling some early examples of what the overall programme could achieve.

Part of the purpose of the transformation programme is to generate savings, but given the programme is at an early stage, the timing of financial and non-financial returns on investment are yet to be fully clarified. The council will need to continually review the profile of savings from the transformation programmes and consider when these should be included within the MTFS.

The council is keen to resource the transformation programme without incurring additional costs. To do this it is diverting and coordinating existing capacity and establishing a 'Transformation Squad'. This approach has advantages and using talent from across the council provides development opportunities for employees. However, it is not clear whether all of the skills and expertise required to deliver on complex transformation programmes are held within the council currently. The peer team heard from employees that capacity is a current constraint and this will also need to be taken into account and transformation projects prioritised if the

programme is to be delivered within existing resources.

At this early stage of the programme, using all available insight and benchmarking on value for money of service delivery could accelerate identification of benefits and programme design and we would urge the council to take every opportunity to parcel data together to give a system wide analysis.

The peer team was struck by the commitment and ambition of elected Members and officers for further improvement in the way that the council is managed and the services it delivers to communities. The council builds on a track record of improvement as evidenced through the Children's services performance journey and the commitment to do better still.

Member training is delivered within the context of the One Coventry Elected Members Training and Development Strategy. Take up of training by Members has been low. The peer team heard a number of reasons why this might be the case, including time pressures, but also that the mandatory aspect of some training was not being enforced (most of these training programmes are available through the Council's online learning portal). The peer team also heard that Members would value training more if it was accredited.

2 Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1 City Centre masterplan

The council should continue to work at pace to develop a city centre masterplan with the support and involvement of partners.

2.2 One Coventry Plan

The next iteration of the One Coventry plan needs to include a corporate delivery plan supported by consistently developed service plans and should include a review of the corporate strategy framework to ensure strategies are linked and gaps are identified.

2.3 Employees

The council has rich data from the recent workforce survey and should develop actions to address the issues it highlights. A key element of this would be ensuring there is further support for the employee networks.

2.4 Medium Term Financial Strategy

Future financial modelling within the MTFS should consider the full impact and risk of key underlying assumptions e.g. demographic change, inflation, and policy on issues such as real living wage.

2.5 Financial accounts

The council should make swift progress to sign off and publish their outstanding financial accounts.

2.6 Transformation programme

The transformation programme is at a very early stage of development, and the council should focus on rapid engagement and mobilisation of the right skills, capacity and capability needed to deliver.

2.7 Communications

The council should develop a refreshed external communication strategy.

2.8 Performance management

The council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement.

2.9 Member training

Members are keen to engage with opportunities for training and development and the council should review barriers to take up of the current offer and how these can be addressed.

2.10 Workforce Diversity

The council should take further steps to improve diversity across the organisation at all levels.

3 Summary of the peer challenge approach

3.1 The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Pam Smith – CEX, Newcastle City Council
- Cllr Eamonn O'Brien – Leader, Bury Council
- Rupa Raghvani - Director of Finance & Procurement – Financial Control and Interim Chief Financial Officer, LB Hounslow
- James Partis - Assistant Chief Executive - Chief Transformation Officer, LB Newham
- Tinu Olowe - Director, Human Resources & Organisational Design, Enfield Council
- Eamon Lally - Peer Challenge Manager, LGA

3.2 Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to

address its financial challenges?

5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, the council asked the peer team to provide feedback on **Transformation**: the organisation's corporate capacity and plans for service transformation.

3.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent four days onsite at Coventry, during which they:

- Gathered information and views from more than 35 meetings, in addition to further research and reading.
- Spoke to more than 100 people including a range of council employees together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4 Feedback

4.1 Local priorities and outcomes

Coventry is a compact city located in the West Midlands. It has a population of 345,300 and the city is growing with an increase of nearly 9 per cent in the 10 years to 2021. Coventry is home to two universities, Coventry University and the University of Warwick, and it has a student population of around 67,000. Coventry also has a

rich diversity with 45 per cent of the population identifying as being from an ethnic minority community. The City's population is relatively young with a median age of 35 and with 20 per cent of the population aged 18 or under. However, growth in older people is expected to accelerate and outpace other groups within 10-15 years (*JSNA 2023*) and this will have implications for the delivery of council services.

The city is relatively deprived, ranking 46th most deprived borough in England, with 14.4% of the city's neighbourhood amongst the 10% most deprived areas in England. Men living in the most deprived areas of Coventry live around 11 years less than those in the least deprived areas.

Coventry's corporate plan, the One Coventry Plan, seeks to address the challenges faced by the city. The plan has three core priorities:

- Increasing the economic prosperity of the city and region
- Tackling the causes and consequence of climate change
- Improving outcomes and tackling inequalities within our communities

These core priorities are underpinned by two enabling priorities: Continued financial sustainability of the council; and the council's role as a partner, enabler and leader.

The city has an abundant history and heritage and was the UK City of Culture in 2021. Although Covid restrictions were still in place at the beginning of 2021, overall, the City of Culture was a success with substantial inward investment and community engagement. The city continues to reap the benefits of the initiative with new venues and an improved cityscape. The city was also a co-host for the 2022 Commonwealth Games. Together these events contributed to Coventry rebounding quickly post covid to see visitor numbers above those in 2019. The Council has a significant opportunity to work now with Destination Coventry, the West Midlands Growth Company and other partners to refresh the tourism strategy and to ensure that the structures are in place to sustain its strong performance.

The peer team was pleased to see that the One Coventry Plan has good brand recognition within the council and good political and officer buy-in. The Plan is intrinsically linked to the Medium-Term Financial Strategy (MTFS) as both are aimed at securing the level of services and supporting the ambition needed to address the council's priorities. Partners are signed up to One Coventry, and they now want to be

more involved in the development and implementation of actions that emerge from the plan. **The next iteration of the plan needs to include a corporate delivery plan supported by consistently developed service plans.**

The council has a well-developed performance management framework, which takes a balanced scorecard approach focusing on outcomes, finance, workforce and quality. For 2023 complaints are down by 35% on their 2021 levels. Also, workforce grievances are down by 75% from their 2019 peak. In its latest One Coventry Plan performance report, for 2022/23, the council noted that 74% (42/57) of the directional metrics (excluding cannot say or not available) improved or stayed the same.

Coventry's children's services were rated 'good' following an inspection by Ofsted in July 2022 and the council is ambitious to achieve an "outstanding" rating. The council continues to address inequality in the city as evidenced by the continuing decline in the numbers of 16-17 year-olds not in education, employment or training (NEET)- currently at 3.5% and the lowest bar one of the city's statistical near neighbours (this is also below the national median of 4.4%). This is positive but there are also areas where the council's performance is below that of councils nationally and near neighbours, for example in recycling. An LGInform headline report on Coventry's performance can be found [here](#).

The peer team was impressed with the level of innovative practice in the council aimed at addressing challenges and improving outcomes for communities.

Coventry's Local Job Shop is an example with over 1000 residents supported each year into employment since it opened in 2012.

The council is developing innovative approaches to addressing climate change, including the partnership with the Coventry based company E.ON. This strategic energy partnership, which the council and E.ON have described as being the first in the country, is for 15 years and will include 'the creation of a 30MW solar farm, bringing solar power into schools across the city and decarbonisation of a number of Council vehicles and depots'. The peer team heard that this partnership was also aimed at improving the local economy, providing jobs locally, strengthening local supply chains and skills and also addressing the cost-of-living crisis.

Residents told the peer team that they saw, and were benefiting from, a number of investments the council has made in the city, this included improvements to the

cityscape and more generally the impact and legacy of the City of Culture, particularly the arts offer.

The resident survey provides the council with rich insights which can and should be used with partners to tackle some of the city's biggest issues including inequality and resident engagement and satisfaction with services. The challenge is known. The Joint Strategic Needs Assessment (2023) prepared by public health with input from internal and external partners said that '*Although the city is cohesive, people do not feel they have influence over local decisions*'. The resident survey shows that in 2022 only 40 per cent of residents were satisfied with the way that the council was running things; this compares with an LGA benchmarking figure of 63 per cent for the same period. The peer team heard from residents that they did not feel informed about, or able to engage with, the council in its decision making. The positive message from residents is that they really want to be involved and believe they have a lot to offer the council as it seeks to meet challenges and take advantage of opportunities to improve the city and its services. In its residents, the council has an enthusiastic and ambitious resource that it can tap into.

The Peer team heard about and were able to see at first hand the significant regeneration that is ongoing in the city. This includes, among a range of schemes, the Friargate scheme and the development of city centre south. At a strategic level the broad vision and ambition for the city is well articulated through the One Coventry Plan. There is an area action plan for the city centre dating from 2017, which is subject to review and there are masterplans for specific schemes. **However, partners told the Peer team that there was a need for a city centre masterplan, which we understand is in development, and that they wanted to work at pace to influence and support its progress.** The masterplan will be an opportunity to consider the city's social and economic development in the round to achieve cohesive, sustainable and impactful change.

The One Coventry Plan is the council's corporate strategy and it is supplemented by a range of strategies and plans both themed, including the transport strategy, the culture strategy and the climate change strategy, and departmental strategies and service plans. Many of these strategies link explicitly to the One Coventry Plan, such as the climate change strategy, but others do not (the transport strategy is an example). There are also potential gaps in the coverage of strategies, for example a

Voluntary and Community Sector Strategy and a capital and investment strategy (as required by Chartered Institute of Public Finance and Accountancy (CIPFA)). The Peer team also heard that the council did not have a corporate asset management plan. These are seen as good practice by CIPFA and help align the management of assets with the council's strategic objectives for its communities. The Council should review the corporate strategy framework to ensure strategies are linked and gaps are identified to support One Coventry Plan.

Addressing climate change is one of the council's key priorities. The council is committed to achieving carbon neutrality by 2050 (and if possible by 2041, which is the West Midlands Combined Authority target) and reducing carbon emissions to 55% of the 1990 level by 2030. The council has established an independent climate change board, with representatives from public, private and voluntary sector to oversee the council and the city's strategic direction and progress. The council expects that its strategic partnership with E.ON is a significant step in helping it to achieve its ambitions in reducing emissions and improving skills and job opportunities. The council has been successful in bidding for funding and is investing in green infrastructure including 5km of segregated cycle routes and a network of EV charging points (the largest outside London). The council has sought to accelerate action on domestic retrofit and has been successful in attracting around £30 million in funding to support all tenures. However, the peer team was told that the retrofit challenge was significant in a city where the housing stock is typically small and old and a lot of houses are not to modern efficiency standards. Data for 2021 shows that 20% of Coventry households live in low-income low energy efficiency households, compared to just 13% nationally. As the council's climate change strategy makes clear, the approach to addressing these challenges needs to be equitable and people centred.

4.2 Organisational and place leadership

The Peer team was impressed by the committed and cohesive leadership shown by the Leader and Cabinet who work together to deliver on cross cutting issues. There has been a good degree of stability in the Leadership which means that cabinet members have a good understanding of their portfolios. Members see their

leadership role as encompassing the council, the city and the wider West Midlands area.

The council is engaged in a number of partnerships within Coventry and across the West Midlands. These include: the One Coventry Partnership, with senior leaders from health bodies, the police, universities and the voluntary and community sector; and the Coventry and Warwickshire Anchor Alliance, which includes senior leaders from city, county and district and borough councils, two universities, three health trusts and the Integrated Care Board.

Partners told the peer team that the council was seen as a strong partner both strategically and operationally. Together partners are seeking to address challenging issues such as rough sleeping where multi-disciplinary teams are being deployed to support individuals with complex needs. The community and voluntary sector told the peer team that it was working well with the council on the ground but raised some concerns about the mechanisms for it to engage strategically with the council.

Coventry is a member of the West Midlands Combined Authority, which is a legal entity based on voluntary collaboration. The Peer team heard that the council and the work it does is really valued by the Combined Authority. And Coventry benefits from being a member of WMCA; for example, the city centre south regeneration scheme has received £113 million in funding from the WMCA-the biggest investment the Combined Authority has made into a single regeneration scheme.

The council benefits from strong political leadership. The Leader has been in position since May 2016 and the peer team were told that he is widely respected within the council and across city and West Midlands partnerships. The Cabinet is a strength with portfolio holders working together to deliver for communities while having a detailed understanding of the financial pressures. The council already plays a significant leadership role across the region but given its strengths it could do even more.

The Chief Executive (CEO) has been in post for around six months and there was universal praise from employees, members and partners for her visibility, engagement and leadership approach; the Peer team perceived that she has been immediately impactful.

The residents that the peer team met were concerned at the quality of the

communication from the council. There were two main elements to this: the timeliness and meaningfulness of engagement on key decisions; and a perception that the council's communications were not telling communities about all the good work that is going on. On this latter point, concern was also shared by front-line councillors. It was notable that during the peer team's visit external communications was raised again and again with some describing it as 'lacklustre'. There is desire for it to be more positive about Coventry. Residents also spoke about the accessibility of front-line councillors. It is clear that councillors do a lot to engage; 19 councillors hold surgeries; all make their contact details available; and they are all regularly in the community. If this is not perceived by residents it again possibly points to a communication issue. **The council should develop a refreshed external communication strategy.**

The council is committed to delivering on its equality and diversity ambitions and there are examples of good practice including the apprenticeship scheme operating in legal services. The council has collected equalities data across the workforce since 2017. Using December 2020 data the Workforce Equalities and Inclusion Strategy 2021-23 noted that 7 per cent of senior leaders were from a minority ethnic community. The Peer team was told that just 5 of the 85 members of the extended leadership team was from a minority ethnic community (around 6 per cent). It is worth noting again here that 45 per cent of Coventry's population is from a minority ethnic community. This is by no means an issue that is unique to Coventry. There is a general recognition that people from ethnic minority groups are under-represented at senior levels in local authorities (see this 2023 [report](#) from Solace). The Peer team heard from some employees that they felt there was still a ceiling on progression for employees from diverse backgrounds. More work needs to be done to realise progress on equality and diversity within the council. The leadership teams lack diversity and this could impact on the council's ability to meet the needs of its diverse communities. **The council should take further steps to improve diversity across the organisation at all levels.**

4.3 Governance and culture

The Peer team found governance to be taken seriously by the council and this was recognised in the latest external auditor's annual report published in June 2022. The

Council's governance arrangements are regularly reviewed and a statutory officer group is in place and meets regularly to discuss and address issues.

An area of governance that the council has addressed in recent years is that relating to the council's group of companies. Like many councils, Coventry has a number of subsidiaries and jointly owned companies. In November 2021, these were brought under the umbrella of Coventry Municipal Holdings Limited (the arrangements are set out in the council's Annual Governance Statement for 2022/23). The peer team notes that the external auditor said in its Annual Report for 2021/2022 (published in November 2023) that 'the revised structure is appropriate'. **The council's oversight of external company structures would benefit from continued external scrutiny and the Peer team understand that the council will review these arrangements in 2024. As part of that review the council should consider how it can ensure that elected Members have a good understanding of the complex arrangements for the governance of these companies.**

The Peer team found there to be an appropriate consideration of risk and there is a very high awareness of the main risks that the council faces, including finance, children's safeguarding and workforce stability, and temporary accommodation and homelessness. Member oversight of risk management comes from the Audit and Procurement Committee. The council knows the issues and it will be important to maintain a strong approach as it faces a challenging national and local environment.

Scrutiny is seen as a valuable function within the council. The council has five themed scrutiny boards and scrutiny coordination board. The chairs of the scrutiny Boards are drawn from the ruling party. Scrutiny is a key part of the decision and review processes of the council, feeding into the Cabinet and Full Council. The Peer team heard that it is seen as a place for good cross-party working that addresses pre and post decision-making and there is a good relationship between scrutiny and Cabinet. Call-in of decisions is not a significant feature of the scrutiny approach. Scrutiny also engages with the community. An example is the Communities and Neighbourhoods Scrutiny Board's engagement with representatives from the Ukrainian Association, the Coventry Refugee and Migrant Centre, and Ukrainian guests and hosts, to talk about their experiences of the Homes for Ukraine Scheme.

The Peer team got a real sense that employees felt empowered and wanted to

deliver great things for the City and its communities. This is being supported by action to address what had been a siloed working culture within the council. Efforts to change the approach are coming from the top of the organisation. Measures brought in by the new Chief Executive include a flatter structure that disperses leadership, operating through a leadership board and supported by three themed boards. One of the aims of this approach is to bring more corporate checks and balances into the policy development and delivery processes and to enable a corporate view to be taken on key issues.

The council has a set of values which are included in the One Coventry Plan. These are: open and fair; nurture and develop; engage and empower; create and innovate; own and be accountable; value and respect. Although these seem a little unwieldy, they did appear to be understood and appreciated by employees. There was recognition from the Chief Executive that these values had to be owned and displayed at the top of the organisation and down through the chain of management.

The recent workforce survey results provide rich data for the council to act on.

There is a lot to be positive about, including that employees understand how their work contributes towards the success of the Council. However, employees are concerned that poor performance is not dealt with effectively. Employees have also expressed concern that it is not safe to speak up and challenge the way things are done at the Council. There is a need to mobilise the entirety of leadership to deliver on career progression, performance management and get buy-in from the whole organisation to its values and behaviours. Getting these aspects of the culture right will be an important achievement towards delivering better outcomes for communities. Employee networks have attracted over 1000 members and the Chairs and the networks are valued. **Further support for the employee networks would ensure that they are sustainable.**

The council welcomes external challenge and should continue this approach to support its further development and transformation.

4.4 Financial planning and management

In the view of the Peer team, the council's approach to financial management has been prudent, as evidenced by a healthy level of reserves, underpinned by robust financial management processes, but there is recognition that the financial situation

is getting tougher. No immediate concerns were expressed by external or internal auditors. The last Annual Auditor's report is for year 2021/22 and was published in November 2023. In this report the Auditor noted that the council has a history of stable financial and budgetary management and noted that its reserves position (as at March 2022) meant that it was in a good position to manage any future shortfalls in funding. Demand pressures have meant that the council's finances have been under greater pressure in 2022/23 and in the current year.

In 2022/23 the council reported an overspend of £6.7 million which was balanced by a contribution from legacy covid reserves. Overspends resulted from pressures in Adults and Children's services, compounded by the impact on domestic and commercial refuse collection of the HGV driver strike and strike mitigation costs.

In the current financial year 2023/24 the council continues to experience in-year overspends. Based on outturns for the first half of the year the council was projecting an overspend of £11.5 million. Overspends again reflect demand pressures in Adult and Children's services, but in addition pressures in the provision of temporary accommodation; this is a sector wide challenge. To manage in year overspends the council has put in place measures including: restrictions on non-essential spend; a recruitment panel to control the filling of vacancies; and greater scrutiny of higher risk areas. The council expects these measures to reduce the level of overspend, but it is likely that the council will need to balance its final position by a contribution from reserves.

The council reports that it has total reserves of £196 million as at March 2023; £122.5 million of General Fund reserves of which £112.2 million are earmarked. In the council's view, it is *'adequately provided for in terms of its reserves compared to its overall level of budget and better provided for than some other similar authorities'*. The council notes that *'the level of uncommitted General Fund Reserves [£10.3 million) provides a sufficient level of short-term resource to meet any other unforeseen eventualities'*.

The Peer team consider that the council's financial situation is well understood by the leadership team and Members. There has been regular engagement through the year on the financial position, and proposals to address challenges, in which scrutiny plays an active role.

The council is now consulting on its budget for 2024/25. It anticipates achieving technical and service savings of around £33 million (technical savings here mean those that can be achieved within the existing policy framework. Service savings are those that arise from new political decisions). £11.7 million of these savings relate to management actions to reduce the budget gap. Some of the biggest savings within this category include: £3.3 million from the Children's Placement review; £2.4 million from an increase in financial contributions from partners towards statutory delivery; and £1.95 million from maximising the use of Grants for service delivery to release core funding. The peer team note that financial monitoring reports to the council's Cabinet for 2023/24 indicate that some service areas are finding it difficult to meet savings targets and it will be important for the council to keep a tight grip on savings performance to ensure that the council can manage down its budget gaps in 2024/25 and subsequent years.

Within the proposed 2024/25 budget, £3 million of the expected service savings are due to come from transformation projects under the heading of the One Coventry Model. The council's Transformation programme is still at an early stage of development. Projects included within the 2024/25 savings bundle, including Coventry Connects, will require culture change and organisational restructuring across the council and between partners. There are two risks. The first is that the transformation programme does not deliver at the pace required to meet savings targets. The second, is that the transformation programmes themselves are diverted from longer-term aims to meet short term targets. The council will need to take a corporate view on how the transformation programme and MTFS relate to each other; to what extent is the transformation programme delivering savings for the current MTFS and/or to what extent is the MTFS helping to prioritise areas of focus within the transformation programme? **The council will need to continually review the profile of savings from the transformation programmes and consider when these should be included within the MTFS.**

The peer team is aware that the council is currently facing 180 equal pay claims all of which it is defending at an Employment Tribunal. As of January 2024, the council said it had not made any formal assessment of the costs of the claims and is clarifying the basis of the claims which it is defending. The council also said that it had not as of January 2024 set aside any funds to use for compensation payments in

the event it loses any of the equal pay claims. However, the council has noted in its corporate risk register that ‘meeting liabilities, including potential additional pension fund contributions, may necessitate further spending reductions in service budgets.’ As would be expected under these circumstances the budget consultation for 2024/25 and the estimated budgets for 2025/26 and 2026/27 have been prepared without reference to the potential costs of the equal pay claims. The peer team recognise that for the council to lose the equal pay claims, even with the current strong reserves position, would have a significant financial impact.

The current budget consultation includes estimates for 2025/26 and 2026/27. The projected deficits are £13.4 million and £14.5 million respectively. However, the Peer team was told that these estimates did not model potential changes to the city’s demographics, policy changes, or potential changes to inflation and interest rates. Any potential understatement of budget estimates for spend is an area of risk, especially for Coventry which is growing at a relatively fast pace. **In the view of the Peer team, the future financial modelling within the MTFs needs to consider the full impact and risk of key underlying assumptions e.g. demographic change, inflation, and policy on issues such as real living wage.**

The finance team is well regarded. The support it gives across the council on financial management is valued and should be used to drive financial accountability across the organisation’s leadership.

The Government is soon to consult on proposals to deal with the backlog in audits, which is expected to include a compulsory deadline of 30 September 2024 for all outstanding financial assessments. The proposal is that after this date council accounts that are outstanding will be qualified or disclaimed. Although this approach is broadly accepted by the sector as the only way forward, given the backlog in audits, it is unclear what the impact will be in individual cases. The peer team notes that Coventry has unaudited accounts for 2020/21, 2021/22 and 2022/23. In the view of Coventry’s external auditor, Grant Thornton, (Annual Report 2021-2022 published November 2023), the delays in the preparation of the financial statements could expose the council to financial risk. **The council should make swift progress to continue to sign off and publish these outstanding accounts.**

4.5 Capacity for Improvement

The peer team was struck by the commitment and ambition of elected Members and officers for further improvement in the way that the council is managed and the services it delivers to communities. The council builds on a track record of improvement as evidenced through the Children's services performance journey and the commitment to do better still.

The council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement. This work has begun. A new Safeguarding and Performance Board is being established to oversee performance reporting and management across the council. This Board will report to the Leadership Board and Cabinet. In the view of the peer team a key strength of this approach will be the ability to take a cross-organisational view on key issues and to strengthen the understanding of communities and their needs. To support this approach the council can develop further a more corporate and integrated business intelligence approach bringing together the rich insight the council already has.

The council is innovative. Examples include:

- Accessing funding for the development of a prototype Very Light Rail system with a city centre demonstrator route being constructed in Coventry later this year.
- Accessing funding from DfT to be the first all-electric bus city by 2025
- Establishing the largest network of electric vehicle charging points outside of London
- A training academy has been developed for local people to learn green skills and grow the local workforce to support the decarbonisation of 2000 social homes.
- The UK's first AI assisted recycling centre.

This desire to innovate, to compete to be first, is something that the council can be proud of.

The peer team saw and heard of existing best practice across the council which can be shared and deployed to support continued improvement in other areas. Through its transformation programme the council is removing internal overlaps and is seeking to make the best use of resources across partner organisations. The focus here is to ensure that the priorities set out in the One Coventry plan can be met.

Partners and residents are a key resource for the council's improvement journey and we heard that they are keen to be involved.

The peer team found a motivated and engaged workforce who want to be seen and heard and want their talents used. Grievances are in decline, but the council had a relatively high level of sickness absence at 13 days per FTE in the year to 31 December 2023. The council appeared to the Peer team to be very committed to addressing equalities issues both within the council and across the city. However, there is an opportunity to do more to demonstrate this commitment to the workforce. The Council's current Workforce Diversity and Inclusion Strategy came to an end in 2023 and there is a real opportunity for the council to now renew its plans and commitment to EDI.

The peer team heard from employees that they are already feeling stretched. The transformation programme will want to draw on the talents of existing employees, but this will need to be balanced with the 'business as usual' (BAU) pressures that arise from increasing demand and scarce resources. A focus on, and consistent approach to, workforce planning will be important in managing these tensions.

There is evidence of an increased focus and improved performance on meeting high standards of customer service, which the council must maintain as it transforms. In December 2023 the council met, for the first time, its target for the percentage of abandoned calls, at 5 per cent, although the average for the year remained at 10 per cent.

Member training is delivered within the context of the One Coventry Elected Members Training and Development Strategy. Take up of training by Members has been low. The Peer team heard a number of reasons why this might be the case, including time pressures, but also that the mandatory aspect of some training was not being enforced (most of these training programmes are available through the Council's online learning portal). The Peer team also heard that Members would value training more if it was accredited. **The peer team heard that Members are keen to engage with opportunities for training and development and the council should review barriers to take up of the current offer and how these can be addressed.**

4.6 Transformation

There is a genuine recognition across the council of the need for transformation and a real ambition to 'save, do more, do better'. The approach being taken to transformation is owned by senior leadership and this will be invaluable to its future success. The transformation programme as outlined by the council will deliver savings but the key intention is to modernise the delivery of public services for the benefit of communities within the city. There are a number of aspects to the corporate transformation programme including: changes to the way the council interacts with residents (Coventry Connects); a review of advice services; and the development of integrated place-based service hubs. These corporate programmes build on and support the transformation that is taking place in individual service areas including adult and children's services.

There is real innovation emerging, for example within Coventry Connects, the aim of which is to improve the way the council engages with residents and the way it uses data to improve services by considering the use of technology and integrating processes. The agile and iterative approach is enabling some early examples of what the overall programme could achieve. The Peer team heard about the success of the approach in dealing with and reducing complaints (from a peak in June 2023 complaints have declined month on month) and the team's engagement with the private sector to improve digital connectivity in the community.

However, in general, the corporate Transformation programme is at an early stage and rapid engagement and mobilisation of the right skills, capacity and capability needed to deliver will be critical, for example the full engagement of HR.


Part of the purpose of the transformation programme is to generate savings, but given the programme is at an early stage, the timing of financial and non-financial returns on investment are yet to be fully clarified. The peer team heard a number of estimates for the savings from transformation. The budget consultation report builds in savings of £3 million for 2024/25 (increasing to £4 million for 2025/26 from the One Coventry Delivery Model which is one element of the transformation programme). The peer team was told that other savings from transformation were included in the £32.7 million budget savings for 2024/25 that the council is consulting on from December 2023 to February 2024, particularly those elements of service change that focus on prevention and managing demand; these include savings to be achieved

through the children's placement review, and the improving lives programme. The council is aware of the risks that savings may not materialise at the speed and scale required and have said that there are contingency plans in place to mitigate these risks. If not mitigated, there is the risk that overspends could arise which could lead to a further call on the council's reserves.

The council is keen to resource the transformation programme without incurring additional costs. To do this it is diverting and coordinating existing capacity and establishing a 'Transformation Squad'. This approach has advantages and using talent from across the council provides development opportunities for employees. However, it is not clear whether all of the skills and expertise required to deliver on complex transformation programmes are held within the council currently. The peer team heard from employees that capacity is a current constraint and this will also need to be taken into account and transformation projects prioritised if the programme is to be delivered within existing resources. **In the view of the peer team there could be cases, for example, in the technical aspects of improving the customer experience where the council should not rule out the use of specialist external support, as and when this is needed.** The peer team also heard that partners are keen to support the council in its transformation of services to communities and it should consider how to take up this offer.

Transformation requires a solid understanding of communities; their service needs; and how communities want these services delivered. Data to support transformation will be held across the council and with partners. At the same time the council can draw on benchmarking data to assess capacity for value for money improvements. The peer team did not get an opportunity to consider in depth the sources of data and insights and how these are being used to underpin the transformation programme, but at this early stage of the programme, using all available insight and benchmarking on value for money of service delivery could accelerate identification of benefits and programme design and we would urge the council to take every opportunity to parcel data together to give a system wide analysis.

5 Next steps



It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a progress review within twelve months of the CPC, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report.

In the meantime, Helen Murray, Principal Adviser for the West Midlands, is the main contact between your authority and the Local Government Association. Helen is available to discuss any further support the council requires.

helen.murray@local.gov.uk.

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LGA Corporate Peer Challenge

Appendix B: Council Response to Peer Team Recommendations – May 2024

No.	Peer Team Recommendations	Council Response
1.	City Centre masterplan The Council should continue to work at pace to develop a city centre masterplan with the support and involvement of partners.	<p>In February 2024 we began work on our City Centre Vision 2050 which will set out our ambitions for the city centre including high level masterplanning and setting out a development framework for private investment in the city centre. This will be completed in July 2024 – a group of core partner organisations will help guide this work with wider public engagement to follow.</p> <p>One of the key drivers for the City Centre Vision 2050 is how Coventry city centre needs to change in order better serve communities – both people living in or close to the city centre and people travelling into the city centre for work, shopping or leisure. Work is currently underway to consider this, and a number of other drivers – Economy, Mobility, Digital, Open Space, Sustainability and Culture.</p> <p>Another related piece of work is a more focused look at how a 50 acre area on the northern edge of the city centre could accommodate physical regeneration and development and the delivery of new homes whilst making better use of cultural and heritage assets, green space and public realm. This was completed in March 2024 and informs the wider City Centre Vision and we are now looking at how to begin delivery of key sites in this area.</p>

2.	<p>One Coventry Plan</p> <p>The next iteration of the One Coventry plan needs to include a corporate delivery plan supported by consistently developed service plans and should include a review of the corporate strategy framework to ensure strategies are linked and gaps are identified.</p>	<p>New governance arrangements have been implemented with responsibility for oversight and enabling delivery, of key organisational strategies and plans, aligned to the Council's One Coventry Plan vision and priorities. Three new Strategic Boards have been established to support the Leadership Board with a more explicit focus on delivering our One Coventry priorities and taking forward work to ensure we are as efficient and effective as possible.</p> <p>This new governance and performance approach will enable the Council to have oversight of all Council activity and ensure necessary corporate and service delivery plans are in place. This will include the identification of any gaps and response required to address this. For example, work is in progress to respond to develop an asset strategy.</p> <p>An important role of the new governance structure will be to identify synergies and interdependencies across services areas. These relationships can then be managed to ensure the maximum benefits and impact are delivered, in line with One Coventry Plan objectives.</p>
3.	<p>Employees</p> <p>The Council has rich data from the recent staff survey and should develop actions to address the issues it highlights. A key element of this would be ensuring there is further support for the staff networks.</p>	<p>An action plan is currently being developed in response to the workforce survey and will be available in September 2024.</p> <p>In addition to this and as part of our on-going commitment to being an inclusive employer we will ensure continued growth and development of our employee networks. As part of this commitment the Council has commissioned 'Reboot' an external organisation who will provide training for our Network Chairs and Co-chairs in September 2024 in order to support their growth and development.</p>
4.	<p>Medium Term Financial Strategy</p> <p>Future financial modelling within the MTFS should</p>	<p>The MTFS is reviewed on an annual basis. This will include a review of wider contextual data, including population and demand projections, to support the medium-term financial planning assumptions of the Council. Specific models are already used in key areas of financial risk such as Adult Social Care, Childrens Social Care and</p>

	consider the full impact and risk of key underlying assumptions e.g. demographic change, inflation, and policy on issues such as real living wage.	Housing to understand and plan for future impact. These models will be reviewed again as part of the next iteration including whether further evidenced based assumptions can be used.
5.	Financial accounts The Council should make swift progress to sign off and publish their outstanding financial accounts.	19/20 Statement of Account (SoA) was approved and published in October 2023. The 20/21 SoA has now been produced and published. The Government have consulted on indicative backstop dates for both prior years' SoAs (September 2024), and the current year SoA (May 2025). The outcome of the consultation is unknown, however the Council are in discussion with its external auditor, Grant Thornton, to ensure there is an agreed plan which aims to achieve both of these.
6.	Transformation programme The transformation programme is at a very early stage of development, and the Council should focus on rapid engagement and mobilisation of the right skills, capacity and capability needed to deliver.	<p>A One Coventry Transformation Board is meeting on a monthly basis to oversee and enable delivery of the Council's Transformation Plan. The role of the Board includes understanding and determining delivery resource requirements and an ongoing responsibility for the One Coventry Transformation Board will be to ensure that sufficient resources are available to deliver what is required.</p> <p>A Transformation delivery resource plan is being developed to identify the resources required to effectively deliver the One Coventry Transformation Plan. This will focus on making best use of existing resources in the first instance but will also identify any gaps in capability or capacity where there may be a requirement to consider commissioning more specialist resource/support for a limited period. This will only be considered where all options to make use of internal capacity have been exhausted or where there is a clear cost benefit (e.g. pace of delivery).</p> <p>The OneCov Squad initiative will also provide support in delivering the Council's transformation ambitions whilst also providing opportunities for employees to develop their skills. A number of Council officers are being matched with projects/initiatives and</p>

		will be working with across a range of services to help to deliver the One Coventry Transformation Plan.
7.	Communications The Council should develop a refreshed external communication strategy.	A refreshed internal and external communications strategy has been researched, prepared and approved with Leadership Board for Cabinet consideration. Approval with Cabinet will be sought in May 2024, with several key actions including strategic key themes for communications, a bigger focus on value for money communications to residents, and using our digital channels more proactively.
8.	Performance management The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement.	<p>A new governance model for Performance has been established including the creation of a Safeguarding and Performance Board, which now meets on a monthly basis. This is supported by a cross-organisation performance Working Group.</p> <p>A review of Data and Performance is underway and is focusing on the following areas:</p> <ul style="list-style-type: none"> - A review of corporate performance measures - The creation of new performance reporting products - Maximising the use of corporate data tools - Performance workforce models - Establishing a new performance culture
9.	Member training Members are keen to engage with opportunities for training and development and the Council should review barriers to take up of the current offer and how these can be addressed.	As part of its review of the 2023/24 programme and preparation for next year, the Member Training Advisory Panel is carrying out a survey of Members to identify barriers. The Ethics Committee reviewed the 2023/24 Members Training and Development Programme at their meeting on 21 March when they considered ways in which to increase Members' participation in training and development and to address barriers experienced in accessing the programme. The outcomes from both will be built into their respective work programmes and planning for 2024/25. Members survey will be recirculated to encourage additional responses.

10.	<p>Workforce Diversity</p> <p>The Council should take further steps to improve diversity across the organisation at all levels.</p>	<p>A new Diversity & Inclusion Strategy 2025 – 2027 is being written and will cover all 9 protected characteristics. The focus of the new strategy will include both workforce and service delivery D&I actions. In addition to the work that we are delivering on Diversity & Inclusion, we are also taking a pro-active approach in tackling racial inequality across the organisation.</p> <p>We have a new Executive Sponsor for Race and are in the process of producing our first race equality action plan which will be launched in the latter part of 2024.</p>
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Agenda Item 7 Council – 9 July 2024

Recommendation from Scrutiny Co-ordination Committee 10 June 2024

Coventry City Council Minutes of the Meeting of Scrutiny Co-ordination Committee held at 11.00 am on Monday, 10 June 2024

Present:

Members: Councillor N Akhtar (Chair)

Councillor M Ali
Councillor L Kelly (Deputy Chair)
Councillor R Lakha
Councillor G Lewis
Councillor R Singh

Other Members: Councillor G Duggins

Employees (by Service Area):

Finance and Resources: B Hastie (Director)

Human Resources: G Haynes

Law and Governance: S Bennett, E Jones

Regeneration and
Economy: A Williams (Director)

Transformation: M McGinty

Apologies: Councillors J Lepoidevin, C Miks, G Ridley and CE Thomas

2. **Declarations of Interest**

There were no disclosable pecuniary interests.

RECOMMENDATION

5. **Scrutiny Annual Report 2023/24**

The Scrutiny Co-ordination Committee received a Briefing Note of the Director of Law and Governance appended to which was the Scrutiny Annual Report 2023/24. The report details highlights from the year, including cross-cutting themes considered by the Committee as well as work undertaken by the individual Scrutiny Boards. The Constitution requires that Scrutiny report annually to inform Council of its work.

RESOLVED that the Scrutiny Co-ordination Committee:

- 1) Accepts the content of the draft report at Appendix 1.**
- 2) Recommends that Council considers the Scrutiny Annual Report at its meeting on 9 July, 2024.**

Scrutiny Annual Report to Council

2023-24

To be considered at the City Council meeting
on the 9 July, 2024

Introduction by Cllr Naeem Akhtar, Chair of Scrutiny Co-ordination Committee

Welcome to the Scrutiny Annual Report for the municipal year 2023-24. It contains a few highlights from the year, including cross-cutting themes, as well as work by the individual boards.

I would like to take this opportunity to thank Councillor Ruane for his work chairing the Finance and Corporate Services Scrutiny Board and also Councillor Thay in his role as Deputy Chair of Scrutiny Co-ordination Committee during 2023-24

This year we welcome Councillor Jobbar as chair of the Finance and Corporate Services Scrutiny Board, and Councillor Kelly as Deputy Chair of Scrutiny Co-ordination Committee.

Scrutiny is an important part of the Council's democratic structure which is led by non-executive Councillors. It works to the common aim of improving services for the local community and is involved in the following:

Policy review and development: Helping to shape the way public services are delivered.

Scrutinising decisions of the executive: Is the right action being taken? Are services working effectively?

External scrutiny: Examining services that impact upon the local community, such as health and policing.

Scrutiny uses evidence to make recommendations to the Cabinet to request change; it does not make decisions.

The focus for scrutiny in 2024-25 will continue to be how we work with partners to sustain and improve services, particularly within the current economic and financial situation. Learning from the LGA Peer Review and delivery of The One Coventry Plan will be central to this work, but other areas such as the Climate Change Strategy will all be considered by scrutiny this year.

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- Follow us on twitter @covscrutiny
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Scrutiny 2023-24



Scrutiny Co-ordination (SCRUCO)



Chair: Cllr N Akhtar

Deputy: Cllr R Thay

- Scrutiny Coordination
- Policy and Leadership
- Policing and Equalities
- Designated Crime and Disorder Board

Finance & Corporate Services (1)

Cllr E Ruane

- Strategic Finance
- Council Resources
- New Ways of Working



Education & Children's Services (2)

Cllr CE Thomas

- Early Help
- Children & Young People's Social Care
- Schools
- Adult, Higher & Further Education



Business, Economy & Enterprise (3)

Cllr R Singh

- Business, Enterprise & Employment
- Inward Investment
- Transportation
- Climate change & sustainability



Communities & Neighbourhoods (4)

Cllr M Ali

- Public Services
- Social Enterprise
- Strategy
- Community & Third Sector
- Homelessness
- Housing
- Arts & Heritage



Health and Social Care (5)

Cllr C Miks

- Health
- Adult Social Care
- Health Inequalities
- Sport



Cross Cutting Scrutiny Themes 2023-24

Climate Change

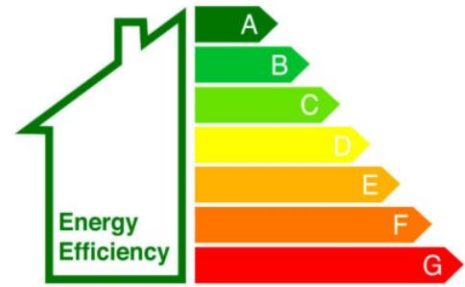
Scrutiny has continued to maintain a focus on Climate Change and work the Council is undertaking to address the impact of climate change. Scruto considered the responses to the engagement on the Climate Change Strategy at their meeting on the 20th September 2023. Members asked detailed questions about the engagement process and which groups has been involved. The Committee requested that their comments be considered as part of the consultation process, as well as identifying better ways to engage young people including through schools and social media.

As well as the overarching Climate Change Strategy, Scrutiny have considered several items which contribute to its aims and objectives. Scruto considered an item looking in detail at the Strategic Energy Partnership with EON, The Committee asked questions and received responses specifically on the procurement process and any benefits or risks associated with the venture and its ability to provide the expertise and investment to help support the delivery of the Council's Climate Change Strategy and the One Coventry Plan. The committee also requested regular updates on progress as well as the opportunity to pre-scrutinise any related Cabinet Reports.



Other Boards also considered items that will support achieving the outcomes of the Climate Change Strategy. The Business, Economy and Enterprise Scrutiny Board (3) received an update on the Local Air Quality Action Plan, including current monitoring of CO2 levels and progress on delivery of cycle lanes and Liveable Neighbourhood projects. The Board also considered an item on the progress on installing charging points for electric vehicles. Members asked questions regarding objections from residents to installations and requested that officers ensure that the wording in the consultation process is revised to make the process clear when an objection is received requesting removal of an EV charging point. The Board also requested further updates on progress.

At another of their meetings, the Business, Enterprise and Economy Scrutiny Board (3) considered an item on an update to the Domestic Retrofit programme. The Board questioned officers and the Cabinet Member on the eligibility criteria and affordability, how information about the scheme was publicised, with Members asking for information about the scheme so they could promote it with residents, as well as use of local media outlets. Members were also interested in the training programme and ensuring that the city had the skills to call on to deliver the programme.



The Communities and Neighbourhoods Scrutiny Board (4) also considered items that contribute to delivering the Climate Change Strategy, one of which was the School Streets programme. The board had already received a briefing on the project to reduce traffic and encourage active travel around schools, the previous year and had requested a progress update on the newer schemes. The board asked questions of officers and the Cabinet Member on areas such as enforcement powers and the involvement of the police, how the specific schools had been identified as well as ensuring that delivery vehicles and sat-navs would pick up the traffic restriction information. The Board recommended to the Cabinet Member that other measures should be explored such as traffic management for the schools that had not been included in the current school streets programme.

It is planned that scrutiny will consider the draft Climate Change Strategy as part of the 2024-25 work programme.

Partnership Working

Many of the Boards this year scrutinised the work of external partners and how effectively the Council work to deliver the One Coventry Plan priorities alongside those partners. Scrutiny has specific powers to scrutinise health and community safety partners but can invite any organisation that affects the residents of Coventry to attend a scrutiny meeting.

During 2023-24 a wide range of partners contributed to discussions about services in Coventry. These included voluntary organisations such as the Coventry Refugee and Migrant Centre and Ukrainian Society to talk about the Homes for Ukraine scheme, as well as other public sector organisations such as the Integrated Care Board to talk about the Integrated Health and Care Delivery Plan for Coventry and Warwickshire.

Other partners who have engaged this year are Coventry and Warwickshire Partnership Trust (CWPT) particularly on Child and Adolescent Mental Health Services at a joint meeting of the Education and Children's Services Scrutiny Board (2) and the Health and Social Care Scrutiny Board (5). Compass, as a provider of services for children and young people also contributed to this meeting.

UHCW presented on Improving Lives, as well as A&E waiting times at the Health and Social Care Scrutiny Board (5). More information about how the Health and Social Care Scrutiny Board has worked with partners can be found in the section below.

The Business, Enterprise and Economy Scrutiny Board (3) also invited external partners to answer questions for an item on buses. There were representatives from both National express and Stagecoach as well as Transport for West Midlands. The Board were keen to examine proposals for future delivery of bus services in the region, including bus franchising. The Board had a further item at their meeting in January and have asked to scrutinise the final report to the Mayor for the West Midlands before any decision is made on future models of bus delivery.

Overall, scrutiny considered twenty-one items that included external delivery partners, which will be a continued theme throughout the coming year as part of the One Coventry approach. Scruto also considered the Annual Reports of the Council subsidiaries, which are arms-length companies of the Council.

Scrutiny Board Highlights 2023-24

Scrutiny Co-ordination Committee

Community Safety

Scrutiny Co-ordination Committee considered several items that focused on Community Safety and the work of the Police. There were three items that covered the Community Safety portfolio of the Board, which included the Coventry Community Safety Plan, the Serious Violence Duty, and the Local Policing update in February. There was also a representative from the police when the committee considered an item on Parking and Road Safety.

Following an item on the Coventry Community Safety Plan in July, the committee recommended that steps were taken to increase safety in the city centre, which led to the committee arranging an additional meeting to provide pre-scrutiny of the Cabinet Report on amendments to the city centre PSPO to restrict bikes and e-vehicles. The committee supported the recommendations in principle but expressed concern about enforcement. The committee requested a further report on progress on the implementation of the city centre PSPO, as well as recommending that the Cabinet Member for Policing and Equalities write to the Chief Constable and the Police and Crime Commissioner

requesting a higher policing presence in the city centre and for the police to use their powers to seize illegal e-vehicles.

At their meeting in November the Committee also welcomed a report on the implementation of the Council's Serious Violence Duty. This was led in partnership with Public Health, Education, Community Safety, NHS partners, and the Police. The Committee heard more details about the Community Initiative to Reduce Violence. Members requested a further update in 6 months-time as well as referring an item on school exclusions to the Education and Children's Scrutiny Board (2) for further scrutiny.

The Committee had also requested an update on the effectiveness of the local policing model which they had received a report on the previous year. The Committee received a presentation which covered a wide aspect of the policing model including KPI's and performance measures, the outcome of the HMIC Review of the West Midlands Police, responding and calls and response times to incidents, as well as priorities and key activities.

Members requested contact details of local lead police officers for their communities, to ensure strong links between the police and residents, which were circulated.

Complaints Policy and Strategy Task and Finish Group

The Local Government and Social Care Ombudsman included the Chair of Scrutiny Co-ordination Committee in their annual review letter for the first time in July 2023. As a result of this the Committee agreed to establish a task and finish group at their meeting on the 20th September to update and refresh the Complaints Policy and Procedure. The task and finish group met three times and identified three recommendations for the Cabinet Member which were accepted. The recommendations were a. Update the Complaints Policy and Process as suggested by the T&F Group (Appendix A)

b. Identify timescales for implementation of the electronic complaints system to deal with complaints and c. Consider future strategic planning opportunities including the budgetary implications for savings from an alternative CRM system.

Finance and Corporate Services Scrutiny Board (1)

Consultation on Spending, Saving and Council Tax Proposals for 2024/25



On the 11th January 2024, the Board contributed their comments to the City Council's public consultation on revenue spending and savings proposals for 2024/25 and future financial years. In noting the content of the briefing note and following the discussion, the board identified issues to consider including standardising residents' parking permit fees,

assessing the impact of free parking at War Memorial Park, clarifying inflation narratives, and analysing the impact of an overnight streetlight switch-off. Officers agreed to address outstanding requests for residents' parking schemes and provide responses to the points raised. A briefing note containing their comments around the budget consultation was shared with the Cabinet Member for Strategic Finance and Resources.

Delivering Value for Money in Placement Costs

The Board considered an item outlining the corporate controls in place to secure value for money when providing support to vulnerable residents. The Board were given details of the corporate controls in place to secure the best value in securing support for vulnerable residents and the issues faced across the services in Adult Social Care, Housing, Special Educational Needs (SEN) and Home to School Travel Assistance in securing placements.

Members asked questions of officers and the Cabinet Member on areas such as the number of Adult Social Care service users and the total cost, percentage markup of profit for providers, reasons for the increase in demand, location of providers, City Council engagement with highest-cost housing placements, average length of stay for an individual and checks to ensure annual reviews take place for SEND package funding.

In respect of the home-to-school travel assistance package funding, concerns were raised regarding costs and providers' contractual obligations, for instance, the costs incurred when a child is absent from school and the service not used. It was noted that a review was currently underway on this funding and the Board requested that a further report on the Home to School Travel Assistance be brought back to the Board at the earliest opportunity.

Home to School Taxi

Following on from the Board's request for a further update on the Home to School Taxi service, a background on the establishment and use of the home-to-school taxi service and an update of its review were shared with the board on the 21st of March 2024.

The Board questioned officers and the Cabinet Member about the use of taxi service fares, concerns about the current process not providing the best value for money, and the percentage of parents transporting their children to school.

Following discussion, the Board agreed to further explore the issues raised, and establish a Task and Finish Group to ensure that the best value was being achieved and officers agreed to provide the information requested by Members.

Education and Children's Services Scrutiny Board (2)

Cost of Placements

Following concerns raised by Members about the impact the high cost of children's placements was having on the Council budget, the Board requested an in-depth item on the issue. The Board received a copy of the recent Residential Children's Home Strategy which provided information about steps being taken to reduce reliance on external providers of children's placements, as well as position paper on the current situation. The Board were also able to take a private report on the details of the top 10 most expensive placements. This enabled Members to get a really comprehensive understanding of the complexities of meeting some children's needs and the options there are to source alternative provision. As a result of the item the Board requested a further update to track progress on implementing the strategy and whether there had been a reduction in costs. Members were also keen to visit the purpose build residential accommodation once complete.

Holiday Activities Fund



The Board have continued to receive updates on the delivery of the Holiday Activities Fund and this year they were able to watch a video providing positive feedback from children, families and staff who had benefited from the programme. The Board requested a formal thank you to the Cabinet Member for work done on the programme, as well as expressing concern about future funding for the scheme, as well as other assistance for families experiencing poverty as part of the cost-of-living crisis.

The Board also asked that the video and positive feedback was shared widely with governing bodies of those schools involved, as well as asking that activities were culturally appropriate for all communities across the city. The Board will continue to receive updates on the programme during 2024-25.

Business, Economy, and Enterprise Scrutiny Board (3)

Support for Businesses and the Work of Coventry and Warwickshire Growth Hub



On March 6th, 2024, the Board considered a report on the support Coventry City Council had been giving to businesses during the 2023/24 financial year, and how the Authority had worked alongside local business support partners including Coventry and Warwickshire (CW) Growth Hub to ensure that needs and opportunities facing Coventry businesses and the local economy were being as effectively addressed as possible.

The report outlined the support provided to businesses during the 2023/24 financial year and highlighted the Council's work on collaboration with local business support partners, including the Coventry and Warwickshire Growth Hub, to address the needs and opportunities of Coventry businesses and the local economy. Key areas of focus discussed between members and officers included specific support for SMEs, advice on energy bills, eligibility criteria for business support, data collection on business numbers, marketing promotion, further information to members on Business Support Services, an emphasis on innovation and university collaboration, and foreign investment figures indicating its attractiveness for investment.

Members requested the Council's Business Support Services consider all options for marketing the support on offer, to ensure promotion through various channels to maximise inclusion.

2024 Tourism Strategy and Destination Management Organisation (DMO) Model

On April 17, 2024, a presentation and briefing note were shared with the Board regarding the progress in establishing Destination Coventry as a Sustainable Destination Management Organisation (DMO) for the city. The Board discussed the increase in domestic visitor numbers, the need for collaborative working, the DMO's commitment to working as a brand and destination, the inclusion of Warwickshire, £107,000 secured from local private sector membership, and the DMO's support to businesses through the post-COVID 'Step back into hospitality' scheme. The DMO also assisted businesses in securing business or signposting them to secure business for their venues. The Board discussed the next 12 months, deciding on the best markets and how to bring in new business, targeting international events, and engaging with the city's universities. Members recommended that when the DMO Board is reviewed, consideration be taken to a mix of private and public sector representatives on the board, including the city's universities when the configuration takes place.



Communities and Neighbourhoods Scrutiny Board (4)

Local Plan Review

The Council's Local Plan is in the process of being reviewed and the Board had requested to be able to comment and have input in the consultation. Members initially had an informal briefing on the content of the consultation documents, before discussing the proposals at a formal meeting on 21st September. The Board robustly questioned the Cabinet Member and officers. There were six specific points that the Board wanted to be raised and included in the consultation response, which has been sent to officers. The Board also asked that all Members be made aware of other opportunities to contribute to the consultation.

Review of Houses in Multiple Occupation (HMO) Additional Licensing Scheme 2023

The Council is required to review its additional licensing scheme periodically, so the Board scrutinised the report that went to Cabinet reporting on the findings of the review. The Board were supportive of the Licensing Scheme in its current format and requested that the Cabinet Member for Housing and Communities considers that work to renew the scheme starts as soon as possible.

Members asked questions of the officers focussing on how landlords were engaged with the scheme and what work was being done to support landlords to improve properties, as well as share information and good practice.

Health and Social Care Scrutiny Board (5)

West Midlands Ambulance Service



On the 19th of July 2023, the Board reviewed a presentation by the Interim Director of Nursing and the Strategy & Engagement Director. The information covered Coventry and Warwickshire, including University Hospitals, South Warwickshire Foundation Trust, and George Elliot Hospital. The board discussed regional incidents, transport rates, hospital handover delays, performance, staff recruitment, staff wellbeing, NHS investment in emergency community response, ambulance usage, response prioritization, service gaps, in-house call answering services, staff abuse, demand reduction, ambulance waiting times, handover delays, recruitment challenges, and the use of drones in hazardous areas. The board expressed gratitude for the service's work, gave support in their request for an independent review of the service and thanked them for their efforts. The Board also gave recommendations to health partners, that work be undertaken to enable the West Midlands Ambulance Service to gain access to social prescribing.

During the same meeting, the Board heard a presentation from the Group Commander of the Coventry & Solihull Command, West Midlands Fire Service (WMFS) about their response to the pandemic, addressing health inequalities, the services provided by WMFS, Key Stage 2 education, and future plans. Following the presentation, members asked questions and received information from officers on various topics, including the back home safe and well service, response to accidents involving vulnerable individuals, triage based on vulnerability, provision of free smoke alarms, fire awareness workshops in communities, periodic risk reviews, evaluations of safe and well programs, statutory school curriculum, full-time staffing of firefighters, diversity initiatives, and the Vanguard project. The Chair expressed gratitude to the West Midlands Fire Service for their work in the community.

Adult Safeguarding Annual Report

The Board considered a briefing note and presentation which provided an overview of Coventry Safeguarding Adults Board Annual Report 2022-23. The Coventry Safeguarding Adults Board (CSAB) is a partnership of organisations working to prevent and end abuse of adults with care and support needs in Coventry. The report, considered by the Board, covered various forms of neglect, self-neglect, and referral activities into social care. The CSAB has provided guidance and training to informal carers, partnered with GPs, and worked closely with community navigators.

Members requested improvements to the report, including descriptions of different types of abuse, a glossary of terms, a more easy-read report style, clarity and detail improvements to tables, and circulation of details of safe and well checks by the Fire Service.

Healthwatch Coventry

The Board reviewed Healthwatch Coventry's work to improve health and care, including barriers to access and health inequality for Coventry. Healthwatch is an independent



health and social care champion, involving local people in decision-making and setting priorities. The Board discussed findings with officers from care homes, maternity care for asylum seekers and newly arrived women, and increased funding for local dentistry services. Healthwatch Coventry prioritised inequalities and focused on areas of deprivation for the outreach community.

The Chair requested the Chief Officer pass on congratulations to the Healthwatch Board for their work, and the Board requested that the findings from Healthwatch Coventry care home visits be shared with care homes across the city.

Agenda Item 8 Council – 9 July 2024

Recommendation from Ethics Committee 27 June 2024

Coventry City Council Minutes of the Meeting of Ethics Committee held at 11.00 am on Thursday, 27 June 2024

Present:

Members: Councillor S Nazir (Chair)

Councillor L Bigham
Councillor P Hetherton
Councillor E M Reeves
Councillor D Welsh

Independent Persons: S Atkinson
P Wiseman

Employees (by Service Area):

Law and Governance: J Newman (Director of Law and Governance), S Bennett,
S Manhertz

Apologies: R Wills

RECOMMENDATION

4. Annual Report of Ethics Committee 2023-24

The Committee considered a report of the Director of Law and Governance which set out the work of the Committee over the last Municipal Year. In particular, the report detailed:-

- Update on the Online Safety Bill (now enacted Online Safety Act 2023)
- The Committee's review of the Local Code of Corporate Governance
- Civility in Public Life, Intimidation in Public and Digital Citizenship
- Local Government and Social Care Ombudsman Annual Report

The report also detailed other regular work of the Committee over the last year including receiving regular reports on ethical standards cases across the country; maintaining a watching brief on work being undertaken by the Committee on Standards in Public Life; and locally on supporting Members in dealing with challenges associated with public service, particularly in relation to intimidation and abuse. The Committee has also received an update on Members training during 2023/24 and supported the continuing delivery of the Members Training and Development Strategy, including actions for 2024/25.

Details of the Work Programme for 2024/25 were also highlighted in the report and included:-

- Consideration of the self-assessment Toolkit to aid Councillors in dealing with abuse, harassment and intimidation as part of the Debate not Hate: Ending Abuse in Public Life Campaign.
- Maintaining a watching brief on any legislative changes arising from the Committee on Standards in Public Life's report and recommendations of January 2019.

The Ethics Committee approved the Annual Report for 2023/24.

RESOLVED that the City Council be recommended to:

- 1. Note the Annual Report of the Ethics Committee for 2023/24**
- 2. Consider whether there is any work within the Committee's terms of reference that Council would wish the Committee to undertake**

Ethics Committee
Council

27 June 2024
09 July 2024

Name of Cabinet Member:
N/A - Ethics Committee

Director Approving Submission of the report:
Director of Law and Governance

Ward(s) affected:
None

Title: Annual Report of Ethics Committee 2023-24

Is this a key decision?
No

Executive Summary

This report forms the eighth annual report of the Ethics Committee, setting out the work of the Committee over the last municipal year. In particular, it reports on:

- Update on the Online Safety Bill (now enacted Online Safety Act 2023)
- The Committee's review of the Local Code of Corporate Governance
- Civility in Public Life, Intimidation in Public and Digital Citizenship
- Local Government and Social Care Ombudsman Annual Report

The report also details other, regular work of the Committee over the last year and sets out a brief overview of work to be undertaken in the 2024/25 municipal year. The Committee is asked to approve the report and recommend to Council that it notes the report and considers whether there is any work that it would wish the Committee to undertake.

Recommendations:

The Ethics Committee is recommended to:

- (1) Approve the Annual Report of the Committee; and
- (2) Recommend that Council notes the Annual Report and considers whether there is any work within the Committee's terms of reference that Council would wish the Committee to undertake.

Council is recommended to:

- (1) Note the Annual Report of the Ethics Committee; and
- (2) Consider whether there is any work within the Committee's terms of reference that Council would wish the Committee to undertake.

List of Appendices included:

None.

Other useful background papers can be found at the following web addresses:

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?

Yes – 09 July 2024.

Report title: Annual Report of Ethics Committee 2023/24

1. Context (or background)

1.1 The Council's Ethics Committee was established in 2012 following the introduction of new duties and responsibilities regarding ethical conduct in the Localism Act 2011. The Council as a whole has a legal duty to promote and maintain high standards of conduct by Members and co-opted Members of the authority. The Ethics Committee, through its work, assists in discharging this statutory duty.

1.2 The terms of reference of Ethics Committee also include:

- (a) Making recommendations to the Council on the appointment of "independent persons" under the Localism Act 2011;
- (b) Approving and revising the Complaints Protocol which will set out the detailed procedures for considering complaints made against Elected and Co-opted Members under the Code of Conduct for Elected and Co-opted Members;
- (c) Considering complaints made against Elected and Co-opted Members under the Code of Conduct for Elected and Co-opted Members in accordance with the Complaints Protocol;
- (d) Monitoring the operation of the Code of Conduct for Elected and Co-opted Members and making appropriate recommendations to the relevant body;
- (e) At the request of the Member or co-opted Member concerned, reviewing any decision of the Monitoring Officer not to grant a dispensation in relation to disclosable pecuniary interests in accordance with Section 33 of the Localism Act 2011;
- (f) Monitoring the operation of the Code of Conduct for Employees and making appropriate recommendations to the relevant body;
- (g) Considering complaints made against Elected Members of Finham Parish Council, Keresley Parish Council and Allesley Parish Council under the relevant Parish Council's Code of Conduct for Elected Members in accordance with the City Council's Complaints Protocol; and
- (h) Considering any other matters which are relevant to the ethical governance of the Council, its Members or Employees.

1.3 The Committee approves a work programme for each year which includes regular reports as well as one off pieces of work. At its meeting in March 2017, the Committee agreed that in future it would submit an annual report to Council setting out the work that it has accomplished in the past year. This report comprises the eighth Annual Report of the Ethics Committee.

2. The Annual Report and Recommended Proposal

2.1 About the Committee

In the municipal year 2023/24 Ethics Committee comprised five Councillors. The membership of the Committee was Cllr Nazir (Chair), Cllr Bigham, Cllr Hetherton, Cllr Reeves and Cllr Welsh. It is regrettable that Members of the Conservative Group decided not to take up their allocated place and be a part of the Committee. There were three named substitutes, Cllrs Gray, Mutton and Seaman. Although not Members of the Committee, the four Independent Persons appointed by the Council are encouraged to attend the meetings where possible. The Committee held four scheduled meetings in 2023/24 (in June 2023, September 2023, December 2023 and March 2024). All meeting were held in person.

2.2 Code of Conduct Complaints

The Council received a total of 10 new formal complaints against Councillors in the municipal year 2023/24. 5 complaints were recommended for no further action (at Stage One).

The Council received 6 complaints since the date of the last meeting (21 March 2024) as at the date this report was written. 4 are ongoing. In 2 no further action has been taken.

2.3 Online Safety Bill Update – now enacted Online Safety Act 2023

The Committee continued to review the progress of the Online Safety Bill at its June 2023 meeting. The Local Government Association (LGA) issued a press release in April 2023. While the LGA confirmed that they support the overall aims of the Bill, they called for the Government to include stronger provisions to protect Councillors from online abuse amid the increase in online intimidation. In October 2023, the Online Safety Act 2023 was passed bringing into force the legislation online safety.

2.4 Local Code of Corporate Governance

At its June 2023 meeting, the Committee considered the updated Local Code of Corporate Governance. The Council adopted a Code in 2017 which provides the arrangement for how the Authority will satisfy the principle of good governance. This updated version reflects the Council's current arrangements within governance.

2.5 Civility in Public Life, Intimidation in Public Life and Digital Citizenship

The Local Government Association (LGA) has been coordinating a programme of work entitled “Civility in Public Life”. This work is in response to the increasing concern about intimidation and toxicity of debate and the impact this has been having on democratic processes.

To support this work the LGA has now started to develop a range of guidance and tools to support Councillors and candidates in their online communications (also known as their “Digital Citizenship”) as it is now recognised that online communication is intrinsic to democratic engagement.

The Ethics Committee has been closely monitoring the work of the LGA and considering how that work can be adopted as a local response to promote Civility in Public Life and Digital Citizenship.

The Committee has also maintained a watching brief on work being undertaken by the Committee on Standards in Public Life and locally on supporting Members in dealing with challenges associated with public service, particularly in relation to intimidation and abuse. The Committee were advised of work undertaken to support Councillors, including training, the availability of counselling services, protocols in place and work undertaken with the Police.

2.6 Local Government and Social Care Ombudsman Annual Report

The Committee noted the Local Government and Social Care Ombudsman Annual Report. If a case of maladministration had been found by the Ombudsman, this would be formally reported to the Committee.

The Committee recognised the importance of ensuring that the Council complies with its Public Sector Equality Duty and requested that their comments that appropriate training is provided to all staff be fed back to the Council’s Leadership Team.

2.7 Other Work

The Committee received an update on Members training during 2023/24 and supported the continuing delivery of the Members Training and Development Strategy, including actions for 2024-25.

The Committee has continued to receive regular reports on ethical standards cases across the country, where these have been available.

2.8 Work Programme for 2024/25

Apart from regular reports on, among other things, Code of Conduct complaints, updates from the Monitoring Officer and officer and Member gifts and hospitality, this year the Committee is looking at work in the following areas:

- Consideration of the self-assessment Toolkit to aid Councillors in dealing with abuse, harassment and intimidation as part of the Debate not Hate: Ending Abuse in Public Life Campaign.

The Committee will also maintain a watching brief on any legislative changes arising from the Committee on Standards in Public Life's report and recommendations of January 2019.

2.9 Recommendations

The Committee is recommended to:-

- (1) Approve the Annual Report of the Committee; and
- (2) Recommend that Council notes the Annual Report and to consider whether there is any work within the Committee's terms of reference that Council would wish the Committee to undertake.

Council is recommended to:

- (1) Note the Annual Report of the Ethics Committee; and
- (2) Consider whether there is any work within the Committee's terms of reference that Council would wish the Committee to undertake.

3. Results of consultation undertaken

- 3.1** There has been no consultation as there is no proposal to implement at this stage which would require a consultation.

4. Timetable for implementing this decision

Not applicable.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial implications

There are no specific financial implications arising from the recommendations within this report.

5.2 Legal implications

There are no specific legal implications arising from this report. The issues referred to in this report will assist the Council in complying with its obligations under section 27 of the Localism Act 2011.

6 Other implications

None.

6.1 How will this contribute to the One Coventry Plan?

Not applicable.

6.2 How is risk being managed?

There is no direct risk to the organisation as a result of the contents of this report.

6.3 What is the impact on the organisation?

No direct impact at this stage.

6.4 Equalities / EIA

There are no public sector equality duties which are of relevance at this stage.

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

None.

6.6 Implications for partner organisations?

None at this stage.

Report author(s):

Name and job title: Shanita Manhertz, Trainee Solicitor

Directorate: Law and Governance

Email contact: Shanita.Manhertz@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Officer	Law and Governance	30/05/24	30/05/24
Names of approvers for submission: (officers and members)				
Finance: Richard Shirley	Lead Accountant	Finance	03/06/24	03/06/24
Legal: Julie Newman	Director of Law and Governance	Law and Governance	03/06/24	03/04/24
Councillor S Nazir	Chair of Ethics Committee		10/06/24	12/06/24

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Public report Cabinet

Cabinet
Council
Audit and Procurement Committee

9th July 2024
9th July 2024
22nd July 2024

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources - Councillor R Brown

Director Approving Submission of the report:

Director of Finance and Resources (Section 151 Officer)

Ward(s) affected: All

Title:

Revenue and Capital Outturn 2023/24

Is this a key decision?

Yes - The report deals with financial matters in excess of £1.0m including specific new recommendations to allocate resources within the outturn position.

Executive Summary:

This report outlines the final revenue and capital outturn position for 2023/24 and reviews treasury management activity and 2023/24 Prudential Indicators reported under the Prudential Code for Capital Finance.

The overall financial position includes the following headline items:

- An overspend of **£1.8m**, balanced by a contribution from unearmarked reserves.
- Capital Programme expenditure of **£115.3m**
- A reduction in the level of available Council revenue reserves from £128m to **£118m**

Further detail within the overall position includes:

- An overspend of £4.9m in Adults' Social Care reflecting an increased number of high-cost complex cases.

- An overspend of £4.7m within Streetscene and Regulatory Services representing a reduction in income generation in several areas such as planning applications, car parking in parks and bereavement services as well as pressures within urban forestry due to remedial works on trees. A significant proportion of this pressure is within Waste & Fleet services relating to implementation of HSE recommendations, costs of increased tonnages and increased gate fees, and deficits on planned income in both Commercial Waste and Passenger Transport.
- An overspend of £2.8m within Childrens' Services reflecting high placement costs and staffing pressures in Help & Protection (Area Teams) due to high levels of cases which require additional workers and agency staff.
- An overspend of £2.5m on Housing & Homelessness due to an increase in people seeking support and being placed in temporary accommodation (TA), combined with an increase in TA fees.
- An underspend of £1.8m in Education & Skills due to management of vacancies within Customer Services, alongside other efficiencies and the utilisation of grant income and earmarked reserves.
- An overspend of £1.4m on Business, Investment & Culture represents underachievement of sponsorship income and reduced grant from ERDF as well as holding costs for the City Centre Cultural Gateway due to slipped project implementation timescales.
- An overspend of £1.4m on Transport & Highways relates to increased costs in highways maintenance to address highways defects, as well as continuing high costs of energy for street lighting.
- The service has experienced pressures in highways maintenance due to the cost of addressing highways defects and income pressures resulting from sickness and recruitment challenges. In addition, the continuing high cost of energy has resulted in pressures in street lighting. These pressures have been partially offset by a recovery in car park income.
- A net underspend of £12.4m within central budgets, includes higher dividend income from Council owned companies, interest income from loans, higher than budgeted investment income, and distribution of Business rates Levy Account Surplus.

The underlying revenue position has improved by £6.7m since Quarter 3 when an overspend of £8.5m was forecast. The majority of the improved position relates to increased one-off income within Contingency and Central budgets which are set out in the report.

The prudent management of the Councils financial position throughout the Covid crisis enabled the Council to retain some resources to manage any legacy issues. £1.8m of this has been used to balance the position at the end of 2023/24. Although the Covid crisis is no longer a significant threat to the Councils service delivery and financial position, the cost-of-living crisis and high levels of inflation have had tangible impacts on demand for both Childrens, Adults and Housing services. The complexity of need, support required and sufficiency of the external market to provide for this has directly impacted the Councils financial outturn reported up to 31st March 2024 and will be an ongoing financial challenge in 2024/25.

Recommendations:

Cabinet is recommended to approve:

- 1) The final balanced revenue outturn position after a contribution of £1.8m from reserves.
- 2) The resource switch of £5.9m of capital projects funded by revenue to capital receipts, to create the Financial Risk Contingency within Reserves, referenced in section 2.2.3 of the report.
- 3) The final capital expenditure and resourcing position (section 2.3 and Appendix 2 of the report), incorporating expenditure of £115.3m against a final budget of £137.1m; £21.7m expenditure rescheduled into 2024/25 and £0.1m underspend.
- 4) The outturn Prudential Indicators position in section 2.4.4 and Appendix 3 of the report.

Cabinet is requested to recommend that Council: -

- 5) Approves the reserve contribution of £1.8m for the purposes described in Section 5.1 of the report.
- 6) Approves the resource switch of £5.9m of capital projects funded by revenue to capital receipts, to create the Financial Risk Contingency within Reserves, referenced in section 2.2.3 of the report.

Council is recommended to:

- 1) Approve the reserve contribution of £1.8m for the purposes described in Section 5.1 of the report.
- 2) Approve the resource switch of £5.9m of capital projects funded by revenue to capital receipts, to create the Financial Risk Contingency within Reserves, referenced in section 2.2.3 of the report.

Audit and Procurement Committee is recommended to:

- 1) Consider the contents of the report and determine whether there are any issues which it wants to refer to the Cabinet Member for Strategic Finance and Resources.

List of Appendices included:

Appendix 1 - Detailed breakdown of Directorate Revenue Variations
Appendix 2 - Capital Programme Changes and Analysis of Rescheduling
Appendix 3 - Prudential Indicators

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

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

Yes - Audit and Procurement Committee 22nd July 2024

Will this report go to Council?

Yes – 9th July 2024

Report title: Revenue and Capital Outturn 2023/24

1. Context (or background)

- 1.1 This report sets out the Council's revenue and capital outturn position for 2023/24 and performance against its Prudential Indicators for the year. The City Council set a revenue budget for the year of £260.5m and has a revised Capital Programme of £137.1m.
- 1.2 The reported figures show the Council's financial position in relation to management accounts used to monitor performance through the year. The Audit and Procurement Committee will consider separately the Council's statutory Statement of Accounts.

2. Options considered and recommended proposal.

2.1 Revenue Outturn

- 2.1.1 Table 1 below summarises the outturn position for each division and the required contribution from reserves to achieve a balanced position for the Council.

Table 1 Summary Outturn Position

Quarter 3 Forecast Variance £m		Revised Budget £m	Final Outturn £m	Outturn Variance overspend/ (underspend) £m	Movement from Q3 worse/ (better) £m
5.7	Adult Services & Housing	114.6	122.0	7.4	1.7
1.2	Business, Investment & Culture	8.2	9.6	1.4	0.2
3.9	Children & Young People's Services	94.4	97.2	2.8	(1.1)
(4.1)	Contingency & Central Budgets	(36.0)	(48.4)	(12.4)	(8.3)
(1.3)	Education & Skills	21.1	19.3	(1.8)	(0.5)
0.9	Finance & Corporate Services	9.6	9.5	(0.1)	(1.0)
0.1	Human Resources	1.4	0.9	(0.5)	(0.6)
0.1	Legal & Governance Services	8.2	7.9	(0.3)	(0.4)
0.2	People Directorate Management	0.9	1.1	0.2	0.0
(0.1)	Project Management & Property Services	(8.4)	(8.5)	(0.1)	0.0
(1.3)	Public Health	2.6	1.7	(0.9)	0.4
2.2	Streetscene & Regulatory Services	33.3	38.0	4.7	2.5
1.0	Transport & Highways	10.6	12.0	1.4	0.4
8.5	SUBTOTAL	260.5	262.3	1.8	(6.7)
0	Contribution from reserves	-	-	(1.8)	(1.8)
8.5	TOTAL	260.5	262.3	0.0	(8.5)

2.1.2 Explanation of variations

The quarter 3 position reflected an overspend of £8.5m with the key variations between quarter 3 and Outturn occurring within Contingency and Central Budgets which improved by £8.3m and Streetscene & Regulatory Services worsening by £2.5m as well as Adults Services worsening by £1.7m. The reasons for these variations are included in the explanations of overall budgetary variations below.

2.1.3 Movement from quarter 3 forecast

An £8.3m favourable movement in **Corporate and Contingency** budgets includes an improved Asset Management Revenue Account position of £7.7m, mainly due to higher dividends declared in January 2024 from Coventry & Solihull Waste Disposal Company (£5.3m) and additional interest on investments due to a combination of higher than forecast cash balances and higher interest rates on lending (£0.9m). There were also additional government grant monies declared in the final quarter including windfall distribution of Business Rates Levy Account Surplus (£0.7m) and Green Plant & Machinery Business Rates exemption compensation grant (£0.3m).

A significant unfavourable movement of £2.5m during the final quarter was **Streetscene and Regulatory Services**. This was attributable to two major planning applications being deferred to 2024/25 (£0.6m) as well as costs being awarded against Coventry City Council in Public Inquiries (£0.4m). Income recovery in both Passenger Transport and Commercial Waste of £0.5m combined, was lower than expected. There were additional costs relating to capital expenditure in Fleet and Parks totalling £0.5m. Finally additional costs of £0.5m were received relating to Waste Collection service provided by Tom White Waste.

Another significant unfavourable movement since quarter 3 is within **Adult Services & Housing** which worsened by £1.7m. In Adults Services this was driven by a further increase in the number of packages of care, including some highly complex cases, as well as increase to the value of the provision for bad debt. Within housing this was driven by a return to an upward trend in the number of people seeking assistance and being placed in temporary accommodation, which had plateaued during the previous quarter.

There has been a £1.1m favourable movement in **Children's Services**, which is a result of reduced expenditure within placements for Children in Care.

A £1.0m favourable movement within **Finance & Corporate Services**, is due to a combination of the following; an opportunity to apply one-off grant resources (circa £0.3m) to offset core-funded expenditure, a technical review was undertaken to rebase the doubtful debt provision for housing benefit overpayment debt which resulted in the release of circa £0.4m of provision, and positive improvements in business rates related grants circa £0.2m.

Most other remaining services have improved or maintained their quarter 3 position.

2.1.4 Final Outturn Position

Contingency and Central (£12.4m Underspend)

The overall Corporate and Contingency underspend of £12.4m incorporates favourable variances of £10.4m in the Asset Management Revenue Account (AMRA) and £2m across all other contingency budgets. The AMRA variation includes higher than budgeted interest income from loans provided by the Council, higher than budgeted investment income from a combination of larger short-term investment balances and higher interest rates and lower than assumed interest debt costs. We also had higher dividends declared in January 2024 from Coventry & Solihull Waste Disposal Company (additional £5.3m above budgeted amount). Central budgets include the cost of the 2023/24 pay award which averaged c6% for the Council and represents a cost c£3m above the original budget, which is partially offset by other contingency budgets. Favourable variations include distribution of Business Rates Levy Account Surplus and Green Plant & Machinery Business Rates exemption compensation grant.

Council Services (£14.2m Overspend)

Adult Social Care & Housing (£7.4m overspend)

Within Adult Services & Housing the largest element of overspend relates to Adult Social Care (£4.9m) which is mainly due to an increase in the total number of packages of care, as well as increased activity across existing service users resulting in higher average costs. The increased activity reflects the complexity of the casework and the higher needs of those seeking our support with greater spend incurred in home care hours and supported living across adult services. Part of the overspend also relates to an increase in the level of bad debt provision the Council is required to make to guard against the risk that levels of unsecured debt may not be recoverable.

The other significant variance is an overspend on Housing & Homelessness (£2.5m) due to an increase above 40% in the number of people seeking assistance and being placed in temporary accommodation (TA). The increase in TA is a national issue with the highest number of households in TA in England being reported in December 2023. Alongside this there has been a 15% increase in temporary accommodation fees which was required to ensure TA continues to be available and mitigate the use of more expensive Bed and Breakfast accommodation.

Streetscene & Regulatory Services (£4.7m overspend)

Across the services we have seen a reduction in income generation partly due to the decline in planning applications; car parking income at parks, and the fall in death rates impacting our bereavement services income budgets (£2.2m combined). In addition, we have seen pressures within Urban Forestry due to tree surveys and remedial works (£0.3m).

The most significant pressure sits within our Waste and Fleet services. Commercial Waste business lost during Covid has never recovered and the service has now ceased to trade creating an income deficit of £0.4m and waste

collection services have been provided by a 3rd party whilst the service has been under review. There have been costs associated with the implementation of HSE recommendations to our fleet (£0.4m) and higher than inflationary increase to gate fees and increased tonnages has increased the costs of Waste Disposal (£0.6m). Finally, Passenger Transport had a shortfall on income (£0.5m) and a full review of charging arrangements will be completed during 2024/25.

Children and Young People (£2.8m overspend)

There is an overspend of £2.7m against placements for children in care. This is linked to increasing unit costs for placements due to a lack of sufficiency in the market to meet the needs of young people in care. This cost pressure has occurred despite there being a decrease in the number of children in our care. There is also a £1.1m pressure within staffing in Help & Protection (Area Teams) due to the high levels of cases which require additional workers and agency staff. Some of this pressure has been offset by one-off savings from additional grants and the use of earmarked reserves.

Business, Investment & Culture (£1.4m overspend)

The majority of this overspend relates to Culture Sports (£1.2m) which includes an overspend on the City Centre Cultural Gateway of £0.9m due to a slipped project implementation timeline, as well as an underachievement of sponsorship income by £0.2m and a trading loss against St Mary's Guildhall of £0.4m. This is offset by an underspend due to energy saving, the use of grants and profit sharing from the Wave.

Economic Development Service (EDS) make up the remaining £0.2m overspend which are attributed to achieving corporate priorities on the City Centre Visioning and Master Plan, the legal and procurement costs for the Strategic Energy Partnership and reduced grant income as the service transitions from ERDF to UKSPF.

Transport and Highways (£1.4m overspend)

The service has experienced pressures in highways maintenance due to the cost of addressing highways defects and income pressures resulting from sickness and recruitment challenges. In addition the continuing high cost of energy has resulted in pressures in street lighting. These pressures have been partially offset by a recovery in car park income.

Education & Skills (£1.8m underspend)

The largest element of this underspend relates to Customer Services (£1.2m). This is made up of a combination of the planned management of a significant number of vacancies to facilitate structural change and support improved long term service delivery via Coventry Connects, the utilisation of grant resources fund related posts and the release of some reserve funding.

The £0.3m underspend in Education Entitlement is a result of reduced expenditure on school bus passes, efficiencies in the interpreter service following a cost review, and efficiencies in the Virtual School due to staff vacancies and additional grant income.

There is a further underspend of £0.3m in Education Improvement & Standards which is due to the utilisation of grant income to fund activities where appropriate, and underspend against historic pension liabilities.

2.2 Reserves

2.2.1 The Council's revenue reserve balance at the end of 2023/24 is £118m compared with £128m at the end of 2022/23. Resources set aside to support the Refugee Resettlement Programme, IT Replacement Programme and Business Rates Income Reserve have increased as well as a provision for Financial Risks. These increases have been more than offset by use of resources to balance the year-end position (Covid funding) and drawdown of the Better Care Fund (delivered jointly with the health sector), Homes for Ukraine, PFI Reserve movement and to deliver corporate projects such as the Highways Investment Programme.

2.2.2 Balances generated from capital receipts and capital grants to fund future capital projects have reduced from £34m to £26m and reserve balances belonging to or earmarked to support schools have increased from £33m to £38m. The total reserve movement in 2023/24 is summarised in the table below.

Table 3 Summary of Reserve Movements in 2023/24

	1st Apr 2023 £000	(Increase)/ Decrease £000	31st Mar 2024 £000
<u>Council Revenue Reserves</u>			
Adult Social Care	(31,248)	11,612	(19,636)
General Fund Balance	(10,277)	0	(10,277)
Financial Risk Contingency	(5,856)	(2,623)	(8,479)
Early Retirement and Voluntary Redundancy	(7,242)	0	(7,242)
Private Finance Initiatives	(8,109)	1,379	(6,730)
Management of Capital	(6,324)	521	(5,803)
Reset and Recovery	(5,467)	0	(5,467)
Business Rates Income Reserve	(3,433)	(1,592)	(5,025)
Innovation and Development Fund	(5,068)	804	(4,264)
Public Health	(3,749)	(277)	(4,026)
Corporate Priorities (2020/21 Outturn Underspend)	(2,995)	0	(2,995)
Covid 19 Government Funding	(4,260)	1,756	(2,504)
Commercial Developments	(2,682)	209	(2,473)
Air Quality Early Measures	(3,920)	1,546	(2,374)
Refugee Resettlement Programme	(619)	(1,722)	(2,341)
Friargate Lifecycle	(1,594)	0	(1,594)
IT Replacement Programme	(510)	(1,016)	(1,526)
Homes for Ukraine	(2,530)	1,256	(1,274)

Adult Education Income	(1,091)	(100)	(1,191)
Housing Enforcement	(590)	(577)	(1,167)
City of Culture & Commonwealth Games Readiness Legacy	(1,401)	277	(1,124)
Corporate Property Management	(819)	(200)	(1,019)
Insurance Fund	(1,064)	142	(922)
Other Directorate	(14,076)	114	(13,962)
Other Corporate	(3,460)	(1,189)	(4,649)
Total Council Revenue Reserves	(128,384)	10,320	(118,064)
<u>Council Capital Reserves</u>			
Useable Capital Receipts Reserve	(28,623)	6,890	(21,733)
Capital Grant Unapplied Account	(5,745)	1,550	(4,195)
Total Council Capital Reserves	(34,368)	8,440	(25,928)
<u>School Reserves</u>			
Schools (specific to individual schools)	(22,956)	(583)	(23,539)
Schools (related to expenditure retained centrally)	(10,237)	(4,053)	(14,290)
Total Schools Reserves	(33,193)	(4,636)	(37,829)
Total Reserves	(195,945)	14,125	(181,820)

2.2.3 A retrospective adjustment to apply capital receipts to fund capital projects has reduced the opening balance on the Usable Capital Receipts Reserve by £5.9m and created a revenue reserve to support future Financial Risks. This does not affect the Total Reserves opening balance of £196m.

2.2.4 Adult Social Care resources represent the largest area of balances. These are overwhelmingly funded through ring-fenced grant and health sector resources for the delivery of jointly managed pooled budget arrangements with Health. In addition to these, the revenue reserve balances include £12m set aside as Funding for the Future approved previously, £7m is set aside as part of the Council's three long-term Private Finance Initiative models and another £7m is set aside to fund costs arising from early retirement and redundancy decisions.

2.2.5 In line with recent practice, analysis of these balances will be undertaken as part of a wider exercise examining the Council's financial position in 2024/25 and going forward.

2.3 Capital Outturn

2.3.1 The capital outturn position for 2023/24 is shown in summary below and in greater detail in Appendix 2:

Table 4: Capital Outturn Summary

Final Budget £m	Final Spend £m	Net Rescheduling Now Reported £m	Underspend £m	Total Variance £m
137.1	115.3	(21.7)	(0.1)	(21.8)

The quarter 3 monitoring report to Cabinet on 13th February 2024 approved a revised capital budget of £127.6m for 2023/24. Since then, there has been a net programme increase of c£9.5m giving a final budget for the year of £137.1m. Since February, a total of £21.7m net rescheduled spending has arisen within the capital programme. A scheme-by-scheme analysis is included in Appendix 2, a summary of key schemes is in the table below.

Table 5: Summary of Rescheduling

Project	(Rescheduling) /Accelerated Spend £m	Explanations
City Centre South	(5.8)	Transfer of Council land into the scheme and some demolition costs will now begin in 2024/25. This is due to delays to scheme development caused by changes in national government policy in relation to dual stair cores and fire safety measures for relevant residential schemes. The developer has had to revise the plans to accommodate this, which has led to a delay in the completion of legal agreements and scheme commencement.
Friargate	(4.6)	The Practical Completion of the building and handover to the Council is significantly behind schedule due to delays to the commissioning of utilities and resultant impact on building systems. The Council has taken Partial Possession of a number of floors to enable occupation by Octopus Energy Group, further fit out works by them and fit out works by Segro. Practical Completion and final payment anticipated in the first quarter of 2024/25.
Coventry Vey Light Rail	(0.9)	There has been a reduction in staffing resources due to consultants leaving the projects, delays to the start of City Centre Traffic Management plan works and delay to the procurement of slabs for the City Centre Development route.
Transportation S106 Programme	(1.4)	There have been a number of S106 funded schemes that have been forward funded or developed pending the S106 funding being legally signed, and income received, for example,

		Keresley Link Road, Shultern Lane/Lynchgate Cycle Scheme, Coundon Park and Coundon Wedge Drive schemes. This has resulted in designs/programmed works slipping into 2024/25.
Earlsdon and Lower Coundon Liveable Neighbourhood	(0.8)	Additional rounds of consultation and engagement led to delayed construction start date. Earlsdon LN construction started on 28/05/2024.
Public Realm 6 including Palmer Lane Deculverting	(2.5)	Public Realm 6 has faced delays to construction start dates due to additional engagement with stakeholders and the need for legal agreements. Construction works have begun on City Centre Security (HVM) and Retail Quarter works are due to commence on site in quarter 1 2024/25. On Palmer Lane increasing contractor costs led to Officers re-procuring the works with a new provider. Subsequently, the start date was delayed until February 2024. Works have commenced and the project will be completed by quarter 3 2024/25.
Routes to Stations - Paths for Everyone - Lynchgate	(2.4)	The project had a delay to design sign off from Sustrans which extended the works programme and then required us to let a new contract for the works. We are currently on target to complete the scheme and sign off by the end of July 2024.
Other	(3.3)	Smaller schemes combined
TOTAL	(21.7)	

2.3.2 The 2023/24 programme continued to maintain a significant investment in the city's transport and public infrastructure, including schemes demonstrating an increasing engagement with environmental initiatives and a range of other projects showing the Council's desire to make Coventry an attractive place to live, work and do business:

- £32.2m has been spent on transport and highways infrastructure across a range of both major and minor schemes. These included further research and development investment in Very Light Rail, the overbridge installation on the A45 Eastern Green to unlock development land and schemes to improve and maintain the city's highways via the City Region Sustainable Transport Settlement (CRSTS) for Highways Maintenance and our Local Network Improvement Plan.
- A further £4.1m has been spent on City Centre South, this has predominantly been on the acquisition of land and promoting the CPO Process.

- Further programme spend of £5m has been made in 2023/24 on the completion of Friargate Building 2 and the completion of the hotel within Friargate Business District. The new hotel facilities are now open.
- £9.5m spend on completion of Air quality and Binley Cycleway works have occurred. There remains one section of the Binley cycleway to complete, which will get underway in 2024-25.
- There have been works totalling £18.3m across the school's property estate as part of the One Coventry Strategic Plan. There is an increasing focus now on providing additional capacity in secondary schools across the city to meet the growing numbers amongst the secondary in-take.
- £11.1m of grant funding for the investment in Climate Change related project has been invested in 23/24 covering activities around green homes, homes upgrade grant and social housing decarbonisation project, the investment continues into 2024/25.
- There has been £8.5m passported to Registered Housing Providers in the city to tackle disrepair issues specifically with regards to damp and mould along with spending to acquire good quality, and better value for money Temporary Accommodation (TA) for families owed a homelessness duty.
- City Centre Cultural Gateway £1.2m scheme development spend, with spend profile increasing in 2024-25 as the scheme moves into the build phase.
- A range of smaller scale but not insignificant schemes have advanced including the purchase of more homes to provide homelessness provision, improved facilities at Lenton's Lane Cemetery and continued investment in Disabled Facilities Grants.

2.3.3 The funding in respect of this capital expenditure of £115.3m is summarised in Table 7 below. Approximately 81% of the programme has been resourced from capital grants.

Table 7: Capital Funding

	Funding the Programme £m	Available Resources £m	Resources Carried Forward £m
Prudential Borrowing	12.2	12.2	0
Grants and Other Contributions	93.9	123.7	(29.8)
Revenue Contributions	0.3	0.3	0
Capital Receipts	8.7	30.4	(21.7)
Management of Capital Reserve	0.2	6.0	(5.8)
Private Finance Initiative (PFI)	0	0	0
Total Resourcing	115.3	172.6	(57.3)

2.4 Treasury Management Activity

2.4.1 The key policy to combat inflation is still to raise interest rates. At the beginning of the year the Bank of England interest rate was 4.25% and by the end of the year it was 5.25%. The current market forecasts predict the 5.25% is the peak and that rates will be cut later in 2024. The UK is not alone in this situation as inflation and rising interest rates is at the forefront of most of the world's economies.

Long Term (Capital) Borrowing

The Public Works Loan Board (PWLB) is the main source of loan finance for funding local authority capital investment. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more details and twelve examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Under the Treasury Management Strategy 2021/22 approved by Cabinet on 23 February 2021 it was agreed the Council will not buy investment assets primarily for yield.

Interest rates for local authority borrowing from the Public Works Loan Board (PWLB) for 2023/24 have varied within the following ranges:

Table 8: PWLB Interest Rates

PWLB Loan Duration (standard rates)	Minimum in 2023/24	Maximum in 2023/2024	Average in 2023/24
5-year	4.30	6.06	5.15
20-year	4.78	6.15	5.52
50-year	4.47	5.94	5.28

It has been more cost effective in the short-term to either use internal resources (cash balances) or to use short-term borrowing. By doing so, the Council has reduced net borrowing costs (despite foregone investment income) and reduced overall treasury risk.

2.4.2 At outturn, the Capital Financing Requirement (CFR), which indicates the Council's underlying need to borrow for capital purposes, has reduced by £8.3m from £513.0m at 1st April 2023 to £504.7m at 1st April 2024: -

Table 9: 2023/24 Capital Financing Requirement (CFR)

	£m
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Capital Financing Requirement at 1 st April 2023	513.0
Borrowing required to finance 2023/24 Capital Programme	11.8
PFI & Finance Leases liabilities	(3.1)
Provision to Repay Debt (Minimum Revenue Provision)	(14.9)
Provision to Repay Debt (Capital Receipts Set Aside)	0.0
Repayment of Transferred Debt	(2.1)
Reduction of Provision and other restatements	0.0
Capital Financing Requirement at 1 st April 2024	504.7

Within 2023/24, the movements in long-term borrowing and other liabilities were (stated at nominal value, excluding soft loan adjustments): -

Table 10: Long Term Liabilities (debt outstanding)

Source of Borrowing	Balance at 31st March 2023 £m	Repaid in Year £m	Raised in Year £m	Balance at 31st March 2024 £m
PWLB	185.0	(4.3)	0	180.7
LOBO's	38.0	0	0	38.0
Stock Issue	12.0	0	0	12.0
West Midlands Combined Authority	18.0	0	0	18.0
Other	0.4	0	0	0.4
Subtotal ~ long term borrowing	253.4	(4.3)	0	249.1
Other Local Authority Debt	6.6	(2.0)	0	4.6
PFI & Finance Leasing Liabilities	56.9	(3.1)	0	53.8
Total	316.9	(9.4)	0.0	307.5

This long-term borrowing is repayable over the following periods: -

Table 11: Long-Term Borrowing Maturity Profile (excluding PFI & transferred debt)

Period	Long Term Borrowing £m
Under 12 Months	10.4
1 – 2 years	42.3

2 – 5 years	8.0
5 – 10 years	43.7
Over 10 years	144.7
Total	249.1

In line with CIPFA Treasury Management Code requirements, Lenders Option, Borrowers Option Loans (LOBOs) with banks are included in the maturity profile based on the earliest date on which the lender can require repayment. The Council has £38m of such loans, £10m of which the lender can effectively require to be paid at annual intervals, and £28m at 5 yearly intervals.

Short-Term Borrowing and Investments

2.4.3 The Treasury Management Team acts daily 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. During the year, the Council held short-term investments, as set out in Table 12. The average short-term investment rate in 2023/24 was 5.46%.

Table 12: In House Investments at 31st March 2024

	At 30th June 2023 £m	At 30th Sept 2023 £m	At 31st Dec 2023 £m	At 31st Mar 2024 £m
Banks and Building Societies	0.0	0.0	0.0	0.0
Local Authorities	41.0	33.0	11.0	10.0
Money Market Funds	36.96	28.08	34.33	15.0
Corporate Bonds	0.0	0.0	0.0	0.0
HM Treasury	0.0	16.8	0.0	0.0
Total	77.96	61.08	45.33	25.0

Pooled Investments

In addition to the above in-house investments, a mix of Collective Investment Schemes or “pooled funds” are used, where investment is in the form of sterling fund units and not specific individual investments with financial institutions or organisations. These funds are highly liquid, as cash can be withdrawn within two to four days, and short average duration of the intrinsic investments. 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 credit risk these investments are spread across a number of funds as highlighted in the table below:

Table 13: External, Pooled Investments as at 31st March 2024

	Date Invested	Cost £m	Value £m	Annualised Return from Investment %
CCLA LAMIT Property Fund	Nov 2013	12.0	11.63	5.02%
M&G Optimal Income Fund	Aug 2018	1.5	1.41	5.37%
M&G Strategic Corporate Bond Fund	Aug 2018	3.0	2.71	4.85%
M&G UK Income Distribution Fund	Aug 2018	3.0	2.65	5.60%
Ninety One (Investec) Diversified Income Fund	Aug 2018	4.5	3.98	4.62%
Schroder Income Maximiser	Aug 2018	4.5	3.61	7.06%
Threadneedle Strategic Bond Fund	Aug 2018	1.5	1.44	4.34%
Total		30.0	27.16	5.25%

Credit risk remains central to local authority investment management and the Council's risk is managed in line with the Treasury Management Strategy, approved by Cabinet as part of the budget setting report at the meeting of 20 February 2024. Central to this is the assessment of credit quality based on a number of factors including credit ratings, credit default swaps (insurance cost) and sovereign support mechanisms. Limits are set to manage exposure to individual institutions or groups. Credit ratings are obtained and monitored by the Council's treasury advisors, Arlingclose.

Pooled funds provided an income return of £1.3m over the year although as at 31st March 2024 the accumulated deficit on their capital value was £2.84m (£2.62m deficit at the end of 2022/23). All seven funds show a deficit in capital value which is reflective of the current property and financial markets. 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 any 'losses' to be held on the Council's balance sheet and not counted as a revenue loss. These investments will continue to be monitored closely.

Summary Prudential Indicators

2.4.4 The Local Government Act 2003 and associated CIPFA Prudential and Treasury Management Codes set the framework for the local government capital finance system. Authorities are able to borrow whatever sums they see fit to support their capital programmes, subject to them being able to afford the revenue costs. The framework requires that authorities set and monitor against a number of prudential and treasury indicators relating to capital, treasury management and revenue issues. These indicators are designed to ensure that borrowing entered into for capital purposes was affordable, sustainable, and prudent. The purpose of the indicators is to support decision making and financial management, rather than illustrate comparative performance.

The indicators, together with explanatory notes and the relevant figures are included in **Appendix 3**. This highlights that the Council's activities are within the amounts set as Performance Indicators for 2023/24. 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 31st March 2024 the value is -£79.5m (minus) compared to +£96.2m within the Treasury Management Strategy, reflecting the fact that the Council has more significantly 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 31st March 2023 the value is £299.2m compared to £480.9m within the Treasury Management Strategy, reflecting that a significant proportion of the Council's investment balance is at a fixed interest rate.

Commercial Investment Strategy

2.4.5 The Council's Commercial Investment strategy is designed to ensure there are strong risk management arrangements and that the level of commercial investments held in the form of shares, commercial property, and loans to external organisations, is proportionate to the size of the Council. In doing this the strategy includes specific limits for the total cumulative investment through loans and shares.

In order to manage risk, the Council has limits for investing in shares and service loans, with total limit of £146m in 2023/24.

As at the end of 2023/24, the council had cumulatively invested £105.1m in shares and service loans with this rising to £128.6m when commitments to make potential payments of £23.5m are taken into account.

	As at 31 st March 2024				
	Limit	Actual	Committed	Total	Variation
	£m	£m	£m	£m	£m

Shares	55.0	52.1	0.0	52.1	(2.9)
Loans	91.0	53.0	23.5	76.5	(14.5)
	146.0	105.1	23.5	128.6	(17.4)

The total of £128.6m is within the limit of £146m set for the 2023/24.

The Council's investment in commercial assets is proportionate:

- with commercial income totalling approximately £27.2m in 2023/24 (£22.8m in 2022/23) equivalent to c10.5% of the Council's budgeted net service expenditure of £260.5 in 2023/24.
- With commercial assets valued at £564m (28.9% of the Council's total asset base of c£1,950m). This is not the amount invested by the Council, for example through past capital programmes, as it includes revaluations over time. In addition, many assets classified by the Council as commercial have significant service dimensions, including economic development aspects, thereby contributing more broadly to the provision of services.
- with a Capital Financing Requirement of £505.1m representing the Council's underlying need to borrow, at 25.9% of the Council's total asset base.

3. Results of consultation undertaken

None.

4. Timetable for implementing this decision.

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

5. Comments from the Director of Finance and Resources (Section 151 Officer) and the Director of Law and Governance

5.1 Financial implications

The final revenue outturn picture for 2023/24 is balanced only after a year-end contribution of £1.8m from unearmarked reserve balances. The need to draw down from reserves to balance the budget in-year reflects a serious position for the Council although this has improved from the £8.5m revenue overspend forecast at Quarter 3.

External factors, in particular inflationary pressures, continue to contribute largely to the position presented. There are other intractable on-going issues including those relating to children's and adults social care, and housing and homelessness which are common to many councils across the country whilst the Council also managed local time-limited pressures in the year.

Budget Setting for 2023/24 made provision for inflation, however the costs of many services have continued to rise above inflation levels predicted and

therefore exceeded the budgetary provision. The pay costs budgeted reflected an average 4% rise in costs however the agreed local government pay award for 2023/24 averaged c6% for the Council which represented c£3m above the budgeted amount. Whilst falling slightly, energy prices continue at higher than historic levels and affect the costs to manage the Council's property estate and costs within the city's street lighting energy bills.

Despite further increases to Children's Services' budgets for 2023/24, and a reduction in the number of children in our care there has continued to be a financial pressure in this area. This is due to sufficiency issues in the external placement market driving costs up disproportionately against already high inflation. There was also a pressure against staffing in Help & Protection (Area Teams) due to high levels of cases, compounded by continued social worker recruitment and retention challenges.

A wide range of service challenges are reported in Appendix 1 which, together with the issues reported above, reflect the difficult financial picture despite the flexibility identified with corporate and central budgets.

Although the Council continues to face a challenging financial position, the overall level of overspend has reduced somewhat since the early quarter forecast and this is a result of in-year management actions including vacancy control and removal of discretionary budget. In addition to this the Council has taken proactive steps previously to maintain a strong balance sheet position, including robust reserve balances, which have enabled it to manage the adverse budget variations encountered. It will be vital for the Council to continue to ensure that it maintains a prudent approach going forward.

The underlying position for future years continues to be very challenging and the Council needs to continue to identify ways to manage its medium-term financial position which will come under continued pressure without further support from Government for the wider Local Government sector. The Council's strong financial planning approach has taken account of the risk of volatility across a range of budgets such as those in Children's Services, Adult Services, and inflationary pressures. In 2023/24, the level of demand and the increase in costs for this area have continued to exceed the Council's budgetary provision. Further funding has been provided by the Council as part of its 2024/25 budget although it remains to be seen whether this will be sufficient, especially given the economic and social realities currently being experienced across the country.

In setting the Council's budget and corporate objectives for 2024/25 in the context of its financial position, resources were allocated to meet corporate priorities, and savings have been identified. The magnitude of the savings identified creates an inherent risk if savings are not delivered in line with the committed profile. The full programme of savings will be closely monitored by the Council's Leadership Team throughout the financial year and any shortfall in delivery will need to be made up by other areas in the programme. Operational management arrangements and monitoring reports will address this issue specifically.

Several areas within corporate budgets including dividends, investment interest, superannuation and the Coventry and Warwickshire Business Rates Pool yield can be subject to volatility and were budgeted for on a prudent basis in 2023/24. The outturn position on these items was favourable against the range of reasonable expected outcomes and this has enabled the Council to partly absorb overspent budgets elsewhere within the bottom line and minimise the overall overspend. Several of these favourable financial outturns have occurred in areas that have been subject to affirmative Council decisions in recent years such as dividends and investment income.

The local government sector has witnessed risks materialise in the form of some high-profile financial failures often linked to ambitious local plans with scope to deliver financial returns. The Council is itself involved in a range of commercial ventures, company structures and external loan financing arrangements and is committed to ensuring that it maintains a high degree of self-awareness of its position. High standards of due diligence, good governance and monitoring arrangements and the maintenance of a broad mix of activities to guard against a concentration of risk are all vital factors to protect the Council's financial position. The Council continues to be bold with its aspirations for the city and maintains a measured appetite for risk to achieve this. It is important for the Council to maintain contingency balances to protect against the risk of financial failure in one or more key areas.

With the exception of the Council's General Fund balance all reserves have been set aside to deliver specific projects or risks. Given the size of the Council's ambitions defined by its Capital Programme, its transformation programme and its financial involvements that extend beyond traditional local authority service provision it is entirely appropriate for the Council to support this in the form of balances to pump prime such areas and provide some financial risk mitigation. Nevertheless, the Council has a 'mid-table' position in the CIPFA Resilience Index in relation to the level of its reserve balances. This has enabled the Council to place itself in a strong financial position as well as providing the best basis for the Council to improve services for residents and invest in the city and its communities.

The level of expenditure across a broad number and type of capital schemes has once again demonstrated the Council's appetite to embark on ambitious and innovative projects and its success in attracting grant funding to do this. Although the overall programme value has continued to dip below the very high levels experienced previously, it is nevertheless still high in a historical context and has been 81% funded from external grant. The programme's coverage of projects includes the city centre south, enhancing transport infrastructure, improving the profile of the city, and providing support to local economic development, a range of projects dealing with the issues of Air Quality and helping to deliver the Council's climate change agenda.

Although the Council has undertaken some borrowing in-year this has been undertaken on a short-term basis at this stage, taking advantage of interest rates available from other local authorities. In other areas the Council continues to

undertake prudent treasury activity and pursue commercial activity that is ambitious but proportionate to the size of its asset base and overall budget.

5.2 Legal implications

5.2.1 Section 151 of the Local Government Act 1972 requires the Council to make such arrangements for the proper administration of their financial affairs.

5.2.2 The Cabinet has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council.

5.2.3 The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year.

5.2.4 Section 25 of the Local Government Act 2003 requires the Council's Chief Financial Officer to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. This is included throughout the report.

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

This report provides an account of the overall financial performance of the Council compared with its original Budget. The Council also monitors the quality and level of service provided to the citizens of Coventry and the key objectives of the One Coventry Plan.

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 to managing this risk and this report is a key part of the process.

6.3 What is the impact on the organisation?

The revenue and capital outturn position reported here demonstrates that the Council continues to undertake sound overall financial management. This will continue to be important in the light of the current budgetary risks and the continued uncertainty with regard to the level of funding available to local government.

6.4 Equalities / EIA

No specific impact.

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

None.

6.6 Implications for partner organisations?

None.

Report author:

Name and job title:

Tina Pinks, Finance Manager Corporate Finance

Service:

Finance and Resources

Tel and email contact:

Tel: 02476 972312

Email: Tina.pinks@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Michelle Salmon	Governance Services Officer	Law and Governance	05/6/24	06/6/24
Sunny Singh Heer	Lead Accountant	Finance and Resources	22/5/24	04/6/24
Mike Revis	Lead Accountant	Finance and Resources	22/5/24	04/6/24
Lindsey Hughes	Lead Accountant	Finance and Resources	22/5/24	05/6/24
Names of approvers for submission: (Officers and Members)				
Barry Hastie	Director of Finance and Resources (Section 151 Officer)	Finance and Resources	05/6/24	06/6/24
Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	05/6/24	10/6/24
Councillor R Brown	Cabinet Member for Strategic Finance and Resources	-	05/6/24	07/6/24

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

Appendix 1 - Revenue Variations

Appendix 1 details directorate forecast variances.

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

	Revised Budget	Actual Spend	Centralised Variance	Budget Holder Variance	Total Over/ (Under) Spend
	£m	£m	£m	£m	£m
Adult Services & Housing	114.6	122.0	(2.3)	9.7	7.4
Business, Investment & Culture	8.2	9.6	(0.1)	1.5	1.4
Children & Young People's Services	94.4	97.2	(2.4)	5.2	2.8
Contingency & Central Budgets	(36.0)	(48.4)	0.0	(12.4)	(12.4)
Education & Skills	21.1	19.3	(1.0)	(0.8)	(1.8)
Finance & Corporate Services	9.6	9.5	(0.3)	0.2	(0.1)
Human Resources	1.4	0.9	0.0	(0.5)	(0.5)
Legal & Governance Services	8.2	7.9	(0.6)	0.3	(0.3)
People Directorate Management	0.9	1.1	(0.1)	0.3	0.2
Project Management & Property Services	(8.4)	(8.5)	(0.4)	0.3	(0.1)
Public Health	2.6	1.7	(0.5)	(0.4)	(0.9)
Streetscene & Regulatory Services	33.3	38.0	(1.1)	5.8	4.7
Transport & Highways	10.6	12.0	(0.3)	1.7	1.4
TOTAL	260.5	262.3	(9.1)	10.9	1.8

n.b. The figures in this table may be subject to small rounding differences to the main report and the rest of the appendix.

Centralised Variance Explanation	£m
These are underspends against a combination of salary budgets and turnover savings target. They result from vacancies across Council services. Turnover has remained consistent across the Council, however areas such as Adults & Childrens Services remain high, due to the national and regional Social Worker retention issues. Some of these vacancies will be covered by agency and overtime to ensure services can be maintained. These costs are included within the service positions described below.	(9.1)
Total Centralised Variance	(9.1)

Budget Holder Variance

Service Area	Reporting Area	Explanation	£m
Adult Social Care	Strategic Commissioning (Adults)	Underspend relates to New Homes for Old PFI due to additional client fee income and the continuation of lower transport costs to day opportunities.	(0.8)
Adult Social Care	Housing and Homelessness	The number of people seeking assistance with housing issues and subsequently the number being placed in Temporary Accommodation (TA) continued to increase during Q4 2023/24. During Q3 the upward trend slowed and the number of households in TA plateaued however during Q4 the increases returned. As the number in TA increases the use of more expensive nightly rate or B&B accommodation increases which has obvious implications on the budget. A number of mitigations for 2024/25 are being progressed including purchasing additional TA, working with a Registered provider to provide us with an additional 50 flats for TA and new contracts with private providers. The increase in TA is a national issue with the highest number of households in TA in England being reported in December 2023.	2.6
Adult Social Care	Adult Social Care Director	Overspend relates to an increase in bad debt provision of £1.5m and additional spend on joint health initiatives to improve provision across Health and Social Care of £0.2m partly off-set by additional grant.	1.3
Adult Social Care	Internally Provided Services	Overspends relating to agency costs and other staff costs to cover vacancies are only partly offset by centralised underspends due to staff vacancies.	0.2

Adult Social Care	Adult Social Care Business & Financial Management	The over-spend comprises the home support monitoring system contractual price increase. This contract has now been terminated.	0.1
Adult Social Care	Partnerships and Social Care Operational	The overspend relates mainly to additional agency staff costs due to a large number of vacancies. This overspend is offset by centralised underspends due to those staff vacancies.	0.5
Adult Social Care	Localities and Social Care Operational	The overspend relates mainly to additional agency staff costs due to a large number of vacancies. This overspend is more than offset by centralised underspends due to those staff vacancies.	0.4
Adult Social Care	Community Purchasing Mental Health	The community purchasing budget is managed as a whole - please refer to the explanation against 'Community Purchasing Other'.	(0.4)
Adult Social Care	Community Purchasing Other	The budget for purchasing packages of care for adults and older people in adults social care continues to see significant pressures. The service has seen an increase in the total number of packages of care, as well as increased activity across existing service users resulting in higher average costs to the budget. The increased activity reflects the complexity of the casework and the higher needs of those seeking our support with greater spend incurred in home care hours and supported living across adult services.	5.0
Adult Social Care	Mental Health Operational	There remains significant pressures in Deprivation of Liberty Assessment demand leading to additional assessment costs (£0.3m) in particular doctors' assessment costs. Additional agency staff costs have also added to the overspend but have been partly offset by underspends on centralised salaries due to vacancies.	0.6
Adult Social Care	Other Variances Less than 100K		0.2
Adult Social Care			9.7

Business Investment & Culture	Sports, Culture, Destination & Bus Relationships	Sponsorship income underachieved £163k, £445k St Mary's loss, City Centre Cultural Gateway net overspend £904k due to a slipped project timeline, (£755k) Culture and events underspend due to mixed factors including energy saving, grant/resources switch, profit sharing from the Wave etc.	0.8
Business Investment & Culture	Employment, Skills & Adult Education	Overall the service outturns with a net underspend of £42k, however this includes an overspend of £563k for costs associated with programme delivery. This is offset by saving's within the staffing budgets of £605k.	0.6
Business Investment & Culture	Economic Development service (EDS)	This budget now includes two unfunded corporate priorities 1) City Centre Visioning and Master Plan c.£52k and 2) SEP c.£60k for legal and procurement costs in 1st half of 23/24.	0.3
Business Investment & Culture	Other Variances Less than 100K		(0.2)
Business Investment & Culture			1.5
Children and Young People's Services	Children's Services Management Team	£0.5m of this relates to retention payments, which have been budgeted and forecast centrally throughout the year; however due to payroll processes, they were paid against individual team cost centres. Therefore, the expenditure is reflected across the whole of Children's Services, whereas the budget is held centrally, showing an apparent underspend at year-end. The remainder of the underspend relates to contributions to overheads from grant income.	(0.7)
Children and Young People's Services	Commissioning, QA and Performance	The overall underspend is due to unbudgeted income as a result of a successful bid to the Department for Education.	(0.2)

Children and Young People's Services	Help & Protection	<p>"There is a £2.7M budget holder overspend in the Area Teams, offset by a £1.6M underspend against centralised salaries. This overall £1.1M overspend is linked to staff costs, with high levels of cases requiring additional workers and agency staff.</p> <p>There is a £0.7M budget holder overspend in Section 17, spend is attributable to high costs when commissioning services from private providers to support children with complex needs to remain safely at home. There has also been growth with specialist assessments which is met from S17 budget as part of front-loading assessments within Public Law Outline.</p> <p>There are short term one off savings which are currently offsetting the budget pressures through additional grants and the use of earmarked reserves."</p>	2.9
Children and Young People's Services	LAC & Care Leavers	<p>"There is a £2.7M overspend on children in care placements. The overspend relates to external residential and is linked to increasing unit costs for placements due to a lack of sufficiency in the market to meet the needs of young people in care. This is despite a decrease in the number of looked after children and placement mix being in line with targets.</p> <p>There is a further budgetary pressure of £0.5M within the Children's Disability Service. This overspend relates to increased costs for short breaks & direct payments, DFG shortfalls and intensive support for some children to enable them to remain living at home, as an alternative to living in residential care. We are currently in the process of retendering our short breaks contracts to ensure 'best value' and reduce high-cost support spend.</p> <p>There is a budget pressure of £0.2M due to staffing challenges within the LAC Permanency Service and the need for agency staff to ensure that care proceedings continue to be progressed. This situation has now improved, and no agency workers remain. There is an overspend of £0.3M in the Internal Fostering Service due to a high number of staff taking maternity leave and agency cover being</p>	3.2

		<p>required.</p> <p>There is an overspend of £0.3M on Adoption Central England (ACE) that relates to an increase in interagency fees and pay increases. Work is being undertaken to address this and clarify the budgetary needs of ACE moving forwards.</p> <p>These pressures are offset in part by underspends across the service."</p>	
Children and Young People's Services			5.2
Contingency & Central Budgets	Corporate Finance	<p>The overall Corporate and Contingency underspend of £12.4m incorporates favourable variances of £10.4m in the Asset Management Revenue Account (AMRA) and £2m across all other contingency budgets. The AMRA variation includes higher than budgeted interest income from loans provided by the Council, higher than budgeted investment income from a combination of larger short-term investment balances and higher interest rates and lower than assumed interest debt costs. We also had higher dividends declared in January 2024 from Coventry & Solihull Waste Disposal Company (additional £5.3m above budgeted amount). Central budgets include the cost of the 2023/24 pay award which averaged c6% for the Council and represents a cost c£3m above the original budget, which is partially offset by other contingency budgets. Favourable variations include distribution of Business Rates Levy Account Surplus and Green Plant & Machinery Business Rates exemption compensation grant.</p>	(12.4)
Contingency & Central Budgets			(12.4)
Education and Skills	Customer and Business Services	<p>Customer Services has a budget holder underspend of £284K which has resulted from careful management throughout the year. Where possible the service has applied constraints and identified alternative funding from time limited grants and the release of reserves.</p>	(0.3)

Education and Skills	Education Entitlement	A proportion of the underspend is as a result of reduced expenditure on school bus passes. The number of pupils eligible for bus passes is based on statutory criteria and policy and has not reduced, but we are now only charged where passes are used. There is also an underspend against the interpreter service as a result of cost review and increased efficiencies.	(0.2)
Education and Skills	Education Improvement & Standards	A proportion of the underspend is linked to utilisation of grant monies to fund activities where appropriate - Dedicated Schools Grant, Early Years Extended Entitlement Capacity building and Migration grants. There have also been staffing vacancies within the Governor Support Service. There is also an underspend against historic pension liabilities and Early Years training, both these budgets have been reduced in 24/25 as part of the medium term financial strategy.	(0.3)
Education and Skills			(0.8)
Finance & Corporate Services	Revenues and Benefits	<p>There is a net Housing Benefit subsidy pressure of £0.3m caused by an increase in the volume and price of supported accommodation, for which the Council only receives partial subsidy payments if the provider is not a registered social landlord.</p> <p>Pressures elsewhere are primarily attributable to the cost of temporary staffing as a result of increased levels of work being received, cover for a higher than normal level of staff absence and increased underlying work levels in council tax. These were largely offset by the one-off application of grant.</p>	0.3
Finance & Corporate Services	Financial Mgt	One off reduction in costs in relation to the commercial team	(0.1)
Finance & Corporate Services			0.2
Human Resources	Employment Services	This mainly relates to a reduction in income from external organisations.	0.1

Human Resources	ICT & Digital	The Budget Holder variance comprises some mainly one-off underspends (contribution of £700K from laptop & mobile phone refresh programme; underspends on EA licence consumption charges, MFD costs and out of Hours allowances) partially offset by the on-going shortfall of schools' income £339K. A further review of spending needs is being conducted to support delivery of MTFS targets for 2024/25 and on-going.	(0.7)
Human Resources	HR - People & Culture	The People and Culture service has a £138K overspend. This mainly relates to pressures within the Resourcing Team including an un-met savings target, agency covering sickness and increased costs for subscriptions. In addition there have been growing pressures on training and development budgets.	0.1
Human Resources			(0.5)
Legal & Governance Services	Legal Services	Recruitment of staff (particularly lawyers) into vacant positions remains a challenging situation within the service despite numerous attempts made to advertise vacancies. As a consequence, there is a significant amount of expenditure (circa £700k) on agency staff. The service is also managing additional workload in the children's social care and educational (SEND tribunal) sectors which has made it difficult to end locum contracts.	0.5
Legal & Governance Services	Coroner & Register Office	Improved income performance as result of diversifying ceremony options and a general recovery in the economy.	(0.2)
Legal & Governance Services	Procurement	Improved income performance from early payment scheme, rebates and recharges.	(0.2)
Legal & Governance Services	Democratic Services	Additional resource required to manage subject access requests whilst a permanent solution is investigated to manage and process the significant number of complex and large cases.	0.1
Legal & Governance Services	Other Variances Less than 100K		0.1
Legal & Governance Services			0.3

People Directorate Management	Other Variances Less than 100K		0.3
People Directorate Management			0.3
Project Management and Property Services	PMPS Management & Support	Delayed delivery of income target on strategic property rents.	0.2
Project Management and Property Services	Other Variances Less than 100K		0.1
Project Management and Property Services			0.3
Public Health	Public Health Staffing & Overheads	A budget holder underspend of £300K as a result of the release of funding previously held in reserve and utilisation of some additional grant to support relevant public health costs.	(0.3)
Public Health	Other Variances Less than 100K		(0.1)
Public Health			(0.4)
Streetscene & Regulatory Services	Planning Services	There has been an overall reduction in planning applications since COVID (reflecting the national trend) and subsequently some major applications have been deferred which has resulted in an underachievement of income c£708k. In addition, costs of £354k were awarded against CCC in (two) recent Public Inquires.	1.2
Streetscene & Regulatory Services	Streetpride & Parks	The net variation across Streetpride and Parks is £1.73m overspend which is due to a number of factors including: a) shortfalls in income/car parks c£334k b) a reduction in Bereavement Services income due to the fall in the death rate c£238k c) set up costs and non-achievement of (historic) savings target - Coventry Funeral Services c£ 259k d) pressures in Urban Forestry due to Tree Surveys/Remedial Works and inflationary pressures c£284k e) a net overspend of £262k on Streetpride as a result of using Agency/Overtime to cover vacancies while the new structure was implemented. (This has been offset by savings in salary costs) f) traveller incursions c£62k. g) repairs at Coombe Country Park and	1.7

		adjustments to prior years capital financing c£243k.	
Streetscene & Regulatory Services	Waste & Fleet Services	<p>Commercial Waste has been under review since losing customers during COVID and the drivers dispute that followed and the decision has recently been taken to cease trading. Deficit for 23/24 was c£410k. A decision was made for a 3rd party to deliver the Waste Collection service alongside CCC staff at an additional net cost of c£570k. There are also pressures in this area relating to Fleet (spot hires and avoidable damage) due to HSE recommendations c£434k.</p> <p>Waste Disposal has overspent due to higher than expected gate fee increases (WEP) and increases in tonnages (household) c£612k.</p> <p>PTS are reporting an overspend that is due to a combination of a) more hours required to complete the revised routes c£102k b) increased costs of covering sickness with agency staff c£137k, increased fleet related costs c£80k (av damage & spot hires), use of external escorts c£22k and over forecasting internal income c£183k.</p>	2.5
Streetscene & Regulatory Services	Environmental Services	<p>There have been a number of pressures in this area including some kennel safety improvements c£15 and costs associated with re-homing pets (in particular XL Bullies) c£20k. As well as providing cover for vacancies c£30k, dealing with bigger animals requires more resource in the Kennels which is having an impact on the fee earning capacity of some officers which has resulted in an under recovery of income c£40k.</p>	0.1
Streetscene & Regulatory Services	SSGS Management & Support	<p>This overspend relates to professional fees relating primarily to the recent Inquest c£226k, along with staff exit costs c£34k.</p>	0.3
Streetscene & Regulatory Services			5.8
Transportation & Highways	Parking	<p>Car park income has steadily grown as the city centre economy improves, albeit it has not returned to pre-COVID levels. This growth was offset by income pressures in Parking Enforcement due to the impact of staff vacancies and sickness.</p>	(0.2)

Transportation & Highways	Highways	There is a pressure largely due to costs incurred to address highways defects (£0.4m), an overhead recovery pressure due to sickness and recruitment challenges (£0.2m), together with the delayed achievement of some MTFS savings targets (£0.3m).	0.9
Transportation & Highways	Traffic	The contract price for Street Lighting energy has risen during the highest period of usage (winter). In addition, contractual payments made to the PFI company have also been affected as they are partly based on energy rates.	0.8
Transportation & Highways	TH Management & Support	The variance is largely due to interim management arrangements	0.2
Transportation & Highways	Transport Policy	The variance is primarily due to the use of agency staff for vacant establishment roles.	0.2
Transportation & Highways	Other Variances Less than 100K		(0.2)
Transportation & Highways			1.7
Total Budget Holder Outturn Variances			10.9

Appendix 2 - Capital Programme Change and Analysis of Rescheduling

SCHEME	APPROVED CHANGE S £m	(RESCHEDULING) / ACCELERATED SPEND £m	EXPLANATION
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Coventry South Package - A46 Link Road		(0.5)	Feasibility study and modelling work for the A46 Link Road is currently paused pending progression of the South Warwickshire Local Plan review through the issues and options phase – this will identify any potential land use changes that will need to be taken into account when identifying modelling scenarios and Link Road options.
Coventry Very Light Rail		(0.9)	There has been a reduction in staffing resources due to consultants leaving the projects, delays to the start of City Centre Traffic Management plan works and delay to the procurement of slabs for the City Centre Development route.
City Centre South		(5.8)	Transfer of Council land into the scheme and some demolition costs will now begin in 2024/25. This is due to delays to scheme development caused by changes in national government policy in relation to dual stair cores and fire safety measures for relevant residential schemes. The developer has had to revise the plans to accommodate this, which has led to a delay in the completion of legal agreements and scheme commencement.
Friargate		(4.6)	The Practical Completion of the building and handover to the Council is significantly behind schedule due to delays to the commissioning of utilities and resultant impact on building systems. The Council has taken Partial Possession of a number of floors to enable occupation by Octopus Energy Group, further fit out works by them and fit out works by Segro. Practical Completion and final payment anticipated in the first quarter of 2024/25.
Highways Investment		0.6	Additional delivery of schemes not within the capital programme has led to accelerated funding from 2024-25. Additional schemes delivered include £0.4m highway improvements to Forfield Road, Burnham Road and Grangemouth Road. This is along with carriageway works of £0.2m to Leamington Road, A45, Gibbet Hill Road and Radford Road.

Transportation S106 schemes		(1.4)	There have been a number of S106 funded schemes that have been forward funded or developed pending the S106 funding being legally signed, and income received, for example, Keresley Link Road, Shultern Lane/Lynchgate Cycle Scheme, Coundon Park and Coundon Wedge Drive schemes. This has resulted in designs/programmed works slipping into 2024/25.
Earlsdon and Lower Coundon Liveable Neighbourhood		(0.8)	Additional rounds of consultation and engagement led to delayed construction start date. Earlsdon LN construction starts on 28/05/2024.
Foleshill Transport Plan		(0.3)	Delay to construction start date following consultation feedback and petition. Officers are working through feedback ahead of further consultation events in Autumn / Winter 2024.
Electric Fleet First Project		(0.3)	The scheme has now been fully delivered. Discussions are taking place with the grant body as to whether the remaining grant is repaid or can be re-directed to other fleet requirements.
Clean Bus Technology Fund		(0.6)	Reschedule of remaining funding into next year to determine remaining demand for clean bus technology.
Routes to Stations - Paths for Everyone - Lynchgate	0.7	(2.4)	The project had a delay to design sign off from Sustrans which extended the works programme and then required us to let a new contract for the works. We are currently on target to complete the scheme and sign off by the end of July 2024.
Public Realm Phase 6		(1.0)	Delay to construction start dates due to additional engagement with stakeholders and the need for legal agreements. Construction works have begun on City Centre Security (HVM) and Retail Quarter works are due to commence on site in Q1 2024/25.
Palmer Lane De-culvertering		(1.5)	Increasing contractor costs led to Officers re-procuring the works with a new provider. Subsequently, the start date was delayed until February 2024. Works have commenced

			and the project will be completed by Q3 2024/25.
Basic Needs - Education		1.0	Due to the ongoing pressure on places within schools as a result of in-year applications, we have been required to add bulge classes on to schools by expanding provision. Several schools have required additional classrooms in order to increase their pupil intake.
Condition - Education		0.5	Additional unforeseen projects outside of the planned programme were required in order to keep schools open, these included emergency boiler works, roofing and drainage works.
Housing Venture		(0.4)	Problems with obtaining Planning Permission have stopped the majority of the projects being carried out this year.
Battery Plant and Equipment		(0.4)	Remaining capital funding project funding rescheduled into new financial year to allow recovery of any further CCC costs related to the project.
Children with disabilities new build home		(0.3)	Due to the appointed contractor starting 4 weeks later than planned due to redesign to the foundations and the reduce land purchase cost.
Disabled Facilities Grants		1.6	we have seen increased activity related to lifts and hoists. As well as Citizen invoices that have come through in Q4 which has accounted for the increase in spend.
Coombe Loan		(0.3)	Coombe sent a drawdown request for the £260k in July 2023 to fund some capital works. However, following a review of the business case and the company's cash position they decided not to go ahead with the drawdown. It is up to Coombe whether they make any further drawdowns prior to the final repayment date in November 2028. They have drawn down £1.56m to date against a total facility of £1.95m.
Homes Upgrade Grant (Phase 2)		(0.7)	Spend in year 1 of the scheme has been lower than expected due to difficulties in finding eligible households and off gas properties. A number of eligible properties

			that were expected to be completed in 23/24 were also delayed and will instead be completed early in 24/25. A marketing and communications plan has been put in place for year 2 to ensure the maximum amount of grant is spent by scheme end.
Provision of Temporary Accommodation		(0.3)	We anticipated that there would be one more property purchased in 2023/24 however this has rolled over into 2024/25.
Social Housing Decarbonisation Fund (SHDF) Phase 2		0.3	Spend from year 2 of the SHDF Wave 2 scheme was paid in year 1 of the scheme due to programme being further ahead than anticipated therefore some budget was accelerated from 24/25 financial year. This will not affect overall project spend at programme end.
New Union Street Car Park Demo		(0.4)	The work was initially programmed to commence before Christmas. However, by the time the tenders were received, evaluated and the internal planning, road closures etc. were all agreed, the start was delayed until the end of February which reduced the actual costs incurred during 23/24.
Social Housing Decency Fund	2.1	(0.9)	<p>"Report titled 'Social Housing Decency Funding' taken to Cabinet Member for Housing and Communities on 12th March 2024 with approval of the acceptance of the grant of £2.1m from the West Midlands Combined Authority. The Council is the accountable body for allocating the funds to Registered Housing Providers in the city to tackle disrepair issues specifically with regards to damp and mould.</p> <p>The funding, through the WMCA was originally supposed to be spent by the 31st March 2024 however this was then extended until the 30th June. This allowed Citizen to ensure that they maximised the impact of the spend rather than rushing to spend the grant. The remaining £0.9m will be spent by the 30th June 2024.</p>

Highways Investment - Citizen Housing	0.4		Technical adjustment of increasing the in-year programme to match expenditure which is resourced by Citizen right to buy contributions.
Eastern Green - A45 Overbridge	0.6		The awarded £15.6m from Homes England for the delivery of the A45 Overbridge at Eastern Green has now been fully drawn down and passported over to the developer. As Coventry City Council are the accountable body for the delivery of the scheme, there is a legal agreement that the process moving forward will entail the developer re-imbursing CCC all invoiced amounts prior to CCC paying these funds over to the contractor. This ensures no financial risk to CCC.
Air Quality	1.2		Technical adjustment of budget that was incorrectly classified as revenue, but in fact is capital spend.
Duplex Fund	0.8		The loan is for the Coventry Warwickshire Re-investment Trust run by Duplex project which offers a combination of loan and grant to businesses within Coventry for capital expenditure.
Families Phase 2 – Local Authority Housing Fund Phase 2	2.5		The exercise of emergency powers to accept £2.5m from the Department for Levelling Up, Housing and Communities (DLUHC). The funding supports local authorities to acquire good quality, and better value for money Temporary Accommodation (TA) for families owed a homelessness duty.
Interest Capitalisation	0.3		This is in respect to the accounting policy referring to the prudential borrowing costs associated with the New Collection Centre scheme. Borrowing costs, in the form of interest expenses, are capitalised where the asset in question is a qualifying asset and takes a substantial period of time to bring into operation. Borrowing costs will only be capitalised on schemes for which expenditure is incurred over a period or more than 12 months, until the asset is operationally complete, and where a material level of capital expenditure is resourced by borrowing.

Schemes less than £250k reporting threshold	0.9	(1.9)	Schemes below £250k threshold
TOTAL CHANGES	9.5	(21.7)	

Appendix 3

Summary Prudential Indicators

Cabinet Report Appx 6a
Other Sources

Per Treasury Management Strategy 23/24 £000's	Actual 23/24 £000's
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1 Ratio of financing costs to net revenue stream:

(a) General Fund financing costs

(b) General Fund net revenue stream

General Fund Percentage

39,017	40,194
260,455	260,455
14.98%	15.43%

2 Gross Debt & Forecast Capital Financing Requirement

Gross debt including PFI liabilities

Capital Financing Requirement (forecast end of 24/25)

307,082	299,506
514,796	505,125

Gross Debt to Net Debt:

Gross debt including PFI liabilities

less investments

less transferred debt reimbursed by others

Net Debt

307,082	299,506
-50,000	-79,837
-6,666	-4,652
250,416	215,018

3 Capital Expenditure (Note this excludes leasing)

General Fund

159,186	94,825
---------	--------

4 Capital Financing Requirement (CFR)

Capital Financing Requirement

Capital Financing Requirement excluding transferred debt

514,796	505,125
508,130	500,473

5 Authorised limit for external debt

Authorised limit for borrowing

+ authorised limit for other long term liabilities

= authorised limit for debt

480,919	480,919
53,877	53,877
534,796	534,796

6 Operational boundary for external debt

Operational boundary for borrowing

+ Operational boundary for other long-term liabilities

= Operational boundary for external debt

460,919	460,919
53,877	53,877
514,796	514,796

7 Actual external debt

actual borrowing at 31 March 2024

+ PFI & Finance Leasing liabilities at 31 March 2024

+ transferred debt liabilities at 31 March 2024

= actual gross external debt at 31 March 2024

240,975
53,880
4,652
299,506

8 Interest rate exposures

Upper Limit for Fixed Rate Exposures

480,919	299,157
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Variable Rate

Upper Limit for Variable Rate Exposures

96,184	-79,488
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9 Maturity structure of borrowing - limits

under 12 months

12 months to within 24 months

24 months to within 5 years

5 years to within 10 years

10 years & above

Upper Limit

50%	11%
20%	12%
30%	7%
30%	24%
100%	46%

10 Investments longer than 364 days: upper limit

30,000	0
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Prudential Indicators

The CIPFA Code imposes on the Council clear governance procedures for setting and revising of prudential indicators and describes the matters to which a Council will 'have regard' when doing so. This is designed to deliver accountability in taking capital financing, borrowing and treasury management decisions.

The Prudential Indicators required by the CIPFA Code are designed to support and record local decision making and not as comparative performance indicators.

There are eleven indicators shown on the previous page, and these are outlined below:

Revenue Related Prudential Indicators

Ratio of Financing Costs to Net Revenue Stream (indicator 1):

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, excluding investment income.

Capital and Treasury Management Related Prudential Indicators

Gross Debt and Capital Financing Requirement (Indicator 2):

The Council needs to be certain that gross external borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) in the preceding year plus the estimates of any additional capital financing requirement for the next three financial years. The CFR is defined as the Council's underlying need to borrow for capital purpose, i.e. it is borrowing requirement. The CFR is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.

Capital Expenditure (Indicator 3):

This indicator is an estimation of the Council's future capital expenditure levels, and these underpin the calculation of the other prudential indicators. Estimates of capital expenditure are a significant source of risk and uncertainty, and it is important that these estimates are continually monitored and the impact on other prudential indicators (particularly those relating to affordability) are assessed regularly.

Capital Financing Requirement (Indicator 4):

As outlined in Indicator 2 above, the CFR represents the Council's underlying need to borrow for capital purposes.

Authorised Limit for External Debt (Indicator 5):

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.

Operational Boundary for External Debt (Indicator 6):

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.

Actual External Debt (Indicator 7):

This indicator identifies the actual debt at the end of the previous financial year as recognised with the Statement of Accounts.

Adoption of the CIPFA Treasury Management Code (indicator 8):

This indicator is acknowledgement that the Council has adopted the CIPFA's *Treasury Management in the Public Services: Code of Practice*.

Interest Rate Exposures for Borrowing (Indicator 9):

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.

Maturity Structure of Borrowing – Limits (Indicator 10):

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of 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.

The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

Investments Longer than 364 days: Upper Limit (Indicator 11):

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.

All these prudential limits need to be approved by full Council but can be revised during the financial year. Should it prove necessary to amend these limits, a further report will be brought to Cabinet, requesting the approval of full Council for the changes required.

Council

9 July, 2024

Name of Cabinet Member:

Cabinet Member for Children and Young People - Councillor P Seaman

Cabinet Member for Education and Skills – Councillor K Sandhu

Director Approving Submission of the report:

Director of Law and Governance

Ward(s) affected:

City wide

Title:

Statement of Assurance (Director of Children's Services)

Is this a key decision?

N/A

Executive Summary:

This report informs Council of the arrangements being put in place following the departure of the statutory Director of Children's Services (DCS) and provides a Statement of Assurance as to how the statutory responsibility of the Director of Children's Services under Section 18 of the Children Act 2004 will continue to be met.

The DCS is appointed for the purposes of discharging the education and children's social services functions of the local authority. The functions for which they are responsible are set out in section 18(2) of the Children Act 2004. This includes (but is not limited to) responsibility for children and young people receiving education or children's social care services in their area and all children looked after by the local authority or in custody (regardless of where they are placed).

Recommendation

1. The Council is recommended to note the report and Statement of Assurance.
2. Delegate authority to the Director of Law and Governance to amend the Council's constitution to reflect the changes outlined.

List of Appendices included:

Assurance Document for fulfilment of the Director of Children's Services (DCS), – **Updated May 2024**

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? Yes – 9 July, 2024

Report title: Statement of Assurance (Director of Children's Services)

1. Context (or background)

- 1.1 In May 2023 the Director for Children's Services (DCS) (who held the statutory role under Section 18 Children Act 2004), resigned his post. Under his leadership, Children's Services had moved from a service requiring improvement to a service that is deemed by the inspectors to be Good.
- 1.2 The resignation of the DCS had coincided with the appointment of a new Chief Executive for the City Council. It was therefore considered that interim arrangements for the DCS should be put in place pending the arrival of the new Chief Executive and her further consideration as to what arrangements she considers would best serve the organisation on a permanent basis moving forward.
- 1.3 Therefore, on a temporary basis, an Interim Director of Children's Services was internally recruited who was responsible for Children's Social Care including Child Protection, Youth Justice and Early Help services. Further, on an interim basis, the Chief Partnerships Officer became the statutory Director of Children's Services under Section 18 Children Act 2004 to discharge the education and children's social services functions of the local authority.
- 1.4 A Statement of Assurance was prepared to outline these arrangements and provide assurance as to how the statutory functions of the Director of Children's Services would be met and this was considered by Council at its meeting on the 20 June 2023.
- 1.5 The Chief Partnerships Officer has resigned her post and will be leaving the organisation on 30th June 2024. Following a comprehensive recruitment process a new Director of Children's and Education Services has been appointed who will join the City Council on 19th August when she will take on the statutory role of Director of Children's Services. Between the 30th June and 19th August 2024 the Interim Director of Children's Services, Neil McDonald, will take on the statutory role of Director of Children's Services.

2. Options considered

- 2.1 There is a statutory responsibility for the local authority to have an officer designated as the Director of Children's Services responsible for education and children social care.

3. Results of consultation undertaken

- 3.1 The efficacy of more permanent arrangements will be subject to review, as part of the process of securing continuous sector-led improvement in the quality of services. This will include listening to the young people of Coventry to establish their experiences and confidence in the new arrangements.

4. Timetable for implementing this decision

- 4.1 The new arrangements will be put in place from the 30th June 2024.

5. Comments from Director of Finance and Resources and Director of Law and Governance

Financial implications

There are no financial implications in respect of this report.

Legal implications

A local authority in England must appoint an officer as the Director of Children's Services for the purposes of discharging functions relating to education and children's social care

Local authorities will, as a matter of course, want to ensure their structures and organisational arrangements enable them to:

- fulfil their statutory duties effectively (including ensuring that children, young people and families receive effective help and benefit from high educational standards locally);
- be transparent about responsibilities and accountabilities,
- support effective interagency and partnership working.

A local authority should carry out effective assurance checks, integrated as part of their usual decision-making and scrutiny work, of their structures and organisational arrangements. Once any new arrangements are in place, local authorities should review their arrangements regularly to satisfy themselves that they continue to be effective.

Report author(s):

Name and job title:

Julie Newman, Director of Law and Governance

Directorate:

Law and Governance

Tel and email contact:

Julie Newman e mail Julie.newman@coventry.gov.uk

Enquiries should be directed to the above

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Adrian West	Head of Governance	Law and Governance		
Suzanne Bennett	Governance Services Co-ordinator	Law and Governance	30/05/24	30/05/24
Names of approvers for submission: (officers and members)				
Julie Nugent	Chief Executive		30/05/24	30/5/24
Susanna Chilton	Director of Human Resources	Human Resources	30/05/24	30/5/24
Julie Newman	Director of Law and Governance	Law and Governance	30/05/24	30/05/24

Barrie Hastie	Director of Finance and Resources	Finance and Resources	30/05/24	30/05/24
Members: Councillor P Seaman	Cabinet Member for Children and Young People		10/06/24	25/06/24
Members: Councillor K. Sandhu	Cabinet Member for Education and Skills		10/06/24	24/06/24

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APPENDIX

Assurance Document for fulfilment of the Director of Children's Services (DCS), – Updated May 2024.

Introduction

In May 2023 the Director for Children's Services (DCS) (who held the statutory role under Section 18 Children Act 2004), resigned his post. Under his leadership, Children's Services had moved from a service requiring improvement to a service that is deemed by the inspectors to be Good.

The resignation of the DCS had coincided with the appointment of a new Chief Executive for the City Council. It was therefore considered that interim arrangements for the DCS should be put in place pending the arrival of the new Chief Executive and her further consideration as to what arrangements she considers would best serve the organisation on a permanent basis moving forward.

Therefore, on a temporary basis, an Interim Director of Children's Services was internally recruited who was responsible for Children's Social Care including Child Protection, Youth Justice and Early Help services. Further, on an interim basis, the Chief Partnerships Officer became the statutory Director of Children's Services under Section 18 Children Act 2004 to discharge the education and children's social services functions of the local authority.

A Statement of Assurance was prepared to outline these arrangements and provide assurance as to how the statutory functions would be met and this was considered by Council at its meeting on the 20 June 2023.

The Chief Partnerships Officer has resigned her post and will be leaving the organisation on 30th June 2024. Following a comprehensive recruitment process a new Director of Children's and Education Services has been appointed who will join the City Council on 19th August when she will take on the statutory role of Director of Children's Services.

Interim arrangements

The City Council benefits from an experienced children's social care manager, Neil Macdonald, who has significant experience and knowledge and the ability to place young people at the heart of service delivery. On a temporary basis pending the permanent recruitment campaign for the Director of Children's and Education Services Neil Macdonald was appointed as the Interim Director of Children's Services responsible for Children's Social Care including Child Protection, Youth Justice and Early Help services.

The Interim Director reported into the Chief Partnership Officer (CPO). The CPO has significant experience in leadership roles across the wider Children's Services arena and holds responsibility for ensuring that staff are supported and developed so that they are effective and competent in discharging the statutory functions across all those services working with

supporting children and Young People in both education and social care; and took on the statutory role of Director of Children's Services.

Following the arrival of the new Chief Executive a flatter senior leadership structure was put in place and the Interim Director of Children Services now reports directly to the Chief Executive and has further increased oversight of education services.

Following the departure of the Chief Partnerships Officer (Director of Partnerships and Performance) on the 30th June 2024, on an interim basis Neil Macdonald, as Interim Director of Children's Services, will be delegated as the statutory Director of Children's Services under Section 18 Children Act 2004 to discharge the education and children's social services functions of the local authority

Permanent arrangements for the statutory role of DCS

On the 19th August 2024 the new Director of Children's and Education Services will take up her position with the City Council and from that date be delegated as the statutory Director of Children's Services under Section 18 Children Act 2004 to discharge the education and children's social services functions of the local authority.

Local Assurance and Governance Arrangements

Within the legal framework it is for individual local authorities to determine their own organisational structures in light of their local circumstances.

However, local authorities must ensure that there is a single officer responsible for both education and children's social care. In Coventry City Council this is achieved by an integrated approach sitting alongside the Council's key priority that ensures that the safety and the educational, social and emotional needs of children and young people are central to the local vision.

Given the breadth and importance of the children's services functions that the DCS covers, local authorities should give due consideration to protecting the discrete roles and responsibilities of the DCS before allocating to any additional functions other than children's services.

The Director of Children's Services reports directly to the Chief Executive providing a clear and unambiguous line of responsibility and direct access between leadership teams in Children's Services, the Chief Executive and Elected Members are in place creating robust local accountability.

Political and Strategic alignment

The City Council is committed to working with local communities to improve the quality of life for Coventry people, this is central to the Council's plan and the values of the Council's Elected Members.

To achieve this ambition, the Council's Executive has designated lead Cabinet Members with portfolio responsibilities for Education and Skills and Children and Young People. The Cabinet

Member for Children and Young People is the Lead Member for Children's Services (S19 Children Act 2004).

Each Cabinet Member portfolio holder has responsibility within their areas of responsibility to improve the quality of life for Coventry people, including to improve educational outcomes by working with schools to continue to improve standards (Cabinet Member for Education and Skills). Improving health and wellbeing and reducing health inequalities by helping local residents lead healthier lifestyles including better mental health (Cabinet Member for Public Health and Sport). Protecting the most vulnerable people by keeping children safe and providing early intervention for families who need it (Cabinet Member for Children and Young People).

However, these individual portfolio responsibilities operate as a cohesive whole through a holistic approach overseen by the Leadership Board and via joined up strategic oversight by the Cabinet.

A joint approach to service delivery through these internal arrangements alongside a partnership approach therefore enables a "One Coventry" approach to meeting the Council's Plan.

Cohesive approach to delivery

Effective partnership working and interagency cooperation continues to be promoted and developed including via attendance at forums such as Health and Wellbeing Board, Local Safeguarding Boards for Children and Adults, Head teacher Forums, Youth Offending teams and Children and Adult Commissioning Boards.

Children's social care has been on an improvement journey and the approach to unified Council delivery is part of sustaining improvement.

This cohesive approach to both strategy and delivery between the Education and Children's Social Care services enables an integrated approach to service delivery but with identified expert professional leadership.

Conclusion

Interim arrangements as outlined above are being put in place following the departure of the Chief Partnership Officer and prior to the arrival of the new Director of Children's Education Services. From the 19th August 2024 the new Director of Children's and Education Services will take on the statutory role.

Summary

This is now the seventh review of this local assurance, and it has been rewritten to take into consideration the interim arrangements following the departure of the current DCS. The efficacy of more permanent arrangements will be subject to peer challenge and review, as part of the process of securing continuous sector-led improvement in the quality of services. This will include listening to the young people of Coventry to establish their experiences and confidence in the new arrangements.

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Council

9th July 2024

Name of Cabinet Member:

Leader of the City Council – Councillor G Duggins

Director Approving Submission of the report:

Director of Law and Governance

Ward(s) affected:

None

Title:

Annual Report from the Leader to the Council on Key Decisions made under Special Urgency Provisions 2023/2024

Is this a key decision?

No

Executive Summary:

The Leader must submit to the Council at the first ordinary meeting after the Annual Meeting a report of Key Decisions made in the previous year where the Special Urgency provisions were used. This applies where it is not practicable to give notice at least 5 clear days in advance before a Key Decision is made.

The Leader is reporting that there were no such cases during the 2023/2024 Municipal Year.

Recommendation:

That the City Council notes the Annual Report from the Leader on the use of Special Urgency provisions in the past year.

List of Appendices included:

None

Background Papers:

None

Other Useful Documents:

- The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012
- The City Council's Constitution

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?

Yes – 9th July 2024

**Report title: The Annual Report from the Leader to the Council on Key Decisions
Made under Special Urgency Provisions 2023/2024**

1. Context (or background)

- 1.1 The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 set out Special Urgency provisions to be used where it is impracticable to give at least 5 clear days' notice of the intention to make a Key Decision. The provisions detail a specific process to be followed, which includes seeking the agreement of the appropriate Scrutiny Chair or, if that person is unavailable, the Chair of the Council, that the matter to be considered is urgent and could not be reasonably deferred.
- 1.2 The Leader of the Council must submit an Annual Report to the Council containing details of each Key Decision taken during the period since the last report was submitted where the making of the Key Decision was agreed as urgent. The Council's Constitution requires that this report be presented at the first ordinary meeting of the Council after the Annual Meeting.
- 1.3 During the 2023/2024 Municipal Year, there were no such cases where the Council did not give at least 5 clear days' notice before making a Key Decision.

2. Comments from the Director of Finance and Resources and the Director of Law and Governance

2.1 Financial implications

None

2.2 Legal implications

The Leader must make this report to Council in order to meet statutory requirements and comply with the Council's Constitution.

3. Other implications

3.1 How will this contribute to the One Coventry Plan?

(<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>)

This report is evidence that the Council has met its statutory requirements and given at least 5 clear days' notice of Key Decisions made in the past year.

3.2 How is risk being managed?

By presenting this Report to Council the Leader avoids any reputational risk that could arise from failure to meet the Council's statutory and constitutional requirements.

3.3 What is the impact on the organisation?

None

3.4 Equalities / EIA

None

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

None

3.6 Implications for partner organisations?

None

Report author:

Michelle Salmon

Name and job title:

Governance Services Officer

Service:

Law and Governance

Tel and email contact:

Tel: 024 7697 2643

Email: michelle.salmon@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Service area	Date doc sent out	Date response received or approved
Contributors:				
Adrian West	Head of Governance	Law and Governance	06/06/2024	10/06/2024
Names of approvers for submission: (Officers and Members)				
Julie Newman	Director of Law and Governance	Law and Governance	06/06/2024	06/06/2024
Councillor G Duggins	Leader of the Council	-	11/06/2024	12/06/2024

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Council

9 July 2024

Name of Cabinet Member:

N/A

Director Approving Submission of the report:

Chief Executive

Ward(s) affected:

City wide

Title:

Acceptance of Grant Funding - Household Support Fund

Is this a key decision?

N/A

Executive Summary:

This report informs Council of a decision undertaken by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) in accordance with the Financial Procedure Rules as set out in the Constitution and following consultation with the Cabinet Member for Housing and Communities, the Cabinet Member for Strategic Finance and Resources and the Leader of the Council to accept and allocate a grant of £3,224,222.30 from the Department for Work and Pensions ("DWP") pursuant to the grant scheme known as the Household Support Fund (HSF). Due to the timescales involved, this decision is reported to Council retrospectively.

List of Appendices included:

None

Background papers:

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? - Yes – 9 July 2024

Report title: Acceptance of Grant Finding - Household Support Fund

1. Context (or background)

- 1.1 The Household Support Fund (HSF) is a funding stream provided to Local Authorities (LAs) by the Department for Work and Pensions (DWP) to provide local crisis support to vulnerable households in most need with the cost of essentials. The HSF grant scheme was live from 1st April 2024 however the grant award documentation and scheme guidance was not published until 26th March 2024.
- 1.2 Paragraph 2.3.2 of Part 3F of the Constitution sets out the approval levels required for acceptance of a grant prior to signature of a grant agreement. Grants over £2,500,000 require approval by Council, if time permits. Where there is no time to go gain approval from Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader is required. The decision must then be reported to Council retrospectively,
- 1.3 The value of the grant awarded to Coventry was £3.2 M, and therefore acceptance of the grant would normally require approval of Full Council. However the next ordinary meeting of Council following the Annual General Meeting was not expected before June 24. Waiting until this time would mean losing a significant period of the delivery timescale, during which the Council would not be offering crisis support through this fund - for example to people who are struggling to afford their energy bills, cook/store chilled food or have appropriate bedding.
- 1.4 Therefore on 29 April, 2024 , the Chief Executive and Director of Finance and Resources (Section 151 Officer) Officer, following consultation with the Cabinet Member for Housing and Communities, the Cabinet Member for Strategic Finance and Resources and the Leader, approved the acceptance and allocation of a grant of £3,224,222.30 from the Department Work and Pensions ("DWP") pursuant to the grant scheme known as the Household Support Fund (HSF) in accordance with the Constitution.
- 1.5 The decisions taken in full are:
 - Accept a grant in the sum of £3,224,222.30 and use the grant in line with the grant determination issued.
 - Approve delivery of the Household Support Fund scheme as outlined in the recommended delivery plan.
 - Delegate authority to the Director of Finance (Section 151 Officer), following consultation with the Cabinet Member for Strategic Finance and Resources and the Cabinet Member for Housing and Communities, to take such ancillary or incidental actions required to bring into effect the recommendations set out in this note.
- 1.6. In accordance with the Constitution, this matter is now reported to Council.

- 1.7 Appropriate, further reports on matters arising from this decision will be considered by the relevant Council body as necessary.

2 Options considered

- 2.1 The Chief Executive and the Director of Finance and Resources (Section 151 Officer), following consultation with the Cabinet Member for Communities and Housing, the Cabinet Member for Strategic Finance and Resources and the Leader, agreed that the decision to accept the grant could not wait until the next Council meeting and was critical to the Council's ability to deliver the Household Support Fund scheme.

3 Results of consultation undertaken

- 3.1 In accordance with the Constitution, the Cabinet Member for Housing and Communities, the Cabinet Member for Strategic Finance and Resources and the Leader were consulted and they confirmed the course of action.

4 Timetable for implementing this decision

In light of the urgent nature of the matter detailed in paragraph 1.5 above, the decisions were implemented immediately.

5 Comments from Chief Operating Officer (Section 151 Officer) and the Chief Legal Officer

Financial implications

Where decisions made involve the receipt of grants and making of expenditure, this has been identified in the decision summary. The City Council maintains detailed records and forecasts of the financial impacts. Alongside regular financial management activity, the financial implications are included within the Council's financial monitoring reports.

Legal implications

Paragraph 2.3.2 (d) of Part 3F of the Constitution provides for approval of grant agreements by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader relating to grant receipt and expenditure over the value of over £2,500,000 if time does not permit consideration by Council.

Report author(s):

Name and job title:

Laura Waller – Digital & Inclusion Lead

Christopher Whiteley – Finance Manager

Tel and email contact:

Laura.waller@coventry.gov.uk – 024 7697 6496
Christopher.whiteley@coventry.gov.uk – 024 7683 2191
 Enquiries should be directed to the above

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Adrian West	Head of Governance	Law and Governance	17/06/24	26/06/24
Suzanne Bennett	Governance services Co-ordinator	Law and Governance	17/6/24	24/06/24
Names of approvers for submission: (officers and members)				
Finance: Ewan Dewar	Head of Finance	Finance	17/6/24	27/6/24
Legal: Julie Newman	Chief Legal Officer	Law and Governance	27/6/24	27/6/24
Chief Executive: Julie Nugent	Chief Executive		27/6/24	27/6/24
Members: Councillor G Duggins	Leader of the Council		27/6/24	27/6/
Councillor D Welsh	Cabinet Member for Communities and Housing		27/6/24	27/6/24
Approved by the Leader on behalf of Councillor R Brown	Cabinet Member for Strategic Finance and Resources		27/6/24	27/6/24

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Council Meeting

9 July 2024

Booklet 1

Written Questions

1.	<p>QUESTION SUBMITTED BY: Councillor G Ridley</p> <p>TO BE ANSWERED BY: Councillor P Hetherton, Cabinet Member for City Services</p>
<p>TEXT OF QUESTION:</p> <p>“I was recently contacted by residents who were concerned about the sight of overflowing bins at the London Road Mass Grave/War Memorial. Other residents have reported similar problems at other local cemeteries. Could the Cabinet Member for City Services tell us what arrangements have been made to ensure this situation does not occur again?”</p>	

2.	<p>QUESTION SUBMITTED BY: Councillor G Ridley</p> <p>TO BE ANSWERED BY: Councillor P Hetherton, Cabinet Member for City Services</p>
<p>TEXT OF QUESTION:</p> <p>“Residents have also raised concerns about the accuracy of a sign near the mass grave which states: ‘Resting in these gardens are those who lost their lives during the Air Raid in 1940’. Would the Cabinet Member look at altering this sign to reflect the burials of victims from other raids during the war?”</p>	

3.	<p>QUESTION SUBMITTED BY: Councillor G Ridley</p> <p>TO BE ANSWERED BY: Councillor J McNicholas</p>
<p>TEXT OF QUESTION:</p> <p>“As a Director of Birmingham International Airport Holdings Limited Could Cllr McNicholas tell us what discussions he has had with the Chief Executive of Birmingham Airport about the recent chaotic scenes?”</p>	

4.	<p>QUESTION SUBMITTED BY: Councillor P Male</p> <p>TO BE ANSWERED BY: Councillor K Sandhu, Cabinet Member for Education</p>
	<p>TEXT OF QUESTION:</p> <p>“Is the Cabinet Member for Education confident that Coventry schools can cope with the projected influx of children into the state school system assuming the removal of the current VAT exemption and business rates relief on private education?”</p>

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