

Coventry City Council
Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1)
held at 10.00 am on Wednesday, 5 November 2025

Present:

Members: Councillor A Jobbar (Chair)
Councillor J Blundell
Councillor J Innes
Councillor R Lakha
Councillor P Male
Councillor K Maton
Councillor J McNicholas
Councillor CE Thomas
Councillor A Tucker

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

Employees:

Finance and Resources: P Helm, T Pinks, P Stafford, A Stinton, B Strain,

Law and Governance: C Sinclair, A West

Apologies: None

Public Business

15. Declarations of Interest

Councillor J McNicholas, the City Council's Lead Member on Birmingham International Airport Holdings Ltd., declared an interest in respect of Minute 17 below (Commercial Investments and Income Generation). The interest was not a disclosable pecuniary interest and was recorded for noting only.

16. Minutes

The Minutes of the meeting held on 10 September 2025 were agreed and signed as a true record. There were no matters arising.

17. Commercial Investments and Income Generation

The Board considered a briefing note which set out the City Council's approach to making commercial investment decisions, the statutory framework that the Council needed to work within and the policy basis. It also set out details of the overall commercial portfolio and performance.

The 2025/26 Fees and Charges figures and data on commercial investments and income generation were appended to the report.

The One Coventry Plan provided the broad policy basis for the Council's service delivery. The Plan's three delivery priorities were: increasing the economic prosperity of the city and region; improving outcomes and tackling inequalities within our communities and tackling the causes and consequences of climate change. Fundamental to this was that one of the two enabling priorities identified within the Plan was the continued financial sustainability of the Council.

Like many local authorities across the country the Council's medium term financial position forecasted revenue funding gaps. The 2025/26 Budget Report (February 2025) identified gaps of £3m and £10m for 2026/27 and 2027/28, whilst the most recent 2025/26 revenue expenditure monitoring report to Cabinet for the first quarter year highlighted further budgetary pressure which indicated that the position both for the Council and the wider sector was still very challenging.

The ongoing need to balance budgets in the face of significant funding reductions over a long period had led many councils to adopt commercial approaches and initiatives to improve their financial positions in order to help maintain service quality as far as possible. This activity included:

- charging for local services to citizens and service users,
- providing and charging for traded services as an extension to in-house provision,
- acting as a landlord for a commercial property portfolio,
- providing loan finance to local organisations,
- establishing/acquiring external companies to complement the delivery of strategic objectives,
- commercialisation through more speculative capital investment outside of municipal boundaries or on a disproportionately large scale to deliver financial returns.

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

- Revisions to the Prudential Code (requiring proportionality) and changes to rules for borrowing from the Public Works Loan Board (preventing investing primarily for yield).
- Whether there was further capital available for future investment.
- The anticipated use of the dividend from Birmingham Airport.

Arising from a wider discussion relating to commercial investment risk, the Board asked Officers to circulate to the Board the presentation slides from a recent all-member seminar relating to Tom White Waste and Coombe Abbey to Members for information.

RESOLVED that the Board note the content of the report and endorse the Council's approach to making commercial investment decisions.

18. **Local Taxation Collection Performance 202425 and Government Consultation on Modernising Council Tax Administration**

The Board considered a briefing note which provided an update on Coventry's business rates and council tax collection performance in 2024/25 relative to other English billing authorities and summarised details of the Government's consultation on modernising council tax administration.

The Council, as a statutory billing authority, collects council tax revenue of £229 million from 154,000 domestic properties and business rates of £143 million from 9,000 commercial properties.

The Ministry for Housing, Communities and Local Government (MHCLG) published performance data annually for council tax and business rates collection. The briefing note outlined Coventry's council tax and business rates performance over three main themes and across three comparator groups.

In summary:

- In year collection rates continued to be significantly lower than pre-COVID/cost of living crisis levels. However, the national data suggested that Coventry continued to compare relatively well with other similar authorities in terms of council tax and business rates arrears.
- Overall, the collection and recovery of local taxation across council tax and business rates remained challenging and we were yet to fully understand the longer-term impact of the arrears built up during the COVID pandemic and cost of living crisis. For the most part however, there was nothing to suggest that Coventry had been disproportionately impacted despite some volatile in-year collection fluctuations.
- Coventry continued to maintain a robust and proportionate approach to the collection of local taxation, fully utilising all available enforcement options whilst being responsive to the circumstances of the most vulnerable customers.

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

- Reasons why the collections rates nationally remained significantly below pre-pandemic levels.
- The possibility of council tax equalisation in the future.
- Business rates impact in light of redevelopment in the city.
- Flexible payment arrangements.
- Assessment of council tax for residents of purpose-built student accommodation and those which are also let as apartments for professionals.

In response to a question on the number of households in receipt of support and the total cost of that support, Officers agreed to provide that information to the Board.

RESOLVED that the Board note the content of the report and agree to receive a further report in 2026/27 detailing outturn performance for the tax year 2025/26.

19. **Work Programme 2025-26 and Outstanding Issues**

The Board noted the Work Programme and agreed that, in order to allow Members contribute to the Budget consultation, an additional meeting be scheduled between the scheduled December and February meetings.

20. **Any other items of Public Business**

There were no other items of public business.

(Meeting closed at 11.35 am)