

**Time and Date**

1.00 pm on Tuesday, 18th September, 2012 (please note time)

Place

Council Chamber - Council House

Public Business

1. **Apologies**
2. **Minutes of the Meeting held on 24th July 2012** (Pages 1 - 12)
3. **Coventry Good Citizen Award**
To be presented by the Lord Mayor
4. **Correspondence and Announcements of the Lord Mayor**
5. **Petitions**
6. **Declarations of Interests**

Matters Left for Determinations by the City Council/Recommendations for the City Council (Recommendations Booklet 1)

7. **Protocol for Conferring the Title of Honorary Alderman or Alderwoman** (Pages 13 - 32)
From the Joint Meeting of Cabinet Members (Community Safety and Equalities) and (Policy, Leadership and Governance) on 6th September 2012 (Minute 10)
8. **Audit Committee Annual Report to Council 2011/12** (Pages 33 - 44)
From the Audit Committee, 22nd August 2012 (Minute 17)
9. **It is anticipated that the following Matters will be referred as Recommendations from Cabinet on 11th September 2012. In order to allow Members the maximum opportunity to acquaint themselves with the proposals, the reports are attached. The relevant minutes will be circulated in Booklet 2.**
 - 9.1 Department for Education Consultation - Replacing Local Authority Central Spend Equivalent Grant (LACSEG): Funding Academies and Local Authorities for the functions that devolve to Academies (Pages 45 - 62)

- 9.2 Consultation Responses - Draft Care and Support Bill, New Safeguarding Power, Future of Independent Living Fund, draft guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies, and allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care (Pages 63 - 84)
- 9.3 Response to Consultation - Local Government Resources Review: Proposals for Business Rate Retention (Pages 85 - 100)

Item(s) for Consideration

- 10. **Appointment to Outside Body** (Pages 101 - 104)
Report of the Director of Customer and Workforce Services
- 11. **Question Time**
 - 11.1 Written Questions - Booklet 3 (Pages 105 - 106)
 - 11.2 Oral Questions to Chairs of Scrutiny Boards / Chair of Scrutiny Co-ordination Committee
 - 11.3 Oral Questions to Chairs of Other Meetings
 - 11.4 Oral Questions to Representatives on Outside Bodies
 - 11.5 Oral Questions to Cabinet Members on any matter
- 12. **Statement (if any) by the Leader of the Council**
- 13. **Debates**
 - 13.1 To be moved by Councillor Skinner and seconded by Councillor Hammon

“This Council warmly congratulates Olympic Team GB and Paralympics GB on their enormous successes during the recent Games.

The Council particularly welcomes the emphasis thus placed on the similarities between able-bodied and disabled people everywhere and hopes that this will help to promote ever greater mutual understanding and courtesy between them”

Private Business

Nil

NOTE

An Extraordinary Meeting of the City Council will take place at 2.00 p.m. to confer the title of Honorary Alderman/Woman. Should the Ordinary Meeting not be concluded by that time, the meeting will adjourn at 1.50 p.m. and reconvene following the Extraordinary Meeting.

Bev Messinger, Director of Customer and Workforce Services, Council House Coventry

Monday, 10 September 2012

Note: The person to contact about the agenda and documents for this meeting is Carolyn Sinclair/Suzanne Bennett 024 7683 3166/3072

Membership: Councillors F Abbott, N Akhtar, M Ali, A Andrews, M Auluck, S Bains, L Bigham, J Blundell, K Caan, D Chater, J Clifford, G Crookes (Deputy Chair), G Duggins, C Fletcher, K Foster, D Galliers, D Gannon, A Gingell, M Hammon, L Harvard, P Hetherington, D Howells, J Innes, L Kelly, D Kershaw, T Khan, A Khan, R Lakha, R Lancaster, J Lepoidevin, A Lucas, K Maton, J McNicholas, C Miks, K Mulhall, J Mutton, M Mutton, H Noonan, J O'Boyle, E Ruane, R Sandy, T Sawdon (Chair), H S Sehmi, B Singh, D Skinner, T Skipper, H Sweet, K Taylor, R Thay, S Thomas, P Townshend, S Walsh, D Welsh and A Williams

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OR if you would like this information in another format or
language please contact us.

Carolyn Sinclair/Suzanne Bennett

024 7683 3166/3072

Minicom: (024) 7683 3029

Fax: (024) 7683 3266

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However, by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you have any queries regarding this, please contact the Governance Services Officer at the meeting.

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COUNCIL OF THE CITY OF COVENTRY

24th July 2012

PRESENT

Lord Mayor (Councillor Sawdon)

Deputy Lord Mayor (Councillor Crookes)

Councillor Mrs Abbott	Councillor Mrs Lepoidevin
Councillor Akhtar	Councillor Mrs Lucas
Councillor Auluck	Councillor Maton
Councillor Bains	Councillor Mrs Miks
Councillor Mrs Bigham	Councillor Mulhall
Councillor Blundell	Councillor J. Mutton
Councillor Caan	Councillor Mrs M. Mutton
Councillor Chater	Councillor Noonan
Councillor Clifford	Councillor O'Boyle
Councillor Duggins	Councillor Ruane
Councillor Mrs Fletcher	Councillor Sandy
Councillor Foster	Councillor Sehmi
Councillor Gannon	Councillor Singh
Councillor Gingell	Councillor Skinner
Councillor Hammon	Councillor Skipper
Councillor Harvard	Councillor Mrs Sweet
Councillor Mrs Hetherton	Councillor Taylor
Councillor Howells	Councillor Thay
Councillor Kelly	Councillor Thomas
Councillor Kershaw	Councillor Townshend
Councillor A. Khan	Councillor Walsh
Councillor Lakha	Councillor Welsh
Councillor Lancaster	

Apologies: Councillor Ali
Councillor Innes
Councillor Williams

Public Business

34. Minutes

The minutes of the meeting held on 3rd July 2012, were signed as a true record.

35. Coventry Good Citizen Award – David Moorcroft

On behalf of the Council, the Lord Mayor and his Honour Judge Griffith-Jones, the Honorary Recorder, presented David Moorcroft with the Coventry Good Citizen Award.

His citation read:

David Robert Moorcroft is globally known for his athletic achievements in the late-1970s and 1980s. Competing in the Commonwealth Games he won gold medals in 1978 over 1500 metres, and in 1982 over 5000 metres. He also finished in medal positions at the European Athletics Championships, and has held records at world, European, and British levels. He still holds the British record for the fastest 3000 metres in a time of 7:32.79.

He served as the Chief Executive of UK athletics from 1997 to 2007, and received an MBE in 1983 and an OBE in 1998 for services to British sport. He developed the Coventry Sports Foundation being the Chief Executive from 1981 to 1995, and remained a Trustee. The Foundation now owned and operated three major sports facilities and numerous related projects serving communities in Coventry. It has attracted over £20 million of capital and £8 million of revenue funding.

However, we are here today to recognise his achievements to get Coventry's name recognised on a worldwide scale. Since 2006 Dave Moorcroft has been working to maximise the opportunities across Coventry and Warwickshire arising from the London 2012 Olympic and Paralympic Games. Covering the areas of sport, business, tourism, culture, education and training camps, Dave was the overall 2012 Ambassador for Coventry and has been instrumental in supporting the city at a local, regional, national and international level.

He has used his considerable talent and influence in making sure Coventry and Warwickshire has achieved the largest engagement in London 2012 compared to any other city outside London.

He is proud to be known as a 'Coventry Kid' and he is happy to share his pride in Coventry with the rest of the world. As a result of his drive and commitment, Dave Moorcroft deserves to be recognised as a Good Citizen of Coventry.

36. **Petitions**

RESOLVED that the following petitions be referred to the appropriate City Council body or external organisation:

- (a) Request that verges and hard standing be reinstated on Park Avenue – 63 signatures – presented by Councillor Lancaster.**
- (b) Opposing the proposed expansion of Ernesford Grange Primary School – 103 signatures – presented by Councillor Chater.**

37. **Declarations of Interest**

The following Members declared interests in the matters referred to in the minutes indicated and left the Chamber during their consideration:

- (a) Minute 46 (Consultation on Children's Services as George Eliot Hospital):
The Lord Mayor

Councillor Chater
Councillor Gingell
Councillor Townshend

- (b) Minute 42 (Warwick District Council New Local Plan – Preferred Options Consultation):
Councillor Noonan

38. **Re-order of the Agenda**

As the Lord Mayor had a Disclosable Pecuniary Interest in relation to the item entitled “Consultation on Children’s Services at George Eliot Hospital”, it was moved by Councillor Gannon and seconded by Councillor Hetherton that, in accordance with paragraphs 4.1.35.3 of the Constitution, the agenda be re-ordered so that the aforementioned item be taken as the last item of business.

39. **Coventry Local Development Plan: Core Strategy 2011-28 – Submission**

Further to Minute 11/12 of the Cabinet, the City Council considered a report of the Director of City Services and Development the purpose of which was:

- To publish the Core Strategy, invite representations from the public and other stakeholders, and formally submit all required documentation to the Secretary of State.
- To formally consider the responses that have been received to the previous consultations around the strategy and distribution of growth (Proposed Core Strategy 2011) and the amount of growth (Options for a new housing target for Coventry 2011-2028)
- To consider the response received to the consultation about the revised Statement of Community Involvement, and to formally adopt the revised Statement of Community Involvement.

The Government had made numerous changes to the planning system since 2010. The National Planning Policy Framework (NPPF) (2012) had replaced the Planning Policy Guidance (PPG’s) and Planning Policy Statements (PPS’s), and the Localism Act 2011 includes provision to formally abolish the Regional (Spatial) Strategy (RSS). Pending the formal abolition of RSS, which required the Government to lay an Order before Parliament, it remained a part of the development plan for Coventry. The various legal challenges to the abolition of RSS have established that it is unlawful for a Council to take the expected abolition of RSS into account in its Core Strategy at this time, but the Localism Act post-dates this case law and provided the power for the Council to use locally-derived evidence to establish its own housing and other targets to supersede the RSS targets.

The previous Core Strategy (2009) was predicated on the RSS Phase II Revision Preferred Option, which required the re-distribution of significant housing from the origin of demand in the southern half of Warwickshire, to Coventry. It was not considered that this was deliverable, so it was appropriate to pursue a strategy that was deliverable.

The Localism Act and NPPF had replaced the formal upper tier of the development plan (RSS) with a “Duty to Co-operate”, but had not set out in detail how that duty was to be discharged. The Council was taking steps to demonstrate compliance with the duty, and Members would be asked to consider a report to formally endorse the arrangements in due course.

The Council had updated its evidence base to provide a robust basis for new housing and employment land targets. This includes an updated Strategic Housing Land Availability Assessment (SHLAA), Strategic Housing Market Assessment (SHMA), and an employment land study.

One of the key tests of “soundness” was the robust assessment of realistic alternative options. Coventry was in a unique position of having seven separate iterations of its Core Strategy, which have been developed over a period of seven years between 2005 and 2012. In addition to this, the recently completed “Options for a new housing target for Coventry 2011 – 2028” consultation asked which of three different housing targets were preferred, as well as giving people the opportunity to put forward further alternatives. The responses were summarised at Appendix 3 of the report.

The two most recent consultations had established broad support for the realistic and deliverable strategy that was set out in the Core Strategy at Appendix 1 of the report. The responses to the “Proposed Core Strategy” consultation of autumn 2011 were summarised at Appendix 2 of the report.

The Statement of Community Involvement set out who and how consultation would take place in respect of planning issues and was reviewed in association with the Planning Advisory Service (PAS). The Council consulted the public and other stakeholders about the revised version of the SCI at the same time as the “Proposed Core Strategy” consultation during the autumn of 2011. This had attracted a single response, which did not raise any fundamental issues to require significant changes to be made to the SCI. It was worthy of note that the revised SCI proposed only factual updates and other minor amendments and it was therefore recommended that the Council formally considered the representation received and adopts the revised Statement of Community Involvement at Appendix 4 of the report.

RESOLVED that the City Council:

- (a) Approve publication of the document at Appendix 1 “Coventry Local Development Plan: Core Strategy 2011 – 2028” for representations for a period of six weeks, from Monday 30th July to Monday 10th September 2012**
- (b) Delegate to the Group Manager Planning & Building Control and Cabinet Member (City Development) to make such minor changes to the Core Strategy as may be considered appropriate, and to submit all required documentation to the Secretary of State as soon as practicable following the close of period for representations**
- (c) Note the responses that were received to the “Proposed Core Strategy”, at Appendix 2**

- (d) Note the responses that were received to the “Options for a new housing target for Coventry 2011 – 2028”, at Appendix 3
- (e) Note the response to the draft, and formally adopt the amended Statement of Community Involvement at Appendix 4
- (f) Approve expenditure of up to £150,000 to cover the costs of the required independent examination of the Core Strategy as described in section 5.1

40. Warwick District Council New Local Plan – Preferred Options Consultation

Further to Minute 12/12 of the Cabinet, the City Council considered a report of the Director of City Services and Development which set out the City Council’s response to Warwick District Council’s “New Local Plan Preferred Options” consultation. The document set out land that it considered suitable for development, and stated which land was 'preferred' for development. It was considered that, in general terms, the Preferred Options could be supported, but two "potentially suitable" sites to the south of Westwood Heath, and to the east of Finham, should remain as undeveloped Green Belt land.

Warwick District Council’s "Preferred Options" for consultation included proposed site allocations to deliver growth, and some of these sites were currently undeveloped Green Belt land. It was considered that this was a matter for Warwick District Council as planning authority, and therefore no objection in principle to this was recommended.

The draft site allocations were shown on Map 3, Appendix 3 of the report. It was not recommended that any comments be made with respect to this.

A map of "potentially suitable" sites included some undeveloped Green Belt land immediately to the south of Westwood Heath, and east of Finham. Map 2 at Appendix 2 of the report referred. It was recommended that the Council objected in principle to the possibility of development of these sites, because it was likely that the burden of servicing the infrastructure requirements of those developments would fall on the City Council in the medium term, but that the corresponding Council Tax revenues would be received by Warwick District Council.

There were two realistic options available. The first was to remain silent, this was rejected because it was in the Council's interests to formally express its wish for the land south of Westwood Heath, and land to the east of Finham, that was identified as a "potentially suitable" site to remain as undeveloped land within the Green Belt.

The second option, which was recommended, was to formally respond in support of the Preferred Option, subject to the identified "potentially suitable" sites south of Westwood Heath and east of Finham remaining as undeveloped land in the Green Belt.

RESOLVED that the City Council approve the response to Warwick District Council New Local Plan Preferred Options consultation, at Appendix 1 of the report.

41. Review of Members' Allowance Scheme

Further to Minute 20/12 of the Cabinet, the City Council considered a report of the Director of the Director of Customer and Workforce Services which set out recommendations by the Independent Remuneration Panel (IRP) on the Review of the Members' Allowance Scheme at Appendix A of the report. A supplementary report had been submitted in June 2012 and this was also appended to the report at Appendix B of the report.

All local authorities were required to have a Member Allowances and Expenses scheme which makes provision for a range of allowances and expenses available to some or all elected Members. This must be agreed locally, in accordance with the Local Authorities (Members Allowances) Regulations 2003 (as amended).

A local authority must review its allowance provisions at least once every four years if it had agreed to index-link its scheme of allowances. Coventry had index-linking arrangements for Member allowances; they were increased in line with the nationally-agreed annual pay award for local government employees, at spinal point 49 of the National Joint Council (NJC) Scheme, in April each year. Pay increases were last awarded in 2009. The last review was in 2007/08, reporting to Cabinet and Council in December 2007.

Whilst each authority approved its own scheme, it was legally required to appoint an Independent Remuneration Panel (IRP) to make recommendations on allowances and expenses. The Council must have regard to its recommendations. An IRP was appointed in October 2011 to undertake a review of the City Council's Members' Allowances Scheme. The scope and terms of reference of the IRP were detailed in the report.

The Panel had made 23 recommendations, with a detailed account supporting each recommendation. These were set out in pages 1-3 of this report, and in full detail in the Panel's report in Appendix A (note: Recommendation 6 had subsequently been deleted from the original 24, as explained in Appendix B). The recommendations all related to the scope of the IRP as follows:

- Annual adjustment (index-linking) of allowances
- Basic and special responsibility allowances paid to elected Members
- Co-optees allowances paid to Co-opted Members
- Consideration of allowances to be paid to Members sitting on both the Fostering and Adoption Panels
- Member expense arrangements including travel and subsistence
- Remuneration levels for the Lord Mayor and Deputy Lord Mayor positions.

The decision to approve these recommendations was the City Council's. The Council must have regard to the recommendations made by the IRP before it amended any part of the current Member Allowances scheme. The City Council was requested to consider these recommendations individually and state whether each recommendation was approved or rejected. The Council was not bound by the recommendations of the Panel and may reject any of the proposals made, but the City Council must have regard

to the implications of such decisions; the report indicated that if some of the recommendations were not accepted then alternative provisions should be considered and these could be put forward and agreed.

The recommendations were being proposed separately rather than as a whole set, this meant that the City Council could accept, amend or reject individual recommendations. If some recommendations were rejected, then the remainder could be implemented.

There was a requirement for both the IRP recommendations and the authority's response to be widely publicised. Recommendations that were approved would need to be incorporated in a revised scheme of allowances and expenses to be published within the Council's constitution.

It was proposed that the timescales for the next IRP be agreed in advance to aid planning. The next Panel needed to report by March 2016 at the latest. Cabinet had approved the timetable as follows:

- establish Panel Membership January 2015
- Panel meetings held March 2015 – Sept 2015
- draft report produced – Oct 2015
- report considered by Cabinet and Council – by January 2016.

Cabinet had considered each of the proposed IRP recommendations and whilst accepting most the recommendations made, agreed that there were a number of recommendations that should be rejected. Where alternative proposals were made for rejected recommendations, these are set out in the resolution below.

At the meeting of Cabinet, it was agreed that members receive a document which showed the revised financial impact of the changes to allowances based on the Cabinet's recommendations and this had been circulated to members and tabled at the meeting.

RESOLVED:

(a) That the following IRP recommendations be approved:

- R1 Basic Allowance remains at the existing level of remuneration, currently £12,872 pa.**
- R2 Basic Allowance is paid to every elected Member i.e. including the Member elected as Lord Mayor.**
- R3 Special Responsibility Allowances (SRAs) for Leader, Deputy Leader, Cabinet Members, Leader of the Principal Opposition Group, Chairs of Scrutiny Boards and Chairs and Deputy Chairs of the Scrutiny Co-ordination, Planning, Licensing and Audit Committees remain at the existing levels of remuneration.**
- R4 Current SRA for the Lead Member for Standards be discontinued.**

- R5** Responsibility allowance of £1,000 is paid to the Chair of the Ethics Committee.
- R8** Additional SRAs be approved for elected Members appointed to the authority's Fostering Panel and Adoption Panel, these SRAs to be set at £2,578.
- R11** Allowances paid to each co-opted Member appointed by the City Council remain at the existing level, currently £466 pa.
- R12** The Lord Mayor and Deputy Lord Mayor allowances be set at gross rate (before tax and National Insurance), in line with how basic allowances and other SRAs are treated.
- R15** The City Council undertakes greater promotion of the Dependent Carers' Allowance Scheme, particularly in relation to the objective of encouraging the broadest representation of society on the Council.
- R16** Notwithstanding the recent low level of claims for carers' allowances, specific budget provision, proposed at £2,000 pa, be made to underpin the Council's commitment to this scheme.
- R17** Basic, Special Responsibility, Co-optees, Lord Mayor and Deputy Lord Mayor allowances be increased each year by the percentage increase in pay agreed for local government employees (pegged to spinal column point 49 of the NJC Scheme); this indexing to be effective from 1 April 2012 and expire on 31 March 2016.
- R24** Following the determination of the issue of whether or not Coventry has an elected mayor, a full, in depth review of the Coventry City *[Council]* SRA structure and allowance levels be undertaken by a future IRP.
- (b)** That the following recommendations be rejected with no alternatives:
- R7** SRAs for Deputy Chairs of Scrutiny Boards be reduced from £2,578 to £1,000. *[This excludes Deputy Chair of Scrutiny Co-ordination Committee as per R3].*
- R10** The City Council undertakes to produce formal job descriptions/person specifications of the roles and responsibilities of elected Members, particularly for positions which attract Special Responsibility Allowances.
- R18** The 'Pick and Mix' allowance of £150 for each elected Member for stationery, equipment etc be abolished.
- R19** In the event of the City Council deciding to continue this *[Pick and Mix]* scheme the 'custom and practice', but currently

unauthorised, additional allowances for Group Officers and the Leader be discontinued.

R20 The Council introduces a single mode of provision of 'smart' phones for all Members, under authority-negotiated and financed contracts.

R21 All other modes of telephone provision and associated allowances paid to Members be discontinued at the earliest opportunity.

(c) That, in respect of the following rejected IRP recommendations, the following alternatives be approved:

R9 Scrutiny Board Deputy Chair SRA remains at current level of £2,578

R13 Freeze Lord Mayor's Gross allowance at 2012/13 level of £42,696, made up of £12,578 basic allowance plus Mayoral allowance of £30,118.

R14 Freeze Deputy Lord Mayor gross allowance at 2012/13 of £13,156.

R22 The rates of travel and subsistence allowances paid to elected members be as set out in the Travel and Subsistence Scheme (contained within Appendix C) and attached to these minutes

R23 That the Travel and Subsistence Scheme (contained within Appendix C) be adopted

Note: R6 was deleted

(d) That the Members Allowance Scheme (Appendix C) be adopted.

42. Amendment to Outside Body Appointment

The Council considered a report of the Director of Customer and Workforce Services which sought approval to amend the City Council's Prime Voting representative on the West Midlands Joint Committees - Planning and Transportation Sub-Committee.

Councillor McNicholas and Councillor Mrs Bigham had been appointed to the West Midlands Joint Committee - Planning and Transportation Sub-Committee with Councillor McNicholas being appointed as the Prime Voting representative on behalf of the City Council. However, Councillor McNicholas had recently been elected as Chair of the Integrated Transport Authority and had been nominated by that Authority as its Voting Member on the same Committee. As Councillor McNicholas could not have two votes at meetings of the Sub-Committee, it was proposed to transfer the Prime Voting rights to the City Council's other appointed Member, Councillor Mrs Bigham.

RESOLVED that the City Council appoints Councillor Mrs Bigham as the City Council's Prime Voting representative on the West Midlands Joint Committees - Planning and Transportation Sub-Committee.

43. Question Time

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

No	Question Asked By	Question Put To	Subject Matter
1	Councillor Sweet	Councillor M. Mutton	Congratulations to organisers of Faith Gathering event on Sunday 22 nd July
2	Councillor Hammon	Councillor Harvard	Grass cutting outside Council House

44. Statement by the Leader of the Council – Security at the Olympics

The Leader, Councillor John Mutton, made a statement in respect of the recent news that G4S would fall short on the number of security guards provided for the Olympics and the subsequent deployment of military and police officers for security duties. Councillor Mutton stated he believed that the Olympics would be a success and a wonderful experience for all, but condemned the Government and G4S for potentially ruining the Games.

The Leader of the Opposition Group, Councillor Foster, responded to the Statement.

45. Debate – Governing Bodies

Councillor Kershaw moved the following motion which was seconded by Councillor Bigham:

“Coventry City Council wish to recognise the important role that Governing Bodies play in raising achievement in schools”

RESOLVED that the motion, as set out, above be adopted.

46. Consultation on Children’s Services as George Eliot Hospital

The Council considered a report of the Director of Community Services which sought approval to submit a response to the consultation on the future of paediatric and maternity services in North Warwickshire.

There has been considerable speculation over the past two years regarding the future of paediatric and maternity services at George Eliot Hospital. Local NHS commissioners had conducted a review of these services and had now arrived at a single proposal for modest changes to current services, with small additional patient flows being directed to University Hospitals Coventry and Warwickshire.

The Health, Social Care and Welfare Reform Scrutiny Board had been invited to submit a formal response to the final proposal and on the request of its Chair, the Shadow Health and Wellbeing Board had also considered the proposal contained in the consultation document.

The report sought approval to submit the response contained in the report which had been recommended by the Scrutiny Board and Shadow Health and Wellbeing Board, to the Arden PCT Cluster as a Coventry City Council corporate response:

That the City Council noted the proposed option for a network operation of Paediatric and Maternity Services at George Eliot Hospital and made the following comments:

- (a) That the proposed solution, whilst innovative was also nationally untested and highly complex.*
- (b) That there were concerns about the ability of the local health economy to recruit to the additional post identified given the complexity of working arrangements and the unusual nature of the proposal.*
- (c) That the Council request the Arden PCT Cluster to provide firm re-assurances concerning any potential knock on effects of the additional patient flows from North Warwickshire on bed availability at university Hospitals Coventry and Warwickshire.*
- (d) That, in the light of the above concerns, the commissioners of children's services (who by this time will be the local Coventry and Warwickshire clinical Commissioning Groups) submit an update report on the progress of the introduction of this model approximately six months after its commencement, including analysis of the issues raised in (c) above (provisionally in November 2013).*
- (e) That this response incorporates the view of the statutory Coventry Health Overview and Scrutiny Committee, and the Shadow Health and Wellbeing Board.*

RESOLVED that the City Council:

- (i) Note and support the response of the Health, Social Care and Welfare Reform Scrutiny Board (5)**
- (ii) Note the comments of the Shadow Health and Wellbeing Board**
- (iii) Agree that the draft response be submitted on behalf of the City Council.**

Note: As the Lord Mayor, Councillor Sawdon, had a Disclosable Pecuniary Interest in Minute 46 above, the Deputy Lord Mayor, Councillor Crookes took the chair for this item.

Meeting closed at 4.40 pm

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Council Meeting

18th September, 2012

Booklet 1

Recommendations

INDEX TO MINUTES

Joint Cabinet Member Meeting (Community Safety and Equalities) and (Policy, Leadership and Governance), 6th September, 2012

**Audit Committee
22nd September, 2012**

**JOINT MEETING OF CABINET MEMBERS (COMMUNITY SAFETY AND EQUALITIES)
AND (POLICY, LEADERSHIP AND GOVERNANCE)**

6th September, 2012

Cabinet Members

Present: Councillor J Mutton, Cabinet Member (Policy, Leadership and Governance)
Councillor Townshend, Cabinet Member (Community Safety and Equalities)

Shadow Cabinet

Members Present: Councillor Foster, Shadow Cabinet Member (Policy, Leadership and Governance)

Other Members

Present: Councillor Duggins, Cabinet Member (Strategic Finance and Resources)

Employees Present: H. Abraham (Customer and Workforce Services Directorate)
J. Barlow (Customer and Workforce Services Directorate)
C. Forde (Finance and Legal Services Directorate)
J. Parry (Chief Executive's Directorate)
S. Symonds (Customer and Workforce Services Directorate)

Apologies: Councillor Crookes, Shadow Cabinet Member (Community Safety and Equalities)

Public Business

RECOMMENDATIONS

10. Protocol for Conferring the Title of Honorary Alderman or Alderwoman

The Cabinet Members considered a report of the Director of Finance and Legal Services which recommended changes to the Protocol for conferring the title of Honorary Alderman or Alderwoman. The report was due to be considered by Council at its meeting on 18th September, 2012. The timescales had not permitted the report to be considered by the Cabinet Member (Policy, Leadership and Governance) Constitutional Advisory Panel prior to consideration by the Cabinet Members.

The Council approved a Protocol for conferring the title of Honorary Alderman or Alderwoman to former Councillors at its Annual Meeting on 19 May 2011 (their Minute 17/11 refers). Under the current Protocol, nominations for the title of Honorary Alderman/woman could only be made once a year, by the end of February, with the nominations being submitted to Council at its meeting in March. A special meeting to confer the honorary title would then take place immediately prior to the Annual Council Meeting in May.

However, the time periods in the Protocol were restrictive and it was proposed that a more flexible approach should be taken. It was recommended therefore that the Protocol be amended to allow the title to be conferred at any time of the year. The title of Honorary Alderman or Alderwoman would be conferred at a specially convened meeting of the Council by a resolution passed by not less than two thirds of members present and voting. Nominations may, in addition to this, be considered at a prior ordinary Council meeting, and the nomination approved in principle by a resolution comprising a majority vote. If nominations were considered at an ordinary meeting, it was proposed that the specially convened meeting may be held immediately after this ordinary meeting, or at a future meeting, subject to the appropriate notice of the special meeting having been given.

It was also proposed that the criteria for eligibility for the title of Honorary Alderman/woman which referred to the 15 years of service as an elected member may be continuous or non-continuous.

The Lord Mayor's Office would be managing the process for Honorary Aldermen/women, in conjunction with the Cabinet Member holding the portfolio for Democratic Services and the Lord Mayor of the City of Coventry. This included ensuring recipients were given a medal and certificate, and that their names were recorded in a special register or 'Roll'.

There would be limited costs for awarding recipients with a medal and certificate, and for a Register to record the names of Aldermen and Alderwomen. In 2012/13, there would be estimated one-off costs of £850 for purchasing 20 medals/certificates and a Register. The overall Democratic Services budgets would fund these expenses in 2012/13. In future years, the estimated costs of £200 per annum for medals and certificates would be met from the budget within the Lord Mayor's Office.

If these proposals were approved, Appendix 1 to Part 8 of the Constitution (Procedural Matters) would need to be amended to reflect these changes. The proposed changes to Part 8 were shown in the Appendix to the report. It was further proposed that the Protocol be renamed and relocated to Part 5 of the Constitution which specifically related to Codes and Protocols.

The Cabinet Member's discussed the practical management of the process for ensuring appropriate use of the honorary status. Officers were asked to consider measures to protect the dignity of the post in public life. Clarity was also sought in respect of the status of the role should a holder wish to stand for public office, i.e. what would be the process for suspension and reinstatement of the honorary role?

RESOLVED that after due consideration of the report, and matters raised at the meeting, that the Cabinet Members (Community Safety and Equalities) and (Policy, Leadership and Governance) recommend that the City Council:

- (i) Approve the changes to the Constitution, as set out in Section 2 of the report and detailed above.**
- (ii) Approve the protocol for conferring the title of Honorary Aldermen and Alderwomen (as appended to these minutes).**

PART 8

PROCEDURAL MATTERS

8. **Procedural Matters**

8.1 The City Council operates a number of procedures, which, whilst not forming part of the formal Constitution, support and enable its operation. These are listed below:-

8.2 **Council Meetings – Pre-Meetings and Briefings**

8.2.1 Agenda conferences for ordinary Council meetings will be held. These meetings will involve the Leader and Deputy Leader of the Council, the Leader and Deputy Leader of the Main Opposition Group the Lord Mayor and the Leaders of the other Opposition Groups.

8.3 **Government Consultation Papers**

8.3.1 Responses to Government Consultation papers will be considered by Scrutiny (where such consideration is practicable within the timescale of the relevant consultation), Cabinet and by full Council in that order unless the Chief Executive determines that they relate to a “technical” issue.

8.3.2 Where the Chief Executive determines that a consultation paper relates to a "technical" issue, all Group Leaders on the Council shall be consulted. If any Group Leader disagrees, the Consultation paper will go through the normal process for consultations. If Group Leaders agree the paper is "technical", responses to them will be delegated to the appropriate Director, in consultation with the relevant Cabinet Member, Shadow Cabinet Member and other Group Leaders. Where practicable within the timescale of the relevant consultation, details will then be sent to all Councillors informing them of the proposed response to the consultation, asking if they wish to make any comments. The appropriate Director and relevant Cabinet Member and Shadow Cabinet Member will then consider any such documents received before submitting the response.

8.4 **Honorary Aldermen**

8.4.1 The City Council, at their meeting on 19th May, 2011 gave approval for a protocol for the enrolment of Honorary Aldermen. That protocol is attached at Appendix 1 to this part.

8.5 **Performance Monitoring Reports**

8.5.1 The appropriate Scrutiny Board will be invited to attend meetings of Cabinet Members when performance monitoring reports are considered (with the exception of Modernisation and Improvement Plan issues where separate arrangements are identified).

8.6 **Outside Bodies – Annual Reports to Scrutiny**

8.6.1 Where the Council nominates more than one representative to an Outside Body, a Lead Member will be nominated to be responsible for co-ordinating a report to the Scrutiny Co-ordination Committee following the annual meeting of the body on the work of the Organisation, the benefits to the City Council of continuing its membership and the added value that the City Council's representatives bring to the Organisation. Where only one representative is appointed then she/he will be the Lead Member. If an organisation does not have an annual meeting, then the Council's Lead Member will report in the third quarter of the year so that the Council can consider the benefits of retaining its representation.

The Scrutiny Co-ordination Committee will decide, at the start of each Municipal Year, which outside bodies it wishes to receive reports on.

8.7 Annual Meeting of the City Council

8.7.1 If it became clear either before the Annual Meeting or on the day itself that there are areas of contention, then the fall back position will be to adjourn the Annual Meeting following the appointment of the Lord Mayor/Deputy Lord Mayor and reconvene to a future date provided that it complies with the timescale referred to at 4.1.1.

8.8 Procedure for dealing with written questions of Council Meetings:

8.8.1 The deadline for receiving written questions is 9.00 am on the Monday, a week before the Council Meeting on the Tuesday. As soon as any question is received, it will be forwarded to the appropriate Cabinet Member, Chair or other Councillor and Director.

8.8.2 The Cabinet Member, Chair or other Councillor will arrange for a written response to be prepared, which must be with him/her by 5.00 pm on the Friday before Council.

8.8.3 The Cabinet Member, Chair or other Councillor will then have up until 4.00 pm on the Monday the day before Council to check the responses before it needs to be e-mailed to the appropriate Governance Services Officer.

8.8.4 The Governance Services Officer will then send the responses to all Councillors by 5.00 pm on the Monday.

8.8.5 Copies of all the responses will be circulated at the Council meeting.

8.9 Procedure for dealing with "If Necessary" Council meetings

8.9.1 Where there is no formal Council Business to consider and approve (i.e. Recommendations or items for consideration) the Council Meetings identified as "If Necessary" in the Municipal Calendar may be cancelled, but only following consultation with the Lord Mayor and the Leader of the Council.

Revised Protocol for conferring the title of Honorary Alderman or Alderwoman

1. Procedure

- a) The title of Honorary Alderman/woman will only be conferred and entered into the Roll of Aldermen/women in accordance with the Council's agreed Protocol.
- b) Any name put forward must be proposed in writing by a serving Member of the Council and seconded in writing by at least one other serving Member of the Council. Nominations must be submitted to both the Chief Executive and the Lord Mayor.
- c) Nominations will be considered and the title of Honorary Alderman or Alderwoman will be conferred at a specially convened meeting of the Council. The title will be conferred by a resolution passed by not less than two thirds of members present and voting.
- d) Nominations may, in addition to this, be considered at a prior ordinary Council meeting, and the nomination approved in principle by a resolution comprising a majority vote. If nominations are considered at an ordinary meeting, it is proposed that the specially convened meeting may be held immediately after this ordinary meeting or at a future meeting, subject to the appropriate notice of the special meeting having been given

2. Qualifications Required for Enrolment

- a) The Council may, in accordance with Section 249 of the Local Government Act 1972, and the provisions of this Protocol, confer the title of "Honorary Alderman" or "Honorary Alderwoman".
- b) An Honorary Alderman/Alderwoman shall enjoy only those rights or privileges conferred by Section 249 of the Act and this Protocol.
- c) The Director of Customer and Workforce Services shall keep a roll to be called "The Roll of Honorary Aldermen/Alderwomen" of those who have had this title conferred on them.
- d) A person shall be deemed eligible to be enrolled as an Honorary Alderman/Alderwoman provided that the person meets the following requirements:
 - is not a serving Member of the Council
 - has served as a Member of the Council for at least 15 years in total (continuously or non-continuously)
 - has given eminent service to the Council during that period.

3. Method of Enrolment

- a) No person who has the above qualifications shall be enrolled automatically as an Honorary Alderman/Alderwoman but only in accordance with the procedure set out above.
- b) Formal conferring of the title of Honorary Aldermen/Alderwomen shall be by a resolution of the Council passed by not less than two thirds of the Members present and voting thereon at a meeting of the Council specially convened for the purpose with notice of the object.

4. Withdrawal of Title

- a) The Council may withdraw the title of Honorary Alderman/Alderwoman and the attached rights and privileges. Such withdrawal of the title shall be by way of

formal motion to a meeting of the full Council, (the summons to which contains special notice that such withdrawal is proposed and the reason therefore) and subsequent resolution of the Council passed by not less than two thirds of the Members present and voting thereon at the meeting of the Council.

5. Privileges

An Honorary Alderman/Alderwoman shall be entitled to the following rights and privileges:

- To enjoy the courtesy title of Honorary Alderman or Alderwoman and to be so addressed.
- To provide a badge or emblem to Honorary Aldermen/Alderwomen, and to wear such badge or emblem on civic occasions.
- To receive a copy of each Council summons and a copy of the Members' Handbook and to be included within the Members' Handbook.
- To receive a framed certificate to commemorate their appointment.
- To enter their name into "The Roll of Honorary Aldermen/Alderwomen".
- To receive invitations to civic and social events to which Members of the Council are invited as determined by the Lord Mayor.
- To walk in civic procession in a position immediately behind serving Members.
- To enjoy such other privileges as the Council may confer upon them from time to time.

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Cabinet Member - Policy, Leadership and Governance
Cabinet Member - Community Safety and Equalities

6 September 2012

Council

18 September 2012

Names of Cabinet Members:

Policy, Leadership and Governance: Councillor John Mutton
Community Safety and Equalities: Councillor Philip Townshend

Director Approving Submission of the report:

Director of Finance and Legal Services

Ward(s) affected:

All

Title:

Protocol for conferring the title of Honorary Alderman or Alderwoman

Is this a key decision?

No

Executive Summary:

The Council approved a Protocol for conferring the title of Honorary Alderman or Alderwoman on former Councillors at its annual meeting on 19 May 2011. This Report sets out some proposed amendments to the Protocol and asks Council to approve these. Timescales did not permit the Report to be considered by the Cabinet Member's Constitutional Advisory Panel.

Recommendations:

Cabinet Member:

To recommend the changes to the Constitution set out in Section 2 of the Report and the Protocol for conferring the title of Honorary Aldermen and Alderwomen (as set out in Appendix 1) and to provide any further recommendations to Council.

Council:

To approve with immediate effect the proposed changes to the Constitution set out in Section 2 of the Report and the Protocol for conferring the title of Honorary Aldermen and Alderwomen (as set out in Appendix 1) and to consider any further recommendations from the Cabinet Member.

List of Appendices included:

Proposed revised Protocol for conferring the title of Honorary Aldermen and Alderwomen.

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?

No.

Will this report go to Council?

Yes, 18th September 2012.

Report title: Protocol for the Appointment of Honorary Aldermen/women

1. Context

- 1.1 The Council approved a Protocol for conferring the title of Honorary Alderman or Alderwoman on former councillors at its annual meeting on 19th May 2011. The Protocol permitted nominations for, approval of, and conferring the title of Honorary Alderman/woman, to be made during a short time period leading up to the Annual Council Meeting in May each year.

2. Options Considered and Recommended Proposals

- 2.1 Under the current Protocol, nominations for the title of Honorary Alderman/woman can only be made once a year, by the end of February, with the nominations being submitted to Council at its meeting in March. A special meeting to confer the honorary title then takes place immediately prior to the Annual Council Meeting in May.
- 2.2 The time periods in the Protocol are restrictive and it is suggested that a more flexible approach should be taken. It is recommended therefore that the Protocol be amended to allow the title to be conferred at any time of the year. The title of Honorary Alderman or Alderwoman will be conferred at a specially convened meeting of the Council. The title will be conferred by a resolution passed by not less than two thirds of members present and voting. Nominations may, in addition to this, be considered at a prior ordinary Council meeting, and the nomination approved in principle by a resolution comprising a majority vote. If nominations are considered at an ordinary meeting, it is proposed that the specially convened meeting may be held immediately after this ordinary meeting, or at a future meeting, subject to the appropriate notice of the special meeting having been given.
- 2.3 No changes to the criteria for eligibility for the title of Honorary Alderman/woman are proposed except that the 15 years of service as an elected member may be continuous or non-continuous.
- 2.4 The Lord Mayor's Office will be managing the process for Honorary Aldermen/women, in conjunction with the Cabinet Member holding the portfolio for Democratic Services and the Lord Mayor of the City of Coventry. This includes ensuring recipients are given a medal and certificate, and that their names are recorded in a special register or 'Roll'.
- 2.5 If these proposals are accepted, Appendix 1 to Part 8 of the Constitution (Procedural Matters) needs to be amended to reflect these changes. The proposed changes to Part 8 are shown in the Appendix to this report. It is further proposed that the Protocol be renamed and relocated to Part 5 of the Constitution which specifically relates to Codes and Protocols.

3. Results of consultation undertaken

- 3.1 Given the nature of the Report, no consultation has been carried out.

4. Timetable for implementing this decision

- 4.1 The amendments should take effect immediately upon approval by Council.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

There will be limited costs for awarding recipients with a medal and certificate, and for a Register to record the names of Aldermen and Alderwomen. In 2012/13, there will be estimated one-off costs of £850 for purchasing 20 medals/certificates and a Register. The

overall Democratic Services budgets will fund these expenses in 2012/13. In future years, the estimated costs of £200 per annum for medals and certificates will be met from the budget within the Lord Mayor's Office.

5.2 Legal implications

There are no legal implications as the amended Protocol will continue to ensure that the Council appoints Honorary Aldermen and Alderwomen in accordance with the provisions of Section 249 of the Local Government Act 1972.

6. Other implications

There are none.

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Not applicable

6.2 How is risk being managed?

Not applicable.

6.3 What is the impact on the organisation?

To confer the esteemed title of Honorary Alderman or Alderwoman on any former Councillor is a prestigious honour that will have a positive impact on the City Council and the City of Coventry. The details of the nominations will refer to the nature of the eminent services provided by that former Member and to recognise the contributions they have made.

6.4 Equalities / EIA

Each nomination for the position of Honorary Alderman or Alderwoman will be considered on its individual merits and nominations may be received in accordance with the protocol which is available for any former Member.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

Report author(s):

Name and job title: John Scarborough Corporate Governance and Litigation Manager
Helen Abraham, AD Democratic Services

Directorates: Finance and Legal Services
Customer and Workforce Services

Tel and email contact: 024 7683 3011/ john.scarborough@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Jane Barlow	Lord Mayors' Supervisor	CWS	20/8/12	22/8/12
Hugh Peacocke	Governance Services Manager	CWS	21/8/12	22/8/12
Names of approvers for submission: (officers and members)				
Finance: Kathryn Sutherland	Lead Accountant Business Partnering	Finance & Legal	15/8/12	23/8/12
Legal: Christine Forde	Assistant Director (Legal Services)	Finance & Legal	25/7/12	26/7/12
Chris West	Director of Finance and Legal Services	Finance & Legal		
Councillor John Mutton	Cabinet Member Policy, Leadership and Governance		26/7/12	30/7/12
Councillor Philip Townshend	Cabinet Member Community Safety and Equalities		26/7/12 and 28/08/12	30/7/12, 28/08/12
Councillor George Duggins	Cabinet Member Strategic Finance and Resources		29/08/12	29/08/12

This report is published on the council's website:

www.coventry.gov.uk/councilmeetings

PART 8
PROCEDURAL MATTERS

8. **Procedural Matters**

8.1 The City Council operates a number of procedures, which, whilst not forming part of the formal Constitution, support and enable its operation. These are listed below:-

8.2 **Council Meetings – Pre-Meetings and Briefings**

8.2.1 Agenda conferences for ordinary Council meetings will be held. These meetings will involve the Leader and Deputy Leader of the Council, the Leader and Deputy Leader of the Main Opposition Group the Lord Mayor and the Leaders of the other Opposition Groups.

8.3 **Government Consultation Papers**

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8.4 **Honorary Aldermen**

8.4.1 The City Council, at their meeting on 19th May, 2011 gave approval for a protocol for the enrolment of Honorary Aldermen. That protocol is attached at Appendix 1 to this part.

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The Scrutiny Co-ordination Committee will decide, at the start of each Municipal Year, which outside bodies it wishes to receive reports on.

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- c) Nominations will be considered and the title of Honorary Alderman or Alderwoman will be conferred at a specially convened meeting of the Council. The title will be conferred by a resolution passed by not less than two thirds of members present and voting.
- d) Nominations may, in addition to this, be considered at a prior ordinary Council meeting, and the nomination approved in principle by a resolution comprising a majority vote. If nominations are considered at an ordinary meeting, it is proposed that the specially convened meeting may be held immediately after this ordinary meeting or at a future meeting, subject to the appropriate notice of the special meeting having been given

2. Qualifications Required for Enrolment

- a) The Council may, in accordance with Section 249 of the Local Government Act 1972, and the provisions of this Protocol, confer the title of "Honorary Alderman" or "Honorary Alderwoman".
- b) An Honorary Alderman/Alderwoman shall enjoy only those rights or privileges conferred by Section 249 of the Act and this Protocol.
- c) The Director of Customer and Workforce Services shall keep a roll to be called "The Roll of Honorary Aldermen/Alderwomen" of those who have had this title conferred on them.
- d) A person shall be deemed eligible to be enrolled as an Honorary Alderman/Alderwoman provided that the person meets the following requirements:
 - is not a serving Member of the Council
 - has served as a Member of the Council for at least 15 years in total (continuously or non-continuously)
 - has given eminent service to the Council during that period.

3. Method of Enrolment

- a) No person who has the above qualifications shall be enrolled automatically as an Honorary Alderman/Alderwoman but only in accordance with the procedure set out above.
- b) Formal conferring of the title of Honorary Aldermen/Alderwomen shall be by a resolution of the Council passed by not less than two thirds of the Members present and voting thereon at a meeting of the Council specially convened for the purpose with notice of the object.

4. Withdrawal of Title

- a) The Council may withdraw the title of Honorary Alderman/Alderwoman and the attached rights and privileges. Such withdrawal of the title shall be by way of

formal motion to a meeting of the full Council, (the summons to which contains special notice that such withdrawal is proposed and the reason therefore) and subsequent resolution of the Council passed by not less than two thirds of the Members present and voting thereon at the meeting of the Council.

5. Privileges

An Honorary Alderman/Alderwoman shall be entitled to the following rights and privileges:

- To enjoy the courtesy title of Honorary Alderman or Alderwoman and to be so addressed.
- To provide a badge or emblem to Honorary Aldermen/Alderwomen, and to wear such badge or emblem on civic occasions.
- To receive a copy of each Council summons and a copy of the Members' Handbook and to be included within the Members' Handbook.
- To receive a framed certificate to commemorate their appointment.
- To enter their name into "The Roll of Honorary Aldermen/Alderwomen".
- To receive invitations to civic and social events to which Members of the Council are invited as determined by the Lord Mayor.
- To walk in civic procession in a position immediately behind serving Members.
- To enjoy such other privileges as the Council may confer upon them from time to time.

AUDIT COMMITTEE

22nd August, 2012

Audit Committee

Members Present: Councillor Bains (Deputy Chair)
Councillor Blundell
Councillor Chater (Chair)
Councillor T Khan
Councillor Skipper
Councillor Welsh

Employees Present: S. Bennett (Customer and Workforce Services Directorate)
G. Holmes (Chief Executive's Directorate)
L. Commane (Finance and Legal Services Directorate)
S. Mangan (Finance and Legal Services Directorate)

RECOMMENDATION

17. Annual Audit Committee Report 2011/12

The Committee considered the Audit Committee's Annual Report, which was to be submitted to the City Council at their meeting on 18th September, 2012.

The report provided an overview of the Audit Committee's activity during 2011-12, including progress in terms of discharging its responsibilities to provide independent assurance on the adequacy of the Council's risk management framework and the associated control environment, and in providing robust scrutiny and challenge of the Council's financial performance.

The report detailed all routine reports considered by the Committee, based around the clearly defined expectations of the services and functions that report to the Committee, for example internal and external audit and financial management, together with all the ad hoc reports considered, which focused on either a specific concern raised by the Committee or developments that impact directly on the Committee.

The report indicated that the Council had made significant enhancements to its Audit Committee over the past few years and that areas still for development included ensuring that all Members of the Committee are provided with appropriate training to allow them to discharge their responsibilities and keeping abreast of national developments and the potential impact that these may have on the operation of the Committee.

In 2012-13, the Committee's initial focus will be on ensuring that effective action is taken in response to areas for improvement highlighted in the Annual Governance Statement for 2011-12. In addition, given the continued financial pressures facing the Council, the importance of an effective Audit Committee remained critical. The following planned changes over the next year would be a specific focus of the

Committee to ensure that they do not have a detrimental impact on the effectiveness of the Council's governance arrangements:-

- The implementation of the Council's new finance system
- The appointment of the Council's new external auditors, Grant Thornton
- The creation of the Single Fraud Investigation Service from the point of view of ensuring that this does not impact on the overall fraud arrangements within the Council.

The Chair, Councillor Chater, thanked officers for the work undertaken in compiling the report.

RECOMMENDED that the Council consider the Audit Committee Annual Report 2011/12 and note the priorities for 2012/13, as detailed in paragraph 1.4 of the report.

Audit Committee Annual Report to Council

2011-12

To be considered at the City Council meeting
on the 18th September, 2012

Audit Committee Annual Report 2011-12

Introduction by Chair of Audit Committee

This report provides an overview of the Audit Committee's activity during the municipal year 2011-12.

I am pleased to report that the Committee continues to make progress in terms of discharging its responsibilities to provide independent assurance on the adequacy of the Council's risk management framework and the associated control environment, and in providing robust scrutiny and challenge of the Authority's financial performance.

During 2011-12, the Audit Committee invited PwC to attend two meetings in order to provide informal feedback on the performance of the Audit Committee based on their expectations and experience of such committees. The feedback provided by PwC was positively received by the Committee and identified a number of areas for improvement that we will look to address during 2012-13.

In looking forward to 2012-13 and beyond, the importance of an effective Audit Committee remains critical, given the continued financial pressures facing the Council. Additionally, there are a number of developments planned in the year that may have a detrimental impact on the workings of the Audit Committee and / or on key areas that the Audit Committee provides oversight of, if not managed successfully. As a result, these will be a specific focus of the Audit Committee in 2012-13. These include:

- The implementation of the Council's new finance system.
- The appointment of the Council's new external auditors, Grant Thornton.
- The creation of the Single Fraud Investigation Service (merger of benefit fraud teams from DWP, HMRC and Local Authorities) from the point of view of ensuring that this does not impact on the overall fraud arrangements within the Council.



A handwritten signature in black ink that reads "D. Chater". The signature is stylized and written in a cursive-like font.

Councillor Dave Chater
Chair, Audit Committee

1 Activity of the Council's Audit Committee

During 2011-12, the Council's Audit Committee met on seven occasions. Meetings were held in July, August, September, October and December 2011, as well as in February and April 2012.

The Audit Committee receives a range of:

- Routine reports based around the clearly defined expectations of services / functions that report to the Audit Committee, for example internal / external audit, financial management.
- Ad-hoc reports which focus on either a specific concern raised by the Audit Committee or developments that impact directly on the Audit Committee.

The details of the reports considered by the Audit Committee in 2011-12 are expanded upon below.

1.1 Routine Reports - The following reports were considered in 2011-12:

1.1.1 **Accountancy** - The unaudited Statement of Accounts (including revenue and capital outturn) was considered by the Committee in July 2011 and then in September 2011, the audited Statement of Accounts was approved by the Audit Committee. Additionally, progress reports in respect of the Council's performance against its revenue and capital budgets were considered in September and December 2011, as well as in February 2012.

1.1.2 **Internal Audit and Risk Service** - As part of the Annual Accounts process, the Service co-ordinated the development of the Council's Annual Governance Statement (AGS) for 2010-11. The Statement was presented in July 2011, and then approved by the Audit Committee in September 2011 after considering the audited Statement of Accounts.

In addition, during the year, the Audit Committee received the following annual reports from the Service at the July and August 2011 meetings:

- Internal Audit Annual Report - This report had two main purposes:
 - To summarise the Council's Internal Audit activity for the period April 2010 to March 2011, against the agreed Internal Audit Plan for the same period.
 - To provide the Audit Committee with the Internal Audit and Risk Manager's opinion on the overall adequacy and effectiveness of Coventry City Council's internal control environment. Based on the work of Internal Audit in 2010-11, the Internal Audit and Risk Manager concluded that 'moderate' assurance could be provided that there was generally a sound system of internal control in place during 2010-11 designed to meet the organisation's objectives.
- The Annual Review of the Effectiveness of the System of Internal Audit - This review discharges a requirement of the Accounts and Audit Regulations that the Council "*at least once a year, conduct a review of the effectiveness of the system of Internal Audit*". The review focused on two areas: namely assessing the performance of the Internal Audit Service during 2010-11 across a variety of internal and external measures; and

reviewing progress against the action plan developed to support the assessment of the Council's Audit Committee arrangements made in the light of CIPFA recommended practice.

- Annual Fraud Report - This report summarised fraud activity for the financial year 2010-11, focusing on the work of both of the Corporate Fraud and Benefit Fraud Teams.

Other reports considered during the year include:

- Quarterly reports on Internal Audit work - Monitoring reports were received in August and October 2011, as well as in February 2012. These reports provided updates on the performance of the Service, along with a summary of the key findings from a sample of high profile audit reviews carried out in the relevant periods.
- In September 2011, a progress report on the Council's corporate risk register was considered. The purpose of this report was to provide an overview of the Council's corporate risk register, along with the actions being taken to mitigate these risks from occurring.
- Half Yearly Fraud Update - A report was received in December 2011, focusing on the outcome of work by both the Corporate Fraud and Benefit Fraud Teams in the first six months of 2011-12.
- Recommendation Tracking Report - In October 2011, a report on action taken by Council officers in respect of implementing agreed audit recommendations was presented. This highlighted high levels of compliance with the implementation of agreed actions.
- The Internal Audit Plan for 2012-13 - This builds on the Internal Audit Strategy and continued to focus resources on a more risk-based approach, with clear links with the Council's corporate risk register and Corporate Plan.

1.1.3 **External Audit Reports** - The following reports were received from the Audit Commission (the Council's external auditors) in 2011-12:

- Value for Money (VfM) Conclusion Audit Plan - This report was considered in August 2011 and documented the audit work plan that the Audit Commission would undertake to allow them to reach a conclusion on the Council's arrangements to secure economy, efficiency and effectiveness for 2010-11.
- Recommendation Tracking Report - This report was also considered in August 2011 and assessed action taken by the Council in respect of implementing agreed audit recommendations from reviews carried out by the Audit Commission. This highlighted generally high levels of compliance with the implementation of agreed actions, although some slippage in implementing recommendations was identified.
- IT Environment Report - This report documented the findings of the Audit Commission's review of the Council's IT environment and highlighted that a number of improvements were required to enhance IT controls in place across the Council. Two reports were received on this subject in the

municipal year, based on work linked to the audit of the annual accounts for the financial year 2010-11 (considered in September 2011) and 2011-12 (considered in April 2012).

- Annual Governance Report - The purpose of this report was to identify amendments in the Statement of Accounts, following the completion of the audit by the Audit Commission and to make recommendations for improvements arising from the audit process. The Audit Commission concluded that, pending satisfactory clearance of outstanding matters, an unqualified audit opinion would be provided on the Council's financial statements.
- Annual Audit and Inspection Letter - This was considered at the December 2011 meeting. The main focus being to summarise the findings from the 2010-11 audit carried out by the Audit Commission. It included messages arising from the audit of the financial statements and the results of the work undertaken to assess the Council's arrangements to secure value for money in its use of resources. The report indicated that the external auditors had provided an unqualified audit opinion on the Council's financial statements and an unqualified VfM conclusion. In terms of the VfM conclusion, this indicated that the Council had proper arrangements in place to secure financial resilience and for challenging how it secures economy, efficiency and effectiveness.
- Audit Committee Update - This is a progress report and was considered by the Committee in December 2011 and April 2012. The report has two purposes:
 - To provide an update on progress by the Audit Commission in delivering their responsibilities as the Council's external auditors.
 - To highlight key emerging national issues and developments that may be of interest to members of the Audit Committee.
- Certification of Claims and Returns Annual Report - This report was considered in February 2012 and summarised the findings from the certification of 2010-11 claims and returns that were subject to review by the Audit Commission. The report highlighted that some amendments were required to the grant returns as a result of their work and also provided recommendations to improve arrangements in relevant areas.
- 2011-12 Audit Plan - This report was considered in February 2012, which set out the audit work that the Audit Commission would undertake for the audit of the financial statements and the value for money conclusion for 2011-12. It also included the proposed fee for this work, along with the expected outputs that the Committee would receive.

1.2 **Ad-hoc Reports** - The following reports were considered in 2011-12:

1.2.1 **Accountancy** - Based on information provided in the progress reports in respect of the Council's performance against its revenue and capital budgets, the Audit Committee looked into three areas in more detail:

- abc Financial Savings - Given the importance of the Council's Transformation Programme in assisting the Council to deliver a balanced budget, a report was considered in September 2011 highlighting progress

to date in delivering the financial savings agreed for 2011-12 for each of the current projects. Given the report was considered relatively early in the financial year, an assessment by officers was also provided of which projects may not deliver the planned savings in 2011-12.

As a result of this assessment, additional reports were also considered in both December 2011 and February 2012 regarding progress with the delivery of financial savings in respect of the Corporate Transport and Commercial Waste reviews. Explanations of why targets would not be achieved were provided and assurance given that the non delivery of these targets would not have a detrimental affect on the Council's overall financial position.

- City Council Investment Policy and Activity - A briefing note was considered in October 2011 in response to changing current economic climate and issues within the banking sector. Whilst assurance was provided that risk is a key consideration in the Council's approach to investment, a decision was made that this item would be considered at all future meetings of the Committee.
- Capital Receipts and Future Forecasting Update - This report was requested by the Audit Committee as they wished to be kept informed on the progress in obtaining capital receipts from property sales, as well as gaining a better understanding of future expected sales.

1.2.2 **Internal Audit & Risk Service** - During 2011-12, two key documents that underpin the work of teams based within the Internal Audit and Risk Service were revised.

- Risk Management Strategy - The Committee considered a report which had previously been approved by the Cabinet in March 2012, setting out the Council's underlying approach to risk management. The report documents the roles and responsibilities of Members and officers for the ongoing management of risk, and explains key aspects of the Council's risk management process. It is the key document that supports risk management across the Council, including the development of the corporate risk register.
- Benefit Fraud Prosecution and Sanction Policy - The Committee considered a report which had previously been approved by the Cabinet Member (Strategic Finance and Resources) in March 2012, setting out the Council's Benefit Fraud Prosecution and Sanction Policy. This document defines the procedures that underpin all investigations carried out by the Benefit Fraud Team.

1.2.3 Detailed below are the remaining reports considered in 2011-12:

- Purchasing Cards Update - In response to the ongoing concerns of the Audit Committee around the levels of non-compliance with purchasing card procedures, a briefing note on how action taken had been effective in reducing levels of non-compliance with agreed procedures was considered. As a result, the Committee confirmed that they were now satisfied with the effectiveness of actions taken to mitigate non-compliance with agreed procedures.

- ICT Disaster Recovery and Business Continuity - This issue originated from a report by the Audit Commission in 2010-11, highlighting that limited progress had been made in addressing audit recommendations to enhance business continuity arrangements. A briefing note was received in July 2011 which highlighted that whilst significant work had taken place in this area, there was still further work required to put in place effective continuity arrangements across the Council. This was subsequently followed up in the IT Environment Report considered by the Committee in April 2012, and this area remains a priority issue for 2012-13.
- Procedure for Approving Senior Officer Expenses - A briefing note was considered by the Committee in order to provide them with an understanding of the level of expenses being claimed by senior officers, and the procedures in place to approve such claims. As a result, the Committee confirmed that based on the information presented, no further reviews were required on this issue at this time.
- In response to concerns raised in quarterly internal audit reports, the Audit Committee considered briefing notes produced by the relevant managers setting out how they were responding to concerns raised in the following reviews:
 - Job Descriptions - Mandatory Requirements
 - Back to Basics Review - Occupational Therapy Team

Whilst assurance was provided by the relevant manager, these areas will be audited by Internal Audit in 2012-13.

- Future Local Public Audit - A presentation was received in April 2012 in respect of changes resulting from the abolition of the Audit Commission. The key point from this presentation was that there would be little impact initially, given that the first external auditor appointments under the new arrangements would be made by the Audit Commission. Based on this exercise, Grant Thornton had been appointed as the Council's external auditors from 2012-13, for a period of five years. In terms of longer term issues, these will be considered in due course and relate to:
 - The need to establish an Independent Auditor Appointment Panel (IAAP) to oversee the selection of future external auditors. The expectation being that the Panel has an independent chair and a majority of independent members.
 - Expectations regarding the continued independence of the Audit Committee in relation to the membership of the IAAP.

1.3 Private Reports

Due to the confidential nature of some of the work presented to the Audit Committee, the following private reports were also considered:

- Significant Frauds - This report documented all significant frauds against the Council. Significant frauds are defined as those of a financial impact in excess of £10,000 but can also be less, based on the view of the Internal Audit and Risk Manager, if he considers the nature of the fraud justify reporting to the Audit Committee. Two reports were considered in the year:

- The report on significant frauds in 2010-11, which was considered at the August 2011 meeting.
 - The report on significant frauds in the first half of 2011-12, which was considered at the December 2011 meeting.
- Adult Social Care - CareDirector Financial Processes Update.
 - Benefits Risk Based Verification Policy.

1.4 **Audit Committee Priorities** - The Council has made significant enhancements to its Audit Committee arrangements over the past few years and this has been supported through the setting up of a 'stand alone' Audit Committee. Nevertheless, there are still areas for development for the Audit Committee, as follows:

- Ensuring that all members of the Audit Committee are provided with appropriate training to allow them to discharge their responsibilities. Whilst processes exist to ensure new members receive induction training, and officers also provide briefings on new developments, there is a need to consider whether this needs to be supplemented with some external focus to ensure training can incorporate issues emerging across the wider public / private sector experiences.
- To look at introducing improvements to the operation of the Audit Committee that were identified by PwC, based on them observing two committee meetings.
- To keep abreast of national developments and the potential impact that these may have on the operation of the Audit Committee.

In 2012-13, the Audit Committee's initial focus will be on ensuring that effective action is taken in response to areas for improvement highlighted in the Annual Governance Statement for 2011-12. From an audit perspective, four areas were identified as a result of work carried out by the Council's Internal Auditors. These were:

- Developing processes to support the implementation of the Schools Financial Value Standard across Coventry maintained schools.
- Ensuring the effectiveness of arrangements in place to oversee the Council's ICT requirements.
- Ensuring that the required significant improvements identified from audit reviews of key systems in 2011-12 are addressed as a matter of urgency. These cover CareDirector, direct payments and aspects of the Housing Benefit system, namely change of circumstances and overpayments.
- Reviewing the systems and processes in relation to key activities that underpin the Code of Conduct for employees, namely declarations of interests and hospitality registers.

There are also a number of planned changes over the next year which, if not managed, may have a detrimental impact on the effectiveness of the Council's governance arrangements, including the Audit Committee. These are:

- The implementation of the Council's new finance system.
- The appointment of the Council's new external auditors, Grant Thornton.
- The creation of the Single Fraud Investigation Service (merger of benefit fraud teams from DWP, HMRC and Local Authorities) from the point of view of ensuring that this does not impact on the overall fraud arrangements within the Council.

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Public report Cabinet

Cabinet
Council

11 September 2012
18 September 2012

Name of Cabinet Member:

Cabinet Member (Strategic Finance & Resources) – Councillor Duggins
Cabinet Member (Education) – Councillor Kershaw

Director Approving Submission of the report:

Director Finance & Legal Services
Director Children Learning & Young People

Ward(s) affected:

All

Title:

Department for Education Consultation - Replacing Local Authority Central Spend Equivalent Grant (LACSEG): Funding Academies and Local Authorities for the functions that devolve to Academies

Is this a key decision?

No – approval for response to a national consultation

Executive Summary:

The Department for Education (DfE) has launched a consultation on proposals to replace Local Authority (LA) Block LACSEG from 2013-14 entitled "Replacing LACSEG: Funding Academies and Local Authorities for the functions that devolve to Academies".

The Government is proposing to transfer funding for central education functions for maintained and academy schools from the Department for Communities and Local Government to the Department for Education. This would mean that the level of funding the City Council receives in Formula Grant would reduce and be replaced by a separate un-ringfenced grant payable to both local authorities and Academies proportionate to the number of pupils for which they are responsible. The consultation document contains a limited set of proposals on the distribution of the new grant and Local Authority officers drafted a response to the consultation, which is included in appendix A.

Recommendations:

Cabinet is requested to:

- (1) Recommend that the Council approve the proposed response to the school funding consultation set out in appendix A for submission to the Department for Education by 24th September 2012.

Council is recommended to:

- (1) Approve the proposed response to the school funding consultation set out in appendix A

List of Appendices included:

Appendix A: Replacing LACSEG: Funding Academies and Local Authorities for the functions that devolve to Academies Consultation Response

Other useful background papers:

DfE: Replacing LACSEG: Funding Academies and Local Authorities for the functions that devolve to Academies

www.education.gov.uk/consultations/

Has it been or will it be considered by Scrutiny?

No – due to the timescales involved

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, 18th September 2012

Report title: Department for Education Consultation (DfE): Replacing LACSEG: Funding Academies and Local Authorities for the functions that devolve to Academies

1. Context (or background)

- 1.1 Local Authorities currently receive funding for schools and education services in 2 main ways. The majority of funding for these services comes in the form of the Dedicated Schools Grant and other specific grants that are mainly ring-fenced. Most of this funding is delegated to schools through individual school budget shares and other grant allocations and some is retained centrally to provide services to, and on behalf of, schools.
- 1.2 Local Authorities also receive funding for statutory education services through the current Formula Grant process which forms part of the City Council's net budget. All of this funding is centrally retained and is used to fund the City Council's statutory and regulatory duties in relation to its education responsibilities. It is this area of funding which is subject to the proposals in the current consultation.
- 1.3 LACSEG stands for Local Authority Central Spend Equivalent Grant. When a maintained school converts to an Academy, a share of the funding that the Local Authority receives to provide services centrally to schools is top sliced to reflect the responsibilities that are transferred to Academies. Both Local Authority's centrally retained Dedicated Schools Grant and formula grant are top sliced for this purpose and these are known as Schools Block LACSEG and Local Authority (LA) Block LACSEG respectively.
- 1.4 On the 17th July the Department for Education (DfE) issued the Consultation on replacing LA Block LACSEG from 2013-14 with the deadline of 24th September 2012. The following paragraphs summarise the key points, and the full proposed response is set out in appendix A.
- 1.5 The National School Funding Reform requires Local Authorities to maximise delegation of centrally retained Dedicated Schools Grant to schools including Academies. Therefore from 2013-14, the Schools Block LACSEG for Academies will be replaced by additional money in the school budget shares.
- 1.6 From 2013-14, the Government propose to replace the current LA Block LACSEG with a single un-ringfenced national grant from the DfE and move to a national formula to calculate and distribute this funding to both Local Authorities and Academies. This will be done by a funding transfer from the Department for Communities and Local Government (DCLG) to the DfE. This means that this funding would come out of the current Formula Grant allocation methodology for local authorities. Note that the current Formula Grant system for funding local authorities is also subject to a current consultation which proposes the introduction of a business rate retention scheme. This issue is covered in a separate report which is also on today's Cabinet agenda.
- 1.7 The Government propose that the level of the funding transfer will be based on adjusted historical spend as reported on relevant lines of the 2011-12 section 251 budget statement plus the amount of 2011-12 LA Block LACSEG, which amounts to £1,22 billion in 2013-14 and £1.19 billion in 2014-15 nationally.
- 1.8 The DfE proposes the amount deducted from each Local Authority's Formula Grant allocation for 2013-14 to be equal to the amount paid back for all pupils in the Local Authority area including pupils in maintained schools and academies. So, in essence, the proposals are intended to be neutral in overall terms for local authorities and the schools and academies in their area.

1.9 The proposals in relation to the distribution of this new DfE grant include:

- Funding Local Authorities and academies in proportion to the number of pupils for which they are responsible;
- How to fund Local Authorities for statutory responsibilities retained for pupils in academies;
- Should area cost adjustment and deprivation be included as factors in the distribution of the new grant;
- Propose to transfer the statutory induction funding for Newly Qualified Teacher (NQT) into the Dedicated Schools Grant (DSG) and delegate to schools;
- Protect funding for academies so that no academy will see more than a 10% reduction in its per-pupil LA Block LACSEG allocation in 2013-14 when compared with the previous year. No corresponding protection is proposed for Local Authorities.

2. Options considered and recommended proposal

- 2.1 The 2 options available are either to do nothing and not respond to the consultation or send a consultation response to the DfE expressing the Council's view.
- 2.2 The recommended option is to approve the appended responses as the City Council's response to the consultation.

3. Results of consultation undertaken

- 3.1 Briefing will be carried out with all relevant stakeholders through school stakeholder briefings (including the Schools Forum), Trade Union Briefings and other relevant meetings.

4. Timetable for implementing this decision

- 4.1 Response to the consultation should be submitted to the DfE by the 24th September 2012 following the Council's approval on 18th September 2012.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

The level of budgeted spend in this area is circa £7M in 2012/13. The national level of the new grant will be based on adjusted historical information, i.e. 2011-12 Section 251 reported local authority spend on the relevant areas plus 2011-12 LA Block LACSEG. The new grant will then be allocated to Local Authorities and academies based on a national distribution methodology (mainly on pupil numbers with other factors such as deprivation and area cost adjustment currently under consultation). The DfE propose that the total amount of funding deducted from each Local Authority would equal the amount to be allocated to the Local Authority and to all academies in the area.

This proposal is intended to be cost neutral for a local area (including funding for a Local Authority and academies within the Local Authority area). Compared with the current LA LACSEG recoupment methodology, the new approach should not cause adverse distributional impact between the Local Authority and the number of existing academies. However, as more maintained schools convert into academies, the level of funding the local authority will receive will reduce. The Local Authority will need to respond to the reduction in funding by reducing the costs of fulfilling its statutory responsibilities for education services or by finding savings in other areas, or by generating more income from Academies.

The DfE also proposed the grant allocation for Local Authorities will be adjusted for academy conversions in year on a monthly basis, which means Local Authorities will have no certainty over levels of funding at the beginning of the financial year. To budget and plan on this basis will be difficult. This may impact on the Local Authority's ability to manage central education services.

Academies within areas where historical spend on LA Block LACSEG is higher than national average (this is the case for Coventry in 2011/12) may see a funding reduction, although the DfE also propose a protection which guarantees that no academies will see a per pupil reduction of over 10% on LA Block LACSEG in 2013-14 when compared with the previous year.

5.2 Legal implications

The school funding consultation being conducted does not give rise to any specific legal implications should the Council fail to submit its response by the deadline date of 24th September 2012. The consultation is however the Council's opportunity to provide its input and to potentially influence the policy outcome.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Responding to the consultation will not directly contribute to the achievement of the council's key objectives, but if there are significant changes to the levels of revenue and capital funding in the City there will be implications for children and young people, which could impact on a number of the Council's core aims and objectives. Responding to the consultation gives the Council the ability to participate, and try and shape and influence this important agenda.

6.2 How is risk being managed?

There may be significant financial risks as identified in section 5.1 and the resultant consequences on services and education provision within Coventry. There is insufficient detail to quantify the potential impact and likelihood of these risks at this stage. We will keep up to date on the development of this key area and respond appropriately.

The DfE is committed to put protection arrangement in place for any significant funding reduction in academies for 2013-14 but there is no corresponding protection for Local Authorities.

6.3 What is the impact on the organisation?

Any potential reduction in funding to the Local Authority may lead to a reduction in staffing levels. At this stage of the consultation process, there is insufficient detail to outline the precise impact on the organisation. Once the specific grant funding allocation methodology has been agreed, it will be considered in further detail with all relevant stakeholders. Consultation will also be undertaken where appropriate with the relevant stakeholders.

6.4 Equalities / EIA

This report is in response to Department for Education consultation, so an EIA has not been produced by the Council at this stage. It will not be possible to calculate the likely impact on children and young people until there is more information available about the detailed implementation of the final proposals.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

The proposals carry implications for maintained schools as there could be changes to the levels of services that they may receive in the future. The proposals also have implication for academies as there could be changes to the level of funding that they receive in the future and the changes made to Academies by the City Council.

Report author(s):

Name and job title: Teng Zhang, Lead Accountant – Children, Learning & Young People

Directorate: Finance & Legal Services

Tel and email contact: 024 76 831639, teng.zhang@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
David Haley	Assistant Director (CLYP)	CLYP	03/08/12	14/08/12
Neelesh Sutaria	HR Manager	CWS	03/08/12	14/08/12
Barry Hastie	Assistant Director (F&L)	FLS	03/08/12	14/08/12
Paul Jennings	Finance Manager (F&L)	FLS	03/08/12	08/08/12
Elaine Atkins	Solicitor (CLYP)	FLS	03/08/12	13/08/12
Names of approvers for submission: (officers and members)				
Barry Hastie	Assistant Director (FLS)	FLS		16/08/12
Elaine Atkins	Solicitor CLYP & Adults Manager	FLS		13/08/12
Neelesh Sutaria	HR Manager	Customer and Workforce Services		14/08/12
Colin Green	Director	CLYP		15/08/12
Councillor Kershaw	Cabinet Member (Education)			28/08/12
Councillor Duggins	Cabinet Member (Strategic Finance & Resources)			16/08/12

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

Replacing LACSEG: Funding Academies and local authorities for the functions that devolve to Academies

Consultation Response Form

The closing date for this consultation is:

24 September 2012

Your comments must reach us by that date.

THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online response facility available on the Department for Education e-consultation website (<http://www.education.gov.uk/consultations>).

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

Please tick if you want us to keep your response confidential.

Name

Organisation (if applicable) Coventry City Council

Address: Civic Centre 2, Lower Studio
Earl Street, Coventry, West Midlands
CV1 5RS

If you have an enquiry related to the policy content of the consultation you can email reform.LACSEG@education.gsi.gov.uk.

Or call Sally Duffy on 01325 735340 or Olga Bernardo on 0207 340 7685.

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Consultation Unit by e-mail: consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288.

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> Maintained School	<input type="checkbox"/> Academy	<input type="checkbox"/> Teacher
<input checked="" type="checkbox"/> Individual Local Authority	<input type="checkbox"/> Schools Forum	<input type="checkbox"/> Local Authority Group
<input type="checkbox"/> Teacher Association	<input type="checkbox"/> Other Trade Union / Professional Body	<input type="checkbox"/> Early Years Setting
<input type="checkbox"/> Governor Association	<input type="checkbox"/> Parent / Carer	<input type="checkbox"/> Other

If 'Other' Please Specify:

Higher levels of funding for pupils in special schools/ Special Academies and Pupil Referral Units (PRUs)/Alternative Provision (AP) Academies

In paragraphs 27 to 30 we discuss the higher staffing ratios per pupil and the need for more space per pupil in special schools/Special Academies and PRUs/AP Academies as a result of smaller group sizes and the intensive support that these institutions offer.

In order to measure the different levels of per-pupil funding that these institutions require, we compared levels of whole school funding for special schools and Pupil Referral Units (PRUs) with funding for mainstream schools. This showed that: special schools/Special Academies should receive funding at 4.25 times the amount allocated to pupils in mainstream settings; and PRUs/AP Academies should receive funding at 3.75 times the amount allocated to pupils in mainstream settings.

Question 1: Do you agree that a multiplier of 4.25 should be applied for pupils in special schools/Special Academies?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Sure
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Comments:

The ratio proposed is based on funding level, which is largely due to staffing level (mainly education staffing) in various types of provisions. It is not clear how funding for education provision impact or reflect on funding on LA Block LACSEG services. We think this should be looked at on a line by line basis. For example it is not clear how special schools incur 4.25 times the costs of mainstream schools against school improvement.

Question 2: Do you agree that a multiplier of 3.75 should be applied for pupils in PRUs/AP Academies?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Sure
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Comments:

See above for comments

Funding local authorities for the responsibilities that they retain for pupils in Academies

In paragraphs 31 to 35 we talk about the need to provide local authorities with an amount of per-pupil funding for the responsibilities that they retain for pupils in Academies. Under our proposals, between £8 - £15 per pupil in an Academy would be allocated to the local authority and not delegated to Academies.

Question 3: Do you agree that a rate of approximately £8 - £15 per pupil is appropriate for the responsibilities that local authorities retain for pupils in Academies?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Sure
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Comments:

Local authorities retained responsibility for pupils in Academies should be recognised.

Information is based on a survey of 16 LAs, we question how representative and robust this is. There seems to be a wide range of spend across the 16 LAs as demonstrated by page 9 paragraph 34 of the consultation document: the local authority whose spend ranks 8th of the 11 local authorities (i.e. 16 local authorities surveyed excluding 5 who spent very little in these areas) is £15/pupil and the 5 lowest spend LAs' average is £8/pupil. And 5 LAs is over 30% of the total 16 LAs surveyed. This indicates there is little consistency on how much funding each Local Authority spend on these areas and the sample size is too small to draw any conclusions. When we looked at the national benchmarking per capita analysis published on DfE website, it is also apparent that there is no consistency in local authority spend in LA LACSEG budgets. To base the national rate on a limited sample size and a wide spread of spend would not be representative or statistically correct.

Area cost adjustment (ACA)

We want to allocate the new grant on a clear and transparent basis. In paragraphs 36 to 38 we consider whether an ACA should be applied. It is not clear from the data we hold whether the salary levels in different parts of the country are a significant factor in determining how much money is needed for these central education services. There are 28 different ACA bandings and, rounded to the nearest pound, this would result in around 14 different per-pupil rates for Academies and local authorities, depending on where they are in the country. We need to decide whether to apply an ACA or whether to distribute the funding on the same basis to pupils in all areas of the country.

Question 4: Do you think that an ACA should be applied when distributing the grant to Academies and local authorities?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

In theory and fairness ACA should be applied because this reflects different salary levels in different areas as the majority of costs will be staffing related if there is consistency in Local Authorities' and Academies' spend on these areas.

The consultation document (page 9) mentioned there is no link between the amount spent by local authorities and the general labour market costs. The reason behind this potentially is because Local Authority spend would be based on local circumstances and reflect local policies.

Deprivation

In paragraphs 39 to 41 we explain that we need to decide whether the new grant should be weighted towards deprived pupils. Section 251 budget data shows very varied levels of expenditure by local authorities on the central education services included in this grant. It is not clear from the data we hold whether levels of deprivation are a key factor in determining how much money is needed for central education services and whether it is significantly less expensive to provide or secure these services for schools with fewer deprived pupils. We could identify between 1% and 10% of the total amount of money for this grant and allocate this separately to deprived pupils. This would reduce the rate for pupils who are not deprived but increase the rate for pupils who have been eligible for free school meals at any time in the past six years. The impact on the per-pupil rates would depend on the proportion of the total funding pot that is identified for deprived pupils.

Question 5: Do you think that a deprivation factor should be applied?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

There should definitely be a deprivation factor applied.

Deprivation will lead to spend differentiation in the LA Block LACSEG relevant service areas. For example, the correlation between deprivation and lower attainment means that schools in deprived communities are likely to have greater reliance on School Improvement Services. The correlation between deprivation and transience means that schools in deprived communities are also likely to have more reliance on the Education Welfare Service. Deprived communities may have less access to activities such as music, visual and performing arts and outdoor education services than less

deprived communities. We believe this should be recognised in funding terms also to give children from deprived background a better life chance.

It costs more in deprived areas for schools to compensate for the impact of deprivation and social disadvantage and narrow the gap in educational attainment for the most disadvantaged children and young people. Government policy has always had a focus on supporting children from deprived background recognising more support is required for deprived children to achieve. We feel strongly this policy should be reflected in all funding allocations.

Question 6: If a deprivation factor is applied, where between 1% and 10% should we set the proportion of the funding pot to be allocated separately to deprived pupils?

Yes

No

Not Sure

Comments: 10% if not more

How the funding would be deducted from local authority start-up funding allocations

In paragraphs 42 to 45 we explain how funding would be deducted from the business rates retention scheme start-up funding allocation for local authorities. Under our proposals, the Department for Communities and Local Government would calculate the deduction from each local authority's business rates retention scheme start-up funding allocation for 2013-14 using the same per-pupil rates that the Department for Education will use to allocate the new grant. The total amount of funding deducted from each local authority would then be allocated to the local authority and to all Academies in the area based on the number of pupils for which they are responsible. This means that the amount deducted from the start-up funding allocation for each local authority would equal the amount paid back for all pupils in the local authority area. A local authority without any pupils in Academies throughout 2013-14 would have an amount deducted which equals the amount paid back in the form of a separate un-ringfenced grant from the Department for Education.

Question 7: Do you agree that the funding should be deducted from local authorities using the same national rates that we will use to allocate the new grant?

Yes

No

Not Sure

Comments:

Transferring the funding for statutory induction into the Dedicated Schools Grant (DSG)

In paragraphs 52 to 54 we explain that, from September 2012, the induction regulations will change so that teaching schools can act as the 'appropriate body' for the induction of newly qualified teachers (NQTs) in maintained schools. The new regulations will also allow appropriate bodies, including local authorities, to charge for their services. In order to allow maintained schools and Academies to pay for the services of their preferred appropriate body, the funding for statutory induction will need to move into the DSG so it can be delegated directly to all schools through local funding formulae. We propose that £12 million should be removed from this new grant and distributed through the DSG.

Question 8: Do you agree that the funding for NQT induction should transfer into the DSG so that it can be delegated to all schools in the school budget share?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Sure
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Comments:

We believe schools should have control over the programme of induction for NQTs and one way of achieving this is to delegate NQT funding to schools. But as NQT is no longer an allowable factor in delegating funding to schools, it is difficult to delegate this funding to schools that reflects individual school's funding requirement for NQT induction. Also as this funding is not ring fenced, schools with less or no NQTs will benefit compare with schools with more NQTs. We understand the amount involved may not be material but the principle of being fair should be considered in any delegation of funding.

It would be beneficial to know where the average costs of NQT induction programme used to calculate the level of NQT funding is from to inform the local authority charging for NQTs.

Question 9: Have you any further comments?

Comments:

We are pleased to see that the government has taken on some of the comments included in the local authority responses to the previous consultation.

We have some concerns over the detailed calculation for 2011-12 and 2012-13 financial year refund. The assumption that Local Authorities would have adjusted the relevant budgets in 2011-12 S251 statement for academy conversion is unsound. At the beginning of 2011/12, local authorities were not in a position to estimate the number of academy conversions as Local Authorities are not required to be involved in academy conversion decision making processes. Therefore the 2011/12 S251 reported LA spend on education areas was not reduced and to add the LACSEG top slice amounts on top of reported S251 budget would lead to double counting of resources and higher top slice for Local Authorities in 2012-13.

The decision on adjusting Local Authority payment in year based on academy

conversion will not facilitate Local Authorities' budget planning. In year cost reduction may not be achievable as service costs are largely fixed in the short and medium term. This will have impact on the service provision to maintained schools.

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

Please acknowledge this reply ✕

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

Yes

No

All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

Criterion 1: Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2: Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3: Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5: Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consulters' buy-in to the process is to be obtained.

Criterion 6: Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7: Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you have any comments on how DfE consultations are conducted, please contact Carole Edge, DfE Consultation Co-ordinator, tel: 01928 738060/ email: carole.edge@education.gsi.gov.uk

Thank you for taking time to respond to this consultation.

Completed questionnaires and other responses should be sent to the address shown below by 24 September 2012.

Send by e-mail to: reform.LACSEG@education.gsi.gov.uk

Send by post to:

Sally Duffy
Funding Policy Unit
2nd Floor, Mowden Hall
Staindrop Road
Darlington, DL3 9BG

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Public report Cabinet Report

Cabinet
Council

11 September 2012
18 September 2012

Name of Cabinet Member:

Cabinet Member (Health and Community Services) – Councillor Mrs Lucas

Director Approving Submission of the report:

Director of Community Services

Ward(s) affected:

All

Title:

Consultation Responses - Draft Care and Support Bill, New Safeguarding Power, Future of Independent Living Fund, draft guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies, and allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

Is this a key decision?

No

Executive Summary:

This report responds to five separate Government consultations that relate to adult social care and health as follows:

- Draft Care and Support Bill
- New Safeguarding Power
- Future of the Independent Living Fund
- Draft guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies
- Allocation option for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

Draft Care and Support Bill

The Department of Health has published the White Paper 'Caring for our future: reforming care and support', July 2012 (Care and Support White Paper). It is accompanied by a draft Care and Support Bill, which will provide the necessary legislation for adult social care reforms. The Bill creates a single framework for adult care and support, replacing more than a dozen pieces of outdated legislation. The Bill has been published for pre-legislative scrutiny and comments will feed directly into the process of parliamentary scrutiny. The Council is responding to the themes of the Bill rather than to each individual clause. This is not considered to be a formal consultation. The Council supports the consolidation of legislation, but considers some areas of the Bill should be strengthened.

New Safeguarding Power

The draft Care and Support Bill includes a proposed duty on local authorities to make enquiries where there is a safeguarding concern. It states that local authorities “must make (or cause to be made) whatever enquiries it thinks necessary to enable it to decide whether any action should be taken. The Department of Health has launched a formal consultation as to whether it is necessary within the Bill to include specific power to support this duty. This could be in the form of a power of entry, enabling a local authority to speak to someone with mental capacity who they think could be at risk of abuse and neglect, in order to ascertain that they are making their decisions freely. The Council is in support of this proposed separate power, but considers it should only be used in exceptional circumstances.

Future of the Independent Living Fund

The Department for Work and Pensions (DWP) is consulting on proposals that the Independent Living Fund (ILF) is devolved from an executive non-departmental public body, under the sponsorship of DWP to local government from April 2015. The original fund was created in 1988 and the aim of ILF monies was to provide a cash payment directly to disabled people, so that they could purchase care directly to support them to live independently in their communities rather than in residential care. The Council supports the transfer of funding to the local authority, but has concerns about the level of funding post 2015. The Council is also concerned about the impact on people who currently receive ILF monies but are not currently receiving support from adult social care and who following assessment, may not meet the eligibility for care and support.

Draft Guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies

The Department of Health has published draft statutory guidance intended to support health and wellbeing boards and their partners in undertaking and contributing to Joint Strategic Needs Assessments (JSNA) and Joint Health and Wellbeing Strategies (JHWS). It is consulting on the clarity, effectiveness and potential impact the guidance will have on ensuring JSNAs and JHWSs improve the health and wellbeing on the local community and reduce health inequalities for all ages. The Council welcomes the guidance which it believes will support the Health and Wellbeing Board to discharge its duties in this area. However, the Council considers that the guidance could be further strengthened to provide clear drivers to reduce health inequalities.

Allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

In April 2013 the statutory duty for Independent Mental Health Advocate Services will transfer from the NHS to local authorities. Funding will come from a Department of Health grant and the Government is consulting on options for the allocation of funding. The Council supports funding allocation based on the adult social care needs formulae.

The Care and Support White Paper contains details of an amendment to social care regulation and charging guidance that means that, from October 2012, Armed Forces' Guaranteed Income Payment (GIP) compensation will be exempted from the means test for social care. The Council supports this change and already disregards the total sum of a veteran's war pensions, including GIP in its policy for charging for non-residential social care. A change to the local policy for residential care will need to be made, however. Funding will be issued as a Department of Health grant and the Government is consulting on its option for distributing the funding.

Recommendations:

Cabinet is requested to recommend that Council approve the consultation response.

Council is requested to approve the consultation response.

List of Appendices included:

Appendix 1 – Draft Care and Support Bill – Consultation Response
Appendix 2 – New Safeguarding Power – Consultation Response
Appendix 3 – Future of Independent Living Fund – Consultation Response
Appendix 4 – Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies – draft guidance – Consultation Response
Appendix 5 – Allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

Other useful background papers:

Caring for our future: reforming care and support White Paper
<http://www.dh.gov.uk/health/2012/07/careandsupportwhitepaper/>

Draft Care and Support Bill website, including full text of the Bill and questions by topic:
<http://careandsupportbill.dh.gov.uk/home/>

Government response to the Law Commission report on adult social care law
<http://www.dh.gov.uk/health/2012/07/responsetolawcommission/>

Coventry City Council response to the Law Commission consultation on adult social care law
Submitted to Council on 24th October 2010 and available from Governance Services

Consultation on a new adult safeguarding power
<http://www.dh.gov.uk/health/2012/07/safeguardingadults/>

The Future of the Independent Living Fund Consultation
<http://www.dwp.gov.uk/consultations/2012/future-of-ilf.shtml>

Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies – draft guidance
<http://www.dh.gov.uk/health/2012/07/consultation-jsna/>

Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies explained
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_131702

Fair Society, Healthy Lives. The Marmot Review
<http://www.instituteofhealthequity.org/projects/fair-society-healthy-lives-the-marmot-review/fair-society-healthy-lives-full-report>

Consultation on Allocation Options for the Funding for Independent Mental Health Advocate Services and The treatment of Armed Forces' compensation in charging for social care
<http://www.dh.gov.uk/health/2012/07/funding-allocations-imha/>

Has it been or will it be considered by Scrutiny?

No - due to the timescales involved

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 – Council - 18 September 2012

Report title: **Consultation Responses - Draft Care and Support Bill, New Safeguarding Power, Future of Independent Living Fund, draft guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies, and allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care**

1. Context (or background)

1.1 Since May 2010, the Government has published a range of policy documents in relation to adult social care aimed at shaping and affirming the direction for the sector, and addressing the funding arrangements for care and support. In the autumn of 2011 the Government launched an engagement exercise, 'Caring for our future', to inform the Care and Support White Paper.

Draft Care and Support Bill

1.2 The Law Commission consulted on proposals for Adult Social Care Law Reform in 2010 and reported their recommendations in May 2011. The draft Care and Support Bill is based on the key recommendations made by the Law Commission to create a legal framework that is clear, consistent, accessible, and transparent which will help users to be aware of their rights, and practitioners to understand their responsibilities.

New Safeguarding Power

1.3 The draft Care and Support Bill includes a proposed duty on local authorities to make enquiries where there is a safeguarding concern. The Government is currently consulting on whether there needs to be a separate power within the Bill to support this duty.

Future of Independent Living Fund

1.4 The ILF funding stream was originally created in 1988 to mitigate the impact of the end of domestic allowances when Supplementary Benefit was replaced with Income Support which included flat rate disability premiums. In 1992 this fund was closed and replaced in 1993 with a new scheme, where people could only be eligible for funding if their local authority contributed towards their care package.

1.5 In June 2010, the Government announced that the ILF would no longer be accepting new applications during the 2010/11 financial year, pending a review of the fund. Following the review of ILF, the Government concluded that having an independent discretionary trust for social care was financially unsustainable, and the decision was taken to close the fund permanently for new applications. The Government committed to undertaking a formal consultation on how existing users would be supported in the future as part of the wider reform of adult social care.

Draft Guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies

1.6 The Health and Social Care Act 2012 amends the Local Government and Public Involvement in Health Act 2007, to introduce duties and powers for health and wellbeing boards in relation to Joint Strategic Needs Assessments (JSNAs) and Joint Health and Wellbeing Strategies (JHWSs). The draft statutory guidance has been produced to explain the duties and powers. JSNAs are local assessments of current and future health and social care needs, while JHWSs are strategies for meeting the needs identified in the JSNA.

Allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

- 1.7 Under the Health and Social Care Act 2012, four duties will transfer from the NHS and Department of Health to local authorities in April 2013. Funding for Local Healthwatch, Independent Complaints Advocacy Services and PCT Deprivation of Liberty Safeguards was consulted on in summer 2011. The Government is consulting on two options for the allocation of funding for Independent Mental Health Advocate (IMHA) Services, currently commissioned by PCTs. An IMHA is a specialist mental health advocate, who helps qualifying patients understand the legal provisions to which they are subject under the Mental Health 1983 Act, and to support that person's participation in decision-making.
- 1.8 Members of the Armed Forces seriously injured as a result of service receive a Guaranteed Income Payment (GIP). Currently, government guidance states that all but £10 per week of GIP is included in the means test for funding social care. The Care and Support White Paper announces that the Government will amend social care regulations and charging so that armed forces veterans no longer need to use their GIP to fund publicly arranged social care. The Government is consulting on its funding allocation proposal to support this change.

2. Options considered and recommended proposal

Draft Care and Support Bill

- 2.1 The team leading on the Draft Care and Support Bill is seeking pre-legislative comments on the content of the draft Bill. The Bill addresses the Law Commission's recommendation for a new and simplified statute for adult social care. The aim of the Bill is to modernise care and support law so that the system is built around people's needs and what they want to achieve in their lives through a set of statutory principles which embed the promotion of individual well-being.
- 2.2 The Bill will give clear legal entitlements to care and support for both users and carers. This will give carers a right to support for the first time. Everyone receiving support from Adult Social Care will have the right to a personal budget as part of their care and support plan and be able to receive the personal budget in the form of a direct payment. There will also be new duties to ensure that no-one's care and support is interrupted when they move from within one local authority's boundary to another.
- 2.3 The Bill will place duties on local authorities to provide information and advice, prevention services, and shape the market for care and support for their local population. There are also a number of duties placed on local authorities and specified partners to co-operate to support and improve the way organisations work together. One of the duties placed on local authorities will be to promote the integration of health and social care services. There will also be a specific duty of co-operation in relation to adult safeguarding.
- 2.4 The Council supports the consolidation of legislation, but considers some areas of the Bill should be strengthened in particular the clauses relating to local authority responsibilities as follows:
 - The narrow wording of the clause relating to providing information and advice on how to raise concerns about the safety of a vulnerable adult
 - The general duty to co-operate needs to clearly define the specific roles and responsibilities for partner agencies, especially in relation to adult safeguarding.
 - The duty to preventing needs for care and support would require the local authority to identify adults within the city with needs for care and support which are not being met. This clause is considered to be too onerous and unworkable for a local authority to meet this requirement.
 - The well being principle needs to be strengthened to reinforce that delay in assessing or meeting need could hinder an individual's well being.

- 2.5 The Bill does not address the funding of Care and Support. Although the Council acknowledges that the task of funding the reforms is not complete there is a risk that the gap between expectation and reality will widen as funding solutions are deferred.

New Safeguarding Power

- 2.6 There will be a new statutory framework for adult safeguarding, setting out the responsibilities for local authorities and their partners, and creating a statutory requirement for Adult Safeguarding Boards to operate in every area.
- 2.7 The draft Care and Support Bill includes a proposed duty on local authorities to make enquiries where there is a safeguarding concern. It states that local authorities "must make (or cause to be made) whatever enquiries it thinks necessary to enable it to decide whether any action should be taken". A separate consultation is being undertaken by Government to seek views on whether or not there should be a new power to support this duty.
- 2.8 The Council is in support of the proposed power. The Council believes that the proposed power is important and necessary but should only be used in exceptional circumstances. The circumstances in which the power would be needed should be rare, but in cases where the power needs to be utilised it might reduce the harm caused to an adult at risk.

Future of Independent Living Fund

- 2.9 The Government is also consulting on the proposal that current Independent Living Fund (ILF) monies should be devolved from an executive non-departmental public body, under the sponsorship of DWP to local government from April 2015. Through the consultation the Government is seeking views on what the likely impact of this change would be for the different groups that receive ILF monies and how these could be mitigated as part of the transfer of responsibility to local authorities.
- 2.10 Since the inception of ILF in 1998 the fund has changed its focus and eligibility criteria. Group 1 users are individuals that received funding between 1988 and 1992. When a new fund was created in 1993, individuals receiving adult social care support became eligible to apply for ILF monies. These individuals are referred to as Group 2 users within the consultation document.
- 2.11 The Council agrees that ILF monies should transfer to local government from April 2015 given that the majority of individuals receiving ILF funding are already within the mainstream care and support system. The Council does however have concerns about impact on group 1 users who may not meet the eligibility criteria for adult social care support post 2015, and how the expectations of this group are managed as part of the transfer process.
- 2.12 Under the proposals the local authority would be required to assess all individuals in receipt of ILF funding. The Government will need to ensure that local authorities are given enough time to assess individuals not currently known to adult social care, and time to reassess those already receiving care and support from the local authority, as this will create additional pressure on the assessment and case management teams within Adult Social Care.

Draft Guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies

- 2.13 Local authorities and clinical commissioning groups (CCGs) have an equal and joint duty to prepare JSNAs and JHWSs, through the health and wellbeing board. The draft statutory guidance has been developed to explain this duty, and to outline how the Department of Health expects partners in the local health and social care economy to use JSNAs and

JHWSs to assess, plan, deliver and commission services to best meet local need and address the wider determinants that impact on health and wellbeing.

- 2.14 Overall, the Council considers that the draft guidance is adequate and sufficient, while providing the local flexibility needed for health and wellbeing boards to execute their duties appropriately. The draft guidance states that CCGs, the NHS Commissioning Board (NHS CB), and local authorities' plans for commissioning services must be informed by JSNAs and JHWSs and where they are not, must explain why. CCGs are required to consult with health and wellbeing boards about their commissioning plans, while local authorities and the NHS CB are not, but it is good practice for them to do so. While health and wellbeing boards can 'raise their concerns' where plans do not take proper account of the JSNA or JHWS, the Council considers that clearer and stronger mechanisms for health and wellbeing boards to address this would be beneficial.
- 2.15 The Council welcomes that health and wellbeing boards can decide locally to manage their own JSNA and JHWS timetables, where it can be joined up with local commissioning cycles.
- 2.16 The Council considers that the Health and Well-Being board should be able to take a broad view of commissioning and hold stakeholders to account for reducing the health inequalities that exist in the City. The guidance enables a much narrower approach and should be strengthened in the following areas:
- The guidance focusses on the Clinical Commissioning Groups and does not pay enough regard to the accountabilities of other commissioners.
 - The Coventry Health and Well-Being Board has adopted the policy objectives from the Marmot Review in order to make a difference to the Health and Well-Being of the population across the life course. These themes form the basis of the Coventry JSNA and JHWSs. However, the guidance would enable a much narrower approach to be taken and, as a result, opportunities to effect system change to be lost. The Council therefore urges the Department of Health to require JSNAs and JHWSs to be more ambitious.
 - The guidance should provide clear accountabilities to Health and Well-Being boards to ensure that Clinical Commissioning Groups, the NHS Commissioning Board and other commissioners pay close attention to the needs of local communities identified through JSNAs and JHWSs and that they commission services accordingly.
 - It would be beneficial for the guidance to explicitly reference the importance of working with children, young people and family services in order to ensure 'early intervention' approaches underpin the strategy.

Allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care

- 2.17 From April 2013, local authorities will take over responsibility for commissioning IMHA services for its population. Local authorities will not be obliged to provide these services directly and there will be no change to the arrangements for commissioning more general mental health advocacy services. The Department of Health currently provides funding for IMHA services through PCTs' general allocations. The amounts transferred from the NHS to local authorities is £8.38 million, which is the amount allocated in 2009/10 plus inflation uplifts.
- 2.18 The Department of Health (DH) will allocate funding to local authorities for IMHA through a grant. There are two proposed options for allocating the funding. The first option is based on the size of a local authority's adult population and the second is based on a calculation of the relative need for state supported social care. It is recognised that both measures are imperfect; neither option predicts mental health needs, or IMHA needs, for instance. The

DH expresses a preference for the second option, stating that the measure is likely to be a better reflection of local service need than simply the size of the local population.

- 2.19 The Council supports this view and selects funding option 2 as its preferred option. This would mean a grant allocation to the Council of £54,465. NHS Coventry currently commissions IMHA services for the current year 1 April 2012 – 31 March 2013. It is considered that the allocation would be sufficient to continue to deliver an IMHA service.
- 2.20 In recognition of the exceptional contribution made by members of the Armed Forces injured as a result of service, veterans will no longer need to use their GIP to pay for publicly arranged social care. Existing guidance states that £10 per week should be disregarded when assessing income and contributions to social care. The Council already has an established local policy whereby it chooses to disregard 100% of veteran and war widow pensions (including GIP) when assessing a person's financial contribution to their non-residential social care support. A policy change will need to be made to the local policy for residential social care, where currently the standard £10 disregard is applied. Therefore, this national change will formalise and extend an already established local arrangement, which has been supporting our injured veterans for a number of years.
- 2.21 Due to the timescales involved, the Council's response to this consultation will be submitted after the closing date. However, the Council will be submitting its response to the Department of Health as a mechanism for registering its full support for this amendment to social care charging for Armed Forces' veterans injured as a result of service.
- 2.22 The DH states that the disregard will mean an additional cost for local authorities because of a reduced ability to raise income from user fees. The DH estimates that the burden will be £0.5 million in 2012/13 (change comes into effect from October 2012), £1.4m in 2013/14 and £2m in 2014/18. This funding will be included in a DH grant. A range of allocation options have been considered and it is proposed that funding is allocated in line with the younger adult social care relative needs formula (RNF). This formula predicts need for local authority supported care for people aged 18 to 64. For Coventry, this means a grant allocation of £3,533.

3. Results of consultation undertaken

- 3.1 These consultation responses are from Coventry City Council and therefore wider consultation has not been undertaken.

4. Timetable for implementing this decision

- 4.1 Consultation responses are required by:
- Draft Care and Support Bill - 19 October 2012
 - New Safeguarding Power - 12 October 2012
 - Future of the Independent Living Fund - 10 October 2012
 - Draft guidance for JSNAs and JHWSs - 28 September 2012
 - Allocation options for the funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation in charging for social care - 7 September 2012

5. Comments from Director of Finance and Legal Services

- 5.1 Financial implications
There are no direct financial implications arising from this report. The outcomes of the consultations may have an impact as follows:

Draft Care and Support Bill

The new right for carers to receive support may lead to additional costs to local authorities depending upon the levels of support currently offered.

Future of Independent Living Fund

If the Independent Living Fund is transferred to Local Authorities this may impact on resources required to conduct relevant assessments and reviews, as well as increasing City Council resources and also costs in relation to packages of care currently funded by ILF, independently of the City Council.

Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategies

There are no financial implications arising from this draft guidance.

Funding for Independent Mental Health Advocate Services and the treatment of Armed Forces' compensation

The two allocation methodologies proposed for IMHA would result in additional resources of either £49k or £54k to the local authority to support Mental Health Advocacy. It is considered that either allocation would be sufficient to continue to deliver an IMHA service. As data is unavailable for the treatment of Armed Forces compensation it is not possible to identify whether the new burden funding of £3,533 would be sufficient to cover any reduction in income received based on this proposal.

5.2 Legal implications

The proposed draft Care and Support Bill is described as representing 'an historic reform of care and support legislation' as it consolidates numerous provisions from many acts into a single framework. The Bill itself, if it becomes law, will of course have many implications for the City Council and the way in which it provides services to those in need of social care support and the funding of those arrangements. The pre-legislative scrutiny in respect of the draft Bill and response in the other consultation processes do not, however, have any specific implications themselves. This is nevertheless an important opportunity for the Council to comment on the current draft proposals.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives/corporate priorities (corporate plan/scorecard)/organisational blueprint/Local Area Agreement (or Coventry Sustainable Community Strategy)?

These proposals support the continued provision of a range of statutory services to the people of Coventry. The draft Care and Support Bill will replace an outdated and complex legal framework and the new legislation will support the national and local policy direction for adult social care. The New Safeguarding Power will ensure the key corporate priority of adult safeguarding is enshrined in law.

The guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies will help to ensure their effectiveness and therefore support the aims of the Sustainable Communities Strategy to help Coventry citizens live longer and healthier lives.

The transfer from the PCT to the local authority will ensure continued provision of IMHA services for this vulnerable group.

Armed Forces veterans, injured in service who live in the city and in receipt of GIP, already benefit from their GIP income being disregarded when assessed for any financial contribution to their non-residential social care support, and will continue to do so. This

policy will now be extended to those in residential care. This will further support the Council's objective of protecting the city's most vulnerable residents.

6.2 How is risk being managed?

Any risks resulting from these proposals will be managed through the Council's risk management process.

6.3 What is the impact on the organisation?

The Care and Support White Paper and accompanying legal framework will have a significant impact on the future direction for adult social care. The proposed Bill will impact on service delivery for community care assessments and carer's assessments through possible changes to entitlements to care and support for both users and carers and the portability of assessments between geographical locations. The proposed transfer of ILF monies will again create additional pressures for assessment and case management teams which will need to be appropriately managed by the service.

Statutory guidance for Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies will ensure clarity around duties, roles and responsibilities and provide the local flexibility needed to best fit local needs and commissioning cycles.

The local authority will become responsible for the commissioning of an IMHA service.

The Council already disregards 100% of Armed Forces compensation, including Guaranteed Income Payment, as part of its charging policy for non-residential adult social care. The policy for residential care will now need to be changed to align with this. The impact of this change on the organisation is likely to be minimal as the number of people it will affect will be small.

6.4 Equalities/EIA

Equality considerations and impact assessments are included within the Government proposals. A separate Equality and Consultation analysis is not required.

6.5 Implications for (or impact on) the environment

Not applicable.

6.6 Implications for partner organisations?

The draft Care and Support Bill places two duties of co-operation on the Council and partners. Firstly, a general duty imposed on local authorities to make arrangements to promote co-operation with other relevant organisations such as housing, education and health authorities. The second is an enhanced duty to co-operate, whereby a local authority can request that another authority assist in specific circumstances, for example when an assessment is taking place. This duty would apply to education, housing, health and other local authorities. A requested authority would be required to give due consideration to the request. The enhanced duty would include a specific duty in relation to safeguarding adults at risk from abuse and neglect. The Bill also makes Adult Safeguarding Boards a statutory requirement.

Statutory guidance for Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies will ensure there is clarity regarding roles and responsibilities of partners, particularly clinical commissioning groups and the NHS Commissioning Board, in

contributing to, and taking proper account of, the identified health needs and priorities for the local community.

Report author(s): Pete Fahy and Simon Brake

Name and job title:

Pete Fahy, Acting Assistant Director, Adult Social Care (Strategic Commissioning and Partnerships)

Simon Brake, Assistant Director, Policy and Performance

Gemma Tate, Policy Analyst

Directorate:

Community Services

Tel and email contact:

Pete Fahy on (024 7683) 3555 or peter.fahy@coventry.gov.uk

Simon Brake on (024 7683) 1652 or simon.brake@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Marie Bench	Policy Analyst	Community Services	06.08.12	13.08.12
Gemma Tate	Policy Analyst	Community Services	06.08.12	13.08.12
Mark Godfrey	Assistant Director – Adult Social Care Strategic Operations	Community Services	06.08.12	13.08.12
Julie Newman	CLYP & Adult Manager.	Finance and Legal Services	25.07.12	30.07.12
Zandrea Stewart	Head of Mental Health and Learning Disability (Operations)	Community Services	25.07.12	06.08.12
Gareth Williams	Interim Head of Adult Safeguarding	Community Services	24.07.12	06.08.12
Ron Innes	Head of Enablement & Therapy Services	Community Services	25.07.12	06.08.12
Michelle McGinty	Head of Citizen Involvement, Carers and Partnerships	Community Services	25.07.12	06.08.12
Andrew Reece	Head of Internally Provided Services	Community Services	02.08.12	06.08.12
Etain McDermott	Healthy Ageing Programme Lead	Community Services	25.07.12	06.08.12
Mary Cooper-Purcell	Team Leader Older People and Physical Impairment Service	Community Services	25.07.12	06.08.12
Maxine Shakespeare	Independent Living	Community	27.07.12	03.08.12

	Advisor	Services		
Andriy Buniak	Senior Legal Officer	Finance and Legal Services	25.07.12	06.08.12
Peter Barnett	Health Development Service Manager	Community Services	14.08.12	16.08.12
Isabel Merrifield	Assistant Director, Strategy, Commissioning and Policy	Children, Learning and Young People	14.08.12	16.08.12
John Forde	Consultant in Public Health	NHS Coventry and Coventry City Council	14.08.12	16.08.12
Other members				
Names of approvers for submission: (officers and members)				
Finance: Ewan Dewar	Finance Manager (Community Services)	Finance & legal	06.08.12	08.08.12
Legal: Janice White	Senior Solicitor	Finance & legal	06.08.12	13.08.12
Director: Brian M Walsh	Director	Community Services	14.08.12	16.08.12
Members: Councillor Lucas	Cabinet Member	Health and Community Services	14.08.12	14.08.12
Members: Councillor O'Boyle	Chair	Health and Well Being Board	14.08.12	15.08.12

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Draft Care and Support Bill Consultation

Consultation Questions and Responses

Question 1 – Role of local authority

Do the opening clauses sufficiently reflect the local authority’s broader role and responsibilities towards the local community?

The opening clauses of the bill are:

1. Promoting individual well being
2. Providing Information and Advice
3. Promoting diversity and quality in the provision of services
4. Co-operating generally
5. Co-operating in specific cases
6. Promoting integration of care and support with health services
7. Preventing needs for care and support

The opening clauses of the bill do reflect the role and responsibilities of the local authority toward the local community. However, the bill makes no reference to the resources required, or available to deliver these roles and responsibilities, and therefore creates a risk that the gap between expectation and reality may widen.

The Council wishes to make a number of comments relating to specific clauses outlined above.

Providing information and advice

The clause 2.2.d states that the local authority must provide information and advice on how to raise concerns about the safety of an adult who has needs for care and support. The Council is of the opinion that the current wording of the clause is too narrow. Citizens may have concerns regarding a vulnerable adult whereby they wish to notify the Council, however depending on the concerns raised this would not always mean that the adult has need for care and support services.

Duty to co-operate

Whilst the Council is in agreement with a duty to co-operate with partner agencies, the current wording of clauses 4 and 5 needs to be clarified and strengthened. The general duty to co-operate needs to clearly define the specific roles and responsibilities for partner agencies, especially in relation to adult safeguarding. The Council also considers our 3rd Sector organisations as partner agencies and therefore suggests that these organisations are also included in the list of relevant partners in clause 4.5.

Additionally the Council believes in the interests of working collaboratively there needs to be a clear legal framework for information sharing, especially in relation to adult safeguarding and meeting individual care and support needs.

Preventing need for care and support

The Council is committed to the provision of early intervention services due reduce dependency for long term support but considers the duties outlined in clause 7 and in particular 7(2) (b) to be too onerous and unworkable for a local authority.

Question 2 – Individual rights to care and support

Does the draft Bill clarify individual rights to care and support in a way that is helpful?

The Council is in agreement with clause 17 and 19. However clause 11 relating to refusal of assessment and clause 34 on safeguarding adults at risk of abuse or neglect needs to be strengthened to clarify responsibilities in cases of suspected self neglect.

Question 3 – Grouping Carers

The law for carers has always been separate to that for the people they care for. Is it helpful to include carers in all the main provisions of the draft Bill, alongside the people they care for, rather than place them in a separate group?

The Council is in agreement that carers should be included in all the main provisions of the bill rather than as a separate group.

Question 4 – The well being principle and care and support planning

Does the new well-being principle and the approach to needs and outcomes through care and support planning, create the right focus on the person in the law?

The Council agrees that the well-being principle does put the individual at the centre of care and support planning. The Council believes the well being principle needs to be strengthened to reinforce that delay in assessing or meeting need could hinder an individual's well being. To ensure that these principles are maintained there should also be a duty placed on other agencies to assess and meet need in line with the "well being" principles.

Question 5 – Portability of care

Do the “portability” provisions balance correctly the intention to empower the citizen to move between areas with the processes which are necessary to make the system fair and workable?

The wording of clause 31.1.c currently states that the receiving authority needs to be satisfied that an adult's intention to move is genuine. The wording suggests that the receiving local authority would be able to ask an individual about their intentions relating to moving into their geographical area. This would appear to be undermining the well-being principle that the adult is best placed to make decisions and judge their well being. The concept of "genuine intention" is also ambiguous and causes the potential for increased litigation in this area.

Consultation on New Safeguarding Power

Consultation Questions and Responses

Question 1: Do you agree that there is a gap in the proposed legislative framework for people with mental capacity, which this power would address?

Yes. Although the gap is small, the repercussions of it could be significant.

Question 2: What are your views on the proposal that there should be a new power of entry, enabling the local authority to speak to someone with mental capacity who they think could be at risk of abuse and neglect, if a third party prevents them from doing so?

This would be an important and necessary power. Controlling the life of a person with capacity in this way is possibly an abuse in itself in the sense that it is a denial of an individual's human rights to privacy, to association and to free expression, as well as a potential deprivation of liberty.

Question 3: (for care and support professionals working in adult safeguarding): How many times in the last 12 months, have you been aware of a situation where, had this power existed, it would have been appropriate to use it? What were the circumstances?

Once. The circumstances involved a dispute between two parts of a family living in different local authorities. The person was transferred back and forth between different family members as a result of a series of disputes over the person's finances. The ability to intervene when the person was living in this authority would have stopped this unnecessary disruption to their life and enabled a formal investigation into the concerns regarding financial abuse to take place at a much earlier stage.

Question 4: What safeguards would we need to ensure local authorities use such a power effectively and appropriately?

For example, would the following provide adequate safeguards?

A warrant would be applied for from a Circuit Judge (e.g. a nominated judge of the Court of Protection), the local authority would present the court with evidence of the need for the warrant, the local authority would ensure that there is a process by which the occupiers of the premises understand that they can complain about the way in which a power has been used, the local authority would have to verbally inform the affected persons how they might access that process.

Agree with the example given. In addition, perhaps a visit should be made jointly with the police

Question 5: Do you have any other comments?

It is considered that this should be a power used very sparingly. The circumstances in which it might be used are few, but where they exist, the use of such a power might reduce the harm caused to an adult at risk. Data on the use of the power should be collected through the Abuse of Vulnerable Adults (AVA) return so that comparisons can be done on its use across authorities.

Future of Independent Living Fund (ILF) Consultation

Consultation Questions and Responses

Question 1: Do you agree with the Government proposal that the care and support needs of current ILF users should be met within the mainstream care and support system, with funding devolved to local government in England and the devolved administrations in Scotland and Wales? This would mean closure of ILF in 2015.

The Council agrees with devolving the Independent Living Fund monies to local authorities. It is critical that a planned and timely approach is taken during the transfer process. Local authorities will need time to fully understand and plan for the possible implications of the transfer both for those people already known to adult social care and those identified within group 1 without eligible care and support needs under the Prioritising need in the context of Putting People First: a whole system approach to eligibility for social care - guidance on eligibility criteria for adult social care.

Question 2: What are the key funding challenges that ILF users would face moving from joint ILF/Local Authority to sole Local Authority Funding of their care and support needs? How can any impacts be mitigated?

A quick decision on the level of funding for existing packages of care will be required. However, it is important to acknowledge that the funding challenges will be different for individuals in group 1 (pre 93) and group 2 (post 93). There will be individuals within group 1 who potentially have no ongoing care and support needs that could be met by the Council because for example, they do not meet the Council's eligibility criteria. Therefore, clarification is needed on what requirements will be placed on local authorities to support these individuals, so that expectations of this group can be managed appropriately by the local authority.

Question 3: What Impact would the closure of the ILF have on Local Authorities and the provision of care and support services more widely? How can any impacts be mitigated?

There will be an expectation placed on the local authority to assess or reassess all users of ILF, including individuals who are currently not in receipt of services from adult social care. Local authorities need to be given enough time to undertake the required assessment or re-assessments so that capacity with assessment and case management teams can be appropriately managed to undertake this task.

The eligibility criteria for meeting care and support needs in adult social care, as mentioned above in Coventry is set at critical and substantial under the Prioritising need in the context of Putting People First: a whole system approach to eligibility for social care - guidance on eligibility criteria for adult social care. criteria. Following assessment some individuals may not qualify for adult social care support, therefore Council responsibilities to the wider group outside of adult social care need to be clarified so that expectations of ILF users can be managed.

For those people who already receive funding from adult social care, clarification will be needed on what expectations will be placed on the local authority in relation to this group. For example, will local authorities be required to commission services or will the expectation be that funding is transferred to individuals as a direct payment.

Question 4: What are the specific challenges in relation to Group 1 users? How can the Government ensure this group are able to access the full range of Local Authority care and support services for which they are eligible?

As outlined above the key challenges in relation to group 1 users would be managing expectations if after an assessment individuals do not meet the eligibility criteria for adult social care and then understanding the impact of this on individual circumstances.

Question 5: How can DWP, the ILF and Local Authorities best continue to work with ILF users between now and 2015? How can the ILF best work with individual Local Authorities if the decision to close the ILF is taken?

As outlined above, it is critical that the Councils know details of the level of funding transferring to individual local authorities and any stipulations on how this funding should be deployed, as soon as possible, to enable local authorities to plan accordingly. Similarly, information on all ILF users within each local authority area needs to be shared at an early stage to enable re-assessments and reviews to be undertaken. As part of this process, it would be advantageous that local authorities have information on how ILF have previously undertaken assessments for ILF monies for both group 1 and 2 individuals, as this will enable social workers to understand and explain the differences in assessment processes and criteria levels.

Consultation on draft guidance for Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies

Consultation Questions and Responses

Question 1: Does the guidance translate the legal duties in a way which is clear in terms of enabling an understanding of what health and wellbeing boards, local authorities and CCGs *must* do in relation to JSNAs and JHWSs?

The guidance provides the flexibility for health and wellbeing boards to operate successfully. The Council considers that the guidance could be strengthened by providing clear drivers to ensure that Clinical Commissioning Groups and the NHS Commissioning Board pay close attention to the needs of local communities identified through JSNAs and JHWSs and that they commission services accordingly.

It would be beneficial for the guidance to explicitly reference the importance of working with children, young people and family services in order to ensure 'early intervention' approaches underpin the strategy.

Health and Well-Being Boards are uniquely placed to deliver improvements in health through bringing together a whole range of stakeholders. The guidance focusses on the Clinical Commissioning Groups and does not pay enough regard to the contribution of broader health determinants such as housing and community safety.

The Coventry Health and Well-Being Board has adopted the policy objectives from the Marmot Review in order to make a difference to the Health and Well-Being of the population across the life course. These themes form the basis of the Coventry JSNA and JHWSs. However, the guidance would enable a much narrower approach to be taken and, as a result, opportunities to effect system change to be lost. The Council therefore urges the Department of Health to require JSNAs and JHWSs to be more ambitious.

Question 2: It is the Department of Health's (DH's) view that health and wellbeing boards should be able to decide their own timing cycles for JSNAs and JHWSs in line with their local circumstances rather than guidance being given on this; and this view was supported during the structured engagement process. Does the guidance support this?

Largely, although experience of this year's practice identifies that the NHS Regional Office/Regional Director of Public Health impose timetables on the NHS for completing the JSNA which is not helpful and detracts from this stated aim. Timing cycles should be agreed locally and aligned with the annual commissioning cycle.

Question 3: Is the guidance likely to support health and wellbeing boards in relation to the content of their JSNAs and JHWSs?

Yes, it is reasonably enabling and not overly prescriptive in relation to the content of JSNAs and JHWSs. Effective health and wellbeing boards will have the right partners as members to ensure that the appropriate information, data and collective insight is included. Local solutions are likely to be more successful than those that may be nationally prescribed.

Question 4: Does the guidance support the principle of joined-up working between health and wellbeing board members and also between health and wellbeing boards and wider local partners in a way that is flexible and suits local circumstances?

Yes. The health and wellbeing board is joined up and the practical implementation is multi-agency. However, it is not clear from the guidance what 'powers' boards have if members do not co-operate.

Question 5: The DH is working with partners to develop wider resources to support health and wellbeing boards on specific issues in JSNAs and JHWSs, and equality is one theme being explored.

a) In your view, have past JSNAs demonstrated that equality duties have been met?

Past JSNAs have been adequate in relation to previously required equality duties. Future JSNAs will meet the requirements of current legislation. The JSNA and JHWS will be used by the Council as a tool to identify and improve access and outcomes for vulnerable and disadvantaged groups.

b) How do you think the new duties and powers, and this guidance will support health and wellbeing board members and commissioners to prevent the disadvantage of groups with protected characteristics, and perhaps other groups identified as in vulnerable circumstances in your area?

Adequately, although the responsibility and duty is a local one, not regional or national, and it will therefore be for local authorities and their partners to meet the requirements, and subsequently demonstrate that the duties have been met, regardless of the guidance.

Question 6: a) In your view, have JSNAs in the past contributed to developing an understanding of health inequalities across the local area and in particular the needs of people in vulnerable circumstances and excluded groups?

Yes. In the past JSNAs have been a useful tool for highlighting health inequalities and for identifying the practical steps health and social care economies can take to reduce them. The creation of JHWSs and the requirement for commissioners to respond to health inequalities identified in JSNAs will be a useful development.

b) What supportive materials would help health and wellbeing boards to identify and understand health inequalities?

Nothing further. Detailed information is available from regional and local observatories, national statistic sources and local information and surveys.

Question 7: It is the DH's view that health and wellbeing boards should make use of a wide range of sources and types of evidence for JSNAs and they should be able to determine the best sources to use according to local circumstances. This view was supported during the structured engagement process. What supportive materials would help health and wellbeing boards to make the best use of a wide range of information and evidence to reach a view on local needs and assets, and to formulate strategies to address those needs?

Nothing further. See response to question 6b.

Question 8: What do you think NHS and social care commissioners are going to do differently in light of the new duties and powers, as a result of this guidance? – what do you think the impact of this guidance will be on behaviour of local partners?

The guidance will focus health and wellbeing boards, local authorities and NHS partners on working together to meet the needs of our communities and improve outcomes; a public demonstration and engagement element will be an important part of this. Locally, it is considered the involvement of the voluntary sector is important in the operation of the Health and Wellbeing Board and it will remain so.

There are very limited powers contained in the guidance to compel NHS and social care commissioners to operate differently.

Question 9: How do you think your local community will benefit from the work of health and wellbeing boards in undertaking JSNAs and JHWSs? – what do you think the impact of this guidance will be on the outcomes for local communities?

JSNAs and JHWSs will support improved commissioning through a co-ordinated planning approach for agreed needs and priorities that are meaningful to the local population. This will give the best possible chance for improved outcomes across the community.

Consultation Questions and Responses

Question IMHA1: Do you prefer: Option IMHA1: population based; or Option IMHA2: Relative Needs Formulae?

The Council prefers option IMHA2, based on the relative needs formulae.

Question IMHA2: Why do you prefer the option selected above? Do you have any comments about the options or alternative suggestions for allocating the funding?

It is considered that the relative needs formula is the most appropriate of the two measures to reflect local service need.

No further suggestions for allocation of funding.

Question IMHA3: Do you have any evidence on the equality impact of any of the options, i.e. their impact on groups protected by equality legislation?

No

Question GIPS1: Do you agree with the proposal to allocate funding for the armed forces GIP compensation disregard using the younger adult social care RNF formulae?

Yes. The Council already operates this policy and disregards 100% of GIP compensation when assessing a person's financial contribution to their non-residential social care support.

Question GIPS2: Do you have any comments about the proposal or alternative suggestions for allocating the grant?

The Council supports this proposal.

Question GIPS3: Do you have any evidence on the equality impact of any of the options, i.e. their impact on groups protected by equality legislation.

No



Public report Cabinet Report

Cabinet
Council

11th September 2012
18th September 2012

Name of Cabinet Member:

Cabinet Member (Strategic Finance & Resources) – Councillor Duggins

Director approving submission of the report:

Director of Finance and Legal Services

Ward(s) affected:

City Wide

Title:

Response to Consultation – Local Government Resources Review: Proposals for Business Rate Retention

Is this a key decision?

No

Executive summary:

Council approved a report on 18th October 2011 giving its response to the Local Government Resources Review: Proposals for Business Rates Retention scheme. The key impact of the scheme, set out within the current Local Government Finance Bill, will be that a proportion of future local increases or decreases in Business Rates will be retained or managed by local authorities. Currently these local movements in Business Rates are balanced within national funding arrangements.

As part of developing these proposals the government has issued a technical consultation paper, setting out the detail of the way the scheme and the wider resource allocation system will operate. The response to this consultation needs to be submitted by 24th September. The scheme will entail a move away from a needs based resource allocation system, to one based in part on the level of business rates increase in an area. This raises the possibility that Coventry will suffer a reduction in funding over time.

This report sets out a proposed response to the consultation, the main focus of which is that any new system should adequately take into account the assessment of need when allocating resources.

Recommendations:

Cabinet is recommended to consider the consultation response in Annex 1 and propose any changes for consideration by Council;

Council is recommended to approve the consultation response including any changes proposed by Cabinet

List of Appendices included:

None

Other useful background papers:

Business Rates Retention papers. 3rd Floor Christchurch House

Has it or will it be considered by scrutiny?

No

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, 18th September 2012

1. Context (or background)

- 1.1 As part of its Local Government Resource Review, the government has been developing proposals for the replacement of a needs based mechanism for the distribution of Business Rates with one founded on the retention of rates income within the area in which it is earned. The stated purposes of the proposed changes are to provide incentives to encourage local economic growth and to shift power from central to local government.
- 1.2
- 1.3 In response to an earlier consultation on Business Rates Retention, in July 2011, Cabinet set out the City Council's opposition to the retention proposal, on the basis that it would not align resources with need.
- 1.4 On the 17th July 2012 the government issued a 250 page technical consultation, which goes into more detail than the July 2011 exercise, and includes some proposed changes in the way the scheme would operate.
- 1.5 This report sets out how the proposed Business Rates Retention system will operate, what the key issues are and includes a proposed response for Cabinet's approval (summarised in 3.3, detailed in Annex 1).

2. Current System of Local Government Funding

- 2.1 Local Authorities collect Business Rates on behalf of Central Government. Any income is paid into a national pool that is then redistributed as part of the annual Local Government Settlement. In the Settlement the Government determines how much Formula Grant each authority should receive using a complex set of calculations that attempt to take into account both relative spending pressures and relative Council Tax incomes for each authority. The Formula Grant contains two elements: redistributed business rates; and Revenue Support Grant (RSG).
- 2.2 The amount of Business rates collected locally in 2011/12 was £110.5m, compared to Coventry's £146.2m share of the pool.
- 2.3 It is also important to note that there is an adjustment, known as 'damping', which aims to prevent large changes for individual authorities. This adjustment results in Coventry receiving significantly less Formula Grant than a purely needs based assessment would deliver. In 2012/13 Coventry lost £4.7m as a result of 'damping'. We have consistently lobbied Central Government to remove this inequity.

3. Proposed System of Local Government Funding ~ Business Rates Retention

- 3.1 The main elements of the proposed scheme are:-
 - The establishment of 2 technical baselines for every local authority for 2013/14: (i) the "funding baseline", reflecting a needs based assessment as at the start of the new scheme and (ii) the "business rates baseline", representing level of rates income collected in the area. The baselines will be "re set" periodically, possible every 10 years;

- In year 1, as the level of business rates collected in an area will almost certainly not equal the needs funding baseline, there could be a sudden gain or a loss at the start of the new system. To address this and “balance” the system in 2013/14, authorities will either pay a tariff or receive a top up to match the level of retained business rates to the needs funding baseline;
- Once the scheme is operational, at a national level, total rates income will be split 50/50 between central and local government. Certain resources will be top sliced before the local/central split in business rates is calculated. These will include a number of elements such as mandatory and discretionary rate relief;
- The government’s 50% share of rates income will be distributed through a need based assessment;
- The local government 50% share of rates income will be subject to the following arrangements:
 - Over time, if business rates income grows, local authorities will be able to keep some of any growth over and above the business rates baseline. To prevent excessive gains where business rates rise, a levy will be applied to any growth in rates beyond the baseline, so that authorities will not be able to retain 100% of rates growth. The baseline will increase annually by RPI;
 - Over time if business rates income falls, local authorities will suffer a reduction in income. However, a safety net will be applied so authorities will not lose out by more than a specified amount. It is proposed that the safety net is set at between 7.5% and 10% below the business rates baseline. Government will fund the safety net through the levy applied growth in rates income or part of its 50% share of total business rates.

3.2 In addition, the consultation sets out a number of changes to the technical mechanism of calculating formula grant and the data that underpins the formula.

3.3 The key issues to consider are:

- Although the central government 50% share of rates income will be allocated on a needs base, the proposed scheme still retains a significant element that is not needs based. It is proposed that the response to the consultation stresses the importance of maximising the needs based element;
- There is still scope for losses if business rates fell over time. The point at which the safety net (7.5% - 10% reduction) would trigger would equate to a £5m loss in business rates for Coventry. In essence, this represents the potential impact of a switch away from a purely needs based system;
- The scheme will be massively complicated. A number of variables will increase uncertainty and instability in local government resourcing. It is proposed that the response to the consultation suggests that introduction of the scheme is delayed 12 months to allow all parties to thoroughly evaluate the potential changes and their impact e.g. to fully consider transitional relief and other significant aspects;
- Funding levels for local authorities under the proposed scheme will in part be dependent on the level of business rates income. To maximise resources available under the new scheme it will be in the interest of every authority to seek to promote business rates growth in its area. To that end the Council will need to actively consider

how these new developments can be worked into the it's strategic approach, for example with regard to investment strategy and business growth;

- The development of business rates pooling between local authorities will be an important tool in managing the risk that the proposed scheme creates. Following the report to Cabinet on 10th July 2012 officers are actively pursuing opportunities for business rates pooling;
- It is proposed that the response urges the government to remove the “damping” feature within the needs based assessment, on the basis that it is inequitable in that it tends to maintain resources in areas where need is reducing. Within the context of a significant shift away from a needs based approach it is inappropriate to maintain this form of protection for lower need authorities.

4. Options considered and recommended proposal

- 4.1 The options are to not respond to the consultation or to approve the attached detailed response.

3. Results of consultation undertaken

- 3.1 Officers and members have been consulted in the drafting of this report.

4. Timetable for implementing this decision

- 4.1 Responses are required by 24th September 2012, with implementation planned for 2013/14.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

The main financial implication for the City Council is the potential for the loss of funding as a result of the changes, as set out in the main body of this report. This will be subject to so many future variables factors that it is very difficult to make a robust estimate of future funding.

5.2 Legal implications

There are no legal implications arising from this report.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The achievement of jobs and growth is one of the Council's key strategic objectives and this is closely aligned with the Government's intention for a new Business Rate Retention scheme to be a vehicle to strengthen the incentives to support growth. However, there is an underlying risk that the Council might suffer a loss of funding over time.

6.2 How is risk being managed?

The potential to pool business rates with other local authority areas offers a significant opportunity to reduce some of the risk of lost income. Proposals are currently being investigated with Warwickshire authorities to maximise the City Council's resource position through the establishment of a pool.

6.3 What is the impact on the organisation?

The main impacts are financial and are dealt with above.

6.4 Equalities / EIA

None.

6.5 Implications for (or impact on) the environment

No implications.

6.6 Implications for partner organisations?

None.

Report author(s):

Name and job title:

Michael Rennie, Lead Accountant (Business Partnering, Corporate Finance)

Directorate: Finance & Legal Services

Tel and email contact: 024 764504, Michael.ennie@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Phil Baggott	Lead Accountant (Corporate Finance)	Finance & Legal Services	14 th August	16 th August
Lisa Commane		Finance & Legal Services	17 th August	19 th August
Joy Smith		Finance & Legal Services	20 th August	24 th August
Names of approvers for submission: (officers and members)				
Barry Hastie		Finance & Legal Services	14 th August	16 th August
Clarissa Evans		Finance & Legal Services	17 th August	20 th August
Chris West		Finance & Legal Services	16 th August	20 th August
Councillor Duggins			16 th August	16 th August

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Summary of Questions

Question 1: Do you agree with the methodology set out above for calculating the local government spending control total?

Disagree ~ Coventry City Council is opposed to changes that reduce the extent of the alignment of resources with need. The allocation of New Homes Bonus sums in the way described has this effect. Separately, there needs to be clarity about whether or not the cost of capitalisation is reflected in the calculation of formula grant. It is not reflected in the current system, but the consultation implies that it will be in future. If this is to be the case there needs to be clarity about how this is achieved

Question 2: Do you agree with the methodology set out above for calculating Revenue Support Grant?

Agree

Question 3: Do you agree with the proposed approach of updating the Concessionary Travel Relative Needs Formula to use modelled boardings data?

Agree ~ Coventry City Council is in favour of a system that is technically sound and uses up to date, relevant data.

Question 4: Or, do you think it would be preferable to keep using the existing formula?

n/a see Q3 response.

Question 5: Do you agree that we should increase the population sparsity weighting of super-sparse to sparse areas from 2:1 to 3:1 for non-police services?

Disagree ~ The City Council does not believe that the consultation paper sets out a convincing evidence based case for the proposed changes. As such, it is not apparent that the changes reflect a greater level of need.

Question 6: Do you agree that we should double the existing Older People's Personal Social Services sparsity adjustment from 0.43% to 0.86%?

Disagree. See Q5 response

Question 7: Do you agree that the proportion of the Relative Needs Formula accounted for by the population sparsity indicator under the District Level Environmental, Protective and Cultural Services block should be increased from 3.7% to 5.5%?

Disagree. See Q5 response

Question 8: Should the County level Environmental, Protective and Cultural Services indicator be reinstated at 1.25%?

Disagree. See Q5 response

Question 9: Do you agree that we should introduce a Fire & Rescue sparsity adjustment at 1%?

Disagree. See Q5 response

Question 10: Do you agree that we should restore the level of the Relative Resource Amount in 2013-14 to that for 2010-11?

Agree ~ To the extent that the changes will flow through to greater needs funding, the City Council supports data and system changes. However, in spite of the fact that exemplifications are included in the consultation paper, the inherent complexity of the system inhibits transparency.

Question 11: Do you agree that we should compensate for restoring the level of the Relative Resource Amount in 2013-14 to that for 2010-11 by increasing the level of the Central Allocation only?

See Q10 response.

Question 12: Do you agree that we should continue to distribute funding for the Grants Rolled In Using Tailored Distributions according to the methodology used in 2012-13?

Disagree ~ Although the City Council does not disagree with the tailored distribution mechanism, the continued use of damping within this context is a concern.

Question 13: Do you agree that the October 2012 pupil census should be used in the final settlement for removing these services?

Agree ~ Coventry City Council is in favour of a system that is technically sound and uses up to date, relevant data.

Question 14: If not, what methodology would you prefer to use?

n/a see Q13 response.

Question 15: Do you agree with the proposed methodology for removing funding for the education services currently in the Local Authority Central Spend Equivalent Grant?

Funding should be removed on a basis that ensures that the adjustments are resource neutral for local authorities and equitable. The City Council has responded separately on the government's detailed LACSEG consultation.

Question 16: If not, what methodology would you prefer to use?

see Q15 response

Question 17: Do you agree that funding for Local Authority Central Spend Equivalent Grant should be removed after floor damping?

see Q15 response

Question 18: Do you agree with the proposed methodology for rolling in the 2011-12 Council Tax Freeze Grant?

Agree ~ The City Council supports the transfer of this grant into the start up funding allocation after floor damping, on the basis of transparency and equity.

Question 19: Do you agree with the proposed methodology for rolling in the Council Tax Support Grant?

Agree ~ The City Council supports the inclusion of Council Tax Support Grant in start up funding after floor damping, thereby ensuring that grant is not subject to the inequities of

the damping mechanism. Given the magnitude of the grant, it is crucial for local authorities that the mechanism through which Council Tax Support Grant is distributed remains transparent.

Question 20: Do you agree with the proposed approach to continue to apply a damping floor to Early Intervention Grant allocations after the removal of the 2 year old funding and the top slice?

see Q21 response

Question 21: Do you agree with the proposed methodology for rolling in the Early Intervention Grant excluding funding for free early education for two years olds?

The City Council supports the transfer of this grant into the start up funding allocation after floor damping, on the basis of transparency and equity.

Question 22: Do you agree with the proposed methodology for rolling in Greater London Authority General Grant?

The City Council does not hold a particular view on the Greater London Authority General Grant methodology.

Question 23: Do you agree with the proposed methodology for rolling in a proportion of the Greater London Authority Transport Grant?

The City Council does not hold a particular view on the Greater London Authority Transport Grant methodology.

Question 24: Do you agree with the proposed methodology for rolling in Homelessness Prevention Grant?

Agree ~ The City Council supports the transfer of this grant into the start up funding allocation after floor damping, on the basis of transparency and equity.

Question 25: Do you agree with the proposed methodology for rolling in a proportion of the Lead Local Flood Authorities Grant?

Agree ~ The City Council supports the transfer of this grant into the start up funding allocation after floor damping, on the basis of transparency and equity.

Question 26: Do you agree with the proposed methodology for rolling in the Department of Health Learning Disability and Health Reform Grant?

Agree ~ The City Council supports the transfer of this grant into the start up funding allocation after floor damping, on the basis of transparency and equity.

Question 27: Do you agree that the preferred population measure to use is the interim 2011-based sub-national population projections?

Agree ~ The City Council supports the use of the most up to date and appropriate data.

Question 28: Do you agree with the hierarchy of alternative datasets which would be used if there are problems with availability of any of the data?

Agree ~ The City Council supports the use of the most up to date and appropriate data.

Question 29: Do you agree that we should use aim to use the council tax base projections as the council tax base measure in order to be consistent with our proposed approach to the population?

Agree ~ The City Council supports the use of the most up to date and appropriate data.

Question 30: Do you agree that we should switch to the November 2012 council tax base data should population estimates have to be used?

Agree ~ The City Council supports the use of the most up to date and appropriate data.

Question 31: Do you agree that we should use data from the Inter-Departmental Business Register in the Log of Weighted Bars indicator?

The City Council supports the use of the most up to date and appropriate data.

Question 32: Do you agree with the proposed methodology for distributing Revenue Support Grant in 2014-15 by scaling the 2013-14 authority-level allocations of Revenue Support Grant to the level of the 2014-15 Revenue Support Grant?

The City Council supports the use of the most up to date and appropriate data.

Question 33: Do you agree with the proposed approach for calculating floor damping in 2013-14?

Disagree ~ The City Council is strongly opposed to the use of floor damping within the funding mechanism. Damping is not equitable, in that it dilutes the needs element of the distribution formula. Damping acts as a safety net for authorities whose need to spend is falling, thereby allocating grant where it is not needed.

Question 34: Do you agree with the proposed approach for allocating floor damping bands in 2013-14?

Disagree ~ See response to Q33

Question 35: Do you agree with the proposed approach to splitting 2012-13 formula grant between the service tiers?

Disagree ~ See response to Q33

Question 36: If not, what methodology do you think we should use?

The City Council's view is that the funding mechanism should exclude damping.

Question 37: Do you agree that the funding for capitalisation and the safety net should be held back from the surplus New Homes Bonus funding rather than as a separate top-slice?

Agree ~ The City Council believes that using the New Homes Bonus allocation to meet the cost of capitalisation and the safety net is a practical way to fund those costs.

Question 38: Do you agree that the remaining funding should be distributed back to local authorities prorata to the start-up funding allocation?

Agree

Question 39: Do you agree with the proposal for setting out the method of calculation of the 2013-14 formula grant element of police funding allocations in a separate document?

The City Council does not hold a particular view on police funding.

Question 40: Do you agree with the proposed methodology for funding local policing bodies in 2014-15?

The City Council does not hold a particular view on police funding.

Question 41: Do you agree with our proposal not to adjust the notional gross yield figure to take account of transitional arrangements?

The City Council will be keen to see how this process operates in practice and in particular, whether the effect of the proposal will be to materially increase instability in funding, as a consequence of periodic revaluations.

Question 42: Do you agree with our proposal to adjust the notional gross yield figure to take account of small business rate relief?

Agree ~ The basis of adjustment seems reasonable

Question 43: Do you agree with our proposal to adjust the notional gross yield figure to take account of mandatory reliefs in this way?

Agree ~ The basis of adjustment seems reasonable

Question 44: Do you agree with our proposal to adjust the notional gross yield figure to take account of discretionary reliefs in this way?

Agree ~ The basis of adjustment seems reasonable

Question 45: Do you agree with our proposal to adjust the notional gross yield figure to take account of Enterprise Zones, New Development Deals and renewable energy schemes in this way?

Agree ~ The basis of adjustment seems reasonable

Question 46: Do you agree with our proposal to adjust the notional gross yield figure to take account of costs and losses in collection in this way?

Agree ~ The basis of adjustment seems reasonable

Question 47: Do you agree with our proposal not to adjust the notional gross yield figure to reflect the deferral scheme?

Agree ~ The basis of adjustment seems reasonable

Question 48: Do you agree with our proposal to adjust the notional gross yield figure to take into account losses on appeal in this way?

Disagree ~ The City Council believes that the mechanism through which appeals are taken into account can have an adverse impact on local authority resources. Where an authority pays a levy, and has outstanding appeals, it will in effect pay levy on sums subject to appeal. In future years, if an appellant is successful, the authority will bear the impact of the refund as a reduction in rates income, but without reimbursement of the associated levy. Where appeals are settled in year there would be no impact.

Question 49: Do you agree with our proposal to determine billing authorities' average contribution to the rating pool using NNDR3 forms between 2007-08 and 2011-12 (subject to a number of adjustments)?

The City Council supports any mechanism that ensures that, as far as possible, proportionate shares reflect the underlying business rates baseline of authorities, and recognises that this could be achieved by using data from an extended period (2007-08 to 2011-12) and/or by making adjustments for material exceptional items. The proposals

referred to in Questions 49 – 60 appear to achieve this. However, the inherent complexity of the scheme does inhibit transparency.

Question 50: Do you agree with our proposal to adjust the incomes for 2007-08 to 2009-10 using a local revaluation factor calculated using the methodology set out?

See response to Q49.

Question 51: Do you agree with our proposal not to make an adjustment to the five year average for inflation?

See response to Q49.

Question 52: Do you agree with our proposal to make an adjustment to the contribution to the pool sum in respect of the transitional arrangements in this way?

See response to Q49.

Question 53: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum for either mandatory rate relief, or for the small business rate relief scheme when calculating the proportionate shares?

See response to Q49.

Question 54: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum for reductions for empty property rates when calculating the proportionate shares?

See response to Q49.

Question 55: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum for discretionary rate relief when calculating the proportionate shares?

See response to Q49.

Question 56: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum for costs of collection when calculating the proportionate shares?

See response to Q49.

Question 57: Do you agree with our proposal to make an adjustment to the contribution to the pool sum in respect of losses in collection in this way?

See response to Q49.

Question 58: Do you agree with our proposal to make an adjustment to the contribution to the pool sum in respect of deferral in this way?

See response to Q49.

Question 59: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum charges on property when calculating the proportionate shares?

See response to Q49.

Question 60: Do you agree with our proposal not to make a further adjustment to the contribution to the pool sum for prior year adjustments and interest on repayments when calculating the proportionate shares?

See response to Q49.

Question 61: Do you agree with our proposal to confirm the county share of the billing authority business rates baseline at 20% - less the percentage share due to single purpose fire and rescue authorities where the county does not carry out that function?

The City Council does not hold a particular view on the level of the county share.

Question 62: Do you agree with our proposal to set the single purpose fire and rescue authority share of a billing authorities' business rates baseline at 2%?

The City Council does not hold a particular view on the level of the on the fire and rescue authority share.

Question 63: Do you agree that county councils responsible for fire and rescue services should receive the full 20% county share of the billing authorities' business rates baseline?

The City Council does not hold a particular view on the level of the county share.

Question 64: Do you agree with the Government's proposal to reflect the current arrangements for the City of London Offset by making an adjustment to the City of London's individual authority business rate baseline?

The City Council does not hold a particular view on the City Offset and City Premium calculation.

Question 65: Do you agree with the proposal to take account of the City of London Offset when calculating proportionate shares?

See response to Q64.

Question 66: Do you agree with the proposal to calculate the City of London's levy ratio by using its adjusted individual authority business rate baseline?

See response to Q64.

Question 67: Do you agree with the proposal to calculate the City of London's eligibility for the safety net by using its business rates income after the deduction of the City of London Offset?

See response to Q64.

Question 68: Do you agree that the City of London Premium should be disregarded in the definition of business rates income used in the business rates retention scheme?

See response to Q64.

Question 69: Do you agree with our proposals for information requirements before the start of the financial year?

Agree

Question 70: Do you agree with our proposals for information requirements at the end of the financial year?

Agree

Question 71: Do you agree with our proposals for the way in which a schedule of payment will operate for billing authorities and what is your view of the number of instalments by which payments to/from local authorities should be made?

The payment process set out in the consultation paper, and referred to in Questions 71 – 73, does not take into account pooling. Some of the payments referred to, namely in respect of transitional protection and the 50% central share of business rates are outside the business rates retention scheme. Consequently, where pooling arrangements operate, it is unlikely that the net payment process envisaged in the consultation paper could operate as envisaged.

Question 72: Do you agree with our proposals for the way in which a schedule of payment will operate for major precepting authorities and what is your view of the number of instalments on which payments to/from precepting authorities should be made?

Agree ~ The City Council believes it is appropriate to align the schedule of payments to/from precepting authorities with that to/from billing authorities, subject to any inter authority pooling agreements.

Question 73: Do you agree with our proposals for the way in which a schedule of payment will operate between billing and relevant major precepting authorities?

Agree ~ The City Council supports the principle that the schedule of payment between billing and precepting authorities should be subject to the agreement of the relevant parties.

Question 74: Do you agree with our proposals for the operation of the collection fund?

The City Council recognises that, under the retention scheme, transactions in respect of business rates will be reflected in the collection fund or the general fund, as appropriate. In addition, it needs to be noted that any pooling arrangements will impact upon the processes referred to in Questions 74 – 76.

Question 75: And do you agree that the reconciliation payment due in respect of transitional protection payments, should be built in to the calculation of collection fund surpluses & deficits only once, when outturn figures are available?

See response to Q74

Question 76: Do you agree with our description of the way in which the general fund will operate?

See response to Q74

Question 77: Bearing in mind the need to balance protection, incentive and affordability, and the associated impact on the amount of contingency that will need to be held back in the early years where, within the range 7.5% - 10%, should the safety net threshold be set?

The City Council's view is that, within the stated range, the safety net should be set at 7.5% in order to ensure that, as far as possible, funding is based on need.

Question 78: Bearing in mind the need to balance protection, incentive and affordability, and the associated impact on the amount of contingency that will need to be held back, do you agree with the Government's proposal to set the levy ratio at 1:1?

Agree ~ The City Council's view is that for the scheme to be credible authorities should not be able to benefit by more than the increase in business rates.

Question 79: Do you agree with the approach set out in paragraphs 16 to 19 for defining a billing authority's net retained rates income for the purposes of the levy and safety net calculations?

Agree

Question 80: Do you agree with the approach set out in paragraphs 20 to 22 for defining a major precepting authority's retained rates income for the purposes of the levy and safety net calculations?

Agree

Question 81: Do you agree with the approach set out in paragraphs 23 to 28 for safety net calculations and payments?

Agree ~ The City Council considers that, whilst the approach is logical, the scheme will become very complex and risk the establishment of an "industry" in allocating resources. This cannot be to the advantage of any stakeholder.

Question 82: Do you agree with the approach set out in paragraphs 29 to 32 for levy calculations and payments?

Agree

Question 83: Do you agree with our proposals for closing the 2012-13 national non domestic rating account?

Agree

Other Comments

Given the complexity of the proposed system, and the number of variables at play within the various elements of the system, the City Council believes that the introduction of the scheme should be delayed 12 months to allow all parties to thoroughly evaluate the potential changes and their impact.



Public report

Council

18th September 2012

Name of Cabinet Member:

Not Applicable

Director Approving Submission of the report:

Director of Customer and Workforce Services

Ward(s) affected:

Not Applicable

Title:

Appointment to Outside Body

Is this a key decision?

No

Executive Summary:

This report seeks approval for a replacement representative, appointed at the Annual Meeting of the City Council in May 2012, in relation to the Coventry General Charities Trust.

Recommendations:

That the City Council appoints Councillor Lakha as a representative of the City Council on the Coventry General Charities Trust.

List of Appendices included:

None

Other useful background papers:

Minutes from the Annual Meeting of the City Council held on 17th May, 2012.

Has it or will it be considered by Scrutiny?

No

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 – 18th September, 2012

Report title: Appointment to Outside Body

1. Context (or background)

- 1.1 The Coventry General Charities Trust is a charity who makes a yearly payment to the vicar and churchwardens of the ecclesiastical parish of St Michael for the poor; a yearly payment to the Governors of the Monks Kirby exhibition foundation; relief for persons in conditions of need, hardship or distress in the City of Coventry; the payment of pensions to poor people, preference being given to Freemen of the City; and the general advancement of education to persons under 25 years, preference being given to sons and daughters of the City.
- 1.2 The Charity meets monthly with an Annual General Meeting held in January.
- 1.3 Following the resignation of Former Councillor Mrs Johnson, there is now one vacancy for a City Council representative on the Board of Trustees. The Council's remaining Trustees are Councillor Crookes, Councillor Mrs Miks (Lead Member), Mr M Lapsa, Mr N. Lee, Mrs. E. Eaves, Mrs Lancaster and Mr W Thomson
- 1.4 Council representatives need not be Elected Members of the City Council.

2. Options considered and recommended proposal

- 2.1 It is proposed that Councillor Lakha be appointed as a representative of the City Council on the Coventry General Charities Trust.

3. Results of consultation undertaken

- 3.1 Not applicable

4. Timetable for implementing this decision

- 4.1 The appointment will take effect from the date of the Council Meeting.

5. Comments from Director of Finance and Legal Services

- 5.1 Financial implications

Not applicable

- 5.2 Legal implications

Not applicable

6. Other implications

Not applicable

Report author(s):

Name and job title:

Michelle Salmon, Governance Services Officer

Directorate:

Customer and Workforce Services Directorate

Tel and email contact:

02476 833065

Michelle.salmon@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Helen Abraham	Assistant Director (Democratic Services)	Customer and Workforce Services	31/07/12	02/08/12
Names of approvers: (Officers and Elected Members)				
John Scarborough	Corporate Governance & Litigation Manager	Finance and Legal Services	31/07/12	9/08/12
Bev Messinger	Director of Customer and Workforce Services	Customer and Workforce Services	31/07/12	03/08/12

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Council Meeting

18th September, 2012

Booklet 3

Questions

1.	<p>QUESTION SUBMITTED BY: Councillor Foster</p> <p>TO BE ANSWERED BY: Councillor Mrs Bigham</p>
<p>TEXT OF QUESTION:</p> <p>Given the arrangements for reports from the City Council's Representatives on Outside Bodies, can the Chair outline what arrangements she will be making for the City Council's 2 representatives on the Board of Arena Coventry Limited to update the Scrutiny Co-ordination Committee on their work?</p>	

2.	<p>QUESTION SUBMITTED BY: Councillor Foster</p> <p>TO BE ANSWERED BY: Councillor J Mutton</p>
<p>TEXT OF QUESTION:</p> <p>In light of the current situation surrounding SISU, CCFC and ACL, a company in which the City Council owns a 50% shareholding, will the Leader outline:</p> <ul style="list-style-type: none"> i). What role he has played in any discussions with ACL, SISU or CCFC about the level of rent to be paid by CCFC for use of the Ricoh Arena? ii). Has he on behalf of the City Council set any financial threshold that ACL must seek to return to the Council in future? ii). Have there been any discussions about SISU acquiring the City Council's shareholding in ACL or varying the position in relation to the city council as a shareholder? iv). What arrangements will he be making for any agreement that could see the alteration of the City Council's future income as a shareholder to be debated and agreed by Councillors? 	