

Coventry City Council

Minutes of the meeting of Cabinet held at 2.00 pm. on 18 June 2013

Present:

Cabinet Members:	Councillor Mrs Lucas (Chair) Councillor Townshend (Deputy Chair) Councillor Duggins Councillor Gannon Councillor Gingell Councillor Kelly Councillor Kershaw Councillor A. Khan Councillor Lancaster Councillor Ruane
Deputy Cabinet Members:	Councillor Innes
Non-voting Opposition Members:	Councillors Blundell and Andrews
Other Members:	Councillors Fletcher, Foster, McNicholas, Sandy and Skipper.
Employees (by Directorate):	
Chief Executive's:	M Reeves (Chief Executive), F Collingham, G Holmes, J Moore and A West
Children, Learning and Young People :	Colin Green (Director), S Redgrave and A Simpson,
City Services & Development:	M Yardley (Director), N Clews, C Knight, R Negro, M Vicker and R Young
Community Services:	B Walsh (Director)
Customer & Workforce Services:	H Abraham (Assistant Director), S Iananntuoni, H Peacocke and N Sutharia
Finance & Legal Services:	C West (Director), N Chamberlain, C Forde, B Hastie, P Helm, P Jennings and J Murphy

Public business

1. Apologies

Cabinet noted apologies from Councillors K Caan and D Howells.

2. Declarations of Interest

There were no declarations of Interest.

3. **Minutes of Cabinet 16 April ([Cabinet Minutes 16 April 2013](#))**

The Minutes were amended to record Councillor Lancaster's apologies, then agreed by the meeting and signed as a true record.

4. **Exclusion of the Press and Public**

Resolved to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private reports on Item 18: Increasing Pupil Places Programme 2014 and on Item 19: Friargate Bridge on the grounds that they involve the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act as they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) and that in all of the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5. **Transformation Programme Progress Report ([Report](#))**

The Cabinet considered a report from the Chief Executive on the progress of the Transformation Programme which was launched in June 2009, and its progress reported to Cabinet and Scrutiny Co-ordination Committee. The purpose of the report was to set out what has been achieved in 2012/13, and how the Programme contributed to the significant challenges facing the City Council.

RESOLVED that Cabinet

- (1) Notes the progress made in delivering specific reviews in the Transformation Programme and;**
- (2) Affirms its commitment to the continuation of the Programme and its contribution to the service improvement and cost reduction challenge.**

6. **2012-2013 Revenue and Capital Outturn ([Report](#))**

The meeting considered a report of the Director of Finance and Legal Services advising Cabinet of the final revenue and capital outturn position for 2012/13.

RESOLVED that Cabinet:

- (1) Approves the final revenue outturn position incorporating an underspend of £3.5m.**
- (2) Approves the proposed contributions of £2.5m from this underspend outlined in Section 2.3 subject to further Cabinet approval where specified.**
- (3) Approves the final capital outturn position, incorporating expenditure of £53.6m against a final budget of £63.2m, a variance of £9.6m made up of net rescheduling of £8.5m and a net under-spending of £1.1m as set out in section 2.5.**
- (4) Approves the resourcing of this capital expenditure in section 2.5.**
- (5) Approves the outturn Prudential Indicators position in section 2.6 and Appendix 7.**

7. **Coventry Jobs Strategy - Annual Progress Report 2012/13** ([Progress Report](#))

The Director of City Services and Development summarised the progress made to deliver the Jobs Strategy in its second year from April 1st 2012 to March 31st 2013. The Cabinet heard that the news was very positive, with many performance measures exceeding the targets set for the year and congratulated those involved in delivering the Strategy.

RESOLVED that Cabinet:

- (1) **Considers and endorses the progress made by the Jobs Strategy for Coventry in its second year (April 2012 – March 2013).**
- (2) **Agrees to the revised targets for 2013/14 for the Jobs Strategy (paragraph 2.10).**
- (3) **Considers any comments or recommendations from the Business, Economy and Enterprise Scrutiny Board.**

8. **Secondary SEN Broad Spectrum Schools: Outcome of Consultation on the Revocation of Statutory Notices and Revised Proposals** ([Report](#))

Further to Department of Education advice Cabinet approved consultation on both the revocation of the statutory notices determined in advance of BSF and the new proposed change to Alice Stevens. This reports, presented by The Director of Children, Learning and Young People, set out the outcome of that consultation and recommended publication of a new statutory notice for Alice Stevens.

RESOLVED that Cabinet

- (1) **Notes the proposal to establish a new secondary Broad Spectrum special school to be delivered as part of the Government's Priority Schools Building Programme to replace the current Alice Stevens special school;**
- (2) **Considers and take into account the responses to the recent consultation as set out in appendix 1 to this report when making its decision;**
- (3) **Authorises officers to publish the necessary Statutory Notice to:**
 - a) **Revoke the three previously determined statutory notices determined by Cabinet in March 2009 and;**
 - b) **Make a prescribed alteration to Alice Stevens Special School to enable its co-location as a Broad Spectrum special school co-located with Ernesford Grange Secondary School, and;**
- (4) **Delegates authority to the Director of Children, Learning and Young People and Director of Finance and Legal to finalise the details of the Statutory Notice.**

9. **Wyken Croft Primary School Credit Union Loan Application** ([Report](#))

Cabinet considered a report from Director of Children Learning and Young People and the Director of Finance and Legal Services seeking approval for a Credit Union loan on behalf of Wyken Croft Primary School.

The school required a £400K loan, and planned to fund the repayment of the loan mainly through the income generated by the Phoenix Nursery and the Phoenix Club. The school provided a business plan to demonstrate the affordability of the loan.

The report pointed out that the Fair Funding Scheme of Delegation allowed for loans up to £100K and loans in excess of this required Cabinet approval.

RESOLVED that Cabinet approves a credit union loan of £400K for Wyken Croft Primary School to be repaid over a maximum of eight years.

10. **High Speed 2 and Coventry [\(Report\)](#)**

Cabinet considered the Report of the Director of City Services and Development which said that the Queen's speech had announced the Government's intention to introduce new legislation to enable the delivery of HS2 phase 1. This would be in the form of a Paving Bill (which has already had a first reading) and a Hybrid Bill, which was to be deposited by the end 2013.

The Hybrid Bill process was the most significant opportunity remaining for Coventry to engage with the process and secure measures which can support Coventry's future rail connectivity. To achieve this it would be necessary to prepare a clear evidenced case for use in the process. This report sought approval to prepare this and set out a proposed resolution for Council to consider which reframes the context for the Council's engagement with HS2 Ltd and Government regarding HS2 proposals. This recognised that there is a need to prepare for the likely eventuality that HS2 would happen, whilst seeking to get the best possible outcome from HS2 for the City.

RESOLVED that Cabinet:

(1) Recommends to Council that they adopt a new resolution on HS2 that:

'Coventry City Council notes the Queen's Speech and the Coalition Government's determination to proceed, with opposition support, to progress HS2 with a Hybrid Bill. The Council therefore resolves to ensure the best possible outcome from HS2 for the City'.

(2) Gives approval for officers, under the guidance of the Lead Member for Transport and the Cabinet Member for Business Enterprise & Employment to:

- a) Engage with HS2 Ltd, Network Rail and Department for Transport (DfT) to identify possible solutions to achieve the best possible outcome from HS2 for the City, both in terms of connectivity to HS2 and connectivity on the existing rail network.**
- b) To work with consultants to develop an evidenced case with which to respond to the deposit of the HS2 Hybrid Bill.**
- c) To report back to Cabinet on the outcome of recommendations (a) and (b).**

11. **Implementation of the Living Wage [\(Report\)](#)**

Cabinet considered the Report of the Director of Customer and Workforce Services and the Director of Finance and Legal Services which outlined plans for the implementation of the Living Wage.

Following the new Council Leadership's manifesto pledge, this report proposed the implementation of the Living Wage - currently £7.45 per hour - for all Council employees to take effect from 1 August 2013 and to be included in salaries in the August payroll.

The report recommended the introduction of the Living Wage for Coventry City Council and made recommendations for its practical implementation in order to deliver the Council's commitment to address low pay for council employees and tackle in-work poverty.

RESOLVED that Cabinet makes the following recommendations to Council:

- (1) That the Living Wage be implemented in Coventry City Council with effect from 1 August 2013.**
- (2) That once implemented, the level of Living Wage paid to Council employees be reviewed annually as part of the budget process, informed by information available from national pay negotiations.**
- (3) To Instruct the Director of Children Learning & Young People and the Director of Finance & Legal Services to consult the Schools Forum in relation to the funding of the Living Wage for Community Schools' staff.**
- (4) To Instruct the Director of Children Learning & young People to consult with Head Teachers and Governing Bodies around the implementation of the living wage in Community Schools.**

12. **Review of the Members' Allowances and Expenses Scheme [\(Report\)](#)
[\(Report of the Independent Remuneration Panel\)](#)**

Cabinet considered a report from Director of Customer and Workforce Services setting out the recommendations made by the Independent Remuneration Panel (IRP) on the Review of the Members' Allowances and Expenses Scheme with specific focus on the remuneration of the new Deputy Cabinet Member roles appointed at the Council's Annual Meeting on 16 May 2013.

It was noted that these posts had been created as part of the Programme for Action of the new Council leadership. The 3 appointees were to give assistance to Cabinet Members with demanding portfolios. The appointments would also give experience of Cabinet duties and development opportunities to non-executive Members.

The IRP recommended that the posts of Deputy Cabinet Member should receive a Special Responsibility Allowance of £5,140 per annum (50% of the Cabinet Member SRA) to be reviewed following experience of the role. However, the Labour Group took the view that it should be £3,500, and reviewed after 12 months.

Cabinet noted that the review of appointments carried out by the new leadership had removed the role of Deputy Chairs for Scrutiny Boards and reduced the number of Boards from 5 down to 6. The overall impact of these changes to appointments would result in savings in Allowances in excess of £11,000 per annum.

RESOLVED that Cabinet recommends that Council

- (1) Acknowledge the work of the IRP for undertaking the review.**
- (2) Consider each recommendation within the IRP's report.**
- (3) Note the recommendations of Cabinet:**
 - i. That the Deputy Cabinet Member position be subject to a Special Responsibility Allowance of £3,500 per annum with effect from 16 May 2013 and that the Members' Allowances and Expenses Scheme be amended accordingly.**
 - ii. That the Deputy Cabinet Member SRA be reviewed after 12 months, in the light of experience.**
 - iii. That the Special Responsibility Allowance for the Leader of the Opposition be reviewed at a future meeting of the Independent Remuneration Panel.**

13. Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings ([Report](#))

Cabinet considered the report of the Director of City Services & Development which proposed the regeneration of the Friargate area next to Coventry Railway Station which had the potential to generate 13,400 permanent jobs over the next 10-15 years.

The Council proposed to be the first occupier at Friargate and give confidence to others to locate there. Investing in a new building at Friargate would allow the Council to transform the way it delivered services to the public and make savings as part of a package of changes which comprised in full:

- a) The construction of a new, Council-owned office building as the first building within the Friargate development;
- b) Investment in the creation of a new Customer Services Centre in Broadgate;
- c) Investment in the Council House as the Civic and Democratic Centre;
- d) Investment in a number of other suburban office buildings to support locality based service delivery;
- e) The introduction of agile and flexible working arrangements for Council staff to drive productivity and efficiency gains;
- f) The rationalisation of the Council's operational office buildings from 27 to 9;
- g) The construction of the Friargate Bridge (subject to a separate report on the agenda).

To maximise inward investment and job creation potential of Friargate it was essential that the railway station area was fully connected to the City Centre. To address the barrier created by the Ring Road it was proposed to remove the roundabout at Junction

6 and to build a bridge deck across the Ring Road (the 'Friargate Bridge'). This was the subject of a separate Cabinet/Council report at this meeting. The Friargate Bridge would be funded through the Regional Growth Fund allocation of £12.7m.

RESOLVED that Cabinet recommends to Council that it:

- (1) Commits to the wider Friargate development using the Project detailed in this report as a catalyst for jobs, growth and additional rates income.**
- (2) Approves the overall affordability strategy for the Project as set out in this report.**
- (3) Approves the rationalisation and changes to the Council's existing operational estate and its ongoing use, including the creation of a new Customer Services Centre within Broadgate House and the Civic and Democratic Centre in the Council House and the subsequent disposal of assets released.**
- (4) Authorises officers to procure the required contracts and make necessary arrangements to achieve the Council office at Friargate, the Customer Services Centre at Broadgate, the Civic and Democratic alterations to the Council House and to the four suburban hubs, associated ICT infrastructure, project management and decommissioning arrangements at the total estimated capital cost of £59m.**
- (5) Approves the addition of this scheme to the Council's capital programme for 2013/14 onwards and uses its prudential borrowing powers under the Local Government Act 2003 to finance the capital costs of the Project up to £59m.**
- (6) Authorises the Council's section 151 officer to complete a submission to the Coventry and Warwickshire Local Enterprise Partnership and subject to LEP Board approval, onwards to HM Treasury, requesting that the Project benefits from an estimated £31m of prudential borrowing at preferential rates available from HM Treasury.**
- (7) Approves that the capital receipts generated from the disposal of the resulting redundant operational estate be ring-fenced to finance the Project and request officers to prepare a disposal strategy for those assets.**
- (8) Approves £1.7m of the City Deal monies/reserves already budgeted for in the Council's medium term financial strategy are utilised to finance project management costs within the overall approval of project costs in 4 above.**
- (9) Approves project management and design costs of £1.4m that will be incurred at risk up until January/February 2014 when contracts are planned for signature.**
- (10) Uses the recently established Cabinet Advisory Panel (Regeneration and Infrastructure) to provide political guidance and support to the operational aspects of the wider programme, including agreeing the scope and general remit of the programme delivery team as per the proposed governance arrangements in Appendix 1.**

- (11) Authorises the Assistant Director – City Centre & Development to negotiate with an incoming second occupier to establish a national HQ, within the Friargate development based on the principles set out in this report and to receive a further Cabinet report at a later date with the details of the arrangement for consideration.**
- (12) Delegates authority to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment) and Cabinet Member (Strategic Finance and Resources), to award contracts to achieve the Project within the affordability parameters detailed in this report.**
- (13) Delegates authority for any other detailed legal and financial matters to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment), Cabinet Member (Strategic Finance and Resources) and Cabinet Advisory Panel.**

14. **Friargate Bridge [\(Report\)](#)**

The Director of City Services and Development presented this report which informed Cabinet that in order to maximise the inward investment and job creation potential of the project at 13 above, it was essential that the rail station area was fully connected to the city centre. To address the barrier created by the Ring Road it was proposed to remove the roundabout at Junction 6 and to build a bridge deck across the Ring Road (the 'Friargate Bridge') to create a new attractive public boulevard route to link into the city centre and to extend Greyfriars Green to the edge of the Friargate development.

The proposed boulevard route would run from the front of the station, over the new bridge deck and into the city's central shopping area. In addition, as well as promoting enhanced pedestrian linkages and better visual connections the removal of the roundabout would allow for additional land for development to be brought forward.

The completion of these works would require the developer to discharge the reserved matters on its outline planning consent and implement the pedestrian boulevard route from the front of the railway station to the ring road – another transformational element of the masterplan.

The Council has secured a Regional Growth Fund (RGF) bid on behalf of the Coventry and Warwickshire Local Enterprise Partnership (CWLEP). Within the bid £12.7million was available to the City Council for the rebuilding of Ring Road junction 6, making significant road improvements and opening up the Friargate site for greater development and opportunity. The rebuilding of junction 6 will also ensure the Friargate site was integrated into the current city centre and future City Centre South aspirations. The RGF funding agreement with government for the £12.7million stipulated the funding has to be spent by 30 June 2015 and the delivery of over 2,000 jobs by April 2022 through the office space being developed on the site.

To achieve this tight timescale it was proposed to enter into an Early Contractor Involvement arrangement with a contractor who will be co-located with the City Council's appointed design team to develop the scheme and a target contract price. This target price would be fixed by December 2013.

It would be necessary to incur development costs up to December 2013 when the target price would be known. These costs would be incurred without certainty that the project was affordable and that it would therefore proceed. The estimated spend up to this point (principally design fees and project management costs) was £0.7million. If the Council chooses not to proceed with the bridge, it would not be able to claim from RGF for the costs incurred to this date.

RESOLVED that Cabinet

- (1) Notes the funding award Regional Growth Fund 3 for £12.7million for the purpose of constructing Friargate Bridge.**
- (2) Approves that project management and design costs of £0.7million will be incurred at risk up until December 2013 when contracts would be signed.**
- (3) Approves variations to the collaboration agreement with Friargate LLP to facilitate the bridge and boulevard works to an agreed timescale.**
- (4) Supports Friargate in the discharge of the reserved matters under the planning application and the required stopping up orders for the said works.**
- (5) Recommends that Council:**
 - a) Approve the addition of this scheme to the Council's Capital Programme for 2013/14 onwards;**
 - b) Approve the delegation of authority to The Director of CSD in consultation with the Cabinet Member (Business Enterprise & Employment) to award the ECI works contract for the bridge deck.**

15. Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools ([Report](#))

Cabinet considered the Report of the Director of Children, Learning and Young People which sought approval to the proposals and capital funding for these five schools.

An Official Journal of the European Community (OJEU) tender process was carried out June – September 2012 to select a consultant design team and partnering contractor. Associated Architects (lead consultants) and Wates Construction (partnering contractor) developed the extension proposals in collaboration with key stakeholders. Planning applications were submitted for all five schools earlier this year. Construction works would be completed in time for the schools to increase their intake capacity from September 2014, although Broad Heath, Clifford Bridge and Frederick Bird have already taken on an increase in admission numbers from September 2012 using existing or temporary accommodation.

The estimated total costs based on the scheme design proposals were £15,267,000, to be funded by a mixture of existing & future Central Government allocations & other grants and direct school funding. The City Council's funding commitment to this programme was £14,217,000.

RESOLVED that Cabinet :

- (1) Approves total potential capital expenditure by the City Council for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools to be funded by DfE Basic Need and capital maintenance grant, direct school funding and Prudential Borrowing should future Central Government allocations be insufficient to fund the above expenditure.**
- (2) Notes the plans that are included in the appendices for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools.**

16. Authority for Attendance at Conference

RESOLVED that Cabinet approves the attendance of Councillor Gannon, a Conservative nominee, the Director of Legal and Finance Services and one additional officer from the Finance and Legal Services Directorate at the CIPFA Annual Conference to be held on 10 and 11 July 2013.

17. Outstanding Issues

The Cabinet considered a report of the Director of Customer and Workforce Services that contained the list of outstanding issues and summarised the current position in respect of each item.

RESOLVED that the Cabinet notes the dates for consideration of future reports.

18. There were no other items of Public Business.

PRIVATE BUSINESS

19. Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools

Further to Minute 15 above, the Cabinet considered the estimated costs based on the design proposals.

RESOLVED that Cabinet :

- (1) Approves the total potential capital expenditure as recommended for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools to be funded by DfE Basic Need and capital maintenance grant, direct school funding and Prudential Borrowing should future Central Government allocations be insufficient to fund the above expenditure.**
- (2) Notes the plans that are included in the appendices for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools.**

20. **Friargate Bridge**

Further to Minute 14 above, the Cabinet considered the estimated costs of the proposed works.

RESOLVED that Cabinet:

- (1) Notes the funding award Regional Growth Fund 3 for £12.7million for the purpose of constructing Friargate Bridge.**
- (2) Approves project management and design costs of £0.7million will be incurred at risk up until December 2013 when contracts are planned to be signed.**
- (3) Approve variations to the collaboration agreement with Friargate LLP to facilitate the bridge and boulevard works to an agreed timescale.**
- (4) Support Friargate in the discharge of the reserved matters under the planning application and the required stopping up orders for the said works.**
- (5) Recommends that Council:**
 - a) Approves the addition of this scheme to the Council's capital programme for 2013/14 onwards for the construction of the bridge deck as recommended;**
 - b) Approves the delegation of authority to The Director of CSD in consultation with the Cabinet Member (Business Enterprise & Employment) to award the ECI works contract for the bridge deck;**
 - c) Notes the recommendation regarding capital funding.**

21. There were no other items of private business which the Chair decided to take as a matter of urgency because of the special circumstances involved.

(The Meeting closed at 3.25 pm)