

**Council – 17<sup>th</sup> March 2015**

**Agenda Item 12a  
Recommendation from Cabinet  
17th March 2015**

**Coventry City Council**

**Minutes of the Meeting of Cabinet held at 11.00 am on Tuesday, 17 March 2015**

Present:

Cabinet Members:

Councillor Townshend (Chair)  
Councillor Abbott  
Councillor Gannon  
Councillor Gingell  
Councillor Kershaw  
Councillor A. Khan  
Councillor Maton  
Councillor Ruane

Deputy Cabinet Members:

Councillor Brown  
Councillor Caan  
Councillor Chater

Non-voting Opposition Members:

Councillor Blundell

Other Members:

Councillor Hetherton  
Councillor Skipper  
Councillor Thomas

Employees (by Directorate):

Chief Executive's:

F Collingham, J Moore

Place:

D Cockroft

People:

B Walsh (Executive Director), M Godfrey

Resources:

C West (Executive Director), E Dewar, C Forde,  
M Salmon

Apologies:

Councillors Andrews, Lancaster, Mrs Lucas  
and McNicholas and from the Chief Executive

## RECOMMENDATION

### 136. **Coventry Investment Fund**

The Cabinet considered a joint report of the Executive Director for Resources and the Executive Director for Place, which sought approval of changes to the levels of delegation in respect of the Coventry Investment Fund (CIF).

The CIF had been put in place to invest in real growth opportunities right from the way through from manufacturing businesses to retail businesses, leisure services and road improvements and included the development of the Council's commercial property portfolio, with a view to getting the best return possible from its assets.

The report highlighted the need to balance the speed of decision making which private sector partners require with robust governance. It was noted that an investment board was in place in the form of the Coventry Investment Fund Cabinet Committee, which reviewed business cases and made decisions on projects in which to invest.

The Council were currently in negotiations with a number of potential investors that had the potential to generate jobs and boost the local economy. As a result of these negotiations, a number of new deals may emerge which align with CIF objectives.

The possible investment decisions would be highly sensitive and commercial and confidence and certainty of tight decision making timelines had to be given to investors early in the process. Through the CIF Committee, the Council was able to show its commitment to these investments. However, there was a risk that the Council was currently unable to move swiftly enough to engage in negotiations with these investors, who often work to very demanding timescales. Decision making processes within the Council move at a pace which was not in line with the market and Coventry may continue to lose out on significant investment opportunities.

To address this emerging issue, and to ensure that the Council's CIF remained an effective tool in growing the local economy with game changing investment, the Council was recommended to respond to the market and temporarily increase the delegated authority for the CIF Committee and Cabinet to make investment decisions.

Having considered the report submitted, the Cabinet requested that officers investigate the establishment of a small fund aimed to support small to medium business enterprises for a grant funding process, similar to that operated by the Princes Trust.

**RESOLVED that the Cabinet recommend that the Council:-**

- 1. Approve an increase to the delegated authority for the Coventry Investment Fund Cabinet Committee allowing individual grant and loan awards up to a maximum of £5 million.**

- 2. Where the recommendation to the CIF Cabinet Committee is to determine an individual grant in excess of £2 million and up to a maximum of £5 million, then require an additional two Cabinet Members to be determined by the Leader of the City Council become members of the CIF Cabinet Committee (making five in total).**
- 3. Approve that Cabinet are delegated to determine an individual grant or loan in excess of £5 million up to a maximum of £10 million.**
- 4. Approve that recommendations (1) to (3) will remain in place for a period of 12 months after which the previous and original financial approval thresholds for the CIF Committee will be restored to £1 million for grants and £2 million for loans.**

(NOTE: This matter was considered as urgent business, the reason for urgency being to facilitate proposals and negotiations that take place at short notice due to market requirements that could have a significant impact on the City and thereby protecting the Council's and City's interests.)