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Coventry City Council

Minutes of the Meeting of Cabinet held at 10.00 am on Tuesday, 23 February 2016

Present:

Cabinet Members: Councillor Mrs Lucas (Chair)
Councillor Abbott
Councillor Gannon
Councillor Kershaw
Councillor Lancaster
Councillor Maton
Councillor Ruane

Deputy Cabinet Members: Councillor Dr R Auluck
Councillor Brown
Councillor Clifford

Non-voting Opposition Members: Councillor Blundell
Councillor Sawdon (Substitute for Councillor
Andrews)

Other Members: Councillor Crookes
Councillor Lakha
Councillor J Mutton
Councillor M Mutton

Employees (by Directorate):

Chief Executive's: M Reeves (Chief Executive), F Collingham,

Place: M Yardley (Executive Director)

People: G Quinton (Executive Director) M McGinty,
K Nelson

Resources: B Hastie, P Jennings, L Knight, J Newman,

Apologies: Councillors Andrews, McNicholas and
Thomas

Public Business

120. Declarations of Interest

In respect of Minute 121 below headed "Connecting Communities – Phase 1 Outcome of Consultation", the following members declared interests as indicated:-

Councillor Clifford declared an other relevant interest and remained in the meeting and took part in the consideration of this matter and in line with his role as Deputy Cabinet Member, did not vote on this issue.

Councillor Lucas declared an other relevant interest and remained in the meeting and took part in the consideration and voting on this matter.

Councillors Lancaster and Lakha declared other relevant interests and decided to leave the meeting during the consideration and voting on this matter.

121. **Connecting Communities - Phase 1 Outcome of Consultation**

The Cabinet considered a report of the Executive Director of Resources, which provided an update on Connecting Communities proposals following a period of public consultation.

Connecting Communities was an ambitious and wide reaching approach to radically redesign services through co-production and collaboration with local communities. The approach focussed on how services might be delivered differently in the future in the communities and neighbourhoods where there was most need and within the resources available. The Cabinet noted that this might include joining services together to reduce the number of buildings and staff that the Council and other statutory organisations required to deliver services.

Phase 1 of Connecting Communities focussed on ten specific proposals for the delivery of £1.2m savings. The target for 2016/17, set through the original City Centre First programme for 2016/17 was £1m, but proposals made to Cabinet in November 2015 exceeded this by £0.2m. The ten proposals related to:-

- Proposal 1 – Play Centres
- Proposal 2 – Arena Park Library
- Proposal 3 – Willenhall Library
- Proposal 4 – Mobile Library Service
- Proposal 5 – Library Media Fund
- Proposal 6 – Central Library Opening House
- Proposal 7 – Community Library Opening Hours
- Proposal 8 – Youth services Commissioning Budget
- Proposal 9 – Public Conveniences
- Proposal 10 – Community Centres

A period of public consultation on the ten proposals took place between 7th December 2015 and 1st February 2016, which included a widescale engagement programme, using innovative engagement methods, with residents, community groups and partner organisations.

The report and its associated appendices detailed the outcome of the consultation, identified the impacts of each of the proposals and made specific recommendations for consideration.

The Cabinet acknowledged the receipt of a number of petitions as part of the consultation process. In particular, 5 petitions were received in relation to Proposal 1 – Play Centres, and these were considered by the Cabinet Member for Children and Young People at his meeting held on 12th February 2016, and 2 further petitions were received in relation to Proposal 2 – Arena Park Library and Proposal 4 – Mobile Library Service, which were considered by the Cabinet Member for Education at his meeting also held on 12th February 2016. In all

cases, the petition organisers were invited to the meetings to present the views of the petitioners. The Cabinet Members recommended that the contents of the petitions, which were set out in full within the report now submitted, be noted.

RESOLVED that the Cabinet:-

- (1) Note that 7 petitions were considered by the Cabinet Members for Education and children and Young People in relation to the proposals at their respective meetings on 12th February 2016 and have been considered and included as part of the consultation process and outcomes.**
- (2) Note the outcome of the consultation and the resulting equality impacts and the updated Equality and Consultation Analysis in Appendix A of the report submitted.**
- (3) Approve the implementation of the proposals detailed in Appendix B of the report:-**
 - a. For the Council to stop providing play activities at Edgewick and Eagle Street Play Centres and for the Council to lease the buildings to third party operators to be used for nursery provision for two, three and four year olds instead by September 2016.**
 - b. To end delivery of library services from the Arena Park Library facility by not renewing the lease and to continue engagement with Holbrooks Community Care Association (HCCA) about the potential delivery of a reduced library service to be provided in the HCCA building by September 2016.**
 - c. To end delivery of library services by not renewing the lease from the current Willenhall Library facility and to continue engagement about the potential delivery of a reduced library service to be provided in the Hargard Centre building by September 2016.**
 - d. To end the mobile library service by 1st June 2016**
 - e. To cut the library media fund of £658,000 to £558,000 with effect from 1st April 2016.**
 - f. For Central Library to continue to open seven days per week, but to close one hour earlier on weekdays – closing at 7pm instead of 8pm by September 2016.**
 - g. To close Caludon Castle, Earlsdon and Foleshill libraries on Wednesdays and close Stoke and Tile Hill on Sundays by September 2016. To agree in principle that Bell Green, Earlsdon and Foleshil libraries remain open on Sundays provided that officers are satisfied as to the viability of a mix of paid staff and volunteers operating the libraries on these days. In the event officers are not satisfied the question of whether the libraries**

should remain open on Sundays would be referred back to the Cabinet Member for Education.

- h. Withdraw the youth services commissioning budget with effect from 1st April 2016 and continue to work with the community and voluntary sector to explore the best way that youth services for young people should be delivered across Coventry.**
- i. To close six public conveniences located outside the city centre from 1st April 2016, keeping open the two city centre public conveniences.**
- j. To enter into a lease with each of the community associations currently managing the community centres (six) within 12 months from approval of the proposal subject to variations to the approach specifically for Radford and Foleshill Community Centres.**

122. 2016/17 Council Tax Setting Report

The Cabinet considered a report of the Executive Director of Resources, which calculated the Council Tax level for 2016/17.

In previous years the Council has had the flexibility to increase Council Tax by up to 2% without holding a local referendum on the matter. The report indicated that the Pre-Budget Report was approved on the basis of consulting on a Council Tax rise of 1.9%. It had subsequently been confirmed that, in recognition of the increasing pressure on adult social care services across the country, the Government had increased this flexibility by a further 2%, up to a maximum of 4%. On that basis, the budget was being proposed on the basis of increasing the Council Tax by 3.9% in order to increase the resources available to fund adult social care services within the City.

The Executive Director of Resources reported that the precepts from the West Midlands Fire and Rescue Authority were approved at their meeting on 15th February 2016 and, as a result, the figures indicated as provisional within the report were confirmed.

The Cabinet noted that the recommendations followed the structure of resolutions drawn up by the Chartered Institute of Public Finance and Accountancy, to ensure that legal requirements were fully adhered to in setting the tax. As a consequence, the wording of the resolutions was necessarily complex.

RESOLVED that the Cabinet recommend that Council:-

- (1) Note the following Council Tax base amounts for the year 2016/17, as approved by Council on 12th January 2016, in accordance with Regulations made under Section 31B of the Local Government Finance Act 1992 (as amended) (“the Act”):**
 - a) 77,525.1 being the amount calculated by the Council as its Council Tax base for the year for the whole area;**

b)	Allesley	318.3
	Finham	1,467.8
	Keresley	226.2

being the amounts calculated by the Council as its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) That the following amounts be now calculated by the Council for the year 2016/17 in accordance with Sections 31A, 31B and 34 to 36 of the Act:

(a) £692,642,421 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils (*Gross Expenditure and reserves required to be raised for estimated future expenditure*);

(b) £581,800,332 being the aggregate of the amounts that the council estimates for the items set out in Section 31A(3) of the Act. (*Gross Income including reserves to be used to meet the Gross Expenditure but excluding Council Tax income*);

(c) £110,842,089 being the amount by which the aggregate at (2)(a) above exceeds the aggregate at (2)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;

(d) £1,429.76 $\frac{(2)(c)}{(1)(a)} = \frac{£110,842,089}{77,525.1}$

being the amount at (2)(c) above divided by the amount at (1)(a) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year. (*Average Council Tax at Band D for the City including Parish Precepts*).

(e) £30,037 being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts*);

(f) £1,429.37 = (2)(d) - $\frac{(2)(e)}{(1)(a)} = £1,429.76 - \frac{£30,037.00}{77,525.1}$

being the amount at (2)(d) above, less the result given by dividing the amount at (2)(e) above by the amounts at (1)(a) above, calculated by the Council,

in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of the area to which no special item relates. (*Council Tax at Band D for the City excluding Parish Precepts*);

(g)

Coventry Unparished Area	£1,429.37
Allesley	£1,454.90
Finham	£1,443.31
Keresley	£1,435.81

Being the amounts given by adding to the amount at (2)(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (1)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. (*Council Taxes at Band D for the City and Parish*).

(h)

Valuation Band	Parts to which no special items relate £	Parish of Allesley £	Parish of Finham £	Parish of Keresley £
A	952.91	969.93	962.20	957.20
B	1,111.73	1,131.59	1,122.57	1,116.74
C	1,270.55	1,293.24	1,282.94	1,276.27
D	1,429.37	1,454.90	1,443.31	1,435.81
E	1,747.01	1,778.21	1,764.05	1,754.88
F	2,064.65	2,101.53	2,084.79	2,073.95
G	2,382.28	2,424.83	2,405.51	2,393.01
H	2,858.74	2,909.80	2,886.62	2,871.62

being the amounts given by multiplying the amounts at (2)(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

(3) To note that for the year 2016/17 the Police and Crime Commissioner for the West Midlands and West Midlands Fire Authority have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Act, for each of the categories of dwelling shown below:

Valuation Band	Police and Crime Commissioner for the West Midlands	West Midlands Fire Authority
	£	£
A	74.37	37.35
B	86.76	43.58
C	99.16	49.80
D	111.55	56.03
E	136.34	68.48
F	161.13	80.93
G	185.92	93.38
H	223.10	112.05

- (4) That having calculated the aggregate in each case of the amounts at (2)(h) and (3) above, the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the following amounts as the amounts of Council Tax for the year 2016/17 for each part of its area and for each of the categories of dwellings shown below:

Valuation Band	Parts to which no special items relate	Parish of Allesley	Parish of Finham	Parish of Keresley
	£	£	£	£
A	1,064.63	1,081.65	1,073.92	1,068.92
B	1,242.07	1,261.93	1,252.91	1,247.08
C	1,419.51	1,442.20	1,431.90	1,425.23
D	1,596.95	1,622.48	1,610.89	1,603.39
E	1,951.83	1,983.03	1,968.87	1,959.70
F	2,306.71	2,343.59	2,326.85	2,316.01
G	2,661.58	2,704.13	2,684.81	2,672.31
H	3,193.89	3,244.95	3,221.77	3,206.77

- (5) That the Council determines that its relevant basic amount of Council Tax for 2016/17 is not excessive in accordance with the principles approved under Sections 52ZC and 52ZD of the Act.

123. Budget Report 2016/17

The Cabinet considered a report of the Strategic Management Board, which set out the Council's proposed revenue and capital budget for 2016/17 following a period of public consultation.

The allocation of Government funding for 2016/17 was confirmed in the Local Government Finance Settlement announced on 8th February 2016. The Settlement signalled a continued reduction in local government funding over the next 4 years with a planned reduction of £40m in Coventry's Settlement Funding Assessment – the sum of Revenue Support Grant, Top-Up Funding and an estimate of Coventry's local share of Business Rates.

The Cabinet noted that in previous years, the Council had the flexibility to increase Council Tax by up to 2% without holding a local referendum on the matter. The

Pre-Budget Report was approved on the basis of consulting on a Council Tax rise of 1.9%. However, in recognition of the increasing pressure on Adult Social Care services across the country, the Government had increased this flexibility by a further 2%, up to a maximum of 4%. The recommended budget assumed the taking up of this additional 2% flexibility in order to increase the resources available to fund Adult Social Care services in the City. As a result, the budget was being proposed on the basis of increasing the Council Tax by 3.9%. This proposed increase would be the equivalent of between 70p and 80p per week for a typical Coventry Household.

The overall budget reflected reductions in Government funding that had already been anticipated and savings programmes that were approved as part of the 2015/16 budgeting setting. Going into the 2016/17 budget setting, the Council faced a financial gap of £13m and a new financial pressure of £10m had emerged since, in particular in relation to Adult Social Care. These have been balanced by higher than planned resources available to the Council, as well as a series of savings options to balance the budget. Overall the report incorporated a package of changes that allowed the Council to continue to deliver its key policies, as set out in the Council Plan.

Despite the financial pressure it faced, the Council was maintaining an ambitious approach to investing in the City. The proposed capital programme amounted to £117m in 2016/17 and included major schemes such as the Friargate and the City Centre Leisure facility developments and the Coventry Station Master Plan.

The annual Treasury Management Strategy, incorporating a revised Minimum Revenue Provision Policy, was also proposed, covering the management of the Council's investments, cash balances and borrowing requirements.

RESOLVED that the Cabinet recommend that Council:

- (1) Approve the spending and savings proposals in Appendix 2 of the report submitted.**
- (2) Approve the total 2016/17 revenue budget of £693m in Table 1 and Appendix 3 of the report submitted, established in line with a 3.9% City Council Tax increase and the Council Tax Requirement recommended in the Council Tax Setting Report.**
- (3) Note the Executive Director or Resources' comments confirming the robustness of the budget and adequacy of reserves in Sections 5.1.3 and 5.1.2 of the report.**
- (4) Approve the Capital Programme of £117m for 2016/17 and the future years' commitments arising from this programme of £170m between 2017/18 to 2019/20, as detailed in Section 2.3 and Appendix 4 of the report.**
- (5) Approve the proposed Treasury Management Strategy for 2016/17 in Section 2.4 of the report, incorporating the revised Minimum Revenue Provision Policy, the revised Investment and Strategy and Policy at Appendix 5 for immediate implementation and the prudential indicator**

and limits described in Section 2.4.11 and summarised in Appendix 6 of the report.

124. Outstanding Issues

There were no outstanding issues reported.

125. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.

There were no other items of public business.

(Meeting closed at 10.15 am)

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