

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 11 April 2017

Present:

Members: Councillor G Duggins (Chair)
Councillor L Bigham
Councillor F Abbott
Councillor K Caan
Councillor J Innes
Councillor A Khan
Councillor K Maton
Councillor J Mutton
Councillor J O'Boyle
Councillor E Ruane

Non-Voting Opposition
Members: Councillor J Blundell
Councillor G Crookes

Non-Voting Deputy
Cabinet Members: Councillor R Ali
Councillor P Akhtar
Councillor R Lakha
Councillor P Seaman
Councillor C Thomas

Non-Voting Scrutiny
Chairs: Councillor L Kelly
Councillor R Lancaster
Councillor J McNicholas
Councillor M Mutton

Employees (by Directorate):

People G Quinton, Deputy Chief Executive (People), L Gaulton,
S Giles, J Gregg, A Kirby,

Place M Yardley, Deputy Chief Executive (Place), B Hastie,
H Lynch, R Moon, M Salmon, A Walimia

Apologies: Councillor D Welsh

Public Business

133. Declarations of Interest

Councillors Abbott, Lakha and McNicholas declared Disclosable Pecuniary Interests in the matters referred to in minutes 141 and 148 below, headed 'Culture Coventry Trust – Financial Performance and Support'. They withdrew from the meeting for consideration of these matters.

134. **Minutes**

The minutes of the meeting held on 7th March 2017 were agreed and signed as a true record. There were no matters arising.

135. **Exclusion of Press And Public**

RESOLVED that the Cabinet agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the following private reports on the grounds that the reports involve the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as they contain information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.:

Minute No.	Report title
144	Modernising Public Health Children's and Lifestyles Services'
145	Children's External Residential Services
146	Request to Enter into Walyleave Agreement with Western Power Distribution to Supply Jaguar Land Rover
147	Council Acting as Charitable Trustees for War Memorial Park
148	Culture Coventry Trust – Financial Performance and Support Arrangements

136. **Procurement for Term Contracts Project Management and Property Services**

The Cabinet considered a report of the Deputy Chief Executive (Place) that sought approval of a procurement process to set up a set of multi-supplier Term Contracts for 4 years for the provision of property maintenance, repairs and improvements.

Coventry City Council's Compliance and Surveying Team provided a property management service for Council buildings and schools as well as a number of external clients. The works mainly included repairs and maintenance with some property improvements and were undertaken on either a planned or reactive basis depending on the work required. The provision of these works had been via Term Contracts for a number of years.

As the existing Term Contracts were coming to an end, in order to deliver these works it was proposed to undertake a restricted tender process to set up a multi-lot, multi-supplier (between 2 and 4 suppliers per lot) Term Contract for a period of 4 years. A Term Contract was an agreement whereby there was no guarantee of work. However, should there be a requirement for such work the term contractor would be approached. The first placed supplier on each lot would be offered the

work and the others would be approached if the first place was unable to undertake the work.

RESOLVED that the Cabinet:

- 1. Authorises a procurement process to set up a set of multi-supplier term contracts for 4 years for the provision of property maintenance, repairs and improvements.**
- 2. Delegates authority to the Deputy Chief Executive (Place), following consultation with the Cabinet Member for City Services, to agree the award of contract(s) following a restricted tender process.**
- 3. Authorises the City Council to enter into Contract(s) with the successful suppliers for the 4 years.**

137. Modernising Public Health Children's and Lifestyles Services

The Cabinet considered a report of the Deputy Chief Executive (Place), that was also considered by the Health and Social Care Scrutiny Board (5) at their meeting on 5th April 2017 (their minute 55 referred), that sought approval to commission a family health and lifestyle service and an integrated adult lifestyle service and to authorise the commencement of procurement processes.

Coventry City Council commissioned a range of services that aimed to prevent poor health by improving childhood health and supporting behaviour change among at risk groups. The integration of these individual services would provide:

1. A Family Health and Lifestyle Service: supporting children, young people and their families. This service would include Health Visiting and School Nursing and would be an integral element of the developing family hub model. The service would systematically reduce health inequalities including supporting the reduction of childhood obesity, families to be more physically active, improving childhood development and readiness for school and reducing infant mortality.
2. An Integrated Adult Lifestyles Service: supporting adults at greatest risk of poor health including those who displayed multiple lifestyle behaviours like obesity, low levels of physical activity and poor diet and smoking, as well as other at risk groups like people with mental health conditions.

The proposal to integrate the services was based on what local Coventry people wanted from the services, following consultation with the general public, service users and wider stakeholders and the latest evidence about what works to improve quality and outcomes.

In order to properly develop an integrated approach for the Family Health and Lifestyle Service a significant amount of re-design was required. It was therefore recommended that the contract would run for five years, with two 24 month extensions available. It was also proposed that the service was procured via a competitive tender with dialogue (an approach where tenderers worked in partnership with the contracting authority to develop a suitable solution to the

service specification and requirement – at the point where the contracting authority was confident that one or more of the solutions presented were sufficiently developed to meet its needs and requirements, tenderers were then invited to submit competitive bids). This procurement approach was innovative and, while it was planned for the proposed contract to be operational during Summer 2018, permission was being sought to extend existing contracts for up to 6 months until 30 September 2018 to allow for robust process.

The proposed contract for the Integrated Adult Lifestyle Service would be operational by 1 April 2018 and would be procured through a standard competitive tender. The contract would run for five years, with two 24 month extensions available.

The Cabinet noted a Briefing Note of the Health and Social Care Scrutiny Board (5), circulated at the meeting, on the outcome of their consideration of the report at their meeting on 3rd March 2017. The Board decided to endorse the recommendations in the report and made no further recommendations for Cabinet.

RESOLVED that the Cabinet:

- 1. Notes that the Health and Social Care Scrutiny Board (5) endorses the recommendations to Cabinet.**
- 2. Approves the proposal to extend current contracts which will be integrated into the new family health and lifestyle service for up to six months.**
- 3. Approves the proposal to commission a family health and lifestyle service and authorises the commencement of a procurement process via a competitive process with dialogue in line with the proposed model and timescale.**
- 4. Delegates authority to the Director of Public Health and the Section 151 Officer following the procurement process to award to the successful bidder and implement the contract for a family health and lifestyle service.**
- 5. Approves the proposal to commission an integrated adult lifestyle service and authorise the commencement of a tender process to procure in line with the proposed model and timescale.**
- 6. Delegates authority to the Director of Public Health and the Section 151 Officer following the procurement process to award to the successful bidder and implement the contract for an integrated adult lifestyle service.**

138. **Children's External Residential Services**

The Cabinet considered a report of the Deputy Chief Executive (Place) on proposals for children's external residential services. The report sought approval for the commissioning of 25 external residential children's home beds by way of establishing a Dynamic Purchasing System.

The Local Authority had a duty under the Children Act 1989 to ensure that it had sufficient good quality placements to meet the needs of its looked after children. These should be within the Local Authority's area, providing this was in the best interests of the child.

The Council had set out how it would fulfil its 'sufficiency duty' in accordance with section 22G of the 1989 Children Act in its Placements Sufficiency Strategy 2016/17, and further expand on the vision for children's Services, and how this linked strategically to other improvement activity, in the Children's Transformation Strategy.

Central to the vision was the knowledge that children grew up most successfully in a family environment, and therefore the cornerstone of the Placements Sufficiency Strategy was to increase the number of children who were placed with internal foster carers. Ambitious targets had been set for the City Council Fostering Service, and there had been an increase in children placed with internal foster carers from 149 in April 2016 to 180 in February 2017.

However, residential care would remain a positive option for some children and young people – in particular for those who were older when they entered care, or would not thrive in and/or did not want a family setting to replace their own. On average, Coventry placed around 13% of its looked after children in residential provision. The aim was to reduce this to 10%, equating to approximately 60 children, in line with the national average

Coventry currently used a range of residential children's home provision, including internal provision delivered by the City Council and externally commissioned provision delivered by private providers. This included a block contract with Hexagon Care, for 17 residential beds within the city catering predominantly for children with emotional and behavioural difficulties, that would expire in October 2017.

The proposal outlined was to re-commission a block contract for 25 beds in 4 – 5 bedded homes, within or close to the City boundary. This new provision would not be instantly recognisable as children's homes, they would be more easily identified as homes for children with an aim to create something more akin to normal family life. The intention was to award contracts to a number of providers so there was a more diverse market of providers and provision in the city. The length of the contract would be 3 years, plus a possible extension of up to 2 years.

Overall, a total of 41 beds would be available in the city; 25 through the new block contract and 16 through the reconfiguration of the internal residential service approved at by the Cabinet at their meeting on 7th March 2017 (minute 121/16 referred). Needs analysis had shown that there were approximately 20 children who would require specialist out of city provision to meet their needs, and these

beds would be spot purchased or procured through the regional residential framework.

This proposal, and the reconfiguration of internal provision together represented the direction of travel for Coventry in relation to increasing local placement provision, and contributed towards a target reduction in expenditure across this area. Further work would continue to be undertaken on the optimum mix of internal and external provision of children's residential care, taking into account the Council's aspiration to provide quality, cost effective local provision, based on an approach that maximised placement choice for children and is predicated on a mixed economy of care provision. This work would need to take into account the effectiveness of the new operating model for internal residential provision, as recent analysis had shown that the actual operating cost of the Council's internal provision had not been cost effective. To ensure that there were clear, evidence-based recommendations about the balance of internal and external provision after the end of this contract, a commissioning review would be undertaken 24 months after delivery of the external provision had commenced in February 2020. This would examine the effectiveness of both the internal and external residential provision and make proposals regarding the mix of residential care. Prior to that, contracts would be robustly monitored through regular contract monitoring meetings and visits to providers, and the Director of Children's Services would provide regular informal reports to the Lead Member for Children.

All the projects contributing to placement sufficiency were being delivered through the Children's Transformation Board, which met monthly, which enabled risks and interdependencies to be identified and managed at a strategic level.

The outcomes of the project would be:

- An increase of local provision;
- The ability to more effectively wrap multi-agency support services around children;
- A tighter and closer network of residential care provision in and around Coventry, which could operate alongside a newly configured internal residential service;
- All homes would be required to work in partnership, including monthly managers meetings, to maintain partnerships and encourage long-term planning;
- Use of expensive emergency residential provision via spot purchase would be minimised.

Coventry would commission the service through a Dynamic Purchasing System (DPS) to bring a variety of providers into the city. The DPS was a two-stage process which allowed the flexibility to procure at the most appropriate times. In the initial set up stage all providers who met the selection criteria were admitted onto the DPS. In the second stage the Authority procured the beds over a period of time when required to avoid empty beds and over-commissioning. This reduced the risks of a standard block contract where all the beds were procured together as part of one tendering process. Providers could apply to join the DPS at any point during the lifetime of the contract allowing new entrants to the market. The DPS would be advertised in April 2017.

The cost of the 25 placements would be met from the existing children's placements budgets and there was allowance for this within the Children's Transformation Strategy.

Savings realised in the residential placements budgets would collectively come from:

- A reduction in the residential cohort to 60 placements on average.
- A lower average unit cost for residential placements, as a result of less spot contracts.
- A lower average unit cost for fostering, as a result of an increase in the use of internal provision and a decrease in the use of external provision.

RESOLVED that the Cabinet approves the commissioning of 25 external residential children's home beds by way of establishing a Dynamic Purchasing System.

139. Request to enter into Wayleave Agreement with Western Power Distribution to Supply Jaguar Land Rover

The Cabinet considered a report of the Deputy Chief Executive that sought approval to enter into Wayleave agreements with Western Power Distribution (WPD) for the laying of cables through Council owned land.

The Council had received a request to enter into various Wayleave agreements with WPD to allow them to lay new cables to facilitate an enhanced power supply to Jaguar Land Rover's plant at Whitley. Having considered all the options that were made available, the conclusion reached would result in new cables being required to ensure a continued and enhanced power supply for Jaguar Land Rover.

The proposed route crossed various areas of Council owned land that did not form part of the adopted public highway and included parts of War Memorial Park, Hearsall Common, Stivichall Croft woodland common and open space, Leaf Lane open space, and allotment sites at Beechwood Avenue and Highland Road Coventry. Appendices to the report provided sectional plans of the proposed cable route, a site plan of the proposed cable route, and a site Plan of the Wayleaves required.

Members had received assurance that inconvenience to road users would be minimised as much as possible and that any events scheduled to be held in parks and on open space land along the cable route would not be affected by the proposals. Members acknowledged that the proposals were an indication of a secured future for Jaguar Land Rover in the City. They further acknowledged the possible benefit that the enhanced power supply could achieve in attracting other companies and organisations to the City, together with the employment opportunities they would bring.

RESOLVED that the Cabinet:

- 1. Approves the request to enter into Wayleave agreements with Western Power Distribution for the laying of cables through Council owned land**

(except the War Memorial Park which is the subject of a separate report, see minute 140 and 144 below).

- 2. Delegates Authority to the Deputy Chief Executive (Place) and Director of Finance and Corporate Services to negotiate the terms of any agreement with Western Power Distribution (including the consideration as well as any compensation payments, for the disruption caused), undertake due diligence and complete the necessary legal documentation.**

140. Cabinet Acting as Charitable Trustees for War Memorial Park

The Cabinet considered a report of the Deputy Chief Executive (Place) that sought the agreement of the Cabinet, sitting as the Charitable Trustees, to grant a wayleave agreement which allowed Western Power Distribution to lay and retain new power cables on a route which crossed through part of the War Memorial Park.

By virtue of a conveyance dated 27th January 1921, The War Memorial Park was held on trust by the Council and therefore any decisions relating to it must be made on the basis of and acting in the capacity as sole charitable trustee and what was in the best interests of the charity alone.

Where a local authority was trustee of an asset held on charitable trust, it was essential to ensure that the asset was held and applied in accordance with the particular charitable purpose to which it was conveyed to the Local Authority.

Where the Local Authority was the sole trustee, it was the corporate body ("authority itself") which was the trustee and as such guidance from the Charity Commission stated that responsibility for decision-making and oversight rested with the Councillors. In exercising the obligation as charity trustee, the decision takers must ensure that their decisions were only taken on the basis on what was in the interest of the charity and not that what was in the best interest of the of the Local Authority.

A request had been received from Western Power Distribution to allow them to lay and retain new power cables on a route through part of the park (as shown on the plan attached as Appendix A to the report) and enter into a wayleave agreement to allow this.

Members had received assurance that any events being held in the parks and on open space land on the cable route, including the Godiva Festival at the War Memorial Park in July 2017, would not be affected by the proposals.

RESOLVED that the Cabinet:

- 1. In its role as charitable trustee of the War Memorial Park, agrees in principle to the entering into an agreement with Western Power Distribution for the laying and retention of cables through the park and any other land held on Trust by the Council through which the cable will run subject to:**

- **An independent Charities Act report recommending that the intended easement between the Charitable Trust and Western Power Distribution represents best value to the charity.**
2. **Delegates authority be granted to the Deputy Chief Executive (Place) and the Council's Section 151 Officer, in consultation with the Cabinet Member for Jobs and Regeneration, Cabinet Member for City Services and Cabinet Member for Public Health and Sport, to negotiate the detailed terms of agreement with Western Power Distribution which shall include undertaking the appropriate due diligence and completion of the necessary legal documentation.**

141. Culture Coventry Trust - Financial Performance and Support arrangements

The Cabinet considered a report of the Deputy Chief Executive (Place) that sought the approval of financial support to the Culture Coventry Trust to enable it to establish a robust Medium Term Business Plan.

The UK's cultural sector had seen a reported reduction in budgets by over £1bn since 2010. This reduction had created significant pressures within the sector, with the reported closure of over 45 museums across this period. Nationally, cultural organisations were actively increasing their commercial activities whilst reviewing and restructuring their medium term financial strategies, in order to meet these ongoing challenges.

Culture Coventry Trust (The Trust) contacted the Council in November 2016 seeking financial assistance regarding its forecast deficit financial positions for 2016/2017 and 2017/2018 onwards. Financial pressures over the last 2-3 years – including through the period of extension and development of the Coventry Transport Museum and restoration of the Old Grammar School – meant that the Trust was required to utilise its cash reserves and therefore now needed assistance whilst it established and implemented its plans for the future.

The Trust was seeking to establish a robust Medium Term Business Plan, but in order to do that, it currently required financial support from the City Council in the form of cash flow loans and deferral of the repayment of other monies owed.

RESOLVED that the Cabinet:

1. **Approves the deferral of monies owed by the Culture Coventry Trust to the City Council in respect of the Transport Museum extension project, until April 2018.**
2. **Endorses the cost reduction measures proposed by the Culture Coventry Trust, subject to on-going monitoring by City Council Officers.**
3. **Approves the funding by the City Council of the one off redundancy costs of the Culture Coventry Trust's management restructure through the provision of additional one-off grant funding.**

4. **Approves in principle (subject to scrutiny by Council Officers) the provision of a loan(s) from the City Council to the Culture Coventry Trust to be repaid at a commercial rate for the following:**
 - a. **to enable the Culture Coventry Trust to pay their next three years West Midlands Pension Fund contribution in advance;**
 - b. **for drawdown during 2017/18 financial year to enable the Culture Coventry Trust undertake cost reduction and income generation initiatives to achieve a sustainable financial position.**
5. **Subject to approval of recommendation (4) above, approves, as required, the issue of a letter of comfort to the Culture Coventry Trust confirming that the City Council will provide financial assistance during 2017/2018 to enable it to carry out its cost reduction and income generation initiatives to achieve a sustainable financial position.**
6. **Delegates authority to the Deputy Chief Executive (Place) and the Council's Section 151 Officer to undertake the financial due diligence, negotiate and finalise the detailed terms of the loan arrangement and if satisfied as to their terms (and such other matters as deemed relevant) effect the completion of the appropriate loan agreement.**

142. **Outstanding Issues**

The Cabinet considered a report of the Deputy Chief Executive (Place) that contained the list of outstanding issues and summarised the current position in respect of each item.

RESOLVED that the Cabinet approves the dates for future consideration of matters relating to the outstanding issues items listed in the report.

143. **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.

144. **Modernising Public Health Children's and Lifestyles Services**

Further to Minute 137 above, the Cabinet considered a private report of the Deputy Chief Executive (People), that was also considered by the Health and Social Care Scrutiny Board (5) at their meeting on 5th April 2017 (their minute 58 referred), that set out confidential aspects of proposals for modernising public health children's and lifestyles services and an integrated adult lifestyle service and to authorise the commencement of procurement processes.

RESOLVED that the Cabinet:

1. **Notes that the Health and Social Care Scrutiny Board (5) endorses the recommendations to Cabinet.**

2. **Approves the proposal to extend current contracts which will be integrated into the new family health and lifestyle service for up to six months.**
3. **Approves the proposal to commission a family health and lifestyle service and authorises the commencement of a procurement process via a competitive process with dialogue in line with the proposed model and timescale.**
4. **Delegates authority to the Director of Public Health and the Section 151 Officer following the procurement process to award to the successful bidder and implement the contract for a family health and lifestyle service.**
5. **Approves the proposal to commission an integrated adult lifestyle service and authorise the commencement of a tender process to procure in line with the proposed model and timescale.**
6. **Delegates authority to the Director of Public Health and the Section 151 Officer following the procurement process to award to the successful bidder and implement the contract for an integrated adult lifestyle service.**

145. **Children's External Residential Services**

Further to Minute 138 above, the Cabinet considered a private report of the Deputy Chief Executive (People) that set out confidential aspects of proposals for children's external residential services.

RESOLVED that the Cabinet approves the commissioning of 25 external residential children's home beds by way of establishing a Dynamic Purchasing System.

146. **Request to enter into Wayleave Agreement with Western Power Distribution to Supply Jaguar Land Rover**

Further to Minute 139 above, the Cabinet considered a private report of the Deputy Chief Executive (Place) that set out confidential aspects of proposals to enter into a wayleave agreement with Western Power Distribution (WPD) to supply Jaguar Land Rover.

RESOLVED that the Cabinet:

1. **Approves the request to enter into Wayleave agreements with WPD for the laying of cables through Council owned land (except the War Memorial Park which is the subject of a separate report, see minutes 140 and 144 above).**
2. **Delegates Authority to the Deputy Chief Executive (Place) and Director of Finance and Corporate Services to negotiate the terms of any agreement with WPD (including the consideration as well as any**

compensation payments, for the disruption caused), undertake due diligence and complete the necessary legal documentation.

147. Cabinet Acting as Charitable Trustees for War Memorial Park

Further to Minute 140 above, the Cabinet considered a private report of the Deputy Chief Executive (Place) that set out confidential aspects of proposals to grant a wayleave agreement which allowed Western Power Distribution to lay and retain new power cables on a route which crossed through part of the War Memorial Park.

RESOLVED that the Cabinet:

- 1. In its role as charitable trustee of the War Memorial Park, agrees in principle to the entering into an agreement with Western Power Distribution for the laying and retention of cables through the park and any other land held on Trust by the Council through which the cable will run subject to:**
 - An independent Charities Act report recommending that the intended wayleave between the Charitable Trust and Western Power Distribution represents best value to the charity.**
 - For a consideration amount as indicated in the report.**
- 2. Delegated Authority be granted to the Deputy Chief Executive (Place) and the Council's Section 151 Officer in consultation with the Cabinet Member for Jobs and Regeneration, Cabinet Member for City Services and Cabinet Member for Public Health and Sport, to negotiate the detailed terms of agreement with Western Power Distribution which shall include undertaking the appropriate due diligence and completion of the necessary legal documentation.**

148. Culture Coventry Trust - Financial Performance and Support arrangements

Further to Minute 141 above, the Cabinet considered a private report of the Deputy Chief Executive (Place) that set out confidential aspects of proposals for the City Council to provide financial support to the Culture Coventry Trust to enable it to establish a robust Medium Term Business Plan.

RESOLVED that the Cabinet:

- 1. Approves the deferral of the existing monies, to the sum indicated within the report, owed by the Culture Coventry Trust to the City Council in respect of the Transport Museum extension project, until April 2018.**
- 2. Endorses the cost reduction measures proposed by the Culture Coventry Trust, subject to on-going monitoring by City Council Officers.**

- 3. Approves the funding by the Council of the one off redundancy costs of the Culture Coventry Trust's management restructure up to the value indicated in the report through the provision of additional one-off grant funding.**
 - 4. Approves in principle (subject to scrutiny by Council Officers) the provision of a loan(s) up to the sum indicated in the report from the Council to the Culture Coventry Trust to be repaid at a commercial rate for the following:**
 - To enable the Culture Coventry Trust to pay their next three years West Midlands Pension Fund contribution in advance, up to the sum indicated in the report.**
 - Up to the sum indicated in the report to be made available for drawdown during 2017/2018 financial year to enable the Culture Coventry Trust undertake cost reduction and income generation initiatives to achieve a sustainable financial position.**
 - 5. Subject to approval of recommendation (4) above, approves as required, the issue of a letter of comfort to the Culture Coventry Trust confirming that the Council will provide financial assistance during 2017/2018 to enable it to carry out its cost reduction and income generation initiatives to achieve a sustainable financial position**
 - 6. Delegates authority to the Deputy Chief Executive (Place) and the Council's Section 151 Officer to undertake the financial due diligence, negotiate and finalise the detailed terms of the loan arrangement and if satisfied as to their terms (and such other matters as deemed relevant) effect the completion of the appropriate loan agreement.**
- 149. Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 3.00 pm)