

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 21 July 2020
(This meeting was held remotely)

Present:

Cabinet Members: Councillor G Duggins (Chair)
Councillor AS Khan (Deputy Chair)
Councillor K Caan
Councillor K Maton
Councillor J Mutton
Councillor J O'Boyle
Councillor P Hetherington
Councillor T Khan
Councillor M Mutton

Non-Voting Deputy
Cabinet Members: Councillor P Akhtar
Councillor G Lloyd
Councillor D Welsh

Non-Voting Opposition
Members: Councillor A Andrews
Councillor G Ridley

Other Non-Voting
Members: Councillor R Brown
Councillor R Lakha
Councillor C Miks
Councillor R Singh

Employees (by service):

Chief Executive M Reeves (Chief Executive)

Deputy Chief Executive G Quinton (Deputy Chief Executive)

Communications D O'Shaughnessy

Law and Governance J Newman (Director of Law and Governance), S Bennett,
G Holmes, M Salmon

Finance B Hastie (Director of Finance), P Jennings

Transportation and
Highways C Knight, J Seddon

Apologies: Councillor R Ali
Councillor B Gittins
Councillor K Sandhu
Councillor P Seaman
Councillor C Thomas

Public Business

13. Declarations of Interest

There were no disclosable pecuniary interests.

14. Minutes

The minutes of the meeting on 23rd June 2020 were agreed. There were no matters arising.

15. Revenue and Capital Outturn 2019/2020

The Cabinet considered a report of the Director of Finance, that would also be considered by Council at their meeting on 8th September 2020 and the Audit and Procurement Committee at their meeting on 19th October 2020, that outlined the final revenue and capital outturn position for 2019/2020 and reviewed treasury management activity and 2019/2020 Prudential Indicators reported under the Prudential Code for Capital Finance.

The overall financial position included the following headline items:

- A balanced revenue position after a recommended £5.5m is set aside in reserves for the Council's reset and recovery following the Covid-19 outbreak.
- Capital Programme expenditure of £216m which represents the largest programme in the modern era.
- An increase in the level of Council revenue reserves from £82m to £90m including the Covid funding and the net underspend contribution.

Further detail included:

- A revenue over-spend of £3.4m relating to housing and homelessness as a result of demand for temporary accommodation and the associated costs not recoverable from Housing Benefit.
- A revenue over-spend of £2.5m across services for children and young people driven principally by the number and cost of children's placements.
- A net underspend across the rest of the Council and in particular a £12m position within central budgets resulting overwhelmingly from one-off circumstances.
- Identified expenditure and income loss related to the Covid-19 situation in March 2020 of £2.85m funded by Government emergency funding provided for this purpose.
- Receipt of overall Covid-19 funding of £10.4m of which £7.55m is proposed be set aside to deal with Covid costs in 2020/21.

The underlying revenue position had improved by £3.6m since Quarter 3 when an underspend of £1.9 was forecast. In particular, the overall underspend and the improved position related to improvements within Contingency and Central budgets which were set out in the report. In overall terms the favourable outturn position shown must be put in the context of the Covid-19 crisis. The human and public health impacts of this have been widely reported and some of these could be expected to continue for the foreseeable future. Councils had been assessing

the estimated additional costs and lost income that had already been incurred or were expected and this task was essential to inform the Government's pledge to ensure that such costs were fully funded.

Given the huge uncertainties, it was difficult to provide robust estimates of the forward looking financial impact on the Council although even with optimistic forecasts of the lifting of restrictions, the overall cost could exceed £30m. Notwithstanding early Government commitments, there had been subsequent indications that councils may be expected to 'share the burden' of these costs. On this basis it was important that the Council continued to maintain a strong financial position to protect itself from what could be a very challenging financial environment which would certainly be felt well beyond financial year 2020/21. The recommended proposals put forward through the Director of Finance, the Council's Section 151 officer, were reflected in the report recommendations and explained in section 5.1 of the report. Appendices to the report provided: a detailed breakdown of Directorate Revenue Variations; Capital Programme Changes and Analysis of Rescheduling; and Prudential Indicators.

The Cabinet thanked the Cabinet Member for Strategic Finance and Resources and the Director of Finance, the Finance Manager Corporate Finance, and Finance officers, for the work undertaken on the Council's financial management and welcomed the Council's financial position for 2019/2020.

RESOLVED that the Cabinet:

- 1) Approves the setting aside of £5.5m (section 2.1 and Appendix 1 of the report) into a Reset and Recovery reserve available from the year-end revenue bottom line.**
- 2) Approves the final capital expenditure and resourcing position (section 2.3 and Appendix 2 of the report), incorporating expenditure of £215.9m against a final budget of £235.1m; £19.0m expenditure rescheduled into 2020/21 and a net underspend £0.2m.**
- 3) Approves the outturn Prudential Indicators position in section 2.4.4 and Appendix 3 to the report.**
- 4) Recommends to the Council the approval of reserve contributions of £5.5m to a Reset and Recovery reserve and £7.55m to fund costs resulting directly from Covid-19.**

16. Coventry Local Air Quality Action Plan

The Cabinet considered a report of the Director of Transportation and Highways on the Coventry Local Air Quality Action Plan to comply with the Environment Act 1995 (Coventry City Council) Air Quality Direction 2020 issued by the Parliamentary Secretary of State for the Environment.

On 12th February 2020, the Parliamentary Secretary of State for the Environment issued the Environment Act 1995 (Coventry City Council) Air Quality Direction 2020. This Direction applied to Coventry City Council and directed the Council to:

- Implement the local plan for NO₂ (Nitrogen Dioxide) compliance for the city;

- Prepare and submit a full business case for the local plan scheme, summarising responses made to the public consultation, outlining any subsequent changes made to the local plan scheme, and confirming that the local plan scheme facilitates the achievement of local transport policies within the city.

The report outlined the steps being taken by the Council to comply with the Direction, including a summary of the local plan scheme, an update on the responses received to the consultation undertaken during March, April and May 2020, and also sought the Cabinet's approval to proceed with the making of the statutory Traffic Regulation Orders and compulsory purchase powers required to implement the local plan scheme in compliance with the Direction. Appendices to the report provided: The Local Air Quality Action Plan Consultation Report (June 2020); and plans showing the area to be subject to the Compulsory Purchase Order.

The local plan scheme comprised a package of measures that, in combination, achieved compliance with the legal limits for roadside NO₂ levels across the city (it was noted that for the purposes of the consultation the term Local Air Quality Action Plan had been adopted rather than local plan scheme, to avoid any local confusion with the Local Plan which was the Council's core land use planning document).

The three main elements of the package were measures aimed at:

- Reducing the level of car traffic by encouraging modal shift to sustainable and active modes of travel such as walking, cycling and public transport through infrastructure improvements (a new, fully segregated, cycle route linking the city centre with Coundon), and through engagement with schools, businesses and local communities to promote sustainable and active travel, especially for shorter, local, journeys.
- Reducing the number of older, more polluting, vehicles on the transport network by encouraging people and businesses to invest in low emission vehicles through a range of incentive schemes and initiatives. This included the promotion of electric cars, buses, taxis and commercial vehicles.
- Enabling dynamic traffic management on the key routes into the city, notably Holyhead Road and Foleshill Road, by implementing highway improvements on these and parallel corridors to reduce traffic congestion (and therefore vehicle emissions). The specific improvements were focussed on the B4106 at Spon End and Junction 7 on the ring road, the Holyhead Road / Barras Lane / Upper Hill Street area, and on Foleshill Road.

Government had awarded the Council £24.5 million in grant funding from the Air Quality Implementation Fund to implement the local plan scheme which had been accepted using the Chief Executive's emergency powers due to the inability to bring the decision through the normal governance route, as a consequence of the Covid-19 pandemic. The Direction required the Council to have delivered the local plan scheme by the end of 2021.

With this deadline in mind, it was important that work on delivering the local plan scheme commenced as soon as possible. Therefore, it was planned that work on the engagement programme with schools, businesses and local communities would commence from September 2020, whilst the construction of the infrastructure schemes would start in October 2020 with Coundon Cycle Route being the first scheme coming forward for delivery.

It was noted that the measures within the local plan scheme formed only part of the work underway within Coventry to reduce transport emissions, and that other separately funded initiatives were being delivered by the City Council and its partners, such as the continued expansion of electric vehicle charge point network, the introduction of electric buses onto the cities' bus service network, the electric fleet programme, and future transport zone work such as the mobility credits scheme, as well as infrastructure projects such as the Binley cycle route and the Very Light Rail project.

The Cabinet thanked the Cabinet Member for Jobs and regeneration, the Cabinet Member for City Services, the Cabinet Member for Public Health and Sport, and the political support, for the work undertaken to develop the local plan scheme to meet Government requirements for the reduction of CO2 levels in the City, as the preferred option to a Clean Air Zone which was judged to have wider social and economic disbenefits that outweighed any air quality benefits.

RESOLVED that the Cabinet:

- 1) Notes that the Council is under a legal Direction to deliver the local plan scheme, as set out in section 2.8 of the report, and to authorise the Director of Transportation and Highways, in consultation with the Cabinet Member for Jobs and Regeneration, the Cabinet Member for City Services, and the Cabinet Member for Public Health and Sport, to take the necessary actions to implement and deliver the individual measures comprising the scheme in compliance with the Direction.**
- 2) Delegates to the Director of Transportation and Highways and the Director of Finance authority to allocate the £24.5 million grant funding received from the Air Quality Implementation Fund to the individual measures comprising the scheme, with £20 million capital funding to be added to the five-year capital programme and £4.5 million revenue funding to the Air Quality revenue budget, and to thereafter manage such allocation in a manner as is deemed necessary to ensure delivery and compliance.**
- 3) Approves in principle, the use of compulsory purchase powers for the acquisition of land to deliver the measures comprising the scheme (indicatively shown in red on the attached plan at Appendix 2 to the report) and note that the making of any compulsory purchase order will be subject to the Council being satisfied in all respects that the criteria in paragraph 2.16 of the report have been met. Cabinet are also asked to note that the redline area shown on the plan is currently widely drawn around the entire scheme application site area. It is not anticipated that all land/interests shown will need to be acquired to**

deliver the scheme however, a degree of flexibility prior to detailed technical approval of the scheme and its mitigation, is required at this stage. Officers will take all reasonable measures to minimise the need to acquire third party interests in accordance with Compulsory Purchase Order Guidance and the existing design approach to the scheme.

- 4) Delegates to the Director of Transportation and Highways the authority to, notwithstanding the recommendations above, continue to negotiate terms to acquire all interests in land by agreement alongside progressing of a Compulsory Purchase Order.
- 5) Authorises the Director of Transportation and Highways and the Director of Finance, following consultation with the Director of Law and Governance, to finalise the Order Map (within the red line boundary of the Appendix 2 Plan to the report), the Statement of Reasons and the Compulsory Purchase Order and advertise the Order and submit it to the Secretary of State and to take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Order, including High Court Enforcement Officer notices and (if granted power to do so) to confirm the Compulsory Purchase Order.
- 6) Delegates authority to the Director of Transportation and Highways and the Director of Finance to approve the costs of land acquisition within the funding envelope.
- 7) Delegates authority to the Director of Transport and Highways (where necessary) to make an application under s.247 of the Town and Country Planning Act 1990 to stop up areas of highway necessary to implement the proposals.
- 8) Approves the commencement of a competitive procurement process in accordance with adopted Council procurement policies to appoint the necessary consultants and contractors in relation to the designing and construction of the individual schemes that comprise the Local Air Quality Action Plan.
- 9) Delegates authority to the Director of Transportation and Highways, following consultation with the Director of Law and Governance, to award the contracts to the successful suppliers. This authority shall also include the power to approve the entry into of all necessary contracts with the successful suppliers.
- 10) Authorises the Director of Transportation and Highways and the Director of Law and Governance, in consultation with the Cabinet Member for Jobs and Regeneration and the Cabinet Member for City Services, to undertake the necessary actions to secure the statutory Traffic Regulation Orders, as listed in section 2.18 of the report, required to ensure that the individual measures comprising the local plan scheme can be delivered.

17. **Outstanding Issues**

There were no outstanding issues.

18. **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 2.40 pm)