

Coventry City Council
Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1) held
at 10.00 am on Wednesday, 6 November 2024

Present:

Members: Councillor A Jobbar (Chair)
 Councillor J Blundell
 Councillor J Innes
 Councillor R Lakha
 Councillor G Lewis
 Councillor P Male
 Councillor J McNicholas
 Councillor D Toulson
 Councillor A Tucker

Other Members: Councillor Brown, Cabinet Member for Strategic Finance and
 Resources

Employees (by service area):

Finance: B Hastie, Director
 P Helm
 T Pinks
 P Stafford
 A Stinton
 B Strain

Law and Governance: E Jones
 C Sinclair
 A Veness

Apologies: None

Public Business

18. Declarations of Interest

There were no declarations of interest.

19. Minutes

The Minutes of the meeting held on 9 October 2024 were agreed and signed as a true record. There were no matters arising.

20. Council Tax Administration

The Board considered a Briefing Note which provided an update on the Council's performance in respect of council tax administration, collection and enforcement for the tax year 2023/24.

Data on enforcement powers during the year, collection performance for England, metropolitan local authorities and CIPFA nearest neighbours were appended to the briefing note.

The Board noted that, though there had been significant arrears since the Covid pandemic, Coventry maintained a balance between robust recovery and enforcement of council tax arrears, whilst supporting the most vulnerable households with a proportionate approach to the recovery of arrears. Amongst the measures taken were:

- Vulnerability Panel – Senior Officers, including the Head of Service, met monthly to review vulnerable cases and determined whether debts should be pursued or written off
- Committal Approval Panel – like the Vulnerability Panel, any case progressing to committal stage must be approved by panel, including the Head of Service. All cases proceeding to committal stage will have been subject to checks with Adult Social Care to determine any vulnerability
- Financial data - In reviewing vulnerable cases the Council makes use of third-party financial data to assess the ability to pay
- Quarterly advice sector review meetings – attended by Council officers, advice agencies and the Council’s appointed enforcement agents. These meetings helped to maintain constructive working relationships between the partners and ensured any concerns about collection practices were quickly addressed
- Discretionary Relief Policy – this policy existed in addition to the council tax support scheme and provided for relief of up to 100 per cent for the most vulnerable residents. This scheme was used particularly to support care leavers and families with no recourse to public funds.
- Court costs – the Council does not apply for court costs if it has to seek a liability order against someone in receipt of council tax support
- Benefit deductions – the Council would always try to make deductions from someone’s benefit before a debt is referred to an enforcement agent
- Flexible payment arrangements – once a person loses the right to pay by instalments the Council has the right to demand the balance in full. Council officers were encouraged to make affordable, flexible payment arrangements wherever possible. In cases where there was limited ability to pay and the taxpayer has significant arrears, officers could recommend that historical debt was written off on the condition that ongoing payments were made. This could help taxpayers to avoid or emerge from the debt spiral.

The Board questioned officers and the Cabinet Member on a number of matters arising from the presentation and following discussion agreed to receive information on the following:

- Eligibility requirements for the Council Tax Support Scheme.
- Data on the number of people who had received a statutory reminder notice and the proportion who were subsequently summonsed.
- Details of the Council Tax Support Scheme write-off process
- Debt by tenure data - The split between homeowners and those who rented.

RESOLVED that the Board note the report and agreed to receive a further report in the new municipal year 2025/2 to detail the outturn performance for the tax year 2024/25.

21. **Reserves Balances 2024**

The Board considered a briefing note detailing information on the position in relation to the City Council's reserve balances.

A number of reserve balances which warranted coverage due to their value were highlighted as follows:

- Adult Social Care - This represented the largest area of balances (£19.6m). These were overwhelmingly funded through ring-fenced grant and health sector resources for the delivery of jointly managed pooled budget arrangements with Health.
- Financial Risk Contingency - This was set aside during 2023/24 by resource switching capital receipts to enable some protection from future budget pressures. Anticipated that this would need to be increased through a future review of reserves to ensure the Council had greater resilience against financial shocks. The balance of this reserve currently stood at £8.5m
- Early retirement and Voluntary Redundancy - To fund Early Retirement and Voluntary redundancy costs resulting from programmes to deliver any staffing savings required to balance the budget.
- A further £6.7m of reserve were held to manage the cashflow requirements of the financial models for the Council's three Private Finance Initiative schemes.
- A reserve to manage Business Rates volatility under the existing Business Rates Retention which was currently in place.
- Three reserves totalling c£12m which were previously approved regarding Funding for the Future. These were Reset & Recovery (£5.5m), Innovation & Development (£4.3m) and Commercial Developments (£2.5m) and were specifically for business case-based investments in support of the Medium Term Financial Strategy and other Council strategic priorities.

The Board asked questions and received responses from Officers and the Cabinet Member on the following matters:

- Earmarked reserves for Home care, Mandatory Licensing in Housing, SEND & Disability.
- Private Finance Initiatives relating to New Homes for Old, and Street Lighting.
- Legacy funding allocations to support the 2021 UK City of Culture and Commonwealth Games Readiness.

In addition, the Board agreed to receive a response to a question on why Very Light Rail had been referred to under both 'Management of Capital' and 'Corporate Priorities (2020/21 outturn underspend).

RESOLVED that the Board:

- 1. Note the contents of the briefing note and the detailed reserves listing in Appendix 1.**
- 2. Agreed that future Reserves Balances reports be considered at the Quarter 4 stage in July and that the Work Programme be updated accordingly.**

22. Agency Staff and Staff Sickness – Task and Finish Group

The Board considered a briefing note and scoping document for establishing a Task and Finish Group to review issues around the use of agency staff and staff sickness.

The Board had considered a briefing note on 11 September 2024 which provided the current workforce analytics including: numbers employed, turnover, starters, leavers, sickness absence, agency workers, and, where possible, historical data had been included for comparative purposes (Minute 10/24 refers).

The Board agreed that the Finance and Corporate Services Scrutiny Board (1) further explore the issues raised and establish a Task and Finish Group to review issues around the use of agency staff and staff sickness.

It was anticipated that the task and finish group would meet for two or three times during the year with the intention of making recommendations to the Cabinet Member in the new municipal year.

RESOLVED that the Board:

- 1. Establish a Task and Finish Group to be involved in a review of issues around the use of agency staff and staff sickness, and that the Group comprise the following Members: Councillors Blundell, Innes, Lewis and Toulson.**
- 2. Agree the draft scoping document as appended to the briefing note.**

23. Work Programme and Outstanding Issues

The Board received an update on the work programme in respect of an additional item scheduled for the February 2025 meeting to consider a report on Procurement and Social Value which had been requested at Full Council on 15 October 2024. This would replace the item on AI Policy, which had been moved across to the Scrutiny Co-ordination Work Programme.

In response to a question, the Board also agreed to investigate the possibility of adding an item to the Work Programme in respect of the distribution of Government funding, when received, which had been identified in the Autumn Budget.

24. Any other items of Public Business

There were no other items of public business.

(Meeting closed at 11.15 am)