

**Coventry City Council**  
**Minutes of the Meeting of Finance and Corporate Services Scrutiny Board (1) held**  
**at 10.00 am on Wednesday, 8 January 2025**

Present:

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

Employees  
(by Service area):

Finance and Resources    B Hastie (Director of Finance and Resources), P Helm,  
                                  T Pinks

Law and Governance      E Jones, M Salmon

Apologies:                Councillor R Brown - Cabinet Member for Strategic Finance  
                                  and Resources (invited)  
                                  Councillor J Innes  
                                  Councillor A Tucker

**Public Business**

**25.     Declarations of Interest**

There were no disclosable pecuniary interests.

**26.     Minutes**

The minutes of the meeting on 8<sup>th</sup> November 2024 were agreed and signed as a true record.

Further to minute 22/24 headed 'Agency Staff and Staff Sickness – Task and Finish Group', the Board noted that the first meeting of the Task and Finish Group was held on 17<sup>th</sup> December 2024 and the next meeting would be held on 3<sup>rd</sup> February 2025.

**27.     Consultation on Spending, Saving and Council Tax Proposals for 2025/26**

The Finance and Corporate Services Scrutiny Board (1) received a briefing note of the Director of Finance and Resources that provided the Board with information about the City Council's public consultation on revenue spending and savings proposals for 2025/26 and future financial years together with the approach in relation to Council Tax and the Adult Social Care precept, to enable them to make any comments as part of the consultation process.

At the meeting of Cabinet on 10th December 2024 (their minute 44/24 referred), approval was given for a seven-week public consultation period on revenue spending and savings proposals for 2025/26 and future financial years together with the approach in relation to Council Tax and the Adult Social Care precept. The consultation would close on 28th January 2025.

The report considered by Cabinet, together with Appendices, were attached as an appendix to the briefing note and provided: Appendix 1 - the Pre-Budget Proposals and Financial Position; Appendix 2 - the Council Tax Support Scheme; Appendix 3 – the Cumulative Equality Impact Assessment; and Appendix 4 - the Equality Impact Assessment on Council Tax Support 25-26.

The Consultation process was supported by further information on the Council's website.

In considering the briefing note, the Board questioned officers, received responses and discussed matters as summarised below:

- Provisional settlement awarded which would change the gap in the Council's finances. The detail of the award was currently being worked through and the final situation not yet known.
- The inclusion of Care Leavers, who had protected characteristics, in the Budget Proposals Equality Impact Assessment
- The inclusion of Voluntary Organisations and the Community Sector, in the Council Tax Support Equality Impact Assessment.
- Settlements were a 2-stage process - provisional figure from Government in December who then entered a consultation process, following which it moves to stage 2. The figures were very unlikely to change between the 2 stages.
- Currently everyone had to pay at least 20 per cent Council Tax, the proposal would mean that the maximum Council Tax Support for working age households could be reduced from 80 per cent to 75 per cent.
- Council Tax Support was means tested to assess the level of discount to be applied dependant on circumstances.
- Consideration be given to those in the £0-£15 category, who appear to be disproportionately affected by the proposed Council Tax Support relief.
- Consideration be given to the division of categories into those with and those without children, to take into consideration the additional costs of living for those with dependants.
- Consideration to be given to how the public were made aware of the support that was available to them in respect of discretionary payment relief.
- Details of the criteria set for the categories of protected characteristics.
- Council Tax collection rate assumption made, and amount expected from a particular cohort adjusted.
- The scheme for people of pension age was administered by local authorities but under a national legislative framework with no local discretion.
- Without the provision of a banded Council Tax Scheme (broad income bands), an individual's Council Tax could change at any time, as frequently as monthly.

- Any savings proposals would be implemented from 1st April 2025.
- There were 22 proposals of which 7 were listed as impact unknown. The impact of these would be considered on a case-by-case basis until the outcome of the proposal was determined.
- Planning process for implementation of some proposals – e.g. reduction of senior officer posts could take 6-12 months to implement, in order to ensure due process was followed.
- The Council Tax Support Scheme was a set claims process - applications would need to be made requesting a reduction, with evidence of eligibility. Those in receipt of certain benefits would automatically qualify.
- Impact of the proposals – report to be submitted to the Board in 12-months' time to enable them to review the outcomes and impacts of the implementation of the proposals.

The Board requested that the Cabinet Member for Strategic Finance and Resources be requested to give consideration to how the public were made aware of the support that was available to them in respect of discretionary payment relief. The also requested that, following the consultation and subsequent implementation of the Spending, Saving and Council Tax Proposals, a report on the outcomes and impacts of implementation be submitted to the Board in 12 months' time.

The Board further requested that the issue of Care Leavers, who had protected characteristics, be referred to the Equalities Team requesting consideration of the inclusion of this category in the Budget Proposals Equality Impact Assessment.

And that the following matters be referred to the Head of Revenue and Benefits in respect of the proposed changes to the Council Tax Support Scheme:

- 1) Consideration be given to those in the £0-£15 category, who appear to be disproportionately affected by the proposed payment increase.
- 2) Consideration be given to the division of categories into those with and those without children, to take into consideration the additional cost of living for those with dependants.
- 3) Members of the Board be provided with information on the criteria for the categories of protected characteristics.
- 4) Consideration be given to the inclusion of Voluntary Organisations and the Community Sector, in the Council Tax Support Equality Impact Assessment.

**RESOLVED that the Finance and Corporate Services Scrutiny Board (1):**

- 1) **Recommends that the Cabinet Member be requested to give consideration to how the public are made aware of the support that is available to them in respect of discretionary payment relief.**
- 2) **Following the consultation and subsequent implementation of the Spending, Saving and Council Tax Proposals, requests that a report on the outcomes and impacts of implementation be submitted to the Board in 12 months' time.**

28. **(Draft) Medium Term Financial Strategy 2025/26 - 2027/28**

The Finance and Corporate Services Scrutiny Board (1) received a briefing note of the Director of Finance and Resources that sought the Board's views on the content of the (Draft) Medium-Term Financial Strategy (MTFS) 2025-2028, attached as an Appendix to the briefing note.

At the meeting of Cabinet on 10th December 2024 (their minute 44/24 referred), approval was given for a seven-week public consultation period on revenue spending and savings proposals for 2025/26 (Pre-Budget Report 25/26) and future financial years together with the approach in relation to Council Tax and the Adult Social Care precept.

Following the consultation and details on the final settlement for Local Government, officers would consult Members the outcome of which would result in final Budget and Council Tax Setting Reports and associated recommendations being considered by Cabinet and Council on 25th February 2025. An updated Medium-Term Financial Strategy (MTFS) would be attached to the final Budget Report which would set out the position for the current year, and also a medium-term three-year planning view of the Councils Finances.

The MTFS performed a number of functions, setting out initially the policy assumptions and financial management framework that underpinned the wider Strategy. The Strategy described the Council's operating environment from a cost and resources perspective and set out to explain the framework for how the Council would balance its short to medium-term budget positions.

As with the last couple of years, it had not been possible to consider this 2025 – 2028 MTFS for longer than a single year with any degree of confidence, due to the last couple of Local Government settlements only considering the following year and had not been able to provide multi-year certainty. Additionally, the cost environment for all Local Authority Services, but particularly Social Care Services, had been very volatile, reflecting the inflationary environment and the resulting market conditions.

These resourcing and costing uncertainties restricted the Council from being able to produce a medium-term view with any degree of confidence however, the new Government had indicated that they intended to both fundamentally review the funding regime, and seek to provide multiyear funding settlements, details of which will be received in the new year. These changes would need to be reflected in future versions of the Council MTFS.

The Draft Strategy was an early draft of the document that would be appended to the final Budget Report, subject to further information that may come to light as part of the provisional and final settlements for Local Government and the local impact for Coventry City Council.

In considering the briefing note, the Board questioned officers, received responses and discussed matters as summarised below:

- The settlement for Local Government for year one had already been underwritten, with subsequent awards data driven.
- Assumptions had been made and set out in Pre-Budget Report in respect of savings that would help to close the financial gap.

- The Authority had to understand the settlement and work through the detail, this would include consideration of the costs of schemes and the assessment of liabilities.
- The settlement together with the budget proposals would together assist in closing the financial gap. Budget cuts still needed to be considered and implemented.
- The Government had pledged multi-year settlements, and a consultation was currently underway on this.
- Flexibility on the spending of the additional settlement once all costs were met and there was still a surplus – Adult Social Care funding was prescriptive, Childrens Prevention was a new element which was unclear at this stage. Need to make an assessment for final budget.
- Need to work with voluntary organisations as effectively as possible, however the Council needs to reassess any subsidy or support provided from time to time and can mean that cuts to those provisions were proposed.
- Each voluntary organisation was considered on a case-by-case basis as services needed to be cost effective. The costs of running, providing a service, and meeting its obligations to customers, needed to be balanced and covered by the organisation and its users without subsidies from the Taxpayer/cost to the Council.
- Prices of voluntary organisations services would need to be reviewed with statutory obligations managed appropriately.
- The Council used to apply a flat line across the board regarding fees and charges for discretionary services, but now need to apply a rule that each service could increase their charges as they needed. The Council couldn't make a loss in those service areas, so need to get the fees and charges right to cover everything without impacting on the Authority's budget.

**RESOLVED that the Finance and Corporate Services Scrutiny Board (1) agrees with the direction of travel in respect of the Medium-Term Financial Strategy 2025/26 – 2027/28.**

**29. Work Programme 2024/25**

The Finance and Corporate Services Scrutiny Board (1) received a report of the Scrutiny Co-ordinator that detailed issues on the Work Programme for meetings of the Board for 2024/25.

**RESOLVED that the Finance and Corporate Services Scrutiny Board (1):**

- 1) Notes the issues on the Board's Work Programme for 2024/25.**
- 2) Agrees that an additional item be added to the Programme 'Spending, Saving and Council Tax proposals – Report to Review the Outcomes and Impacts Following 12-months of Implementation'.**

**30. Any other items of Public Business**

There were no other items of public business.

(Meeting closed at 11.45 am)