

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 16 December 2025

Present:

Cabinet Members: Councillor A S Khan (Chair)
Councillor N Akhtar
Councillor L Bigham
Councillor R Brown
Councillor K Caan
Councillor P Hetherton
Councillor J O'Boyle
Councillor K Sandhu
Councillor P Seaman

Non-Voting Deputy
Cabinet Members:

Councillor S Agboola
Councillor P Akhtar
Councillor B Christopher
Councillor G Hayre
Councillor S Nazir
Councillor D Toulson

Non-Voting Opposition
Members:

Councillor J Gardiner
Councillor P Male
Councillor S Gray (Substitute for Councillor E Reeves)
Councillor G Ridley

Other Non-Voting
Members:

Councillor R Lakha
Councillor G Lloyd

Employees (by
Directorate):

Chief Executive

Julie Nugent (Chief Executive)

City Services

M Adams (Director for City Services), M OConnell

Finance and Resource

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

Innovation

C Knight (Director for Innovation)

Law and Governance

J Newman (Director for Law and Governance), M Salmon,
C Taylor

Policy and
Communications

N Hart

Apologies:

Councillors G Duggins, A Jobbar, L Kelly, E Reeves, R Singh

Public Business

42. Declarations of Interest

There were no disclosable pecuniary interests.

43. Minutes

The minutes of the meeting held on 4th November 2025 were agreed and signed as a true record. There were no matters arising.

44. Pre-Budget (Consultation) Report 2026/27

Cabinet considered a report of the Director of Finance and Resources that set out the pre-budget position for the Council for 2026/27.

The Council's financial plans were heavily dependent on the allocation of Government grant resources, Government decisions which dictated councils' tax-based income streams and the significant pressures seen primarily in social care in recent years. Following significant sector lobbying, including ourselves and the wider West Midlands, the Government consulted during 2025 on a set of 'Fair Funding' proposals intended to reform the distribution of resources on a more equitable basis.

The implication of the proposals was expected to be positive for Coventry, however until such time as the provisional settlement was provided, we were not able to accurately estimate the level of additional resources which the Council would benefit from. The Government were urging Council's to wait for the Provisional settlement, which was expected to be published in late December 2025, after the date of this report. Once received, it would provide a stronger indication of the likely position for the year ahead and two subsequent years.

There were no service cost reduction options contained in the report, contrary to the custom of recent years. However, section 2.5 of the report discussed policy priority themes for potential investment in services to further the achievement of the priorities as set out in the One Coventry Plan. The report sought approval to formally consult on these themes, the views of stakeholders from which would be reflected in the proposals in the final Budget Report in February 2026.

The report also seeks approval to consult on the potential level of Council Tax and Adult Social Care Precept increases for 2025/26.

A Medium-Term Financial Strategy (MTFS) was intended to be presented alongside the final Budget Report in February 2026. In addition to an updated 3-year funding position, this would include the current financial context facing the Council in relation to a continued impact of a higher than planned inflationary environment, together with the ongoing difficult market conditions faced within both adults and children's social care.

The report also detailed a minor change to the Council's Council Tax Support scheme with an associated Equality Impact Assessment included in Appendix 1 to the report.

Also included was an indication of the Council's prospective Capital Programme for 2026/27 based on current knowledge. This would be updated in the February 2026 Budget Report, reflecting the most up to date programme information available. The draft programme was based overwhelmingly on pre-existing decisions and patterns of expenditure.

RESOLVED that Cabinet:

- 1) Notes the position with regard to the Governments funding settlement.**
- 2) Approves the Capital Programme proposals in sections 2.6 to 2.8 of the report.**
- 3) Approves as a basis of consultation for a six-week period, the contents of this report as set out in sections 1 and 2.**
- 4) Approves a six-week public consultation period to commence on 17th December 2025 on proposed (minor) amendments to the council tax support scheme as detailed in the report and in Appendix 1, in accordance with The Local Government Finance Act 1992 (as substituted by the 2012 Act).**

45. 2025/26 Second Quarter Financial Monitoring Report (to September 2025)

Cabinet considered a report of the Director of Finance and Resources, that would also be considered by the Audit and Procurement Committee on 2nd February 2025, which advised of the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of September 2025. The net revenue forecast position after management action was for spend in 2025/26 of £3.3m over budget. Whilst not a wholly comparable position, at the same point in 2024/25, there was also a projected overspend of £10.2m.

The Council continued to face budget pressures within Adults Social Care, Property Services and Development, City Services and Regeneration and Economic Development. These financial pressures were being caused by a combination of continued service demand, complexity and market conditions in social care, legacy inflation impacts, and income shortfalls due largely to the economic climate.

The Council's capital spending was projected to be £184m and included major schemes progressing across the city. The size of the programme and the nature of the projects within it continued to be fundamental to the Council's role within the city. Although prevailing inflation rates looked to be stabilising, legacy inflationary pressures continued to affect capital projects. The Council would continue to monitor the position and ensure projects were delivered within available resources.

RESOLVED that Cabinet:

- 1) Approves the Council's 2025/26 second quarter revenue monitoring position.**

- 2) Approves the revised forecast capital outturn position for the year of £184m incorporating: £1.4m net increase in spending relating to approved/technical changes and £5m of net programme rescheduling of expenditure to future years.

46. **Coventry Very Light Rail**

Cabinet considered a report of the Director of Innovation, that would also be considered at the meeting of Council on 13th January 2026, on the Coventry Very Light Rail research and development project

The Coventry Very Light Rail (CVLR) demonstration in the city centre during Summer 2025 was a major success. The mission was to create a tram system that could be installed quickly and at less than half the cost of conventional tram systems: the ground-breaking track was installed in just over eight-weeks and proved that the Council were on target to achieve the target installation cost of circa £10m/km.

The purpose of the report was to seek approval for the construction of an 800m twin track City Centre Demonstrator (CCD) that would operate in a live traffic environment from Coventry Railway Station to Coventry University Technology Park (see Appendix 1 to the report for the route plan). The demonstration phase built on everything learned in the summer and would help to lay the foundations for the first commercial route by:

1. Operating the CVLR vehicle with live traffic – including the installation of an autonomous ready vehicle control system integrated with the city's traffic signal control system.
2. Providing rides for the public and stakeholders to demonstrate how the vehicle has evolved since the On Road Test (ORT) in June 2025 and to take feedback on the system.
3. Demonstrating at scale, using the learnings from the ORT, the speed of installation and affordability of the CVLR track.
4. Expediting the design and delivery process.
5. Utilising learning to inform the business case and design of Coventry's first commercial route and, more widely, to continue to stimulate national and global commercial interest.

The 800m route was intended to form part of the proposed first commercial route (subject to business case approval) running from the railway station to the West Midlands Investment Zone (Greenpower Park), with potential to extend northwards from the railway station through the city centre to connect to Pool Meadow, University Hospital Coventry and Warwickshire (UHCW) and to a Park and Ride at Ansty Park. The 800m demonstrator section would be delivered using allocated grant funding from the City Region Sustainable Transport Funding (CRSTS) and was scheduled to be constructed by March 2027. Further funding would be sought from the Transport for City Region (TCR) fund, which replaced CRSTS from 1 April 2027.

As an added benefit, in October 2027 the Intelligent Transport Systems (ITS) World Congress was being staged at the NEC. This provided an excellent opportunity to showcase, to a global audience the benefits of CVLR using it to carry delegates to the National Transport Design Centre (on the Technology Park) to showcase Coventry's ground-breaking transport innovations.

RESOLVED that Cabinet recommends that Council approves:

- 1) The installation of the CVLR slab track and a short period of operation, of the City Centre Demonstrator (CCD) from Coventry Railway Station to Coventry University Technology Park in a live traffic environment will follow the release of the next phase of approved funding by the DfT.**
- 2) Delegated authority to the Director of Innovation, following consultation with the Director of Law and Governance, the Director of Finance and Resources, the Director of Regeneration and Economy, and Cabinet Member for Jobs, Regeneration and Climate Change, to operate CVLR in a live traffic environment subject to risks being appropriately mitigated.**
- 3) Delegated authority to the Director of Innovation to secure the necessary Statutory approvals to construct CCD.**
- 4) Delegated authority to the Director of Innovation, following consultation with the Director of Law and Governance, the Director of Finance and Resources, the Director of Regeneration and Economy, and Cabinet Member for Jobs, Regeneration and Climate Change, to enter into all necessary legal agreements for the CCD.**
- 5) Delegated authority to the Director of Innovation, following consultation with the Director of Law and Governance, the Director of Finance and Resources, Director of Regeneration and Economy and Cabinet Member for Jobs, Regeneration and Climate Change, to agree the award of contract(s) and for the Council to enter into all necessary contracts, including but not limited to constructing and operating the CCD.**
- 6) Delegated authority to the Director of Innovation, following consultation with the Director of Law and Governance, the Director of Finance and Resources, the Director of Regeneration and Economy, and Cabinet Member for Jobs, Regeneration and Climate Change, to enter into the appropriate lease agreements for associated infrastructure required to deliver a modified, enhanced CVLR system and its potential to facilitate the construction of conventional tramways to prove out the advanced slab track capabilities.**
- 7) Delegated authority to the Director of Innovation, following consultation with the Director of Law and Governance, the Director of Finance and Resources, the Director of Regeneration and Economy, and Cabinet Member for Jobs, Regeneration and Climate Change, to, subject to the necessary funding being secured, initiate the business case work for a commercial route in Coventry.**

47. **Highways Maintenance Contract - 2026**

Cabinet considered a report of the Interim Director of City Services on Coventry's utilisation of the Highways Maintenance Contract 2016 (HMC16) collaborative contract between Warwickshire County Council (WCC), Solihull Metropolitan Borough Council (SMBC), and Coventry City Council (CCC), for specialist highways treatments and significant carriageway resurfacing projects, which would end on 5 May 2026. The report sought approval for Coventry City Council's use of the future highways contract from 5 May 2026 (period 7-year core term plus potential extensions up to a further 6 years) for the works outlined in the report.

WCC have carried out a tender process for a future highways contract to meet all their highways needs. The Council could be a party to this for elements of its Highways work which provided a legally compliant procurement framework where delivery of works was to be undertaken outside the use of the Highways Direct Labour Organisation (DLO) team.

RESOLVED that Cabinet:

- 1) **Subject to Procurement Board approval, approves the Council's use of Warwickshire County Council's Highways Maintenance Contract 2026 for the contract period (7-year core term plus potential extensions up to a further 6 years) from 05 May 2026 for the works outlined in the report.**
- 2) **Delegates authority to the Interim Director of City Services, to undertake all necessary due diligence to enter into the contract, including but not limited to:**
 - **Finalising the terms of Coventry City Council's participation in the Highways Maintenance Contract 2026; and**
 - **entry into the contract on behalf of the Council.**

48. **Outstanding Issues**

There were no outstanding issues.

49. **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: 2:45pm)