

**Time and Date**

2.00 pm on Tuesday, 18th June, 2013

**Place**

Committee Rooms 2 and 3 - Council House

---

**Public Business**

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes** (Pages 5 - 10)
  - (a) To agree the minutes from the meeting of Cabinet on 16<sup>th</sup> April 2013
  - (b) Matters Arising
4. **Exclusion of Press and Public**

To consider whether to exclude the press and public for the item(s) of private business for the reasons shown in the report.
5. **Transformation Programme Progress Report** (Pages 11 - 26)

Report of the Chief Executive
6. **2012-2013 Revenue and Capital Outturn** (Pages 27 - 60)

Report of the Director of Finance and Legal Services
7. **Coventry Jobs Strategy - Delivering the Job Strategy Annual Programme 2012/13** (Pages 61 - 92)

Report of the Director of City Services and Development

(A briefing note detailing the Business, Economy and Enterprise Scrutiny Board (3)'s consideration of this report is attached at page 91)
8. **Secondary SEN Broad Spectrum Schools: Outcome of Consultation on the Revocation of Statutory Notices and Revised Proposals** (Pages 93 - 106)

Report of the Director of Children, Learning and Young People
9. **Wyken Croft Primary School Credit Union Loan Application** (Pages 107 - 112)

Joint report

10. **High Speed 2 and Coventry** (Pages 113 - 120)  
Report of the Director of City Services and Development
11. **Implementation of the Living Wage** (Pages 121 - 128)  
Report of the Director of Customer and Workforce Services
12. **Review of the Members' Allowances and Expenses Scheme** (Pages 129 - 134)  
Report of the Director of Customer and Workforce Services.
13. **Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings** (Pages 135 - 162)  
Report of the Director of City Services and Development
14. **Friargate Bridge** (Pages 163 - 178)  
Report of the Director of City Services and Development
15. **Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools** (Pages 179 - 184)  
Report of the Director of Children, Learning and Young People
16. **Authority for Attendance at Conference** (Pages 185 - 188)  
To consider the attendance of Councillor Gannon, a Conservative nominee, the Director of Finance and Legal Services and one additional officer from Finance and Legal Services Directorate at the CIPFA Annual Conference to be held on 10<sup>th</sup> and 11<sup>th</sup> July 2013 in London.
17. **Outstanding Issues** (Pages 189 - 192)  
Report of the Director of Customer and Workforce Services
18. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

#### **Private Business**

19. **Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools** (Pages 193 - 200)  
Report of the Director of Children, Learning and Young People  
(Listing Officer: S. Redgrave, tel: 024 7683 1049)
20. **Friargate Bridge** (Pages 201 - 218)  
Report of the Director of City Services and Development  
(Listing Officer: C. Knight, tel: 024 7683 4001)
21. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

---

Bev Messinger, Director of Customer and Workforce Services, Council House Coventry

Monday, 10 June 2013

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, tel: 024 7683 3237 / 3065, Email: [lara.knight@coventry.gov.uk](mailto:lara.knight@coventry.gov.uk) / [michelle.salmon@coventry.gov.uk](mailto:michelle.salmon@coventry.gov.uk)

Membership: Councillors G. Duggins, G. Gannon, A. Gingell, L. Kelly, D. Kershaw, A. Khan, R. Lancaster, A. Lucas, E. Ruane, P. Townshend.

By invitation: Councillors A. Andrews, J. Blundell (non-voting Opposition representatives)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting  
OR if you would like this information in another format or  
language please contact us.

**Lara Knight / Michelle Salmon**  
**Governance Services**  
**Tel: 024 7683 3237 / 3065**  
**Email: [lara.knight@coventry.gov.uk](mailto:lara.knight@coventry.gov.uk) /**  
**[michelle.salmon@coventry.gov.uk](mailto:michelle.salmon@coventry.gov.uk)**

This page is intentionally left blank

# Agenda Item 3

## Minutes of the meeting of Cabinet held at 2.00 pm. on 16 April 2013

Present:

Cabinet Members: Councillor J. Mutton (Chair)  
Councillor Duggins (Deputy Chair)  
Councillor Harvard  
Councillor Kelly  
Councillor Kershaw  
Councillor A. Khan  
Councillor Mrs Lucas  
Councillor O'Boyle  
Councillor Ruane

Non-voting Opposition Members: Councillors Blundell and Foster

Other Members: Councillors Hetherton and M. Mutton

Employees (by Directorate):

Chief Executive's: M Reeves (Chief Executive), F Collingham, G Holmes, J Moore, J Venn

City Services & Development: M Yardley (Director), M Checkley, T Darke, J Newton, M Waters, A Williams

Community Services: S Brake, D Shiner

Customer & Workforce Services: B Messinger (Director), H Abraham, G Bayliss, L Knight, M Salmon

Finance & Legal Services: C Forde, B Hastie

Apology: Councillor Townshend

### **Public business**

#### 149. **Minutes** [\(Minutes Documents\)](#)

The minutes of the meetings held on 26<sup>th</sup> February and 5<sup>th</sup> March 2013 were agreed and signed as true records. There were no matters arising.

#### 150. **Declarations of Interest**

There were no declarations of interest.

#### 151. **Corporate Risk Register update** [\(Report\)](#) [\(Appendix\)](#) [\(Briefing Note\)](#)

The Cabinet considered a report of the Director of Finance and Legal Services that provided Members with an overview of the Council's Corporate Risk Register, along with the actions being taken to mitigate these risks from occurring.

**RESOLVED that in considering the latest version of the Corporate Risk Register the Cabinet is satisfied that corporate risks are being identified and adequately managed.**

152. **West Midlands Councils** ([Report](#))

The Cabinet considered a report of the Chief Executive that, following a comprehensive review of the costs and functions of West Midlands Councils, presented the City Council with a number of recommendations and options for future membership of the organisation for 2013/2014.

**RESOLVED that the Cabinet:**

- (1) Agrees that the Council should remain a member of the West Midlands Employers organisation.**
- (2) Agrees not to subscribe to Centre for Local Government-West Midlands**

153. **Department of Energy and Climate Change Funding for Fuel Poverty Work in Coventry 2013** ([Report](#))

The Cabinet considered a report of the Director of City Services and Development detailing the proposed means by which the City Council was to spend funding from the Department of Energy and Climate Change to help tackle fuel poverty in Coventry. The report outlined the successful outcome of the funding bid, awarded to install energy efficiency measures in homes in the City and to promote a collective switching scheme, which had attracted 3,014 registrations to date, to encourage residents to switch energy supplier and save money.

**RESOLVED that the Cabinet:**

- (1) Approves total capital expenditure of £597k to be funded from the Department of Energy and Climate Change government grant for the provision of home insulation measures to homes in the City.**
- (2) Authorises the expenditure of revenue provided by the Department of Energy and Climate Change funding to promote a collective switching scheme in the City.**

154. **Local Transport Body 2015 – 2019 Priority Major Scheme Submission** ([Report](#))

The Cabinet considered a report of the Director of City Services and Development that sought approval of the proposed Council submission, by July 2013, of a draft prioritised major scheme programme and budget to the Coventry and Warwickshire Local Transport Body of possible schemes for Devolved Major Scheme funding 2015-2019.

**RESOLVED that the Cabinet approves the proposed Council submission to the Coventry and Warwickshire Local Transport Body, of possible schemes for Devolved Major Scheme funding 2015–2019.**

155. **European Regional Development Fund Accountable Body Report**  
[\(Report\)](#)

The Cabinet considered a report of the Director of City Services and Development that sought approval of the funding opportunity from European Regional Development Fund in delivering the City's priorities and for the City Council to act as guarantor for the Far Gosford Street Phase 2, Public Realm Phase 2, Coventry and Warwickshire Small Business Loans and the Coventry Transport Museum projects.

**RESOLVED that:**

**(1) The Cabinet:**

- (a) Agrees the funding opportunity from European Regional Development Fund as a significant opportunity in delivering the City's priorities and recommends that the City Council acts as guarantor and delegates authority to the Director of City Services and Development to enter into grant aid agreements for the individual projects: Far Gosford Street Phase 2, Public Realm Phase 2 and Coventry and Warwickshire Small Business Loans.**
- (b) Approves Coventry Transport Museum drawing up to £55k from its own reserves/balances to cover any expenditure on the European Regional Development Fund Project, pending official notification from Department for Communities and Local Government to award the full European Regional Development Fund grant. Coventry Transport Museum is to ensure by reasonable endeavours through their Business Plan to replenish the level of reserves/balances at the first opportunity.**
- (c) In the event of a successful award of European Regional Development Fund for the Coventry Transport Museum (estimated for the end of April/beginning of May 2013), that the Council acts as guarantor and delegates authority to the Director of City Services and Development to enter into grant aid agreements for eligible expenditure to be incurred by Coventry Transport Museum of up to £95k on the European Regional Development Fund Project between the date of decision by Department for Communities and Local Government (to award £3.1million European Regional Development Fund) and the Council's decision to act as accountable body for the overall Project.**

**(2) The Cabinet recommends that the Council:**

- (a) Agrees the funding opportunity from European Regional Development Fund as a significant opportunity in delivering the City's priorities and authorise the City Council to act as guarantor and to delegate authority to the Director of City**

**Services and Development to enter into grant aid agreements for the International Transport Museum Project and FarGo Village projects.**

- (b) Agrees to delegate authority to the Director of City Services & Development to grant a 30-year lease to Coventry Transport Museum at a peppercorn rent over the properties known as 10a and 10b Hales Street and 31 Silver Street.**

**156. Coventry's Education Improvement Strategy 2013 – 2015 ([Report](#)) ([Appendix](#))**

The Cabinet considered a report of the Director of Children, Learning and Young People that sought approval of the revised Education Improvement Strategy 2013 – 2015, set in the context of national education policy, the Council's 'Bolder Coventry's Transformation Programme' and the need to rapidly improve performance in Coventry Primary Schools.

**RESOLVED that the Cabinet approves the Education Improvement Strategy 2013 – 2015.**

**157. Establishment of Corporate Parenting Board to Act as Cabinet Advisory Panel ([Report](#))**

The Cabinet considered a report of the Director of Children, Learning and Young People that sought approval to establish a Corporate Parenting Board which would engage partners, Elected Members and the wider Council in working to fulfil the role of the Council as corporate parent. The proposal followed a review of the governance of corporate parenting which identified that the Care Matters Steering Group and the Cabinet Advisory Panel for Corporate Parenting had overlapping Work Programmes and had become inefficient to operate as two separate groups.

**RESOLVED that the Cabinet:**

- (1) Approves the establishment of the Corporate Parenting Board to oversee the work of corporate parenting and to act as a Cabinet Advisory Panel.**
- (2) Approves the membership as the same as that of the current Cabinet Advisory Panel for Corporate Parenting with additional members to represent Health and other directorates.**

**158. Withdrawal of the Coventry Local Development Plan Core Strategy Submission 2012 from Examination in Public ([Report](#))**

The Cabinet considered a report of the Director of City Services and Development that sought approval to withdraw the Coventry Local Development Plan Core Strategy 2012 Submission Draft from Examination in Public. Inspection of the Plan had concluded that it had not discharged the Duty to Co-operate with neighbouring planning authorities on the strategic matter of the number of houses proposed; this required extra work to be undertaken on the Plan prior to re-submission and for Examination in Public to re-commence.



**RESOLVED** that the Cabinet approves the withdrawal of the Coventry Local Development Plan Core Strategy 2012 Submission Draft from Examination in Public.

159. **Creating an Olympic Legacy for Coventry – Coventry Ambassadors**  
[\(Report\)](#) [\(Appendix\)](#)

The Cabinet considered a report of the Chief Executive that sought approval of the development and funding proposals of the Coventry Ambassadors Scheme. The Scheme was part of a new social enterprise model to be developed by Coventry University that would play a key role in future events for Coventry, promoting the City to Visitors and residents and helping the City's future bids for major sporting events.

**RESOLVED** that the Cabinet:

- (1) **Supports the development of the Coventry Ambassadors Scheme as part of a new social enterprise model to be developed by Coventry University.**
- (2) **Supports the funding proposal to provide initial grant funding for the scheme up to £20,250, which will be met from existing Council budgets.**
- (3) **Agrees in principle that an Elected Member is identified at the Council's Annual General Meeting in May 2013 to represent the Council as a director on the Board of the social enterprise company.**

160. **Outstanding Issues** [\(Report\)](#)

The Cabinet considered a report of the Director of Customer and Workforce Services that contained the list of outstanding issues and summarised the current position in respect of each item.

**RESOLVED** that the Cabinet notes the dates for consideration of future reports.

161. **Any Other Public Business**

There were no other items of public business.

(Meeting closed at: 2.50 p.m.)

This page is intentionally left blank



## Public report Cabinet Report

Cabinet  
Finance and Corporate Services Scrutiny Board (1)

18 June 2013  
29 July 2013

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance and Resources) - Councillor Gannon

**Director Approving Submission of the report:**

Chief Executive

**Ward(s) affected:**

Not applicable

**Title:**

Transformation Programme Progress Report

---

**Is this a key decision?**

No

---

**Executive Summary:**

The Transformation Programme was launched in June 2009, and its progress is reported to Cabinet and Scrutiny Co-ordination Committee. The purpose of this report is to set out what has been achieved in 2012/13, and how the Programme is contributing to the significant challenges facing the City Council.

**Recommendations:**

**Cabinet is recommended to:**

- a) note the progress that has been made in delivering specific reviews in the Transformation Programme
- b) affirm its commitment to the continuation of the Programme, and its contribution to the service improvement and cost reduction challenge, and

**Scrutiny Co-ordination Committee is recommended to:**

- a) note the progress that has been made in delivering specific reviews in the Transformation Programme
- b) identify any issues for inclusion in the scrutiny work programme.

**List of Appendices included:**

Appendix 1 – Completed and In Progress Reviews

**Other useful background papers:**

None

**Has it or will it be considered by Scrutiny?**

Yes

Finance and Corporate Services Scrutiny Board Scrutiny 29 July 2013

**Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:****Transformation Programme Progress Report****1. Context (or background)**

- 1.1 In 2007 the Cabinet approved the creation of a Value for Money Partnership, to help the Council deliver service improvement and cost reduction, and meet the policy and financial challenges being faced by the City Council and other local authorities. Since that time, the Cabinet has received annual progress reports, and the Cabinet Member (Strategic Finance and Resources) and the Scrutiny Co-ordination Committee have received regular progress reports.
- 1.2 In June 2009, building on its Value for Money Partnership, the Council launched its abc Transformation Programme - A Better Council for A Bolder Coventry, in recognition that new approaches to the way the Council works were required to continue to improve services and reduce costs. The programme recognised that, to meet the challenges being faced, the Council has to be more flexible, and responsive to the opportunities to make changes in its delivery of services. It anticipated that in future the Council would operate with a smaller workforce, based in fewer locations, and harness the power of technology to work more flexibly and efficiently.
- 1.3 The overall objectives of the Transformation Programme are to:
  - Achieve better value for money, measured by reductions in the costs of delivering services;
  - Provide better and consistent customer services, measured by a reduction in avoidable contacts;
  - Develop and deliver real culture change across every level of the organisation, to equip the Council for the challenges ahead, and
  - invest in new technologies where appropriate to support service delivery.
- 1.4 To support the delivery of the programme's objectives, a methodology for fundamental service reviews was developed asking questions about a service's purpose, objectives, current performance and design, and a programme of these reviews was established. The first three years of the programme focused on improving the Council's services and reducing costs, with budgeted savings of £19.2m by 2012/13 and rising to £26.9m in 2014/15.
- 1.5 The Medium Term Financial Strategy, approved by Council on 15th January 2013, sets out the massive national changes affecting the financial and policy landscape for local authorities. 2013/14 is the third year of four covered by the 2010 Spending Review which set out the Government's spending plans and incorporated significant reductions in the real level of resources available to local government. The Chancellor's Autumn Statement released on 5th December 2012 made it clear that public sector cuts will be expected beyond the medium term planning horizon. Forecasts for economic growth are now less optimistic than previously and the prospects of very challenging conditions for a sustained period are looking increasingly likely.
- 1.6 At a local level the Council continues to face challenges that include providing robust services for vulnerable children and adults, and delivering other vital local services to Coventry citizens. It is also a key player in taking forward regeneration opportunities to maintain local and sub-regional economic growth.
- 1.7 In this context, it is apparent that the Transformation Programme needs to position the Council to overcome the twin challenges of the crisis in public sector finance, and the

coalition government's vision of the purpose, organisation and delivery of public services. Delivery of the Programme remains a key element of the Council's response to these challenges and the savings it produces will be essential to the Council continuing to achieve a balanced budget.

1.8 To meet the challenges going forward, and to secure the right outcomes for customers within an even more constrained financial position, the next phase of the Programme – “A Bolder Coventry” – was confirmed by Cabinet in December 2012. This phase has more of an external focus on the city and the relationship between the Council, its partners and its residents. It also focusses on the reduction of customer demand leading to increased savings and avoided costs as well as savings from cost reductions. This second phase of the programme aims to achieve additional savings of over £44m by 2015/16.

1.9 The principles underpinning the Bolder Coventry approach are:

- Encouraging **independence and self-sufficiency** so people rely less on the Council and other organisations providing services in the way they always have done
- Developing a sense of **personal responsibility and pride** amongst people so they want to do more for themselves, their communities and their city
- Increasing **our role as leader and influencer** in the city and working in partnership with others – we can only be successful if this work is carried out in partnership with other public, private and voluntary sector organisations in the city
- **Being fair** in the way we support people and provide services, making sure the most vulnerable get the support they need, delivered effectively and efficiently and helping people where we can to become more independent
- **Understanding our people better** through research which tells us where we need to focus our support and how to communicate and engage most effectively with people.
- **Becoming a smaller organisation** with fewer employees and fewer managers and ensuring these employees have the skills needed to deliver this new agenda – recognising this is a very different way of working to the way councils have worked in the past
- Services and the offer of support from the Council will be **co-designed** so that we are not seen to “do to” but “do with”
- Responding as an organisation to ensure our services reflect **the changing relationship between our residents and the Council**
- Viewing all our residents, wherever they live in the city, as valuable assets; currently largely untapped, but with **huge potential**.

## 2 Options considered and recommended proposal

2.1 As this is a progress report, there are no options for consideration. This report summarises the progress made in delivering the programme of reviews to improve Council services and reduce costs as well as future action planned.

## 3 Progress in undertaking abc reviews

3.1 During 2012/13 the programme has been expanded with work beginning on the new Bolder Coventry reviews. Progress on projects to date (including those completed in previous years) resulted in £18.9m savings in 2012/13 against budgeted savings of £19.2m. As reviews are completed the financial savings are tracked to ensure they are being delivered. In addition reviews now undertake a full evaluation approximately 12 months after implementation to understand the delivery of both financial and non-financial benefits.

- 3.2 Appendix 1 shows the forecast and budgeted savings for completed and live reviews and provides an explanation for variances. Where reviews have underachieved against targets, actions are in place to ensure that these are met in future years. Evaluations of completed projects are taking place throughout the year which will also review the delivery of other non-financial benefits. Sections 4, 5 and 6 of this report summarise progress against live reviews, as well as those implemented or evaluated during the year.

## **4 Completed Reviews**

- 4.1 Reviews which have been implemented during 2012/13 are summarised below.

- 4.1.1 **A31 Day Care in Children's Centres:** This review looked at Council run day care services in the Sure Start Children's Centres and provided an opportunity to review the way the Council currently delivers its services and fulfils its duties to ensure sufficient child care provision in the City. The project was implemented in September 2012. This has seen the cost of service delivery reduce while still maintaining quality standards by adopting a sessional care model and prioritising support to the most vulnerable children through wider family support arrangements.
- 4.1.2 **A40 Commissioning and Procurement:** Three Panels (People, Place and Resources) have been established to support the new approach to commissioning and procurement, reviewing procurement proposals to identify opportunities to improve value for money and deliver financial savings. Category Strategies which help improve forward planning and decision-making in common areas of activity and spend are being developed. Spend with the third sector is also being considered through the new arrangements. Structural changes to consolidate and strengthen skills and resources in a corporate team have been implemented. While the project is complete, work carried out by Panels, directorates and the new corporate team will contribute significant savings to the abc programme.
- 4.1.3 **A45 Children, Learning and Young People (CLYP):** The review developed a new service model to provide a focus on effective and efficient case work and intervention based on early identification of need and targeted support for families and young people. It is addressing the challenges of delays in case work and processes, and high cost external placements. At its heart have been the needs of children and families, with a commitment to supporting and developing staff to deliver excellent service. New teams have been created - Children & Families First (early intervention and preventative work); a Crisis intervention team within Social Work Services; and Family Placement Service (fostering and adoption) – and performance management arrangements introduced to help the service to understand activity and prioritise actions in order to achieve the target of safely reducing the number of Looked After Children, increase the number of Coventry City Council Foster Carers and reduce costs. While the new arrangements are now in place, there remains further work to complete recruitment to the new structures, improve performance and embed the change across the service in the challenging context of increasing pressures on children's social care. The review had no target for savings from the 2012/13 budget but it did anticipate delivering a reduction in costs of £1.252m which was not achieved and contributes to the increasing financial challenges ahead.
- 4.1.4 **A47 Sustainability and Low Carbon:** This project created a strategy for reducing the Council's carbon emissions to promote sustainability and minimise the pressure from energy costs and the payments the Council must make to the government in the Carbon Reduction Commitment. The project has launched a new Green Champions initiative across the Council with 130 Champions in place to promote energy reduction and low carbon behaviours. Waste recycling is being rolled out in city centre Council offices. A

restructure of staffing has increased focus on managing carbon reduction in the Council's estate, engaging the workforce in behaviour change, along with tackling fuel poverty.

- 4.1.5 **A46 CCTV:** This review looked at all Council services with responsibility for CCTV – urban traffic management and control, Coventry communications centre, and the CCTV operation previously managed by CVOne (which has now been transferred in-house). The review explored opportunities to reduce duplication and cost and ensure efficient and effective service delivery. Staff consolidation and a new structure have been implemented, along with co-location of TV monitoring staff from New Union Street to Jackson Road. This enables all cameras to be monitored from a single location. Further work will now be carried out to review commercial opportunities for income generation and growing the business to deliver further savings targets.
- 4.2 Reviews that have been evaluated during the year are summarised below.
- 4.2.1 **A09 Business Services:** In 2009 the Council embarked on an ambitious fundamental service review as part of its abc programme to review and restructure administrative and support functions. This work resulted in the creation of a centralised administrative service to provide support across the whole council. The review delivered the primary objectives of saving money, reducing headcount and creating a council wide service. The review has achieved financial savings of £2.4m to date and is on target to deliver £2.95m by 2013/14. The post implementation report, considered by Scrutiny Co-ordination Committee on 20<sup>th</sup> February 2013, recognises some of the challenges met during the review and which continue to be addressed as the service develops, many as a result of the pragmatic decision to “lift and shift” the service at launch rather than transform the organisation's back office processes. However, the model has provided the organisation with a solid platform to build on and in particular embracing the ideology and ethos of a Bolder Coventry. In particular, as the Strategic Property Review unfolds Business Services will be able to embrace the new ways of working and realise further efficiencies and savings.
- 4.2.2 **A14 Commercial Waste:** The purpose of the Commercial Waste Fundamental Service Review was to improve the operational performance of the in house service to drive greater efficiency and increase income generation. As a result of the FSR, the service has had a greater commercial focus to enable it to compete with other providers of similar services. In addition, a number of initiatives have been put into place to drive up income through focusing on smaller businesses with a pre-paid liner sack collection service. Structural changes and the implementation of a zero hour pool of staff have reduced the reliance on agency staff driving down costs. While the service has increased income and turnover as a result of the review, the competitive market and challenging economic environment means that the savings target has not been met.
- 4.2.3 **A18a Schools Catering:** This review was designed to remove the operating deficit from the schools catering service, whilst improving quality value for money and particularly securing relationships with schools. This is particularly in the context of schools having greater choice in who provides their catering service – creating strong competition for the Council. The service has made considerable progress in improving its financial position, and has now moved from a substantial deficit position to a small surplus. Meal numbers and rate of take up of school meals have remained relatively constant, but the service is undertaking a number of marketing and other activities to seek to increase these. Staff feel that internal systems have improved, with a number of achievements in this area, and the majority of staff and head teachers / business managers feel that meal quality is improving. However, fewer people have noted an increase in pupil and parent satisfaction and the service will seek to increase customer feedback in the next academic year. The Service has undergone a further management restructure to reduce costs as it faces on-



going pressure from competitors offering schools a catering service.

- 4.2.4 **A18b Corporate Catering Review:** The primary aim of this review was to remove an operating deficit from the Council's corporate and commercial catering functions. By the end of 2012-13, the service had significantly reduced the deficit from £116k to £27.5k, with further action to completely remove this deficit. Work to date has included creating a marketing website for St Mary's Guildhall and strengthening sales of the venue - to generate a 17% in event usage, including an increase of 12% of wedding bookings, which are an important source of revenue. The service continues to promote free access to the Guildhall as an important heritage venue, and will be working with the Cathedral to improve visitor numbers. The project also launched a new internal catering service for council employees and secured a new city wide vending contract as an income generation mechanism.
- 4.2.5 **A24 i-Cov:** ICT service provision was identified as a priority for service transformation and the i-Cov Fundamental Service Review began in November 2009, with full implementation of the new in-house service becoming operational on 1st April 2011. The purpose of the review was to improve reliability of ICT services; develop strategic management of the ICT architecture and change portfolio; rationalise the organisation; develop greater depth and breadth of business, technical, process and people skills; and improve customer satisfaction. The new ICT operating model has delivered savings to date of £4.6m and is on track to deliver its target of £5m annual savings from 2013/14 onwards. This has been delivered primarily from a reduced staffing complement and reviewing, ceasing and retendering ICT related contracts. The Council is already benefiting from many ICT related improvements which are also supporting the wider transformation programme, although resolving many of the legacy issues that the new service has inherited and permanently embedding a new culture and customer focussed ethos will continue into the future. Scrutiny Co-ordination Committee considered the evaluation of this review on 8<sup>th</sup> August 2012.
- 4.2.6 **A38 School Improvement Review:** The two key aims of the School Improvement Review have been fully realised in making over £2 million savings and re-structuring the service, taking out just over 33 posts. Benefits in terms of a clear rational and purpose for the work of the service, a review of the delivery of statutory duties, a more clearly defined operating model service level agreement structure and costing model have been achieved. The Over-coming Barriers to Learning Strategy has been implemented effectively with good outcomes on key attainment and progress measures over a 3 year period for under-achieving and vulnerable groups.

## 5 Reviews in progress

5.1 Reviews which are currently live are summarised below:

- 5.1.1 **A13 Money Matters:** This is reviewing the way we manage our finances to make sure that we have the right financial systems, processes and future investment in place to help us perform the financial management role effectively and efficiently. The review is looking not only at the Financial Management Division, but also all financial activity across the City Council. A new financial management system has now been procured and work is underway to build, test and train prior to it going live in November 2013.
- 5.1.2 **A35 Management Restructuring:** A second phase of this review is in progress to continue the creation of a streamlined management structure, to better meet the needs of the Council. Savings targets have been allocated to Directorates and are being monitored regularly to ensure delivery. The total target of £1.5m has been achieved for 2012/13 and

plans are in place to deliver a further £500k in 2013/2014.

- 5.1.3 **A37 Advice Services:** This review is looking at the provision of services across the city in relation to information, advice and representation on matters relating to social welfare law covering areas such as welfare benefits, debt, money matters and housing, community care, immigration and asylum, and employment and discrimination. It is seeking to ensure that the people of Coventry, particularly those who are most vulnerable, have access to the best possible advice services so they can secure their rights and entitlements under social welfare law. The work is being undertaken with third sector partners to understand and respond to current and future needs how they can best be met. There is no associated savings target, but it is expected that the review will result in more efficient and effective use of Council (and other) funds. Interim new Grant Aid Agreements with existing providers have been introduced. The outcomes of widespread consultation undertaken between January and March will be reported to Cabinet for decisions on implementation.
- 5.1.4 **A48 Statutory/Non Statutory Services:** Analysis of the statutory and non-statutory elements of current service provision and opportunities remains an integral part of reviews being carried out as part of the programme.
- 5.1.5 **A50 Public Health:** The transfer of Public Health from the NHS to the Council was completed for April 2013. Revised structures have been introduced and a significant amount of work carried out to ensure that the required contractual, legal and financial arrangements were in place. New governance arrangements have been established for the next phase of the review which will focus on transformational change and maximising the opportunities for delivering positive health outcomes through activities carried out across the council and with partners. This will focus on five priority areas: community asset based working; designing better public health services; multi-agency early years intervention; managing data and knowledge to inform decision-making; and working with the national Marmot team to address health inequalities.
- 5.1.6 **A53 Cultural Trusts:** The review worked in partnership with the three cultural trusts to achieve sustainable benefits which will identify significant savings and retain (and seek to enhance) the depth and breadth of the city's cultural offer. A new Trust, Culture Coventry, has been created which is bringing together the work of the Coventry Herbert Arts Trust and Coventry Transport Museum. Work continues to support the transition. The Belgrade Theatre Trust has produced a business plan to manage the reduction in their funding.
- 5.1.7 **A54 Community Services:** The review incorporates the key principles that people will be expected to do more for themselves, that they should be as independent as possible for as long as possible, and that on-going support will only be provided to the most vulnerable at the point of need. It is seeking to improve the efficiency of internal resources and create more efficient systems, reduce spend by improving the use of commissioning and procurement, and promote independence pathways to reduce long-term dependency. The review has cross-cutting implications across the council and links to other reviews in the programme including Children, Learning and Young People, Public Health and Customer Connect. Cabinet will be asked to approve formal consultation on the proposed options that form the first part of the review.
- 5.1.8 **A55 Special Educational Needs, Children's Disability & Transitions:** This review is working with parents and partners to manage and reduce demand for services, reducing the level of non-statutory services offered, and rationalising service areas within CLYP so a coherent offer is available to service users. The project is nearing completion of the

baseline and development of high level options. Work has incorporated stakeholder engagement with parents and schools and the project continues to track carefully proposed changes to national policy and codes of conduct in the area of special educational needs.

- 5.1.9 **A58 Strategic Regeneration & Business Rate Growth:** The review seeks to maximise opportunities for business rate growth and income, partially through stimulation of new business activity but also through increased collection and enforcement. The project is producing a strategy to improve internal council processes and to support and attract businesses, in order to maximise and support business rate growth. This represents an important revenue stream to the organisation in light of changed government policy.
- 5.1.10 **A59 City Deal:** The proposal submitted to the Government earlier this year has been positively received by the Cabinet Office, and is now being progressed to the next stage. Government has changed the proposed timetable which would have seen a presentation being made during this month and this is now expected to take place in the autumn. This will include three main areas focussing on skills, infrastructure and private sector growth.
- 5.1.11 **A60 Strategic Review of Property:** The review is looking to consolidate property where possible and make the best use of our commercial property base. It will also review the property management function. A comprehensive baseline of the Council's operational and commercial property has been prepared and elected members will consider options to move forward.
- 5.1.12 **A61 Commercialisation & Income Maximisation:** The focus of this review is to increase revenue opportunities, either by enhancing existing services or introducing new opportunities. It also aims to increase the Council's ability to become a more commercially astute organisation.
- 5.1.13 **A65 Neighbourhood Services:** This review is considering options for developing a different approach to working with communities and includes the Council's Neighbourhood Wardens and Neighbourhood Action services.

## **6 Reviews in Planning Stage**

- 6.1.1 **A56 LEA Functions:** This review is being established and will shape the role for the Council in the context of changing policies for education and schools. It will be reducing spend in areas affected by the loss of income as schools convert to academies and will be proposing restructures of services and realignment of budgets across a number of service areas, not just confined to those within CLYP.
- 6.1.2 **A63 Future Shape of the Council:** Significant change is required to meet the objectives of the abc programme. The Council will need to use its assets efficiently; employees will work together in new ways, and the city's greatest asset – its people – will play a key role in delivering a bolder Coventry. This project will help shape the kind of organisation that the council will need to be in the future and ensure that it is leading, not just responding to external agendas. The proposal for the council to move some of its operations to Friargate which being considered at Cabinet on 18<sup>th</sup> June and Council on 25<sup>th</sup> June will be a key step in the council's transformation journey, as well as contributing to wider regeneration priorities.
- 6.1.3 **A64 Reduce Demand for Council Services:** Reducing and Managing Demand is an important strand of the Bolder Coventry agenda. Increasingly, the Council will need to

work with people to reduce demand for services, help them do more for themselves and work with partners and other organisations to deliver services. Potential demand reduction projects that will help to changing behaviours, relationships and ways of working as well as reducing costs are currently being identified. Projects will contribute to the Demand Reduction savings target, enhance existing reviews and help develop a council wide approach.

- 6.1.4 **A66 Customer Connect:** Plans are being prepared with directorates to improve the way we connect with people. By driving down costs in this area, streamlining processes and making the most of new technology we can deliver savings that will help protect frontline services. Expecting customers to do more to help themselves is key to the review's success. This will be achieved through promoting the most cost effective ways of doing business with us (particularly focusing on the contact centre), reducing demands and making face to face contact more efficient. We need to reduce demand so fewer people contact us in person as this costs the Council far more than other ways of contacting us, such as by phone or through our website. At the same time we will make sure we provide face to face contact for the one in five of our customers who do need it. Increasingly people want to do business with us online, at the time and place that suits them best. We will make sure it's easy for people to do this, using the right technology and social media.
- 6.1.5 **Other Reviews:** Work is also progressing to manage the loss of the **Early Intervention Grant** and to identify opportunities and management actions across services to reduce post numbers in line with similar initiatives undertaken in recent years as part of the **Headcount Reduction Strategy**.

## **7 On-going Management and Governance of the Programme**

- 7.1 Arrangements are in place to ensure effective programme and project governance. The programme is overseen by the Transformation Programme Delivery Board supported by project boards. Progress and key decisions are presented to Cabinet or Cabinet Members as appropriate. Progress is reported regularly to Scrutiny, who also consider reviews as they develop and at the evaluation stage.
- 7.2 A programme office supports the development, management and co-ordination of the programme and provides project management and support resource to projects.
- 7.3 As reported in December 2012, this phase of the programme will rely heavily on the enablers that will need to be in place to support the development of a sustainable Council going forward. Examples include IT and technology platforms, redesigning internal roles and responsibilities, commissioning, work with customers and property.

## **8 Strategic Transformation Partner**

### **8.1 Partnership Arrangements**

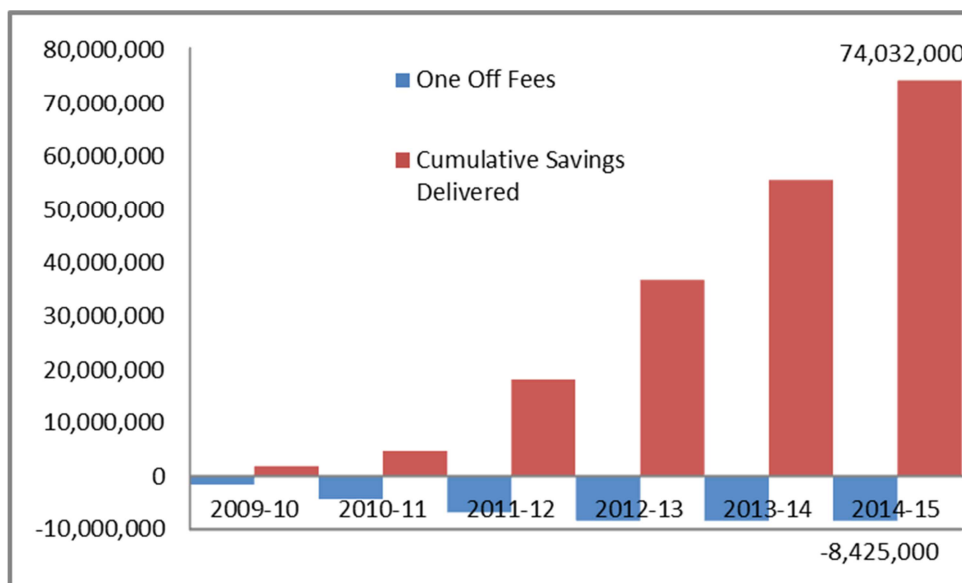
- 8.1.1 In 2007, PricewaterhouseCoopers LLP (PwC) was appointed under the Financial Advisory Framework Contract as the Council's Value for Money Partner and following a tender exercise in was appointed as Strategic Transformation Partner from 2011.
- 8.1.2 The Partnership has provided external challenge and experience from outside the council on the programme overall as well as input to specific projects.

8.1.3 Financial arrangements are set out in section 11 and costs by project in Appendix 1. It has always been intended to reduce the support received from external consultants over time and the amount spent on fees reduced in 2012/13 and is scheduled to reduce again this year. However, the need for additional capability to meet the scale of challenge associated with this phase of the programme necessitates some external support. Such support has, and will continue, to deliver challenge, skills transfer and major on-going savings (relative to the one off financial cost). Officers will continue to ensure that such support is limited to what is essential to achieve programme outcomes.

## 8.2 PwC Commentary on Progress to Date

8.2.1 PricewaterhouseCoopers LLP (PwC) continue to be very proud to be working with Coventry City Council. We have built strong relationships, developed an approach with you that works and one which now sees the Council delivering much of the change. The Council should be very proud of its abc programme – it compares very favourably with transformation programmes other authorities have, or claim to have. It has delivered both transformation and significant savings that have avoided cuts to front line services often delivered to the most vulnerable members of society.

8.2.2 We believe that, together with the Council, we have delivered great value, as evidenced by the ratio of (largely on-going) benefits to (one-off) costs delivered to date (see Appendix 1).



8.2.3 We continue to work with the Council to transfer skills, build capacity and invest in what is important to the Council:

- Attendance at and support to development events and meeting at no cost, working in joint teams, developing plans for the next phase of the programme
- We have run internship programmes for Coventry students
- Supporting specific reviews
- We have supported MIPM for 3 years and are looking to support the Council in its wider regeneration ambitions
- We have worked with your audit committee – and would like to do more where we can to support Members
- We have supported the development of the Coventry and Warwickshire Story
- Further supporting the Council in its thinking about what comes next – how does it address the very significant Government imposed spending cuts?

- 8.2.4 We are now working in partnership with iMPower as our sub-contractor and believe that this partnership brings additional value to the Council combining the strengths of both organisations for the benefit of the Council. In particular iMPower have provided specific support around Special Education Needs, Children's Disability and Transition services and are helping the Council manage demand for services.
- 8.2.5 We now see the programme at a critical period in its development. Never before has local government seen such significant cost pressures and at the same time such challenges to be more joined up, focus on outcomes rather than services, and be more citizen-centric. Recent examples include the integration of public health within the Council and the Government's very recently announced plans on health and social care integration.
- 8.2.6 The Council faces the challenge of moving its focus from internal improvement – a better council – to one of securing a bolder Coventry. Doing more of the same is not enough. The Council needs to do different things not just the same things differently. The focus on cost reduction cannot be reduced. Medium term financial strategy targets mean that cashable benefits must continue to be delivered. The 2013-14 and beyond programmes must therefore further challenge what being bolder means, and at the same time deliver real cashable benefits. Traditional approaches to securing outcomes, often through the delivery of public services, will need to be challenged. The principles set out above support this thinking – examples include more self-sufficiency, a real focus on the vulnerable, working more closely with partner organisations, reducing demand and 'pulling different levers' to secure outcomes. These changes will mean overcoming traditional thinking and changing the relationship between the Council and its citizens.
- 8.2.7 We are very pleased with the level of engagement we experience with the Council's Corporate Management Board and officers engaged in the Programme. We very much look forward to opportunities to engage with Members as the Programme moves forward. This engagement is critical to our understanding of your agenda and maximising the effectiveness of our contribution.
- 8.2.8 So, to summarise, we see the Partnership as having had a successful fifth year. The cashable benefits identified far exceed the costs and we are seeking to make this ratio even greater. Together we have achieved great progress on this commonly supported and valued transformation programme. But there are significant challenges ahead – being bolder and at the same time operating with a much reduced financial envelope at a time when demands have never been greater.
- 8.2.9 Based on what we see in local government, Coventry's abc programme remains one of the most innovative, ambitious and successful transformation programmes underway anywhere in the UK.

## **9 Results of consultation undertaken**

- 9.1 As this is a progress report there has been no consultation undertaken.

## **10 Timetable for implementing this decision**

- 10.1 As this is a progress report there is no decision to be implemented.

## **11 Comments from Director of Finance and Legal Services**

### Financial Implications

- 11.1 The over-riding financial principle for the Transformation Programme is that its costs, including PwC fees and the internal Programme office, will be funded in the due course of time from the efficiency savings which it achieves. As most of the savings delivered are on-going, whereas the fees paid to PwC are one-off, savings have already contributed to the Council's financial position, and in the medium term will continue to contribute.
- 11.2 One off costs to support the completed and existing abc reviews to date total £7.75m. The total of budgeted on going savings from these abc reviews (which are already factored into the Medium Term Financial Strategy) are £19.2m in 2012/13 rising to £26.3m in 2013/14 rising to £26.92m in 2014/15. Fees of £168k have been also been incurred to support new reviews started during the year. A further £2.3m of one off savings was also delivered from a review of VAT, which incurred fees of £358k. The 2013/2014 budget report recognised that to deliver future additional savings a degree of external support will be required and a sum of £500k for 2013/2014 rising to £1m in 2014/2015 has been included.
- 11.3 The progress achieved against the budgeted targets is set out in Appendix 1.

## **12 Other implications**

- 12.1 The programme of review work has, and will have implications for many or most aspects of the Council's services and activities. Business cases are drawn up for each review which address all relevant implications.

## **13 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?**

- 13.1 The Transformation Programme is crucial to the improvement of services to customers and the reduction of costs which will enable the Council to manage its medium term financial position. Projects within the Programme are themed to reflect the corporate priorities:
- Transformed opportunities for vulnerable people
  - Transformed opportunities for young people
  - Transformed opportunities for the local economy and local people
  - Using resources effectively
  - Transforming how we work as a Council

## **14 How is risk being managed?**

- 14.1 The Programme in total, and specific projects within the Programme, are subject to a number of key risks, which need to be managed. Risk management arrangements have been put in place, and are regularly monitored at project and programme level.

## **15 What is the impact on the organisation?**

- 15.1 Full consultation will take place with employees and trades unions about any service change and redesign issues, and the Security of Employment Agreement will apply where appropriate.

## **16 Equalities / EIA**

- 16.1 The implications will be considered on a project by project basis.

## 17 Implications for (or impact on) the environment

- 17.1 The methodology questions the impact of current activity and options being considered on the environment and the specific project on Sustainability and Low Carbon Economy is implementing a range of measures across the Council.

## 18 Implications for partner organisations?

- 18.1 The involvement of partner organisations is important to the Programme and the implications will be considered on a project by project basis.

### Report author(s):

Adrian West

### Name and job title:

Assistant Director Scrutiny & Transformation

### Directorate:

Chief Executive's

### Tel and email contact:

024 7683 2286 [adrian.west@coventry.gov.uk](mailto:adrian.west@coventry.gov.uk)

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
<b>Contributors:</b>				
Neil Chamberlain	Finance Manager	Finance and Legal Services	7 May	10 May
Michael Hanton	TPO Lead	Chief Executive's	7 May	10 May
Jeanette Ollive	TPO Lead	Chief Executive's	7 May	9 May
Colin Green	Director	Children, Learning and Young People	10 May	13 May
Shokat Lal	Assistant Director	Customer and Workforce Services	10 May	14 May
Brian Walsh	Director	Community Services	10 May	11 May
Lara Knight	Governance Services Officer	Democratic Services	13 May	14 May
<b>Names of approvers:</b> (officers and members)				
Cllr Gannon	Cabinet Member (Strategic Finance and Resources)		20 May	24 May
Martin Reeves	Chief Executive	Chief Executive's	21 May	28 May
Chris West	Director	Finance & Legal	21 May	28 May

This report is published on the Council's website:

[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)



## Appendix 1

### Completed and In Progress reviews

abc Review	PwC Costs to date (£000)	Savings Targets (£000)				
		2012/13		2013/14	2014/15	2015/2016
		Budgeted	Actual	Budgeted	Budgeted	Budgeted
A08 Personalisation	25	2,700	2,700	2,700	2,700	2,700
A09 Business Services	689	2,400	2,400	2,600	2,600	2,600
A12 Grounds Maintenance and Street Cleansing	310	470	470	470	470	470
A13 Money Matters	778	1,770	1,770	2,370	3,075	3,075
A14 Commercial Waste	0	420	105	420	420	420
A17 Corporate Transport	207	400	400	400	400	400
A18 Catering	230	1,119	1,119	1,259	1,259	1,259
A19a Operational Property	326	290	290	290	290	290
A19c Facilities Management	143	400	400	400	400	400
A23 Paper	0	660	517	660	660	660
A24 ICT	2,463	4,000	4,562	5,000	5,000	5,000
A25 Customer Management	57	100	0	0	0	0
A30 Public Safety	0	300	300	300	300	300
A31 Day Care	0	685	685	1,000	1,000	1,000
A33 Housing	0	400	400	400	400	400
A35 Management Restructure	33	1,500	1,500	2,000	2,000	2,000
A39 Income Generation	0	408	411	443	443	443
A40 Commissioning & Procurement	76	350	350	2,450	5,450	8,450
A41 Insurance and Risk	0	100	100	100	100	100
A45 CLYP Project*	1,399	0*	-110	2,000	4,000	5,200
A46 CCTV	0	125	84	250	250	250
A47 Sustainability & Low Carbon	0	298	100	298	298	298
A48 Statutory/Non-Statutory	0	100	100	100	100	100
A50 Transforming Public Health	0	0	0	500	1000	1000
A53 Cultural Trusts	129	200	200	392	665	665
A54 Strategic Review of Community Services	0	0	0	3000	8000	15000
A55 Review of SEN/Disability	106	0	0	500	1000	1000
A56 LEA Functions Review	0	0	0	500	1000	1500
A58 Strategic Regeneration and Business Growth	0	0	0	0	2000	3000
A60 Strategic Asset and Property	62	0	0	500	1000	3000
A61 Commercialisation/ Income Maximisation	0	0	0	550	2050	3050
A63 Future Shape of the Council	0	0	0	0	500	500
A64 Reduce Demand for Council Services	0	0	0	500	1000	3000
A65 Neighbourhood Services	0	0	0	700	1000	1000
A66 Customer Connect	0	0	0	0	0	0
Early Intervention Grant	0	0	0	2500	2500	2500
Headcount Reduction	0	0	0	500	1000	1000
PwC Core Team	885					
TOTALS	7,918	19,195	18,853	36,052	54,330	72,030

\*The CLYP Project had no budgeted savings target for 2012/13, but did anticipate delivering a reduction in costs of £1.252m. This has not been achieved.

The budgeted values are the amounts that have been reduced from revenue budgets cumulatively over the life of each review. Any variances between budget and current forecast are being managed by Directorates and reported as part of their quarterly revenue budgetary control reports.

As part of the regular monitoring of progress against savings targets, undeliverable shortfalls are reported into the medium term financial strategy as a future pressure. The 2013/14 budget report recognised and addressed pressures from Customer Management Review (£100k) and the effect of increased postage costs in the deliverability of the Post and Print review (£120k).

Variances between budgeted and forecast savings are summarised below:

**A14 Commercial Waste:** This stretch target has not been achieved, although additional contracts have been won in 2012/13 resulting in an increased turnover of 5% over the previous year. However, the market is still extremely competitive resulting in a tightening of margins meaning the financial benefit of each additional contract is not as profitable. The state of the market means it would be over optimistic to forecast achievement of the whole 13/14 target, however, all endeavours will be made to optimise the financial position moving forward.

**A17 Corporate Transport:** The target savings have increased in 2012/13 from £300k to £400k. One off cost reductions and income generation initiatives have enabled the target to be delivered on a short term basis as shown. However, the review still needs to identify on-going savings to achieve the targets permanently.

**A23 Paper:** Under-achievement of savings is a combination of new cost pressures and delays in recruiting to management posts to implement savings initiatives.

**A24 ICT:** Likelihood that savings in excess of target will be achieved.

**A25 Customer Management:** Elements of this review were not implemented means that the target will not be met. This target was removed in 13/14 budget setting process.

**A45 CLYP Project:** The overspend projected is due to continuing high numbers of Looked After Children. This position is expected to improve as recently implemented FSR initiatives start to take effect. CLYP has managed the financial position across the wider directorate budget in 2012/13.

**A46 CCTV:** FSR is now into implementation and will be fully implemented by June 2013. While the 2012/13 savings target has not been achieved, full year savings £201k against an original target of £200k are anticipated for 2013/14. The additional £50k for 2013/14 is dependent on further post implementation benefits arising from additional income and cost optimisation from reduction in cameras

**A47 Sustainability & Low Carbon:** While the 2012/13 target has not been met, other savings options have been introduced which mean that full year savings will be achieved in full from 2013/14.

Cabinet  
Audit and Procurement Committee

18<sup>th</sup> June 2013  
8th July 2013

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance & Resources) – Councillor Gannon

**Director approving submission of the report:**

Director of Finance and Legal Services

**Ward(s) affected:**

City Wide

**Title:**

2012/2013 Revenue and Capital Outturn

---

**Is this a key decision?**

Yes

*The matter relates to financial matters in excess of £0.5m in one financial year*

---

**Executive summary:**

The purpose of this report is to advise Cabinet of the final revenue and capital outturn position for 2012/13. The report also reviews treasury management activity during the year, including borrowing, lending and investments. In addition, the 2012/13 outturn Prudential Indicators are reported under the Prudential Code for Capital Finance. The overall position shows a revenue underspend of £3.5m and a capital programme balanced without the need for any prudential borrowing. It is recommended that £2.5m of the total underspend is set aside to support key policy initiatives including the Living Wage Policy, the Early Retirement/Voluntary Redundancy programme and City Deal policy developments.

In line with recent years, the 2012/13 budget has been managed in the context of very large cuts to local government funding first announced in the 2010 Spending Review. So far the Council has managed savings of £37m in 2011/12, a further £20m in 2012/13 and at least £28m more planned to be found in 2013/14. With this background, there have been three broad headline areas of overspending in 2012/13: looked after children, adult social care and income generating services.

- The high number and costs of looked after children continues to be tackled through a Fundamental Service Review (FSR) within the Children, Learning and Young People's (CLYP) Directorate. These costs have been mitigated by savings elsewhere within CLYP

and the challenging nature of the issues involved have led the Council to agree a revised savings profile for the Review within the 2013/14 budget.

- Higher than budgeted costs within Community Services adult social care budgets have been managed through temporary resources identified for this purpose. The on-going pressure will be addressed through the overarching Community Services FSR agreed as part of 2013/14 Budget Setting.
- The continuing very challenging economic conditions and erosion of internal customer bases have had an impact on services that generate income within the City Services and Development Directorate. These are being actively addressed partly through the approval of £1.7m additional resources in 2013/14 Budget proposals.

The 2011/12 Outturn Report outlined a number of areas of uncertainty facing local government and many of these will either come to fruition or intensify in 2013/14. These include the impact of the Business Rate Retention Scheme, a new localised Council Tax Benefit Scheme, the adoption of public health responsibilities, the changing relationship with schools - especially Academy Schools - and the new arrangements around welfare and benefits reform. Longer term challenges such as the juxtaposition of an ageing population/increased social care needs with a much reduced resource envelope to pay for this, and a range of increasing costs relating to local government pensions, represent a very significant collection of financial risks. All of this compounds the level of cuts to funding from central government which respected local government commentators now predict could amount to as much as a 50% reduction of 2010 levels by 2018.

In this enormously challenging environment the City Council remains committed to taking positive steps to modernise services and invest in the City. The abc Programme of Fundamental Service Reviews has endeavoured to deliver savings on a least worst basis although it must be recognised that the scale of savings will inevitably and increasingly impact upon front-line services. The Council is also committed to working with partners to invest in the local and sub-regional economy through a variety of mechanisms including the Coventry and Warwickshire Local Enterprise Partnership and a City Deal (or equivalent) arrangement. Considered together these factors demand a concerted approach to make the Council's financial position as secure as possible.

The 2012/13 outturn continues the recent policy of taking advantage of the flexibility allowed to increase the long-term resilience of the Council's financial position. The revenue bottom line shows an under-spend of £3.5m compared with a £0.7m overspend position at period 8. The Director of Finance and Legal Services has reviewed the overall level of capital resources available in 2012/13 as part of the year end process. The application of grant funding and capital receipts has been maximised and there is no requirement to undertake any prudential borrowing to fund expenditure in 2012/13.

### **Recommendations:**

Cabinet is recommended to:

1. Approve the final revenue outturn position incorporating an under-spend of £3.5m.
2. Approve the proposed contributions of £2.5m from this underspend outlined in Section 2.3 subject to further Cabinet approval where specified.
3. Approve the final capital outturn position, incorporating expenditure of £53.6m against a final budget of £63.2m, a variance of £9.6m made up of net rescheduling of £8.5m and a net under-spending of £1.1m as set out in section 2.5.
4. Approve the resourcing of this capital expenditure in section 2.5.
5. Approve the outturn Prudential Indicators position in section 2.6 and Appendix 7.

Audit and Procurement Committee is recommended to:

6. Consider the contents of the report and determine whether there are any issues which it wants to refer to the Cabinet Member (Strategic Finance and Resources).

**List of Appendices included:**

Appendix 1	Detailed breakdown of Directorate Revenue Outturn Position
Appendix 2	Final Capital Budget 2012/13
Appendix 3	Capital Programme: Analysis of Budget/Technical Changes
Appendix 4	Capital Outturn 2012/13 – Analysis by Directorate
Appendix 5	Capital Programme: Analysis of Rescheduling
Appendix 6	Capital Programme: Analysis of Over/(Under)spends
Appendix 7	Prudential Indicators

**Other useful background papers:**

None

**Has it or will it be considered by scrutiny?**

No

**Has it, or will it be considered by any other council committee, advisory panel or other body?**

Audit Committee – 8<sup>th</sup> July 2013

**Will this report go to Council?**

No

**Report title:**

2012/2013 Revenue and Capital Outturn

**1. Context (or background)**

1.1 This is the Revenue and Capital Outturn report for 2012/13 which is presented in accordance with the City Council's Constitution, budget and policy framework and financial procedures. Cabinet approved the City Council's revenue budget of £267.9m and a directorate capital programme of £57.2m on the 21<sup>st</sup> February 2012.

1.2 This outturn report shows the Council's real financial position in relation to the Council's management accounts, used to monitor performance through the year. The Audit Committee will consider separately the Council's Statement of Accounts in July. The Statement of Accounts shows the financial position in a statutorily prescribed format including a number of technical accounting adjustments that do not reflect how the Council's day to day finances are managed.

**2. Options considered and recommended proposal****2.1 Revenue Outturn Position 2012/13**

Table 1 below summarises the variation and outturn position - a £3.5m underspend

**Table 1 Summary Outturn**

<b>Directorate</b>	<b>Budget £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>	<b>Variance %</b>
Chief Executives	6.0	6.1	0.1	1.7%
City Services & Development	27.9	30.8	2.9	10.4%
Children Learning and Young People	57.3	57.3	0.0	0.0%
Community Services	102.1	100.6	(1.5)	(1.5)%
Customer and Workforce	6.6	5.8	(0.8)	(12.1)%
Finance & Legal	5.1	5.5	0.4	7.8%
Contingency & Central Budgets	62.9	58.3	(4.6)	(7.3)%
<b>Total</b>	<b>267.9</b>	<b>264.4</b>	<b>(3.5)</b>	<b>(1.3)%</b>

**2.2 Individual Directorate Positions**

A summary of the most significant year-end variations is provided below:

**City Services and Development**

At outturn, the Directorate position is a deficit of £2.9m, net of management actions which have been used to offset various on-going directorate pressures. The majority of the deficit relates to income shortfalls caused by the economic downturn, including car parking income, commercial property rents, and planning & building control incomes. Other than commercial rents, which are being considered as part of a Strategic Property Fundamental Service Review, these pressures have been addressed as part of 2013/14 budget setting. Additional

budget resources of £1.7m in 2013/14 falling to £1m over the medium term have been approved in the areas of Car Park, Property Portfolio and Planning & Building Control income to recognise the fact that existing budgets are unlikely to be achieved within the foreseeable future. Alongside this the Directorate is identifying savings options to help reduce expenditure across the remainder of its budgets and allow it to balance its overall budgeted level of spend.

### **Children, Learning and Young People**

The CLYP directorate continues to face substantial budgetary pressures as a result of continuing high activity within children's social care, including externally purchased residential and fostering placements, legal fees and other associated costs. In addition, the Schools Catering Services budget has overspent as school meal take up is not as high as predicted in the Catering FSR. Significant levels of one-off underspend, largely from within the Early Intervention Grant, have offset the overspend.

### **Community Services**

The greatest pressure across the Directorate continues to relate to Community Purchasing spend within Adult Social Care. The use of one off resources brought forward from 2011/12, funds transferred by the PCT to support social care, additional funding for Winter Pressures, and the uncommitted Supporting People resources have all contributed to managing this pressure in year. The Bolder Community Services programme will address these pressures on an on-going basis.

### **Customer and Workforce Services**

CWS have achieved an £0.8m underspend in 2012/13, which is considerably better than previously forecast. This is mainly attributable to an overachievement of income from rebates received from contracting agency staff, salary savings across the directorate, and the non-requirement of the one-off corporately allocated budget for the elected mayor process.

### **Finance and Legal Services**

An overspend £0.4m has been incurred relating to reduced Court income against budget (due to improved collection and recovery rates) and reduced corporate contract rebates in Procurement Services. These are offset in part by salary savings due to vacancies & the Housing Benefit Subsidy final claim. Permanent solutions are being identified to address the overspends for 2013/14 onwards.

### **Contingency and Central Budgets**

Delays to corporate borrowing has led to an underspend of £2.5m on the Asset Management Revenue Account. The other area of significant underspends relates to lower than anticipated calls on energy cost and inflation contingencies (£1.4m).

## **2.3 Overall Revenue Position**

Due to the financial climate and with the expectation of significant cuts in resources for 2013/14 and beyond, officers have been working towards achieving a balanced position or better. To enable this, a further voluntary redundancy/early retirement programme has been initiated in 2012/13. In addition, strict vacancy control is now in place as part of business as usual, requiring management teams within each Directorate to scrutinise all approvals to fill any vacancies. These actions, along with the underspend generated from the AMRA and the savings identified within Community Services, Corporate budgets and Customer and Workforce Services have all contributed to the underspend position. However, as shown in section 2.2 and Appendix 1 there are still areas of significant overspend. Some of these, in

City Services and Development and in CLYP in particular have been addressed at least in part for 2013/14 through budget increases to meet unavoidable budget pressures.

Within 2010/11 and 2011/12 c820 Equal Pay claims had been settled at a cost of £6.6m. Within 2012/13 a further c100 claims have been settled at a cost of £0.4m such that the overall total now stands at c920 claims costing c£7m. There are less than 70 further live claims that have still not been settled of which c40 have received an offer from the Council. The £7m cost identified to date plus the cost of any of these further claims that are funded through the capitalised provision of £30m approved within the capitalisation direction from the Department of Communities and Local Government and in line with the report to Council on 7<sup>th</sup> December 2010. In total they are expected to come within the £7.5m approved as part of that report. The Council's view is that the risk of further significant claims being received is now somewhat lower than previously and the residual level of provision to pay for future claims has been reduced as a result from £22.5m to £15m. Due to the capitalised nature of the provision – which spreads the cost over a number of years – its part reversal now does not affect the Council's 2012/13 outturn position reported here.

Redundancy and pension strain costs of £5.1m relating to c220 individuals have been accounted for in the 2012/13 financial year under the voluntary redundancy/early retirement programme. The three year total stands at 876 individuals at a total cost of £19.2m on an accounting basis. The 2012/13 cost has been funded from £2.5m of existing on-going budgets plus £2.6m from the earmarked reserve for funding ER/VR costs created in the report to Council on 19<sup>th</sup> October 2010.

The final outturn revenue underspend is one of £3.5m. It is important that these resources are used to support the Council's existing and emerging policy priorities and this report recommends the following contributions consistent with this aim:

- £1m to the Early Retirement/Voluntary Redundancy reserve – Section 2.4 outlines that this reserve has had calls of £2.6m in 2012/13 and the proposal here is to top this up to strengthen the Council's ability to pursue its existing early retirement policy into the medium term.
- £0.5m to introduce a Living Wage policy – A report on today's agenda proposes the introduction of a Living Wage, the in-year 2013/14 costs of which are in the region of £0.5m. Future on-going costs will need to be built into the Council's 2014/15 Budget Setting process.
- A £0.1m investment fund to support creation of new mutual and social enterprises in collaboration with the city's 2 Universities.
- £0.15m pump-priming to support year 1 of the new city-wide domestic violence model.
- Resources to fund emerging City Deal linked on-going revenue costs in the region of £0.75m. This expenditure would include funding of trainees and a skills programme and will be outlined in a further report to Cabinet. The total cost envelope and a cost sharing model with Government and other City Deal region partner authorities is subject to current negotiation

## **2.4 Reserves**

The total reserve balance at the end of 2012/13 is £74.6m, an increase of £8.3m on the level of reserves at the end of 2011/12. These balances reflect a change in accounting treatment introduced two years ago whereby grants received in advance but without conditions attached are counted as reserve balances, thus increasing the total level of reserves.



The main increase has occurred within directorate reserves and reflects amounts set aside for the Council's new Public Health responsibilities and relating to specific grant funded projects. An increase in Corporate reserves includes the outturn underspend of £3.5m. Subject to approval of the proposed use of £2.5m above the remaining balance will be considered within the Council's 2014/15 Budget Setting process. The total reserve movement in 2012/13 is summarised in Table 2 and the main changes and reasons for holding balances are outlined below:

**Table 2. Summary of Reserve Movement in 2012/13**

	Opening Balance 1 <sup>st</sup> April 2012* £m	Movement In year £m	Closing Balance 31 <sup>st</sup> March 2013 £m
Directorate Reserves	(13.3)	(5.3)	(18.6)
Capital Reserves	(4.4)	(1.2)	(5.6)
Insurance Fund	(4.4)	0.2	(4.2)
Schools Reserves	(20.3)	(0.1)	(20.4)
Corporate Reserves	(23.9)	(1.9)	(25.8)
<b>Total Reserves</b>	<b>(66.3)</b>	<b>(8.3)</b>	<b>(74.6)</b>

\*Opening balances were adjusted after last year's outturn position was reported following the compilation of the statutory Statement of Accounts

**Capital Reserves (£1.2m higher)** – Earmarked to support future Capital Programme spend.

**Directorate Reserves £18.6m (£5.3m higher)** - Reserves held to assist the management of directorate budgets, primarily in respect of specific projects or commitments. The main balances and movements are:

- £6.4m (£3.3m higher) for a range of specific grant funded projects
- £2.3m (£2.3m higher) of reserves for Public Health
- £2.5m held to support school related expenditure.
- A range of reserves to support other schemes including the new financial system (£0.7m) and precinct redevelopment (£0.7m).

Other significant movements include amounts set aside to smooth uneven expenditure patterns for the vehicle purchase programme (£0.7m) and Business Rates on City Council properties (£0.4m), funding approved previously for the costs of moving to a new sports and leisure management arrangement (£0.4m) and grant funding to support existing activity under the new Business, Enterprise and Employment portfolio (£0.5m).

**Insurance Fund £4.2m (£0.2m lower)** - This is held to cover potential claims against the Council. We hold a separate insurance provision for known claims.

**Schools Reserves £20.4m (£0.1m higher)** - Held on behalf of individual schools for their own specific purposes.

**Corporate Reserves £25.8m (£1.9m higher)** - The principal balances and movements are:

- **£8.1m** (£3.9m higher) held as part of the funding models relating to the Street Lighting, Caludon and New Homes For Old Private Finance Initiative projects,
- **£5.9m** (£2.6m lower) for ER/VR before the proposed £1m contribution from the 2012/13 underspend,
- **£5.5m** (no change) for the Council's General Fund Reserve set at 2% of revenue budget
- **£3.5m** (£3.1m higher) of outturn underspend

Other key movements within Corporate reserves are:

- planned repayments of £2.2 to the Stivichall School rebuild reserve,
- a reduction in the Car Park VAT reserve (£3.5m switched into provisions) set aside in anticipation that a high court decision will require this money to be paid over to Her Majesty's Revenue & Customs,
- Use of £3.6m from the 2011/12 underspend and unutilised former non ring-fenced Area Based Grant to backfill Capital resources used to fund the Capital Programme.

The Council continues to take a corporate and strategic approach to the management of these reserves within its financial planning activity and will once again review reserves as part of the forthcoming policy and budget setting process.

## 2.5 Capital Outturn Position 2012/13

The capital outturn position for 2012/13 is shown in summary form below and in greater detail in Appendices 2 and 4:

**Table 3. Capital Outturn Summary**

Final Budget	Final Spend	Net Rescheduled Spend Now Reported	Net Underspend Now Reported	Total Variance
£63.2m	£53.6m	-£8.5m	-£1.1	-£9.6

The period 8 monitoring report to Cabinet on 12<sup>th</sup> February 2013 approved a revised capital budget of £61.2m for 2012/13. Since then there has been a net programme increase of £2m giving a final budget for the year of £63.2m. The changes to the budget are analysed in Appendix 3.

Since February, a total of £8.5m net rescheduled spending has arisen on directorate capital programmes (a scheme by scheme analysis is included in Appendix 5). A net underspending of £1.1m is now reported (a scheme by scheme analysis is included in Appendix 6).

## Capital Receipts

Capital receipts arising mainly from the disposal of our property portfolio assets provide an important source of funding of the capital programme. The period 8 report included a forecast £6.6m level of capital receipts being available to fund expenditure in 2012/13. At the end of the financial year this level of funding has been achieved.

## Funding of the Capital Programme

The funding in respect of this capital expenditure of £53.6m is summarised below:

**Table 4. Funding**

	£m
Capital Receipts	6.7
Grants and Other Contributions	41.2
Revenue Contributions	5.7
<b>Total Resourcing</b>	<b>53.6</b>

## 2.6 Treasury Management Activity in 2012/13 – Economic Activity and Interest Rates

### Economic Activity and Interest Rates

Economic growth was 0.2% in the 2012 calendar year and is expected to be subdued in the coming year, with the Office for Budget Responsibility forecasting in March that growth in 2013 will be 0.6%. Base rate has been maintained at 0.5%, further quantitative easing undertaken and the government has continued to focus on reducing public expenditure. In addition, the new Funding for Lending Scheme was started in August as a way of increasing the flow of credit in the wider economy. However, government debt continued to rise, reaching 75.6% of GDP at 31<sup>st</sup> March 2013. In addition, the Eurozone suffered further periods of economic stress which saw sovereign borrowing costs rise for some countries. Within this broader context the UK sovereign rating was downgraded by Moody's credit rating agency, and more recently also by Fitch from AAA to AA+.

The combination of base rate at 0.5% and, in the second half of the year, the impact of the Funding for Lending scheme ensured that short term interest rates remained low, with market rates at around 0.6% for 6 month borrowing. Longer term rates, on which local authority borrow from the Public Works Loans Board (PWLB), ranged in the level of 1.3% - 1.9% for 5 year borrowing and 3.3% - 4% for 20 year borrowing. This meant that it continued to be cheaper for local authorities to use short rather than long term funds to finance activities, and also that investment returns remained low.

### Long Term Funding

At outturn, the decrease in the underlying capital financing requirement for 2012/13 was:-

**Table 5. 2012/13 Capital Financing Requirement**

	£m
Borrowing to finance 2012/13 Capital Programme	0
Other Long Term Liabilities (PFI & Finance Leases)	14.3
Provision to Repay Debt (Minimum Revenue Provision)	(15.6)
Repayment of Transferred Debt	(0.6)
Reduction of Provision and Restatements	(10.3)
<b>Decrease in Capital Financing Requirement</b>	<b>(12.2)</b>

The Capital Financing Requirement includes a reduction of £7.5m in respect of the Equal Pay provision which was capitalised in 2008/09, but is now no longer fully required and £2.8m in respect of historic debt liabilities which are met direct from revenue.

No long term borrowing was taken out during 2012/13. However, some borrowing will be required in the future to support capital expenditure and this will be kept under review in 2013/14. From late 2012 the PWLB has reduced borrowing rates by 0.2% for qualifying authorities, including the City Council. This “certainty rate” initiative provides a small, but welcome reduction in the cost of future borrowing. This trend is set to be extended with the planned introduction of a “project rate” which will enable authorities, working with their Local Enterprise Partnership (LEP), to access PWLB borrowing at 0.4% below the standard rate. The movements in long-term borrowing and other liabilities are shown below: -

**Table 6. Long Term Liabilities**

<b>Source</b>	<b>Balance at 31st March 2012 £m</b>	<b>Repaid in Year £m</b>	<b>Raised in Year £m</b>	<b>Balance at 31st March 2013 £m</b>
PWLB	239.8	0	0	239.8
Money Market	59.0	0	0	59.0
Stock Issue	12.0	0	0	12.0
<b>Sub total ~ borrowing</b>	<b>310.8</b>	<b>0</b>	<b>0</b>	<b>310.8</b>
Other Local Authorities ~ transferred debt	19.7	(0.7)	0	19.0
PFI & Finance Leasing Liabilities	42.3	(2.1)	14.2	54.4
<b>Total</b>	<b>372.8</b>	<b>(2.8)</b>	<b>14.2</b>	<b>384.2</b>

This long term borrowing is repayable over the following periods:

**Table 7. Long Term Borrowing Maturity Profile (excluding PFI & transferred debt)**

<b>Period</b>	<b>Borrowing £m</b>
Under 12 Months	44.0
1 – 2 years	5.5
2 – 5 years	45.4
5 – 10 years	19.0
10 – 20 years	34.2
20 – 30 years	44.0
Over 30 years	118.7
<b>Total</b>	<b>310.8</b>

In line with CIPFA Treasury Management Code requirements, Lenders Option, Borrowers Option Loans (LOBOs) with banks are included in the maturity profile based on the earliest date on

which the lender can require repayment. The Council has £59m of such loans, £31m of which the lender can effectively require to be paid at 6 monthly or annual intervals, and £28m at 5 yearly intervals.

### Short Term In House Borrowing and Investments

The Treasury Management Team acts on a daily basis to manage the City Council's day to day cash-flow, by borrowing or investing for short periods. During the year no temporary borrowing was taken out. The Council's cashflow requirements were met from its own cash and short term investment balances. The total volume of in house temporary investment transactions was £805m, with an average balance of £71m, at an average rate of 0.433%. The rate of return reflects low risk investments for short to medium durations with UK Banks, Money Market Funds, other Local Authorities and the government through the Debt Management Office (DMO). The total of these investments is analysed by type of institution: -

**Table 8. Type of Institution in which funds have been deposited**

	£m
Banks and Building Societies	380
UK Government Debt Management Office	126
Local Authorities	210
Money Market Funds	89
<b>Total</b>	<b>805</b>

### External Investments

In addition to the above in house investments, a mix of Collective Investment Schemes or "pooled funds" is used, where investment is in the form of sterling fund units and not specific individual investments with financial institutions or organisations. These funds are generally AAA rated, are highly liquid, as cash can be withdrawn within two to four days, and short average duration of the intrinsic investments. The intrinsic Sterling investments include Certificates of Deposits, Commercial Paper, Corporate Bonds, Floating Rate Notes and Call Account Deposits. However, they are designed to be held for longer durations allowing any short term fluctuations in return to be smoothed out.

During the end of 2012/13 a further investment of £5m was made in the Federated Prime Rate Sterling Cash Plus fund. The average balance across all funds managed during the year was £14.1m, with a net return for the period of £0.195m, which represents 1.39% on an annualised basis. This is above the 0.49% 7 Day LIBID benchmark (a market or "interbank" rate).

As at 31 March 2013 the Pooled funds were valued at £19.253m, made up as follows.

	No of Share Units	Cost £m	Value £m	Annualised Return %
Investec Liquidity Fund	900,000	0.9	0.906	0.57
Investec Short Dated Bond	465,041	6.3	6.364	0.89
Investec Target Return	1,446,248	1.8	1.859	1.58
Payden Sterling Reserve	488,902	5.0	5.124	2.10
Federated Prime Rate Cash Plus	4,958,842	5.0	5.000	0.91
<b>Total</b>		<b>19.0</b>	<b>19.253</b>	<b>1.39</b>

## Prudential and Treasury Indicators

The Local Government Act 2003 and associated CIPFA Prudential and Treasury Management Codes set the framework for the local government capital finance system. Authorities are able to borrow whatever sums they see fit to support their capital programmes, subject to them being able to afford the revenue costs. The framework requires that authorities set and monitor against a number of prudential and treasury indicators relating to capital, treasury management and revenue issues. These indicators are designed to ensure that borrowing entered into for capital purposes was affordable, sustainable and prudent. The purpose of the indicators is to support decision making and financial management, rather than illustrate comparative performance.

## Revenue Related Prudential Indicators

Within Appendix 7 the Ratio of Financing costs to Net Revenue Stream (Ref 1) highlights the revenue impact of the capital programme. This shows that the revenue costs of financing our capital expenditure as a proportion of our income from government grant and Council Tax. The actual is 29.58%, as against a forecast of 30.32% at period 8. This reflects a lower level of borrowing than anticipated to fund the Capital Programme and higher levels of investment balances.

## Capital and Treasury Management Related Prudential Indicators

These indicators, set out in Appendix 7, include:

- **Authorised Limit for External Debt** (Ref 5) ~ This represents the level of gross borrowing which could be afforded in the short term, but is not sustainable. It is the forecast maximum borrowing need, with some headroom for unexpected movements and potential debt restructuring. This is a statutory limit. Borrowing plus PFI and finance lease liabilities at £366m were within the limit of £439m.
- **Operational Boundary for External Debt** (Ref 6) ~ This indicator is based on the probable level of gross borrowing during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. It should act as an indicator to ensure the authorised limit is not breached. Borrowing plus PFI and finance lease liabilities at £366m were within the boundary of £395m.
- **Net Borrowing less than "Year 3" Capital Financing Requirement** (Ref 2) ~ The Council needs to be certain that net external borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) in the current year plus the estimates of any additional capital financing requirement for the next two financial years. The CFR is defined as the Council's underlying need to borrow, after taking into account other resources available to fund the Capital Programme. This indicator is designed to ensure that over the medium term, net borrowing will only be for a capital purpose. Net Borrowing was within the CFR limits.
- **Debt Maturity Structure, Interest Rate Exposure and Investments Longer than 364 Days** (Ref 7 - 10) ~ The purpose of these prudential indicators is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decisions impacting negatively on the Councils overall financial position. Treasury Management activity was within these limits. Within the Debt Maturity PI (Ref 9) the inclusion of LOBO loans based on the earliest date

on which the lender can require payment (per Table 7 above) means that there is a potential 14% of total debt that needs to be refinanced, compared to a PI limit of 15%. If LOBO loans were required to be repaid, the City Council would look to refinance these at lower borrowing costs or through the use of investment balances in the first instance.

### **3. Results of consultation undertaken**

#### **3.1 None**

### **4. Timetable for implementing this decision**

#### **4.1 There is no implementation timetable as this is a financial monitoring report.**

### **5. Comments from Director of Finance and Legal Services**

#### **5.1 Revenue**

The final revenue outturn picture for 2012/13 is an underspend of £3.5m. This represents 1% of the Council's net budget and less than 0.5% of its gross budget. Whilst the overarching aim of regular budgetary monitoring is to achieve a balanced position at year-end, the Council's continued achievement of modest underspends demonstrates the strength of its budget management processes and approach.

Large overspends have occurred within individual service areas on several occasions in recent years and the Council has taken the approach of ensuring that the overall bottom line position is balanced or better. It is anticipated that steps have been taken within 2013/14 budget setting to address the key areas, most significantly through the abc Programme of reviews. The Asset Management Revenue Account has delivered a significant saving attributable in large part to efforts to minimise the level of borrowing that the Council has required compared to previous estimates. A combination of later than anticipated capital spending profiles and higher than anticipated capital receipts (over several years) has enabled this saving to be generated. In addition, measures continue to be taken to make pragmatic corporate decisions to capture any wind-fall savings as they arise to help strengthen the financial position of the Council as a whole. These measures will continue to be a very important feature in the coming years as the Council continues to ensure that it places itself in as strong a position as possible.

#### **5.2 Capital**

The capital programme shows a balanced position at year end that does not require any prudential borrowing to be undertaken. The application of both grant funding and capital receipts has been maximised. This means that there will be no requirement to undertake prudential borrowing in 2012/13 compared with the forecast of £20.3m at period 8. Prudential Borrowing approvals not utilised for the 2012/13 programme will be applied in future years as capital spending is incurred.

#### **5.3 Legal implications**

There are no specific legal implications in relation to this report.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?**

The Council monitors the quality and level of service provided to the citizens of Coventry and the key objectives of the Sustainable Community Strategy. As far as possible we will try to deliver better value for money in the services that we provide in the context of managing with fewer resources.

### **6.2 How is risk being managed?**

The need to deliver a stable and balanced financial position in the short and medium term is a key corporate risk for the local authority and is reflected in the corporate risk register. Budgetary control and monitoring processes are paramount to managing this risk and this report is a key part of the process.

### **6.3 What is the impact on the organisation?**

The revenue and capital outturn position reported here demonstrates that the Council continues to undertake sound overall financial management. This will continue to be very important in the light of the massive challenges being faced with regard to the level of funding available to local government over the next few years.

### **6.4 Equalities / EIA**

No specific impact.

### **6.5 Implications for (or impact on) the environment**

No impact.

### **6.6 Implications for partner organisations?**

None.



**Report author(s):**  
**Paul Jennings**  
**Name and job title:**  
**Finance Manager – Corporate Finance**  
**Directorate:**  
**Finance & Legal**  
**Tel and email contact:**  
 024 7683 3753 – paul.jennings@coventry.gov.uk  
 Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Ian Brindley	Lead Accountant	Finance & Legal Services	20/5/13	24/5/13
Michael Rennie	Lead Accountant	Finance & Legal Services	20/5/13	24/5/13
Peter Reutt	Senior Accountant	Finance & Legal Services	20/5/13	24/5/13
Phil Helm	Finance Manager	Finance & Legal Services	28/5/13	28/5/13
Ewan Dewar	Finance Manager	Finance & Legal Services	28/5/13	28/5/13
Rachael Sugars	Finance Manager	Finance & Legal Services	28/5/13	28/5/13
Neil Chamberlain	Finance Manager	Finance & Legal Services	28/5/13	28/5/13
Colin Green	Director of Children Learning & Young People	Children Learning & Young People	30/5/13	31/5/13
Martin Yardley	Director of City Services & Development	City Services & Development	30/5/13	31/5/13
<b>Names of approvers:</b> (officers and members)				
Finance: Barry Hastie	Assistant Director Financial Management	Finance & Legal Services	28/5/13	28/5/13
Lara Knight	Governance Services Officer	Customer & Workforce Services	28/5/13	29/5/13
Legal: Carol Bradford	Legal Officer	Finance & Legal Services	28/5/13	31/5/13
Director: Chris West	Director of Finance and Legal Services	Finance & Legal Services	28/5/13	28/5/13
Members: Cllr Gannon	Cabinet Member (Strategic Finance and Resources)		4/6/13	4/6/13

This report is published on the council's website:  
[www.coventry.gov.uk/cmis](http://www.coventry.gov.uk/cmis)

**Revenue Position: Detailed Directorate Breakdown of Forecasted Outturn Position**

Appendix 1 details directorates forecasted variances, breaking down between on going and one off, also detailing whether the variance is due to a change in activity or an increase/decrease in cost:

**Chief Executive's Directorate**

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Overspends:</b>			
Corporate Communications	0.1	Cost	Activity
Transformation Programme	0.1		
<b>Underspends:</b>			
Other Variations less than £0.1m	(0.1)		Cost
<b>Forecast Overspend</b>	<b>0.1</b>		

**Overspends:****Corporate Communications**

Predominantly non achievement of income due to the cancellation of The Godiva Festival offset partly by an underspend in running costs for the event. Also reflects an overspend on Olympic activities and the Corporate Promotions budget

**Transformation Programme**

The corporate Management Delaying project has not totally achieved it's savings target in 2012/13 but will fully deliver the £2m total programme savings target in 2013/14.

**Underspends:****Other Variations less than £0.1m**

Includes Scrutiny salary savings due to vacancies and reduced expenditure on exhibitions & events within Community Cohesion.

## City Services & Development Directorate

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Overspends:</b>			
Planning, Transport & Highways - Car Park Income	1.2	Activity	
Property & Asset Management – Commercial Portfolio Income	0.5		Activity
Streetscene & Greenspace – Domestic Waste & Recycling	0.5	Activity	Cost
Property & Asset Management - Building Cleaning	0.3	Activity	
Streetscene & Greenspace – Commercial Waste	0.3	Activity	Cost
Property & Asset Management – Repairs & Maintenance	0.2	Cost	Activity
Planning, Transport & Highways – Traffic & Transportation	0.3		Activity
Planning, Transport & Highways – Building Control Fees	0.1	Activity	
Streetscene & Greenspace – Streetpride	0.1	Activity	
Property & Asset Management – Corporate Property	0.1		Activity
Streetscene & Greenspace – Sustainability	0.1		Cost/Activity
<b>Underspends:</b>			
Property & Asset Management – Central Repairs Fund	(0.3)		Activity
Streetscene & Greenspace – Waste Disposal	(0.2)		Activity
Other Variations Less Than £100k	(0.3)		
<b>Forecast Overspend</b>	<b>2.9</b>		

### Overspends:

#### **Planning, Transport & Highways - Car Park Income**

The 2012/13 income target for car parking is significantly higher than can be achieved in the current climate, despite the introduction of on street charging. Members have approved a reduction in the target from 2013/14 within the formal budget setting process.

#### **Property & Asset Management – Commercial Portfolio**

Significant continued efforts have been made to maintain footfall and boost economic activity in the City through competitive rental terms, support to pop-up shops and other initiatives. However there remains a wider overall downturn in rental income and void rate activity resulting in an adverse variation against this historically set budget.

#### **Streetscene & Greenspace – Domestic Waste & Recycling**

The expectation to maintain service continuity requires the use of casual operatives, which resulted in staff turnover targets being unachievable. The service had additional pressures in 2012/13 due to extra Bank Holiday, Christmas, and severe weather cover, and together with higher than normal levels of vehicle damage & wheeled bin replacement, resulted in a variation.

#### **Property & Asset Management - Building Cleaning**

The service recovers its direct costs and makes a contribution to overheads, but continues to trade at an overall net deficit. Endeavours continue to retain existing, and attract new business. It is likely that the service to schools will continue to be subsidised in the short to medium term.

**Streetscene & Greenspace – Commercial Waste**

The service has a challenging income target made more difficult by the economic climate. Turnover is growing but profits are being squeezed by competition. Also, £50k one-off costs have been incurred to acquire equipment which will assist the service to grow further.

**Property & Asset Management – Repair & Maintenance**

The restructure of Property Asset Management has addressed the majority of the service's income pressures experienced in previous years. However, there remains a net trading pressure of c£115k due to activity, plus an unachievable staff turnover target of £77k.

**Planning, Transport & Highways – Traffic & Transportation**

A number of smaller service pressures caused this variation including: lower than expected utility company income for street works; lower than targeted bus lane enforcement fees; delayed implementation of CCTV review; short term downturn in parking enforcement income at the time of on street parking introduction and maintenance cost pressures of the traffic control service

**Planning, Transport & Highways - Building Control**

The on-going difficult economic climate has continued to depress Building Control activity. Officers are considering how to address the cost base which is not sustainable at current activity

**Streetscene & Greenspace – Streetpride**

This pressure largely reflects additional on-going activity relating to highway verge maintenance

**Property & Asset Management – Corporate Property**

A number of smaller unbudgeted one-off costs were experienced in this area including rent arbitration and non-domestic rate pressures.

**Streetscene & Greenspace – Sustainability**

The deficit in 2012/13 reflects the delayed implementation of the low carbon Fundamental Service Review. It is expected this will be largely achieved from 2013/14.

**Underspends:****Property & Asset Management – Central Repairs Fund**

Management action and delaying of works in order to offset other directorate pressures.

**Streetscene & Greenspace – Waste Disposal**

Reduced waste tonnage and reduced usage of the Civic Amenity Site, both in the latter part of 2012/13, have resulted in a slight underspend in 2012/13.

## Children Learning & Young People Directorate

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE OFF
<b>Overspends:</b>			
Childrens Placements (FSR)	1.1	Activity	
Legal Services	0.5	Activity	
Schools Catering Service	0.3	Activity	
Supported Accommodation Contracts	0.3		Activity & Cost
Looked After Children (LAC)	0.3	Activity	
Premature Retirement Costs	0.2		Activity
Section 17 Payments	0.2	Activity	
Childrens Centres	0.1		Activity
Care Leavers Financial Support	0.1		Activity & Cost
Contact Centre	0.1	Activity	
<b>Underspends:</b>			
Early Years Other	(0.6)		Activity
Neighbourhood Social Work Teams	(0.4)		Activity
Children & Family First	(0.3)		Activity
2 Year Old Nursery Provision	(0.3)		Activity
School Improvement Service	(0.2)		Activity
Youth Service	(0.2)		Activity
CAMHS	(0.2)	Activity	Activity
CDT	(0.1)	Activity	Activity
Family Placement Team	(0.1)		Activity
Adolescent Family Support Team	(0.1)		Activity
Net Variances under £100k	(0.7)		
<b>Forecast Overspend</b>	<b>0.0</b>		

### Overspends

#### **Childrens Placements (FSR) – (Internal & External Fostering, Internal & External Residential care, including transport costs)**

The average Looked After Children number (used for forecasting) at year end was 586 (target 544). Within this number, external placements were 296 (target 205), creating a significant cost pressure. The placements profile, however, has changed with younger children entering the service, and more placements within external fostering rather than more expensive residential care. On-going capacity issues within internal fostering provision resulted in only 171 placements at year end, against a target of 227. This trend continues to keep numbers placed externally high, and has created the £1.1m overspend. The new ways of working established through the FSR, should lead to reductions in LAC, and an increase in the number of internal foster care placements, meaning number of external placements will reduce; however we have not yet seen the impact of this.

#### **Legal Services**

Costs in this area continue to be driven by high activity levels of Looked after Children. The pressures on this budget have increased due to additional legal support to manage the increased

caseload (115 care cases issued compared to 90 in 2011-12), and in particular, barrister costs of £419K which are £112K higher than last year.

### **Schools Catering Service**

Income shortfall across the service due to lower than anticipated meal take up across the primary sector and only one secondary school continuing to buy the service.

### **Supported Accommodation**

Delays in tendering for the Supported Accommodation contract and an increase in the requirement for more expensive spot purchased supported accommodation placements due to an increase in young people reaching the age of 16/17 has resulted in an overspend. The tender for the Supported Accommodation for Young People 16-24 contract is due to commence in September 2013 and is forecast to reduce the overspend and achieve budgetary savings in 2013/14.

### **Looked After Children (LAC)**

During the year there has been 48 instances of mother and baby's placed together in accommodation for assessment and monitoring. This is an increase of 33 placements compared to the previous year and has led to an overspend.

### **Premature Retirement Costs**

The overspend is due to the costs inflating by a higher level of inflation than has been applied to the budget. This position was masked in 2011/12 due to some additional one-off funding.

### **Section 17 Payments**

The pressure on this budget is due to increased case activity which:-

- In line with Public Law Outline, a number of expert assessments have been requested prior to cases entering the court arena. These can cost in the region of £1,000 to £3,500 each.
- Increased requirement for support to families and young people aged 16/17 deemed to be intentionally homeless. In addition, Social Care is paying a number of bonds so that families are able to access privately rented accommodation and exit out of temporary accommodation. Although reluctant to provide this support, it is more cost effective. During the year work was undertaken with Housing Services to manage the use of emergency accommodation across the council. This work is in its infancy and has not had any significant impact on reducing the demands on this budget.
- An increasing number of families are approaching Social Care for financial assistance due to issues relating to receipt of their benefits.

These additional pressures have resulted in a forecast overspend of £248k.

### **Children's Centres**

Provision set aside for possible repayment of £0.3m grant relating to Children's Centre funding offset by savings from vacancies.

### **Care Leavers Financial Support**

An increase in the number of LAC over recent years has led to more care leaver's year on year requiring support. On average there have been 288 supported care leavers during 2012-13 compared to 273 in 2011-12. Inflationary increases in the allowance rates for maintenance and bus passes have added to the financial pressure.

### **Contact Centre**

The Service co-ordinates all contact sessions within social care. The overspend is linked to higher social care activity, and the use of the service has increased (circa 165 families at the end of March 2013 compared to 122 families in February 2012). This has included the need to use more external providers to meet the demand than originally budgeted for.

## **Underspends**

### **Early Years' Other and Children and Family First Service**

These savings have been achieved by management of vacancies across the above services in preparation for the implementation of Early Years and Childcare review and the CLYP review. These areas are largely funded by the Early Intervention Grant which has been significantly reduced in 2013/14.

### **2 Year Old Nursery Provision**

This underspend is due to lower than budgeted take up of free 2 year old nursery provision, introduced in September. This area is funded by the Early Intervention Grant in 2012-13 but will transfer into the ring-fenced Dedicated School Grant in 2013-14.

### **Neighbourhood Social Work Teams**

Children's Workforce Development Council grant funding for Social Work improvement initiatives of £260k has been identified in 2012/13 to contribute towards the cost of backfilling Social Worker posts related to supporting Newly Qualified Social Workers to have additional time to complete post qualifying and professional development.

### **Youth Service**

The underspend is mainly due to a high level of vacancies across the service. This service will be restructured in 2013-14 to offset part of the reduction in the Early Intervention Grant.

### **School Improvement Service**

The underspend is mainly due to vacancies across the service pending a restructure, reduced use of external consultants, and increased income. This service has been restructured for 2013-14 due to reduced buy back from schools and to deliver FSR savings.

### **Child and Adolescent Mental Health Services**

The underspend is due to vacancies at the start of the year, the on-going integration of Targeted Mental Health in Schools with other services, and pausing new commissioning activity while a review of provision was undertaken. Posts have now been recruited, or are in the process of being recruited to in the new Integrated Primary Mental Health Service, and following the review of provision there will be a reduction in the proposed level of commissioning spending. The commissioning savings identified have been used to offset part of the reduction in the 2013-14 Early Intervention Grant.

### **Childrens Disability Team**

A reduced level of client activities and direct payments, in addition to vacancies and a one off recovery of surplus direct payments balances, has led to this underspend. The ongoing underspends relating to this service have been built into the Special Education Needs and Disability FSR.

### **Family Placement Team**

The FSR had identified and budgeted for additional adoption activity in 2012/13. Additional adoption grant funding was received during the year and was able to be used against some of this additional activity meaning the budgeted resource underspent.

### **Adolescent Family Support**

The underspend is mainly due to delays in recruitment following the establishment of the new service following the FSR.

## Community Services Directorate

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Overspends:</b> Adult Social Care : Community Purchasing Housing: Temporary Accommodation/Homelessness	3.1 0.1	Activity/Cost Activity	
<b>Underspends:</b> Supporting People 2011/12 Carry Forward Public Safety Winter Pressures New Homes For Old Libraries	(1.3) (1.7) (0.7) (0.5) (0.4) (0.1)	Activity    Cost	Cost Activity Cost Activity
<b>Forecast Underspend</b>	<b>(1.5)</b>		

### Overspends

#### **Adult Social Care Community Purchasing**

The Adult Social Care Community Purchasing spend reflects external packages of care across all service user groups. Sustained pressure on the budget comprises mainly of volume demand with the highest area of pressure continuing to be in respect of older people being supported to live at home. Learning Disability Services also has significant pressure from a large number of transitions from Children's Services.

#### **Housing: Housing and Advice**

The rate of homelessness continues to result in over-spending on temporary accommodation and associated costs e.g. removal/storage costs. There are a number of initiatives arising from the Fundamental Service Review, some of which are being funded by government prevention grant funding, which are being implemented to help address these issues.

### Underspends

#### **Supporting People**

There is an un-committed resource of £1.3m within the Supporting People budget.

#### **2011/12 Carry Forward**

One off resources brought forward from 2011/12 to support on-going pressures within Community Purchasing.

#### **Public Safety**

Salary underspends due to vacancies, and over-achievement of income. Also, reduced spend on community safety initiatives.

#### **Winter Pressures funding**

Additional funding was identified nationally to support the additional care costs of increased demand during the winter period.



**New Homes for Old**

This variation arises from both a reduction in cost compared to budget as well as an increase of client care contributions against budget.

**Libraries**

Salary underspends mainly due to vacancies.

## **Customer and Workforce Services Directorate**

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Overspends:</b>			
Directorate Targets	0,1		One-Off
<b>Underspends:</b>			
Customer services	(0.3)		Activity & Cost
ICT	(0.3)		Activity & Cost
HR	(0.3)		Activity & Cost
<b>Forecast Underspend</b>	<b>(0.8)</b>		

### **Overspends**

#### **Directorate Targets**

The balance of corporate pressures from centralisations, the remainder of which have been absorbed through underspends elsewhere in CWS

### **Underspends**

#### **Customer Services**

The underspend predominately relates to underspends in the Employee Development Unit in addition to the overachievement of vacancy targets throughout Customer Services.

#### **ICT**

Early achievement of the Fundamental Service Review savings target for 2013-14 have offset salary pressures in year.

#### **HR**

This underspend is due to the overachievement of the agency rebate which offsets other pressures.

## **Finance and Legal Services Directorate**

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Overspends:</b>			
Revenues	0.4	Cost	
Management Team/Directorate Savings	0.2	Cost	
Procurement & Accounts Payable	0.2	Cost	
<b>Underspends:</b>			
Housing Benefit Subsidy	(0.3)		Cost
Internal Audit/Fraud	(0.1)		Cost
<b>Forecast Overspend</b>	<b>0.4</b>		

### **Overspends**

#### **Revenues**

Revenues have a £0.4m overspend. This relates to a shortfall in Court income of £0.2m and other pressures including a shortfall in the income target relating to the new credit card surcharges, bank charge costs, annual billing charges, court fees and staffing costs.

#### **Management Team**

Overspend on professional fees and subscription costs plus non-achievement of corporate savings targets.

#### **Procurement and Accounts Payables**

Reduced rebates due to changes in corporate spending patterns.

### **Underspends**

#### **Housing Benefits Subsidy**

Underspend resulting from performance in benefit error rates and the collection of benefit overpayments compared to the budgeted levels.

#### **Internal Audit**

Underspend due to vacant posts and running costs in relation to Social Housing Fraud Grant. Plus additional income achieved.

## **Contingency & Central Budgets**

KEY VARIANCES	£m	VARIANCE TYPE	
		ONGOING	ONE-OFF
<b>Underspends:</b>			
Asset Management Revenue Account	(2.5)	Activity	Activity
Energy, Pay & Inflation Contingencies	(1.4)		Cost/Activity
Council Tax Benefit Changes	(0.4)		Activity
LACSEG Refund	(0.2)		Cost
Policy Contingency	(0.1)		Activity
<b>Underspend</b>	<b>(4.6)</b>		

### **Underspends**

#### **Asset Management Revenue Account**

This reflects a continuation, in part, of the lower interest and debt repayment profiles experienced in recent years, added to by the further delays in incurring prudential borrowing within the capital outturn position.

#### **Energy, Pay & Inflation Contingencies**

Actual energy costs have been £0.8m less than budgeted. The budget for contingencies to cover pay and general inflation and superannuation related costs was underspent by £0.6m.

#### **Council Tax Benefit Changes**

Costs for changes to the Council Tax Benefits system (which have taken effect in 2013/14) were £0.4m less than anticipated.

#### **LACSEG (Local Authority Central Spend Equivalent Grant)**

The Council had budgeted corporately for a reduction in this grant as a result of schools moving to Academy status. The rate of transfer has been slightly slower than planned for in financial terms leading to a one-off repayment of grant.

#### **Policy Contingency**

Unspent year-end Policy Contingency budget.

### **Final Capital Budget 2012/13**

The table below presents the final approved capital budget for 2012/13.

	<b>Period 8 Approved Budget £m</b>	<b>Approved / Technical Changes £m</b>	<b>Final Budget 2012/13 £m</b>
<b>Directorate</b>			
Children, Learning & Young People	11.7	1.1	12.8
City Services & Development	28.8	1.0	29.8
Community Services	2.4	-0.1	2.3
Customer & Workforce Services	3.9	0	3.9
Finance & Legal Services	14.4	0	14.4
<b>Total</b>	<b>61.2</b>	<b>2.0</b>	<b>63.2</b>

The table above shows a net increase to the programme of £2.0m since Period 8. Changes in excess of £0.1m are explained in Appendix 3 below.

**Capital Programme: Analysis of Budget/Technical Changes**

<b>Scheme</b>	<b>Explanation</b>	<b>£m</b>
<b><u>Children, Learning &amp; Young People</u></b>		
Locally Controlled	Realignment of budget consistent with available grant	0.5
Voluntary Aided	funding.	
Devolved Capital	Realignment of budget consistent with final spending projections.	0.6
<b>Total – Children, Learning &amp; Young People</b>		<b>1.1</b>
<b><u>City Services &amp; Development</u></b>		
Landfill Sites	This is a technical change to reflect the recognition of an accounting provision in respect of the City Council's obligation to undertake after care costs at four closed Landfill Sites across the City.	0.8
Public Realm Phase 1	Realignment of budget consistent with final spending has resulted in a net increase to the CSDD capital programme of £0.7m.	0.7
Property Repairs Programme	Reclassified as revenue spend within existing budget approval.	-0.5
War Memorial Park	Realignment of budget consistent with available grant funding.	-0.1
Miscellaneous	Net increase to the programme.	0.1
<b>Total – City Services &amp; Development</b>		<b>1.0</b>
<b><u>Community Services</u></b>		
Housing Policy	Realignment of budget consistent with available grant funding.	-0.1
<b>Total – Community Services</b>		<b>-0.1</b>
<b>Total Programme Changes</b>		<b>2.0</b>

**CAPITAL OUTTURN 2012/13 – ANALYSIS BY DIRECTORATE**

The final capital outturn for 2012/13 is £53.6m compared to the final budget at outturn of £63.2m.

<b>Directorate Capital Programme</b>	<b>Final Budget 2012/13 £m</b>	<b>Outturn 2012/13 £m</b>	<b>Rescheduling Now Reported £m</b>	<b>Underspend Now Reported £m</b>	<b>Total Variation £m</b>
Children, Learning & Young People	12.8	10.2	-2.5	-0.1	-2.6
City Services & Development	29.8	23.9	-5.5	-0.4	-5.9
Community Services	2.3	2.2	-0.1	0	-0.1
Customer & Workforce Services	3.9	2.9	-0.4	-0.6	-1.0
Finance & Legal Services	14.4	14.4	0	0	0
<b>Directorate Total</b>	<b>63.2</b>	<b>53.6</b>	<b>-8.5</b>	<b>-1.1</b>	<b>-9.6</b>

**Capital Programme: Analysis Of Rescheduling**

<b>Scheme</b>	<b>Explanation</b>	<b>£m</b>
<b><u>Children, Learning &amp; Young People</u></b>		
Basic Need Grant (including Section 106 funding)	Projects at Broad Heath and Frederick Bird were revised and rescheduled to 2013-14 (£457k) together with rephasing on other projects and some anticipated retention payments have been delayed pending completion of remedial works.	-1.2
Sidney Stringer School	This scheme is now complete with final payments being made to the contractor in 2013/14.	-0.5
Emergency Condition Fund	Anticipated demand for Emergency Condition Projects over the winter period did not materialise.	-0.4
Devolved Formula Capital	Re-prioritising has resulted in Early Learning Centre works being rescheduled to 2013/14 and other DFC balances being required in 2013/14.	-0.3
Miscellaneous	Net rescheduling	-0.1
<b>Total – Children, Learning &amp; Young People</b>		<b>-2.5</b>
<b><u>City Services &amp; Development</u></b>		
Strategic Acquisitions – Shelton Square	The acquisition of income producing properties in the City Centre South (Cabinet 8 <sup>th</sup> January 2013) has been delayed due to ongoing negotiations and concluding legal technicalities.	-1.6
Vehicle & Plant Replacement	Delays are due to revised vehicle specifications and build times (£1m Prudential Borrowing in 2013/14), together with a reassessment of vehicle replacement and lease end dates (£0.2m leasing in 2013/14).	-1.2
Public Realm Phase 2	Drainage issues have delayed the start date on the Spon Street scheme, whilst the Little Park Street scheme was delayed due to an objection to a zebra crossing. Some other works have been deferred pending confirmation of ERDF funding.	-0.5
NUCKLE	Continuing work is taking place to enable the project to stay within the £23.5m budget resulting in delays to early forecast completion dates.	-0.4
Cycle Coventry	Commencement of on-site works were put back to April 2013 due to delays in establishing internal and external design resources.	-0.3
Highways Investment	At period 8 £1.1m accelerated spending was reported across the Transportation & Highways programme, £0.2m of which is now rescheduled to 2013/14.	-0.2
War Memorial Park	Delays to footpaths partly due to inclement weather and also difficulties incorporating in the 12/13 Transportation & Highways programme of works.	-0.2
Sports Facilities Design Work	External professional fees will now be incurred in 2013/14.	-0.2
Parks	Works at Caludon Castle, Primrose Hill, Coundon Hall and Whitley Common have been put back to 2013/14 due to issues around drainage works and unsuitable weather conditions.	-0.2
Miscellaneous	Net Rescheduling	-0.7
<b>Total – City Services &amp; Development</b>		<b>-5.5</b>



<b><u>Community Services</u></b>		
Miscellaneous	Net Rescheduling	-0.1
<b>Total – Community Services</b>		<b>-0.1</b>
<b><u>Customer &amp; Workforce Services</u></b>		
Strategic ICT	Comprises rescheduling across a number of projects (individually less than £0.1m).	-0.4
<b>Total – Customer &amp; Workforce Services</b>		<b>-0.4</b>
<b>Net Rescheduling</b>		<b>-8.5</b>

**Capital Programme: Analysis Of Overspends / Underspends**

<b>Scheme</b>	<b>Explanation</b>	<b>£m</b>
<b><u>Children, Learning &amp; Young People</u></b>		
Miscellaneous	Net Underspend	-0.1
<b>Total – Children, Learning &amp; Young People</b>		<b>-0.1</b>
<b><u>Customer &amp; Workforce Services</u></b>		
Strategic ICT	The budget was agreed during the procurement phase, and in advance of receiving the bids and the subsequent contract. The capital value of the contract came in lower than the £2m budget. The associated revenue funding will be required to fund the revenue aspects of the project in 2013/14.	-0.7
<b>Total – Customer &amp; Workforce Services</b>		<b>-0.7</b>
<b><u>City Services &amp; Development</u></b>		
Vehicle & Plant Replacement	Represents an underspend on the total vehicles and plant leasing programme.	-0.3
<b>Total – City Services &amp; Development</b>		<b>-0.3</b>
<b>Net Underspend</b>		<b>-1.1</b>

		Appendix 7	
Ref	Prudential Indicators	Forecast	Actual
		12/13	12/13
		£000's	£000's
<b>1</b>	<b>Ratio of financing costs to net revenue stream:</b>		
	(a) General Fund financing costs	35,880	35,006
	(b) General Fund net revenue stream	118,340	118,340
	General Fund Percentage	30.32%	29.58%
<b>2</b>	<b>Net borrowing and the capital financing requirement:</b>		
	gross borrowing, including PFI liabilities	379,026	385,009
	less investments	-24,165	-66,977
	less transferred debt reimbursed by others	-19,040	-19,040
	= net borrowing	335,821	298,992
	<b>Capital Financing Requirement in year 3:</b>		
	Net Borrowing must not exceed the CFR in year 3		462,759
<b>3</b>	<b>Capital Expenditure (Note this excludes leasing)</b>		
	General Fund	56,103	53,577
<b>4</b>	<b>Capital Financing Requirement (CFR)</b>		
	Capital Financing Requirement	455,223	427,228
<b>5</b>	<b>Authorised limit for external debt</b>		
	Authorised limit for borrowing	386,978	386,978
	+ authorised limit for other long term liabilities	52,008	52,008
	= authorised limit for debt	438,986	438,986
<b>6</b>	<b>Operational boundary for external debt</b>		
	Operational boundary for borrowing	342,978	342,978
	+ Operational boundary for other long term liabilities	52,008	52,008
	= Operational boundary for external debt	394,986	394,986
<b>7</b>	<b>Actual external debt</b>		
	actual borrowing at 31 March 2013		311,511
	+ actual other long term liabilities at 31 March		54,458
	= actual external debt at 31 March 2013		365,969
<b>8</b>	<b>Interest rate exposures</b>		
	upper limit on fixed rate exposures	110%	107%
	upper limit on variable rate exposures	30%	-7%
<b>9</b>	<b>Maturity structure of borrowing - limits</b>		
	under 1 year	15%	14%
	1 year - 2 years	20%	2%
	2 years - 5 years	30%	15%
	5 years - 10 years	30%	6%
	10 years and above	100%	63%
<b>10</b>	<b>investments longer than 364 days</b>		
	upper limit :	15,000	0

This page is intentionally left blank



## Public report Cabinet

---

Business, Economy and Enterprise Scrutiny Board (3)  
Cabinet

5 June 2013  
18 June 2013

**Name of Cabinet Member:**

Cabinet Member (Business, Enterprise and Employment) - Councillor Kelly

**Director Approving Submission of the report:**

Director of City Services and Development

**Ward(s) affected:**

City-wide

**Title:**

Delivering the Jobs Strategy – Annual Progress 2012/13

---

**Is this a key decision?**

No

Although this matter affects all wards, as this is an annual progress report, it is not considered to be a key decision.

---

**Executive Summary:**

The Jobs Strategy for Coventry was endorsed by Coventry City Council in March 2011. It is a three year strategy setting out Coventry City Council's proactive approach to leading the creation of new jobs and renewing the prosperity of the city. Since the strategy was endorsed, the economic situation has not improved, with continuing slower than anticipated economic growth and unemployment levels remaining high. Implementing the *Jobs Strategy for Coventry* remains both a challenge and an urgent priority to ensure the economic wellbeing of the city and its residents.

This report summarises the progress made to deliver the strategy in its second year from April 1<sup>st</sup> 2012 to March 31<sup>st</sup> 2013. The news is very positive, with many performance measures exceeding the targets set for the year.

By working with local businesses 2,401 job opportunities across the sub region have been created. £172m of business investment has also been secured for the benefit of the city via programmes such as ERDF.

The number of people engaging with the Employment Team far exceeded the target of 2,000 set for the year with 5,672 people accessing employment support. 1,386 people that have engaged with the service have progressed into work. This is a significant achievement in a difficult economic climate and is a reflection of the success of the city centre Job Shop.

The Job Strategy has also been focusing on supporting young people into employment. The Young People's Employment Placement Scheme has helped 79 young people into work through paid job placements. 4 more young people who were at risk of becoming (NEETS) not in employment, education or training, started on the Construction Apprenticeship Scheme taking the total number of starts on the scheme to 18.

In terms of leadership the City Council is showing what can be done even in difficult economic circumstances.

**Recommendations:**

Cabinet are requested to:

- (1) Consider and endorse the progress made by the Jobs Strategy for Coventry in its second year (April 2012 – March 2013)
- (2) Agree to the revised targets for 2013/14 for the Jobs Strategy (paragraph 2.10)
- (3) Consider any comments or recommendations from the Business, Economy and Enterprise Scrutiny Board (3)

**Business, Economy and Enterprise Scrutiny Board (3) are requested to:**

- (1) Include the Jobs Strategy on their work programme
- (2) Consider the progress and identify any further opportunities for action, especially opportunities to engage support from other stakeholders in the city.
- (3) Report any comments or recommendations to Cabinet

**List of Appendices included:**

Appendix 1; A Jobs Strategy for Coventry Action Plan and Progress Report 2012/13

Appendix 2: A Jobs Strategy for Coventry Action Plan and Progress Report 2013/14

**Background papers:**

None

**Other useful documents:**

Coventry City Council's Apprenticeship Strategy - [CCC Apprenticeship Strategy](#)

Local Enterprise Partnership Five Year Strategy - [LEP Five Year Strategy](#)

Local Enterprise Partnership Interim Growth Plan – [LEP Interim Growth Plan](#)

**Has it been or will it be considered by Scrutiny?**

Yes – Business, Economy and Enterprise Scrutiny Board (3) – 5<sup>th</sup> June 2013

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

## Report title: Delivering the Jobs Strategy – Annual Progress 2012/13

### 1. Context (or background)

- 1.1 The *Jobs Strategy for Coventry* was endorsed in March 2011, during a difficult economic climate. Since its implementation, the economic situation has not improved. The economic recovery is slower than predicted; the public sector is contracting and the private sector is not growing quickly enough to replace those jobs being lost; and young people are still finding it difficult to gain sustainable employment.
- 1.2 The *Jobs Strategy for Coventry* outlines the action that Coventry City Council is taking to lead in the creation of new jobs in the city, and the promotion of economic growth. One of the four priority outcomes of the Council, as detailed in the Coventry City Council 'Council Plan' 2011-14 is that **"Coventry is proud to be a city that works....for jobs and growth."**
- 1.3 Key Objectives within the Jobs Strategy are to:
  - Secure job opportunities through investment
  - Help people get jobs
  - Help people improve their skills
- 1.4 Coventry City Council is delivering the strategy, primarily led through the work of the City Centre and Development Services Division in the City Services and Development Directorate. Services include Economy & Jobs; Resources & New Projects and Development and Regeneration Services. Other areas of Coventry City Council also contribute to delivering the aspirations of the Strategy. For example, the Apprenticeship Strategy delivered through Workforce Development for the Apprenticeship Strategy, Adult Education, CLYP and Public Health.
- 1.5 Coventry City Council cannot deliver the Jobs Strategy alone. The Council will continue to drive the strategy's progress through the excellent partnership working that already exists, whilst at the same time forging new partner relationships when opportunities arise. Key partners include the Coventry & Warwickshire Local Enterprise Partnership; Coventry Partnership; Coventry, Solihull and Warwickshire Partnership; JobCentre Plus; The Chamber; Sub-regional colleagues; Warwickshire County Council; Universities; FE Colleges; Third Sector Agencies; businesses and investors.
- 1.6 The following table highlights Jobseekers Allowance (JSA) claimants in both Coventry and England for March 2013 compared to March 2012.

Date	JSA Claimants Coventry	JSA Claimants England	16-24 JSA claimants claiming 12 months+ Coventry	16-24 JSA claimants claiming 12 months+ England
March 2013	9,740 4.7%	1,293,195 3.8%	420 4.3%	62,140 4.8%
March 2012	10,505 5.1%	1,367,645 4.0%	370 3.5%	44,850 3.3%

- 1.7 The overall JSA claimant level in March 2013 is notably lower than it was in March 2012 in both Coventry and England. The JSA claimant rate has fallen more in Coventry than it has overall nationally, however the England percentage rate remains lower than the city's at 3.8%
- 1.8 The number of 16-24 year old JSA claimants claiming for over 12 months is a concern both locally and nationally as this category is marginally higher than last year. There has been a sharp rise in the number of young people claiming benefits for longer periods of time and this has continued to rise as the total number of young people claiming JSA has fallen.
- 1.9 The inability to find work is a source of great inequality and social exclusion for our city's residents.

## 2. Options considered and recommended proposal

- 2.1 If Coventry City Council was not to implement a Jobs Strategy we would expect to see a steeper decline in the economic wellbeing of the city and its residents. By not acting proactively to seize investment opportunities, these may be lost to other areas, and Coventry would lose out on the positive benefits. The strategy plays a key role in reducing inequalities across Coventry, through ensuring that support is provided to those who need it most. If this did not happen, it would result in widening the inequalities gap across the city.
- 2.2 The *Jobs Strategy for Coventry* is integral to the delivery of Coventry City Council's corporate priorities, particularly "Coventry proud to be a city that works for jobs and growth." The strategy also strongly aligns to delivering the priorities of the Coventry and Warwickshire Local Enterprise Partnership Interim Growth Plan. It also feeds into the delivery of Coventry Sustainable Communities Strategy objective around Economy, Learning, Skills and Employment.
- 2.3 The following table shows the performance of the Jobs Strategy in 2012/13 against the targets set.

	Target	End of year progress
People	2012-13	2012-13
a) Support people who are currently unemployed	2,000	5,672
b) Help people in to a job	700	1,386
c) Help young people into positive destinations	250	312
<b>Investors and business sectors</b>		
d) Investment into the city (£million)	£85m	£172m
e) Jobs created in the city and across the sub-region	2,000	2,401
f) Businesses and enquiries assisted	500	824
g) Businesses supported to become more environmentally sustainable	85	103

- 2.4 The table shows there is very good news in terms of the achievements of the *Jobs Strategy for Coventry* in the second year of its implementation. The number of people engaging with the Council's Employment Team is far exceeding the target set, with 5,672 people accessing employment support. 1,386 people that have engaged with the service have progressed into work. This is a significant achievement in light of the difficult economic climate the service is operating in. The City Council's Job Shop has become a key feature of the way in which



employment services are delivered to those looking for work. The shop moved to new premises in January 2013 and continues to attract significant demand. The strategic partnership overseeing the shop is continuing to develop more opportunities to support those looking for work.

- 2.5 The Council Funded Young People's Employment Placement Scheme has helped 79 young people into work through paid job placements. 4 people who were at risk of becoming (NEETS) started on the Construction Apprenticeship Scheme, an innovative scheme developed by the Council in partnership with local construction companies.
- 2.6 The Council has supported firms across Coventry and Warwickshire in creating some 2,401 jobs, against a target of 2,000 jobs. This is through new businesses moving into the City as well as existing businesses expanding and creating new jobs.
- 2.7 The Council is ensuring that businesses continue to recognise Coventry as the right place for them to invest and grow. In 2012/13, a total of £172m of investment has been secured for the benefit of the city.
- 2.8 Council services have supported 824 businesses during 2012/13. This includes offering advice on a range of issues: financial, marketing, business planning, people management and well-being, The target of supporting businesses to become more environmentally sustainable has been exceeded, with 103 businesses benefiting from this support.
- 2.9 Appendix 1 – Jobs Strategy Action Plan 2012/13, details progress made against specific actions that deliver the objectives of the strategy.
- 2.10 The *Jobs Strategy for Coventry* report in March 2011 set out an initial set of performance measures that Coventry City Council's contributions would achieve over a three year time frame. The performance measures were revised when the Jobs Strategy was refreshed in August 2012. As part of the review of 2012/13 performance, the performance measures have been reviewed again to ensure they continue to reflect the impact the City Council resources are having. This is shown in the table below:

<b>People</b>	<b>Original Target 2011- 2014</b>	<b>New revised Target 2011 - 2014</b>	<b>Actual 2011/12</b>	<b>Actual 2012/13</b>	<b>Target 2013/14</b>
a) Support people who are currently unemployed	<b>3,600</b>	<b>12,252</b>	<b>4,080</b>	<b>5,672</b>	<b>2,500</b>
b) Help people into a job	<b>1,500</b>	<b>3,596</b>	<b>1,210</b>	<b>1,386</b>	<b>1,000</b>
c) Help young people into a positive destination	<b>350</b>	<b>622</b>	<b>60</b>	<b>312</b>	<b>250</b>

- 2.11 The increases in the targets for the performance measures above reflect the success of the City Council's Job Shop; the higher level of engagement with people looking for work and the greater number of people supported into work. The increase in young people helped into a positive destination is partly due to the partnership with Job Centre Plus bringing in more young people to support.

- 2.12 During 2012/13 a Directorate led service review re-designed the way Coventry City Council delivers business investment services. The redesign was implemented on April 1<sup>st</sup> 2013. The new service now only records performance statistics directly related to Coventry City Council activity. Previous to this, outputs attributable to indirect activity were also recorded, which whilst giving a broader picture of the level of investment in the city and associated jobs, this was not the whole picture. It is therefore recommended that indirect activity is no longer included and the Job Strategy figures (both actual and target) are rebased for the remaining period of the strategy to include only direct activity. A revised table (re-based using direct Coventry City Council interventions only for performance measures d, e and f) is shown below:

<b>Business Investment</b>	<b>Actual 2011/12</b>	<b>Actual 2012/13</b>	<b>Target 2013/14</b>	<b>Revised target 2011 - 2014</b>
d) Investments by existing and new businesses in the city and across the sub region (£million)	<b>41</b>	<b>69</b>	<b>60</b>	<b>170</b>
e) Jobs created in the city and across the sub-region	<b>941</b>	<b>1,302</b>	<b>1,250</b>	<b>3,493</b>
f) Number of Business assists recorded each year	<b>229</b>	<b>256</b>	<b>150</b>	<b>635</b>
g) Businesses supported to become more environmentally sustainable	<b>89</b>	<b>103</b>	<b>85</b>	<b>277</b>

- 2.13 Performance will be monitored on a regular basis through the Economy and Jobs Team within City Services and Development reported formally on a six month and annual basis.

### **3. Results of consultation undertaken**

- 3.1 A key element of delivering the strategy is to engage and consult with stakeholders and partners, and secure joint commitment with partners in its delivery. Dialogue with partners will continue.

### **4. Timetable for implementing this decision**

- 4.1 The *Jobs Strategy for Coventry* is a three year strategy from April 2011 to March 2014. Progress against the strategy is reported at half year intervals. This is the second annual report, outlining progress for the second year of the Strategy's implementation (April 2012 – March 2013) The next report on progress will be due after the half year point (September 2013) and will be considered by the Cabinet Member.

### **5. Comments from Director of Finance and Legal Services**

#### **5.1 Financial implications**

There are no direct financial implications from the recommendations in this report.

The 3 year *Jobs Strategy for Coventry*, as approved in March 2011, is funded from a number of sources amounting to approximately £11.4million over 3 years. This includes annual core revenue funding from the Council of circa £2m, the remainder being anticipated/achieved grant income from projects. The Job Strategy requires the service to raise new income to support some of the costs of service provision. The assumptions behind these income projections are based on realistic expectations based on past performance and the known availability of future grant and contract funding opportunities.

## 5.2 Legal implications

The pursuit of economic well-being is strongly aligned with the core functions of local authorities, with the mandate for local authorities to promote economic well-being provided by the Local Government Act 2000. Section 4 of the Act requires local authorities to join with other bodies to establish a sustainable community strategy for promoting or improving the economic, social and environmental well being of their area. The power in the 2000 Act for local authorities to take any steps they consider likely to promote or improve the economic, social or environmental well-being of their area and its residents (the "well being power") has now been repealed. The general power of competence for local authorities is contained in the Localism Act 2011.

## 6. Other implications

*Any other specific implications*

### 6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The *Jobs Strategy for Coventry* is integral to the delivery of Coventry City Council's priorities within its Council Plan, particularly "Coventry proud to be a city that works for jobs and growth." Corporate headline objectives beneath this include:

- Creating jobs through the growth of business and investment in the city
- Helping residents to get more jobs
- Helping residents improve their skills
- Ensuring young people stay in education, or find work or training
- Increasing Coventry's share of the low carbon industry

The strategy strongly aligns to delivering the priorities of the Coventry and Warwickshire Local Enterprise Partnership 5-Year Strategy (2011-16). This was based on the Coventry & Warwickshire Local Economic Assessment and feedback from local businesses. Its mission statement aims "To make our area a World Class economy in which to do business; a place to: lead a great life, excel at learning, visit and return to – all supported by exceptional private, public and voluntary services." The top five priorities for the Local Enterprise Partnership identified through feedback from local businesses include:

- Tackling skills gaps, and the need to improve skills across all levels
- Creating new jobs – particularly in higher growth, private sector businesses
- Promote and Increase Enterprise, Entrepreneurship and Business Start-Ups

The *Jobs Strategy for Coventry* also aligns strongly with the revised Coventry Sustainable Communities Strategy 2011-14, particularly in delivering its Economy, Learning, Skills and Employment theme to create "A prosperous Coventry with a good choice of job and business opportunities for all the city's residents." Its key priorities are to:

- Support people to develop the skills needed to access jobs and progress to higher skilled jobs to ensure local people benefit from the growth of the city and increase their household income
- Create the conditions for growth and enterprise in the city's economy
- Create a diverse range of businesses, jobs and apprenticeships to meet the aspirations and potential of all Coventry's residents.

## **6.2 How is risk being managed?**

The key risks associated with the *Jobs Strategy for Coventry* are:

- The slow economic recovery - Coventry City Council acts proactively and flexibly to identify ways to deliver the strategy within a difficult economic context.
- The increasingly limited funding opportunities and the changing funding environment - Coventry City Council is proactively responding to these changes through identifying more innovative ways of funding priorities, and developing more partnership approaches to delivery.
- Stakeholders could be reluctant to commit to work jointly on the delivery of the strategy - Stakeholders continue to respond very positively to the strategy, and the City Council continues to experience excellent partnership working arrangements.

## **6.3 What is the impact on the organisation?**

Coventry City Council has given a financial commitment to the delivery of the Jobs Strategy. This contributes towards the cost of staff. Consequently, if funding is reduced or increased there will be an effect on the number of staff working in this service area.

## **6.4 Equalities / EIA**

One of the key objectives of the Jobs Strategy aims to have a significant positive impact on people within Coventry who are identified as more vulnerable in terms of economic wellbeing and gaining sustainable employment. Services offered are tailored to meet the needs of the following groups: workless people not supported by the Government's Work Programme; priority client groups such as families with complex needs, offenders, those lacking relevant skills and experience; the most vulnerable in society including those with severe mental health problems and people with learning disabilities; and young people not in education, employment and training (NEETS).

Services within the City Services and Development Division play a key role in contributing towards the aims and objectives of the Corporate Equality Strategy, and its key priorities around Economy Learning, Skills and Employment. An Equality Impact Assessment has not been undertaken on the Jobs Strategy as a whole, as EIA's are regularly undertaken for the various services that contribute to the Jobs Strategy.

In the absence of the Strategy, we would expect there to be more inequalities across the city in terms of employment. The current economic climate is making it more difficult to enter employment, and those who are more vulnerable in securing employment fare even worse as a result.

The strategy also makes a positive contribution to the aims of the Marmot review, in terms of having a positive impact on an individuals health and wellbeing when they find work.

Proactively encouraging investment by existing business and businesses looking to locate in the city brings new jobs to the area and creates wealth in the local economy.

## **6.5 Implications for (or impact on) the environment**

The Jobs Strategy supports investment in key sectors including energy and low carbon vehicles. The Council supports the adoption of emerging technologies that in turn create entirely new markets and support additional jobs. The Strategy also aims to improve the skills match between Coventry's local residents and the emerging job opportunities.

Implementing the strategy is one of the routes to achieving a key aim of the Coventry Sustainable Communities Strategy 2011-14; "Coventry proud to be a city that works.... to create jobs, growth and enterprise particularly through advanced manufacturing and green technologies.

## **6.6 Implications for partner organisations**

The Strategy explicitly calls upon partner organisations and other stakeholders in the city to make a commitment to work with the Council to deliver its aims. Within the strategy it sets out the clear premise that "Coventry City Council cannot deliver a Jobs Strategy on its own. It is looking to engage with and draw on the work, skills and resources of other partners and stakeholders" to ensure its successful implementation.

**Report author(s):****Name and job title:** Rebecca Young, Economy & Jobs Manager**Directorate:** City Services & Development**Tel and email contact:** (024) 7683 3776

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
David Cockcroft	Assistant Director, City Centre and Development Services	City Services & Development		
Graham Simpson	Business Investment Manager	City Services & Development	8/5/13	8/5/13
Kim Mawby	Employment Manager	City Services & Development	8/5/13	10/5/13
Deidre Fitzhugh	Business Relationship and Tourism Manager	City Centre & Development	8/5/13	10/5/13
Julie Venn-Morton	Skills and Growth Manager	City Services & Development	8/5/13	8/5/13
Michael Checkley	Sustainability and Low Carbon Manager	City Services & Development		10/5/13
Richard Moon	Senior Development Executive	City Centre & Development	8/5/13	10/5/13
Andy Williams	Resources and New Projects Manager	City Centre & Development	8/5/13	8/5/13
Helen Williamson	Lead Accountant Business Partner	Finance and legal	8/5/13	10/5/13
Lara Knight	Governance Services Team Leader	Customer and Workforce Services	3/5/13	15/2/13
<b>Names of approvers for submission: (officers and members)</b>				
Finance: Phil Helm	Finance Manager	Finance & legal	8/5/13	10/5/13
Legal: Elaine Atkins	Solicitor	Finance & legal	8/5/13	13/5/13
HR: Jaz Bilen	HR Business Partner	Human Resources	8/5/13	9/5/13
Director: Martin Yardley	Director	City Services and Development	14/5/13	14/5/13
Members: Cllr Lynnette Kelly	Cabinet Member – Business Enterprise and Employment		14/5/13	15/5/13

This report is published on the council's website:

[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

## **Appendices**

Appendix 1: A Jobs Strategy for Coventry Action Plan and Progress Report 2012/13

Appendix 2: A Jobs Strategy for Coventry Action Plan and Progress Report 2013/14

# A JOBS STRATEGY FOR COVENTRY

## Action Plan and Progress Report

### April 2012 - March 2013





## Objective 1: Secure Job Opportunities through Investment

Action	Service Area	Expected Outcome	Progress to March 2013	Contribution Towards Headline Target Action
Delivery of business support activities to local businesses	Business Sector Growth Team (BSGT)	ERDF Enabling innovation and Growth Resource Efficiency support Networks and supply chains support Well Being Charter piloted	Looking to strengthen delivery of ERDF programme to build on supply chain successes First Well Being Charters awarded	New jobs created
Delivery and contribution to business grant and loan programmes in Coventry and Warwickshire	Business Sector Growth Team (BSGT)	ERDF Access to Finance, CWRT, RGF and AMSCI schemes delivered	These important investment support initiatives are proving to be significant contributors to growth and new jobs. Further funds are being sought to extend the offer in breadth and timescales as part of a comprehensive and seamless approach to investor support.	New jobs created Investments secured
Development of an umbrella economic development framework and story – Future Cities	Business Sector Growth Team (BSGT)	Framework and story board created Possibility of securing Future Cities Demonstrator status and contributing to Catapult	Future Cities feasibility report produced and submitted. Now working with TSB and partners to examine ways in which Coventry can take its ideas forward	Framework and template created for the key elements of the City's economic development strategy
Support for the deployment of new technologies and new markets	Business Sector Growth Team (BSGT)	<ul style="list-style-type: none"> <li>Additional deployment of low carbon vehicle infrastructure.</li> <li>Launch of electric bus service.</li> <li>Smart systems developed that enable new approaches to city to be demonstrated and adopted</li> </ul>	In process of upgrading public use electric vehicle charging posts. UK's first all electric park and ride service established Government has agreed in principle to fund ultra fast broadband and wifi service.	Profile and reputation of the city raised. Businesses in key growth sector recognise competitive advantage of the locality
Targeting niche sectors	Inward Investment	Work with the sub regional partnership to attract investment from the following sectors Low carbon transport technology	Working alongside Warwickshire to further develop the business cases to target sectors – especially those	<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> <li>Jobs created within the city and</li> </ul>

Action	Service Area	Expected Outcome	Progress to March 2013	Contribution Towards Headline Target Action
		Intelligent mobility Serious games Advanced engineering Head Quarters functions	identified by the LEP – i.e. Advanced manufacturing /Engineering	across the sub region
Infrastructure	Inward Investment	Attract investment from developers and investors to support the commercial infrastructure of the city	In March 2013 the team delivered an extremely successful MIPIM. The presence was fully funded by the 13 sponsors and 7 associate partners. A full programme of events working with Coventry University, Birmingham Airport, Birmingham City Council, University of Warwick, Study Inn, Friargate Coventry LLP, the Place Board and Jaguar Land Rover. A successful meetings programme was undertaken. This year the partnership also had an exhibition stand which resulted in over 40 enquiries which will all be followed up.	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Retail Investment	Inward Investment	Encourage interest from developers for the city centre plans and attract new retailers to both the city centre and other locations in the city.	<p>Further work to follow up the contacts made at the BCSC 2012 exhibition has resulted in visits to the city from Wagamama and others</p> <p>The city has been very successful at attracting retail/leisure jobs this year. 23 out of the team's 33 successes are retail with an associated 720 jobs. These include Decathlon, Genting Casino, Leekes, and other stores at the Ricoh extension and the first of the units open at the Warwickshire Retail Park in Binley.</p>	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> <li>• Businesses in priority sectors supported to grow and develop</li> </ul>

Action	Service Area	Expected Outcome	Progress to March 2013	Contribution Towards Headline Target Action
Profile and Perception	Inward Investment	Undertake targeted events /activities to improve the profile and perception of the city	Further UKTI visits to the city focused on the Engineering expertise locally. Work continues to ensure the Corporate Games in July 2013 fulfil their potential to be an excellent opportunity to profile the city to over 5,000 corporate attendees	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Enquiry management	Inward Investment	Provide a first class service to property led investment enquiries	In January 2013 a joint Coventry and Warwickshire property database went live, ensuring that local/national and international clients can access the sub regional property options in one place – making it a quicker and more efficient service for the clients.	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Relocation Support	Inward Investment	Support significant investors in their move to the city and subsequent integration into the Coventry community ensuring there is maximum benefit to the local economy – most notably the city centre	Reduced capacity has meant that only limited support in the area has been available.	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> <li>•</li> </ul>
Business tourism	Destination Marketing	Working with key stakeholders to profile Coventry and Warwickshire as an ideal location for conferences .Provide an efficient and professional service to conference organisers to ensure maximum economic benefit of the sub region.	The first joint presence at Confex – (the UK's key Business Tourism exhibition) was successfully delivered in March 2013. 7 sub-regional partners supported the stand with over 150 enquiries being received and will be followed up.	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Leisure tourism	Destination Marketing	Work with the key stakeholders to undertake a marketing programme to attract visitors to the city to ensure maximum economic benefit to the city	Working with Coventry Cathedral, Belgrade Theatre, Coventry Transport Museum, Herbert Art	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>

Action	Service Area	Expected Outcome	Progress to March 2013	Contribution Towards Headline Target Action
			Gallery and Roger Bailey to set up familiarisation visits to the city from key tour operators.	
Membership scheme for Business and Leisure Tourism Operators	Destination Marketing	Develop a membership scheme to encourage all venues and accommodation providers to work in partnership with the public sector to grow the tourism sector	An extremely successful year with the scheme attracting 30 members including Hotels, Conference Centres, B and B's and Visitor attractions.	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Visit Coventry and Warwickshire Website	Destination Marketing	<ul style="list-style-type: none"> <li>• Continue to improve the content and ease of use of the site to increase the number of hits of the site</li> <li>• Re tender contract – Start process in Autumn 2012</li> </ul>	Process is underway to replace the existing website with a site built on a new platform which will allow increased functionality .Looking at best practise from other areas and taking on board advice from our public and private sector partners to ensure a state of the art facility. The new site is due to be operational in July 2013	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>

## Objective 2: Helping people get Jobs

Action	Service Area	Expected Outcomes	Progress to March 2013	Contribution Towards Headline Target Action
Delivery of advice and employment support provision to unemployed Coventry residents	The Employment Team	<ul style="list-style-type: none"> <li>• Employment support for over 1200 Coventry residents</li> <li>• 700 Coventry residents supported into work</li> </ul>	The Employment Team has significantly over-achieved the targets. Each area of the Employment Team has met target and the opening of the extremely successful Job Shop has led to significantly higher numbers of customers than anticipated. Over 5600 residents have been engaged across the Employment Team and 1386 have been supported into work.	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> </ul>
Delivery of a range of externally funded employment and skills programmes	The Employment Team	<ul style="list-style-type: none"> <li>• Delivery of employment provision for over 1000 vulnerable families with complex needs – DWP ESF</li> <li>• Delivery of advice and support for offenders on a probation order – NOMS ESF</li> <li>• Delivery of employment skills and accredited learning for unemployed residents – SFA ESF</li> </ul>	<p>The Families project continues to support vulnerable workless residents with 271 individuals developing their skills for work. 39 progress measures have been achieved by clients and 16 individuals have been supported into work.</p> <p>The NOMS ESF project is extremely successful and ahead of contractual target. It is providing support towards work, with 101 customers working with an Advisor and 26 having secured employment already.</p> <p>Funding offer declined. Our assessment of the offer concluded</p>	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> </ul>

		<ul style="list-style-type: none"> <li>• Delivery of jobs brokerage provision to achieve a better match between demand and supply of labour – ITM ESF</li> </ul>	<p>that it wasn't financial viable for the City Council to deliver.</p> <p>Delays in recruitment, as a result of Service Review, meant that it was not viable to pursue this funding.</p>	
Support for the most vulnerable residents ensuring equality of access to employment opportunities	The Employment Team	<ul style="list-style-type: none"> <li>• Tailored employment provision for customers with a learning disability or severe mental ill health with 25 people securing employment</li> <li>• Provision of health services (screenings and access to psychotherapy, physiotherapy &amp; occupational therapy) to remove health barriers to work</li> </ul>	<p>The team have achieved National Centre of Excellence for our work securing employment with customers experiencing severe and enduring mental ill-health and worked together with Community Services to introduce an Employment Pathway for disabled people in Coventry. 86 customers have newly engaged with our service and 33 have been supported into work.</p> <p>Health screenings and 'fast-track' access to psysiotherapy, psychotherapy &amp; occupational therapy have been delivered with over 115 clients participating.</p>	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> </ul>
Development of a City Centre Jobs Shop in partnership with a range of key organisations	The Employment Team	<ul style="list-style-type: none"> <li>• City Centre Jobs Shop established and delivering services</li> <li>• Employment support, careers advice and training delivery taking place with a range of partners including Jobcentre Plus, CSWP, Colleges and Learning Providers.</li> <li>• Look at options to expand provision to unemployed people within a Jobs Shop context.</li> </ul>	<p>The new partnership Job Shop was launched on schedule in January 2013 and customers can access employment, careers, financial and skills advice. The Strategic Partnership with CSWP, JCP, Colleges and learning providers in the city is proving effective and a range of new provision is now available on-site including IT skills and employability training. More than 4200 customers registered with the Job Shop (either Hertford St or Bullyard) and 1028 have been</p>	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> <li>• Enable young people to access work through job placements</li> </ul>

			supported into work.	
Development of a Youth Zone for young unemployed people	The Employment Team	<ul style="list-style-type: none"> <li>• Delivery of a holistic &amp; distinct offer to young people, including advice, guidance and training, based within the Jobs &amp; Careers Shop</li> <li>• Delivery of the Young People's Placement Programme supporting 75 NEETS into paid work for 6 months</li> <li>• Delivery of a range of training provision for young people, including confidence building, 'Bootcamp' training and construction skills</li> <li>• NEETS clients engaged on apprenticeship provision &amp; a further 15 young people starting the construction shared apprenticeship programme</li> </ul>	<p>Information sessions for young unemployed people commenced in January and to date 700 clients have attended. A further 682 young people have been engaged to discuss careers, skills and work with an Advisor and 246 young people have been supported into a positive destination such as work, placement or further learning.</p> <p>YPEPS continues to be extremely effective at supporting young people into sustained work. 79 clients have started placement and on average approximately 50% of clients continue in employment.</p> <p>2 Bootcamps have been delivered with 18 participants and 17 young people moving into a positive destination (work, placement, further education) as a result.</p> <p>29 young people with a learning disability of mental ill health have been engaged on employment support and 8 have started apprenticeships.</p> <p>A total of 18 young people have now started on the scheme since it started (4 further starts this year)</p> <p>7 completions off the scheme including 4 into full time</p>	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> <li>• Enable young people to access work through job placements</li> </ul>

			employment, 1 into self-employment	
Work collaboratively with employers to support unemployed residents into work	The Employment Team	Local businesses supported with recruitment of unemployed & vulnerable residents Local employers displaying their vacancies in the Jobs & Careers Shop and using this service to recruit staff	We are currently refocusing this area of work following Service Re-design to deliver a wider partnership-based offer to local businesses.	<ul style="list-style-type: none"> <li>• Support people who are currently unemployed</li> <li>• Help people into a job</li> <li>• Enable young people to access work through job placements</li> </ul>

## Help People Improve their Skills

Action	Service Area	Expected Outcomes	Progress to March 2013	Contribution Towards Headline Target Action
Work alongside the Coventry & Warwickshire LEP to address strategic skills issues in the city and sub region.	Economy and Jobs	<ul style="list-style-type: none"> <li>• Identification of specific issues and solutions</li> <li>• Play a key role in the skills group of the LEP</li> </ul>	<p>Research was commissioned to support the City Deal bid re-engineering engineering bid.</p> <p>Re-Engineering Engineering is through to the next round of the application process.</p> <p>LEP Business groups have been reformed. The Skills and Employment Group not yet met as they are awaiting the conclusion of task and finish groups for City Deal and Skills Strategy. The Skills Strategy task group will deliver a strategy for the Skills and Employment group to underpin their work</p> <p>City Council Skills and Growth Team consisting of a Skills and Growth Manager and a Skills &amp; Growth officer have been appointed to start in April 2013</p>	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>



Provide delivery solutions to skills issues locally	Economy and Jobs	<ul style="list-style-type: none"> <li>• Delivery of employer ownership of skills pilot (if funding application successful)</li> <li>• Construction Apprenticeship Scheme</li> <li>• Local labour clauses added to major contracts</li> </ul>	<p>Unfortunately our bid for Employer Ownership of Skills funding was unsuccessful.</p> <p>A total of 18 young people have now started on the scheme since it started (4 further starts this year)</p> <p>7 completions off the scheme including 4 into full time employment, 1 into self-employment, 1 into voluntary work</p> <p>The scheme was a finalist in the Public Private Partnership category at the LGC Awards.</p> <p>We are helping to deliver the City Councils Business Charter for Social Responsibility</p> <p>Through various opportunities including clauses in contracts we are starting to see the opportunities coming through to open up employment &amp; training opportunities for local people</p> <p>We have started to develop the measures of performance to be useful and measurable (suggested No of employees &amp; percentage resident in Coventry and No of employees on learning and development schemes)</p>	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Development of 'Education to	Economy and Jobs	<ul style="list-style-type: none"> <li>• Identify gaps and/or changes that would improve the transition of young people</li> </ul>	Continue to work with colleagues from 14-19 partnership on:	<ul style="list-style-type: none"> <li>• Help people into a job</li> </ul>

Employment' strategy jointly with CLYP		from education to employment and facilitate appropriate solutions	<ul style="list-style-type: none"> <li>• Closer links with Job Shop</li> <li>• Raising participation</li> </ul> <p>Recruitment of the Skills &amp; Growth Team will enable this area of work to be developed.</p>	
Explore opportunities to work more closely with adult education	Economy and Jobs	<ul style="list-style-type: none"> <li>• Support clients into positive destinations</li> </ul>	<p>Unpicking the changes to the way that Community Learning is funded and understanding the new emphasis by the Government on positive outcomes.</p> <p>City Council's Skills &amp; Growth Team will enable this area of work to be developed</p>	<ul style="list-style-type: none"> <li>• Help people into a job</li> </ul>

## Partnership Working

Action	Service Area	Expected Outcomes	Progress to March 2013	Contribution Towards Headline Target Action
LEP and/or partners engaged in economic development activities	All	<ul style="list-style-type: none"> <li>• Partners add value to funding bids LEP informed and advised</li> <li>• Creation of an effective partnership delivery model for the Jobs &amp; Careers Shop</li> </ul>	<p>£24.5m of economic development funding has been secured for the area.</p> <p>16 local businesses have been supported to the final round for Growing Places funding A bid for £5m RGF4 funding has been submitted</p>	Adds strategic added value to ongoing developments
Further development of the supporting structure to RETA	Sustainable Community & Climate Change	<ul style="list-style-type: none"> <li>• A support network to access funding for RETA members &amp; other companies involved in the Green Economy</li> <li>• A link that supports the RETA members to achieve business growth and</li> </ul>	<p>RETA is proving to be an exemplar of how businesses can work together for mutual benefit.</p> <p>£660k of DECC funding to tackle fuel poverty in Coventry was</p>	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> <li>• Strong and close working links</li> </ul>

		<p>employee development</p> <ul style="list-style-type: none"> <li>• Raised skills levels for the city and industry sector</li> </ul>	<p>obtained of which the majority is expected to go to RETA members for home insulation works helping to safeguard c.20 jobs in this sector.</p>	<p>with the local companies</p>
Develop Eon/CCC Low Carbon Partnership	Sustainable Communities & Climate Change	<ul style="list-style-type: none"> <li>• Clients with the skills to apply for jobs created through Green Deal and other similar opportunities</li> <li>• Reduction in the levels of fuel poverty and better insulated homes</li> </ul>	<p>150 individuals trained on energy assessment with 40 achieving City &amp; Guilds qualification.</p> <p>15 apprentice energy assessors taken on.</p> <p>Over 1,000 homes in Foleshill and Hillfields received home insulation measures through a City Council / Eon CESP partnership.</p>	<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Jobs filled by local people</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> <li>• Strong and close working links with the local companies</li> </ul>
Delivery and contribution to business assists in Coventry and Warwickshire	Business Sustain	<p>ERDF</p> <ul style="list-style-type: none"> <li>• Assist local 30 SMEs to become more resource efficient</li> <li>• Raising the competency levels of employees</li> </ul>	<p>18 local SMEs received business assists under ERDF scheme in 2012 to become more resource efficient. Business Sustain team has delivered an additional 271 business assists locally.</p> <p>Around 1200 person hours of training was delivered by Business Sustain in 2012 on environmental management issues.</p>	<ul style="list-style-type: none"> <li>• New jobs created</li> <li>• Companies more resource efficient</li> <li>• More sustainable businesses and employment opportunities</li> </ul>

# A JOBS STRATEGY FOR COVENTRY

## Action Plan and Progress Report

### April 2013 - March 2014



## Objective 1: Secure Job Opportunities through Investment

Action	Service Area	Expected Outcome	Progress	Contribution Towards Headline Target Action
Delivery of business support activities	Business Investment Team	<ul style="list-style-type: none"> <li>Innovation and Growth strand of ERDF programme delivered</li> <li>At least one new business network established (eg manufacturing)</li> <li>Well Being Chartered mainstreamed</li> </ul>		New jobs created
Delivery of investment grant and loan schemes	Business Investment Team	<ul style="list-style-type: none"> <li>Access to Finance strand of ERDF programme delivered</li> <li>Streams 1 and 2 of RGF3 programme established</li> <li>Growing Place 2 investors supported</li> <li>AMSC1 stream 3 applicants supported</li> </ul>		New jobs created Investments secured
Accessing finance to support business investment and growth	Business Investment Team	<ul style="list-style-type: none"> <li>RF4 application supported and hopefully secured</li> <li>Ongoing search of and applications for additional investment support funding</li> </ul>		Additional funding secured
Delivering key infrastructure initiatives that directly benefit businesses and/or showcase technology	Business Investment Team	<ul style="list-style-type: none"> <li>Contract and deliver of Super Connected Cities project – ultra high speed broadband and wifi</li> <li>Publically accessible electric vehicle charging points upgraded to latest standards</li> </ul>		Profile and reputation of the city raised. Competitive advantages for Coventry business secured
Attracting new investors	Business Investment Team	<ul style="list-style-type: none"> <li>Re-present consolidated and simplified Coventry (and Warwickshire) offer to investors</li> <li>Secure 3 entirely new investors to Coventry from the wider industrial and</li> </ul>		<ul style="list-style-type: none"> <li>New job established</li> <li>New investment secured</li> </ul>

Action	Service Area	Expected Outcome	Progress	Contribution Towards Headline Target Action
		technology sectors <ul style="list-style-type: none"> <li>Develop and trial new media methodologies for business to business and team to business information exchanges, eg Linked in and Coventry App</li> <li>Proactively engage with targeted overseas locations and businesses to secure investments eg Punjab</li> <li>Further develop the on line property enquiry system</li> </ul>		
Working in partnership with other economic development and business support organisation	Business Investment Team	<ul style="list-style-type: none"> <li>Inform and support CWLEP</li> <li>Work with Coventry University and others to ensure Coventry is well place to meet the challenges and take advantage of urban environments</li> <li>Support and potentially deliver elements of City Deal</li> </ul>		<ul style="list-style-type: none"> <li>Strategic economic development pathways established supported and sustained</li> </ul>
Business Tourism	Business Relationship and Tourism Team	<ul style="list-style-type: none"> <li>Working in partnership with key stakeholders to profile Coventry and Warwickshire as an ideal conference destination. In partnership with private sector partners provide an efficient and professional service to conference organisers to ensure maximum economic benefit is achieved within the region.</li> <li>Letter sent to over 50 key tourism stakeholders/venues within the region to introduce CCC's aspiration to encourage and develop a partnership approach to attract Conferences to the region</li> </ul>		<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> </ul>
Leisure tourism	Business Relationship and Tourism	<ul style="list-style-type: none"> <li>Working in partnership with the key stakeholders to co-ordinate and manage a programme of marketing</li> </ul>		<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> </ul>

Action	Service Area	Expected Outcome	Progress	Contribution Towards Headline Target Action
	Team	<p>and promotional activity to attract visitors, increase footfall and spend to ensure maximum economic benefit is achieved within the region.</p> <ul style="list-style-type: none"> <li>Developing a 'rate card' to encourage 'sponsorship' for a suite of marketing literature going forward.</li> <li>'Day Visitors' Map' already produced. Work is underway; in partnership; with key stakeholders and communications colleagues to produce a new visitors guide, enhance the website and develop a City Centre App.</li> </ul>		<ul style="list-style-type: none"> <li>Jobs created within the city and across the sub region</li> </ul>
Membership scheme for Business and Leisure Tourism Operators	Business Relationship and Tourism Team	<ul style="list-style-type: none"> <li>Develop a membership scheme to encourage all venues and accommodation providers to work in partnership with the public sector to grow the tourism sector</li> </ul>		<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> <li>Jobs created within the city and across the sub region</li> </ul>
Visit Coventry and Warwickshire Website	Business Relationship and Tourism Team	<ul style="list-style-type: none"> <li>Continue to improve the content and ease of use of the site to increase the number of hits of the site by replacing the existing website with a site built on a new platform which will allow increased functionality</li> <li>Develop an advertising 'rate card' to 'save costs and/or generate income</li> </ul>		<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> <li>Jobs created within the city and across the sub region</li> </ul>
Developing Business	Business Relationship	To identify, create and/or enhance key strategic relationships with key companies		<ul style="list-style-type: none"> <li>Investment secured for the city</li> </ul>

Action	Service Area	Expected Outcome	Progress	Contribution Towards Headline Target Action
Relationships	and Tourism Team	and organisations in the City		

## Objective 2: Helping people get Jobs

Action	Service Area	Expected Outcomes	Progress	Contribution Towards Headline Target Action
Delivery of advice and employment support provision to unemployed Coventry residents	The Employment Team	<ul style="list-style-type: none"> <li>▪ Employment Support for over 1200 Coventry residents</li> <li>▪ 700 people supported into work</li> </ul>		
Delivery of a range of externally funded employment and skills programmes	The Employment Team	<ul style="list-style-type: none"> <li>• Delivery of employment provision for vulnerable families with complex needs – DWP ESF</li> <li>• Delivery of advice and support for offenders on a probation order – NOMS ESF</li> </ul>		
Support for the most vulnerable residents ensuring equality of access to employment opportunities	The Employment Team	<ul style="list-style-type: none"> <li>• Tailored employment provision for customers with a learning disability or severe mental ill health with 25 people securing employment</li> <li>• Provision of health services (access to psychotherapy, physiotherapy &amp; occupational therapy) to remove health barriers to work</li> </ul>		
Development of a City Centre Jobs Shop in partnership with a range of key organisations	The Employment Team	<ul style="list-style-type: none"> <li>• City Centre Jobs Shop effectively engaging residents and delivering services</li> <li>• Employment support, careers advice and training delivery taking place with a range of partners including Jobcentre Plus, CSWP, Colleges and Learning Providers.</li> </ul>		



		<ul style="list-style-type: none"> <li>Income generation from partners and a sustainability plan due in September 13 for continuation beyond current business plan</li> </ul>		
Development of a Youth Zone for young unemployed people	The Employment Team	<ul style="list-style-type: none"> <li>Delivery of a holistic &amp; distinct offer to young people, including advice, guidance and training, based within the Jobs Shop</li> <li>Delivery of the Young People's Placement Programme supporting 50 NEETS into paid work and developing the initiative to extend placements through private sector funding.</li> <li>Delivery of a range of training provision for young people, including 'Bootcamp' training</li> <li>NEETS clients engaged on apprenticeship provision – 7 young people with a learning disability or mental ill health to commence apprenticeship</li> </ul>		
Work collaboratively with employers to support unemployed residents into work	The Employment Team	<ul style="list-style-type: none"> <li>Local businesses supported with recruitment of unemployed &amp; vulnerable residents through the Job Shop and the wider Employment Team</li> <li>Building of strategic relationships with employers to ensure more jobs created are available to local people</li> </ul>		

### Objective 3: Help People Improve their Skills

Action	Service Area	Expected Outcomes	Progress	Contribution Towards Headline Target Action
Work alongside the Coventry & Warwickshire LEP to address strategic skills	Skills & Growth	<ul style="list-style-type: none"> <li>Identification of specific issues and offer solutions</li> <li>Play a key role in the skills group of the</li> </ul>		<ul style="list-style-type: none"> <li>Create local job opportunities</li> <li>Investment secured for the city</li> <li>Jobs created within the city and across the sub region</li> </ul>

issues in the city and sub region.		LEP and work generated by the group		
Provide delivery solutions to skills issues locally	Skills & Growth	<ul style="list-style-type: none"> <li>• Play a supporting role in LEP Skills related projects eg City Deal Re-Engineering Engineering</li> <li>• Construction Shared Apprenticeship Scheme</li> <li>• Local labour clauses added to major contracts</li> <li>• Lead on the Employment element of the Councils Business Charter for Social Responsibility</li> </ul>		<ul style="list-style-type: none"> <li>• Create local job opportunities</li> <li>• Investment secured for the city</li> <li>• Jobs created within the city and across the sub region</li> </ul>
Development of 'Education to Employment' strategy jointly with CLYP	Skills & Growth	<ul style="list-style-type: none"> <li>• Identify gaps and/or changes that would improve the transition of young people from education to employment and facilitate appropriate solutions</li> </ul>		<ul style="list-style-type: none"> <li>• Help people into a job</li> </ul>
Explore opportunities to work more closely with adult education	Skills & Growth	<ul style="list-style-type: none"> <li>• Working with Adult Education to Support clients attending courses into positive destinations.</li> </ul>		<ul style="list-style-type: none"> <li>• Help people into a job</li> </ul>

---

**To: Cabinet**

**Date: 18<sup>th</sup> June 2013**

**Subject: Delivering the Jobs Strategy – Annual Progress 2012-13**

---

### **1 Purpose of the Note**

- 1.1 To inform Cabinet of the outcome from the consideration of the Delivering the Jobs Strategy – Annual Progress 2012-13 by the Business, Economy and Enterprise Scrutiny Board (3) at their meeting on 5<sup>th</sup> June 2013.

### **2 Recommendations**

- 2.1 The Business, Economy and Enterprise Scrutiny Board:
- 1) Endorse the recommendations to Cabinet
  - 2) Recognised the importance of the Jobs Strategy
  - 3) Welcome the real achievements achieved through the Jobs Strategy
  - 4) Wish to see a greater emphasis on business growth and job creation

### **3 Information/Background**

- 3.1 At their meeting on 5<sup>th</sup> June 2013 the Business, Economy and Enterprise Scrutiny Board consider the Delivering the Jobs Strategy – Annual Progress 2012/13.
- 3.2 The Members welcomed the progress reported and questioned officers on details about the Skills and Growth Team, numbers of Coventry residents in target areas supported and the research into skills commissioned by the LEP.
- 3.3 The Board will also consider the Jobs Strategy for their work programme.

**Gennie Holmes**  
**Scrutiny Co-ordinator**  
**[gennie.holmes@coventry.gov.uk](mailto:gennie.holmes@coventry.gov.uk)**  
**024 7683 1172**

This page is intentionally left blank

---

Cabinet

18<sup>th</sup> June 2013

**Name of Cabinet Member:**

Cabinet Member (Education) – Councillor Kershaw

**Director Approving Submission of the report:**

Director of Children, Learning and Young People

**Ward(s) affected:** All

**Title:**

Secondary SEN Broad Spectrum Schools: Outcome of Consultation on the Revocation of Statutory Notices and Revised Proposals

---

**Is this a key decision?**

Yes

The revocation of statutory notices and establishment of a new secondary Broad Spectrum School delivered through the Priority Schools Building Programme is a key decision because it will have a marked effect on communities living or working in an area of two wards or more.

---

**Executive Summary:**

The City Council determined statutory notices to make prescribed alterations to Alice Stevens, Baginton Fields and Sherbourne Fields Special Schools in March 2009. This was to enable the establishment of two new co-located SEN Broad Spectrum Secondary Schools to be delivered as part of Coventry's Building Schools for the Future (BSF) Programme. In July 2010, the Government cancelled BSF but the Council has been able to secure the rebuild of Alice Stevens Special School and Ernesford Grange Secondary School through the national Priority Schools Building Programme. Given the time that has elapsed since the determination of the original notices and that the Council are now proposing to make a revised prescribed alteration to Alice Stevens to co-locate with Ernesford Grange (rather than with President Kennedy as per the original statutory notice), Further to DfE advice, on 5<sup>th</sup> March 2013 Cabinet approved consultation on both the revocation of the statutory notices determined in advance of BSF and the new proposed change to Alice Stevens. This report sets out the outcome of that consultation and recommends publication of a new statutory notice for Alice Stevens.

**Recommendations:**

Cabinet is requested to approve the following recommendations:

1. Note the proposal to establish a new secondary Broad Spectrum special school to be delivered as part of the Government's Priority Schools Building Programme to replace the current Alice Stevens special school;
2. To consider and take into account the responses to the recent consultation as set out in appendix 1 to this report when making its decision;
3. Authorise officers to publish the necessary Statutory Notice to:
  - a) revoke the three previously determined statutory notices determined by Cabinet in March 2009 and;
  - b) make a prescribed alteration to Alice Stevens Special School to enable its co-location as a Broad Spectrum special school co-located with Ernesford Grange Secondary School.
4. Delegate authority to the Director of Children, Learning and Young People and Director of Finance and Legal, to finalise the details of the Statutory Notice.

**List of Appendices included:**

Appendix 1: Notes from meetings held at Alice Stevens Special School, Ernesford Grange Secondary School and Castle Wood Primary Broad Spectrum School.

**Background papers:**

None

**Other useful documents**

Consultation on Proposals to Establish two co-located Broad Spectrum Special Schools  
Cabinet Member (Children, Learning and Young People) 16<sup>th</sup> April 2008

Outcomes of the Consultation on the Establishment of two Secondary Broad Spectrum Special Schools: Cabinet Member (Children, Learning and Young People) 10<sup>th</sup> September 2008

Establishment of Broad Spectrum Special Schools: Cabinet 10<sup>th</sup> March 2009.

Secondary SEN Broad Spectrum Schools: Consultation on the Revocation of Statutory Notices and Revised Proposals Cabinet 5<sup>th</sup> March 2013.

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

## **Report Title: Secondary SEN Broad Spectrum Schools: Outcome of Consultation on Revocation of Statutory Notices and Revised Proposals**

### **1. Context (or background)**

- 1.1 In July 2005, following a report back on the outcomes of the consultation on the Inclusion and SEN (Special Educational Needs) Strategy, Cabinet approved the recommendation to identify school sites for the creation of co-located broad-spectrum special schools. The three secondary schools affected by this recommendation were Baginton Fields School, Alice Stevens School and Sherbourne Fields School, secondary phase.
- 1.2 Two sites were subsequently identified as suitable for co-location: Ernesford Grange Secondary School and President Kennedy Secondary School. Both schemes were to be delivered as part of Coventry's Building Schools for the Future (BSF) Programme.
- 1.3 In April 2008 the Cabinet Member (Children, Learning and Young People) agreed to public consultation on proposals to establish two new secondary broad spectrum special schools co-located with Ernesford Grange and President Kennedy Secondary Schools. Having considered the responses to this consultation at a meeting on 10<sup>th</sup> September 2008 the Cabinet Member authorised officers to publish the necessary notices under Section 19 of the Education and Inspections Act 2006, to make prescribed alterations to the three existing special schools:
  - **Alice Stevens Special School** (Community Special School) to a broad spectrum special school co-located with President Kennedy Secondary School;
  - **Baginton Fields Special School** (Community Special School) to a broad spectrum special school co-located with Ernesford Grange Secondary School;
  - **Sherbourne Fields Special School** (Community Special School) to a primary broad spectrum special school

The prescribed alterations to the three schools would be effective from the date that the two new broad spectrum schools were due to open i.e. September 2012.

- 1.4 Statutory notices were published on 4<sup>th</sup> December 2008. No objections were received to any of the three proposals which were then determined by Cabinet on 10<sup>th</sup> March 2009.
- 1.5 On 5<sup>th</sup> July 2010 the Government announced the cancellation of BSF, resulting in the Council losing funding for 21 secondary and secondary special school schemes, including the two proposed co-located SEN Broad Spectrum Secondary Schools.
- 1.6 In July 2011 the Secretary of State announced the launch of the Priority School Building Programme (PSBP). Applications on behalf of seven schools were submitted to Partnerships for Schools (PfS) following Cabinet approval on 4<sup>th</sup> October 2011. On 24 May 2012, the Department for Education (DfE) announced the outcome of the application process. Coventry secured capital grant funding for six schools – Alice Stevens, Ernesford Grange Secondary, Richard Lee, St.Thomas More Catholic, Whitmore Park and Wyken Croft. The one remaining Coventry scheme – President Kennedy School and Community College – will be rebuilt under a new PFI model.

- 1.7 It has been agreed with the Education Funding Agency (EFA) who are delivering the Coventry programme, to establish a new SEN Secondary Broad Spectrum school co-located with Ernesford Grange Secondary School.
- 1.8 At the Cabinet meeting on 5<sup>th</sup> March 2013, approval was given to consult on both the revocation of the statutory notices referred to in paragraph 1.3 above and publication of a new statutory notice for Alice Stevens.

## **2. Options considered and recommended proposal**

- 2.1 Having secured the inclusion of both Ernesford Grange and Alice Stevens within the PSBP, the city's first secondary co-located school will be established to assist in the delivery of the City Council's SEN Broad Spectrum co-location strategy approved by Cabinet in 2005. Ernesford Grange will be rebuilt on its existing site as a 6 forms of entry school (900 11-16 places plus 125 post 16 places) and the co-located SEN Broad Spectrum School will cater for 150 pupils (120 11-16 places plus 30 post 16 places).
- 2.2 An alternative option considered was to co-locate the school with President Kennedy, as this was also approved within Coventry's PSBP Programme. This however is to be delivered through a new Private Finance route, for which few details are currently known and there remains uncertainty around the delivery timescale for this scheme. Given that there is also an urgent need to establish a first secondary broad spectrum school to compliment Castlewood Primary Broad Spectrum School, officers consider co-location with Ernesford Grange to be the preferred option.
- 2.3 With regards to the other two schools for which statutory notices were determined by the Council in March 2009 – Baginton Fields and Sherbourne Fields – given the time that has elapsed since determination by the Council, the DfE have advised that these notices should also be revoked. **There are no current revised statutory proposals for either of these two schools.**

## **3. Results of Consultation Undertaken**

- 3.1 Since the PSBP announcement, there has been an ongoing dialogue between the EFA, City Council, Alice Stevens School and Ernesford Grange Secondary School. All parties are fully supportive of the proposed co-location under PSBP.
- 3.2 There has also been ongoing consultation with the Federation of Alice Stevens, Baginton Fields and Sherbourne Fields Schools Governing Body which was initially established to support the delivery of the broad spectrum schools under BSF. The Governing Body are broadly supportive of the proposed co-location but there are a number of issues which require further progression in relation to staffing, admissions and school transport. There is also the issue of how the balance of SEN broad spectrum provision is to be delivered, given that the aim is to provide two primary and two secondary schools.
- 3.3 A series of consultation meetings has taken place during May 2013; formal consultation ended on 31<sup>st</sup> May 2013. Separate meetings for staff, governors and parents/ carers were held at Alice Stevens and Ernesford Grange Secondary School. A joint meeting was held at Castle Wood Broad Spectrum Primary School. The notes from these meetings are attached at Appendix 1 of this report.



- 3.4 Trades unions and professional associations were also consulted at their meeting on 15<sup>th</sup> May 2013.
- 3.5 In summary there was broad support for the proposed co-location of Alice Stevens with Ernesford Grange as a Broad Spectrum School.
- 3.6 Issues raised during the consultation meetings included:
- The future of the existing Alice Stevens site;
  - Access to the Ernesford Grange playing fields during the construction period;
  - Adequacy of the car parking arrangements and drop off facilities;
  - Future of the Ernesford Grange swimming pool;
  - Admissions process for the new Broad Spectrum school;
  - The name of the new school;
  - Delivery of the curriculum;
  - Accommodation/facilities to be provided in the new school;
  - Site security;
  - Level of integration between mainstream and SEN children.

The responses to these issues are included in Appendix 1.

#### **4. Timetable for Implementing this decision**

- 4.1 Wates Construction Ltd have been selected as the successful contractor to deliver the Whitmore Park sample scheme and it is expected that they will be awarded the contract for the following schools including Alice Stevens and Ernesford Grange. The indicative timetable for the delivery of the co-location scheme is as follows, based upon the most recent information provided by the EFA and the draft Programmes of the successful contractor:

Ernesford Grange and SEN Co-location School start on site – **7<sup>th</sup> October 2013**  
 Ernesford Grange and SEN Co-location School open and available for - **April 2015**  
 External Works and Old School Demolition completed by – **October 2015**

- 4.2 The timetable for the statutory process is outlined in the table below

<b>Schedule</b>	<b>Activity</b>
June 18 <sup>th</sup> 2013	Cabinet
June 28 <sup>th</sup> 2013	Publish Notices
June 28 <sup>th</sup> 2013 to 9 <sup>th</sup> August 2013	Statutory Representation Period
August 2013	Cabinet Advisory Panel (as required)
September 3 <sup>rd</sup> 2013	Cabinet Determination

#### **5. Comments from Director of Finance and Legal Services**

##### **5.1 Financial implications**

- 5.1.1 For the capital grant funded schemes, the Coventry PSBP batch funding envelope is worth approximately £39.6m. Each scheme has its own capital expenditure cost limit based on the gross floor area size of the proposed school which is in turn based on the pupil numbers at each school. The funding envelope for the grant funded schemes has been market tested by the EFA and although it is very tight, can be delivered by the National Contractors Framework. These rates include basic build costs, externals and abnormal costs. The base cost does not include an allowance

for hidden levels of asbestos. The EFA will procure these schools and will look to deliver these within their affordability envelope which will mean that other than for hidden asbestos, there will be no call on Council or schools financial resources (costs for dealing with hidden or abnormally high levels of asbestos could be up to £200 - £250k in a worst case scenario). Any additional costs that the Council is found liable to meet, will be funded from within the existing 2013/14 CLYP Capital Programme. Other costs that are not included in the capital build are for loose items of furniture and equipment and ICT hardware/software. ICT infrastructure (cabling, wireless & server rooms) is included. These costs will therefore have to be met from individual school budgets (schools currently being expanded already have to meet these costs) through careful planning and use of good quality legacy furniture and equipment. EFA have also confirmed that installation of sprinklers is included within the cost envelope.

- 5.1.2 Throughout this process there will continue to be the need for Local Authority officers' support, in particular to provide supporting information to the EFA in a timely manner. Ultimately, the new Ernesford Grange Secondary School and co-located Broad Spectrum Special School will transfer to the Local Authority, and the schools and Local Authority will have the ongoing responsibility for the maintenance and upkeep of the buildings.

## **5.2 Legal implications**

- 5.2.1 As the DfE advise that the City Council cannot now implement the approved proposals for Alice Stevens, Baginton Fields and Sherbourne Fields, fresh proposals must now be published to relieve the Council of its duty to implement. Paragraph 41 of Schedule 5 of the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007. provides that revocation proposals must contain the following information:

- a description of the original proposals as published;
- the date of the publication of the original proposals;
- a statement as to why it is proposed that the duty to implement proposals should not apply in relation to the original proposals; and
- details of how copies of the original proposals can be obtained.

- 5.2.2 The proposals must provide for anyone to submit comments and objections on the proposals to the City Council within 6 weeks of the proposals being published.

- 5.2.3 Revocation proposals must be determined by the City Council within a period ending 2 months after the end of the representation period. To approve the proposals the Council must be satisfied that implementation of the original proposals would be unreasonably difficult, or that circumstances have so altered since the original proposals were approved that their implementation would be inappropriate.

- 5.2.4 The establishment of a new SEN Broad Spectrum Special School co-located with Ernesford Grange Secondary School will require the publication of new proposals. The proposal determined by Cabinet in March 2009 was to make a prescribed alteration to Alice Stevens to a broad spectrum special school co-located with President Kennedy Secondary School, catering for 150 pupils. The revised proposal will be to make a prescribed alteration to Alice Stevens under Section 19(2) of the Education and Inspections Act 2006, to become a SEN Broad Spectrum School,

catering for 150 pupils, co-located with Ernesford Grange Secondary School i.e. the proposal is similar to that determined in March 2009, but the proposed location has changed.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

New school facilities will make a significant contribution to improving outcomes for children and young people as set out in the Children & Young People's Plan. The proposed new co-located SEN school will also contribute towards the delivery of the City Council's SEN Broad Spectrum strategy.

### **6.2 How is risk being managed?**

There is no guarantee that schools within Council control and rebuilt either through capital grant or PFI credits will not subsequently convert to academy status. To manage the risks of the building project, officers have drawn up a PSBP project Risk Register which is reviewed by the PSBP Project Board at each meeting to actively monitor all risks, financial or otherwise and to either mitigate, eliminate or transfer these risks to the EFA.

### **6.3 What is the impact on the organisation?**

Upon completion capital grant funding schemes will be under Local Authority control as maintained schools. The co-location of the Alice Steven's Broad Spectrum Special School onto the Ernesford Grange Secondary School site will require careful management of admissions and School SEN transport policy to create cohorts for the new SEN School from across the 3 existing secondary SEN schools. A staff and school leadership change management plan will need to be adopted and implemented prior to the new School opening and taking in its first new pupils.

### **6.4 Equalities / EIA**

#### **6.4.1** The construction of new schools under the PSBP will contribute to the Education and Learning Service aims of improving the attainment of different groups of students, including boys and girls, different minority ethnic groups, transient students, Looked After Children, children living in poverty and students with Special Educational Needs. Recent Equality Impact Assessments of the work of Birth-11 and 11-19 Learning and Achievement Service have both concluded that the Service continues to have a positive equalities impact. More specifically the rebuilt SEN Broad Spectrum co-located school will provide greater equality and better access to resources for the children with a wide range of special needs. These children often experience greater discrimination and have fewer opportunities than children without such difficulties. All schools proposed for rebuilding under the programme will be Disability Discrimination Act (DDA) compliant and the Ernesford Grange Co-location Scheme and New SEN Broad Spectrum School will be Special Education Needs and Disability Act 2001 (SENDA) compliant. The proposal aims to ensure that all Coventry children have access to education in accordance with their needs. Any revised accommodation changes and admission arrangements take into account the provisions of the Equality Act 2010 in the context of their possible impact on equal opportunities.

6.4.2 The Department for Education, in the document "Planning and Developing Special Educational Provision: A Guide for Local Authorities and Other Proposers", notes that:

"Within the context of any review or reorganisation of SEN provision LAs should be endeavouring to ensure equity and fairness across the authority. LAs and other decision makers need to appreciate that making changes to historic patterns of provision can be difficult to achieve as they may lead to a perceived reduction in the range of type of provision in one school or locality whilst ideally contributing to a greater and more appropriate range of provision across the authority or region. It should also be recognised that maintaining unnecessary provision may lead to unreasonable public expenditure which does not represent value for money. Reorganisation can, of course, release funding which can be used to invest in more effective provision."

The equity and fairness of the proposed co-location of Alice Stevens has been carefully examined through both an SEN Improvement Test and an Equality Impact Assessment (see paragraph 6.4.1 above).

## **6.5 Implications for (or impact on) the environment**

Coventry's schools currently account for 28% of the City's carbon footprint and the PSBP will support the reduction of that level through replacing old school buildings with modern, energy efficient facilities. The Carbon Reduction Commitment (CRC) Energy Efficiency Scheme as amended is a mandatory carbon emissions tax covering non-energy intensive users in both public and private sectors, and is a central part of the UK's strategy to deliver the emission reduction targets set in the Climate Change Act 2008. Emissions from schools (including PFI Schools) are to be included in the total reported carbon emissions for their participating local authority.

PSBP Schools will also be designed to mitigate the effects of climate change fluctuations and to help reduce surface water run off as a result of flash or extreme weather events, reducing any negative effects on the local community and environmental infrastructure.

The DfE currently require all major new building and refurbishment projects valued at over £500,000 to achieve at least a 'very good' BREEAM rating (Building Research Establishment Environmental Assessment Method). Areas of measurement are management, energy use, health and wellbeing, pollution, transport, land use, ecology, materials and water. The future of BREEAM is however currently being considered as part of the James Review.

## **6.6 Implications for partner organisations?**

Planning for the new broad spectrum school will require close partnership with the PCT, Clinical Commissioning Groups, Coventry and Warwickshire Partnership Trust, Social Care and Private/Voluntary Organisations and will enable multi-agency support and provision for children with SEN to be made.

**Report author(s):****Name and job title:**

Ashley Simpson  
Education Capital & Strategic Programme Manager

**Directorate:**

Children, Learning and Young People

**Tel and email contact:**

024 76831520 [ashley.simpson@coventry.gov.uk](mailto:ashley.simpson@coventry.gov.uk)

Enquiries should be directed to the above persons.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Colin Green	Director	CLYP	20/05/13	21/05/13
David Haley	Assistant Director	CLYP	20/05/13	
Isabel Merrifield	Assistant Director	CLYP	20/05/13	20/05/13
Roger Lickfold	SEN Strategic Lead	CLYP	20/05/13	20/05/13
Rachel Sugars	Finance Manager	CLYP	20/05/13	21/05/13
Elaine Atkins	Solicitor	Finance & Legal	20/05/13	21/05/13
Lara Knight	Governance Services Officer	Customer and Workforce Services	20/05/13	21/05/13
Neelesh Sutaria	HR Manager	CLYP	20/05/13	22/05/13
<b>Names of approvers for submission:</b> (officers and members)				
Chris West	Director	Finance & legal	20/05/13	28/05/13
Christine Forde	Council Solicitor and Monitoring Officer	Finance & legal	20/05/13	28/05/13
Colin Green	Director	Children, Learning and Young people	20/05/13	21/05/13
Councillor Kershaw	Cabinet Member (Education)		20/05/13	21/05/13

This report is published on the council's website:

[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

**Notes of Consultation Meetings**

**Ernesford Grange Secondary School: Monday 13<sup>th</sup> May 2013**

In Attendance:

Staff: 6

Governors: 3

Parents: 2

Q: What will happen to the Alice Stevens site?

A: There are currently no plans for the site once it is vacated in 2015. The access is currently shared with Whitley Abbey Primary School which is scheduled for expansion by 1FE in September 2014. The site is also adjacent to Whitley Abbey Academy. The City Council will be considering the future of the site over the coming months.

Q: Will there continue to be safe access to the playing fields during construction?

A: Yes. The construction programme and site set up will allow continued safe access to the playing fields. The construction site will be secured by appropriate fencing.

Q: Will there be adequate car parking spaces?

A: The maximum permitted number of car parking spaces is determined by local planning guidelines. One parking space will be provided for 2FTE staff. Places will be provided for both the mainstream and Broad Spectrum school staff, visitors and community users.

Q: Are the drop off /collection facilities for the SEN appropriate?

A: Bespoke facilities are to be provided for taxi/minibus drop off/ collection. These have been agreed with the school and reflect both current arrangements and those developed under BSF. The EFA has also undertaken modelling of traffic movement onto and off the site to ensure that there is no resultant congestion around the facility.

Q: Will the local community still have access to sports facilities at Ernesford Grange in the evenings and at weekends?

A: Yes. The school are currently working to develop a community use programme which reflects the accommodation that will be available in the new school. The design and layout of the new school will potentially allow wider use for non-sporting activities. The new Broad Spectrum Special School also has accommodation that could potentially be used by the local community.

Q: Will the Ernesford Grange swimming pool be replaced?

A: Unfortunately the Priority Schools Building Programme does not include funding for the replacement of swimming pools. As part of the planning process an area has been identified on the site where a replacement pool could be sited, which has been shared with Sport England. It is noted that the swimming pool is a well used community facility. Work is

therefore ongoing to identify how a new facility could be provided, in the context of the City Council's wider Sports and Leisure Strategy.

**Alice Stevens Special School: Tuesday 14<sup>th</sup> May 2013**

In Attendance:

Staff: 23

Governors: 0

Parents: 0

Q: Will Solar panels be fitted to the new building?

A: No. These will not be provided in the initial build but it is something that the school could provide later if it so wished.

Q: Will there be shared or separate halls?

A: Separate halls but an opportunity to share if appropriate.

Q: Will PMLD Hygiene and Bathroom facilities be provided?

A: Yes these will be provided and will meet required standards.

Q: Will there be adequate car parking spaces?

A: The maximum permitted number of car parking spaces is determined by local planning guidelines. One parking space will be provided for 2FTE staff. Places will be provided for both the mainstream and Broad Spectrum school staff, visitors and community users.

Q: Will Playground Facilities be provided for both Schools?

A: Yes. Both will have discrete play areas.

Q: Will there be separate Staff rooms ?

A: Yes. Each school will have a separate staff room, but there may be an opportunity to share staff resources.

Q: Will there be sinks in classrooms?

A: Yes.

Q: What canteen facilities will be provided? Any satellite facilities such as at Caludon Castle?

A: There will be a single kitchen serving both schools, although the Broad Spectrum school will have its own dining area. There will be the opportunity for some SEN pupils, where appropriate, to dine in the mainstream dining room.

Q: Will new F&E be provided?

A: Loose F&E will not be provided under the scheme; only fixed. Alice Stevens will be working with the Council to identify funding opportunities for FF&E.

Q: How do the entrance arrangements work?

A: There will be separate entrances for both schools plus a shared entrance. The designated school entrance will be used by staff and pupils. The shared entrance will be primarily used by visitors, parents and possibly other professionals.

Q: Has any work been undertaken regarding revised travel arrangements for children transferring across from Alice Stevens to the new school?

A: Transport and Travel plans for new School will be developed particularly taking into account public transport routes and travel distances from bus stops etc.

Q: Will appropriate fixtures and fittings be used?

A: Yes. Robust 'fit for purpose' ironmongery will be used in both schools.

### **Castle Wood Primary Broad Spectrum School; Wednesday 15<sup>th</sup> May 2013**

In Attendance:

Staff: 3

Governors: 3

Parents: 9

Q: What will be the admissions policy for the new Broad Spectrum School?

A: Priority will be given to pupils living in the Castle Wood catchment area, followed by out of area children, provided that places were still available. Those who were not in the catchment area and were unsuccessful in obtaining a place at the secondary Broad Spectrum School, would be offered a place either at Sherbourne Fields or Baginton Fields dependent upon specific need.

Q: Will the new school be called Alice Stevens?

A: The school name is still under discussion. The school is named after former Councillor Alice Stevens, who was a keen promoter of special education in the city.

Q: What will be the capacity of the new Broad Spectrum School?

A: It will provide 150 places.

Q: Could you describe how the school will be organised from a teaching perspective?

A: It will largely reflect the practice in Castle Wood. Alice Stevens mainly caters for pupils with moderate learning difficulties and has not been able to admit pupils with different needs due to accommodation deficiencies. A staff change management plan is currently being developed to ensure that current staff are equipped to deal with a broader range of need. Any future vacancies will provide an opportunity to recruit staff who have previous experience in working in that setting. The accommodation will be organised into lower (Y7/8), middle(Y9/10) and upper(Y11/Post 16) phases. PMLD class bases will be larger and fitted with traversing hoists.



Q: What will be the teacher to pupil ratio in the new Broad Spectrum school?

A: It is currently around 1:10/14 at Alice Stevens, mainly driven by accommodation availability. In the new school there will be a maximum of 6 pupils per PMLD/ASD class; 9 in MLD/SLD. It will however vary dependent upon specific need. There will be an absolute maximum of 1:10.

Q: Will there be a sensory room?

A: Yes. It will be larger than normally provided.

Q: Will there be a hydrotherapy pool?

A: Yes. It will be a warm water pool which is larger than a traditional hydrotherapy pool.

Q: What will be the structure of the school day in the Broad Spectrum School?

A: Effectively based on a traditional secondary model but tutor based with access to specialist areas of the curriculum to help prepare students for college/ work etc. There will also be opportunities to collaborate with the mainstream secondary school.

Q: Will the site be secure?

A: Yes. There will be controlled access between the two schools.

Q: Will the two schools have staggered start/finish times?

A: Currently under discussion between the two schools.

Q: Will the external areas be accessible by wheelchair users?

A: Yes. There will be distinct external areas created for the Broad Spectrum School including a sensory garden.

Q: What measures are being taken to prevent bullying by mainstream children?

A: It will be important to develop a close working relationship between the broad spectrum and the mainstream school. For example there is already a very close working relationship between Alice Stevens and Whitley Academy and issues around bullying are quickly dealt with. External play areas will be discrete which will limit the opportunity for this type of behaviour.

Q: Will there be a physiotherapy room and nurses room in the new Broad Spectrum school?

A: Yes. There will be a close working relationship with the Health Authority and all required facilities will be available.

Q: Will there be a parents room in the Broad Spectrum School?

A: Yes. Rooms will be available adjacent to the main entrance.

Q: What happens if the school is not completed on time?

A: We have every confidence that the schools will be completed on time and on budget. Wates is the contractor, who also built Castle Wood School. If, due to unforeseen problems there was a delay, then we would need to consider a transition plan to manage the impact.

Q: Will there be transition events for school acclimatisation?

A: Yes there will be numerous opportunities provided including meetings with staff.

**Cabinet**

**18 June 2013**

**Name of Cabinet Member**  
**Cabinet Member (Education) - Councillor Kershaw**

**Director Approving Submission of the report:**  
**Director of Children Learning and Young People**  
**Director of Finance and Legal Services**

**Ward(s) affected:**  
**All**

**Title:**  
Wyken Croft Primary School Credit Union Loan Application

---

**Is this a key decision?**  
Yes

---

**Executive Summary:**

The purpose of this report is to seek approval for a Credit Union loan on behalf of Wyken Croft Primary School. The school is being rebuilt under the Government's Priority Schools Building Programme (PSBP) at an increased size of 4 forms of entry, to provide additional school places from September 2014. The rebuild is funded directly by the Education Funding Agency (EFA). The school has applied for a credit union loan to facilitate additional accommodation as part of the school rebuild for the Phoenix Nursery<sup>1</sup> and the Phoenix Club<sup>2</sup>. The School Governors have approved the application for the Credit Union loan.

The school requires a £400K loan, and plan to fund the repayment of the loan mainly through the income generated by the Phoenix Nursery and the Phoenix Club. The school has provided a business plan to demonstrate the affordability of the loan.

The term of the loan is proposed for 8 years rather than the normal 5 due to the level of the loan requested. The school have agreed to prioritise any spare resources to make early repayment.

The current Fair Funding Scheme of Delegation, which is under review, only allows for loans up to £100K. This is why credit union loans in excess of this require Cabinet approval.

---

<sup>1</sup> The Phoenix Nursery is registered with Ofsted to provide full day care to children aged 2 to 4 including the statutory free entitlement element.

<sup>2</sup> The Phoenix Club is part of the school's extended school provision, offering before & after school and holiday provision for 3 to 11 year old.

**Recommendations:**

Cabinet is recommended to:

1. Approve a credit union loan of £400K for Wyken Croft Primary School to be repaid over a maximum of eight years.

**List of Appendices included:**

None

**Background papers**

None

**Other useful papers:**

Fair Funding Scheme of Delegation

Cabinet Report: Increasing Primary Pupil Places Programme 2014 & 2015

Cabinet Report: Education Capital: Priority Schools Building Programme 5<sup>th</sup> March 2013

**Has it or will it be considered by Scrutiny?**

No

**Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**

Wyken Croft Primary School Credit Union Loan Application

**1. Context (or background)**

- 1.1 As part of the Increasing Primary School Places Programme, Wyken Croft Primary School will expand from a 3 Form of Entry (FE) school to a 4 FE school with effect from September 2014. The school will be replaced by a rebuild through the Government's Priority Schools Building Programme (PSBP), which is funded directly by the Education Funding Agency (EFA).
- 1.2 The school wants to take this opportunity to build an extension to house the Phoenix Nursery and Phoenix Club provision on the school site, which will be funded through a credit union loan. The total amount of loan required is £400K.
- 1.3 The Credit Union Loan Scheme was established in April 1997 and forms part of the Fair Funding Scheme of Delegation. The scheme allows schools to apply for loans to fund projects that form part of School Development Plans. Statutory guidance on Schemes of Delegation also allow credit union loans to be made available to schools who would not otherwise be able to set a balanced budget subject to the loan being repaid within five years. Under the rules of the scheme, the maximum amount of loan currently allowed is £100K. This is, however, under review as we are in the process of updating the Fair Funding Scheme of Delegation, and there have been occasions in the past where Cabinet have been asked to approve a higher loan.
- 1.4 The schools loan scheme is funded on a credit union basis with advances being funded from schools' reserves that are invested with the City Council. Under the Fair Funding Scheme of Delegation, schools balances are earmarked and this loan scheme is the only method allowing a school to borrow against schools' reserves. The credit union loan is an appropriate way to unlock the value in maintained school balances. School monies invested with the Local Authority were £7m at the end of the 2012/13 financial year.
- 1.5 A fixed rate of interest is charged on all loans calculated on the outstanding balance as at 30th April each year. Loans made under the scheme must normally be repaid within a maximum of five years although exceptions are applied occasionally.
- 1.6 A rule of the scheme is that the total value of loans advanced at any time will not exceed 50% of the total funds invested with the Local Authority by schools. The total value of funds invested at 31 March 2013 was approximately £7m and the total Credit Union loans outstanding at the same date were £196k (about 2.8%).

**2. Options considered and recommended proposal**

- 2.1 The estimated cost of building the extension as part of the EFA's Priority School Building Programme is £450K, which is based upon the National Framework rates. The same extension will cost approximately £634K if built as a standalone project.
- 2.2 The school does not have all the funds required up front to build the extension, and therefore a credit union loan is the only option to finance this.

- 2.3 A loan of £400,000 would require repayments of approximately £55K - £60K per annum over eight years. The school has provided projected expenditure and income to demonstrate the loan is affordable over the 8 years.
- 2.4 This is the highest credit union loan application the Local Authority has received so far. Due to the significant level of the loan, officers have stipulated a number of conditions that the school must accept before making recommendations to Cabinet for the approval of the loan. These are largely to ensure that the school is the principle for the loan, and take all responsibility for repayment of the loan regardless of the financial position of the nursery and after school club. This will necessitate the school changing the way that they currently manage the Phoenix Club and nursery, and bringing it within the school accounts as part of the Extended Services of the school. The school have also committed to repaying the loan as early as possible where the school's financial position permits. They would also be required to repay the credit union loan in full in the event of the school converting into an academy.
- 2.5 The above mentioned conditions were set out in a letter to the school (headteacher and chair of governors) on the 3 May 2013. We received written confirmation that the terms were accepted by the school on the 24 May 2013.
- 2.6 The school will continue to work closely with the Local Authority's Schools Finance Team to ensure rigorous and robust management of the budgetary control position to ensure they can make adequate provision to repay the loan.
- 2.7 The school has requested to repay the loan over 8 years rather than the recommended 5 years due to the level of the loan required. The school is committed to make early repayments when they can afford them.

### **3. Results of consultation undertaken**

- 3.1 The senior management team and governors of the school have worked closely together in considering options available and the financial sustainability of the school with regards to the loan application.

### **4. Timetable for implementing this decision**

- 4.1 The school new build and the extension is due to be completed by September 2014.

### **5. Comments from Director of Finance and Legal Services**

#### **5.1 Financial implications**

The school plans to meet the repayment of the loan mainly from the surplus generated from the nursery and extended school provision. If the surplus generated through these services is not sufficient to service the loan then the school has committed to continue to repay the loan.

Schools that convert to an academy through the sponsored Academy scheme leave any deficit, at the point of conversion, with the Local Authority. The school has agreed to pay off the loan in the event of Academy conversion.

The Local Authority has yet to sign the 'Back to Back' agreement in relation to the Wyken Croft scheme. Should this not go ahead for any reason then the credit union loan would not be required.

## 5.2 Legal implications

We will put in place an agreement setting out the terms of the loan and its repayment. However, as the school is part of the city council we are not able to put a legally binding contract in place to ensure the repayment of the loan should the school convert to a sponsored academy, as although a sponsored academy would have transferred to it any surplus budget on conversion a deficit remains the responsibility of the council under. We have however sought the governors understanding that the loan should be repaid if the school is to convert to an Academy and in addition we would raise this issue with the DFE and or Education Funding Agency if required.

## 6. Other implications

### 6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The loan will enable Wyken Croft Primary School to contribute towards the City Council's statutory duty to ensure sufficient early years and school places in the City and contribute towards the corporate objective of ensuring that children and young people are safe, achieve and make a positive contribution.

### 6.2 How is risk being managed?

The budget will be subject to on-going budget monitoring processes and financial controls.

### 6.3 What is the impact on the organisation?

None

### 6.4 Equalities / EIA

No issues

### 6.5 Implications for (or impact on) the environment

None

### 6.6 Implications for partner organisations?

None

**Report author(s):****Name and job title: Rachael Sugars – Finance Manager CLYP****Directorate: Finance and Legal Services****Tel and email contact:****Tel: 02476831643****E-mail: Rachael.Sugars@coventry.gov.uk**

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Antionette Heffernan	Accountant	Finance & Legal Services	20/05/2013	21/05/2013
Ashley Simpson	Capital Programme and Strategic Planning Manager	CLYP	20/05/2013	21/05/2013
Peter Reutt	Accountant (Treasury Management)	Finance & Legal Services	20/05/2013	21/05/2013
Other members				
<b>Names of approvers for submission: (officers and members)</b>				
Ros Lilley	Solicitor	Finance & Legal Services	20/05/2013	21/05/2013
Neelesh Sutaria	HR Manager	CWS	20/05/2013	21/05/2013
David Haley	Assistant Director	CLYP	20/05/2013	
Director: Colin Green	Director	CLYP	20/05/2013	21/05/2013
Assistant Director: Barry Hastie	Assistant Director	Finance & Legal Services	20/05/2013	28/05/2013
Members: Cllr Kershaw			20/05/2013	28/05/2013

This report is published on the council's website:

[www.coventry.gov.uk/meetings](http://www.coventry.gov.uk/meetings)





## Public report Cabinet Report

Cabinet:  
Council

18 June 2013  
25 June 2013

**Name of Cabinet Member:**

Cabinet Member (Business, Enterprise and Employment) – Councillor Kelly

**Director Approving Submission of the report:**

Director of City Services and Development

**Ward(s) affected:**

None

**Title: High Speed 2 and Coventry**

---

**Is this a key decision?**

No

---

**Executive Summary:**

In January 2012 the government made a commitment to proceed with detailed proposals to construct a high speed rail line called HS2 between London, the Northeast and Northwest via the West Midlands. Two and half years on from the Council's last resolution regarding HS2 the proposals have been considerably firmed up and a number of legal challenges dismissed by the courts. Cross party support for the scheme at a national level also appears to remain firm. The Queen's speech announced the Government's intention to introduce new legislation to enable the delivery of HS2 phase 1. This is in the form of a Paving Bill (which has already had a first reading) and a Hybrid Bill, which is to be deposited by the end 2013.

The Hybrid Bill process is the most significant opportunity remaining for Coventry to engage with the process and secure measures which can support Coventry's future rail connectivity. To achieve this it will be necessary to prepare a clear evidenced case for use in the process. This report seeks approval to prepare this and sets out a proposed resolution for Council to consider which reframes the context for the Council's engagement with HS2 Ltd and Government regarding HS2 proposals. This recognises that there is a need to prepare for the likely eventuality that HS2 will happen, whilst seeking to get the best possible outcome from HS2 for the City.

**Recommendations:**

Cabinet are requested to:

1. Recommend to Council that they adopt a new resolution on HS2 that:

'Coventry City Council notes the Queen's Speech and the Coalition Government's determination to proceed, with opposition support, to progress HS2 with a Hybrid Bill. The Council therefore resolves to ensure the best possible outcome from HS2 for the City'

2. Give approval for officers, under the guidance of the Lead Member for Transport and the Cabinet Member for Business Enterprise & Employment to:
  - a) Engage with HS2 Ltd, Network Rail and Department for Transport (DfT) to identify possible solutions to achieve the best possible outcome from HS2 for the City, both in terms of connectivity to HS2 and connectivity on the existing rail network.
  - b) To work with consultants to develop an evidenced case with which to respond to the deposit of the HS2 Hybrid Bill.
  - c) To report back to Cabinet on the outcome of recommendations (a) and (b)

Council are recommended to adopt a new resolution on HS2 that:

‘Coventry City Council notes the Queen's Speech and the Coalition Government's determination to proceed, with opposition support, to progress HS2 with a Hybrid Bill. The Council therefore resolves to ensure the best possible outcome from HS2 for the City’

**List of Appendices included:**

None

**Background papers:**

None

**Other Useful Documents:**

**Department for Transport**

Government High Speed Rail Website <http://highspeedrail.dft.gov.uk/>

Government Approval Decision January 2013

<https://www.gov.uk/government/publications/high-speed-rail-investing-in-britains-future-decisions-and-next-steps>

**High Speed Rail Ltd**

HS2 Delivery Body Website - <http://www.hs2.org.uk/>

Key decision dates - <http://www.hs2.org.uk/about-hs2/key-dates>

**Has it been or will it be considered by Scrutiny?**

No

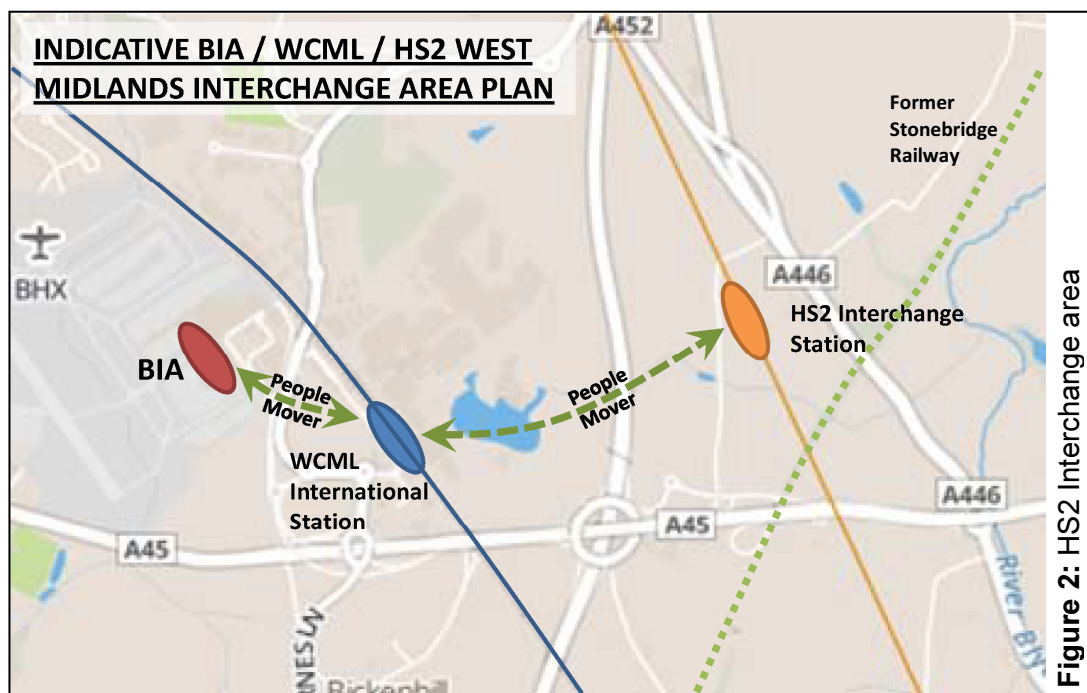
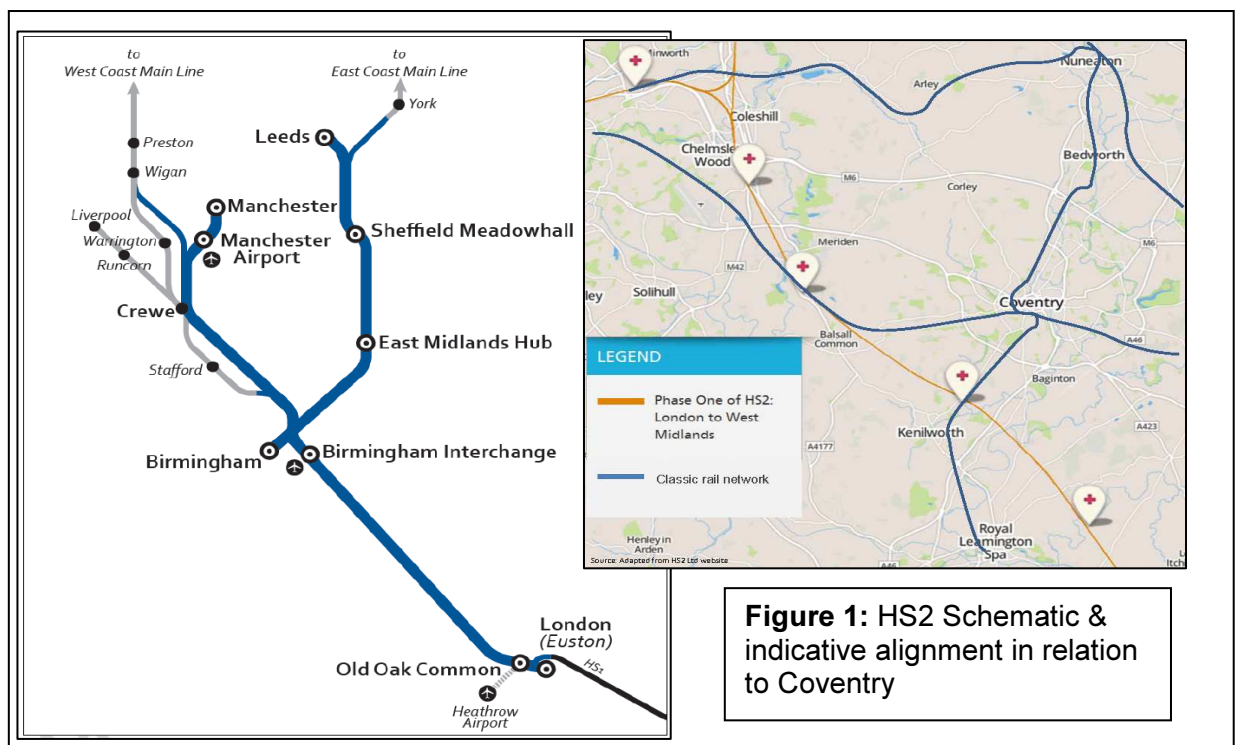
**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

**Will this report go to Council?**

Yes - 25 June 2013

## **1. Context (or background)**

- 1.1 In January 2012 the Government made a decision to proceed with a significant High Speed Rail project called HS2. The scheme will see a new high speed line built between London Euston and the Northeast and Northwest via Birmingham (see figure 1). The line will not directly serve Coventry, however a new interchange station will be constructed close to Birmingham International Airport (see figure 2). HS2 is now a firm government proposal with national cross party support with statutory legislation being progressed.
- 1.2 One of the main stated objectives of the scheme is to create additional rail capacity to address train overcrowding and unreliability as a result of unprecedented and continuing high levels of rail passenger growth. Although HS2 is a new railway line, its operation will be inextricably linked to the existing 'classic' rail network which serves Coventry.
- 1.3 Debate remains whether HS2 is the best way to provide additional rail capacity or not, however, the need for additional rail capacity in the network is universally accepted across the rail industry.
- 1.4 Notwithstanding the fact that the government is not proposing further major capacity upgrades on the West Coast Mainline (WCML), and is pursuing HS2 as a solution, without further capacity in the rail system it is highly likely that the current headline service pattern of three fast Euston trains from Coventry will be impacted and potentially eroded. This 'threat' would arise as a result of trains already being full as they arrive at Coventry and as a result of high passenger demand at other destinations along the WCML.
- 1.5 There are opportunities to secure excellent rail connectivity for Coventry both to London and the South East, as well as to other important destinations which are not currently so well served. Some of these may be achievable in advance of the HS2 delivery through the normal rail planning processes, and some alongside the delivery of HS2.
- 1.6 A critical negotiation stage towards achieving the best possible rail connectivity outcome for Coventry is the HS2 Hybrid Bill, which is timetabled to be deposited in the House of Commons by the end of 2013.
- 1.7 To engage with the Hybrid Bill process it will be necessary to have a pre-prepared and well evidenced case ready to submit for petition within 10 days of the deposit of the Bill. This will form the basis of witness evidence to a quasi-judicial examination by a Select Committee, which will have the power to direct changes to the Hybrid Bill. After this there are further opportunities as the Bill passes through the House of Lords, but these will only be open to those who have engaged from the outset.
- 1.8 The City Council formally objected to HS2 in December 2010, highlighting concerns around the potential negative impact the project could have on the prosperity of the city. Two and a half years on from the City Council's original resolution, much has changed: HS2 Phase 1 proposals have been developed further at significant cost and have been committed to by Government; the Phase 2 (Y network) has been announced; a Paving Bill & the Hybrid Bill were announced in the Queens speech; and a Judicial Review of HS2 was dismissed on 9 out of 10 counts. Coventry City Council with local MPs and the Coventry and Warwickshire Chamber of Commerce also met with the Secretary of State for Transport in October 2012. The overall outcome and conclusion from these events can only be interpreted as a clear affirmation of the Government's intent to progress HS2, however, it has also stated willingness to work with Coventry.



## 2. Options considered and recommended proposal

- 2.1 Whilst HS2, on the broad alignment proposed, does not represent the ideal additional rail capacity solution for Coventry or the rail network serving the city needs, it is the only option being presented.
- 2.2 Instead practical options for Coventry relate to securing the retention of excellent direct connectivity to London and the south east, securing improved connectivity to other destinations which are not currently well served by rail and securing excellent connectivity to HS2 in order to benefit from the access to the destinations that it will serve. A simple summary of the types of measures that could be sought is provided in Table 1 below. The

business case and evidence for these, and any others that can be identified will need to be developed in greater detail as part of the preparation of evidence for a Hybrid Bill petition.

- 2.3 Inevitably there will remain concern about the potential impact of the new Interchange station and significant growth in the immediate vicinity of it (with any associated impact of this on the market for inward investment elsewhere). These concerns cannot be completely mitigated by transport measures alone and it is unlikely Coventry will ever have good reason to be ardent supporters of HS2.
- 2.4 However, following the apparent strengthening of the Government's position on HS2, a pragmatic strategy which should underpin any rail 'asks' of Government and the Hybrid Bill process is to focus on the positive aspects of Coventry's overall offer. The message will need to be developed and robustly broadcast, but would build on the basic truth that Coventry is open for business, has and must continue to develop excellent road and rail connectivity and has much to offer in terms of the city's resident skills base, industry and engineering offer and higher education offer. These assets can set it apart from other competing locations.

<b>Table 1: Coventry Headline Rail Asks</b>	
<b><i>Pre HS2</i></b>	<b><i>With HS2</i></b>
<ul style="list-style-type: none"> <li>• Maintenance of excellent London and southeast connectivity direct from Coventry Station</li> <li>• Coventry Station Upgrade</li> <li>• Strengthened north/south rail links (NUCKLE)</li> <li>• Stronger direct long distance connectivity in advance of HS2               <ul style="list-style-type: none"> <li>○ Heathrow, Oxford, Reading</li> <li>○ Manchester, Sheffield, Newcastle</li> <li>○ Milton Keynes &amp; Northampton growth areas</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance of excellent London and southeast connectivity direct from Coventry Station</li> <li>• Good direct connectivity to HS2</li> <li>• HS2 to HS1 &amp; European connectivity</li> <li>• Construction of HS2 without prejudicing local rail opportunities</li> <li>• Direct Heathrow Spur from HS2</li> <li>• Renaming of HS2 Birmingham Interchange as West Midlands Interchange</li> </ul>

- 2.5 The timetable for the implementation of HS2 phase 1 is:

2013 - Consultation on draft Environmental Statement  
 2013 - Paving Bill 2<sup>nd</sup> reading  
 2013 - Hybrid Bill  
 2015 - Royal assent  
 2017 - Construction commences

- 2.6 There are several other rail related work streams affecting the classic rail network which the City Council will need to engage in to maximise its ability to secure improved rail connectivity. These include the Department for Transport's Rail Investment Programme (CP5) and Network Rail's Long Term Planning Process (LTPP), Route Utilisation Strategies and CP5 Business Plan. These programmes are intertwined with the operation of HS2 and consultation responses will need to be made in this context.
- 2.7 Specialist advice and support will need to be procured to support the work outlined above. It is anticipated that revenue funding in the region of £150,000 will be required. The primary call on this funding will be to develop the major elements of Coventry's petition. The work

and budget needs refining, but will primarily be for parliamentary lobbyists, engineering assessments (for example Coventry Station upgrade), business case development, economic analysis and Queens Counsel (for support during evidence at Select Committee). It is intended to seek joint working with CW LEP and Centro, with some degree of cost sharing on some of these elements. Negotiation will also be sought with other interested stakeholders that may wish to partner in some of this work in order to reduce costs to individual organisations and enable the development of a partially common evidence base. Until this negotiation is undertaken and the work scoped in more detail it will not be possible to refine the costs. It is expected that some of the total costs can be met from existing revenue budgets and cost sharing with various partners, however, it likely there will be a funding gap in the order £100,000.

### **3. Results of consultation undertaken**

- 3.1 No public consultation has been carried out locally by Coventry City Council. A summit for the business community in Coventry & Warwickshire was organised by the Council and held in October 2012 to enable a better understanding of the HS2 proposals and views the business community. This revealed mixed views, some supportive of HS2, some against and some undecided. No formal poll was taken at the event. HS2 Ltd holds a regular series of consultation and community engagement as part of formal consultation on the scheme.

### **4. Timetable for implementing this decision**

- 4.1 If the recommendations of this report are accepted, officers will begin the engagement process in readiness for the Hybrid Bill and other rail consultations as summarised in section 2 above.

### **5. Comments from Director of Finance and Legal Services**

- 5.1 Financial implications  
*It is estimated that technical and legal consultancy costs up to the value of £150,000 will be incurred in order to position the authority sufficiently to respond to Government HS2 proposals. Existing revenue budgets, together with expected cost sharing can fund £50,000 of the costs. The remaining £100,000 will result in a budgetary control pressure in City Services and Development.*
- 5.2 Legal implications  
*There are no legal implications arising from this report*

### **6. Other implications**

None

#### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The development of a detailed evidenced business case and engagement with rail planning bodies such as HS2 Ltd, Network Rail and the Department for Transport will help Coventry to secure the best possible deal it can on the back of HS2 to support rail connectivity. Having a good transport network in place is essential if the city is to attract investment and improving rail connectivity to Coventry will only help to support development proposals such as Friargate as well as open up new markets and support local travel to work movements. Encouraging travel by rail will also help to address climate change and reduce congestion on the road network.

## **6.2 How is risk being managed?**

Not engaging with government and HS2 Ltd would risk Coventry missing out on potential rail investment opportunities. Not securing the best possible deal from projects such as HS2 would put at risk the city's ability to attract inward investment.

## **6.3 What is the impact on the organisation?**

Much of the work will be led by existing City Council officers; however additional specialist resources will need to be procured in order to assist with the preparation of the evidence base, business cases and engagement with consultations such as the HS2 Hybrid Bill.

## **6.4 Equalities / EIA**

No equality impact assessment has been carried out because the recommendation does not constitute a change in service or policy.

## **6.5 Implications for (or impact on) the environment**

Rail provides an efficient and sustainable way to travel. The enhancement and promotion of improved rail services which serve Coventry will make rail travel more attractive and will help to reduce congestion, particularly on the strategic road network. This will reduce emissions from traffic which can impact on climate change and air quality.

## **6.6 Implications for partner organisations?**

There will not be any direct impact on partner organisation as a result of this decision.

**Report author(s):****Name and job title: Mike Waters – Transportation Manager****Directorate: City Services and Development Directorate****Tel and email contact: Tel: 024 7683 1048 [mike.waters@coventry.gov.uk](mailto:mike.waters@coventry.gov.uk)**

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Colin Knight	Assistant Director – Planning, Transport and Highways	City Services and Development	04 June 13	05 June 13
Lara Knight	Governance Services Team Leader	Customer and Workforce Services	05 June 13	05 June 13
<b>Names of approvers for submission: (officers and members)</b>				
Finance: Phil Helm	Finance Officer	Finance & legal	04 June 13	06 June 13
Legal: Clarissa Evans	Commercial Team Manager, Legal Services	Finance & legal	05 June 13	06 June 13
Director: Martin Yardley	Director	City Services and Development	04 June 13	06 June 13
Members: Councillor Kelly	Cabinet Member (Business, Enterprise and Employment)		05 June 13	06 June 13
Councillor McNicholas	Lead Member for Transport		05 June 13	05 June 13

This report is published on the council's website:

[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)





## Public report Cabinet/Council Report

Cabinet  
Council

18 June 2013  
25 June 2013

---

**Name of Cabinet Member:**

Cabinet Member (Strategic Finance and Resources) - Councillor Gannon

**Director Approving Submission of the report:**

Director of Customer and Workforce Services

Director of Finance and Legal Services

**Ward(s) affected:**

All

**Title:**

Implementation of the Living Wage

---

**Is this a key decision?**

Yes

The proposals within the report will result in financial implications in excess of £0.5m per annum.

---

**Executive Summary:**

This report is presented to Cabinet and Council to outline plans for the implementation of the Living Wage.

Following the new Council Leadership's manifesto pledge, this report proposes the implementation of the Living Wage - currently £7.45 per hour - for all Council employees. The Living Wage rate will take effect from 1 August 2013 and be included in salaries in the August payroll.

This report recommends the introduction of the Living Wage for Coventry City Council and makes recommendations for its practical implementation in order to deliver the Council's commitment to address low pay for council employees and tackle in-work poverty.

**Recommendations:****Cabinet to make the following recommendations to Council:**

1. The Living Wage be implemented in Coventry City Council with effect from 1 August 2013
2. That once implemented, the level of Living Wage paid to Council employees be reviewed annually as part of the budget process, informed by information available from national pay negotiations

3. Instruct the Director of Children Learning & Young People and the Director of Finance & Legal Services to consult the Schools Forum in relation to the funding of the Living Wage for Community Schools' staff
4. Instruct the Director of Children Learning & young People to consult with Head Teachers and Governing Bodies around the implementation of the living wage in Community Schools

**Council are requested to approve the above recommendations from Cabinet.**

**List of Appendices included:**

There are no appendices to this report

**Other useful background papers:**

There are no background papers

**Has it been or will it be considered by Scrutiny?**

*No*

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

*No*

**Will this report go to Council?**

Yes, on 25 June 2013

## **Report title: Implementation of the Living Wage**

### **1. Context (or background)**

- 1.1 The concept of a Living Wage is well established, although a number of different rates and concepts have been promoted in recent years such as the national minimum wage and the Council of Europe Decency Threshold. The national minimum wage is currently £6.19 per hour for employees aged 21 and over and is a statutory requirement, whereas the Living Wage, currently £7.45 per hour, is voluntary.
- 1.2 The Living Wage initiative emerged from The East London Communities Organisation which raised the problem of people on low pay in Canary Warf finding it difficult to cope with the costs of living in the area, particularly when having to support a family.
- 1.3 In 2005 the Living Wage Unit, established by the Mayor of London, published research which calculated the Living Wage for Londoners. The Living Wage Foundation calculates a 'poverty threshold wage' and adds a 15% margin to ensure that the person involved does not fall to the level of poverty wages. The Living Wage Foundation has calculated that at the present time the Living Wage should be £8.55 per hour in London and £7.45 per hour outside London.
- 1.4 Living Wage Employers are leading the way on responsible employment and procurement practice. Over 100 private, public and third sector organisations have joined the Living Wage Employer group. Local Authorities that have introduced the Living Wage include Glasgow, Preston, Birmingham, Newcastle, Oxford and Cardiff, as well as a number of London Councils.

### **2. Options considered and recommended proposal**

- 2.1 The only option under consideration at the present time is to implement a Living Wage for Council employees.

#### **2.2 Accreditation**

- 2.2.1 The Living Wage Foundation offers accreditation to employers that pay the Living Wage by awarding the 'Living Wage Employer' mark. It should be noted that there is an important distinction between an employer paying the Living Wage and an employer who commits to accreditation.
- 2.2.2 Accredited Living Wage employers are required to take the following actions within three months of the formal signing of the Accreditation Licence:
  - Ensure that all directly employed staff over the age of 18 (other than apprentices) are paid no less than the Living Wage
  - Increase the amount paid to employees by the same amount as any increase to the Living wage within 6 months of the date on which any increase in the Living Wage is officially announced
  - Notify all affected employees of the date of the next increase within one month of the official announcement
- 2.2.3 The Living Wage foundation does not take into account the value of the overall terms and conditions package (such as annual leave, sick pay and pension arrangements). If the Council sought recognition from the Living Wage Foundation, it would have to commit to the above conditions in full within the set timescales. There would be no flexibility to

review the pay rates if alternative ways of addressing low pay were to be proposed nationally or locally.

2.2.4 In addition, the Council would need to ensure that the measures above are implemented for staff employed by contractors and sub-contractors within an agreed period of time after the formal signing of the Accreditation Licence.

2.2.5 The council is, therefore, not seeking accreditation at this stage.

## **2.3 Scope**

2.3.1 c590 permanent and temporary central Council employees on Grade 1 (spinal points 5 – 8) would be affected by the introduction of the Living Wage. These employees include cleaners and kitchen assistants.

2.3.2 c90 Grade 2 (currently spinal points 8 - 10 of Grade 2 only) would be affected by the introduction of the Living Wage. This group of staff includes library & information assistants, escorts, play group assistants and postal assistants.

2.3.3 c100 casuals would also be affected by the introduction of the Living Wage.

2.3.4 c40 agency workers on average per month would also be affected, should they work in the Council for more than 12 weeks.

2.3.5 Within Community Schools whilst the employment contract is with the local authority, Governing bodies undertake employer responsibilities such as recruitment and dismissal.

2.3.6 Academies are an entirely separate employer covered by the Academies Act 2010 and it would be their decision, or not, to adopt the Living Wage.

2.3.7 The scope of the Living Wage does not include apprentices and, therefore, apprentice numbers have not been included in the above figures.

## **2.4 Implementation of the Living Wage**

2.4.1 In order to preserve the integrity of the current pay and grading structure it is proposed that 'a supplement' be paid as an addition to basic pay to achieve the Living Wage of £7.45 per hour. This means that no council employee will receive less than £7.45 per hour and is similar to how other employers have approached the issue. Applying this approach to the Living Wage will enable the arrangements to be monitored so that any future necessary adjustments can be made. This could include where a change to someone's basic pay takes them above the Living Wage threshold, for example if they are awarded a further pay increment or receive a promotion.

2.4.2 It is important to stress that the Living Wage is not about the role or the job – it is about the cost of living. To ensure that any potential equal pay risks are mitigated, it is essential that the principles of the Living Wage are applied consistently across the Council to all eligible employees. In order for the Council to continue to justify and defend challenges to its job evaluation scheme, it is also essential that grade differentials are maintained in line with established job evaluation scores.

2.4.3 The Living Wage payment will be pensionable and therefore incur the employer's contribution for those who pay into the pension scheme. With effect from 1 April 2014, any additional hours will also become pensionable which will increase the employer's contribution.

## **2.5 On-going Pay Implications of a Living Wage**

- 2.5.1 Adopting a Living Wage policy commits the council to an on-going uplift of salaries in line with any changes to the national rate (if agreed). It should be noted that the determination of the Living Wage rate is based on a variety of factors and criteria which are significantly different to how local government annual pay awards are determined. Therefore there is potential for these two pay elements to change and increase at very different rates.
- 2.5.2 Annual pay increases at the council are linked to nationally negotiated pay awards negotiated by the Local Government Employers Organisation on behalf of local authorities. Changes to the Living Wage rate are determined by the Centre for Research in Social Policy with no input or influence from the Employers Organisation. In reality this means the council having no influence over some of its pay decisions. It is recommended, therefore, that consideration be given to reviewing the Living Wage Policy each year as part of the annual budget setting process.
- 2.5.3 Application of the Living wage to the council's current pay and grading structure will have the effect of lifting Grade 1 staff to pay rates equivalent to mid-Grade 2. Whilst the impact on any differentials will need to be monitored, it is the organisation's view that the overriding issue is that of its desire to pay people at the Living Wage rate of £7.45 per hour.

## **2.6 Other Considerations**

- 2.6.1 Significant changes are being made to the benefits and tax credits system now and over the next few years due to the Welfare Reform Act 2012. These changes are expected to impact on our lowest paid employees. The implementation of the Living Wage may lift some staff out of reliance on benefits and cushion the impact of any benefits cuts for others.
- 2.6.2 In introducing the Living Wage, some staff may experience difficulty in organising their financial arrangements and benefits advice will be made available where requested.

## **3. Results of consultation undertaken**

- 3.1 The trades unions are supportive of the implementation of the Living Wage.

## **4. Timetable for implementing this decision**

- 4.1 The Living Wage will be introduced on 1 August 2013 and monitored and reviewed annually as part of the budget process.

## **5. Comments from Director of Finance and Legal Services**

### **5.1 Financial Implications**

The estimated full-year cost of the Living Wage proposals within this report is anticipated to be £0.7m per annum. The proposed timing of implementation part-way through the current year will result in a cost in the region of £0.5m. The actual cost will depend both on the number of applicable posts at the point of implementation. It will also depend upon the precise way in which the new scheme is implemented - for instance, there is a

presumption within these costs that the Living Wage rate is applied to enhancements such as shift pay, additional hours and overtime. The fine detail of implementation will be managed in the spirit of the report's recommendations by the Directors of Customer and Workforce Services and Finance and Legal Services. In order to fund these costs, the Council's financial outturn report on today's agenda is proposing that £0.5m of the 2012/13 revenue underspend is earmarked to pay for the unbudgeted costs in 2013/14. The on-going cost of the proposals will be built into future budget setting proposals.

The costs outlined above do not reflect the cost of paying the Living Wage to individuals employed by Council Community Schools for whom in legal terms the Council is classed as the employer although the school governors undertake employer responsibilities.

Individuals who work for Trust and Voluntary Aided Schools are outside the scope of this report. The additional cost of Community Schools' employees has been calculated to be approximately £0.6m in a full-year and £0.4m in 2013/14. While this issue will be discussed in detail with the Schools Forum, it is proposed that these additional costs will be funded by the Dedicated Schools Grant (DSG) in the same way as existing pay costs in schools. In order to avoid in-year pressures for individual schools arising from implementation, it is proposed that school costs will be funded through the use of centrally held DSG reserves in 2013/14 and from 2014/15 onwards through the DSG budget setting process. The Schools Forum will not have had the opportunity to consider this issue prior to this report.

It is important to note that a large number of employees who provide services to schools within a competitive trading environment, principally within the cleaning and catering services, will be affected by the Living Wage proposals. Without any compensating action, the payment of a Living Wage to these employees will make these services less competitive than they are at present. There is a danger therefore that one unintended consequence of the Council paying a Living Wage would be to reduce the number of schools that buy-back these services and threaten the services' viability in the long-term. Cabinet's attention is drawn to this as a fundamental point for these services going forward. The proposal here is that the Living Wage element of the costs of such services is funded (subsidised) on a corporate basis within 2013/14 pending future discussion and scrutiny around recovering the full-costs of such services beyond the current year.

## **5.2 Legal implications**

The Council, as an employer, can decide to increase the salary of any of its employees and therefore the Living Wage can be introduced by the Council.

For those Council employees that are working within Community Schools, the Governing Bodies have responsibility for setting the salaries of those employees. The contracts of employment for these school employees have incorporated into them the national and local collective agreements which ensure that the schools implement any wage increases along with other terms and conditions. However, the Living Wage is a unilateral decision that is proposed to be made by the Council, as an employer, and would not therefore fall within a collective agreement and could not be enforced by the Council in the usual way. Therefore, the Governing Bodies of these schools will be required to support and implement the Living Wage in their schools.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The adoption of a Living Wage Policy contributes to the Council's core aims of a prosperous Coventry and developing a more equal city.

Introducing the Living Wage will improve the income levels of a substantial number of low paid employees in the Council which will improve their quality of life but also positively impact upon Coventry's local economy.

## **6.2 How is risk being managed?**

The legal risks of damaging the integrity of the pay and grading arrangements will be managed through the development of an approach that minimises such risk.

## **6.3 What is the impact on the organisation?**

None

## **6.4 Equalities**

Introducing the Living Wage will improve the income levels of a substantial number of low paid individuals in the Council, the majority of whom are female employees. An equality analysis will be undertaken in due course.

## **6.5 Implications for (or impact on) the environment**

None

## **6.6 Implications for partner organisations?**

None

### **Report author(s):**

#### **Name and job title:**

Sue Iannantuoni, Assistant Director (HR);  
Barry Hastie AD Financial Management;  
Christine Forde, AD Legal Services

#### **Directorates:**

Customer and Workforce Services  
Finance and Legal Services

#### **Tel and email contact:**

024 76832125  
Sue.Iannantuoni@coventry.gov.uk

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Christine Forde	AD Legal Services	Finance & Legal	15.5.2013	31.5.2013
Barry Hastie	AD Financial Management	Finance & Legal	15.5.2013	31.5.2013
Rachel Sugars	Finance Manager	Children Learning	15.5.2013	31.5.2013

		& Young People		
<b>Names of approvers for submission:</b> (officers and members)				
Director: Bev Messinger and	Director	Customer & Workforce Services	28.5.13	31.5.2013
Chris West	Director	Finance & legal Services	28.5.13	31.5.2013
Members: Councillor Ann Lucas	Cabinet Member (Policy and Leadership)		28.5.13	31.5.2013
Councillor Phil Townshend	Cabinet Member (Community Safety and Equalities)		28.5.13	31.5.2013

This report is published on the council's website:  
[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)





## Public report Cabinet Report

Cabinet  
Council

18 June 2013  
25 June 2013

**Name of Cabinet Member:**

Cabinet Member (Community Safety and Equalities) - Councillor Townshend

**Director Approving Submission of the report:**

Director of Customer and Workforce Services

**Ward(s) affected:**

All

**Title:**

Review of the Members' Allowances and Expenses Scheme

---

**Is this a key decision?**

No

---

**Executive Summary:**

Cabinet and Council are requested to consider the recommendations that have been made by the Independent Remuneration Panel (IRP) on the Review of the Members' Allowances and Expenses Scheme with specific focus on the remuneration of the new Deputy Cabinet Member roles appointed at the Council's Annual Meeting on 16 May 2013.

**Recommendations**

Cabinet is requested to consider the report of the Independent Remuneration Panel (IRP) and make a recommendation to Full Council as to whether each recommendation should be approved, rejected, or an alternative proposal approved.

Council is requested to:

- (1) Acknowledge the work of the IRP for undertaking the review
- (2) Consider each recommendation within the IRP's report
- (3) Note the recommendations of Cabinet
- (4) Approve, reject or amend alternative proposals for each of the following recommendations made in the IRP's report:
  - i. That the Deputy Cabinet Member position be subject to a Special Responsibility Allowance of £5,140 per annum (50% of the Cabinet Member SRA), with effect from 16 May 2013, and that the Members' Allowances and Expenses Scheme be amended accordingly.

- ii. That the Deputy Cabinet Member SRA be reviewed after 12 months, in the light of experience.
- iii. That the Special Responsibility Allowance for the Leader of the Opposition be reviewed at a future meeting of the Independent Remuneration Panel.

**List of Appendices included:**

Appendix A – Report of the Coventry City Council IRP May 2013

**Other useful background papers:**

Local Authorities Members' Allowances Regulations 2003

*Deputy Cabinet Member Role and Responsibilities*

(Approved at the Council's Annual Meeting on 16 May 2013, Item 16, *Changes to the Constitution, including Members' Allowances, and those consequential changes arising from the Annual Meeting decisions and appointments*)

**Has it been or will it be considered by Scrutiny?** No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?** No

**Will this report go to Council?** Yes, 25 June 2013

**Report title:** Review of the Members' Allowances and Expenses Scheme

**1. Background**

- 1.1 All local authorities are required to have a Members' Allowances and Expenses Scheme which makes provision for a range of allowances and expenses available to some or all elected Members. This must be agreed locally, in accordance with the Local Authorities (Members Allowances) Regulations 2003 (as amended).
- 1.2 Whilst each authority approves its own scheme, it is legally required to appoint an Independent Remuneration Panel (IRP) to make recommendations on allowances and expenses. The Council must have regard to its recommendations.
- 1.3 The Council established a new role of Deputy Cabinet Member at its Annual Meeting on 16 May 2013. Deputies were appointed to assist 3 Cabinet Members to carry out the duties of their portfolios. The Deputies were appointed to Cabinet Member (Children and Young People), Cabinet Member (Education) and Cabinet Member (Health and Adult Services).
- 1.4 An Independent Remuneration Panel was appointed to review and make recommendations to the City Council about remuneration levels for the new positions introduced at the Annual Meeting of the Council. Remuneration levels paid to Members are set out within Coventry City Council's Scheme of Members' Allowances and Expenses.
- 1.5 The Panel met on 15 May 2013, at a meeting facilitated by the Assistant Director of Democratic Services. The scope of the Panel's review was:
  1. To review the City Council's Scheme of Members' Allowances and Expenses in accordance with the provisions of the Local Authorities (Members Allowances) Regulations 2003 (as amended) with specific focus on the remuneration of a new Deputy Cabinet Member role; and
  2. To make recommendations to the City Council on any amendments to the scheme that the Panel considers necessary or appropriate.
- 1.6 The Panel's report is attached at Appendix A. Any recommendations from the Panel will, subject to approval at Council, be reflected in a revised Scheme.

**2. Options considered and recommended proposal**

- 2.1 The Panel Membership was comprised of three independent people, who were all present:
  - Mr. Darren Jones,
  - Professor David Bailey and
  - Lieutenant Colonel Peter Stanworth (Ret'd) OBE.Details of their background and experience are given in the Panel's Report at Appendix A).
- 2.2 In reaching its conclusions, the Panel took account of the following information and feedback:
  - The ten Cabinet Member portfolios for 2013/14, with three of these being allocated a new position of Deputy Cabinet Member;
  - The role description and function of the new Deputy Cabinet Member position at Coventry (contained within the Panel's report at page 7);

- The existing numbers and levels of allowances paid to elected Members at Coventry City Council, both basic and Special Responsibility Allowances;
  - Benchmarking information on the role and remuneration (Special Responsibility Allowances) for similar Deputy Cabinet Member roles in three other councils;
  - A Panel interview with Councillor Phil Townshend, the Deputy Leader and Cabinet Member for Community Safety and Equalities; and
  - A statement from the Leader of the Opposition.
- 2.3 The Panel also took account of other changes made at the Annual Meeting, including budget savings of £21,907 per annum from 2013/14 resulting from a reduction in the number of Member appointments that are subject to allowances.
- 2.4 Having regard to these factors, the Panel's Report recommends as follows:
- i. That the Deputy Cabinet Member position be subject to a Special Responsibility Allowance of £5,140 per annum (50% of the Cabinet Member SRA), with effect from 16 May 2013, and that the Members' Allowances and Expenses Scheme be amended accordingly;
  - ii. That the Deputy Cabinet Member SRA be reviewed after 12 months, in the light of experience; and
  - iii. That the Special Responsibility Allowance for the Leader of the Opposition be reviewed at a future meeting of the Independent Remuneration Panel.
- 2.5 The decision to approve these recommendations is the City Council's. The Council must have regard to the recommendations made by the IRP before it amends any part of the current Member Allowances scheme. The City Council is requested to consider these recommendations individually and state whether each recommendation is approved or rejected. The Council is not bound by the recommendations of the Panel and may reject any of the proposals made, but the City Council must have regard to the implications of such decisions; the report indicates that if some of the recommendations are not accepted then alternative provisions should be considered. These can be put forward and agreed. Where a recommendation of the IRP is rejected and/or an alternative provision put forward, the City Council should give reasons to support its decision in order to show that it has given full consideration to these recommendations.
- 2.6 The recommendations are being proposed separately rather than as a whole set, this means that the City Council can accept, amend or reject individual recommendations. If some recommendations are rejected, then the remainder can be implemented.
- 2.7 In undertaking the work, the Panel Members sought to take a balanced view given the time commitments and responsibilities of the positions. They were aiming to provide adequate remuneration for these commitments, and to reduce financial barriers to becoming a Deputy Cabinet Member, whilst not forgetting the severe current economic situation and financial constraints placed on the City Council.
- 2.8 There is a requirement for both the IRP recommendations and the authority's response to be widely publicised. Recommendations that are approved will need to be incorporated in a revised scheme of allowances and expenses to be published within the Council's constitution.

### **3. Results of consultation undertaken**

- 3.1 Views of the Leader of the City Council, the Deputy Leader and the Leader of the Opposition were sought in order to assist with the Panel's deliberations on the scheme of allowances.

#### 4. Timetable for implementing this decision

- 4.1 For the recommendations approved relating to allowances, these payments would be backdated to 16 May 2013, and this would be implemented as soon as practicable after the decision by Council on the recommendations. The Members' Allowances and Expenses Scheme would be updated immediately to reflect the decision made.

#### 5. Comments from Director of Finance and Legal Services

##### 5.1 Financial implications

- 5.1.1 On the basis of all the principal recommendations approved by Council, the Panel has calculated that this will result in a net budget reduction of £6,487 as follows:

<b>Reductions in Allowances</b>	<b>Reduction £</b>	<b>Increase £</b>	<b>Net change £</b>
Reduction in SRAs for Deputy Chairs of Scrutiny Boards (6 @ £2,578)	15,468		
Reduction in SRAs for Scrutiny Board Chairs (1 Chair @ £6,439)	6,439		
<b>Increases in Allowances</b>			
£ Deputy Cabinet Members @ £5,140		15,420	
<b>Total</b>	21,907	15,240	- 6,487

##### 5.2 Legal implications

- 5.2.1 There is a legislative requirement that the Council must have regard to the recommendations made by the IRP and determine whether and how these are implemented. The City Council must have regard to the recommendations made by the IRP before it amends any part of the current Members' Allowances and Expenses Scheme.

#### 6. Other implications

- 6.1 **How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The recommendations from the Panel must be considered by the Council to ensure it meets its statutory obligations around Member allowances and expenses. Having an effective and up to date Members' Allowances and Expenses Scheme in place ensures that elected representatives are supported fairly and appropriately for the roles they carry out. It should also help to attract quality candidates to stand as local councillors and to retain them.

- 6.2 **How is risk being managed?**

The key risks are as to whether the Members' Allowances and Expenses Scheme remains up to date and meeting all legal requirements to support and remunerate elected Members. The Council must demonstrate that all recommendations have been considered as part of the Panel's final report. This report ensures that this is the case.

### 6.3 What is the impact on the organisation?

The Deputy Cabinet Members will assist the Cabinet Members in their roles, making the Council's Executive more effective and efficient.

### 6.4 Equalities / EIA

None.

### 6.5 Implications for (or impact on) the environment

None.

### 6.6 Implications for partner organisations?

None.

#### Report authors:

Hugh Peacocke, Governance Services Manager, Democratic Services.

**Directorate:** Customer and Workforce Services

**Tel and email contact:** 024 7683 3080, [hugh.peacocke@coventry.gov.uk](mailto:hugh.peacocke@coventry.gov.uk)

Enquiries should be directed to the above person.

Contributor/ approver	Title	Directorate/ organisation	Date doc sent out	Date response received/ approved
<b>Contributors:</b>				
Helen Abraham	AD Democratic Services	CWS	3/6/13	3/6/13
<b>Approvers:</b>				
		Finance & Legal	3/6/13	7/6/13
Bev Messinger	Director	CWS	3/6/13	7/6/13
Councillor P Townshend	Cabinet Member (Community Safety and Equalities)		30/05/13	6/6/13

This report is published on the council's website: [www.coventry.gov.uk/meetings](http://www.coventry.gov.uk/meetings)



## Public report Cabinet Report

Cabinet  
Council

18<sup>th</sup> June 2013  
25<sup>th</sup> June 2013

**Name of Cabinet Member:**

Cabinet Member (Business, Enterprise and Employment) – Councillor Kelly

**Director Approving Submission of the report:**

Director of City Services & Development

**Ward(s) affected:**

All wards are affected, St. Michaels particularly.

**Title:**

Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings

---

**Is this a key decision?**

Yes

This Project will affect St Michael's ward particularly as it covers the City Centre, but will also impact on other wards through the proposed rationalisation of buildings and the whole of the City in regeneration and economic terms. In addition to this, the decision involves expenditure in excess of £1m and delivers revenue savings of £0.5m per annum.

---

**Executive Summary:**

Stimulating new jobs and the local economy by the Council starting the development of a new office based business district at Friargate, next to Coventry Railway Station which has the potential to generate 13,400 permanent jobs over the next 10-15 years is the subject of this report. The Council is proposing to be the first occupier at Friargate giving confidence to others to locate there. This report needs to be read in conjunction with the 'Friargate Bridge' report elsewhere on your agenda which deals with the construction of essential infrastructure at Friargate. By investing in a new building at Friargate, it will allow the Council to transform the way it delivers services to the public and make savings as part of a package of changes which comprise in full:

- a) the construction of a new, Council-owned office building as the first building within the Friargate development
- b) investment in the creation of a new Customer Services Centre in Broadgate
- c) Investment in the Council House as the Civic and Democratic Centre
- d) Investment in a number of other suburban office buildings to support locality based service delivery
- e) The introduction of agile and flexible working arrangements for Council staff to drive productivity and efficiency gains
- f) the rationalisation of the Council's operational office buildings from 27 to 9
- g) the construction of the Friargate Bridge (subject to a separate report on the agenda)

This is a once in a generation opportunity to stimulate a more successful City, by starting the Friargate scheme as a source of jobs, rates and growth. It will give confidence for others to follow and invest as well as encouraging the development of the City Centre South retail scheme. It comes at a time when the City's economy needs stimulating and the Council needs a new approach to meet budgetary and service delivery pressure arising from reduced Central Government resources. The Project will generate ongoing revenue savings and will allow the Council to transform the way it delivers services to the citizens of Coventry.

A dedicated Customer Services Centre will provide huge improvements to the citizens of Coventry in accessing council services. A 'one stop shop' of Council services will avoid the need for customers having to visit different council offices, improving both the customer journey and experience. Furthermore, in the modelling of the customer service centre consideration will be given to how other agencies can work alongside the council providing services in a more integrated way.

It also provides the Council with a future estate that is more energy, carbon and space efficient, and freer from backlog and statutory maintenance requirements, which will permit more agile and flexible use of space and working practices.

To maximise inward investment and job creation potential of Friargate it is essential that the railway station area is fully connected to the City Centre. To address the barrier created by the Ring Road it is proposed to remove the roundabout at Junction 6 and to build a bridge deck across the Ring Road (the 'Friargate Bridge'). This is the subject of a separate Cabinet/Council report on your agenda today. The Friargate Bridge will be funded through the Regional Growth Fund allocation of £12.7m.

### **Recommendations:**

Cabinet to recommend to Council that it:

1. Commits to the wider Friargate development using the Project detailed in this report as a catalyst for jobs, growth and additional rates income.
2. Approves the overall affordability strategy for the Project as set out in this report.
3. Approves the rationalisation and changes to the Council's existing operational estate and its ongoing use, including the creation of a new Customer Services Centre within Broadgate House and the Civic and Democratic Centre in the Council House and the subsequent disposal of assets released.
4. Authorises officers to procure the required contracts and make necessary arrangements to achieve the Council office at Friargate, the Customer Services Centre at Broadgate, the Civic and Democratic alterations to the Council House and to the four suburban hubs, associated ICT infrastructure, project management and decommissioning arrangements at the total estimated capital cost of £59m.
5. Approves the addition of this scheme to the Council's capital programme for 2013/14 onwards and uses its prudential borrowing powers under the Local Government Act 2003 to finance the capital costs of the Project up to £59m.
6. Authorises the Council's section 151 officer to complete a submission to the Coventry and Warwickshire Local Enterprise Partnership and subject to LEP Board approval, onwards to HM Treasury, requesting that the Project benefits from an estimated £31m of prudential borrowing at preferential rates available from HM Treasury.



7. Approves that the capital receipts generated from the disposal of the resulting redundant operational estate be ring-fenced to finance the Project and request officers to prepare a disposal strategy for those assets.
8. Approves £1.7m of the City Deal monies/reserves already budgeted for in the Council's medium term financial strategy are utilised to finance project management costs within the overall approval of project costs in 4 above.
9. Approves project management and design costs of £1.4m that will be incurred at risk up until January/February 2014 when contracts are planned for signature.
10. Uses the recently established Cabinet Advisory Panel (Regeneration and Infrastructure) to provide political guidance and support to the operational aspects of the wider programme, including agreeing the scope and general remit of the programme delivery team as per the proposed governance arrangements in **Appendix 1**.
11. Authorises the Assistant Director – City Centre & Development to negotiate with an incoming second occupier to establish a national HQ, within the Friargate development based on the principles set out in this report and to receive a further Cabinet report at a later date with the details of the arrangement for consideration.
12. Delegates authority to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment) and Cabinet Member (Strategic Finance and Resources), to award contracts to achieve the Project within the affordability parameters detailed in this report.
13. Delegates authority for any other detailed legal and financial matters to the Director of City Services and Development and the Director of Finance and Legal Services, in consultation with the Leader, Cabinet Member (Business Enterprise & Employment), Cabinet Member (Strategic Finance and Resources) and Cabinet Advisory Panel.

Council is recommended to approve recommendations 1 – 13 made by Cabinet.

#### **List of Appendices included:**

Appendix 1 – Proposed Governance Structure  
 Appendix 2 – Coventry Profile 2013 – Centre for Cities  
 Appendix 3 – List of existing office assets  
 Appendix 4 – List of assets retained  
 Appendix 5 – CGI of completed Friargate scheme

#### **Other useful background papers:**

Collaboration Agreement approved by Cabinet on 8<sup>th</sup> February 2011  
 Planning Committee – July 21st 2011, and planning application and decision notice  
 OUT/2011/0036 on Coventry City Council Planning Portal  
 Centre for Cities: Private sector cities, a new geography of opportunity, 2010  
 Centre for Cities: Driving growth; supporting business innovation in Coventry and Warwickshire, 2013  
 CACI: Retail footprint 2011

#### **Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

Yes

25th June 2013

## **Report title: Starting the Friargate Business District to Regenerate the City, Transform the Council and Deliver Savings**

### **1. Context (or background)**

#### **Coventry's Economy**

- 1.1 Coventry has great potential for growth with two global universities, an unrivalled location, exceptional motorway, rail and air transport infrastructure and a talent pool for employers to recruit from, yet Coventry's economy is underperforming by nearly £1billion per annum and its City Centre performs poorly compared to other cities, being 47<sup>th</sup> in the UK list of shopping Centres, despite being the 13<sup>th</sup> largest City. As the gateway to the Coventry and Warwickshire regional economy the City Centre is not pulling its weight. There is headroom for growth and the City and its City Centre need an economic stimulus to reverse this decline.
- 1.2 The Centre for Cities, an independent urban research organisation, classified cities in 2010 as buoyant, stable or struggling. Whilst Coventry's economy was classified as 'stable' they did indicate that it was close to being classified as 'struggling', and indicated that 11,900 jobs would be needed to bring the City's employment average up to the UK average. Compared to 63 other UK Cities, Coventry was performing less well across a number of economic indicators including business start-ups, business stock and economic activity per head, skills, employment, earnings and house prices. Coventry's economy has less private sector jobs and more public sector jobs when compared to other cities. The full suite of indicators is attached as **Appendix 2**.
- 1.3 Whilst there are indications that Coventry has been weathering the recession well and some parts of the local economy are growing, there is a lack of suitable built or readily available business premises to accommodate this growth. It is for this reason that Centre for Cities have recently recommended that the Council and the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) continue to prioritise funding for improvements to Coventry City Centre as it is the gateway to the region and acts as a hub for businesses.
- 1.4 Friargate has the potential to radically change the City Centre and the Coventry and Warwickshire economy, by creating a new office based business district next to the railway station that could create permanent and temporary jobs that will boost the local economy and strengthen the catchment area for the City Centre South shopping scheme. Whilst the scheme has outline planning permission it lacks an anchor office that signals confidence in the Project and provides the impetus to regenerate this area through redevelopment, making it more accessible and integrating it with the City Centre through public realm improvements including the Friargate Bridge.

#### **What is Friargate and what is its potential**

- 1.5 'Friargate' is the name given to the redevelopment scheme located on approximately 37 acres of land next to Coventry Railway Station. When completed the mixed use scheme of 300,000m<sup>2</sup> will provide a new business district for the City of which 185,000m<sup>2</sup> will comprise high quality office accommodation. There will, in addition, be provision for ancillary retail, hotel and leisure uses along with residential uses.
- 1.6 Friargate has the potential to be an engine of economic growth, job creation and physical regeneration of Coventry over the next 10-15 years re-emphasising the importance of the City Centre to the regional economy. It has the potential over this period to generate:
  - 13,400 permanent jobs and
  - 7,800 temporary construction jobs,

- Grow the local economy by £1.1 billion per annum
- Change the welcome to the City at the Railway Station through public realm and access improvements through the Friargate Bridge and public boulevard route and
- Boost the catchment spend potential of the City Centre South retail and leisure offer, and
- Grow business rates that the Council will be able to retain by £11m per annum when fully developed and
- Be a low carbon exemplar development

- 1.7 Outline planning permission for the Friargate masterplan was granted on 21<sup>st</sup> July 2011. The success of the wider Friargate development as part of the City Centre's regeneration depends on integrating the Friargate site with the City Centre. To achieve this it is essential to overcome the visual and physical barrier posed by junction 6 of the ring road. It is proposed to achieve this by creating a 'green bridge deck' the "Friargate Bridge" over the Ring Road extending Greyfriars Green to the edge of the site and removing the roundabout and associated slip roads and structures. Warwick Road will be returned to its pre ring road alignment and a more simplified junction will be created allowing all vehicle movements except a right turn from Warwick Road in-bound onto the Ring Road, for which alternative arrangements will be made. Improved access to the railway station is also required. These works are integral to the Friargate project and proposed to be largely funded by Regional Growth Fund monies. The Council undertaking these works requires the Friargate developer to build a pedestrian boulevard route from the front of the railway station to the ring road, completing a high quality link from the station to the City Centre. This will transform the environment of this part of the City Centre in accordance with the Collaboration Agreement agreed with the developer to bring the site forward for development and approved by Cabinet on 8<sup>th</sup> February 2011. The construction and funding of the Friargate Bridge forms the subject of a separate report on your agenda today.

### **Stimulating the development of Friargate**

- 1.8 The remainder of this report concerns a proposal that the Council construct and occupy the first building on the site to kick-start its physical development, demonstrate the City's confidence in its potential and anchor the Friargate development for other occupiers and investors to follow. It also seeks authority to negotiate with a national organisation to move its UK headquarters to the site, which would incorporate both its current local operations together with additional staff from elsewhere in the UK. This move would also create additional floorspace to let speculatively.
- 1.9 Securing the infrastructure funding for the Friargate Bridge to integrate the Friargate development into the City Centre is the first stimulus for its redevelopment. Securing its first significant occupier is the next major stimulus as it demonstrates real confidence in the development's potential as a business location, and paves the way for real activity on the site in terms of demolition of existing buildings and construction of new. In short, it sets the tone of expectation for the rest of the development and demonstrates that Friargate and Coventry is open for business.
- 1.10 The problem every new development faces is securing its first significant occupier, this is particularly so for Friargate as it tries to build an office based mixed use commercial district that Coventry has never had. Other occupiers and investors are cautious about making the first move partly because the concept is new for Coventry and partly because it is launching, five years into a difficult national economy which has taken its toll on the business, construction and development industry.

- 1.11 Discussions have been held between the Council, the developer and a potential occupier of a second building at Friargate, in the light that the Council may act as the anchor occupier at Friargate. The potential occupier has indicated strongly that they would follow the City Council to Friargate if the Council was to make the first move, but not otherwise. The occupier a national organisation and household name would establish its UK headquarters at Friargate relocating both local staff together with a mixture of some of its staff elsewhere in the UK and taking on new staff. The organisation would take c40,000 sq ft in a building of 80,000 sq ft meaning that there would be an additional c40,000 sq ft available for private renting.

**Why would the City Council occupy a building and move some of its operations to Friargate?**

- 1.12 The Council's resources are under significant pressure. Significant funding reductions from central government and policy changes are unprecedented. In the forthcoming comprehensive spending review, it is likely that local government will continue to bear further significant formula grant reductions. Delivering services in new ways and maximising the efficiency of staff, property assets and new technology are essential to managing the financial impact in order to protect the most vulnerable in the City.
- 1.13 As the Council shrinks, the state of our property estate and the way that we use it holds the Council back from major change because it is inflexible in use. The proposal you are being asked to consider will generate ongoing revenue savings and can be considered to be an 'invest to save' proposal.
- 1.14 At the same time as this pressure on resources, the Government is giving local authorities greater freedom to generate its own resources through business rates retention. Under business rate reforms, the Council is able to retain half of any new business rates growth which will be used to fund essential services. Friargate has the potential to generate £11m per annum of new business rates that the Council will be able to retain when it is fully developed in 10-15 years' time. It is an opportune time to use the Council's borrowing powers and assets to kick-start the Friargate scheme, to drive business rate growth, jobs and the regeneration of the City.
- 1.15 The proposal that is being recommended to you requires the Council to:
- Stop investing in most of the existing office estate and sell residual buildings
  - Close 18 buildings, when a replacement is ready
  - Invest in a single replacement building at Friargate for all business activity except customer facing, civic and democratic activities
  - Focus all face to face customer activity in one City Centre location in the shopping Centre at Broadgate House - this would also ensure that footfall would continue to remain in and around the shopping centre
  - Focus civic and democratic activity at the Council House
  - Support area based service delivery through four suburban hubs
  - Introduce agile working to maximise the investment in a new building and technology
  - Reduce duplication of activity because of a more focussed approach to service delivery and smaller estate through an efficiency headcount reduction of 70 posts
- 1.16 This proposal will have the following benefits:
- Annual revenue savings of at least £0.5m per annum after paying for borrowing costs
  - The creation of 1,000 temporary construction jobs
  - A better customer experience for residents of Coventry
  - A better civic use of the Council House
  - A carbon and energy efficient building
  - A green travel plan for employees based in the office buildings

- The extension of heatline to Friargate
- It will kick-start the wider Friargate redevelopment and create economic growth and regeneration for the City of Coventry, including business rate growth

### **Doing nothing is not an option**

- 1.17 The proposal being recommended to you is bold. It is also a leap of faith in the ability of the City to transform its offer to businesses, grow the local economy and jobs, changing the way we work and the welcome Coventry gives to visitors to the City. It will maximise the use of our property, people, technology and financial assets for the benefit of the City and the Council alike. It will send a clear message that Coventry is a place of choice for people to invest, live, and work.
- 1.18 Doing nothing is not an option, it will not grow the City or its economy. It will limit the ability to make major changes to the way the Council operates and it will require future capital investment for the upkeep of an office estate that will continue to remain inflexible, underutilised and carbon poor.

## **2. Options considered and recommended proposal**

- 2.1 In 2010 officers conducted a high level options review of the office buildings used by the Council in the delivery of services. Only one option considered had the potential to link the Council's office requirements to wider regenerative benefit to the City, this has been worked up in more detail and is the 'Friargate' scheme which forms Option 2 of this report. It is compared to the Option 1 which is to continue to maintain the existing office based estate and investing in it over a comparable period of (44 years).
- 2.2 In completing the option appraisal we have looked at (a) the value for money of the options – which means modelling the cost of each option over a 44 year period including capital and revenue costs discounted back to compare the options at current prices (b) we have then assessed whether the option that represents value for money is affordable when compared with Council budgets.

### **Option 1 - Continue to maintain and use the existing office based estate**

- 2.3 This option continues to utilise the 27 buildings currently used for a combination of public facing activity through 14 reception points, operational based accommodation for staff delivering services away from the buildings and supporting administration and process driven activities, often in the same building.
- 2.4 This option provides a poor customer experience for members of the public, often being passed from building to building particularly if they require multiple Council services which are housed in different buildings.
- 2.5 These buildings provide 53,700m<sup>2</sup> of accommodation for 2,960 staff on a one workplace / workstation per member of staff basis. 10 of these buildings are in the City Centre, 4 are edge of City Centre and the remainder (13) are in suburban locations. These buildings are listed in **Appendix 3**.
- 2.6 These buildings generate 4,700 tonnes of carbon from energy consumed, have a space allocation of 12m<sup>2</sup> per person, house nearly 700 cellular offices and hold an estimated 24,000 linear metres of paper filing. An office utilisation study in 2010 of 5 of our larger office buildings identified that workstation usage was 43% and meeting room utilisation 17%.

- 2.7 This estate has a repairs backlog, measured from condition surveys at £23m, primarily based on the need to replace elements of building fabric and renewal of services. The youngest building in the portfolio is 40 years old and the oldest over 100 years old.
- 2.8 To continue to run the existing estate over the next 44 years it has been assumed for the purpose of the appraisal that backlog maintenance is undertaken, lifecycle maintenance and refurbishment undertaken and expenditure made on furniture, fitting and equipment is made. This capital expenditure over the appraisal period amounts to a required capital investment of £63m. Option 1 has a whole life cost, which includes capital investment and running costs at current prices of £122m (excluding interest costs).

## **Option 2 - The Friargate based option**

- 2.9 This option is based on a smaller estate of 9 buildings, 8 retained and one new building to be built at Friargate. Eight of the buildings including the new building at Friargate, will be used for operational support and administrative processes and organised in a hub and spoke configuration to support patch based and specialist service delivery. City Centre customer facing services will be delivered from a single point in Broadgate, a Customer Services Centre, accessed from the Upper Precinct walkway in Council owned property. Specific customer access will be retained in four suburban buildings supporting the activities conducted there. In all, public reception points will be reduced to 6. This will be coupled with work to reconfigure the ways that customers access Council services including the opportunities to utilise technology to encourage self-service where possible under the **abc** programme. Civic and democratic functions will continue to be delivered from the Council House, but customer facing activity in the Council House will move to the Broadgate Customer Services Centre. 18 buildings will be disposed and the capital receipts generated used to contribute to the financing of the project. Of the new estate 3 buildings are in the City Centre, three are on the edge of the City Centre and the remainder four are in suburban locations. These buildings are listed in Appendix 3. The business case assumes that Elm Bank 'one of the edge of centre' buildings is exited in year five. The Council also aims to work towards an exit of Southfields as the programme is implemented.
- 2.10 These buildings will provide an office estate going forward two thirds smaller than the current footprint at 18,350 m<sup>2</sup>. The new building at Friargate will be 14,000 m<sup>2</sup> of this total. Staff will be able to work in an agile and flexible way according to the workstyle most suited to their job. This means that all staff will have access to a desk or a facility to access the Council's IT systems within Council buildings, but staff will not have a desk dedicated to their sole use. This proposal is more than a physical project and requires a programme of change in the way that the Council works and utilise space. It provides a platform for wider transformation change across the Council and the next stages of the **abc** programme.
- 2.11 This smaller estate will reduce the Council's carbon footprint from its office estate by a third to just over 3,000 tonnes, largely as a result of constructing the new building at Friargate to a BREEAM excellent status which is naturally ventilated and partly through heating it from the Heatline scheme which will be extended to the Friargate development as part of this proposal. Space allocation per person would be reduced to 8m<sup>2</sup> per person and on site paper storage and filing reduced by 87% to one linear metre per person. Archival filing will be held electronically as a design principle and will require digitisation of paper records through electronic document management (EDMS) as a major feature of this proposal. Off site and on site storage and filing will be very limited and avoided as a design principle.
- 2.12 The Friargate building will not contain any cellular offices. It will however be well equipped with meeting rooms and break out space for staff to conduct confidential discussions and meetings.

- 2.13 A 3% headcount efficiency of working from fewer buildings and the reduction in duplication of building based activity has been factored into the business case, meaning that the smaller estate will house 70 fewer staff. This efficiency saving is at the bottom end of efficiency savings achieved by peer authorities in similar circumstances and is only achievable by rationalising the operational estate fundamentally through Option 2. Option 2 also delivers significant reductions in property running costs and further details are provided in section 5.
- 2.14 This newer and smaller estate would require new investment in the new building together with investment in the Customer Services Centre and the Democratic Centre, lifecycle maintenance and refurbishment undertaken and expenditure made on furniture, fitting and equipment over its lifecycle. Option 2 will incur capital expenditure over the appraisal period of £59m. Option 2 has a whole life cost, which includes capital investment and running costs at current prices of £94m.
- 2.15 Option 2 – Friargate – is value for money and is the preferred financial option, because it has a £28m lower whole life cost (and lower overall capital cost) than Option 1.
- 2.16 The Council will use its borrowing powers to finance the Project and deliver Option 2. The Council will make significant savings on day to day property and other running costs which will be used to pay for the costs of the borrowing and deliver net overall savings. This means the project overall will save the Council money and is affordable.
- 2.17 Over 44 years the Project will deliver £24m savings in net terms after the costs of borrowing. This equates to £0.5m net savings per year.

#### **Recommended option to pursue**

- 2.18 Officers recommend the pursuit of option 2, the Friargate based option. This is for three reasons, the regenerative impact it will have on the City, the opportunity it presents to transform service delivery and the savings it releases.
- 2.19 The regenerative impact is based on the Council kick starting the Friargate scheme by being the first occupier to commit to a building there. This will give confidence to other investors and occupiers considering locating at Friargate and unlock the jobs and economic potential of the site.
- 2.20 The transformational impact is based on the opportunity it gives the Council to change the way that we work by bringing staff together into mainly one building, by improving and transforming the way that the Council interacts with its customers and by improving the civic role of the Council House. There are also wider opportunities for transforming the way that public services more widely are delivered within the City as the project develops.
- 2.21 In financial terms the project is value for money and delivers revenue savings.

#### **Additional opportunity to pursue**

- 2.22 Officers have had early discussions with a national organisation, based in London and with a local representation about them moving to the Friargate site and the Council supporting this move by underwriting some of the risks involved. For example, this may include a break point for a proportion of the second occupier's lease that the Council would underwrite. These discussions have also extended to the developer who has indicated a willingness to build additional space on a speculative basis and at risk as part of this proposal which would bring in a further new occupier. The benefits of this arrangement are that it would secure a second c80,000 sq ft building with associated business rates growth. This proposal would if successful result in approximately 350 jobs moving to Friargate, 100 which would be relocated from elsewhere in the UK or newly created and 250 from



elsewhere nearby. A further recommendation is for officers to continue these negotiations and bring definite proposals for your approval at a subsequent date.

### **3. Results of consultation undertaken**

- 3.1 Council staff will need to be fully engaged in the Project in order to deliver the changes and this is already in progress through staff briefings. Formal consultation processes with staff and Trades Unions will take place as required during the programme. The Friargate Bridge project has been the subject of public consultation as part of the planning process.
- 3.2 As part of the process so far, a detailed and comprehensive communications strategy has been developed which is aimed at ensuring all stakeholders are aware of the changes and informed throughout the programme as it progresses. This has and will include going forward, focussed workshops for staff and other stakeholders, regular press releases and the ongoing use of social networking where applicable.
- 3.3 The wider Friargate development was granted outline planning permission on 21<sup>st</sup> July 2011. The Council's proposed building plot was identified and the overall site layout was approved. As the Project develops and the programme team work with the developer to agree design principles, a planning application for the Council's new building will be submitted for consideration early in 2014.
- 3.4 There will be ongoing dialogue with access groups and staff to ensure that the project reflects the needs of people with disabilities including those within the Customer Services Centre.

### **4. Timetable for implementing this decision**

- 4.1 The anticipated completion for the programme of works, i.e. fully operational and Council staff occupying the new building, and the necessary changes in the way that we work, is December 2016. Within the overall programme funding for costs of a project delivery team have been included involving some additional and existing resource utilisation. This will require a governance arrangement as per **Appendix 1** and will require ongoing support from Members and senior officers. It is proposed to use the recently established Cabinet Advisory Panel (Regeneration and Infrastructure) to ensure that appropriate political engagement, steer and escalation processes are in place. This Advisory Panel includes opposition representation.

### **5. Comments from Director of Finance and Legal Services**

#### **5.1 Financial implications**

The project was approached by looking at two options;

**Option 1** - Continue to maintain and use the existing office based estate

**Option 2** - The Friargate option

#### **5.2 Value for money**

- 5.2.1 The value for money of each option was assessed using 'HM Treasury Green Book standard analysis'. This is the recommended approach for capital investment decisions. The financial assumptions have been modelled over 44 years, this takes account of the period between now and 2016 when the Council will prepare for the new building and deliver adaptations to existing buildings. The new building will be operational for a period of 40 years, which is the minimum expected life of the building.

5.2.2 The Friargate option has a whole life cost of £94m (and a capital cost of £59m) and the option to stay in our existing buildings has a whole life cost of £122m (and a capital cost of £63m). Friargate therefore has a £28m lower whole life cost than Option 1. Friargate is the preferred financial option from a value for money perspective. A business case was developed to demonstrate that the Friargate option is affordable for the Council.

### 5.3 Affordability position and strategy

5.3.1 The Council will use its Prudential Borrowing powers to finance the capital costs of the Project. The capital costs included in the business case for the project are detailed in Table 1. Up to £10m of these capital costs are programmed to be incurred at later stages in the project e.g. lifecycle cost.

**Table 1: Project Capital costs**

<b>Cost type</b>	<b>£m</b>
New building at Friargate	£40.3m
Land, fixtures and fittings and Lifecycle costs	£12.3m
Investment in Broadgate House (Customer Services Centre), Council House (Democratic Centre) and suburban hubs	£1.9m
ICT & Decommissioning costs	£2.8m
Project Management and delivery	£1.7m
<b>TOTAL</b>	<b>£59m</b>

5.3.2 The affordability position of the Project including the cost of borrowing are shown in Table 2.

5.3.3 The Council will make significant savings on day to day property and other running costs which will be used to pay for the costs of the borrowing and deliver net overall savings. This means the Project overall will save the Council money and is affordable. Over 44 years the Project will deliver £24m savings in net terms after the costs of borrowing. This equates to £0.5m net savings per year. This is an invest to save project.

**Table 2 – Affordability position of the Project**

	<b>Total over 44 years</b>	<b>Average per annum</b>
	<b>£'m</b>	<b>£'m</b>
<b>Borrowing costs (capital and interest)</b>	<b>101.35</b>	<b>2.30</b>
<b>Revenue costs</b>	<b>98.52</b>	<b>2.25</b>
<b>Budgets available</b>	<b>(168.34)</b>	<b>(3.83)</b>
<b>Efficiency savings</b>	<b>(55.45)</b>	<b>(1.26)</b>
<b>Total cost /(saving)</b>	<b>(23.92)</b>	<b>(0.54)</b>

5.3.4 The Council will use its Treasury Management arrangements to minimise the costs of borrowing where possible to benefit the affordability position of the project. This includes only borrowing at a point in time when this is required in line with the timing of capital

costs being incurred and the wider cashflow position of the Council. The Council intends to bid to utilise the preferential prudential borrowing rate being made available by HM Treasury through the Local Enterprise Partnership for £31m of the borrowing should this provide a benefit to the Council financially.

- 5.3.5 The business case assumes the Council funds £1.7m of project team costs from either reserves or the City Deal funding allocated in the 2013/14 budget setting process to reduce the borrowing requirement.
- 5.3.6 Revenue costs are the estimated costs of running the Council's building at Friargate and includes heating, lighting and cleaning.
- 5.3.7 Budgets available are those budgets we will ringfence to the project going forward to facilitate the affordability strategy.
- 5.3.8 The difference between revenue costs and budgets available represents savings that will be achieved by delivering the project. These are (a) £800k per annum saving on property running costs including heating, lighting, repairs and cleaning (b) a commercial income target of £70k c) £220k associated with Treasury Management activities to minimise borrowing costs d) existing revenue planned maintenance budgets that will be ring-fenced to the scheme and provide a net saving of £490k against current planned maintenance costs in the existing estate.
- 5.3.9 In addition, efficiency savings will be delivered and represent a reduction of around 70 staff totalling £1.26m per annum.
- 5.3.10 The affordability modelling does not include the additional positive impacts of business rate growth from the Friargate scheme which are significant and £11m per annum over a 10-15 year period. The affordability modelling does not include other positive benefits on the City's economy including jobs and spend by new workers in the City Centre.
- 5.3.11 The operational estate's rationalisation involves the closure of a number of buildings over a period of time. The exact disposal strategy is yet to be agreed however it is recommended that where possible, the properties be openly marketed for sale. For certain buildings there may be a potential to discuss disposal opportunities with local partners to ensure that the buildings the Council no longer need are used to benefit the City Centre. The business case assumes capital receipts will need to be ringfenced to the Project to support the affordability strategy. Officers will bring forward a disposal strategy for the buildings before any move to the Friargate build.
- 5.3.12 There are potential abortive costs estimated at £1.4m which would be incurred should the project commence in June 2013, but not proceed to contract in January/February 2014. The costs include project management (£0.3m) and design/survey (£1.1m) works.
- 5.3.13 The detail of the financial implications associated with securing a second building on the Friargate development will form part of a subsequent report to Cabinet/Council.
- 5.3.14 The financial standing of Friargate LLP will be regularly monitored. Friargate are in regular discussions with Funders to ensure that existing obligations under the collaboration agreement and any changes required as a result are met.

#### **5.4 Legal implications**

- 5.4.1 The Council and Friargate LLP are already in a contractual relationship under a collaboration agreement to support Friargate with compulsory purchase orders if required and once the highway works are completed, to sell surplus land arising from highways that are stopped up as well as the disposal of the freehold of Central Six (sub

lease at a peppercorn) and Grosvenor Street Car Park on terms previously reported. The collaboration Agreement was agreed by Cabinet at its meeting in February 2011, and these capital receipts have not been factored into the business case.

- 5.4.2 For this Project to proceed the Council will need to acquire some of the site of the new building from Friargate and there will be a separate but linked transaction under a sale agreement for the land purchased under section 120 of the Local Government Act 1972. The Council will then undertake a procurement exercise to appoint a contractor under the Public Contracts Regulations 2006 for the construction of the offices on the land acquired from Friargate. As part of the sale agreement Friargate will enter into an agency arrangement to provide its own design team and project manage the office construction. If Friargate's design team fails to deliver a building within budget, programme constraints and to the Council's specification then the Council will not be liable for any design costs under the agency arrangement, and this is a risk that Friargate LLP will take. The Council's programme team will ensure that the Council's expectations are met. If however, the Council, for whatever reason (over and above those stated above) decides to withdraw from the process then the Council will be liable to abortive costs and will need to reimburse Friargate LLP accordingly. The likely running total, to the point at which the Council cannot withdraw (contractor mobilisation) is indicatively £1.4m. For the avoidance of doubt, this would constitute a breach of contract and therefore the Council would be legally required to reimburse Friargate and contractor appointed following the procurement.
- 5.4.3 The Council can use its powers under the Local Government Act 2003 for prudential borrowing.
- 5.4.4 Any disposal of the Council offices will be in compliance with the best consideration obligation under section 123 of the local Government Act 1972 and in accordance with a disposal strategy to be approved by Cabinet that seeks early marketing and negotiations designed to minimise the impact on the City Centre estate that will be vacated.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

- 6.1.1 The delivery of the Project will help achieve many of the Council's key objectives, including:

#### **6.1.2 *Coventry, proud to be a City that works...for jobs and growth***

The Project will provide the catalyst for a large-scale development of a new business district within the City. This new district will only be 1 hour away from London and is within close proximity to a number of other key business-orientated cities (Birmingham, Milton Keynes London etc.) along the M1/M40 corridor and in the West and East Midlands.

Despite the national economic downturn, office prices are continuing to rise in London and large employers are ever-looking to reduce their office space costs. Coventry is within easy commuting distance to the capital and businesses are keen to base themselves within high quality, premium office buildings that Friargate is able to offer.

The wider Friargate development is expected to support 13,400 permanent jobs plus a further 7,800 jobs for the duration of the construction phases.

Approximately 1,200 jobs will be created as a result of this Project, a second occupier in a separate building and the Bridge Deck projects alone.

**6.1.3 *Coventry, proud to be a City that works...for better streets and pavements***

The Project, together with the Friargate Bridge will create a more functional and controlled traffic flow in and around the train station. Furthermore, the wider infrastructure that will develop as a result of the Project (Key Route, new pavements, new road networks) will ensure fluid pedestrian and vehicle traffic movements across the entire development. Together with the Friargate Bridge scheme, the Project will see real investment in the general infrastructure which will properly link the train station to the heart of the City.

**6.1.4 *We will...be honest, fair and transparent when we make decisions***

The Project is an opportunity to significantly enhance the way in which the Council does business and manages public services. As part of the Project, the delivery team will ensure that staff and other stakeholders are regularly and openly engaged to create a transparent and honest approach as it progresses.

**6.1.5 *We will...celebrate all that's good about our City and its future***

The City has massive potential for economic growth and to return Coventry to a bustling place where people want to live, work and play. The City has untapped potential – we have two global universities, an unrivalled location and transport infrastructure, a talented recruitment pool and headroom for growth. At the moment we are stuck. The gap between the successful cities and Coventry is widening. We need to change that and doing nothing is not an option. An economic stimulus is needed and the Project is the catalyst needed to help achieve this.

**6.2 What is the impact on the organisation?**

**6.2.1 Customers**

The project involves the creation of a dedicated Customer Services Centre for all City Centre face to face contact on the first floor of Broadgate House accessed from the Upper Precinct walkway. The cost of converting the first floor has been included in the business case for the Project.

**6.2.2 Human Resources**

The Project will clearly affect Council employees as for many their place of work and method of working will change as the Project is implemented. It will mean those currently working in City Centre offices (apart from a small number working in the Council House and some working in the Customer Services Centre) and a small number currently working outside of the City Centre will relocate to the new building.

Employees will be affected in a variety of different ways:

- **Working environment;** the workspace will be open plan there will be an improved physical working environment with properly regulated environmental conditions, optimum temperatures, humidity lighting and acoustics. The provision of a safe attractive and stimulating working environment should result in improved motivation and productivity and should contribute positively towards recruitment and retention issues.

Office facilities will be shared and the workspace will be predominantly open plan with no partitions thereby removing many physical barriers and promoting a culture of openness.

Those buildings designated as “touchdown” hubs around the city will be upgraded to match the specification of the main City Centre building.

- **Agile / individual ways of working;** There will be fewer dedicated desks, workstations will no longer be regarded as a single individuals’ personal domain and space will be allocated according to function not grade. Employees will no longer have a fixed desk or office and less personal storage and associated office furniture. It will be possible to work anywhere anytime from a range of locations according to the needs of the job and staff and location independent agile working practices such as desk sharing, mobile and working from home where appropriate will be adopted and encouraged.

Employees will have the equipment they need to operate from a workstation and they will have an allocated amount of space for their personal storage. Workstations will be used in a flexible way such that a member of staff might move from desk to desk each day. Employees will be fully trained to enable them to undertake /adapt to new ways of working.

- **FTE reduction;** co-location of teams and services should result in a number of efficiencies particularly where current FTE effort or structures are designed due to existing accommodation arrangements. There is potential for reduction in duplication in a number of areas for example admin/management/supervisory/facility roles and services. It is anticipated as a minimum that there will be a potential headcount reduction of approximately 70 FTE.
- **Changes to traditional structures;** aside from duplication of effort the co-location of teams and services could result in opportunities to change traditional structures with greater potential for flatter structures and a more flexible use of resources creating opportunities for employees to work flexibly across teams – streamlining the number of different individual roles within the Council. This could mean more flexible / generic roles and potentially fewer specialist jobs (currently there are 2000 different job codes within the organisation).

As well as more effective use of resource a greater degree of flexibility amongst employees creates opportunities to broaden the employee skills base, assist with future staff development and potentially improves motivation and job satisfaction.

- **Changes to organisational ways of working;** the co-location of teams and services creates improved opportunities for cross departmental working greater collaboration, exchange of ideas and problem solving, grows skills and experience and potentially improves motivation and job satisfaction.

Agile working encourages and promotes an atmosphere of trust where the emphasis in performance management is more about the outputs from individuals rather than their attendance at work and whether they are seated at their desk. This has the potential to improve productivity and the way the organisation manages performance which in turn could lead to improved levels of motivation and job satisfaction.

The introduction of agile working and the co-location of teams and service also presents the opportunity to change traditional routines procedures and unnecessary bureaucracy.

- **Improved communication;** the co-location of teams and services has the potential to improve the flow of communication through the reduction of the communication hierarchies and channels; having fewer or more streamlined communication methods and creating opportunities for more upward exchange /challenge. Improved communication could lead to increased levels of motivation and job satisfaction.

Co-location increases the ability of services, teams and individuals to respond and adapt and react more quickly, speedier decision making; it also creates the ability /capacity to spot and exploit potential opportunities.

- **Terms and conditions;** no specific terms and conditions have been identified as requiring change to enable this project to be implemented. However the production of guidance in relation to agile working methods may be necessary along with a review of policies and /or procedures to ensure they align with proposed new ways of working.
- **Training and development;** employees will be fully trained to enable them to adapt to these changes for example; agile working methods, changes to working practices and how they can make the best use of the equipment available.
- **Consultation and engagement;** employees and trades unions will be engaged and consulted throughout the life of the project on issues that impact on employees this is to ensure employment related issues are managed effectively and appropriately.

### 6.2.3 Members

The Project will affect Elected Members through focussing democratic activities on the Council House in particular the Project will create replacement Committee Rooms in the Council House for those which will be lost in Civic Centre 3 and will remove customer facing activities currently conducted in the Council House to the Broadgate Customer Services Centre. The costs of implementing these changes are included in the Business Plan for the Project.

### 6.2.4 ICT

It is expected that the new office environment will provide fewer desks than employees, and that agile and flexible working will be widely adopted in a major change from current practices. In order to successfully make the transition to both a new office environment, and agile working, it is expected that a number of new technologies will be required. It is important to note that to achieve success, new technology will have to be accompanied by significant changes to working practices and current Council culture. New technologies expected include the following:

- **Unified Communications**  
The Council is in the process of procuring a Unified Communications system which will replace our aging telephony estate. The old system can't effectively support agile working, and in any case is nearing the end of its supported life. The new solution will combine the features of modern communications systems, incorporating instant messaging, voice and video conferencing as well as traditional telephony functions, and will be well placed to support agile working.

practices. The Council expects to deploy the new technology during 2014/15, enabling staff to become acquainted with it ahead of the major office move.

- **Electronic Document Records Management System [EDRMS]**

The Council has begun the process to procure a corporate wide EDRMS which will provide a technology platform on which all traditionally paper based documentation can be stored and accessed electronically. This technology will assist in significantly reducing the required storage space as the vast majority of paper documents will be scanned and filed in the new system. Additional advantages include holding only one copy of any document, and being able to associate it with other computer based records – for example, associating delivery notes with associated invoices and purchase orders. It is vital that this technology is in place prior to a move to Friargate as it is crucial for reducing the need for paper storage: the Council will not hit its storage target on the new site without this technology.

- **Resource Booking System**

The Council will introduce a new Resource Booking System to replace existing systems and provide a simple mechanism by which rooms, parking spaces and hot desks [amongst many other things] can be booked by employees irrespective of their location. Again, this technology is critical in enabling a transition to flexible and agile working practices.

- **Wireless Network**

Already deployed in many Council buildings, the wireless network will also apply in the new building, enabling network access from any location. Again, a key component in the overall flexible/agile working agenda.

### **6.3 Implications for (or impact on) the environment**

6.3.1 The Council's new office building will be within an extremely sustainable development. The Council's new building will target a 'BREEAM Excellent' accreditation which reflects a carefully considered, well-engineered and sustainable design solution. The designs will also look to maximise the use of natural light and ventilation and will incorporate a state-of-the-art building management system to carefully monitor the working environment which will control lighting levels and heating outputs – all of which will actively look to minimise energy consumption.

6.3.2 In addition to this, the building (together with the wider Friargate development) will be heated by the district energy scheme known as Heatline which uses waste heat generated by the Waste to Energy Plant on the London Road. It has been estimated that the carbon emitted from the new office-based estate compared to the existing will be reduced by over a third (34.2%) from 4,698 tonnes to 3,092 tonnes. The Heatline network will be extended to the Friargate project.

6.3.3 Linked to this project is the Bridge Deck at Junction 6 of the ring road. The works will reduce the amount of public highway and the new layout will calm and discourage through traffic whilst actively managing the flow of vehicle movement in and around the area. The Bridge Deck will also create a new green space, roughly the size of a rugby pitch, which will incorporate new trees, shrubs and plants which will have a positive impact on the environment.

6.3.4 This project is not just physical. There needs to be a culture change across the entire organisation to a) reduce the reliance of private cars as a means by which to travel to and from work, b) empower and educate staff to use Council offices more efficiently and c) encourage agile, flexible and home-working practices. To assist this process, and to



comply with planning conditions, a Green Travel Plan will need to be prepared which will capture staff travelling habits and will actively look to improve the impact of travel by staff and visitors to and from our new building.

- 6.3.5 Finally, the building will also incorporate proper cycle storage, showering and changing facilities to encourage staff and visitors to cycle to and from the building.

#### **6.4 Equalities / EIA**

- 6.4.1 A full Equalities Impact Assessment has not been undertaken at this stage, but will be as individual elements proceed.
- 6.4.2 Part of the Project is deliver a single point of access for face to face services accessible from the Upper Precinct on the first floor of Broadgate House, and the principle design consideration will be creating good access for the disabled to this facility. Other groups with protected characteristics are unlikely to be affected by this proposal. Making all face to face activities accessible from one location will improve general accessibility to advice and services from the Council.
- 6.4.3 The construction of a new building at Friargate will primarily impact on staff. The new building will be fully DDA compliant and include dedicated disabled parking on site.
- 6.4.4 The creation of replacement committee rooms in the Council House will need to address physical access to improve accessibility of the disabled for participation in democratic activity and this will be addressed in the detailed design stage.
- 6.4.5 As the Project progresses, and service redesign is completed for occupying services in the smaller estate, individual EIAs will be conducted to ensure that the Project removes barriers to access to public services affected and delivered from the estate.

#### **6.5 Implications for partner organisations?**

- 6.5.1 The Project may afford opportunities for other partner organisations to have face to face customer representation in the Customer Services Centre, subject to contributions towards costs. However, partner organisations will need to indicate quickly if they want to be involved in this part of the Project to enable scope and design freeze if the Project is not to be delayed or financially pressured. Officers will contact partner organisations to understand their appetite for this.
- 6.5.2 The new building at Friargate does not include partner space and it would be detrimental to the delivery of the project to include at this stage. However, the second building that is being negotiated will include speculative space and could accommodate partner organisations if they want to be part of these changes in the City.

#### **6.6 How is risk being managed?**

The financial climate and the need for a financial stimulus in the City to grow jobs and rates presents risks associated with not approving this report and moving forward with the Project including the risk of further economic decline. The remainder of this section will deal with risk management associated with the Project.

Risk will be managed in accordance with the Council's risk management arrangements. The Governance arrangements will include regular review of risks associated with the project and this has been actively managed to date through the Project Team and existing Project Board.

This is a major infrastructure and change project for the Council. It also involves significant reputational risk for the Council. It is important to establish a comprehensive project governance framework that allows for the Project to be delivered in the required timescale, but also allows clear and speedy decision making, escalation of issues where required and appropriate stakeholder engagement as the Project proceeds. It is proposed to use the recently established Cabinet Advisory Panel (Regeneration and Infrastructure) to provide political guidance to the project as part of the overall governance requirements, set out in **Appendix 1**.

The six key risks associated with the Project are set out below together with mitigation measures that will be used to manage the risks set out. The risks are:

- Regeneration risk
- Cultural and organisational change risk
- Vacated estate risk
- Programme Delivery risk
- Financial and Budgetary risk
- Reputational risk

#### **6.6.1 Regeneration risk**

There is a risk that despite the Council's investment, the Friargate development will not attract inward investment and the consequential jobs and rates growth on the scale the and at the pace anticipated.

*Mitigation measures* – The Friargate is a 10-15 year project that will change the face of this part of the City Centre. Friargate LLP have invested significantly on acquiring the site and achieving planning over the past 5 years and have a strong commitment to the scheme (demolitions, public realm) through the existing collaboration agreement. The Council and developer are in active discussions with a second occupier and a building that will include some speculative space to let. The separate but linked investment in the Friargate Bridge deck will remove the barrier presented by the ring road to Friargate's integration into the City Centre and create the best environment to attract new businesses to the location. The Friargate developers will actively market the availability of the site based on the Councils' decisions and the Council will align its Business Investment Team activities to ensure that the Council works actively with the developer on all inward investment enquiries.

#### **6.6.2 Cultural and organisational change risk**

The Project is predicated on the Council as an organisation changing the way it works to improve the way that customers are managed and to drive operational changes in the way that we deliver savings, and there is a risk that these changes are not delivered when the new building and customer service centre opens and the reduced estate takes effect.

*Mitigation measures* – As part of the Project delivery, a workstream will be established to deal specifically with this issue and resources have been included in the Business Plan for this. Customer management, location independent and agile working are well established concepts utilised in both public and private sector settings elsewhere and there is a lot to learn from the experiences of others. The key mitigation will involve early and sustained staff engagement with the change process that gives staff a 'say' in some of the choices that will be made as the project moves forward. The change programme is dependent on ICT improvements that liberate staff from a fixed desk location, and these are already well in train with the Councils existing ICT investment strategy.

### 6.6.3 Vacated estate risk

There is a risk that the vacated City Centre estate has a negative impact on the City when it is vacated in 3.5 years' time.

*Mitigation measures* – The key areas affected are the Civic Centres 1- 4 complex and the Christchurch/Spire House office complex, both of which will be vacated as part of the reorganisation of the estate. Both areas adjoin areas of existing or proposed activity, in that Civic Centres 1-4 adjoin Coventry University's campus area and Christchurch/Spire adjoins the City Centre South development site. Whilst proposals for the re-use of sites and buildings to be vacated are not currently well developed, part of the workstream for decommissioning these buildings will involve the development of a disposal strategy which seeks to market the early opportunity of the availability of these buildings, reduce the impact they would have as void buildings and promote their positive redevelopment and reuse to strengthen the opportunities to add to the vitality and viability of the City Centre

### 6.6.4 Programme Delivery Risk

The Project involves a number of physical projects that need to be delivered simultaneously, including new building, building adaptations, new infrastructure, building closures and disposals and staff moves. There is a risk that one or more projects delay the implementation of others.

*Mitigation Measures* – It is proposed to manage all the projects as one programme, each with their own governance arrangements, but with an overall programme management team that co-ordinates the work of all. The programme manager will trouble shoot and escalate problems to an overall project board and onwards where necessary to the Cabinet Advisory Panel (Regeneration and Infrastructure). Regular reporting and communication of progress to all stakeholders is an important remit of the Programme Office to be established. Resources have been included in the Business Plan for this Programme office to be established.

### 6.6.5 Financial and Budgetary risk

There is a risk that the Capital and running costs assumed in the Business Case exceed predictions and savings are not delivered.

*Mitigation measures* – The business case has been developed using assumptions from service and technical experts and external benchmarks, with support from the Special Projects Finance Team. Assumptions have been prudently assessed and tested. The project delivery team includes individuals with the skills, knowledge and experience of delivering complex projects, and this will be supplemented with additional appointments to cover specific skill requirements. The governance arrangements will include regular progress and financial reporting on the programme.

### 6.6.6 Reputational risk

The Council is taking a bold step to kickstart the local economy, change the way it works and deliver savings on the basis of a sound business case that demonstrates value for money. There is a reputational risk associated with not delivering these outcomes that needs to be weighed against the risks associated with continuing decline of the City Centre.

*Mitigation measures* – It is important that the Council continues to articulate why it is taking these steps and the impact of not taking them. Communication to all stakeholders is important and a detailed communications plan will be an important element of the

Project delivery. The governance arrangements will also ensure that within the Council, these risks will be monitored by the Cabinet Advisory Group (Regeneration and Infrastructure) which has cross party representation.

**Report author(s):**

**Name and job title:**

Nigel Clews, Assistant Director, Property Asset Management, City Services & Development Directorate

**Tel and email contact:**

024 7683 1320

nigel.clews@coventry.gov.uk

**Name and job title:**

Lisa Commene, Assistant Director, Special Projects Finance, Finance & Legal Services Directorate

**Tel and email contact:**

024 7683 3990

Lisa.commane@coventry.gov.uk

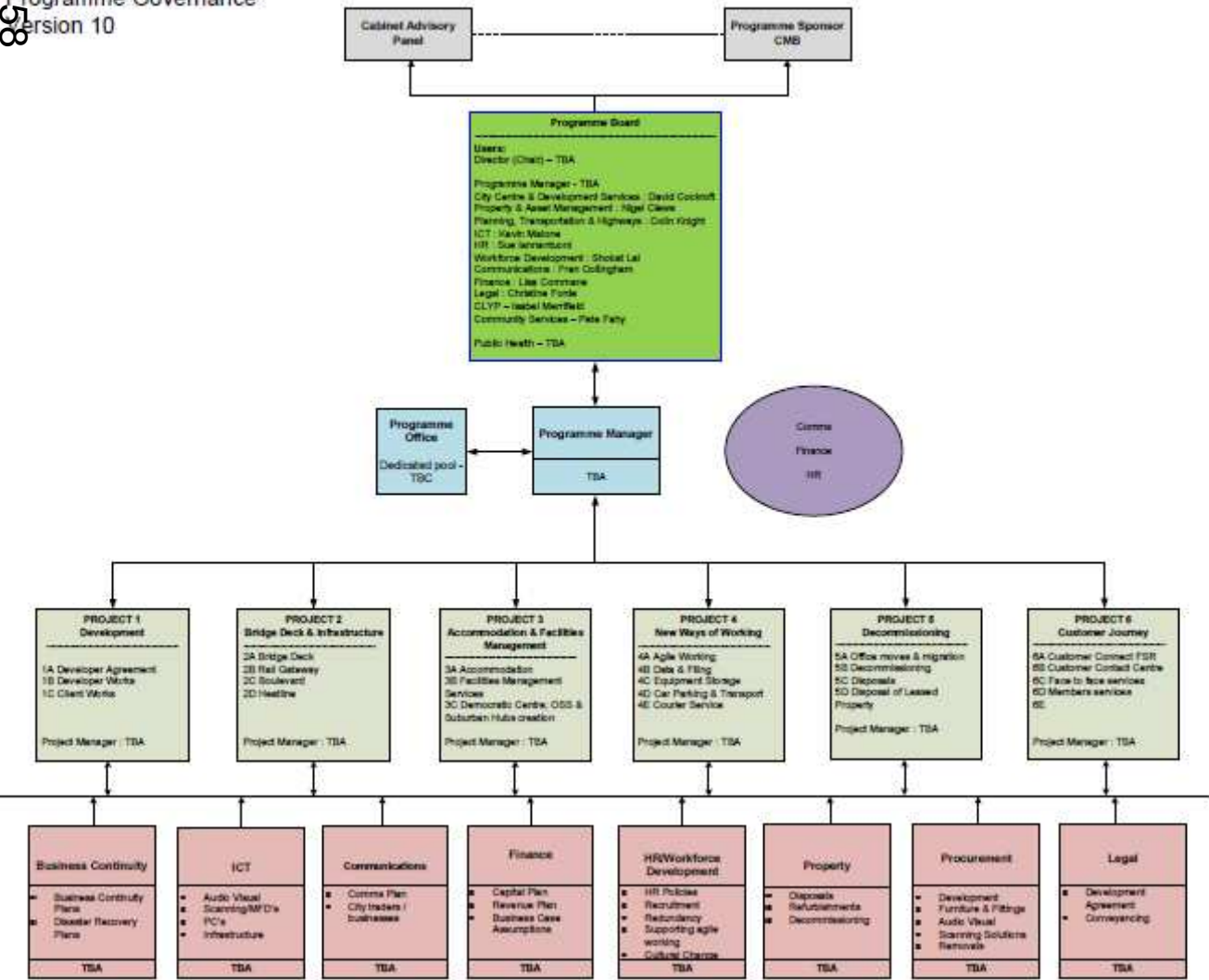
Enquiries should be directed to the above people.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
<b>Contributors:</b>				
Colin Knight	Assistant Director, Planning, Transport & Highways	City Services & Development	23/5/13	31/5/13
David Cockroft	Assistant Director, City Centre & Development Services	City Services & Development	23/5/13	31/5/13
Ian Johnson	Head of Corporate Property	City Services & Development	23/5/13	23/5/13
Martin Vickery	Head of Project Delivery	City Services & Development	23/5/13	31/5/13
Barry Butterworth	Team Leader (Development & Regeneration)	City Services & Development	23/5/13	23/5/13
Jane Simpson	Business Support Manager	City Services & Development	23/5/13	3/6/13
Rhian Jones	Transport Projects Officer	City Services & Development	23/5/13	23/5/13
Stephen Weir	Funding Officer, City Centre & Development Services	City Services & Development	23/5/13	24/5/13
Marion O'Brien	HR Business Partner	Customer & Workforce Services	23/5/13	31/5/13

Pete McDermott	Head of IT Strategy & Architecture	Customer & Workforce Services	23/5/13	24/5/13
Shokat Lal	Assistant Director, Customer and Business Services	Customer & Workforce Services	23/5/13	31/5/13
Doran Pearce	Head of Business Services	Customer & Workforce Services	23/5/13	24/5/13
Steve Thomas	Senior Accountant, Special Projects Finance	Finance & Legal Services	23/5/13	30/5/13
Other members				
<b>Names of approvers for submission:</b> (officers and members)				
Finance: Jane Murphy	Finance Manager, Special Projects Finance	Finance & Legal	23/5/13	30/5/13
Legal: Clarissa Evans	Commercial Team Manager	Finance & Legal	23/5/13	23/5/13
Martin Reeves	Chief Executive		3/6/13	6/6/13
Director: Martin Yardley	Director of City Services & Development	City Services & Development	3/6/13	5/6/13
Member: Councillor Kelly	CM (BEE)		3/6/13	6/6/13

This report is published on the Council's website:  
[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

Rick-Start | Bridge Deck | Friargate  
Programme Governance  
Version 10



STAKEHOLDER GROUPS



## Coventry Profile 2013 – Centre for Cities

Coventry	Measure	Rank	Measure	Rank	UK Average
Area km <sup>2</sup>	100	(52/64)			
<b>People</b>					
Total population, 2011	318,600	(29/64)			63,232,600
Population change 2010-11			0.4%	(44/64)	1.5%
<b>Business &amp; Innovation</b>					
Business start-ups per 10,000 pop 2011			35.5	(23/64)	41.3
Business stock per 10,000 pop 2011			242	(46/64)	337.6
Foreign owned businesses, 2010			5.8%	(8/64)	5.8%
Patents per 100,000 op, 2011			5.7	(15/64)	4.7
GVA per capita, 2011			£18,400	(37/64)	£20,873
<b>Skills</b>					
High level qualifications, 2011	55,800		26.8%	(37/64)	32.7%
No formal qualifications, 2011	34,600		16.6%	(60/64)	10.9%
5A*-C GCSEs inc Maths & English, 2011			54.1%	(35/60)	59.9%
<b>Jobs</b>					
Employment, 2012	136,100		64.8%	(53/64)	70%
Private to public sector ratio, 2011			2.1	(48/63)	2.7
Private sector jobs change, 2010-11	-400		-0.4%	(44/63)	1.1%
<b>Industrial structure</b>					
Manufacturing jobs, 2011	14,400		10.2%	(26/63)	
Knowledge intensive service jobs, 2011	25,200		17.7%	(10/63)	
Public service jobs, 2011	46,100		32.5%	(16/63)	
<b>Earnings</b>					
Average weekly wages, 2012	£450	(29/64)			£487
Change in real wages, 2011-12	£8	(9/64)	1.8%	(9/64)	£10
<b>Unemployment</b>					
JSA claimant count, Nov 2012	9,340		4.5%	(37/64)	3.8%
Youth claimant count, Nov 2012	2,440		4.9%	(21/64)	
Long term claimant count, Nov 2012	2,640		1.3%	(40/64)	1.0%
Claimant count change, from Feb 2008	2,650		1.2	(13/64)	
<b>Housing</b>					
Average House price, 2011	£136,200	(46/63)			£224,700
Housing stock change, 2010-11	730		0.6%	(21/63)	
Affordability ratio, 2011			6.1	(45/63)	
<b>Environment</b>					
CO <sub>2</sub> emissions per capita (t), 2010			5.6%	(15/64)	7.6
<b>Digital connectivity</b>					
Postcodes with superfast broadband, 2012			57.3%	(44/63)	

Source: Centre for Cities – Coventry Profile 2013

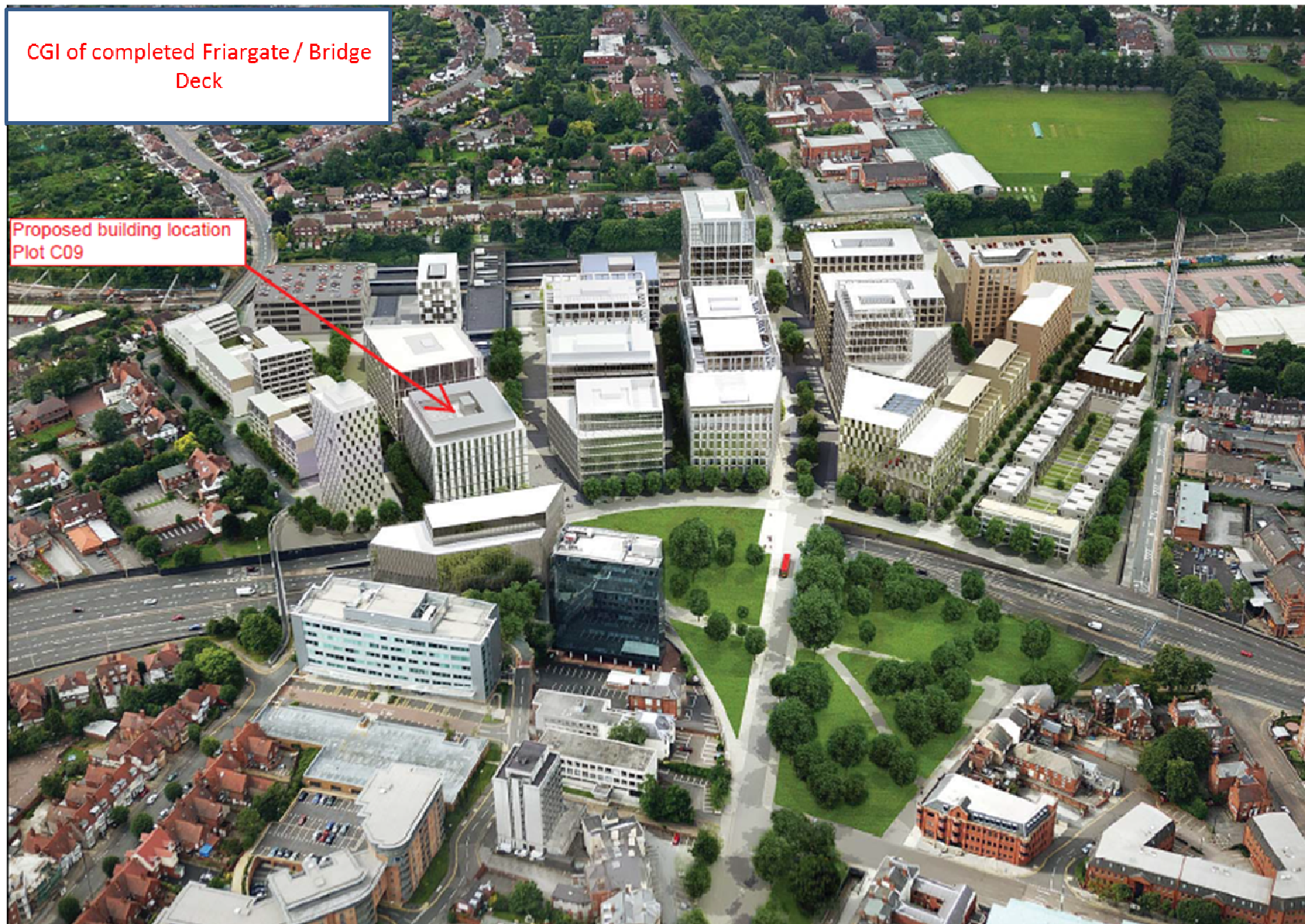
## Option 1 – List of existing office assets

City Centre	
Broadgate House	Civic Centre 4
Christchurch House	Spire House
Civic Centre 1	24 & 42 New Union Street
Civic Centre 2	West Orchard House
Civic Centre 3	Council House
Edge of Centre	
Whitley	James Brindley
Southfields	Elm Bank
Suburban	
9 North Avenue	312a Charter Avenue
Enterprise House	200 Telfer Road
Harp Place	Stoke House
Eburne Adult Education Centre	Coundon Family Centre
Faseman House	257 Stretton Avenue
Logan Assessment Centre	312 Charter Avenue
	Moat House Neighbourhood & Leisure Centre



## Option 2 – List of assets retained

<b>City Centre</b>
Friargate
Council House – Democratic Centre
Broadgate House – Customer Services Centre
<b>Edge of Centre</b>
Whitley
Southfields
Elm Bank
<b>Suburban</b>
Coundon Family Centre
257 Stretton Avenue
312 Charter Avenue
Moat House Leisure & Neighbourhood Centre





## Public report Cabinet Report

Paragraph 3  
Schedule 12A of the Local Government Act 1972

---

Cabinet  
Council

18<sup>th</sup> June 2013  
25<sup>th</sup> June 2013

### **Name of Cabinet Member:**

Cabinet Member (Business, Enterprise and Employment) - Councillor Kelly

### **Director Approving Submission of the report:**

Director of City Services and Development

### **Ward(s) affected:**

St Michael's

### **Title:**

**Friargate Bridge**

---

### **Is this a key decision?**

Yes – although geographically the development site is located within one ward it will have an impact on the whole of the city and the costs will be above the financial threshold of £1million.

---

### **Executive Summary:**

'Friargate' is the proposed commercial development scheme located on approximately 37 acres of land around Coventry Railway Station. When completed the scheme will provide a new commercial quarter for the City with up to 300,000 sqm of new development, of which over 185,000 sqm will comprise high quality office accommodation. It could create up to 13,400 permanent jobs.

The development is a fundamental part of the future economic growth, job creation and physical regeneration of Coventry and the region over the next 10-15 years. An outline masterplan planning application identifying the scale of change proposed was approved by planning committee on the 24<sup>th</sup> February 2011. The planning consent is outline so there are a number of reserved matters to be discharged before it can be implemented and highway works are a reserved matter.

To maximise inward investment and job creation potential it is essential that the station area is fully connected to the city centre. To address the barrier created by the Ring Road it is proposed to remove the roundabout at Junction 6 and to build a bridge deck across the Ring Road (the 'Friargate Bridge') to create a new attractive public boulevard route to link into the city centre and

to extend Greyfriars Green to the edge of the Friargate development. The new road layout and bridge is shown in Appendix A.

The proposed boulevard route will run from the front of the station, over the new bridge deck and into the city's central shopping area. In addition, as well as promoting enhanced pedestrian linkages and better visual connections the removal of the roundabout allows for additional land for development to be brought forward. The completion of these works will, through the Collaboration Agreement (approved by Cabinet in 2011) between Friargate LLP and Coventry City Council, require the developer to discharge the reserved matters on its outline planning consent and implement the pedestrian boulevard route from the front of the railway station to the ring road – another transformational element of the masterplan.

The Council has been successful in securing a Regional Growth Fund (RGF) bid on behalf of the Coventry and Warwickshire Local Enterprise Partnership (CWLEP). Within the bid £12.7million is being made available to the City Council for the rebuilding of Ring Road junction 6, making significant road improvements and opening up the Friargate site for greater development and opportunity. The rebuilding of junction 6 will also ensure the Friargate site is integrated into the current city centre and future City Centre South aspirations. The RGF funding agreement with government for the £12.7million stipulates the funding has to be spent by 30 June 2015 and the delivery of over 2,000 jobs by April 2022 through the office space being developed on the site.

To achieve this tight timescale it is proposed to enter into an Early Contractor Involvement arrangement with a contractor who will be co-located with the City Council's appointed design team to develop the scheme and a target contract price. This target price will be fixed by December 2013.

It will be necessary to incur development costs up to December 2013 when the target price will be known. We will be incurring these costs without certainty that the project is affordable and that it will therefore proceed. The estimated spend up to this point (principally design fees and project management costs) is £0.7million. If the Council chooses not to proceed with the bridge, it will not be able to claim from RGF for the costs incurred to this date.

This report should be read in conjunction with the report 'Starting the Friargate business district to regenerate the City, transform the Council and deliver savings ' which is also being considered at this meeting.

**Recommendations:**

Cabinet are requested to:

1. Note the funding award Regional Growth Fund 3 for £12.7million for the purpose of constructing Friargate Bridge.
2. Approve that project management and design costs of £0.7million will be incurred at risk up until December 2013 when contracts would be signed.
3. Approve variations to the collaboration agreement with Friargate LLP to facilitate the bridge and boulevard works to an agreed timescale.
4. Support Friargate in the discharge of the reserved matters under the planning application and the required stopping up orders for the said works.
5. Recommend that Council:
  - a) Approve the addition of this scheme to the Council's Capital Programme for 2013/14 onwards
  - b) Approve the delegation of authority to The Director of CSD in consultation with the Cabinet Member (Business Enterprise & Employment) to award the ECI works contract for the bridge deck

Council are requested to approve the recommendations detailed in 5 (a) & (b).

**List of Appendices included:**

Appendix A– plan of proposed works  
Appendix B – outline project delivery plan  
Appendix C – Project delivery structure

**Background papers:**

None

**Other useful documents:**

Cabinet Report: Collaboration Agreement Heads of Terms – February 8<sup>th</sup> 2011  
Planning Committee –July 21st 2011  
Ourspace – June 18<sup>th</sup> 2013

These documents can be obtained from the Council's website [www.coventry.gov.uk](http://www.coventry.gov.uk)

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

Yes – 25<sup>th</sup> June 2013

**Report title:  
Friargate Bridge**

**1. Context (or background)**

- 1.1 The redevelopment of the land and buildings adjacent to the Coventry's West Coast Mainline Railway Station to provide a new commercial quarter for the city together with improved connectivity between the station and the city centre has been a long term aspiration of the Council. This vision has been supported and incorporated into planning policy.
- 1.2 'Friargate' is located on approximately 37 acres of land around Coventry Railway Station. When completed the scheme will provide a new commercial quarter for the City of up to 300,000 sqm of new development, of which over 185,000 sqm will comprise high quality office accommodation. There will, in addition, be provision for retail, hotel and leisure uses along with residential. It has the potential to create up to 13,400 jobs.
- 1.3 Friargate is a fundamental part of the future economic growth, job creation and physical regeneration of Coventry and the region over the next 10-15 years. It is an essential element of the plans to regenerate the city centre and complements the 'City Centre South' retail development proposals. Outline permission was granted on July 21st 2011 with highways and access being reserved matters. One of the conditions of the planning permission requires that subsequent planning applications must conform to the principles of the approved masterplan which includes Friargate Bridge.
- 1.4 The success of the development depends on the integration of the site with the city centre. To achieve this it is essential that the barrier posed by Ring Road junction 6 is removed. It is proposed to remove the roundabout, associated slip roads and structures and to deck over the ring road to create Friargate Bridge. Warwick Road will be returned to its original (pre ring road) alignment and a much simplified junction created. A new junction and approach to provide access to the railway station is also required. The plan in Appendix A shows the proposed layout.
- 1.5 The cost estimate is based on a Capita Symonds and McAlpine feasibility study into the design and delivery of the works and includes all project management costs. The construction costs have been verified by our engineering consultants, Jacobs and the project team. Early Contractor Involvement in the design process will ensure value engineering opportunities are identified. The target price will be determined in December 2013 following completion of detailed design.
- 1.6 The completion of these works will oblige the developer (Cannon Kirk) to build the pedestrian boulevard route from Station Square to the Ring Road. This will complete a high quality link from the station to the city centre and transform the environment of this part of the city centre. This obligation arises from the Collaboration Agreement approved by Cabinet on February 8<sup>th</sup> 2011.
- 1.7 It is clearly essential that the rebuilding of junction 6 takes place as early as possible to help kick-start the Friargate development and attract much needed jobs and investment to the city.



## **2. Options considered and recommended proposal**

- 2.1 An opportunity to finance the works at junction 6 has arisen through a successful bid to the Department of Business Innovation and Skills (BIS) for RGF3. The RGF supports projects and programmes that lever private investment to create economic growth and sustainable employment.
- 2.2 The total allocation to CWLEP was £24.4million of which they have awarded £12.7million for the works to create the Friargate Bridge. The other proposed RGF projects are improvements to Junction 12 M40 (Gaydon) and Whitley Interchange (JLR site).
- 2.3 One critical requirement for receiving RGF is that all of the funding needs to be spent by June 2015.
- 2.4 This is a very challenging timescale for the bridge works. Following a planning workshop in March it became clear that work on design, procurement and statutory processes had to start immediately. The outline project delivery plan is shown in Appendix B.
- 2.5 A variety of procurement options have been assessed: design and build, build only and early contractor involvement (ECI). Only ECI was found to meet the tight deadline. This entails procuring a contractor early to work with the council and its appointed design team to develop the scheme and a target price.
- 2.6 As there was insufficient time for a full OJEU process, the contractor is being procured using the Highway Agency's Asset Support Framework. This framework is the most appropriate for this type of work and had the added advantage of being available for our use free of charge and OJEU compliant. The design team is being appointed through our new Professional Services Contract Framework which went live on June 1<sup>st</sup> 2013 which is also OJEU compliant.
- 2.7 The contractor, design team and city council staff will be co-located. This integrated team approach will deliver value for money and ensure, crucially, that the project is delivered on time.
- 2.8 The team will develop a detailed design and a target cost by December 2013. The target cost will be based on an agreed schedule of rates and will be subject to a 'pain/gain' mechanism whereby the contractor and the council will share the benefits or costs of any variance to the target price. This incentivises the contractor and the client to look for ways of saving costs on the project.
- 2.9 It is proposed that the Director of CSD is authorised, in collaboration with the Cabinet Member for Business, Enterprise and Employment, to enter into a contract with the successful contractor to deliver the bridge works subject to the target price being within the current estimate.
- 2.10 The chosen method of procurement will ensure that the costs of the scheme are kept as low as possible whilst fully meeting the objectives of the masterplan and creating a high quality environment. The majority of the cost is in the structural work and a comprehensive exercise was undertaken to ensure that the most cost effective structural solution (taken on a whole life costing basis) has been selected.
- 2.11 In terms of statutory processes, the developer is intending to submit the reserved matters application in June and a decision is expected at the end of July 2013, timescales are currently subject to legal advice. The new highways layout requires a comprehensive set of Traffic Regulation Orders (TROs) which the City Council are intending to advertise mid-

June. Any representations will be reported to the Cabinet Member for Public Services in August 2013.

- 2.12 In terms of the new junction, this has been subject to rigorous assessment and a number of design options have been tested. These included looking at traffic signals, roundabouts and priority ('give way') junctions.
- 2.13 Friargate Bridge is one of a series of projects aimed at regenerating this part of the city. To ensure consistency in terms of delivery and specification a comprehensive governance structure, as shown in Appendix C, has been established. The strategic Friargate Board includes the Cabinet Member for Business, Enterprise and Employment and the Director of CSD. There is a specific project board for Friargate Bridge chaired by the Assistant Director of Planning & Transport & Highways.

### **3. Results of consultation undertaken**

- 3.1 The masterplan proposals were the subject of considerable consultation as part of the planning process. As a result of the discussions at planning committee the Friargate Liaison Group was created where the developers and appropriate council officers have met regularly with local residents to advise them of progress and issues arising from the scheme. The Liaison Group has been advised of the Regional Growth Funding proposal.
- 3.2 For the specific bridge proposals, there has been early engagement with a number of stakeholders including:
  - Friargate Liaison Group
  - Standard Life (owners of Central 6)
  - Network Rail
  - Virgin Trains
  - Stagecoach
  - Travel De-Courcey
  - National Express
  - King Henry VIII School
- 3.3 The purpose of the early engagement has been to explain the proposals, the need for the development, provide reassurance regarding temporary traffic management arrangements and to establish points of contact for ongoing communication. The project team have developed a communications plan which sets out how consultation and communications will be undertaken throughout the project.

### **4. Timetable for implementing this decision**

- 4.1 The project delivery plan in Appendix B sets out the implementation timetable.

### **5. Comments from Director of Finance and Legal Services**

#### **5.1 Finance**

- 5.1.1 The project costs are based on financial modelling using the following assumptions;

- *Design costs* which include feasibility and preliminary design, detailed design and on site costs;



- *Construction costs* which include preparatory work, bridge deck and central piers, demolition, road works and public realm;
- *Project Management costs* which include the cost of external consultant support and appointment of external posts/back filling;
- *Other costs* which include service diversions, ground conditions, landscaping, profit, service bridge, asbestos, offsite enabling costs and contingency;
- Budget available is RGF funding of £12.7million.

5.1.2 Revenue costs are expected to be minimal with any costs being met by existing budgets or revenue income from advertising on the bridge deck.

5.1.3 Included in the costs are potential abortive costs of up to £0.7million which may be incurred if the project does not proceed to contract. These costs may be incurred for project management and for design/survey work. Project management abortive costs could be up to £0.1million and design/survey work could be up to £0.6million. Abortive costs will only be incurred if we opt not to appoint a contractor and before any formal contract is signed. A contract is likely to be signed with the preferred contractor during December 2013, after which point we are contractually obliged and there is no opportunity to withdraw.

## 5.2 Legal implications

5.2.1 Any public works carried out that are part of the public realm and are over the EU thresholds will be tendered under the Public Works Contract Regulations 2006. The use of the highway Agency's framework does comply with 2006 regulations.

The Council has not secured its own planning consent for the bridge works but will rely and carry out the works under the outline consent that Friargate has for the development. Friargate will lead on the discharge of the reserved matters supported by the Council under the collaboration agreement. As the planning consent is with Friargate it is the entity which must secure the stopping up orders under section 247 of the Town and Country Planning Act 1990.

The RGF funding will come with conditions about the creation of jobs which the Council alone cannot comply with. It will therefore require a legal obligation from Friargate to comply with the grant condition on the number of jobs to be created within its development over a nine year period. There may still be some exposure to grant clawback on the Council if that grant obligation is not fulfilled by either party.

5.2.2 The Council has the power to regulate the flow of traffic and to install pedestrian crossings through the 1984 Road Traffic Regulation Act.

## 6. Other implications

6.1 **How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The delivery of the Friargate project will help achieve many of the priority themes of the Sustainable Community Strategy and objectives within the Councils Corporate Plan. These include:

- ***A prosperous Coventry with a good choice of jobs and business opportunities for all the city's residents*** - by providing significant opportunities for existing and new business to locate into the predominate office development providing them a quality environment which will provide them with the profile to develop and expand their business
- ***A safer and more confident Coventry-*** by designing out crime within the new development, removing the subways and bringing more life and activity to the areas of the scheme over a longer period of the day
- ***Making Coventry's streets, neighbourhoods, parks and open spaces attractive and enjoyable places to be*** - by improving and extending Greyfriars Green, providing new high quality public spaces and routes through the development and creating a new predominantly commercial neighbourhood in which the city can be proud
- ***A good choice of housing to meet the needs and aspirations of the people of Coventry-*** by providing a range of city centre living opportunities taking advantages of its key sustainable transport location
- ***Making places and services easily accessible for Coventry people*** – by in a physical sense making the scheme area including a new route to the railway station and buildings constructed around it more accessible to those with a disability. Also providing opportunities for new and improved services and activities to locate in the area increasing the opportunities for the people of Coventry and the region
- ***A creative, active and vibrant Coventry*** - by providing a new business district for the City which will bring an increase to the number of people who work, live, use and play in the area improving the visually and economic environment of the area
- ***Improving Coventry's environment and tackling climate change*** – by creating a sustainable business location around a transport interchange and delivering highly resource efficient business premises. Additionally the expansion of green space in the city centre will help reduce the heat trapped in the city and increase biodiversity.

## **6.2 How is risk being managed?**

6.2.1 To mitigate the risk there is a comprehensive governance structure in place to ensure correct procedures are being followed and that the programme is maintained. A risk workshop has been held to identify the main risks and associated mitigation measures which have been outlined in the report. The principal risks to the project are cost, time (we lose funding if the project is not substantially complete by June 2015) and challenge of the statutory processes.

## **6.3 What is the impact on the organisation?**

6.3.1 This has already been addressed in the report for the Friargate development.

## **6.4 Equalities / EIA**

6.4.1 Under the Equality Act 2010 the provision of public highway and regulation of traffic are services to which equality must be considered. Access Development and disability groups have been consulted regarding the scheme and will be engaged throughout the design and build process. Contractors bidding for the construction work must demonstrate their approach to involving small firms, ethnic minority businesses, social enterprises and third sector suppliers within the supply chain, and also how they will support the education and training of young people. Local people will be engaged throughout the project and appropriate consideration given to protected characteristics.

## **6.5 Implications for (or impact on) the environment**

6.5.1 The Friargate scheme is a development located in a highly sustainable location with its unrivalled accessibility adjacent to the West Coast main line railway station, bus routes and the city centre. The intention of the developer is to develop the office accommodation to meet the Breeam excellent environmental standards, helping to reduce its occupier's carbon footprint.

## **6.6 Implications for partner organisations?**

6.6.1 The impact on partner organisations will continue to be reviewed.

**Report author(s):****Name and job title: Colin Knight, Assistant Director, Planning Transport and Highways****Directorate: City Services and Development****Tel and email contact:****024 7683 4001****colin.knight@coventry.gov.uk**

Enquiries should be directed to the above person.

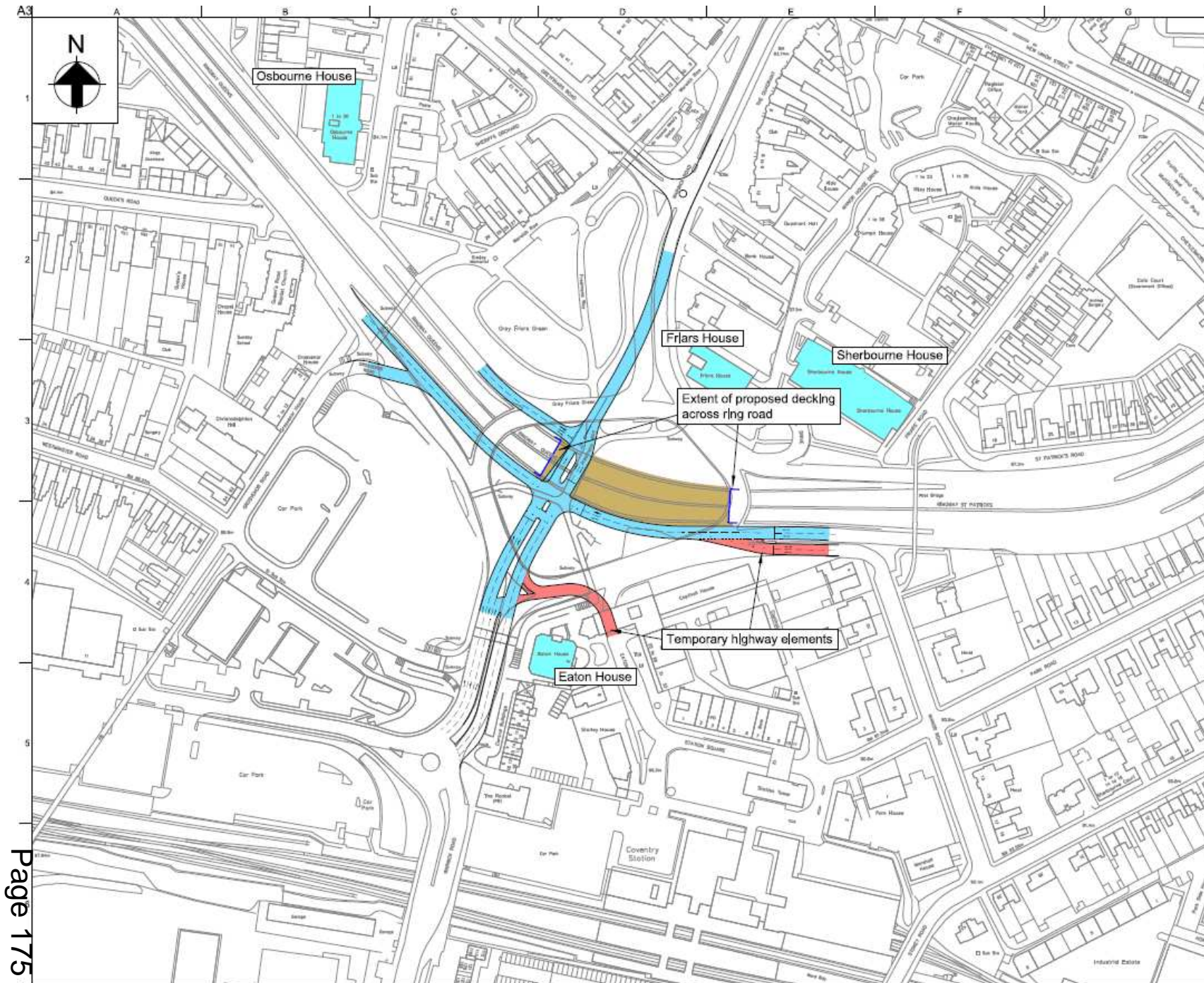
<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Nigel Clews	Assistant Director (Property Asset Management)	CS&DD	16/5/13	23/5/13
Richard Moon	Senior Development Executive	CS&D	16/5/13	25/5/13
Paul Boulton	Group Manager, Traffic & Transportation	CS&D	16/5/13	20/5/13
Andy Williams	Resources & New Projects Manager	CS&D	16/5/13	20/5/13
Barry Butterworth	Team Leader Development & Regeneration	CS&D	16/5/13	17/5/13
Finance: Lisa Commene	Assistant Director Special Projects Finance	Finance & Legal	16/5/13	22/5/13
<b>Names of approvers for submission: (officers and members)</b>				
Jane Murphy	Strategic Finance Manager	Finance & Legal	16/5/13	22/5/13
Legal: Clarissa Evans	Commercial Team Manager	Finance & Legal	16/5/13	22/5/13
Director: Martin Yardley	Director of City Services and Development	CS&DD	31/5/13	
Procurement: Mick Burn		Finance & Legal	16/5/13	
Members: Councillor Kelly	CM (BEE)		31/5/13	
Councillor Lancaster	CM(PS)		31/5/13	

This report is published on the council's website:

[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

## **Appendices**





## Key:

- New Roads
- Temporary Roads

01	15/04/13	NS	CM	PS
First Issue				
Issue	Date	By	Checked	Approved

## ARUP

The Arup Group, Rythe Gate, Rythe Valley Park,  
Salford, West Midlands S90 8AE  
T +44(0)121 215 3000 F +44(0)121 215 3001  
www.arup.com

Client

Frligate Coventry LLP

Job Title

Frligate Coventry

Drawing Title

Proposed Junction 6 Scheme

Scale at A3  
1:2000

Plot ID

Drawing Status  
Information

Job No	Drawing No	Issue
122200-00	CH002	01



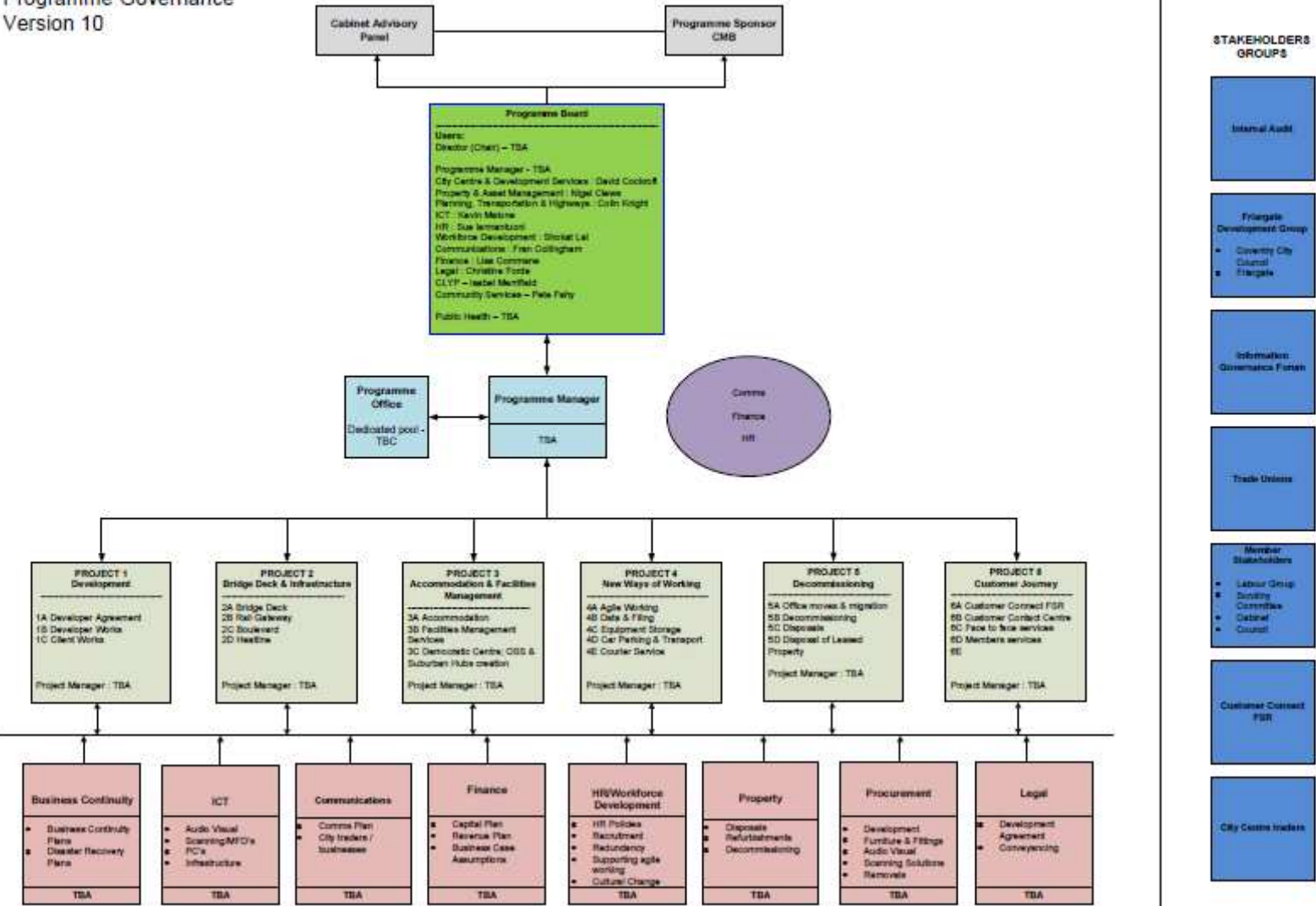
**Appendix B**  
**Outline Project Delivery Plan**

<b>Key Project Milestone</b>	<b>Timescale</b>
Commence stakeholder engagement	April 2013
Prepare contract documentation	May 2013
RGF contract awarded	May 2013
Submit reserved matters planning application	June 2013
Advertise TROs	June 2013
Submit Stopping Up Orders	June 2013
Award Design Contract	June 2013
Award ECI Contract	July 2013
Finalise highway 3D design	July 2013
Complete preliminary structural design	July 2013
Reserved Matters Approved	July 2013
TROs Approved	August 2013
Complete detailed structural design	November 2013
Stopping Up Orders Approved	November 2013
Target cost approved	December 2013
Award Build Contract	December 2013
Site mobilisation	January 2014
Construction start	February 2014
Construction complete	May /June 2015

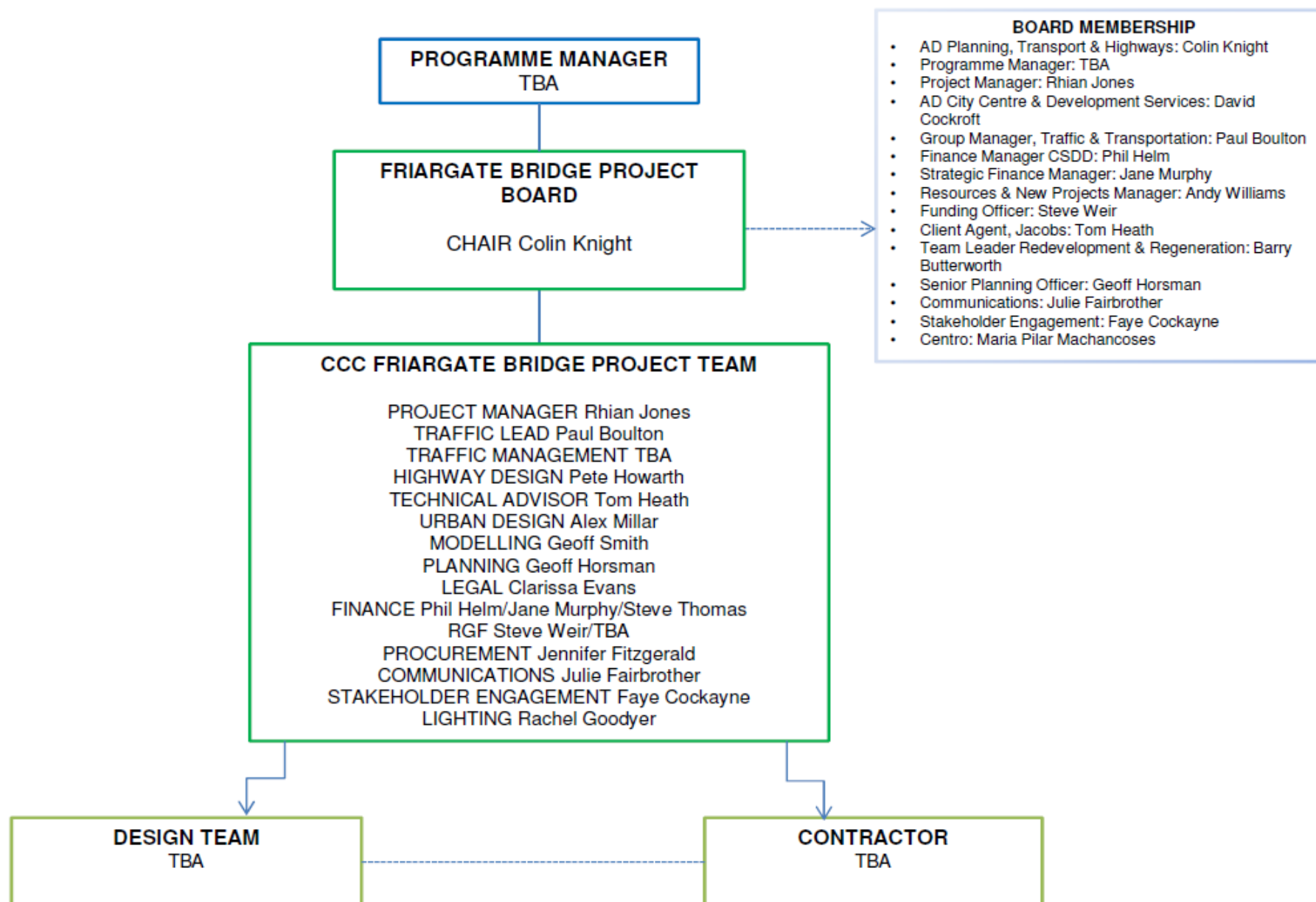


Appendix C  
Project Delivery Structure

Kick-Start | Bridge Deck | Friargate  
Programme Governance  
Version 10



## FRIARGATE BRIDGE PROJECT DELIVERY GOVERNANCE STRUCTURE





## Public report Cabinet Report

---

**A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.**

Cabinet

18th June 2013

**Name of Cabinet Member:**

Cabinet Member (Education) - Councillor Kershaw

**Director Approving Submission of the report:**

Director of Children, Learning and Young People

**Ward(s) affected:**

Lower Stoke, Foleshill, Wyken, Sherbourne and St Michael's

**Title:**

Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools.

---

**Is this a key decision?**

Yes

This matter affects more than 2 electoral wards and proposes expenditure of over £500,000 in one year

---

**Executive Summary:**

The Increasing Pupil Places Programme 2014 involves twelve schools. This report seeks approval to the proposals and capital funding for five of these schools: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools. An Official Journal of the European Community (OJEU) tender process was carried out June – September 2012 to select a consultant design team and partnering contractor. Associated Architects (lead consultants) and Wates Construction (partnering contractor) have developed the extension proposals in collaboration with key stakeholders. Planning applications have been submitted for all five schools earlier this year. Construction works will be completed in time for the schools to increase their intake capacity from September 2014, although Broad Heath, Clifford Bridge and Frederick Bird have already taken on an increase in admission numbers from September 2012 using existing or temporary accommodation.

**Recommendations:**

Cabinet is requested to:

1. Approve total potential capital expenditure by the City Council for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools to be funded by DfE Basic Need and capital maintenance grant, direct schoolfunding and Prudential Borrowing should future Central Government allocations be insufficient to fund the above expenditure
2. Note the plans that are included in the appendices for the extensions and modifications to Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools

**List of Appendices included:**

Appendix 1 – Aldermoor Farm Primary School – Proposals  
Appendix 2 – Broad Heath Primary School – Proposals  
Appendix 3 – Clifford Bridge Primary School – Proposals  
Appendix 4 – Coundon Primary School – Proposals  
Appendix 5 – Frederick Bird Primary School – Proposals

**Other useful background papers:**

- a) 14<sup>th</sup> February 2012 – Report on the 2012/13 CLYP Capital Programme
- b) 9<sup>th</sup> October 2012 – Report on Proposed Expansions of Primary School Places 2014/15
- c) 11<sup>th</sup> December 2012 – Report on Outcomes of Consultations on Proposed Expansions of Primary School Places 2014/15
- d) 5<sup>th</sup> March 2013 – Report to Cabinet – Proposed Expansion and Changes to Admission Numbers for 12 Primary Schools for September 2014: Determination of Statutory Notices

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

**Report title:** Increasing Pupil Places Programme 2014: Aldermoor Farm, Broad Heath, Clifford Bridge, Coundon & Frederick Bird Primary Schools.

## **1. Context (or background)**

- 1.1 In October 2012 the City Council reported on consultation arrangements and authorised procurement to commence for extending primary schools to meet the requirements of the Increasing Pupil Places Programme 2014. Following OJEU notices for a partnering design team, five architect-lead teams were invited to submit tenders. Head teachers formed part of the interviewing panel to select the successful team. Associated Architects (lead consultants) were appointed in September 2012. A partnering contractor was also selected following an OJEU compliant and competitive tendering process. Headteachers took part in the interview process and Wates Construction Ltd were appointed in October 2012. The design team have developed the proposals for each school following consultation with the school, governors, staff, pupils and the community. Details of the accommodation to be provided, room sizes and how they interconnect with the existing accommodation were agreed by the partnering team in accordance with DfE Building Bulletin 99 briefing framework for Primary School Projects and area guidelines for schools.

## **2. Options considered and recommended proposal**

- 2.1 Aldermoor Farm Primary School is to increase from a 2FE (admission number of 60) to 3FE (admission number of 90). A single storey teaching block is proposed which will incorporate 7 additional classrooms together with resource areas, group rooms, toilets and stores. A further single storey extension to the front of the school to provide additional and improved office facilities is proposed. This later element is entirely school funded and also seeks to resolve anti-social and vandalism issues that the school are experiencing. There will also be an element of remodelling to the existing school to provide suitable staff and library facilities. External works involve new staff car parking arrangements, extensions to playgrounds and the development of a dedicated KS1 play area. The proposals are illustrated in Appendix 1.
- 2.2 Broad Heath Primary School is to increase from a 2FE (admission number of 60) to 3FE (admission number of 90). A two storey teaching block is proposed to the south of the site which will incorporate six new classrooms with resource areas, group rooms, toilets and stores. There will also be a single storey extension to the north of the site incorporating a new nursery classroom, community room, office facilities and entrance. Included as part of the development is a small swimming pool with associated changing facilities which is being funded by the school. External works involve a car park extension and extensions to the playground. Negotiations are underway with the neighbouring land owner with a view to securing additional playing fields for the school. The building proposals are illustrated in Appendix 2. Due to pressures on pupil places in September 2012, the City Council increased the admission number in Reception from 2FE to 3FE. In order to accommodate the additional pupils from September 2012, and in readiness for the additional pupils in 2013, early and enablement works are currently underway to ensure two additional classrooms are completed for September 2013.
- 2.3 Clifford Bridge Primary School is to increase from a 1FE (admission number of 30) to 2FE (admission number of 60). A single storey teaching block is proposed to the west of the site which will incorporate eight new classrooms and associated welfare facilities. There will also be an element of remodelling to the existing school to resolve under-sized classrooms, circulation issues and increase the hall space. External works involve additional parking spaces and some additional playground for the KS2 pupils. The proposals are illustrated in Appendix 3.

- 2.4 Coundon Primary School is to increase in size from 2FE (admission number of 60) to 3FE (admission number of 90). A two storey teaching block is proposed to the north-west of the site which will incorporate six new classrooms with resource areas, group rooms and welfare accommodation. There will also be significant remodelling to the existing school to allow for the relocation of the nursery from its isolated position to within the main school buildings. External works involve an additional overflow car park at the north of the site. The proposals are illustrated in Appendix 4.
- 2.5 Frederick Bird Primary School is to increase in size from 3FE (admission number of 90) to 4FE (admission number of 120). A two storey teaching block is proposed to the north-east of the site which will incorporate eight new classrooms with resource areas, group rooms and welfare accommodation, with a further single classroom being provided to each of the two existing wings of the school. There will also be some remodelling to the existing school to remodel the reception year accommodation and dining facilities. External works involve an extension to the existing car park an additional playground space. The proposals are illustrated in Appendix 5. Due to pressures on pupil places in September 2012, the City Council increased the Frederick Bird admission number in Reception from 3FE to 4FE. In order to accommodate the additional pupils from September 2012 and in readiness for the additional pupils in 2013, early and enablement works are currently underway to ensure one additional classroom is completed for September 2013.

### **3. Results of consultation undertaken**

- 3.1 The responses to consultation to extend these five schools were set out in the 11<sup>th</sup> December 2012 report on Outcomes of Consultations on Proposed Expansions of Primary School Places 2014/15.
- 3.2 Statutory Notices were published on 17<sup>th</sup> January 2013. No objections were received on these five proposals and were approved by Cabinet on 5<sup>th</sup> March 2013.

### **4. Timetable for implementing this decision**

- 4.1 Subject to the approval of this report and the planning applications, it is envisaged that the construction works will be timetabled as follows:
- Start on site at Broad Heath, Clifford Bridge & Frederick Bird – July 2013
  - Start on site at Aldermoor Farm & Coundon – September 2013
  - Complete and handover Broad Heath, Clifford Bridge & Frederick Bird – June 2014
  - Complete and handover Aldermoor Farm & Coundon – August 2014

### **5. Comments from Director of Finance and Legal Services**

- 5.1.3 The Local Authority currently receives annual revenue funding for schools and school-related services (i.e. for employee costs, running costs etc), based on the level of city wide pupil numbers at the October count date. This funding will therefore reflect increases/decreases in city wide pupil numbers. Funding is delegated to schools via the Fair Funding Formula, approximately 80% of this is based on pupil numbers.
- 5.2 Legal implications
- 5.2.1 The Council has undertaken two separate procurement exercises under the Public Contracts Regulations 2006 to select a design team and contractor for the works as required under the Council's Rules for Contracts. As referred to earlier in this report, Associated Architects and Wates Construction respectively have been appointed.

5.2.2 The Council has a duty to provide school facilities that are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education [Education Act 1996 s14]

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

6.1.1 Local Authorities have a statutory duty to ensure sufficient school places are available to meet local needs. The implementation of these extensions will increase the places for reception pupils by an additional 60 places for September 2014. Please note that three of these schools increased their admissions in September 2012 by an additional form of entry thus providing 90 extra places i.e. in total 150 additional reception places.

### **6.2 How is risk being managed?**

6.2.1 The construction costs included in this report are based on scheme design stage information and until the target cost is agreed on the detailed design information there is a risk that they may increase. A design contingency is included to manage this. Project risk registers are in place for the duration of the design development and construction.

### **6.3 What is the impact on the organisation?**

6.3.1 The Schools that are being extended will plan to recruit additional staff as pupil numbers increase each year until they reach maximum capacity.

### **6.4 Equalities / EIA**

6.4.1 The principles of design guidance BB01: Access for Disabled People to School buildings are followed in the proposed schemes. Previous projects have included recommendations from the Deaf Society with regards to how primary schools should be designed. The principles of these discussions have been applied to the designs and if possible, will be integrated into the final projects.

### **6.5 Implications for (or impact on) the environment**

6.5.1 Best practices and principles of BREEAM Building Research Establishment Environmental Assessment Method) will be followed. Areas of measurement are management, energy use, health and wellbeing, pollution, transport, land use, ecology, materials and water. The schemes will incorporate solar shading, high levels of natural light, control of internal lights to minimise usage, use of materials and components with zero Volatile Organic Compound's and no CFC's, high levels of insulation.

### **6.6 Implications for partner organisations?**

The provision of extended services / community rooms will enable schools to extend their offers they already make to parents and the wider community.

**Report author(s):****Name and job title:**

Judith Applegarth, CLYP Capital & Strategic Planning, Assistant Programme Manager,

**Directorate:**

Children Learning and Young People Directorate

**Tel and email contact**

02476 833209

Judith.applegarth@coventry.gov.uk

**Name and job title:**

Elka Williams, Project Manager, Project Delivery Team

**Directorate:**

City Services and Development Directorate

**Tel and email contact**

024 7683 2736

[elka.williams@coventry.gov.uk](mailto:elka.williams@coventry.gov.uk)

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Sangeeta Redgrave	Assistant Programme Manager	Children Learning and Young People	20 <sup>th</sup> May 2013	21 <sup>st</sup> May 13
Martin Vickery	Manager – Project Delivery Team	City Services and Development	20 <sup>th</sup> May 2013	22 <sup>nd</sup> May 13
Ian Brindley	Lead Accountant, Capital Team	Finance & Legal Services	20 <sup>th</sup> May 2013	23rd May 2013
Neelesh Sutaria	HR Manager	Customer & Workforce Services	20 <sup>th</sup> May 2013	21 <sup>st</sup> May 2013
<b>Names of approvers for submission: (officers and members)</b>				
Rachael Sugars	Finance Manager - CLYP	Finance & Legal Services	20 <sup>th</sup> May 2013	23 <sup>rd</sup> May 2013
Legal: Rosalyn Lilley	Senior Solicitor	Finance & Legal Services	20 <sup>th</sup> May 2013	21 <sup>st</sup> May 2013
Director: Colin Green	Director	Children Learning and Young People	20 <sup>th</sup> May 2013	21 <sup>st</sup> May 2013
Members: Councillor Kershaw	Cabinet Member		20 <sup>th</sup> May 2013	28 <sup>th</sup> May 2013

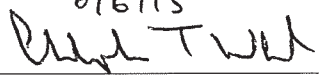
This report is published on the council's website:

[www.coventry.gov.uk/meetings](http://www.coventry.gov.uk/meetings)



**CONFERENCES/SEMINARS**  
**AUTHORITY FOR ATTENDANCE**

THIS FORM TO BE USED FOR COUNCILLORS (FOR ATTENDANCE BOTH IN AND OUTSIDE THE U.K.) AND FOR EMPLOYEES (OUTSIDE THE U.K. ONLY OR, IF ACCOMPANYING A COUNCILLOR, INSIDE THE UK)

1. Title of Conference	CIPFA Annual Conference 2013		
2. Organising Body	CIPFA		
3. Location	Novotel London West Hotel in Hammersmith		
4. Date(s)	10 - 11 July 2013		
5. Councillor(s) recommended to attend	Councillor Gannon Councillor (Conservative) name to be confirmed		
6. Employee(s) recommended to attend	Chris West, Director of Finance & Legal Services Officer (FLS) name to be confirmed		
7. Cost per person, including travel, etc (Note: If total cost is less than £100, formal Cabinet/Cabinet Member approval is not required)	Delegate Fee	£795	
	Accommodation	£180	
	Travel	£144	
	Total	£1119	
	(total for 4 attendees approximately £4476)		
8. Is participation at this event as part of a group	Yes		
9. If so, how many people IN TOTAL will be attending the event as part of that group	4		
10. Is there anyone travelling with the Member, officer or group in relation to whom any of the costs of travel, accommodation or any other expense will be paid for by a Member or officer. If "YES" please state number.	No		
11. Source of Funding (FIS Code)	FA FA 22101 081010		
12. What are the reasons for attendance and what benefits to the City Council are expected from attendance	<p>The conference explores the burning issues facing the sector, its organisations' and employees to help attendees develop the crucial information and skills needed to lead their organisation's transformation, survival and success.</p> <p>Completed By/Signed: Chris West Date: 6/6/13 </p>		

October 2010

13. Is this conference part of an overall project involving further visits in the future?

14. Recommendation of Cabinet Member/Cabinet/Chair of any other Council Committee

(a) Are you satisfied that there is a genuine reason for attendance and a genuine benefit for the Council?

(b) Will Councillor attendance affect the decision-making processes of the Council?

(c) Is attendance recommended?

15. Cabinet Member's recommendation

16. <sup>Acting</sup> Leader's recommendation

17. Person responsible for booking conference following approval of attendance

NO

YES

YES

YES

Signed: *D. Hamilton*  
Date: *6th June 2013*

Signed: *[Signature]*  
Date: *6.6.13*

Signed: *D. Hamilton*  
Date: *6th June 2013*

Name: Sally Hamilton  
Department: CWS  
Telephone No: x 3700

TO THE DIRECTOR OF CUSTOMER AND SERVICES (Room CH 59)

SERVICES DIRECTORATE'S USE ONLY

Net Member/Cabinet

THIS FORM SHOULD NOW BE RETURNED TO THE WORKFORCE SERVICES

FOR CUSTOMER AND WORKFORCE SERVICES

DATE

Decision

APPROVED / NOT APPROVED

Ca

Da

Notification to:

(a) Officer responsible for booking conference

(b) Councillor attending

(c) Member of Management Board

(d) Members' Services

YE

October 2010

<b><i>(e) Committee Officer</i></b>	
<b><i>Date report back obtained</i></b>	
<b><i>Date of meeting of Scrutiny to receive report back</i></b>	

This page is intentionally left blank

Cabinet

18 June, 2013

**Name of Cabinet Member:**

Cabinet Member (Policy and Leadership) – Councillor Mrs Lucas

**Director approving submission of the report:**

Director of Customer and Workforce Services

**Ward(s) affected:**

N/A

**Title:**

**Outstanding Issues**

---

**Is this a key decision?**

No

---

**Executive summary:**

This report is to identify those issues on which further reports have been requested or are outstanding so that members are aware of them and can monitor their progress.

**Recommendations:**

The Cabinet are recommended to consider the list of outstanding items as set out below and to ask the Member of the Management Board concerned to explain the current position on those which should have been discharged at this meeting or an earlier meeting.

**List of Appendices included:**

Table of outstanding issues

**Other useful background papers:**

None

**Has it or will it be considered by scrutiny?**

N/A

**Has it, or will it be considered by any other council committee, advisory panel or other body?**

No

**Will this report go to Council?**

No

**Report title:**  
**Outstanding Issues**

**1. Context (or background)**

- 1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Forward Plan, to ensure that follow up reports can be monitored and reported to Members.
- 1.2 The Table appended to the report outlines items where a report back has been requested to a future Cabinet meeting, along with the anticipated date for further consideration of the issue.
- 1.3 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.

**2. Options considered and recommended proposal**

2.1 N/A

**3. Results of consultation undertaken**

3.1 N/A

**4. Timetable for implementing this decision**

4.1 N/A

**5. Comments from Director of Finance and Legal Services**

5.1 Financial implications  
N/A

5.2 Legal implications  
N/A

**6. Other implications**

*Any other specific implications*

**6.1 How will this contribute to achievement of the council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Coventry Sustainable Communities Strategy?**

N/A

**6.2 How is risk being managed?**

This report will be considered and monitored at each meeting of the Cabinet

### 6.3 What is the impact on the organisation?

N/A

### 6.4 Equalities / EIA

N/A

### 6.5 Implications for (or impact on) the environment

N/A

### 6.6 Implications for partner organisations?

N/A

#### Report author(s):

##### Name and job title:

Lara Knight, Governance Services Officer

##### Directorate:

Customer and Workforce Services

##### Tel and email contact:

Lara.knight@coventry.gov.uk  
024 7683 3237

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
<b>Contributors:</b>				
Lara Knight	Governance Services Officer	Customer and Workforce Services	06-06-13	06-06-13
<b>Names of approvers:</b> (officers and members)				

This report is published on the council's website: [www.coventry.gov.uk/moderngov](http://www.coventry.gov.uk/moderngov)

	<b>Subject</b>	<b>Minute Reference and Date Originally Considered</b>	<b>Date For Further Consideration</b>	<b>Responsible Officer</b>	<b>Proposed Amendment To Date For Consideration</b>	<b>Reason For Request To Delay Submission Of Report</b>
1	<b>Commissioning Proposal for Supported Accommodation and Floating Support Services for Homeless Clients</b>  To receive a further report following a full evaluation of the service, to be undertaken by 1 <sup>st</sup> September 2013, to establish that the benefits outlined in the report were achieved before any decision to extend was made.	Minutes 101/11 and 104/11 3 <sup>rd</sup> January 2012	October 2013	Director of Community Services and Director of Finance and Legal Services		

\* identifies items where a report is on the agenda for your meeting.



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank