

### Report to

Cabinet  
Scrutiny Co-ordination Committee

18th December 2007  
9th January 2008

### Report of

Management Board

### Title

Revenue and Capital Pre-Budget Report 2008/09

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## 1 Purpose of the Report

- 1.1 This report updates Members on the work undertaken in preparation for the 2008/09 and future years' Revenue Budget and Capital Programme.

## 2 Recommendations

Members are asked to:

- 2.1 Consider the latest position on the medium term financial projection for revenue and capital, as set out in the report and note the progress made to date in preparing the 2008/09 revenue and capital programmes;
- 2.2 Agree that the content of the report be used as the basis of our public budget consultation process.

## 3 Information/Background

- 3.1 The current year's revenue budget and capital programme are ensuring the maintenance of good service levels across a wide range of areas across the Council as well as permitting significant new investment in key political priorities, such as highways and housing.
- 3.2 We are making generally good progress against the Corporate Plan and this progress has been formally recognised by the Audit Commission in awarding Coventry 3 stars and improving well status under the Comprehensive Performance Assessment framework. More detail is available within the Corporate Plan Half Year Monitoring Report on your agenda today.
- 3.3 Key priorities for future developments are already approved in Cabinet Member Strategic Plans. Progress on these plans is being reviewed in further reports on your agenda today and it is anticipated that Members will wish to take these issues into account in determining priorities for allocating resources in the coming year.

- 3.4 Notwithstanding that we are on track to achieve our Gershon efficiencies for 2007/08, the recently announced Comprehensive Spending Review 2007 (CSR 2007) has established a target for us to deliver 3% cashable savings over the next three years and this remains a major challenge for us. In addition, just like other local authorities Coventry is facing a range of pressures that are essentially externally driven and over which we have little or no control. These include the limited resources being made available through the CSR, the impact of public sector pay, the effects of Equal Pay legislation and increasing costs of pensions.
- 3.5 The Council is building a reputation as a "can do" organisation. We have built up our ability to deliver regeneration in the city, work in partnership with the public and private sector and deliver more consistency of service. In some areas e.g. working with older people, community safety, collaborative working on community cohesion, some aspects of children's services, our work is seen as a model of good practice. However the next five years bring us some very major challenges and it is vital that even in a context of lower levels of growth in public funding we have a robust medium term financial strategy to support this. This will be made more complicated by understandable Government encouragement to make better use of resources jointly with other public services. Later in this report there is an outline of some of the financial risks, which give us some uncertainties.
- 3.6 Some of the challenges for the next five years are:
- Maintaining current service standards. With relatively few exceptions, we currently provide services in a range from acceptable up to excellent. The challenge of maintaining these standards and of ensuring good succession planning should not be underestimated.
  - Improving areas which still have significant areas for improvement e.g. the robustness of our children's social care services – these are "safe" but they need strengthening; a number of our corporate services need to be better organised for increased effectiveness and productivity and to reduce overheads; improving the customer focus of our planning services; streamlining the processes by which customer service requests are delivered etc.
  - Focusing on driving forward on value for money through the Value for Money Partnership while at the same time maintaining services and responding to strategic challenges.
  - Responding to the Government's challenge to put more emphasis on economic development and regeneration –an area in which we have invested heavily in recent years –in particular to focus on tackling worklessness and increasing sub-regional and regional wealth creation figures.
  - Driving a major Growth agenda which is the key to economic growth in the city and the sub-region and to tackling national housing shortages.
  - Taking forward major strategic imperatives like the Climate Change and Waste strategies, the Highways and Lighting PFI, Neighbourhood Management, working more closely with community organisations, tackling increasing congestion and dissatisfaction with transport options.
  - Linking many of the points above with the focus on the new Local Area Agreement and the Comprehensive Area Assessment inspection framework and the efforts required to channel improvement through that framework in close conjunction with our partners in the Coventry Partnership and across the region.
  - Tackling new "Resilience" and emergency planning challenges whether civil –like major flooding -or relating to terrorist threats.

- 3.7 Although in theory we might like to invest more in any of these areas, the reality is actually that we will need to become increasingly more effective and productive and the consequence of this is that the Council will employ fewer people over the medium term. We also have to bear in mind that given economic uncertainties, pressures on public sector expenditure may increase not decrease and this will require us to ever clearer about focus and priorities, and timing of initiatives.
- 3.8 The savings proposals in this document are not all major strategic developments – some are pragmatically and realistically proposed in recognition of the fact that some services will still be "reasonable" if provided at a lower level. In other cases savings are part of strategic developments – in older people's services and library services for example.
- 3.9 The kinds of philosophies we do want to maintain are the ones we have cultivated in recent years:
- Promoting people's independence and choice.
  - Having a "mixed economy" of service delivery i.e. whatever works.
  - Focusing on neighbourhoods.
  - Improving responsiveness to customers and customer care.
  - Actively promoting community cohesion.
  - Achieving value for money and greater productivity.

There is no doubt however that the agenda is challenging. This report is a step on the path to having well managed resources based both on key strategies and investment decisions and sensible pragmatism

#### 4 Revenue Budget

- 4.1 The Medium Term Financial Strategy for 2008/09-2010/11 indicated that we would be starting the current budget round needing to take measures to limit spending requirements and identify savings and income sources to bridge the gap indicated in the following table. This is after allowing for
- A 2.5% increase (financial planning figure) in Council Tax.
  - A £2m contribution from corporate reserves in 2008/09.

##### Initial Gap in 2008/09 the Medium Term Financial Strategy

2008/09	2009/10	2010/11
£5m	£10m	£10m

- 4.2 The Management Board has subsequently been considering this position and has incorporated a range of new circumstances and developments that we anticipate will affect the final budgetary position in 2008/09 and future years.
- 4.3 There is a range of budget pressures that will result in additional future costs. These pressures are detailed in **Appendix 1** and total around **£7m** in 2008/09. The points below outline the most significant issues that are expected to affect the financial position:

- The latest actuarial review of the Council's membership of the West Midlands Pension Fund has assessed that our Employer's Superannuation contributions will have to increase over the next three years from 14.9% to 16.4%. By 2010/11 this will add nearly **£2m** to the revenue bottom line.
- We anticipate that the strain on the pension fund from early retirement decisions required to continue the restructuring of the Council's workforce will need to be funded by contributions of around **£1m** per annum.
- Planned changes to the Statement of Recommended Practice in relation to Minimum Revenue Provision (an area that is directly linked to the A Factor) are currently being consulted on. We anticipate that the worst-case scenario that imposed retrospective liabilities on the Council, will not now occur. The changes will nevertheless leave us in a position of needing to make future provision for the repayment of debt of **c£1.3m** falling to £1.1m.
- The Housing Benefit subsidy budgetary pressure that has been reported within the current year's budgetary control process is anticipated to represent an ongoing cost of **£0.7m** in future years. We are continuing to undertake work to refine this figure and we expect that any movement will be in a downward direction.
- There is an anticipated cost of **£0.8m** arising from the recently agreed 2007/08 pay award of 2.5%. This is 0.5% above the 2% pay provision that we set aside (in line with national government announcements). We have planned for a 2.5% pay award in 2008/09.

A further change to the base budget relates to savings that had previously been planned to be achieved:

- We are building in a lower level of savings for the Coventry Direct Programme and Value For Money Reviews from those previously identified within our financial plans. Savings of £1.3m and £0.8m respectively have already been built into budgets. We anticipate that further savings will be achieved through service redesign and Value For Money Partnership reviews over the next few years but that these future savings will be built into budgets only when they are specifically identified rather than being incorporated now as non-specific savings target. Although this reduces the amount of non-specific savings that we can include within our budget by **£1.9m** in 2008/09, other savings (eg implementation of the Youth Service Review in Appendix 2) will begin to address this position. As and when officers identify specific reviews or initiatives that are expected to deliver savings these will be reported to members and incorporated within our medium term financial plans.

Two further issues that may affect the financial position have not been included in Appendix 1 because of the uncertainty that surrounds them. The issues have been reflected in the overall financial figures quoted in the report and in Appendix 3.

- We face a potential increase in our Passenger Transport Levy. This is the result of higher than anticipated costs of **c£1.4m** arising from a dispute with bus operators surrounding the concessionary fares scheme introduced in 2006/07. This is currently the subject of legal challenge and it is anticipated that the Passenger Transport Authority may be able to delay passing on this cost until 2009/10. The Government has indicated that the recent extension to this scheme, due to be introduced in 2008/09, will be funded by direct grant. This element is not forecast to represent a further cost pressure.
- Section 6 of this report covers the current financial position relating to our future capital programme. Given the significant pressure on this programme over the forthcoming year and the scarcity of resources to take it forward, one option that could be pursued is for us to prudentially borrow to balance the

funding gap. If we were to do this, there would be a revenue cost of up to **£1.8m** for a capital programme resource gap of say £20m.

- 4.4 As part of the current Spending Review, the Government are changing fundamentally the grant regime for local government. One outcome from this is that between £14m and £16m of grant funding that we had previously received is expected to fall out in March 2008. We have been planning for this in many areas although not all of the partner organisations through which the funding is regularly channeled are necessarily prepared for this eventuality. Detailed work is currently being undertaken to identify whether further action is required in any of the areas affected and this will be available to members before they make their budget setting decisions.

### **Revenue Resources**

- 4.5 The provisional Revenue Support Grant (RSG) Settlement was announced on 6<sup>th</sup> December, which was too late to be incorporated into this document. The financial assumption within this report is that the settlement will broadly reflect the position outlined in CSR2007.
- 4.6 The combination of:
- The total national amount of resources made available in the Government's Comprehensive Spending Review,
  - Coventry's share of these resources that will be determined following the recent Formula Grant Consultation,
  - The effect of the underlying growth in the City's tax base (effectively, the number of dwellings on which we charge Council Tax), and,
  - The strength of our Council Tax collection performance and the consequent current and forecast performance of the Collection Fund,

Are currently anticipated to increase the level of resources at our disposal by **£4.2m** between predictions made in February 2007 and now.

- 4.7 There are corporate reserves available that are not earmarked for specific purposes. In line with our medium term financial plans, £2m of this balance will be used to support the budget in 2008/09 and the remainder retained as a separate "working balance" that we will not use unless absolutely necessary, at a level of 1% of net revenue budget. Currently there are no further reserves available to support the budget in future years.
- 4.8 Members will ultimately need to determine the level of the Council Tax increase – every 1% on Council Tax provides additional income of £1m. For planning purposes only, the revenue position currently illustrates the impact of a Council Tax increase of 2.5% in 2008/09.

## **5 Balancing the Revenue Programme**

- 5.1 As a consequence of all these developments (a number of which will be subject to change), the medium term financial problem before members make any savings decisions has moved to the position reflected in the table below.

2008/09 £m	2009/10 £m	2010/11 £m
9 to 15	17 to 24	17 to 25

5.2 In order to help to balance this position, members are being asked to consider some savings options between now and when the budget is set in February 2008. These are detailed in **Appendix 2** and outlined below.

5.3 All Directorates have sought to identify savings options from within their own budgets. Management Board have categorised these savings as follows.

- Category 1 - Relatively low impact savings
- Category 2 - Savings involving service improvement and better value for money
- Category 3 - Savings requiring a specific change of policy

As far as possible the savings identified are ones that demonstrate ways of delivering services that provide better value for money or where there is a relatively low service impact. This has not been possible in all cases although as far as possible, the options represent reductions in service in areas where the impact on citizens and stakeholders has been minimised (savings within support service areas for instance). Where there are more obvious effects on service end-users, the intention has been to re-align services to existing policies and current Corporate Objectives. Although the options shown may affect the level or quality of the service, nevertheless every effort has been made to ensure that at least reasonable levels of service are being provided in all areas.

5.4 A number of the options include post reductions – if all of the proposed options were taken there would be a total of **122.5** full time equivalent post reductions. Some of these posts will be ones that are already vacant or where the level of turnover is such that the actual number of individuals affected will be somewhat lower than the number of posts. We should be clear though that the implications of the Comprehensive Spending Review and the expectation upon us to deliver 3% cashable efficiencies in the future are that there will inevitably be a pressure within local government to employ fewer staff in the future and to become "leaner" organisations that deliver better value for money.

5.5 If **all** of these saving options were to be approved and assuming a Council Tax of **2.5%** the gap between spending and resources would be as follows.

2008/09 £m	2009/10 £m	2010/11 £m
1 to 7	7 to 14	6 to 14

A more detailed analysis of this position for 2008/09 is shown in **Appendix 3**

5.6 Clearly, this position is not one that presents a balanced budget. Whilst recognising that there are still a number of areas of uncertainty that could move us towards a balanced position we also need to plan a range of potential courses of action to ensure that this balance is achieved (potentially with some flexibility as to which options are chosen). In

order to produce a balanced programme, a combination of one or more of the following events will need to occur or actions taken:

- 5.7 Government Settlement figures could exceed expectations. In previous years the final settlement from Government has provided significant amounts of resources at the last minute that have given us some flexibility in finalising our revenue plans. Given that the CSR announcement has been made so recently and given the financial constraints that now face the wider public sector it is unlikely that any significant further resources will be made available within the final settlement.
- 5.8 Council Tax. The Government has stated that it expects Council Tax rises to be kept "significantly below 5%". In reality we anticipate that the Government will allow Councils to set tax levels that increase by up to 5% without imposing a capping limit below this level. Clearly, there is scope for members to consider a range of possible Council tax options. The financial planning assumption is a Council Tax increase of 2.5% and every 1% variation to this planning figure will affect the level of resources generated by **c£1m**.
- 5.9 Refine existing predictions. There is scope for some refinement in our figures over the coming weeks through challenging the assumptions that we have made in the budgets that are most difficult to accurately predict and through feeding in more up to date information as it becomes available. In particular such scope may present itself in relation to the Asset Management Revenue Account, the likely level of Housing Benefit subsidy overspending, the level of the PTA levy and the performance of the Council's Collection Fund. In the majority of instances we have budgeted towards the prudent end of the range for these options such that any movements in these areas are likely to be beneficial to our overall financial position.
- 5.10 Apply additional reserves. In addition, to the position outlined in paragraph 4.7 above there are £25m of other earmarked reserves on the Council's Balance Sheet, which have been analysed to identify whether any can be released for corporate use. The conclusion from this analysis is that whilst no reserves are available to be released for Corporate use on a permanent basis, there are some balances that are not required in the short-term that could be used to manage any risks or financial pressures that might face the authority on a short to medium term basis. The view of Management Board is that the overall level of balances and the timing of their anticipated use are such that we have less flexibility now than we have had for a number of years. Although we could still choose to use some of these reserves over and above the **£2m** referred to in paragraph 4.7, to support the Corporate bottom line for 2008/09, this would need to be decided within an over-arching strategy that considered the financial risks faced by the City Council and the benefits of using these resources in this way.
- 5.11 Savings from value for money reviews of services. Paragraph 4.3 has described the current position with regard to the Value For Money Partnership. One option would be to reinstate some savings in this area. This should only be done in a way that was felt to be realistic, linked to specific reviews and based on robust delivery and monitoring plans.
- 5.12 Identify further savings. We could choose to pursue a more challenging higher level of savings by implementing service reductions or by requiring Directorate Management Teams to revisit their existing savings proposals. Although the precise areas of saving would not be clear at this stage, this approach would almost certainly mean that some difficult decisions for making savings may need to be made.

## 6 Capital

- 6.1 The Council's recent Capital Programmes have been large in historic terms, reflecting the level of external funding generated and the sale of assets (creating capital receipts) to fund new spending.
- 6.2 The Capital position shown in the recently updated Medium Term Financial Strategy indicated that broadly, we would have sufficient resources to fund those schemes approved as part of 2007/08 Budget Setting. However, it also indicated that we would need to identify further resources in order to add any new spending plans for future years.
- 6.3 The Resources available for 2008/09 currently amount to £55m. Within this amount we will deliver a number of schemes that are already underway and others that are ring-fenced or specifically resourced and can only be spent on certain schemes. Taken together these categories will result in major improvements including the rebuilding of Stivichall School, significant improvements to the Burges, the Primelines highways programme, regeneration schemes in the Swanswell, New Deal for Communities, Far Gosford Street and Stoke Aldermoor areas, the completion of the redevelopment of the Herbert Art Gallery and Museum and a replacement library/community facility for Whoberley. The remaining schemes totalling £12m shown in Appendix 4 are new or represent the continuation of current spending programmes in areas such as property repairs and highways.
- 6.4 In line with last year, Management Board have considered all capital spending proposals by categorising them into seven themes. These themes, listed below, are reflected in Appendix 5.
- Schools
  - Housing and Social Care
  - Transport and Highways
  - Environment and Regeneration
  - Modernising the Council
  - Major Projects
  - Property

The status of each scheme has also been indicated by way of a code. The codes indicate the following:

- A – Scheme is part of existing approved Capital Programme
- B – Scheme is funded from specific or ring-fenced resources
- C – Scheme is funded from existing identified revenue budgets
- D – Requires Corporate resources to be identified to fund the scheme

- 6.5 All the schemes currently included in Appendix 4 amount to £73m. When compared to the level of resources available to us this leaves an overall shortfall of **£17m**. In order to produce a balanced programme, it will be necessary to do one or more of the following:
- 6.6 Generate additional capital receipts. The approved Capital Programme already assumes the generation of additional receipts from the sale of our least well performing assets. Officers will continue to review the amount of such receipts that it is realistic to include within 2008/09 although clearly, the higher the target set the more difficult it is to guarantee achieving it. The revenue impact of this will be taken account of within our revenue forecasts.



- 6.7 Free up some currently earmarked reserves. As described in 5.10, we could choose to use additional reserves, to support the Corporate Capital Programme for 2008/09, balancing the value of the one-off investment against the medium-term financial implications of doing so.
- 6.8 Free up one-off sums from under-spending in 2007/08. We could aim to maximise under-spending in the current year in areas that will not have a detrimental impact on service delivery. We are currently reporting an overspending of £3.4m on our revenue budgets. Whilst we will aim to balance this position by the year-end, it is unlikely that any significant under-spending will be available to support the Capital Programme position.
- 6.9 Re-schedule the expenditure within the Programme to later years. This approach could give us the flexibility we require to fund additional expenditure and it is anticipated that we will build in a certain level of rescheduling into the Programme. However, we need to be careful that this route is not used in a way that stores up significant problems in future years (by committing us to a programme that we can afford in year 1 but not in subsequent years). The degree to which we can pursue this needs to be properly assessed in the next few weeks but could release some cash flow flexibility within 2008/09.
- 6.10 Prioritise the schemes shown in Appendix 4. Notwithstanding the potential courses of action indicated above, it is anticipated that there will still be a shortfall between the resources available in 2008/09 and the level of Capital Programme expenditure that we would like to implement. Inevitably therefore, members will be asked to make choices around the schemes in Appendix 4 that they want to include in the Capital Programme and at what level.
- 6.11 Redistribute current capital allocations. The Capital Programme is funded by a mix of resources that are either generated internally (e.g. capital receipts) or provided externally (e.g. supported borrowing). The externally provided resources usually have a degree of specific or notional ring-fencing attached to them such that they can only be used for a limited range of schemes. Nevertheless there is sometimes scope for flexibility in the application of these resources in a way that better fits local priorities. Officers will explore any options for applying such flexibility where this might help to balance the programme.

## 7 Other specific implications

	Implications (See below)	No Implications
Best Value		✓
Children and Young People		✓
Climate Change and Sustainable Development		✓
Comparable Benchmark Data		✓
Corporate Parenting		✓
Coventry Community Plan	✓	
Crime and Disorder		✓
Equal Opportunities		✓
Finance	✓	

	Implications (See below)	No Implications
Health and Safety		✓
Human Resources	✓	
Human Rights Act		✓
Impact on Partner Organisations		✓
Information and Communications Technology		✓
Legal Implications		✓
Neighbourhood Management		✓
Property Implications		✓
Race Equality Scheme		✓
Risk Management		✓
Trade Union Consultation	✓	
Voluntary Sector – The Coventry Compact		✓

Decisions on the Council's budget will have implications for the whole of the Council's services and activities.

#### 7.1 **Coventry Community Plan**

The themes and priorities of the Coventry Community Plan have been taken into consideration in formulating the proposals during this budget setting process.

#### 7.2 **Finance**

The financial implications are included within the main body of the report.

#### 7.3 **Human Resources**

Budget decisions may affect the roles of some jobs. Any changes to jobs arising from the implementation of budget decisions will be managed through the City Council's Human Resources Policy and Procedures.

#### 7.4 **Trade Unions**

The consultation process with Trade Unions has already begun following the release of this report as a public document.

### 8 **Monitoring**

Any spending and savings decisions will be monitored and evaluated through quarterly monitoring by Councillors and by service managers through their operational plans. These decisions will be used to inform future policy and financial planning. Once the budgets for 2008/09 have been approved, effective budgetary control will be applied to ensure that expenditure is kept within approved budgets.

### 9 **Timescale and expected outcomes**

Further work will be undertaken to bring forward finalised proposals for a balanced budget to Cabinet and Council in February 2008.

List of background papers

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Papers open to Public Inspection

**Description of paper**

**Location**

None



**Analysis of Budget Pressures**

**Appendix 1**

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
<b><u>Corporate</u></b>				
100 2007/08 Pay Award	Cost of 2.5% pay award above our 2% pay contingency	800	800	800
101 Housing Benefit Subsidy	Likely future cost within Benefit Subsidy account in line with 2007/08 budgetary control reporting	700	700	700
102 Employers Superannuation Contributions	Increase in underlying employer contributions in line with actuarial review	240	1,560	1,920
103 Superannuation scheme - Early Retirement Costs	The authority's underlying employer superannuation rate does not allow for the cost of non-ill health early retirement decisions (usually on the grounds of service efficiency). We are required to set resources aside to take account of any strain on the pension fund that result from these decisions. Over the past three years, these costs have broadly equated to £1m per annum (the figures for 2007/08 will not be known until April 2008).	750	1,000	1,000
104 Herbert Art Gallery and Museum - Revenue costs of repaying Prudential Borrowing	The 2007/08 Capital Programme had previously assumed that a £3m loan and part funding of repayment costs would be provided in the short term by the Higgs Trust in respect of redevelopment costs for the Herbert Art Gallery and Museum. It is now unlikely that this option will be pursued and we will need to follow an alternative strategy of prudentially borrowing to resource this expenditure. Indications are that we can borrow at more favourable rates through this route. This proposal incorporates the revenue costs of repaying such borrowing.	210	210	210
105 A Factor - Changes to Statement of Recommended Practice	The Government is currently consulting authorities on changes to the A Factor regulations that will remove the risk that we previously faced in this area. However, the proposed changes will nevertheless leave us in a position of needing to make future provision for the repayment of debt.	1,300	1,100	1,000
<b>Total Corporate Pressures</b>		<b>4,000</b>	<b>5,370</b>	<b>5,630</b>

**Analysis of Budget Pressures**

**Appendix 1**

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
<b><u>Children Learning &amp; Young People</u></b>				
106 Neighbourhood and Specialist Children's Services	New statutory and regulatory requirements in relation to the processing of social care cases prior to making applications through the courts. Requirements include more court related work including Family Group Conferences (FGCs) to be completed in advance of hearings, the development of specialist foster care placements, and an emphasis on young people staying in care for longer.	220	440	440
107 Children's Specialist Services	Domestic violence notification partnership with the police to achieve the effective joint management of domestic violence notifications from the police service to social care.	65	65	65
108 Youth Offending Service & Neighbourhood Services - Positive activities, Basic skills, Family intervention.	Continuation of successful programmes to prevent offending and anti-social behaviour and support participation in education and positive activities. Support for young people in the Youth Justice System to develop basic skills and engage in pre-employability and other training and development courses. Provision of intensive support and challenge to families with dependent children at risk of multiple poor outcomes due to anti-social behaviour. This replaces several lost grant funding streams including NRF and RESPECT programmes and a reduction in West Midlands Police Funding.	400	400	400
<b>Children Learning &amp; Young People Pressures</b>		<b>685</b>	<b>905</b>	<b>905</b>

**Analysis of Budget Pressures**

**Appendix 1**

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
<b><u>City Development</u></b>				
109 City Centre Masterplan/ Development	Cost of procurement & backfilling, production of action plan thereafter. NB. Likely future revenue and capital bids will result following outcome of the masterplan	100	0	0
110 St Johns/Much Park Street Car Park Income	Loss of income following the sale of this site for the Severn Trent Water Authority office development - Per Cabinet report 25 September 2007. A proportion of the car parking spaces provided within the new Severn Trent Water development will be available to the public on a contract basis but are not City Council spaces. Indications are that the current 07/08 position is on target and cannot finance any future losses against the target.	124	124	124
111 Council property Electrical Surveys	This one-off cost is required to be spent in 08/9. It is required for Health & Safety purposes to identify unsafe properties. It cannot be classed as capital spend and must be funded therefore from revenue. Previous revenue allocations have been made for this purpose, which have proved to be insufficient.	230	0	0
<b>Total City Development Pressures</b>		<b>454</b>	<b>124</b>	<b>124</b>
<b><u>City Services</u></b>				
112 Recycling - continuation of Public Service Agreement (PSA) Pilot: glass, cans, and plastics service.	Recycling continuation. A detailed evaluation of the current trial will be undertaken as part of the business case for the expansion of the service, as well as at the end of the scheme. It is estimated that the ongoing cost of providing the current service is £150k	150	150	150
113 Street Cleansing PSA Pilot	Continuation of Improved Cleanliness Standards. A significant citywide improvement in standards of cleanliness has been achieved following the additional resources secured through last years Budget Setting and through the PSA. This has increased the number of barrow rounds, which are extremely popular from 3 to 12.	190	190	190

**Analysis of Budget Pressures**

**Appendix 1**

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
114 Smokefree Coventry	Smokefree Coventry - continue programme to meet Health & Wellbeing targets in the Community Plan. Working to reduce levels of smoking particularly during pregnancy and in the priority neighbourhoods - in particular coordinating National No-smoking Day in Coventry and initiatives involving partner organisations.	25	50	50
115 Animal Welfare	Stray Dogs - Extension of Council duty with effect from 6th April 2008 to provide a 24/7 service. Current service is provided Monday to Friday 9am to 5pm.	25	25	25
116 Emergency Services Unit (ESU)	ESU loss of Income. Whitefriars were a major customer for ESU's services but there has been a steady migration to in-house services or alternative providers who specialize in supporting Registered Social Landlords. The service has undergone a number of service reviews, with the aim of generating income to resolve the on-going shortfall.	150	150	150
117 CCTV Control Rooms - Joint City Development and City Services pressure	Original decision to merge City Council and CVOne control rooms based upon consultants report 2/3 years ago that indicated £250k could be saved by merging 2 CCTV control rooms into 1. The Coventry Traffic Management Centre Project (based within the ESU) now supports the need for 2 Control Rooms to provide managed traffic flows and provide city-wide resilience and emergency response.	225	225	225
118 Emergency Planning	Civil Contingencies Manager. There is increasing pressure nationally and locally in the areas of Emergency Planning, Civil Contingencies and Business Continuity Management. To reflect the additional responsibilities and to maximise the opportunities to co-ordinate these functions this proposal is for a Civil Contingencies Manager and associated costs of establishing a Civil Contingencies team.	34	67	67
<b>Total City Service Pressures</b>		<b>799</b>	<b>857</b>	<b>857</b>



**Analysis of Budget Pressures**

**Appendix 1**

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
<b><u>Community Services</u></b>				
119 Herbert Art Gallery and Museum	Additional costs of museum approved by Council on 27th June 2006	67	110	114
120 Parks For People	Reprofile of costs of bid in line with report to Cabinet	-150	0	62
<b>Total Community Services Pressures</b>		<b>-83</b>	<b>110</b>	<b>176</b>

<b><u>Customer &amp; Workforce Services</u></b>				
<b>CWS Pressures - New</b>				
121 WAN 2 project	Prudential Borrowing for this project may be required before all savings from switch off of LES circuits are achieved. Earlier lighting on WAN circuits and termination of current LES contracts being explored to reduce this cost.	100	150	0
122 One Stop Shops	Costs of continuing One Stop Shops 2008. Estimated that £65K needed to cover currently unfunded 9 months from July 2008 – March 2009 pending outcome of review in June 2008.	65	0	0
123 Coventry Direct Express	Coventry Direct Express are managed by Coventry Direct and support One Stop Shops at peak times. It is estimated that £30K is needed to maintain this support during the 9 months from July 2008 – March 2009 pending outcome of review in June 2008..	30	0	0
124 ICT Restructure	As per report and consultation document. Options proposed: £340K or £210K	210	340	340
125 Election Team Restructure	Increase capacity within the Electoral Services Team to improve the service and take on new statutory requirements.	75	75	75
<b>CWS Pressures - arising from previous PPRs</b>				

**Analysis of Budget Pressures**

**Appendix 1**

<b>Directorate, Service Area and Title</b>	<b>Description and Impact</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>
		<b>(£000)</b>	<b>(£000)</b>	<b>(£000)</b>
126 ICT Licensing & staffing savings	Original proposal was £350K to be met from rationalisation of licences & reducing staffing by centralisation in 2003/04. In reality the Council was under-licensed & staffing savings did not materialise as anticipated. £229K has been identified from overall budget. £121K remains that cannot be absorbed – see ICT restructure above.	121	121	121

Analysis of Budget Pressures

Appendix 1

Directorate, Service Area and Title	Description and Impact	2008/09	2009/10	2010/11
		(£000)	(£000)	(£000)
<b>CWS Pressures - Memorandum Item</b> 127 Coventry Direct	Contact Centre staff £365K, Contact centre ICT system £95K. These items were previously being funded from the capital project and now need to be "mainstreamed" into the revenue budget. They have previously been identified as being the first call on Coventry Direct savings. This is not a new pressure.	460	460	460
<b>CWS Pressures - Could be met by recharging other directorates</b> 128 Criminal Record Bureau checks	These costs are incurred on behalf of other directorates and the cost has increased. Alternatively this could be dealt with by recharging directorates who use the service.	40	40	40
<b>Total Customer and Workforce Services Pressures</b>		<b>1,101</b>	<b>1,186</b>	<b>1,036</b>
<b>GRAND TOTAL ALL SERVICES</b>		<b>6,956</b>	<b>8,552</b>	<b>8,728</b>



**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>CATEGORY 1 : LOW IMPACT</u></b>								
200	<b><u>Chief Executives</u></b> Corporate Communications	Stop attendance at annual Labour and Conservative Party conferences. This has been successful in raising the profile of Coventry with decision makers and opinion formers. However the costs is high and we could maintain this profile with a break for some years. Considerable staff time also involved could be redirected to University Fresher Fairs etc.			865	(30)	(30)	(30)
201	Support Services Policy & Performance and Community safety	Back office savings from Chief Executive's Policy & Performance and Community Safety teams.			995	(24)	(24)	(24)
202	Support Services Policy & Performance	Savings to be achieved from within the overall Policy and Performance budget. Principally this will be achieved by deleting our subscription to the Local Government Information Unit and seeking to keep updated on local government issues via other sources particularly the internet, saving £18k. Other savings will be sought from ceasing to use external premises for seminars (linked to a wider VFM review) and allocating marginally fewer resources to Equalities and Cohesion budgets.			67	(28)	(28)	(28)
203	Corporate Communications	Cease specific budget for awards sponsorship and identify other funding streams to continue sponsorship of community awards.			9	(9)	(9)	(9)
204	Neighbourhood Management- Warden surplus	Reset the base budget for wardens to reflect actual spend			2,385	(144)	(144)	(144)

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
205	Scrutiny	Reduce Scrutiny Board budget to reflect historical spending patterns. There has been an underspend and Scrutiny Board are now well managed and focused. Officers believe these reductions can be sustained.			37	(20)	(20)	(20)
<b>Total Chief Executive's - Category 1: Low Impact</b>				<b>0.0</b>		<b>(255)</b>	<b>(255)</b>	<b>(255)</b>

<b><u>Children, Learning and Young People - proposals marked * will require discussions with school partners</u></b>									
206	Home to School Transport	Children's Transport Escorts	Reduce staffing costs budget to reflect actual spend			691	(20)	(20)	(20)
207	Looked After Children	Foster Carer Fees	Reduce budget on foster carer fees to reflect historic spend			1,218	(50)	(50)	(50)
208	Looked After Children	Looked After Children	Reduce budget on maintenance allowances to reflect historic spend			2,819	(100)	(100)	(100)
209	Services Provided to Schools	Client Catering Team	Staffing costs of providing support and advice service to schools will be met by schools, as provided for in the Service Level Agreement			196	(110)	(110)	(110)
210	Services Provided to Schools	Information Team*	Proposal that expenditure to be met from growth in delegated Dedicated Schools Grant subject to agreement with the Coventry Schools Forum			201	(25)	(25)	(25)
211	Services Provided to Schools	Outdoor Education Service*	Proposal that expenditure to be met from growth in delegated Dedicated Schools Grant subject to agreement with the Coventry Schools Forum			436	(150)	(150)	(150)
212	Services Provided to Schools	Performing Arts Service*	Proposal that expenditure to be met from growth in delegated Dedicated Schools Grant subject to agreement with the Coventry Schools Forum			1,043	(50)	(50)	(50)

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
213 Services Provided to Schools	School Improvement Service	Restructuring of Education Officer support - this will reduce some capacity to support schools management and governance issues	12.0	(1.0)	1,468	(60)	(60)	(60)
214 Services Provided to Schools / Looked After Children	Looked After Children*	Proposal that expenditure on education of Looked After Children to be met from centrally retained Dedicated Schools Grant subject to agreement with the Coventry Schools Forum			169	(169)	(169)	(169)
215	Minority Group Support Service	Reduced funding requirement linked to Supplementary Schools and Training Works projects that either were one-off in nature or are now being delivered through mainstream funding.			1,443	(60)	(60)	(60)
216	Recruitment Team	Reduction in advertising budget to reflect historic spend.			355	(20)	(20)	(20)
217	Safeguarding Team	Savings to be generated through more equitable share of costs with external partners, reflecting the national pattern. To be discussed and negotiated with partners.			858	(20)	(20)	(20)
218	Schools Broadband	A one-off grant contribution in 2007/08 to the WAN 2 project will reduce the required level of prudential borrowing and subsequently the budgeted cost of repayment.			636	(40)	(40)	(40)
<b>Total Children Learning &amp; Young People - Category 1: Low Impact</b>				<b>(1.0)</b>		<b>(874)</b>	<b>(874)</b>	<b>(874)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>City Development</u></b>								
219	Commercial Property	Additional commercial income			1,600	(95)	(95)	(95)
220	Planning & Strategic Transportation Division Grant Funding	Revised income forecasts from commercial income-producing property (after allowing for Phase 1 disposal programme)			n/a	(150)	(150)	(150)
221	Credit Union Development	It is anticipated that sustainable medium term resources will be received in the form of Planning and Delivery Grant and Growth Point funding. This can be used to finance significant work within the Planning and Strategic Transportation Division to carry out work on the growth and planning agendas.			54	(4)	(4)	(4)
<b>Total City Development - Category 1: Low Impact</b>				<b>0.0</b>		<b>(245)</b>	<b>(245)</b>	<b>(245)</b>
<b><u>City Services</u></b>								
222	Waste	Additional income to Coventry from Landfill Allowance Trading Scheme (LATS).			6,437	(150)	(250)	(150)
<b>Total City Services - Category 1: Low Impact</b>				<b>0.0</b>		<b>(150)</b>	<b>(250)</b>	<b>(150)</b>



**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
	<b><u>Community Services</u></b>							
223 Housing Strategy	Homelessness	Work is now nearing completion to identify savings from revision of Supporting People contracts with Coventry Cyrenians who we reimburse for the emergency accommodation and support service they provide for single homeless people. In the future the work will be funded through grant funded Supporting People resources whilst also delivering better value for money. As well as achieving savings in our mainstream budget, this work will finance the counselling and support elements of an improved Rough Sleeper Scheme and ensure that the people who are helped claim the Housing Benefit for which they are entitled.			140	(140)	(140)	(140)
224 Leisure	Fees and Charges	Increase in income and new income streams from fees and charges agreed by Cabinet on 11th September 2007			733	(100)	(100)	(100)
225 Leisure	Sports Trust	Target saving from new tenders to run the Sports Trust			1,847	(100)	(100)	(100)
226 Leisure	Sports Trust	Remove management of change budget once tender process is completed			150	(150)	(150)	(150)
227 Process Improvement and Cost Reduction in Social Care	Continuing Care	Transfer of responsibility for meeting the costs of new nursing care placements to Primary Care Trust (PCT) in line with new government guidance and through discussions with the PCT			7,136	(500)	(1,000)	(1,500)
228 Process Improvement and Cost Reduction in Social Care	Learning Difficulties (LD)	Last year the Budget Setting process allocated additional monies to the LD services as projected for 2008/09. We have re-assessed this figure and have reduced the estimates based on current information by £81k.			12,062	(81)	(81)	(81)

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
229	Process Improvement and Cost Reduction in Social Care	Joint posts with PCT Agreement almost reached with PCT to realign responsibility for appropriate share of joint funded posts.			308	(100)	(100)	(100)
<b>Total Community Services - Category 1: Low Impact</b>				<b>0.0</b>		<b>(1,171)</b>	<b>(1,671)</b>	<b>(2,171)</b>
<b><u>Customer and Workforce Services</u></b>								
230	ICT	Rationalisation of printers/copiers/telephones. Review of printers, copiers & telephones, requires flexibility in services to accommodate an increase in sharing of facilities. This is an estimate and is dependent on the printer, copier & telephone requirements of all directorates. This saving will be achieved over a 4 year period and capturing the saving will require budget reductions in various administration as well as ICT budgets.			n/a	(25)	(50)	(75)
231	ICT	Serco Contract - Savings increase over 07/8			6,600	(94)	(402)	(898)
232	Support Services	Charging Strategy Review			n/a	(5)	(5)	(5)
233	Support Services	Advertising contract			1,400	(25)	(25)	(25)
234	Support Services	Voluntary Additional MoV (management of vacancies) 1%			10,000	(100)	(100)	(100)
235		Officer Car Park passes review			500	(125)	(125)	(125)
<b>Total Customer and Workforce Services - Category 1: Low Impact</b>				<b>0.0</b>		<b>(374)</b>	<b>(707)</b>	<b>(1,228)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>Finance and Legal Services</u></b>								
236	Revenues & Benefits	Primarily cashflow savings resulting from reprofiling of council tax and National Non-Domestic Rate (NNDR) payments.			n/a	(173)	(173)	(173)
237	Revenues & Benefits	Council Tax Court Cost Recovery. Increase in fees in line with national average			n/a	(80)	(80)	(80)
238	Single Person Discount - Council Tax	Improved Council Tax collection based on validating the single person discount status of households		0.0	n/a	(250)	(250)	(250)
239	Later payment of Christmas Salaries	Cash flow benefit of the removal of the current policy of paying Christmas salaries approximately 1 week early			n/a	(20)	(20)	(20)
240	Premium on Business Improvement District (BID) loan	Interest rate benefit resulting from the loan facility extended to the City Wide BID company to finance the WAN infrastructure investment.			n/a	(15)	(15)	(15)
241	Risk Management Fund - Risk Management and Insurance	Mainstream arrangements for the funding of risk management and undertake more focused risk management activities, together with a review of the risk management and insurance team staffing structures.	9.0	(1.0)	n/a	(200)	(200)	(200)
<b>Total Finance and Legal Services - Category 1: Low Impact</b>				<b>(1.0)</b>		<b>(738)</b>	<b>(738)</b>	<b>(738)</b>
<b>TOTAL ALL SERVICES - Category 1: Low Impact</b>				<b>(2.0)</b>		<b>(3,807)</b>	<b>(4,740)</b>	<b>(5,661)</b>

Analysis of Saving Options

Appendix 2

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>CATEGORY 2: SERVICE REDESIGN</u></b>								
242	<b><u>Chief Executives</u></b> Community Safety	Staff restructure incorporating reduction in administrative support and reconfiguration of communications support		(1.0)	754	(22)	(22)	(22)
<b>Total Chief Executive's - Category 2: Service Redesign</b>				<b>(1.0)</b>		<b>(22)</b>	<b>(22)</b>	<b>(22)</b>
243	<b><u>Corporate</u></b> Value for Money (VfM) Partnership Reviews	Saving to be delivered through the work undertaken by the VfM Partnership (City Council and PwC). All reviews will be supported by a robust approval process including outline and detailed business cases, which will establish the realisable benefits to be delivered. Nevertheless, given that the work of the partnership is now underway, it is appropriate to make an initial relatively low saving proposal now that will increase significantly over time as this work progresses.				(100)	(100)	(100)
<b>Total Corporate - Category 2: Service Redesign</b>				<b>0.0</b>		<b>(100)</b>	<b>(100)</b>	<b>(100)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>Children, Learning and Young People</u></b>								
244	Looked After Children	Children's Residential Placements			10,196	(330)	(330)	(330)
245	Looked After Children	Looked After Children			1,895	(125)	(125)	(125)
246	Services Provided to Schools	Before and After-School Childcare Provision	15.0	0.0	285	(65)	(65)	(65)
247	Youth Service	Youth Service	88.0	(10.0)	2,665	(300)	(300)	(300)
248		Special Educational Needs	10.0	(1.0)	476	(50)	(50)	(50)
<b>Total Children Learning &amp; Young People - Category 2: Service Redesign</b>				<b>(11.0)</b>		<b>(870)</b>	<b>(870)</b>	<b>(870)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>City Development</u></b>								
249	Commercial Property	Commercial Property restructuring and rationalisation	237.0	(2.0)	1,100	(45)	(45)	(45)
250	Reduction in Property Running Costs	Conduct an NNDR rating appeal across all corporate buildings and car parks, similar to the successful exercise conducted in 2007 for schools. The one off costs of this exercise can be offset against the backdated windfall savings. Additional savings have also been generated from relocating the Asylum seeker team.			n/a	(120)	(120)	(120)
251	Regeneration - Rationalisation and restructuring of the service	Reduce staffing across each of the following services: Development projects £50,000; Employment £50,000; Business and Investment £60,000	62.0	(5.0)	2,200	(50)	(160)	(160)
<b>Total City Development - Category 2: Service Redesign</b>				<b>(7.0)</b>		<b>(215)</b>	<b>(325)</b>	<b>(325)</b>
<b><u>City Services</u></b>								
252	Environment al Health and Protection Services	Public Protection - Environmental Health & Trading Standards	125.0	(7.6)	5,428	(150)	(300)	(300)
253	Fleet Management	Fleet Management			(579)	(85)	(145)	(180)
254	Street Care Services	Street Cleansing	2.0	(2.0)	2,323	(20)	(45)	(45)

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
255	Waste Services	Review of frequency of collection of green waste during winter. The proposal is to cease green waste collection during December & January, resulting in a reduction in resource requirements.	42.0	(1.0)	4,716	(20)	(20)	(20)
256	Administration	Reduce post in administrative service	33.0	(1.0)	488	(15)	(25)	(25)
257	Traffic Management & Design (currently City Development Directorate (CDD))	Integration and consolidation of Traffic Management design and consultancy service, following proposed transfer of service from CDD to City Services, to provide a citywide and integrated traffic management, consultancy and design service	6.0	(1.0)		(40)	(40)	(40)
258	Taxi Licensing (currently CDD)	Transfer Taxi Licensing from CDD to City Services. Transfer of existing licensing function to Public Protection licensing to provide an integrated licensing function. Savings in administrative and management costs will therefore be achieved. Some aspects of Taxi Licensing e.g. vehicle inspection, road worthiness checks are already carried out by City Services.				(20)	(20)	(20)
259	Public Protection - Consumer Advice	Consumer Advice provide services in addition to Consumer Direct and receives referrals from them. This proposal seeks to match service levels with a revised assessment of service requirements in this area.	29.0	(6.7)	1,366	(95)	(190)	(190)
<b>Total City Services - Category 2: Service Redesign</b>				<b>(19.3)</b>		<b>(445)</b>	<b>(785)</b>	<b>(820)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
	<b><u>Community Services</u></b>							
260 Housing Strategy	Private Sector Housing	Restructure of Enforcement and Grants Team took place mid year following retirement of post holders. 2 Senior posts were replaced with one Senior post and one Deputy making a small saving.	30.0	(1.0)	702	(10)	(10)	(10)
261 Libraries	Library Services	Savings from a review of management structure which has been undertaken. Consultation still needs to take place with staff and Unions	157.0	(6.0)	5,862	(176)	(176)	(176)
262 Process Improvement and Cost Reduction in Social Care	Social Care Services	Efficiencies from reduced management and administrative posts, improving purchasing arrangements, revising training delivery and reducing Policy and Business budgets. These efficiencies relate to a range of items some of which can be easily delivered and some of which will require consultation.	1,012.0	(24.0)	32,040	(744)	(744)	(744)
263 Process Improvement and Cost Reduction in Social Care	Social Care Services	A project has been successfully run in this financial year to assist all tenants in housing with care schemes to assist them in claiming attendance allowance. This action has both increased income for tenants and increased their contribution to the Council to meet the costs of the services. This should be fully delivered by March 08 to deliver the additional income.			19,120	(300)	(300)	(300)
<b>Total Community Services - Category 2: Service Redesign</b>				<b>(31.0)</b>		<b>(1,230)</b>	<b>(1,230)</b>	<b>(1,230)</b>



**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11	
					(£000)	(£000)	(£000)	(£000)	
<b><u>Customer and Workforce Services</u></b>									
264	Post & Fastprint including Electronic Mail and Document Management	Post & Fastprint	The relocation resulting from the Severn Trent Water development on the St John's Car Park site will facilitate a review of this service. Savings are anticipated from accommodation, a review of the postal service including the introduction of 'clean mail' and a printing review including the Elmbank printing operation.	30.3	(2.0)	1,784	(120)	(120)	(120)
265	Support Services	Delete one full time equivalent (fte) Admin Post - workforce development	Rationalisation of administration within workforce development	5.0	(1.0)	649	(23)	(23)	(23)
266	Support Services	Directional vacancy advertising	Anticipated savings relating to the use of directional advertising in the Coventry Evening Telegraph. i.e. a small advert explaining where to get more information via the internet etc.			n/a	(50)	(50)	(50)
267	Support Services	Generic Recruitment of clerical staff	Savings from the generic recruitment of grade 1-3 staff. The pooling of recruitment and advertising has realised savings across the council.			n/a	(20)	(20)	(20)
268	Support Services and ICT	Resourcelink - Savings increase over 07/8	Savings have already been achieved and budgeted for from the Resourcelink HR and Payroll project. Further savings shown here are now anticipated, in line with the original business case but beyond those currently budgeted for.	107.0	(22.6)	1,504	(160)	(160)	(160)
<b>Total Customer and Workforce Services - Category 2: Service Redesign</b>					<b>(25.6)</b>		<b>(373)</b>	<b>(373)</b>	<b>(373)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>Finance and Legal Services</u></b>								
269	Revenues & Benefits	Productivity benefits from Home Working pilot extension.	151.0	(3.5)	3,897	(50)	(50)	(50)
270	Revenues & Benefits	Net service redesign savings achieved following the introduction of the new Revenues and Benefits Academy system, following assessment of work processes to identify efficiencies in working practises. (fte savings to be determined)			6,659	(125)	(125)	(125)
271	Strategic Procurement	Procurement savings through restricting procurement options for certain costs e.g. stationery.			n/a	(50)	(50)	(50)
272	Options Review of Legal Services	Savings resulting from a review of external legal cost arrangements			1,663	(25)	(25)	(25)
273	Financial Management and Management Team	Review of the management arrangements within the Directorate & Financial Management division teams			5,082	(50)	(50)	(50)
<b>Total Finance and Legal Services - Category 2: Service Redesign</b>				<b>(3.5)</b>		<b>(300)</b>	<b>(300)</b>	<b>(300)</b>
<b>TOTAL ALL SERVICES - Category 2: Service Redesign</b>				<b>(98.4)</b>		<b>(3,455)</b>	<b>(3,905)</b>	<b>(3,940)</b>

Analysis of Saving Options

Appendix 2

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>CATEGORY 3: POLICY CHANGE</u></b>								
274	<b><u>Chief Executives</u></b> Community Safety	Work in a more targeted way and seek to access other funding streams in order to respond to local crime and antisocial behaviour issues raised at Safer Neighbourhoods Groups, Active Intelligence Mapping (AIMs) and requests from elected Members. The combined impact of any savings here will need to be considered along with those in Neighbourhood Management and work on equalities and community cohesion.			119	(34)	(34)	(34)
<b>Total Chief Executive's - Category 3: Policy Change</b>				<b>0.0</b>		<b>(34)</b>	<b>(34)</b>	<b>(34)</b>
<b><u>City Development</u></b>								
275	Cap external grants at maximum of £50,000 for 2008/09 onwards:	Groundwork This grant reduction would require amendment of the Grant Aid Agreement with Groundwork. As a result, they will be more dependent on additional contract commissions with the Council and other third parties for specific work. The Council's grant aid is only one source of funding and it is not expected that this reduction will lead to service level reductions in the short term.			69	(20)	(20)	(20)
276	Commercial Property/Operational Property	Reduce repair and maintenance expenditure on operational and commercial property with some impact on flexibility and reactivity of repairs service.			2,800	(70)	(70)	(70)
277	Review of CVOne contract	Jointly review the contract with CVOne to identify areas of cost reduction in line with VfM target. (discussions already			5,342	(270)	(270)	(270)
<b>Total City Development - Category 3: Policy Change</b>				<b>0.0</b>		<b>(360)</b>	<b>(360)</b>	<b>(360)</b>

Analysis of Saving Options

Appendix 2

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
	<b>City Services</b>							
278	Waste Refuse Collection	Introduce part-charging for replacement wheeled bins. Proposed charge £10 per bin against cost of replacement bin approx £20			4,716	(20)	(30)	(30)
279	Waste Collection	Waste Services	2.0	(2.0)	4,716	(80)	(80)	(80)
		Cessation of free green waste shredding service. During 2006 there was 866 requests for this service and, at the time of writing, 707 to date in 2007						
280	Highways	Reduce the highways revenue budget and reprogramme maintenance work following the capital investment in this area over the past 3 years.	79.0	(4.0)	2,049	(164)	(164)	(164)
281	Public Protection - Health Development Unit	In conjunction with the PCT and Community Services undertake a review of this service.	12.0	(5.2)	245	(82)	(164)	(164)
282	Public Protection - Out of hours noise service	A review of the out of hours noise investigation service involving response times and the prioritisation of casework.	5.0	(2.5)	204	(35)	(75)	(75)
<b>Total City Services - Category 3: Policy Change</b>				<b>(13.7)</b>		<b>(381)</b>	<b>(513)</b>	<b>(513)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
<b><u>Community Services</u></b>								
283 Leisure	Culture and Leisure Grant Bodies	Gershon efficiencies delivered by Grant Aided Partners e.g. Coventry Transport Museum, Belgrade and CVOne Promotions.			3,173	(82)	(82)	(82)
284 Libraries	Library Services	Forthcoming proposals in relation to a standard framework for opening hours across the city.	157.0	(7.6)	5,862	(119)	(119)	(119)
285 Process Improvement and Cost Reduction in Social Care	Charging Policy	End Council subsidy to those receiving domiciliary care who are able to meet full cost of that service. The Council at present allows a 15% reduction in the cost of the care package to those who have been means tested under the government guidance as being deemed to be able to afford to pay for the full cost of their package of care.			2,143	(200)	(300)	(300)
<b>Total Community Services - Category 3: Policy Change</b>				<b>(7.6)</b>		<b>(401)</b>	<b>(501)</b>	<b>(501)</b>
<b><u>Customer and Workforce Services</u></b>								
286	Union Learning Representatives (ULRs)	Reduction in ULR funding. There is a statutory duty to provide trade unions with union learning representative facility time. Currently the 13 trade unions that we recognise receive funding for the equivalent of 3fte ULRs whose time they share between them to undertake this work. A reduction in funding of the 3fte's to approximately 2fte's would mean a diminution and redistribution of facility time allocated to this.	3.0	(0.8)	100	(25)	(25)	(25)
<b>Total Customer and Workforce Services - Category 3: Policy Change</b>			<b>3.0</b>	<b>(0.8)</b>		<b>(25)</b>	<b>(25)</b>	<b>(25)</b>

**Analysis of Saving Options**

**Appendix 2**

VFM Ref	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget	2008/09	2009/10	2010/11
					(£000)	(£000)	(£000)	(£000)
287	<b>Finance and Legal Services</b> 3% Efficiency saving to be achieved within Voluntary Organisations	Gershon efficiencies delivered by either, all advice centres or alternatively the Coventry Compact.			1,000	(30)	(30)	(30)
<b>Total Finance and Legal Services - Category 3: Policy Change</b>				<b>0.0</b>		<b>(30)</b>	<b>(30)</b>	<b>(30)</b>
<b>TOTAL ALL SERVICES - Category 3: Policy Change</b>				<b>(22.1)</b>		<b>(1,231)</b>	<b>(1,463)</b>	<b>(1,463)</b>
<b>GRAND TOTAL ALL SERVICES</b>				<b>(122.5)</b>		<b>(8,493)</b>	<b>(10,108)</b>	<b>(11,064)</b>

**Forecast Revenue Budget and Resource Position (£m)****Appendix 3**

		2008/09	
		Best Case	Worst Case
<u>Net Budget Position</u>			
A	Base Budget Including Previous Approved Decisions	256.5	256.5
B	Directorate Savings Targets Including Delivery of Previous Corporate Savings Targets	(8.3)	(8.3)
D	Budget Pressures, Unavoidable Changes to Expenditure and Policy Developments	6.5	9.8
E	LABGI Award Below/(Above) Budgeted Amount	0.8	0.8
F	PSA Reward Grant	(0.2)	0.0
G	Contribution From Reserves	(2.0)	(1.6)
H	Net Budget Position	253.3	257.3
<u>Resources</u>			
I	Formula Grant Before Changes to Formula Grant Distribution	(139.2)	(139.2)
J	Potential Changes to Formula Grant Distribution	(0.6)	0.8
K	Council Tax	(110.2)	(110.2)
L	Specific Actions to Increase Council Taxbase	(1.3)	(1.3)
M	Collection Fund Surplus	(1.3)	(0.5)
N	Total Resources	(252.6)	(250.4)
O	Net Resource (Surplus)/Deficit	0.7	6.8





**CAPITAL PROGRAMME OPTIONS 2008/09 - 2012/13**

Appendix 4

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>EXPENDITURE</b>							
Schools		9,812	1,992	2,895	545	200	15,444
Housing		8,889	8,623	5,823	3,823	3,823	30,981
Transport & Highways		18,454	8,143	8,278	2,900	2,900	40,675
Environment/Regeneration		7,549	2,150	1,214	100	100	11,113
Modernising the Council		4,138	2,297	2,246	1,850	900	11,431
Major Schemes		8,515	3,239	0	0	0	11,754
Property		15,192	9,932	6,545	5,985	5,980	43,634
<b>TOTAL EXPENDITURE</b>	<b>0</b>	<b>72,549</b>	<b>36,376</b>	<b>27,001</b>	<b>15,203</b>	<b>13,903</b>	<b>165,032</b>
<b>FUNDING</b>							
Borrowing		(6,265)	(3,841)	(3,930)	0	0	(14,036)
Prudential Borrowing		(4,966)	(1,064)	(900)	(900)	0	(7,830)
Forecast Capital Receipts		(19,747)	(14,300)	(300)	(300)	(300)	(34,947)
Specific Capital Grant		(19,877)	(6,478)	(8,416)	(3,868)	(3,523)	(42,162)
<b>Q1/Q2 Grant Slippage</b>		(1,350)	0	0	0	0	(1,350)
RCCO		(190)	(190)	(190)	0	0	(570)
Corporate Reserves		(500)	0	0	0	0	(500)
Leasing Reimbursements		(2,333)	(200)	(200)	(200)	(200)	(3,133)
<b>TOTAL FUNDING</b>	<b>0</b>	<b>(55,228)</b>	<b>(26,073)</b>	<b>(13,936)</b>	<b>(5,268)</b>	<b>(4,023)</b>	<b>(104,528)</b>
<b>RESOURCES TO BE IDENTIFIED</b>	<b>0</b>	<b>17,321</b>	<b>10,303</b>	<b>13,065</b>	<b>9,935</b>	<b>9,880</b>	<b>60,504</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>SCHOOLS</b>						
S1	A	DFES Formula Capital	3,417	161	0	0	0	3,578
S2	A	Schools Access Programme (Q1 accel 07/08)	(5)	0	0	0	0	(5)
S3	A	Aldermoor Farm	150	0	0	0	0	150
S4	A	Investment in school sports (gym's etc)	1,023	200	0	0	0	1,223
S5	A	New Broad Spectrum Primary School	0	1,281	2,695	345	0	4,321
S6	A	Stivichall Replacement Primary School	4,897	150	0	0	0	5,047
S7	C	Leased Equipment	200	200	200	200	200	1,000
S8	A	Non-Schools Building Programme (Q2 slippage 07/08)	130	0	0	0	0	130
		<b>SUB-TOTAL SCHOOLS</b>	<b>9,812</b>	<b>1,992</b>	<b>2,895</b>	<b>545</b>	<b>200</b>	<b>15,444</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>HOUSING AND SOCIAL CARE</b>						
H1	A	Energy efficiency schemes in deprived areas for older people.	2,989	3,523	3,523	3,523	3,523	17,081
H2	A	Pathways to Care (Support to Foster Carers)	300	300	300	300	300	1,500
H3	A	Social Housing Regeneration Fund Schemes	5,600	4,800	2,000	0	0	12,400
		<b>SUB-TOTAL HOUSING AND SOCIAL CARE</b>	<b>8,889</b>	<b>8,623</b>	<b>5,823</b>	<b>3,823</b>	<b>3,823</b>	<b>30,981</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>TRANSPORT &amp; HIGHWAYS</b>						
T1	A	Primelines	5,333	0	0	0	0	5,333
T2	A	Stoney Stanton Corridor 2 (Q2 slippage 07/08)	1,000	0	0	0	0	1,000
T2	A	Ironmonger Row/High Street / Burges	1,775	0	0	0	0	1,775
T3	A	Pool Meadow Access Road (Q2 slippage 07/08)	150	0	0	0	0	150
T4	A	Local Transport Plan	4,889	5,243	5,378	0	0	15,510
T5	D	Highways Investment	5,000	2,900	2,900	2,900	2,900	16,600
T5	A	Highways Investment (Q2 slippage 07/08)	250	0	0	0	0	250
T6	A	North South Road (Q2 slippage 07/08)	57	0	0	0	0	57
		<b>SUB-TOTAL TRANSPORT AND HIGHWAYS</b>	<b>18,454</b>	<b>8,143</b>	<b>8,278</b>	<b>2,900</b>	<b>2,900</b>	<b>40,675</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>5,000</b>	<b>2,900</b>	<b>2,900</b>	<b>2,900</b>	<b>2,900</b>	<b>16,600</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>ENVIRONMENT/REGENERATION</b>						
E1	A	New Deal for Communities before Masterplan	1,400	750	750	0	0	2,900
E2	A	Liveability	505	0	0	0	0	505
E3	A	Corridor Regeneration	106	0	0	0	0	106
E4	A	North East Regeneration & Riley Square	274	295	0	0	0	569
E5	A	Replacement Cremators	251	274	274	0	0	799
E6	A	Far Gosford St Regeneration	877	400	0	0	0	1,277
E7	A	Stoke Aldermoor Regeneration	1,061	181	0	0	0	1,242
E8	D	Self - Help Gating Programme	100	100	100	100	100	500
E9	D	Play Areas	250	0	0	0	0	250
E9	A	Play Areas	428	0	0	0	0	428
E10	D	War Memorial Park - HLF Matching Funding	0	150	90	0	0	240
E11	A	City Services Vehicle & Plant Replacement	2,297	0	0	0	0	2,297
		<b>SUB-TOTAL ENVIRONMENT/REGENERATION</b>	<b>7,549</b>	<b>2,150</b>	<b>1,214</b>	<b>100</b>	<b>100</b>	<b>11,113</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>350</b>	<b>250</b>	<b>190</b>	<b>100</b>	<b>100</b>	<b>990</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>MODERNISING THE COUNCIL</b>						
M1	C	Coventry Direct Phase 3	900	900	900	900	0	3,600
M2	A/B	Ent Licenece / Upgrade to Exchange Server etc	651	385	190	0	0	1,226
M3	A	Replacement HR/Payroll System	50	50	0	0	0	100
M4	D	Strategic ICT Projects	1,028	962	1,156	950	900	4,996
M5	A	Connecting Care	1,443	0	0	0	0	1,443
M6	C	Asset Management Database (b/fwd from Q2 07/08)	66	0	0	0	0	66
		<b>SUB-TOTAL MODERNISING THE COUNCIL</b>	<b>4,138</b>	<b>2,297</b>	<b>2,246</b>	<b>1,850</b>	<b>900</b>	<b>11,431</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>1,028</b>	<b>962</b>	<b>1,156</b>	<b>950</b>	<b>900</b>	<b>4,996</b>

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>MAJOR PROJECTS</b>						
MP1a	C	Swanswell	3,836	164	0	0	0	4,000
MP1b	A	Swanswell - (Q1 slippage 07/08)	893	0	0	0	0	893
MP1b	A	Swanswell - extra funding required to take this project forward	400	0	0	0	0	400
MP1b	A	Swanswell	1,293	0	0	0	0	1,293
MP2	A	Herbert Art Gallery and Museum - Balance of corporate resources to complete Museum redevelopment.		3,000	0	0	0	3,000
MP2	A	Herbert Art Gallery and Museum	1,691	0	0	0	0	1,691
MP3	A	Children's Centres	1,400	0	0	0	0	1,400
MP4	A	Belgrade Theatre	20	0	0	0	0	20
MP5	A	City Centre Package	275	75	0	0	0	350
		<b>SUB-TOTAL MAJOR PROJECTS</b>	8,515	3,239	0	0	0	11,754
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	0	3,000	0	0	0	3,000

**CAPITAL PROGRAMME PROPOSALS 2007/08 TO 2011/12**

REF	CODE	SCHEME TITLE / DESCRIPTION	2008/09 £000s	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	Total £000s
		<b>PROPERTY</b>						
P1	A	Coventry Sports Centre Repairs	483	200	0	0	0	683
P2	A	Libraries Refurbishment	29	0	0	0	0	29
P3	D	City Centre - Footbridge across Ring Rd	410	940	50	0	0	1,400
P4	D	City Centre Public Realm Improvements	80	650	515	5	0	1,250
P5	D	City Centre Public Car Parking	150	1,850	0	0	0	2,000
P7	A	NDC Leisure & Neighbourhood Centre	6,699	152	0	0	0	6,851
P8	A	Relocate NVQ Team from Torrington Site (Q2 slippage 07/08)	200	0	0	0	0	200
P9	A	Aldermans Green Industrial Estate	15	0	0	0	0	15
P10	A	Barracks Car Park	500	0	0	0	0	500
P11	A/D	Property Repairs	5,851	6,140	5,980	5,980	5,980	29,931
P12	A	Whoberley Library - existing 2006/07 programme	500	0	0	0	0	500
P12	A	Allesley Park Library (Q1 slippage)	275	0	0	0	0	275
P12	A	Allesley Park Library	775	0	0	0	0	775
		<b>SUB-TOTAL PROPERTY</b>	<b>15,192</b>	<b>9,932</b>	<b>6,545</b>	<b>5,985</b>	<b>5,980</b>	<b>43,634</b>
		<b>CORPORATE RESOURCES REQUIRED WITHIN THIS BLOCK</b>	<b>5,640</b>	<b>9,580</b>	<b>6,545</b>	<b>5,985</b>	<b>5,980</b>	<b>33,730</b>
		<b>TOTAL 5 YEAR PROGRAMME</b>	<b>72,549</b>	<b>36,376</b>	<b>27,001</b>	<b>15,203</b>	<b>13,903</b>	<b>165,032</b>