

Report to

Cabinet
Scrutiny Co-ordination Committee

16th December 2008
7th January 2009

Report of

Management Board

Title

Revenue and Capital Pre-Budget Report 2009/10

1 Purpose of the Report

- 1.1 This report updates Members on the work undertaken in preparation for the 2009/10 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 2009/10 revenue and capital programmes;
- 2.2 Note the savings in Appendix 1 that are being progressed and will be dealt with through the appropriate managerial and political processes outside of the budget-setting report.
- 2.3 Agree that the content of the report be used as the basis of our public budget consultation process.

3 Information/Background

- 3.1 The Council's current year's revenue budget and capital programme are allocated to ensure the continuation of good service levels within a wide range of areas across the Council.
- 3.2 The Council continues to make good progress against its priorities in the Corporate Plan, reinforcing the progress previously recognised by the Audit Commission in awarding Coventry 3 stars and "improving well" status under the Comprehensive Performance Assessment framework in February 2008. More detail is available within the Corporate Plan and Local Area Agreement Half-Year Review Report also on the agenda for this meeting.
- 3.3 The long-term vision and priorities for Coventry are set out in "Coventry - The Next Twenty Years", the Coventry Sustainable Community Strategy which was adopted by the Coventry

Partnership and the City Council in March 2008 and which aims to make Coventry "a growing and accessible city where people choose to live work and be educated and businesses choose to invest." This long-term vision is reflected in Coventry's three-year Local Area Agreement, which sets out short-term priorities for the city measured by indicators and targets that have been negotiated with central government.

- 3.4 The Sustainable Community Strategy and the Local Area Agreement inform the Council's Corporate Plan and Cabinet Member Portfolio Plans and it is anticipated that Members will wish to take these issues into account in determining priorities for allocating resources in future revenue and capital budgets.
- 3.5 This year, the Council and its partners, like other organisations, are preparing plans and allocating resources within the context of the developing UK and international recession. Currently, the Coventry local economy is holding up comparatively well – the local economy is diverse and no longer reliant on one industrial sector. So far, therefore, the local labour market has not yet felt the full impact of the downturn and the level of Job Seekers Allowance claimants has remained relatively stable and, although reduced, there is a relatively high level of vacancies. Coventry house prices are falling but this has not been at the rate experienced elsewhere. However, we expect Coventry, like the rest of the country, to be further affected by the recession in the coming year and this has implications for the delivery of Council services and the budget-setting process.
- 3.6 Previous recessions have shown that, whilst it is important to address issues arising from an economic recession, it is even more important to continue to plan for and invest in the future of our city to be ready to benefit from the economic upturn when it comes.
- 3.7 The Council is in the process of developing major schemes that will have a significant impact on the future of Coventry and on the Council's resource allocation and member/officer focus for the foreseeable future. It is important to recognise that these developments – Building Schools For the Future, our Waste Strategy (including Project Transform, which is looking to fund a new disposal facility), the Highways and Lighting PFI project and the redevelopment of the city centre – will significantly influence the shape of forthcoming revenue and capital budgets.
- 3.8 In a time of economic recession, it is even more important to ensure that the Council is becoming increasingly efficient and delivering better value for money for Coventry people. Notwithstanding the successful achievement of our Gershon efficiencies up to the period ending in 2007/08, the Comprehensive Spending Review (CSR) 2007 established a target for us to deliver 3% cashable savings over the three years 2008/09 to 2010/11. Delivery of these targets remains a major challenge for us and remains essential if we are to balance our revenue budget, as does the development and delivery of the Council's value for money programme.
- 3.9 Like other local authorities Coventry is facing a range of other pressures that are essentially externally-driven and over which we have little or no control. These include future real-terms reductions in resources being made available through the Comprehensive Spending Review, demographic pressures in social care for adults and older people and services for children, increasing costs of waste disposal and recycling, the effects of Equal Pay legislation and increasing costs of pensions.
- 3.10 The Council has made considerable recent strides in a number of individual services and in delivering more consistency of service across the board. The major challenges outlined in the equivalent report to this taken in December 2007 still remain for the most part and these are outlined below. Given the context of lower levels of growth in public funding

confirmed in the 2007 Spending Review, it remains vital that we have a robust Medium Term Financial Strategy (MTFS) to support this. The 2008 MTFS forms part of your Cabinet agenda today. Later in this report there is an outline of some of the financial risks, which give us some uncertainties.

3.11 Some of the challenges for the next five years are:

- Responding to the challenges faced in the current economic downturn
- Continuing to invest in the city's future, which is the key to economic growth in the city and the sub-region and to tackling national housing shortages
- Maintaining current service standards
- Improving services which still have significant areas for improvement e.g. the robustness of our children's social care services; and a number of our corporate services (which need to be better organised for increased effectiveness and productivity);
- Improving the customer focus of our services; streamlining the processes by which customer service requests are delivered.
- Taking forward major strategic imperatives that will impact on the future of our city, like the Climate Change and Waste strategies, the Highways and Lighting PFI, Building Schools for the Future and the redevelopment of our City Centre
- 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.
- And engaging and involving local people and communities in the development of our services and the future of the city.

3.12 Our financial circumstances are such that, although 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. 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 be ever clearer about focus and priorities, and timing of initiatives.

3.13 We continue to want to maintain the principles 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

3.14 This report sets out budget-setting proposals that are pragmatic and realistic and that respond to the current economic context and the financial position of the Council. The proposals have been developed within the context of the Council's medium term strategy and to meet the Council's agreed priorities.

4 Revenue Expenditure Budget

4.1 The 2008/09 budget-setting report to the Council 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 gap of a similar magnitude would be expected in 2011/12.

2009/10	2010/11
£9m	£8m

4.2 The Management Board has subsequently been considering this position and has incorporated new circumstances and developments that we anticipate will affect the final budgetary position in 2009/10 and future years and the most significant of these are outlined below:

- The price of energy in the contracts that we settle on periodically has increased significantly within 2008/09 and will continue to do so into 2009/10. Our current best estimate is that this will cost us in the region of **£2m** next year.
- The Government has confirmed to us that we will be allowed to capitalise the costs of equal pay claims that may be settled in the future – in effect this enables us to spread the cost over 20 years. As yet, no such claims have been successfully proven against the Council. Nevertheless, the Government's capitalisation direction is a time-limited offer to the end of this financial year. Therefore, if we believe that there is a realistic risk of having to settle any claims, then there is little option but to take steps to take advantage of the capitalisation direction. The Council can notionally capitalise a provision for Equal Pay Claims although there is a cost in terms of setting aside a minimum revenue provision (for future repayment of borrowing debt) at 5%. Further interest borrowing costs would be incurred at the point at which any claims were actually paid. The view of the Director of Finance and Legal Services is that at this stage the Council should plan to capitalise a sum in the region of £20m. Although this is below the maximum sum that might be required in a worst-case scenario, it is above the sum that we have previously provided for in the accounts. A final decision is not needed on the actual sum capitalised until the end of the financial year when more information may be available to us and the Employment Appeal Tribunal hearing appeal outcome will be known. The cost of capitalising £20m at 5% is **£1m** – this is the sum that has currently been assumed in our budget-setting papers. It should be stressed that this provision is in no way an admission of liability. It does not change the City Council's stance in continuing to appeal against the current tribunal judgement, to continue to defend our current legal position in respect of equal pay legislation and efforts to minimise the additional costs of equal pay.
- Some project management capacity will be required to deliver the "Project Transform" programme to deliver an alternative Waste solution for the City over the next two years. A time-limited sum of **£0.4m** has been assumed to cover these costs in 2009/10 and 2010/11.
- 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, it is inevitable that we will need to prudentially borrow to balance the funding gap. If we were to do this, there would be a full-year revenue cost of up to c£1.8m for a capital programme resource gap of say £20m. The year 1 cost in 2009/10 would be nearer to **£0.5m**.

- 4.3 Although a 2008/09 budgetary overspend of £4.8m has been reported at period 6 (Cabinet 2nd December 2008), Management Board are taking steps to ensure that this position is managed and that we will achieve a balanced budgetary position at the end of the year. Directorates will also be required to ensure that any outstanding pressures are managed within their overall budgetary bottom line going into 2009/10.

Revenue Resources

- 4.4 Following the 2007 Comprehensive Spending Review (CSR), we have a relatively clear indication of the Revenue Support Grant (RSG) settlement that we can expect from Government and this has been incorporated into the financial analysis in **Appendix 2**. The resource position for the next two years is identical to that indicated by Government in the 2007 CSR.
- 4.5 The financial outturn position for 2007/08 included a deficit on the City Council's Collection Fund of **£0.5m**. This figure is automatically carried forward to the subsequent budget-setting process. The fact that a deficit was incurred was due to a combination of less successful collection performance (linked to the introduction of a new revenues and benefits computer system) and less than anticipated growth in the City's tax base. Although collection performance has subsequently recovered, the knock-on impact of the 2007/08 performance has a subsequent impact in 2008/09 and 2009/10 due to the accumulation of older debts. The combined effect of these circumstances is likely to impact upon our overall resource position although work is ongoing to identify the precise effect of this and no further figures have yet been built into the financial position.
- 4.6 Members will ultimately need to determine the level of the Council Tax increase – every 1% on Council Tax provides additional income of £1.1m. In recent years, for planning purposes, we have assumed a Council Tax increase of 2.5%. 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 wider context of our Band D Council Tax no longer being in the highest quartile for metropolitan authorities and of our reserves being at their lowest level for some years means that it is much harder to maintain the current financial planning assumption of a Council Tax increase of 2.5%. Every 1% variation to this planning figure will affect the level of resources generated by £1.1m. **In the light of the current financial position and prevailing rates of inflation, Management Board is recommending that the planning figure for a Council Tax increase should be increased to 3.5%**. This is the level that has been built into the following financial analysis in this report. The final figure for 2009/10 will be subject to political decision at budget-setting in February.

5 Balancing the Revenue Programme

- 5.1 As a consequence of all these developments and a range of potential longer-term expenditure pressures (a number of which will be subject to change), the medium term financial problem before any savings decisions are made has moved to the position reflected in the table below.

2009/10 £m	2010/11 £m	2011/12 £m
13.5	17.9	24.6

- 5.2 In order to help to balance this position, a significant amount of savings options has been identified. These options are detailed in **Appendix 1** and outlined below.
- 5.3 All Directorates have sought to identify savings options from within their own budgets. Management Board has categorised these savings as follows.
- Category 1 – decisions that will be delivered by management within their delegated authority or that have been, or will be, subject to a separate Cabinet or Cabinet Member report.
 - Category 2 - savings requiring a specific change of policy that require member ratification, and will be subject to public consultation as part of the budget-setting process or more significant savings that have been, or will be, subject to a separate Cabinet or Cabinet Member report.

The approach taken by Management Board has been to continue, as far as possible, to identify savings that demonstrate ways of delivering services that provide better value for money or where there is a relatively low service impact. As a result of this, there are savings of a far higher value in Category 1 than Category 2. Clearly, the size of the financial problem facing the City Council is such that this has not been possible in all cases.

- 5.4 It is intended that Management Board will proceed to implement category 1 savings immediately. Some of the individual proposals will require local consultation exercises in line with normal practices and some of these exercises may extend beyond the date of the final budget report. In line with normal practice, any impact on proposals as a result of consultation feedback will be managed within standard budgetary control processes.
- 5.5 A report to Cabinet on 21st October 2008 established the progress that has been made in the area of the Value for Money Partnership with PricewaterhouseCoopers. Within the wider context of the Partnership's success to date, a number of savings have been identified within specific areas of service where appropriate work-streams and project management arrangements have been established. This is in addition to similar savings that were identified for 2008/09 and that are expected to increase next year. For instance, savings identified within our publicity budgets will grow to more than £300k in 2009/10.
- 5.6 Most of the new savings are of an ongoing nature and these have been included within the analysis in Appendix 1, marked with an * and totalling £2.5m. Beyond this, we have included no broad, unspecified savings in relation to the Value For Money Partnership for 2009/10. Going forward, it will be the intention to back up any savings identified for future years with specifically-identified value for money proposals supported by a clear work-stream. Our medium term financial forecasts assume the meeting of Government efficiency targets.
- 5.7 A number of the options include post reductions – if all of the proposed options were taken, there would be a total of **193.4** full time equivalent post reductions. Some of these posts will already be vacant and so the actual number of individuals affected will be lower than the number of post reductions. 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.

- 5.8 If **all** of these savings options were to be approved and assuming a Council Tax increase of **3.5%**, the gap between spending and resources would be as follows.

2009/10 £m	2010/11 £m	2011/12 £m
0.8	0.0	0.0

A more detailed analysis of this position for 2009/10 is shown in **Appendix 2**. The Medium Term Financial Strategy on your agenda today shows in more detail how the position will be reconciled in future years although any decisions attached to such proposals will be subject to future consideration by Management Board and Members. In order to produce balanced budgets in the future, the Council will inevitably need to continue to deliver cashable efficiencies in line with Government requirements and our aspiration to deliver services as efficiently as possible consistent with good service standards.

- 5.9 The Council has financial relationships with a wide range of organisations including voluntary organisations we grant fund and larger trusts with which we have service level agreements. Given the financial position described above, Directorates have been asked to examine these relationships to consider whether the relevant organisations can reasonably be asked to make the same overall 3% efficiency saving that the Government expects the Council to make. These organisations have already been contacted to alert them to this possibility and the final decision on how they may be affected will be communicated to them separately and specifically in due course. The intention will be to take a consistent approach across these relationships.
- 5.10 The Area Based Grant (ABG) introduced in 2008/09 as a non ring-fenced addition to the Council's revenue support grant has been applied to support Council spending priorities in 2008/09. It is intended that this will be continued in 2009/10 and the indicative funding of individual areas of spend are shown in **Appendix 3**. There has been some proposed re-allocation of the Grant for 2009/10 to provide funding for priority areas of spend, including services for Adults with Learning Difficulties and the City's extended recycling scheme. This re-allocation has identified a currently un-earmarked budget of £500k. It is anticipated that the Local Public Service Board will make decisions on how to allocate this budget within 2009/10 in line with priorities in the Local Area Agreement and Sustainable Community Strategy.
- 5.11 Clearly, the position outlined above is not one that presents a balanced budget for 2009/10. Whilst recognising that there are still several 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:
- 5.12 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 predict accurately 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 and the revenue costs of our capital programme and the performance of the Council's Collection Fund. Members will be kept informed of any significant developments in these areas as appropriate as we approach final budget-setting decisions.

- 5.13 Apply additional reserves. Reserve balances are now at their lowest for a number of years. As a policy decision, reserve balances have been used over more recent years to help implement our revenue and capital programmes. Given the uncertain economic and financial conditions, scope to use one-off reserves to balance the budget is limited. We currently maintain a separate "working balance" at a level of 1% of net revenue budget. Following comments from our external auditors that, in their view, this level may not be sufficient to provide adequate coverage of our risks, we are currently assessing whether this level should be increased. This decision needs to be determined within an over-arching strategy that considers the financial scope, drawbacks and benefits of using these resources in this way.
- 5.14 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 re-visit 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.
- 5.15 Limit Inflationary Increases. An alternative option would be to reduce the amount of budget that is provided to Directorates to allow for prevailing rates of inflation. Our existing policy allows for the prevailing rate of the Retail Price Index (excluding mortgage interest and indirect taxes) announced in September. This rate stood at 5.4%. However, we know that commentators now expect inflation to fall to much nearer to 2% through 2009/10, whilst we have already made separate provision for energy inflation - a significant component of the Retail Price Index - referred to in paragraph 4.2. In view of this, there is possibly scope for limiting inflationary increases to a more modest level. Management Board will form a view on this in their deliberations to finalise the balancing of the programme.

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. The capital position shown in the Budget Report to Council in February 2008 indicated that, broadly, we would have sufficient resources to fund those schemes approved over the medium term. However, it also indicated that we would need to identify further resources in order to add any new spending plans for future years.
- 6.2 The drastic fall-off of capital receipts notified to members over the course of this year has significantly altered the capital landscape. Taking the two years 2008/09 and 2009/10 together, we are faced with a shortfall of resources of **£16m**. This still relies upon the delivery of c£18m of capital receipts from now until the end of March 2010. We will need to monitor this carefully as it may still prove optimistic.
- 6.3 The position facing us is one where we cannot afford, within currently-identified resources, all of the schemes that have been approved. In view of this, whilst we are committed to complete schemes that have been approved and started, we need to critically examine any

other schemes that have been approved but that have not yet been started or contractually committed.

- 6.4 This also means that there is no money available to fund any new schemes in the 2009/10 capital programme. The only exceptions to this are in the areas of highways, property repairs and ICT, where the view of Management Board is that we need to maintain a minimum programme of expenditure to ensure that fundamental service requirements are delivered.
- 6.5 In addition, there are a number of schemes that are wholly funded from external and ring-fenced resources. These will remain as part of our approved programme.
- 6.6 Taking these categories of scheme together, the maximum basic programme that we expect to fund in 2009/10 is £50m. This will result in major improvements, including the provision of the new Castle Wood Broad Spectrum Special School, a significant investment via the Primary Capital Strategy for primary school expansion, significant amounts of grant and ring-fenced supported borrowing monies for Children's Centres and school improvement/maintenance, continued investment in ICT improvements, the Integrated Transport Programme and Disabled Facilities Grants and the completion of the Far Gosford Street regeneration scheme.
- 6.7 The whole programme of potential schemes is currently included in **Appendix 4**. If these were all to proceed, the programme would be over-subscribed by £16m. Given the limited nature of this year's programme, there is very little room for manoeuvre to apply previously-used mechanisms for balancing the programme such as generating additional capital receipts and re-scheduling the expenditure within the Programme to later years. The options that remain open to us and some further context around the Capital programme are outlined below.
- 6.8 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.
- 6.9 There is a limited range of actions that has been proposed for pushing back or suspending schemes and examples of these are listed below:
- Remove completely from programme – e.g. St Mary's Kitchen
- Re-schedule programme to beyond 2009/10 – e.g. Gating, City Centre schemes
- Re-visit profile and incur minimal spend possible in 2009/10 – e.g. Sports Centre Repairs
- Re-visit profile and reflect realistic level of programme in 2009/10 - e.g. Individual ICT System Schemes
- 6.10 When the viability of each of these proposals has been pursued, the outcomes will be reflected in final budget recommendations to members in February. The balance of any resource shortfall after this will need to be funded from Prudential Borrowing. This is a temporary position that we need to adopt pending the re-invigoration of economic

circumstances and property markets, with consequent improvements in the flow of capital receipts.

- 6.11 It is important to recognise that there is no proposed programme for the Strategic Housing Regeneration Fund (SHRF) in 2009/10. In effect, this reflects a proposal to suspend the Council's policy on ring-fencing and passporting Right to Buy capital receipts to this programme. In reality, there is a strong expectation that alternative monies will be available through other sources to provide schemes within the City in this area through 2009/10 consistent with the outputs usually generated from the City Council's directly-funded programme. Officers are currently reviewing this area in detail.
- 6.12 There have been indications from Government that monies may become available at a national level to increase levels of investment in an attempt to stave off economic recession. There have been no firm indications of how much might be made available, in which areas or when. Clearly, if any such information does become available that resources are likely to be made available for our use, then this will be factored into the City Council's programme. Our working assumption for now is that this is unlikely to be of any significant assistance in delivering the 2009/10 programme.
- 6.13 It is very important that members recognise the wider context within which our capital programme will be delivered. Notwithstanding the constraints on our traditional areas of capital investment implied by this report so far, there is nevertheless massive investment planned in a range of areas over the medium term
- The Building Schools for the Future (BSF) programme will see the re-building or renewal of all Coventry's secondary schools as part of the largest national schools capital investment programme for fifty years. Construction work is planned to start in Coventry in 2010.
 - A blueprint for a new billion pound plus city centre for Coventry has recently been unveiled following a significant consultation exercise with local people. Initial demolition work could start within a three-year planning horizon.
 - 2009 will see the start of the Street Lighting PFI with work to replace/maintain the entirety of the City's street lighting stock and the major backlog of repairs. The financial implications of this have already been built into our future programmes.
 - We are in the early stages of work to agree a way forward for the City's waste disposal facilities. This will result in a major capital project in the future.

Due to the range of our financial planning horizons and to the requirements of current accounting conventions, these schemes do not appear within our current programme. Nevertheless, they represent a massive amount of investment in the City over the coming years funded and/or delivered by the City Council and its partners.

Given the scale and range of these proposals, it is perhaps unrealistic to expect that the City will be able to sustain investment across all other remaining areas of capital expenditure and this explains in part the challenge that faces us in our deliberations on the Capital Programme this year.

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	✓	
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

Officers and members will take the themes and priorities of the Coventry Community Plan into consideration in formulating and approving the final proposals of 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 will affect some jobs. Any deletions or changes to jobs arising from the implementation of budget decisions will be managed through the appropriate City Council Human Resources Policy and Procedures.

7.4 Trade Unions

Trade unions will be fully consulted on the contents of this report. Consultation with trade unions has now commenced following the release of this report as a public document.

7.5 Voluntary Sector – The Coventry Compact

The process outlined in paragraph 5.9 will affect a number of our voluntary sector partners.

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 2009/10 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 2009.

List of background papers

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Papers open to Public Inspection

Description of paper

Location

None

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
CATEGORY 1 - MANAGEMENT DECISION OR SUBJECT TO CABINET MEMBER REPORT								
Chief Executives Category 1								
101	Community Safety Team	Reducing the local area budget that supports the delivery of local community safety initiatives.			71	(35)	(35)	(35)
102	Communications Team (marketing the city budget)	Saving from budget allocated to market the city			104	(40)	(40)	(40)
103	Neighbourhood Management	Restructuring of Wardens Service per report to Cabinet 16 December	85	(13.0)	2,296	(183)	(183)	(183)
104	Corporate Policy and Research	Reduce Chief Executive's Directorate's administrative and support budgets			817	(24)	(24)	(24)
105	Performance & Scrutiny Team	Reduce Scrutiny budget			383	(12)	(12)	(12)
106	Corporate Policy and Research	Fund founder member subscription to Institute of Community Cohesion from within Preventing Violent Extremism part of Area Based Grant			20	(20)	(20)	(20)
Total Chief Executive's Category 1				(13.0)		(314)	(314)	(314)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Children, Learning & Young People Category 1</u>								
107	Children & Family Education Service - Management structure	Proposal to remove 1 vacant post of integrated support manager	35	(1.0)	1,136	(50)	(50)	(50)
108	Residential Family Assessments	Changing the process and introducing a new protocol to ensure that these are only used in exceptional circumstances or when ordered by the family court			283	(100)	(100)	(100)
109	Looked After Children	The contract for children leaving care will be retendered with effect from 1/04/09, with a view to finding more effective and efficient provision			878	(150)	(150)	(150)
110	Looked After Children *	A fostering framework is being introduced across Coventry, Warwickshire and Solihull which should lead to consistency and economies and efficiencies in procurement - value for money			2,585	(80)	(80)	(80)
111	Education & Learning - Printing	Proposal to increase the income target in relation to Elmbank Print Room to ensure full costs are recovered	5.0	(1.0)	50	(50)	(50)	(50)
112	Youth Offending Service	Efficiency Savings	46	(0.8)	1,235	(50)	(50)	(50)
113	Education & Learning - Primary & Secondary Service	Realignment of the Primary Leading Teacher Programme, and realignment of Leadership & Management work	50.0	(2.4)	727	(89)	(89)	(89)
114	Education & Learning - KS 3 PRU	Reduction in staffing levels	13.0	(1.0)	600	(50)	(50)	(50)
115	Minority Group Support Service - Regional Traveller's Children	This is currently a consortia payment. The service is to be redesigned to provide a more streamlined service in-house			78	(30)	(30)	(30)
116	Education & Learning - Reduction in Running Costs	Efficiency savings, to be achieved by a reduction in running costs			614	(42)	(42)	(42)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
117	School IT Running Costs	Plans to use grant funding to pick up some of the costs that are currently funded from this budget			648	(100)	(100)	(100)
118	Student Finance	Proposed reduction in service level pending transfer outside local authorities, it is expected that there will be a reduction in Revenue Support Grant to reflect this	5	(2.0)	305	(50)	(50)	(50)
119	Child Death Review	Now funded by Area Based Grant			57	(50)	(50)	(50)
120	Looked After Children	Reduction in residential placements budget			7,323	(100)	(100)	(100)
121	Whole Service	Admin Efficiencies - to be achieved across CLYP Directorate. The service FTE and budget approximations will include some grant funded staff.	229	(3.0)	4,873	(60)	(60)	(60)
122	Younger People's Services *	Implementation of the VFM review, changes to sessional staff terms and conditions, achieving better VFM through commissioning services and achieving overall reductions in delivery staff - value for money	83	(4.0)	2,325	(110)	(110)	(110)
123	Outdoor Education Service	Proposal that expenditure be met from growth in delegated Dedicated Schools Grant subject to agreement with Coventry Schools Forum			300	(150)	(150)	(150)
124	Performing Arts Service	Proposal that expenditure be met from growth in delegated Dedicated Schools Grant subject to agreement with Coventry Schools Forum			1,019	(150)	(150)	(150)
125	Schools Premature Retirement Costs & Management of Change	Proposal that expenditure be met from growth in delegated Dedicated Schools Grant subject to agreement with Coventry Schools Forum			1,758	(200)	(200)	(200)
Total Children Learning and Young People Category 1				(15.2)		(1,661)	(1,661)	(1,661)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>City Development Category 1</u>								
126	Reduction in Planning staff	The Planning and Strategic Transport Service is dealing with substantial drops in income, both reduced grant (particularly Housing and Planning Delivery Grant from 1/4/09) and reduced fee income which supports the Planning and Building Control services. The statutory highway function is also part funded from fee income. A range of efficiency savings are being sought but a reduction in staffing is likely to be needed to balance income/spend, potentially affecting current levels of service offered in some areas.		(4.0)	1,644	(70)	(135)	(135)
127	Client Support Unit	Assumes the unit is externally funded in future	10	(1.0)	48	(23)	(48)	(48)
128	Other	Further reductions in staffing to be specified within the Directorate with no wider service implications	487	(5.0)	15,106	(100)	(200)	(200)
129	Ceasing of Groundwork Trust sponsorship	Groundwork is being reorganised on a West Midlands basis, so core funding of Groundwork Coventry & Warwickshire will end. The Council will continue to work with Groundwork.			48	(48)	(48)	(48)

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Line Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
130 Clothing Centre - removal of subsidy	Final removal of funding subsidy which supports the Clothing Centre. The centre provides technical manufacturing advice, CAD/CAM design services and business advice to the creative technologies sector. Over several year, the City Council contribution to the Clothing Centre has been reduced to make the project self-financing.		(5.0)	82	(43)	(82)	(82)
Total City Development Category 1			(15.0)		(284)	(513)	(513)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
City Services Category 1								
131	Review of Grounds Maintenance * (part)	Review all Grounds Maintenance activity across the City including commissioning/service delivery arrangements between Directorates, bedding plant displays and incorporation of playscheme landscape design work costs within future Project and Capital fees - value for money	120	(3.0)	1,783 Grounds Maint & Parks Grounds	(56)	(93)	(93)
132	Review of End to End Services in Street Cleansing and Grounds Maintenance *	Implement findings of the process review in Street Cleansing and Grounds Maintenance - value for money	211	(3.0)	3,637 Grounds Maint & Street Cleansing	(70)	(70)	(70)
133	Review of interface between Neighbourhood Management and City Services	Review working arrangements between the Neighbourhood Warden Service and current enforcement arrangements within City Services.		(0.75)		(20)	(20)	(20)
134	Review of fee structures for Waste disposal at CSWDC	In conjunction with Coventry and Solihull Waste Disposal Company (CSWDC) review waste disposal budgets to deliver a reduction in expenditure and improved efficiencies.			5,340	(120)	(120)	(120)
135	Policy and Performance Team	Review of policy & performance support services across directorate	5.5	(4.5)	191	(108)	(108)	(108)
136	Stores	Review of the stores purchasing function following greater use of I-procurement and forthcoming street lighting PFI.	3.5	(1.5)	96	(50)	(50)	(50)
137	School Crossing Patrols	Traditionally we have been unable to fill vacancies for a number of school crossing patrol sites. However, we still have standby payment budgets for these sites that have not been spent. This proposal will remove these standby budgets. This proposal will not affect current service levels.	25	(1.0)	422	(15)	(15)	(15)

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Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
138	Review of outsourced Technical Highways services *	Review of Urban Traffic Management Control services, structures maintenance and technical support services currently provided by Jacobs (Babtie) - value for money				(100)	(100)	(100)
139	Vehicle Utilisation	Review of vehicle usage and replacement to maximise asset efficiency and reduce number of replacements				(60)	(60)	(60)
140	Fees and Charges Report *	Bereavement Services - introduction of additional charges for non resident grave purchases and interments - value for money			(788)	(40)	(40)	(40)
141	Administrative Support	Review of administrative support services across the directorate		(5.0)	Within Service budgets	(107)	(107)	(107)
Total City Services Category 1				(18.8)		(746)	(783)	(783)

Savings Options

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Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Community Services Category 1</u>								
142	Culture Leisure & Libraries Management & Administration	Reduction in management and admin budgets			420	(115)	(115)	(115)
143	Culture Leisure & Libraries Marketing	Reduce advertising within marketing budgets			36	(4)	(4)	(4)
144	Culture Leisure & Libraries Administration	Restructure of admin and quality and staffing	6.5	(1.0)	144	(15)	(15)	(15)
145	Libraries	Deletion of Assistant Head of Libraries post offset by grant fall-out relating to Hillfields library and existing ICT budget pressure.	3	(1.0)	222	(16)	(16)	(16)
146	Libraries	Reduce media fund (books), cease purchase of all new CDs and change to purchase of magazines and newspapers by subscription where possible.			642	(32)	(32)	(32)
147	Libraries	Associated reduction by taking out hours equivalent to 2 libraries assistant posts re changing magazines/newspaper /CD purchasing by subscription. Part year saving in first year.	143	(2.0)	5,521	(16)	(30)	(30)

Savings Options

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Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
148	Libraries	Reduction in 2 libraries assistants in Central library following full introduction of self service facility at Central library.	143	(2.0)	5,521	(30)	(30)	(30)
149	Housing Policy	Reduction of Business Support	4	(1.0)	124	(35)	(35)	(35)
150	Housing Policy	Increase in HMO Licence fee			553	(10)	(10)	(10)
151	Housing Policy	Reduce equipment budgets			15	(5)	(5)	(5)
152	Policy and Business	Review of administrative posts and other non-pay budget efficiencies	10	(1.5)	268	(60)	(70)	(80)
153	Social Care	Review of Elm Bank/NVQ (service currently being reviewed)			1,000	(30)	(30)	(30)
154	Social Care	Promoting Independent Living Service Co-ordination role. Delete 1 support co-ordinator post.	89	(1.0)	1,189	(40)	(40)	(40)
155	Social Care	Commissioning efficiencies from across adults and older people			17,765	(285)	(305)	(305)
156	Social Care	Reduction in supplies and services budgets.			288	(5)	(5)	(5)
157	Social Care	Savings in overtime/agency spend.			12,177	(40)	(40)	(40)
158	Social Care	Realign cash collection budgets			2,132	(10)	(10)	(10)
159	New Homes For Old	Implementation in line with Cabinet Report		(65.0)	2,494	(761)	(895)	(895)
160	Culture Leisure and Libraries	Delete 1 of 3 seasonal posts and reduction to equipment budgets at Coombe.	3	(1.0)	30	(20)	(20)	(20)
161	Social Care	Reduce grants to external organisations - Mental Health.			630	(20)	(20)	(20)
162	Housing Policy	End grant to Community Transport			35	(35)	(35)	(35)
163	Social Care	Effective utilisation of the capacity and resources available at Gilbert Richards as part of the re-provision of centre based day opportunities following the closure of Hawthorne Lodge			358	(20)	(40)	(40)
164	Social Care	Maurice Edelman staffing. Reduce the grade of night staff from 4 to 3.			639	(15)	(15)	(15)

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Line Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
165 Social Care	Learning Disability Campus Closure funding.			14,153	(36)	(59)	0
166 Social Care	Reducing the number of short-term transition places from an estimated 14 to 10, that are currently provided at Hawthorn Lodge to be replaced by more cost-effective short-term tenancies in our Housing with Care schemes and beds commissioned as required where identified as part of the Care Outside Hospital project work.			245	(70)	(70)	(70)
167 Social Care - Review of Charging *	A separate Cabinet Report will incorporate a review of charging across a range of social care services including transport, home meals and domiciliary care - value for money				(448)	(538)	(538)
168 Culture, Leisure & Libraries Sport	Reduction from £60,000 in Olympics contribution. Partnership contribution compares to £30,000 contribution from Warwickshire			60	(6)	(6)	(6)
Total Community Services Category 1			(75.5)		(2,179)	(2,490)	(2,441)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Customer and Workforce Services Category 1</u>								
169	Reject letters	End sending letters to unsuccessful applicants. Part year saving 2008 - full year savings in 2009	23	(0.5)	697	(10)	(10)	(10)
170	Advertise jobs on intra/internet	End weekly hard copy Job Opportunities bulletin			697	(10)	(10)	(10)
171	Review of HR Directorate teams *	Review of HR directorate teams - value for money	52	(6.0)	1,979	(100)	(200)	(200)
172	Recruitment Advertising	More use of national jobs websites for recruitment and directional adverts in local newspapers directing candidates to micro sites/websites for more information			804	(250)	(250)	(250)
173	Review staffing levels associated with the delivery of service requests in ICT	End to end processes with customers to be reviewed long term. Further work to be undertaken.	6	(0.5)	211	(15)	(15)	(15)
174	Review all Service Level Agreements and other income options	SLAs not reviewed for a number of years. A 5% increase over inflation on HR's SLA with schools after a 2 year fixed price deal, to reflect full cost recovery.			(606)	(62)	(62)	(62)
175	Reduction in postal services	Reduce the central offices postal delivery and collections from twice a day to once a day, review method of postal deliveries to schools.	31	(1.0)	1,955	(30)	(30)	(30)
176	Reduce the number of wage slips printed and delivered	Provide wage slips electronically, unless staff specifically request a paper version			1,928	(7)	(7)	(7)

Savings Options**APPENDIX 1**

Line Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
177 Attendance Advisors	Removal of attendance officer budget			75	(75)	(75)	(75)
178 Print and Design *	Review areas of spend such as venue management, rationalisation of printers, mobile phones and publicity - value for money				(200)	(200)	(200)
179 Review staffing structure in Governance Services	Review governance services, Phase 1 review structure.	17	(2.7)	855	(50)	(50)	(50)
Total Customer and Workforce Services Category 1			(10.7)		(809)	(909)	(909)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Finance and Legal Services - Category 1</u>								
180	Revenues and Benefits - Service Redesign	Additional service redesign savings to be achieved following the introduction of the new Revenues and Benefits Academy system and legal debt recovery service redesign	140	TBD	6,402	(150)	(150)	(150)
181	Shared Services (Revenues and Benefits)	Income generated as a result of opportunities to deliver services jointly with other partners				(50)	(50)	(50)
182	Accounts Payable - Invoice Payment Terms *	Potential use of external agency to agree payment terms with creditors, resulting in cashflow and discount savings - value for money				(120)	(120)	(120)
183	Better Debt Management *	Capture savings of "Debt Down" project that aims to release cash-flow related savings - value for money				(40)	(40)	(40)
184	Financial Management Structure *	Further review of staffing structure to identify efficiencies - value for money	115	(4.0)	4,668	(119)	(119)	(119)
185	Procurement *	Capture savings from work within Procurement focusing on stationery and photocopiers in the first instance - value for money				(47)	(47)	(47)
186	Special Projects, Audit, Risk Management & Insurance	Review of staffing structures to identify efficiencies, and consideration of ability to recover costs of services provided to external partners	28	(2.4)	1,418	(70)	(70)	(70)
187	Insurance charges to external customers	Increase insurance charges to external customers			4,005	(50)	(50)	(50)

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Line Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
188 Legal Services	Review legal library provision and fees to external clients (including increasing fees within Registrars)			3,691	(40)	(40)	(40)
Total Finance and Legal Services Category 1			(6.4)		(686)	(686)	(686)

Total Category 1 Savings**(154.6) (6,679) (7,356) (7,307)**

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APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
CATEGORY 2 - MEMBER DECISION FOR FEBRUARY								
<u>Children, Learning & Young People Category 2</u>								
200	Before & After School Provision	Plans are in place to cease funding before and after school provision after 31/08/09. The FTE reduction reflects the impact if all provision ends with effect from 1/9/09. Work will be carried out with schools to see if schools can continue to provide using their funding and charging to parents.	19	(11.0)	293	(175)	(175)	(175)
201	School Nursery Provision pilot - Extended Opening	There are significant funding changes taking place in the Early Years sector, including the provision of additional resources to extend the 3 and 4 year old free entitlement from 12.5 to 15 hours. This, alongside the requirement for the pilots to be sustainable if they want to continue, will mean the pilot can come to an end at 31/08/09. The FTE reduction reflects the impact if all provision ends with effect from 1/9/09.	5.5	(3.0)	113	(65)	(65)	(65)
202	Performing Arts Services	Officers are reviewing the provision, and charging mechanisms with a view to delivering savings. The FTE reduction assumes that all the savings will need to be achieved by a reduction in posts.	56	(5.5)	1,239	(150)	(150)	(150)
203	Children & Family Service	Redesign of service resources into multi-disciplinary teams to support targeted early intervention and ending of existing services providing after school clubs and other open access children's activities	35	(10.8)	1,138	(250)	(250)	(250)
Total Children Learning and Young People Category 2				(30.3)		(640)	(640)	(640)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>City Development Category 2</u>								
204	Reduction in CVOne grant	Reflects 3% of total annual payment to CVOne			4,900	(150)	(150)	(150)
205	Car Parking Fee Increases *	Consideration of a variety of targeted fee increase options to be the subject of a detailed report in January 2009 - value for money			(4,447)	(380)	(380)	(380)
Total City Development Category 2				0.0		(530)	(530)	(530)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>City Services Category 2</u>								
206	Cessation of Coventry In Bloom	Cease all Coventry In Bloom activities.			1,675 Grounds Maint	(90)	(90)	(90)
207	Review of Waste Collection Services *	Review of the current waste collection service following last internal review in November 2005. This is in anticipation of expansion of recycling services citywide and the maintenance of a weekly collection of household waste	200	(3.0)	4,533 Waste Collection & Recycling	(200)	(200)	(200)
208	Charging for Replacement Wheeled Bins *	Introduction of charging for replacement wheeled bins			4,533 Waste Collection & Recycling	(117)	(117)	(117)
Total City Services Category 2				(3.0)		(407)	(407)	(407)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Community Services Category 2</u>								
209	Culture Leisure & Libraries Events	Reduce total events budget across the City.			729	(65)	(65)	(65)
210	Culture, Leisure & Libraries Events	Reduced annual events grant to CV One. This budget has stayed the same for the last 3 years.			540	(21)	(21)	(21)
211	Social Care - Review of Charging *	Implementation of Charges for Blue Badges in line with govt guidance - value for money				(90)	(90)	(90)
212	Social Care	End payment for attendance at Lamb Street in line with other establishments			227	(4)	(4)	(4)
213	Culture, Leisure & Libraries Sport	Reduction in sport and physical activity (including Coventry Active database, marketing related to Active for Health)			328	(30)	(30)	(30)
214	Cease contribution to Warwick Arts Centre.	Used to support its role in promoting the image and profile of Coventry.			32	(32)	(32)	(32)
215	Application of Transformation Grant.	Reductions in budgets in line with additional transformation grant from Government			1243	(533)	(530)	(230)
216	CLL	3% efficiency savings from the major trusts (Belgrade, CHAT, Transport Museum & Coventry Sports Foundation).			4,241	(167)	(167)	(167)
Total Community Services Category 2				0.0		(942)	(939)	(639)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Customer and Workforce Services - Category 2</u>								
217	Criminal Records Bureau Checks	Proposal to charge administrative costs for CRB checks for those organisations (including schools) that currently do not pay an administration fee				(20)	(20)	(20)
218	Stop free private physiotherapy service	Last year 529 employees were treated, 2441 treatments - 339 work related problems. A 3 year contract has just been signed that requires 3 months notice to terminate. Physio access via GPs is quicker now than when this service was first introduced.	9		45	(45)	(45)	(45)
219	To reduce the Counselling & Support service	Confidential counselling services to employees, schools and a number of external contracts. The service deals with issues which directly or indirectly affect work performance	5	(1.0)	144	(29)	(29)	(29)
220	To reduce the Healthy lifestyles screening programme.	The Healthy Lifestyles Screening programme aims to identify employees in the early stages of a chronic health problem which could lead to long term ill health. 3055 employees asked to be screened in 2007/8. Proposal to mothball caravan and reduce staffing by one part-time post.	9	(0.5)	38	(21)	(21)	(21)
Total Customer and Workforce Services Category 2				(1.5)		(115)	(115)	(115)

Savings Options**APPENDIX 1**

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Finance and Legal Services - Category 2</u>								
221	Consistent Payment of Christmas Salaries	Cash-flow saving of re-aligning payment of December officers payroll with that of Teachers with all groups being paid on last working day of December (officers current payroll run is last working day before Christmas).				(11)	(11)	(11)
Total Finance and Legal Services Category 2				0.0		(11)	(11)	(11)

Savings Options

APPENDIX 1

Line	Directorate & Title	Description	Service FTE	FTE (Decr)	Service Budget (£000)	2009/10 (£000)	2010/11 (£000)	2011/12 (£000)
<u>Directorate Wide - Category 2</u>								
	222 Partner Organisation Efficiency Savings	Requirement for grant funded partner organisations to make 3% efficiency savings.			4,704	(141)	(141)	(141)
Total Directorate Wide				0.0		(141)	(141)	(141)
Total Category 1 Savings				(154.6)		(6,679)	(7,356)	(7,307)
Total Category 2 Savings				(34.8)		(2,786)	(2,783)	(2,483)
Total Savings - All Categories				(189.4)		(9,465)	(10,139)	(9,790)

APPENDIX 2**Medium Term Financial Position 2009/10 to 2011/12**

	£m	£m	£m
	2009/10	2010/11	2011/12
Base Revenue Expenditure	273.100	279.007	286.525
Expenditure Pressures	3.561	4.109	3.723
Revenue Funding of Capital Programme (Prudential Borrowing)	0.500	1.800	1.800
Potential Medium Term Expenditure Pressures	0.000	4.827	11.236
Revenue Resources	(263.700)	(271.800)	(278.700)
Resource (Surplus)/Deficit <u>Before</u> Budget Actions	13.461	17.943	24.584
Savings Options in 2008 Pre-Budget Report Appendix 1	(9.465)	(10.139)	(9.790)
Use of Area Based Grant to Fund Priority Areas of Spend	(2.427)	(0.113)	(0.113)
Provisional Limiting of Inflation Increases	(0.700)	(0.700)	(0.700)
Anticipated Medium Term Savings	0.000	(6.991)	(13.981)
Resource (Surplus)/Deficit <u>After</u> identified Budget Actions	0.869	0.000	0.000
Further Action required to Balance 2009/10 Budget	(0.869)	0.000	0.000
Medium Term Financial Position	0.000	0.000	0.000

Area Based Grant Allocations, 2009 - 2011

Lead City Council Directorate & Funding Stream	2009/10 £000	2010/11 £000 (Indicative)
<u>Chief Executives</u>		
Stronger Safer Communities - NE	258	0
Youth Taskforce	30	30
Stronger Safer Communities	357	357
Total Chief Executives	645	387
<u>City Development</u>		
Local Enterprise Growth Initiative	4,021	3,565
Total City Development	4,021	3,565
<u>City Services</u>		
Detrunking	166	198
Ex-PSA Funded Services (Recycling, Street Cleansing)	390	113
Proposed New Expansion of Recycling of Waste	630	630
Total City Services	1,186	941
<u>Children Learning and Young People</u>		
Young People's Substance Misuse	97	97
School Development Grant	1,461	1,461
Extended Schools Start up Costs	990	377
Primary National Strategy - Central	197	197
Secondary National Strategy - Central	207	207
Secondary National Strategy - Behaviour/Attend	68	68
School Improvement Partners	132	132
Education Health Partnerships	78	78
School Travel Advisers	35	35
Choice Advisers	43	43
School Intervention Grant	71	71
14-19 Flexible Funding	91	91
Extended Rights Free Transport	65	105
Children Learning and Young People (continued)		
Connexions	3,046	3,032
Children's Fund	948	948
Positive Activities for Young People	818	1,008
Teenage Pregnancy	247	247
Care Matters White Paper	360	409

Area Based Grant Allocations, 2009 - 2011

Lead City Council Directorate & Funding Stream	2009/10 £000	2010/11 £000 (Indicative)
CAMHS	649	679
Child Death Review Processes	49	51
Total CLYP	9,652	9,336
<u>Community Services</u>		
Supporting People - administration	229	196
Supporting People	13,651	12,964
Childrens Social Care Workforce	121	120
Adult Social Care Workforce	793	812
Carers	1,499	1,592
Learning and Disability Development Fund	272	271
Local Involvement Networks	177	177
Mental Capacity Act/Independent Advocate Serv	197	189
Mental Health	1,014	1,062
Preserved Rights	1,180	1,123
Adults With Learning Difficulties	2,037	0
Total Community Services	21,170	18,506
<u>Cross Cutting</u>		
Preventing Violent Extremism	150	162
Local Public Service Board	500	500
Coventry Partnership Funding	75	75
Contribution From 2008/09 Area Based Grant	(1,000)	0
Total Cross Cutting	(275)	737
Total	36,399	33,472

APPENDIX 4**CAPITAL PROGRAMME 2009/10 - 2012/13**

	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
TOTAL SPENDING PROJECTIONS	52,199	31,453	8,146	9,980
TOTAL AFTER 5% RESCHEDULING FACTOR	49,589	32,360	9,357	9,949
RESOURCES AVAILABLE	(33,417)	(32,899)	(11,260)	(3,830)
SHORTFALL/(RESOURCES IN HAND)	16,172	(539)	(1,903)	6,119

APPENDIX 4

Ref	CM Children, Learning & Young People Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
clyp 1	Childrens Play Strategy	448	115	-	-
clyp 2	Primary School Places/Remodelling	6,968	4,100	-	-
clyp 3	Sowe Valley Primary	4	-	-	-
clyp 4	Children's Centres	2,950	2,558	-	-
clyp 5	Devolved Formula Capital	3,841	4,368	-	-
clyp 6	DFES Formula Capital	3,501	1,511	-	-
clyp 7	Schools Access Programme	889	575	-	-
clyp 8	Stivichall Primary School	150	-	-	-
clyp 9	Leased Equipment	200	200	200	200
clyp 10	Whitley Abbey Sports Hall	31	-	-	-
clyp 11	Pathways to Care (Support to Foster Carers)	180	300	300	300
clyp 12	Non-Schools Building Programme	130	-	-	-
clyp 13	New Broad Spectrum Primary School	6,665	1,400	-	-
	TOTAL CLYP	25,957	15,127	500	500

APPENDIX 4

Ref	CM City Services Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cs 1	Highways Investment	1,500	1,500	1,500	1,500
cs 2	Integrated Transport Programme	5,302	5,912	-	-
cs 3	Vehicle & Plant Replacement	22	-	-	-
cs 4	Liveability Programme	485	-	-	-
cs 5	Replacement Cremators	420	58	-	-
cs 6	Ironmonger Row/Burges	1,650	-	-	-
	TOTAL CITY SERVICES	9,379	7,470	1,500	1,500

APPENDIX 4

Ref	CM Climate Change, Housing & Sustainability Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cchs 1	Housing Policy	3,074	3,074	3,074	3,074
	TOTAL CLIMATE CHANGE, HOUSING & SUST	3,074	3,074	3,074	3,074

APPENDIX 4

Ref	CM Culture, Leisure & Libraries Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cll 1	Coventry Sports Centre Repairs	500	-	-	-
cll 2	War Memorial Park (Match Funding)	90	250	-	45
cll 3	Allesley Park Library	802	-	-	-
cll 4	Play Areas	137	-	-	-
cll 5	Extension of Foleshill Library	5	-	-	-
	TOTAL CULTURE, LEISURE & LIBRARIES	1,534	250	-	45

APPENDIX 4

Ref	CM Community Services Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cs 1	Supporting Mental Health	154	154	-	-
	TOTAL COMMUNITY SERVICES	154	154	-	-

APPENDIX 4

Ref	CM Customer & Workforce Services Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cws 1	Strategic ICT Projects	1,150	1,400	900	900
cws 2	Social Services IT System: Connecting Care	1,393	-	-	-
cws 3	Enterprise Licence / Server Upgrade	385	425	-	-
cws 4	Asset Management Database	71	-	-	-
cws 5	WAN 2	3,814	396	-	-
cws 6	Replacement HR/Payroll System	50	-	-	-
	TOTAL CUSTOMER & WORKFORCE SERVICES	6,863	2,221	900	900

APPENDIX 4

Ref	CM City Development Scheme Title / Description	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
cdd 1	NDC Leisure & Neighbourhood Centre	221	-	-	-
cdd 2	Property Repairs	1,500	1,500	1,500	1,500
cdd 3	Canley Regeneration	102	-	-	-
cdd 4	Swanswell MSCP	164	-	-	-
cdd 5	N D C Capital Development	616	572	-	-
cdd 6	City Centre - Footbridge (STWA Friars Rd)	30	70	667	667
cdd 7	City Centre - Public Parking	106	-	-	1,794
cdd 8	City Centre - Public Realm Improvements	150	1,015	5	-
cdd 9	Barracks Car Park Repairs	600	-	-	-
cdd 10	Far Gosford St	125	-	-	-
cdd 11	North East Regeneration & Riley Square	465	-	-	-
cdd 12	Far Gosford St Regeneration	1,141	-	-	-
cdd 14	Retail Market Phase 2	3	-	-	-
cdd 15	Aldermans Green Industrial Estate	15	-	-	-
	TOTAL CITY DEVELOPMENT	5,238	3,157	2,172	3,961