

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	Budget Deficit Brought Forward		10,563	24,299	35,944
1	Previous Savings Not Delivered	A delay in the delivery of savings is anticipated in the following areas in 2017/18 only: Adult Social Care online self-assessment (£0.1m), whole Council review of employment costs (£1.3m), Face/Telecare Systems (£2m), All Age Disability high care packages (£0.3m), Financial Assessment charging process (£0.1m), Children's Transformation process redesign (£2.1m), Children's Transformation programme residential redesign (£0.25m), Edge of Care (£0.7m), external Residential Care re-commissioning (£0.8m), Fostering & Specialist fostering (£0.6m), Supported Accommodation (£0.15m), Highways and Property restructure (£0.2m).	8,611	0	0
	Revised Medium Term Deficit		19,174	24,299	35,944

	Resource Changes				
2	Council Tax-Base and Estimated Outturn (Change to Pre-Budget Report)	This represents a significant improvement in the level of Council Tax income that is likely to be available. It incorporates the 2015/16 actual Council Tax surplus and 2016/17 projected surplus in excess of previous estimates. This reflects increases in the city's tax-base above the underlying estimate and includes the effects of continuing reductions in the level of Council Tax Reduction Scheme payments and tighter review and management of discounts.	(4,211)	(4,952)	(4,523)
2a	Business Rates Estimated Outturn (Change to Pre-Budget Report)	This incorporates the 2016/17 projected Business Rates surplus in excess of previous estimates.	(1,230)	0	0
2b	Business Rates Tax-Base (Change to Pre-Budget Report)	This reflects changes in the city's tax-base and the changes following the 2017 Business Rates Revaluation. It takes account of amounts set aside to account for future Business Rates volatility (in 2018/19) and the updated cost to the Council as a Business Ratepayer following revaluation.	(1,548)	2,011	(481)
2c	West Midlands Business Rates Pilot (Change to Pre-Budget Report)	The projected benefit of the Council's participation in the Business Rates pilot. The Council's participation was approved in a report to Cabinet on November 1st 2016.	(3,638)	(3,049)	(2,230)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
3	New Homes Bonus (Change to Pre-Budget Report)	This includes additional grant of £0.3m reflecting Coventry's share of unallocated resources available nationally and underlying new housing growth across the city. However, the 2017/18 Local Government Finance Settlement has top-sliced New Homes Bonus resources to fund the 2017/18 Adult Social Care Grant (see line 4a below) resulting in a net £1.7m reduction for Coventry.	1,666	59	49
4	Better Care Fund (Adult Social Care)	The Council's 2016/17 Budget included very significant increases in the projected costs of adult social care. Corresponding indicative Better Care Fund grant resources for managing services delivered between Adult Social Care and health are being built in here. This will enable the Council to manage costs included previously in the budget for Adult Social Care.	0	(5,960)	(5,960)
4a	2017/18 Adult Social Care Grant	This is a new one-off grant announced as part of the 2017/18 Local Government Finance Settlement. The Council approved significant additional medium term resources for Adult Social Care as part of last year's Budget Setting and the new grant announced here will help to fund this additional spend.	(1,558)	0	0
4b	Adult Social Care Precept	The Council's financial plans assume an Adult Social Care "Precept" of 2% for each of the years 2017/18 to 2019/20 in line with previous Government expectations. The 2017/18 Local Government Finance Settlement has given councils the opportunity to increase the Precept to 3% for 2017/18 and 2018/19 (in which case, no increase would be allowed for 2019/20). This change would increase the assumed total increase in Coventry's Council Tax from 3.9% to 4.9%.	(1,129)	(2,373)	35
5	Education Support Grant (Pension Liability)	This reflects a further reduction in Education Support Grant. The Council is unable to reduce that part of the corresponding expenditure which relates to historic pension liabilities.	758	1,300	1,300
	Total Resource Changes		(10,890)	(12,964)	(11,810)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	<u>Technical and Corporate Changes</u>				
6	Salary and Inflation Contingencies	This assumes that previously planned for amounts for pay awards, pensions' increases from the current actuarial review and pensions auto-enrolment from 1st April 2017 can be scaled back compared with previous medium term estimates.	(2,000)	(2,000)	(2,000)
6a	Pension Costs (Change to Pre-Budget Report)	The Council has worked with West Midlands Pension Fund to agree employer pension contributions for the next three years following the latest triennial review. Future increases had been built into the Council's medium term financial plans previously based on initial projections but the final position is that the actual increases will be lower than anticipated. The Council is also intending to pay the three year costs up-front and achieve a cash-flow saving from the pension fund.	(2,079)	(2,079)	(2,079)
7	Asset Management Revenue Account	This corporate budget incorporates the revenue financing costs of capital spending and the financial impact of the management of the Council's cash balances. The re-profiling of capital spend to later years has two effects – it decreases capital refinancing costs and increases investment income as a result of higher cash balances. There is also an impact as a result of the full impact being felt of the new Minimum Revenue Provision (MRP) policy which was introduced in February 2016.	(1,500)	(1,500)	(1,500)
8	Audit Fee	The audit fee payable to the Council's external auditors Grant Thornton has reduced from £231k to £173k. These costs are subject to a national scale of fees.	(58)	(58)	(58)
9	Airport Dividends	This reflects a marginal change in the Council's projected dividend from its shares in Birmingham International Airport.	(145)	12	(66)
10	Combined Authority	For 2016/17 Budget Setting the Council had set aside £500k (on-going) as an initial estimate of the cost of supporting development of Combined Authority proposals. Moving forward, the current estimate of these costs is that they will be c£250k. This creates a saving compared with the previous budgeted amount.	(250)	(250)	(250)
10a	West Midlands Transport Authority Levy (Change to Pre-Budget Report)	This levy (previously the West Midlands Integrated Transport Authority Levy). Is paid for by all 7 West Midlands councils based on population share. Although small savings have been announced, these have been more than cancelled out for Coventry due to its increase in relative population size.	26	441	684

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
11	Coventry & Solihull Waste Disposal Company Dividends (Change to Pre-Budget Report)	Coventry and Solihull Councils will continue to challenge to seek to maximise returns from their shareholding in the waste disposal company. An increased estimate has been included compared with the Pre-Budget position based on latest discussions with the company.	(670)	(536)	(536)
12	Coventry Investment Fund	The CIF was established in 2013 to support investment in schemes that generate business rates growth. It is proposed no further funding which attracts a revenue cost should be committed. Future schemes may be eligible for WMCA funding or for Council funding on an individual basis where it can be demonstrated that this is cost neutral.	(550)	(1,939)	(1,926)
13	Sports Contingency	Remove contingency set aside to develop sports provision across the city.	(150)	(150)	(150)
14	Policy Contingency	This budget allows the lead member for finance to support high priority policy developments. It underspends on a regular basis and this proposal is to limit the budget to £75,000 per annum.	(83)	(83)	(83)
14a	Information & Communications Technology - Personal Computer Refresh Programme (Change to Pre-Budget Report)	The programme for updating the Council's personal computer stock has been re-assessed leading to an updated cost profile.	159	159	159
14b	Connecting Communities (Change to Pre-Budget Report)	Reassessment of the consultation and implementation phase of the Connecting Communities means that not all of the savings will be delivered to the previously planned timescale, leading to the shortfall shown here.	1,404	0	0
	Total Technical and Corporate Changes		(5,896)	(7,983)	(7,805)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	<u>Savings Proposals</u>				
15	Commercial Property - Asset Opportunities	Creation of new income streams from the re-investment of receipts from the disposal of non income earning assets	(250)	(300)	(300)
16	General - Car Parking, Pest Control, Bereavement (Change to Pre-Budget Report)	Opportunities exist to increase charges and/or improve full cost recovery in some service areas. The key services where it is considered this is achievable are bereavement services, car parking and parts of the pest control service	(575)	(575)	(575)
17	Employment Costs	Review the Council's employment costs.	0	(1,000)	(5,000)
18	Regional Shared Traffic Management Service	West Midlands (Combined Authority) wide traffic and transportation provision. This would require the co-operation of other WM authorities.	0	(150)	(150)
19	Developing a Commissioning Function with the Health Economy	The People Directorate contains a number of commissioning functions across its services. An initial review of the benefits of consolidating functions will be carried out to deliver initial savings. Further work on opportunities for integrating with health colleagues will also form part of this work.	0	(180)	(180)
20	Adult Social Care Commissioning - Voluntary and Third Sector	Review voluntary sector spend to reprioritise against Council objectives resulting in either a direct reduction in actual costs of care and support or a reduction in voluntary and third sector spend	0	(500)	(500)
21	Merge apprenticeships and Employment Services (Change to Pre-Budget Report)	The initial proposal was to combine the two separate teams that currently manage apprenticeships internally and externally to produce a cost saving . The initial £75k saving will not be pursued but an equivalent saving will be delivered from line 16.	0	0	0
22	Revenues and Benefits Service business process review	Review of business processes for the administration of Revenues and Benefits - to include an improved digital offering and automated self service solution – to realise efficiencies in back office administration.	0	(50)	(150)
23	Consumer Protection	The proposal would put an end to pre-emptive work of trading standards, reverting to statutory enforcement function only.	(75)	(75)	(75)
24	Parks and Street Cleansing (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to Identify service reductions to cleansing and grass cutting schedules and reduce the the number of litter bins or how often they are emptied - will no longer be pursued.	0	0	0
25	Cease Mobility Pathways (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to close the shopmobility service, which lends out free scooters and powered wheelchairs to people with a disability who shop in the city centre - will no longer be pursued.	0	0	0

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
26	Re-design of household waste collection	<p>Residents currently have three bins - a blue lidded bin for recycling (collected every other week), a brown lidded bin for garden waste (collected every other week between March & November) and a green lidded bin for household waste including food (collected weekly).</p> <p>This proposal would see the garden waste service extended to the full year, with the added benefit that this bin would also accept food waste. Green lidded bins for household waste would then be collected on the week following the garden and food waste collection. This ensures that residents could dispose of food waste weekly if they wish. The blue lidded bin would be collected as currently. The proposed savings acknowledge that flats have limited space for bin storage and often do not have private gardens and hence no brown lidded bins. The saving figures therefore assumes no change to flat collection arrangements.</p>	0	(1,000)	(1,000)
27	Schools Cleaning decentralisation	The cost to the Council of providing this service to schools has risen significantly in the last two years. This, together with falling customer numbers has resulted in the service becoming unsustainable financially. It is proposed that school cleaning teams are transferred to and managed directly by schools from the start of the 2017/18 academic year.	(50)	(50)	(50)
28	Employment Team/Job Shop/Youth Employment (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to end most of the employment support services provided by the Council, close the Job shop, and to stop the NEETS placement service and the Youth Employment Initiative - will no longer be pursued.	0	0	0
29	Business Investment Activity (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - which would impact on the team handling inward investment in the city and result in significant loss of grant and the ability to deliver other grant programmes - will no longer be pursued.	0	0	0
30	Highways - reduce reactive repairs	Improvements in our asset management systems are allowing us to target repairs more efficiently. However, we will continue to monitor the speed with which we repair potholes and will ensure that all priority repairs (potholes deeper than 1.5 inches) continue to be dealt with within 5 days	(100)	(100)	(100)
31	Planning Capacity Reduction	Reduction of the cost and/or increase income within the planning function	(100)	(100)	(100)
32	Community Development and Engagement functions	Review of Community Development and Engagement functions to ensure functions can deliver required support	(100)	(150)	(150)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
33	Revenues and Benefits staffing levels	Review of staffing levels across the service within the context of channel shift, merging of cross service functions and a diminishing housing benefit caseload resulting from the phased implementation of universal credit.	(100)	(200)	(200)
34	Council Tax Support Threshold (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to further revise of the Council Tax Support Scheme - will no longer be pursued.	0	0	0
35	Cabinet Member Meetings/Ward Forums (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that the saving to cease formal Cabinet Member meetings will no longer be pursued. This leaves a proposal to end Ward Forums .	(15)	(15)	(15)
36	Citivision (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to cease hard-copy Citivision delivered to Coventry homes - will no longer be pursued.	0	0	0
37	Sustainability Team Commercialisation	Reduction of the cost and/or increase income within the Sustainability Team.	(75)	(125)	(125)
38	Highways Repairs - reduce programme and/or backfill from capital (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to fund £500k of 2017/18 Highways Repairs from capital receipts rather than the existing revenue budget - will no longer be pursued. In future years a decision will be required on whether the budget is reduced or further capital receipts are used to fund expenditure up to existing levels.	0	0	0
39	Internally provided services - review options	A number of internally provided services continue to be delivered by Adult Social Care despite a number of closures and changes in recent years. This work will review the scope and benefits associated with further changes to the internal services.	0	(500)	(500)
40	Public Health - future contract tendering	As Public Health contracts are retendered, changes to delivery models and increased efficiency will be sought	0	(500)	(500)
41	All age disability review	Review of All Age Disability Service to ensure cost effective transition arrangements and management of costs meeting assessed needs.	0	(250)	(250)
42	Review of transport spend including SEN	People Directorate has significant levels of transport spend across service user groups. A review of transport delivery and eligibility is required to reduce cost and maximise independence	0	(500)	(500)
	Total Savings Proposals		(1,440)	(6,320)	(10,420)

	Description	Proposal & Implications	2017/18 £000	2018/19 £000	2019/20 £000
	Use of Existing One-Off Resources				
43	Airport Dividend Reserve (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use of £4.4m special airport dividend received in 2015/16 - will no longer be pursued.	0	0	0
44	Use of Capital (revenue in Capital Programme) (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use existing Capital Receipts to fund Capital Programme expenditure that is currently funded from revenue will be scaled back from Pre-Budget levels, now requiring £4.299m of contributions over three years.	(1,299)	0	(3,000)
45	Insurance Reserve (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to use part of the existing Insurance Reserve to help balance revenue bottom line - will no longer be pursued.	0	0	0
46	Fund Capital Costs from Capital Receipts (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to identify capital receipts to fund capital spend and replace planned borrowing costs - will no longer be pursued.	0	0	0
47	One-Off Reserves (Change to Pre-Budget Report)	As a change to the Pre-Budget Report it is proposed that this saving - to identify one-off reserve balances to help balance revenue budget on a one-off basis - will no longer be pursued.	0	0	0
47a	Medium Term Financial Strategy Reserves Strategy (Change to Pre-Budget Report)	This is a new proposal to balance the three year financial programme. A contribution will be made to reserves in 2018/19 and this balance used to balance the programme in subsequent years.	0	2,968	(2,910)
	Total Use of Existing One-Off Resources		(1,298)	2,968	(5,909)

	Policy Proposals				
48	Development of Acquisition of Revenue Generating Assets including Housing Company (Change to Pre-Budget Report)	This provides budgetary provision to fund the initial potential costs of establishing a housing company and developing plans for identifying income earning assets.	100	0	0
49	City of Culture Contribution (Change to Pre-Budget Report)	Initial provision to fund expenditure to develop Coventry's City of Culture bid.	250	0	0
	Total Policy Proposals		350	0	0

	Total Balance		0	0	0
--	----------------------	--	----------	----------	----------