

Appendix 1: 2020/21 Final Budget Financial Proposals (changes to existing budget)

		2020/21	2021/22	2022/23	2023/24	
		£000	£000	£000	£000	
	Position Carried Forward from 2019/20	16,720	23,796	30,370	34,370	
	Resources					
1	Local Government Settlement	(13,705)	(12,597)	(13,233)	(18,927)	Latest estimate based on Spending Round.
2	Council Tax Collection Fund Surplus (Change to Pre-Budget Report)	(1,644)	(6,269)	(4,377)	(5,974)	This is the 2018/19 Council Tax Collection Fund surplus which is available to support the 2020/21 Budget and assumed tax-base resources available in future years.
3	Council Tax Referendum cap at 2%	1,288	2,660	4,121	5,676	This reflects the assumed Council Tax referendum cap reducing from 3% to 2%. The Council's previous assumption had been a cap of 3%. Therefore there is a reduction in the assumed level of Council tax income.
4	New Homes Bonus (Change to Pre-Budget Report)	(3,498)	0	0	0	New Homes Bonus has been confirmed at a higher level than previously assumed. A further review of the scheme is expected for 2021/22 onwards so no additional resources have been assumed beyond 2020/21.
5	Adults' and Children's Social Care Grant (2019/20 Local Government Settlement)	(2,650)	0	0	0	The Spending Round indicates that this funding will continue at the 2019/20 level. The initial assumption is that this will not be available in future years.
6	New Adults & Children's Social Care Grant	(6,781)	0	0	0	This is the allocation of additional resources for Adults' and Children's social care announced in Spending Round. The initial assumption is that the funding will not be available in future years.
7	Adult Social Care Precept (Change to Pre-Budget Report)	(2,719)	(2,719)	(2,719)	(2,719)	The 2% Adult Social Care precept will provide resources to support future expenditure within the Adult Social Care medium term financial plan.
8	Independent Living Fund (Change to Pre-Budget Report)	0	2,300	2,300	2,300	The assumption within the Pre-Budget Report was that this grant funding stream may potentially not be available from 2020/21. The Government settlement has now confirmed its availability for 2020/21 but not at this stage for later years.
9	Coventry & Warwickshire Business Rates Pool (Change to pre-budget Report)	(400)	0	100	100	The Technical Consultation has indicated that no new Business Rates Pilots will be announced for 2020/21. One impact of this is that the Coventry and Warwickshire Business Rates Pool should continue for a further year. The current budgeted amount of Business rates pooling gain had therefore been assumed for one further year.
	Total Resources Change	(30,109)	(16,626)	(13,808)	(19,544)	

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	Non-Achieved Savings					
10	Workforce Strategy	4,442	4,442	4,442	4,442	This removes the savings assumption made in previous Budgets on the basis that there are no existing proposals to deliver this. Work is under way to bring future Workforce Strategy proposals and any savings resulting from this will be introduced in a future Budget.
	Total Non-Achieved Savings	4,442	4,442	4,442	4,442	
	Expenditure Pressures					
11	Inflation Assumptions (Change to Pre-Budget Report)	2,792	7,822	6,424	7,486	Incorporates 2% CPI forecast for pay and contracts, 5% for energy and 1% for some other Council budgets. The 2020/21 estimate has changed marginally compared with the Pre-Budget Report.
12	Adult Social Care	1,813	3,462	8,458	11,530	This reflects anticipated market pressure, demographic growth and inflation on social care contracts including those connected to increases in the National Living Wage. It also incorporates an Adult Social Care Funding Strategy approach which allocates resources to the financial year in which they are required.
13	Children's Social Care (Looked After Children & Supported Accommodation)	2,000	2,000	2,000	2,000	There are continuing pressures within Children's social care budgets resulting from the number and cost of placements.
14	SEND (Special Educational Needs and Disability) Transport	1,300	1,300	1,300	1,300	The 2019/20 budgetary control position reflects a forecast overspend on SEND transport driven by a significant increase in demand (but proportionate to the number of Special School Placements and Education, Health and Care (EHC) Plans.
15	DSG Historic Liabilities (Change to Pre-Budget Report)	404	900	900	900	Costs currently being funded by Dedicated Schools Grant for which it is anticipated DSG may be reduced in 2020/21. Following further assessment it is anticipated that the level of reduction will be lower than initially anticipated for 2020/21.
16	Housing & Homelessness (Change to Pre-Budget Report)	3,600	3,600	3,600	3,600	The 2019/20 budgetary control position reflects a forecast overspend within Housing and Homelessness budgets driven by increased demand, activity transferring to the Council from the previously outsourced contract and a delay in more cost efficient Temporary Accommodation solutions being available. This line assumes that these costs will continue beyond 2019/20.

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17	Waste Disposal	495	879	1,279	1,679	Assumes growth in waste per household, housing numbers and waste disposal gate fee.
18	ICT Licences	150	150	150	150	Anticipated increase in computer system licence costs.
19	Godiva	200	200	200	200	Estimated cost of providing the Godiva Festival on an annual basis, taking account of higher costs of staging the festival and measures to increase income generation.
20	West Midlands Combined Authority (WMCA) Business Rates Growth Contribution	900	1,050	1,200	1,350	The original funding model for the WMCA Devolution Deal included funding from West Midlands councils from the assumed growth in Business Rates. The Council initially agreed a time-limited budget allocation pending the changes to the local government funding arrangements. Given that these have been further delayed this proposal builds in an ongoing contribution.
20a	National Living Wage (Change to Pre-Budget Report)	300	300	300	300	Reflects the additional cost of the National Living Wage on Adult Social Care contracts.
	Total Expenditure Pressures	13,954	21,663	25,811	30,495	
	Technical Savings					
21	Exit Costs (Reduction in existing £2.5m Budget)	(1,500)	(1,500)	(1,500)	(1,500)	The Council holds a current budget of £2.5m for exit costs, primarily the costs of redundancy and early retirement decisions. Given a significant reduction in such costs in recent years and the fact that the Council also holds a reserve to fund these costs, the proposal here is to reduce the ongoing budget to £1m for exit costs.
22	Street Lighting PFI Re-Financing	(100)	(100)	(100)	(100)	The Council and its partner organisations within the Street Lighting Private Finance Initiative project are approaching the final stages of renegotiating the contract to release a financial benefit.
22a	Superannuation Actuarial Review (Change to Pre-Budget Report)	(1,664)	(4,370)	(4,122)	0	The Council's pension arrangements have been subject to a triennial review which has identified an improvement in the overall pension funding position. In overall terms the rate of employer pension contributions will reduce in 2020/21 enabling the Council to make savings in employee budgets.
	Total Technical Savings	(3,264)	(5,970)	(5,722)	(1,600)	

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	Service Savings Policy Options					
	Adult Social Care					
23	Adult Social Care Internally Provider Services	(45)	(45)	(45)	(45)	Cease weekend provision at Maymorn day centre for dementia (Cabinet - 9th July)
24	Adult Social Care Digitalisation	(350)	(500)	(500)	(500)	Digitise Adult Social Care Operations
25	Adult Social Care Internally Provided Services Delivery Models	0	(300)	(625)	(625)	Review alternative delivery models for the provision of Internally provided adult social care services. For example, Telecare services
26	Adult Social Care Therapy	(50)	(100)	(100)	(100)	Increasing therapy input into adults with disabilities to reduce long term demand
27	Adult Social Care Financial Assessment Process Digitalisation	(30)	(60)	(60)	(60)	Introduce digitised approaches to Financial Assessment process
28	Adult Social Care Community Purchasing	(200)	(400)	(600)	(600)	Reduce residential placements and increase people supported at home (at maximum saving this equates to a reduction of 30 from current activity including off-set for alternative care costs).
	Business Investment and Culture					
29	Place Directorate Management and Support	(15)	(15)	(15)	(15)	Consolidate Directorate Management & Support function
30	Corporate Sponsorship & Advertising	(100)	(150)	(200)	(200)	Review of Corporate Sponsorship & Advertising opportunities
	Children's Services					
31	Looked After Children Joint Commissioning	0	(240)	(240)	(240)	Joint Commissioning - Redesign of process & governance to ensure the appropriate level of funding is reclaimed from partners towards the cost of Looked After Children placements.
32	Children's Services Section 17 Payments	(35)	(35)	(35)	(35)	Section 17 - Review of expenditure incurred to ensure tighter controls, and enhanced decision making.
33	Children's Services Responsive Services & Quality and Assurance	(56)	(169)	(169)	(169)	Minor review of responsive services and quality and performance

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	Finance and Corporate Services					
34	Treasury Management Investments	(100)	(100)	(100)	(100)	Improved treasury management returns through amendment to the Council's Investment Strategy
35	Registrars Income Generation	(50)	(50)	(50)	(50)	Increased Income generation within the registrars service
	Housing and Transformation					
36	ICT & Digital Provision of Mobile Handsets	0	(125)	(125)	(125)	Remove provision of Corporate Mobile handsets and use dual sim capability within officers' own mobiles
37	Citivision	(35)	(35)	(35)	(35)	Digitise Citivision reducing printed circulation
38	Housing Services	0	0	(250)	(250)	Reduce capacity across Housing to reflect delivery of other schemes/approaches
39	Consolidation of ICT Systems	0	0	(250)	(250)	Reduction of IT costs linked to user reduction/Consolidation of Systems
40	Communications Team	(50)	(50)	(50)	(50)	Restructure of Communications team
41	Human Resources and Organisational Development	(150)	(350)	(500)	(500)	A review of the HR service is to be completed to ensure resources are matched to the future business need and commercial opportunities are maximised.
42	Transformation Team	0	0	(150)	(150)	Restructure of Transformation Team
	Project Management and Property Services					
43	Friargate Floor Space	(300)	(480)	(480)	(480)	Rationalise floor space occupied at Friargate and let a floor
44	Operational Property	0	(250)	(500)	(500)	Further rationalisation of operational property
45	Building Cleaning (Change to Pre-Budget Report)	0	(50)	(50)	(50)	Reduce cleaning standards across Corporate property. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
46	Commercial Property Income	(1,000)	(2,000)	(2,500)	(2,500)	Ringfence and reinvest £30m-£40m in capital receipts from non income earning assets into income earning assets

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	Public Health and Wellbeing					
47	Migration Services	(450)	(450)	(450)	(450)	The Council provides support to recipients of migration services from across all services. This reflects a contribution from the grant towards the other services provided across the Council.
48	Public Health Lifestyles Service	0	(20)	(20)	(20)	The Lifestyles service is a relatively new service and there are options to look at further developing the self care support element within the contract as well as further targeting of coaching and specialist interventions
49	Public Health Blood Borne Virus Testing	(27)	(27)	(27)	(27)	Remove Public Health Grant Funding for GP Blood Borne Virus testing services
50	Public Health Keeping Coventry Warm (Change to Pre-Budget Report)	0	(50)	(50)	(50)	Remove Public Health Grant Funding for Keeping Coventry Warm Scheme. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
51	Corporate Insight & Engagement function	(153)	(153)	(153)	(153)	Restructure of Corporate Insight & Engagement function
52	Community Capacity and Resilience Grants (Change to Pre-Budget Report)	0	(50)	(50)	(50)	Reduction of Community Capacity & Resilience grants. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
	Streetscene and Regulation					
53	War Memorial Park Charging for Parking (Change to Pre-Budget Report)	(120)	(120)	(120)	(120)	The revised proposal is to offer three hours free parking for all. After this charges will apply equivalent to those that apply in city centre car parks. Users of the Park and Ride service will face a £1 flat parking fee in addition to bus fares.
54	War Memorial Park Charging for Water Feature (Change to Pre-Budget Report)	0	(15)	(15)	(15)	Commercialise the WMP water feature by levying a charge to offset the ongoing maintenance costs. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
55	Pet Cemetery	(10)	(10)	(10)	(10)	Provision of a pet cemetery and burial service using an appropriate redundant recreational area within the City
56	Bereavement Services - Funeral Director Service	0	(160)	(160)	(160)	Diversification into Funeral Director service through growth or acquisition
57	Bereavement Services Fees	(50)	(100)	(150)	(150)	Increase bereavement fees in line with top quartile
58	Licensing Charges	(100)	(100)	(100)	(100)	Review of licensing services/charges

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	Transportation and Highways					
59	Street Lighting Replacement Cycle	(20)	(20)	(20)	(20)	Extend replacement cycle of street lamps
60	Highways Inspection Digitalisation	0	(25)	(50)	(50)	Digitalisation of highways information capture
61	Increased Recovery of Parking/Bus Gate Fines	(65)	(130)	(130)	(130)	Increased recovery of parking/bus gate fines linked to return of back office function
62	Traffic Management NRSWA Service	(82)	(82)	(82)	(82)	Insource of NRSWA (New Roads & Street Works Act) service currently provided externally
63	Bus Lane/Gate Enforcement (Change to Pre-Budget Report)	0	(60)	(60)	(60)	Install cameras at 3 currently unenforced bus gates/lanes and enforce their use through issuing Penalty Charge Notices. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
64	Street Lighting (Change to Pre-Budget Report)	(250)	(250)	(250)	(250)	The revised proposal is to explore options of dimming street lights across the city. This replaces the previous option to switch street lights off on some routes at certain times.
65	Highways Drainage Design and Advice Service	(50)	(100)	(150)	(150)	Provide design and advice services relating to drainage for developments and planning requirements, potentially through arms length company
66	Car Park Charges	0	(100)	(200)	(300)	Review of parking charges for city centre car parks
67	Highways Maintenance (Change to Pre-Budget Report)	0	(350)	0	0	Manage revenue funded highways maintenance spend over 3 year period. As a change to the Pre-Budget Report this saving will not being implemented in 2020/21.
68	Residents Parking Charging	(300)	(400)	(500)	(500)	Review of residents parking charges/zones
	Total Service Savings Policy Options	(4,243)	(8,276)	(10,376)	(10,476)	

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	New Policy Priorities					
69	Climate Change Strategy	100	100	100	100	This new budget will enable the development and initial implementation of an ambitious new Climate Change Strategy including work to engage and agree actions with stakeholders, create an invest to save model and a plan to grow income and investment including development of grant bids.
70	City Wide Cleaning	2,100	0	0	0	A city-wide operation in both neighbourhoods and arterial routes across the City involving: targeted skip collections in and around fly tipping hot spots; targeting misused bins across the City and a complete emptying service prior to a clean street operation; greatly enhanced Coventry Clean Streets neighbourhood cleaning and fly-tipping removal; and cleaning and clearing of main trunk roads.
71	Average Speed Cameras	300	0	0	0	Funding to establish several new average speed zones in the city. This provides sufficient resources to pay for the initial equipment. The element of future revenue from fines that is available to the Council is expected to be sufficient to fund on-going running costs.
	Total New Policy Priorities	2,500	100	100	100	
	(Surplus)/Deficit Carried Forward to 2021/22 Budget Setting	0	19,129	30,817	37,787	