

## Appendix 1: Pre-Budget Proposals and Financial Position

		2025/26 £000	2026/27 £000	2027/28 £000	
	<b>Starting Budget Gap</b>	<b>14,310</b>	<b>14,761</b>	<b>14,761</b>	<b>This position has been carried forward from 2024/25 Budget Setting and reflects all previously approved Budget changes</b>
<b>Resources</b>					
1	Council Tax	(5,100)	(5,100)	(5,100)	The previous assumption has been a 2% increase on Council Tax. This reflects the additional resource from a combined 5% increase, made up of 2% Adult Social Care Precept and a 3% Council tax increase.
2	Local Government Settlement	(4,400)	(4,400)	(4,400)	Assumptions based on anticipated share of additional Local Government funding announced in the Autumn Statement.
3	2024/25 Social Care Grant	(7,101)	(7,101)	(7,101)	Assumptions of ongoing 24/25 Social Care grant to fund additional social care capacity and Coventry's potential share of the additional funding announced in the Autumn Statement. This is a forecast only, pending the Governments Settlement announcement.
4	EPR - Extended Producer Responsibility Grant	(5,000)	(5,000)	(5,000)	Predicted share of the Extended Producer Responsibility Grant announced in the Autumn statement. This is a forecast only, pending the Governments Settlement announcement.
5	Coventry and Warwickshire Business Rates Pool	(2,000)	0	0	The Pool is expected to continue which will enable this income stream to be achieved for a further year
6	Services Grant	500	500	500	Assumes that the remainder of the Local Government Services Grant will be removed following an 84% national reduction in 24/25.
	<b>Subtotal Resources</b>	<b>(23,101)</b>	<b>(21,101)</b>	<b>(21,101)</b>	
<b>Service &amp; Technical Pressures</b>					
7	25/26 Pay Award	1,700	1,700	1,700	An assumed pay award of 3% for 2025/26, which is an additional 1% above previous budget provision. Assume 2% from 26/27 onwards.
8	Non-Pay Inflation	1,618	5,462	7,462	This reflects the continued impact of the inflation environment affecting the Council's supplies and services expenditure.

9	Children's Services - Placements for Children in Care	4,450	4,450	4,450	Children's Services continues to see a significant increase in the average unit cost of placements for children in care. This is due to there being a lack of sufficiency in the market to meet the needs of young people in care and is a local, regional and national issue.
10	Children's Services other	300	300	300	Changes in funding requirements across Children's Disability Service, Adoption Central England and Special Guardianship Orders
11	Education Services - SEND Transport	800	800	800	As is being seen nationally, the number of SEND pupils within Coventry continues to grow, resulting in an increase in the number of commissioned special school placements, and consequently more children and young people requiring specialist transportation to school
12	Education Services - SEND Statutory Assessment	350	350	350	Budget required to permanently fund the existing SEND Statutory Assessment staffing structure on an ongoing basis.
13	Dedicated Schools Grant (DSG) - Historic Commitment Fall Out	200	300	400	Funding provided by the Central School Services Block within the DSG is split into two elements: funding for ongoing responsibilities and funding for historic commitments. Since 2020/21 the DfE has been reducing funding for historic commitments by 20% per annum resulting in a budgetary pressure.
14	Adult Social Care - Additional Package costs	3,500	3,500	3,500	This relates to the estimated additional cost of the National Living Wage and other price rises recently announced in the Governments Autumn Budget 2024 on adult social care packages, over and above previous budget modelling assumptions.
15	Adult Social Care	2,500	2,500	2,500	This represents impacts of demographic change and complexity of care packages
16	Housing - Temporary Accommodation	2,520	2,520	2,520	Expected continued increases in the number of families and single people seeking assistance with housing issues and subsequently being placed in temporary accommodation.
17	ICT Software Licences & systems renewal	650	975	1,150	Anticipated increased costs of software licenses and system renewals
18	Commercial Property Portfolio	600	600	600	Strategic regeneration of the City Centre has resulted in a reduction in the overall level of commercial rent income achievable
19	Insurance Reserve Provision	250	250	250	An actuarial Review of Insurance Reserves has indicated that the annual provision requires an increase to match expected current and future liabilities
20	Waste Disposal	180	680	1,180	Incremental increase in the cost to dispose of domestic waste due to growth in household numbers

	<b>Subtotal Service &amp; Technical Pressures</b>	<b>19,618</b>	<b>24,387</b>	<b>27,162</b>	
<b>Technical Savings</b>					
21	Switch revenue funded highways maintenance spend for alternative grant funding	(1,000)	0	0	Current capital programme schemes within highways are funded from revenue resources. This proposal instead funds this expenditure from Capital receipts releasing a temporary revenue saving for one year
22	Capital Programme Revenue Funding	(1,000)	0	0	Current ICT capital programme schemes are funded from revenue resources. This proposal instead funds this expenditure from one-off capital receipts which releases a temporary revenue saving for one year
23	Management actions to reduce gap	(3,100)	(3,100)	(3,100)	Service Directors have identified a number of actions and efficiencies to reduce overall budgetary pressure within existing approved policies
	<b>Subtotal Technical Savings</b>	<b>(5,100)</b>	<b>(3,100)</b>	<b>(3,100)</b>	
<b>Service Savings</b>					
24	Adult Social Care - Market Management	(1,300)	(1,300)	(1,300)	Managing increases whilst still ensuring National Living Wage increases are funded can reduce the projected cost of growth
25	Adult Social Care - Voluntary Sector Review	(560)	(750)	(750)	Grant Aid agreements with 12 voluntary sector organisations end on 31 March 2025. Commence a tender against a series of service areas for a total value of half of the current spend of £1.5m
26	Adult Social care - Service change, improvement and staffing efficiency	(640)	(1,500)	(1,500)	Applying a similar approach to change as deployed in 2023/24 to deliver the improving lives programme will be used to achieve savings against other areas of high spend including Learning Disability Services and use of technology alongside ensuring staff are deployed to focus on areas of highest impact

27	Childrens Social Care	(2,000)	(4,000)	(4,000)	<p>The peer challenge review in October 2024 identified a number of areas within Children's Services to focus work, in order to create efficiencies and potentially reduce costs in line with the final report. Areas recommended for further consideration that could potentially reduce cost include:</p> <ul style="list-style-type: none"> <li>-An organisational review of children's and education services to ensure a joined-up approach and identification of financial efficiencies through rationalisation of senior managers.</li> <li>-Opportunities to focus early help and prevention services to manage demand and enable intervention in families lives at the lowest possible levels.</li> <li>-Planned withdrawal from services upon the cessation of grant funded projects with drawn up exit plans</li> <li>-Strengthened processes around children coming into care, placement decisions and funding</li> <li>-Continued challenge of partners to provide equitable contributions including for care packages</li> <li>-Seek to maximise digital opportunities</li> </ul>
28	Senior Management Capacity	(1,000)	(2,000)	(2,000)	Corporate restructure of senior management following the review of the Director tier
29	City Events	(50)	(50)	(50)	A review of and scaling back of events that can be funded in the City using Council resources.
30	Cultural Services internal provision	(56)	(56)	(56)	A service review of the Cultural Services internal provision, reducing capacity and prioritising resource within the remaining funding envelope
31	Sustainability and Climate Change	(32)	(32)	(32)	A reduction in capacity within the Climate change Team and reprioritisation of resources to maximise benefit
32	Election cost efficiencies	(100)	(100)	(100)	Resources could be saved through a reduction of portacabins; reduced number of polling stations; alternative count location
33	Redesign of Council Tax Support Scheme	(850)	(850)	(850)	Reduce the discount that some residents receive against their Council Tax by 5%. The maximum discount available is currently 80% in 24/25, reduced from 85% in prior years
34	Discretionary Payments	(494)	0	0	Reduce the Community Support Grant support for one year
35	War Memorial Park Car Park price increase	(150)	(150)	(150)	<p>Introduce new parking tariff at the War Memorial Park Car Park which would then be standardised with Coombe Country Park, removing the current 3 hours free period, and introducing the following charges:</p> <ul style="list-style-type: none"> <li>Up to 1 hour - £1</li> <li>1-2 hours - £3</li> <li>2-4 hours £3.50</li> </ul>

36	Bereavement Services	(350)	(350)	(350)	5% price increase in addition to inflationary increase.
37	Parks & Open Spaces	(150)	(150)	(150)	Reductions in staff across the service would require reductions in activities / services. Risks related to reduced monitoring / maintenance. Opportunities to increase income with introduction of new Commercial and Visitor experience manager to offset some pressures
38	Streetpride	(690)	(690)	(690)	Reduction in the cleansing service, impacting the City Centre and priority neighbourhoods. The reduction in fly tipping clearance response times could lead to an increase in overall fly-tipping. Response times for graffiti removal and emergency cleansing would also increase.
39	Waste Disposal	(340)	(340)	(340)	Removal of Free and/or Subsidised service for schedule 2 properties e.g. charities & religious organisations (income generation)
40	Citivision	(65)	(65)	(65)	Cease the production of Citivision or seek alternative media forms to reduce cost significantly
	<b>Subtotal Service Savings</b>	<b>(8,827)</b>	<b>(12,383)</b>	<b>(12,383)</b>	
	<b>Budget (Surplus)/Deficit</b>	<b>(3,100)</b>	<b>2,564</b>	<b>5,339</b>	