

Budget Proposals and Financial Position

		2025/26 £000	2026/27 £000	2027/28 £000	
	Starting Budget Gap	14,310	14,761	14,761	This position has been carried forward from 2024/25 Budget Setting and reflects all previously approved Budget changes
	Resources				
1	Council Tax (change to Pre-Budget report)	(5,100)	(6,800)	(8,500)	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. Assumed 3% increase in Council tax for 26/27 ongoing.
2	Local Government Settlement - Recovery Grant (change to Pre-Budget report)	(9,600)	(10,600)	(11,600)	Allocation from Local Government Funding Settlement.
3	Social Care Grant (change to Pre-Budget report)	(9,400)	(9,900)	(10,400)	25/26 Social Care grant to fund additional social care capacity.
4	EPR - Extended Producer Responsibility Grant (change to Pre-Budget report)	(6,100)	(5,000)	(4,000)	Extended Producer Responsibility Grant confirmed in the Local Government Funding Settlement.
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 (change to Pre-Budget report)	515	515	515	The remainder of the Local Government Services Grant has been removed following an 84% national reduction in 24/25.
6a	Childrens Prevention (change to Pre-Budget report)	(2,200)	(2,200)	(2,200)	New Children's Social Care Prevention Grant received within the Local Government Settlement.
	Subtotal Resources	(33,885)	(33,985)	(36,185)	
	Service & Technical Pressures				
7	25/26 Pay Award	1,700	1,700	5,100	An assumed pay award of 3% for 2025/26, which is an additional 1% above previous budget provision. Assumes 2% for 2026/27 onwards, already provided in 26/27 base budget.
8	Non-Pay Inflation (change to Pre-Budget report)	2,765	6,462	8,462	This reflects the continued impact of the inflation environment affecting the Council's supplies and services expenditure.
8a	Unfunded Employers NI contributions (change to Pre-Budget report)	1,500	1,500	1,500	Impact of changes to internal employer National Insurance contributions.
9	Children's Services - Placements for Children in Care (change to Pre-Budget report)	4,950	4,950	4,950	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.
9a	Childrens Prevention - Grant expenditure (change to Pre-Budget report)	2,200	2,200	2,200	Additional responsibilities connected to the new Children's Social Care Prevention Grant which should be used to invest in the national rollout of Family Help, Child Protection and Family Group Decision Making reforms.

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	950	950	950	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	850	850	850	Budget required to permanently fund the existing SEND Statutory Assessment staffing structure on an ongoing basis and provide additional capacity in response to increasing activity.
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 (change to Pre-Budget report)	3,500	5,500	9,000	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 (change to Pre-Budget report)	500	500	500	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 (change to Pre-Budget report)	1,080	1,680	2,280	Incremental increase in the cost to dispose of domestic waste due to growth in household numbers
20a	One Coventry	1,000	1,000	1,000	Reprofiling of increase in One Coventry savings target.
	Subtotal Service & Technical Pressures	27,765	34,487	44,262	
	Technical Savings				
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
	Subtotal Technical Savings	(5,100)	(3,100)	(3,100)	
	Service Savings				
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 (change to Pre-Budget report)	0	0	0	Saving not taken
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 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)	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: -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. -Opportunities to focus early help and prevention services to manage demand and enable intervention in families lives at the lowest possible levels. -Planned withdrawal from services upon the cessation of grant funded projects with drawn up exit plans -Strengthened processes around children coming into care, placement decisions and funding -Continued challenge of partners to provide equitable contributions including for care packages -Seek to maximise digital opportunities
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 (change to Pre-Budget report)	0	0	0	Saving not taken
30	Cultural Services internal provision (change to Pre-Budget report)	0	0	0	Saving not taken
31	Sustainability and Climate Change (change to Pre-Budget report)	0	0	0	Saving not taken
32	Election cost efficiencies (change to Pre-Budget report)	0	0	0	Saving not taken
33	Redesign of Council Tax Support Scheme (change to Pre-Budget report)	0	0	0	Saving not taken
34	Discretionary Payments (change to Pre-Budget report)	0	0	0	Saving not taken
35	War Memorial Park Car Park price increase (change to Pre-Budget report)	0	0	0	Saving not taken
36	Bereavement Services	(350)	(350)	(350)	5% price increase in addition to inflationary increase towards the costs of services

37	Parks & Open Spaces (change to Pre-Budget report)	0	0	0	Saving not taken
38	Streetpride (change to Pre-Budget report)	0	0	0	Saving not taken
39	Waste Disposal (change to Pre-Budget report)	0	0	0	Saving not taken
40	Your Coventry Publication (change to Pre-Budget report)	0	0	0	Saving not taken
	Subtotal Service Savings	(5,290)	(9,150)	(9,150)	
	Policy Investment				
41	Highways – Road defects	700	0	0	Funding for a 12-month programme to deal with a substantial number of defects across the city's roads during 2025/26.
42	Highways - Road safety measures	150	0	0	Refresh of all arterial routes across the city
43	Highways - Gully Cleaning	150	0	0	Cleaning of highway gullies to reduce silt levels to further improve drainage and the City's resilience against more frequent heavy rainfall and resulting standing water
44	Street Cleansing - Fly tipping	500	0	0	Investment in a range of preventative and responsive measures to tackle fly tipping and street cleanliness, including a significant increase in (semi-permanent) CCTV enforcement cameras, and a city-wide programme of site clearance, street sweeping and street scene improvement.
45	Community Safety & Neighbourhood Enforcement	300	0	0	Funding to improve enforcement around antisocial behaviour, noise, waste and similar issues to improve the safety and quality of living environment across the City
46	Community Events	400	0	0	Funding to provide capacity for fund one off anniversary events of for e.g. Coventry blitz & VE day and ensure the delivery of the Godiva Festival to its existing standard.
	Subtotal Policy Investment	2,200	0	0	
	Budget (Surplus)/Deficit	0	3,013	10,588	