

<u>Detailed Position</u>	2015/16	2016/17	2017/18	Commentary/Implications
	£000	£000	£000	
<u>Summary Position</u>				
Starting Position For 2015/16 Budget Setting	15,088	44,230	65,030	
Changes to Base Position	(8,760)	(13,815)	(19,315)	
Children's Services Additional Costs	10,000	10,000	10,000	
Kickstart, Customer Journey, City Centre First and Workforce Strategy	(7,000)	(13,000)	(25,000)	
Place - Doing Things Differently	(3,275)	(4,175)	(4,675)	
People - Doing Things Differently	(2,100)	(3,650)	(3,650)	
Resources/Other - Doing Things Differently	(2,170)	(6,658)	(7,078)	
Current Bottom Line	1,783	12,932	15,312	

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Starting Position For 2015/16 Budget Setting	15,088	44,230	65,030	
<u>Changes to Base Position</u>				
1 2017/18 Resource Changes	0	0	(1,600)	Revised downward estimate of reductions in Government Revenue Support Grant. This planning estimate will be revised following the next Government Spending Review.
2 Pensions Auto Enrolment & Actuarial Review	0	0	(2,000)	Revised downward estimate of future pension costs. This planning estimate will be firmed up when the next actuarial review of pensions is conducted and as the full implementation of auto-enrolment approaches.
3 Demand Management - Non-Delivered Saving in Budget	3,000	3,000	3,000	This saving identified as part of 2013/14 Budget Setting has not been subject to a separate specific work-stream and remains undelivered. This will now be incorporated within programmes aligned to the concepts behind the original saving including Customer Journey and City Centre First
4 Asset Management Revenue Account	(3,200)	(6,000)	(6,400)	The AMRA is a corporate budget which incorporates the revenue financing costs of capital spending. Re-profiling of such spend and low interest rates mean that there will be a significant saving in this area. The saving here is based on existing reported spend profiles. A further AMRA saving of £1.0m from 2016/17 included here is based on an assumption that further capital spending re-profiling will occur in the future.
5 Integrated Transport Authority Levy	200	(600)	(600)	Savings have been identified for the ITA levy to reduce by 5% in 2015/16 and this was built in at 2014/15 Budget Setting. A further saving of c£0.8m p.a. is now planned for 2016/17 and this is reflected here. In addition, Coventry's faster population growth relative to the rest of the West Midlands means that it attracts a proportionately higher percentage of the ITA Levy at a cost to Coventry of c£0.2m p.a..
6 City Centre Rent Loss	(2,000)	(2,000)	(2,000)	A budget was approved previously to fund any rental income loss as a result of the proposed City Centre South re-development. Given that the scheme remains at a relatively early stage it is proposed to remove the rent loss budget at this stage.
7 Coventry & Solihull Waste Disposal Company Additional Dividends	(667)	(667)	(667)	CSWDC has delivered increased dividends over recent years and it is anticipated that the target can be increased further to bring the on-going total to £2m p.a.
8 Remaining Business Rates Contingency	(1,000)	(1,000)	(1,000)	Following the introduction of partial localisation of Business Rates income in April 2013, a contingency budget was established to protect against the risk of Business Rate loss. The Council's Business Rates tax-base has held up well and this item proposes the removal of the remaining on-going contingency budget.
9 Business Rates Pooling Benefit	(400)	(400)	(400)	The Council is part of a Business Rates pool with all other Councils across Warwickshire. A small unbudgeted pooling benefit has been generated in the first year of the pool's operation but it is anticipated that as business rates localisation settles down the benefit is likely to accelerate, reflected in this higher target here.
10 People - Review of LEA Functions and Cut in Education Support Grant	1,952	1,952	1,952	School transfers to Academy status continue, leading to consequent reductions in Education Support Grant. It is not possible for the Education Service to manage within this smaller resource envelope nor to achieve abc savings approved previously, resulting in the pressure reported here.

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11 ABCS Financial Strategy Re-Phasing	2,200	1,200	(300)	The Council's A Bolder Community Services savings target is £15m in 2015/16. Plans are now in place or identified to achieve this but the final elements of the savings plan will not be in place until 2017/18 resulting in the re-profiled position proposed here.
12 Waste Disposal	800	800	800	This reflects cost of domestic waste disposal arising as a result of a combination of increased tonnages (more properties and more waste per property) and increased gate fees.
13 Carbon Reduction Commitment (CRC)	200	200	200	The Council has previously been exempted from needing to pay the CRC levy. However, a subsequent change in Government funding arrangements means that this reduction has now been adjusted for within the Council's Revenue Support Grant.
14 Microsoft EA Licences	450	450	450	This on-going cost has been funded from within the ICT Capital Programme in recent years. However, this is not sustainable on a permanent basis and as an on-going revenue cost it is more appropriate for it to be included within revenue budgets.
15 Revenue Underspend Set Aside to Fund Capital Programme	(600)	(600)	(600)	The 2013/14 Outturn Report set aside £2.7m of revenue underspend to replace Prudential Borrowing which will deliver a saving in revenue financing costs of approximately £0.6m.
16 Leisure Facilities Model Contribution Revenue Saving	(400)	(400)	(400)	The 2013/14 Outturn Report set aside £2.0m of revenue underspend to fund leisure facilities and replace Prudential Borrowing which will deliver a saving in revenue financing costs of approximately £0.4m.
17 Inflation Contingencies (includes additional £0.35m cost of 2.2% pay award)	(6,650)	(9,650)	(10,650)	Regular underspends have been reported for inflation contingencies in recent years. The saving here will re-balance contingency budgets and remove the existing degree of corporate budget flexibility. Also, it is assumed that pay awards will not exceed 2% (against a previous assumption of 2.5%) in the years beyond 2015/16. Finally, in line with the 2015-18 Medium Term Financial Strategy, this saving crystallises the principle that the majority of non-employee expenditure budgets will not be inflated over the next three years, delivering stepped savings of £1m p.a.
18 Centralise Furniture & Equipment Budget	(100)	(100)	(100)	This saving will be achieved by exercising greater central control over a range of types of expenditure ahead of the move to Friargate and the Customer Service Centre.
19 Strategic Business Rates Growth Additional Target	0	(1,000)	(1,000)	Following the introduction of partial localisation of Business Rates income in April 2013, the Council's Business Rates tax-base has held up well. This savings establishes a new target for increased Business Rates income to be secured from increases to the Council's business tax-base from 2016/17.
20 Council Tax Estimated Outturn and Tax-Base	(2,000)	(1,000)	(1,000)	Projected 2014/15 surplus and tax-base changes for Council Tax in excess of previous estimates.
21 Council Tax - Potential 1.0% Referendum Limit	1,000	2,000	3,000	Initial planning assumptions have assumed a Council Tax increase of just under 2%. The recently approved Medium Term Financial Strategy makes an assumption that the Government may impose a limit of 1.5% above which a referendum would be required but this may be as low as 1%. This would reduce the total Council Tax revenue by c£1.0m each year.
22 Business Rates Estimated Outturn and Tax-Base	(1,545)	0	0	£1.5m projected 2014/15 surplus for Business Rates in excess of previous estimates.
Sub-Total - Changes to Base Position	(8,760)	(13,815)	(19,315)	

<u>Detailed Position</u>	2015/16 £000	2016/17 £000	2017/18 £000	Commentary/Implications
<u>Children's Services Additional Costs</u>				
23 Children's Services Additional Costs	13,000	10,000	10,000	Additional resource to fund a significant increase in activity (child protection plans) resulting in the need for additional children's social care staff, and provision for an increase in Looked After Children numbers resulting in additional children's placement costs
24 Temporary Reserve Funding of Children's Services Additional Costs	(3,000)	0	0	
Sub-Total - Children's Services Additional Costs	10,000	10,000	10,000	
<u>Kickstart, Customer Journey, City Centre First and Workforce Strategy</u>				
25 Kickstart & Customer Journey	(500)	(3,000)	(5,000)	See Appendix 2
26 City Centre First	(500)	(1,000)	(5,000)	See Appendix 2
27 Workforce Strategy	(6,000)	(9,000)	(15,000)	See Appendix 2
Sub-Total Kickstart, Customer Journey, City Centre First and Workforce Strategy	(7,000)	(13,000)	(25,000)	

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<u>Place - Doing Things Differently</u>				
28 Income Generation - Bus Lane Fines, Residents Parking, Parking Enforcement	(100)	(100)	(100)	Review and increase of enforcement activity to ensure compliance
29 Sustainability Team	(200)	(400)	(400)	Reflects the plan to ensure this service is self financing so that key Green Agenda issues can continue to be driven forward
30 Highways Capital Repairs	0	(500)	(500)	Coventry's road length is 544 miles. A £0.5m reduction in budget means 7 miles less of roads that can be treated
31 Cultural Trust – Further grant reductions	0	0	(500)	This 14% reduction in grant would be addressed by measures that might include increasing the frequency of touring exhibitions and/or reducing the hours of opening
32 Reduction in Events/Frequency	(300)	(300)	(300)	40% reduction in spend on events which will require ceasing of financial support for smaller events and a review of the delivery basis and frequency of the Godiva Festival
33 Transfer/Remove School Crossing Patrols	(300)	(300)	(300)	Planned transfer of the responsibility of all School Crossing Patrols to Schools
34 Reduced Street Cleaning Standards	(500)	(500)	(500)	Reduction in standards around City 'greening', graffiti removal, cleansing frequencies and removal of verge maintenance
35 Parks	(1,000)	(1,000)	(1,000)	Reduced Parks/activities opening hours, reduction in some sports pitches and bowling greens, some replacement of seasonal bedding with annual seeding, reduction in maintenance standards and return of some areas to wilding
36 Grant Fund Traffic & Highways Posts	(200)	(200)	(200)	Technical Funding Switch
37 Greater Commercialisation of Response Service (Emergency Services Unit)	(200)	(200)	(200)	Greater income generation
38 Close Priors Visitor Centre	(100)	(100)	(100)	Full closure of this cultural offer
39 Grant Funded Support to Posts in Employment Team	(75)	(75)	(75)	Technical Funding Switch
40 Merge Tourist Information Centre and St Mary's - Co-Locate and Single Management	(50)	(50)	(50)	One off investment to generate staff savings and potential for greater income for St Mary's
41 Close Godiva's – Operate St Mary's as a functions only operation	(50)	(50)	(50)	Much reduced catering offer
42 Reduce 2 Highway engineers	0	(100)	(100)	Reduction in responsiveness to members and the public
43 Reduce duplication (delaying) – bring together (across the Council and locate in Place) services including enforcement, Travel, strategic housing, project management	(200)	(300)	(300)	Bringing services together to achieve management savings
Sub-Total - Place	(3,275)	(4,175)	(4,675)	

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<u>People - Doing Things Differently</u>				
44 Review and Recommissioning of Social Work Packages	(1,000)	(2,000)	(2,000)	Review and recommissioning of existing social work packages across Adults and Children's services
45 Social Care Financial Assessments	(100)	(200)	(200)	Streamlining of existing processes to ensure charging is implemented at the earliest opportunity
46 Review of Adult Education courses to support the most vulnerable	(100)	(200)	(200)	Maximisation of training opportunities supported by Adult Education Funding
47 Contract Efficiencies	(250)	(500)	(500)	Reduction of Supported Accommodation spend and other contract efficiencies
48 Fostering	(400)	(400)	(400)	Targeted recruitment drive to increase internal foster care places for Looked After Children, and reduce the number of Looked After Children in more expensive provision.
49 Children's Services Transformation	Will be updated in final Budget Report			
50 Social Worker Staffing Profile	(100)	(100)	(100)	Review of staffing profile of qualified to unqualified staff to ensure future service sustainability
51 Adult Social Care Charging Policy	(150)	(250)	(250)	Review of existing Adult Social Care charging policy to ensure Care Act compliance and maximise income opportunities
Sub-Total - People	(2,100)	(3,650)	(3,650)	

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<u>Resources/Other - Doing Things Differently</u>				
52 Cabinet Member Meetings	(50)	(100)	(100)	Proposal to streamline the number of Cabinet member meetings but ensuring retained integrity and transparency of decision making. The majority of savings will be achieved via the Governance Services structure.
53 Review Council Tax Reduction Scheme	0	(3,000)	(3,000)	The Council is currently one of only a small number of authorities that has maintained the previous Council Tax Reduction Scheme at its original 100% level. The proposal here is that the Council reviews its local scheme and reduces the overall level of support with the detail of this being worked through during 2015.
54 Public Health	(500)	(1,138)	(1,658)	This will be achieved through efficiency and other savings across a range of Public Health programmes.
55 Reduction in External Voluntary Sector grants	(700)	(1,200)	(1,200)	This proposal is to reduce the amount of grants paid to external organisations, currently c£11m. This may be a combination of stopping some grants altogether and making a % reduction in others.
56 External Audit	(150)	(150)	(150)	This reflects the lower level of External Audit fees now being incurred compared with previous levels.
57 Procurement	(200)	(200)	(200)	Savings from Procurement administration including efficiencies from the Agresso financial system
58 Transformation - Reduction in External Advisors	0	(400)	(400)	Proposed saving from expenditure on external advisors which has formed a key part of delivering transformation in recent years. It is now assessed that a greater proportion of such work can be delivered by the in-house transformation team.
59 Agency Rebate	(300)	(200)	(100)	The rebate received as part of the Agency Staff contract has delivered underspends in recent years. This proposal is to build this in as a budgeted income line although it is likely to reduce over time dependent on the level of use of agency staff
60 Coroners	(90)	(90)	(90)	Savings achieved through transfer of service from West Midlands Police and collaborative working.
61 Governance Services	(130)	(130)	(130)	Streamlining of Governance Services structure through greater efficiency of processes in addition to the Cabinet Member Meeting item above.
62 Corporate Communications Publications	(50)	(50)	(50)	Further reduction in Corporate Communications publications budget aligned to strict control over communications activity and greater use of digital media rather than traditional print materials.
Sub-Total - Resources/Other Doing Things Differently	(2,170)	(6,658)	(7,078)	
Total Bottom Line	1,783	12,932	15,312	