

|   | Description  | Proposal & Implications   | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 |
|---|--|---|-----------------|-----------------|-----------------|
|   | Budget Deficit Brought Forward                       |   | 0               | 0               | 11,419          |
|   | <b><u>Delayed Delivery of Existing Savings</u></b>   |   |                 |                 |                 |
| 1 | Children's Transformation                            | The areas indicated all have savings targets that were established in previous Budgets. Plans are in place to deliver some of these savings but shortfalls are anticipated in line with the figures shown here. | 4,440           | 3,129           | 2,574           |
| 2 | Transport  |   | 500             | 500             | 500             |
| 3 | Business Services Savings                            |   | 461             | 203             | 203             |
| 4 | Place Directorate                                    |   | 200             | 200             | 200             |
|   | <b>Total of Delayed Delivery of Existing Savings</b> |   | <b>5,601</b>    | <b>4,032</b>    | <b>3,477</b>    |

|   | <b><u>Emerging Budgetary Pressures</u></b> |  |       |     |     |
|---|--|--|-------|-----|-----|
| 5 | Looked After Children Placements           | There has been a significant increase in the number of Looked After Children which creates additional cost in the placements budget. Average LAC numbers in 2016/17 were 587, but they are currently running at over 650. This pressure is based on a LAC population of 650, and a strategy to reduce the overall unit cost of LAC placements through placement mix. | 1,827 | 891 | 0   |
| 6 | Supported Accommodation                    | This pressure is based on a projection of future care leaver numbers and future costs of provision following a retendering process. It also assumes that we will reduce the number of high cost placements moving forward.   | 490   | 382 | 275 |

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|---|---------------------|--|-------------------------|-------------------------|-------------------------|
| 7 | City Centre Parking | The approved City Centre South retail development will result in the closure of Council owned car parks which currently generate income. Whilst the new development reprovides car parking, the income will go to the operator/developer, giving the Council a financial pressure. | 0                       | 0                       | 500                     |

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|----|---|--|------------------------|------------------------|------------------------|
| 8  | City Centre Rents                                     | The approved City Centre South retail development will result in various Council owned properties being demolished. As we get closer to the expected scheme implementation date, many of these properties cannot be let on a short term basis meaning that rent voids and void property rate liabilities become a pressure to the Council.   | 500                    | 1,000                  | 2,000                  |
| 9  | Homelessness - Housing Benefit Impact                 | The amount of housing benefit that can be claimed back from the government for individuals and families placed in emergency accommodation has never been sufficient to cover the cost incurred. Increased homelessness across the city and nationally is resulting in a significantly greater cost both in terms of the net cost of emergency accommodation to the Council, and also the administration impacts across various teams within the Council. | 1,500                  | 1,500                  | 1,500                  |
| 10 | Housing Options Team                                  | Additional costs for statutorily homeless relating to temporary accommodation over and above what can be claimed via housing benefit, as well as costs of providing storage.   | 200                    | 200                    | 200                    |
| 11 | Neighbourhood Teams and Referral & Assessment Service | Financial pressure as a result of supporting homeless families to prevent bringing children into care. This includes families with no recourse to public funds   | 300                    | 300                    | 300                    |
| 12 | Children's Placements Team                            | Financial pressure as a result of homeless 18-24 year olds in supported or other temporary accommodation.  | 100                    | 100                    | 100                    |
| 13 | Woodlands School                                      | Cabinet approval was given in July 2017 to provide resources towards the ongoing costs of keeping the Woodlands Academy school site open for the benefit of community facilities, until such time as the future vision for the site has been established.  | 150                    | 150                    | 150                    |

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|----|--|--|------------------------|------------------------|------------------------|
| 14 | Council Tax Exemption For Care Leavers       | In March 2017 the Council's Cabinet agreed to exercise its discretionary powers to award a 100 per cent discount for Coventry care leavers between the ages of 18 and 21 residing in the city. This proposal funds the estimated cost of this change.  | 47                     | 47                     | 47                     |
| 15 | IT Licences                                  | Expected increased costs in IT Licences  | 250                    | 250                    | 250                    |
| 16 | Coroners West Midlands Police Grant Fall-Out | In July 2014 the Council entered into an agreement with West Midlands Police for the Transfer of the Coroners Service. This included a reducing profile of contributions from West Midlands Police resulting in this budget shortfall from 2018/19.  | 29                     | 58                     | 58                     |
| 17 | ICT Security                                 | Following a national increase in attempted cyber crime against public sector organisations, increased IT security is required to protect the Council's IT infrastructure.  | 150                    | 150                    | 150                    |
| 18 | Annual Leave Payments (Contractual Overtime) | A recent legal ruling applicable to all Councils has judged that voluntary overtime should be taken into account when calculating holiday pay. Workers undertaking voluntary overtime over a sufficient period of time on a regular and/or recurring basis are entitled to have these payments included in the first 4 weeks' of their paid holiday. It is anticipated that the ruling will apply on a national basis and the estimated cost of this for Coventry is reflected here. | 465                    | 465                    | 465                    |

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|----|---|--|------------------------|------------------------|------------------------|
| 19 | Contact Centre Staffing                   | To maintain performance levels within the contact centre this additional resource is required to replace previously one off resources  | 115                    | 115                    | 115                    |
|    | <b>Total Emerging Budgetary Pressures</b> |  | <b>6,123</b>           | <b>5,608</b>           | <b>6,110</b>           |
|    | <b><u>Technical Savings</u></b>           |  |                        |                        |                        |
| 20 | Council Tax Collection Fund and Tax-Base  | Council Tax income resources that are available as a result of the actual 2016/17 Council Tax surplus and projected 2017/18 surplus in excess of previous figures budgeted. This reflects increases in the city's tax-base above the underlying estimate and includes the effects of growing housing numbers and continuing downward trends in the level of Council Tax Reduction Scheme payments and overall levels of discounts. | (4,900)                | (2,000)                | 0                      |
| 21 | Inflation Contingencies                   | This assumes that previously planned for amounts for pay awards and pensions auto-enrolment from 1st April 2017 can be scaled back compared with previous medium term estimates.   | (2,000)                | (2,000)                | <b>0</b>               |

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|----|----------------------------------|---|------------------------|------------------------|------------------------|
| 22 | Asset Management Revenue Account | The AMRA revenue saving incorporates a range of impacts including the level of capital financing costs (reflecting the profile of capital spend), the level of income from investing the Council's cash balances, the impact of the Council's new Minimum Revenue Provision (MRP) and the cash-flow implications of the Council's up-front payment of pension contributions.. | (2,000)                | (2,000)                | (2,000)                |
|    | <b>Total Technical Savings</b>   |   | <b>(8,900)</b>         | <b>(6,000)</b>         | <b>(2,000)</b>         |
|    |                                  |   |                        |                        |                        |
|    | <b>Total Financial Shortfall</b> |   | <b>2,824</b>           | <b>3,640</b>           | <b>19,006</b>          |