

**Report by:** Director of Finance

**To:** Executive (Budget) Meeting 10<sup>th</sup> February 2005

Executive Councillor:

Leader and Strategy:	Councillor Nimmo-Smith
Deputy Leader:	Councillor Rosenstiel (C)
Commercial & Human Resources:	Councillor Liddle
Community Development and Leisure:	Councillor Rosenstiel (J)
Environment – Transport and Planning:	Councillor Bailey
Environment – Environmental Services:	Councillor Coleman
Housing & Health:	Councillor Smart

**Wards:** All

**SERVICE PLANS and General Fund Revenue & Capital Budgets -  
Revised 2004/05, Draft Budgets 2005/06 and Forecast 2006/07  
-OVERVIEW**

This report updates the position which was prepared for the Strategy Scrutiny Committee meeting on 7<sup>th</sup> February 2005. Together with the Strategy papers, this will form the basis for consideration by the Executive, at its meeting on 10<sup>th</sup> February 2005, in arriving at an overall set of budget proposals which will be considered at the meeting of Council on 24<sup>th</sup> February 2005.

The papers included here are appropriate updates to the Strategy Scrutiny Report text and appendices, reflecting decisions made by Executive Councillors for Environment and Community Development & Leisure, the proposals for funding Priority Policy Fund (PPF) bids and any changes to capital, the latest position regarding the Local Government Settlement.

Changes are highlighted in italics for the report and shaded in the Appendices.

Recommendations in the Strategy Scrutiny Committee report are amended as follows :

**Revenue Budgets**

- Replace existing 2 b) with :

*Agree to fund the PPF bids as shown in the updated Appendix N a).*

## Capital Plan

- Replace existing 2 b) with :

*Agree to the addition of the capital bids detailed in the updated Appendix I to the Capital Plan*

- Delete 2 c)

- Amend 2 d) to read :

*Agree the re-phased Capital Plan and Hold List as presented .....*

## 1. PERFORMANCE AGAINST CASH LIMIT

### - CHANGES APPROVED BY EXECUTIVE COUNCILLORS

- 1.1 The following changes were approved by Executive Councillors for Environment and Community Development & Leisure. The impact in individual committees is shown in an updated Appendix B.

Committee / Item	Change	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)
<i>Community Development &amp; Leisure</i>						
<i>S19 Children's' festival</i>	<i>Saving not taken</i>		3,000	3,000	3,000	3,000
<i>Environment – Environmental services</i>						
<i>B16 Control of Dogs</i>	<i>Reduced Bid</i>		(10,000)	(10,000)	(10,000)	(10,000)
<i>Environment – Transport &amp; Planning</i>						
<i>S07 Historic Building Grants</i>	<i>Saving not taken</i>		2,380	2,380	2,380	2,380
<b>Net Change</b>			<b>(4,620)</b>	<b>(4,620)</b>	<b>(4,620)</b>	<b>(4,620)</b>

- 1.2 The resulting changes in tables 10 and 11 in the report are shown below:

**Table 10: General Fund Projection Review**

<b>Factor</b>	<b>2004/05 (£'s)</b>	<b>2005/06 (£'s)</b>	<b>2006/07 (£'s)</b>	<b>2007/08 (£'s)</b>	<b>2008/09 (£'s)</b>
Revised 2004/05 Budget	19,600	0	0	0	
Government Grant	0	(193,790)	(195,730)	(197,690)	(199,660)
Non-Cash Limit Items	(630,000)	(155,000)	3,000	83,000	128,000
Cash Limit Adjustments	0	(102,750)	(22,000)	(22,000)	(22,000)
Performance against Cash Limit	0	355,530	(173,310)	(173,310)	(173,310)
Council Tax	0	0	0	0	0
Efficiency Fund transfer	150,000	0	0	0	0
<b>Net Effect</b>	<b>(460,400)</b>	<b>(96,010)</b>	<b>(388,040)</b>	<b>(310,000)</b>	<b>(266,970)</b>
<i>Net change approved by Executive Councillors</i>	0	(4,620)	(4,620)	(4,620)	(4,620)
<b>Net Effect</b>	<b>(460,400)</b>	<b>(100,630)</b>	<b>(392,660)</b>	<b>(314,620)</b>	<b>(271,590)</b>

1.3 The net result of these changes is to increase the amount which is available to fund PPF Bids from portfolios by £18,480 compared with the position as reported to Strategy Scrutiny Committee.

1.4 The revised totals are shown in the revised funding availability table below :

**Table 11: Funding available for PPF Bids**

<b>Factor</b>	<b>2004/05 (£'s)</b>	<b>2005/06 (£'s)</b>	<b>2006/07 (£'s)</b>	<b>2007/08 (£'s)</b>	<b>2008/09 (£'s)</b>
Funding agreed as part of the September 2004 MTS	0	(500,000)	(500,000)	(500,000)	(500,000)
<i>Additional funding available (from the revised Table 10)</i>	<i>(460,400)</i>	<i>(100,630)</i>	<i>(392,660)</i>	<i>(314,620)</i>	<i>(271,590)</i>
<b>Net Effect</b>	<b>(460,400)</b>	<b>(600,630)</b>	<b>(892,660)</b>	<b>(814,620)</b>	<b>(771,590)</b>

## **2. FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2005/06**

2.1 At the point that the papers for Strategy Scrutiny Committee had to be published the Final Settlement for 2005/06 had still not been announced.

2.2 Projections were based on the Provisional Settlement figures, with the expectation that the Final Settlement would be unlikely to result in any material change in grant entitlement for the Council; as it is currently at the 'Floor'.

- 2.3 The Final Settlement was announced on 27 January 2005, and is due to be debated in Parliament on 4 February 2005. A briefing paper is attached, which confirms that there are no direct implications for the spending plans outlined.
- 2.4 The initial Ministerial statements accompanying the Final Settlement appear to reiterate the view that there is an expectation for Council Tax of :
- “..... a national average increase of less than 5 per cent.”*
- also noting that they :
- “..... are prepared to take even tougher action in 2005/06”*
- with respect to the use of reserve capping powers.
- 2.5 As last year, there has been no advance announcement of the capping criteria that will be applied. However, 17 authorities have already received warning letters from the Minister for Local and Regional Government, based on their published proposals for 2005/06. This appears to indicate that increases above 5.0% are likely to come under close scrutiny.
- 2.6 It is not anticipated that capping criteria for 2005/06 would be an issue for the City Council, based on the current spending and Council Tax plans.

### 3. DECISIONS ON PPF BIDS

- 3.1 The papers to Strategy Scrutiny Committee recommended two parameters in making the final decisions on the approval of individual PPF Bids (paragraph 9.9 a) and b) refer) :
- a) That the total of the approved bids should not exceed the total funding available over the MTS period i.e. £3,539,900 (was £3,521,420 in the Strategy report)
  - b) That the level of approved PPF Bids in the final year of the MTS period (2008/09) should be a maximum of around £850,000.
- 3.2 Appendix N contains details of the PPF Bids which it has been indicated the Executive are minded to approve. The comparison with available funding is shown in the table below :

#### PPF Bids Against Funding Available

Factor	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)
<b>Net Effect</b>	<b>(460,400)</b>	<b>(600,630)</b>	<b>(892,660)</b>	<b>(814,620)</b>	<b>(771,590)</b>
<i>PPF bids from Appendix N</i>	-	708,460	970,190	970,190	854,140
<b>Net Effect</b>	<b>(460,400)</b>	<b>107,830</b>	<b>77,530</b>	<b>155,570</b>	<b>82,550</b>

- 3.3 This results in expenditure of £3,502,980 over the MTS period, which is £36,920 less than the revised maximum set (paragraph 2.1 a), above).
- 3.4 The expenditure in 2008/09 at £854,140 also meets the parameter set for the final year of the MTS period (paragraph 2.1 b), above).
- 3.5 The revised Appendix A, attached, incorporates the implications of these proposals.

#### 4. **CAPITAL APPROVALS**

- 4.1 At Commercial and Human Resources Scrutiny Committee amendments were proposed to bid for funding to enable two schemes to be moved from the current Hold List to the Capital Plan. These were :
- H14 Cleaning & restoring the outside of the Guildhall (£128,000)
  - H18 Cellarers Chequer Roof Repair (£28,000)
- 4.2 The Executive has indicated that they are minded to agree to the proposal in respect of H18, but that H14 should remain on the Hold List at this time.
- 4.3 The effect of this is to increase the use of available capital funding in 2005/06 by £28,000.
- 4.4 This is reflected in the updated Appendices E and I, attached.
- 4.5 The necessary rephrasing of Capital Plan contributions have been included in the updated Appendix A, attached.



# Executive (Budget) Meeting 10<sup>th</sup> February 2005

## List of Updated Appendices

### Appendix Information

#### **General Fund Revenue Summary:**

- A (a) General Fund Spending 2004/05 to 2008/09
- A (b) General Fund Funding Projection – 2004/05 to 2008/09
- A (c) General Fund Reserves Projection – 2004/05 to 2008/09
- B Performance against Committee Cash Limits 2005/06 to 2008/09

#### **Capital:**

- E Availability of Capital Funding Projection – 2004/05 to 2008/09
- I Summary of New Capital Bids

#### **Priority Policy Fund and Other Bids:**

- N Priority Policy Fund (PPF) Bids

#### **Final Government Settlement - Briefing Paper**

# EXECUTIVE (BUDGET) MEETING UPDATE

## Appendix A (a)

### General Fund - Projection 2004/05 to 2008/09

General Fund category	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)	Comments / Notes
<b>Net Spending (Cttee Totals)</b>	18,656,250	19,117,080	20,275,000	20,797,660	21,270,340	Inflated base budgets (includes savings, inflation and PPF effects from prior years)
less <b>Asset Management Revenue Account</b>	(3,479,270)	(3,833,670)	(3,831,350)	(3,831,840)	(3,831,840)	
less <b>Minimum Revenue Provision Adj.</b>	(1,348,200)	(1,348,200)	(1,348,200)	(1,348,200)	(1,348,200)	
	13,828,780	13,935,210	15,095,450	15,617,620	16,090,300	
less <b>Contribution to :</b>						
Technology Investment Fund (TIF)	155,000	155,000	0	0	0	IT contract saving contribution
Efficiency Fund	150,000	0	0	0	0	Transfer to Efficiency Fund
Capital Plan	4,709,000	2,328,500	1,250,000	1,195,500	1,400,000	Revenue contribution to fund capital spending
C/fwd	18,842,780	16,418,710	16,345,450	16,813,120	17,490,300	



General Fund category	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)	Comments / Notes
B/fwd	18,842,780	16,418,710	16,345,450	16,813,120	17,490,300	
<i>add</i> <b>Anticipated changes</b>						
Employers Pension contribution	-	0	228,000	456,000	456,000	Additional 1% p.a. from 2005/06 to 2007/08 - approved Feb 2004
Employers Pension contribution	-	0	114,000	228,000	228,000	Additional 0.5% p.a. from 2005/06 to 2007/08
JNC pay review	-	185,400	185,400	185,400	185,400	Provision against outcome of review
	<u>18,842,780</u>	<u>16,604,110</u>	<u>16,872,850</u>	<u>17,682,520</u>	<u>18,359,700</u>	
<i>add</i> <b>Priority Policy Fund (PPF)</b>	-	708,460	970,190	970,190	854,140	Net Total included in each year
	<u>18,842,780</u>	<u>17,312,570</u>	<u>17,843,040</u>	<u>18,652,710</u>	<u>19,213,840</u>	
<i>less</i> <b>Net savings Requirement</b>	-	0	(979,500)	(1,004,750)	(1,027,590)	New savings required in each budget year
<b>Total Net Spending Requirement</b>	<u>18,842,780</u>	<u>17,312,570</u>	<u>16,863,540</u>	<u>17,647,960</u>	<u>18,186,250</u>	

Appendix A (b)

General Fund - Funding 2004/05 to 2008/09

General Fund category	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)	Comments / Notes
<b>Total Net Spending Requirement</b>	<b>18,842,780</b>	<b>17,312,570</b>	<b>16,863,540</b>	<b>17,647,960</b>	<b>18,186,250</b>	
<i>less</i> <b>External Support</b>	<b>(10,725,430)</b>	<b>(11,026,480)</b>	<b>(11,335,970)</b>	<b>(11,654,160)</b>	<b>(11,981,270)</b>	
	8,117,350	6,286,090	5,527,570	5,993,800	6,204,980	
<i>less</i> <b>Collection Fund (Surplus) / Deficit</b>						
- Council Tax	0	35,180	0	0	0	
- Poll Tax	<b>(31,260)</b>	<b>(20,100)</b>	0	0	0	
	8,086,090	6,301,170	5,527,570	5,993,800	6,204,980	
<i>less</i> <b>Income from Council Tax</b>	<b>(4,778,110)</b>	<b>(5,009,900)</b>	<b>(5,210,420)</b>	<b>(5,418,980)</b>	<b>(5,635,590)</b>	
Contribution (To) / From Reserves	3,307,980	1,291,270	317,150	574,820	569,390	

**Memo Items :**

Council Tax					
- Taxbase	36,294	36,590	36,590	36,590	36,590
- Council Tax at Band 'D'	£131.65	£136.92	£142.40	£148.10	£154.02

## General Fund - Reserves Projection 2004/05 to 2008/09

General Fund category	2004/05 (£'s)	2005/06 (£'s)	2006/07 (£'s)	2007/08 (£'s)	2008/09 (£'s)	Comments / Notes
Balance as at 1 April (b/f)	11,035,910	7,727,930	6,436,660	6,119,510	5,544,690	
/ess Contribution (to) / from General Fund	(3,307,980)	(1,291,270)	(317,150)	(574,820)	(569,390)	
<b>Balance as at 31 March (c/f)</b>	<b>7,727,930</b>	<b>6,436,660</b>	<b>6,119,510</b>	<b>5,544,690</b>	<b>4,975,300</b>	

**Memo Items :**

## Analysis of Contribution (to) / from General Fund

- Support for Capital	4,709,000	2,328,500	1,250,000	1,195,500	1,400,000
- Support for Revenue	(1,401,020)	(1,037,230)	(932,850)	(620,680)	(830,610)

Performance against Committee Cash Limits 2005/06 to 2008/09

Committee	2005/06							2006/07		2007/08	2008/09	
	Forecast Estimate £'s	Cash Limit £'s	Need Reduction required to meet Cash Limit £'s	Savings £'s	Net £'s	Bids £'s	Net Position compared to Cash Limit 2005-06 £'s	Savings £'s	Bids £'s	Net Position compared to Cash Limit 2006-07 £'s	Net Position compared to Cash Limit 2007-08 £'s	Net Position compared to Cash Limit 2008-09 £'s
Commercial and Human Resources	(2,640,610)	(2,899,980)	259,370	(327,100)	(67,730)	89,780	22,050	(283,100)	89,780	66,050	66,050	66,050
Community Development and Leisure	9,340,050	9,118,820	221,230	(233,510)	(12,280)	19,280	7,000	(233,510)	17,280	5,000	5,000	5,000
Environment:	0				0		0			0	0	0
Transport and Planning	2,482,490	2,258,780	223,710	(430,950)	(207,240)	523,500	316,260	(433,950)	235,500	25,260	25,260	25,260
Environmental Services	5,192,740	5,012,000	180,740	(297,950)	(117,210)	67,000	(50,210)	(575,990)	67,000	(328,250)	(328,250)	(328,250)
Housing and Health	2,431,670	2,383,120	48,550	(33,230)	15,320	5,000	20,320	(33,230)	5,000	20,320	20,320	20,320
Strategy	2,703,800	2,675,430	28,370	(30,720)	(2,350)	37,840	35,490	(30,720)	36,040	33,690	33,690	33,690
<b>Total Committees</b>	<b>19,510,140</b>	<b>18,548,170</b>	<b>961,970</b>	<b>(1,353,460)</b>	<b>(391,490)</b>	<b>742,400</b>	<b>350,910</b>	<b>(1,590,500)</b>	<b>450,600</b>	<b>(177,930)</b>	<b>(177,930)</b>	<b>(177,930)</b>

# EXECUTIVE (BUDGET) MEETING UPDATE

# Appendix E

## Availability of Capital Funding Projection 2004/05 to 2008/09

Source	Funding Type	2004/2005 (£'s)	2005/2006 (£'s)	2006/2007 (£'s)	2007/2008 (£'s)	2008/2009 (£'s)	Comments / Notes
<b>External Support</b>	Basic Credit Approvals (BCA)	-968,000	-1,006,000				
	Specified Capital Grants (SCG)	-233,000	-230,000	-230,000	-230,000	-230,000	
	Supplementary Credit Approvals (SCA)						
	Other Sources	-1,390,000	-1,190,000	-55,000	-55,000	-55,000	
	Major Repairs Allowance (MRA)	-5,434,000	-4,916,000	-4,821,000	-4,752,000	-4,683,000	
	Section 106	-875,000	-1,364,000				
	<b>Total - External Support</b>	<b>-8,900,000</b>	<b>-8,706,000</b>	<b>-5,106,000</b>	<b>-5,037,000</b>	<b>-4,968,000</b>	
<b>City Council</b>	Usable Capital Receipts	-10,678,000	-7,346,000	-5,839,000	-6,135,000	-6,318,000	
	Direct Revenue Funding (DRF) - HRA	-825,000	-2,397,000	-2,149,000	-1,769,000	-1,512,000	
	Direct Revenue Funding (DRF) - GF	-401,000	-120,000	-120,000	-120,000	-120,000	
	Repair and Renewals Fund	-1,492,000	-869,000	-310,000	-550,000	-950,000	
	Earmarked Reserves	-336,000					
	Direct Revenue Funding (DRF) - Use of Reserves	-5,499,000	-2,317,000	-836,000	-831,000	-1,400,000	Ongoing base assumption of £1.4m p.a. had been reduced to £1m in the MTS July 2003 (contribution reduced by £100k 4/5, £200k 5/6, £400k 6/7)
	<b>Total - City Council</b>	<b>-19,231,000</b>	<b>-13,049,000</b>	<b>-9,254,000</b>	<b>-9,405,000</b>	<b>-10,300,000</b>	
	<b>Total Available Funding</b>	<b>-28,131,000</b>	<b>-21,755,000</b>	<b>-14,360,000</b>	<b>-14,442,000</b>	<b>-15,268,000</b>	

	<b>Total Available Funding</b>	<b>-28,131,000</b>	<b>-21,755,000</b>	<b>-14,360,000</b>	<b>-14,442,000</b>	<b>-15,268,000</b>	
<b>less</b>	Current Capital Plan spending						
	- Programmes	2,520,000	1,331,000	906,000	1,151,000	1,526,000	
	- Schemes	8,743,000	4,749,000	10,000	0	0	
	- Housing Capital Programme (HRA & GF)	9,733,000	15,194,000	13,039,000	12,886,000	12,743,000	Agrees to Capital Plan (App Ha)
		<b>20,996,000</b>	<b>21,274,000</b>	<b>13,955,000</b>	<b>14,037,000</b>	<b>14,269,000</b>	
<b>less</b>	New Bids Funded from Reserves		398,500	50,000	50,000	50,000	
<b>add</b>	Rephase Resources	790,000	-11,500	-414,000	-364,500		

**EXECUTIVE (BUDGET) MEETING UPDATE**

**Appendix E**

**Availability of Capital Funding Projection 2004/05 to 2008/09**

Source	Funding Type	2004/2005 (£'s)	2005/2006 (£'s)	2006/2007 (£'s)	2007/2008 (£'s)	2008/2009 (£'s)	Comments / Notes
	<b>Total Uncommitted Funding Available</b>	<b>-6,345,000</b>	<b>-94,000</b>	<b>-769,000</b>	<b>-719,500</b>	<b>-949,000</b>	
	<b>Earmarked for Housing</b>	<b>-6,345,000</b>	<b>-66,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	Excludes brought forward capital receipts from 2003/04
	<b>Balance Available</b>	<b>0</b>	<b>-28,000</b>	<b>-769,000</b>	<b>-719,500</b>	<b>-949,000</b>	
	Transfer from Hold List per C&HR		28,000				<i>Cleaning and Refurbishing Guildhall £128k stay on Hold List; Cellarers Chequer Roof Repair £28k - subject to project appraisal</i>
	<b>Balance Available</b>	<b>0</b>	<b>0</b>	<b>-769,000</b>	<b>-719,500</b>	<b>-949,000</b>	
Rephased DRF		-4,709,000	-2,328,500	-1,250,000	-1,195,500	-1,400,000	To GF Spend Projection

## New Capital Bids

Committee	Ref	Description	2005/06 Budget £	2006/07 Forecast £	2007/08 Forecast £	2008/09 Forecast £	Total £
<b>Not requiring Funding</b>							
C&HR	C1	Mandela House air conditioning (Revenue Services)	35,000				35,000
H&H		Compulsory Purchase Orders to be funded from capital receipts associated with the sale of the properties (linked to PPF 4 above)	400,000	400,000	400,000	400,000	1,600,000
Env - T&P	C3	Lighting and decorating works at Grafton East Car Park	25,000				25,000
Env - T&P	C4	Destination Management System for Cambridge	28,000				28,000
Env - T&P	C5	Through the Glass "out of hours" information point	4,000				4,000
Env - T&P	C6	ePOS system for TIC shop and main counter	7,000				7,000
Env - T&P	C7	Planning Services On-Line - Phase 1: Public Access (see PPF bid)	75,500				75,500
Env - T&P	C9	Corporate GIS - Initial Investigation of project	15,000				15,000
Env - Env	C1	Provision of GIS software and associated hardware	12,000				12,000
Env - Env	C2	Various Capital works at the Crematorium (see below)	97,000				97,000
Env - Env	C11	Waste Strategy	504,700				504,700
<b>Total Spend</b>			<b>1,203,200</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>2,403,200</b>
Less Funding			(1,203,200)	(400,000)	(400,000)	(400,000)	(2,403,200)
<b>Net</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Requiring Funding

CD&L	C2	Christ Pieces new petal irrigation bed system	5,000				5,000
H&H	*	Costs associated with the Do It Yourself Shared Ownership Scheme	33,300	34,300	35,400	36,500	139,500
Env - T&P	C15	Credit Card readers & installations	10,000				10,000
Env - T&P	C16	CCTV line from Grafton West to Guildhall to enable monitoring	5,000				5,000
Env - T&P	C17	Lighting around Grafton West Pay-On-Foot machines	3,000				3,000
Env - T&P	C18	Lion Yard Car Park CCTV cameras	30,000				30,000
Env - T&P	C19	Replace Lion Yard Car Park tracking (cameras on rails)	53,000				53,000
Env - T&P	C23	Meet Health & Safety standards	50,000				50,000
Env - T&P	C24	Cycleways development	50,000	50,000	50,000	50,000	200,000
Env - T&P	C25	Machinery for Surface Cleaning of Queen Anne Terrace Car Park	33,000				33,000
Env - Env	C12	Provision of additional litter bins in residential areas	5,000				5,000
Env - Env	C13	Additional litter bins in Burleigh Street	4,500				4,500
Env - Env	C14	Various Capital works at the Crematorium (see above)	150,000				150,000

## New Capital Bids

Committee	Ref	Description	2005/06 Budget £	2006/07 Forecast £	2007/08 Forecast £	2008/09 Forecast £	Total £
		Total Funding Required	431,800	84,300	85,400	86,500	688,000
		Total Funding Required from Reserves	398,500	50,000	50,000	50,000	548,500



## New Capital Bids

Committee	Ref	Description	2005/06 Budget £	2006/07 Forecast £	2007/08 Forecast £	2008/09 Forecast £	Total £
<b>Transfer From Hold List approved at C&amp;HR</b>							
C&HR	H14	Cleaning and Restoring Outside of Guildhall	0				
C&HR	H18	Cellarers Chequer Roof Repair	28,000				
			<b>426,500</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>548,500</b>
<b>Transfer To Hold List</b>							
Env - T&P	C20	Consultants fees on Visitor Experience, redevelopment of Old Library, Shop & Crown Court	25,000				25,000
Env - T&P	C21	Improvements to Shop and Main TIC	50,000				50,000
Env - T&P	C22	Establish Customer Service Centre on Ground Floor at Guildhall	280,000				280,000
Env - T&P	C26	Planning Services On-Line - Further development (see PPF bid)	445,900				445,900
<b>Total</b>			<b>1,255,400</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>1,349,400</b>
<b>Total Bids</b>			<b>2,890,400</b>	<b>534,300</b>	<b>535,400</b>	<b>536,500</b>	<b>4,440,600</b>

\* Funded from Housing Capital Receipts

## Appendix N

### PPF Bid Approvals Summary

The following outlines the changes to the papers presented to Strategy Scrutiny Committee in respect of PPF Bids which the Executive are minded to recommend to Council as part of the final budget for 2005/06.

The changes are summarised in the table below, and Appendices N (a) and N (b) show the PPF Bids that the Executive are minded to approve and not approve respectively.

	<b>2005/06 (£'s)</b>	<b>2006/07 (£'s)</b>	<b>2007/08 (£'s)</b>	<b>2008/09 (£'s)</b>
PPF Bids referred to Strategy	970,870	1,288,680	1,288,680	1,271,180
<b>PPF Bids not to approve</b>				
- see Appendix N (b) - NOT APPROVE	(262,410)	(298,490)	(298,490)	(298,490)
<b>Net</b>	<b>708,460</b>	<b>990,190</b>	<b>990,190</b>	<b>972,690</b>
Amendements proposed to PPF Bids:				
Commercial & Human Resources				
PPF1 IT Client, E-government and Customer Access				(42,000)
Environment – Environmental Services				
PPF37 Enforcement Officer and Admin Support due to increasing demand on service				(19,000)
Housing & Health				
PPF4 Compulsory Purchase Order (CPO) revenue budget to allow officers to follow up CPO actions on specific properties (E&P)		(20,000)	(20,000)	(20,000)
PPF6 Development Team to meet the high levels of housing development in the city				(12,550)
PPF7 Funding to provide Housing Specialist Casework at CIAC				(25,000)
<b>PPF Bids to Approve</b>				
- see Appendix N (a) APPROVE	<b>708,460</b>	<b>970,190</b>	<b>970,190</b>	<b>854,140</b>

**APPROVE - EXECUTIVE (BUDGET) MEETING UPDATE**  
**Priority Policy Fund (PPF) Bids**

Appendix N (a)

Ref	Description	2005/06	2006/07	2007/08	2008/09	Committee Recommended Priority
		Budget	Forecast	Forecast	Forecast	
		£	£	£	£	
<b>Commercial &amp; Human Resources</b>						
PPF1	IT Client, E-government and Customer Access	126,000	126,000	126,000	84,000	1
PPF2	Area Committees professional audio back-up	3,200	3,200	3,200	3,200	3=
PPF3	Area Committees caretaker duties	1,200	1,200	1,200	1,200	3=
PPF4	Post for new CCTV Assistant	16,000	16,000	16,000	16,000	2
<b>Total Commercial &amp; Human Resources</b>		<b>146,400</b>	<b>146,400</b>	<b>146,400</b>	<b>104,400</b>	
<b>Community Development &amp; Leisure</b>						
PPF1	East Chesterton Youth & Community Centre:					
	- running costs,	10,000	20,000	20,000	20,000	1
	- support for renewable energy measures,	1,500	3,000	3,000	3,000	1
	- CCTV system maintenance & 24 hour monitoring,	5,000	10,000	10,000	10,000	1
	- support for families,	8,500	17,000	17,000	17,000	1
	- activities for children & young people.	15,000	30,000	30,000	30,000	1
PPF3	New Reccy Ranger	20,000	20,000	20,000	20,000	2
<b>Total Community Development &amp; Leisure</b>		<b>60,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	
<b>Environment - Transport &amp; Planning</b>						
PPF4	Historic Environment and Design Champions	1,000	1,000	1,000	1,000	4
PPF10	Post for implementation of Sustainable Development Guidelines	17,500	17,500	17,500	0	2
PPF11	0.5 Cycle Planning post	20,000	20,000	20,000	20,000	3
PPF12	Support for Cambridge event launching Sustrans National Cycle Network	10,000	0	0	0	6
PPF21	Planning Services On-Line - Phase 1: Public Access (see Capital bid)	11,560	23,790	23,790	23,790	1
PPF28	Night security staff	5,000	0	0	0	7
PPF46	Signage	10,000	0	0	0	5
<b>Total Environment - Transport &amp; Planning</b>		<b>75,060</b>	<b>62,290</b>	<b>62,290</b>	<b>44,790</b>	
<b>Environment - Environmental Services</b>						
PPF35	Streetscene Liaison Officer	25,000	25,000	25,000	25,000	6
PPF37	Enforcement Officer and Admin. Support due to increasing demand on service	25,000	59,000	59,000	40,000	7
PPF39	Contaminated Land photo ionisation detection	5,000	1,000	1,000	1,000	5
PPF40	Air Quality management area	2,000	2,000	2,000	2,000	4
PPF42	Delivery of recycling bins & boxes to new dwellings	10,000	10,000	10,000	10,000	3
PPF43	Recycling publicity for every household	24,000	16,000	16,000	16,000	2
PPF44	Plastics recycling at kerbside - running costs	210,000	420,000	420,000	420,000	1
<b>Total Environment - Environmental Services</b>		<b>301,000</b>	<b>533,000</b>	<b>533,000</b>	<b>514,000</b>	
<b>Total Environment</b>		<b>376,060</b>	<b>595,290</b>	<b>595,290</b>	<b>558,790</b>	
<b>Housing &amp; Health</b>						
PPF 1	Access Scheme Officer - permanent funding sought to continue Access Scheme initiative after cessation of ODPM funding (H)	0	27,500	27,500	27,500	1
PPF 2	Additional funding requirement for General Fund contribution to continuation of Anti-Social Behaviour Team. This bid links to a significant bid included in the HRA (£102,560)	23,450	23,450	23,450	23,450	2
PPF 4	Compulsory Purchase Order (CPO) revenue budget to allow officers to follow up CPO action on specific properties (E&P)	20,000	0	0	0	4
PPF 6	Part-Time Development Officer to increase the capacity of the Development Team to meet the high levels of housing development in the city	12,550	12,550	12,550	0	6
PPF 7	Funding to provide Housing Specialist Caseworker at CIAC	25,000	25,000	25,000	0	7
<b>Total Housing &amp; Health</b>		<b>81,000</b>	<b>88,500</b>	<b>88,500</b>	<b>50,950</b>	
<b>Strategy</b>						
PPF1	Corporate Marketing	40,000	40,000	40,000	40,000	Not Available
PPF2	Support 40th anniversary of Heidelberg twinning link	5,000	0	0	0	Not Available
<b>Total Strategy</b>		<b>45,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	
<b>Total PPF Bids</b>		<b>708,460</b>	<b>970,190</b>	<b>970,190</b>	<b>854,140</b>	
<b>Total Recommended for Approval</b>		<b>708,460</b>	<b>970,190</b>	<b>970,190</b>	<b>854,140</b>	

**NOT APPROVE - EXECUTIVE (BUDGET) MEETING UPDATE**  
**Priority Policy Fund (PPF) Bids**

Appendix N (b)

Ref	Description	2005/06 Budget	2006/07 Forecast	2007/08 Forecast	2008/09 Forecast	Committee Recommended Priority
		£	£	£	£	
<b>Commercial &amp; Human Resources</b>						
PPF5	Members IT support & equipment reinstated (one-off saving 2005/6)	0	1,400	1,400	1,400	6
PPF6	Energy Conservation - external bill-checking	3,410	3,410	3,410	3,410	5
<b>Total Commercial &amp; Human Resources</b>		<b>3,410</b>	<b>4,810</b>	<b>4,810</b>	<b>4,810</b>	
<b>Community Development &amp; Leisure</b>						
PPF2	Walk for Health Initiative	10,000	10,000	10,000	10,000	3
PPF4	Re-planting of Parks landscaping areas	15,000	0	0	0	4
<b>Total Community Development &amp; Leisure</b>		<b>25,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	
<b>Environment - Transport &amp; Planning</b>						
PPF2	0.5 Conservation Assistant post (part)	10,000	10,000	10,000	10,000	15
PPF3	Blue Plaques	1,000	1,000	1,000	1,000	13
PPF5	Assistant LLPG Custodian	25,000	25,000	25,000	25,000	11
PPF15	IT Software (graphics and urban design work)	5,000	5,000	5,000	5,000	14
PPF17	Staff to support IT developments	12,000	12,000	12,000	12,000	10
PPF19	0.5 FTE Enforcements Monitoring Officer (Planning Investigation Team)	15,000	15,000	15,000	15,000	12
PPF24	Support infrastructure for an emerging evening economy	16,000	6,000	6,000	6,000	9
PPF48	Planning Services On-Line - Further development (see Capital Hold List bid)	37,110	70,290	70,290	70,290	8
<b>Total Environment - Transport &amp; Planning</b>		<b>121,110</b>	<b>144,290</b>	<b>144,290</b>	<b>144,290</b>	
<b>Environment - Environmental Services</b>						
PPF33	Enhanced cleaning of pedestrian routes in City	15,000	56,500	56,500	56,500	9
PPF34	Queens Green tourist drop off point - additional litter picking	2,000	2,000	2,000	2,000	10
PPF36	Helpdesk Assistant	18,000	18,000	18,000	18,000	8
<b>Total Environment - Environmental Services</b>		<b>35,000</b>	<b>76,500</b>	<b>76,500</b>	<b>76,500</b>	
<b>Total Environment</b>		<b>156,110</b>	<b>220,790</b>	<b>220,790</b>	<b>220,790</b>	
<b>Housing &amp; Health</b>						
PPF 3	Introduction of a Landlord Accreditation Scheme (E&P)	55,000	40,000	40,000	40,000	3
PPF 5	Part-Time Travellers' Officer to coordinate policy and practices in relation to travellers across the authority.	14,390	14,390	14,390	14,390	5
PPF 8	Smoke Free Cambridge Partnership contribution to a post (E&P)	8,500	8,500	8,500	8,500	8
<b>Total Housing &amp; Health</b>		<b>77,890</b>	<b>62,890</b>	<b>62,890</b>	<b>62,890</b>	
<b>Strategy</b>						
None						
<b>Total Strategy</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total PPF Bids</b>		<b>262,410</b>	<b>298,490</b>	<b>298,490</b>	<b>298,490</b>	
<b>Total Not Recommended for Approval</b>		<b>262,410</b>	<b>298,490</b>	<b>298,490</b>	<b>298,490</b>	

Subject :

**LOCAL GOVERNMENT FINANCE SETTLEMENT  
---- 2005/2006 ----**

**Briefing Paper**

**1. BACKGROUND**

- 1.1 The Minister of State for Local Government announced the Government's final proposals for the 2004/2005 Local Government Finance Settlement on 27 January 2005.
- 1.2 These proposals are scheduled to be debated in Parliament on 2 February 2005.

*These details have been reflected in the papers despatched for the meeting of the Executive on 10 February 2005.*

**2. NATIONAL OVERVIEW**

- 2.1 The final proposals result from the outcome of consideration of the views of the local authority associations and individual authorities who commented on the Provisional Settlement.
- 2.2 The Government has decided not to change the proposed methodology for the distribution of grant, however, there are some changes to the allocations resulting from :
  - The use of more accurate data and resource totals, which have become available since provisional stage;
  - Appropriate data corrections to reflect errors discovered by ODPM, or following notification by local authorities.

**3. IMPLICATIONS FOR THE CITY COUNCIL**

- 3.1 The implications for the City Council, and the impact on budget proposals are shown below :

***External Support***

- 3.2 The Council receives money from the Government in the form of RSG and a share of Business Rates from the National Pool, together known as Formula Grant.
- 3.3 The following table shows the calculation of the City Council's final Formula Grant (FG) entitlement for 2004/05, compared with the position under the revised announcement on 10 December 2003.

**Subject :**

**Briefing Paper**

	<b>Provisional 2005/06 (£'s)</b>	<b>Final 2005/06 (£'s)</b>	<b>Diff. (£'s)</b>
Formula Spending Share	16,528,637	16,514,864	(13,773)
<i>less:</i> Business Rates income	3,315,720	3,315,720	0
	13,212,917	13,199,144	(13,773)
<i>less:</i> ANCT	6,733,023	6,792,749	59,726
RSG entitlement	6,479,894	6,406,395	(73,499)
<b><i>but :</i></b>			
Additional protection grant	1,230,865	1,304,364	73,499
Minimum FG to get to the 'floor' (2.5% increase)	7,710,759	7,710,759	0
<b><i>giving :</i></b>			
Formula Grant :			
Revenue Support Grant	7,710,759	7,710,759	0
Business Rates income	3,315,720	3,315,720	0
	11,026,479	11,026,479	0

- 3.6 This produces no change in the overall amount of external support which the Council will receive for 2005/06. This is because the net reduction in the entitlement to Revenue Support Grant for 2005/06 (£73,499) is offset by an equivalent increase in the 'protection grant' to ensure that the authority receives the minimum 2.5% cash increase over the 2004/05 adjusted level.

***Issues for setting the 2005/06 Budget and Council Tax***

- 3.7 As identified above the Final Settlement has no direct financial impact on the level of total external support for 2005/06. It does not, therefore, affect the spending plans outlined in the report to Strategy on 7 February 2005.
- 3.8 As last year, there has been no advance announcement of the capping criteria that will be applied.