

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

Revenue Budgets

- Add a new recommendation
 - To approve a change in accounting policy and practice, with effect from 2008/09, whereby the Council ceases to allocate interest to unspent developers contributions under planning obligations (commonly referred to as Section 106 funds) held by the Council, as described in section 6.
- In recommendation 2 a):
 - Replace the wording “Appendix Y” with “*Appendix Y [Executive]*”
 - Delete the wording “, with any amendments,”
- *Delete recommendation 2 b) in relation to PPF Bids :*
- *Add to the existing recommendation 2 c) :*
 - *To recommend to Council increases in savings targets in 2011/12 and 2012/13 by £100,000 in each year, as shown in “Appendix Y [Executive]”.*
 - *To recommend to Council authorisation to enter into short-term borrowing, if required, in 2010/11 as described in section 5*

Housing Revenue Account (HRA)

- To note that minor amendments resulting from the announcement of the final subsidy determination for the HRA will be reflected in the in the updated BSR which will be presented to Council on 26 February 2009.

2. Changes Approved By Executive Councillors

- 2.1 There were no changes reported to Strategy & Resources Scrutiny Committee on 19 January 2009 other than those items identified in the Amendment Report, circulated with this report.

3. Final Local Government Finance Settlement 2009/10

- 3.1 The Final Settlement announcement was made on 21 January 2009, following a consultation period on the Provisional Settlement which ended on 7 January 2009. The final position was unchanged from the provisional settlement details included in the Budget Setting Report considered by the Strategy and Resources Scrutiny Committee on 19 January 2009.

4. Cash Limit Position - Bids and Savings

- 4.1 The Executive are minded to approve all of the Bids and Savings which have been recommended by individual Executive Councillors following consideration

at the January scrutiny committee meetings, as incorporated in the BSR Version 1 presented to Strategy and Resources Scrutiny Committee on 19 January 2009.

4.2 In addition, The Executive are minded to approve additional Bids and Savings to those considered by the Strategy and Resources Scrutiny Committee on 19 January 2009, as detailed in Appendix A.

5. Decision On Priority Policy Fund (PPF) Bids

5.1 A key element of the BSR is to review the affordability of funding for PPF Bids. The BSR identified that it was not possible to provide any funding for PPF Bids in 2009/10. This section considers the implications, in terms of affordability, of additional measures that are now proposed by reviewing the overall Cash Limit position.

Cash Limit Position:

	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)
Budget Reduction Measures Required (BSR v1 reported to S&R on 19 Jan 2009)	0	382,120	480,980	0	0
Amendment reported to S&R	1,018,870	217,000	166,930	303,750	388,130
Net Effect Above / (Below) Cash Limit as revised by amendment	1,018,870	599,120	647,910	303,750	388,130
Further Budget Changes:					
<i>Part 1:</i>					
Additional Budget Proposals (see App A)	(695,410)	(448,660)	(91,040)	(211,220)	(212,810)
Net Effect Above / (Below) Cash Limit – Revised (1)	323,460	150,460	556,870	92,530	175,320

5.2 This shows a position where the budget is above the Cash Limit position in all years. The most important aspect is that the effect from 2008/09 to 2010/11, inclusive, is an increased requirement for use of reserves (if no other actions are taken) of £1,030,790. The effect of this would be to reduce the projected level of reserves at the end of 2010/11 to £538,790, which would be significantly below the approved minimum target level of £1.5m. Given the uncertainties associated with the current economic climate this is not felt to be appropriate.

5.3 The budget position indicated above is felt to represent a relatively prudent view of the Council's projected future economic position, as a result it does not include any funding that may be received in respect of a number of items highlighted in the sensitivity analysis, including any :

- recovery of Icelandic investments or associated interest
- successful outcomes from challenges to NNDR rating revaluations
- changes to the funding arrangements for the national Concessionary Fares scheme

- recovery of funds involved in the Folk Festival online ticketing case
- recovery achieved from the challenge to the past VAT treatment of fees on cultural activities

5.4 At this stage, it is not felt to be appropriate to count on such items to produce funding to cover the position above the Cash Limit to 2010/11. As a result, the budget proposals reflect a worst-case scenario where no income is received in respect of these items by 2010/11. In that eventuality, the Council could choose to undertake temporary borrowing of £1.1m to cover the cumulative position, which would ensure that the level of reserves is maintained above the minimum target level of £1.5m.

5.5 The borrowing would be used to fund the existing Capital Plan, thereby releasing currently projected use of Direct Revenue Financing (DRF).

5.6 These projections are based on borrowing £1.1m from the Public Works Loans Board (PWLB) in 2010/11, based on the currently quoted interest rate of 2.6%, for a 3 year period.

5.7 It is intended that options relating to internal, rather than external (from PWLB), borrowing will be reviewed, prior to any final decision on borrowing. This requires detailed technical review of the implications for the Council's Provision for Credit Liabilities (PCL) which cannot be completed in time for the publication of this report.

5.8 This sum would be repaid from any of the additional income achieved by that point, additional efficiency measures during the intervening period, or in the worst-case scenario by use of reserves. The latter action would still leave the level of reserves at the end of 2012/13 at £1,633,860.

5.9 The effect of this proposal on the position against Cash Limits is shown below:

	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)
Net Effect Above / (Below) Cash Limit – Revised (1)	323,460	150,460	556,870	92,530	175,320
Part 2:					
Additional reduction in DRF for Capital (through Temporary Borrowing -3 years)			(1,100,000)		
Net Effect Above / (Below) Cash Limit – Revised (2)	323,460	150,460	(543,130)	92,530	175,320

5.10 The need to identify measures to meet the position above Cash Limit in 2011/12 and 2012/13 remains. Given the period concerned, it is proposed at this stage that the Net Savings Requirement in each of these years be increased from £1.0m to £1.1m, which would produce the following net position :

	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)
Net Effect Above / (Below) Cash Limit – Revised (2)	323,460	150,460	(543,130)	92,530	175,320
Part 3: Review of future year Net Savings Requirements					
- 2011/12				(100,000)	(100,000)
- 2012/13					(100,000)
Net Effect Above / (Below) Cash Limit – Revised (3)	323,460	150,460	(543,130)	(7,470)	(24,680)

5.11 The resulting impact on the projected level of General Fund reserves (originally shown in Appendix Y of the BSR) is :

Impact on General Fund Reserves:

	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)
Projection as per BSR v1 reported to S&R on 19 Jan 2009	8,777,210	3,422,740	1,500,370	1,933,660	2,630,500
Contribution to / (from) reserves	(323,460)	(150,460)	543,130	7,470	24,680
Repayment of PWLB borrowing	0	0	0	0	(1,100,000)
Revised Reserves Projection	8,453,750	2,948,820	1,569,580	2,010,340	1,631,860

5.12 The full cashflow and reserves implications associated with the actual profile of spending are reflected in the updated General Fund Projection in Appendix Y [Executive], attached.

6. Change to Accounting Policy / Practice

6.1 Until now, it has been the Council's policy to allocate a proportion of the interest received by the General Fund, on its investments, to unspent developers contributions made under planning obligations (commonly referred to as Section 106 funds). The amount of interest allocated at each year end has been based on an average interest rate and the approximate average value of each unspent contribution held during the year.

6.2 A change to this accounting policy is proposed, with effect from the current year, 2008/09. It is recommended that interest no longer be allocated to unspent S106 funds but is instead retained within the General Fund, increasing the amount of investment income available to support General Fund services and/or reserves. In the unusual event that a developers contribution had to be repaid and under the terms of the individual agreement the developer was entitled to interest, then

the interest element would have to be met from General Fund resources or reserves.

- 6.3 It is further recommended that unspent balances of Section 106 funds, where these are made up entirely of accumulated interest, are returned to the General Fund in 2008/09.
- 6.4 The financial implications of this change in policy are included within Appendix A as budget proposals which The Executive are minded to agree.

7. Capital Approvals

- 7.1 No further changes are proposed to the Capital Plan or Hold List (Appendices N, O and R in version 1 of the BSR).

8. Other Issues

Section 25 Report

- 8.1 As noted in section 15 of the Budget-Setting Report to Strategy Scrutiny Committee, section 25 of the Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of estimates and adequacy of reserves in conjunction with statutory determinations on precept and Council Tax setting.
- 8.2 A formal report will be finalised based on the proposals outlined in this document. In the interim, the key elements are contained in sections 15 and 16 of the BSR and the associated appendices. These provide an appropriate level of confidence for the plans recommended in this document.

9. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: David Horspool
Author's Phone Number: 01223 458131
Author's Email: David.Horspool@cambridge.gov.uk

O:\accounts\Committee Reports & Papers\The Executive\2009 January\Exec Amend\Exec Cover Report Overview Jan 2009.doc

2008/09 GF Revised Budget Items : January Cycle

- Bids and Savings

Appendix A1
[Executive Amendment]

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
Community Services Scrutiny Committee									
Community Services - Arts & Recreation Portfolio									
Revised Budget									
NEW									
RB2143	Additional provision for bad debts (Folk Festival On-Line Ticketing) [Accountancy and Support Services Service Plan]	Additional provision for bad debts in the event that money is not recoverable for on-line ticket income from the 2008 event.	618,000	0	618,000	?	-	0	Nigel Cutting
NEW									
RB2177	Underachievement of sponsorship income [Arts and Entertainments Service Plan]	There has been an underachievement in sponsorship income for both the Folk Festival and November 5 Fireworks display. New sponsors are currently being sought for the 2009 events.	60,000	0	60,000	?	-	0	Nigel Cutting
NEW									
RB2178	Procurement officer - fixed term contract [Arts and Entertainments Service Plan]	The Arts & Entertainment section are currently reviewing and procuring a significant number of supply contracts. It has been necessary to employ a contractor to provide the relevant skills for this process.	20,000	0	20,000	?	-	0	Nigel Cutting

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
NEW									
RB2179	Underachievement of income for events [Arts and Entertainments Service Plan]	Income for events held at the Corn Exchange is anticipated to be under budget by £20k	20,000	0	20,000	?	-	0	Nigel Cutting
Total of Com Serv - A&R Revised Budget :			718,000	0	718,000			0	

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
Community Services Scrutiny Committee									
Community Services - Community Development & Health Portfolio									
Revised Budget									
NEW									
RB2173	Smoke-Free budget underspend [Environmental Health (Comm Services - CD&H part) Service Plan]	Due to the 2 year post being part time and that the work related to Smoke-Free was absorbed into existing officers' workload there has been an underspend on this government grant.	(19,500)	0	(19,500)	No	-	0	Yvonne O'Donnell
NEW									
RB2184	Underspend on Economic Development grants [Policy and Projects Service Plan]	The current year open award budget is underspent by £20,000 and this sum has been taken as a saving into 2008/09	(20,000)	0	(20,000)	?	-	0	Andrew Poulton
Total of Com Serv - CD&H Revised Budget :			(39,500)	0	(39,500)			0	

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
------	------------------	------------------------	-----------------------------------	--------------------------	------------------------	-------------------	-------------------	------------------------	---------

Environment Scrutiny Committee

Environment - Climate Change & Growth Portfolio

Revised Budget

NEW

RB2148	Cycleways Capital Programme [Policy and Projects Service Plan]	Underspend in 2008/09 allows reprogramming of project delivery.	(250,000)	0	(250,000)	No	-	0	Dave Roberts
--------	---	---	-----------	---	-----------	----	---	---	--------------

NEW

RB2149	Shortfall in Development Control Fee income [Development Services Service Plan]	Additional shortfall in Development Control Fee income	228,730	0	228,730	?	-	0	John Summers
--------	--	--	---------	---	---------	---	---	---	--------------

NEW

RB2153	Housing & Planning Delivery Grant - Saving on staff salaries [Policy and Projects Service Plan]	Economic downturn allows temporary reallocation of Major Development Team resource to support programme management work on growth.	(35,000)	0	(35,000)	?	-	0	Dave Roberts
--------	--	--	----------	---	----------	---	---	---	--------------

NEW

RB2154	Planning & Climate Change Grant [Development Services Service Plan]	Recent receipt of new grant of £22,500 from DCLG which arises from an assessment by the DCLG of the regulatory impacts of the new Planning Policy Statement.	(22,500)	0	(22,500)	?	-	0	John Summers
--------	--	--	----------	---	----------	---	---	---	--------------

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
NEW									
RB2160	Bus Concessionary Fares - review of costs [Policy and Projects Service Plan]	In October 2008 the Park & Ride facility at Cowley Road was relocated from the City to South Cambridgeshire. An adjustment needs to be made to reflect that the in-bound journeys from the new site at Milton will be funded by South Cambridgeshire District Council. This is currently an estimate and subject to confirmation when usage data is provided by the relevant bus operator.	(12,500)	0	(12,500)	Yes	- S2146	0	Dave Roberts
NEW									
RB2187	Environment & Planning - savings on Member Training budget [Policy and Projects Service Plan]	The saving would represent an annual reduction in respect of member training in respect of planning matters	(13,000)	0	(13,000)	?	-	0	Simon Payne
NEW									
RB2190	Additional funding required to meet the cost of the Concessionary Fares scheme [Policy and Projects Service Plan]	The latest forecasts from the County Council [to the end of December 2008] indicate that a further provision of £79,000 is necessary to meet the full cost of the Concessionary Fares scheme	79,000	0	79,000	?	-	0	Dave Roberts
NEW									
RB2192	Environmental Improvement Programme - saving of capital salaries [Policy and Projects Service Plan]	Engineers' and Landscape Architects' fees are currently charged to Environmental Improvements Capital schemes. It is proposed to fund these from the Housing & Planning Delivery Grant (Capital Scheme) budget.	(105,000)	0	(105,000)	?	-	0	Dave Roberts

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
	Total of Evt - CC&G Revised Budget :		(130,270)	0	(130,270)			0	

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
------	------------------	------------------------	-----------------------------------	--------------------------	------------------------	-------------------	-------------------	------------------------	---------

Environment Scrutiny Committee

Environment - Environmental & Waste Services Portfolio

Revised Budget

NEW

RB2158	Environment & Planning - savings on R&R budgets [Environmental Health (Envt part) Service Plan]	One-off saving of accumulated Environmental Services R&R fund balance.	(8,500)	0	(8,500)	?	i2150 & S21	0	Jas Lally
--------	--	--	---------	---	---------	---	-------------	---	-----------

NEW

RB2166	Saving on Police out of hours dogs contract [Environmental Health (Envt part) Service Plan]	The service has a base budget sum to allow for the development of an out of hours stray dogs service. We have been able to negotiate for the Police to continue to offer the service and the expected numbers and costs in the first three quarters of the year have been much lower than predicted by original Police figures. Therefore a base budget saving of £5,000 per annum can be offered with no detriment to service.	(5,000)	0	(5,000)	?	-	0	Yvonne O'Donnell
--------	--	---	---------	---	---------	---	---	---	------------------

Total of Envt - E&WS Revised Budget :

(13,500) 0 (13,500)

0

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
------	------------------	------------------------	-----------------------------------	--------------------------	------------------------	-------------------	-------------------	------------------------	---------

Strategy & Resources Scrutiny Committee

Strategy & Resources - Customer Services & Resources Portfolio

Revised Budget

NEW

RB2130	Review of Learning & Development spend [Human Resources Service Plan]	Reduction in course, conferences & seminars budgets to be identified in 2008/09	(90,000)	0	(90,000)	?	-	0	Sue Dawson
--------	--	---	----------	---	----------	---	---	---	------------

NEW

RB2132	Investment Income - potential loss on investments in Icelandic Banks [Accountancy and Support Services Service Plan]	Provision for potential loss of interest on investments in Iceland banks and ongoing loss of interest if the capital investment is not recoverable (full potential exposure).	342,870	0	342,870	?	-	0	Julia Minns
--------	---	---	---------	---	---------	---	---	---	-------------

NEW

RB2134	Miscellaneous savings in 2008/09 [Democratic Services Service Plan]	Underspend at 13/1/09 for 2008/09 on elections cost centre (Government grant income).	(7,000)	0	(7,000)	?	-	0	Gary Clift
--------	--	---	---------	---	---------	---	---	---	------------

NEW

RB2140	Saving re accrual of interest to Section 106 Capital balances (2008-09 only) [Accountancy and Support Services Service Plan]	To date, it has been the Council's policy to allocate interest to individual S106 funds held pending their application to fund schemes. In line with a number of other local authorities, a review of this practice has been undertaken and it is	(462,650)	0	(462,650)	?	-	0	John Harvey
--------	---	---	-----------	---	-----------	---	---	---	-------------

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
		proposed that interest no longer be allocated to S106 funds. Should unutilised funds become re-payable to a developer, the Council would be required to repay with interest and it is proposed that interest accrued prior to 31 March 2008 be retained at this time as a provision.							
NEW									
RB2144	Internal Audit - One-off Savings - Temporary & Agency Staff [Internal Audit Service Plan]	Following a review of Internal Audit's budgets, one-off savings of £25,000 has been identified for Temporary & Agency Staff	(25,000)	0	(25,000)	No	-	0	Sarita Haggart
NEW									
RB2161	Recovery of interest on Section 106 schemes where the balance is interest only [Accountancy and Support Services Service Plan]	Recovery of interest on Section 106 schemes where the balance is interest only	(45,150)	0	(45,150)	?	-	0	Julia Minns
NEW									
RB2162	Underspend on recruitment [Procurement Service Plan]	Recruitment to a vacant post has been achieved at a saving of £2,000 on recruitment costs	(2,000)	0	(2,000)	No	-	0	Debbie Quincey
NEW									
RB2164	Cost of early redemption of investment with Allied Irish Banks plc	Cost of early redemption of investment with Allied Irish Banks plc (penalty and foregone interest)	58,000	0	58,000	?	-	0	Julia Minns

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
	[Accountancy and Support Services Service Plan]								
NEW									
RB2175	Tourism Service - One -off savings [Tourism & City Centre Management (CS&R part) Service Plan]	A £14,000 saving has been identified in the Tourism Service principally due to the level of turnover of temporary and short contract staff and the fact that the service was not at its full quota of staff at the beginning of the financial year. In addition, a more commercial approach to income streams has resulted in an over-achievement on budgeted targets.	(14,000)	0	(14,000)	?	-	0	Emma Thornton
NEW									
RB2176	Additional Market rents income [Tourism & City Centre Management (CS&R part) Service Plan]	A £13,000 over-achievement has been identified on the Markets rents budget due to continued robust management on occupancy levels.	(13,000)	0	(13,000)	?	-	0	Emma Thornton
Total of Strategy - CS&R Revised Budget :			(257,930)	0	(257,930)			0	

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
Strategy & Resources Scrutiny Committee									
Strategy & Resources - Strategy Portfolio									
Revised Budget									
NEW									
RB2125	Miscellaneous Savings [Strategy and Partnerships Service Plan]	Following a review of Customer & Democratic Services budgets, one-off savings of £13,340 have been identified.	(13,340)	0	(13,340)	?	-	0	Antoinette Jackson
NEW									
RB2127	One off saving for 2008-09 on Corporate Marketing cost centre [Strategy and Partnerships Service Plan]	Projections for 2008-09 for the Corporate Marketing cost centre show that a sum of £10,000 can be offered as a one-off saving for this financial year. This is due to underspend on media campaigns budget due to Marketing Officer vacancy.	(10,000)	0	(10,000)	?	-	0	n/a
NEW									
RB2136	Cost of Maternity Cover [Accountancy and Support Services Service Plan]	Since the MTS the projected costs of covering for staff on maternity leave have increased in the current year by a further £70,000.	70,000	0	70,000	?	-	0	Julia Minns
Total of Strategy - Strategy Revised Budget :			46,660	0	46,660			0	

Ref.	Item Description	Detail / Justification	2008/09 Revised Budget £	Reported in Nov. £	Change in Jan. £	Ongoing Effect	Linked to Item	2009/10 Effect £	Contact
		Overall Total of Revised Budget :	323,460	0	323,460			0	

Printed on : 27 January 2009 at : 05:54 PM

2009/10 GF Cash Limit Position

- Bids and savings

Appendix A2
[Executive Amendment]

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Community Services Scrutiny Committee

Community Services - Arts & Recreation Portfolio

Savings

Active Communities Service Plan

NEW

S2172	Procurement costs no longer required as a result of extending the Leisure Management contract	Procurement costs no longer required as a result of extending the Leisure Management contract	(70,000)	0	0	0	Ian Ross
Total of Com Serv - A&R Savings :			(70,000)	0	0	0	
Cumulative Sub-Total of Com Serv - A&R Cttee Base :			(70,000)	0	0	0	

Bids

Active Communities Service Plan

NEW

B2171	Additional utility costs arising from the extension of the Leisure Management contract	Additional utility costs arising from the extension of the Leisure Management contract. These costs are currently under negotiation and this figure is based on our current best estimates of the additional costs.	0	51,500	103,000	103,000	Ian Ross
-------	--	---	---	--------	---------	---------	----------

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
		Total of Com Serv - A&R Bids :	0	51,500	103,000	103,000	
		Net Total of Com Serv - A&R Cttee Base :	(70,000)	51,500	103,000	103,000	

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Community Services Scrutiny Committee

Community Services - Community Development & Health Portfolio

Savings

Community Development Service Plan

NEW

S2142	Cash limit Community Development and Leisure Grants Budget	Following a recommendation from the Committee of Inquiry into Grants in 2005 the Community Development grants budgets have been cash limited. Initially this policy was put in place for a period of three years. Given that its implementation has posed few problems it is now proposed to make it an ongoing saving. The leisure grants budget is already included as an ongoing saving.	0	(21,000)	(21,000)	(21,000)	Ken Hay
-------	--	---	---	----------	----------	----------	---------

Total of Com Serv - CD&H Savings :

0 (21,000) (21,000) (21,000)

Cumulative Sub-Total of Com Serv - CD&H Cttee Base :

0 (21,000) (21,000) (21,000)

Net Total of Com Serv - CD&H Cttee Base :

0 (21,000) (21,000) (21,000)

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Community Services Scrutiny Committee

Community Services - Housing Portfolio

Savings

Housing General Fund Service Plan

NEW

S2123	Hold Strategy Manager (Growth) post vacant for 2009/10 and 2010/11, retaining resources for alternative interim arrangements.	Hold Strategy Manager (Growth) post vacant for 2009/10 and 2010/11, retaining resources to fund 100% of the currently joint funded Development Officer (Growth) post to cover the vacant managerial role, allowing for appropriate remuneration.	(25,530)	(25,530)	0	0	Alan Carter
-------	---	--	----------	----------	---	---	-------------

NEW

S2124	Temporary removal of 2 days per week of a Strategy Officer for 2009/10, increasing to 5 days per week for 2010/11.	It is proposed to reduce the hours of an existing Strategy Officer role from 37 to 22.2 for 2009/10, where the primary function of the post for this period will be to implement the actions from the Audit Commission Inspection, and to zero for 2010/11. The longer term need for this role will be reviewed during 2010/11.	(7,910)	(19,540)	0	0	Alan Carter
-------	--	---	---------	----------	---	---	-------------

Total of Com Serv - Housing Savings :

(33,440) (45,070) 0 0

Cumulative Sub-Total of Com Serv - Housing Cttee Base :

(33,440) (45,070) 0 0

Net Total of Com Serv - Housing Cttee Base :

(33,440) (45,070) 0 0

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Environment Scrutiny Committee

Environment - Climate Change & Growth Portfolio

Savings

Parking Services Service Plan

NEW

S2182	Reduction in overhead costs following anticipated transfer of Local Authority Parking Enforcement to the County Council	Reduction in overhead costs following anticipated transfer of Local Authority Parking Enforcement to the County Council	0	(100,000)	(100,000)	(100,000)	Paul Necus
-------	---	---	---	-----------	-----------	-----------	------------

NEW

S2183	Shopmobility service restructure	Proposed savings in structure following integration with Car Park services	0	(30,000)	(30,000)	(30,000)	Paul Necus
-------	----------------------------------	--	---	----------	----------	----------	------------

Policy and Projects Service Plan

NEW

S2146	Bus Concessionary Fares - review of costs	In October 2008 the Park & Ride facility at Cowley Road was relocated from the City to South Cambridgeshire. An adjustment needs to be made to reflect that the in-bound journeys from the new site at Milton will be funded by South Cambridgeshire District Council. This is currently an estimate and subject to confirmation when usage data is provided by the relevant bus operator.	(30,000)	(30,000)	(30,000)	(30,000)	Dave Roberts
-------	---	--	----------	----------	----------	----------	--------------

NEW

S2150	Environment & Planning - savings on R&R budgets	One off saving possible of £10,000 in R&R provision for E&P offices in Guildhall	(10,000)	0	0	0	Paul Boucher
-------	---	--	----------	---	---	---	--------------

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
NEW							
S2151	Environment & Planning - savings on Member Training budget	The saving would represent an annual reduction in respect of member training in respect of planning matters	(7,500)	0	0	0	Simon Payne
NEW							
S2152	Environmental Improvement Programme - saving of capital salaries	Engineers' and Landscape Architects' fees are currently charged to Environmental Improvements Capital schemes. It is proposed to fund these from the Housing & Planning Delivery Grant (Capital Scheme) budget.	(105,000)	(105,000)	0	0	Dave Roberts
Total of Envt - CC&G Savings :			(152,500)	(265,000)	(160,000)	(160,000)	
Cumulative Sub-Total of Envt - CC&G Cttee Base :			(152,500)	(265,000)	(160,000)	(160,000)	

Unavoidable Revenue Bids

Development Services Service Plan

NEW							
UR1964	Development Control - Reduced fee income against budget	It is estimated that there is likely to be a significant shortfall in development control fee income against the approved budget. The shortfall is particularly marked for 'major' applications received. The situation is unlikely to improve for the next financial year (2009/10) and beyond, because of the impact of the national economic position on the development industry. It is considered that the current fee income budget is not sustainable and that an unavoidable revenue bid is necessary to reduce it to a more realistic level. Income projections will need to be reviewed again as part of the 2009 MTS process.	280,080	361,580	(128,420)	(128,420)	John Summers

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
	Total of Evt - CC&G Unavoidable Revenue Bids :		280,080	361,580	(128,420)	(128,420)	
	Cumulative Sub-Total of Evt - CC&G Cttee Base :		127,580	96,580	(288,420)	(288,420)	

Bids

Parking Services Service Plan

NEW

B2189	Under-recovery of overhead costs following anticipated transfer of Local Authority Parking Enforcement to the County Council	Under-recovery of overhead costs following anticipated transfer of Local Authority Parking Enforcement to the County Council	35,000	140,000	140,000	140,000	Paul Necus
-------	--	--	--------	---------	---------	---------	------------

Policy and Projects Service Plan

NEW

B2188	Additional funding required to meet the cost of the Concessionary Fares scheme	The latest forecasts from the County Council [to the end of December 2008] indicate that a further provision of £79,000 is necessary to meet the full cost of the Concessionary Fares scheme	79,000	79,000	79,000	79,000	Dave Roberts
-------	--	--	--------	--------	--------	--------	--------------

Total of Evt - CC&G Bids :		114,000	219,000	219,000	219,000	
---------------------------------------	--	----------------	----------------	----------------	----------------	--

Net Total of Evt - CC&G Cttee Base :		241,580	315,580	(69,420)	(69,420)	
---	--	----------------	----------------	-----------------	-----------------	--

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Environment Scrutiny Committee

Environment - Environmental & Waste Services Portfolio

Savings

Environmental Health (Envt part) Service Plan

NEW

S2159	Environment & Planning - savings on R&R budgets	Saving in annual R&R fund contribution for Environmental Services in 2009/10 and 2010/11 of £21,500. This budget provision would need to be reinstated in following years to ensure future business needs are met.	(21,500)	(21,500)	0	0	Jas Lally
-------	---	--	----------	----------	---	---	-----------

NEW

S2167	Saving on Police out of hours dogs contract	The service has a base budget sum to allow for the development of an out of hours stray dogs service. We have been able to negotiate for the Police to continue to offer the service and the expected numbers and costs in the first three quarters of the year have been much lower than predicted by original Police figures. Therefore a base budget saving of £5,000 per annum can be offered with no detriment to service.	(5,000)	(5,000)	(5,000)	(5,000)	Yvonne O'Donnell
-------	---	---	---------	---------	---------	---------	------------------

Total of Envt - E&WS Savings :	(26,500)	(26,500)	(5,000)	(5,000)
---	-----------------	-----------------	----------------	----------------

Cumulative Sub-Total of Envt - E&WS Cttee Base :	(26,500)	(26,500)	(5,000)	(5,000)
---	-----------------	-----------------	----------------	----------------

Net Total of Envt - E&WS Cttee Base :	(26,500)	(26,500)	(5,000)	(5,000)
--	-----------------	-----------------	----------------	----------------

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Strategy & Resources Scrutiny Committee

Strategy & Resources - Customer Services & Resources Portfolio

Savings

n/a Service Plan

NEW

S2170	Reduction in publications, advertising and marketing budgets across all council departments	Reduction in publications, advertising and marketing budgets across all council departments	(75,000)	(75,000)	0	0	Antoinette Jackson
-------	---	---	----------	----------	---	---	--------------------

Accountancy and Support Services Service Plan

NEW

S2138	Saving on discretionary interest paid on Section 106 Capital balances (2009/10 & 2011/12)	To date, it has been the Council's policy to allocate interest to individual S106 funds held pending their application to fund schemes. In line with a number of other local authorities, a review of this practice has been undertaken and it is proposed that interest no longer be allocated to S106 funds. Should unutilised funds become re-payable to a developer, the Council would be required to repay with interest and it is proposed that interest accrued prior to 31 March 2008 be retained at this time as a provision.	(138,000)	(95,450)	0	0	John Harvey
-------	---	--	-----------	----------	---	---	-------------

NEW

S2139	Saving on discretionary interest paid on Section 106 Capital balances (2011/12 & 2012/13)	To date, it has been the Council's policy to allocate interest to individual S106 funds held pending their application to fund schemes. In line with a number of other local authorities, a review of this practice has been undertaken and it is proposed that interest no longer be allocated to S106 funds. Should unutilised	0	0	(138,900)	(140,490)	John Harvey
-------	---	--	---	---	-----------	-----------	-------------

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
		funds become re-payable to a developer, the Council would be required to repay with interest and it is proposed that interest accrued prior to 31 March 2008 be retained at this time as a provision.					
Human Resources Service Plan							
NEW							
S2129	Review of Essential Car User Allowances	Remove Essential User Car Allowances from posts where it is no longer applicable. A forthcoming review will look at all posts doing less than 1,000 miles per annum with an associated review of car parking allocation.	(30,000)	(75,000)	(100,000)	(100,000)	Sue Dawson
NEW							
S2131	Review of Learning & Development spend	Reduction in courses, conferences & seminars budgets for 2009/10 and 2010/11	(125,000)	(125,000)	0	0	Sue Dawson
IT Contract Management Service Plan							
NEW							
S2141	One year reduction in R&R provision to corporate software	ICT Steering group have now agreed to delay the planned replacement of MS Office, targeting a revised upgrade date in 2010/11, instead of 2009/10. The fund has already built up sufficiently to fund the project and so contributions can be suspended in 2009/10.	(100,000)	0	0	0	James Nightingale
Strategy and Partnerships Service Plan							
NEW							
S2156	Finance Assistant - Saving of half a post	The Customer and Democratic Service's departmental finance and administrative support is being reviewed in the early part of 2009. It is anticipated that this review will realise minimum	(8,500)	(8,500)	(8,500)	(8,500)	Trevor Woollams

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

ongoing savings equivalent to half a post from October 2009. This may have some impact on the level of administrative support provided to managers across the department and to managers in the ICT Client and Property Services sections within the Finance Department.

City Services Internal Trading Service Plan

NEW

S2155	Repair and Renewals Fund Review	After reviewing current Repair and Renewals Funds provision and replacement programme one-off savings can be found in respect of PC replacement £25k and Buildings £30k.	(55,000)	0	0	0	Toni Ainley
-------	---------------------------------	--	----------	---	---	---	-------------

Total of Strategy - CS&R Savings :

(531,500) (378,950) (247,400) (248,990)

Cumulative Sub-Total of Strategy - CS&R Cttee Base :

(531,500) (378,950) (247,400) (248,990)

Bids

Accountancy and Support Services Service Plan

NEW

B2133	Investment Income - potential loss on investments in Icelandic Banks	Provision for potential loss of interest on investments in Iceland banks and ongoing loss of interest if the capital investment is not recoverable (full potential exposure).	208,000	166,930	303,750	388,130	Julia Minns
-------	--	---	---------	---------	---------	---------	-------------

NEW

B2165	Cost of early redemption of investment with Allied Irish Banks plc	Cost of early redemption of investment with Allied Irish Banks plc (penalty and foregone interest)	9,000	0	0	0	Julia Minns
-------	--	--	-------	---	---	---	-------------

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
NEW							
B2180	Estimated interest payable on loan from Public Works Loan Board (PWLB)	If the Council takes up the option to fund capital schemes from the PWLB, then interest will be payable. The current quoted rate of 2.6% has been assumed.	0	28,600	28,600	28,600	Julia Minns
Total of Strategy - CS&R Bids :			217,000	195,530	332,350	416,730	
Net Total of Strategy - CS&R Cttee Base :			(314,500)	(183,420)	84,950	167,740	

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------

Strategy & Resources Scrutiny Committee

Strategy & Resources - Strategy Portfolio

Savings

Strategy and Partnerships Service Plan

NEW

S2126	Miscellaneous office savings	Postage costs within Customer & Democratic Service can be reduced by £1,500	(1,500)	(1,500)	0	0	Antoinette Jackson
-------	------------------------------	---	---------	---------	---	---	--------------------

NEW

S2157	Freezing the vacant Strategy Officer post for 18 months	Freezing the vacant Strategy Officer post for 18 months from April 2009 to September 2010. This will mean a 20% reduction of capacity within the team (from 5 posts to 4). We will need to revise the Strategy and Partnerships' Service Plan to re-prioritise the team's work and reduce the amount of discretionary work we do across the remaining team.	(27,300)	(13,700)	0	0	Trevor Woollams
-------	---	---	----------	----------	---	---	-----------------

Total of Strategy - Strategy Savings :	(28,800)	(15,200)	0	0
Cumulative Sub-Total of Strategy - Strategy Cttee Base :	(28,800)	(15,200)	0	0
Net Total of Strategy - Strategy Cttee Base :	(28,800)	(15,200)	0	0

Ref.	Item Description	Detail / Justification	2009/10 Budget £	2010/11 Budget £	2011/12 Budget £	2012/13 Budget £	Contact
		Net Position Above / (Below) Cash Limit :	(231,660)	75,890	92,530	175,320	

Printed on : 27 January 2009 at : 06:07 PM

Appendix Y [Executive]

General Fund - Projection - 2008/09 to 2012/13

General Fund category		2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)	Comments / Notes
	Net Spending (Cttee Totals)	18,484,460	21,343,190	20,635,130	19,799,810	20,063,240	Inflated base budgets (includes savings, inflation and PPF effects from prior years)
<i>add</i>	Carry Forwards	604,470	-	-	-	-	Included in 2008/09 portfolio figs
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	
		19,088,930	21,343,190	20,635,130	19,799,810	20,063,240	
<i>less</i>	Capital Adjustment Account	528,530	500,600	500,600	500,600	500,600	Replaces Asset Management Revenue Account, AMRA.
<i>less</i>	Minimum Revenue Provision Adjustment	(2,775,300)	(2,708,690)	(2,708,690)	(2,708,690)	(2,708,690)	
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	
		16,842,160	19,135,100	18,427,040	17,591,720	17,855,150	
<i>less</i>	Contribution to :						
	Technology Investment Fund (TIF)	84,320	84,320	84,320	84,320	84,320	IT contract saving contribution
	Capital Plan	5,532,040	5,166,530	1,684,000	1,030,000	1,380,000	Revenue contribution to fund capital spending - see anticipated receipt re Arbury Camp Part 2: DRF reduced 2010/11 £1.1m
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	
		22,458,520	24,385,950	20,195,360	18,706,040	19,319,470	

	General Fund category	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)	Comments / Notes
<i>add</i>	Anticipated Changes						
	<i>Previously Approved:</i>						
	Employers Pension contribution	0	0	903,910	903,910	903,910	Balance of provision required due to final actuarial report for 2004
	Lion Yard - Rent Income	0	0	0	0	(278,670)	Balance of net change in rents projected after contribution to capital
	C Tax Income earmarked for Growth Spend	110,010	290,230	602,700	938,990	1,250,540	Earmarked Provision
	Lion Yard rent income	0	0	0	0	121,180	Reworked for capital and rent projections
	Pensions Adjustment	0	0	(390,880)	(390,880)	(390,880)	Provision for reduced Employer's Pension Contribution rate, following the 31 March 2007 triennial revaluation of the Pension Fund.
	<i>New for 2009/10</i>	0	0	0	0	0	Updated since the MTS Sept 2008
	Lion Yard Additional Rent	0	0	(55,000)	(55,000)	(55,000)	
	<i>External interest on investments</i>	58,000	1,673,450	1,702,450	872,450	367,310	<i>Revising the projection for reduced projected interest rates.</i>
	Employers NI Rates	0	0	0	145,300	152,200	
	Fuel Duties	3,130	21,980	24,330	26,680	29,020	
	Pensions Fund Revaluation Provision	0	0	0	164,250	328,500	Provision for an increase of 0.75% in both 2011/12 and 2012/13 in the Employer's Pension Contribution rate, following the 31 March 2010 triennial revaluation of the Pension Fund.

General Fund category	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)	Comments / Notes
<i>Icelandic Bank Interest - potential losses</i>	342,870	208,000	166,930	303,750	388,130	<i>Government (draft) Changes to Capital Financing Regulations</i>
<i>Additional Provision for Bad Debts</i>	618,000	0	0	0	0	<i>Folk Festival ticket income</i>
<i>Budget Reduction Proposals (net) to Exec</i>	(695,410)	(448,660)	(91,040)	(211,220)	(212,810)	<i>Part 1</i>
<i>Reduced DRF / Temporary Borrowing (3 years)</i>	0	0	0	0	1,100,000	<i>Part 2</i>
	22,895,120	26,130,950	23,058,760	21,404,270	23,022,900	
<i>add</i> Future Years PPF Provision						
- PPF available for Budget Year	-	0	0	0	0	[only valid at Budget Finalisation stage]
- Future Years PPF Provision	-	-	0	500,000	500,000	New provision included in each budget year. Prior years effects are shown in Net Spending (Cttee Totals)
	22,895,120	26,130,950	23,058,760	21,904,270	23,522,900	
<i>less</i> Net savings Requirement	-	(1,235,000)	(1,525,000)	(1,100,000)	(1,100,000)	<i>New savings required in each budget year - Part 3</i>
Total Net Spending Requirement	22,895,120	24,895,950	21,533,760	20,804,270	22,422,900	

General Fund - Funding Statement - 2008/09 to 2012/13

General Fund category	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)	Comments / Notes
Total Net Spending Requirement	22,895,120	24,895,950	21,533,760	20,804,270	22,422,900	
<i>/less</i> External Support						
- Formula Grant	(12,314,910)	(12,376,490)	(12,438,370)	(12,500,560)	(12,563,070)	Formula Grant (RSG and NNDR Pool share)
- LABGI	0					New scheme to be introduced from 2009/10
	<u>10,580,210</u>	<u>12,519,460</u>	<u>9,095,390</u>	<u>8,303,710</u>	<u>9,859,830</u>	
<i>/less</i> Collection Fund (Surplus) / Deficit						
- Council Tax Collection Fund	5,740	75,440	0	0	0	Based on latest review of Collection Funds
	<u>10,585,950</u>	<u>12,594,900</u>	<u>9,095,390</u>	<u>8,303,710</u>	<u>9,859,830</u>	
<i>/less</i> Income from Council Tax	(6,121,810)	(6,609,950)	(7,254,610)	(7,955,550)	(8,667,360)	
Contribution (To) / From Reserves	<u>4,464,140</u>	<u>5,984,950</u>	<u>1,840,780</u>	<u>348,160</u>	<u>1,192,470</u>	

General Fund - Reserves Projection - 2008/09 to 2012/13

General Fund category	2008/09 (£'s)	2009/10 (£'s)	2010/11 (£'s)	2011/12 (£'s)	2012/13 (£'s)	Comments / Notes
Balance as at 1 April (b/fwd)	13,960,680	8,453,750	2,948,820	1,569,580	2,010,340	
less Contribution (To) / From Reserves	(4,464,140)	(5,984,950)	(1,840,780)	(348,160)	(1,192,470)	
less Temporary Use / (Payback) of Reserves						Net use of Reserves for Cash Flow purposes
- Customer Access	(972,410)	541,860	655,050	655,050	655,050	Payback by 2014/15
- Guildhall Working Party - Option 1	(40,380)	(71,840)	(203,510)	123,870	148,940	Payback by 2017/18
- Memorials	(30,000)	10,000	10,000	10,000	10,000	Payback by 2017/18
Balance as at 31 March (c/fwd)	8,453,750	2,948,820	1,569,580	2,010,340	1,631,860	