



To: Executive Councillor for Finance & Resources
Report by: Head of Finance
Relevant scrutiny committee: Strategy & Resources 13 February 2017
Wards affected: All Wards

Amendment to:

Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2017/18 – Section 25 Report

At “Implications - 5 (h)” **delete** “to follow” and **replace with:**

These budget amendments would not require any substantive changes to the existing Section 10 – Section 25 Report.

There are three types of amendment:-

- General Fund (GF) revenue amendments – spending proposals are partially matched by income generation from car parking. The switch from 100% commercial property investment to 50% commercial and 50% residential will bring an additional pressure for the financial year 2018/19.

It should be noted that changes to parking charges are subject to a decision by the Executive Councillor for Planning Policy and Transport. If this is forthcoming, the revenue spending proposals are affordable and overall the proposals have a modest negative impact on general fund reserves. In addition, the proposal to meet the cost of Park & Ride parking charges on Monday and Tuesday is subject to current County Council budget amendments which may have a beneficial impact on the proposed budget position [i.e. the County Council will cancel parking charges]. Total parking income may, however, be affected by general economic conditions, as noted in the BSR, Appendix D – Sensitivity Analysis.

- Spending proposal funded from New Homes Bonus (NHB)
 - Market Square Renewal
 - Planning Enforcement Support
 - Public Awareness Of New Country Parks
 - Awareness Of Public Art
 - Childrens’ Tree Programme
 - Community Facilities Database

- These proposals are currently affordable based on projections of NHB funding. However, these projections rely on the delivery of additional housing in line with the housing trajectory presented in the Annual Monitoring Report. The projections also assume no further changes to the basis of calculation of NHB funding. Considerable uncertainty still exists in this regard, with further consultations expected on limiting NHB funding where no Local Plan has been submitted and where houses are built following appeal. Furthermore, government may alter the deadweight percentage applied within the calculation, with knock-on effects on funding receivable. Therefore, there is a risk that there will be insufficient NHB funding to support this additional spending or that agreements may be made with partners which alters the spending priorities of this funding.

I therefore consider, in relation to the budget resulting from the application of this amendment, that the estimates for the financial year 2017/18 to be sufficiently robust and the financial reserves up to 31 March 2018 to be adequate.

**Caroline Ryba
Head of Finance and S151 Officer**

1. Inspection of papers

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

Author's Name:	Caroline Ryba
Author's Phone Number:	01223 - 458134
Author's Email:	caroline.ryba@cambridge.gov.uk