

Version 3  
For Council

# Budget Setting Report 2015/16



February  
2015

2015/16

Cambridge City Council

# Version Control

	Version No.	Revised version / updates for:	Content / Items for Consideration
—	1	Strategy & Resources Scrutiny Committee (19 January 2015)	Initial budget overview and budget proposals
		The Executive (22 January 2015)	Proposals of The Executive
—	2	Special Strategy & Resources Scrutiny Committee (13 February 2015)	Amendments to Executive proposals Opposition budget amendment proposals
Current	3	Council (26 February 2015)	Final Proposals to Council Incorporating updates relating to; <ul style="list-style-type: none"> <li>- Final Local Government Finance Settlement 2015/16 and grant determinations</li> <li>- Director of Resources final Section 25 report</li> </ul>
—	4	<b>Council (Final)</b>	Approved Budget Setting Report incorporating <ul style="list-style-type: none"> <li>- Decisions of Council</li> <li>- Appendix B Council Tax Setting following receipt of County Council, Police and Fire Authority precepts</li> </ul>

## Anticipated Precept Setting Dates

Cambridgeshire Police and Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council
28 January 2015	12 February 2015	17 February 2015

# Contents

Section No.	Topic	Page No.
	Foreword by the Leader of the Council and the Executive Councillor for Finance and Resources	
1	Introduction	1
2	Local and National Policy Context	3
3	Public Budget Consultation	9
4	General Fund Resources	13
5	General Fund Revenue Budgets	28
6	General Fund revenue and funding 2014/15 to 2019/20	34
7	Capital	35
8	Risks and general reserves	43
9	Future strategy and recommendations	47
10	Section 25 Report (Council version only)	50

# Appendices

Reference	Topic	Page No.
A(a)	Council Tax base 2015/16	54
A(b)	Council Tax setting 2015/16	55
B(a)	Detailed revenue proposals - pressures	57
B(b)	Detailed revenue proposals - savings	62
B(c)	Detailed revenue proposals – PPF bids	74
B(d)	Detailed revenue proposals – external / earmarked bids	76
B(e)	Detailed revenue proposals – non-cash limit items	79

Reference	Topic	Page No.
C	Sensitivity analysis	83
D(a)	Capital plan – proposals	86
D(b)	Capital proposals requiring funding from revenue resources	94
D(c)	Capital plan	97
D(d)	Capital plan – Projects under Development (PUD) list	101
D(e)	Capital plan – Hold list	103
E	Earmarked funds	104
F	Equality Impact Assessment	107
G	Significant events	123
	Contacts	124

# Foreword by the Leader of the Council and the Executive Councillor for Finance and Resources

This budget heralds a major shake-up of the way this council manages its finances. It aims to utilise the extensive resources that we possess to much better effect, in order to put the council on a sound financial footing in the years to come. It meets the annual savings target, while also making a very substantial contribution to finding the necessary savings for the next two years, without compromising our frontline services. It manages to do this while also freeing up resources to invest in our strategy to make Cambridge a fairer and more equal place, as well as improved transport and infrastructure. It does this by accelerating our business transformation strategy while carefully investing in the city's future, utilising funds freed up from our earmarked reserves and our capital programme in order to convert them to revenue streams.

The financial context is well-known, but it bears repeating. There appears to be no end to the national austerity agenda, and cuts to our Revenue Support Grant are projected to continue at a rate of roughly 13% per annum. This has resulted in the substantial savings target of £1.225m in 2015/16, and £6m over five years, targets which are effectively increased by a wide-range of unavoidable revenue pressures that have emerged in the course of the budget process. This presents a formidable financial challenge.

Our strategy for meeting this challenge has been partially focussed on earmarked reserves and the capital plan.

Our overall level of earmarked reserves has been extraordinarily high by any standards, standing in October this year at £24m. This is well over 100% of annual net General Fund revenue spending, and far higher than any comparable local authority in the East of England. Most of these balances have languished for years, largely unused, earning negligible amounts of interest in bank deposits. This budget advocates freeing up, in total, £12.1m of these reserves in order to invest in future income streams, as well as reducing ongoing contributions to contribute to required revenue savings.

Most significant has been the review of Repair and Renewal Funds, the balance of which reached approximately £14m at the end of the 2013/14 financial year. The existing process, whereby managers have discretion to spend on Repairs and Renewals, from unscrutinised balances and yearly contributions, with limited transparency, has not been working for

some time. The review of this fund contained in this report will result in far greater and more transparent financial processes while retaining £1m per annum to support capital funding and significant sums to ensure that our assets are maintained. It will do this while freeing up £9.4 m in balances and, in net terms, £692k of ongoing contributions per year.

This budget also substantially reviews our capital plan. In recent years, the council's capital plan has become seriously deficient in terms of its processes. Many projects and schemes have been placed on it with little or no methodology behind the costing, without plans or business cases. As a result, our capital plan has become massively bloated while delivery has not lived up to expectations. This budget contains the results of the first stage of our review of this programme. Important priorities, such as the Environmental Improvement Programme and the Cycleways Programme, will be protected while projects without a clear business case will be put onto a 'pending further work' list. That way, officers will be able to go and do the proper work required to make delivery of these projects a success, with projects returning to the capital plan when they are ready to be delivered. This will free up considerable capital resources, of approximately £3.1m in the first year, while allowing for improved delivery. It heralds a major change in approach, whereby in future capital projects will be subject to improved financial discipline and will be funded in a more realistic way, including from considerable future capital receipts.

These reviews allow us to make considerable investments to support services and minimise the need for cuts. As well as gaining the income from a £10m Treasury Management investment in the CCLA Local Authorities' Property Fund, there will also be an £8m investment in the council's own property portfolio. These two moves will produce income of £650k from 2016/17. In addition, an 'Invest for Income' fund will be set up. This will give the council the capital resources to invest in a wide range of other opportunities that are emerging, particularly in the area of General Fund residential property. These moves will represent a radical optimisation of the use of our resources to greatly protect our services in future years.

In addition, the budget provides for major new initiatives emerging from the Business Transformation programme. This will allow us to realise a wide range of savings from shared services such as ICT and Legal Services, as well as in terms of our own back-room support services. These changes will involve significant challenges, and will not be easy in some cases. They will require sensitive management and consultation. However, they will allow us to become a far more efficient organisation that can meet the financial challenges while continuing to provide high quality services to our residents.

This strategy has allowed us to provide for investment in a range of areas. Firstly, we will be investing £1.5m in transport to mitigate the impacts of the A14 scheme. This funding will be sensibly phased in future years in order to meet our commitments to partners in a timely fashion. The budget also commits a considerable portion of projected future New Homes Bonus receipts to investment in the City Deal programme. This funding stream, although not secure, will thereby be utilised without impacting on our internal financial stability. If it is reduced in future years, it will be reflected in the funding available for the City Deal rather than our own revenue commitments.

Our prudence will also allow us to fund other commitments. Firstly, a large lump sum will be placed into the Sharing Prosperity Fund, to provide funding for a range of immediate projects designed to provide the next step in implementing the results of our draft Anti-Poverty Strategy. These include:

- Rent relief for Cambridge City Foodbank
- A Citizens' Advice Bureau pilot project to provide advice at East Barnwell GP's surgery
- Funding for free swimming lessons for disadvantaged children
- Improved digital inclusion for low-income areas
- A Junior Savers' Project to support children to use credit unions and improve their financial management

Future responsibility for apportioning Sharing Prosperity Fund monies to projects designed to tackle poverty will be devolved to the same scrutiny committee/executive councillor arrangement currently already used for similar initiatives. Once the final Anti-Poverty Strategy is published, a round of further projects to implement its recommendations can be considered in this way.

We are also able to find the funds to support a range of other projects, including:

- Funding for a Domestic Violence Co-ordinator, to aid the move towards 'White Ribbon' status
- A new youth engagement project, to involve young people in the running of their city
- Resources for greater enforcement against bad landlords in the Private Rented Sector
- Continuation of our Empty Homes initiative, to bring empty homes back into use

- Support for employees to deal, with the help of trade unions, with the range of issues emerging from our transformation programme

In summary, this budget is perhaps the most far-reaching and transformational for many years. In this budget, the Council is addressing a wide range of financial opportunities that have gone to waste for years. It delivers an overall three year plan to balance Cambridge City Council expenditure and income despite a further 2015 Government cut in Revenue Support Grant on top of earlier funding cuts since 2011, and prepares the city in case there is no Government Revenue Support Grant by 2020, down from over £10m before 2010.

It will allow us to deliver on the Council's four objectives:

- protecting core services that residents need and value and ensuring fairness
- transforming how we deliver services, working with our committed staff team and other partners
- targeting scarce resources to help people who need help and to meet the needs of most vulnerable
- making best use of all our assets, reinvesting all available Council resources to maximise financial return and benefits for city residents, and make existing assets work harder too

By doing the hard work to examine how we can better use our resources, invest for the long-term, and improve our financial discipline, we will now be able to seriously address the need for big financial savings while not hitting the vulnerable. It will require more careful management, a more enterprising attitude, and clearer processes. It will, in short, be a challenge. In the long-term, however, it will protect our residents against the impact of the government's austerity programme and allow us to continue to do far more than an 'average' district council, particularly in the crucial area of fighting against poverty and inequality. It is an ambitious budget as well as a prudent one, but it is only by a combination of such ambition and prudence that we will be able to stick to the principles and purposes that this administration was elected to enact: social justice and equality.

Cllr Lewis Herbert, Leader

Cllr George Owers, Executive Councillor for Finance and Resources

# Section 1

## Introduction

### Purpose

The Budget Setting Report (BSR) is designed to provide an integrated view of the Council's finances and outlook. It covers General Fund revenue and capital spending, highlighting the inter-relationships between the two, and the resultant implications. Detailed budget proposals for the Housing Revenue Account are presented and considered separately from this report.

On 6 November 2014 the Council approved the Mid-year Financial Review (MFR). The MFR set out the financial strategy for the Council in light of local and national policy priorities, external economic factors and the outlook for public sector funding. The MFR also reviewed key assumptions and risks, thereby confirming the framework for detailed budget work for 2015/16 and beyond.

The BSR reviews the impacts of developments since the MFR and sets the financial context for the consideration of detailed recommendations and budget finalisation to be made at Council on 26 February 2015. The document proposes a detailed budget for the next financial year, and indicative budget projections for the following four years.

### Background

The financial planning context for the BSR is set by the MFR. This identified a total net savings requirement of £5.966m over the next 5 years, after taking into account £576k of pressures and £651k of savings identified at that time.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Net savings requirement	1.225	1.323	0.798	1.073	1.547	5.966

These savings requirements stem from the expectation of significant reductions in Government funding, unavoidable cost increases, and pressures arising from reductions in income projections in commercial property. Whilst the council has a record of identifying and delivering savings through service reviews and value for money improvements, it is expected that savings achievable by these means will reduce over time as services become leaner and more cost effective.

As a result, the Council has embarked on a long term programme of transformation of the way it delivers services and interacts with residents, tenants and other parties. The programme has dual aims; to develop a new style and shape of organisation, fit for the changing operating environment; and to ensure that the council is able to deliver the savings required in the longer term. The programme is based on four themes, which run through the budget strategy and inform the detailed budget proposals. These four themes are:

- Protecting the key services that residents value the most
- Transforming how we deliver services
- Delivering inclusive and easy to use services, targeting our services also to meet the needs of the most vulnerable
- Making the best use of all our assets

The MFR also proposed reviews of earmarked reserves and the capital plan, with a view to identifying resources that could be put to better use and ensuring that the underlying financial planning, control and management processes are efficient and effective.

## Key dates

The key member decision-making dates are as follows:

Date	Task
<b>2015</b>	
19 January	Strategy and Resources Scrutiny Committee considers BSR
22 January	The Executive recommends BSR to Council
13 February	Special Strategy and Resources Scrutiny Committee considers any budget amendment proposals
26 February	Council approves the budget and sets the Council Tax for 2015/16

# Section 2

## Local and National Policy Context

### Local policy context

The local policy context and priorities for the Council are agreed each year through the adoption by Council of an Annual Statement. The Annual Statement for 2014/15 was approved in June 2014, and can be accessed on the Council's web site at:

<http://tinyurl.com/pohd76s>

The political leadership of the council changed from Liberal Democrat to Labour as a result of the election in May 2014. The 2014 Annual Statement therefore reflects policy commitments from the Labour Party manifesto. As a result, some changes were made to the Council's spending plans, as approved in the February 2014 Budget Setting Report. These included the setting up of the Sharing Prosperity Fund and the Fixed Term Priority Projects Fund and various small changes in the distribution of revenue funding. These changes were approved by Council in July 2014.

The MFR included a foreword by the Leader of the Council and the Executive Councillor for Finance and Resources which supplemented the Annual Statement by setting a direction of travel for the Council which responds to the future financial outlook. This is reflected in the detailed framework for the budget work.

### Review of Demographic Factors

Demographic factors impact on the Council's financial strategies in terms of their effect on the level of demand for services, the specific types and nature of services and the income available to the Council through Council Tax. Previously total population was also a key influence on the Council's entitlement to Government funding in terms of both formula grants and share of the national business rates pool. However, the current Government methodology for funding distribution has effectively broken this link.

Given the level of growth projected for the City over the medium term this change to the annual funding distribution by Government is significant as it has created a time lag

between any recognition of increased costs and the periodic re-basing of the funding mechanism (initially after 7 years and thereafter every 10 years).

## City Deal

The City Council, in partnership with Cambridgeshire County Council, South Cambridgeshire District Council, The University of Cambridge and the Greater Cambridge Greater Peterborough Enterprise Partnership, has been working on a City Deal with central government since autumn 2012. The deal was signed in June 2014 and promises significant additional investment in the Greater Cambridge area in respect of transport infrastructure. Specifically, it includes the following commitments:-

- Up to £500m of grant funding from central government for infrastructure, to be released in three tranches subject to achieving certain outcomes
- Flexibility over Skills Funding Agency spending to meet local business needs
- Joint decision making between the local partners on the infrastructure projects, strategic planning powers and other matters
- Pooling of powers and funding into a combined authority, subject to legislative changes and subsequent process; and creation of a joint committee to provide for joint decision making in the interim before a combined authority can be created
- Joint work between the partners to explore the business case for joint vehicle to deliver affordable housing
- Delivery of 1,000 additional affordable homes on rural exception sites

The joint committee will be established from January 2015 onwards.

The Council, with the other local authority partners, have agreed to create an Infrastructure Fund from a proportion of New Homes Bonus (NHB). As a result of this, the BSR considers the application of funds from NHB, but earmarks part of future uncommitted funding in line with the expected levels of contribution to the fund. This is covered further in Section 4, below.

# National Policy Context

## The 2014 Autumn Statement

The Government published the Autumn Statement on 3 December 2014. The national economy and global economic climate continue to drive Government policy and decisions on public spending.

The Office of Budget Responsibility (OBR) in their Economic and Fiscal Outlook, published alongside the Autumn Statement, predicts that GDP will grow by 3.0% this financial year, and that unemployment will reduce to 6.0%. However, tax revenues have not matched this improvement, leading to an expected deficit of £91.3bn, about £6bn higher than expected at the start of the year. The deficit is not now expected to be eliminated until 2018/19.

Based on the government's latest plans, the UK is in the fifth year of a projected 10-year fiscal consolidation. Relative to GDP, the budget deficit has been halved to date, mainly due to lower departmental and welfare spending. The remaining consolidation will be delivered principally through reductions in the running costs of public services. Between 2009/10 and 2019/20, spending on public services, administration and grants by central government is projected to fall from 21.2% to 12.6% of GDP. Around 40% of these cuts would have been delivered during this Parliament, with around 60% to come during the next. The implied squeeze on local authority spending is similarly severe.

The Statement contained a number of items which are relevant to consideration of the BSR:

- The small business rate relief scheme and the 2% cap on business rate increases will be extended for another year from April 2015. Retail premises in England with a rateable value of up to £50,000 will get an increase in business rates discount from £1,000 to £1,500. As in 2014/15, it is expected that these reductions in business rates will be made good by S31 grants.
- The Chancellor also announced an extensive review of business rates, to report before the budget in 2016. The terms of the review are not clear. In its letter of 4 December, the DCLG said "The review will not consider changes to the principle that some of the revenue from business rates should directly fund local government. It will fully consider

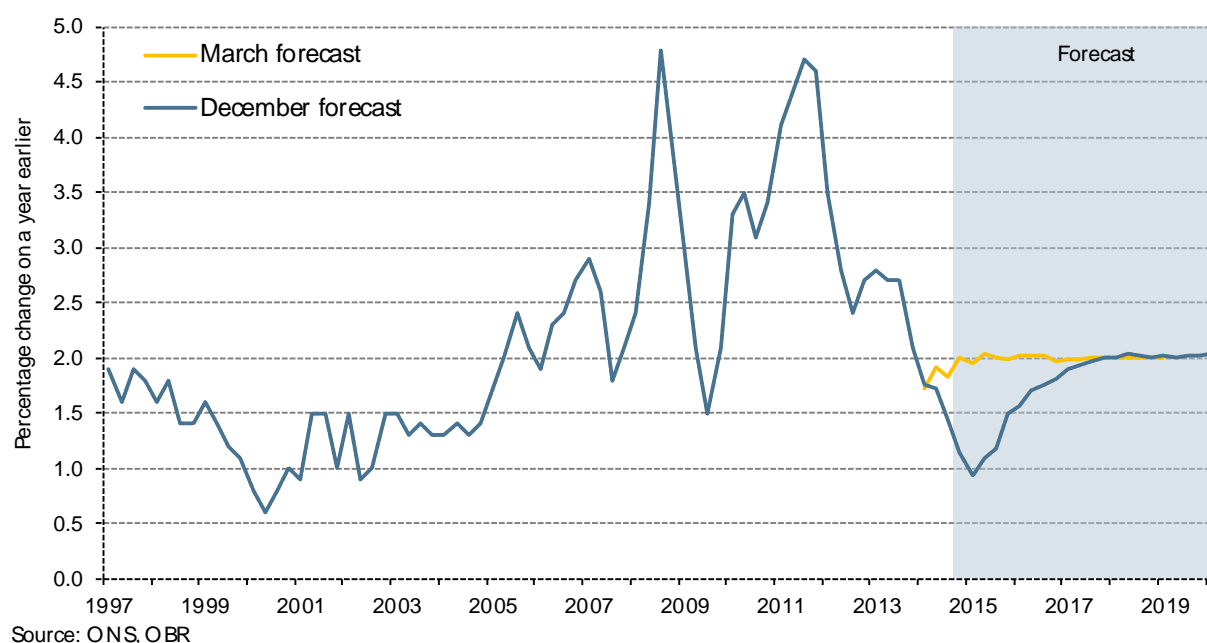
the impact on local government funding of any changes to the structure of business rates." This appears to imply that business rates will be retained, rather than replaced with an alternative funding stream. However, there is a risk that any changes will be redistributive, making future financial planning more difficult. Any impact is likely to occur in 2017/18 at the earliest.

- No additional funding cuts have been announced for local government at this stage. However, the risk of reductions remain, particularly if safety net funding within the business rates retention scheme requires replenishing
- The Government has committed to giving local authorities indicative multi-year budgets as soon as possible after the next spending review.

## Inflation and Growth

The OBR has revised its forecasts for GDP growth upwards to 3.0% for this year, 2.4% next and well above 2.0% thereafter. This contrasts with its forecasts across the world as a whole, but particularly in the euro area, the UK's largest export market. Unemployment is expected to fall rapidly to just above 5% and wage growth to return. Their inflation forecast is for CPI to remain below the Bank of England's 2% target until 2017.

### CPI inflation forecast



## Interest Rates

Interest rates are set by the Bank's Monetary Policy Committee. The MPC sets an interest rate it judges will enable the inflation target to be met. In August 2013, the MPC issued Forward Guidance intended to maintain a highly stimulative stance until economic slack had been substantially reduced. In particular, the guidance stated that the MPC did not intend to raise Bank Rate from its current level of 0.5% at least until the Labour Force Survey headline measure of the unemployment rate has fallen to a threshold of 7%.

On 12 February 2014, as unemployment approached 7%, the MPC made a further guidance statement on the setting of monetary policy once the unemployment threshold had been reached:

"The MPC sets policy to achieve the 2% inflation target, and, subject to that, to support the Government's economic policies, including those for growth and employment. Despite the sharp fall in unemployment, there remains scope to absorb spare capacity further before raising Bank Rate. When Bank Rate does begin to rise, the appropriate path so as to eliminate slack over the next two to three years and keep inflation close to the target is expected to be gradual. The actual path of Bank Rate over the next few years will, however, depend on economic developments. Even when the economy has returned to normal levels of capacity and inflation is close to the target, the appropriate level of Bank Rate is likely to be materially below the 5% level set on average by the Committee prior to the financial crisis. The MPC intends to maintain the stock of purchased assets at least until the first rise in Bank Rate. Monetary policy may have a role to play in mitigating risks to financial stability, but only as a last line of defence if those risks cannot be contained by the substantial range of policy actions available to the Financial Policy Committee and other regulatory authorities."

Latest projections for interest rates from the Council's treasury management advisors (Capita) now expect the first anticipated rise in base rate (an increase to 0.75%) in June 2015. At MFR stage a change in bank rate was anticipated in January 2015.

	Now	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Mar-18
<b>Bank rate</b>	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.50%
<b>3 month LIBID</b>	0.50%	0.50%	0.60%	0.80%	0.90%	1.10%	1.30%	1.40%	1.60%	1.90%	2.10%	2.10%	2.60%

	Now	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Mar-18
<b>6 month LIBID</b>	0.65%	0.70%	0.80%	1.00%	1.10%	1.20%	1.40%	1.50%	1.80%	2.00%	2.20%	2.30%	2.80%
<b>12 month LIBID</b>	0.93%	0.90%	1.00%	1.20%	1.30%	1.40%	1.70%	1.80%	2.10%	2.20%	2.30%	2.40%	3.00%
<b>5yr PWLB rate</b>	2.40%	2.50%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.50%
<b>10yr PWLB rate</b>	3.00%	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%	4.20%	4.30%
<b>25yr PWLB rate</b>	3.70%	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	5.00%
<b>50yr PWLB rate</b>	3.70%	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	5.00%

# Section 3

## Public Budget Consultation

### Context and approach

The council selected the YouChoose online budget simulator this year as a basis for its budget consultation because it encourages members of the public to consider the services that should be a priority for the council when making spending decisions, where efficiencies might be made, and where income might be generated. The tool was originally developed by the London Borough of Redbridge, and is supported by the Local Government Association.

500 face-to-face household surveys were carried out using YouChoose during September and early October 2014. This approach was designed to achieve a representative sample of Cambridge residents. Interviews were evenly spread across all wards in the city and people were assisted to complete the YouChoose budget simulator by the interviewers. The consultation was also available on the Council's website.

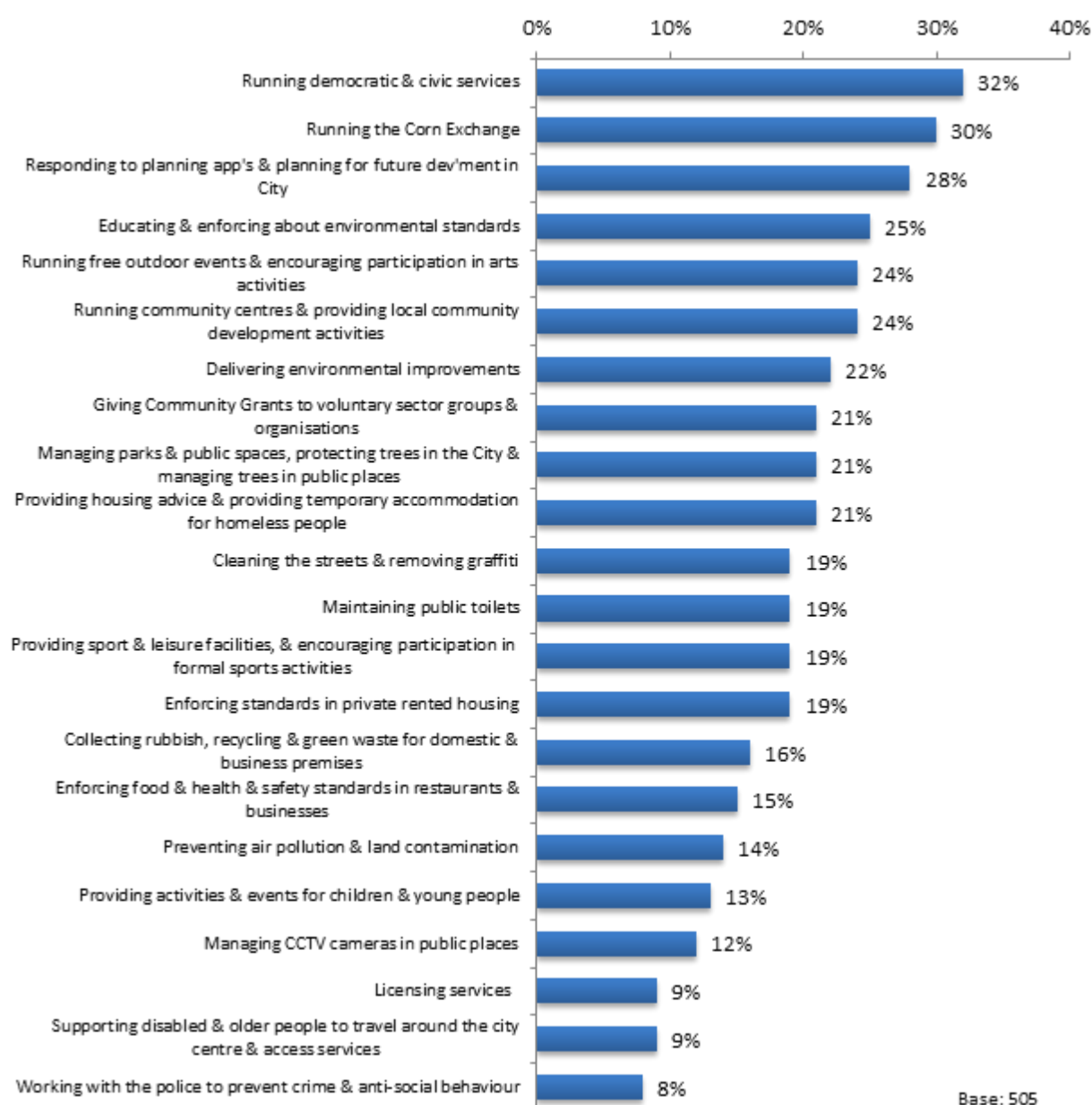
A total of 22 council services were included. These services were selected because there were opportunities for the council to make changes or do things differently with them. This is consistent with the approach adopted in the council's 2013 budget consultation. The cost of support services were factored into the total costs for each of the 22 services, to ensure that, as far as possible, they represented the true costs of delivering these services.

To maximise the realism of the exercise, participants were asked to identify a net minimum total of **£6 million of saving** across all the service areas included in the budget simulator. This total reflects the council's current savings target for the next five years. Participants could also suggest the amount that the council should increase or reduce Council Tax, but participants could not increase the level of Council Tax above 2%.

# Key consultation findings

Participants in the representative sample suggested spending reductions across all 22 service areas, reducing budgets by between 8% and 32%. Participants reduced the budget for **running democratic and civic services** by the greatest proportion (32%), followed by **running the Corn Exchange** (30%). The lowest average budget reductions were suggested for **working with the police to prevent crime and anti-social behaviour** (8%), followed by **licensing services** (9%) and **support for disabled people to travel around the city centre and access services** (9%).

## Reduction in spending from starting values



The highest average reduction in starting values suggested by participants was from environmental services, **responding to planning applications and planning for the future development of the city (£699,922)**, followed by **managing parks and open spaces and protecting trees in the city (£503,691)** and **collecting rubbish, recycling and green waste from domestic and business services (£493,362)**.

#### Average reduction (£) in spending from starting values



Services with larger starting budgets can be reduced by greater amounts in financial terms, than those with smaller budgets. However, the reduction will be proportionately smaller (i.e. smaller in percentage terms), than a reduction of the same financial amount from a smaller budget. Environmental services had amongst the highest total starting budgets of the 22

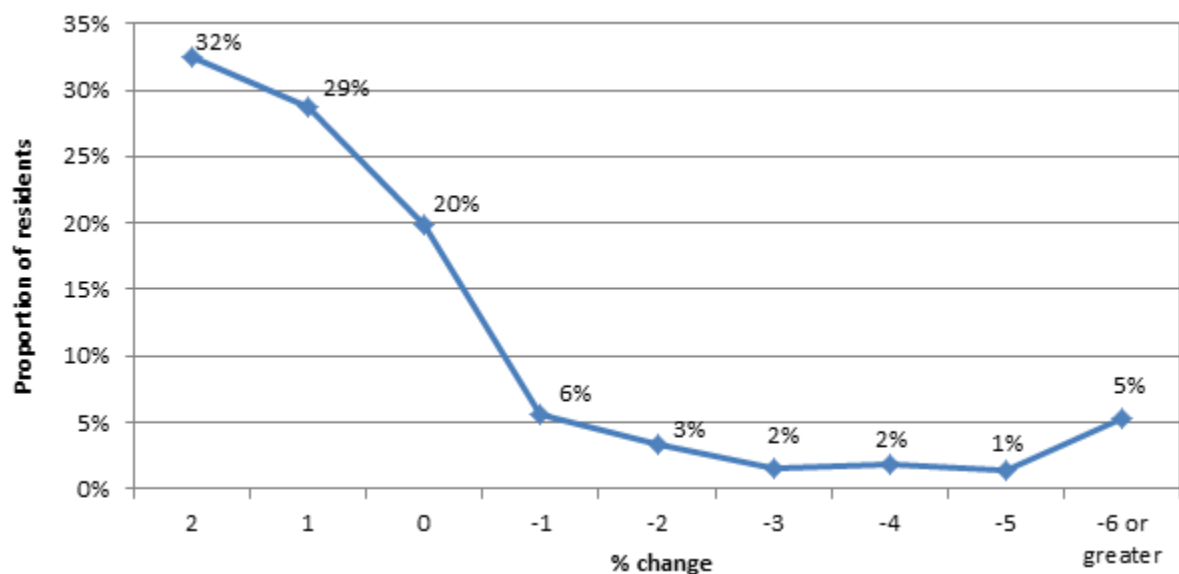
services, so the higher suggested reductions perhaps reflects the fact that participants could identify larger monetary savings by reducing the budgets of these services, in comparison to reducing the budget of smaller services by the same proportion.

Within the YouChoose budget simulator, participants were able to increase council revenues to off-set budget reductions. It was found that participants preferred generating extra income from commercial property owned by the council, rather than raising charges for the use of council services.

Participants were also able to off-set budget reductions through council efficiency savings across a number of suggested areas. It was found that 88% supported developing shared services with other local authorities; 77% supported looking at alternative ways of delivering services; 74% supported changing the way services are accessed; and, 55% supported reducing capital spending.

Finally, participants were able to balance the Council's budget by increasing or decreasing Council Tax. Increases were limited to 2% in line with Council Tax referendum thresholds. Overall 61% of participants chose to adjust the You Choose budget to meet a 1% or 2% increase in Council Tax, no higher increases were allowed. 20% selected a 0% increase and the remaining 19% chose to adjust the You Choose budget simulator to create a saving on Council Tax.

#### Percentage Council Tax change



Further detailed analysis of the results of the budget consultation is available in the independent report produced by MEL, which can be found on the Council's website at: <https://www.cambridge.gov.uk/budget-consultation>

# Section 4

## General Fund Resources

### Local Government Finance Settlement 2015/16

The Final Finance Settlement published on 12 February 2014 gave illustrative figures for 2015/16. These were included within BSR 2014 and MFR 2014. No indications were given for 2016/17 and beyond, therefore the MFR assumed that the level of Settlement Funding Assessment (SFA) continued to reduce at a similar rate to that over the last two years until the entire Revenue Support Grant (RSG) has been removed.

The final Local Government Settlement was announced on 3 February 2015 which resulted in additional funding of £150 when compared to the provisional settlement announcement.

As part of the final settlement announcement the Government has determined the Council's spending power for 2015/16 to be as follows:

Element of revenue spending power	2014/15 £000	2015/16 £000	Change
Settlement Funding Assessment:			
- Revenue Support Grant (RSG)	4,311	3,013	(30.1%)
- Business rates baseline	3,804	3,877	1.9%
	<b>8,115</b>	<b>6,890</b>	<b>(15.1%)</b>
Community Right to Challenge Grant	9	-	-
Community Right to Bid Grant	8	-	-
2015/16 Council Tax Freeze Grant (indicative)	-	75	-
New Homes Bonus (NHB) Grant	3,376	4,963	47.1%
NHB – Returned Funding	13	13	-
Local Council Tax Support / HB Admin Subsidy	632	580	(8.2%)

Element of revenue spending power	2014/15 £000	2015/16 £000	Change
CT Support New Burdens Fund	77	23	(70.1%)
SFA adjustment	40	57	42.5%
Council Tax income	6,702	6,807	1.6%
<b>Spending Power</b>	<b>18,972</b>	<b>19,408</b>	<b>2.3%</b>

These figures imply an increase of 2.3% compared to a national overall reduction in spending power 1.8%. Government projections are based on assumptions relating to Council Tax yields and the freezing of Council Tax levels (hence that Freeze Grant will be payable). The increase also implies that NHB income at the quoted level is available to fund standard spending by local authorities into the future.

MFR 2014 assumed a SFA of £6,901k. The final settlement is £11k, or 0.2% lower than this.

As expected, due to the impending General Election in May 2015, the final settlement gives no indication of funding levels beyond 2015/16.

## Future prospects

Although there are positive signs of recovery within the economy as a whole, the rebalancing exercise that the Government had committed to has not delivered the expected reductions in the deficit. It would therefore appear highly likely that there will be continued pressure on core funding for local authorities throughout the period of the next Parliament, with little scope for change to public spending plans relating to District Councils.

Our modelling of SFA over the budget period is shown in the table below, and is based on the following assumptions:

- the level of the SFA continues to reduce at a rate similar to that over the last two years until such time as all of the Revenue Support Grant (RSG) element has been removed (effectively a 13% reduction on SFA in each of the 4 years from 2016/17)
- this is the limit of the ability to reduce Government support under the current funding mechanism
- there will be no net increase in entitlement through the locally retained share of Business Rates

It does not allow for the potential for a new funding mechanism to be introduced once local authorities reach a point where their RSG is zero, although this may be considered by Government at some point in the future.

	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
SFA projection	6,004	5,224	4,545	3,954

## **Local Retention of Business Rates**

The Settlement Funding Assessment (SFA) approach enables local authorities to benefit directly from supporting local business growth. The assessment includes a baseline level of business rates receivable (indexed linked from an initial assessment in 2013/14) with the level of rates receivable above that being taken by Government as a 'tariff' – which will be used to 'top-up' local authorities who would receive less than their funding level. Government intends that this will be fixed until 2020.

In addition, the Council can retain 50% of any business rates collected above the assumed baseline level, paying the remainder to central government as a 'levy'. If business rates income falls to less than 92.5% of the baseline, the Council receives a 'safety net' payment so that any loss of income below the baseline is capped at 7.5%

One of the challenges faced by all authorities is effectively predicting the level of movement in the business rate tax base. This is dependent on accurately forecasting the timing and incidences of new properties, demolitions and significant refurbishments – together with the consequent effect on valuations. This is further complicated by the need to assess the level of appeals that will be lodged successfully against new / revised valuations, together with their timing.

2013/14 was the first year of operation of the business rates retention scheme. The requirement to make provision for appeals (including backdating) as at 31 March 2014 meant that the Council was due a 'safety net' payment in respect of 2013/14. This provision was significantly impacted by a number of appeals on properties with significant rateable values (close to or exceeding £1m) and estimated reductions of rateable value exceeding 20%.

Whilst the appeals position remains difficult to forecast accurately, now that an appeals provision has been established ongoing impacts should be less significant. Furthermore, the

government announced in the Autumn Statement that business rate payers will not be able to appeal against the 2010 valuation list after 31 March 2015. However, forecasting the effects and timing of new development and redevelopment on the city's tax base remains difficult. For example, where larger commercial properties are converted to student accommodation, they are no longer liable for business rates.

The overall position is currently projected to reflect additional net income above the baseline of £670k in 2014/15 and £800k from 2015/16.

The government announced a review of the future structure of business rates in the Autumn Statement to report by Budget 2016. The government has indicated that the review will be consistent with the agreed financing of local authorities.

### **New Homes Bonus**

The final allocation of NHB for 2015/16 was announced by the DCLG on 30 January and formed the basis for BSR 2015/16.

Forward projections of NHB entitlement are set out in Section 5.

Given the uncertainty about the continuation of this scheme in the longer-term the Council has adopted a prudent approach by putting the uncommitted portion of the funding received into an earmarked fund so that its use can be effectively considered in terms of fixed-period funding requirements. The section on earmarked funds below contains further detail on the planned use of these funds.

## **Earmarked and specific funds**

In addition to general reserves, the Council maintains a number of earmarked and specific funds held to meet major expenditure of a non-recurring nature or where the income has been received for a specific purpose but not yet spent. Details of opening and closing balances, with approved/anticipated use over the budget period are set out in Appendix E.

### **Review of earmarked and specific funds**

A review of the purpose and use of these funds was proposed in the MFR. The objectives of the review were:

### **Objectives of the review**

- To support the budget setting process by identifying revenue savings and releasing reserve balances no longer required
- To identify one-off funding to meet future savings requirements whilst longer term savings are delivered
- To identify funding to be used to pump prime transformation, improvement and savings projects
- To streamline financial processes and promote prioritisation of spend, flexibility, accountability and transparency

On 20 October 2014, Strategy and Resources Scrutiny Committee received a report describing the types of balance, the purpose of each type, and total amounts held by type. The report proposed, and the Executive Councillor approved, principles to be applied to each balance, as follows.

### **For all balances except repairs and renewals funds, and where there is no statutory, accounting or policy requirement for the reserve**

- Where balances are uncommitted, they will be moved to general reserves and the reserve closed as soon as all commitments are spent.
- Where there are regular contributions, these will be taken as savings unless it can be shown that the expenditure is still required. If this is the case, the required amounts will be retained within the budget, for spending within the year.
- Where expenditure in a year is expected to vary above any regular annual amount, budget holders will be expected to submit budget proposals for prioritisation.
- Where commitments are no longer required, the amounts will be returned to general reserves.

### **For repairs and renewals funds, following a more detailed analysis of contributions and usage**

- Committed balances will be reviewed as part of the review of the capital plan and processes.
- Where contributions support revenue expenditure that is still required, they will be retained within budgets for use within the year.
- The treatment of other contributions and existing balances will be based on the characteristics of the capital expenditure intended to be supported by balances. The default will be to return uncommitted balances to general reserves and take the

contributions as savings. Future capital expenditure will be allocated through the budget setting process, based on the prioritisation of available funding.

The following recommendations are made In line with these principles.

#### **Repairs and renewals (R&R) funds – recommendations**

R&R funds will be retained for the replacement of vehicles. This will support the flexible management of replacement cycles in response to maintenance requirements on a vehicle by vehicle basis. Existing balances and contributions have been adjusted to ensure that sufficient, but not excessive amounts are available.

R&R balances attributable to Bereavement Services will be transferred into their trading account, to be used to fund their investment programme, as approved at Community Services Scrutiny Committee on 16 October. Contributions in excess of those required to fund the investment programme have been taken as a saving.

All other uncommitted R&R funds will be moved to general reserves and future capital expenditure will be allocated through the budget setting process based on the prioritisation of available funding.

R&R balances committed through the capital plan will be examined during the review of the plan.

Annual contributions will be redirected into repairs, maintenance and minor replacement budgets for redecoration, furniture and PC peripherals together with a contingency budget to act as a safety net in 2015/16 only. £1m will be used to provide direct revenue funding for capital expenditure, replacing approximately two thirds of average, annual non-vehicle capital spend from R&R over the last five years.

The financial impact of these proposals, based on estimates for balances at 31 March 2015 and 2015/16 contributions, is summarised below:

<b>Annual General Fund R&amp;R contributions</b>	<b>£000</b>	<b>£000</b>
<b>Existing</b>		
Budgeted service contributions		2,981
Vehicle fleet contribution		776
		<b>3,757</b>
<b>Proposed</b>		
Annual R&R contribution converted to maintenance sum	800	
Contingency budget for maintenance spend	80	
Furniture/redecoration annual sum	20	
PC/screen replacement annual sum	15	915
R&R contribution (refuse vehicles)	500	
R&R contribution (non-refuse vehicles)	500	
R&R contribution (Bereavement Services)	150	1,150
Direct Revenue Financing Sum		1,000
		<b>3,065</b>
<b>Estimated annual saving</b>		<b>692</b>

<b>R&amp;R balances</b>	<b>£000</b>
Estimated uncommitted balance at 31 March 2015	10,947
Fleet (refuse vehicle) balance to be retained	(1,020)
Balances to be transferred to Bereavement Services Trading Account Trust (estimate, dependent on spend to 31 March 2015))	(440)
Balances to be transferred to Arts Trust (estimate, dependent on spend to 31 March 2015))	(100)
R&R Funds to be returned to General Fund/earmarked for different purpose	<b>9,387</b>

#### **Other specific and earmarked funds – recommendations**

- The major policy-led funds, Sharing Prosperity and Climate Change, will be retained.
- The governance procedures for the Sharing Prosperity Fund will be amended so that spending can be approved during the year, not just through budget processes, as at present. Approval processes will be proportionate to spending proposals.

- The uncommitted balances on the funds in the table below will be moved to general reserves, and the funds closed when all committed balances are spent.
- Regular contributions will be returned to budgets to support expenditure that would have been made from the funds. No contingency budget is proposed, as regular spending from these funds is small and it is expected that variations will be managed within existing budgets.

<b>Earmarked or specific fund proposed for closure</b>	<b>Uncommitted balance (£000)</b>	<b>Notes</b>
Revenue contribution to capital schemes	110	Old balance, fund no longer in use
Major planning appeals	135	Cover appeals from general reserves as required
CPO balance	222	No longer required. > 6 years after sale of relevant property
Grand Arcade lease premium	211	Accounting complexity not required. Related income budget of £6k p.a. will be removed.
Pension Fund earmarked reserve	985	Capital contributions now included within budgets, so fund no longer needed
Project facilitation fund	34	Fund no longer in use. Fund any future requirements from revenue through budget processes
Fixed term priority project fund	135	Fund from revenue as required through budget processes
Rating revaluation appeals	5	Fund no longer in use. Fund from revenue as required
Mapping poverty research	7	Not being used. Fund from revenue as required through budget setting processes
Property strategy fund	11	Convert contribution to an on-going budget to support consultancy and feasibility work to develop the Council's property portfolio.
Council Tax earmarked for growth	160	Return contributions of £200k p.a. to core funding and fund growth requirements from there.
Keep Cambridge Moving Fund (A14 mitigation)	700	Funding not required until 2020. Proposal included in this report to provide from NHB in 2019/20 (or funded from General Fund, if necessary).
<b>Total</b>	<b>2,715</b>	

## **Existing Funds**

### **Asset Repairs and Renewals Funds**

These are maintained to fund major cyclical repairs and periodic replacement of assets. Annual contributions are based on estimated replacement and repair costs, spread over the anticipated life of the assets. Following the review, R&R funds will be kept for vehicles only, however a contribution of £150,000 will be made to the Bereavement Services Trading Account.

### **Climate Change Fund**

The fund is used to finance projects that will contribute to the achievement of the Council's vision of caring for the planet through climate change and carbon reduction measures. Activities to be supported include infrastructure, equipment, feasibility studies or promotional activities that contribute towards energy and fuel efficiency, sustainable transport, waste minimisation or management of climate change risks. This policy-led fund will be retained.

### **Council Tax Earmarked for Growth**

This earmarked fund was set up in recognition of the additional cost pressures which the Council faced as a consequence of significant growth in housing and population over the coming years. In future, these pressures will be funded from core funding, as for any other type of pressure, and this fund will be closed. Sources of core funding, such as Council Tax and Business Rates increase with growth, but with a time lag.

### **Developer Contributions**

These are contributions made by developers towards the costs associated with their developments, for example community infrastructure. The majority of the unspent contributions are held as capital contributions unapplied. Schemes funded from these monies, in part or in whole, will be brought forward as capital bids and subject to the review and scrutiny process applied to all capital schemes.

### **Development Plan Fund**

There is an ongoing need for the Development Plan Fund to enable the City Council to fulfil its statutory plan-making function. The Council was required to update its local plan by 2014. The draft plan is currently subject to public examination. The major investment

required means that it is prudent to accrue an appropriate sum over a period of years to meet costs that fall over a short period of time.

### **Efficiency Fund**

The fund is available for bids to support the delivery of savings to the General Fund through identified and agreed service reviews. The Chief Executive has delegated authority to consider and approve bids against this funding. Bids must be for one-off costs that are not funded from alternative sources. Priority is given to bids that offer the greatest level of ongoing savings. This fund will be retained.

### **New Homes Bonus (NHB) Reserve**

In light of the scale of additional funding projected to be available in future years, coupled with uncertainty as to the future funding source for this grant, uncommitted funds from NHB grant are held in an earmarked reserve enabling more effective consideration of their application. Forward projections of NHB are uncertain as they are based on estimated housing completions each year.

This funding supports work and projects which help the city accommodate growth in a sustainable way and with sensitivity to the city's character. As part of the budget process, use of NHB funding is being recommended in respect of bids to support capital investment in the city, investment with local authority partners through the City Deal and the delivery of other City Deal objectives. In previous years the Council's approach has been to commit funding at the point where each year's grant determination is confirmed. However, the substantial increase in the level of commitments represented by the contributions to investment and delivery has made it necessary to recognise future NHB income based on the latest available housing projections.

Cambridge house building projections, including the results of the Local Plan still to be adopted, are expected to peak in 2016/17. Therefore Cambridge NHB receipts, based on current formulae, are projected to decline significantly after 2022.

If less NHB is available in the future, the first call on this funding will be for existing Council commitments using NHB, including A14 mitigation. The planned future contribution to the City Deal will not be feasible if no NHB is available.

### **Pension Fund Reserve**

The reserve was created to address anticipated increases in employer contributions following the triennial review of the Pension Fund and outcomes of the fundamental

structural review of public service pension provision by the Public Services Pensions Commission, chaired by Lord Hutton.

The impact of the triennial valuation has now been fully included in budgets, therefore the remaining balance is no longer needed and will be released to general reserves.

### **Project Facilitation Fund**

The Fund was created to mitigate slippage in programmes and schemes contained within the Council's Capital Plan. Given the irregular nature and timing of major projects, the fund provided additional resources to ensure that these schemes and programmes could be delivered as planned.

As there have been no bids against this fund for two years, the balance will be returned to general reserves and the fund closed, as suggested in BSR 2014.

### **Property Strategy Fund**

The Council made annual contributions to the Property Strategy Fund, to enable consultancy and feasibility work to be undertaken to contribute to the ongoing development of the Council's property portfolio. The annual contribution will be converted to a budget from which such work can be funded, and the fund closed.

### **Technology Investment Fund**

This Fund was set up to facilitate investment in projects to develop existing, and introduce new, ICT systems and infrastructure. The fund will be fully spent by the end of 2014/15 and will be closed.

### **Keep Cambridge Moving Fund (A14 mitigation)**

Highway improvements to the A14 will enable vehicles to get to the edge of Cambridge more easily in future, potentially increasing congestion and creating unsustainable travel patterns. Mitigation measures will be considered in concert with the wider project.

The fund was to be deployed to leverage combined investment in a project or projects meeting our objectives, along with partners, including the County Council as highway authority, and the Department for Transport. It was anticipated that the Fund would focus on strategic transport proposals with objectives that would:

- ease movement of people and goods to/from and within the city;
- minimise the environmental impact of transport;

- form part of a sustainable transport strategy that minimises carbon emissions; and
- support the local economy.

It is now clear that these projects will not be required until 2020 at the earliest. Therefore it is intended to release the balance of the fund to general reserves, making it available to support other initiatives. This BSR contains a proposal to provide £1.5m to fund this work from NHB in 2019/20.

## **New funds**

### **City Deal Investment and Delivery Fund**

The Council has committed to pooling a proportion of gross NHB receipts with its local authority partners to provide funding to enable delivery of City Deal objectives which will support and address the impacts of growth. 40% of gross NHB receipts in 2015/16 and 50% thereafter will be placed into the fund. It is expected that the governance of the fund will be aligned with the governance of the City Deal, but the form of this is to be agreed.

### **Invest for Income Fund**

It is recommended that an Invest for Income Fund is set up with amounts released by the review of specific and earmarked funds and the capital plan review. Contributions of £8m over 3 years will be placed into the fund, with the purpose of investing to create income streams to support service delivery in future years. An investment programme will be developed, subject to appropriate scrutiny, with allocation of resources through the budget process.

# **Tax base and Council Tax**

## **Tax base**

The tax base is one element in determining both the level of Council Tax to be set and the amount it is estimated will be collected. Council formally agrees the tax base as part of the budget setting process, although in practice the responsibility is delegated to the Head of Finance to enable notification to be made to the major precepting authorities during January each year.

The tax base reflects the number of domestic properties in the City expressed as an equivalent number of Band D properties, calculated using the relative weightings for each

property band. The calculation of the tax base takes account of various discounts (for example a 25% discount for single adult households) exemptions and reliefs. Allowances are also made for the projected growth in the number of dwellings as well as including a deduction assumed for non-collection.

The tax base for 2015/16 has been calculated as 39,946.2 and details of its calculation are given in Appendix A(a) and will form the basis of the final approved level for tax setting and precepting purposes. This reflects a 3.3% increase in the tax base compared with 2014/15.

## **Collection Fund**

### **Operation of the Fund**

The Collection Fund is a statutory fund, maintained by billing authorities such as the City Council, into which income from Council Tax and Business Rates is recorded and out of which respective amounts set for the year, are paid to the City Council and precepting bodies.

### **Forecast position at 31 March 2015**

The Collection Fund for Council Tax is projected to have a deficit at the end of the current year of £536,459. The City Council's share of this projected year-end deficit is £60,333 and this will need to be taken into account in setting the Council's budget for 2015/16. The position for Business Rates was described in Section 3.

## **Council Tax thresholds**

Under the Localism Act, local authorities are required to hold a local referendum if they propose to increase Council Tax above the relevant limit set by the Secretary of State.

In recent years this threshold has been set at 2%. On 3 February 2015 the Government confirmed that this level would remain and that any authority setting an increase of 2.0% or more would need to hold a referendum.

The overall effect of the referendum requirements is such that a local authority would need to have reasonable expectation of public support for a level of Council Tax increase deemed to be excessive compared to the threshold, if acting in a prudent manner.

## Council Tax level

Financial projections of the Council Tax level made for the September 2014 MFR included the assumption of an increase of approximately 2% per annum from 2015/16.

It has been confirmed, through the Local Government Finance Settlement process that Freeze Grant will be paid to relevant authorities in 2015/16 where there is no increase over 2014/15 Council Tax levels. Ministers have indicated the intention that the grant will be included in the baseline Settlement Funding Assessment for future years. However, as noted above, the City has adopted the assumption that there will be significant reductions in the level of SFA under the next Spending Review.

Freeze Grant for the City of would be £78,604 in 2015/16, if the Council choose to freeze the 2015/16 Council tax level.

If the City was to freeze the level of Council Tax in 2015/16, instead of implementing the 1.997% increase originally proposed then the immediate effect would be a reduction in Reserves in 2015/16 of £59,610 (£138,214 less £78,604), reflecting the loss of Council Tax yield net of Freeze Grant.

This analysis, in the context of the current financial pressures facing the Council, makes it difficult to determine that the freeze scheme could be supported taking the medium-term view.

Projections incorporated in the BSR are, therefore, based on the Council not adopting the scheme to freeze the level of Council Tax for 2015/16. In light of the position with regard to the Council Tax threshold, as described above, the BSR incorporates a Council Tax increase of 1.997% p.a. in 2015/16.

Section 52Z of the Local Government Finance Act 1992 requires the authority to consider whether the relevant basic amount of Council tax for the financial year in question is excessive, based on the principles determined by the Secretary of State. As noted above, the threshold set for 2015/16 is that an increase is excessive where it is 2% or more than 2%, which means that the City's proposed increase would not be deemed excessive.

The table below shows the City Council element of Council Tax for 2014/15 for each property band together with the proposed levels for 2015/16:

	City Council Tax		
Band	2014/15 £	2015/16 £	Difference £
A	115.53	117.83	2.30
B	134.78	137.47	2.69
C	154.04	157.11	3.07
<b>D</b>	<b>173.29</b>	<b>176.75</b>	<b>3.46</b>
E	211.80	216.03	4.23
F	250.31	255.31	5.00
G	288.82	294.58	5.76
H	346.58	353.50	6.92

# Section 5

## General Fund Revenue Budgets

### Revised Budget 2014/15

General Fund revenue budgets for the current year (2014/15) were reviewed as part of the MFR. It should be noted that the revised budget includes carry forward approvals from 2013/14, and savings and unavoidable bids in the current year. No further adjustment of 2014/15 revenue budgets is proposed, as budgets are monitored monthly through the review of variances and forecast outturns, and management actions taken to ensure that spending is controlled and income optimised.

Direct revenue funding of capital (DRF) changes, identified through the MFR, resulting from the net re-phasing of capital expenditure from 2014/15 into future years are also incorporated in the updated Capital Plan and associated funding statement.

Revised budget items	2014/15 £000
MFR savings	(257)
MFR pressures	382
<b>Net effect on current year budget</b>	<b>125</b>

Additionally, the review of the current Capital Plan has led to the identification of a number of schemes where DRF can be released, see details in Section 7. If all these requests are approved the consequence for the revised 2014/15 budget would be a reduction in Direct Revenue Financing of £178k. The BSR projections assume that these requests are approved.

### Budget proposals

The General Fund revenue projections for 2015/16 to 2019/20 as presented in the MFR have been reviewed and changes proposed. Proposals have arisen from policy initiatives, service transformations, unavoidable increases in costs, savings opportunities, together with changes in estimates and assumptions.

The impact of these proposals is shown below. The detailed proposals are set out in Appendices B(a) and B(b).

## Performance against savings target

Savings targets	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
<b>MFR 2014 - Current Savings Target (new savings each year)</b>	<b>1,225</b>	<b>1,323</b>	<b>798</b>	<b>1,073</b>	<b>1,547</b>
Previous year savings not achieved / (over achieved)		(602)	-	-	-
<b>Revised savings target</b>	<b>1,225</b>	<b>721</b>	<b>798</b>	<b>1,073</b>	<b>1,547</b>
Impact on savings target - pressures - excluding additional PPF provision	1,680	270	305	383	511
Impact on savings target - pressures - additional PPF provision	38	16	-	-	-
<b>Revised savings target including pressures</b>	<b>2,943</b>	<b>1,007</b>	<b>1,103</b>	<b>1,456</b>	<b>2,058</b>
Impact on savings target - New deliverable savings found in year	(3,545)	(784)	(1,057)	(465)	(245)
<b>Savings still to be found</b>	<b>(602)</b>	<b>223</b>	<b>46</b>	<b>991</b>	<b>1,813</b>
<b>Savings found as a % of revised savings target</b>	<b>120.44%</b>	<b>77.83%</b>	<b>95.83%</b>	<b>31.94%</b>	<b>11.90%</b>

This shows that the savings target for 2015/16 should be achieved in year and more than £600k is expected to be contributed to future year savings. For the purposes of this table, it has been assumed that where there are savings still to be found they will be achieved in the year, and will not therefore roll forward to later years. It should be noted that the Council has embarked on a long term programme of savings and income generation, which will require an on-going focus on delivery. Work is already in progress to identify more projects to contribute to savings requirements going forward.

The table shows that the overall effect of the measures recommended in the BSR has:

- Resulted in a total level of net savings of £2.9m across the period from 2015/16 to 2019/20.
- Resulted in a net savings requirement of only £223k for the next budget year (2016/17), and £46k net savings requirement for the year after that. This provides a window of opportunity for the Council to deliver the transformational changes described elsewhere in this report.

## **Review of significant proposals**

### **Transformation programme savings**

A number of proposals reflect savings and costs arising from on-going and planned projects within the transformation programme. Projects include the creation of alternative delivery models, shared services and the exploitation of technology to support service delivery. Proposals are included once costs, savings and timescales can be assessed with reasonable certainty.

### **Review of earmarked and specific funds**

The MFR proposed a review of these funds, which is reported in Section 4. On-going savings of £892k are proposed as a result of this review.

### **Capital funding**

The Council provides revenue support for funding of the Capital Plan through base annual contributions (Direct Revenue Funding, or DRF). Given the current financial pressures faced by the Council, it is recommended that the policy of funding these existing DRF amounts from NHB (2015/16 and 2016/17) is extended for the remaining three years of the budget period, as a minimum.

R&R funds were reviewed as a part of the review of earmarked and specific funds (see Section 4). The review recommends that £1.0m of the annual contribution to R&R funds is converted to DRF to partially support capital schemes that would have been funded from R&R funds.

### **New Homes Bonus (NHB)**

The table below shows estimates of future NHB receipts and commitments against these estimates, with uncommitted amounts being held in an earmarked reserve. Two additional commitments are proposed; firstly to extend the use of NHB to fund existing DRF amounts through to 2019/20 and beyond (see above); and to make contributions into a City Deal Investment and Delivery Fund, see Section 4.

It has already been noted that NHB receipts may be at risk, depending on the continuation of the funding stream and actual housing completions. If NHB receipts fall to the extent that all commitments cannot be funded, it will be necessary to review allocations in the light of competing priorities at the time. However, the current working assumption is that allocations to the Council's budgets will be protected in the first instance and contributions to the investment and delivery fund will be adjusted.

<b>New Homes Bonus</b>	<b>2014/15 £000</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
<b>Confirmed NHB funding at February 2014 BSR</b>	<b>(2,085)</b>	<b>(2,085)</b>	<b>(2,085)</b>	<b>(1,298)</b>	<b>(563)</b>	<b>-</b>
<b>add</b>	-	-	-	-	-	-
Estimated NHB receipts for 2014/15	(1,291)	(1,291)	(1,291)	(1,291)	(1,291)	(1,291)
Estimated NHB receipts for 2015/16	-	(1,587)	(1,587)	(1,587)	(1,587)	(1,587)
Estimated NHB receipts for 2016/17	-	-	(1,054)	(1,054)	(1,054)	(1,054)
Estimated NHB receipts for 2017/18	-	-	-	(939)	(939)	(939)
Estimated NHB receipts for 2018/19	-	-	-	-	(1,269)	(1,269)
Estimated NHB receipts for 2019/20	-	-	-	-	-	(1,163)
<b>Potential New Homes Bonus Total</b>	<b>(3,376)</b>	<b>(4,963)</b>	<b>(6,017)</b>	<b>(6,169)</b>	<b>(6,703)</b>	<b>(7,303)</b>
	-	-	-	-	-	-
<b>Commitments against NHB</b>	-	-	-	-	-	-
Funding for officers supporting growth e.g. within planning	818	785	785	785	785	785
Replacement of Homelessness Prevention Funding subsumed into the SFA	564	564	564	564	564	253
Direct revenue funding of capital – to supplement other sources of capital funding	880	1,020	880	-	-	-
Other approvals	1,114	-	-	-	-	-
<b>Total commitments against NHB</b>	<b>3,376</b>	<b>2,369</b>	<b>2,229</b>	<b>1,349</b>	<b>1,349</b>	<b>1,038</b>
	-	-	-	-	-	-
<b>NHB uncommitted before allocations in BSR</b>	-	<b>(2,594)</b>	<b>(3,788)</b>	<b>(4,820)</b>	<b>(5,354)</b>	<b>(6,265)</b>
	-	-	-	-	-	-
<b>New approvals - direct revenue funding of capital - transfer from SFA</b>	-	<b>150</b>	<b>195</b>	<b>1,075</b>	<b>1,075</b>	<b>1,075</b>
<b>New approvals - contribution to City Deal Investment and Delivery Fund</b>	-	<b>1,985</b>	<b>3,009</b>	<b>3,085</b>	<b>3,352</b>	<b>3,652</b>
<b>New approvals - A14 mitigation</b>	-	-	-	-	-	<b>1,500</b>
<b>NHB uncommitted</b>	-	<b>(459)</b>	<b>(585)</b>	<b>(661)</b>	<b>(928)</b>	<b>(39)</b>

### Pension Fund

The latest triennial valuation of the Pension Fund covers 2014/15 to 2016/17. This valuation changed the basis of contributions from a single percentage contribution rate to be applied to all pensionable pay in a particular year to that of a percentage to reflect the ongoing costs to the fund together with a cash lump sum each year which is designed to reflect recovery of sums associated with past service. The following table shows the employer's contribution rates:

<b>Employer's Contribution</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Base contribution (%)	17.4	17.4	17.4
Annual lump sum contribution (£000)	769	1,303	1,881

Contributions for 2017/18 and beyond will be fixed by a further triennial valuation based on the position as at 31 March 2016. However, based on the trend in the annual lump sum contribution, continuing concerns over the sustainability of the economic recovery, and increasing life expectancies, it is considered prudent to increase the budget provision for pension fund contributions in 2017/18 onwards. Therefore, additional budget amounts, to increase annual lump sum contributions, calculated to maintain the rate of increase experienced from 2015/16 to 2016/17, are shown in the table below:

	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
General Fund	440	910	1360
Housing Revenue Account	180	360	540
<b>Total</b>	<b>620</b>	<b>1270</b>	<b>1900</b>

### **Investment income**

The Council receives approximately £6.5m of external income each year from its commercial property portfolio, which is used to support the delivery of services to residents, businesses and visitors. The levels of income are carefully monitored and budgets adjusted to reflect income expectations. The review of reserves has identified balances that can be invested in one or more commercial properties to achieve additional income of £400k each year. A capital proposal for the purchase is included in Appendix D (a).

Furthermore, additional investment income is expected to arise from the investment of £10m of cash balances in the CCLA Local Authorities' Property Fund, which was added to the Council's treasury management investment strategy at Council in July 2014. This income is shared between the General Fund and the Housing Revenue Account to reflect the cash balances arising in each account. The General Fund share of additional income is expected to be £250k each year.

# Bids for external or earmarked funds

As set out in Section 4, in addition to General Reserves, the Council maintains a number of earmarked and specific funds held to meet major expenditure of a non-recurring nature or where the income has been received for a specific purpose but not yet spent. Appendix B(d) provides details of the bids against these funds, or to external funding sources, as part of the 2015/16 budget process.

The affordability of these bids is demonstrated in the statement of fund balances contained within Appendix E.

## Priority Policy Fund (PPF)

The General Fund PPF provides enables the redistribution of resources within the overall cash limit, in recognition of priorities identified through the Council's Vision for the City, the medium term programme and public budget consultation.

The September 2014 MFR provided funding for PPF Bids of £100k per annum for 2015/16 and future years. The current list of PPF Bids is shown in Appendix B(c).

<b>Priority Policy Fund 2015/16</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
<b>PPF funding available (MFR 2014)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>
Additional funding provided	(38)	(54)	(54)	(54)	(54)
<b>Total funding available</b>	<b>(138)</b>	<b>(154)</b>	<b>(154)</b>	<b>(154)</b>	<b>(154)</b>
Bids into the PPF	138	154	154	154	154
<b>Shortfall / (Unused) funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

In reviewing PPF Bids for approval, the Council's process requires that consideration is given to the relative value of PPF bids compared to the additional savings that their inclusion would require. In this case, the level of funding available from the MFR is exceeded in all years, giving rise to savings requirements above those reported at that point.

The additional cost of £38k in 2015/16 will be met from core revenue funding, whilst the shortfall from 2016/17 onwards will be addressed by the increasing the net savings requirement in those years.

# Section 6

## General Fund: Expenditure and funding 2015/16 to 2019/20

Description	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
<b>Expenditure</b>						
Net service budgets	19,813	18,488	18,988	19,327	20,125	19,976
Revenue budget proposals - MFR	125	(90)	(75)	(75)	(75)	(75)
Revenue budget proposals - BSR	-	(2,827)	(3,325)	(4,077)	(4,159)	(3,893)
Revenue budget proposals - BSR Other	-	-	-	-	-	-
Future years PPF provision	-	100	100	100	100	100
Capital accounting adjustments	(4,656)	(4,656)	(4,656)	(4,656)	(4,656)	(4,656)
Capital expenditure financed from revenue	2,230	9,791	1,562	1,880	1,880	1,880
Contributions to earmarked funds	2,678	9,784	4,263	3,857	2,622	3,869
Revised net savings requirement	-	602	(223)	(46)	(991)	(1,813)
Contribution to reserves	-	-	255	40	824	1,078
<b>Net spending requirement</b>	<b>20,190</b>	<b>31,192</b>	<b>16,889</b>	<b>16,350</b>	<b>15,670</b>	<b>16,466</b>
<b>Funded by:</b>						
Settlement Funding Assessment (SFA)	(8,115)	(6,889)	(6,004)	(5,224)	(4,545)	(3,954)
Locally retained Business Rates – Growth element	(670)	(800)	(800)	(800)	(800)	(800)
Other grants from central government	(93)	-	-	-	-	-
New Homes Bonus (NHB)	(3,376)	(2,519)	(2,423)	(2,423)	(2,423)	(3,612)
Appropriations from earmarked funds	522	(13,499)	(254)	(194)	-	-
Council Tax	(6,706)	(7,058)	(7,408)	(7,709)	(7,902)	(8,100)
Contributions from reserves	(1,752)	(427)	-	-	-	-
<b>Total funding</b>	<b>(20,190)</b>	<b>(31,192)</b>	<b>(16,889)</b>	<b>(16,350)</b>	<b>(15,670)</b>	<b>(16,466)</b>

# Section 7

## Capital

### Introduction

The Council's asset portfolio as at 1 April 2014 is shown below.

Category	Value £000	%
<b>Operational assets:</b>		
Council dwellings	497,772	65.3
Other land and buildings	122,838	16.1
Vehicles, plant and equipment	8,357	1.1
Infrastructure assets	2,211	0.3
Community assets	1,122	0.1
<b>Total operational assets</b>	<b>632,300</b>	82.9
<b>Non-operational assets</b>		
Investment properties	118,529	15.6
Surplus properties	5,108	0.7
Assets under construction	6,365	0.8
<b>Total non-operational assets</b>	<b>130,002</b>	17.1
<b>Overall total</b>	<b>762,302</b>	100.0

The portfolio includes council housing, assets for direct service provision such as swimming pools, community centres, car parks, vehicles and equipment, as well as substantial areas of common land. In addition to the assets used for service provision, the Council has a portfolio of commercial property. Each asset needs to provide an appropriate return on the investment made by the Council and also be fit for the purpose for which it is used.

The Council is developing a long term accommodation strategy to consider the best use of our administrative buildings. This review is linked to work to determine the most appropriate service delivery models (e.g. shared services) and working practices (e.g. flexible and/or remote working) for the future.

# Review of capital plan

MFR 2014 proposed a review of the capital plan to address its size and complexity. A number of concerns were identified, including the:-

- Capacity to deliver projects to time, cost and quality;
- Dependency on revenue funding; and
- Inclusion of items, such as unallocated funds, projects at an early stage of development, and items more properly treated as small enhancements or maintenance spend.

Phase 1 of the review examined the current plan in order to release internal funding (e.g. Direct Revenue Funding (DRF), R&R capital receipts etc.) by identifying projects that are not yet ready for delivery, are no longer required, or are not true capital projects. This will make the plan more deliverable. The funding will be released into GF reserves where it will be available for use on current priorities. The review has also piloted a method of prioritising capital spend. The table below sets out schemes that are recommended for closure, or require further development, and the funding released as a result. Projects placed on the Projects Under Development (PUD) list will be brought forward for prioritisation against available funding when an outline business case and delivery plan has been developed.

Capital Plan Review	Description	Funding Released to GF reserves £000			Other	Comment
		DRF	R&R	Earmarked review		
Delete from Plan	Additional investment in commercial property portfolio	-	-	-	(1,316)	Intended funding not received, alternative proposal for funding included in Appendix D(b)
Delete from Plan	Compulsory Purchase Orders	-	-	-	(400)	None planned. Funding will be made available as needed.
Delete from Plan	HMO management orders	-	-	-	(50)	None planned. Funding will be made available as needed.
Delete from Plan	Keep Cambridge Moving Fund Contribution	-	-	(700)	-	No projects yet identified, spending is expected in 2019/20 or later. Alternative funding proposed.
Transfer to PUD	Local centres improvement programme	(975)	-	-	-	Individual schemes under development, but timing and costs not yet known. Programme placed on PUD list

		Funding Released to GF reserves £000			Other	
Capital Plan Review	Description	DRF	R&R	Earmarked review		Comment
Transfer to PUD	Refurbishment of Park Street Car Park	(3,400)	-	-	-	Feasibility of various schemes under review. Timing and costs not yet known. Placed on PUD list
Close	Vehicle replacement programme	-	(1,452)	-	-	Revised R&R fund balance and annual contributions recommended through reserves review.
Close	Energy efficiency improvements to private sector housing	(25)	-	-	-	Now covered within the Green Deal
Close	Cambridge Crematorium – staff room refurbishment	-	(30)	-	-	Project shelved
Close	Corporate document management system	(144)	-	-	-	Some parts of the project now substantially complete. Shared services may drive changes to requirements, so funding released pending re-evaluation
Close	Various projects	(42)	(48)	-	-	Complete
Transfer to PUD	Public conveniences	(437)	-	-	-	Funding released pending review of the provision of some public conveniences
Transfer to PUD	ICT infrastructure programme	-	(360)	-	-	Funding released pending review of ICT infrastructure programme and alternative delivery methods
Transfer to PUD	Administration buildings asset replacement programme	-	(274)	-	-	Funding released, awaiting proposals for specific projects
Transfer to PUD	Commercial properties asset replacement programme	-	(475)	-	-	Funding released awaiting proposals for specific projects
	<b>Total Capital Plan Review</b>	<b>(5,023)</b>	<b>(2,639)</b>	<b>(700)</b>	<b>(1,766)</b>	
	<b>Capital with funding returning to GF reserves</b>				<b>(8,362)</b>	
	<b>Total capital funding changes</b>				<b>(10,128)</b>	

Phase 2 will examine the capital processes and procedures with a view to simplifying and standardising, and ensuring that approval processes are streamlined and robust.

## Financing

Capital schemes are funded from a variety of internal and external funding sources.

Internal:

- Earmarked and specific funds (e.g. R&R)
- Capital receipts
- NHB
- Revenue resources

External:

- Developer and other contributions
- Grants, National Lottery etc.
- Prudential borrowing

The review of reserves (Section 4) has recommended that the use of R&R funds is restricted to existing commitments and, going forwards, to vehicle replacement only. The review of the capital plan has also sought to reduce commitments funded from internal sources. Together, these will reduce the amount of internal funding available in future years, thereby requiring prioritisation of capital proposals to those that best support Council priorities and are sufficiently well developed to ensure timely delivery.

There are three proposed changes to capital funding:-

- To mitigate the removal of substantially all R&R funds, a DRF contribution of £1m per year is recommended to replace some of the R&R funding used in the delivery of the capital plan
- A one-off contribution from reserves of £8m is recommended to fund additional commercial property and provide opportunities to restructure the commercial property portfolio
- Support to capital spending currently provided by NHB will be extended indefinitely. This provides a current saving to the GF, but increases the risk to DRF contributions through dependence on continuing housing growth

Capital funding available	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
<b>Funding available and unapplied (MFR Oct 2014)</b>	<b>(149)</b>	<b>(44)</b>	<b>(562)</b>	<b>(880)</b>	<b>(880)</b>	<b>(880)</b>
Reduce DRF	-	-	-	-	-	-
R&R additional DRF	-	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Fund new bid	-	(8,000)	-	-	-	-
<b>Total funding available</b>	<b>(149)</b>	<b>(9,044)</b>	<b>(1,562)</b>	<b>(1,880)</b>	<b>(1,880)</b>	<b>(1,880)</b>

<b>Capital funding available</b>	<b>2014/15 £000</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
New bids using funding	-	8,332	250	250	250	-
<b>Net funding available</b>	<b>(149)</b>	<b>(712)</b>	<b>(1,312)</b>	<b>(1,630)</b>	<b>(1,630)</b>	<b>(1,880)</b>

This provides the context for considering the affordability of the capital bids which have been submitted as part of the 2015/16 budget process.

The projections in the remainder of the BSR assume that all of the capital proposals are approved.

## Future capital receipts

The Council has a small portfolio of potential development land that could be sold to generate significant capital sums. This would provide land for commercial or housing development to meet the growth requirement within the city and funds for reinvestment. Alternatively, the Council may choose to invest its resources in some of these sites, depending on the level of returns.

Identified significant future disposals and anticipated date of capital receipt, in full or part, are shown in the table below.

<b>Anticipated disposal</b>	<b>Fund</b>	<b>Asset</b>	<b>Comment</b>
2015/16	General	Cowley Road Access Strip	This will be sold to coincide with the development of the new station
2016/17	General	Site K1, Orchard Park	Community co-housing scheme with the potential for capital receipts over several years
2017/18	General	Park Street Car Park	Potential part disposal to finance replacement car park
2018/19	General	Mill Road Depot	Potential part or whole disposal subject to outcomes of Accommodation Strategy
Uncertain	General	Land at Cowley Road incl. former Park & Ride Site and Golf Driving Range	Development partner being sought with the potential for capital receipts over several years

## Prudential Borrowing

There are a number of other areas where the Council may choose to use prudential borrowing as the most appropriate means of financing new capital requirements:

- **Clay Farm Community Facilities** - it is currently anticipated that the Council will take-on the lead role in the provision of these facilities, and it is estimated that this may involve the need to borrow around £2.8m.
- **Clay Farm Collaboration Agreement** - under the agreement the City and other development partners will be required to contribute to the shared cost of providing infrastructure in order to facilitate development of the site. These costs will ultimately be funded from the disposal of the Council's land interests, but the capital receipt is unlikely to be available at the point the infrastructure is developed. Therefore short-term 'internal' borrowing will be considered as a means of financing the collaboration agreement costs until the receipt is achieved. This is reflected in the Council's Treasury Management Strategy.

## Capital Proposals

Funding released from the reviews of the capital plan and earmarked and specific reserves have provided an opportunity to look at the future of the commercial property portfolio. This BSR proposes to assign £8m of financing to the purchase of commercial properties, with a view to securing income to support the delivery of services.

All capital proposals are shown in detail in Appendix D(a).

## Capital Plan

The Council's Capital Plan shows anticipated expenditure for the next 5 years, where relevant, for each programme or scheme. Due to the flexibility in devolved decision making applicable to certain types of developer contributions (S106) and the nature of long term programmes it is not always possible to accurately forecast future expenditure until individual projects have been identified. Therefore, whilst budgets for 2015/16 can be allocated with some accuracy, future budgets are indicative and may be carried forward from year to year.

The current capital plan is shown in detail in Appendix D(c). The table below summarises the capital plans and shows how it is funded.

<b>Capital plan spending</b>	<b>2014/15 £000</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
Programmes	4,283	10,307	533	520	700	-
Projects	2,451	1,161	36	31	36	-
<b>Sub-total</b>	<b>6,734</b>	<b>11,468</b>	<b>569</b>	<b>551</b>	<b>736</b>	<b>-</b>
Provisions	12,909	10,041	472	989	100	-
<b>Total Spend</b>	<b>19,643</b>	<b>21,509</b>	<b>1,041</b>	<b>1,540</b>	<b>836</b>	<b>-</b>
<b>Capital plan funding</b>	<b>2014/15 £000</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
<b>External support</b>						
Developer contributions	(6,334)	(2,745)	(146)	(123)	(121)	-
Other sources	(7,081)	(3,138)	(50)	(50)	(50)	-
Prudential Borrowing	-	(2,804)	-	-	-	-
Supplementary Credit Approvals (SCA)	-	-	-	-	-	-
<b>Total - External support</b>	<b>(13,415)</b>	<b>(8,687)</b>	<b>(196)</b>	<b>(173)</b>	<b>(171)</b>	<b>-</b>
<b>City Council</b>						
Developer contributions	-	-	-	-	-	-
Direct Revenue Financing (DRF) - GF services	(18)	-	-	-	-	-
Direct Revenue Financing (DRF) - Use of reserves	(2,081)	(9,079)	(250)	(250)	(250)	-
Earmarked reserve - Capital contributions	(115)	(220)	(208)	(208)	(400)	-
Earmarked reserve - Repair & Renewals Fund	(2,512)	(1,421)	(15)	(20)	(15)	-
Earmarked reserve - Technology Investment Fund	(11)	-	-	-	-	-
HRA capital balances	-	-	-	-	-	-
Internal borrowing - Temporary use of balances	(1,202)	(739)	(327)	(889)	-	-
Usable capital receipts	(289)	(1,363)	(45)	-	-	-
<b>Total - City Council</b>	<b>(6,228)</b>	<b>(12,822)</b>	<b>(845)</b>	<b>(1,367)</b>	<b>(665)</b>	<b>-</b>
<b>Total funding</b>	<b>(19,643)</b>	<b>(21,509)</b>	<b>(1,041)</b>	<b>(1,540)</b>	<b>(836)</b>	<b>-</b>

# Projects Under Development (PUD) and on Hold

The Council maintains two lists of projects which may become capital proposals in due course. The Hold list contains projects that have been approved in principle but are awaiting funding. The current Hold list is shown in Appendix D(e). A new list, the Projects Under Development (PUD) list (Appendix D(d)), has been set up following Phase 1 of the capital plan review. It lists projects which the council is still committed to funding, but which require further feasibility work and outline project planning before they are in a fit state to be included on the capital plan. Schemes will be considered for funding when a business case has been fully developed and costed.

# Section 8

## Risks and reserves

### Risks and their mitigation

#### **Risks and sensitivities**

The Council is exposed to a number of risks and uncertainties which could affect its financial position and the deliverability of the proposed budget. These risks include:-

- Savings plans may not be deliver projected savings to expected timescales;
- Assumptions and estimates, such as inflation and interest rates, may prove incorrect;
- Funding from central government may fall below projections;
- The actual impact and timing of local growth on the demand for some services may not reflect projections used;
- Increases in Council Tax and Business rates receipts due to local growth may not meet expectations;
- The economic recovery may slow or reverse, impacting some of the Council's incomes streams such as car parking income, commercial rents and planning fee income;
- New legislation or changes to existing legislation may have budgetary impacts; and
- Unforeseen capital expenditure, such as major repairs to offices and commercial properties, may be required.

The budget process addresses these risks by applying principles of prudence and sustainability throughout. The sensitivity of the budget to estimates and assumptions has been assessed and is presented in Appendix C.

#### **Equality Impact Assessment**

As a key element of considering the changes proposed in this BSR, an Equality Impact Assessment has been undertaken covering all of the Budget 2014/15 proposals. This is included in this report at Appendix F. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show that they have treated everyone fairly and without discrimination.

## Section 25 Report

Section 25 (s. 25) of the Local Government Act 2003 requires that the Chief Financial Officer (CFO) must report to the authority, when it is making the statutory calculations required to determine its Council Tax or precept, on the following:

- The robustness of the estimates made for the purposes of the calculations, and
- The adequacy of the proposed levels of financial reserves.

This includes reporting and taking into account:

- the key assumptions in the proposed budget and to give a view on the robustness of those assumptions
- the key risk areas in the budget and to assess the adequacy of the council's reserves when reviewing the potential financial impact of these risk areas on the finances of the council
- this should be accompanied by a reserves strategy
- this report has to be considered and approved by full council as part of the budget approval and council tax setting process.

The majority of the material required to meet the requirements of the Act has been built into the key reports prepared throughout the corporate budget cycle, in particular:

- MFR 2014
- The budget reports to the January cycle of meetings and Portfolio Plans which are being prepared for submission as part of the March 2015 cycle.

This reflects the fact that the requirements of the Act incorporate issues that the Council has, for many years, adopted as key principles in its financial strategy and planning; and which have therefore been incorporated in the key elements of the corporate decision-making cycle.

This also reflects the work in terms of risk assessment and management that is built into all of the key aspects of the Council's work.

The Section 25 report will be included as Section 10 in the version of the BSR to be submitted to Council.

# General reserves

GF reserves are held as a buffer against crystallising risks, and to deal with timing issues and uneven cashflows. As such, the level of reserves required is dependent on the financial risks facing the council, which will vary over time. The prudent minimum balance (PMB) and target level of GF reserves were reviewed and amended in the MFR.

This BSR contains proposals arising from review of specific and earmarked reserves (Section 4) and the capital plan (Section 7). The recommendations reduce the level of these reserves by £12m, thereby reducing the funding set aside principally for future capital spending. Furthermore, it is suggested that funding allocated to capital schemes that are not yet fully developed is returned to general reserves. These schemes will be required to re-bid for funding in the future, in competition with new schemes for a reduced capital funding pot. Whilst this enables the Council to use these funds to generate income to support service delivery, it also increases the risk that essential capital works will not be able to be funded.

Therefore it is proposed to increase the PMB by £1m, equivalent to the annual increase in Direct Revenue Funding (DRF) proposed to replace the use of R&R funds. This will then be available as an emergency source of capital funding, should it not be possible to rephase approved spend to accommodate urgent works. The increased target level of general fund reserves is recommended, given the decrease in levels of earmarked and specific reserves, and the likely need to fund future commitments which cannot at this stage be forecast in sufficient detail to list as firm commitments.

General Fund reserves	£m
<b>September 2014 MFR</b>	
- Target level – to be achieved by 2017/18	5.28
- Minimum level	4.40
<b>February 2015 BSR – Recommended levels</b>	
- Target level (PMB+20%)	6.48
- PMB	5.40

The projected levels of reserves for the budget setting period, based on the proposals included in this report, and assuming that all net savings requirements are delivered, are as follows:-

Description	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
<b>Balance as at 1 April (b/fwd)</b>	<b>(9,176)</b>	<b>(7,424)</b>	<b>(7,818)</b>	<b>(9,025)</b>	<b>(9,230)</b>	<b>(9,484)</b>
Contribution (to) / from reserves	1,752	(394)	(1,207)	(205)	(254)	(256)
<b>Balance as at 31 March (c/fwd)</b>	<b>(7,424)</b>	<b>(7,818)</b>	<b>(9,025)</b>	<b>(9,230)</b>	<b>(9,484)</b>	<b>(9,740)</b>

# Section 9

## Future strategy and recommendations

### Future issues and prospects

The estimates and assumptions underlying the projections in this report will be reviewed for the September 2015 MFR. This will also provide an opportunity to identify and consider the implications of new or developing issues and projects.

Key areas are currently anticipated to include:

- **Growth Agenda** - The Council is continuing to work with partner organisations to plan and bring forward key elements of the Growth Agenda. This report heralds a fundamental change in the way growth will be addressed in the financial sense. Growth has become an ever-present feature, so planning, delivering and funding services to a growing city should be considered as core business, not separate and additional. Therefore, sums are no longer being earmarked to cover the future costs of growth – these will be included within core funding considerations. As a result, work is being done to identify growth impacts to allow financial modelling of these.
- **New Capital Receipts** - the Council has a number of asset holdings which may be the subject of disposals over the next few years, as outlined in Section 7. This is an area which continues to be closely monitored given the volatility of asset values and market interest as a consequence of the economic downturn. The Council has adopted a policy of not treating capital receipts as funding available for new spending until they have actually been received
- **Business rates retention** – The Council will continue to carefully monitor the impact of the retention of business rates and the implications for long-term planning. In particular, the potential advantages of being part of a local Pool for the purposes of the Business Rates Retention scheme will be reviewed in conjunction with potential partners for future years.

- **Spending Review** - the current Spending Round period finishes at the end of 2015/16. It is anticipated that the next Spending Review will continue to reflect increased financial pressures on local government.
- **Review of reserves and the capital plan** – the impact of these reviews will be monitored and assessed, and any implications addressed in the MFR, or through changes to processes and procedures, as appropriate.
- **Welfare Reform** - Government's plans to reform the country's system of welfare payments have considerable implications for the Council and for the work of this service area. There are a number of potential implications for the Council, beyond those already implemented, such as the removal of spare bedroom subsidy and the benefit cap. These include the formation of a Single Fraud Investigation Service and the Introduction of Universal Credit.

# Future Savings Strategy

## Approach to future years' savings

The Leader and Executive Councillor for Finance and Resources have written a foreword to this BSR, outlining the opportunities and challenges for the Council. It references a number of initiatives from the Business Transformation Programme including shared services, and a review of back office support services. These are amongst the first initiatives to be identified and planned by the programme, and are currently being delivered. Overall a pipeline of projects is being created, within the following four themes, which were described in more detail in MFR 2014:

- protecting core services that residents need and value and ensuring fairness
- transforming how we deliver services, working with our committed staff team and other partners
- targeting scarce resources to help people who need help and to meet the needs of most vulnerable
- making best use of all our assets, reinvesting all available Council resources to maximise financial return and benefits for city residents, and make existing assets work harder too

The need to make savings, control increasing costs and generate income underpins the programme, with benefits realisation being key to its success. To this end, a system of governance, with regular reporting on progress and outcomes, has been put in place. The importance of this programme to the future financial sustainability of the Council cannot be over-emphasised. Its successful delivery will be crucial.

However, the business transformation programme will not be sufficient on its own. The Council has a good record of financial management, identifying and delivering savings and improvements in value for money. This must be maintained, with Services encouraged to innovate and implement commercial practices where possible and consistent with the Council's objectives.

## **Conclusions**

The review of key factors undertaken and presented in this report outlines an approach for finalising the budget for 2015/16. The Council's adoption of long-term budget modelling and prudent financial strategies has been instrumental in enabling it to meet the recent significant financial challenges, not least from the economic downturn and reductions in Government grant support, with the least adverse impact on service provision.

The proposals set out in the report deliver a balanced budget for the 2015/16 financial year, and significant contributions towards the net savings targets in 2016/17 and 2017/18. The proposals are not without risk, as they rely on the successful delivery of a challenging programme of transformational projects. The release of significant amounts of funding from reserves and the capital plan will produce an on-going stream of revenue for the Council, giving a window of opportunity for these projects to be completed. However, this removes a source of future funding, particularly for capital expenditure. In future, capital funding will be scarcer, and projects requiring funding will need to show that they align with Council objectives, are readily deliverable, and provide good value for money.

# Section 10

## Section 25 Report

Section 25 of the Local Government Act 2003 requires the Council's S151 officer to report to the Council when it is considering its budget requirement and consequent council tax. The report must deal with the robustness of the estimates made for the purposes of the calculations and the adequacy of the reserves allowed for in the budget proposals.

The rationale is to ensure that the estimates are sufficient to cover regular recurring costs plus any reasonable risks and uncertainties and, in the event of unexpected expenditure, there are adequate reserves to draw on. The calculations relate to the budget for the forthcoming year and the legal requirement may, therefore, be interpreted as reporting only on the 2015/16 estimates and reserves up to 31 March 2016.

### **Robustness of estimates**

The Council has well established and robust budget processes. These have been followed when compiling the 2015/16 budget and medium term projections.

Estimates and assumptions were reviewed during the preparation of the MFR in September 2014, and confirmed during the development of this BSR. Appendix C reviews these estimates and assumptions and indicates the sensitivity of each in financial terms.

The key driving factor through the process has been the requirement to identify savings to address projected decreases in core funding. The savings requirement has been addressed through the development of an ambitious transformation programme and the release of significant levels of earmarked reserves.

These two actions require substantial change to be delivered within the organisation to demanding timescales. The transformation programme includes savings resulting from sharing services with other local authorities and the creation of alternative service delivery vehicles. There are, therefore, significant levels of risk around the estimation of potential savings and the timing of their delivery. These risks are mitigated, to a certain extent, by management review and challenge of the proposals, regular budget monitoring and management, and the implementation of governance processes for the transformation programme.

# Section 10

## Section 25 Report

### **Adequacy of reserves**

The requirement for financial reserves is acknowledged in statute. Section 32 of the Local Government Finance Act 1992 requires billing authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

It is the responsibility of the S151 officer to advise local authorities on the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use. Reserves should not be held without a clear purpose.

The council holds two types of general fund reserves:

- The general fund is a working balance to cushion the impact of uneven cash flows. The reserve also acts as a contingency that can be used in year if there are unexpected emergencies, unforeseen spending or uncertain developments and pressures where the exact timing and value is not yet known and/or within the council's control. The reserve also provides cover for grant and income risk.
- Earmarked reserves are set aside for specific and designated purposes or to meet known or predicted liabilities, e.g. insurance claim.

Earmarked reserves remain legally part of the general fund, although they are accounted for separately.

A key mitigation for financial risk is the S151 officer's estimate of a prudent level of reserves. A risk assessment was undertaken in MFR 2014 to determine the level of non-earmarked general reserves required by the Council. The assessment has been updated in Section 8 of this report, with general reserves being increased to provide some mitigation for the decrease in the Repairs and Renewals Fund. In making the recommendation for the level of reserves, the S151 officer has followed guidance in the CIPFA LAAP Bulletin 77 – Guidance notes on Local Authorities Reserves and Balances. The risk analysis shows that a prudent minimum level of reserves for 2015/16 will be of the order of £5.4m.

# Section 10

## Section 25 Report

The final table in Section 8 shows that the anticipated level of the general fund reserves will remain above the prudent minimum level for the duration of the medium term planning period.

**I therefore consider that the estimates for the financial year 2015/16 to be sufficiently robust and the financial reserves up to 31 March 2016 to be adequate.**

**Caroline Ryba**

**Head of Finance and S151 Officer**

# Appendix A (a)

## Calculation of Council Tax Base 2015/16

	Council Tax Bands									
	A entitled to disabled relief reduction	A	B	C	D	E	F	G	H	Total
Dwellings on the valuation list										
Dwellings treated as exempt										
Adjustments for disabled relief (i.e. reduced by one band)	1									
Total chargeable dwellings	1									
Where there is liability to pay 100% council Tax	0									
That are assumed to be subject to a discount or premium	1									
Number of dwelling equivalents after applying discounts and premiums to calculate taxbase	0.75									
Reduction in taxbase as a result of the Family Annex discount	0.00									
Reduction in taxbase as a result of local council tax support	0.75									
Total number of equivalent dwellings after discounts, exemptions , disabled relief and council tax support	0									
Ratio to Band D	5/9									
Band D equivalents	0									
Band D equivalent contributions for Government properties										
Tax base after allowance for Council Tax Support										
	Add		Estimated net growth in tax base							
	Less		Adjustment for student exemptions							
	Less		Assumed loss on collection at 1.3%							
Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes										39,946.2

# Appendix A(b)

## Council Tax Setting 2015/16

1. The Council calculated its Council Tax Base 2015/16 for the whole Council area as **39,946.2** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
2. The Council calculates that the Council Tax requirement for the Council's own purposes for 2015/16 is **£7,060,490**
3. That the following amounts be calculated for the year 2014/15 in accordance with Sections 31 to 36 of the Act:

(a)	<b>£TBA</b>	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
(b)	<b>£TBA</b>	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
(c)	<b>£7,060,490</b>	being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act]
(d)	<b>£176.75</b>	being the amount at 3(c) above (Item R), all divided by the amount at 1 above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

4. To note that Cambridgeshire County Council, the Cambridgeshire Police and Crime Commissioner and Cambridgeshire & Peterborough Fire Authority [have issued precepts] to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2014/15 for each of the categories of dwellings in the Council's area.

<b>Dwelling Band</b>	<b>City Council £</b>	<b>County Council £</b>	<b>Police and Crime Commissioner £</b>	<b>Fire &amp; Rescue Authority £</b>	<b>Aggregate Council Tax £</b>
A	117.83				
B	137.47				
C	157.11				
<b>D</b>	<b>176.75</b>				
E	216.03				
F	255.31				
G	294.58				
H	353.50				

6. The Council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its council tax for 2015/16 is not excessive.

## 2015/16 Budget - General Fund

Page 1 of 5

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Funding

## Non-Committee Items

CF3672	Direct Revenue Funding of Capital (DRF) - additional	0	1,000,000	1,000,000	1,000,000	1,000,000	Caroline Ryba	Nil
--------	--	---	-----------	-----------	-----------	-----------	---------------	-----

Additional Direct Revenue Funding (DRF) from Repairs and Renewals provided for from the annual R&R contribution reduction. [Linked to NCL3678 & S3677]

## Total Capital Funding in Non-Committee Items

0	1,000,000	1,000,000	1,000,000	1,000,000
---	-----------	-----------	-----------	-----------

## Total Capital Funding

0	1,000,000	1,000,000	1,000,000	1,000,000
---	-----------	-----------	-----------	-----------

## 2015/16 Budget - General Fund

Page 2 of 5

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Reduced Income

## City Centre &amp; Public Places

RI3742	Reduced income from Moorings	0	17,000	35,000	35,000	35,000	Alistair Wilson	Nil
--------	------------------------------	---	--------	--------	--------	--------	-----------------	-----

It is proposed to remove the additional moorings income budget from 2015/16, recommended in the 2014/15 budget round (S3408). The proposed saving will now be met from an overachievement at income at current rates together with a growth in the number of mooring licences, which is dependent on a full review of moorings to be held in 2015. [Linked to I13743].

## Total Reduced Income in City Centre &amp; Public Places

0	17,000	35,000	35,000	35,000
---	--------	--------	--------	--------

## Finance &amp; Resources

RI3526	Clay Farm Commercial Units	0	0	80,000	0	0	Dave Prinsep	Nil
--------	----------------------------	---	---	--------	---	---	--------------	-----

The current budget forecast includes income from the planned Clay Farm Commercial Units from 2016/17. The units will not be completed until 2017/18 at the earliest and so the previous planned income will not be receivable until the 2017/18 financial year.

RI3569	Unavoidable loss of rental income at Mill Road Depot	0	37,000	37,000	37,000	0	Althea Mejias	Nil
--------	--	---	--------	--------	--------	---	---------------	-----

Following an assessment by Property Services of the potential for commercial letting at Mill Road Depot, it is unlikely that the budget for 2015/16 will be achieved. Significant lettable areas require some upgrading before they can be occupied and there are only limited other opportunities to create additional external income pending the outcome of the accommodation review and future occupancy of the Mill Road site. In the interim it is proposed that projected rental incomes be reduced to more realistic and achievable levels for the next 3 years.

RI3666	Commercial property portfolio - loss of interest	0	0	52,000	52,000	52,000	Dave Prinsep	Nil
--------	--	---	---	--------	--------	--------	--------------	-----

The proposed investment in the Commercial Property Acquisition Programme will reduce the funds available for investment under our Treasury Management strategy resulting in a loss of interest on the amount invested. [Linked to proposals C3664, I13665 and NCL3691].

## Total Reduced Income in Finance &amp; Resources

0	37,000	169,000	89,000	52,000
---	--------	---------	--------	--------

## Total Reduced Income

0	54,000	204,000	124,000	87,000
---	--------	---------	---------	--------

## 2015/16 Budget - General Fund

Page 3 of 5

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Unavoidable Revenue Pressure

## City Centre &amp; Public Places

URP3714	Improvement works on Open Spaces	0	50,000	50,000	0	0	Alistair Wilson	Nil
---------	----------------------------------	---	--------	--------	---	---	-----------------	-----

To commit 50% of the ground rent accruing from the University Arms redevelopment, various revenue projects are proposed to improve all open spaces, focussing on improvements for cyclists, including cycle parking, to the cricket and other sports pitches, new fencing, seats and signage. Other improvements will come forward during the two years of expenditure to ensure that the funds available in this proposal are used to improve the green space infrastructure on the city's open spaces

## Total Unavoidable Revenue Pressure in City Centre &amp; Public Places

0	50,000	50,000	0	0
---	--------	--------	---	---

## Community, Arts &amp; Recreation

URP3571	Clay Farm Multi-Use Centre Leasehold Management Company - Revenue Subsidy	0	50,000	120,000	120,000	120,000	Debbie Kaye	Nil
---------	---	---	--------	---------	---------	---------	-------------	-----

A Leasehold Management Company has been set up between the City and County Councils to manage the facility. Costings indicate that there will be a net shortfall of around £200k p/a which will need to met by the 2 Authorities. This shortfall will be split 60% City and 40% County Council which is the same proportion as the asset value of the Building held by each Authority.

URP3682	Arts Trust - Head of Service savings already in budget	0	84,000	84,000	84,000	84,000	Debbie Kaye	Nil
---------	--	---	--------	--------	--------	--------	-------------	-----

Head of Service savings already in budget from 2012/13 and now included within the business case for the Arts Trust so this adjustment is to prevent double counting of the savings. [Linked to PROG3681].

## Total Unavoidable Revenue Pressure in Community, Arts &amp; Recreation

0	134,000	204,000	204,000	204,000
---	---------	---------	---------	---------

## Environment, Waste &amp; Public Health

URP3565	North West Cambridge Collection vehicles running costs	0	0	75,000	95,000	95,000	Michael Parsons	+M
---------	--	---	---	--------	--------	--------	-----------------	----

To provide the revenue budget for collecting from Underground Bins in the North West Cambridge university site. Any additional spend over and above that of a standard collection will be met by the University in line with the section 106 agreement with them. Collections will be undertaken by the City Council for all properties on this site and a formula has been devised to ensure that any costs incurred for collections outside the boundary will be recovered from South Cambs DC. If there are available funds from Council Tax for Growth these would be used to finance this spend.

URP3741	Materials Recycling Facility (MRF) gate fee versus income	0	124,000	124,000	124,000	124,000	Jen Robertson	Nil
---------	---	---	---------	---------	---------	---------	---------------	-----

## 2015/16 Budget - General Fund

Page 4 of 5

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Unavoidable Revenue Pressure

The MRF contract is based on a gate fee plus a 50% share of the income from the sale of the recyclables. Analysis of the financial position took place in February and indicated a positive net income to the RECAP authorities. However, prices for recyclate have dropped (linked to global market downturns) resulting in a net cost to the authority. If the current position on material prices remains the same for the next financial year the net position to the authority is predicted to be £124,000. However, the MRF provider is investing in further sorting equipment to sort plastic recycling into the different polymer types and therefore achieve a high value for the materials.

## Total Unavoidable Revenue Pressure in Environment, Waste &amp; Public Health

0	124,000	199,000	219,000	219,000
---	---------	---------	---------	---------

## Housing

URP3530	Extra staff to deliver new affordable housing	0	76,900	76,900	76,900	76,900	Alan Carter	Nil
---------	---	---	--------	--------	--------	--------	-------------	-----

The increase in investment in new build housing in the HRA necessitates an increase in staffing input, both in the form of development team staff and consultancy, to ensure smooth project management and delivery of new build schemes. This bid includes funding for an additional Trainee Development Officer (£28,400), consultancy support (£30,000) and a contribution towards a shared post with South Cambridgeshire District Council (£18,200), and will be fully offset by a compensating savings proposal, which recognises that this expenditure will be met from the fees charged to new build schemes. [Linked to I13531]

## Total Unavoidable Revenue Pressure in Housing

0	76,900	76,900	76,900	76,900
---	--------	--------	--------	--------

## Non-Committee Items

URP3612	Electricity Contract price increase	0	61,230	61,230	61,230	61,230	John Harvey	Nil
---------	-------------------------------------	---	--------	--------	--------	--------	-------------	-----

Electricity Contract increases at 13% compared to budgeted increase of 2%.

This is partially due to the council's desire to retain a Green Tariff. It will be reviewed in future in light of potentially falling energy prices.

URP3613	Pay Award NJC	0	80,000	80,000	80,000	80,000	John Harvey	Nil
---------	---------------	---	--------	--------	--------	--------	-------------	-----

Agreement has now been reached on the national pay award for local government employees on City Pay Bands 1 to 9. Staff on higher grades are subject to separate negotiations. The pay award has two main elements:

Revised Pay Scales reflecting the pay award which is equivalent to 2.20% on most bands (SCP 11 and above), 2.55% on SCP 9, 2.32% on SCP 10. The award is with effect from 1 January 2015 and covers the two year period 1 January 2015 to 31 March 2016.

Non-consolidated payments will be paid in December 2014 for SCPs 5-54 and in April 2015 for SCPs 26-54 only.

Budget assumptions were 1% for each of 2014/15 and 2015/16 so this is the additional cost to the General Fund of the award.

## 2015/16 Budget - General Fund

Page 5 of 5

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Unavoidable Revenue Pressure

<b>URP3669</b>	<b>Contingency Budget</b>	0	100,000	75,000	50,000	0	Caroline Ryba	Nil
----------------	---------------------------	---	---------	--------	--------	---	---------------	-----

Following the review of Earmarked Reserves spending that would have been funded from these reserves will require budget proposals in future. This contingency is to provide a safety net while the new processes become embedded.

<b>URP3674</b>	<b>Pension Fund Contributions</b>	0	0	0	440,000	910,000	Caroline Ryba	Nil
----------------	-----------------------------------	---	---	---	---------	---------	---------------	-----

Provision for one-off pension fund contributions (anticipated in the next triennial valuation). For further details see main text of Budget Setting Report "Section 5 - General Fund Revenue Budgets" [Linked to NCL3712 HRA element]

## Total Unavoidable Revenue Pressure in Non-Committee Items

0	241,230	216,230	631,230	1,051,230
---	---------	---------	---------	-----------

## Total Unavoidable Revenue Pressure

0	626,130	746,130	1,131,130	1,551,130
---	---------	---------	-----------	-----------

## Report Total

0	1,680,130	1,950,130	2,255,130	2,638,130
---	-----------	-----------	-----------	-----------

## 2015/16 Budget - General Fund

Page 1 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Increased Income

## City Centre &amp; Public Places

II3713	Ground rent re University Arms redevelopment	0	(100,000)	(75,000)	0	0	Alistair Wilson	Nil
--------	--	---	-----------	----------	---	---	-----------------	-----

Ground rent received from the lease of part of Parkers Piece to facilitate the renovation of University Arms Hotel. The total income of £200,000 has been assumed to run from January 2015 to December 2016. It is anticipated that £25,000 will be received in 2014/15, £100,000 in 2015/16 and £75,000 in 2016/17. One half of this income will be spent on improvements to Parker's Piece and other open spaces in the city during 2015/16 and 2016/17 (see URP3714).

II3743	New moorings income	0	(17,000)	(35,000)	(35,000)	(35,000)	Alistair Wilson	Nil
--------	---------------------	---	----------	----------	----------	----------	-----------------	-----

This budget proposal is to reflect the current income budget being understated and can also be considered in the context of the forecast income from the review of pricing (Summer 2015), with any subsequent changes to fees and charges, being made during 2015, for effect April 2016.  
[Linked to RI3742]

## Total Increased Income in City Centre &amp; Public Places

0	(117,000)	(110,000)	(35,000)	(35,000)
---	-----------	-----------	----------	----------

## Environment, Waste &amp; Public Health

II3707	Harmonisation of the Commercial Waste Service's tariff structures.	0	(80,000)	(80,000)	(80,000)	(80,000)	Jen Robertson	Nil
--------	--	---	----------	----------	----------	----------	---------------	-----

The Commercial Waste Service plans to increase two of its six tariff ranges in April 2015. The CWS is the market leader in Cambridge for commercial waste collection and it is important to retain that share whilst levelling our tariff structure and responding to increases in disposal charges. If we do this we predict further growth in the fast expanding commingled recycling market.

## Total Increased Income in Environment, Waste &amp; Public Health

0	(80,000)	(80,000)	(80,000)	(80,000)
---	----------	----------	----------	----------

## Finance &amp; Resources

II3527	Forecast additional net income reflecting expected rent reviews, lease renewals and lettings from existing portfolio	0	(30,000)	(30,000)	(30,000)	(30,000)	Dave Prinsep	Nil
--------	--	---	----------	----------	----------	----------	--------------	-----

Net increase in income expected reflecting rent reviews, lease renewals and lettings likely in next financial year on the existing property portfolio. Increase reflects the additional income above the inflationary increase.

## 2015/16 Budget - General Fund

Page 2 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Increased Income

II3548	<b>Renewable Heat Incentive (RHI) Payments for the solar thermal system at Abbey Pools</b>	0	(6,000)	(6,000)	(6,000)	(6,000)	David Kidston	Nil
--------	--	---	---------	---------	---------	---------	---------------	-----

In 2013/14 two solar thermal units were installed at Abbey Pools to provide a sustainable source of energy to heat water at the pools. Under the Government's Renewable Heat Incentive (RHI), the Council receives an income for every kWh of heat generated by the two systems.

II3663	<b>One off increase in DWP Housing Benefits and DCLG Council Tax Support Administration Subsidy grants</b>	0	(120,090)	0	0	0	Alison Cole	Nil
--------	--	---	-----------	---	---	---	-------------	-----

The provisional DWP Housing Benefits and DCLG Council Tax Support Administration Subsidy Grants for financial year 2015/16 are £120,090 higher than forecast.

II3665	<b>Income from Commercial Property Acquisition Programme</b>	0	0	(400,000)	(400,000)	(400,000)	Dave Prinsep	Nil
--------	--	---	---	-----------	-----------	-----------	--------------	-----

This programme will allow the council to purchase additional commercial properties to bring in more income to support frontline services.

Anticipated additional income following the investment in property to refocus the Council's commercial property portfolio, funded from reserves. [Linked to proposals C3664, R13666 and NCL3691].

II3673	<b>Increase in investment Income</b>	0	(250,000)	(250,000)	(250,000)	(250,000)	Stephen Bevis	Nil
--------	--------------------------------------	---	-----------	-----------	-----------	-----------	---------------	-----

Increase in investment income anticipated from placing £10m in CCLA Property Fund. This is the projected impact on General Fund (the HRA also receiving a benefit) based on an expectation of approximately 4.5% return compared to current average returns around 0.65%.

## Total Increased Income in Finance &amp; Resources

0	(406,090)	(686,000)	(686,000)	(686,000)
---	-----------	-----------	-----------	-----------

## Housing

II3531	<b>Increased fee income generated by staff delivering new affordable housing</b>	0	(76,900)	(76,900)	(76,900)	(76,900)	Alan Carter	Nil
--------	--	---	----------	----------	----------	----------	-------------	-----

An increased level of investment in development of HRA new build housing, will require greater staffing input, which forms the basis of a bid for additional capacity. The additional cost will be fully offset by the ability to capitalise the costs, as project management fees for the build works, generating a revenue income stream. [Linked to URP3530].

## 2015/16 Budget - General Fund

Page 3 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Increased Income

II3532	Increased fee income generated by staff delivering new affordable housing	0	(20,000)	(20,000)	(20,000)	(20,000)	Alan Carter	Nil
--------	---	---	----------	----------	----------	----------	-------------	-----

An increased level of investment in the development of new build housing in the Housing Revenue Account, will enable a greater proportion of the existing staff team in the Housing Development Service to be capitalised (generating a revenue income) as project management fees for the build works.

<b>Total Increased Income in Housing</b>	<b>0</b>	<b>(96,900)</b>	<b>(96,900)</b>	<b>(96,900)</b>	<b>(96,900)</b>			
--	----------	-----------------	-----------------	-----------------	-----------------	--	--	--

## Planning Policy &amp; Transport

II3708	Increase in Parking income	0	(200,000)	(200,000)	(200,000)	(200,000)	Paul Necus	Nil
--------	----------------------------	---	-----------	-----------	-----------	-----------	------------	-----

Anticipated additional income in 2015/16 from increased usage of car parks, based on current trend information. This proposal is in addition to the assumed income generated by the review of charges and as projected in the Mid-Year Financial Review (MFR) 2014.

<b>Total Increased Income in Planning Policy &amp; Transport</b>	<b>0</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>(200,000)</b>			
--	----------	------------------	------------------	------------------	------------------	--	--	--

<b>Total Increased Income</b>	<b>0</b>	<b>(899,990)</b>	<b>(1,172,900)</b>	<b>(1,097,900)</b>	<b>(1,097,900)</b>			
-------------------------------	----------	------------------	--------------------	--------------------	--------------------	--	--	--

## 2015/16 Budget - General Fund

Page 4 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Programme

### Non-Committee Items

PROG3718	Building Cleaning Contract Savings	0	(225,000)	(300,000)	(300,000)	(300,000)	Joel Carre	Nil
----------	------------------------------------	---	-----------	-----------	-----------	-----------	------------	-----

Building Cleaning Contract Savings anticipated.

Total Programme in Non-Committee Items	0	(225,000)	(300,000)	(300,000)	(300,000)			
--	---	-----------	-----------	-----------	-----------	--	--	--

### Strategy & Transformation

PROG3558	Savings resulting from the introduction of a self-service telephony and electronic enquiry services	0	(50,000)	(50,000)	(50,000)	(50,000)	Clarissa Norman	Nil
----------	---	---	----------	----------	----------	----------	-----------------	-----

A self-service telephony and electronic enquiry services solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the Customer Service Centre and speaking to an advisor. The proposal will release skilled advisors from simple, repetitive calls leading to cashable savings, improved productivity and processing times and increase capacity to deal with the more complex urgent enquiries.

PROG3561	Savings resulting from the introduction of a self-service voice activated switchboard	0	(15,000)	(15,000)	(15,000)	(15,000)	Clarissa Norman	Nil
----------	---	---	----------	----------	----------	----------	-----------------	-----

A self-service switchboard solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the switchboard. This will be quicker and more seamless than the current system. The proposal will also release capacity and staff savings in the contact centre and improve call duration times.

PROG3616	Sustainable Tourism Model- Destination Management Organisation	0	40,000	0	0	0	Emma Thornton	Nil
----------	--	---	--------	---	---	---	---------------	-----

This proposal is for the estimated set up costs associated with setting up a Destination Management Organisation (DMO) for the future delivery of tourism for Cambridge and the surrounding area. It includes IT (£20K), Property issues (£5K), Corporate ID and branding (£5K), possible VAT issues (£5k) and legal costs (£5k). [Linked to PROG3617]

PROG3617	Sustainable Tourism Model- Destination Management Organisation	0	49,800	(5,090)	(17,390)	(17,390)	Emma Thornton	Nil
----------	--	---	--------	---------	----------	----------	---------------	-----

## 2015/16 Budget - General Fund

Page 5 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Programme

This proposal supports the development of a Destination Management Organisation (DMO), which is a business led partnership model for the future delivery of tourism for Cambridge and the surrounding area. This move provides the opportunity to increase investment in tourism, safeguarding the visitor economy as a key economic driver for the city and the surrounding area and to reduce the cost to the City Council. The target launch for the DMO would be January 2016. This proposal excludes the savings which will be delivered as a result of the DMO project, through the Support Services Review so the overall saving from the DMO will be significantly higher. [Linked to PROG3616]

<b>PROG3681</b>	<b>Transfer of arts and recreation provision to a charitable trust (Cambridge Live)</b>	0	112,000	48,000	55,000	(15,000)	Debbie Kaye	Nil
-----------------	---	---	---------	--------	--------	----------	-------------	-----

Net revenue cost / (saving) arising from the creation of the Arts Trust (Cambridge Live). The creation of the trust model will allow the council to review over £625,000 of central costs in the Support Services Review as part of the business transformation programme and will also maintain this cultural offer in the city. Substantial central cost savings will arise as a result although direct service delivery savings of some £50,000 per annum are anticipated from Year 5. [Linked to URP3682].

<b>PROG3686</b>	<b>Support Services Review</b>	0	(103,000)	(368,000)	(526,000)	(600,000)	Ray Ward	Nil
-----------------	--------------------------------	---	-----------	-----------	-----------	-----------	----------	-----

As the Council moves to other ways of delivering services and our own support service needs reduce, the Council needs to review its support service functions and reduce our costs relating to property, people, technology and other supplies and services. We are undertaking a phased approach to this project as we are at the early stages of developing and implementing alternative service delivery models.

Phase 1 of this project will focus on reducing costs from ICT and transactional finance activity; Phase 2 will focus on removing costs from business support activity and other support functions and Phase 3 will review all remaining areas particularly those required to initially support the Transformation Programme. [Linked to PROG3661, PROG3662, PROG3746]

<b>PROG3687</b>	<b>ICT Shared Service</b>	0	(75,000)	(113,000)	(150,000)	(188,000)	Ray Ward	Nil
-----------------	---------------------------	---	----------	-----------	-----------	-----------	----------	-----

The shared ICT service with South Cambridgeshire District Council and Huntingdonshire District Council will produce savings by reviewing management arrangements; delivering a package of IT standardisation and reducing external expenditure. This proposal represents the General Fund element of the total saving. [Linked to PROG3709 - HRA element of saving.]

<b>PROG3688</b>	<b>Legal Shared Service</b>	0	(23,000)	(23,000)	(23,000)	(23,000)	Ray Ward	Nil
-----------------	-----------------------------	---	----------	----------	----------	----------	----------	-----

The shared Legal service with South Cambridgeshire District Council and Huntingdonshire District Council will produce savings through a number of measures including reviewing the current legal personnel structure, ensuring that we assign activity more efficiently; reviewing our use of external legal advice in light of the expertise and capacity that exists across the shared service and reviewing the current legal support administrative arrangements, bringing together the systems and processes of all three councils into one consistent approach. This proposal represents the General Fund element of the total saving. [Linked to PROG3710 - HRA element of saving.]

<b>PROG3746</b>	<b>Programme Office and Central Support Services</b>	0	374,000	435,000	383,000	100,000	Ray Ward	?
-----------------	--	---	---------	---------	---------	---------	----------	---

## 2015/16 Budget - General Fund

Page 6 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Programme

Programme Office and Central Support Services costs arising as a result of the transformation programme. These are the costs of delivering the projects that have been identified within the Business Transformation Programme. This is made up of delivery cost (such as the additional costs of financial, HR, legal and business analysis support) and the costs of change within specific projects such as the Support Services Review. [Linked to PROG 3661, PROG3662, PROG 3686]

<b>PROG3747</b>	<b>Shared Planning Service</b>	0	0	(50,000)	(50,000)	(50,000)	Patsy Dell	Nil
-----------------	--------------------------------	---	---	----------	----------	----------	------------	-----

Development of a shared Planning Service with South Cambridgeshire District Council and Huntingdonshire DC will enable efficiency and effectiveness in service delivery and savings in management and service delivery to be realised

<b>PROG3748</b>	<b>Shared Building Control New Model</b>	0	(50,000)	(50,000)	(50,000)	(50,000)	Patsy Dell	Nil
-----------------	--	---	----------	----------	----------	----------	------------	-----

The Building Control Service will be part of the shared service transformation programme. Savings have been identified in 2015/16 ahead of full development of the new model of service delivery. These savings are exclusive of corporate overheads and repair and renewal fund savings being addressed elsewhere in the budget process. Further savings are anticipated once the new model of service delivery has been implemented but these require further work and approval of the new model before they can be confirmed.

### Total Programme in Strategy & Transformation

0	199,800	(191,090)	(443,390)	(908,390)
---	---------	-----------	-----------	-----------

### Total Programme

0	(25,200)	(491,090)	(743,390)	(1,208,390)
---	----------	-----------	-----------	-------------

## 2015/16 Budget - General Fund

Page 7 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

## Community, Arts &amp; Recreation

<b>S3576</b>	<b>Management of Area Committee Grants within the in-house Grants Team</b>	0	(6,000)	(6,000)	(6,000)	(6,000)	Debbie Kaye	Nil
--------------	--	---	---------	---------	---------	---------	-------------	-----

The area committee grants process has been brought back in-house and simplified so it can be managed within existing staff resources. This means we can save the management fee we used to pay to Cambridgeshire Community Foundation.

<b>S3577</b>	<b>Removal of Community Development Officer support at Area Committees</b>	0	(3,000)	(3,000)	(3,000)	(3,000)	Debbie Kaye	Nil
--------------	--	---	---------	---------	---------	---------	-------------	-----

The meet and greet and general advice giving role at area committees is now carried out by the Head of Service lead for each committee which means we no longer have to fund additional hours for Community Development Workers.

<b>S3578</b>	<b>Neighbourhood Community Projects (NCP) Review - Cash Limiting Budget</b>	0	(1,500)	(1,500)	(1,500)	(1,500)	Debbie Kaye	Nil
--------------	---	---	---------	---------	---------	---------	-------------	-----

Outcome of the NCP Review was to protect the budgets for the 3 projects for 2015/16 but to not increase them by inflation.

<b>S3579</b>	<b>Community Engagement - Rationalisation of project budgets</b>	0	(5,000)	(5,000)	(5,000)	(5,000)	Debbie Kaye	Nil
--------------	--	---	---------	---------	---------	---------	-------------	-----

Following the Community Development Service restructure, we have been able to rationalise and reduce the existing project budgets for community engagement.

<b>Total Savings in Community, Arts &amp; Recreation</b>	<b>0</b>	<b>(15,500)</b>	<b>(15,500)</b>	<b>(15,500)</b>	<b>(15,500)</b>			
--	----------	-----------------	-----------------	-----------------	-----------------	--	--	--

## Finance &amp; Resources

<b>S3524</b>	<b>Legal Services. Saving on books and publications through joint purchasing arrangement</b>	0	(5,000)	(5,000)	(5,000)	(5,000)	Simon Pugh	Nil
--------------	--	---	---------	---------	---------	---------	------------	-----

Saving through consortium purchasing arrangements of legal reference sources set up by Public Law Partnership, of which the City Council's legal service is a member.

<b>S3525</b>	<b>Legal Services: Deletion of unfilled post (0.4 fte)</b>	0	(20,000)	(20,000)	(20,000)	(20,000)	Simon Pugh	Nil
--------------	--	---	----------	----------	----------	----------	------------	-----

## 2015/16 Budget - General Fund

Page 8 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

The post-holder left the Council in February 2014. We believe we can absorb the work within existing resources.

<b>S3543</b>	<b>Revenues and Benefits supplies and services efficiency savings</b>	0	(19,000)	(19,000)	(19,000)	(19,000)	Alison Cole	Nil
--------------	---	---	----------	----------	----------	----------	-------------	-----

Reduced supplies and services costs following efficiency review

<b>S3549</b>	<b>Intranet Technical Support</b>	0	(3,000)	(3,000)	(3,000)	(3,000)	James Nightingale	Nil
--------------	-----------------------------------	---	---------	---------	---------	---------	----------------------	-----

The move to a content management system for Intranet has reduced the requirement for technical support from Northgate, allowing a small saving.

<b>S3550</b>	<b>Reduce IT consultancy spend</b>	0	(20,000)	(20,000)	(20,000)	(20,000)	James Nightingale	Nil
--------------	--	---	----------	----------	----------	----------	----------------------	-----

ICT retains a small consultancy budget, which funds investigations into new ICT requirements and solutions, with the potential to unlock greater savings elsewhere in the Council. It has been difficult to manage sufficient projects to fully utilise this, and so it is proposed to release some as a saving.

<b>S3553</b>	<b>Delete sustainable city projects budget</b>	0	(4,080)	(4,080)	(4,080)	(4,080)	David Kidston	Nil
--------------	--	---	---------	---------	---------	---------	------------------	-----

This budget line was created to provide a projects budget for the sustainability officer to carry out promotional and other work. The sustainability officer post changed over time and the previous promotional work largely ceased. The post was deleted earlier this year, and there is therefore no continuing need for this projects budget.

<b>S3627</b>	<b>Savings from reduced costs for Head of Internal Audit</b>	0	(2,500)	(2,500)	(2,500)	(2,500)	Bridget Bishop	Nil
--------------	--	---	---------	---------	---------	---------	-------------------	-----

Slight reduction in costs of Head of Internal Audit following South Cambs District Council joining shared arrangements in July 2013.

<b>S3645</b>	<b>Printing Budget Reduction</b>	0	(30,000)	(30,000)	(30,000)	(30,000)	James Nightingale	+L
--------------	----------------------------------	---	----------	----------	----------	----------	----------------------	----

Reduce the amount spent on printing, and colour printing in particular.

<b>S3647</b>	<b>Legal Services: Additional saving on staff costs</b>	0	(11,420)	(11,420)	(11,420)	(11,420)	Simon Pugh	Nil
--------------	---	---	----------	----------	----------	----------	------------	-----

The salary budget makes allowance for incremental progression. As most Legal Services' employees have reached the top of their grade there is only a limited need to allow for this. The saving represents the surplus element.

## 2015/16 Budget - General Fund

Page 9 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

## Total Savings in Finance &amp; Resources

0	(115,000)	(115,000)	(115,000)	(115,000)
---	-----------	-----------	-----------	-----------

## Housing

<b>S3534</b>	<b>Saving in Home Improvement Grants IT Systems</b>	0	(2,200)	(2,200)	(2,200)	(2,200)	Helen Reed	Nil
--------------	---	---	---------	---------	---------	---------	------------	-----

The move to working as part of a shared Home Improvement Agency with South Cambridgeshire and Huntingdonshire District Councils means that licences for the IT system previously deployed by Cambridge City Council are no longer required.

<b>S3535</b>	<b>Reduced expenditure on emergency Bed and Breakfast provision</b>	0	(56,800)	(56,800)	(56,800)	(56,800)	David Greening	Nil
--------------	---	---	----------	----------	----------	----------	----------------	-----

A reduction in homelessness costs is possible due predominantly to lower bed and breakfast expenditure resulting from the introduction of more emergency accommodation, provided by both Cambridge City directly and by working in partnership with other local authorities. Expansion of our own emergency accommodation provision means that there is lower usage of bed and breakfast, both in terms of numbers and length of stay. Local households are also less frequently placed outside of the city, minimising disruption to their lives.

<b>S3536</b>	<b>Cessation of inserts into Flack magazine</b>	0	(2,820)	(2,820)	(2,820)	(2,820)	David Greening	Nil
--------------	---	---	---------	---------	---------	---------	----------------	-----

It is proposed to remove the budget for homeless inserts into the Flack magazine, which has ceased publication.

<b>S3538</b>	<b>Saving in contributions to the Sub-Regional Housing Service</b>	0	(4,110)	(4,110)	(4,110)	(4,110)	Helen Reed	Nil
--------------	--	---	---------	---------	---------	---------	------------	-----

The contributions to both the Sub-Regional Housing Co-Ordinator post and the Strategic Housing Market Assessment are lower than previously anticipated, with a decision sub-regionally to reduce the annual ongoing contribution to the latter, which will deliver savings of £2,090 in both in Strategic Housing and Planning budgets for the city.

<b>S3541</b>	<b>Housing General Fund salary savings</b>	0	(5,400)	(5,400)	(5,400)	(5,400)	Julia Hovells	Nil
--------------	--	---	---------	---------	---------	---------	---------------	-----

Salary savings derived from recruitment to vacant posts at lower points than vacated

<b>S3545</b>	<b>Reduction in charge to the General Fund for the Head of Strategic Housing</b>	0	(21,550)	(21,550)	(21,550)	(21,550)	Julia Hovells	Nil
--------------	--	---	----------	----------	----------	----------	---------------	-----

A review of the responsibilities of the Head of Strategic Housing has resulted in the need to increase the proportion of the post funded by the HRA, recognising the large increase in HRA new build activity.

## 2015/16 Budget - General Fund

Page 10 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

## Total Savings in Housing

0	(92,880)	(92,880)	(92,880)	(92,880)
---	----------	----------	----------	----------

## Non-Committee Items

<b>S3614</b>	<b>Maternity Fund reduction in funding</b>	0	(100,000)	(100,000)	(100,000)	(100,000)	Caroline Ryba	Nil
--------------	--	---	-----------	-----------	-----------	-----------	---------------	-----

Reduced provision of £100k for centralised maternity fund. Services will be asked to fund maternity pay within service budgets in the first instance. A central provision of £75k will be retained by the Head of Finance to assist on a case by case basis where services are unable to cover maternity pay and/or cover arrangements within their overall service budgets.

<b>S3646</b>	<b>Adjustment to staff recharges between the General Fund and the HRA</b>	0	(64,860)	(64,860)	(64,860)	(64,860)	Julia Hovells	Nil
--------------	---	---	----------	----------	----------	----------	---------------	-----

Recharges for the Director of Customer & Community Services, Executive Team and Business Team have been reviewed in light of the changes in responsibility for service areas, with Estates and Facilities now managed in this department, whilst Customer Services have transferred to the Director of Business Transformation.

<b>S3668</b>	<b>Council Tax Earmarked for Growth Fund - cease contributions</b>	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba	Nil
--------------	--	---	-----------	-----------	-----------	-----------	---------------	-----

The Council Tax Earmarked for Growth Fund was reviewed as part of the Reserves Review. The fund was originally established so that increases in Council tax yield resulting from a Council tax base increase above 0.5% would provide a funding source to meet the future costs of growth-related budget items. Rather than earmark this sum, the full Council Tax yield will now be included for resources purposes against which growth-related and other budget items will bid. Therefore any uncommitted balance will be returned to General Fund reserves and no further contributions will be made.

<b>S3677</b>	<b>Review of General Fund Repairs and Renewals</b>	0	(1,692,000)	(1,692,000)	(1,692,000)	(1,692,000)	Caroline Ryba	Nil
--------------	--	---	-------------	-------------	-------------	-------------	---------------	-----

Following a review of the purpose and use of these balances, Repairs and Renewals (R&R) Fund annual contributions are to be reduced, after providing for contributions for specific replacements and an additional £1m of Direct Revenue Financing (DRF). [Linked to NCL3678 & CF3672].

<b>S3680</b>	<b>Review employee turnover / vacancy factor</b>	0	(50,000)	(50,000)	(50,000)	(50,000)	John Harvey	Nil
--------------	--	---	----------	----------	----------	----------	-------------	-----

In general, employee budgets assume an employee turnover saving of 3% of gross pay budget. Specific vacancy factors are applied where experience indicates that a different factor is more applicable. These factors will be reviewed.

## 2015/16 Budget - General Fund

Page 11 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

<b>S3717</b>	<b>Savings due to Direct Revenue Funding (DRF) being met from New Homes Bonus (NHB)</b>	0	(150,000)	(195,000)	(1,075,000)	(1,075,000)	Caroline Ryba	Nil
--------------	---	---	-----------	-----------	-------------	-------------	---------------	-----

Savings due to Direct Revenue Funding (DRF) being met from New Homes Bonus (NHB).

This revenue saving is facilitated by allocating this amount from the total New Homes Bonus (NHB) which incorporates additional for 2015/16 based on 17 December notification from the Department for Communities and Local Government (DCLG) and future NHB amounts calculated based on Annual Monitoring Report (AMR) housing projections and this allocation. [Linked to NCL3716, NCL3692, NCL3750, NCL3751 and NCL3715].

<b>Total Savings in Non-Committee Items</b>	<b>0</b>	<b>(2,256,860)</b>	<b>(2,301,860)</b>	<b>(3,181,860)</b>	<b>(3,181,860)</b>
---	----------	--------------------	--------------------	--------------------	--------------------

## Planning Policy &amp; Transport

<b>S3568</b>	<b>Electricity saving at Grafton West Car Park - LED lighting</b>	0	(2,800)	(2,800)	(2,800)	(2,800)	Paul Necus	+M
--------------	---	---	---------	---------	---------	---------	------------	----

Climate change saving - Electricity saving at Grafton West Car Park following the installation of LED lighting as part of the refurbishment project.

<b>S3685</b>	<b>Salary savings from Director &amp; Business &amp; Information Services (BIS) cost centre</b>	0	(26,000)	(26,000)	(26,000)	(26,000)	Paul Boucher	Nil
--------------	---	---	----------	----------	----------	----------	--------------	-----

Savings from a review of salary budgets which have largely arisen from the recruitment of staff at entry zone levels of pay bands compared to the previous post holders.

<b>Total Savings in Planning Policy &amp; Transport</b>	<b>0</b>	<b>(28,800)</b>	<b>(28,800)</b>	<b>(28,800)</b>	<b>(28,800)</b>
---	----------	-----------------	-----------------	-----------------	-----------------

## Strategy &amp; Transformation

<b>S3528</b>	<b>End financial contribution to Cambridgeshire Constabulary</b>	0	(51,000)	(51,000)	(51,000)	(51,000)	Lynda Kilkelly	Nil
--------------	--	---	----------	----------	----------	----------	----------------	-----

Cambridgeshire Constabulary asked districts across the county in 2005 for a funding contribution towards the cost of Police Community Support Officers. Other districts ceased these payments several years ago. There is no longer any specific benefit linked to this funding and the Constabulary have made recent changes to PCSO numbers without reference to district councils. After discussions with both Cambridge police and the Commissioner's office, it is proposed to make this saving and reinvest the majority in continuing Neighbourhood Resolution Panels and new initiatives to tackle domestic violence, including working to obtain 'White Ribbon' status for the Council as part of the Council's community safety ongoing commitments of over £300,000 each year.

## 2015/16 Budget - General Fund

Page 12 of 12

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Savings

<b>S3529</b>	<b>Reduction in Safer City Revenue Grants</b>	0	(20,800)	(20,800)	(20,800)	(20,800)	Lynda Kilkelly	Nil
--------------	---	---	----------	----------	----------	----------	----------------	-----

This saving assumes that the one-off reduction in Safer City revenue grants, included as part of the 2014/15 budget process, is continued on an ongoing basis, and reflects the reduced level of take up that has been experienced during 2014/15 to date.

<b>S3547</b>	<b>Chief Executive's Department administrative savings</b>	0	(20,000)	(20,000)	(20,000)	(20,000)	Andrew Limb	Nil
--------------	--	---	----------	----------	----------	----------	-------------	-----

Combination of a number of small administrative items from the Chief Executive's Department, including the Corporate Strategy and Corporate Policy cost centres, deliverable due to efficiencies in the service, salary budget adjustments and reduction in contingency provision.

<b>S3551</b>	<b>Members' Allowances - saving arising from inflationary uplift in budget while allowance scheme frozen</b>	0	(14,000)	(14,000)	(14,000)	(14,000)	Gary Cliff	Nil
--------------	--	---	----------	----------	----------	----------	------------	-----

This saving is possible as Councillors have not taken an increase in their allowances over a period of years in which the budget has increased with inflation.

<b>S3559</b>	<b>Removing 5k from the Customer Service Centre training budget</b>	0	(5,000)	(5,000)	(5,000)	(5,000)	Clarissa Norman	Nil
--------------	---	---	---------	---------	---------	---------	-----------------	-----

Cambridge City Council will no longer be members of the Customer Contact Association (CCA) in 2015. We will therefore not be attending the annual conference and other seminars and courses provided by the association throughout the year. £5k can therefore be removed from the budget.

<b>Total Savings in Strategy &amp; Transformation</b>	0	(110,800)	(110,800)	(110,800)	(110,800)	
<b>Total Savings</b>	0	(2,619,840)	(2,664,840)	(3,544,840)	(3,544,840)	
<b>Report Total</b>	0	(3,545,030)	(4,328,830)	(5,386,130)	(5,851,130)	

## 2015/16 Budget - General Fund

Page 1 of 2

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## PPF Bids

## Finance &amp; Resources

PPF3706	Trade Union Facilities Agreement	0	34,500	34,500	34,500	34,500	Deborah Simpson	Nil
---------	----------------------------------	---	--------	--------	--------	--------	-----------------	-----

Trade Union branch secretaries do not currently have the time to fully contribute to the multiple transformation processes that are ongoing. This proposal will enhance the trade union facilities agreement by allowing additional support to HR and the council as staff face uncertainty and challenges arising from the transformation programme, will ease the transition and allow full participation, thereby ensuring the morale is maintained and the process takes account of input from staff.

Total PPF Bids in Finance & Resources	0	34,500	34,500	34,500	34,500
---------------------------------------	---	--------	--------	--------	--------

## Housing

PPF3533	Funding to contribute to a county-wide Handyperson Service	0	8,800	8,800	8,800	8,800	Helen Reed	Nil
---------	--	---	-------	-------	-------	-------	------------	-----

It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy.

PPF3562	Cambridge Landlord Accreditation Safety Scheme	0	40,000	40,000	40,000	40,000	Yvonne O'Donnell	Nil
---------	--	---	--------	--------	--------	--------	------------------	-----

The private rented sector is of increasing importance to City residents and has grown significantly over the last decade. This bid will allow us to introduce a co-ordinated scheme including enhanced accreditation and training which will support good landlords. It will also allow for greater and targeted enforcement against poorly managed rented properties and HMO's and investigations into the feasibility of discretionary licensing powers such as Additional Licensing. Given current demands the service is unable to deliver this within existing resources.

PPF3564	Empty Homes Officer Post	0	24,000	40,000	40,000	40,000	Yvonne O'Donnell	+L
---------	--------------------------	---	--------	--------	--------	--------	------------------	----

Creation of permanent post to bring long term vacant dwellings back into occupation. This will increase the level of affordable housing, reduce environmental impact and increase new homes bonus receipts. Currently there is funding for a temporary post until August 2015 although the post is currently vacant. During his tenure of 11 months the previous empty property officer was able to bring back into use 25 long term properties, 15 of which were eligible for new homes bonus which equates to £106,000 over 6 years. This new post will bring an average of 20 properties per year back into use. Last year approximately £200k was placed into reserves following a Compulsory Purchase order on an empty home. [Linked to C3563]

Total PPF Bids in Housing	0	72,800	88,800	88,800	88,800
---------------------------	---	--------	--------	--------	--------

## 2015/16 Budget - General Fund

Page 2 of 2

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## PPF Bids

PPF3539	Continuation and expansion of the Neighbourhood Resolution Panel initiative	0	21,400	21,400	21,400	21,400	Lynda Kilkelly	Nil
---------	---	---	--------	--------	--------	--------	----------------	-----

*This bid, as with bid PPF3540, is also offset from savings offered in community safety functions and would enable the continuation of the employment of a Neighbourhood Resolution Panel Co-ordinator and an expansion of this service which works closely with the police. The work of the NRPs helps with ASB and community tensions in more deprived areas where ASB can be more prevalent.*

PPF3540	Additional funding for the Community Safety Partnership Support Officer / Domestic Abuse Co-Ordinator	0	9,600	9,600	9,600	9,600	Lynda Kilkelly	Nil
---------	---	---	-------	-------	-------	-------	----------------	-----

*The bid would allow the expansion of the domestic abuse co-ordination functions, to deliver the white ribbon campaign. Savings have been offered in other areas of community safety functions which offset the costs of this bid and bid PPF3539. The domestic abuse work will assist with delivering targets in areas of low income with high domestic abuse.*

Total PPF Bids in Strategy & Transformation	0	31,000	31,000	31,000	31,000
Total PPF Bids	0	138,300	154,300	154,300	154,300
Report Total	0	138,300	154,300	154,300	154,300

## 2015/16 Budget - General Fund

Page 1 of 3

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## External Bids

## City Centre &amp; Public Places

<b>X3557</b>	<b>Mill Road Coordinator - Phased withdrawal of funding</b>	0	10,000	5,000	2,500		0 Emma Thornton	Nil
--------------	---	---	--------	-------	-------	--	--------------------	-----

Funding for the Mill Road Coordinator post was approved in 2012 for 3 years and this runs out at the end of August 2015. A Business Plan is under development with the businesses in Mill Road which would enable this activity to be self-funding within 3 years. To facilitate this the business community are requesting a phased withdrawal of funding over the next 3 years. Continued support of this role will directly benefit the new Chesterton/Mitcham's Corner Coordinator as it will be key in supporting and mentoring this new role. [Fund from Fixed-Term Priority Project Fund, FTPPF]

## Total External Bids in City Centre &amp; Public Places

0	10,000	5,000	2,500	0
---	--------	-------	-------	---

## Community, Arts &amp; Recreation

<b>X3572</b>	<b>Children &amp; Young People's Area Engagement Project</b>	0	46,000	46,000	0		0 Debbie Kaye	Nil
--------------	--	---	--------	--------	---	--	---------------	-----

This project aims to improve the engagement and influence of children and young people in the city in council decisions that affect and impact upon them, such as options for the use of Section 106 funding of community facilities, open space and sport, together with views on other neighbourhood issues.

The project will focus on outreach work within each of the four Area Committee areas, albeit with a focus on the four wards that experience the highest relative deprivation in the city. It is proposed that the project is run through ChYpPS, and a community engagement officer is proposed to be recruited from this budget to assist with the outreach work. Four 'Agenda Days' will be organised to bring young people together, the costs of which would be met from the budget allocated.

The project is to be funded for two years, with a project review after 18 months to explore future funding options. [Fund from Fixed-Term Priority Project Fund, FTPPF]

<b>X3574</b>	<b>Junior Savers Pilot Project</b>	0	10,000	0	0		0 Debbie Kaye	Nil
--------------	------------------------------------	---	--------	---	---	--	---------------	-----

Pilot project working with one secondary and one primary school in a deprived area of the city to encourage young people to open savings accounts with a Credit Union. It is anticipated that the project would be managed by Rainbow Savers Anglia Credit Union with some initial support from Community Development officers.

[Fund from Sharing Prosperity Fund, SPF]

<b>X3575</b>	<b>North West Cambridge Growth Quadrant - Community Development Staffing</b>	0	30,000	100,000	100,000	100,000	Debbie Kaye	Nil
--------------	--	---	--------	---------	---------	---------	-------------	-----

The S106 Agreements for the NW Cambridge Quadrant require developers to provide funding for Community Development, Youth Worker and Sports Development staff to help integrate and build capacity within the new communities. This funding is subject to triggers relating to build out rates over the next 6 to 7 years. Staff will be employed by the Council during this period. Recruitment will be staggered to meet the demands of new residents as they move in. The total amount of funding is £606,000. Therefore, income/expenditure profile is PROVISIONAL. [Fund from Developer Contribution]

## 2015/16 Budget - General Fund

Page 2 of 3

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## External Bids

<b>X3649</b>	<b>Free swimming lessons for children, Sharing Prosperity Fund bid.</b>	0	10,000	9,000	9,000		0 Ian Ross	Nil
--------------	---	---	--------	-------	-------	--	------------	-----

The project will focus on two groups; a) younger children from low income families and b) children who cannot swim at the key stage 2 assessment point. A term of 12-14 lessons would be offered free-of-charge to identified families or referrals via a voucher redeemed via GLL at Council-run pools. Scheme a) NEW for pre-school and key stage 1 children. Scheme b) Already exists, funded by local public health funding for one year 2014/15. This bid would enable continuation for a further 3 years.  
[Fund from Sharing Prosperity Fund, SPF]

## Total External Bids in Community, Arts &amp; Recreation

0	96,000	155,000	109,000	100,000
---	--------	---------	---------	---------

## Finance &amp; Resources

<b>X3657</b>	<b>Citizen's Advice GP-based outreach pilot project</b>	0	25,000	0	0		0 Andrew Limb	Nil
--------------	---	---	--------	---	---	--	---------------	-----

The project involves the placement of a qualified advisor from Cambridge CAB in East Barnwell General Practice for three days per week to run an advice session for clients who have been referred by GPs based in the practice. The GPs will offer the advice as part of their consultations to people who present with issues that affect their well-being. This is a pilot project that, if successful, could be used to leverage funding in future from other public sector bodies such as the National Health Service NHS). [Fund from Sharing Prosperity Fund, SPF].

<b>X3658</b>	<b>Digital skills in deprived areas</b>	0	15,000	0	0		0 Andrew Limb	Nil
--------------	---	---	--------	---	---	--	---------------	-----

Working with the County Council, helping people to get the online skills they need to support the anti-poverty strategy (i.e. general digital access, including to public services) but also to focus on job search and online applications. [Fund from Sharing Prosperity Fund, SPF].

<b>X3683</b>	<b>Rental Support for Cambridge City Foodbank</b>	0	14,000	14,000	0		0 Dave Prinsep	Nil
--------------	---	---	--------	--------	---	--	----------------	-----

Proposal to provide rental support of £14,000 p.a. to Cambridge City Foodbank to enable them to increase their management capability and expand their services locally from their Cambridge base. This is to be funded from the Sharing Prosperity Fund for 2015/16 and 2016/17 after which it will be reviewed. The Foodbank currently operates from Orwell House/Furlong as its base with 6 distribution centres, operating purely through voluntary staff and public/corporate donations. This funding will enable them to develop their services and relieve financial pressure due to uncertain and fluctuating funding sources.  
[Fund from Sharing Prosperity Fund, SPF]

## Total External Bids in Finance &amp; Resources

0	54,000	14,000	0	0
---	--------	--------	---	---

## Housing

**2015/16 Budget - General Fund**

Page 3 of 3

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

**External Bids**

<b>X3729</b>	<b>Refuge provision - Enhanced services using DCLG grant funding</b>	0	100,000	0	0	0	David Greening	Nil
--------------	--	---	---------	---	---	---	-------------------	-----

The Department for Communities and Local Government have announced a £10 million fund to assist local authorities in strengthening refuge services, with the aim of keeping victims of domestic abuse safe. If successful in securing a bid for £100,000, Cambridge City Council would work with Cambridge Women's Aid in partnership with two other refuges to employ a dedicated Community Psychiatric Nurse to work with those with mental health issues. The funding would also be used to improve the existing refuge provision, allowing essential repairs to be undertaken and facilitating the transfer of residents between refuges where they can be best supported. [Fund from DCLG grant].

<b>X3730</b>	<b>Supported Lodgings Scheme and Chronically Excluded Adults Service - DCLG grant funded initiative</b>	75,980	126,640	0	0	0	David Greening	Nil
--------------	---	--------	---------	---	---	---	-------------------	-----

The authority, on behalf of a number of partner authorities, has been successful in securing DCLG grant funding for the Single Homelessness Service, totalling £202,620 across 2014/15 and 2015/16. It is anticipated that some of the resource will be used through the supported lodgings scheme, which matches community volunteers to individuals, providing 'room only' accommodation or supported lodgings. The balance of funding will be used to extend the existing Chronically Excluded Adults Service into Peterborough, working with those in hard to reach groups who are homeless or at risk of becoming homeless. [Fund from DCLG grant].

<b>Total External Bids in Housing</b>	<b>75,980</b>	<b>226,640</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>Total External Bids</b>	<b>75,980</b>	<b>386,640</b>	<b>174,000</b>	<b>111,500</b>	<b>100,000</b>			
<b>Report Total</b>	<b>75,980</b>	<b>386,640</b>	<b>174,000</b>	<b>111,500</b>	<b>100,000</b>			

## 2015/16 Budget - General Fund

Page 1 of 4

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Non-Cash Limit Items

## Finance &amp; Resources

NCL3696	Creation of an "Invest for Income" Fund	0	6,500,000	1,000,000	500,000	0	Caroline Ryba	Nil
---------	---	---	-----------	-----------	---------	---	---------------	-----

In order to maximise the return from our capital, it is proposed to place funding released by the reviews of earmarked reserves and the capital plan into an earmarked reserve to fund income-generating investments. A formal 'Invest for Income' process will be set up to develop proposals, with the assumption that investments opportunities will make commercial returns of at least 5%. They may include investment in general fund residential property, energy generation, and other opportunities.

## Total Non-Cash Limit Items in Finance &amp; Resources

0	6,500,000	1,000,000	500,000	0
---	-----------	-----------	---------	---

## Non-Committee Items

NCL3670	Contribution to Sharing Prosperity Fund (SPF)	0	325,000	0	0	0	Caroline Ryba	Nil
---------	---	---	---------	---	---	---	---------------	-----

This will provide for an additional contribution to provide funding capacity for new budgetary items identified through the Anti-Poverty Strategy Process. The funding will be for one-off projects, or for pilots of projects that might require ongoing funding. If projects do require ongoing revenue funding, after having a pilot funded by the SPF they can make a revenue or PPF bid. It will be expected that the SPF will be topped up in future years, if the funding is available, to ensure that the resources exist to finance Anti-Poverty initiatives.

NCL3671	Council Tax revised income projections	0	(36,490)	(26,440)	(79,400)	(224,340)	Charity Main	Nil
---------	--	---	----------	----------	----------	-----------	--------------	-----

The Council Tax income projections have been revised (since MFR 2014) in light of the calculated Council Tax Base for 2015/16 and the Annual Monitoring Review (AMR) of housing projections.

NCL3678	Review of General Fund Repairs and Renewals	0	(9,387,000)	0	0	0	Caroline Ryba	Nil
---------	---	---	-------------	---	---	---	---------------	-----

Repairs and Renewals (R&R) Fund balances returned to general reserves, following a review of the purpose and use of these balances. Capital schemes formerly funded from R&R will be funded from increased levels of Direct Revenue Financing (DRF). [Linked to CF3672 & S3677].

NCL3679	Reserves Review	0	(2,715,000)	0	0	0	Caroline Ryba	Nil
---------	-----------------	---	-------------	---	---	---	---------------	-----

Earmarked reserve balances returned to general reserves following a review of the purpose and use of these balances.

NCL3689	Capital Plan - reduction in Direct Revenue Funding (DRF)	(178,000)	(1,928,000)	(1,895,000)	(195,000)	(195,000)	Caroline Ryba	Nil
---------	--	-----------	-------------	-------------	-----------	-----------	---------------	-----

## 2015/16 Budget - General Fund

Page 2 of 4

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Non-Cash Limit Items

Funding returned to general fund reserves following a review of the capital plan which identified projects that are not yet ready for delivery, are no longer required, or are not true capital projects and were to be funded from Direct Revenue Funding (DRF).

NCL3690	Capital Plan - R & R funding returned to GF reserves	(294,000)	(1,236,000)	0	0	0	Caroline Ryba	Nil
---------	--	-----------	-------------	---	---	---	---------------	-----

Funding returned to general fund reserves following a review of the capital plan which identified projects that are not yet ready for delivery, are no longer required, or are not true capital projects and were to be funded from Repairs and Renewals.

NCL3691	Capital Plan - Direct Revenue Funding (DRF) to fund Commercial Property Acquisition Programme	0	8,000,000	0	0	0	Caroline Ryba	Nil
---------	---	---	-----------	---	---	---	---------------	-----

Capital Plan - Direct Revenue Funding (DRF) to fund Commercial Property Acquisition Programme. [Linked to C3664, I13665 and R13666].

NCL3715	New Homes Bonus (NHB) - unallocated	0	459,000	585,000	661,000	928,000	Caroline Ryba	Nil
---------	-------------------------------------	---	---------	---------	---------	---------	---------------	-----

Balance of projected New Homes Bonus after allocations. This incorporates the additional New Homes Bonus for 2015/16 based on 17 December notification from the Department for Communities and Local Government (DCLG), future NHB amounts calculated based on Annual Monitoring Report (AMR) housing projections, previously approved allocations plus new allocations for City Deal infrastructure investment and Capital Plan Direct Revenue Funding (DRF). [Linked to NCL3716, NCL3692, NCL3750, NCL3751 and S3717].

NCL3716	New Homes Bonus (NHB) additional 2015/16 to 2019/20	0	(1,587,000)	(2,641,000)	(3,580,000)	(4,849,000)	Caroline Ryba	Nil
---------	---	---	-------------	-------------	-------------	-------------	---------------	-----

Additional New Homes Bonus for 2015/16 based on 17 December notification from the Department for Communities and Local Government (DCLG). Future NHB amounts calculated based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL3715, NCL3692, NCL3750, NCL3751 and S3717].

NCL3738	Capital Plan - Programme Review - R and R funding returned to GF Reserves	0	(661,000)	(254,000)	(194,000)	0	Caroline Ryba	Nil
---------	---	---	-----------	-----------	-----------	---	---------------	-----

Funding returned to general fund reserves following a review of capital programmes for ICT infrastructure, Admin Buildings and Commercial Properties Asset Replacement.

NCL3739	Capital Plan - Programme Review - reduction in Direct Revenue Funding (DRF)	0	(437,000)	0	0	0	Caroline Ryba	Nil
---------	---	---	-----------	---	---	---	---------------	-----

## 2015/16 Budget - General Fund

Page 3 of 4

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Non-Cash Limit Items

Funding returned to general fund reserves which is in light of the review of city-wide Public Convenience provision that is to follow in 2015, where the decision has been taken to put the current programme of capital improvements onto the 'Projects under development' list, pending the results of the review.

<b>NCL3740</b>	<b>Council Tax Collection Fund Deficit</b>	0	60,330	0	0	0	Charity Main	Nil
----------------	--	---	--------	---	---	---	--------------	-----

The Collection Fund for Council Tax is projected to have a deficit at the end of the current year of £216,019. The City Council's share of this projected year-end deficit is £60,330 and this will need to be taken into account in setting the Council's budget for 2015/16.

<b>NCL3744</b>	<b>Government Settlement (provisional)</b>	0	11,710	0	0	0	Caroline Ryba	Nil
----------------	--	---	--------	---	---	---	---------------	-----

The provisional Local Government Settlement was announced on Wednesday 18 December 2014, marking the start of a four week consultation period which will end on 15 January 2015. The Mid-Year Financial Review (MFR) 2014 assumed a Settlement Funding Assessment (SFA) of £6,901k. The provisional settlement is £11k, or 0.2% lower than this so is included as a budget adjustment.

<b>NCL3750</b>	<b>New Homes Bonus (NHB) - remove previous unallocated sums, now superseded</b>	0	(1,007,000)	(1,147,000)	(1,240,000)	(505,000)	Caroline Ryba	Nil
----------------	---	---	-------------	-------------	-------------	-----------	---------------	-----

Remove the previously unallocated New Homes Bonus as this has been superseded by NCL3715. [Linked to NCL3716, NCL3692, NCL3715, NCL3751 and S3717].

<b>NCL3751</b>	<b>New Homes Bonus (NHB) - allocated to Direct Revenue Funding (DRF) of Capital</b>	0	150,000	195,000	1,075,000	1,075,000	Caroline Ryba	Nil
----------------	---	---	---------	---------	-----------	-----------	---------------	-----

Contribution from New Homes Bonus to support the Capital Plan - this facilitated a revenue saving. [Linked to NCL3716, NCL3692, NCL3715, NCL3750 and S3717].

<b>Total Non-Cash Limit Items in Non-Committee Items</b>	<b>(472,000)</b>	<b>(9,988,450)</b>	<b>(5,183,440)</b>	<b>(3,552,400)</b>	<b>(3,770,340)</b>			
--	------------------	--------------------	--------------------	--------------------	--------------------	--	--	--

## Strategy &amp; Transformation

<b>NCL3692</b>	<b>Contribution to City Deal from New Homes Bonus (NHB)</b>	0	1,985,000	3,009,000	3,085,000	3,352,000	Patsy Dell	Nil
----------------	---	---	-----------	-----------	-----------	-----------	------------	-----

Contribution from New Homes Bonus to support the City Deal programme based on a contribution of 40% in 2015/16 and 50% thereafter. This incorporates the additional New Homes Bonus for 2015/16 based on 17 December notification from the Department for Communities and Local Government (DCLG) and future NHB amounts calculated based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL3716, NCL3715, NCL3750, NCL3751 and S3717].

## 2015/16 Budget - General Fund

Page 4 of 4

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Non-Cash Limit Items

Total Non-Cash Limit Items in Strategy & Transformation	0	1,985,000	3,009,000	3,085,000	3,352,000		
Total Non-Cash Limit Items	(472,000)	(1,503,450)	(1,174,440)	32,600	(418,340)		
Report Total	(472,000)	(1,503,450)	(1,174,440)	32,600	(418,340)		

# Appendix C

## Sensitivity Analysis

Topic	Quantum	BSR Assumption	Commentary / Risk
Bereavement Services Income	c.£1.8m	Current mortality rates built into BSR assumptions	<p>Falling mortality rate [yet ageing population in Cambridge]</p> <p>Opening of competitor facilities in view of the expansion of Cambridge sub region and the comparatively low investment required for a profitable new build crematorium with private sector operating costs.</p> <p>Success of Commemoration scheme (Positive)</p>
Building Control Fee Income	c. £0.5m	Based on break-even full cost recovery position for the Building Control Service	<p>Impact of economic recovery is not as swift as anticipated</p> <p>Increased competition from approved inspectors leading to smaller market share</p>
Car Parking Income	c. £9.2m	Based on Officer and external consultants' projections of usage	<p>Economic downturn reduces usage and/or increased use of Park &amp; Ride and impact of guided bus.</p> <p>Improving economic situation lead to increase in disposable income (Positive)</p>
Commercial Property Income	c. £6.5m	Officer assessment of current market conditions and future trends	Economic conditions lead to increase in voids, increased level of unrecoverable debts and less significant rent increases.
Council Tax Income	£6.7m p.a.	2% increase for 2015/16 and future years are built into projections	<p>Criteria for triggering referendums for proposed excessive increases are published each year.</p> <p>The requirement for rebilling and associated costs, together with the loss of Council Tax income, effectively provide a strong disincentive for high increase proposals.</p> <p>Economic climate may require an increase in enforcement activity.</p>
Developer Contributions	c. £5.0m	<p>All contributions are used in compliance with terms of agreements.</p> <p>Capital bids for area-based and City-wide projects funded from developer contributions have been identified.</p>	<p>Failure to meet conditions of individual schemes leads to the requirement to repay contributions and accrued interest to developers.</p> <p>Developers seek to renegotiate current agreements in order to improve the viability of their schemes putting at risk the ability to deliver essential infrastructure</p> <p>When the full impact of the Community Infrastructure Levy is understood it is likely to reduce income from individual developments.</p>

Topic	Quantum	BSR Assumption	Commentary / Risk
Employer's Pension Contribution	£35m	BSR includes provision for employer's percentage and capital payments, now updated for one-off contributions anticipated in the next triennial revaluation	Subject to the outcome of the next triennial review with effect from 1 April 2017.
Energy costs (all)	£1.2m	Officer assessment of current conditions and trends, based on latest contracts	Volatility of world market prices. The Council has contracts for electricity and gas which run from October each year and takes specialist consultant advice in determining the most advantageous terms to contract for.
Future Capital Receipts	Income	Occasional disposal of assets as outlined in the Disposal Programme. Income not taken into account until received.	Market conditions significantly reduce the value of Council assets with the associated reduced level of funding available for new capital investment. Purchaser's ability to buy is limited due to financing constraints.
Housing Benefits	£39.3m	Officer assessment of current conditions and trends	<ul style="list-style-type: none"> <li>- Council funded element of provision of the service.</li> <li>- Potential increase in Housing Benefit fraud</li> <li>- Council breached the thresholds (upper and/or lower) set by the DWP for local authority error overpayment subsidy, then this could materially affect the level of subsidy receivable on such amounts down from 100% to either 40% or 0%.</li> </ul>
Investment Income	+/- 1% is c. £400k for 2015/16 variable investments	These are based on a mid-range level provided by market analysts.	<p>Rates fall further than anticipated or for a longer period.</p> <p>A shorter period of recession or a less steep decline in rates would result in increase in investment income. (Positive)</p>
Land Charges Income	c. £0.2m	Reductions based on latest experience have been incorporated	<p>Increased proportion of personal searches and reduced number of overall searches due to market conditions.</p> <p>Potential limitation of ability to charge for searches as a result current legal settlement</p>
Local Retention of Business Rates	£1m estimated	BSR includes projections based on latest figures and guidance	Business rates is subject to the level of appeals against valuations lodged with the Valuation Office Agency (VOA) and the effects of redevelopment and growth in the City.
Market Income	c. £0.8m	Officer assessment of current market conditions and future trends	Increased level of voids as a result of the current economic climate, mitigated by new traders coming to the market as we seek to widen the range of services on the market and the cost of business premises is prohibitive for start-ups.
Non-Pay inflation	+/- 1% is GF ~ £300k for either income or expenditure for 2015/16	General inflation is included at 2.0% from 2015/16 ongoing (based on the Government target for CPI inflation).	General Inflation rises more quickly than anticipated placing greater pressure on cash limited budgets or on General Reserves to fund those pressures.

Topic	Quantum	BSR Assumption	Commentary / Risk
Pay Settlement	£35m	Plus pay progression cost estimate plus:  2014/15 - 1%* 2015/16 - 1%* 2016/17 - 1.5% 2017/18 - 2.0% And 2.5% thereafter.	Pay award agreed (2 year award approx 2.2% w.e.f. 1 Jan 2015) and effects have been included in the report  An annual percentage allowance for incremental progression was previously included pending any detailed budget adjustments to reflect performance results. Changed to projected progression cost.
Planning Fee Income	c. £1.2m	Income projections for 2015/16 have been amended to reflect current market conditions.	Impact of economic recovery is not as swift as anticipated

## 2015/16 Budget - General Fund

Page 1 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

## City Centre &amp; Public Places

<b>C3566</b>	<b>Drainage and resurfacing works at the Crematorium/Huntingdon Road Cemetery and Newmarket Road Cemetery [R and R]</b>	0	20,000	208,000	208,000	400,000	Tracy Lawrence	+L
--------------	---	---	--------	---------	---------	---------	----------------	----

Drainage - preliminary investigations have revealed collapsed drains at the Crematorium/Huntingdon Road Cemetery and Newmarket Road Cemetery. The 2015/16 bid is to provide funding for further investigations and specifications to establish a programme of works phased over three years. Following the completion of these works, resurfacing of the car parks and other affected areas will need to take place. Implications of not doing the work are that the car parks at the crematorium regularly flood resulting in a costly pumping out process and flooding of grave spaces at Huntingdon Road.  
[Funded from Bereavement Services Business Plan]

<b>C3567</b>	<b>Supply and install generator at the Crematorium [R and R]</b>	0	50,000	0	0	0	Tracy Lawrence	Nil
--------------	--	---	--------	---	---	---	----------------	-----

To provide continuity of service in the event of a power failure. To ensure funeral services are able to continue - lighting/music etc. To also ensure the cremation process is not interrupted and to meet the regulators requirement and conditions of our permit to operate. Avoid pollution should the system need to go to bypass mode (the mercury abatement plant will not operate).  
[Funded from Bereavement Services Business Plan]

<b>C3621</b>	<b>Extension of the Environmental Improvement Programme</b>	0	0	170,000	170,000	170,000	Andy Preston	Nil
--------------	---	---	---	---------	---------	---------	--------------	-----

Proposal to extend the existing Environmental Improvement Programme by a further 3 years from 2016/17 onwards. The one year break will allow the considerable number of existing approved schemes to be completed, before commencement of the new programme. It is proposed that the scheme eligibility criteria for the programme be reviewed with a view to restricting the number of projects that relate to the function of the highway. A separate capital bid has been submitted to create a new programme to fund such highway-related projects, in partnership with the County Council's Local Highway Improvement Programme.  
[Linked to C3623]

<b>C3700</b>	<b>Review of Local Centres Improvement Programme [Transfer from Capital Plan to Projects Under Development (PUD)]</b>	0	(195,000)	(195,000)	(195,000)	(195,000)	n/a	Nil
--------------	---	---	-----------	-----------	-----------	-----------	-----	-----

In order for this programme to be delivered promptly and appropriately, proper plans and business cases need to be brought forward before it is included fully on the capital programme. As a result, it is proposed to place the programme on the 'Projects under development (PUD) list' while the first two proposals, related to Cherry Hinton High Street and Arbury Court, are drawn up in detail and further work is progressed on the other schemes, such as for Mitcham's Corner. When the plans are progressed sufficiently, they will be put back onto the Capital Plan. [Transfer releases Direct Revenue Funding (DRF) back into reserves].

## 2015/16 Budget - General Fund

Page 2 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

<b>C3723</b>	<b>Corn Exchange Heating Management System</b> [Close in Plan] [R and R]	(20,000)	0	0	0	0	Debbie Kaye	Nil
--------------	---	----------	---	---	---	---	-------------	-----

*Scheme completed so funding returned to reserves.*

<b>C3724</b>	<b>Kings Hedges Learner Pool Electricity</b> [Close in Plan] [R and R]	(17,000)	0	0	0	0	Debbie Quincey	Nil
--------------	--	----------	---	---	---	---	----------------	-----

*Scheme completed so funding returned to reserves.*

<b>C3725</b>	<b>Cambridge Crematorium - Staff room refurbishment</b> [Close in Plan] [R and R]	0	(30,000)	0	0	0	Tracy Lawrence	Nil
--------------	--	---	----------	---	---	---	----------------	-----

*Scheme completed so funding returned to reserves.*

<b>C3728</b>	<b>Far East Prisoners of War Commemorative Plaque</b> [External £5k]	0	15,000	0	0	0	Andy Preston	Nil
--------------	---	---	--------	---	---	---	--------------	-----

*A bespoke designed bronze plaque to commemorate the Cambridge and Cambridgeshire Far East Prisoners of War, particularly the 1000 or more that did not return. The plaque is proposed to be located in a prime city centre location and unveiled as part of the WWII 70th anniversary commemoration on VJ Day on 15th August 2015. It is envisaged that external funding of at least £5k will be secured, with a City Council capital contribution of £10k. The project will be led by the project delivery team in the streets & open spaces service, both in terms of design and implementation, with input as required from other specialists.*

## Total Capital Bids in City Centre &amp; Public Places

(37,000)	(140,000)	183,000	183,000	375,000
----------	-----------	---------	---------	---------

## Community, Arts &amp; Recreation

<b>C3693</b>	<b>Additional funding for Clay Farm Community Centre - Phase II</b> [Includes Developer Contributions and Borrowing]	0	2,160,000	0	0	0	Alan Carter	+M
--------------	--	---	-----------	---	---	---	-------------	----

*Following a successful competition and final costings, the total cost for the project is anticipated to be £9.87m. This bid represents the further capital requirement. [Funding from a variety of sources including Developer Contributions and internal or external borrowing]*

## Total Capital Bids in Community, Arts &amp; Recreation

0	2,160,000	0	0	0
---	-----------	---	---	---

## Environment, Waste &amp; Public Health

## 2015/16 Budget - General Fund

Page 3 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

<b>C3684</b>	<b>Waste and recycling bins for new developments [Developer Contributions]</b>	0	78,000	125,000	112,000	100,000	Jen Robertson	+M
--------------	--	---	--------	---------	---------	---------	---------------	----

The budget is to provide refuse and recycling bins for houses and flats in new developments. It is funded entirely from S106 developer contributions. Figures are calculated using growth trajectory build out numbers for future years.

<b>C3720</b>	<b>Vehicle Replacement Programme [Close in Plan] [R &amp; R]</b>	(246,000)	(1,206,000)	0	0	0	Simon Payne	Nil
--------------	--	-----------	-------------	---	---	---	-------------	-----

Scheme completed so funding returned to reserves.

<b>C3721</b>	<b>In-cab technology for Trade Waste Service [Close in Plan]</b>	0	(33,000)	0	0	0	Jen Robertson	Nil
--------------	--	---	----------	---	---	---	---------------	-----

Scheme completed so funding returned to reserves.

<b>C3736</b>	<b>Public Conveniences PV016 [Transfer from Capital Plan to Projects Under Development (PUD)]</b>	0	(437,000)	0	0	0	Simon Payne	Nil
--------------	---	---	-----------	---	---	---	-------------	-----

In order for this programme to be reviewed before bringing forward any items for inclusion on the capital programme it is proposed to place the programme on the 'Projects under development (PUD) list'. When plans are progressed sufficiently, they will be put back onto the Capital Plan. [Transfer releases Direct Revenue Funding (DRF) back into reserves].

<b>C3749</b>	<b>Vehicle Fleet Replacement [R &amp; R]</b>	0	597,000	0	0	0	David Cox	Nil
--------------	--	---	---------	---	---	---	-----------	-----

The Project is the purchase of the Council's fleet vehicles, plant and equipment scheduled and required for replacement in 2015/16, as part of a rolling programme necessary to replace out of life vehicles that would otherwise significantly increase maintenance costs.

<b>Total Capital Bids in Environment, Waste &amp; Public Health</b>	<b>(246,000)</b>	<b>(1,001,000)</b>	<b>125,000</b>	<b>112,000</b>	<b>100,000</b>			
---	------------------	--------------------	----------------	----------------	----------------	--	--	--

## Finance &amp; Resources

<b>C3664</b>	<b>Commercial Property Acquisition Programme</b>	0	8,000,000	0	0	0	Dave Prinsep	Nil
--------------	--	---	-----------	---	---	---	--------------	-----

## 2015/16 Budget - General Fund

Page 4 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

This programme will allow the council to purchase additional commercial properties to bring in more income to support frontline services.

Investment in property will refocus the Council's commercial property portfolio, funded from reserves. It is anticipated that the Council will gain not only a revenue yield of at least 5% per annum but also from capital value growth. [Linked to proposals I13665, R13666, NCL3691 and C3737].

<b>C3726</b>	<b>Localisation of Council Tax - Implementation costs [Close in Plan]</b>	(9,000)	0	0	0	0	Alison Cole	Nil
--------------	---	---------	---	---	---	---	-------------	-----

Scheme completed so funding returned to reserves.

<b>C3727</b>	<b>Corporate Document Management (DIP &amp; EDRM) [Close in Plan]</b>	(144,000)	0	0	0	0	James Nightingale	Nil
--------------	---	-----------	---	---	---	---	-------------------	-----

Scheme completed so funding returned to reserves.

<b>C3733</b>	<b>ICT Infrastructure Programme PR020 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]</b>	0	(90,000)	(160,000)	(110,000)	0	James Nightingale	Nil
--------------	--	---	----------	-----------	-----------	---	-------------------	-----

In order for this programme to be reviewed before bringing forward any items for inclusion on the capital programme it is proposed to place the programme on the 'Projects under development (PUD) list'. When plans are progressed sufficiently, they will be put back onto the Capital Plan. [Transfer releases Repairs and Renewals Funding back into reserves].

<b>C3734</b>	<b>Admin Buildings Asset Replacement Programme PR023 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]</b>	0	(138,000)	(74,000)	(62,000)	0	Will Barfield	Nil
--------------	---	---	-----------	----------	----------	---	---------------	-----

In order for this programme to be reviewed before bringing forward any items for inclusion on the capital programme it is proposed to place the programme on the 'Projects under development (PUD) list'. When plans are progressed sufficiently, they will be put back onto the Capital Plan. [Transfer releases Repairs and Renewals Funding back into reserves].

## 2015/16 Budget - General Fund

Page 5 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

C3735	Commercial Properties Asset Replacement Programme PR024 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]	0	(433,000)	(20,000)	(22,000)	0	Will Barfield	Nil
-------	--	---	-----------	----------	----------	---	---------------	-----

In order for this programme to be reviewed before bringing forward any items for inclusion on the capital programme it is proposed to place the programme on the 'Projects under development (PUD) list'. When plans are progressed sufficiently, they will be put back onto the Capital Plan. [Transfer releases Repairs and Renewals Funding back into reserves].

C3737	Commercial Property Portfolio [Existing Capital Receipts]	0	515,000	0	0	0	Dave Prinsep	Nil
-------	---	---	---------	---	---	---	--------------	-----

Existing Capital receipts which were previously earmarked for property investment to be added to the amount provided for from reserves [Linked to proposal C3664].

Total Capital Bids in Finance & Resources	(153,000)	7,854,000	(254,000)	(194,000)	0
---	-----------	-----------	-----------	-----------	---

## Housing

C3563	Empty Homes Loan Fund [Reserves or CPO Balance]	0	200,000	0	0	0	Yvonne O'Donnell	+L
-------	---	---	---------	---	---	---	------------------	----

Provision of a ring fenced fund to provide an interest free loan to empty homes owners to undertake works to bring them back into occupation. During the repayment period (normally 5 years) occupation of the dwelling is capped to affordable rents and limited to use by social housing providers (including through Townhall lettings). Repayments of the loan are to be recycled back into the scheme, providing long term provision of financial assistance to bring long term vacant homes back into occupation. It is anticipated at full capacity that the scheme will have a minimum of 6-8 properties being supported through the scheme with effective partnerships being built into the private rented sector. [Linked to PPF3564]

C3620	Buchan St Shopping Area Improvements [County]	0	30,000	0	0	0	Andy Preston	Nil
-------	---	---	--------	---	---	---	--------------	-----

Funding has been secured from Cambridgeshire County Council (£30k) to deliver improvements to pedestrian and cycle links around the neighbourhood centre at Buchan St. This provides 100% of the funding for the project, including the resources required to implement it, so no further City Council funding is required.

C3701	Compulsory Purchase Orders (CPOs) [Delete from Plan] [Usable Capital Receipts]	(400,000)	0	0	0	0	Yvonne O'Donnell	Nil
-------	--	-----------	---	---	---	---	------------------	-----

This provision has been closed and removed from the Capital Plan. If a CPO is necessary and funding is not available then this will be sought from reserves.

## 2015/16 Budget - General Fund

Page 6 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

C3702	HMOs - Management Orders [Delete from Plan] [Internal Borrowing]	(50,000)	0	0	0	0	Yvonne O'Donnell	Nil
-------	--	----------	---	---	---	---	------------------	-----

This provision has been closed and removed from the Capital Plan. If a Management Order is necessary, under the Housing Act 2004, funding will initially come from reserves and then paid out from future rent income.

C3722	Energy efficiency improvements to private sector housing [Close in Plan]	(25,000)	0	0	0	0	Jo Dicks	Nil
-------	--	----------	---	---	---	---	----------	-----

Scheme completed so funding returned to reserves.

Total Capital Bids in Housing	(475,000)	230,000	0	0	0
-------------------------------	-----------	---------	---	---	---

## Non-Committee Items

C3699	Additional investment in Commercial Property Portfolio [Delete from Plan]	(816,000)	(500,000)	0	0	0	n/a	Nil
-------	---	-----------	-----------	---	---	---	-----	-----

Removed from Capital Plan (Transfer releases Direct Revenue Funding (DRF) but this is offset by reduction in Retained Business Rates, so net nil effect on reserves).  
This scheme is now superseded by a proposed investment of £8m through the Commercial Property Acquisition Programme [Linked to C3664]

Total Capital Bids in Non-Committee Items	(816,000)	(500,000)	0	0	0
---	-----------	-----------	---	---	---

## Planning Policy &amp; Transport

C3622	Extension of Joint Cycleways Programme (+4 Years) [County 50%]	0	100,000	100,000	100,000	100,000	Andy Preston	+M
-------	--	---	---------	---------	---------	---------	--------------	----

Proposal to extend the current joint cycleways programme by a further four years. Cambridgeshire County Council has already confirmed that it is prepared to continue with its £50k contribution that it expects to be matched, otherwise it will reallocate any unmatched funding across the County as a whole. There are still a considerable number of schemes on the current approved prioritised list, which will be reviewed, updated and submitted for approval, should the programme extension be approved. Resources to deliver the programme are provided by both the City and County Council, providing a resilient efficient mechanism for delivery.

C3623	Minor Highway Improvement Programme	0	30,000	30,000	30,000	30,000	Andy Preston	Nil
-------	-------------------------------------	---	--------	--------	--------	--------	--------------	-----

## 2015/16 Budget - General Fund

Page 7 of 8

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

## Capital Bids

Proposal to create a capital budget to fund minor highway schemes in partnership with Cambridgeshire County Council and its Local Highway Improvement Programme, which requires a minimum 10% third party contribution to each project, traditionally provided by the Environment Improvement Programme. Budget proposed to be devolved to the Cambridge Joint Area Committee, which will prioritise scheme delivery, with subsequent City Council contributions approved by the Executive Councillor for Planning, Policy and Transport. Projects will be delivered predominantly by Cambridgeshire County Council resources; there are therefore minimal implications for service delivery. [Linked to C3621]

<b>C3625</b>	<b>Street lighting/CCTV budget increase</b>	0	41,500	0	0	0	Andy Preston	Nil
--------------	---	---	--------	---	---	---	--------------	-----

The City Council has agreed with Cambridgeshire County Council to jointly fund improvements to the design of street lighting in the historic core. This agreement includes a 50:50 share of the £130k estimated cost of these improvements. The current capital plan budget, reference PV033B Street Lighting/CCTV, currently has a balance of £40k, an additional capital bid of £25k is therefore required to provide the City Council's 50% contribution. The City Council is also proposing to solely fund improvements to the design of street lighting in a limited number of streets in the 'Kite' area of the city, requiring additional capital of £16.5k. There are no implications for service delivery for either of these proposals, as the work will be implemented by Cambridgeshire County Council's PFI Contactor Balfour Beatty.

<b>C3704</b>	<b>Refurbishment of Park Street Car Park [Transfer from Capital Plan to Projects Under Development (PUD)]</b>	0	(1,700,000)	(1,700,000)	0	0	Sean Cleary	Nil
--------------	---	---	-------------	-------------	---	---	-------------	-----

In order for this scheme to be properly planned before it is included fully on the capital programme it is proposed to place the programme on the 'Projects under development (PUD) list'. When the plans are progressed sufficiently, this will be put back onto the Capital Plan. [Transfer releases Direct Revenue Funding (DRF) back into reserves].

<b>C3719</b>	<b>Topographical Survey of Multi-Story Car Parks [Close in Plan] [R and R]</b>	(11,000)	0	0	0	0	Sean Cleary	Nil
--------------	--	----------	---	---	---	---	-------------	-----

Scheme completed so funding returned to reserves.

<b>Total Capital Bids in Planning Policy &amp; Transport</b>	<b>(11,000)</b>	<b>(1,528,500)</b>	<b>(1,570,000)</b>	<b>130,000</b>	<b>130,000</b>			
--	-----------------	--------------------	--------------------	----------------	----------------	--	--	--

## Strategy &amp; Transformation

<b>C3703</b>	<b>Keep Cambridge Moving Fund Contribution [Delete from Plan] [Earmarked Reserves]</b>	(700,000)	0	0	0	0	n/a	Nil
--------------	--	-----------	---	---	---	---	-----	-----

The funds for transport schemes related to A14 mitigation are unlikely to be required until 2020; earmarking the funds so far in advance is not an appropriate use of resources. However the Council is committed to the funding of a £1.5m scheme when planning approvals are considered and a full and detailed options appraisal is complete.

**2015/16 Budget - General Fund****Page 8 of 8**

Reference	Item Description	2014/15 Budget £	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	Contact	Climate Effect Rating
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-----------------------------

**Capital Bids**

Total Capital Bids in Strategy &amp; Transformation

(700,000)	0	0	0	0
-----------	---	---	---	---

Total Capital Bids

(2,438,000)	7,074,500	(1,516,000)	231,000	605,000
-------------	-----------	-------------	---------	---------

Report Total

(2,438,000)	7,074,500	(1,516,000)	231,000	605,000
-------------	-----------	-------------	---------	---------

# Capital Projects Requiring Funding From Reserves

(3 pages)

## Appendix D(b)

### 2015/16 Budget

### Funding Required

### Project Total

Ref	Project	Climate Change Indicator	Officer Priority	2014/15	2015/16	2016/17	2017/18	2018/19	Member Priority (H/M/L)	Comments / Linked to	2014/15	2015/16	2016/17	2017/18	2018/19
-----	---------	--------------------------	------------------	---------	---------	---------	---------	---------	-------------------------	----------------------	---------	---------	---------	---------	---------

#### General Fund

C3563	Empty Homes Loan Fund [Reserves or CPO Balance]	+L			200,000					(PPF3564)		200,000			
C3566	Drainage and resurfacing works at the Crematorium/Huntingdon Road Cemetery and Newmarket Road Cemetery [R and R]	+L	?									20,000	208,000	208,000	400,000
C3567	Supply and install generator at the Crematorium [R and R]	Nil	?									50,000			
C3620	Buchan St Shopping Area Improvements [County]	Nil										30,000			
C3621	Extension of the Environmental Improvement Programme	Nil	?			170,000	170,000	170,000		(C3623)			170,000	170,000	170,000
C3622	Extension of Joint Cycleways Programme (+4 Years) [County 50%]	+M	?		50,000	50,000	50,000	50,000				100,000	100,000	100,000	100,000
C3623	Minor Highway Improvement Programme	Nil	?		30,000	30,000	30,000	30,000		(C3621)		30,000	30,000	30,000	30,000
C3625	Street lighting/CCTV budget Increase	Nil	?		41,500							41,500			
C3664	Commercial Property Acquisition Programme	Nil	H		8,000,000					(I18465 R13666 NCI3691 C3737)		8,000,000			
C3684	Waste and recycling bins for new developments [Developer Contributions]	+M										78,000	125,000	112,000	100,000
C3693	Additional funding for Clay Farm Community Centre - Phase II [Includes Developer Contributions and Borrowing]	+M										2,160,000			

# Capital Projects Requiring Funding From Reserves

2015/16 Budget

(3 pages)

## Appendix D(b)

<----- Project Total ----->

<----- Funding Required ----->

Ref	Project	Climate Change Indicator	Officer Priority	2014/15	2015/16	2016/17	2017/18	2018/19	Member Priority (H/M/L)	Comments / Linked to	2014/15	2015/16	2016/17	2017/18	2018/19
C3699	Additional investment in Commercial Property Portfolio [Delete from Plan]	Nil		(816,000)	(500,000)					(C3664)	(816,000)	(500,000)			
C3700	Review of Local Centres Improvement Programme [Transfer from Capital Plan To Projects Under Development (PUD)]	Nil			(195,000)	(195,000)	(195,000)	(195,000)				(195,000)	(195,000)	(195,000)	(195,000)
C3701	Compulsory Purchase Orders (CPOs) [Delete from Plan] [Usable Capital Receipts]	Nil									(400,000)				
C3702	HMOs - Management Orders [Delete from Plan] [Internal Borrowing]	Nil									(50,000)				
C3703	Keep Cambridge Moving Fund Contribution [Delete from Plan] [Earmarked Reserves]	Nil									(700,000)				
C3704	Refurbishment of Park Street Car Park [Transfer from Capital Plan to Projects Under Development (PUD)]	Nil			(1,700,000)	(1,700,000)						(1,700,000)	(1,700,000)		
C3719	Topographical Survey of Multi-Story Car Parks [Close in Plan] [R and R]	Nil									(11,000)				
C3720	Vehicle Replacement Programme [Close in Plan] [R & R]	Nil									(246,000)	(1,206,000)			
C3721	In-cab technology for Trade Waste Service [Close in Plan]	Nil			(33,000)							(33,000)			
C3722	Energy efficiency improvements to private sector housing [Close in Plan]	Nil		(25,000)											
C3723	Corn Exchange Heating Management System [Close in Plan] [R and R]	Nil									(20,000)				

# Capital Projects Requiring Funding From Reserves

(3 pages)

## Appendix D(b)

### 2015/16 Budget

<----- Funding Required ----->

<----- Project Total ----->

Ref	Project	Climate Change Indicator	Officer Priority	2014/15	2015/16	2016/17	2017/18	2018/19	Member Priority (H/M/L)	Comments / Linked to	2014/15	2015/16	2016/17	2017/18	2018/19
C3724	Kings Hedges Learner Pool Electricity [Close in Plan] [R and R]	Nil									(17,000)				
C3725	Cambridge Crematorium - Staff room refurbishment [Close in Plan] [R and R]	Nil										(30,000)			
C3726	Localisation of Council Tax - Implementation costs [Close in Plan]	Nil		(9,000)							(9,000)				
C3727	Corporate Document Management (DIP & EDRM) [Close in Plan]	Nil		(144,000)							(144,000)				
C3728	For East Prisoners of War Commemorative Plaque [External £5k]	Nil			10,000							15,000			
C3729	ICT Infrastructure Programme PR020 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]	Nil										(90,000)	(160,000)	(110,000)	
C3734	Admin Buildings Asset Replacement Programme PR023 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]	Nil										(138,000)	(74,000)	(62,000)	
C3735	Commercial Properties Asset Replacement Programme PR024 [Transfer uncommitted from Capital Plan to Projects Under Development (PUD)] [R and R]	Nil										(433,000)	(20,000)	(22,000)	
C3736	Public Conveniences PV016 [Transfer from Capital Plan to Projects Under Development (PUD)]	Nil			(437,000)							(437,000)			
C3737	Commercial Property Portfolio [Existing Capital Receipts]	Nil								(C3664)		515,000			
C3749	Vehicle Fleet Replacement [R & R]	Nil										597,000			
Total Funding Required from Reserves : General Fund				(994,000)	5,466,500	(1,645,000)	55,000	55,000			(2,438,000)	7,074,500	(1,516,000)	231,000	605,000

Appendix D(c)

Capital Plan 2014/15 to 2019/20

Ref.	Description	Lead Officer	2014/15 (£000's)	2015/16 (£000's)	2016/17 (£000's)	2017/18 (£000's)	2018/19 (£000's)	2019/20 (£000's)
Capital-GF Projects								
SC361	Disabled Access and Facilities - Guildhall Halls	S Bagnall	35	0	0	0	0	0
SC362	Lighting and Power in Committee Rooms	A Mejias	14	0	0	0	0	0
SC391	La Mimosa Punting Station	P Doggett	2	0	0	0	0	0
SC410	Mill Road Cemetery	A Wilson	24	0	0	0	0	0
SC416	UNiform e-consultee Access Module	P Boucher	7	0	0	0	0	0
SC423	Recycling Bins for Flats	J Robertson	0	0	0	0	0	0
SC429	Telephony System Upgrade	J Nightingale	50	0	0	0	0	0
SC436	Pye's Pitch Rec Facilities (\$106)	I Ross	5	0	0	0	0	0
SC456	Coldhams Common Local Nature Reserve (LNR) (\$106)	G Belcher	25	0	0	0	0	0
SC460	Kings Hedges Learners Pool Electricity	I Ross	3	0	0	0	0	0
SC468	Vie Play Area (\$106)	A Wilson	0	0	0	0	0	0
SC469	Vie Public Open Space (\$106)	A Wilson	33	0	0	0	0	0
SC476	Water Play Area Abbey Paddling Pool (\$106)	I Ross	125	0	0	0	0	0
SC477	Coleridge Paddling Pool Enhancement (\$106)	I Ross	100	0	0	0	0	0
SC478	Water Play Area Kings Hedges "Pulley" (\$106)	I Ross	125	0	0	0	0	0
SC479	Abbey Pool Play Area Facilities (\$106)	A Preston	83	0	0	0	0	0
SC492	Jesus Green Play Area (\$106)	A Preston	2	0	0	0	0	0
SC500	Trumpington Rec Outdoor Space (\$106)	A Wilson	0	0	0	0	0	0
SC506	Replacement Grand Arcade Car Park Pay on Foot Machines	S Cleary	121	0	0	0	0	0
SC507	Visit Cambridge Website	E Thornton	2	0	0	0	0	0
SC512	Hobbs Pavilion Refurbishment (\$106)	I Ross	10	0	0	0	0	0
SC524	Cambridge Crematorium - Chapels & Public Areas Refurbishment	T Lawrence	7	0	0	0	0	0
SC525	Cambridge Crematorium - Staff Room Refurbishment	T Lawrence	0	0	0	0	0	0
SC530	Street Cleaning Planning Software	B Carter	15	0	0	0	0	0
SC531	In-cab Technology for Trade Waste Service	M Parsons	0	0	0	0	0	0
SC535	Repairs to Grafton West Car Park	S Cleary	12	0	0	0	0	0
SC539	Metered system for the supply of electricity on the Market	D Ritchie	24	0	0	0	0	0
SC540	Electronic Market Management Software	D Ritchie	9	0	0	0	0	0
SC544	Coleridge Recreation Ground Improvements (\$106)	A Wilson	266	0	0	0	0	0
SC548	Southern Connections Public Art Commission (\$106)	A Preston	22	18	21	11	21	0
SC551	Stourbridge Common - Riverbank Project	A Wilson	0	0	0	0	0	0
SC552	Localisation of Council Tax - Implementation Costs	A Cole	1	0	0	0	0	0
SC555	Siemens Maintenance Contract	J James	2	0	0	0	0	0
SC560	Guildhall & Corn Exchange Cap Schemes RO AR9	S Bagnall	131	0	0	0	0	0
SC561	Adaptations - Riverside River Banks	A Wilson	3	72	0	0	0	0
SC562	Review - Street & Open Spaces Benches	A Wilson	47	0	0	0	0	0

Appendix D(c)

Capital Plan 2014/15 to 2019/20

Ref.	Description	Lead Officer	2014/15 (£000's)	2015/16 (£000's)	2016/17 (£000's)	2017/18 (£000's)	2018/19 (£000's)	2019/20 (£000's)
SC563	Corn Exchange Heating Mgt System	S Bagnall	0	0	0	0	0	0
SC567	Purchase of Street Cleansing Vehicles & Plant	B Carter	28	0	0	0	0	0
SC569	Topographical Survey of Multi-Storey Car Parks	S Cleary	2	0	0	0	0	0
SC570	Essential Structural/Holding Repairs - Park Street Multi Storey car park	S Cleary	27	41	0	0	0	0
SC571	Procurement of IT System to Manage Community Infrastructure Levy	S Saunders	20	0	0	0	0	0
SC573	Installation of Air Conditioning units at the Tourist Information Centre	E Thornton	2	0	0	0	0	0
SC574	Essential Repairs to Car Parks	S Cleary	0	165	0	0	0	0
SC577	Underground Investigations at Park St Multi Storey Car Park	P Necus	3	0	0	0	0	0
SC578	Box Office Ticketing Software	N Jones	36	0	0	0	0	0
SC579	Office Accommodation Strategy	F Barratt	403	0	0	0	0	0
SC581	Epilog Upgrade	T Lawrence	11	0	0	0	0	0
SC582	Corn Exchange Front of House Toilets	S Bagnall	7	0	0	0	0	0
SC584	Parker's Piece Lighting Project (S106)	A Preston	28	0	0	0	0	0
SC585	Fleetmaster Software	M Parsons	0	0	0	0	0	0
SC586	Wide Area Network	T Allen	167	0	0	0	0	0
SC587	Telephone payments upgrade & online payments Content Management System (CMS)	J James	17	0	0	0	0	0
SC588	NW Cambridge Development Underground Collection Vehicle	M Parsons	0	210	0	0	0	0
SC589	Grand Arcade Car Park Stairwell Refurbishment	S Cleary	50	0	0	0	0	0
SC590	Structural Holding Repairs & Lift Refurbishment - Queen Anne Terrace Car Park	S Cleary	170	360	15	20	15	0
SC591	Crematorium Data Link	T Lawrence	8	0	0	0	0	0
SC596	Replacement Air Cooling Systems	W Barfield	167	0	0	0	0	0
SC597	Empty Homes Loan Fund	Y O'Donell	0	200	0	0	0	0
SC598	Supply and install generator at the Crematorium	T Lawrence	0	50	0	0	0	0
SC599	Buchan St Shopping Area Improvements	A Preston	0	30	0	0	0	0
SC600	Far East Prisoners of War Commemorative Plaque	A Preston	0	15	0	0	0	0
Capital-GF Projects			2,451	1,161	36	31	36	0
Capital-Programmes								
PR003	City Centre Management Programme	E Thornton	5	0	0	0	0	0
PR010a	Environmental Improvements Programme - North Area	A Preston	117	30	50	50	50	0
PR010b	Environmental Improvements Programme - South Area	A Preston	154	29	36	36	36	0
PR010c	Environmental Improvements Programme - West/Central Area	A Preston	101	66	36	36	36	0
PR010d	Environmental Improvements Programme - East Area	A Preston	118	50	48	48	48	0
PR010di	Environmental Improvements Programme - Riverside/Abbey Road Junction	A Preston	31	0	0	0	0	0
PR010j	Environmental Improvements Programme - Fitzroy/Burleigh Street	A Preston	0	0	0	0	0	0
PR017	Vehicle Replacement Programme	D Cox	639	597	0	0	0	0
PR020	ICT Infrastructure Programme	J Nightingale	607	170	0	0	0	0
PR023	Admin Buildings Asset Replacement Programme	W Barfield	223	0	0	0	0	0

Appendix D(c)

Capital Plan 2014/15 to 2019/20

Ref.	Description	Lead Officer	2014/15 (£000's)	2015/16 (£000's)	2016/17 (£000's)	2017/18 (£000's)	2018/19 (£000's)	2019/20 (£000's)
PR024	Commercial Properties Asset Replacement Programme	W Barfield	106	0	0	0	0	0
PR025	New Town Community Development Capital Grants Programme (\$106)	T Woollams	20	0	0	0	0	0
PR026	Community Development Grants Programme (\$106)	T Woollams	100	0	0	0	0	0
PR027	Replacement of Parks & Open Space Waste/Litter Bins	B Carter	129	75	0	0	0	0
PR028	Litter Bin Replacement Programme	B Carter	144	125	0	0	0	0
PR030a	Increase Biodiversity at Stourbridge Common (\$106)	G Belcher	9	0	0	0	0	0
PR030b	Improve Access to Abbey Paddling Pools From Coldham's Common (\$106)	A Wilson	10	0	0	0	0	0
PR030d	St Thomas Square Play Area Improvements (s106)	A Wilson	50	0	0	0	0	0
PR030e	Cavendish Rd (Mill Rd end) Imp. seating,paving & public art (s106)	A Preston	38	0	0	0	0	0
PR030f	Bath House Play Area Improvements (s106)	A Wilson	50	0	0	0	0	0
PR030g	East Barnwell Comm. Centre impr. phase 1 (s106)	T Woollams	0	255	0	0	0	0
PR030h	Romsey 'town square' public realm improvements (\$106)	A Preston	6	54	0	0	0	0
PR030i	Ross St Community Centre Improvements (s106)	T Woollams	70	0	0	0	0	0
PR031b	BMX track next to Brown's Field Community Centre (\$106)	A Wilson	29	0	0	0	0	0
PR031c	Improvements to Nun's Way Skate Park (\$106)	A Wilson	56	0	0	0	0	0
PR031d	Chestnut Grove play area improvements (s106)	A Wilson	50	0	0	0	0	0
PR031e	Alexandra Gardens Trim Trail (s106)	A Wilson	35	0	0	0	0	0
PR031f	Buchan St Neighbourhood Centre Improvements (s106)	T Woollams	100	0	0	0	0	0
PR031g	Milton Rd Library Community Meeting Space (s106)	T Woollams	0	100	0	0	0	0
PR031h	Lighting Improvements - Nun's Way multi - use games area (s106)	A Wilson	20	0	0	0	0	0
PR031i	Perse Way Flats Play Area (s106)	A Wilson	25	0	0	0	0	0
PR032a	Conversion of Hanover Court/Princess Court Laundry into Community Meeting Space (\$106)	T Woollams	2	0	0	0	0	0
PR032c	Cherry Hinton Recreation Ground Improvements (\$106)	A Wilson	44	0	0	0	0	0
PR032e	Accordia Trim Trail & Jnr Scooter Park (s106)	A Wilson	50	0	0	0	0	0
PR032f	Cherry Hinton Baptist Church Family Centre (s106)	T Woollams	63	0	0	0	0	0
PR032g	Cherry Hinton Rec Ground pavilion refurb. (s106)	I Ross	100	0	0	0	0	0
PR032h	Trumpington Bowls Club Pavilion Ext. (s106)	I Ross	70	0	0	0	0	0
PR033a	Benches in Parks & Open Spaces (\$106)	A Wilson	20	0	0	0	0	0
PR033b	Access Improvements to Midsummer Common Community Orchard (\$106)	A Wilson	5	0	0	0	0	0
PR033c	Public Art element of improvements to the entrances at Histon Rd Rec (\$106)	A Preston	40	0	0	0	0	0
PR033f	Histon Rd Rec Ground Improvements (s106)	A Wilson	55	0	0	0	0	0
PR033g	Lammas Land diagonal cycle path solar studs (s106)	A Wilson	3	0	0	0	0	0
PR033h	St Augustine's Church Hall Extension/Upgrade (s106)	T Woollams	100	0	0	0	0	0
PR033i	St Mark's Church Hall - Kitchen / Lobby Extension (s106)	T Woollams	150	0	0	0	0	0
PR034a	Logan's Meadow Local Nature Reserve (LNR) Extension (\$106)	G Belcher	139	0	0	0	0	0
PR034b	Paradise Local Nature Reserve (LNR) (\$106)	G Belcher	0	0	0	0	0	0

Appendix D(c)

Capital Plan 2014/15 to 2019/20

Ref.	Description	Lead Officer	2014/15 (£000's)	2015/16 (£000's)	2016/17 (£000's)	2017/18 (£000's)	2018/19 (£000's)	2019/20 (£000's)
PR034c	Drainage of Jesus Green (\$106)	A Wilson	82	0	0	0	0	0
PR034d	Public Art - 150th & 400th Anniversary (\$106)	A Preston	17	93	0	0	0	0
PR034g	Grant for extension to St Andrew's Hall to provide a dedicated space for a community cafe (\$106)	T Woollams	140	0	0	0	0	0
PR034i	Parkside Pool Starting Blocks (s106)	I Ross	21	0	0	0	0	0
PR034k	Netherhall School Cricket Net Improvements (s106)	I Ross	25	0	0	0	0	0
PR035	Waste & Recycling Bins - New Developments (\$106)	J Robertson	85	78	125	112	100	0
PR036	Additional investment in Commercial Property Portfolio	D Prinsep	0	8,515	0	0	0	0
PR037	Local Centres Improvement Programme	A Preston	30	20	0	0	0	0
PR038	Drainage and resurfacing works at the Crematorium/Huntingdon Road Cemetery and Newmarket Road Cemetery	T Lawrence	0	20	208	208	400	0
PR039	Minor Highway Improvement Programme	A Preston	0	30	30	30	30	0
Capital-Programmes			4,283	10,307	533	520	700	0
Capital-GF Provisions								
PV007	Cycleways	A Preston	279	240	100	100	100	0
PV016	Public Conveniences	A Preston	500	0	0	0	0	0
PV018	Bus Shelters	A Preston	131	0	0	0	0	0
PV033B	Street Lighting	A Preston	40	42	0	0	0	0
PV163	Compulsory Purchase Orders (CPOs)	R Ray	0	0	0	0	0	0
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	39	173	20	0	0	0
PV221b	Lion Yard - Contribution to Works Phase 2	P Doggett	150	300	0	0	0	0
PV282	Kettle's Yard	D Kaye	40	0	0	0	0	0
PV329	Corporate Document Management (DIP & EDRM)	J Nightingale	73	0	0	0	0	0
PV348	Allotment Improvements (\$106)	A Wilson	7	0	0	0	0	0
PV386	HMOs - Management Orders	R Ray	0	0	0	0	0	0
PV414	Property Accreditation Scheme	R Ray	2	0	0	0	0	0
PV526	Clay Farm Community Centre - Phase 1 (\$106)	A Carter	134	0	0	0	0	0
PV527	Energy efficiency improvements to private sector housing	J Dicks	0	0	0	0	0	0
PV529	Upgrade facilities at 125 Newmarket Road	D Greening	81	88	0	0	0	0
PV532	Cambridge City 20mph Zones Project	A Preston	283	140	0	0	0	0
PV549	City Centre Cycle Parking	A Preston	248	190	0	0	0	0
PV554	Development Of land at Clay Farm	A Carter	1,202	739	327	889	0	0
PV564	Clay Farm Community Centre -Phase 2 (Construction)	A Carter	3,600	6,271	0	0	0	0
PV583	Clay Farm Commercial Property Construction Costs	D Prinsep	100	375	25	0	0	0
PV594	Green Deal	J Dicks	4,500	1,126	0	0	0	0
PV595	Green Deal - Private Rental Sector	J Dicks	1,500	357	0	0	0	0
Capital-GF Provisions			12,909	10,041	472	989	100	0
Total GF Capital Plan			19,643	21,509	1,041	1,540	836	0

# Appendix D (d)

## Capital Plan – Projects under development list 2014/15 - 2018/19

Ref.	Description	Lead Officer	Indicative cost (£000's)
UD030	Unallocated East Area Committee Developer Contribution Funds (\$106)	T Wetherfield	392.0
UD031	Unallocated North Area Committee Developer Contribution(\$106)	T Wetherfield	230.0
UD032	Unallocated South Area Committee Developer Contribution Funds (\$106)	T Wetherfield	502.0
UD033	Unallocated West Central Area Committee Developer Contribution Funds (\$106)	T Wetherfield	279.0
UD034	Strategic / City - Wide Programme (\$106)	T Wetherfield	85.0
UD534	Refurbishment of Park Street Car Park	S Cleary	3,400.0
UD593	A14 mitigation schemes (previously Keep Cambridge Moving Fund contribution)	S Payne	1,500.0
UD475	Nightingale Recreation Ground Pavilion Refurbishment	I Ross	400.0

<b>Ref.</b>	<b>Description</b>	<b>Lead Officer</b>	<b>Indicative cost (£000's)</b>
not yet allocated	Local Centres Improvement programme - Cherry Hinton High Street	G Richardson	200.0
not yet allocated	Local Centres Improvement programme - Arbury Court	G Richardson	200.0
not yet allocated	Local Centres Improvement programme – location to be agreed	G Richardson	200.0
UD016	Public Conveniences	A Preston	437.0
not yet allocated	Administrative Buildings refurbishment programme	T Burdon	
not yet allocated	Commercial Buildings refurbishment programme	D Prinsep	
not yet allocated	ICT – Telephony upgrade	J Nightingale	
<b>Capital-GF Under Development-Total</b>			<b>7,825.0</b>

# Appendix D (e)

## Capital Plan – Hold List

Ref.	Description	Lead Officer	Indicative cost (£000's)
SC472	Cherry Hinton Hall Phase II	A Wilson	400.0
PR034j	Rouse Ball Pavilion	S Tovell	n/a
Capital-GF Hold List			400.0

# Appendix E

## Earmarked Reserves

### Sharing Prosperity Fund

£000's	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Balance at 1 April</b>	<b>(26.0)</b>	<b>(277.0)</b>	<b>(254.0)</b>	<b>(245.0)</b>	<b>(245.0)</b>
Contributions	(325.0)	-	-	-	-
<b>Total funds available</b>	<b>(351.0)</b>	<b>(277.0)</b>	<b>(254.0)</b>	<b>(245.0)</b>	<b>(245.0)</b>
Budget bids 2014/15 budget	74.0	23.0	9.0	-	-
<b>Balance at 31 March</b>	<b>(277.0)</b>	<b>(254.0)</b>	<b>(245.0)</b>	<b>(245.0)</b>	<b>(245.0)</b>

### Climate Change Fund

£000's	2014/15	2015/16	2016/17	2017/18
<b>Balance at 1 April</b>	<b>(409.7)</b>	<b>(220.2)</b>	-	-
Contributions	-	-	-	-
<b>Total funds available</b>	<b>(409.7)</b>	<b>(220.2)</b>	-	-
Expenditure approvals	62.6	-	-	-
Pending approvals	126.9	220.2	-	-
<b>Balance at 31 March</b>	<b>(220.2)</b>	-	-	-

### A14 Mitigation Fund (formerly 'Keep Cambridge Moving Fund')

£000's	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Balance at 1 April</b>	-	-	-	-	-
Anticipated Contribution	-	-	-	-	(1,500.0)
<b>Total funds available</b>	-	-	-	-	<b>(1,500.0)</b>
Current commitments	-	-	-	-	-
<b>Balance at 31 March</b>	-	-	-	-	<b>(1,500.0)</b>

### Asset Replacement Fund *(formerly Repairs & Renewals funds)*

£000's	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Balance at 1 April</b>	<b>(13,951.1)</b>	<b>(1,020.0)</b>	<b>(2,020.0)</b>	<b>(3,020.0)</b>	<b>(4,020.0)</b>
Contributions	(3,699.9)	-	-	-	-
Contributions - Waste vehicles	-	(500.0)	(500.0)	(500.0)	(500.0)
Contributions - Other fleet vehicles	-	(500.0)	(500.0)	(500.0)	(500.0)
Current commitments	5,824.0	-	-	-	-
<b>Total funds available</b>	<b>(11,827.0)</b>	<b>(2,020.0)</b>	<b>(3,020.0)</b>	<b>(4,020.0)</b>	<b>(5,020.0)</b>
Returned to Reserves	9,387.0	-	-	-	-
Retained for Bereavement Services	440.0	-	-	-	-
Transferred to Arts Trust	100.0	-	-	-	-
Revenue spend to March 2015	880.0	-	-	-	-
<b>Balance at 31 March</b>	<b>(1,020.0)</b>	<b>(2,020.0)</b>	<b>(3,020.0)</b>	<b>(4,020.0)</b>	<b>(5,020.0)</b>

### Efficiency Fund

£000's	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Balance at 1 April</b>	<b>(373.6)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>
Contributions	-	-	-	-	-
<b>Total funds available</b>	<b>(373.6)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>
Spend to December 2014	61.0	-	-	-	-
Current commitments	171.2	-	-	-	-
<b>Balance at 31 March</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>	<b>(141.4)</b>

### City Deal Investment and Delivery Fund

£000's	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Balance at 1 April</b>	-	<b>(1,985)</b>	<b>(4,994)</b>	<b>(8,078)</b>	<b>(11,430)</b>
Contributions	(1,985)	(3,009)	(3,085)	(3,352)	(3,652)
<b>Total funds available</b>	<b>(1,985)</b>	<b>(4,994)</b>	<b>(8,078)</b>	<b>(11,430)</b>	<b>(15,081)</b>
Budget Bids	-	-	-	-	-
<b>Balance at 31 March</b>	<b>(1,985)</b>	<b>(4,994)</b>	<b>(8,078)</b>	<b>(11,430)</b>	<b>(15,081)</b>

## New Homes Bonus (NHB) unallocated Fund

£000's	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Balance at 1 April</b>	-	(459)	(1,043)	(1,704)	(2,631)
Contributions	(459)	(585)	(661)	(928)	(39)
Total surplus available	<b>(459)</b>	<b>(1,043)</b>	<b>(1,704)</b>	<b>(2,631)</b>	<b>(2,670)</b>
Budget Bids	-	-	-	-	-
<b>Balance at 31 March</b>	<b>(459)</b>	<b>(1,043)</b>	<b>(1,704)</b>	<b>(2,631)</b>	<b>(2,670)</b>

## Other Earmarked and Specific funds

£000's	Balance at 1 April 2014	Spend to 30 Nov 2014	Current Commitments	Returned to GF Reserves
<b>Fund</b>				
Revenue contribution to capital	<b>(110.0)</b>	-	-	<b>110.0</b>
Major planning appeals	<b>(135.0)</b>	-	-	<b>135.0</b>
Compulsory Purchase Orders	<b>(222.0)</b>	-	-	<b>222.0</b>
Grand Arcade lease premium	<b>(211.0)</b>	-	-	<b>211.0</b>
Pension Fund earmarked reserve	<b>(985.5)</b>	-	-	<b>985.5</b>
Project facilitation fund	<b>(124.5)</b>	90.5	-	<b>34.0</b>
Rating Revaluation Appeals	<b>(60.0)</b>	55.0	-	<b>5.0</b>
Property Strategy Fund	<b>(103.4)</b>	-	92.2	<b>11.2</b>
Mapping Poverty Research	<b>(7.0)</b>	-	-	<b>7.0</b>
Keep Cambridge Moving Fund	<b>(700.0)</b>	-	-	<b>700.0</b>
Fixed Term Priority Policy Fund	<b>(245.0)</b>	-	110.0	<b>135.0</b>
Council Tax Earmarked for Growth	<b>(468.6)</b>	308.6	-	<b>160.0</b>
<b>Total</b>	<b>(3,372.0)</b>	<b>1,439.6</b>	<b>202.2</b>	<b>2,715.7</b>

# Appendix F - Equality Impact Assessment

## Cambridge City Council Equality Impact Assessment

Completing an Equality Impact Assessment will help you to think about what impact your strategy, policy, plan, project, contract or major change to your service may have on people that live in, work in or visit Cambridge, as well as on City Council staff.



The template is easy to use. You do not need to have specialist equalities knowledge to complete it. It asks you to make judgements based on evidence and experience. There are guidance notes on the intranet to help you. You can also get advice from Suzanne Goff, Strategy Officer on 01223 457174 or email [suzanne.goff@cambridge.gov.uk](mailto:suzanne.goff@cambridge.gov.uk) or from any member of the Joint Equalities Group.

1. Title of strategy, policy, plan, project, contract or major change to your service:
Budget 2015/16 (General Fund)

# Appendix F - Equality Impact Assessment

## 2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

The General Fund Budget Setting Report enables the City Council to set a balanced budget for 2015/16 that reflects the Council's vision statements and takes into account councillor's priorities in its proposals for achieving the savings required. This EQIA assesses the equality impacts of the General Fund (GF) element of the City Council's budget; a separate EQIA has been completed for the Housing Revenue Account (HRA) element of the Council's budget.

An Equality Impact Assessment (EqIA) has been completed for budget proposals that will result in significant service changes. This EqIA sets out the composite information from these EqIAs. This approach is intended to ensure that elected Members have access to all the relevant information on the equality impact of budget proposals at the point when they are being asked to make a decision. This will enable Members to discharge their Duty under the Equality Act 2010 to consider the equality impacts of decisions.

EqIAs have been developed for the following budget proposals :

**S3614 - Maternity Fund reduction in funding** - Reduced provision of £100k for centralised maternity fund. Services will be asked to fund maternity pay within service budgets in the first instance. A central provision of £75k will be retained by the Head of Finance to assist on a case by case basis where services are unable to cover maternity pay and/or cover arrangements within their overall service budgets. [Draft EQIA maternity fund reduction.doc \[DOC, 322kB\]](#)

**PPF3533 - Funding to contribute to a county-wide Handyperson Service** - It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy. [EqIA Handyperson - FINAL.doc \[DOC, 318kB\]](#)

**PROG3686 - Reduction in support and central costs through a Council wide Support Services Review** - As the Council moves to other ways of delivering services and our own support service demands reduce, there is a need to balance the books by reducing our support and central costs relating to property, people, technology and other supplies and services. We are undertaking a phased approach to this project as we are at the early stages of developing and implementing alternative service delivery models and the future is uncertain. Phase 1 of this project will focus on removing costs from ICT and transactional finance activity; Phase 2 will focus on removing costs from business support activity and other support functions and Phase 3 will review all remaining areas particularly those required to initially support the Transformation Programme. [Linked to PROG3661] [SSR EqIA 11122015.doc \[DOC, 320kB\]](#)

**URP3714 - Improvement works on Parker's Piece** - Various revenue projects such as cricket pitch improvements, sports pitch improvements, new cycle parking, new fencing, new seats, new bins, new signage and general improvements to Parkers Piece. [EQIA for the Parker Piece proposals.doc \[DOC, 452kB\]](#)

**PROG356 - Savings resulting from the introduction of a self-service voice activated switchboard** - A self-service switchboard solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the switchboard. This will be quicker and more seamless than the current system. The proposal will also release capacity and staff savings in the contact centre and improve call duration times. [EqIA Self Service December 2014.doc \[DOC, 331kB\]](#)

**PROG3558 - Savings resulting from the introduction of a self-service telephony and electronic enquiry services** - A self-service telephony and electronic enquiry services solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the Customer Service Centre and speaking to an advisor. The proposal will release skilled advisors from simple, repetitive calls leading to cashable savings, improved productivity and processing times and increase capacity to deal with the more complex urgent enquiries. [EqIA Electronic switchboard December 2014.doc \[DOC, 326kB\]](#)

# Appendix F - Equality Impact Assessment

## 2. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

**X3683 - Rental Support for Cambridge City Foodbank** - Proposal to provide rental support of £14,000 p.a. to Cambridge City Foodbank to enable them to increase their management capability and expand their services locally from their Cambridge base. This is to be funded from the Sharing Prosperity Fund for 2015/16 and 2016/17 after which it will be reviewed. The Foodbank currently operates from Orwell House/Furlong as its base with 6 distribution centres, operating purely through voluntary staff and public/corporate donations. This funding will enable them to develop their services and relieve financial pressure due to uncertain and fluctuating funding sources. [EqIA Cambridge Foodbank 2014 12 17.doc \[DOC, 326kB\]](#)

**X3649 - Free swimming lessons for children, Sharing Prosperity Fund bid** - The project will focus on two groups; a) younger children from low income families and b) children who cannot swim at the key stage 2 assessment point. A term of 12-14 lessons would be offered free-of-charge to identified families or referrals via a voucher redeemed via GLL at Council-run pools. Scheme a) NEW for pre-school and key stage 1 children. Scheme b) Already exists, funded by local public health funding for one year 2014/15. This bid would enable continuation for a further 3 years. [EqIA - Swimming Project bid.doc \[DOC, 412kB\]](#)

**NCL3670 - Please note the following for the Sharing Prosperity Fund** – The £325k contribution to the Sharing Prosperity Fund in 2015/16 will be used to support projects which meet the objectives of the City Council's Anti-poverty Strategy. The objectives contained in the draft strategy published in October 2015 have been adopted as the interim criteria for the Fund, but these may be subject to change following the outcome of public consultation and the publication of the final strategy in March 2015. The covering report for the Budget Setting Report recommends that the remit for the "Sharing Prosperity Fund" should be amended so that that rather than bids requiring to be made through the budget process, approvals are delegated to the Executive Councillor for Finance and Resources, and can be made during the course of the year as project proposals come forward.

The projects funded using the contribution to the Sharing Prosperity Fund are likely to have a positive income on residents in poverty or living on low incomes, as they will need to support the objectives of the anti-poverty strategy. The specific equality impacts of these projects will be assessed as the projects are developed and bids for funding are made to the Sharing Prosperity Fund during the course of 2015/16.

## 3. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

X ☐ Residents

X ☐ Visitors

X ☐ Staff

A specific client group or groups (please state):

## Appendix F - Equality Impact Assessment

### 4. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- X ☐ New
- X ☐ Revised
- X ☐ Existing

### 5. Responsible directorate and service

Directorate: This EqIA report involves cross organisation responsibility and is managed by a team from different departments in the Council – Corporate Strategy and Accounting Services in particular but all teams are responsible for budget items.

### 6. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service?

- ☐ No
- X ☐ Yes (please give details):

This is an assessment of the Council's budget and therefore covers all our services. In particular the EqIA considers the equalities impacts of proposals submitted by Arts and Recreation, Community Development, Corporate Strategy, Customer Services, Human Resources, ICT, Refuse and Environment, Specialist Services, Strategic Housing, Streets and Open Spaces, and Tourism and City Centre Management. The budget also affects some of our partnership working, notably with Cambridgeshire County Council, and it has an impact on the voluntary and community sector.

### 7. Potential impact

Please list and explain how this strategy, policy, plan, project, contract or major change to your service could **positively** or **negatively** affect individuals from the following equalities groups.

Where applicable:

- Informal consultation will be carried out with staff at both Councils involved.
- Formal consultation with staff will follow if both Councils support the proposed change. This consultation will take place on a number of specific elements of the proposed change over the next six months.
- These EQiAs are working documents. There are two parts of the process. The first stage will be to formally consult staff and unions on the creation of the single shared service and the second stage will be to work through detailed implementation issues which will also be subject to consultation with staff and unions. Throughout these stages the EQiA will be updated.

# Appendix F - Equality Impact Assessment

**(a) Age** (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

# Appendix F - Equality Impact Assessment

**(a) Age** (any group of people of a particular age, including younger and older people – in particular, please consider any safeguarding issues for children and vulnerable adults)

**X3649 - Free swimming lessons for children** - Sharing Prosperity Fund bid - The project will focus on two groups; a) younger children from low income families and b) children who cannot swim at the key stage 2 assessment point. A term of 12-14 lessons would be offered free-of-charge to identified families or referrals via a voucher redeemed via GLL at Council-run pools. Scheme a) NEW for pre-school and key stage 1 children. Scheme b) Already exists, funded by local public health funding for one year 2014/15. This bid would enable continuation for a further 3 years. This project could have a positive impact on children to help support confidence and fitness.

**PPF3533 - Funding to contribute to a county-wide Handyperson Service** - It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy. The service is aimed mainly at people aged 60 and over, to support them to live safely and independently at home, and to help facilitate hospital discharge. This project could have a very positive effect for older people.

**PROG3686 - Reduction in support and central costs through a Council wide Support Services Review** - As the Council moves to other ways of delivering services and our own support service demands reduce, there is a need to balance the books by reducing our support and central costs relating to property, people, technology and other supplies and services. We are undertaking a phased approach to this project as we are at the early stages of developing and implementing alternative service delivery models and the future is uncertain. [Linked to PROG3661]

The age profile of all those post holders that are in scope of the review is concentrated in the 35-44 and 45-54 age groups. For project 1, 35-44, project 2 – 45-54 and project 3 – 35-44 are the predominant age groups. This may result in a disproportionate effect on these age groups. Throughout any proposed selection processes, we will seek to ensure a fair process is undertaken. This EqIA will be reviewed and updated as the review progresses.

**PROG356 - Savings resulting from the introduction of a self-service voice activated switchboard** - A self-service switchboard solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the switchboard. This will be quicker and more seamless than the current system. The proposal will also release capacity and staff savings in the contact centre and improve call duration times.

Younger people are less likely to be adversely affected by this strategy. In general, many young people are thought to be more used to self-service options and confident to navigate through them without difficulty. Older people could be adversely affected by the introduction of this service - this is based on the experience of 2 other local authorities who have implemented the system. An example is that automated options can be difficult for older people to use - however we can mitigate this as there will be a clear option to speak to an advisor if required.

A review of the initiative will take place after 6 months which will look at customer feedback, complaints and performance to establish if the benefits of the initiative have been realised and how our customers are using the service.

**PROG3558 - Savings resulting from the introduction of a self-service telephony and electronic enquiry services** - A self-service telephony and electronic enquiry services solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the Customer Service Centre and speaking to an advisor. The proposal will release skilled advisors from simple, repetitive calls leading to cashable savings, improved productivity and processing times and increase capacity to deal with the more complex urgent enquiries.

Younger people are less likely to be adversely affected by this strategy. In general, many young people are thought to be more used to self-service options and confident to navigate through them without difficulty. Older people could experience a negative impact by the introduction of this service - this is based on the experience of 2 other local authorities who have implemented the system. Older people could be adversely affected by the introduction of this service. Automated options can be difficult for older people to use, if they are hard of hearing they are not able to adjust the volume to hear what the messages are saying. They are also unable to ask clarification questions.

A review of the initiative will take place after 6 months which will look at customer feedback, complaints and performance to establish if the benefits of the initiative have been realised and how our customers are using the service.

## Appendix F - Equality Impact Assessment

**(b) Disability** (including people with a physical impairment, sensory impairment, learning disability, mental health problem or other condition which has an impact on their daily life)

**PPF3533 - Funding to contribute to a county-wide Handyperson Service** - It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy. The service is aimed mainly at people aged 60 and over, to support them to live safely and independently at home, and to help facilitate hospital discharge.

The service will be available to people with people with a range of disabilities – including physical, sensory and learning disability, and with mental health issues. It is aimed at supporting them to live safely and independently at home, and to help facilitate hospital discharge. This would mean a positive impact.

**URP3714 - Improvement works on Parker's Piece** - Various revenue projects such as cricket pitch improvements, sports pitch improvements, new cycle parking, new fencing, new seats, new bins, new signage and general improvements to Parkers Piece.

There will be no closures of the diagonal footpaths, with the use a small part of Parker's Piece. It has been agreed to divert the path that runs in front of the University Arms Hotel to ensure that cycle and footpath users remain able to easily pass the site compound. From the sum received for the use of Parkers Piece, improvements will be made to include provision for disabled access. This could mean a positive impact as access could be improved.

**PROG3558 - Savings resulting from the introduction of a self-service telephony and electronic enquiry services** - A self-service telephony and electronic enquiry services solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the Customer Service Centre and speaking to an advisor. The proposal will release skilled advisors from simple, repetitive calls leading to cashable savings, improved productivity and processing times and increase capacity to deal with the more complex urgent enquiries.

Some people with disabilities will not be adversely affected by this strategy. However customers who struggle to converse, or have a physical impairment but need to access information or provide change in circumstances details may prefer to use the self-service option. People with learning disabilities, mental health problems could be adversely affected by the introduction of this service. Automated options can be difficult for people to use if the customer cannot ask clarification questions. To mitigate the impacts, we will review the service regularly and monitor any problems.

## Appendix F - Equality Impact Assessment

### (c) Gender

**PPF3533 - Funding to contribute to a county-wide Handyperson Service** - It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy. The service is aimed mainly at people aged 60 and over, to support them to live safely and independently at home, and to help facilitate hospital discharge.

Census data indicates that just over half (53%) of people living in households in Cambridge are female, a proportion which increases with age. So more females are likely to use the service than males. The service could have a positive impact as it would allow people to maintain living in their own home.

**PROG3686 - Reduction in support and central costs through a Council wide Support Services Review** - As the Council moves to other ways of delivering services and our own support service demands reduce, there is a need to balance the books by reducing our support and central costs relating to property, people, technology and other supplies and services. We are undertaking a phased approach to this project as we are at the early stages of developing and implementing alternative service delivery models and the future is uncertain. Phase 1 of this project will focus on removing costs from ICT and transactional finance activity; Phase 2 will focus on removing costs from business support activity and other support functions and Phase 3 will review all remaining areas particularly those required to initially support the Transformation Programme. [Linked to PROG3661]

The gender profile for all those post holders that are in scope of the review is predominantly female (71%) which is significantly higher than the overall workforce of 48%. The profile varies for each project. Male is the predominant group in project 1 (63%), and in project 2 and 3 Female is the predominant group with 73% and 83% respectively. Throughout any proposed selection processes we will seek to ensure a fair process is undertaken. This could have a disproportionate negative effect.

## Appendix F - Equality Impact Assessment

### (d) Pregnancy and maternity

**S3614 - Maternity Fund reduction in funding** - Reduced provision of £100k for centralised maternity fund. Services will be asked to fund maternity pay within service budgets in the first instance. A central provision of £75k will be retained by the Head of Finance to assist on a case by case basis where services are unable to cover maternity pay and/or cover arrangements within their overall service budgets. The overall impact should be neutral as although the funding is being cut, service will continue to support pregnant women through their own budgets and there will be a central fund for contingencies.

Impact on services: This policy revision may impact staffing levels within services if there are insufficient funds to manage maternity cover arrangements within existing budgets or the contingency fund, and therefore it may have an indirect impact on service provision. This could affect any service and any category of service user. Services are expected to manage these impacts within their overall service budgets. As indicated above, a contingency budget will be available where it can be shown that this is not possible.

Impacts on staff: The revision may have a higher impact on services with females who take maternity leave. These services may find it more difficult to manage within their overall budgets. However, the contingency budget will be available to assist where there is an unmanageable financial impact on the service.

Impact on job applicants: Recruiting managers may be reluctant to interview candidates and/or offer jobs to candidates who they believe may take maternity / parental leave in the future. However, there are strong HR policies in place to ensure that this does not occur.

Impact on services: This change will initially impact services with female staff who have maternity leave as it relates to the maternity fund. However, with the introduction of shared parental leave from December 2014 partners and fathers will have rights to shared parental leave and pay. The change could then potentially impact on all services regardless of the gender profile of their staff.

To better understand the intentional and unintended impact of this bid, regular reviews will be undertaken.

### (e) Transgender (including gender re-assignment)

No disproportionate has been identified for any of the proposals contained in the 2014/15 Budget Setting Report.

### (f) Marriage and Civil Partnership

No disproportionate has been identified for any of the proposals contained in the 2014/15 Budget Setting Report.

## Appendix F - Equality Impact Assessment

### (g) Race or Ethnicity

**PROG356 - Savings resulting from the introduction of a self-service voice activated switchboard** - A self-service switchboard solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the switchboard. This will be quicker and more seamless than the current system. The proposal will also release capacity and staff savings in the contact centre and improve call duration times.

Some people within the race or ethnicity equalities group could be affected by this initiative. Customers whose first language is not English could be adversely affected by the introduction of this service, however there are options for customers to exit the system and speak to an advisor. Our experience within the CSC has shown that a very small percentage of customers that contact us by telephone are unable to speak English; people generally prefer to seek advice face to face where an interpreter is more easily facilitated.

As this may have a negative effect, a review of the initiative will take place after 6 months which will look at customer feedback, complaints and performance to establish if the benefits of the initiative have been realised and how our customers are using the service.

**PROG3558 - Savings resulting from the introduction of a self-service telephony and electronic enquiry services** - A self-service telephony and electronic enquiry services solution will provide Cambridge City Council customers with the choice to access Council services without the need to go through the Customer Service Centre and speaking to an advisor. The proposal will release skilled advisors from simple, repetitive calls leading to cashable savings, improved productivity and processing times and increase capacity to deal with the more complex urgent enquiries.

Some people within the race or ethnicity equalities group could be affected by this initiative. Customers whose first language is not English could be adversely affected by the introduction of this service, however there are options for customers to exit the system and speak to an advisor. Our experience within the CSC has shown that a very small percentage of customers that contact us by telephone are unable to speak English; they prefer to seek advice face to face where an interpreter is more easily facilitated.

As this may have a negative effect, a review of the initiative will take place after 6 months which will look at customer feedback, complaints and performance to establish if the benefits of the initiative have been realised and how our customers are using the service.

### (h) Religion or Belief

No disproportionate has been identified for any of the proposals contained in the 2014/15 Budget Setting Report.

### (i) Sexual Orientation

No disproportionate has been identified for any of the proposals contained in the 2014/15 Budget Setting Report.

## Appendix F - Equality Impact Assessment

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):

# Appendix F - Equality Impact Assessment

**(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):**

**X3649 - Free swimming lessons for children**, Sharing Prosperity Fund bid - The project will focus on two groups; a) younger children from low income families and b) children who cannot swim at the key stage 2 assessment point. A term of 12-14 lessons would be offered free-of-charge to identified families or referrals via a voucher redeemed via GLL at Council-run pools. Scheme a) NEW for pre-school and key stage 1 children. Scheme b) Already exists, funded by local public health funding for one year 2014/15. This bid would enable continuation for a further 3 years. This project could have a positive impact on children. There might be a negative impact as people in low income families will need to arrange their own transport to attend the sessions.

**PPF3533 - Funding to contribute to a county-wide Handyperson Service** - It is proposed to replace the existing Safer Homes Scheme, which has been funded temporarily, with a county-wide Handyperson Service, providing small repairs and minor works activity in the homes of older and vulnerable people. The scheme will also contribute to objectives of the Health and Wellbeing Strategy.

Clients will be charged for the service, which has the potential to impact negatively on those on low incomes.

In a survey carried out amongst potential service 90% of respondents county-wide said they would or may be willing to make a contribution towards the cost of jobs carried out. £30 or under was the preferred range, and just under half said that £20 or under would be reasonable. However, a number of people said the level of charge should depend on the job being carried out. These results will be used to inform the proposed charging policy.

However, it has been agreed that the charging policy should include provision for those unable to afford to pay, so that no-one is excluded from receiving the service because they cannot afford it.

**PROG3686 - Reduction in support and central costs** through a Council wide Support Services Review - As the Council moves to other ways of delivering services and our own support service demands reduce, there is a need to balance the books by reducing our support and central costs relating to property, people, technology and other supplies and services. We are undertaking a phased approach to this project as we are at the early stages of developing and implementing alternative service delivery models and the future is uncertain. [Linked to PROG3661]

The salary bands for posts in the scope of the review were assessed and the predominant group in Project 1 is Pay Band 5 (£27,052-£30,851) and in Project 2 and 3 – Pay Band 3 (£19,126 - £22,221). The review may impact upon individual personal circumstances through any case of redundancy. Vacancy management control is in place in order to minimise any potential redundancies

**X3683 - Rental Support for Cambridge City Foodbank** - Proposal to provide rental support of £14,000 p.a. to Cambridge City Foodbank to enable them to increase their management capability and expand their services locally from their Cambridge base. This is to be funded from the Sharing Prosperity Fund for 2015/16 and 2016/17 after which it will be reviewed. The Foodbank currently operates from Orwell House/Furlong as its base with 6 distribution centres, operating purely through voluntary staff and public/corporate donations. This funding will enable them to develop their services and relieve financial pressure due to uncertain and fluctuating funding sources and this should have a positive effect on poverty. Cambridge City Foodbank services are targeted to help people on low income and/or suffering the impacts the poverty. Research undertaken by The Trussell Trust, Oxfam, Child Poverty Action Group and the Church of England identified the following key findings related to food banks:

- Food banks were predominantly a last-resort, short-term measure, prompted by an 'acute income crisis' – something which had happened to completely stop or dramatically reduce their income
- Many food bank users faced multiple challenges, including ill-health, relationship breakdown, mental health problems or substantial caring responsibilities. Many were unable to work or had recently lost their job. The frequency of bereavement among food bank users was also a striking feature of this research.
- In addition to the food bank element, Cambridge City Foodbank also tries to direct people to the most appropriate agencies for additional support.

# Appendix F - Equality Impact Assessment

## 8. If you have any additional comments please add them here

- 123 Budget Bids were received.
- 14 bids have EqlAs
- 14 are due but it is too early for the details of the projects to be assessed for equality impacts.

Many of the bids had no disproportionate impact for the following reasons:

- No or little impact on people – e.g. capital bids
- It was too early to assess the impacts or they had been previously assessed last year and had been to Committee and then were delayed in being implemented – the EqlAs for these bids have been looked at as part of this process and are available [here](#).
- The scale of change was small or process related e.g. small increase in hours for an existing post or internal recharging.

The greatest impacts were on age, pregnancy, maternity, disability, ethnicity and socio economic factors. Positive impacts generally outweighed the negative and were already being mitigated.

All of the EqlAs are available for viewing and can be found here: [here](#).

## 9. Conclusions and Next Steps

- If you have not identified any negative impacts, please sign off this form.
- If you have identified potential negative actions, you must complete the action plan at the end of this document to set out how you propose to mitigate the impact. If you do not feel that the potential negative impact can be mitigated, you must complete question 8 to explain why that is the case.
- If there is insufficient evidence to say whether or not there is likely to be a negative impact, please complete the action plan setting out what additional information you need to gather to complete the assessment.

All completed Equality Impact Assessments must be emailed to Suzanne Goff, Strategy Officer, who will arrange for it to be published on the City Council's website.

Email [suzanne.goff@cambridge.gov.uk](mailto:suzanne.goff@cambridge.gov.uk)

## 10. Sign off

Name and job title of assessment lead officer: Suzanne Goff – Corporate Strategy

Names and job titles of other assessment team members and people consulted:

Date of completion: 19<sup>th</sup> December 2014

Date of next review of the assessment: 19<sup>th</sup> December 2015

# Appendix F - Equality Impact Assessment

## Action Plan

Equality Impact Assessment title:

Date of completion: 18<sup>th</sup> December 2014

Equality Group	Age
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on older people and a few have a positive effect.
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqIA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqIAs to monitor the impacts
Date action to be completed by	December 2015

Equality Group	Disability
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on people with disabilities and a few have a positive effect
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqIA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqIAs to monitor the impacts
Date action to be completed by	December 2015

Equality Group	Gender
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on gender and a few have a positive effect
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqIA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqIAs to monitor the impacts
Date action to be completed by	December 2015

## Appendix F - Equality Impact Assessment

Equality Group	Pregnancy and Maternity
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on people with disabilities and a few have a positive effect
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqIA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqIAs to monitor the impacts
Date action to be completed by	December 2015

Equality Group	Transgender
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Marriage and Civil Partnership
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Race or Ethnicity
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on people with disabilities and a few have a positive effect
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqIA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqIAs to monitor the impacts
Date action to be completed by	December 2015

## Appendix F - Equality Impact Assessment

Equality Group	Religion or Belief
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Equality Group	Sexual Orientation
Details of possible disadvantage or negative impact	N/A
Action to be taken to address the disadvantage or negative impact	
Officer responsible for progressing the action	
Date action to be completed by	

Other factors that may lead to inequality – <u>in particular</u> – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty (please state):	
Details of possible disadvantage or negative impact	A few of the projects may have an adverse impact on people with disabilities and a few have a positive effect
Action to be taken to address the disadvantage or negative impact	Regular reviews as projects come forward and individual actions are detailed in the bid EqlA.
Officer responsible for progressing the action	Individual officers responsible for the projects will review their EqlAs to monitor the impacts
Date action to be completed by	December 2015

# Appendix G

## Significant Events

Topic	Indicative Value	2015/16	2016/17	2017/18	2018/19	2019/20
Building Cleaning Contract	n/a	Contract award				
Arts Trust – “Cambridge Live”	£5m	Trust starts trading from 1 April 2015				
Clay Farm Community Centre	£9.2m	Build Phase				
Destination Management Organisation	£1m	DMO starts trading 1 January 2016				
Elections	n/a	7 May 2015 • City • UK Parliament	5 May 2016 • City • Police & Crime	4 May 2017 • County	3 May 2018 • City	2 May 2019 • City • European <i>(date to be confirmed)</i>
National Census	n/a	Census 2011 informs projected future demand for Council services				
Pension Fund Triennial Actuarial Review	+/- 1% is GF c. £220k for 2018/19	First anticipated change in employer contributions resulting from revaluation, additional contributions currently being made to meet anticipated liability				
Spending Review	£8.8m	The budget is based on the 2013 Spending Review and the level of Revenue Support Grant and Locally Retained Non-Domestic Rates are budgeted accordingly. The 2015 Spending Review will be after the forthcoming general election and whilst assumptions are based on current proposals a change in government may see changes to local government funding or spending responsibility.				
VAT Partial exemption	c. £250k if breached	Potential liability if limit is breached over a seven-year moving average				
Shared Services	n/a	Ongoing review of shared service provision with other local authorities including Legal Services, ICT and Building Control. Anticipated start dates from 2015/16 onwards				

# Contacts

Name	Job Title	Telephone
Caroline Ryba	Head of Finance and Section 151 officer	45 8134
Chris Humphris	Principal Accountant (Services)	45 8141
Julia Hovells	Business Manager / Principal Accountant	45 7822
John Harvey	Senior Accountant	45 8143
Jackie Collinwood	Service Accountant	45 8241
Karen Whyatt	Service Accountant	45 8145
Linda Thompson	Service Accountant	45 8144
Richard Wesbroom	Service Accountant	45 8148