



Cambridge City Council

Notice of Council

Date: Thursday, 21 February 2019

Time: 6.00 pm

Venue: Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ

Contact: democratic.services@cambridge.gov.uk, tel:01223 457000

Dear Councillor,

A meeting of Cambridge City Council will be held in the Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ on Thursday, 21 February 2019 at 6.00 pm and I hereby summon you to attend.

Dated 13 February 2019

Yours faithfully

A handwritten signature in black ink, appearing to read 'AP Jackson'.

Chief Executive

Agenda

- | | | |
|---|--|--------------------|
| 1 | To elect a Mayor for remainder of the Municipal Year 2018/19, to elect a Deputy Mayor for the remainder of Municipal Year 2018/19 and to pay tribute to Former Mayor and Councillor Nigel Gawthrope. | (Pages 9 - 10) |
| 2 | Minutes | (Pages 11 - 36) |
| 3 | Mayor's announcements | (Information Pack) |

4 Petition

A petition has been received containing over 500 valid signatures stating the following:

We the undersigned petition the council to

- Declare a Climate Emergency
- Accelerate its efforts to reduce greenhouse gas (GHG) emissions within the Council's estate and operations, targeting net zero carbon by 2025
- Work with business, the universities, neighbouring local authorities and voluntary organisations to devise and implement a rapid action plan to reduce GHG emissions throughout our city, aiming for net zero carbon by 2025
- Where funding is insufficient, publicly call on the government for more resources to allow Cambridge to meet these targets

Evidence of looming climate breakdown is now overwhelming. Our existence is threatened and we must rapidly reduce GHG emissions. This is the greatest challenge humanity faces.

We recognise the substantial carbon reductions that the Council has made in recent years following the Climate Change Strategy 2016-21. But we now know that it is now even more urgent to quickly reduce GHG emissions. We want Cambridge to demonstrate leadership amongst local authorities by publicly acknowledging the scale and urgency of the climate crisis, setting more ambitious reduction targets, and working quickly to meet them.

We recognise that is a huge ask. We will help.

With love from the people of Cambridge.

The petition organiser will be given 5 minutes to present the petition at the meeting and the petition will then be discussed by Councillors for a maximum of 15 minutes.

5 Public questions time

6 To consider the recommendations of the Executive for adoption

6a Executive Councillor for Housing: HRA Budget-Setting Report (BSR) 2019/20 (Pages 37 - 144)

6b Executive Councillor for Finance and Resources: (Pages 145 -

	Treasury Management Strategy Statement Report 2019/20 to 2022/23	170)
7	To consider Budget Recommendations of the Executive for Adoption	
7a	Budget Setting Report (General Fund) 2019/20 to 2022/23	(Pages 171 - 346)
7b	Liberal Democrat Group Amendment to the Executive Budget Recommendations	(Pages 347 - 378)
8	To consider the recommendations of Committees for adoption	
8a	Civic Affairs: Pay Policy Statement 2019/20	(Pages 379 - 414)
8b	Planning Committee Report Concerning Local Government Ombudsman Complaint	(Pages 415 - 426)
9	To deal with oral questions	
10	To consider the following notices of motion, notice of which has been given by:	
10a	Councillor Cantrill: Declaring a Climate Emergency Council notes that: a) The recent 2018 IPCC report states that we have just 12 years to act on climate change if global temperature rises are to be kept within the recommended 1.5 degrees Celsius; b) All governments (national, regional and local) have a duty to limit the negative impacts of climate breakdown, and local governments that recognise this should not wait for their national governments to change their policies. UK cities need to commit to aggressive reduction targets and carbon neutrality as quickly as possible; c) Cities are well placed to lead the world in reducing carbon emissions, as their higher density opens up a range of sustainable transport, buildings and energy opportunities; d) The Council's absolute carbon emissions have reduced by 18.4% since the base line year of 2014/15 – and approx.. 9% between 2016/17 and 2017/18 (Source: Item 7 section 3.6 of the Environment and Community Scrutiny Committee, 4th October 2018).	

In light of the above, the Council therefore agrees to:

1. Join other Councils in declaring a Climate Emergency;
2. Call on the UK Government to provide the necessary powers and resources to make local action on climate change easier (as set out in 3 and 5 below);
3. Aim to make the Cambridge carbon neutral by 2030, taking into account both production and consumption emissions;
4. In light of 3. above, request Scrutiny to urgently review and make recommendations on revisions to the Council's 2016-2021 Climate Change Strategy in light of the recent IPCC report and the latest Cambridge City Council data (published October 2018) in order to achieve the revised target;
5. Continue to work with partners across the city and region to deliver widespread carbon reductions.

10b Councillor McGerty: Cambridge Live

Council welcomes the emergency protection provided to the Cambridge Live programme and its customers, given the projected financial losses which jeopardised its future solvency, by returning it in-house to the council. It appreciates the work of all those involved in implementing the decision.

Recognising the substantial potential public cost of this rescue and the eventual need to decide whether Cambridge Live should in future continue in-house or be re-launched as an independent organisation (as is successful in many other places), it is important to properly understand what went wrong in Cambridge Live and in the Council's relationship with it, both as its founding sponsor and major partner and customer.

We therefore request officers to recommend to the June meeting of the Environment & Community Scrutiny Committee terms of reference for a cross party members' Inquiry addressing these issues, commencing in September.

10c Councillor Moore: Tackling the Climate Emergency

This council notes that:

- Human activities are changing our planet and the need for everyone to take action on climate change is more urgent and immediate than ever.
- According to the Intergovernmental Panel on Climate Change's (IPCC) Special Report in 2018, human activities are estimated to have caused approximately 1°C of global warming above pre-industrial levels, with a likely range of 0.8°C to 1.2°C.

- The Paris Agreement sets out a global action plan to put the world on track to avoid dangerous climate change by “limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C”.
- In order to prevent further global warming of more than 1.5°C, the IPCC states that this would require global net human-caused emissions of carbon dioxide (CO₂) to fall by about 45% from 2010 levels by 2030, reaching ‘net zero’ around 2050 and that they would need to peak within 12 years (by 2030) to increase the chances of limiting global warming to 1.5 degrees.
- Cambridge City Council set an aspiration in its [Climate Change Strategy](#) 2016-21 for Cambridge to achieve zero carbon status by 2050.
- The [latest statistics](#) produced by the Department for Business, Energy and Industrial Strategy (BEIS) shows total emissions in Cambridge have declined steadily over the last 11 years. From 2005-2016, total emissions from the city have reduced by almost 30%.
- Emission reductions in the UK, including Cambridge, since 2012 have primarily come from the decarbonisation of electricity generation in the power sector at a national level, which is shifting progressively from fossil fuels to low carbon and renewable generation.
- To maintain the current rate of emissions reduction and reach zero carbon by 2050, further changes to national policy and infrastructure would be required in all sectors, including industry and commercial, transport and domestic sources.
- Emissions would need to reduce much more rapidly to reach net zero carbon by an earlier date, requiring rapid and widescale changes in energy production, supply and usage at the national level.
- The latest statistics for the source of Cambridge’s carbon dioxide emissions are for 2016 and are; 49% from industry and commercial, 31% from domestic sources and 20% from transport.
- Anglia Ruskin University and Cambridge University have also set targets to be zero carbon by 2050.
- We welcome the new building control regulations requiring all new buildings to be nearly zero carbon from 31 December 2020 but note the damage done by scrapping Labour’s original 2016 deadline.
- Through the Council’s Carbon Management Plan 2016-21 we have taken action to reduce our own emissions, which account for just 1.2% of the city’s overall emissions. We have already achieved the target of reducing council emissions by 15% by

March 2021, and we are on the way to achieving the aspirational target of reducing them by 20% by that date.

This council declares a climate emergency and we:

- Will continue to reduce the council's building and fleet emissions through developing and investing in carbon reduction projects and we will update our Carbon Management Plan regularly.
- Will continue to support residents and businesses in Cambridge to reduce their emissions using the powers and funding currently available to the council.
- Will establish a Cambridge Climate Charter calling on all organisations, businesses and individuals in the city to each establish their own Carbon Management Plans and to commit to reducing their carbon emissions which will help us to work towards our city's net carbon-zero aspiration.
- Will continue to work with the Greater Cambridge Partnership and Cambridgeshire & Peterborough Combined Authority to promote sustainable transport.
- Will establish a Clean Air Zone in Cambridge.

We want and we need to be doing more to tackle this climate emergency, and know that with Government leadership (that is currently absent) we could be achieving zero carbon far sooner.

To enable Cambridge and the rest of the UK to reach net zero carbon by 2030, we call on government, industry and regulators to implement the necessary changes with funding, transformed national infrastructure, policy, new technologies and legislation, including:

- Invest in clean, efficient renewable energy and end CO₂ emissions from electricity generation.
- Ban fracking.
- Invest in energy-efficient public transport across the country, including the introduction of electric buses.
- End the sale of all new petrol and diesel cars and vans from 2030 and make cleaner vehicles more affordable and accessible.
- Establish a long-term nationwide Warm Homes strategy with adequate investment for energy-saving and energy-efficiency measures.
- Support a sustainable food revolution ensuring sustainable, fresh food for all whilst reducing food waste.
- Develop a strategy for all UK businesses to be net zero carbon by 2030.

This will reduce the damage caused by climate change and will also

- create a strong green economy with new jobs, less waste and with sustainable growth.
- 11 Special Urgent Decision
 - 11a Record of Special Urgent Decision Taken by the Executive Councillor for Communities: Outcome of Cambridge Live Review (Pages 427 - 432)
 - 12 Written questions
No discussion will take place on this item. Members will be asked to note the written questions and answers document as circulated around the Chamber.

Information for the public

The public may record (e.g. film, audio, tweet, blog) meetings which are open to the public. For details go to:

www.cambridge.gov.uk/have-your-say-at-committee-meetings

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- Website: <http://democracy.cambridge.gov.uk>
- Email: democratic.services@cambridge.gov.uk
- Phone: 01223 457000



Item

ELECTION OF MAYOR FOR THE REMAINDER OF THE 2018/19 COUNCIL YEAR

To:

Council 21/02/19

Report by:

Chief Executive

Tel: 01223 - 457003 Email: antoinette.jackson@cambridge.gov.uk

Wards affected:

All

1. Explanation of the business to be done under agenda item 1

- 1.1 Following the sudden and tragic death of the Mayor, Nigel Gawthrope last month, the Council must elect a new Mayor as required by the Local Government Act 1972.
- 1.2 The Deputy Mayor is a candidate so another person must preside over the election.
- 1.3 Following consultation with Group Leaders, Councillor Benstead will take the Chair for the first item of business, to elect a Mayor for the remainder of the 2018/19 Council Year.
- 1.4 The councillor elected Mayor, having signed the office of acceptance, will take the Chair for the rest of the Council's business.
- 1.5 It has been agreed that the Mayor's Chair on the Dais will remain empty at this Council meeting out of respect.

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Public Document Pack Agenda Item 2

Council

Cncl/1

Thursday, 18 October 2018

COUNCIL

18 October 2018
6.00 - 11.40 pm

Present: Councillors Adey, Ashton, Baigent, Barnett, Benstead, Bick, Bird, Blencowe, Cantrill, Dalzell, Dryden, Gawthrope, Gehring, Gillespie, Hart, Herbert, Hipkin, Holt, Johnson, Martinelli, Massey, McGerty, McPherson, McQueen, Moore, Nethsingha, O'Connell, O'Reilly, Payne, Pippas, Robertson, Sergeant, Sheil, Smart, Smith, Thittala, Thornburrow and Todd-Jones

FOR THE INFORMATION OF THE COUNCIL

18/51/CNL Minutes

The minutes of the meeting held on the 19 July 2018 were confirmed as a correct record and signed by the Mayor.

18/52/CNL Mayor's announcements

Apologies

Apologies had been received from Councillors Tunnacliffe, Page-Croft and Price. Councillor Payne provided apologies for arriving late.

Mayor's Day Out

The annual outing for senior citizens to Felixstowe in August was a huge success and the Mayor thanked councillors who helped with stewarding.

Chariots of Fire

The Mayor was honoured to join the High Sheriff in presenting the awards at the event this year. The turnout was fantastic and the event was enjoyable.

Annual Firework Display

Members were reminded of their invitation to the Annual Firework Display on Monday 5 November on Midsummer Common. The VIP reception would start at 6.00pm, in the Cambridge Live Tent with the fireworks starting at 7.00pm.

Remembrance

The Remembrance Sunday civic service would take place on Sunday 11 November at Great St. Mary's Church at 10.55 a.m. The Mayor reminded Members that it was the 100th anniversary of World War I and asked Members to let the Sergeant-at-Mace know whether they would be attending the service.

Chevyn Service

Notice was given that the preaching of the Chevyn Sermon would take place on Sunday 27 January 2019 and that invitations would be sent out nearer the time.

RETURNING OFFICER REPORT

Council noted the Returning Officer's report that Kelley Green had been elected following the by-election for Petersfield on 13 September.

18/53/CNL Declarations of Interest

Name	Item	Interest
Cantrill	18/57/CNL	Trustee of Wintercomfort
Johnson	18/58/CNL7b	Employee of Daniel Zeichner MP
Moore	18/56/CNL5b	Personal interest regarding special responsibility allowance report
Herbert	18/56/CNL5b	Personal interest regarding special responsibility allowance report
Thornburrow	18/55/CNL4e	Owned a narrow boat moored on private land within jurisdiction of the Cam Conservators
Baigent	18/56/CNL5b	Personal interest regarding special responsibility allowance report.
Massey	18/56/CNL5b	Personal interest regarding special responsibility allowance report
Ashton	18/55/CNL4a	Chair of Cherry Hinton Residents Association
Gillespie	18/55/CNL4a and 18/55/CNL4c	Works for University of Cambridge and

		had attended a short course with Allia Limited
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18/54/CNL Public questions time

A member of the public asked the following question as set out below:

1. Please can the council executive commission officers to explore commissioning large photographic reproductions of the glass plate negatives of the women who made modern Cambridge currently residing in the Palmer Clark archive in the Cambridgeshire Collection; given that the only woman whose painting is on the walls of the large hall in the Guildhall is that of Queen Victoria.

The Executive Councillor for Communities responded as follows:

- i. She thanked Mr Carpen for raising this issue and for his work on the Vote 100 events (celebrating 100 years since Parliament passed a law which allowed some women to vote). Mr Carpen was correct in saying that the photographs on display were unrepresentative of the achievements of women in Cambridge and she would like to see a more diverse range of paintings. She invited Mr Carpen to meet with officers to discuss ways of taking this matter forward.

18/55/CNL To consider the recommendations of the Executive for adoption

4a Cambridge Local Plan: Towards 2031 - Adoption (Executive Councillor for Planning Policy and Transport)

Resolved (by 37 votes to 0) to:

- i. Adopt the Cambridge Local Plan 2018 including both Main and Additional Modifications (Appendix 4 to the Officers report);
- ii. Adopt the Cambridge Policies Map 2018, including Main Modifications (Appendix 5 to the Officers report); and
- iii. Authorise the Joint Director of Planning and Economic Development for Cambridge and South Cambridgeshire, in consultation with the Executive Councillor for Planning Policy and Transport, and the Chair and Spokes for the Planning Policy and Transport Scrutiny Committee, to make minor

typographical amendments or updates in preparing the final version of the Adopted Local Plan and Policies Map.

4b Housing Revenue Account Medium Term Financial Strategy 2018/19 (Executive Councillor for Housing)

Resolved (by 25 votes to 0) to:

- i. Approve proposals for changes in existing housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the Officer's report, with the resulting position summarised in Appendix H.

4c Treasury Management Half Yearly Update Report 2018/19 (Executive Councillor for Finance and Resources)

Resolved (unanimously) to:

- i. Approve the report which included the Council's estimated Prudential and Treasury Indicators 2018/19 to 2021/22.
- ii. Approve a £5m limit on secured bonds with local businesses subject to due diligence as highlighted in paragraph 8 of the officer's report.
- iii. Update the Minimum Revenue Provision (MRP) Policy to state that no MRP will be required if this bond is secured, but this would be reviewed at least annually.
- iv. Agree the principle of investing up to £5m in a bond issued by Allia Limited, and delegate to the Head of Finance the final decision on the appropriateness of this investment, once detailed due diligence has been completed as set out in paragraph 8.9 of the Officer's report;
- v. Increase the counterparty limit for Barclays Bank Plc by £10m to £35m; and;
- vi. Reduce the Money Market Fund (MMF) counterparty limit by £10m to £5m for each fund, with a total MMF limit of £20m (and to continue using MMFs that were rated AAA).

4d General Fund Medium Term Financial Strategy (MTFS) October 2018 (Executive Councillor for Finance and Resources)

Resolved (by 26 votes to 0) to:

- i. Agree the budget strategy and timetable as outlined in Section 1 [pages 1 to 3 refer] of the MTFS document.
- ii. Agree the incorporation of changed assumptions and indicative net unavoidable budget pressures identified in Section 4 [pages 15 to 18 refer]. This provides an indication of the net savings requirements, by

year for the next 5 years, and revised General Fund revenue, funding and reserves projections as shown in Section 5 [pages 19 to 20 refer] of the MTFS document.

- iii. Note the changes to the Capital Plan as set out in Section 6 [pages 21 to 27 refer] and Appendix A [pages 35 to 40 refer] of the MTFS document and agree the new proposals:

Ref.	Description / £'000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Proposals								-
SC676	Jesus Green public conveniences	25	-	-	-	-	-	25
SC680	CCTV equipment upgrade	30	-	-	-	-	-	30
SC633	Grass reinforcement at Parker's Piece	140	-	-	-	-	-	140
SC678	Crematorium - additional car park	25	325	-	-	-	-	350
SC679	Crematorium - cafe facilities	20	310	-	-	-	-	330
Misc	Local bond investment	5,000	-	-	-	-	-	5,000
Total Proposals		5,240	635	-	-	-	-	5,875

- iv. Agree the remit of the Cambridge Live Development Fund (1.4.18 to 31.3.20) to support the transformation and ongoing development of Cambridge Live over the next two years subject to a maximum spend of £500,000 with full delegation for management of the Fund assigned to the Chief Executive
- v. Agree changes to General Fund Reserve levels, with the Prudent Minimum Balance being set at £5.504m and the target level at £6.605m as detailed in Section 7 [pages 28 to 31 refer] and Appendix B [pages 41 to 42 refer] of the Officer's report.

4e Council Appointments to the Conservators of the River Cam (Executive Councillor for Streets and Open Spaces)

Resolved (unanimously) to:

- i. Approve the Executive Councillor for Streets and Open Spaces recommendation of the non-councillor appointments to the Conservators of the River Cam commencing 1 January 2019:
 - a. Jim Ross
 - b. Kate Hurst
 - c. May Block
 - d. Ceridwen Salisbury

- ii. Approve the nominations of three City Councillor appointments (two Labour and one Liberal Democrat appointment) to the Conservators of the River Cam commencing 1 January 2019:
 - a. Councillor Sargeant
 - b. Councillor Massey
 - c. Councillor Tunnacliffe
- iii. Approve Councillor Sargeant to the vacant seat held by former Councillor Sinnott to 31 December 2018.

18/56/CNL To consider the recommendations of Committees for adoption

5a Licensing Committee:Statement of Gambling Principles

Resolved (unanimously) to:

- i. Approve the Statement of Gambling Principles for publication on 3 January 2019, and for it to come into effect on 31 January 2019.

5b Civic Affairs Committee: Independent Remuneration Panel - Special Responsibility Allowance

Resolved by (24 votes to 0) to:

- i. Approve that each of the roles detailed in the table below should receive an SRA in the following percentages of Basic Allowance and that these allowances be back-dated to the start of the Municipal Year.

Role Title	Percentage of Basic Allowance
Combined Authority: Cabinet Member (1)	100%
Combined Authority: Members on the Overview and Scrutiny Committee (2)	25%
Combined Authority: Member on the Audit and Governance Committee (1)	10%
Greater Cambridge	15%

Partnership: Assembly Members (3)	
Police and Crime Panel Member (1)	15%

- ii. Agree the allowances detailed in i be reviewed in 2020 to take account of any further changes in roles and responsibilities.
- iii. Agree that travel allowance costs to city council meetings be amended as follows:

For Cambridge City Council meetings only, Members can claim travel costs **from outside** Cambridge if their absence from Cambridge was unavoidable or if a meeting was called at short notice and that Member had to make a journey which would not otherwise have been made. The exception to this rule is attending Planning or Licensing Committee meetings, as these take place more frequently than other meetings.

If a claim is made and an officer is unclear whether or not the travel expense should be reimbursed, the officer shall consult the political group leaders prior to approving payment. If any claim remains unresolved, it is the responsibility of the Chief Executive to determine.

5c Civic Affairs Committee: Process for scrutiny of the Council's budget

Resolved by (25 votes to 13) to:

- i. Change the Council's budget and policy framework procedure (part 4c) and Council Procedure Rules appendix 2 budget recommendations and amendments (part 4a) as set out in the adoption minute contained in the Information Pack.

(These changes reflect option A, as amended by Committee, described in the report)

18/57/CNL To deal with oral questions

1) Councillor McGerty to the Executive Councillor for Streets and Open Spaces

Is the Executive Councillor for Streets and Open Spaces satisfied with the level of street cleaning provided by the council?

The Executive Councillor confirmed that she was satisfied with the level of street cleansing provided by the Council but was not satisfied by the mess created by certain individuals. She confirmed that an anti-litter campaign was coming soon and offered Councillor McGerty the opportunity to spend a day with herself and the Street Cleansing Team. She commented that she hoped Ward Councillors would report any cleansing issues identified in Market Ward.

2) Councillor Massey to the Executive Councillor for Housing

What is the Executive Councillor for Housing's opinion on the recent announcement by the Prime Minister to scrap the borrowing cap that local authorities can borrow against their housing stock?

The Executive Councillor welcomed the development to remove the cap on borrowing but commented that the devil would be in the detail. Councils were due to be consulted on the proposals and he anticipated that further information would emerge in the budget on the 29 October. He commented that the Secretary of State for Housing needed to be held to her promise and that he would continue to press Central Government for further affordable housing reform measures, for example the increased flexibility for using right to buy housing receipts.

3) Councillor Thittala to the Executive Councillor for Communities

Can the Executive Councillor provide an update on the free holiday lunch scheme?

The Executive Councillor paid tribute to Councillor Johnson who had previously held the Executive Councillor for Communities role. She commented that for many families holidays were a difficult time; the free holiday lunch scheme was open to everyone and was not means tested. There were five venues the scheme was offered in the City: Buchan Street Neighbourhood Centre, Ross Street Community Centre, Brown's Field Youth and Community Centre, Meadows Community Centre and the Church of the Good Shepherd (run by the Church not the Council).

The number of free holiday lunches provided to date in 2018 was 248 during Easter, 198 during May half term and 1314 during the summer.

Over October half term, lunches were being piloted at a new venue in Queen Edith ward and Trumpington Pavilion (the latter in partnership with Cambridge Sustainable food). There were also plans to develop a lunch offer in Abbey ward with various partners later in the year. Buchan Street Neighbourhood Centre would be providing Christmas meals for families and also supporting

community groups to run an event between Christmas and New Year. For the first time, a holiday lunch was planned between Christmas and New Year at Brown's Field Community Centre.

4) Councillor Cantrill to the Executive Councillor for Housing

Last week marked the world homeless day. At the same time research was published that showed at least 449 homeless people died in the UK in the last 12 months.

As we come into the winter months, does the Exec Cllr believe that the council is doing everything possible to address the homeless crisis we see on the streets of Cambridge?

The Executive Councillor commented that during the winter months (from November to March 2019) when the Severe Weather Emergency Protocol (SWEP) starts, 46 additional beds would be provided when the weather turns bad. SWEP beds were not provided continuously during this period but were provided by the council in response to SWEP conditions. The Council adopted a more common sense approach of SWEP and would make beds available when there was a prolonged period of wet and cold weather even if the temperature had not been freezing. Advice on applying SWEP was taken from the Outreach Team and Jimmy's. SWEP was open to all and there was no local connection criteria, all that was asked was for people to behave acceptably. Last year there was only one evening when SWEP beds reached capacity.

5) Councillor Barnett to the Executive Councillor for Communities

Can the Executive Councillor provide an update on the work of the Activate project and the impact it is having?

The Executive Councillor stated that the Activate project supported children and young people to build essential skills and confidence as they moved into secondary education and was about to start its third year of delivery. The young people involved were pupils at Coleridge Community College, and project partners include Cambridge Junction, Kettle's Yard, The University of Cambridge Museums, New International Theatre, Museum of Cambridge, and Menagerie Theatre. Young people who had not previously taken part in creative activities were recruited annually to take part in weekly after school sessions, some on school premises and some at the partner venues. They took part in a structured programme designed to support the development of skills in creativity and communication, to build confidence and resilience, both in and out of the classroom, and to introduce them to the rich cultural life of the

city. As part of the process they had opportunities to perform and present their work, and to gain Arts Award qualifications. Fifty six young people had taken part in the programme so far, not including children and young people attending the performances and presentations given by the Activate students.

6) Councillor Pippas to the Executive Councillor for Housing

Can the Executive Councillor provide the council with an update on the program of smoke detection safety checks in Council owned properties?

The Executive Councillor confirmed that there was a programme to check and renew smoke detectors; these were checked annually as part of gas servicing and when properties were vacant. Detectors were replaced on a programmed basis every 10 years. Contactors had fallen behind on this work last year but the programme was now up to date. There were some problems in replacing detectors as tenants had not allowed contractors access to their properties, officers would continue to contact tenants to persuade them of the importance of this work. Where properties had fire alarm systems these were checked and serviced every quarter. There were on-going information campaigns to remind tenants and leaseholders of the importance of their role in fire safety and this included asking them to report any concerns that they had about their detectors to the council.

7) Councillor Bird to the Leader

Can the Leader write to the Post Office and the Government stating his opposition on behalf of Council to the loss of our separate main street central and accessible Cambridge Crown Post Office, now proposed to be taken over by WH Smith's and located somewhere inside their city store?

The Leader expressed disappointment that the Post Office had brought this proposal forward. He commented that the issue had arisen following a deal which had been struck by the Liberal Democrat Leader regarding the privatisation of Royal Mail, which also provided for WH Smith to have an interest in Royal Mail. The Post Office was run by professional postal workers who have been trained; the building was in an accessible location for all people. He commented that people needed to support this campaign.

8) Councillor O'Connell to the Executive Councillor for Environmental Services and City Centre

What steps were taken to publicise and consult on alternatives to the sudden removal of mixed recycling bins at Newmarket Road and Hauxton Road recycling points?

The Executive Councillor commented that one of the mixed recycling bins hadn't been removed yet. There were two recycling points one at Waitrose on Hauxton Road and one at Tesco on Newmarket Road. These recycling points were for complementary recycling (ie: for those materials that were not able to be taken from residential recycling collections). Blue bins were also available at these sites so that anyone with extra recycling could use these. Unfortunately fly tipping had occurred at these sites, which were owned by the supermarkets and not the Council. The supermarkets had asked for the mixed recycling bins to be removed as they had had a lot of complaints from their customers. Members of the public were not consulted but consultation had taken place with the owners of the land, who had asked for the points to be removed. Posters had been displayed to advise members of the public that the mixed recycling bins were going to be removed, the bins at Hauxton Road had been removed and the bins at Newmarket Road would be removed at the end of the month.

9) Councillor O'Reilly to the Executive Councillor for Communities

Can the Executive Councillor provide us an update on the work ChYpPS have done to engage young people with local democracy?

The Executive Councillor commented that the Council's engagement work was led by Steph Burwitz in the ChYpPS team and the following projects had been undertaken this year:

Take over days in East Chesterton and Kings Hedges, these days included working with young people to talk about particular issues in their area and what they would like ChYpPs to deliver next; and travel provision. Young people had also organised litter picking sessions in their local area. A consultation on the Abbey BMX tracks had been undertaken to ensure that the young people who used the tracks had been fully consulted on the changes proposed and work was in progress with the Streets and Open Spaces Team to look at next steps. Work had also been undertaken with the Greater Cambridge Partnership to consult with young people to consider improvements in the City Centre. There was a further take over day on the 23rd November 2018 which would focus on travel around the city and community safety.

ChYpPS had supported S106 bids for three park improvements at Lichfield Road, Gunhild Close and Trumpington Recreation Ground based on earlier feedback from children in the local area. These play areas were currently at the design and consultation phase.

The following oral questions were tabled but owing to the expiry of the period of time permitted, were not covered during the meeting. The Mayor asked Executive Councillors if a written response could be provided to those questions that had not been covered.

10) Councillor Todd-Jones to the Executive Councillor for Environmental Services and City Centre

There has been a lot of media interest this week in what has been described as over-tourism in Cambridge. Can the Executive Councillor tell me what sparked the furore and what we are doing about it?

11) Councillor McQueen to the Executive Councillor for Housing

What has the Council been doing to promote national Empty Homes Week, which started this Monday?

12) Councillor Smart to the Executive Councillor for Communities

Can the Executive Councillor update us on Volunteer Cambridge, which is taking place on Saturday 20th October?

13) Councillor Page-Croft to the Executive Councillor for Planning and Transport

Is the Executive Councillor satisfied with the service from Stagecoach?

14) Councillor Sergeant to the Executive Councillor for Communities

What will be the benefit to Cambridge of the new City Fibre broadband network?

15) Councillor Holt to the Executive Councillor for Planning Policy and Transport

Would the Executive Councillor like to join with me in congratulating MUMA LLP, the architect of the Community Centre, Eddington - for being shortlisted for the Stirling Prize for Architecture and for being awarded East Building of the Year and East Sustainability Building of the year by RIBA for 2018?
www.architecture.com/about/press-office

16) Councillor Payne to the Leader

Will the Leader make a public statement of support for transgender people?

17) Councillor Baigent to the Executive Councillor for Communities

What is the aim of the Council's revised policy for storage for communal areas?

18) Councillor Gehring to the Executive Councillor for Streets and Open Spaces

Given that the proposed toilet strategy remains elusive after being promised for over two years, how will the Council improve the cleanliness of basic facilities at a time when our parks and open spaces are in use all year around?

19) Councillor Martinelli Executive Councillor for Environmental Services and City Centre

The Executive Councillor has recently approved changes to waste collection including reducing the frequency of green bin collection, in the context of having already increased the price residents pay for a second green bin. What would the Executive Councillor recommend that people do with their food waste during the four week periods without a collection, especially over Christmas and New Year?

20) Councillor Gillespie to the Executive Councillor for Communities

Is the Executive Councillor aware of the extent of open drug dealing in the city centre, and can she tell us how it will be brought under control?

21) Councillor Dalzell to the Executive Councillor for Finance and Resources

Does the Executive Councillor agree that the local introduction of the chronically underfunded Universal Credit system is likely to have a negative impact on the vulnerable claimants in our city?

Secondary Question**1) Councillor Bird to the Executive Councillor for Housing**

Can the Executive Councillor for Housing provide a brief update on progress in delivering new council homes for rent under the Devolution Agreement?

18/58/CNL To consider the following notices of motion, notice of which has been given by:

7a Councillor Johnson - Abolition of Section 21 of the Housing Act 1988

Councillor Johnson proposed and Councillor Sheil seconded the following motion:

This Council:

- Notes that with many people unable to afford to buy a home, the number of households nationally who are renting privately has almost doubled

over the last 20 years, and it is estimated that one-third of households in Cambridge are renting privately;

- Further notes that in July of this year the Government consulted on changes to the length of fixed-term tenancies from six months to three years, whilst still permitting a tenant to end a tenancy early if they wish. The Council supports these changes as it provides greater security and peace of mind for tenants, and allows them a certain degree of flexibility in case their circumstances change;
- Regrets that the Government did not consult on reforming or abolishing Section 21 of the Housing Act 1988, which permits landlords to evict tenants at the end of a fixed-term tenancy without providing them with a reason. The Joseph Rowntree Foundation and University of Cambridge Centre for Housing and Planning Research recently estimated that 80 percent of all evictions since 2015 occurred under the provisions of Section 21 and is a major cause of homelessness in Cambridge and elsewhere;
- Acknowledges that the threat of a “no-fault eviction” causes insecurity and stress for those who rent privately and can discourage tenants from complaining about substandard housing;
- Recognises that the City Council, along with other registered social landlords, support tenants as much as possible, with eviction used always as a last resort;
- Resolves for the Leader to write to the Secretary of State for Housing, Communities and Local Government, asking him to abolish Section 21 of the Housing Act 1988 and to speedily implement the Government’s other proposal to extend fixed-term tenancies as the first steps to end insecurity and unfairness in the private rental sector.

Resolved (unanimously) to support the motion.

7b Councillor Cantrill - People's Vote motion

Councillor Cantrill proposed and Councillor Gehring seconded the following motion:

In the 2016 Referendum on the European Union Cambridge voted over 73% in favour of remaining in the European Union.

The negotiations on withdrawal that have followed the national decision to leave the EU have progressed at a slow rate and the precise nature of any final deal is still uncertain with clear divisions among those who voted to leave and a lack of support among the Government's members of parliament for the adopted 'Chequers proposals'. It is therefore clear that there is uncertainty whether any final deal will have wholehearted support and can be carried through Parliament.

In recent months a campaign has developed which proposes a People's Vote on any final deal (or no deal), with the alternative to remain in the EU, to ensure that the path taken has majority support among the electorate.

A number of letters/emails have been received by members asking the Council to support this initiative.

The Council notes that:

- (i) The Governor of the Bank of England has stated that the average household income in Britain is now £900 lower than that anticipated if the decision to leave the EU had not been taken.
- (ii) There are a large number of non-UK EU nationals resident in Cambridge whose life, and that of their UK-national families, has been destabilised by uncertainty. Apart from the social impacts, this has resulted in the loss of staff by local businesses and the NHS.
- (iii) Due to uncertainty about whether the deal that will be agreed with the EU will achieve a Parliamentary majority, 'no deal' appears a very credible outcome. This has been described by Chancellor Hammond as having "large fiscal consequences" and by independent observers as "overwhelmingly negative".
- (iv) All avenues currently being considered by the Government impose increasing delays for goods at our international frontiers and no facilitation would be provided for trade in services which form a major element in the local economy.
- (v) Recent opinion poll evidence has suggested an overall trend in public opinion away from support for leaving the EU and in favour of a vote on

the conditions of any departure. A vote on the terms of withdrawal with the option to remain would ensure that we leave, should we do so, with wholehearted support for the actual conditions of withdrawal.

- (vi) The anticipated rapidly deteriorating economic situation if Brexit proceeds is likely to accelerate austerity, which has already caused acute problems in providing local authority services and has severely affected local residents, in particular those in social housing or in receipt of benefits.
- (vii) Evidence of illegal overspending has been presented (and accepted by the Electoral Commission) and court challenges on the constitutional position are still continuing. A vote on the withdrawal terms would ensure that any decision is accepted as sound by both sides of the argument rather than being fought out in the courts.

The Council believes that the interests of its residents would be best protected by a People's Vote on the terms of leaving the European Union with the possibility of rescinding Article 50 and remaining in the EU.

The Council calls on the Government to abandon plans for a hard Brexit and to give Cambridge residents the opportunity to assess the original promises of a seamless Brexit with minimal impact made by the Leave campaign by giving the electorate (including resident European citizens) a vote on whether to accept the proposed withdrawal arrangements or to retain the many benefits local residents currently enjoy by staying in the European Union.

The Council should write to our two local MPs calling on them to clearly support a People's Vote.

Councillor Smith proposed and Councillor Baigent seconded the following amendment to motion (~~deleted text struck through~~ and additional text underlined):

~~In the 2016 Referendum on the European Union Cambridge voted over 73% in favour of remaining in the European Union.~~

~~The negotiations on withdrawal that have followed the national decision to leave the EU have progressed at a slow rate and the precise nature of any final deal is still uncertain with clear divisions among those who voted to leave and a lack of support among the Government's members of parliament for the adopted 'Chequers proposals'. It is therefore clear that there is uncertainty~~

~~whether any final deal will have wholehearted support and can be carried through Parliament.~~

~~In recent months a campaign has developed which proposes a People's Vote on any final deal (or no deal), with the alternative to remain in the EU, to ensure that the path taken has majority support among the electorate.~~

~~A number of letters/emails have been received by members asking the Council to support this initiative.~~

The Council notes that:

- (i) The Governor of the Bank of England has stated that the average household income in Britain is now £900 lower than that anticipated if the decision to leave the EU had not been taken.
- (ii) There are a large number of non-UK EU nationals resident in Cambridge whose life, and that of their UK-national families, has been destabilised by uncertainty. Apart from the social impacts, this has resulted in the loss of staff by local businesses and the NHS.
- (iii) Due to uncertainty about whether the deal that will be agreed with the EU will achieve a Parliamentary majority, 'no deal' appears a very credible outcome. This has been described by Chancellor Hammond as having "large fiscal consequences" and by independent observers as "overwhelmingly negative".
- (iv) All avenues currently being considered by the Government impose increasing delays for goods at our international frontiers and no facilitation would be provided for trade in services which form a major element in the local economy.
- (v) Recent opinion poll evidence has suggested an overall trend in public opinion away from support for leaving the EU and in favour of a vote on the conditions of any departure. A vote on the terms of withdrawal with the option to remain would ensure that we leave, should we do so, with wholehearted support for the actual conditions of withdrawal.
- (vi) The anticipated rapidly deteriorating economic situation if Brexit proceeds is likely to accelerate austerity, which has already caused acute problems in providing local authority services and has severely

affected local residents, in particular those in social housing or in receipt of benefits.

- (vii) Evidence of illegal overspending has been presented (and accepted by the Electoral Commission) and court challenges on the constitutional position are still continuing. A vote on the withdrawal terms would ensure that any decision is accepted as sound by both sides of the argument rather than being fought out in the courts.

~~The Council believes that the interests of its residents would be best protected by a People's Vote on the terms of leaving the European Union with the possibility of rescinding Article 50 and remaining in the EU.~~

~~The Council calls on the Government to abandon plans for a hard Brexit and to give Cambridge residents the opportunity to assess the original promises of a seamless Brexit with minimal impact made by the Leave campaign by giving the electorate (including resident European citizens) a vote on whether to accept the proposed withdrawal arrangements or to retain the many benefits local residents currently enjoy by staying in the European Union.~~

~~The Council should write to our two local MPs calling on them to clearly support a People's Vote.~~

- (viii) Cambridge voted overwhelmingly to remain in the European Union, but this was not reflected across the whole of the UK.
- (ix) No-one was voting for fewer rights, economic chaos, or risks to jobs, and the Brexit deal being pursued by Theresa May is a threat to jobs, freedom of movement, peace in Northern Ireland, and the NHS. It is also a threat to Cambridge and our residents, the city's Universities, health and social care locally, and our jobs and community.
- (x) Non-UK EU citizens who moved to the UK and are long settled in Cambridge have not yet received the full assurances they need. Similarly, the rights of Cambridge residents now living and working elsewhere in the EU need the same protections they have now.

- (xi) A "no deal Brexit" should be rejected as a viable option by Parliament.

This council supports the actions of the Leader of the Opposition Jeremy Corbyn MP, and will continue to campaign, that:

- Should Parliament vote down a Tory Brexit or the talks end in no-deal, this would constitute a loss of confidence in the government, and that an immediate General Election should follow.
- If a general election does not follow, all options remain on the table, including the option of a public vote. If the government is confident in negotiating a deal that working people, our economy and communities will benefit from, they should not be afraid to put that deal to the public, so that all options are on the table including the option to remain in the European Union.”

On a show of hands the amendment was carried by 22 votes to 12.

Resolved by (23 votes to 0) to:

The Council notes that:

- (i) The Governor of the Bank of England has stated that the average household income in Britain is now £900 lower than that anticipated if the decision to leave the EU had not been taken.
- (ii) There are a large number of non-UK EU nationals resident in Cambridge whose life, and that of their UK-national families, has been destabilised by uncertainty. Apart from the social impacts, this has resulted in the loss of staff by local businesses and the NHS.
- (iii) Due to uncertainty about whether the deal that will be agreed with the EU will achieve a Parliamentary majority, ‘no deal’ appears a very credible outcome. This has been described by Chancellor Hammond as having “large fiscal consequences” and by independent observers as “overwhelmingly negative”.
- (iv) All avenues currently being considered by the Government impose increasing delays for goods at our international frontiers and no facilitation would be provided for trade in services which form a major element in the local economy.
- (v) Recent opinion poll evidence has suggested an overall trend in public opinion away from support for leaving the EU and in favour of a vote on the conditions of any departure. A vote on the terms of withdrawal with the option to remain would ensure that we leave, should we do so, with wholehearted support for the actual conditions of withdrawal.

- (vi) The anticipated rapidly deteriorating economic situation if Brexit proceeds is likely to accelerate austerity, which has already caused acute problems in providing local authority services and has severely affected local residents, in particular those in social housing or in receipt of benefits.
- (vii) Evidence of illegal overspending has been presented (and accepted by the Electoral Commission) and court challenges on the constitutional position are still continuing. A vote on the withdrawal terms would ensure that any decision is accepted as sound by both sides of the argument rather than being fought out in the courts.
- (viii) Cambridge voted overwhelmingly to remain in the European Union, but this was not reflected across the whole of the UK.
- (ix) No-one was voting for fewer rights, economic chaos, or risks to jobs, and the Brexit deal being pursued by Theresa May is a threat to jobs, freedom of movement, peace in Northern Ireland, and the NHS. It is also a threat to Cambridge and our residents, the city's Universities, health and social care locally, and our jobs and community.
- (x) Non-UK EU citizens who moved to the UK and are long settled in Cambridge have not yet received the full assurances they need. Similarly, the rights of Cambridge residents now living and working elsewhere in the EU need the same protections they have now.
- (xi) A “no deal Brexit” should be rejected as a viable option by Parliament.

This council supports the actions of the Leader of the Opposition Jeremy Corbyn MP, and will continue to campaign, that:

- Should Parliament vote down a Tory Brexit or the talks end in no-deal, this would constitute a loss of confidence in the government, and that an immediate General Election should follow.
- If a general election does not follow, all options remain on the table, including the option of a public vote. If the government is confident in negotiating a deal that working people, our economy and communities will benefit from, they should not be afraid to put that deal to the public, so that all options are on the table including the option to remain in the European Union.”

7c Councillor Payne - Ask for Angela motion

Councillor Payne proposed and Councillor O'Connell seconded the following motion:

Council welcomes the "Ask for Angela" campaign, launched in Cambridgeshire last year by the Domestic Abuse and Sexual Violence Partnership and the Police Constabulary as a strategy to aid both women and men in pubs and bars whose date goes seriously wrong. In particular it recognises the work done in Cambridge by Cambridge Business Against Crime and Pubwatch to engage and train staff of venues in the city. Noting that that incidence of sexual crime is no different in this area from the country as a whole, yet the campaign has yet to be called on, Council calls on officers to explore means of further boosting targeted public awareness of the campaign, calling on support as appropriate from the Cambridge Community Safety Partnership, the city's sixth forms, its two universities and Cambridge Regional College; in addition to offer support to the provision of a web-based listing of venues signed up to the scheme to provide assurance to people deciding where to meet.

Councillor Massey proposed and Councillor Barnett seconded the following amendment to motion (~~deleted text struck through~~ and additional text underlined):

Council welcomes the "Ask for Angela" campaign, launched in Cambridgeshire last year by the Domestic Abuse and Sexual Violence Partnership and the Police Constabulary as a strategy to aid both women and men in pubs and bars whose date goes seriously wrong. In particular it recognises with thanks the work done in Cambridge by Cambridge Business Against Crime and Pubwatch to engage and train staff of venues in the city, and the work of council officers in promoting and encouraging the campaign in partnership with CAMBAC and the Community Safety Partnership.

Council notes that for the campaign to be successful there needs to be clear awareness of it amongst its target audience. It further notes that this target audience includes sixth form, college and university students, as well as other local residents and workers. Council notes that officers are already in talks with partners to explore means of promoting this campaign in ways which do not undermine the need for discretion which is fundamental to the campaign, and gives its full support to this approach. It also calls upon local bars and clubs not already signed up to this excellent initiative to give serious consideration to doing so.

~~Noting that that incidence of sexual crime is no different in this area from the country as a whole, yet the campaign has yet to be called on, Council calls on officers to explore means of further boosting targeted public awareness of the campaign, calling on support as appropriate from the Cambridge Community Safety Partnership, the city's sixth forms, its two universities and Cambridge Regional College; in addition to offer support to the provision of a web-based listing of venues signed up to the scheme to provide assurance to people deciding where to meet.~~

On a show of hands the amendment was carried by 20 votes to 11.

Resolved (by 30 votes to 0):

Council welcomes the “Ask for Angela” campaign, launched in Cambridgeshire last year by the Domestic Abuse and Sexual Violence Partnership and the Police Constabulary as a strategy to aid both women and men in pubs and bars whose date goes seriously wrong. In particular it recognises with thanks the work done in Cambridge by Cambridge Business Against Crime and Pubwatch to engage and train staff of venues in the city, and the work of council officers in promoting and encouraging the campaign in partnership with CAMBAC and the Community Safety Partnership.

Council notes that for the campaign to be successful there needs to be clear awareness of it amongst its target audience. It further notes that this target audience includes sixth form, college and university students, as well as other local residents and workers. Council notes that officers are already in talks with partners to explore means of promoting this campaign in ways which do not undermine the need for discretion which is fundamental to the campaign, and gives its full support to this approach. It also calls upon local bars and clubs not already signed up to this excellent initiative to give serious consideration to doing so.

7d Councillor Smith - Motion on EU Negotiations

This motion was withdrawn under Council Procedure Rule 27, which provides that a motion may be withdrawn by the mover of the motion with the consent of the seconder and of the Council which shall be signified without discussion.

7e Councillor Bick - Councillors who break their connection with their council area

Councillor Bick proposed and Councillor O'Connell seconded the following motion:

Noting the current experience of an elected member continuing in office despite neither living nor working in the city, Council calls for a change in national legislation so that any councillor who during his or her term of office ceases to meet the minimum qualifying conditions required for initially standing for election, excluding continued service as a councillor, would after 6 months be considered to have vacated their seat, allowing a by-election to be called. Council requests the Leader to write to the Secretary of State and Local Government Association seeking their support for this change.

Councillor Herbert proposed and Councillor Blencowe seconded the following amendment to motion (additional text underlined)

Noting the current experience of an elected member continuing in office despite neither living nor working in the city, Council calls for a change in national legislation so that any councillor who during his or her term of office ceases to meet the minimum qualifying conditions required for initially standing for election, excluding continued service as a councillor, but then moving to live more than a normal maximum commuting distance of 50 miles from the boundary of their council area would after 6 months be considered to have vacated their seat, allowing a by-election to be called. Council requests the Leader to write to the Secretary of State and Local Government Association seeking their support for this change.

On a show of hands the amendment was carried by 20 votes to 11.

Resolved (unanimously):

Noting the current experience of an elected member continuing in office despite neither living nor working in the city, Council calls for a change in national legislation so that any councillor who during his or her term of office ceases to meet the minimum qualifying conditions required for initially standing for election, excluding continued service as a councillor, but then moving to live more than a normal maximum commuting distance of 50 miles from the boundary of their council area would after 6 months be considered to have vacated their seat, allowing a by-election to be called. Council requests the Leader to write to the Secretary of State and Local Government Association seeking their support for this change.

7f Councillor Gillespie - Fur Free Market motion

Councillor Gillespie proposed and Councillor Nethsingha seconded the following motion:

This Council notes that:

- The United Kingdom has outlawed the farming of animals for their fur on ethical grounds since 2000 and that the use of one of the most common traps used to catch animals for their fur has been illegal for many years.
- Nonetheless fur products are imported from overseas nations, particularly China, where such bans do not operate and where there is virtually no animal welfare legislation in force.
- Real fur comes from animals raised in deplorable conditions or trapped in the wild and killed inhumanely.
- Regrettably these products are often found for sale on public markets in the UK and customers can inadvertently buy them thinking them to be made of imitation fur.

Accordingly Council resolves to:

- Prohibit the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.
- Support the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, by:
 - Becoming a signatory to the initiative.
 - Seeking the advice and assistance of the charity in the enforcement of this ban.

Councillor Moore proposed and Councillor Sheil seconded the following amendment to motion (additional text underlined and deleted text ~~struck through~~)

This Council notes that:

- The United Kingdom has outlawed the farming of animals for their fur on ethical grounds since 2000 and that the use of one of the most common traps used to catch animals for their fur has been illegal for many years.
- Nonetheless fur products are imported from overseas nations, ~~particularly China~~, where such bans do not operate and where there is virtually no animal welfare legislation in force.
- Real fur comes from animals raised in deplorable conditions or trapped in the wild and killed inhumanely.

- Regrettably these products are often found for sale on public markets in the UK and customers can inadvertently buy them thinking them to be made of imitation fur.

Accordingly Council resolves to ask the Executive Councillor to investigate the legalities of:

- Prohibiting the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.

And to look into

- Supporting the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, by and
 - Becoming a signatory to the initiative.
 - ~~— Seeking the advice and assistance of the charity in the enforcement of this ban.~~

On a show of hands the amendment was carried unanimously.

Resolved (unanimously):

This Council notes that:

- The United Kingdom has outlawed the farming of animals for their fur on ethical grounds since 2000 and that the use of one of the most common traps used to catch animals for their fur has been illegal for many years.
- Nonetheless fur products are imported from overseas nations, where such bans do not operate and where there is virtually no animal welfare legislation in force.
- Real fur comes from animals raised in deplorable conditions or trapped in the wild and killed inhumanely.
- Regrettably these products are often found for sale on public markets in the UK and customers can inadvertently buy them thinking them to be made of imitation fur.

Accordingly Council resolves to ask the executive councillor to investigate the legalities of:

- Prohibiting the sale of any product wholly or partially made with real animal fur on Council owned land and at Council run or Council leased markets. This ban to cover such items as fur coats, vintage fur, fur shawls, garments with fur trim, fur pompom hats, and fur accessories and trinkets.

And to look into

- Supporting the Fur Free Markets campaign of the animal welfare charity, Respect for Animals, the UK's leading anti-fur organisation, and
 - Becoming a signatory to the initiative.

18/59/CNL Written questions

Members were asked to note the written questions and answers contained in the Information Pack that had been circulated round the Council Chamber.

The meeting ended at 11.40 pm

MAYOR

RECOMMENDATION TO COUNCIL (Executive Councillor for Housing)

2019/20 Housing Revenue Account Budget Setting Report

As part of the 2019/20 budget process, the range of assumptions upon which the Housing Revenue Account (HRA) Business Plan and Medium Term Financial Strategy were based, had been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.

The HRA Budget-Setting Report provided an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals, and is the basis for the finalisation of the 2019/20 budgets.

The Housing Scrutiny Committee considered and approved the recommendations by 4 votes to 0 with 3 abstentions.

Accordingly, Council is recommended to:

Treasury Management

- m) Recognise the decision to defer the review of the current approach to treasury management, which requires 25% of the value of the housing debt to be set-aside by the point at which the loan portfolio matures until after it is formally confirmed that the legislation allowing the introduction of a levy in respect of the sale of higher value voids will be repealed.

Housing Capital

- n) Approve capital bids, shown in Appendix D (3) of the HRA Budget Setting Report, to include the replacement of the lifts at Ditchburn Place whilst other major refurbishment work is underway.
- o) Approve the latest Decent Homes Programme, to include any updated allocation and timing of decent homes expenditure for new build dwellings, as detailed in Appendix E of the HRA Budget Setting Report.
- p) Approve the latest budget sums, profiling and associated financing for all new build schemes, including new scheme specific approvals for Colville Road, Meadows and Buchan Street and Clerk Maxwell Road, based upon the latest cost information from

the Cambridge Investment Partnership (CIP) or direct procurements, as detailed in Appendices E and H, and summarised in Appendix K, of the HRA Budget Setting Report.

- q) Approve re-phasing of budget for the last phase of refurbishment at Ditchburn Place from 2018/19 into 2019/20, as detailed in Appendix E, and summarised in Appendix K, of the HRA Budget Setting Report.
- r) Approve the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.

General

- s) Approve delegation to the Head of Finance, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.
- t) Approve delegation to the Strategic Director to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any decisions made by the Shared Home Improvement Agency Board.
- u) Approve delegation to the Strategic Director, in consultation with the Head of Finance, as Section 151 Officer, to draw down resource from the ear-marked reserve for potential debt redemption or re-investment, for the purpose of open market property acquisition or new build housing development, should the need arise, in order to meet quarterly deadlines for the use of retained right to buy receipts.
- v) Approve delegation to the Strategic Director, following formal consultation with tenants, to make a decision in respect of the number of rent weeks over which the annual rent is charged for council tenants, and implement any change in policy accordingly.

Item

2019/20 HOUSING REVENUE ACCOUNT BUDGET SETTING REPORT

To:

Councillor Richard Johnson, Executive Councillor for Housing

Report by:

Julia Hovells, Principal Accountant

Tel: 01954 - 713071

Email: julia.hovells@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

- 1.1 As part of the 2019/20 budget process, the range of assumptions upon which the HRA Business Plan and Medium Term Financial Strategy were based, have been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.
- 1.2 The HRA Budget-Setting Report provides an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals, and is the basis for the finalisation of the 2019/20 budgets.
- 1.3 The resulting recommendations refer to the strategy outlined in the HRA Budget Setting Report.
- 1.4 The HRA Budget Setting Report is presented to this meeting of the Housing Scrutiny Committee on 16 January 2019, to allow consideration and scrutiny of proposals for both the review of rents and service charges and the revenue bids and savings, which form part of

the HRA budget. The Executive Councillor for Housing will approve rents, service charges and the final HRA revenue budget, after consideration of any budget amendments for the Housing Revenue Account.

- 1.5 The Housing Scrutiny Committee will also consider and scrutinise the Housing Capital Investment Plan, including capital bids and all associated funding proposals, prior to the Executive Council for Housing making final capital recommendations for approval at Council on 21 February 2019.

2. Recommendations

Under Part 1 of the agenda, the Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee, to:

Review of Rents and Charges

- a) Approve that council dwellings rents for all social rented properties be reduced by 1%, in line with legislative requirements, introduced as part of the Welfare Reform and Work Act, with effect from 1 April 2019. This equates to an average rent reduction at the time of writing this report of £0.99 per week on a 52 week basis.
- b) Approve that affordable rents are reviewed in line with rent legislation, to ensure that the rents charged are no more than 80% of market rent, with this figure then reduced by the 1% per annum, as with social housing. Local policy is to cap affordable rents (inclusive of all service charges) at the Local Housing Allowance level, which will result in rent variations in line with any changes notified to the authority in this level.
- c) Approve that rents for shared ownership are reviewed and amended from April 2019, in line with the specific requirements within the lease for each property.
- d) Approve that garage and parking space charges for 2019/20, are increased in line with inflation at 2.2%, with resulting charges as summarised in Section 3 of the HRA Budget Setting Report
- e) Approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix B of the HRA Budget Setting Report.

- f) Approve the proposed leasehold administration charges for 2019/20, as detailed in Appendix B of the HRA Budget Setting Report.
- g) Approve that caretaking, building cleaning, estate services, grounds maintenance, temporary housing premises and utilities, sheltered scheme premises and utilities, digital television aerial, flat cleaning, third party management and catering charges continue to be recovered at full cost, as detailed in Appendix B of the HRA Budget Setting Report, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2018 (2.4%) plus 1%, wherever possible.
- h) Approve that service charges for gas maintenance, door entry systems, lifts and electrical and mechanical maintenance are increased in an attempt recover full estimated costs, as detailed in Appendix B of the HRA Budget Setting Report, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2018 (2.4%) plus 1%, equivalent to an increase of 3.4% in total, wherever possible.

Revenue – HRA

Revised Budget 2018/19:

- i) Approve with any amendments, the Revised Budget identified in Section 4 and Appendix D (1) of the HRA Budget Setting Report, which reflects a net increase in the use of HRA reserves for 2018/19 of £300,670.

Budget 2019/20:

- j) Approve with any amendments, any Non-Cash Limit items identified in Section 4 of the HRA Budget Setting Report or shown in Appendix D (2) of the HRA Budget Setting Report.
- k) Approve with any amendments, any Savings, Increased Income, Unavoidable Revenue Pressures and Reduced Income proposals, as shown in Appendix D (2) of the HRA Budget Setting Report.
- l) Approve the resulting Housing Revenue Account revenue budget as summarised in the Housing Revenue Account Summary Forecast 2018/19 to 2023/24 shown in Appendix J of the HRA Budget Setting Report.

Under Part 2 of the agenda, the Executive Councillor for Housing is asked to recommend to Council (following scrutiny and debate at Housing Scrutiny Committee):

Treasury Management

- m) Recognise the decision to defer the review of the current approach to treasury management, which requires 25% of the value of the housing debt to be set-aside by the point at which the loan portfolio matures until after it is formally confirmed that the legislation allowing the introduction of a levy in respect of the sale of higher value voids will be repealed.

Housing Capital

- n) Approval of capital bids, shown in Appendix D (3) of the HRA Budget Setting Report, to include the replacement of the lifts at Ditchburn Place whilst other major refurbishment work is underway.
- o) Approval of the latest Decent Homes Programme, to include any updated allocation and timing of decent homes expenditure for new build dwellings, as detailed in Appendix E of the HRA Budget Setting Report.
- p) Approval of the latest budget sums, profiling and associated financing for all new build schemes, including new scheme specific approvals for Colville Road, Meadows and Buchan Street and Clerk Maxwell Road, based upon the latest cost information from the Cambridge Investment Partnership (CIP) or direct procurements, as detailed in Appendices E and H, and summarised in Appendix K, of the HRA Budget Setting Report.
- q) Approval of re-phasing of budget for the last phase of refurbishment at Ditchburn Place from 2018/19 into 2019/20, as detailed in Appendix E, and summarised in Appendix K, of the HRA Budget Setting Report.
- r) Approval of the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.

General

- s) Approval of delegation to the Head of Finance, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.
- t) Approval of delegation to the Strategic Director to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any decisions made by the Shared Home Improvement Agency Board.
- u) Approval of delegation to the Strategic Director, in consultation with the Head of Finance, as Section 151 Officer, to draw down resource from the ear-marked reserve for potential debt redemption or re-investment, for the purpose of open market property acquisition or new build housing development, should the need arise, in order to meet quarterly deadlines for the use of retained right to buy receipts.
- v) Approval of delegation to the Strategic Director, following formal consultation with tenants, to make a decision in respect of the number of rent weeks over which the annual rent is charged for council tenants, and implement any change in policy accordingly.

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have staffing, equal opportunities, environmental and / or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

The financial implications associated with decisions are outlined in the HRA Budget Setting Report 2019/20, appended to this report, for consideration by both Housing Scrutiny Committee and Council.

(b) Staffing Implications

Any direct staffing implications are summarised in the HRA Budget Setting Report 2019/20, appended to this report.

(c) Equality and Poverty Implications

An Equalities Impact Assessment has been undertaken in respect of new budget proposals where any impact (positive or negative) is anticipated. The consolidated assessment is presented at Appendix L of the HRA Budget Setting Report.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals, with any impact highlighted in the HRA Budget Setting Report 2019/20, appended to this report.

(e) Procurement Implications

Any procurement implications arising directly from revenue or capital bids will be considered and addressed as part of each individual project.

(f) Consultation and Communication

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee process. The views of tenants and leaseholders, in respect of investment priorities, were sought as part of the last STAR tenants and leaseholder survey and subsequent consultation activity, and the findings continue to inform investment priorities, and therefore, this budget process.

(g) Community Safety

Any community safety implications are outlined in the HRA Budget Setting Report 2019/20, appended to this report.

6. Background papers

Background papers used in the preparation of this report:

Housing Revenue Account Budget Setting Report 2018/19

Housing Revenue Account Medium Term Financial Strategy 2018/19

7. Appendices

The Housing Revenue Account Budget Setting Report 2019/20 is appended to this report.

8. Inspection of papers

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

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Version 4
Council

Housing Revenue Account Budget Setting Report 2019/20

January
2019



Version Control

	Version	for :	Anticipated Content
	1	Draft	Draft content for consultation
Current	2	Housing Scrutiny Committee 16 January 2019	Member Scrutiny Tenant and Leaseholder Representative Input Amendments to Executive proposals Opposition budget amendment proposals Rents and Service Charges approved Revenue budgets considered and approved
	3	Council Meeting 21 February 2019	The Executive Councillor for Housing's recommended final budget proposals Capital budgets considered and approved
	4	FINAL	Final version for publication following Council

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Section 1

Introduction

Foreword by the Executive Councillor for Housing

The proposals outlined in this 2019/20 Housing Revenue Account (HRA) Budget Setting Report (BSR) set out how this council will continue investing in our housing stock for the present and future needs of our tenants, and the city more generally, meeting the challenges which stem from both national and local housing policy.

Despite the very welcome recent news that the borrowing cap on investing against HRA assets has been scrapped, and the 1% annual reduction in rents will not continue from 2020, at the time of writing the Government has still not given clarity to local authorities on other areas of housing policy which were consulted on following the recent Green Paper. The most notable being that there is still no formal confirmation the compulsory disposal of higher-value housing stock will no longer be going ahead. This is despite assurances given by Ministers last summer.

Despite this uncertainty, including the longer-term impact of Universal Credit on tenants themselves and on rent arrears, the HRA business plan remains suitably robust to withstand possible pressures. This is in part due to prudent planning, identifying and mitigating of risks, and also because of strategic revenue investment in initiatives like the funding of additional support for those affected by welfare reforms, maximising tenants' incomes and avoiding them going into arrears.

In the Medium-Term Financial Strategy, agreed last September, it was approved to invest £1m per year over the next five years to improve our estates. This major capital investment, together with our continued commitment to the decent homes standard, is a strong signal of the Council's intent to give tenants continued access to comfortable, modern, safe and secure homes. This BSR recommends augmenting this commitment through a proposed revenue bid for additional staffing resource to promote delivery of these key projects.

Our council house building programme is at the heart of the capital commitments outlined in this report. We are making good our promise to identify sites to deliver at least 500 new homes over the next few years – funded with the assistance of a combination of devolution grant and Right-to-Buy receipts – that are desperately needed to assist with meeting the demand for affordable accommodation in the city. Specific budgets have been incorporated within the BSR for schemes at Colville Road, Clerk Maxwell Road and the Meadows and Buchan Street areas. Other sites already brought forward have had budgets amended to ensure smooth progress with construction works.

Councillor Richard Johnson
Executive Councillor for Housing

Background

Housing Revenue Account budgets continue to be set in the context of a 30-year business plan, which is reviewed twice each year, in September / October when the budget strategy is agreed and again in January / February, when the budget is set.

The HRA Budget Setting Report covers both HRA revenue and housing capital spending. As the authority's landlord account, the HRA accounts for all services to tenants and leaseholders and is the account into which the proceeds of the rent and landlord service charges are credited.

Resource available to invest in housing is dependent upon the income streams for the Housing Revenue Account, the most significant of these being the rental income for the housing stock. The authority is now required to comply with a national approach to rent setting, where rents will be reduced by 1% for the last of 4 years, from April 2019, after which rent increases will return to inflation as measured by CPI, plus 1% for the following five years.

The Housing Revenue Account continually reviews its priorities for investment, considering:

- The level of investment required in the existing housing stock
- The need to spend on landlord services (management and maintenance)
- The need to support, and potentially set-aside for repayment of, housing debt
- The ability to identify resource for investment in new affordable housing
- The ability to invest in new initiatives, income generating activities and discretionary services (i.e.; support)

There is a key requirement to ensure that the HRA can support a significant level of housing debt whilst also ensuring ongoing delivery of housing services. As at April 2018, the authority was supporting a housing debt of £215,136,135.

Purpose, Scope and Key Dates

Purpose and Scope

The HRA Medium Term Financial Strategy for 2018/19, approved in part at Housing Scrutiny Committee in September 2018, with the capital aspects approved at Council in October 2018, set the financial strategy for the HRA for 2019/20.

Internal and external factors impacting the housing service were reviewed, taking account of emerging changes in national housing policy and the implications of any anticipated change in the economic environment. The review determined the financial strategy for the HRA and the framework for the detailed budget work to develop proposals for the 2019/20 budget.

As part of the HRA Budget Setting Report, the assumptions on which the HRA Medium Term Financial Strategy was based have been reviewed in light of any updated information, to determine whether any aspects of the strategy need to be revised.

The outcome of the exercise, summarised in this document, provides the basis for setting the HRA budget and rents and charges for 2019/20, culminating in recommendations to both Housing Scrutiny Committee on 16 January 2019, and ultimately Council on 21 February 2019.

Another key aspect of financial review is consideration of risk and any potential mitigation. Sensitivity analysis of key factors is also undertaken, to ensure that effective contingency plans are available to the Council and that an appropriate level of reserves can be maintained in light of changes in assumptions.

The work on the 2019/20 HRA Budget Setting Report takes as its starting point the following key parameters:

- A financial model that assumes revenue resource is set-aside to redeem 25% of the housing debt.
- A financial model assuming borrowing for cashflow purposes only, or in order to extend the financial viability of the business plan once rental income is insufficient to meet costs of both new build and maintaining the housing stock.
- Rent reductions in line with legislation for 2019/20, returning to rent increases in line with previous government guidelines of CPI plus 1% after this, for 5 years.
- Housing stock that is maintained at a level that allows the authority to comply with the decency standard.
- An efficiency savings target of £130,000 per annum included for 5 years, and directly offset by a corresponding Strategic Investment Fund that will allow resource to be re-invested in priority areas for the service.
- An adjustment in responsive repairs expenditure in line with anticipated stock changes.
- A minimum working balance for reserves of £2m, with a target level of £3m.

Key Dates

The key member decision-making dates were / are as follows:

Date	Task
2018	
27 September	The Executive Councillor for Housing considered HRA Medium Term Financial Strategy, incorporated Housing Scrutiny Committee, including Tenant and Leaseholder Representative views, and approved revenue aspects, making recommendations to Council in respect of the capital plan.
18 October	Council approved HRA Medium Term Financial Strategy 2018/19
2019	
16 January	Executive Councillor for Housing considers Housing Scrutiny Committee views, before approving HRA revenue budgets and rent levels, and making recommendations to Council in respect of the capital aspects of the HRA Budget Setting Report
21 February	Council approves HRA Budget Setting Report

Section 2

Review of National and Local Policy Context and External Factors

Review of National Policy Context

National Rent Setting Policy

The legislation approved as part of the Welfare Reform and Work Bill 2015, requires local authority landlords and registered providers to continue to apply a 1% rent reduction for the last of 4 years, from April 2019.

In respect of affordable rents, the government has required local authorities to determine what 80% of the market rent would be for a property, and to apply the 1% reductions to this rent level, with the resulting sum being the maximum which a local authority can charge at the end of the 4 year period.

After this, the authority is expected to return to the previous national rent policy of increases at CPI plus 1% per annum for a period of 5 years, with a government consultation in November 2018 surrounding the detailed approach to this and the proposed approach to the regulation of local authority rents in the future. The consultation indicates that local authority rents will from April 2020 be regulated by the Regulator of Social Housing, in line with all other registered providers of social housing. The consultation also indicates the intention to retain the requirement for social housing providers to ensure that combined rent and service charges for affordable rented

properties are capped at the maximum of 80% of market rent upon re-let, but intend to introduce protection at the rate of CPI plus 1% for any re-let to an existing tenant.

For those properties still charged at the transitional social rents, which are still well below target social rent levels, the authority is expected to increase rents only in void properties to achieve convergence, recognising that the target rents will still reduce by 1% for a further year.

Housing Green Paper

Consultation on the Ministry of Housing, Communities and Local Government green paper 'A new deal for social housing' concluded on 6 November 2018. Cambridge City Council submitted a formal response, encouraging expansion of the good practice we already adopt in engaging residents in the development of health and safety policy and in property inspections, supporting a review of the decent homes standard and the adoption of additional safety measures, supporting the proposed performance measures and suggesting the introduction of additional measures for void performance and freedom of information responses, supporting the need for stronger resident representation at national level, supporting many of the proposed activities and powers of the regulator, highlighting areas that could help remove stigma in social housing, suggesting a form of accreditation to encourage professionalism from social landlords, supporting the removal of the borrowing cap and the proposed relaxing of rules around the use of retained right to buy receipts, although recognising that these do not go far enough.

The formal outcome of the consultation and any resulting change in legislation is still awaited at the time of writing this report.

The five key principles in the consultation document were:

- a safe and decent home with a sense of security and ability to get on in life;
- improving and speeding up how complaints are resolved;

- empowering residents, ensuring voices are heard and landlords held to account;
- tackling stigma and celebrating thriving communities, challenging stereotypes
- building needed social homes ensuring a springboard to home ownership.

The consultation considered a vast number of points, including:

- introduce further safety measures in social housing and reviewing the decent homes standard and engaging residents in how to ensure homes are safe
- improve mediation for residents, ensuring access to advice and support, review process for the handling of complaints.
- review performance reporting, regulation and resident engagement
- Tackle stigma in social housing, provide good neighbourhood management, tackle anti-social behaviour.
- Strike a balance between funding housing associations to *deliver* new homes, and increase borrowing caps to allow local authorities' to build more, boost community led housing, increase supply of new homes by providing certainty over longer-term funding, support the development of more share ownership homes.

The final point has been addressed in advance of the formal outcome of the consultation, with the abolition of the HRA borrowing cap and issue of an amending determination to implement this with immediate effect.

Mandatory Disposal of High Value Housing Stock

The Housing and Planning Act 2016 allowed Central Government to choose to impose a financial levy on stock owning authorities in respect of the assumed sale of higher value vacant housing stock.

The Housing Green Paper 'A new deal for social housing', indicates a clear commitment from government to revoke the legislation that would allow the levy to be introduced, with the following statement made:

'Therefore to increase councils' confidence to plan ambitious house building programmes, we are confirming in this Green Paper that the Government will not bring the Higher Value Assets provisions of the Housing and Planning Act 2016 into effect. We will look to repeal the legislation when Parliamentary time allows'.

As a result of this, the assumption that the authority will be required to dispose of assets to meet a levy was deferred until April 2020, with our financial modelling assuming that we do not begin to hold any voids until October 2019, pending confirmation that the legislation will be formally repealed in the outcome of the green paper.

The HRA Budget Setting Report retains this assumption, as at the time of writing this report, the outcome of the green paper has not been published. Scenario modelling is incorporated to demonstrate the impact on the HRA of the abolition of this policy, as is now hoped.

Welfare Reforms

Universal Credit

Universal Credit full service in Cambridge started 17th October 2018.

Tenants needing to apply for one of the six legacy benefits for the first time will need to apply for Universal Credit instead. Existing legacy benefit claimants will be 'naturally migrated' to Universal Credit if they have a prescribed change in their circumstance.

Tenants in temporary or specified accommodation will receive Universal Credit for their living costs but housing benefit for their Housing Costs.

To support existing housing benefit claimants (unless temporary or supported accommodation) with the transition to Universal credit, an additional payment of two weeks housing benefit is made.

Cambridge City Council continues to work with partners and the local Jobcentre Plus, including a funded post being available in the Jobcentre from early October to provide Personal Budgeting Support (PBS). This arrangement has seen significant increases in the numbers receiving support compared to before the initiative started.

From April 2019, DWP will be funding PBS through a national partnership with Citizens Advice. The current local support will need to be reviewed during 2019/20 to ensure that Universal Credit claimants continue to be supported.

There has been extensive engagement over the last 12 months with several articles in Open Door, support offered on a 1-2-1 basis when it is known a tenant has moved to Universal Credit and a leaflet has been sent to every working age housing benefit claimant explaining what they can do to prepare for the changes.

With high numbers of changes in the current benefit caseload, it is expected that many tenants will move to Universal Credit due to one of the specified changes in circumstances. From early 2020 to December 2023, a process of managed migration will move remaining housing benefit claimants to Universal Credit. Details of how and when are being consulted on by government.

Benefit Cap

The project to manage the impact of the reduced Benefit Cap is continuing to support those affected. Referrals have been made to Cambridge CAB for budgeting support and some have been referred to Cambridge Housing Society to look at ways to help those affected into work. Others may need short term Discretionary Housing Payments (DHPs) to support them until they are able to improve their circumstance. DHPs are used extensively to support those affected by welfare reforms. City Homes officers have been working with tenants to find solutions that work for them.

The above project has been very successful. There are currently 76 capped claims (96 in 2017), 40 of which are City Homes tenants (48 in 2017).

Removal of the Spare Room Subsidy

Numbers of customers affected by the removal of the spare room subsidy is remaining steady with 343 HRA tenants currently affected by the reform (355 in 2017). 291 are impacted by a reduction of 14% and 52 by 25%. DHP's are also used to support tenants affected by the Removal of the Spare Room Subsidy.

Limiting the Child Element to two children

From 1 April 2017, new benefit claims and current benefit claims which increase the family element above two children, do not have additional child elements included in the [housing benefit](#) calculation. There are some exemptions for multiple births, result of abuse and adoption, or similar.

It will not impact on current claimants with more than two children, unless they have more children, then the child allowances will not increase, subject to the above exemptions.

Supported Accommodation Review

A review of the funding of this type of accommodation has taken place; the government has decided that none of the suggested proposals will be taken forward. Housing Benefit will remain in place to fund this accommodation.

It is the DWP's intention "to develop a robust oversight regime" of [supported accommodation](#). We welcome this, as supported accommodation has historically been an area where local authorities sustain significant subsidy losses. There remains a risk to council finances, although this has no direct impact on the HRA.

Right to Buy

Right to Buy Sales

During 2017/18, 65 right to buy applications were received and recorded, resulting in 47 completions. This compares to 118 applications in the previous year, which gave rise to 58 completions.

In the first 6 months of 2018/19, 34 right to buy applications were received and 17 sales completed. This seems to confirm that interest has continued to slow, leaning further towards the lower levels experienced prior to the housing policy changes and reinvigoration of the scheme that increased interest for a period.

It is difficult to predict future sales, although the current low level of initial interest in the scheme, coupled with small interest rate rises and the continued uncertainty surrounding the basis for leaving the European Union, indicate that interest is likely to remain low, at least in the short term.

For the HRA Budget Setting Report 35 sales are assumed in 2019/20, reducing by 5 sales per annum, until 25 sales per annum are assumed from 2021/22 onwards.

The table below highlights the activity over the last 5 years, detailing the mix of houses, flats and bedsits sold through this process.

Status	Year	Right to Buy (RTB)			Total
		House	Flat	Bedsit	
Actual Sales	2013/14	31	28	1	60
	2014/15	26	24	1	51
	2015/16	24	17	1	42
	2016/17	36	22	0	58
	2017/18	26	20	1	47
Estimated Sales	2018/19	23	17	0	40
	2019/20	20	15	0	35
	2020/21	17	13	0	30
	2021/22	14	11	0	25
	2022/23	14	11	0	25

Right to Buy Receipts

At 31 March 2018, the authority held £16,391,322.78 of right to buy receipts under the retention agreement with CLG, to be spent within 3 years of their original receipts date, to fund the delivery of new social housing, with a maximum of 30% of any dwelling being funded via this mechanism. The balance must be funded from the Devolution Grant, the Council's own resources, or through borrowing and not on replacement dwellings or dwellings receiving any other form of public subsidy. With a recent increase in the Bank of England base rate to 0.75%, any penalty interest payable on receipts not re-invested appropriately will now be at the rate of 4.75%.

A government consultation, which closed on 9 October 2018, considers the following amendments to the regulations surrounding the use and application of retained right to buy receipts:

- Extending the spending deadline from 3 to 5 years for receipts currently held, whilst retaining the 3 year timeframe for any future receipts received.
- Increasing the level of right to buy receipts which can be used to finance a new home from the current cap of 30%, to 50% in respect of social rented homes, where authorities meet the eligibility criteria for the Affordable Homes Programme and can demonstrate a need for social housing over other affordable housing.
- Deter the use of receipts for acquisition of existing market homes by limiting the value of an acquisition to the cost of delivery of a new home as determined by Homes England and the Greater London Authority. This would mean a cap on the value of an acquisition for Cambridge City Council of £167,000.
- Allowing right to buy receipts to be used to fund shared ownership homes as well as rented.

- Allowing land held by the General Fund to be transferred to the HRA for the delivery of affordable homes at zero value, but with some suggestion a time limit may be imposed on how long the General Fund will have had to hold the land prior to transfer.
- Consideration of changes to allow transfer of receipts to a Housing Company or ALMO (Arm's Length Management Organisation), subject to some constraints.
- Allowing a 3 month 'interest free' window after each quarter to allow authorities to make decisions about whether to retain or pay over receipts.

The outcome of the consultation is still awaited at the time of writing this report.

Appendix G summarises the latest position in respect of receipts held and appropriately re-invested. The authority has avoided breach of any re-investment deadlines, with a significant land acquisition in June 2018 ensuring sufficient resource has been invested to avoid any penalty until at least June 2019.

Newly arising receipts continue to be retained at the end of each quarter for the current year and following 3 years, as the authority requires the receipts to combine with Devolution Grant to deliver up to 500 new homes. After this period, the decision to retain or pay over receipts each quarter will revert to the Head of Finance, in consultation with the Strategic Director, taking into consideration any need to borrow to appropriately re-invest the resource and the implications of this on the business plan. The Executive Councillor for Housing will be informed if the recommendation were to be to pay receipts directly back to Central Government.

Review of Local Policy Context

Housing Stock

Cambridge City Council Housing Revenue Account owns and manages the following properties, broken down by category of housing provided:

Housing Category	Actual Stock Numbers as at 1/4/2018	Estimated Stock Numbers as at 1/4/2019
General Housing – Social	6,185	6,139
General Housing – Affordable	295	295
Sheltered Housing	511	511
Supported Housing	22	22
Temporary Housing (Individual Units)	50	50
Temporary Housing (HMO / EA's)	24	24
Miscellaneous Leased Dwellings	16	16
Sub Total Rented Dwellings	7,103	7,057
Shared Ownership Dwellings	110	110
Total HRA Dwellings	7,213	7,167

Note: General Housing - Affordable are new build homes, which are let as agreed in the HRA Rent Setting Policy, at Cambridge rent levels, which are capped at Local Housing Allowance levels, which is in the region of 60% of market rent.

The number of properties anticipated to be held by 1/4/2019 is less than that reported at 1/4/2018 as a result of assumed sales under the right to buy, a small number of market disposals and vacation of properties in Ventress Close for demolition. Although a number of new build schemes are on site to replace this number of homes, and to increase the supply of new homes overall, handover of any new units is not anticipated before 1/4/2019.

A breakdown of the housing stock by property type, excluding shared ownership, is demonstrated in the table below:

Stock Category (Property Type)	Actual Stock Numbers as at 1/4/2018	Estimated Stock Numbers as at 1/4/2019
Bedsits	99	98
1 Bed	1,672	1,657
2 Bed	2,470	2,453
3 Bed	2,241	2,228
4 Bed	101	101
5 Bed	7	7
6 Bed	2	2
Sheltered Housing	511	511
Total HRA Rented Dwellings	7,103	7,057

Leasehold Stock

At 1st April 2018, the Council retained the freehold and managed the leases for 1,169 leasehold flats.

Housing Demand

The mix of new housing delivered by the Housing Revenue Account continues to be influenced by a combination of the numbers on the housing register locally coupled with strategic forecasts of future need.

Cambridge City Council currently has just fewer than 2,470 households on the housing register. 765 applicants were housed over the last year, with the majority (79%) of lettings being to applicants at band A or B.

The greatest demand for housing is still for one and two bedroom properties, with one-bed applicants accounting for 67% of the register, two-bed applicants 24%, three-bed applicants 7% and 2% of applicants waiting for properties with 4 or more bedrooms. The

proportional need for one bedroom accommodation has increased further over the last 12 months. Applicants are banded according to housing need, with band A representing the highest housing need and making up approximately 4% of the register. Band B applicants represent approximately 12%, band C 40%, band D 41% and 3% un-banded at the end of September 2018.

Support for Vulnerable People

The Housing Service has a Tenancy Support Team, with 3 staff employed to help and support tenants, with a particular focus on supporting the more vulnerable tenants in our homes, to help them sustain their tenancies.

Cambridge City Council remains in contract with the County Council for the delivery of tenure neutral support services to older people across the city as a whole, with a term of up to 4 years from April 2018. The contract sum is fixed at £180,000 per annum.

The County Council are currently undertaking a review of housing related support, with the aim to achieve savings of £1 million. It is not yet known how this will impact the above contract.

The authority has been contracted to deliver both care and support services in extra care housing at Ditchburn Place for many years. The County Council recently retendered these services, with the City Council declining to bid.

The County Council have advised that they have experienced a delay in the procurement process. As a result it has been agreed there will be further discussions between the County Council and the City Council to explore options for the continued provision of the service at Ditchburn Place.

The City Council remain committed to working with Cambridgeshire County Council to ensure that the quality of the service being provided is not affected. A decision is anticipated to be made by the County Council by January 2019.

External Factors

Update of the financial forecasts for the HRA takes into consideration factors outside of the direct control of the authority, but which could impact strategic decision making.

Inflation Rates

The base rate of inflation used to drive expenditure assumptions in the HRA financial forecasts is the Consumer Price Index (CPI). Changes in this measure of inflation were reviewed as part of the Medium Term Financial Strategy, with the view that there will be steady reduction in the rate over the next three years until the desired level of 2% is achieved. The rate has fallen steadily over the past 12 months, from 3% in September 2017 to 2.4% by September 2018.

The Bank of England forecasts and the Office of Budgetary Responsibility still both predict a further decline until 2% is achieved by 2020.

The assumptions in the HRA Medium Term Financial Strategy of 2.2% for 2019/20, 2.1% for 2020/21 and 2% from 2021/22 ongoing have therefore been retained.

The assumptions surrounding building maintenance expenditure inflation are derived from a mix of forecast using the RICS (Royal Institution of Chartered Surveyors) Building Cost Information Service (BCIS) all in tender price index and CPI. This recognises that older planned maintenance contracts (TSG) are let as Option C Target Contracts which use the BCIS as an inflation driver, and those let more recently (Fosters) have been let as lump sum priced contracts, instead adopting CPI as the measure of inflation for contract price increases.

The latest projections for the BCIS Index over the next 4 years still predict growth of 0.6% for 2019/20, followed by, 4.1%, 4.2% and 5.8% in the following 3 years. Taking an average of these rates of growth gives rise to an annual increase of 3.68%.

On a similar average basis, the assumptions for CPI over the same period are 2.08%, a difference of 1.6%. As only 50% of the work programme is anticipated to be subject to the BCIS indices, half of the uplift has been applied and a rate of CPI plus 0.8% has been incorporated into the business plan forecasts.

Interest Rates

The Housing Revenue Account is entitled to its proportion of any interest earned on revenue and capital cash balances invested by the authority, with a mix of investments adopted by the Council. Interest returns currently remain low, with revised interest rate assumptions included in **Appendix A**.

In respect of HRA borrowing, in addition to the self-financing loan portfolio, with rates ranging between 3.46% and 3.53%, the Housing Revenue Account still had additional borrowing capacity before the HRA debt cap would be breached of in the region of £16m.

Recent government announcements, following a very short consultation period, have confirmed the abolition of the HRA debt cap altogether, issuing an amending determination to allow this to happen. HRA's are now able to borrow without any specific limit, as long as the borrowing is for the provision of affordable housing.

The assumption is made that any additional borrowing is externalised, with updated PWLB maturity loan rates for loans of a 30 year duration used. Based upon the rates available at the time of drafting this report, a revised rate of 3.03% has been incorporated into any borrowing assumptions from 2019/20 onwards. To ensure prudence, this rate does not take account of the potential 20 basis point reduction that may be available to the authority through the certainty rate currently in place if the authority shares its long term borrowing strategy and capital investment plans with government.

Section 3

Housing Revenue Account Resources

Rent

Rent Arrears, Bad Debt Provision and Void Levels

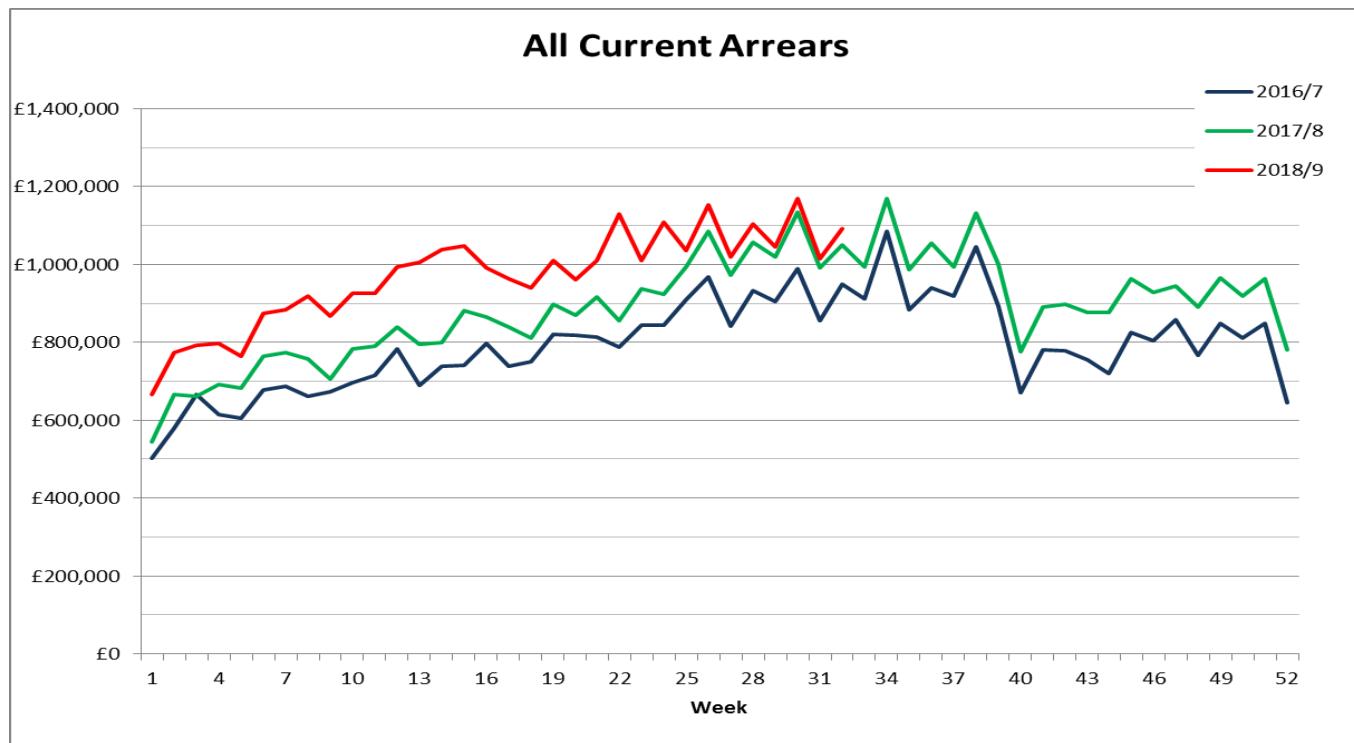
Rent collection performance locally has been broadly maintained, with over 98.5% of the value of rent due, collected in 2017/18. This is marginally lower than the collection rates of over 99% achieved in prior years.

The year-end position in respect of rent debt is summarised in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Current Tenants)	Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year	Value of Year End Arrears in Accounts (Former Tenants)
31/3/2014	£619,986	1.68%	£967,755
31/3/2015	£637,735	1.67%	£763,491
31/3/2016	£598,820	1.51%	£735,539
31/3/2017	£645,398	1.63%	£728,050
31/3/2018	£779,904	1.96%	£871,620

Performance in the collection of current tenant debt worsened during 2017/18, anticipated to be due to a combination of welfare reform changes and staffing changes as part of the Housing Transformation Programme.

By the end of October 2018, current tenant arrears stood at £1,169,696 and former tenant arrears at £868,928. An in year increase in current arrears follows the normal trend, but the level at the end of October 2018 is higher than in previous years, so a particular focus on arrears recovery during the latter part of the year is required.



Officers continue to work proactively with all tenants, particularly those affected by the benefit changes, in an attempt to mitigate any further negative financial impact on the Housing Revenue Account. The dedicated Income Management Team has been expanded from budget which was pre-approved to tackle the impact of welfare reforms, by one full time additional Financial Inclusion Officer as confirmed in the HRA Medium Term Financial Strategy, to increase capacity to work with affected tenants as quickly as possible once they are impacted by change. From the funding already identified and approved to help address the challenges of welfare reform, there is also the intention to employ an additional Assistant Housing Officer to further support the work of the team, with a particular focus on arrears recovery support, leading to the administration of court proceedings, only where required. Bids, as part of the 2019/20 budget process would also see the fixed term Garage and Former Tenant Arrears

Officer made permanent and £50,000 of resource made available in 2019/20, specifically to further support tenants through the transition from Housing Benefit to Universal Credit.

Arrears performance is therefore the subject of renewed focus during the latter part of 2018/19, with both income management performance and support for the full rollout of Universal Credit being key tasks.

The Universal Credit project plan continues to:

- Support a smooth transition to housing costs payable via Universal Credit for those currently receiving Housing Benefit and other legacy benefits.
- Improve tenants' budgeting skills
- Reduce levels of personal debt and increase disposable income.
- Assist customers in accessing affordable credit thereby avoiding high cost and illegal money lenders.
- Reduce the number of tenancy terminations by tenants affected by welfare reforms.
- Support online access and digital capability, as UC is an online claim.

Consideration is being given to moving from collecting the annual rent due from tenants over 52 or 53 weeks in each year as opposed to the current 48 or 49 weeks, with a consultation having been carried out at the end of 2018. Tenants would pay the same sum over the rent year, but would have less to pay in any one week and would no longer benefit from non-payment weeks at Christmas and around Easter. This change would bring the City Council in line with many other local authorities and housing associations and would be more consistent with the way in which Universal Credit will be calculated and paid. The change would however, require a variation to our tenancy agreement and tenancy conditions. Following consultation, the Strategic Director will take the operational decision and implement any changes accordingly.

The collection of former tenant arrears continues to prove challenging, but levels have been maintained in 2018/19 to date. The continued employment of the Garage and Former Tenant Arrears Officer will be key in ensuring that collection of former tenant arrears is maximised.

Debt that is not realistically collectable is recommended for write off. Provision is made in the Housing Revenue Account to write off just under 91% of former tenant debt, but a decision to do this is not taken until all avenues for collection have been exhausted.

The annual contribution to the bad debt provision was increased to 1.5% from 2018/19 as part of the HRA Medium Term Financial Strategy. The assumption has been retained as part of this review. The level of provision for the longer term will be reviewed once the authority has more experience of payment performance locally after the full rollout of Universal Credit.

At 31 March 2018, the total provision for bad debt stood at £1,392,697, representing 84% of the total debt outstanding.

The value of rent not collected as a direct result of void dwellings in 2017/18 was £902,193 representing a void loss of 2.39%, compared with £511,864 in 2016/17, representing a void loss of 1.38%. The increase was due to a combination of holding vacant flats and bungalows at Anstey Way prior to demolition and re-build and at Ditchburn Place during refurbishment, coupled with a large number of new build units, in particular shared ownership homes, which were unoccupied for longer than anticipated.

Void levels have significantly improved in 2018/19 to date, with the void loss between April and October 2018 (7 months) being £459,558, representing a 2.02% void loss. A snapshot of the proportion of stock vacant at the end of October 2018 confirms that 1.62% of homes are unoccupied, indicating ongoing improvement. Any decision to

redevelop existing homes, which will require them to be vacated prior to demolition, will cause a temporary increase in performance.

Taking into consideration the long term view that voids will return to 1%, and the improvement in performance this year to date, it is proposed to reduce the higher void level previously assumed for 2019/20 to 1.25% in general terms, and to recognise any specific decision to seek vacant possession of homes for redevelopment alongside this, quantifying the void impact of these separately, before returning to the long-term assumption of 1% from 2020/21.

Rent Restructuring and Rent Levels

The authority still lets property on two differing rent levels, social rent and affordable rent, with the latter capped locally at the level of the Local Housing Allowance.

Property specific rent restructured target social rents still apply for the socially rented stock held in the HRA, but the requirement to reduce social housing rents, by 1% for a final year, means that target rents will continue to reduce in line with this. The authority still has the ability to close the gap between target social rent and the actual rent being charged for a dwelling, only when a property becomes void.

The average target 'rent restructured' rent at the start of 2018/19 across the general housing stock was £102.76, with the average actual rent charged being £98.69, both recorded on a 52 week basis. By the end of October 2018, 23.9% of the social rented housing stock was being charged at target rent levels, compared with 20.8% in April.

The gap between actual and target rent levels at April 2018 equated to an annual loss of income of approximately £1,439,000 across the HRA, compared with the income assumption in the Self-Financing Settlement, where full convergence was anticipated.

There were 341 new build rented and shared ownership properties charged at the higher 'affordable rent' levels, equivalent to the Local Housing Allowance at the end of October 2018.

Rent Policy

The local rent setting policy was last updated and approved in September 2017. It will be reviewed in September 2020, unless there is the need to recognise any impact on rents that may arise from changes in national housing legislation, following consultation.

Rent Setting

Rent levels are set in January of each year, with the Executive Councillor for Housing having authority to make this decision, following pre-scrutiny by Housing Scrutiny Committee.

From April 2019, the authority is required to apply the last year of a four year rent cut in social housing rents of 1% per annum.

In respect of longer-term financial forecasts, the assumption of a return to the previous policy of increasing rents by CPI (as measured at the preceding September), plus 1% each year, for 5 years from April 2020, is retained.

For affordable rented homes, the current requirement for local authorities to determine what 80% of the market rent is for each dwelling, and ensure that the combined rent and service charges levied for a property does not exceed this level, minus the 1% reduction required each year for the four years from April 2016 remains. As local policy limits affordable rents to the Local Housing Allowance level (approximately 58% of market rent) from the point of introduction, it is argued that the 4 year reduction has already been applied for these properties at inception. As a result, affordable rents for 2019/20 will be reviewed in line with the Local Housing Allowance.

Service Charges

Service charges are levied for discretionary services that are provided to some tenants and not others, depending upon the type, nature and location of a property. Some of these services are eligible for housing benefit, depending upon the nature of the service.

Service charges are separately identified on rent accounts, so that tenants are able to see what they are paying for alongside their core rent.

Challenges still exist on some new build sites, where the total payable by the tenant, including all service charges is capped at the Local Housing Allowance level. The balance of income to the HRA after payment for services is not always sufficient to meet the basic landlord costs. This is particularly relevant in mixed tenure flatted accommodation where a third party management company is in operation.

The approach to setting service charges for 2019/20 is detailed at **Appendix B**.

Other Sources of Income

Garages

The Housing Revenue Account currently owns 1,644 residential garages and 36 parking spaces, and manages a further 16 garages and 6 parking spaces on behalf of the General Fund. Of the HRA garages and parking spaces, 176 currently form part of the sites either identified for re-development, or ear-marked in the 3 year rolling programme for potential demolition and re-development. Some of these sites already have formal committee approval, whilst others are currently under investigation.

Of the garages available for letting, approximately 19.6% are currently void (compared to 23% at this time last year), with a level of void loss in the year to date at the end of October 2018 of approximately 19% (compared to 26% at the same point last year).

The proposed charges for Garage and Parking Space Report for 2019/20 are as follows, with any existing tenants who are being phased up to full rent levels following the charging review conducted in 2017/18 having their rents increased by inflation plus £2.00 per week until the levels below are achieved:

Category	Base Rent £ per rent week	VAT £ per rent week	Total Charge £ per rent week
Parking Spaces in standard area (tenants only)	7.89	0.00	7.89
Parking Spaces in standard area (non-tenants)	7.89	1.58	9.47
Garage in standard area (tenants only)	10.15	0.00	10.15
Garage in standard area (tenants storage use)	10.15	2.03	12.18
Garage in standard area (non-tenants)	10.15	2.03	12.18
Garage or Parking Space in high value / high demand area (tenants only)	19.37	0.00	19.37
Garage in high value / high demand area (tenants storage use)	19.37	3.87	23.24
Garage or Parking Space in high value / high demand area (non-tenants)	19.37	3.87	23.24
A £5.00 premium is added to all base rates above when rented for non-city resident, commuter, business or commercial use			
Parking Space - Non-City Resident / Commuter or Business / Commercial use	12.89	2.58	15.47
Garage in standard area - Non-City Resident / Commuter or Business / Commercial use in standard area	15.15	3.03	18.18
Garage in high value / high demand area - Non-City Resident / Commuter or Business / Commercial use in high value / high demand area	24.37	4.87	29.24

Parking spaces or garages in the curtilage of properties are charged at the prevailing base rate for the area.

Internal council use to be charged at base garage rate excluding VAT.

Commercial Property

The level of rental income from commercial property is dependent upon the timing of lease renewals for the small portfolio of shops and other business premises that are owned by the HRA. In 2019/20 the income generated by the commercial property portfolio is anticipated to be in the region of £411,000, recognising that by this point the Akeman Street site will be subject to demolition and re-development.

The general occupation of the HRA commercial property portfolio is very good at present, with no vacant shop units, other than those held intentionally vacant at Akeman Street, currently. The performance of these assets needs to be continually reviewed to ensure the HRA prioritises acting in the best financial interests of its social housing tenants.

Interest / Investment Income

The Housing Revenue Account receives interest on general or ear-marked revenue balances, any funds set-aside in the major repairs reserve or the revenue debt repayment reserve and any unapplied capital balances.

The interest rates available to the Council remain low, and recovery is still anticipated to be slow.

Other External Funding

In addition to income received directly from service users, the Housing Revenue Account anticipates receiving external funding in the following forms:

- Devolution Grant – The authority is receiving grant as part of the Devolution Agreement with Government and the Combined Authority, totalling £70,000,000 over a 5 year period

- Support Funding – Funding of £180,000 per annum for tenure neutral support to be provided to older people across the city is contracted for up to a further 3 years from April 2019, subject to contract extension for the last year.

Earmarked & Specific Funds

Earmarked Funds – Revenue Reserves

In addition to General Reserves, the Housing Revenue Account maintains a number of earmarked or specific funds. **Appendix C** details the current level of funding in the reserves. These include:

Repairs & Renewals – funds for major repairs of HRA-owned administrative premises and periodic replacement of assets such as vehicles, plant, equipment and furniture, particularly in sheltered and supported accommodation.

Major Repairs Reserve - a statutory reserve credited with depreciation in respect of the housing stock each year, with funding then in the Housing Capital Investment Plan, to meet the capital cost of works to HRA assets, or alternatively to repay housing debt.

Tenants Survey - allows the spread of costs for the Tenants and Leaseholder Survey evenly across financial years, despite the survey only being undertaken formally every two or three years.

HRA Set-Aside for Potential Debt Repayment or Future Re-Investment - The business plan currently assumes the authority notionally sets aside 25% of the value of housing debt over the life of the plan, to retain flexibility in whether to redeem or re-finance some of the loan portfolio as loans mature. Using an ear-marked reserve, as opposed to making a formal voluntary revenue provision (VRP), allows the HRA to retain flexibility over the use of any resource that is available for set aside in the future. This policy is to be reviewed once the sale of higher value voids legislation has been formally repealed.

Earmarked Funds – Capital Receipts

Right to Buy Attributable Debt Ear-Marked Capital Receipt - The HRA retains an element from all right to buy receipts over and above those assumed in the self-financing settlement, in recognition of the debt held in respect of the asset. These sums are held in a separate ear-marked capital balance, allowing them to be utilised to repay debt should the authority so choose, or alternatively reinvest as deemed appropriate.

Right to Buy Retained One-for-One (1-4-1) Ear-Marked Capital Receipt – With the Right to Buy Receipt Retention Agreement still in force, this reserve ensures that resource is separately identified for re-investment, and if necessary, repayment purposes.

Section 4

Housing Revenue Account Budget

Post-HRA MTFS 2018/19 Approvals

There were no revenue decisions impacting the Housing Revenue Account in 2018/19 taken between the publication of the HRA Medium Term Financial Strategy (approved as part of the September / October committee cycle) and publication of this document. Such decisions, including any made under urgency arrangements, together with financial implications would be noted here.

Revised Budget 2018/19

The Housing Revenue Account (HRA) revenue budget for the current year (2018/19) was amended as part of the HRA Medium Term Financial Strategy in September 2018.

There is the need, as part of this HRA Budget Setting Report, to recognise any major unavoidable pressure or material change in income for the year, alongside the impact in revenue terms of the need to revisit funding requirements for the Housing Capital Investment Plan in 2018/19 following re-phasing of new build schemes. This also results in an impact in the level of interest anticipated to be earned in 2018/19. Increases in anticipated rental income, are more than offset by changes in the level of depreciation estimated for the current year, based upon the latest stock numbers, asset valuations and remaining asset lives. A net change of £300,670 in the 2018/19 HRA budget is identified, as summarised in the table below.

2018/19 Revised Budget	Original Budget January 2018 £	HRA MTFS September 2018 £	HRA BSR Proposed Changes £	HRA BSR January 2019 £
Net HRA Use of / (Contribution to) Reserves	(3,280,730)	(2,372,470)		
Savings / Increased Income			(326,600)	
Unavoidable Revenue Bids / Reduced Income			1,690	
Non-Cash Limit Adjustments			625,580	
Revised Net HRA Use of / (Contribution to) Reserves				2,071,800
Variation on previously reported projection				300,670

The above figures include carry forward approvals from 2017/18 in the second column, in addition to changes approved as part of the Medium Term Financial Strategy in September 2018, with the net cost identified in the current year, as part of the January 2019 committee cycle, incorporated in the right-hand column. The net increase in costs for 2018/19 will result in a reduced contribution to Housing Revenue Account reserves for the current year, when compared to that anticipated in the HRA Medium Term Financial Strategy. Details are provided in **Appendix D (1)**.

Overall Budget Position - 2019/20 onwards

Overall Budget Position

The overall revenue budget position for the Housing Revenue Account is summarised in the table below and at **Appendix J**, with detail for the period to 2022/23 provided in **Appendix D (2)**:

Proposal Type	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Efficiency Target Included	130,000	130,000	130,000	130,000	130,000
Reduction required to meet Efficiency Target	130,000	260,000	390,000	520,000	650,000
2019/20 Budget Items					
Savings	(201,700)	(201,700)	(201,700)	(201,700)	(201,700)
Increased Income	(452,150)	(51,900)	(51,900)	(51,900)	(51,900)
Unavoidable Revenue Pressures	59,260	55,000	55,000	55,000	55,000
Reduced Income	14,000	14,000	14,000	14,000	14,000
Net Savings Position (above) / below Efficiency Target Requirement	(450,590)	75,400	205,400	335,400	465,400
Strategic Investment Fund	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)
Cumulative Strategic Investment Fund	(130,000)	(260,000)	(390,000)	(520,000)	(650,000)
Bids	341,100	163,800	163,800	163,800	163,800
Net Position (above) / below Strategic Investment Fund	211,100	(96,200)	(226,200)	(356,200)	(486,200)
Net Position (above) / below Net HRA Efficiency / Investment Assumptions	(239,490)	(20,800)	(20,800)	(20,800)	(20,800)
Non-Cash Limit Adjustments	609,950	(644,470)	0	0	0
Net Position for the HRA (above) / below overall assumptions	370,460	(294,810)	(315,610)	(336,410)	(357,210)

Non-Cash Limit Budgets

Non-Cash Limit items are those that do not relate directly to the cost of service provision, including for example direct revenue funding of capital expenditure (DRF), investment income and depreciation. These items are treated outside of the 2019/20 cash limit, with the implications built into the financial forecasts for the HRA as part of the budget process, informing future budget strategy, savings targets and investment priorities. For 2019/20 the non-cash limit items arrive at an increased cost to the HRA, due predominantly to an increase in the level of depreciation to be charged in year and therefore transferred to capital as a funding source of £644,470. This is however, offset in 2020/21 by a corresponding reduction in the level of revenue funding of capital expenditure, ensuring that the overall level of funding for the capital programme is maintained.

Performance against Savings Target

A new efficiency savings target of £130,000 was incorporated into HRA forecasts for 2019/20 as part of the HRA Medium Term Financial Strategy approved in September 2018. The efficiency target was set in the context of a financial position which is improved by the assumed deferral, and potential abolition, of the implementation of the higher value voids levy.

The savings identified in the table above, and included for decision as part of the HRA Budget Setting Report, are detailed in **Appendix D (2)**.

The savings and increased income that have been identified for 2019/20 are partially offset by the HRA reacting to unavoidable revenue pressures. The net position is an over-achievement against the efficiency target for 2019/20 of £450,590, but also a greater demand for strategic re-investment, with this being £211,100 above the sum included for the HRA. Details of the net savings can be found in **Appendix D (2)**.

Further efficiency targets have been incorporated from 2020/21 for four years, also at the level of £130,000 per annum. This will allow continued strategic re-investment at the same level each year, in an attempt to be in a position to respond to challenges presented by changes in local and national housing and welfare policy.

The result of any corporate transformation activity may have a financial impact for the HRA. The detail, and impact in monetary terms, is not always available at the outset of each project. Any anticipated costs or savings for the HRA are only included once the activity is confirmed corporately as being far enough progressed that some certainty can be given to the incidence of impact between the General Fund and the HRA.

Transformation Fund

An ongoing budget of £120,000 per annum is retained in the HRA to allow investment in service transformation projects and in spend to save initiatives, in light of the major changes in national housing policy. To date, the fund has been allocated to one-off projects only, with no ongoing call on the resource.

The responsibility for identification and approval of funding for suitable projects, whether one-off, or ongoing in nature, is delegated to the Strategic Director, who is responsible for ensuring that the authority continues to meet statutory obligations and has a housing offer which is fit for purpose.

Strategic Investment Fund

As part of the HRA Medium Term Financial Strategy, approved in September 2018, approval was given to creation of a Strategic Investment Fund of £130,000 per annum, to be directly offset by efficiency savings identified in the HRA each year, for the next 5 years.

Bids against this fund have been identified as part of the 2019/20 budget process, with the proposals detailed in **Appendix D(2)**.

Section 5

Housing Capital Budget

Stock Condition and Decent Homes

The housing service reported achievement of decency in the housing stock as at 31 March 2018 at 95%, with 341 properties that were considered to be non-decent (in addition to refusals). A further 200 to 250 properties were anticipated to become non-decent during 2018/19.

A fundamental review of the budgets for decent homes and other investment in the housing stock is expected to be undertaken during 2019/20 as part of the preparatory work for transfer of data to a new asset management system. Any financial impact resulting from this review will be incorporated as part of the 2019/20 Medium Term Financial Strategy in September 2018.

Current financial assumptions are constructed on the basis of a partial investment standard. It is recognised that consideration may need to be given to the impact of reducing current investment levels over the longer-term and returning to the basic decent homes standard, to provide flexibility to respond to any financial pressure that the HRA faces.

A capital bid of £112,000 is incorporated into the 2019/20 budget to allow for the replacement of the lifts at Ditchburn Place whilst the scheme is undergoing the final stages of refurbishment.

New Build Affordable Housing

New Build Schemes Completed

At the time of writing this report 317 new homes had been completed since April 2012, of which 36 were shared ownership homes.

The table below details the new build schemes completed to date:

Scheme	Date Completed	Social Housing / SO Units	External Funding Source	Percentage Social Housing on Site
Jane's Court	November 2013	20	HCA Grant	59%
Anstey Way	January 2015	1	RTB Receipts	50%
Latimer Close	March 2015	12	HCA Grant	60%
Barnwell Road	July 2015	12	HCA Grant	59%
Campkin Road	March 2016	20	HCA Grant	63%
Stanesfield Road	March 2015	4	HCA Grant	50%
Atkins Close	June 2015	8	HCA Grant	100%
Wadloes Road	October 2015	6	RTB Receipts	100%
Colville Road (Acquisitions)	June 2015	6	RTB Receipts	76%
Atkins Close (Acquisitions)	June 2015	4	RTB Receipts	100%
Wadloes Road (Acquisitions)	October 2015	3	RTB Receipts	100%
Colville Road	June 2016	19	HCA Grant	76%
Aylesborough Close	September 2016	20	HCA Grant	59%
Scholar's Court, Homerton	December 2016	39 (10 Shared Ownership)	RTB & Sales Receipts	40%
Virido, Clay Farm	June to September 2017	104 (26 Shared Ownership)	RTB & Sales Receipts, HCA Grant	50%
Water Lane (Jolley Ford Court)	September 2017	14	HCA Grant	61%

Scheme	Date Completed	Social Housing / SO Units	External Funding Source	Percentage Social Housing on Site
Ekin Road (Ekin Close)	October 2017	6	RTB Receipts	100%
Uphall Road	February 2018	2	RTB Receipts & Devolution Grant	
Fulbourn Road	February 2018	8	RTB Receipts	100%
Hawkins Road	April 2018	9	RTB Receipts	100%
Total		317 (incl. 36 Shared Ownership)		

New Build Schemes On Site

Sites where work is in progress are summarised in the table below, with details of the anticipated costs and number of units that will be delivered on each site once complete:

Scheme	Approved (Indicative) Social Housing Units	Gain in Affordable Housing Units	Latest Budget Approved	RTB Receipt / Sales Receipt Funding	Devolution Grant	Net Capital Cost to the HRA
Mill Road	91	91	19,296,730	(5,789,020)	(13,507,710)	0
Anstey Way	56	29	11,489,640	(1,826,810)	(3,434,600)	6,228,230
Total	147	120				

New Build Schemes in the Pipeline

There are a number of sites which have scheme specific approval, but at the time of writing this report, were not on site. These schemes include HRA sites, General Fund sites and land acquisition sites, where the intention is for the HRA to deliver the affordable housing.

For CIP to build out sites as affordable housing for the HRA, land transfer from the HRA into the CIP on a long lease is required. The leases include a break clause, which allows the HRA to, in effect, buy back the affordable housing once built, in return for a payment pre-agreed in the lease. The HRA make payments during the period in which the land is with CIP under an Affordable Housing Agreement, which is effectively a purchase contract. The payments under the Affordable Housing Agreement demonstrate our intention to invoke the break clause in the lease and acquire the affordable housing.

The table below details the latest budget requirements for approval as part of the HRA Budget Setting Report and the assumed number of new homes which can be delivered, recognising that this is currently subject to both planning approval and procurement of a contractor or transfer to CIP for some of the sites. The latest budget approvals for sites identified for transfer to CIP are based upon the most recent cost estimates provided by CIP, but will not be finalised until the Affordable Housing Agreement is entered into.

Scheme	Approved Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Devolution Grant	Net Capital Cost to the HRA
Nun's Way / Cameron Road	7	7	2,081,000	(624,300)	(1,456,700)	0
Wiles Close	3	3				
Tedder Way	2	2	389,000	(116,700)	(272,300)	0
Kendal Way	2	2	367,000	(110,100)	(256,900)	0
Queensmeadow	2	2	619,590	(185,880)	(433,710)	0
Wulfstan Way	3	3	884,740	(265,420)	(619,320)	0
Ventress Close	15	13	3,665,550	(777,550)	(1,814,280)	1,073,720
Akeman Street	14	12	4,148,830	(1,051,880)	(2,454,410)	642,540
Colville Road Garages	3	3	900,460	(270,140)	(630,320)	0

Scheme	Approved Indicative Affordable Housing Units	Gain in Affordable Housing Units	Latest Budget for Approval	RTB Receipt and Sales Receipt Funding	Devolution Grant	Net Capital Cost to the HRA
Markham Close	5	5	1,063,870	(319,160)	(744,710)	0
Gunhild Way	2	2	655,040	(196,510)	(458,530)	0
Kingsway	4	4	410,000	(123,000)	(287,000)	0
Ditchburn Place	2	2	332,000	(99,600)	(232,400)	0
Cromwell Road	Up to 118	Up to 118	25,254,300	(7,576,290)	(17,678,010)	0
Mill Road II	Up to 25	Up to 25	5,340,000	(1,602,000)	(3,738,000)	0
Colville Road	62	42	13,781,590	(2,512,600)	(5,862,730)	5,406,260
Meadows and Buchan	106	106	26,379,880	(7,913,960)	(13,777,920)	4,688,000
Clerk Maxwell Road	14	14	2,837,760	(851,330)	(1,986,430)	0
Total Due	Up to 389	Up to 365				

The Major Projects Team in Estates and Facilities are anticipated to deliver the new homes at Kingsway and on the Kendal Way and Tedder Way sites.

As part of this report, scheme specific budgets have been separately identified for Colville Road, Meadows and Buchan Street and Clerk Maxwell Road, in line with the reports presented to Housing Scrutiny Committee in this committee cycle.

Where the budgets for specific schemes are being proposed for amendment as part of this Budget Setting Report the original approval level and number of units anticipated is compared to the revised budget and number of units included as part of this report;

Scheme	Latest Budget Approval	Original Estimated Units	Revised Budget Approval	Revised Estimated Units
Nun's Way / Cameron Road	1,945,000	7	2,081,000	7
Wiles Close		3		3

Scheme	Latest Budget Approval	Original Estimated Units	Revised Budget Approval	Revised Estimated Units
Queensmeadow	582,520	2	619,590	2
Kendal Way	357,000	2	367,000	2
Wulfstan Way	827,430	3	884,740	3
Mill Road	19,155,500	91	19,296,730	91
Anstey Way	11,391,170	56	11,489,640	56
Ventress Close	3,450,270	15	3,665,550	15
Akeman Street	4,118,680	14	4,148,830	14
Colville Road Garages	866,350	3	900,460	3
Markham Close	1,013,520	5	1,063,870	5
Gunhild Way	585,720	2	655,040	2
Cromwell Road	25,099,770	Up to 118	25,254,300	Up to 118
Mill Road II	5,287,500	Up to 25	5,340,000	Up to 25

Budgets have been revised on a number of CIP schemes to recognise the cost of the employer's agent and clerk of works fees, which were omitted from the original cost estimates provided by CIP. A scheme contingency has also been incorporated, to allow for variations to the affordable housing agreements where required.

The table below confirms the current status for each pipeline scheme:

Scheme	Site Type	Status	Potential New Build Units
Nun's Way / Cameron Road	Garage and In-fill	In contract, awaiting start	7
Wiles Close	Garage	In contract, awaiting start	3
Tedder Way	In-fill	Awaiting planning	2

Scheme	Site Type	Status	Potential New Build Units
Kendal Way	In-fill	Planning approved	2
Queensmeadow	In-fill	Planning approved	2
Wulfstan Way	In-fill	Awaiting planning	3
Ventress Close	Existing Housing	Awaiting planning	15
Akeman Street	Existing Mixed Use	Pre-planning	14
Colville Road Garages	Garage Site	Planning approved	3
Markham Close	Garage Site	Planning approved	5
Gunhild Way	Garage Site	Planning approved	2
Kingsway	Commercial	Pre-planning	4
Ditchburn Place	Community Facility	Planning approved	2
Cromwell Road	Commercial	Outline planning	Up to 118
Mill Road II	Council Depot	Pre-planning	Up to 25
Colville Road	Existing Housing	Pre-planning	62
Meadows and Buchan	Community Facility	Pre-planning	106
Clerk Maxwell Road	Section 106 Site	Pre-planning	14

The Housing Capital Investment Plan, an updated version of which is attached at **Appendix K**, incorporates the funding for new build schemes as identified in the tables above. It recognises the need for gross spend on the housing scheme, land values, devolution grant, other grant and right to buy receipts to be shown separately, and arriving at the net cash cost to the Council as per the tables above. For these purposes the use of retained right to buy receipt is treated as an external funding source, recognising that failure to utilise it as statutorily required, would result in the need to pay the receipt over to Central Government.

Mill Road (Phase II)

The site on Mill Road previously ear-marked for the re-location of the YMCA is now being progressed for housing development, to deliver additional market and Council rented housing. The second phase scheme at Mill Road is expected to deliver up to 25 further Council rented homes, with a planning application anticipated in January 2019. The correct accounting treatment for the purchase of the resulting dwellings from CIP, or for the transfer of this additional land to the HRA is still being explored. Once planning has been achieved, there is scope to combine both Mill Road schemes to deliver the wider site more efficiently.

Cromwell Road

The scheme at Cromwell Road with outline planning permission in place for 245 new homes (40% or 98 to be affordable homes), is anticipated to go back to Planning Committee in January 2019, with options for more housing, and a different housing mix. The scheme is anticipated to deliver 118 affordable homes, subject to planning approval, to be acquired by the HRA and let as Council rented homes.

Colville Road

Scheme specific approval is sought in this committee cycle, to re-develop an existing HRA site in Colville Road. The scheme will involve the demolition of 24 dwellings (20 rented and 4 leasehold), to be replaced with an estimated 62 new homes and a car park.

Meadows and Buchan Street

Scheme specific approval is sought in this committee cycle for the Council to re-develop two General Fund sites at Buchan Street and the Meadows, where both are currently entirely community provision. The scheme proposes 106 new homes, with 21 on the Buchan Street site and 85 homes on the Meadows site. The community provision will be combined and re-provided on the Meadows site, whilst some new retail space will be delivered at Buchan Street. This scheme will not be funded entirely by Devolution Grant and retained right to buy receipts, as the retail units and community centre re-

provision will need to be met by the General Fund (unless Secretary of State approval is obtained to allow the HRA to fund or contribute towards the costs of these community assets) and it is also anticipated that by this point there will not be sufficient Devolution Grant remaining to meet 70% of the cost of the new homes.

Clerk Maxwell

Scheme specific approval is sought in this committee cycle for the HRA to acquire 14 affordable homes on a site in Clerk Maxwell Road. The site is being developed by Hill Investment Partnerships and the HRA would acquire 10 one- bed and 4 two-bed flats.

General Fund Sites

Where any General Fund sites are taken forward for development with the potential for the HRA to acquire the affordable homes, there is the need to consider the impact of the transfer of land between the General Fund and the HRA and any resulting impact of the HRA Capital Financing Requirement. Under current legislation, any increase in this results in increased interest costs to the HRA. The potential for land to be transferred from the General Fund to the HRA at nil value is part of a government consultation, for which the outcome is awaited. If General Fund sites are built out by the Cambridge Investment Partnership, with the intention of the Council being to exercise the break clause in a lease in order to acquire the affordable homes, it is considered necessary for this land to be appropriated between the General Fund and the HRA at existing use value prior to lease to the Cambridge Investment Partnership.

Devolution Grant and RTB Funding

The devolution programme, which utilising the £70,000,000 grant awarded to the authority over a 5 year period, with existing and anticipated right to buy receipts and other HRA resource, is expected to deliver a programme of 500 new homes.

In addition to the schemes identified in the tables above, CIP are considering a programme of pipeline schemes which may include other HRA sites, General Fund sites and land externally owned, where acquisition and development may be possible.

Scheme	Potential Affordable Housing Units	Gain in Affordable Housing Units
2 x Potential Sites	73	48
Total Due	73	48

The approved new build budget, which is yet to be allocated to specific schemes, has been reviewed as part of this report, and budget has been re-profiled in accordance with the schemes identified in the pipeline and their potential delivery timescales, in an attempt to ensure that the use of retained right to buy receipts is measured as accurately as possible.

Updated expenditure and funding sources, on a cashflow basis, for all new build schemes are detailed at **Appendix H**.

Asset Acquisitions & Disposals

Consideration is given to the strategic acquisition or disposal of assets, in line with the HRA Acquisition and Disposal Policy.

The capital receipt generated by a strategic disposal can still be retained in full by the authority, subject to utilising it to invest in affordable housing or regeneration.

In respect of acquisitions, a delegation to the Strategic Director exists to allow draw down of resource, otherwise set aside for the repayment of debt, to acquire homes on the open market if new build housing is not coming forward quickly enough to avoid the loss of right to buy receipts.

At the time of writing this report, the authority had completed the strategic disposal of 2 dwellings and the acquisition of 1 dwelling in 2018/19, as summarised below:

Acquisition / Disposal	Comment	Status
188 Kendal Way	3-bedroom house owned by the County Council approved for acquisition (linked to 12 Mortlock Avenue)	Completed
12 Mortlock Avenue	3-bedroom house owned by the HRA and leased to the County Council approved for disposal to the County (linked to 188 Kendal Way)	
101 Gwydir Street	Bedsit in need of significant investment sold on the open market	Completed

Capital Bids, Savings and Re-Phasing

There is a capital bid incorporated as part of the 2019/20 HRA Budget Setting Report, alongside a number of areas of updated costs, budget re-allocation and re-phasing.

Detailed changes are presented in **Appendix E**, with the overall financial and presentational impact of the following items being incorporated into the Housing Capital Investment Plan presented at **Appendix K**:

- Inclusion of a bid for £112,000 in 2019/20 to allow for the replacement of the lifts at Ditchburn Place whilst refurbishment work is still ongoing and to avoid later disruption, as identified in **Appendix E**.
- Retention of £653,000 of estimated resource for Disabled Facilities Grants through the Better Care Fund for 2019/20 and the corresponding expenditure, recognising that this is based upon 2018/19 levels and is still subject to confirmation by the County Council. Delegated authority is again sought to adjust this budget once final grant levels, and any clawback to fund revenue costs, have been confirmed.
- Adjustments to budgets for new build schemes that have previous approvals, recognising the latest delivery proposals for the site and associated cost estimates available, to include employer's agent and clerk of works fees and scheme contingencies, as identified in **Appendix E**.

- Re-phasing of new build schemes as identified in **Appendix E**.
- Re-phasing of the new build programme utilising both devolution grant and retained right to buy receipts, recognising the current schemes in the pipeline and their estimated delivery timescales.
- Any adjustment required to the level of resources held for works to new build dwellings and to meet the cost of inflation, as a result of the changes above.

Section 6

HRA Treasury Management

Background

Statutorily, the Housing Revenue Account is required to set a balanced budget, including recognition of the revenue implications that arise from capital financing decisions.

The Housing Capital Investment Plan provides an indication of any borrowing requirement, ensuring that this can be incorporated in the Council's overall borrowing assumptions and Treasury Management Strategy.

HRA Borrowing

As at 1 April 2018, the Housing Revenue Account supported external borrowing of £213,572,000 in 20 maturity loans with the Public Works Loans Board (PWLB), with rates ranging between 3.46% and 3.53% depending upon the term of the loan. The loans have varying maturity dates, with the first £10,678,600 due to be repaid on 28th March 2038, and the last on 28th March 2057.

In addition to the external loans attributable to the HRA, there was the sum of £1,564,135 of internal borrowing from the General Fund, where the HRA is required to pay the General Fund annual interest on the debt, at a reasonable rate, as part of the Item 8 Debit to the HRA. Internal borrowing increased during 2017/18 due to the appropriation of land at Mill Road from the General Fund to the HA for the purpose of building the affordable housing on the site. This statutory requirement to charge the

HRA for the cost of land transferred from the General Fund may be abolished as part of a recent government consultation, for which we await the outcome.

Recent changes in legislation mean that the HRA is no longer subject to a borrowing debt cap of £230,839,000. The authority can borrow within its HRA as long as it can demonstrate that the HRA can support the borrowing and that the resource is being utilised in the provision of social or affordable housing.

The authority may choose to borrow to deliver additional affordable housing during the Devolution period or alternatively to retain the borrowing power for later years of the business plan to ensure that the authority can maintain a programme of new build affordable housing.

The 2019/20 HRA Budget Setting Report does not review the potential sources of lending, types of borrowing, lengths of loans or rates available for taking out any additional borrowing at this stage. This will need to be undertaken at the point at which any borrowing is considered as part of the coming year's budget.

Debt Repayment / Re-Investment

Set-Aside for Repayment of HRA Debt

The current debt repayment strategy is to set-aside sufficient resource to redeem 25% of the HRA debt from the point at which the loan portfolio begins to mature, in 2037/38. A review of this approach has been deferred until the authority receives formal confirmation that the sale of higher value voids levy legislation has been repealed.

To retain flexibility, any surplus generated since April 2012, and any further resource that can be identified for future debt repayment, is not formally set-aside, but is instead held in an ear-marked reserve to allow for either repayment of debt or draw down for future re-investment.

Section 7

Summary and Overview

Equality Impact Assessment, Uncertainties and Risk

Equality Impact Assessment

Local authorities have legal duties to pay 'due regard' to the need to eliminate discrimination and promote equality with regard to race, disability, gender, including gender reassignment, age, sexual orientation, pregnancy / maternity, and religion or belief as well as to promote good race relations, and to demonstrate this in the decision making process. 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 'due regard'.

As part of this Budget Setting Report, an Equality Impact Assessment has been undertaken in respect of all new 2019/20 HRA Budget proposals, where any impact is anticipated. The assessment identifies the impact of a proposal, any mitigation available and includes an action plan detailing how negative impact can be addressed. All individual Equalities Impact Assessments are available on the Council's website. The Equalities Impact Assessment for the overall HRA budget is included at **Appendix L**.

Risk Assessment

Consideration is given to any changes in the perceived level of internal or external risk that the housing service is subject to, ensuring that the authority is able to sustain a financially viable Housing Revenue Account.

Update of the key risks and associated mitigating actions is presented at **Appendix F**.

HRA Reserves

Housing Revenue Account General Reserves

General reserves are held to help manage the risks inherent in financial forecasting and budget-setting. These risks include changes in legislative and statutory requirements, inflation and interest rates, unanticipated service needs and, rent and other income shortfalls and emergencies, such as uninsured damage to the housing stock. In addition, reserves may be used to support the Housing Capital Investment Plan and, in the short-term, to support revenue spending, for example to spread the impact of savings requirements over more than one financial year or to invest up front in a project that is anticipated to pay back over a period of time or deliver future savings.

For the Housing Revenue Account the target level of reserves of £3m, with a minimum level of reserves of £2m, is proposed to be retained, recognising the need to safeguard the Council against the risk and uncertainty in the current financial and operational environment for housing.

Financial Assumptions and Sensitivity

The current financial assumptions, reviewed and used as part of this BSR are detailed in **Appendix A**. They are derived from information available at the time of preparing this report, utilising both historic trend data and specialist expert advice and opinion, where required.

All financial assumptions are subject to change, with a number of alternative values that could have been assumed. To mitigate the risks associated with this, modelling of key sensitivities is undertaken to provide context to the financial impact that a change in an assumption will make.

Appendix I provides details of the key sensitivities modelled in the preparation of the HRA Budget Setting Report 2019/20.

Options and Conclusions

Overview

The budget for 2019/20 has been constructed in the wider context of the national position for social housing, with the authority still seeking to achieve a balance in investment against the previously agreed priorities:

- Investment in the existing housing stock
- Investment in new affordable housing
- Investment in new initiatives and income generating activities
- Spend on landlord services (i.e. housing management, responsive and void repairs)
- Spend on discretionary services (i.e. support)
- Support for, and potential repayment of a proportion, of housing debt

The authority responded to the requirement to reduce rents by 1% for 4 years, by making significant savings in the first 3 years to mitigate the impact on the business. The final year of rent cuts to be applied is from April 2019.

Uncertainty in respect of regulation for some other changes in national housing policy, still pose significant challenges in predicting the future for the housing service, with the outcome of a number of government consultations still awaited at the time of writing this report. These include the Housing Green Paper, one consultation on the use and

application of right to buy receipts and another on the regulation of social rents for local authorities. The full rollout of Universal Credit adds to uncertainty for the Housing Service, with the impact of direct payment anticipated to have a significant negative impact on rent collection levels and arrears, at least in the short-term.

However, a commitment to repeal the legislation surrounding the sale of higher value voids levy and confirmation that the HRA debt cap has been abolished are both significant positive announcements.

The Housing Service has seen considerable change and transformation over the last 4 years, to ensure that the authority is best placed to respond to the ever changing financial environment. Changes in working practices and processes have been, and are being implemented and a programme of training is concluding for staff across the Housing Service to assist with this.

Summary and Conclusions

Work undertaken as part of the 2019/20 budget process has resulted in the development of proposals for setting the budget for the Housing Revenue Account.

In January 2019 Housing Scrutiny Committee will consider the budget proposals, prior to the Executive Councillor for Housing making decisions in respect of the revenue aspects of the budget, making recommendation for the housing capital budget for 2018/19 to 2023/24 to Council for consideration and approval.

The HRA Budget Setting Report recommends, in summary:

- Approval of property rents, garage and parking space rents and service charges
- Approval of any revised budget proposals
- Approval of any unavoidable revenue pressure proposals
- Approval of any savings proposals
- Approval of any increased income proposals

- Approval of any non-cash limit items
- Approval of any capital bids, capital savings, revised scheme costs and timings
- Approval of capital resource re-allocation

The meeting of Council on 21 February 2019 will consider the final proposed Housing Capital Budget as identified in this report for approval.

A significant proportion of the savings identified in the HRA from 2019/20 result from a reduction in the funding for external consultancy support identified for Housing Transformation, from savings in employee cost due to changes in staff employed across the service, the removal of funding to allow for the cover of roles when staff are on maternity leave and a reduction in the funding for the under-occupation scheme.

Increased rent income is anticipated in 2019/20 due to a combination of improved void performance, deferral of the sale of higher value voids levy and delays in decisions in respect of the potential to demolish and re-develop existing housing schemes.

Savings and increased income are partially offset by unavoidable revenue pressures, predominantly due to an inability to deliver some of the anticipated aspects of corporate change and centralisation / sharing of support services.

The net saving delivered allow for the creation of a Strategic Investment Fund as approved in the HRA Medium Term Financial Strategy, with bids proposed for additional staffing in both Housing Services and Estates and Facilities and for additional fixed term resource to help mitigate the impact of welfare reform change.

Non-cash limit adjustments in respect of depreciation and interest impact the HRA in 2019/20, but are offset by changes in revenue funding of capital expenditure in 2020/21.

The overall position for the HRA for 2019/20 (including non-cash limit adjustments) is an under-achievement of £370,460. This changes from 2020/21 however, with an over-achievement of £294,810 against the cash limit.

There is currently an assumption that efficiency savings of £130,000 per annum will be sought for a further 4 years, allowing the creation of a corresponding Strategic Investment Fund for the same period. Effectively, any increase in costs or investment in new areas of priority will need to be funded through the identification of efficiency savings or increased income elsewhere across the service.

The HRA's approach to long-term financial planning still incorporates the assumption that any surplus resource will be set-aside in the first instance, until 25% of the loan portfolio can be redeemed at maturity, with any balance available for re-investment in income generating assets, whilst also maintaining reasonable financial assumptions in ongoing investment need in the current housing stock. The review of this approach has been deferred until the higher value voids levy has been formally abolished, as any u0turn in this would significantly impact any recommendations arising from this review.

The HRA is making good progress towards the delivery of 500 homes using Devolution Grant over a 5 year period, and a net increase in the housing stock over this period is therefore anticipated, with new homes outweighing those anticipated to be lost through the right to buy.

One of the key challenges for the HRA remains the ability to invest in new homes, using Devolution Grant and retained right to buy receipts, quickly enough to avoid the need to hand any right to buy receipts to central government, with interest penalties attached.

The delegation to the Strategic Director, to allow revenue resource previously transferred into the potential debt redemption / new build reserve to be drawn down to allow the strategic acquisition of market housing for use as affordable rented homes

is retained. This will continue to mitigate the risk that delay, or lead in, to the delivery of new homes may result in a requirement to pay retained right to buy receipts over to central government, with an interest penalty attached.

Any review of the need to identify savings in future years will need to consider not only the need to sustain a 30 year business plan, but also the impact of any emerging housing legislation, the authorities aspirations for delivery of new build housing in the future, and the approach to continuing to set-aside resource for the redemption housing debt.

Business Planning Assumptions

Appendix A

Business Planning Assumptions (Highlighting Changes)

Key Area	Assumption	Comment	Status
General Inflation (CPI)	2.2% for 2019/20, 2.1% for 2020/21, and 2% ongoing	General inflation on expenditure included at 2.2% for 2019/20, falling to 2.1% for 2020/21, and then 2% ongoing, per Bank of England forecasts.	Retained
Capital and Planned Repairs Inflation	3% for 2019/20, 2.9%, then 2.8%	Based upon the mix of BCIS and CPI forecasts for the next 4 years, using an average over this period.	Retained
Debt Repayment	Set-aside 25% to Repay Debt	Assumes surplus is re-invested in income generating assets, with 25% of resource set-aside to repay debt as loans reach maturity dates, pending review of the set-aside policy once sale of higher value voids levy is known.	Retained
Capital Investment	Reduced Partial Investment Standard	Base model assumes a reduced partial investment standard in the housing stock, compared with a basic decent homes standard. This will be kept under review to ensure sufficient resource is available.	Retained
Pay Inflation	1.5% Pay Progression & Pay Inflation for 2019/20 onwards at 2%	Assume allowance for increments at 1.5% and cost of living pay inflation at 2% on an ongoing basis.	Retained
Employee Turnover	3%	Employee budgets assume a 3% turnover, unless service area is a single employee, or is a shared service, externally recharged service or trading account.	Retained
Social Rent Review Inflation	-1% in 2019/20, then CPI plus 1% for 5 years, then CPI plus 0.5% from 2025/26	Rent decreases of 1% per annum in line with government guidelines from 2016/17 to 2019/20, then CPI plus 1% for 5 years, reverting to inflation plus 0.5% after this. Assume CPI in preceding September is as above.	Retained
Affordable Rent Review Inflation	CPI for 2019/20, then CPI plus 1% for 5 years, then CPI plus 0.5% from 2025/26	Affordable rents to be reviewed annually in line with Local Housing Allowance, ensuring that they do not exceed 80% of market rent less the 4 years of 1% rent cuts.	Retained
Rent Convergence	Voids Only	Ability to move to target rent achieved only through movement of void properties directly to target rent.	Retained

Key Area	Assumption	Comment	Status
External Lending Interest Rate	1.2% for 2018/19, 1.25%, then 1.3% ongoing	Interest rates based on latest market projections, including the impact of additional CCLA investment.	Retained
Internal Lending Interest Rate	1.2% for 2018/19, 1.25%, then 1.3% ongoing	Assume the same rate as anticipated can be earned on cash balances held, so as not to detriment the General Fund longer-term.	Retained
External Borrowing Interest Rate	3.03%	Assumes additional borrowing using current PWLB rates, currently 3.03%.	Amended
Internal Borrowing Interest Rate	3.03%	Assume the same rate as external borrowing to ensure flexibility in choice of borrowing route.	Amended
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, pending a review once the impact of the higher value voids levy and other housing policy changes are clear.	Retained
HRA Target Balances	£3,000,000	Maintain HRA target balance at £3,000,000, pending a review once the impact of the higher value voids levy and other housing policy changes are clear.	Retained
Right to Buy Sales	35, 30, then 25 sales ongoing	An uncertain economy expected to result in a marginal decline in activity. Assume 35 in 2019/20 then reducing by 5 sales per annum, until 25 are assumed ongoing.	Retained
Right to Buy Receipts	Settlement right to buy and assumed one-for-one receipts included	Debt settlement receipts included, assuming the receipts utilised partly for general fund housing purposes. Anticipated one-for one receipts included, and ear-marked for direct new build spend. Debt repayment proportion assumed to be set-aside.	Retained
Void Rates	1.25% for 2019/20, then 1% ongoing	Assumes 1.25% plus known void loss for re-development sites in 2019/20, reducing to 1%, from 2020/21, recognising refurbishment works and improved void processes longer-term	Amended
Bad Debts	1.5% from 2019/20 ongoing	Bad debt provision increased to 1.5% reflecting experience in 2017/18 and the requirement to collect 100% of rent directly more widely from October 2018.	Retained
Savings Target	£130,000 (4% of general and repairs administrative expenditure)	Re-introduce an efficiency target of £130,000 from 2019/20 for 5 years. Allows strategic reinvestment or alternatively a response to pressure from national housing policy change.	Retained
Responsive Repairs	Adjusted pro rata to stock	An assumption is made that direct responsive repair expenditure is adjusted	Retained

Key Area	Assumption	Comment	Status
Expenditure	changes	annually in line with any change in stock numbers.	
Strategic Investment Fund	£130,000	Housing Strategic Investment Fund included from 2019/20 for 5 years.	Retained

Service Charges

Appendix B

Charge Description	Charges 2018/19	Charge Basis	Charges 2019/20
General Stock			
Caretaking Charge	£3.83 to £4.57	Per Week Over 48 Weeks *	A
Building Cleaning	£0.01 to £7.18	Per Week Over 48 Weeks *	A
Estate Services Champion	£0.17 to £0.50	Per Week Over 48 Weeks *	A
Door Entry	£0.17 to £2.13	Per Week Over 48 Weeks *	A / B
Passenger Lifts	£0.28 to £1.40	Per Week Over 48 Weeks *	A / B
Gas Maintenance / Servicing	£0.74 to £2.23	Per Week Over 48 Weeks *	A / B
Digital TV Aerial Charge	£0.34	Per Week Over 48 Weeks *	A
Grounds Maintenance	£0.02 to £4.86	Per Week Over 48 Weeks *	A / B
Communal Electricity	£0.07 to £2.11	Per Week Over 48 Weeks *	A / B
Community Alarm Charge	£5.34	Per Week Over 48 Weeks *	C
Third Party Service Charge	£12.36 to £23.43	Per Week Over 48 Weeks *	A
General Sheltered Schemes			
Premises Charge	£0.62 to £24.39	Per Week Over 48 Weeks *	A
Communal Heating / Lighting	£1.31 to £5.81	Per Week Over 48 Weeks *	A
Individual Heating / Lighting	£3.59 to £13.67	Per Week Over 48 Weeks *	A
Water	£1.90 to £3.41	Per Week Over 48 Weeks *	A
Grounds Maintenance	£0.27 to £2.55	Per Week Over 48 Weeks *	A
Electrical / Mechanical Maintenance	£0.37 to £4.91	Per Week Over 48 Weeks *	B
Sheltered Support Charge	£6.00 to £7.40	Per Week Over 48 Weeks *	C
Sheltered Alarm Charge	£2.02	Per Week Over 48 Weeks *	A
Landlord Emergency Contact	£1.24	Per Week Over 48 Weeks *	A
Ditchburn Place			
Premises Charge	£2.02 to £50.36	Per Week Over 48 Weeks *	A
Cleaning / Laundry Charge	£28.54	Per Week Over 48 Weeks *	A

Communal Heating / Lighting	£0.59 to £5.49	Per Week Over 48 Weeks *	A
Individual Heating / Lighting	£5.49 to £10.61	Per Week Over 48 Weeks *	A
Water	£2.90 to £4.22	Per Week Over 48 Weeks *	A
Catering	£126.45	Per Week Over 48 Weeks *	A
Grounds Maintenance	£1.89	Per Week Over 48 Weeks *	A
Electrical / Mechanical Maintenance	£2.82	Per Week Over 48 Weeks *	B
Sheltered Support Charge	£7.40	Per Week Over 48 Weeks *	C
Extra Care Support Charge	£26.47	Per Week Over 48 Weeks *	C
Alarm Charge	£2.02	Per Week Over 48 Weeks *	A
Landlord Emergency Contact	£1.24	Per Week Over 48 Weeks *	A
Launderette – Wash / Dry	£6.50	Per Load As Requested	A

Temporary Accommodation

Premises Charge	£32.56 to £57.37	Per Week Over 48 Weeks *	A
Individual Heating / Lighting	£12.11 to £25.73	Per Week Over 48 Weeks *	A
Water	£7.23 to £10.85	Per Week Over 48 Weeks *	A
Electrical / Mechanical Maintenance	£0.27 to £3.09	Per Week Over 48 Weeks *	B

Independent Living Services

Private Lifelines - In City	£4.93	Per Week Over 52 Weeks	£5.04
Private Lifelines - Out City	£7.53	Per Week Over 52 Weeks	£7.53
Keysafe / Keyholding Charge	£2.75	Per Quarter	£3.34
Monitoring Charge	£0.39	Per Week Over 52 Weeks	£0.39

Leasehold Charges for Services

Solicitors' pre-sale enquiries	£110.00	As Requested	£110.00
Copy of lease	£30.00	As Requested	£30.00
Re-mortgage Enquiry/Copy of Insurance schedule	£30.00	As Requested	£30.00
Notice of Assignment / Notice of Charge	£90.00	As Requested	£90.00
Deed of Variations	£50.00	As Requested	£50.00

Administration Only CCC Solicitor Fee and Own Solicitor Fee	£550.00+		£550.00+
Home Improvements – Administration Only Inclusive of Surveyor Visit	£30.00 £125.00	As Requested AS Required	£30.00 £125.00
Retrospective consent for improvements	Above +£25.00	As Requested	Above +£25.00
Registering sub-let details	£50.00	As Requested	£50.00
Advice Interview for Prospective Purchasers	£50.00	As Requested	£50.00

Key	
A	Charges are currently (or will be - in the case of any new charges), based on recovering the actual cost of service provision and the proposal is to continue to recover the full estimated cost of providing these services in 2019/20. The exception to this will be in respect of affordable homes, where total rents and service charges will be limited to Local Housing Allowance levels, and therefore full cost recovery will not always be possible. Where possible service charges will be amended, with the rent element acting as the balancing figure.
B	Charges were separated out from rent in 2004/05. Charges can be increased to recover up to full cost, recognising that the authority should endeavour to limit increases to inflation at 3.4% (CPI at September 2018 plus 1%)
C	Charges levied for support activities will be reviewed in line with services being provided following renegotiation of the support service for older people, where the County Council commission services across the city as a whole.
	Charges for the optional household contents insurance scheme will continue to be determined by the insurer but notified to tenants by the Council.
*	Subject to the outcome of a consultation in November / December 2018, the authority may move to charging annual rents and charges across 52/53 weeks

HRA Earmarked & Specific Funds

Appendix C

HRA Earmarked & Specific Revenue Funds (£'000)

Repairs & Renewals

	Opening Balance	Contributions	Expenditure to October	Current Balance
General Management	(1,012.0)	(80.3)	0.0	(1,092.3)
Special Services	(1,039.1)	(146.1)	0.0	(1,185.2)
Repairs and Maintenance	(369.5)	(60.2)	0.0	(429.7)
Total	(2,420.6)	(286.6)	0.0	(2,707.2)

Tenants Survey

	Opening Balance	Contributions	Expenditure to October	Current Balance
Tenants Survey	(34.9)	(6.3)	0.0	(41.2)

Debt Set-Aside (Revenue)

	Opening Balance	Contributions	Expenditure to October	Current Balance
Debt Set-Aside	(8,671.4)	(4,472.2)	0.0	(13,143.6)

HRA Earmarked & Specific Capital Funds (£'000)

Debt Set-Aside (Capital)

	Opening Balance	Contributions	Expenditure to October	Current Balance
Debt Set-Aside	(8,296.0)	(446.0)	0.0	(8,742.0)

Major Repairs Reserve

	Opening Balance	Contributions	Expenditure to October	Current Balance
MRR	(8,154.8)	0.0	0.0	(8,154.8)

Appendix D(1)

2018/19 HRA Mid-Year Revenue Budget Adjustments

Area of Income / Expenditure	Description	Budget Amendment in 2018/19 Budget (£)	Budget Amendment in 2019/20 Budget (£)	Comment
Budgeted use of / (contribution to) HRA Reserves pre BSR		(2,372,470)		
HRA General and Special Management				
	No changes			
Total HRA General Management		0		
HRA Repairs				
	No changes			
Total HRA Repairs		0		
HRA Summary Account				
Rent Income	Increased rent income due to improved voids performance, coupled with delays in the assumption that vacant possession is secured in respect of new build re-development schemes.	(326,600)	(400,250)	Already built into base for future years
Bad Debt Provision	Increase in bad debt provision linked to increase in anticipated rental income in 2018/19	1,690	4,550	Already built into base for future years
Interest earned on HRA Balances	The level of balances held by the HRA result in an estimated increase in the level of interest that will be earned.	(10,710)	(10,270)	Built into base for future years
Depreciation	The level of depreciation has increased based upon the latest property numbers, property values and remaining asset lives.	636,290	644,470	Built into base for future years
Total HRA Summary		300,670		
Revised use of / (contribution to) HRA Reserves post MTFS		(2,071,800)		

2019/20 Budget - All Revenue Items (HRA)

Page 1 of 7

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Savings

Housing - HRA

S4228	Saving in staff costs across HRA General, Special and Repair Services	0	(77,820)	(77,820)	(77,820)	(77,820)	Sandra Farmer	Nil
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A saving has been identified in staff costs across all of the HRA General and HRA Special cost centres due to recruitment to a number of posts at lower points on the scale than previous postholders and existing staff being top of scale and therefore not receiving incremental progression payments.

S4229	Reduction in housing transformation funding	0	(32,800)	(32,800)	(32,800)	(32,800)	Julia Hovells	Nil
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An element of the housing transformation budget was ear-marked for the employment of external consultancy to support the service transformation. This resource is no longer required as all key posts have now been recruited to, with any additional input to be funded from the ongoing transformation budget of £120,000.

S4235	Reduction in under-occupation scheme funding	0	(41,900)	(41,900)	(41,900)	(41,900)	Sandra Farmer	Nil
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A reduction in the budget for the Under-Occupation Scheme is proposed in line with demand experienced in 2017/18.

S4296	Cash limit specific Supplies & Services Budgets	0	(20,000)	(20,000)	(20,000)	(20,000)	Julia Hovells	Nil
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Cash limit non-contractual supplies and services budgets, with the need to manage the delivery of services in 2019/20 within the cash limited sum in the 2018/19 budgets.

S4297	HRA maternity leave costs delegated to service budgets	0	(29,180)	(29,180)	(29,180)	(29,180)	Julia Hovells	Nil
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Following no call on this provision for the last two years it is proposed to remove the central provision so that where cover is needed to maintain service delivery all costs of maternity leave will be met directly by services in 2019/20 and in future years. This will ensure that these costs are correctly attributed to services, and that this funding is released to support service delivery. There will be no impact on the rights of those on maternity leave, who will continue to be entitled to payment in line with Council Maternity Policy.

Total Savings in Housing - HRA	0	(201,700)	(201,700)	(201,700)	(201,700)
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Total Savings	0	(201,700)	(201,700)	(201,700)	(201,700)
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2019/20 Budget - All Revenue Items (HRA)

Page 2 of 7

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Increased Income

Housing - HRA

II4227	Increased garage rent income	0	(51,900)	(51,900)	(51,900)	(51,900)	Julia Hovells	Nil
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An increase in garage income is anticipated based upon current usage and occupancy levels, coupled with None the assumption that garage protection is phased down as agreed at Housing Scrutiny Committee in January 2018.

II4249	Increase in Rent and Service Charge Income	0	(400,250)	0	0	0	Julia Hovells	Nil
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A net increase in rent income and service charge income is anticipated in 2019/20, with additional rent None income due to improved voids performance, coupled with delays in the assumption that vacant possession is secured in respect of some development schemes, partially offset by reductions in service charge income based upon the cost of services being provided.

Total Increased Income in Housing - HRA	0	(452,150)	(51,900)	(51,900)	(51,900)	
Total Increased Income	0	(452,150)	(51,900)	(51,900)	(51,900)	

2019/20 Budget - All Revenue Items (HRA)

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Reference	Item Description	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Contact	Climate Effect & Poverty Ratings
		£	£	£	£	£		

Unavoidable Revenue Pressure

Housing - HRA

URP4245	Support Services Review (SSR) - HRA element	0	55,000	55,000	55,000	55,000	Paul Boucher	Nil
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In setting the 2015 budget, £800K was built in as the savings target to be delivered over 4 years to reduce our support and central costs. At that stage we were at the early stages of developing and implementing alternative share service delivery models and the realisation of the full savings was uncertain. £600K savings have been achieved through support service reviews of ICT, Finance and Business Support and from procurement activity leaving £200k allocated £145k to GF and £55k to HRA. There is very little scope for further centralisation or consolidation of CCC support services, in view of the shared services that have been implemented.

URP4308	Increase in HRA Bad Debt Provision	0	4,260	0	0	0	Julia Hovells	Nil
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As a direct result of the anticipated increase in rent income, there is a need to increase the bad debt provision in proportion to this.

Total Unavoidable Revenue Pressure in Housing - HRA

0	59,260	55,000	55,000	55,000
0	59,260	55,000	55,000	55,000

Total Unavoidable Revenue Pressure

2019/20 Budget - All Revenue Items (HRA)

Page 4 of 7

Reference	Item Description	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Contact	Climate Effect & Poverty Ratings
		£	£	£	£	£		

Reduced Income**Housing - HRA**

RI4231	Loss of income for rental of roof space at Princess / Hanover Court	0	8,300	8,300	8,300	8,300	Sandra Farmer	Nil
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The roof space at Princess / Hanover Court was subject to a lease for a mobile phone aerial. The supplier has terminated the lease and removed the aerial, with a resulting loss of rental income to the HRA.

RI4250	Reduction in HRA Commercial Property income	0	5,700	5,700	5,700	5,700	Julia Hovells	Nil
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A reduction in rental income is anticipated based upon the latest rent review and void assumptions for the property portfolio.

Total Reduced Income in Housing - HRA

0	14,000	14,000	14,000	14,000
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Total Reduced Income

0	14,000	14,000	14,000	14,000
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2019/20 Budget - All Revenue Items (HRA)

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

Housing - HRA

B4226	Garage and Former Tenant Arrears Officer	0	32,000	32,000	32,000	32,000	Sandra Farmer	Nil
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This bid is to employ a full time Assistant Housing officer with a particular focus on garage management and former tenant arrears across all tenancies. This post contributes to the effective letting of garages and therefore maximisation of garage rental income.

B4230	Policy and Performance Officer for the Housing Service	0	38,800	38,800	38,800	38,800	Laura Adcock	Nil
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This bid is to employ a Policy and Performance Officer across the Housing Service, to provide quality assurance, supporting customer facing services by helping to produce clear policies and procedures, whilst also monitoring performance and developing services.

B4232	Cost to apply market supplements to surveying posts in the HRA	0	42,000	42,000	42,000	42,000	Suzanne Hemingway	Nil
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This bid will support the payment of market supplements to Surveyors, Principal Surveyors and associated management posts to aid recruitment and retention in this service area

B4233	Additional staffing resource to carry out rolling programme of Housing Stock Condition Surveys	0	38,100	38,100	38,100	38,100	Will Barfield	Nil
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Stock condition data should be updated on a rolling programme. It has been identified that the current resource allocation for this is insufficient to keep the full data set up to date over a 5 year programme. This bid seeks approval for an additional Assistant Surveyor to complement the current resource and allow this to be fulfilled. Employing an additional member of staff is expected to be more cost effective than continuing to use temporary resource and will ensure consistency in the data collected.

B4234	Cost to increase the Level 3 Apprentice Surveyor to a Level 6 Apprentice Surveyor	0	12,900	12,900	12,900	12,900	Will Barfield	Nil
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This bid will support the continued employment of an Apprentice Surveyor in the team, allowing progression from a Level 3 Apprenticeship to a Level 6 Apprenticeship to become a fully qualified Surveyor.

B4306	Bid to provide revenue funding for estate improvements	0	100,000	0	0	0	David Greening	Nil
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2019/20 Budget - All Revenue Items (HRA)**Page 6 of 7**

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

To complement the £1 million per annum for 5 years of capital funding for estate improvements approved as part of the HRA MTFS, revenue resource of £100,000 has been ear-marked in 2019/20 to allow for any revenue investment identified as part of the survey and prioritisation process. The combined capital and revenue resource could allow for investment in pavements, lighting, street furniture, recycling facilities, graffiti removal, remedy of vandalism damage, parking facilities, garage site improvements, removal of abandoned cars, landscaping works, fly tipping removal, pest control and open space investment, as examples.

B4307	Additional funding to respond to Welfare Reform	0	50,000	0	0	0	David Greening	Nil
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The HRA has already identified permanent funding to employ two additional officers to work with those impacted by Welfare Reform changes and to meet the additional costs of cash collection associated with the changes. This bid for 2019/20 will provide £50,000 of additional fixed term funding to allow the deployment of temporary support where necessary to mitigate the impact of change. This may be through funding staff in the Citizen's Advice Bureau or alternatively through funding temporary staff within Housing Services.

B4315	Financial Inclusion Officer (HRA share)	0	27,300	0	0	0	Naomi Armstrong	Nil
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Extension of Financial Inclusion Officer post to assist with supporting welfare reforms. This existing post (previously funded through sharing prosperity fund) provides support and hands-on assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives going forward. The client group tends to be those on lowest incomes, the most vulnerable claimants and families with complex needs and often chaotic lifestyles. This is the HRA share (65%).

Total Bids in Housing - HRA	0	341,100	163,800	163,800	163,800
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Total Bids	0	341,100	163,800	163,800	163,800
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2019/20 Budget - All Revenue Items (HRA)

Page 7 of 7

Reference	Item Description	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Contact	Climate Effect & Poverty Ratings
		£	£	£	£	£		

Non-Cash Limit Items

Housing - HRA

NCL4309	Changes in interest paid by the HRA	0	(24,250)	0	0	0	Julia Hovells	Nil
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The level of interest payable on HRA internal borrowing is less than anticipated as the average external lending rate used to calculate the sum due to the General Fund is lower than the current PWLB rates.

NCL4310	Changes in interest due to the HRA on estimated balances held	0	(10,270)	0	0	0	Julia Hovells	Nil
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Based upon the latest projected cash balances for the HRA, there will be marginally more interest earned in 2019/20 than anticipated.

NCL4311	Decrease in Direct Revenue Financing of Capital Expenditure (DRF)	0	0	(1,288,940)	(644,470)	(644,470)	Julia Hovells	Nil
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As a direct result of an increase in depreciation, which requires the transfer of resource for capital use, the voluntary transfer of revenue resource is reduced correspondingly.

NCL4312	Change in depreciation estimates for the HRA	0	644,470	644,470	644,470	644,470	Julia Hovells	Nil
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The level of depreciation has increased based upon the latest property numbers, property values and remaining asset lives.

Total Non-Cash Limit Items in Housing - HRA

0	609,950	(644,470)	0	0
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Total Non-Cash Limit Items

0	609,950	(644,470)	0	0
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Report Total

0	370,460	(665,270)	(20,800)	(20,800)
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2019/20 Budget - All Capital Items (HRA)**Page 1 of 1**

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Capital Bids**Housing - HRA**

C4314	Other Spend on HRA Stock	0	112,000	0	0	0	Will Barfield	Nil
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Bid for the replacement of lifts at Ditchburn Place, with the works to be undertaken whilst other major refurbishment works are ongoing during 2019/20. This will ensure that there will be no further disruption once the current programme of refurbishment works have been completed.

Total Capital Bids in Housing - HRA

0	112,000	0	0	0
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Total Capital Bids

0	112,000	0	0	0
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Report Total

0	112,000	0	0	0
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Appendix E

2019/20 Capital Budget Amendments Summary

Area of Expenditure and Change	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Total Housing Capital Plan Expenditure per HRA MTFS	39,080	52,043	63,078	29,176	23,468
General Fund Housing					
No changes	0	0	0	0	0
Decent Homes and Other HRA Stock Investment					
Inclusion of funding for lift replacements at Ditchburn Place	0	112	0	0	0
Changes in new build decent homes allocation	0	0	0	6	9
New Build					
Inclusion of latest cost estimates, employer's agent, clerk of works costs, contingency and re-phasing for:					
Nun's Way / Cameron Road / Wiles Close	(400)	536	0	0	0
Queensmeadow	(27)	(45)	109	0	0
Kendal Way	0	10	0	0	0
Wulfstan Way	(63)	(23)	167	0	0
Mill Road	34	49	49	10	0
Anstey Way	44	54	0	0	0
Ventress Close	(270)	(447)	932	0	0
Akeman Street	(17)	(1,032)	1,080	0	0
Colville Road Garages	(32)	(84)	150	0	0
Markham Close	(79)	50	80	0	0
Gunhild Way	(13)	(167)	250	0	0
Cromwell Road	0	34	52	70	0
Mill Road II	0	25	22	4	0
Kingsway	(200)	200	0	0	0
Transfer of funds to scheme specific budget for Colville Road	632	3,305	9,844	0	0
Transfer of funds to scheme specific budget for Meadows and Buchan Street	171	3,141	12,283	10,785	0

Area of Expenditure and Change	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Transfer of funds to scheme specific budget for Clerk Maxwell Road	0	1,679	1,159	0	0
Adjustment to resource ear-marked for pipeline new build schemes	(763)	(7,741)	(21,471)	(8,702)	0
Sheltered Housing					
Re-phase budget for refurbishment of Ditchburn Place	(798)	798	0	0	0
Other HRA Capital Spend					
Re-phasing of budget for re-procurement of the housing management information system	(300)	300	0	0	0
Inflation Allowance					
Adjustment in inflation allowed as spend changes	0	28	20	(1)	0
Total Housing Capital Plan Expenditure per HRA BSR	36,999	52,825	67,804	31,348	23,477

Key Risk Analysis

Appendix F

Risk Area & Issue arising	Controls / Mitigation Action
<p>Effects of Legislation / Regulation</p> <p>Implications of new legislation / regulation or changes to existing are not identified</p> <p>Delays in announcement of detail surrounding housing policy change negatively impacts decisions taken at a local level</p> <p>Funding is not identified to meet the costs associated with changes in statutory requirements</p> <p>HRA Debt Settlement could be re-opened by Government (or not re-opened when changes dictate that it should)</p> <p>Changes in national rent policy impact the ability to support the housing debt or deliver against planned investment programmes</p> <p>Implementation of Fixed Term Tenancies carries administrative cost and dictates the need for system change at a time when the Housing Management Information System is being replaced</p>	<ul style="list-style-type: none"> • Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified and highlighted • Decisions taken in the context of a business plan which recognises the uncertainty. Savings taken have impacts exemplified to ensure impact is mitigated • Additional / specific funding requirements for new services can be identified through the budget process, to allow effective prioritisation of resources. Minimum reserves are held to allow immediate investment if required • The Council has processes in place ensuring early engagement in any consultation and collective representation through national housing bodies • Impact of any proposed changes to national rent policy is incorporated into financial planning as early as possible • Consideration could be given to deviating from national rent policy at a local level if statute were to allow • Project Board for system replacement are aware of the potential need for changes to IT systems and have discussed this with suppliers as part of the tender process • Fixed term tenancies may now not be imposed, depending upon outcome of Housing Green Paper

Risk Area & Issue arising	Controls / Mitigation Action
Housing Portfolio & Spending Plans The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets	<ul style="list-style-type: none"> • Council has adopted medium and long-term modelling (up to 30 years) for HRA, ensuring decisions are made in context of long-term impact • The Business Plan includes long-term trend analysis on key cost drivers • Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures
Financial planning lacks appropriate levels of prudence Business Planning assumptions are wildly inaccurate Financial policies, in general, are not sufficiently robust Funding to support the approved Capital Plan is not available	<p>Council has adopted key prudence principles, reflected in:</p> <ul style="list-style-type: none"> • Use of external expert opinion and detailed trend data to inform assumptions • Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process • Adoption of strict medium / long-term planning • Policy on applying general capital receipts for strategic disposals only at point of receipt
Use of resources is not effectively managed There is ineffective use of the resources available to the HRA Failure to deliver Major Housing / Development Projects, i.e. return on capital investment, project on time etc. Value for money in terms of investment in new build homes is challenged	<ul style="list-style-type: none"> • Council employs robust business planning processes for the HRA • Council has adopted a standard project management framework • A business case is required for all strategic acquisitions, disposals and one-off areas of significant investment • Performance and contractor management procedures are robust and contracts are enforceable • The Council's accounts are audited on an annual basis, with assurance given that the authority is delivering economy, efficiency and effectiveness in its use of resources • Council adopts a mix of delivery vehicles • Council employs cost consultants to demonstrate price comparability with the local market

Risk Area & Issue arising	Controls / Mitigation Action
External income / funding streams	
Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure	<ul style="list-style-type: none"> Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis of potential changes Council seeks to influence national settlements and legislative changes through response to formal consultation
Rent and service charge arrears increase and bad debt rises, as a direct result of the Welfare Benefit Reforms	<ul style="list-style-type: none"> Increased resources identified for income management. Performance closely monitored to allow further positive action if required.
Rent income is under-achieved due to a major incident in the housing stock	<ul style="list-style-type: none"> Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of widespread incidents
Changes to the right to buy rules and pooling regulations result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest	<ul style="list-style-type: none"> Sensitivities modelled so potential impacts are understood Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity
Volatility and competition in the property market impacts the ability to fund capital pressures from the sale of assets	<ul style="list-style-type: none"> Policy on applying general capital receipts for strategic disposals only at point of receipt
Volatility and uncertainty in the property market impacts the ability to dispose of assets at appropriate values and within timescales required to meet any higher value voids levy	<ul style="list-style-type: none"> Reconsider appropriate level of HRA reserves to hold as a minimum Retain capital receipts realised in advance of any levy in anticipation of the need for them Await repeal of legislation to confirm that levy will not now be introduced

Appendix G

Retained 1-4-1 Right to Buy Receipts

Quarter date for Receipt	Retained 1-4-1 Receipt Value (Per Quarter)	Retained 1-4-1 Receipt Value (Cumulative)	Amount of New Build Expenditure Required (Cumulative)	Deadline for Receipt to be spent on New Dwelling	Qualifying Spend by Deadline (Cumulative)	Retained 1-4-1 Receipt Spent (Cumulative)	Balance of Retained 1-4-1 Receipts to be Spent or Paid to CLG (Cumulative)	Further New Build Spend Required by Deadline (Cumulative)
30/06/2014	1,053,196.82	6,836,681.43	22,788,938.10	30/06/2017	26,191,061.10	7,857,318.33	0.00	0.00
30/09/2014	517,057.26	7,353,738.69	24,512,462.30	30/09/2017	27,431,802.53	8,229,540.76	0.00	0.00
31/12/2014	1,004,106.23	8,357,844.92	27,859,483.07	31/12/2017	29,733,442.31	8,920,032.69	0.00	0.00
31/03/2015	831,750.78	9,189,595.70	30,631,985.67	31/03/2018	34,063,317.03	10,218,995.11	0.00	0.00
30/06/2015	595,447.59	9,785,043.29	32,616,810.97	30/06/2018	44,963,745.89	13,489,123.77	0.00	0.00
30/09/2015	902,092.08	10,687,135.37	35,623,784.57	30/09/2018	45,819,751.60	13,745,925.48	-	-
31/12/2015	857,169.10	11,544,304.47	38,481,014.90	30/12/2018			-	-
31/03/2016	1,591,834.76	13,136,139.23	43,787,130.78	31/03/2019			-	-
30/06/2016	2,263,872.93	15,400,012.16	51,333,373.89	30/06/2019			1,654,086.68	5,513,622.27
30/09/2016	1,874,821.59	17,274,833.75	57,582,779.19	30/09/2019			3,528,908.27	11,763,027.57
31/12/2016	1,320,457.44	18,595,291.19	61,984,304.00	31/12/2019			4,849,365.71	16,164,552.37
31/03/2017	1,313,143.16	19,908,437.35	66,361,447.86	31/03/2020			6,162,508.87	20,541,696.24
30/06/2017	2,045,445.56	21,953,879.91	73,179,599.73	30/06/2020			8,207,954.43	27,359,848.10
30/09/2017	1,779,600.43	23,733,480.34	79,111,601.16	30/09/2020			9,987,554.86	33,291,849.54
31/12/2017	2,229,968.03	25,963,448.37	86,544,827.93	31/12/2020			12,217,522.89	40,725,076.30
31/03/2018	646,869.52	26,610,317.89	88,701,059.66	31/03/2021			12,864,392.41	42,881,308.04
30/06/2018	1,604,735.38	28,215,053.27	94,050,177.60	30/06/2021			14,469,127.79	48,230,425.97
30/09/2018	548,341.57	28,763,394.84	95,877,982.83	30/09/2021			15,017,469.36	50,058,231.20

New Build Investment Cashflow

Appendix H

New Build / Re-Development Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Budget	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000
New Build / Acquisition / Re-Development Cash Expenditure						
Anstey Way	3,830	5,663	0	0	0	0
2015/16 Garage & In-Fill Sites (Nuns & Cameron / Wiles / Teddar)	600	1,727	0	0	0	0
Kendal Way	50	317	0	0	0	0
Queensmeadow	10	463	109	0	0	0
Wulfstan Way	20	683	167	0	0	0
Akeman Street	36	630	3,447	0	0	0
Ventress Close	414	1,700	1,193	0	0	0
Colville Road (Garage Site)	30	694	150	0	0	0
Mill Road	4,652	6,699	6,699	1,247	0	0
Dunhild Way	24	364	250	0	0	0
Markham Close	25	940	80	0	0	0
Cromwell Road	11,444	3,035	4,579	6,197	0	0
Acquisition or New Build (Unallocated)	156	0	0	0	10,000	10,000
Kingsway Clinic Conversion	208	200	0	0	0	0
Ditchburn Place New Build	194	138	0	0	0	0
Mill Road (Phase II)	0	2,639	2,317	383	0	0
Colville Road	632	3,305	9,844	0	0	0
Meadows and Buchan Street	171	3,141	12,283	10,785	0	0
Clerk Maxwell Road	0	1,679	1,159	0	0	0
CIP Programme (New Build and Re-Development)	615	3,984	9,412	0	0	0
Total New Build/ Re-Development Expenditure	23,111	38,001	51,689	18,612	10,000	10,000

New Build / Re-Development Scheme	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Budget	Budget	Budget	Budget	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000
New Build Devolution Grant Funding						
Anstey Way	(1,388)	(2,053)	0	0	0	0
2015/16 Garage & In-Fill Sites (Nuns & Cameron / Wiles / Teddar)	(420)	(1,209)	0	0	0	0
Kendal Way	(35)	(222)	0	0	0	0
Queensmeadow	(7)	(324)	(76)	0	0	0
Wulfstan Way	(14)	(478)	(117)	0	0	0
Akeman Street	(3)	(368)	(2,068)	0	0	0
Ventress Close	(20)	(1,031)	(724)	0	0	0
Colville Road (Garage Site)	(21)	(486)	(105)	0	0	0
Mill Road	(3,256)	(4,689)	(4,689)	(873)	0	0
Gunhild Way	(17)	(255)	(175)	0	0	0
Markham Close	(18)	(658)	(56)	0	0	0
Tomwell Road	(8,011)	(2,124)	(3,205)	(4,338)	0	0
Acquisition or New Build (Unallocated)	0	0	0	0	0	0
Kingsway Clinic Conversion	(146)	(140)	0	0	0	0
Ditchburn Place New Build	(136)	(97)	0	0	0	0
Mill Road (Phase II)	0	(1,847)	(1,622)	(268)	0	0
Colville Road	(76)	(1,119)	(4,668)	0	0	0
Meadows and Buchan Street	(118)	(2,199)	(8,598)	(2,862)	0	0
Clerk Maxwell Road	0	(1,175)	(811)	0	0	0
CIP Programme (New Build and Re-Development)	0	0	0	0	0	0
Total New Build / Re-Development Funding	(13,687)	(20,474)	(26,914)	(8,341)	0	0
Use of Retained Right to Buy Funding						
Anstey Way	(595)	(880)	0	0	0	0
2015/16 Garage & In-Fill Sites (Nuns & Cameron / Wiles / Teddar)	(180)	(518)	0	0	0	0

Kendal Way	(15)	(95)	0	0	0	0
Queensmeadow	(3)	(139)	(33)	0	0	0
Wulfstan Way	(6)	(205)	(50)	0	0	0
Akeman Street	(2)	(158)	(886)	0	0	0
Ventress Close	(8)	(442)	(310)	0	0	0
Colville Road (Garage Site)	(9)	(208)	(45)	0	0	0
Mill Road	(1,395)	(2,010)	(2,010)	(374)	0	0
Gunhild Way	(7)	(109)	(75)	0	0	0
Markham Close	(8)	(282)	(24)	0	0	0
Cromwell Road	(3,434)	(911)	(1,374)	(1,859)	0	0
Acquisition or New Build (Unallocated)	(47)	0	0	0	(3,000)	(3,000)
Kingsway Clinic Conversion	(62)	(60)	0	0	0	0
Ditchburn Place New Build	(58)	(41)	0	0	0	0
Mill Road (Phase II)	0	(792)	(695)	(115)	0	0
P olville Road	(33)	(480)	(2,000)	0	0	0
Meadows and Buchan Street	(51)	(942)	(3,684)	(3,236)	0	0
Clerk Maxwell Road	0	(504)	(348)	0	0	0
EIP Programme (New Build and Re-Development)	0	0	0	0	0	0
Total Use of Retained Right to Buy Funding	(5,912)	(8,775)	(11,535)	(5,584)	(3,000)	(3,000)
Total to be funded from HRA Resources (DRF & MRR) and Sales Receipts	3,512	8,752	13,240	4,687	7,000	7,000
Total HRA Borrowing	0	0	0	0	0	0

Key Sensitivity Analysis

Appendix I

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
Rents Inflation	1% reduction for 2019/20, then return to CPI plus 1% for 5 years, followed by CPI plus 0.5%	There is no guarantee that there will be the ability to return to previously assumed rent increase if rents are set legislatively after 2024/25, so assume CPI only from 2025/26.	Borrowing would exceed original debt cap by year 16 (2033/34), and currently proposed investment programme would be unsustainable.
Sale of Higher Value Assets	Assumed that payment is deferred until April 2020, with voids held from mid-2019/20	Assume that the primary legislation is repealed and the policy is not implemented at all.	HRA revenue position over 30 year plan allows for repayment of all borrowing as opposed to 25%, with surpluses to re-invest.
Direct Payments (Universal Credit)	Bad Debts at 1.5%	Evidence from the pilot authorities for direct payment indicated that collection rates may fall from 99% to 95%. Assume bad debts at 5% from 2019/20.	Borrowing would exceed original debt cap by year 13 (2030/31), and currently proposed investment programme would be unsustainable.

HRA Summary 2018/19 to 2023/24

Appendix J

Description	2018/19 £0	2019/20 £0	2020/21 £0	2021/22 £0	2022/23 £0	2023/24 £0
Income						
Rental Income (Dwellings)	(36,987,980)	(36,149,430)	(37,077,770)	(38,925,340)	(41,025,210)	(42,111,120)
Rental Income (Other)	(1,128,710)	(1,199,740)	(1,224,930)	(1,249,430)	(1,274,420)	(1,299,910)
Service Charges	(3,004,310)	(2,969,250)	(3,026,860)	(3,082,880)	(3,140,020)	(3,198,300)
Contribution towards Expenditure	(3,450)	(926,900)	(946,360)	(965,290)	(984,590)	(1,004,290)
Other Income	(455,500)	(458,880)	(461,880)	(464,350)	(473,640)	(483,110)
Total Income	(41,579,950)	(41,704,200)	(42,737,800)	(44,687,290)	(46,897,880)	(48,096,730)
Expenditure						
Supervision & Management - General	3,719,030	3,770,570	3,819,460	3,967,700	4,238,330	4,383,550
Supervision & Management - Special	2,584,280	3,358,560	3,337,530	3,415,980	3,496,400	3,578,850
Repairs & Maintenance	6,971,740	7,238,020	7,459,440	7,467,560	7,753,410	7,971,390
Depreciation – t/f to Major Repairs Res.	10,678,110	10,949,310	11,063,250	11,498,760	11,758,550	11,823,770
Debt Management Expenditure	0	0	0	0	0	0
Other Expenditure	3,761,280	3,799,000	3,848,700	3,926,840	4,018,560	4,100,250
Total Expenditure	27,714,440	29,115,460	29,528,380	30,276,840	31,265,250	31,857,810
Net Cost of HRA Services	(13,865,510)	(12,588,740)	(13,209,420)	(14,410,450)	(15,632,630)	(16,238,920)
HRA Share of operating income and expenditure included in Whole Authority I&E Account						
Interest Receivable	(788,820)	(800,950)	(669,540)	(556,430)	(580,140)	(616,550)
HRA (Surplus) / Deficit for the Year	(14,654,330)	(13,389,690)	(13,878,960)	(14,966,880)	(16,212,770)	(16,855,470)
Items not in the HRA Income and Expenditure Account but in the movement on HRA balance						

Loan Interest	7,513,010	7,513,790	7,541,630	7,541,630	7,541,630	7,541,630
Housing Set Aside	4,472,200	4,472,200	4,472,200	937,200	2,615,200	1,764,100
Appropriation from Ear-Marked Reserve	0	0	0	0	0	0
Direct Revenue Financing of Capital	597,320	0	11,340,090	4,935,810	5,977,640	7,442,880
(Surplus) / Deficit for Year	(2,071,800)	(1,403,700)	9,474,960	(1,552,240)	(78,300)	(106,860)
Balance b/f	(9,018,370)	(11,090,170)	(12,493,870)	(3,018,910)	(4,571,150)	(4,649,450)
Total Balance c/f	(11,090,170)	(12,493,870)	(3,018,910)	(4,571,150)	(4,649,450)	(4,756,310)

Housing Capital Investment Plan

Appendix K

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Housing Capital Spend										
Disabled Facilities Grants	653	653	550	550	550	550	550	550	550	550
Private Sector Housing Grants and Loans	195	195	195	195	195	195	195	195	195	195
Total General Fund Housing Capital Spend	848	848	745							
HRA Capital Spend										
Decent Homes										
Kitchens	274	655	640	252	484	521	698	895	603	1,204
Bathrooms	305	331	1,036	189	52	142	604	618	131	64
Central Heating / Boilers	1,783	2,586	3,536	1,463	1,568	1,553	1,668	1,397	3,725	740
Insulation / Energy Efficiency	767	583	274	758	539	575	488	380	329	560
External Doors	146	112	351	99	69	146	169	242	99	89
PVCU Windows	0	0	6	30	0	0	66	0	18	0
Wall Structure	791	134	254	73	38	47	34	24	80	74
External Painting	0	0	300	300	300	300	300	300	300	0
Roof Structure	450	300	300	300	300	300	300	200	200	200
Roof Covering	405	334	334	334	334	334	334	334	334	334
Chimneys	0	1	0	1	0	1	2	3	0	0
Electrical / Wiring	493	555	932	435	731	441	320	1,014	189	254
Sulphate Attacks	102	102	102	102	102	102	102	102	75	0
Major Voids / Major Works	0	0	0	0	0	0	0	0	0	0
HHSRS Contingency	150	100	100	100	100	100	100	100	100	100
Other Health and Safety Works	257	50	50	50	50	50	50	50	50	50

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other External Works	0	0	0	0	0	0	0	0	0	0
Capitalised Officer Fees - Decent Homes	305	305	305	305	305	305	305	305	305	305
Decent Homes Planned Maintenance Contractor Overheads	542	643	904	493	461	507	576	622	686	403
Decent Homes New Build Allocation	226	343	418	1,122	1,629	1,281	1,092	1,175	1,260	1,350
Total Decent Homes	6,996	7,134	9,842	6,406	7,062	6,705	7,208	7,761	8,484	5,727
Other Spend on HRA Stock										
Garage Improvements	100	100	100	100	100	100	100	100	100	100
Asbestos Removal	100	50	50	50	50	50	50	50	50	50
Disabled Adaptations	963	878	878	878	878	878	878	878	878	878
Communal Areas Uplift	0	321	321	321	321	321	321	321	321	321
Fire Prevention / Fire Safety Works	258	334	50	50	50	50	50	0	0	0
Hard surfacing on HRA Land - Health and Safety Works	357	225	225	225	225	225	225	225	225	225
Communal Areas Floor Coverings	210	100	100	100	100	100	100	100	100	100
Lifts and Door Entry Systems	13	125	13	13	13	13	13	13	13	13
Estate Investment	0	1,000	1,000	1,000	1,000	1,000	0	0	0	0
Capitalised Officer Fees - Other HRA Stock Spend	114	114	114	114	114	114	114	114	114	114
Other Spend on HRA Stock Planned Maintenance Contractor Overheads	265	220	191	191	191	191	191	186	186	186
Total Other Spend on HRA stock	2,380	3,467	3,042	3,042	3,042	3,042	2,042	1,987	1,987	1,987
HRA New Build / Re-Development										
Anstey Way	3,830	5,663		0	0	0	0	0	0	0
2015/16 Garage & In-Fill Sites (Nuns & Cameron / Wiles / Teddar)	600	1,727	0	0	0	0	0	0	0	0
Kendal Way	50	317	0	0	0	0	0	0	0	0

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Queensmeadow	10	463	109	0	0	0	0	0	0	0
Wulfstan Way	20	683	167	0	0	0	0	0	0	0
Akeman Street	36	630	3,447	0	0	0	0	0	0	0
Ventress Close	414	1,700	1,193	0	0	0	0	0	0	0
Colville Road (Garage Site)	30	694	150	0	0	0	0	0	0	0
Mill Road	4,652	6,699	6,699	1,247	0	0	0	0	0	0
Gunhild Way	24	364	250	0	0	0	0	0	0	0
Markham Close	25	940	80	0	0	0	0	0	0	0
Cromwell Road (Including Land Acquisition)	11,444	3,035	4,579	6,197	0	0	0	0	0	0
Acquisition or New Build (Unallocated)	156	0	0	0	10,000	10,000	10,000	10,000	10,000	10,000
Kingsway Clinic Conversion	208	200	0	0	0	0	0	0	0	0
Ditchburn Place New Build	194	138	0	0	0	0	0	0	0	0
Mill Road (Phase II)	0	2,639	2,317	383	0	0	0	0	0	0
Colville Road	632	3,305	9,844	0	0	0	0	0	0	0
Meadows and Buchan Street	171	3,141	12,283	10,785	0	0	0	0	0	0
Clerk Maxwell Road	0	1,679	1,159	0	0	0	0	0	0	0
CIP Programme (New Build and Re-Development)	615	3,984	9,412	0	0	0	0	0	0	0
Total HRA New Build	23,111	38,001	51,689	18,612	10,000	10,000	10,000	10,000	10,000	10,000
Sheltered Housing Capital Investment										
Ditchburn Place	2,600	798	0	0	0	0	0	0	0	0
Total Sheltered Housing Capital Investment	2,600	798	0							
Other HRA Capital Spend										
Orchard Replacement / Mobile Working	373	300	0	0	0	0	0	0	0	0

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Stores Reconfiguration	93	0	0	0	0	0	0	0	0	0
Estate Service Champion Estate Vehicle	25	0	0	0	0	0	0	0	0	0
Shared Ownership Repurchase	300	300	300	300	300	300	300	300	300	300
Commercial and Administrative Property	30	30	30	30	30	30	30	30	30	30
Total Other HRA Capital Spend	821	630	330							
Total HRA Capital Spend	35,908	50,030	64,903	28,390	20,434	20,077	19,580	20,078	20,801	18,044
Total Housing Capital Spend at Base Year Prices	36,756	50,878	65,648	29,135	21,179	20,822	20,325	20,823	21,546	18,789
Inflation Allowance and Stock Reduction Adjustment for Future Years	243	1,947	2,156	2,213	2,298	2,435	1,925	2,073	2,244	2,240
Total Inflated Housing Capital Spend	36,999	52,825	67,804	31,348	23,477	23,257	22,250	22,896	23,790	21,029
Housing Capital Resources										
Right to Buy Receipts	(407)	(411)	(415)	(417)	(419)	(419)	(419)	(420)	(419)	(445)
Other Capital Receipts (Land and Dwellings)	0	0	0	0	0	0	0	0	0	0
Major Repairs Reserve	(7,864)	(20,750)	(12,233)	(11,499)	(11,759)	(11,824)	(11,891)	(11,953)	(12,025)	(12,100)
Direct Revenue Financing of Capital	(597)	0	(11,340)	(4,936)	(5,978)	(7,443)	(6,369)	(6,952)	(7,775)	(4,913)
Other Capital Resources (Grants / Shared Ownership / R&R Funding)	(1,929)	(1,633)	(300)	(300)	(2,050)	(300)	(300)	(300)	(300)	(300)
Devolution Grant	(13,686)	(20,474)	(26,915)	(8,341)	0	0	0	0	0	0
Retained Right to Buy Receipts	(5,912)	(8,775)	(11,535)	(5,584)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Disabled Facilities Grant	(605)	(608)	(271)	(271)	(271)	(271)	(271)	(271)	(271)	(271)
Prudential Borrowing	0	0	0	0	0	0	0	0	0	0

Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Housing Capital Resources	(31,000)	(52,651)	(63,009)	(31,348)	(23,477)	(23,257)	(22,250)	(22,896)	(23,790)	(21,029)
Net (Surplus) / Deficit of Resources	5,999	174	4,795	0	0	0	0	0	0	0
Capital Balances b/f	(11,136)	(5,138)	(4,963)	(166)	(166)	(166)	(166)	(166)	(166)	(166)
Use of / (Contribution to) Balances in Year	5,998	175	4,797	0	0	0	0	0	0	0
Capital Balances c/f	(5,138)	(4,963)	(166)	(166)	(166)	(166)	(166)	(166)	(166)	(166)
Other Capital Balances (Opening Balance 1/4/2018)										
Major Repairs Reserve	(8,155)									
Retained 1-4-1 Right to Buy Receipts	(16,391)									
Right to Buy Receipts for Debt Redemption	(8,296)									
Total Other Capital Balances	(32,842)									

Equalities Impact Assessment

Appendix L

1. Title of strategy, policy, plan, project, contract or major change to your service:
HRA Budget Setting Report 2019/20
2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
The HRA Budget Setting Report enables the City Council to set a balanced budget for 2019/20 that reflects the Council's vision statements and takes into account councillor's priorities in its proposals for achieving the savings required. The report provides an overview of the finances for the HRA. It covers both HRA revenue and housing capital spending, highlighting the inter-relationships between the two.
This EQIA assesses the equality impacts of the Housing Revenue Account (HRA) element of the City Council's budget; a separate EQIA has been completed for the General Fund (GF) element of the Council's budget.
4. Responsible Service
Directorate: Strategic Director
Service: Corporate Strategy and Finance have coordinated the document, with input from Housing Services and Estates and Facilities in particular.
5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)
<input checked="" type="checkbox"/> Residents of Cambridge City
<input type="checkbox"/> Visitors to Cambridge City
<input checked="" type="checkbox"/> Staff
Please state any specific client group or groups (e.g. City Council tenants, tourists, people who

work in the city but do not live here):

This is a composite EqIA for all 2019/20 HRA budget bids and it covers all Council Housing Revenue Account services.

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

- New
- Major change
- Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
- Yes (Please provide details):

This report involves cross organisation responsibility and input from various departments in the Council. The budget also affects some of our partnership working, notably with South Cambridgeshire District Council and Huntingdonshire District Council.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

The HRA Budget Setting Report 2019-20 is being presented to Housing Scrutiny Committee in January 2019.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

None at this stage – this is an overall EqIA that addresses where monitoring and research may be required at the service impacts outlined in the Budget are rolled out. It is expected that those responsible for implementing services will complete a specific EqIA as required.

10. Potential impacts

(a) **Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults**

Reduction in under-occupation scheme funding has the potential to impact older people to a greater degree, as it tends to be those whose families have left home that are under-occupying property. The funding has not been removed completely, and the reduction has been based upon demand for this in the past year, so those eligible would still expect to be able to receive the financial support offered.

Removal of HRA Maternity Provision will not have any direct impact on any individual on maternity leave, as the staff member will be entitled to exactly the same financial support as before. The saving offered is in respect of covering for the post holder, with any cost expected to be met by underspending across employee budgets as a whole due to turnover of staff.

Increased garage rent income to the HRA may impact older people who rent a garage in a high value location, with rents increasing from April 2019. The rent increase was agreed to be made in a phased manner to mitigate the financial impact for tenants and tenants have been encouraged to make contact with the Council if the increase poses a significant problem. Rent arrears and any termination of garage tenancies is being monitored.

Garage and Former Tenant Arrears Officer will support those who wish to retain their garage or find an alternative garage in a lower value location. The officer will also support the recovery of former tenant arrears, thus reducing the cost to be borne by existing tenants when rent debts need to be written off.

Bid to provide revenue funding for estate improvements will improve the environment for all residents alongside the £5 million capital allocation already built into the capital programme. There is the potential for this to particularly benefit older people with the ability to identify and remedy access issues, security concerns and health and safety improvements. Younger people may benefit more from improvements to green areas, play areas and open space.

(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities

Reduction in under-occupation scheme funding has the potential to impact disabled people to a greater degree, as on occasion a room has been used to accommodate a carer, and if they are no longer required the tenant may be under-occupying the property. The funding has not been removed completely, and the reduction has been based upon demand for this in the past year, so those eligible would still expect to be able to receive the financial support offered.

Increased garage rent income to the HRA may impact disabled people who rent a garage in a high value location and rely upon the proximity to their property, with rents increasing from April 2019. The rent increase was agreed to be made in a phased manner to mitigate the financial impact for tenants and tenants have been encouraged to make contact with the Council if the increase poses a significant problem. Rent arrears and any termination of garage tenancies is being monitored.

Garage and Former Tenant Arrears Officer will support those who wish to retain their garage or find an alternative garage in a lower value location. The officer will also support the recovery of former tenant arrears, thus reducing the cost to be borne by existing tenants when rent debts need to be written off.

Bid to provide revenue funding for estate improvements will improve the environment for all residents alongside the £5 million capital allocation already built into the capital programme. There is the potential for this to particularly benefit disabled people with the ability to identify and remedy access issues, security concerns and health and safety improvements.

(c) Sex – A man or a woman.

Removal of HRA Maternity Provision will not have any direct impact on any individual on maternity leave, as the staff member will be entitled to exactly the same financial support as before. The saving offered is in respect of covering for the post holder, with any cost expected to be met by underspending across employee budgets as a whole due to turnover of staff.

Cost to apply market supplements to surveying posts in the HRA will help ensure that staff can be recruited and retained, therefore having a workforce which can efficiently deliver the revenue and capital investment programmes in our housing stock, for the benefit of all residents. The bid has the potential to benefit males more than females due to the current staff team make-up, but a more attractive salary package may attract a better balance of applicants to vacant posts.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment that is the process of transitioning from one gender to another)

No disproportionate impact has been identified in relation to gender or transgender in the bid proposals contained in the 2019/20 HRA Budget Setting Report.

(e) Pregnancy and maternity

Removal of HRA Maternity Provision will not have any direct impact on any individual on maternity leave, as the staff member will be entitled to exactly the same financial support as before. The saving offered is in respect of covering for the post holder, with any cost expected to be met by underspending across employee budgets as a whole due to turnover of staff.

(f) Marriage and civil partnership

No disproportionate impact has been identified in relation to marriage or civil partnership in the bid proposals contained in the 2019/20 HRA Budget Setting Report.

(g) Race - The protected characteristic ‘race’ refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

No disproportionate impact has been identified in relation to race in the bid proposals contained in the 2019/20 HRA Budget Setting Report.

(h) Religion or belief

No disproportionate impact has been identified in relation to religion or belief in the bid proposals contained in the 2019/20 HRA Budget Setting Report.

(i) Sexual orientation

No disproportionate impact has been identified in relation to sexual orientation in the bid proposals contained in the 2019/20 HRA Budget Setting Report.

(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

Increased garage rent income to the HRA will impact those on low incomes who rent a garage in a high value location, with rents increasing from April 2019. The rent increase was agreed to be made in a phased manner to mitigate the financial impact for tenants and tenants have been encouraged to make contact with the Council if the increase poses a significant problem. Rent arrears and any termination of garage tenancies is being monitored.

Garage and Former Tenant Arrears Officer will support those who wish to retain their garage or find an alternative garage in a lower value location. The officer will also support the recovery of former tenant arrears, thus reducing the cost to be borne by existing tenants when rent debts need to be written off.

Policy and Performance Officer for the Housing Service will support the review and improvement to housing policies and processes, with a view to removing duplication, reducing administration and therefore reducing cost, all of which will benefit HRA tenants by releasing resource to be re-invested elsewhere. The post holder will also ensure that all protected groups are considered when policies and procedures are reviewed to meet all identified need.

Cost to apply market supplements to surveying posts in the HRA will help ensure that staff can be recruited and retained, therefore having a workforce which can efficiently deliver the revenue and capital investment programmes in our housing stock, for the benefit of all residents. The bid has the potential to increase applications from protected groups, as a more attractive salary package may attract a better balance of applicants to vacant posts.

Additional staffing resource to carry out rolling programme of Housing Stock Condition Surveys will ensure that the housing stock is inspected more regularly, and that any remedial works required are quickly identified and scheduled, benefiting all tenants.

Bid to provide revenue funding for estate improvements will improve the environment for all residents alongside the £5 million capital allocation already built into the capital programme.

Additional funding to respond to Welfare Reform will allow support of vulnerable tenants (who may be more at risk of losing their home) and tenants on low incomes through the complex process of national benefit change. The ability to support these tenants to ensure that they claim all that they are entitled to, will in turn reduce arrears and therefore the impact on the HRA for tenants as a whole.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

1. Housing Futures to continue to invest time in implementing process reviews to ensure the housing service is working effectively, and there is no negative impact on customers or staff.
2. Housing Futures to monitor and manage increase in the costs of services against savings identified to ensure services remain affordable for tenants and leaseholders, and for the council to deliver.

12. Do you have any additional comments?

Reduction in interest anticipated to be payable by the HRA and increased interest to be received by the HRA will have an overall positive impact on all tenants and leaseholders as cuts to funding do not have to be made from front line services.

Savings in salary costs due to staff turnover and retention, reduction in Housing Transformation funding and cash limiting some supplies and services budgets: These savings reduce costs for the HRA as a whole, therefore releasing resource for re-investment elsewhere in the service, but with little or no impact on the quality of services being delivered, to ensure there is no negative impact on customers.

13. Sign off

Name and job title of lead officer and team members for this equality impact assessment:

Julia Hovells – Principal Accountant
Catherine Buckle – Business Development Manager (Housing)

Date of EqIA sign off : 20/11/2018

Sent to Helen Crowther, Equality and Anti-Poverty Officer : 17/12/2018

Date to be published on Cambridge City Council website (if known) : 7/1/2019

STRATEGY & RESOURCES**11 February 2019**

5.00- 8.55 pm

Present: Councillors Barnett (Chair), Baigent (Vice-Chair), Bick, Dalzell, Green and Sergeant

RECOMMENDATION TO COUNCIL**Treasury Management Strategy Statement Report 2019/20 to 2022/23**

The Council is required to receive and approve as a minimum three main treasury management reports each year, which incorporates a variety of policies, estimates and actuals.

The Treasury Management and Investment Strategy incorporates prudential and treasury indicators which covers:

- Capital plans (including prudential indicators)
- A Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- The Treasury Management Strategy(how investments and borrowings are to be organised) including treasury indicators; and
- An investment strategy (the parameters on how investments are to be managed)

A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary and advise if any policies require revision.

The Outturn or Annual Report compares actual performance to the estimates in the Strategy.

The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:

- The Prudential Code prepared by CIPFA
- The Treasury Management Code prepared by CIPFA

- The Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG)
- The Statutory Guidance on Minimum Revenue Provision prepared by MHCLG

CIPFA have published a revised Prudential Code (2017 edition) with accompanying Guidance Notes for Practitioners (2018 edition) and the Treasury Management Code (2017 edition).

The MHCLG have also published a revised Investment Guidance and Minimum Revenue Provision Guidance (both commenced on 1st April 2018). This report therefore reflects the new requirements particularly to expand the Investment Strategy to non-financial assets such as investments in property.

Resolved (unanimously) to recommend to Council to:

- i. Approve the estimated Prudential & Treasury Indicators for 2019/20 to 2022/23, inclusive, as set out in Appendix C to the officers report;
- ii. Increase the Money Market Fund (MMF) limit to £15 million per fund, with no maximum limit overall;
- iii. Use Enhanced Money Market Funds (EMMFs) with a credit rating not lower than AAf, as assessed by any one of the credit rating agencies, with an initial counterparty limit of £5m per fund; and;
- iv. Increase the Council's Authorised Borrowing Limit (external borrowing) to £300 million.



Item

ANNUAL TREASURY MANAGEMENT STRATEGY STATEMENT REPORT 2019/20 TO 2022/23

To:

The Executive Councillor for Finance & Resources: Councillor Richard Robertson

Strategy & Resources Scrutiny Committee 11th February 2019

Report by:

Caroline Ryba – Head of Finance & S151 Officer

Tel: 01223 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

All Wards

Key Decision

1. Executive Summary

- 1.1 The Council is required to receive and approve, as a minimum, three main treasury management reports each year, which incorporate a variety of policies, estimates and actuals.
- 1.2 The first and most important is the Treasury Management and Investment Strategy (this report) incorporating prudential and treasury indicators which covers:
 - Capital plans (including prudential indicators)
 - A Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
 - The Treasury Management Strategy(how investments and borrowings are to be organised) including treasury indicators; and

- An investment strategy (the parameters on how investments are to be managed)
- 1.3 A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary and advise if any policies require revision.
- 1.4 The Outturn or Annual Report compares actual performance to the estimates in the Strategy.
- 1.5 The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:
- The Prudential Code prepared by CIPFA
 - The Treasury Management Code prepared by CIPFA
 - The Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG)
 - The Statutory Guidance on Minimum Revenue Provision prepared by MHCLG
- 1.6 CIPFA have published a revised Prudential Code (2017 edition) with accompanying Guidance Notes for Practitioners (2018 edition) and the Treasury Management Code (2017 edition).
- 1.7 The MHCLG have also published a revised Investment Guidance and Minimum Revenue Provision Guidance (both commenced on 1st April 2018). This report therefore reflects the new requirements. The most notable change is the requirement to expand the Investment Strategy to non-financial assets such as investments in property.
- 1.8 The Council's S151 Officer has considered the deliverability, affordability and risk associated with the Council's capital expenditure plans and treasury management activities. The plans are considered to be affordable and where there are risks such as the slippage of capital expenditure or reductions in income or value from investments these have been considered and are considered to be mitigated or at an acceptable level. The Council has access to specialist advice where appropriate.

1.9 Treasury Management Reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Strategy and Resources Committee.

2. Recommendations

The Executive Councillor is asked to recommend to Council:

- 2.1 This report, including the estimated Prudential & Treasury Indicators for 2019/20 to 2022/23, inclusive, as set out in Appendix C;
- 2.2 To increase the Money Market Fund (MMF) limit to £15 million per fund, with no maximum limit overall;
- 2.3 To use Enhanced Money Market Funds (EMMFs) with a credit rating not lower than AAf, as assessed by any one of the credit rating agencies, with an initial counterparty limit of £5m per fund; and;
- 2.4 To increase the Council's Authorised Borrowing Limit (external borrowing) to £300 million.

3. Background

3.1 Treasury Management Activities

- 3.2 The Council is required to comply with the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice. The Council is required to set prudential and treasury indicators, including an authorised limit for borrowing, for a three year period and should ensure that its capital plans are affordable, prudent and sustainable. The Council also follows MHCLG Investment Guidance.
- 3.3 The Link Group bought the treasury division of Capita Asset Services and started trading as Link Asset Services in November 2017. All the services that Capita undertook for this Council will now be undertaken by Link Asset Services with no changes to the current level of services provided.
- 3.4 Link's specialist services include the provision of advice to the Council on developments and best practice in this area and provide information

on the creditworthiness of potential counterparties, deposit and borrowing interest rates and the economy.

4. Borrowing Policy Statement

- 4.1 The Council is permitted to borrow under the Prudential Framework, introduced with effect from 1st April 2004.
- 4.2 At present the only debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA taken out in 2012 totalling £213,572,000.
- 4.3 The Council does anticipate that there may be some external borrowing for the period 2019/20 to 2022/23, inclusive. Hence the recommendation above to increase the Council's external Authorised Borrowing Limit (ABL).
- 4.4 In the event that external borrowing is undertaken the Council is able as an eligible local authority to access funds at the PWLB Certainty Rate (a 0.20% discount on loans) until 31st October 2019.
- 4.5 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

5. Minimum Revenue Provision (MRP) Policy Statement

- 5.1 Minimum Revenue Provision (MRP) is the revenue charge that the Council is required to make for the repayment of debt, as measured by the underlying need to borrow, rather than actual debt. The underlying debt is needed to finance capital expenditure which has not been fully financed by revenue or capital resources. As capital expenditure is generally expenditure on assets which have a life expectancy of over one year it is prudent to charge an amount for the repayment of debt over the life of the asset or some similar proxy figure.
- 5.2 The Local Authorities (Capital Finance and Accounting) regulations require local authorities to calculate for the financial year an amount of MRP which is considered to be 'prudent'.

- 5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.
- 5.4 The Housing Revenue Account share of the CFR is not subject to an MRP charge.
- 5.5 There is no requirement to make a MRP charge on an asset until the financial year after that asset becomes operational.
- 5.6 The Government has issued revised guidance (issued in January 2018) on the calculation of MRP. The Council is required to have regard to the guidance based on the underlying principle that the provision should be linked to the life of the assets for which the borrowing is required.
- 5.7 However, the guidance is clear that differing approaches can be considered as long as the resulting provision is prudent.
- 5.8 In general, the council will make a minimum revenue provision based on the equal installment method, amortising expenditure equally over the estimated useful life of the asset for which the borrowing is required. However, no provision will be made in respect of expenditure on specific projects where the Head of Finance determines that capital receipts will be generated by the project to repay the debt. Specifically in respect of the current capital programme:-
 - The Council has made a loan to a company (which is classed as capital expenditure) to enable it to let intermediate rent properties. This will be financed from internal borrowing.
 - As this loan is to a wholly owned subsidiary company and is secured on assets no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review this loan annually and if the loan is renegotiated. Where there is evidence which suggests that the full amount of the loan may not be repaid or is not secured on assets of appropriate value, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.
 - The Council is budgeted to make a capital contribution and loans to the Cambridge Investment Partnership (CIP) – a joint venture and

deadlock partnership in which the Council has a 50% stake - to facilitate the development of new housing on the former Mill Road Depot site within the city. These payments are classed as capital expenditure. As the payments will be appropriately covered by assets in the CIP and as there are detailed plans to demonstrate that all investment in the CIP will be recovered in less than five years with a significant surplus, no MRP will be set aside. However, to ensure that this policy is prudent, the Council will review the position regularly. Where there is evidence which suggests that the finance provided may not be repaid, it will be necessary to reassess the need to commence MRP to recover the impaired amounts from revenue.

- No MRP will be required on bond investments which are treated as capital expenditure under regulation where those bonds are appropriately secured. This security will be reviewed at least annually.

- 5.9 The Council approved a programme of investment in commercial property using powers under S12 of the Local Government Act 2003 in October 2016. This is deemed capital expenditure and will be financed from cash balances. MRP will be provided for using the useful life determinant with regard to maximum lives permitted in the revised MHCLG MRP guidance of 50 years for freehold land and 40 years for all other assets. MRP is made on the purchase of these properties from the date that rental income is earned.
- 5.10 The Council has agreed to finance an element of the capital cost of a new community centre at Clay Farm from internal borrowing. Using the asset life method MRP would normally be made over an asset life of 40 years. However, the element of capital cost being funded from internal borrowing will effectively be repaid over a shorter period from receipts of rental incomes from the tenant and subsidy from the site developer. The current estimate is that this repayment will take approximately 17 years. The Council has decided to make MRP on this accelerated basis in respect of this asset.
- 5.11 The Council has received a capital receipt for K1 amounting to £3m. This will be used to reduce the CFR in 2018/19 alongside £116k of unallocated New Homes Bonus and £8m from the Invest for Income Reserve. This will result in a reduction of MRP charges moving forward.

6. The Council's Capital Expenditure and Financing 2018/19 to 2022/23

6.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or;
- If insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

6.2 Details of capital expenditure forms one of the required prudential indicators. The table below shows the proposed capital expenditure and how it will be financed.

	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
General Fund Capital Expenditure	43,748	21,989	15,736	2,763	5,583
HRA Capital Expenditure	36,151	51,977	67,059	30,603	22,732
Total Capital Expenditure	79,899	73,966	82,795	33,366	28,315
Resourced by:					
• Capital receipts	-11,090	-9,288	-11,950	-6,062	-3,419
• Other contributions	-71,933	-48,263	-66,030	-36,803	-29,584
Total available resources for financing capital expenditure	-83,023	-57,651	-77,980	-42,865	-33,003
Financed from/(to) cash balances	-3,124	16,315	4,815	-9,499*	-4,688*

*Includes Cambridge Investment Partnership Repayments

7. The Council's Prudential and Treasury Management Indicators

- 7.1 The table below shows the Capital Financing Requirement (CFR), which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

Capital Financing Requirement & Cumulative External Borrowing	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
General Fund Capital Financing Requirement	22,747	38,679	43,110	33,076	27,736
HRA Capital Financing Requirement	214,321	214,321	214,321	214,321	214,321
Total Capital Financing Requirement	237,068	253,000	257,431	247,397	242,057
Movement in the Capital Financing Requirement	-3,526*	15,932*	4,431*	-10,034*	-5,340*
Estimated External Gross Debt/Borrowing (Including HRA Reform)	213,572	213,572	213,572	213,572	213,572
Authorised Limit for External Debt	300,000	300,000	300,000	300,000	300,000
Operational Boundary for External Debt	242,068	258,000	262,431	252,397	247,057

*Includes Minimum Revenue Provision (MRP) of £(-) 402k in 2018/19, £(-) 383k in 2019/20, £(-) 384k in 2020/21, £(-) 535k in 2021/22 & £(-) 652 in 2022/23.

- 7.2 During the above financial years the Council will operate within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The anticipated Prudential & Treasury indicators are shown in Appendix C.

8. Investment Strategy

- 8.1 The Council's overall approach to investment in financial and non-financial assets is outlined in the Capital Strategy presented in a separate report to this Committee.

Financial Asset Counterparties

- 8.2 The full listing of approved counterparties is presented at Appendix A, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits. The recommendations shown on this year's counterparty list is highlighted in bold text.

Financial Asset Performance Indicators

- 8.3 The Council's investments at 30 November 2018, including the principal invested, yield and credit rating as advised by Link are as follows:-

Counterparty	Link Credit Rating	Principal (£)	Yield
Fixed Term Deposits (Original Term less than one year)			
Blaenau Gwent Council	AA	3,000,000	0.95%
Cherwell District Council	AA	5,000,000	1.05%
Stockport MBC	AA	5,000,000	1.00%
Thurrock Borough Council	AA	5,000,000	0.95% - 0.98%
West Dunbartonshire Council	AA	10,000,000	0.85%
Bank of Scotland Plc (RFB)	A+	20,000,000	0.75%-1.05%
Barclays Bank Plc (NRFB)	A	2,000,915	0.65%
Lloyds Bank Plc (RFB)	A+	20,000,000	1.00%-1.10%
Standard Chartered Bank	A+	2,000,000	0.90%
Fixed Term Deposits (Original Term More than One Year)			
Cambridgeshire County Council	AA	5,000,000	1.30%
Doncaster MBC	AA	5,000,000	0.90%
Liverpool City Council	AA	5,000,000	0.70%
Variable Net Asset Value Funds			

Counterparty	Link Credit Rating	Principal (£)	Yield
CCLA Local Authorities' Property Fund	Unrated	15,000,000	4.26%
ECF - Payden Sterling Reserve Fund	AAA	5,000,000	0.87%
ECF - Royal London Cash Plus Fund	AAA	5,000,000	0.68%
Fixed Term Deposits to Other Organisations (over 1 year)			
Housing Company Loan	Unrated	7,500,000	2.02%
TOTAL		119,500,915	

- 8.4 There is no risk to the capital invested (other than the risk of failure of the financial institution) for fixed term deposits and constant net asset value money market funds. Variable net asset funds are priced and the market value of these funds at 30 November 2018 was £25,439,164.
- 8.5 The Council continually reviews its investment policy and has identified concerns in relation to property holdings within the retail sector. As the Council has a £15m stake in the CCLA Local Authorities' Property Fund, we had a meeting with the CCLA on the 7th December 2018 at which they confirmed that the fund holds a small high quality retail investment portfolio (shops) equating to 3.9% of their total investments.
- 8.6 The Council has made a loan of £7.5 million to Cambridge City Council Housing Company, a wholly owned subsidiary. This loan earns 2.02% and is secured on the properties owned by the company.
- 8.7 The Council also plans to commence making loans to Cambridge Investment Partnership, a joint venture, in 2018/19 as detailed in 5.8.

9. Brexit Update

- 9.1 At the time of writing this report there is still considerable uncertainty around the country's proposed exit from the EU on 29 March 2019, following the cancellation of the parliamentary vote on 11 December 2018. The vote was re-scheduled for 15th January 2019 where the Government lost considerably.
- 9.2 The Council will continue to monitor the situation and to take advice from Treasury Advisors as appropriate.

10. Financial Market Reforms Update

10.1 Money Market Fund (MMF) Reforms & Enhanced MMFs

- 10.2 The Money Market Fund Regulation came into force on 21st July 2018 which impacts immediately on any new funds created. Existing funds will have to be compliant by no later than 21st January 2019.
- 10.3 The above Regulation provides investors with a new way of categorising a MMF depending on the level of risk, which could cause fluctuations in their capital values. All the MMFs that the Council uses will be converted from a Constant Net Asset Value (CNAV) to a Low Volatility Net Asset Value (LVNAV) on a month by month basis up to the compliant date of 21st January 2019.
- 10.4 Because of the above MMF reforms, the Council took a precautionary stance and recommended that counterparty limits be lowered at the mid-year treasury management review due to the uncertainties and implementation. This has now settled and there has been little practical impact. Therefore, the Council is recommending a return to the former limits as laid out within the recommendations at paragraph 2.2.
- 10.5 Furthermore, the Council is looking at newer Enhanced MMF products, which are achieving returns of over 1 %, some of which are rated AA. The risk of counterparty default between AAA and AA, is negligible, as shown by a study commissioned by Moody's in 2007, at the start of the banking crises. This study, undertaken over a 5 year timescale, confirms this (see table below), and therefore we are recommending that the council adds this class of asset to its investment strategy.

RATING	RISK OF DEFAULT	CUMULATIVE DEFAULT RATE (%)	DIFFERENTIAL (%)
Aaa	Highest rating with lowest risk of default	0.18	-
Aa2	Next highest	0.28	0.10
Baa2	Next highest	2.11	1.83
Ba2	Next highest	8.82	6.71
B2	Lowest	31.24	22.42

Source:- Special Comment: Moody's Investor Service, June2007 Report

11. Interest Rates & Interest Received

- 11.1 Link Asset Services is the Council's independent treasury advisor. In support of effective forecasting the Council needs to be aware of the potential influence of interest rates on treasury management issues for the Council. Link's opinion on interest rates is presented at Appendix B.
- 11.2 Total interest and dividends of £917,585 has been received on the Council's deposits up to 30th November 2018 (for this financial year) at an average rate of 1.30% (1.06% in 2017/18). This is an under-achievement compared with the budget to date of £108,655.
- 11.3 The Bank of England's Monetary Policy Committee decided to increase its Base Rate by 0.25% to 0.75%, on 2nd August 2018. This is reflected within Link's interest rate predictions at Appendix B.

12. Implications

(a) Financial Implications

The prudential and treasury indicators have been amended to take account of known financial activities.

(b) Staffing Implications

None.

(c) Equality and Poverty Implications

No negative impacts identified.

(d) Environmental Implications

None.

(e) Procurement Implications

None.

(f) Community Safety Implications

No community safety implications.

13. Consultation and communication considerations

- 13.1 None required.

14. Background papers

No background papers were used in the preparation of this report.

15. Appendices

- 15.1 Appendix A – The Council's current Counterparty list
- Appendix B – Link's opinion on UK Forecast Interest Rates
- Appendix C – Prudential and Treasury Management Indicators
- Appendix D – Glossary of Terms and Abbreviations

16. Inspection of papers

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

Author's Name:	Stephen Bevis
Author's Title:	Accountant (VAT & Treasury)
Author's Phone Number:	01223 458153
Author's Email:	Stephen.bevis@cambridge.gov.uk

Appendix A

Treasury Management Annual Investment Strategy

Current Counterparty List

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits (*references have now been made to RFB & NRFB for UK Banks, with explanations within the Glossary at Appendix D). **Recommendations shown in bold text:-**

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments:-			
All UK Local Authorities	N/A	Local Authority	20m
All UK Passenger Transport Authorities	N/A	Passenger Transport Authority	20m
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Barclays Bank Plc – NRFB*	Using Link's Credit Criteria	UK Bank	35m
HSBC Bank Plc – NRFB*	Using Link's Credit Criteria	UK Bank	20m
HSBC UK Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m
Standard Chartered Bank	Using Link's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS) – RFB*	Using Link's Credit Criteria	UK Bank	20m
Lloyds Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m

Name	Council's Current Deposit Period	Category	Limit (£)
National Westminster Bank Plc (NWB) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m
Santander UK Plc	Using Link's Credit Criteria	UK Bank	5m
The Royal Bank of Scotland Plc (RBS) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m
Other UK Banks	Using Link's Credit Criteria	UK Banks	20m
Members of a Banking Group (BoS Group includes Lloyds, RBS Group includes NWB)	Using Link's Credit Criteria	UK Banks and UK Nationalised Banks	30m
Svenska Handelsbanken UK	Using Link's Credit Criteria	UK Bank	5m
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (AAAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) With no maximum limit overall

Name	Council's Current Deposit Period	Category	Limit (£)
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Name	Council's Current Deposit Period	Asset Value (£'m) – as at 16 th November 2018	Limit (£)
Other Specified Investments - UK Building Societies:-			
Nationwide Building Society	1 month or in line with Link's Credit Criteria, if longer	227,303	Assets greater than £100,000m - £20m
Yorkshire Building Society		49,063	
Coventry Building Society		41,910	Assets between £50,000m and £99,999m - £5m
Skipton Building Society		19,567	
Leeds Building Society		18,937	Assets between £5,000m and £49,999m - £2m
Principality Building Society		9,060	
West Bromwich Building Society		5,794	

Name	Council's Current Deposit Period	Category	Limit (£)
Non-Specified Investments:-			
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City Council Housing Working Capital Loan Facility	Up to 1 year	Loan	200,000
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	15m (per single counterparty)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	20m (in total)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)

Name	Council's Current Deposit Period	Category	Limit (£)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond in Local Businesses – Using Allia Limited	N/A	Local Business Bond	Up to £5m in total
Supranational Bonds – AAA	Using Link's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	15m

Note: In addition to the limits above, the total non-specified items over 1 year, will not exceed £50m

Appendix B

Link's Opinion on Forecast UK Interest Rates – As Currently Predicted

Introduction

The paragraphs that follow reflect the views of the Council's Treasury Management advisors (Link) on UK Interest Rates as currently predicted.

Interest rates

Members of the Bank of England Monetary Policy Committee (MPC) increased the bank rate by 0.25% to 0.75% and no change to current Quantitative Easing (QE) value of £435bn, on 2nd August 2018. The vote was 9-0 in favour of an increase to the bank rate. Going-forward, the Council's treasury advisor, Link (formerly Capita), has provided the following interest rate forecasts issued on 7th August 2018:-

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank rate	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 month LIBID	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 month LIBID	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 month LIBID	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB rate	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB rate	2.50%	2.50%	2.60%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%
25yr PWLB rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

* Link Asset Services predict that the next Bank of England Rate Change will be in September 2019, with a rise of 0.25% to 1.00%.

Appendix C

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2018/19 £'000	Estimate 2019/20 £'000	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000
PRUDENTIAL INDICATORS					
Capital expenditure					
- General Fund	43,748	21,989	15,736	2,763	5,583
- HRA	36,151	51,977	67,059	30,603	22,732
Total	79,899	73,966	82,795	33,366	28,315
Capital Financing Requirement (CFR) as at 31 March					
- General Fund	22,747	38,679	43,110	33,076	27,736
- HRA	214,321	214,321	214,321	214,321	214,321
Total	237,068	253,000	257,431	247,397	242,057
Change in the CFR	-3,526	15,932	4,431	-10,034	-5,340
Deposits at 31 March	106,000	75,500	77,000	96,200	126,100
External Gross Debt	213,572	213,572	213,572	213,572	213,572
Ratio of financing costs to net revenue stream					
-General Fund	-610	-597	-628	-742	-1,042
-HRA	6,706	6,693	6,824	6,938	6,938
Total	6,096	6,096	6,196	6,196	5,896
% of net revenue expenditure					
-General Fund	-2.59%	-3.08%	-3.09%	-3.57%	-5.39%
-HRA	16.13%	16.05%	15.97%	15.53%	14.79%
Total (%)	13.54%	12.97%	12.88%	11.96%	9.40%

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Estimate 2018/19 £'000	Estimate 2019/20 £'000	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000
TREASURY INDICATORS					
Authorised limit					
for borrowing	300,000	300,000	300,000	300,000	300,000
for other long term liabilities	0	0	0	0	0
Total	300,000	300,000	300,000	300,000	300,000
Operational boundary					
for borrowing	242,068	258,000	262,431	252,397	247,057
for other long term liabilities	0	0	0	0	0
Total	242,068	258,000	262,431	252,397	247,057
Upper limit for total principal sums deposited for over 364 days	50,000	50,000	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure					
Net interest on fixed rate borrowing/deposits	6,094	6,094	6,194	6,194	5,894
Net interest on variable rate borrowing/deposits	-15	-15	-15	-15	-15
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit		
10 years and above (PWLB borrowing for HRA Reform)		100%	100%		

Appendix D

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	Financial Institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
MHCLG	Ministry for Housing, Communities & Local Government (formerly the Department for Communities & Local Government, DCLG)
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases

Term	Definition
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing account where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
London Interbank Offered Rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans
London Interbank Bid Rate (LIBID)	The average interest rate which major London banks borrow Eurocurrency deposits from other banks
Liquidity	A measure of how readily available a deposit is
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Low Volatility Net Asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
Non Ring Fenced Bank (NRFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 st January 2019 deadline
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
PWLB	Public Works Loans Board - an Executive Government Agency of HM Treasury from which local authorities & other prescribed bodies may borrow at favourable interest rates

Term	Definition
Quantitative Easing (QE)	A financial mechanism whereby the Central Bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy
Ring Fenced Bank (RFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 st January 2019 deadline
Security	A measure of the creditworthiness of a counter-party
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
Variable Net Asset Value (VNAV)	MMFs values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment

RECOMMENDATION TO COUNCIL (The Executive)

Budget-Setting Report (BSR) 2019/20

Recommendations of the Executive, which met on 11 February 2019, are set out in the Budget Setting Report which went to Strategy & Resources Scrutiny Committee on 11 February 2019 (version 1b) as updated by the Head of Finance to correct an error relating to the Legal Practice item (reference S4247 p141 of the second circulation agenda).

Unless otherwise specified, all references in the recommendations to Appendices, pages and sections relate to version 2 of the Budget-Setting Report. This can be found via the Council agenda page:

<https://democracy.cambridge.gov.uk/iListDocuments.aspx?CId=116&Mid=3405&Ver=4>

Accordingly, Council is recommended to:

General Fund Revenue Budgets: [Section 5, page 30 refers]

- a) Agree recommendations in respect of:
 - Revenue Pressures shown in Appendix C (a) and Savings shown in Appendix C (b) of the BSR.
 - There are no bids to be funded from External or Earmarked Funds (which would be included as Appendix C (c) of the BSR.
 - Non-Cash Limit items as shown in Appendix C (d) of the BSR.
- b) Confirm the delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) which will be set out in Appendix A (a) of the BSR.
- c) Approve the level of Council Tax for 2019/20 as set out in Appendix A (b) [page 56 -57 refers] and Section 4 [page 27-29 refers] of the BSR.

Note that the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority and Cambridgeshire County Council have issued precepts to the City Council for the year 2019/20.

Other Revenue:

- d) Delegate to the Head of Finance authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
- e) Approve an additional contribution of £250k to the Cambridge Live Development Plan Earmarked Reserve to include transition funding, proposal NCL4325.

Capital: [Section 7, page 35 refers]

Capital Plan:

- f) Approve the proposals outlined in Appendix E (a) for inclusion in the Capital Plan, including any additional use of revenue resources required.
- g) Approve the revised Capital Plan for the General Fund as set out in Appendix E (d), the Funding as set out in Section 7, page 39 of the BSR.

General Fund Reserves:

- h) Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to support the budget proposals as set out in the table [Section 8, page 45 refers] of the BSR.

Item

Strategy & Resources 11 February 2019 - Finance and Resources Portfolio: Budget-Setting Report (BSR) 2019/20

To:

Councillor Richard Robertson, Executive Councillor for Finance and Resources Portfolio

Report by:

Caroline Ryba, Head of Finance

Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

Overview of Budget-Setting Report

- 1.1 At this stage in the 2019/20 budget process the range of assumptions on which the Medium-Term Financial Strategy (MTFS) was based need to be reviewed, in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for the budget considerations.
- 1.2 The Budget-Setting Report (BSR), which is attached, includes the detailed revenue bids and savings and capital proposals and sets out the key parameters for the detailed recommendations and budget finalisation being considered at this meeting. This report reflects recommendations that will be made to The Executive on 11 February 2019 and then to Council, for consideration at its meeting on 21 February 2019.
- 1.3 The recommendations that follow refer to the strategy outlined in the BSR and all references to Appendices, pages and sections relate to the Budget-Setting Report 2019/20 (Version 2 - Council) as reported to and seeking recommendations at Strategy & Resources Scrutiny Committee on 11 February 2019.

2. Recommendations

The Executive Councillor is recommended to:

General Fund Revenue Budgets: [Section 5, page 30 refers]

- a) Agree any recommendations for submission to the Executive in respect of:
 - Revenue Pressures shown in Appendix C (a) and Savings shown in Appendix C (b).
 - There are no bids to be funded from External or Earmarked Funds (which would be included as Appendix C (c)).
 - Non-Cash Limit items as shown in Appendix C (d).
- b) Recommend to Council formally confirming delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) which will be set out in Appendix A (a).
- c) Recommend to Council the level of Council Tax for 2019/20 as set out in Appendix A (b) (*to follow for Council*) and Section 4 [page 27 refers].

Note that the Cambridgeshire Police and Crime Panel will meet by 30 January 2019 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority will meet on 7 February 2019 and Cambridgeshire County Council will meet on 5 or 8 February 2019 to consider the amounts in precepts to be issued to the City Council for the year 2019/20.

Other Revenue:

- d) Recommend to Council delegation to the Head of Finance authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
- e) Recommend to Council approval of an additional contribution of £250k to the Cambridge Live Development Plan Earmarked Reserve to include transition funding, proposal NCL4325.

Capital: [Section 7, page 35 refers]

Capital Plan:

- f) Recommend to Council the proposals outlined in Appendix E (a) for inclusion in the Capital Plan, including any additional use of revenue resources required.

- g) Recommend to Council the revised Capital Plan for the General Fund as set out in Appendix E (d), the Funding as set out in Section 7, page 39.

General Fund Reserves:

- h) Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to support the budget proposals as set out in the table [Section 8, page 45 refers].

3. Background

- 3.1 At its meeting on 18 October 2018, Council gave initial consideration to the budget prospects for the General Fund for 2019/20 and future years in the Medium-Term Financial Strategy (MTFS) 2018.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 11 February 2019 includes a review of all the factors relating to the overall financial strategy that were included in the MTFS.
- 3.3 The report to The Executive on 11 February 2019 may include details of the Government's Final Settlement for 2019/20. The announcement is likely to be made shortly after the conclusion of the consultation period in January 2019.
- 3.4 Further work may be required on detailed budgets, so delegation to the Head of Finance will be sought from Council for authority to finalise changes relating for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

Financial implications of budget proposals are summarised in the General Fund Budget Setting Report 2019/20.

(b) Staffing Implications

Staffing implications of budget proposals are also summarised in the General Fund Budget Setting Report 2019/20.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included in the BSR, reporting separately on this agenda. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

A local poverty rating (using the classifications outlined in the BSR, Appendix B) has been included in each budget proposal to assist with assessment.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H / +M / +L: to indicate that the proposal has a high, medium or low positive impact.
- Nil: to indicate that the proposal has no climate change impact.
- -H / -M / -L: to indicate that the proposal has a high, medium or low negative impact.

(e) Procurement Implications

Any procurement implications will be outlined in the BSR 2019/20.

(f) Community Safety Implications

Any Community Safety Implications will be outlined in the BSR 2019/20.

5. Consultation and communication considerations

Budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations are undertaken throughout the year and can be seen at: cambridge.gov.uk/Consultations

6. Background papers

These background papers were used in the preparation of this report:

- Budget Setting Report 2019/20
- Medium-Term Financial Strategy (MTFS) October 2018
- Individual Equality Impact Assessments
- Review of Charges 2019/20

7. Appendices

The following item is included in this report:

- Budget-Setting Report 2019/20 Version 1, February 2019 (covering 2018/19 to 2023/24)

8. Inspection of papers

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

Authors' Names: Caroline Ryba
Authors' Phone Numbers: 01223 - 458134
Authors' Emails: caroline.ryba@cambridge.gov.uk

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Version 2
Council

Budget-Setting Report 2019/20

February
2019

2019/20

Cambridge City Council



Version Control

Version No.	Revised version / updates for:	Content / Items for Consideration
1	Strategy & Resources Scrutiny Committee (11 February 2019)	<ul style="list-style-type: none"> - Budget overview and budget proposals - Opposition budget amendment proposals
	The Executive (11 February 2019)	<ul style="list-style-type: none"> - Proposals of the Executive
Current	2 Council (21 February 2019)	<p>Final Proposals to Council incorporating updates relating to:</p> <ul style="list-style-type: none"> - Head of Finance final Section 25 report - Final Local Government Finance Settlement 2019/20 - Appendix A(b) Council Tax Setting following receipt of County Council, Police, Fire and Combined Authority precepts
	3 Council (Final)	<p>Approved Budget-Setting Report incorporating</p> <ul style="list-style-type: none"> - Decisions of Council - Any other final amendments

Anticipated Precept Setting Dates

Cambridgeshire Police & Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council	Cambridgeshire & Peterborough Combined Authority
30 January 2019	7 February 2019	5 or 8 February 2019	-

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

The country has now suffered for over eight years from the imposition of the austerity policies by successive governments. Public services and household incomes for many in Cambridge have been cut while at the same time significant ongoing inflation has developed. Failing to regulate markets, including private rented housing and energy, has brought great hardship to many in Cambridge, and often the same people on falling real incomes or who have suffered from welfare benefit cuts.

The Council budget for Cambridge in 2019/20 delivers on our vision to lead a united city that is "One Cambridge - Fair for All", by supporting our city to be prosperous and using that to tackle inequality. It's a vision we will share and develop, working with our residents and partner organisations.

Delivering quality services within financial constraints

Only five years ago, our core government grant was £5.6m. In 2019/20 it will be zero.

Despite that loss, and cuts in "New Homes Bonus", we have found ways to continue to deliver quality services such as keeping our streets free of litter; maintaining our many play areas, parks and commons; and carrying out hygiene checks on cafés and takeaways.

Our pest control service will continue to be free, as will a collection of green waste from each household, unlike many other councils who now charge for these services. For some years we have provided Community Clear Up days in some areas to help with disposal of bulky items and avoid fly tipping, and these Clear Ups are to be expanded in 2019 across the city to areas needing them the most.

Despite government cuts, we have found rewarding ways to invest council funds for the future. Releasing underused bank balances has enabled us to purchase commercial property and provide new income. Investing a further £6m in Lion Yard will help that shopping centre diversify as well as add to the income for the Council. Our proposed investment in a new community centre at the Meadows in King's Hedges will not only provide enhanced facilities but will also release land for the badly needed new council homes.

We are committed to ensuring the continuation of a high quality programme of entertainment and cultural events in the city. It has become apparent that Cambridge Live has been unable to do this

within financial targets so we have stepped in and all services and staff will be transferred back to the Council. We have acted decisively to make clear to customers that it is business as usual and ensure that Cambridge continues to enjoy a wide range of cultural events.

We are continuing extra investment in new IT software to improve services, with a new system for Environmental Health. Like last year's refuse and recycling IT system, this will improve access and reporting by residents as well as enhancing service and efficiency.

Last year's £800,000 funding upgraded Cambridge's CCTV cameras and enhanced pictures are already assisting our anti-social behaviour team, car park staff and the police keep our city safe. Similarly, we will continue to fund making Cambridge street lights operate at brighter levels in the evening, after persuading the County Council that they be lit all night. This is essential in a city like ours with shift workers travelling to and from work at all hours, as well as many people out at night clubs.

Helping people in Cambridge who have the greatest need

Parts of our city include great wealth while nearby there are pockets of people in poverty and severe deprivation, and they continue to be a core council target for our assistance. The Council is committed to promoting financial inclusion and prioritises services which achieve this.

This budget continues our campaign, supported by dozens of local employers, to promote the Real Living Wage of at least £9/hour to all businesses in Cambridge, further fund our Fuel and Water Poverty Campaign, and provide subsidised or free swimming and an exercise referral service targeted for those relying on benefits.

Our Financial Inclusion Officer provides support and hands-on assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives going forward. Universal Credit is now being fully rolled out in Cambridge by the Government and it is apparent from elsewhere in the country that it has profound faults. Notably these delay money reaching claimants, extensively reduce sums payable to many people, and penalise with "sanctions" even minor failures to follow agreed actions such as missing an appointment. To protect Cambridge people, we are expanding assistance from our council team, we have seconded staff to help train Work and Pensions staff on Chesterton Road in the intricacies of tenancies and rent, and have increased funding of Cambridge Citizens Advice Bureau to provide advice.

In our budget planning we have made sure that the Council Tax Reduction Scheme for lowest income households is fully maintained – we are now one of only 37 councils in the country who

have not cut this benefit. We also provide Discretionary Housing Payments which protect many recipients from increased rent arrears, and help prevent many households from becoming homeless. Our Housing Benefit Plus scheme also tops-up local housing allowance rates to those assessed to be most in urgent need, to allow them to meet the cost of renting privately.

In 2019 we will fund many organisations that work to assist homeless people and those who sleep rough. This helps prevent people from sleeping on the streets in the first place, ensures that emergency shelter is provided for rough sleepers in the event of bad winter weather, and seeks to get people into permanent accommodation as quickly as possible if they do sleep rough.

We are expanding provision of 'Housing First' flats, which accommodate homeless people with complex needs who are unable to use the usual housing services. The flats provide access to a room combined with intensive support, as a means of sustainably turning their lives around and avoid ending back on the streets.

Planning for growth and ensuring our new communities are successful

Our city has seen considerable expansion with hundreds of new homes being built, especially in the Clay Farm and Eddington areas. Further expansion is planned, with extensive possibilities for 'Cambridge North East' if the Anglian Water waste water treatment works can be moved. To ensure the quality of new buildings and the environment around them, our budget ensures our Planning Service is well staffed and that those who benefit from planning permission properly contribute towards the delivery of that service.

The Cambridge Investment Partnership, our joint venture with Hill Residential, is working to build 800 houses and flats on Council land of which at least 500 will be council homes at affordable rents. This budget also uses spare cash balances to earn interest by funding much of the development costs of this new homes programme.

To ensure that our new communities are welcoming and successful, we are funding community development officers and providing some new and some expanded community centres. All new areas need refuse collection, street cleaning and other essential services, and we are funding expansion of these services.

Protecting our environment and tackling climate change

The council is committed to increasing the city's future sustainability, acting locally to make a difference globally and working with partners and residents towards our objective of a carbon neutral Cambridge by 2050, or earlier if that proves possible.

We continue to encourage businesses and organisations to reduce their carbon footprint. On this, the council is leading the way with a further £100,000 added to our Climate Change Fund for transforming the energy efficiency of council buildings. Solar panels and a new Combined Heat and Power plant are already being installed and the new funding will provide for further investment in heating, lighting and ventilation improvements.

Our budget includes new funds for a permanent extra Air Quality officer to tackle air pollution, including our Air Quality Action Plan; and city centre and wider Clean Air Zone. We want to increase the use of electric vehicles in the city, starting with taxis and private hire cars, with the installation of electrical charging points. Where possible, our fleet of council vans is being replaced with electric vehicles on renewal.

We are committed to maintaining the unique and special environment of our city. We fund a strong team of Streets and Open Spaces staff. Our tree officers work hard to look after the many thousands of trees in the city, and find places for new plantings. This budget continues funding support for our extensive team of volunteers who complement council staff in working to support their local environment with recycling and local cleaning activities, particularly at community events.

Developing effective partnerships and an innovative and dynamic organisation

Our budget strategy includes a series of shared services mainly in conjunction with South Cambridgeshire District Council, but some with Huntingdonshire Council as well. These have saved money and enabled services to share and enhance management, and provide specialist expertise which would be too expensive for any one council to afford on its own.

Last year's budget invested heavily in extra IT capacity in conjunction with those councils. This year, "Council Anywhere" is being funded further, to provide more staff with computer access to deal with your issues and reported problems on the move and at any Council premises. Another major IT project is the "My Cambridge City" online portal which is being developed to enable residents to more easily access a range of essential council services online.

We work closely with the Greater Cambridge Partnership, to develop public transport, redesign highways including cycling and pedestrian improvements tackle congestion and implement new

residents' parking zones where supported locally. Our Cycleways Fund is developing new routes and paths for bikes and we will be providing extra secure cycle parking at local centres in 2019.

Working with the Cambridgeshire and Peterborough Combined Authority has been an interesting addition, delivering £70m for our 500 new council homes programme, and winning their support for our bid to the government for up to £227m to fund the relocation of the Anglian Water works.

We are also investing further with this budget in a new transformation team to take on further service reviews and council transformation projects.

In conclusion, despite austerity cuts that continue to be imposed by the Government, this Budget demonstrates our determination to continue the Council's challenging task of maintaining the wide range of services we provide for the whole Cambridge community. By applying sound and prudent financial management, minimising the need for cuts to services and investing in more affordable housing, we will develop a fairer and more equal city - "One Cambridge, Fair for All".

Councillor Lewis Herbert, *Leader of the Council*

Councillor Richard Robertson, *Executive Councillor for Finance & 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 (GF) 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 18 October 2018 the council approved the Medium Term Financial Strategy (MTFS). The MTFS 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 MTFS also reviewed key assumptions and risks, thereby confirming the framework for detailed budget work for 2019/20 and beyond.

The BSR reviews the impacts of developments since the MTFS and sets the financial context for the consideration of detailed recommendations and budget finalisation to be made at council on 21 February 2019. 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 MTFS. This identified a total net savings requirement of around £2.1m for the 5 year period, after taking into account changes to base assumptions and pressures and savings identified at that time.

£000	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Net savings requirement	190	630	542	244	482	2,088

These savings requirements stem from reductions in government funding, unavoidable cost increases and pressures, including the additional net cost of services for every new home in the City.

In previous years, the net savings requirement has been adjusted using GF reserves to create a consistent profile across the period. However, the adjustment was not been made in this MTFS for the following reasons:-

- the financial modelling includes indicative pressures, which may or may not crystallise into budget proposals, so any adjustment of the savings profile could be misleading
- significant uncertainty in relation to funding from government (settlement funding assessment) would similarly impact the saving profile
- the longer planning trajectory allows use of reserves to be phased out, so that the council no longer relies on the use of reserves

The council continues to deliver a programme of on-going transformation targeted at the way it delivers services and interacts with residents, tenants and other parties. There is an increasing emphasis on identifying and implementing proposals for income generation to make the council more financially sustainable. This BSR builds on what has been achieved, with particular emphasis on the continuing delivery of transformation projects.

Key dates

The key member decision-making dates are as follows:

Date	Task
2019	
11 February	Strategy and Resources Scrutiny Committee considers BSR (all GF portfolios)
11 February	The Executive recommends BSR to Council
21 February	Council approves the budget and sets the council tax for 2019/20

Section 2

Local and national policy context

Local policy priorities

The local policy priorities for the council are informed by the budget consultation and the council's annual statement which in turn feed into the corporate plan. The plan covers services such as those shown on the diagram (below).



The corporate plan has been reviewed during 2018-19 and will be scrutinised at the Strategy & Resources Scrutiny Committee on 11 February 2019, alongside this BSR.

The final agreed corporate plan 2019/22 will then be incorporated in this document as an Appendix.

Corporate plan

The corporate plan, shown in Appendix H, sets out the key themes and strategic objectives for Cambridge City Council for the years 2019/22. It sets out key activities the council will undertake against five key themes:

- Delivering quality services within financial constraints
- Helping people in Cambridge who have the greatest need
- Planning for growth and ensuring our new communities are successful
- Protecting our environment and tackling climate change
- Developing effective partnerships and an innovative and dynamic organization

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.

The direct budgetary impact of increased population could be a simple proportional uplift of service costs. However in some cases a review of the current model of service delivery will be required, factoring in not only growth in population and dwellings, but also changes in demand, changes in the nature of that demand and the available funding envelope.

Growth of Cambridge

With the on-going implementation of the planned housing and economic growth of Cambridge, the city's population is set to increase by more than 20% between 2011 and 2031. The council is already focussed on meeting the needs of new communities and residents through better use of technology, joint services with other local authorities and partnership working (through the Greater Cambridge Partnership and the Combined Authority) in order to lever in funding for infrastructure improvements.

Services use projections and estimates of population growth and the number of new dwellings to plan for the impacts of growth. The expected location of these changes can also be significant. The forecast growth in dwellings between 2011 and 2026 can be seen in two major areas – Trumpington to the south and in Castle ward to the North West. 50% of new housing growth is forecast in these

wards up to 2026. This rapid growth brings associated demand on core City services and will be reinforced with the development of Cambridge Northern Fringe East to the north and Cambridge Wing to the east.

Whilst new homes generate new council tax income for providing services, the increase in student accommodation (with council tax exemptions) and the number of commuters, plus the particular needs of new residents as they settle into new communities, can present additional service demands and financial pressure. However, this is at a time of on-going financial pressures facing council budgets with the phased withdrawal of core grants from central government.

The council will continue to explore ways to make better use of resources (say, for managing and maintaining new open spaces being created as part of new neighbourhoods and to enable new communities to become established and thrive on their own sooner).

The Greater Cambridge Partnership (GCP)

The City Council is working with Cambridgeshire County Council, South Cambridgeshire District Council and the University of Cambridge through the GCP to deliver infrastructure, housing and skills targets as agreed with government in the City Deal. The agreement consists of a grant of up to £500m, subject to periodic gateway reviews, to be released over a 15 to 20 year period, and expected to be matched by up to another £500m from local sources, including through the proceeds of growth.

The funding will enhance the status of Greater Cambridge as a prosperous economic area. The Partnership is working to:

- Accelerate the delivery of 33,500 planned homes
- Enable delivery of 1,000 extra affordable new homes on rural exception sites
- Deliver over 420 new apprenticeships for young people by 2019
- Provide £1bn of local and national public sector investment, enabling an estimated
- £4bn of private sector investment in the Greater Cambridge area
- Create 44,000 new jobs
- Harness and develop smart technology, to support transport, housing and skills
- Provide a governance arrangement for joint decision making between local councils

The Partnership is currently developing proposals for transport improvements to enable people, goods and ideas to move more quickly, reliably and sustainably between centres of research, innovation and enterprise, and between places of residence, work and study.

One aspect of this is likely to be proposals to tackle congestion, and this may require ways of managing the number of vehicles on the most congested routes at the most congested times of the day. Whatever proposals are ultimately implemented may have impacts on City Council services, including potentially budgetary implications. The service and financial impact of such measures will be factored into the council's financial planning in more detail as the impacts become clearer.

The Partnership is supporting delivery of affordable housing and a skills system that equips more young, local people with the skills they need to engage in the knowledge-based industries that comprise the Cambridge Cluster.

The Partnership is also bringing together public, private and academic experts to develop and exploit "smart city" technologies to help identify and address the challenges that Greater Cambridge faces.

The council, with the other local authority partners, have agreed to create an investment and delivery fund from a proportion of New Homes Bonus (NHB). As a result of this, the BSR considers the application of funds from NHB, earmarking part of future uncommitted funding in line with the expected levels of contribution to the fund.

Cambridgeshire and Peterborough Combined Authority

In November 2016, eight organisations¹ in Cambridgeshire, including Cambridge City Council, agreed a devolution deal with the government to form the Cambridgeshire and Peterborough Combined Authority (CPCA). The deal gives delegated powers to the CPCA, an elected Mayor, and brings funding to the region. Following elections on 5 May 2017, James Palmer was elected as Mayor for the Combined Authority. Councillor Lewis Herbert represents the council on the CPCA.

The CPCA will receive funding and powers from central government in a number of areas including:

¹ Cambridge City Council; Cambridgeshire County Council; East Cambridgeshire District Council; Fenland District Council; Huntingdonshire District Council; Peterborough City Council; South Cambridgeshire District Council; Greater Cambridge Greater Peterborough Local Enterprise Partnership

- £100 million to deliver new homes over a five-year period in Peterborough and Cambridgeshire which includes affordable, rented and shared ownership housing, plus £70m for Cambridge City Council to deliver at least 500 new council homes.
- £20 million a year funding over 30 years to support infrastructure and boost economic growth in the region

The key ambitions for the CA include:

- doubling the size of the local economy
- accelerating house building rates
- improving transport and digital infrastructure.

It has been agreed that CPCAs costs will be funded from the gain share grant and therefore there will be no charge to the City Council for this. The Mayor has the power to raise a precept (i.e. a separate additional element of council tax to fund the running costs of the Mayoral office).

The CPCAs (but not the Mayor) can levy constituent councils to make a contribution towards its functions but this would need to be unanimously agreed by those authorities through the budget making process for the CPCAs. Each council could also decide voluntarily to make a financial contribution to the CPCAs.

The city's economy should benefit from the additional investment and improved infrastructure in the local area that the CPCAs brings. The delivery of the £70m council building programme will bring an income stream to the Housing Revenue account as those houses are built and occupied.

Shared / partnership services

The following services are delivered in two or three way partnerships with South Cambridgeshire District Council (SCDC) and Huntingdonshire District Council (HDC):

With SCDC and HDC:

- 3C Building Control
- 3C ICT
- 3C Legal
- Home Improvement Agency

With SCDC:

- Greater Cambridge Shared Waste Service
- Greater Cambridge Shared Internal Audit Service
- Greater Cambridge Shared Planning Service
- Payroll

With HDC:

- CCTV

There are many other areas of both direct and indirect service provision that could be incorporated into the shared service model. Whilst some of services listed above are newly shared and work remains to be done to fully develop and embed the services, there is the possibility of other services coming forward for sharing in due course.

Cambridge Investment Partnership (CIP)

CIP is a partnership between the City Council and Hill Investment Partnership. It is a 50:50 Limited Liability Partnership (LLP). The investment partnership model provides an opportunity for the council to benefit from the experience and additional resource that a development partner can bring. Each partner shares the outputs (financial and social) in proportion to the value of its input, and therefore the model allows the partners to share the development risk and the development uplift arising from a scheme.

The agreed objectives of CIP as set out in the Members Agreement are:-

- Investment in the development of land to create successful new places that meet both the financial objectives (primarily a revenue return) and social objectives of Cambridge City Council (particularly housing that is affordable and is needed locally), provided always that individual sites may be developed to meet either financial or social objectives;
- Improve the use of council assets and those of other public sector bodies in the Cambridge, or Cambridge-wide area;
- Maximise the financial return through enhanced asset value (with reference to the first bullet above);

- Provide a return to the investment partners commensurate to their investment and the level of risk in respect to such investment.

National policy framework

Economic factors

2018 has seen a number of developments in the UK, EU, US and beyond that have a major impact on economic forecasts. These include Brexit negotiations, lower than anticipated unemployment, greater tax receipts and a significant reduction in national debt. The ongoing poor exchange rate in the £ sterling against the US Dollar has contributed to the rate of inflation.

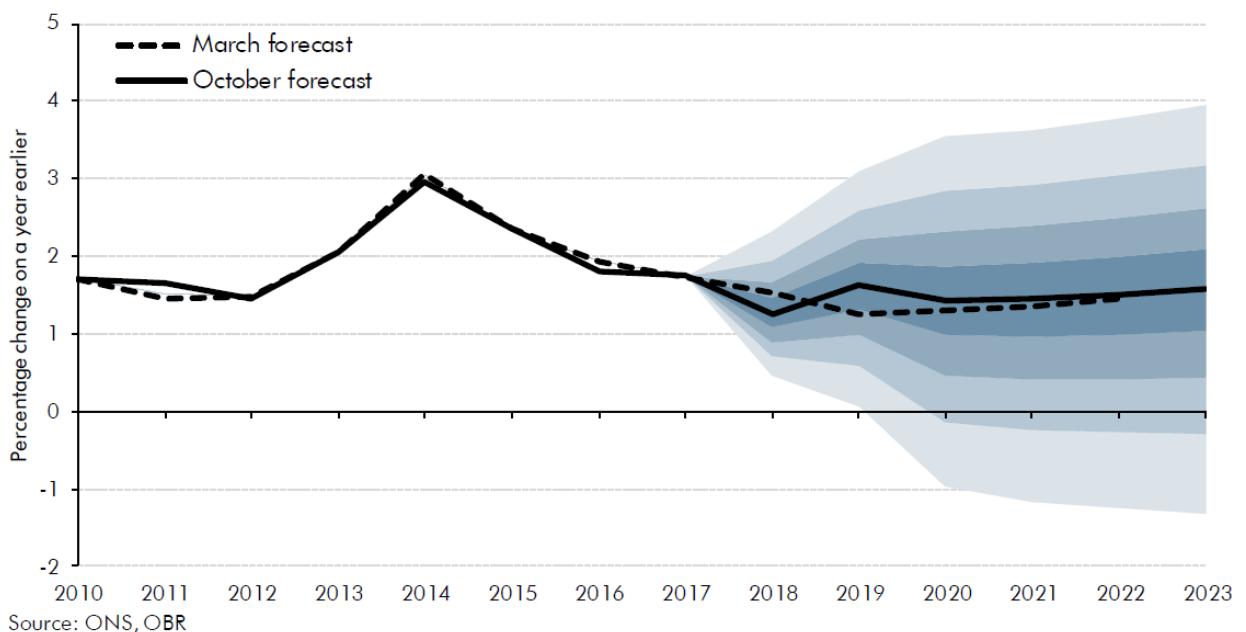
The Office of Budget Responsibility (OBR) commented in its October 2018 report:

"There remains no meaningful basis on which to predict the outcome of the current negotiations over the relationship between the UK and the EU after Brexit, so we have retained the broad-brush assumptions on productivity, trade and migration that we have made in our previous post-referendum forecasts. The one exception – in line with the March draft Withdrawal Agreement – is that we now assume that there will be a two-year transition period in which the trading relationship will remain as it is now. This delays the decline in trade intensity that we expect after we leave the EU."²

Most discussion of the economic outlook focuses on real GDP – the volume of goods and services produced in the economy. But the nominal (or cash) value is more important for the public finances, especially for the path of tax receipts. Nominal GDP is forecast to rise by 14.4% between 2018/19 and 2022/23, up from 12.9% in March.

² Report issued prior to Prime Minister's announcement of 16 November 2018

Real GDP fan chart (October 2018)



The Office for Budget Responsibility's charter states that the government's objective for fiscal policy is to "return the public finances to balance at the earliest possible date in the next Parliament". In January 2017, this was expected to be in the period from 2020 to 2025, but currently it can be any time between 2022 and 2027.

On current policy – including the decisions announced in Budget 2018 and the assumptions regarding the UK's exit from the EU – the deficit is expected to remain below 2 per cent of GDP throughout the forecast and, after a modest rise in 2019-20, to fall slowly over the four years to 2023-24.

The forecast reflects the effects of a significant underlying improvement in the public finances ensuing from better than expected tax receipts and lower than expected public spending in the first half of 2018. These gains are offset by the government's decision to use almost all of the improvement to boost public spending. Borrowing in 2018/19 is expected to be £11.6bn lower than forecast in March 2018.

Nominal government consumption (cash expenditure minus transfer payments, such as welfare) is expected to end the forecast slightly higher as a share of GDP than it started. This is the first time that the OBR has forecast such a rise, and is a significant development.

The reversal of the planned course of government spending in cash terms for the first time since 2010, albeit of somewhat modest magnitude, is the most significant features of this Budget. But perhaps another important development in terms of financial management is the Chancellor's signalling that PFI is coming to an end. However, this announcement was tempered by an insistence that other forms of private sector funding, so far unspecified, would be sought for large capital projects.

Bank of England forecasts from the November 2018 inflation report are as follows:

Forecast % at December	2018	2019	2020	2021
Gross Domestic Product (GDP) Growth	1.5	1.7	1.7	1.7
Consumer Index (CPI)	2.5	2.1	2.1	2.0
Unemployment rate	3.9	3.9	3.9	3.9
Bank base rate	0.7	1.0	1.2	1.4

These inflation forecasts show an under provision of inflation in the MTFS of approximately 0.1% in 2019/20 (~£20k) increasing marginally over time. No adjustment to budgets is proposed, as these amounts are minor in relation to overall expenditure.

Interest rates

Interest rates are set by the Bank's Monetary Policy Committee which increased the bank base rate to 0.75% on 2 August 2018 from 0.50% (2 November 2017). The committee maintained that rate at its November meeting and reported:



"In the Committee's central projection, conditioned on the gently rising path of Bank Rate implied by market yields and on a smooth adjustment to the average of a range of possible outcomes for the United Kingdom's eventual trading relationship with the European Union, GDP is expected to grow by

around 1¾% per year on average over the forecast period. Momentum in household consumption appears greater than previously expected, supported by the strong labour market and resilient household confidence. Over the forecast period, household consumption is expected to grow modestly relative to historical rates, broadly in line with real incomes. In contrast, business investment has been more subdued than previously anticipated, as the effect of Brexit uncertainty has intensified. Under the smooth transition assumption on which the forecast is conditioned, greater clarity is expected to emerge over the coming months, boosting investment growth. The MPC's projections were finalised before the Budget measures had been announced and the Committee will assess the implications at its next meeting.

The global economy continues to grow at above potential rates, supporting UK net trade. Growth has softened, however, and become more uneven across countries, and downside risks have risen. Global financial conditions have tightened, particularly in emerging market economies, and activity has slowed in the euro area. Trade restrictions have increased and there is a risk of further escalation."

Latest projections for interest rates from the council's treasury management advisors (Link Asset Services) at August 2018, set out below, show a rise from the current 0.75% to 1.5% by March 2021.

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.70%
6 month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.90%
5 yr PWLB	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10 yr PWLB	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25 yr PWLB	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50 yr PWLB	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

Interest rates projection at August 2018 (Link Asset Services)

2018 Budget Statement

The government published the Budget on 29 October 2018.

The Chancellor went some way to meet the Local Government Association's (LGA) call for investment in local services although long term pressures still exist. £650 million was announced for social care and it is hoped that the Spending Review next year will provide a longer term solution.

The LGA commented that "*significant funding gaps and rising demand for adult social care, children's services and homelessness support will continue to threaten other services our communities rely on, like running libraries, cleaning streets and maintaining park spaces.*"

The statement contained some items of relevance to the council, with little or no impact on the council's GF budget in the short-term, but with prospects for a longer term effect :

- Spending on public services will grow 1.2% above inflation a year from next year until 2023/24
- The national Living Wage will be increased by 4.9% to £8.21/hour from April 2019. The Council is paying a minimum of £10/hour for all employed staff.
- The government is lifting the cap on the amount of money local authorities are able to borrow to build housing (HRA).
- From April 2019, large businesses will be able to invest up to 25% of their apprenticeship levy to support apprentices in their supply chain.
- Public lavatories will receive 100% business rates relief.
- £1.7 billion was announced to increase existing work allowances in Universal Credit. People will also receive extra help as they move from their existing benefits to Universal Credit and there will be targeted support for people repaying debts.
- A £28.8 billion National Roads Fund, paid for by road tax, of which £25.3 billion is for the Strategic Road Network but also includes £150 million to improve local traffic hotspots such as roundabouts.

Section 3

Budget consultation

Context and approach

The council has carried out a budget consultation exercise annually since 2002, using a variety of quantitative and qualitative methods.

This year the Leader of the Council, Cllr Lewis Herbert, hosted two events in early November to discuss with local business and community representatives the council's budget priorities and challenges facing the city. The events provided the opportunity to listen to the Leader's view, participate in discussion and make comments about the path the council is looking to follow. Prior to the event a short questionnaire was provided to business representatives to hear their views about what they felt should be the priorities of the council, their satisfaction with council services relating to business and the approaches the council might take in balancing the budget.

The comments provided at the events have been used to help inform members' consideration of the council's developing budget.

The findings from the survey showed that local business respondents felt that collecting rubbish and recycling and planning for future development were the most important council services for them. They also thought the council should put more services online, continue looking at alternative ways of delivering services, such as local trusts, and protect capital spending on public assets. The number one priority for local businesses was growing the city's economy, followed by increasing the supply of affordable housing in the city.

The events were filmed with the consent of participants and the slides and videos can be viewed via the council's website.

Section 4

General Fund resources

Local government finance settlement 2019/20

In December 2015, as part of the provisional local government settlement, a four year funding guarantee was offered to councils that submit an efficiency plan. The City Council's plan was accepted by the government, confirming revenue support grant (RSG) and baseline levels of business rates for 2016/17 to 2019/20.

The provisional finance settlement was published on 13 December 2018. The final settlement was published on 29 January 2019 and debated in the House of Commons on 5 February. The settlement, provides funding figures for 2019/20. However, certain elements are subject to the funding guarantee described above.

Impact of final settlement 2019/20

The final settlement confirmed the figures originally announced within the provisional settlement. No changes have therefore been necessary to the budgets presented in this report.

Fair funding review and reforms to business rates retention

The fair funding review is intended to identify new baseline funding allocations for local authorities by delivering an up-to-date assessment of their relative needs and resources, using the best available evidence. A fair funding review technical consultation ran from December 2017 to March 2018. This consultation focused on potential approaches to measure the relative needs of local authorities. A further consultation was launched alongside the provisional settlement. It builds on responses received to the earlier consultation, seeking views on:

- Proposals to simplify the assessment of local authorities' relative needs

- The types of adjustment to be made to an authority's relative needs assessment to take account of the relative resources available to them to fund local services
- A set of principles that will be used to design potential transitional arrangements and examines how the baseline for the purposes of transition should be established.

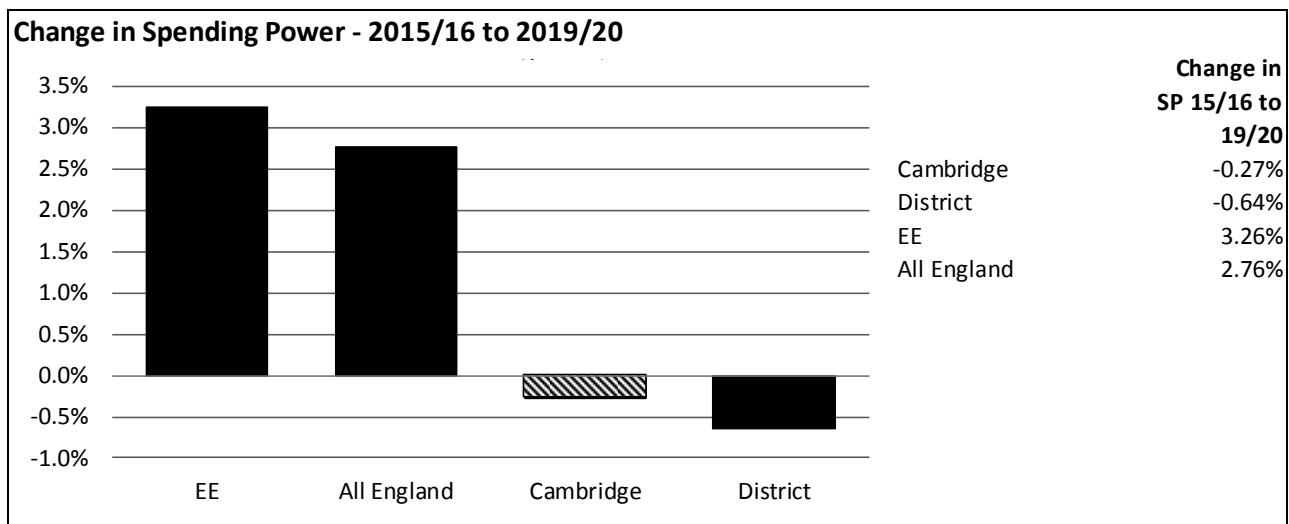
A consultation on the reform of the business rates retention system was also announced alongside the provisional settlement. It seeks views on proposals for sharing risk and reward, managing volatility in income and setting up the reformed business rates retention system.

The reform of the business rates retention system will sit alongside the wider changes to the local government finance system considered in the fair funding review, which the government aims to introduce in 2020.

Core spending power

Element of core spending power (£'000)	2018/19 Final	2019/20 Provisional	2019/20 Final	Change 2018/19 to 2019/20 Final
Settlement Funding Assessment (SFA):				
- Revenue Support Grant (RSG)	571	-	-	(100.0%)
- Business rates baseline	4,109	4,203	4,203	2.3%
	4,680	4,203	4,203	(10.2%)
Compensation for under-indexation of business rate multiplier	94	137	137	45.7%
New Homes Bonus (NHB) grant ¹ including returned funding	5,596	5,504	5,504	(1.6%)
Council tax income ¹	8,243	8,718	8,718	5.8%
Core spending power	18,613	18,562	18,562	(0.3%)

¹ – Figures based on government projections



EE – East of England

The core spending power measure, based on illustrative amounts for NHB, shows a decline of 0.27% over five years.

There are no material changes in the SFA from that included in MTFS 2018, as this funding has been guaranteed following the government's acceptance of the council's efficiency plan.

Future prospects

There is considerable uncertainty relating to the SFA for 2020/21 onwards as this is beyond the spending review announced for 2019, after the possible implementation of 75% business rates retention, and following possible changes to the tier split between upper and lower tier authorities. The outcome of the fair funding review and a probable baseline reset create further uncertainty. All these changes represent a total rebasing of the business rate funding system for local government. The council has modelled the possible trajectory of the SFA but is aware that considerable risk remains around these projections. It is also noted that as RSG has now declined to zero and the business rates tariff adjustment / negative RSG will be subsumed by the fair funding review, the SFA will be equal to the business rates baseline going forwards.

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
SFA / Business rates baseline	4,203	3,951	3,925	3,897	3,867

Local retention of business rates

The 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. For example there is currently uncertainty around whether the Valuation Office Agency (VOA) will be permitted to appeal the recent decision that retail ATMs are not rateable. If the VOA can appeal it is likely that this will take a number of years to come to court.

Although there has been growth in the tax base in the city since the scheme started in 2013/14, there have also been significant reductions as a result of the settling of appeals against rateable value (including backdated aspects).

Forecasting the effects and timing of new development and redevelopment on the city's tax base remains difficult. Significant development is continuing, for example on the Cambridge Biomedical campus and in the station area. The council expects some growth in 2019/20 as Royal Papworth Hospital opens and a major new office development at 50/60 Station Road is completed (Spring 2019). However, the timing and speed of these major projects remains subject to change. There are delays to the Astra Zeneca research and head office buildings project which was originally expected to commence occupation in late 2018.

There are also significant uncertainties around the operation of the business rates retention scheme in the next few years. The DCLG began working with local authorities and other interested parties in

2016 on changes to the local government finance system to pave the way for the implementation of 100% business rate retention. Progress on the design of any future scheme was halted by the General Election and it became clear that there was unlikely to be the capacity for government to consider the primary legislation required for 100% retention. However, as part of the settlement announcement in December 2017, the Department of Communities and Local Government (DCLG) gave some indication about the future shape of business rates retention.

The Secretary of State has announced that the local share in the business rates retention scheme (BRRS) will increase from 50% to 75% in 2020/21.

The review is likely to rebalance the distribution of business rates away from district councils towards those authorities with social care responsibilities, for example by changing the tariff and top up payments, or the relative shares of income between the tiers of local government. The government has also indicated that the increase in the retention percentage will mean the transfer of additional responsibilities to local government.

It remains difficult to forecast the appeals position accurately. There was a business rates revaluation at 1 April 2017. Alongside this there was a move to a process of 'Check, Challenge, Appeal' in respect of valuations. Nationally there has been very little activity in respect of businesses appealing their rateable values and this makes the appeals position for the 2017 list particularly challenging.

There are also uncertainties in respect of residual 2010 list appeals, with appeals settled elsewhere in the country having knock-on effects nationally. NHS Foundation Trusts, including those in the city, are also pursuing a claim for award of mandatory charitable relief, backdated a number of years.

Given these uncertainties the BSR takes a cautious approach to forecasting business rates income. The overall position is currently projected to reflect additional net income above the baseline of £800k in each year.

New Homes Bonus

2019/20 represents the final year of funding agreed through the Spending Review 2015. In light of this, it is the Government's intention to explore how to incentivise housing growth. In July 2018 The Ministry of Housing, Communities and Local Government (MHCLG, formerly DCLG) launched a

consultation covering proposals for the local government finance settlement for 2019-20, including proposals for NHB. This consultation ended on 18 September 2018.

The settlement confirms continuation of the existing threshold of 0.4% for the bonus payment. There is no change to the four year period over which the bonus continues to be paid.

The table below includes estimates of future NHB payments based on expected housing completions, four years of payment for bonus awarded in 2019/20 and thereafter and 0.4% deadweight threshold. Any changes in these factors could materially impact these estimates.

NHB is currently used to fund both revenue and capital spending related principally to growth and place. Up to and including 2018/19 40% of NHB has been set aside as a contribution to the GCP investment and delivery fund, with remaining amounts reserved for schemes to mitigate the impacts of the A14 upgrade. The GCP contribution from 2019/20 onwards has been agreed at 30%. However, the council's revenue expenditure takes priority over the contribution to the GCP Investment and Delivery Fund, so that the contribution may be limited to the available funding after revenue expenditure requirements have been met.

The amount of NHB that the Council will receive for 2019/20 was confirmed on 13 December 2018. Therefore it is proposed that uncommitted NHB in 2018/19 and 2019/20 be used to repay internal borrowing, creating a recurring saving by reducing the annual minimum revenue provision (MRP). As the future of NHB is uncertain, no similar proposals for 2020/21 onwards have been put forward at this time.

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Confirmed NHB funding at February 2018 BSR	(5,595)	(4,009)	(2,648)	(1,487)		
Add						
Confirmed NHB receipts for 2019/20		(1,496)	(1,496)	(1,496)	(1,496)	-
Estimated NHB receipts for 2020/21			(1,133)	(1,133)	(1,133)	(1,133)
Estimated NHB receipts for 2021/22				(1,161)	(1,161)	(1,161)
Estimated NHB receipts for 2022/23					(482)	(482)
Estimated NHB receipts for 2023/24						(494)
Potential New Homes Bonus Total	(5,595)	(5,504)	(5,277)	(5,277)	(4,272)	(3,270)
Commitments against NHB						
Funding for officers supporting growth e.g. within planning	785	785	785	785	785	785
Replacement of Homelessness Prevention Funding subsumed into the SFA	564	564	564	564	564	564
Public Realm Officer - Growth X3782	35	-	-	-	-	-
Direct revenue funding of capital (DRF)	1,075	1,075	1,075	1,075	1,075	1,075
Contribution to GCP	2,238	1,651	1,583	1,583	1,282	981
DRF to reduce internal borrowing NCL4329	116	1,429				
Total commitments against NHB	5,595	5,504	4,007	4,007	3,706	3,405
NHB reserved for A14 mitigation	782	-	-	-	-	-
Cumulative amounts reserved for A14 mitigation (schemes and profile of spend to be determined)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
NHB (uncommitted) / overcommitted	-	-	(1,270)	(1,270)	(566)	135

The above summary shows significant levels of reduction in expected NHB receipts in future years, demonstrating the importance of keeping this funding distinct from the core funding required to support ongoing services.

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 F.

These funds have been rationalised over the last couple of years, with the aim of retaining only major policy led funds. A number of funds still remain with residual balances and commitments; however these will be closed as soon as the commitments are delivered.

Existing funds

Sharing prosperity fund

The fund has been used to provide resources to fund fixed-term and one-off projects and proposals that support the objectives of the council's Anti-Poverty Strategy, namely:

- Helping people on low incomes to maximise their income and minimise their costs
- Increasing community pride, raising skills and aspirations, and improving access to higher value employment opportunities for people on low incomes
- Improving health outcomes for people on low incomes
- Helping people with high housing costs, increasing numbers of affordable homes, and improving the condition of people's homes
- Supporting groups of people that are more likely to experience poverty and social isolation, including children and young people, older people, women, people with disabilities, and BAME residents

A total of £1,634,406 has been allocated to date to 29 projects for delivery between 2014/15 and 2019/20. Some of the projects supported by the fund to date have included:

- Living Wage campaign officer and associated promotional budget
- Work to promote financial inclusion, including appointing a Financial Inclusion officer, promoting affordable finance options including credit unions, and money management projects in schools

- A programme of apprenticeships in council services
- Outreach advice work for people with mental health issues associated with low income and debt
- Work to address fuel and water poverty, including promotion of water meters, energy efficiency measures and Cambridgeshire County Council's collective energy switching scheme
- Free swimming lessons for children from low income families
- Promotion of healthy eating through cookery skills workshops for low income families
- An exercise referral scheme to support residents in low incomes areas with medical conditions to take physical exercise
- A programme of free holiday lunches at community centres and other venues
- Promoting 'Time Credits' to support volunteering in local communities
- A programme of arts and cultural activity to develop self-awareness, resilience and leadership skills amongst young people from low income families
- Provision of training and other support to promote digital skills and access

It was agreed at the Council's Environment and Community Scrutiny Committee on 28 June 2018 that funding for new anti-poverty projects would be separated into two elements:

- Funding to City Council-led anti-poverty projects. From 2019/20 onwards, funding for such projects will be allocated via the Council's existing budget setting process. Projects for 2019/20 are highlighted in this BSR as 'reducing poverty projects'.
- Funding for voluntary and community sector (VCS) organisations for projects that would help deliver the council's anti-poverty objectives. An additional £100,000 has been allocated to the council's Community Grants budget for 2019/20, and an additional 'reducing poverty' priority has been included in the criteria for the grants. The Executive Councillor for Communities will decide Community Grants allocations at the Environment and Community Scrutiny Committee meeting on 29 January 2019.

Climate change fund

The council's five key objectives in relation to climate change are set out in its Climate Change Strategy for 2016/2021. The first of these objectives is 'reducing emissions from the City Council estate and operations'.

To ensure a strategic approach to this objective, the council has produced two Carbon Management Plans for 2011/12 - 2015/2016 and 2016/17 - 2020/21. We delivered 47 carbon reduction projects

during the period of the first plan, and 9 projects were delivered during the first two years of the current plan (2016/17 and 2017/18). 8 more projects are scheduled for completion during 2018/19.

In 2008 the council established a dedicated Climate Change Fund (CCF) to finance projects that will contribute to the reduction of carbon emissions from the council's estate and operations. The fund supports projects focussing on:

- Energy and fuel efficiency;
- Sustainable transport;
- Waste minimisation; or
- Management of climate change risks.

Activities that can be supported include infrastructure, equipment, feasibility studies and awareness activities to change the behaviour of staff. Project proposals are assessed using a number of key criteria, including:

- Annual reduction in carbon dioxide emissions;
- Cost effectiveness (£ per tonne of CO₂ saved);
- Annual financial savings resulting from the project; and
- Payback period on investment.

In addition to reducing the council's carbon emissions, financial savings are achieved as a result of the installation of projects, by reducing the council's energy consumption and therefore energy bills. The financial savings achieved by projects costing over £15,000 and saving more than £1,000 per annum are recouped from the utility budgets of the Council services and sites where the measure was installed.

Between 2008/09 and 2017/18, £1.2m has been allocated to the CCF and 40 projects have been supported by the fund so far, including some of those set out in the Carbon Management Plans. In addition to this, a range of other sources of funding have been used to support carbon reduction projects. Projects funded to date through the CCF have included:

- A solar thermal system to provide hot water at Abbey Pool, pool covers at Parkside and Abbey Pools, and energy efficiency measures at Parkside Pool changing rooms

- LED lighting at Mandela House, the Corn Exchange, the Crematorium, and Grafton West, Grafton East and Grand Arcade car parks
- Upgrading boilers and installing heating controls at a number of community centres, leisure centres and administrative buildings including Mandela House.

During 2018/19 a number of energy efficiency and renewable energy generation technologies are being installed at the Guildhall with funding from the CCF. These measures include:

- Installing low energy LED light fittings and motion sensors.
- Installing a solar photovoltaic (PV) system, replacing existing roofing and installing additional insulation.
- Installing a combined heat and power system (CHP).
- Building automation measures to increase the level of control over the heating systems, including installing a new Building Energy Management System (BEMS);
- Mechanical works to improve the efficiency of the heating and hot water system, and insulation of pipework and valves in plant rooms to reduce heat loss;
- Installing secondary glazing where required.

With funding from the CCF, a number of further solar photovoltaic (PV) systems and lighting upgrades are also planned at pools and leisure centres, the crematorium, office accommodation and sheltered housing schemes for installation by the end of 2018/19.

It is proposed that an additional £100,000 be allocated to the CCF in the Budget Setting Report to support projects identified in the Carbon Management Plan for 2019/20 and beyond. Utilising the County Council's Refit 3 framework, high level assessments will be carried out in 2018/19 by the chosen contractor to assess the feasibility and viability of installing further potential carbon reduction projects at the following sites during 2019/20 and 2020/21:

- Parkside Pool
- Abbey Leisure Complex
- Kings Hedges Pool
- Cherry Hinton Village Centre
- Crematorium
- Corn Exchange
- Grand Arcade Annexe Car Park

The high level assessments will identify more accurate estimates of financial savings, but we would expect any projects that are taken forward to have a payback period of around 10 years.

Greater Cambridge Partnership (GCP) 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 GCP objectives which will support and address the impacts of growth. The contribution by individual authorities has now been agreed at 30% of NHB, a reduction from the previously planned 40%. The governance of the fund will be aligned with the governance of the GCP.

Invest for income fund

This fund was set up at BSR 2015 with contributions of £8m over three years. The purpose of the fund is to invest to create income streams to support service delivery in future years. Since inception, work has been undertaken to identify, investigate and evaluate a number of investment proposals. However, no proposals have reached implementation stage, so this BSR proposes to assign this fund to the financing of recently purchased commercial property, saving £200k of MRP costs each year.

Asset replacement funds

These are maintained to fund the periodic replacement of assets. Annual contributions are based on estimated replacement costs, spread over the anticipated life of the assets; these funds are kept for vehicles only.

Office accommodation strategy fund

This fund was set up at BSR 2016 to fund the ongoing programme of office / depot rationalisation. The office accommodation strategy works towards consolidating the council's city centre office accommodation at the Guildhall and Mandela House and developing longer term options for building rationalisation. Land at the depot has been released by relocating operational services to new depot facilities elsewhere in Cambridge and to Waterbeach Shared Waste and Garage sites. A significant amount of cultural change in how and where staff work has been supported through investment in training around smart working and changes in how teams are managed. The programme has also implemented reductions in space per desk and desk to staff ratios, underpinned by investment in smart working technology.

Staff are now occupying refurbished offices in Mandela House, Cowley Road and the Guildhall where office space has been rationalised. Mobile working has been enabled by new ICT hardware and software which is due to be rolled out to all services over the next year. Many staff have embraced the opportunity to use flexible working as a method of reducing both travel costs and time.

A14 mitigation fund

As referred to in the NHB section above, a temporary earmarked fund has been set up to accumulate NHB contributions to meet the requirement for funding of projects to mitigate the impacts in Cambridge of the A14 upgrade. As the work on the upgrade is completed and its impact on the city can be assessed, consideration will be given to how these funds might best be used.

Cambridge Live development fund

Approved at MTFS 2018, this fund was earmarked to support the transformation and ongoing development of Cambridge Live over the next two years, subject to a maximum spend of £500k, with full delegation for management of the fund assigned to the Chief Executive. Further intensive work has been undertaken with Cambridge Live since then, leading to a decision taken under urgency powers, to bring the activities of Cambridge Live back into the council. This BSR proposes that a further £250k of funding is added to the fund to provide resources to enable this transition.

General Fund (GF) development fund

The council will provide loans to Cambridge Investment Partnership (CIP), of which it is a member, to support the development of GF and HRA land. Interest income arising from the development of former council depot on Mill Road, land purchased at Cromwell Road and other CIP developments will be retained in an earmarked reserve reflecting uncertainty in both timings and quantum, and to provide a contingency fund reflecting the potential risks in this scheme and future schemes under development.

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. This calculation is governed by regulation and the formal setting of the tax base 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.

In 2019/20 the council will be permitted to charge a premium of 100% on a property which has been empty for more than 2 years, compared to the current premium of 50%. There will be safeguards for council tax payers – so for example if a property is genuinely on the market the premium will not be payable. The estimate of the council tax base reflects the new premium.

The tax base for 2019/20 has been calculated as 43,685.3 (2018/19 42,988.6) 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 1.6% increase in the tax base compared with 2018/19.

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 2019

The collection fund for council tax is projected to have a surplus at the end of the current year of £55,856. The City Council's share of this projected year end surplus is £6,267 and this will need to be taken into account in setting the council's budget for 2019/20. The position for business rates was described earlier in this section.

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.

The limit is a maximum increase of 3% for a Band D property, with some shire districts, including the City Council, permitted to increase their element of council tax by up to £5, where this is higher than 2.99%. The MTFS assumed an increase of 2.99% for 2019/20 and onwards.

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 October 2018 MTFS included the assumption of an increase of 2.99% for 2019/20 and onwards. The BSR incorporates a council tax increase in 2019/20 of just below 3% to £197.50 from £191.75 for band D and proportionately for other bands.

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 2019/20 is that an increase is excessive where it is more than 3% or £5 on the band D charge whichever is higher. Therefore the City council's proposed increase would not be deemed excessive. The table below shows the City council element of council tax for 2018/19 for each property band together with the proposed levels for 2019/20:

Band	City Council tax		
	2018/19 £	2019/20 £	Difference £
A	127.83	131.66	3.83
B	149.14	153.61	4.47
C	170.44	175.55	5.11
D	191.75	197.50	5.75
E	234.36	241.38	7.02
F	276.97	285.27	8.30
G	319.58	329.16	9.58
H	383.50	394.99	11.49

Section 5

General Fund revenue budgets

Revised budget 2018/19

GF revenue budgets for the current year (2018/19) were reviewed as part of the MTFS. It should be noted that the revised budget includes carry forward approvals from 2017/18. No adjustment of 2018/19 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.

Budget proposals

The GF revenue projections for 2019/20 to 2023/24 as presented in the MTFS have been reviewed and changes proposed. Proposals have arisen from policy initiatives, additional income opportunities balanced by additional staffing costs where appropriate, ongoing service transformations, unavoidable increases in costs and savings opportunities. The impact of these proposals is shown below, with the detailed proposals set out in Appendix C (e) and summarised by type of proposal in Appendices C (a) and C (b).

Performance against savings target

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 below shows that the overall effect of the measures recommended in the BSR has resulted in a total level of net savings of £2,440k across the period from 2019/20 to 2023/24.

Savings Targets	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
MTFS 2018 Current Savings Target (new savings each year)	190	630	542	244	482
Previous year savings not achieved / (over achieved)	-	-	-	-	-
Revised savings target	190	630	542	244	482
Unavoidable revenue pressures	598	581	637	697	697
Reduced income	377	542	644	522	522
Bids	545	376	58	145	145
Savings	(1,533)	(1,313)	(1,325)	(1,325)	(1,325)
Increased income	(286)	(266)	(80)	(160)	(160)
Programme	110	220	200	30	30
Net bids and savings	(190)	140	134	(91)	(91)
Revised savings target / savings	-	960	536	19	482
Adjustment to savings to attain target level of reserves at the end of 5 years and smooth savings over the final 4 year period	-	(325)	99	616	153
Savings still to be found	-	635	635	635	635

Review of significant proposals

Pressures:

Anti-poverty proposals

It is proposed that bids are incorporated for:

- Anti-poverty grants and internally delivered projects
- The continuation of a post to promote the Living Wage to local businesses
- Targeted subsidised and free swimming and exercise referral services
- A Fuel and Water Poverty Officer to support low income and vulnerable residents to reduce costs and use these utilities effectively
- A contribution to a Financial Inclusion Officer post, shared with the HRA.

Business Transformation funding

Additional funds are sought to enhance the council's transformation and project management capacity through consolidation of transformation and business analysis capability, the implementation of an enterprise portfolio management system (£30k p.a.) and the establishment of a corporate programme office (2019/20 £110k, 2020/21 £190k, 2021/22 £170k).

Parking Income

Improvements to Park Street Car Park during 2019/2022 will bring about a reduction in income of £870k over the period of this budget with an ongoing reduction of £226k pa from 2022/23. Car parks have experienced a year on year reduction in usage and this declining profile continues, is likely to continue and will become more acute with corresponding revenue pressures.

Recycled waste income

World prices for recycled waste have fallen with China, amongst others, no longer taking recyclate products (£100k).

Savings and additional income:

A number of smaller savings have been identified across service budgets. The following, more significant, proposals are also recommended.

Planning Fees

Savings and additional cost recoveries have been identified in respect of the shared planning service which will reduce our share of the cost of the shared service by £174k.

Parking Services Review

The service are undertaking a review which is anticipated to yield ongoing savings of £120k however this is not yet complete and this figure is provisional.

Technical adjustments:

A number of technical adjustments have been identified in respect of the amount of Minimum Revenue Provision provided (£314k), Maternity provision (£75k), Staff Turnover Allowance (£200k), and inflation increases on certain supplies and services budgets (£150k).

Non cash limit items:

In general, non-cash limit items do not impact on savings requirements, they are use of or contributions to reserves. As such, they are only used for one off items, principally of a transformational or policy nature.

Contribution to the CCF

An additional allocation of £100k is proposed to support carbon reduction projects to be delivered in 2019/20.

Contribution to the Cambridge Live development fund

A further allocation of £250k is proposed to provide resources to enable the transition of the activities of Cambridge Live back into the council.

Funding variances

Differences in funding allocations and outturns from previous estimates are actioned as non-cash limit items, for example, differences on the local government finance settlement such as the changes in NHB noted above, changes arising from re estimation of the council tax base and the council's share of the council tax collection fund surplus or deficit. Proposals are shown in Appendix C (c).

Section 6

General Fund: Expenditure and funding 2018/19 to 2023/24

Description / £'000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Expenditure						
Net service budgets	21,001	19,316	22,607	23,202	22,335	20,964
Net Bids and Savings (before allocation to other lines)	-	(190)	140	134	(91)	(91)
Capital accounting adjustments	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)
Capital expenditure financed from revenue	3,686	2,966	1,786	1,786	1,786	1,786
Contributions to earmarked funds	4,970	3,646	2,768	2,642	2,248	1,947
Revised net savings requirement	-	-	(635)	(635)	(635)	(635)
Net spending requirement	23,315	19,396	20,324	20,787	19,301	17,629
 Funded by:						
Settlement Funding Assessment (SFA)	(4,680)	(4,179)	(3,951)	(3,925)	(3,897)	(3,867)
Locally Retained Business Rates – Growth Element	(800)	(800)	(800)	(800)	(800)	(800)
Other grants from central government	-	-	-	-	-	-
New Homes Bonus (NHB)	(5,595)	(5,504)	(5,277)	(5,277)	(4,272)	(3,271)
Appropriations from earmarked funds	-	-	-	-	-	-
Council Tax	(8,227)	(8,627)	(9,000)	(9,426)	(9,879)	(10,344)
Contributions to / (from) reserves	(4,013)	(286)	(1,296)	(1,359)	(453)	653
Total funding	(23,315)	(19,396)	(20,324)	(20,787)	(19,301)	(17,629)

Section 7

Capital

Introduction

The council's asset portfolio as at 1 April 2018 is shown below.

Category	Value £000	%
Operational assets:		
Council dwellings	628,303	64.7%
Other land and buildings	137,850	14.2%
Vehicles, plant and equipment	8,957	1.0%
Infrastructure assets	4,346	0.4%
Community assets	1,344	0.1%
Total operational assets	780,800	80.4%
Non-operational assets		
Investment properties	175,281	18.1%
Surplus properties	0	0.0%
Assets under construction	14,843	1.5%
Total non-operational assets	190,124	19.6%
Overall total	970,924	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 has developed 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.

Capital strategy

In line with guidance, the council has prepared a capital strategy which is presented to the Strategy and Resources Scrutiny Committee and Council alongside the treasury management and investment strategies. The council is also undertaking an asset management review, which will be used to inform the capital strategy going forward.

Capital plan

The council's capital plan shows anticipated expenditure for the next 5 years, where relevant, for each programme or scheme.

Capital proposals

The majority of capital bids address the ongoing renewal, updating and major repairs of the council's buildings and operational assets. As such they support income generation (car parks, commercial property), and the delivery of services (ICT, vehicles, building repairs, etc). All capital proposals are shown in Appendix E (a) and the funding requirements in Appendix E (b). Approvals since the MTFS Oct 2018 are shown in Appendix E (c).

Significant Capital Bids

Vehicle replacements (waste and estates)

The procurement of the council's fleet vehicles, plant and equipment scheduled for replacement in 2019/20, as part of a rolling programme necessary to replace out of life assets that would otherwise significantly increase maintenance costs. This bid is for £0.7m and is funded from the asset replacement reserve.

Mill Road redevelopment

The Mill Road development, first identified in the BSR last year, has progressed with work now taking place on site. Throughout the year plans have developed and estimates have been refined accordingly. This development is being delivered by CIP providing the council with a capital receipt for the land and a projected surplus on the scheme. The capital contribution of £5,760k proposed last year is no longer required and has therefore been deleted from the capital programme.

Capital proposals were also presented for the provision of equity and secured development loans to the CIP to fund the development phase of the scheme. Revised figures are now available, reflecting the latest plans and estimates. Proposals are therefore put forward to revise and rephase these loans.

The council's equity loan to CIP will be matched by the council's partner, with both organisations earning 5% p.a. on these loans. The value of the loan will vary depending on the cash flows of the scheme, but is expected to peak at £4.3m in February 2020.

The scheme will require additional development funding expected to rise to £10.9m at peak requirement. The council will provide this loan in the place of a financial institution. The rate of interest will be determined at the point in time that funding is required by the scheme and with reference to market rates.

Cromwell Road redevelopment

The council purchased a site on Cromwell Road in 2018/19 and is now working with CIP to bring forward plans to develop the site. Capital proposals are presented for equity and secured development loans, based on early estimates. Whilst the council is committed to providing the equity funding through the CIP partnership agreement, the provision of development funding will be considered at the time the funding is required.

At this stage the equity funding requirement is expected to peak at £4.7m in July 2021 and the development funding at £7.1m in March 2021.

Investment in Lion Yard

An investment of £6.0m over 2019/20 and 2020/21 is proposed to support the redevelopment of part of the Lion Yard shopping centre to allow diversification of use, maintain the relevance and vibrancy of the shopping centre and to generate additional income.

Meadows Community Hub and Buchan Street Retail Outlet

This bid, totalling £4,614k over three years, provides for the development of a single community hub at the Meadows and the re-provision of a retail unit at Buchan Street, whilst freeing up land for the development of over 100 council homes. At this stage, funding from the council's cash balances (internal borrowing) has been assumed, with a minimum revenue provision (MRP) of £115k budgeted for from 2022/23. However, the possibility of a contribution from the HRA will be investigated and financing from capital receipts, when available, will be used to reduce internal borrowing and the associated MRP charge.

Modernisation of ICT applications and infrastructure

A number of capital bids are brought forward for consideration:

- Environmental Health ICT replacement system (40k)
- New audio-visual system for the committee rooms and council chamber (£125k)
- Income management system replacement (£47k)
- Secure phone payment solution (£24k)
- Replacement Property Management Software (£100k)
- Council Anywhere, hardware and software to support flexible and mobile working (£150k)

Allocation of existing cycleways funding

Although not a new capital bid, as it uses funding already allocated to cycleways within the capital plan, the final £40k from that budget has been allocated to provide extra secure cycle parking in local centres.

Financing

Capital schemes are funded from a variety of internal and external funding sources. The use of certain funding types is restricted, for example developer and other contributions, grants, and earmarked and specific funds.

Internal:

- Earmarked and specific funds (e.g. asset replacement reserve)
- Capital receipts
- NHB
- Revenue resources
- Internal borrowing

External:

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

Where capital expenditure is funded from internal or external borrowing, a minimum revenue provision (MRP) is charged annually in line with the council's MRP policy. In previous years £18.5m was spent on commercial property, funded from internal borrowing. It is proposed to use the Invest for Income Fund (£8m), capital receipts from the sale of residential plots at K1 (£3m) expected in December 2018 and early January 2019, and 2018/19 and 2019/20 unallocated NHB (£116k and £1,429k) to partially fund this expenditure and thereby avoiding annual MRP charges of £314k. Where the funding is available in 2018/19, the equivalent MRP charge in that year can also be avoided.

A further £1.5m of K1 receipts are expected, but timing is uncertain. Therefore these receipts will be used to fund significant projects in delivery at the time, avoiding the need for additional internal borrowing.

The following table shows the latest funding position, updated since MTFS Oct 2018:

Capital funding Available	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Funding available and unapplied (MTFS Oct 2018)	-	(1,352)	(1,761)	(1,786)	(1,786)	(1,786)
Capital bids requiring funding (Appendix E(b))	-	867	218	48	30	-
Direct revenue funding of capital (DRF) returned to revenue S4345	-	193	-	-	-	-
Net Funding Available	-	(293)	(1,543)	(1,738)	(1,756)	(1,786)

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

The current capital plan, updated for schemes approved since the MTFS 2018 and proposals for new schemes, is shown in detail in Appendix E (d). The tables below summarise the changes since the MTFS Oct 2018, the latest capital plan and shows how it is funded.

Capital plan spending	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Spend MTFS Oct 2018	30,949	11,562	3,366	61	-	-
Approvals since MTFS Oct 2018 see Appendix E (c)						
Cromwell Road redevelopment (GF share)	17,166	-	-	-	-	-
Section 106 (with funding)	192	77	-	-	-	-
Capital Plan total before new proposals	48,307	11,639	3,366	61	-	-
New proposals see Appendix E (a)	(5,407)	9,502	11,625	1,957	30	-
Total Spend	42,900	21,141	14,991	2,018	30	-

Capital plan spending	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Programmes	6,076	682	200	30	30	-
Projects	30,782	20,363	13,975	1,927	-	-
Sub total	36,858	21,045	14,175	1,957	30	-
Provisions	6,042	96	816	61	-	-
Total Spend	42,900	21,141	14,991	2,018	30	-

Capital plan funding	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
External support						
Developer Contributions	(2,745)	(77)	0	0	0	0
Other Sources	(495)	(431)	(25)	0	0	0
Total - External Support	(3,240)	(508)	(25)	0	0	0
City Council						
Direct Revenue Financing (DRF) - GF Services	(105)	(5)	0	0	0	0
Direct Revenue Financing (DRF) - Use of Reserves	(3,686)	(2,966)	(1,786)	(1,786)	(1,786)	(1,786)
Earmarked Reserve - Capital Contributions	(27,543)	(655)	0	0	0	0
Earmarked Reserve - Climate Change Fund	(300)	0	0	0	0	0
Earmarked Reserve - Repair & Renewals Fund	(2,156)	(682)	0	0	0	0
Earmarked Reserve - OAS	(473)	0	0	0	0	0
Internal Borrowing - Temporary Use of Balances	(626)	(16,516)	(14,723)	(1,909)	0	0
Usable Capital Receipts	(4,771)	(102)	0	(61)	0	0
Total Funding	(39,660)	(20,926)	(16,509)	(3,756)	(1,786)	(1,786)
Capital Plan	42,900	21,141	14,991	2,018	30	0
Net Funding Available	0	(293)	(1,543)	(1,738)	(1,756)	(1,786)

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:

- Assumptions and estimates, such as inflation and interest rates, may prove incorrect. These estimates are particularly difficult in light of current uncertainties surrounding the UK's exit from the EU, with or without a deal;
- The economic impact of the United Kingdom leaving the EU may impact some of the council's income streams, such as car parking income, commercial rents and planning fee income;
- Brexit uncertainty, coupled with the global nature of many of the businesses in the city, may reduce or reverse growth in the local economy. Impacts for the council could include reductions in business rates collected and increased demand for council services which support residents on low incomes.
- Unforeseen impacts resulting from a 'no deal' Brexit.
- Increases in council tax and business rates receipts due to local growth assumptions may not meet expectations;
- The actual impact and timing of local growth on the demand for some services may not reflect projections used;
- Funding from central government (NHB and other grants) may fall below projections;
- Business rates appeals, which may be backdated to 2010, may significantly exceed the provision set aside for this purpose;
- The impact of 75% business rates retention, coupled with any additional responsibilities handed down to the council at that time and the outcome of the fair funding review, may create a net pressure on resources;
- Savings plans may not deliver projected savings to expected timescales;

- New legislation or changes to existing legislation may have budgetary impacts;
- Unforeseen capital expenditure, such as major repairs to offices and commercial properties, may be required;
- The implementation of proposals to tackle congestion in Cambridge may adversely impact car parking income and the delivery of services that rely on officers travelling around the city. The council may also become subject to a work place parking levy; and
- The council may not be able to replace time limited funding for commitments to maintain open spaces associated with growth sites, or implement alternative arrangements for their maintenance.

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 D.

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 2019/20 proposals. This is included in this report at Appendix G. 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) reports 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; and

- it 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:

- MTFS 2018
- The corporate plan and the budget reports to the January cycle of meetings.

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 second publication of the BSR to be submitted to Strategy and Resources Scrutiny Committee.

General reserves

GF reserves are held as a buffer against crystallising risks, and to deal with timing issues and uneven cash flows. 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 MTFS. No further changes are recommended at this time.

GF reserves	£m
October 2018 MTFS / February 2019 BSR – Recommended levels	
- Target level	6.6
- Minimum level	5.5

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	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Balance as at 1 April (b/fwd)	(13,380)	(9,367)	(9,081)	(7,784)	(6,423)	(5,967)
Contribution (to) / from reserves per MTFS 2018	4,013	(96)	876	1,099	883	-
Non-Cash Limit items (Appendix C(d))	-	382	96	36	(37)	(106)
Impact of rephasing savings	-	-	325	226	(390)	(543)
Balance as at 31 March (c/fwd)	(9,367)	(9,081)	(7,784)	(6,423)	(5,967)	(6,616)

Section 9

Future strategy and recommendations

Future issues and prospects

The impact of a number of uncertainties and challenges outlined below are likely to become clearer in the early part of 2019/20. The new or developing issues and projects which are not clear at the time of agreeing this BSR include:

- **Fair funding review** – The government are reviewing the distribution of funding across local government, with the aim of simplifying the funding formulae and rebalancing funding and need to spend. The outcome of this review is expected to become clearer in the second half of 2019/20 and to be implemented for 2020/21. It is likely to result in significant funding reductions for the council.
- **Spending review** – A full spending review has been announced for 2019. It will determine the funding envelope for local government, and will set the trajectory for local government funding for the following five years.
- **New Homes Bonus (NHB)** – the future of this funding stream, designed to reward councils for achieving growth and to mitigate the impacts of that growth, is uncertain. It may be rolled into the funding total subject to redistribution through the fair funding review, or it could be revised and reformed in some way
- **75% business rates retention** – it is still unclear how this policy will be implemented, and therefore its impact on the council finances cannot be assessed at this point..
- **Homelessness Reduction Act 2017** – the Act has placed new legal duties on the council to provide help and advice to those who are homeless or at risk of becoming homeless and are

eligible for assistance. Expectations are that the demands on the service will increase as a result of the Act however it is too soon to assess the impact on the service and the costs of delivery.

- **Delivery of planned savings** – the council has delivered significant savings in previous years. As a result, current and future savings are more difficult to deliver and the council is undertaking a complex, cross cutting programme of change, both on its own and with partners to achieve them. Significant ICT and digital projects are underway, which could take time to deliver and embed and therefore to realise savings. These programmes represent a considerable challenge for the organisation.
- **Financial pressures on other partners** - as other agencies come under spending pressure there may be direct impacts on services which are currently funded by them or in partnership with them. The County council is facing significant cuts over coming years and the Cambridgeshire and Peterborough health economy continues to be under stress. Even where there are not direct cuts to city council funding there are likely to be indirect impacts on our community based services.
- **Welfare Reform** – the government's plans to reform the country's system of welfare payments continue to have implications for the Council not least the introduction of Universal Credit, which started in October 2018 in Cambridge. The government has made clear its expectation that staff will not TUPE across to the Department for Work and Pensions (DWP) and so the council will need to transform the service as migration of caseload to DWP takes effect.
- **Changes to housing policy** - the significant impact of changes to government policy in relation to the HRA has required significant housing related savings. They will have a knock on impact on support services funded through the HRA and other housing related services funded by the GF.

Future savings strategy

Our efficiency plan

The council submitted its efficiency plan to government in October 2016 and the Minister for Local Government wrote to the council in November 2016 confirming that this efficiency plan would be rewarded by a multi-year financial settlement. This meant the council could expect at least the minimum stated allocation of business rates and revenue support grant up to 2019/20. In return the council committed to continue its ambitious programme of service transformation.

The programme laid out in the efficiency plan tackled the need to deliver good services with fewer resources through five complementary strands of activity:

- Transforming the way the council delivers services by focusing on what's important to service users and delivering that well, sharing services with neighbouring councils where possible to reduce costs and to create stronger and more resilient teams.
- Reducing the number of council offices and reusing other assets.
- Developing new council businesses and ensuring all services think commercially and explore income generating opportunities.
- Investing money wisely so it does not sit in bank accounts earning very little but works to generate a better return for council tax payers.
- Challenging the council's capital programme to reduce capital commitments and ensuring those schemes that do go ahead are well planned and delivered in a timely way.

Underpinning all of this is a commitment to targeting scarce resources to help people who need help and to meet the needs of most vulnerable.

Delivery of our transformation programme in 2019/20

This budget setting report underlines that the council needs to undergo further transformational change over the next five years to meet its financial challenges alongside the challenges posed by

growth in the city. These themes in our efficiency plan remain relevant for our future savings strategy

The Chief Executive has already brought forward proposals to change the current structure at head of service level in order to create more impetus for the transformation of the organisation. This budget includes proposals to create some additional capacity to support transformation. The budget extends some existing resources for business analysis and process reengineering to underpin efficient workflows which were originally funded for a time limited period. This funding will be used for two new posts to support transformation programme and general programme management. The new Head of Transformation and team is an investment to provide capacity to achieve the savings required over the medium term. They will be focused on delivering a transformation programme which will deliver some of those savings directly and support other heads of services to deliver savings and efficiencies in their own service areas.

Transforming the way the council delivers services by focusing on what's important to service users and delivering that well, sharing services with neighbouring councils where possible to reduce costs and to create stronger and more resilient teams

Our programme of systematic service reviews will continue with the next phase focusing on:

Maximising efficiency benefits from recent and planned ICT investment

We are making a strong investment in new ICT. In the short-to-medium term the key focus will be on maximising the benefits of that investment. This will help us maximise productivity and drive efficiencies across all our services, both in the front office and the back office.

Reviewing how we best engage and respond to our residents

We need to move the council from a position where we have a mixed quality and quantum of digital delivery, to a position in which we are delivering our customer facing services using an effective

digital interface. We will review the way we respond and communicate with our residents with the aim of making transactions and payments as seamless as possible.

Continuing to maximise the potential of sharing services with other councils

We will continue to pursue plans to share services with other councils. In particular we will seek to embed the shared planning service with South Cambridgeshire District Council which was implemented during 2018/19. We will also continue to look at the services we already share to identify whether further efficiencies can be generated.

Use of car parks

We will consider both shrinking longer term income projections as new public transport infrastructure comes forward and the long term potential to use these assets differently.

Homelessness

The impact of the Homelessness Reduction Act and ensuring we are targeting grant aid effectively.

Play areas and open spaces

Including long term planning for and the funding of open space and play in new developments after commuted sums run out.

Human Resources

Reviewing the council's future needs and models for delivery with a particular focus on improving recruitment and retention.

Reducing the number of council offices and reusing other assets

We will develop and deliver an updated Asset Management strategy designed to make most efficient use of our remaining office buildings to maximise return on our commercial assets.

Developing new council businesses and ensuring all services think commercially and explore income generating opportunities

We will continue to identify further opportunities for more commercial approaches to our services. This will include taking the opportunity to sell services to other agencies, such as those offered by the procurement team.

Conclusions

This report presents a balanced budget for 2019/20 and a continuing strategy to maintain the council on a firm financial footing in the medium term. However, significant financial challenges and uncertainties remain.

The overall budget and medium term financial strategy are not without risk, as they rely on the successful delivery of a challenging programme of transformational projects, some of which rely on collaborative working with partners. They are also dependent on increasing levels of income which could be adversely impacted by local or national economic factors. The council actively manages the level of its reserves to give some protection against these risks.

Increasingly, the financial health of the council and hence its ability to deliver services to local residents and visitors to the city will be under the council's control. The key will be to balance policy driven spending with commercialism, and prudent management with well-considered risk taking for reward.

Section 10

Section 25 Report

Section 25 of the Local Government Act 2003 requires the Council's Section 151 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 2019/20 estimates and reserves up to 31 March 2020.

Robustness of estimates

The council has well established and robust budget processes. These have been followed when compiling the 2019/20 budget and medium-term projections.

Estimates and assumptions were reviewed during the preparation of the MTFS in October 2018, and confirmed during the development of this BSR. Appendix D reviews these estimates and assumptions and indicates the sensitivity of each in financial terms.

As for the previous budget year, 2018/19, the key driving factor through the process has been the requirement to identify savings to address projected decreases in core funding. The savings requirement in year has been addressed in three principal ways:-

- Ensuring that income is maximised, increasing fees and charges where feasible
- Identifying many small savings and efficiencies across the council
- Using existing resources to repay internal borrowing, reducing the requirement to charge minimum revenue provision (MRP).

The existing transformation programme will be continued, with more resources put into the

programme to ensure delivery. The programme will be extended by identifying systematic service reviews to provide a pipeline of savings for future years.

These actions require substantial change to be delivered within the organisation to demanding timescales and in a controlled way. The transformation programme includes savings resulting from sharing services with other local authorities, and the modernisation and upgrade of administrative buildings and ICT. There are, therefore, significant levels of risk around the estimation of potential income and 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 improved governance processes for the transformation programme during 2018/19.

The CIP development programme continues, using council land assets to provide housing and to generate income and capital surpluses. Progress is being made, but the scale of developments being undertaken and the partnership approach gives rise to complexity, uncertainties over timing, and increases financial risk to the council. At this stage, neither projected income nor surpluses from the programme have been used to support the delivery of council services or assumed as funding for future developments.

As noted in the BSR, local government funding levels in future years are subject to a number of government reviews and consultations. It is therefore not possible to predict these funding levels with any certainty at this point. The council will keep developments under review and bring forward proposals to address funding reductions at MTFS 2019, or sooner if necessary.

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 Section 151 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 claims.

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

A key mitigation for financial risk is the Section 151 officer's estimate of a prudent level of reserves. A risk assessment was undertaken in MTFS 2018 to determine the level of non-earmarked general reserves required by the council. Section 8 of this report recommends no changes to the assessment at this time. In making the recommendation for the level of reserves, the Section 151 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 2019/20 will be of the order of £5.5m.

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.

Financial sustainability

The Chartered Institute of Public Finance and Accountancy (CIPFA) is developing a Financial Sustainability Index for councils, comprising a range of indicators. The index has not yet been finalised, however CIPFA recommends that reference is made to the index in this report. The index confirms that the council is well placed in terms of financial sustainability.

I therefore consider that the estimates for the financial year 2019/20 to be sufficiently robust and the financial reserves up to 31 March 2020 to be adequate.

Caroline Ryba

Head of Finance and Section 151 Officer

Appendix A(a)

Calculation of Council Tax Base 2019/20

	A entitled to disabled relief reduction	Council Tax Bands									
		A	B	C	D	E	F	G	H	Total	
Dwellings on the valuation list		4,208	10,396	19,758	9,993	5,729	3,654	3,193	482	57,413	
Dwellings treated as exempt		(453)	(456)	(798)	(626)	(425)	(267)	(374)	(167)	(3,566)	
Adjustments for disabled relief (i.e. reduced by one band)		(1)	(11)	(42)	(29)	(20)	(11)	(11)	(2)	(127)	
	1	11	42	29	20	11	11	2	0	127	
Total chargeable dwellings	1	3,765	9,971	18,947	9,358	5,295	3,387	2,810	313	53,847	
Number of dwellings included in the totals above:											
Where there is a liability to pay 100% council tax		0	1,989	4,707	13,078	6,832	4,023	2,715	2,374	272	35,990
That are assumed to be subject to a discount or premium		1	1,776	5,264	5,869	2,526	1,272	672	436	41	17,857
Dwelling Equivalents:											
Number of dwelling equivalents after applying discounts and premiums to calculate taxbase	0.8	3,285.0	8,613.8	17,429.3	8,694.0	4,959.8	3,218.0	2,690.0	298.8	49,189.3	
Ratio to Band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9		
Band D equivalents	0.4	2,190.0	6,699.6	15,492.7	8,694.0	6,061.9	4,648.2	4,483.3	597.5	48,867.6	
Band D equivalent contributions for Government properties										1.0	
Allowance for Council Tax Support										(3,884.9)	
Tax base after allowance for Council Tax Support										44,983.7	
	Add		Estimated net growth in tax base								378.7
	Less		Adjustment for student exemptions								(1,101.6)
	Less		Assumed loss on collection at 1.3%								(575.5)
Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes											43,685.3

Appendix A (b)

Council Tax Setting 2019/20

1. The Council calculated its Council Tax Base 2019/20 for the whole Council area as **43,685.3** [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 2019/20 is **£8,627,850**
3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:
 - (a) **£178,989,840** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
 - (b) **£170,361,990** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
 - (c) **£8,627,850** 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) **£197.50** 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 & Crime Commissioner, Cambridgeshire & Peterborough Fire Authority have issued precepts to the Council (and nil for the Cambridgeshire & Peterborough Combined Authority) 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 2019/20 for each of the categories of dwellings in the Council's area.

Dwelling Band	City Council £	County Council £	Police & Crime Commissioner £	Fire Authority £	Cambridgeshire & Peterborough Combined Authority £	Aggregate Council Tax £
A	131.66	874.74	148.44	47.16	-	1,202.00
B	153.61	1,020.53	173.18	55.02	-	1,402.34
C	175.55	1,166.32	197.92	62.88	-	1,602.67
D	197.50	1,312.11	222.66	70.74	-	1,803.01
E	241.38	1,603.69	272.14	86.46	-	2,203.67
F	285.27	1,895.27	321.62	102.18	-	2,604.34
G	329.16	2,186.85	371.10	117.90	-	3,005.01
H	394.99	2,624.22	445.32	141.48	-	3,606.01

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 2019/20 is not excessive.

B Local Poverty Rating Index

A Local Poverty Rating Index to assist in assessing Budget Proposals 2019/20

To assist members in assessing the impacts of budget proposals on low income groups of people in the City a local poverty rating composite index ("the Index") has been developed and has been applied for this year's budget proposals for 2019/20 (as used in last year's process). The impact classifications are shown in the table below:

Impact classification of impact	Assessment
High	The bid is a good fit with the areas of focus in the council's Anti-Poverty Strategy and targets people on low incomes that are experiencing pressing and urgent problems that will affect their ability to meet their basic needs, such as housing, food, warmth and security in the short-term.
Medium	The bid touches on or is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families living on low incomes in the short to medium-term.
Low	The bid is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families, including those living on a low income.
None	The level of service to low income people and families will not change.
Negative	The bid is likely to reduce or restrict access to services by people or families living on a low income.

The council's full [Anti-Poverty Strategy](#) shows the objectives and areas of focus for the Cambridge Anti-Poverty Strategy.

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	B4155	Allocating funding for Anti Poverty Strategy (APS) projects to the Community Grants pot [Anti-poverty project]	0	0	100,000	0	0	Debbie Kaye
Communities	B4160	Anti-poverty responsive budget [Anti-poverty project]	0	30,000	0	0	0	Andrew Limb
Communities	B4165	Anti-Poverty Strategy and Living Wage campaign [Anti-poverty project]	0	22,000	11,000	0	0	Andrew Limb
Communities	B4182	Subsidised and free swimming and exercise referral services to support Anti-Poverty Strategy work [Anti-poverty project]	0	20,000	20,000	0	0	Debbie Kaye
Communities	B4193	Fuel and Water Poverty Officer [Anti-poverty project]	0	43,000	43,000	0	0	Joel Carre
Environmental Services & City Centre	B4189	Air Quality Officer	0	24,300	24,300	0	0	Joel Carre
Environmental Services & City Centre	B4199	Visit Cambridge & Beyond (VCB) set up loan repayment requirement	0	10,000	10,000	10,000	10,000	Joel Carre
Environmental Services & City Centre	B4219	Volunteer Groups - Continue with Officer support with recycling and cleansing groups in City and South Cambs	0	20,000	20,000	0	0	Trevor Nicoll
Environmental Services & City Centre	B4253	Environmental Health ICT system replacement project	0	38,000	0	0	0	Joel Carre
Finance & Resources	B4158	Recruitment of additional Housing Benefit Assessment (Overpayments) Officer. Linked to Income proposal II4159.	0	37,800	37,800	0	0	Alison Cole
Finance & Resources	B4187	Increase Procurement Team Resources from 2.5FTE to 3 FTE	0	20,000	20,000	20,000	20,000	James Elms
Finance & Resources	B4204	Cyber Security, Vulnerability Assessment and Remediation Solutions - CCC share	0	30,000	28,000	28,000	0	Jonathan James
Finance & Resources	B4224	Gwydir Enterprise Centre improvements and repairs	0	27,000	9,000	0	0	Dave Prinsep
Finance & Resources	B4225	69-71 Lensfield Road - external works and structural repairs	0	90,000	0	0	0	Dave Prinsep
Finance & Resources	B4316	Financial Inclusion Officer (GF share) [Anti-poverty project]	0	14,700	0	0	0	Alison Cole
Finance & Resources	B4324	Meadows Community Hub and Buchan Street Retail Outlet - internal borrowing - cost	0	0	0	0	115,350	Claire Flowers

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Housing - General Fund	B4171	Increased specialist consultancy support and advice for the delivery of new build schemes through the H.D.A.	0	53,200	53,200	0	0	Claire Flowers
Streets & Open Spaces	B4198	Streets and Open Spaces - Growth Officer	0	40,000	0	0	0	Joel Carre
Streets & Open Spaces	B4322	Community Clear up	0	25,000	0	0	0	Joel Carre
Bids Total			0	545,000	376,300	58,000	145,350	

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Programme								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Finance & Resources	PROG424	Enterprise Portfolio Management Solution (EPMS)	0	0	30,000	30,000	30,000	Fiona Bryant
Finance & Resources	PROG424	Establishment of Corporate Programme Office	0	110,000	190,000	170,000	0	Fiona Bryant
Programme Total				0	110,000	220,000	200,000	30,000

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Reduced Income								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	RI4179	City Council Garage - Reduction in revenue forecast	0	110,000	0	0	0	James Elms
Finance & Resources	RI4321	Lion Yard investment - internal borrowing - cost	0	0	0	150,000	150,000	Dave Prinsep
Planning Policy & Transport	RI4213	Reduction in income due to review of Shopmobility charges	0	45,000	45,000	45,000	45,000	James Elms
Planning Policy & Transport	RI4214	Park Street Closure implications to budget during closure	0	122,000	397,000	349,000	0	James Elms
Planning Policy & Transport	RI4215	Reduction in car parking income for all parking revenue less Park Street MSCP	0	100,000	100,000	100,000	100,000	James Elms
Planning Policy & Transport	RI4300	Park Street Closure implications to budget after re-opening	0	0	0	0	226,500	James Elms
Reduced Income Total			0	377,000	542,000	644,000	521,500	

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Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Unavoidable Revenue Pressure								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	URP4220	Property Growth Pressure on Refuse Collection Services	0	0	44,000	100,000	160,000	Trevor Nicoll
Environmental Services & City Centre	URP4222	MRF cost – reduction in income and increase costs (with current contract and market) under Amey contract	0	100,000	100,000	100,000	100,000	Trevor Nicoll
Finance & Resources	URP4209	Secure Phone Payment Solution	0	16,000	16,000	16,000	16,000	Jonathan James
Finance & Resources	URP4240	EastNet - Forced Procurement Replacement of Virgin Media CPSN	0	86,600	26,000	26,000	26,000	Fiona Bryant
Finance & Resources	URP4244	Support Services Review (SSR) - GF element	0	145,000	145,000	145,000	145,000	Fiona Bryant
Finance & Resources	URP4278	External interest revised projections (General Fund)	0	250,000	250,000	250,000	250,000	Caroline Ryba
Unavoidable Revenue Pressure Total			0	597,600	581,000	637,000	697,000	
Pressures & Bids Total			0	1,629,600	1,719,300	1,539,000	1,393,850	

Summary of Budget Proposals by type - Savings

Appendix C (b)

Increased Income								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	II4191	Environmental Health services fees and charges	0	(40,000)	(40,000)	(40,000)	(40,000)	Joel Carre
Environmental Services & City Centre	II4279	Increase income from Trade Waste Service	0	(10,000)	(10,000)	(10,000)	(10,000)	Trevor Nicoll
Finance & Resources	II4159	Increase in repayment of housing benefit overpayments.	0	(133,000)	(133,000)	0	0	Alison Cole
Finance & Resources	II4313	Procurement - income generation	0	(20,000)	0	0	0	James Elms
Finance & Resources	II4320	Lion Yard Investment - additional rental income	0	0	0	0	(80,000)	Dave Prinsep
Housing - General Fund	II4172	Increased fee income from the HRA for the delivery of new build schemes through the H.D.A.	0	(53,200)	(53,200)	0	0	Claire Flowers
Planning Policy & Transport	II4283	3C Building Control Review of Ratio of Non-Fee-Earning to Fee-Earning Elements	0	(30,000)	(30,000)	(30,000)	(30,000)	Heather Jones
Increased Income Total			0	(286,200)	(266,200)	(80,000)	(160,000)	

Summary of Budget Proposals by type - Savings

Appendix C (b)

Savings								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	S4286	Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review	0	(20,000)	(20,000)	(20,000)	(20,000)	Debbie Kaye
Communities	S4293	Reduce leisure management contract budgets (variations and utility variance)	0	(40,000)	(40,000)	(40,000)	(40,000)	Debbie Kaye
Communities	S4294	Reduce sport & recreation maintenance budgets	0	(15,000)	(15,000)	(15,000)	(15,000)	Debbie Kaye
Environmental Services & City Centre	S4166	Sustainable City admin and grants efficiencies	0	(18,000)	(18,000)	(18,000)	(18,000)	Andrew Limb
Finance & Resources	S4168	Savings from bringing website development support into shared service	0	(25,000)	(25,000)	(25,000)	(25,000)	Andrew Limb
Finance & Resources	S4176	Cash limit specific Supplies & Services Budgets	0	(150,000)	(150,000)	(150,000)	(150,000)	Caroline Ryba
Finance & Resources	S4177	Maternity leave costs delegated to service budgets	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba
Finance & Resources	S4178	Increase staff turnover allowance baseline by 1% to 4%	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba
Finance & Resources	S4205	Income Management Solution Replacement	0	0	0	(12,000)	(12,000)	Jonathan James
Finance & Resources	S4238	Savings from within HR service budget of £12k	0	(12,000)	(12,000)	(12,000)	(12,000)	Deborah Simpson
Finance & Resources	S4239	Delete vacant post of Assistant HR Business Partner	0	(38,000)	(38,000)	(38,000)	(38,000)	Deborah Simpson
Finance & Resources	S4247	Legal Practice	0	(64,500)	0	0	0	Tom Lewis
Finance & Resources	S4299	Invest for Income Fund used to repay internal borrowing - saving	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba
Finance & Resources	S4317	Unallocated NHB used to repay internal borrowing - saving	0	(38,600)	(38,600)	(38,600)	(38,600)	Caroline Ryba
Finance & Resources	S4318	Capital Receipt (K1) used to repay internal borrowing - saving	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba
Finance & Resources	S4345	Reduction in revenue funding (DRF) allocated to capital in 2019/20	0	(193,000)	0	0	0	Caroline Ryba
Housing - General Fund	S4169	Deletion of 18.5 hours of the Grants Officer	0	(22,100)	(22,100)	(22,100)	(22,100)	David Greening
Housing - General Fund	S4173	Reduction in Choice Based Lettings IT costs	0	(3,000)	(3,000)	(3,000)	(3,000)	David Greening
Housing - General Fund	S4174	Deletion of 7 hours of the Housing Strategy Manager post	0	(11,000)	(11,000)	(11,000)	(11,000)	David Greening
Housing - General Fund	S4175	Deletion of the Temporary Accommodation Coordinator post	0	(23,800)	(23,800)	(23,800)	(23,800)	David Greening

Summary of Budget Proposals by type - Savings

Appendix C (b)

Savings								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Planning Policy & Transport	S4167	Pruning unallocated budgets in Urban Growth cost centre	0	(4,000)	(4,000)	(4,000)	(4,000)	Andrew Limb
Planning Policy & Transport	S4216	Parking Services Administration Saving	0	(5,000)	(5,000)	(5,000)	(5,000)	James Elms
Planning Policy & Transport	S4217	Saving against Parking Maintenance	0	(13,000)	0	0	0	James Elms
Planning Policy & Transport	S4218	Parking Service review	0	(80,000)	(120,000)	(120,000)	(120,000)	James Elms
Planning Policy & Transport	S4262	Deletion of subscription to the Local Enterprise Partnership (LEP)	0	(16,720)	(16,720)	(16,720)	(16,720)	Stephen Kelly
Planning Policy & Transport	S4301	Planning Service - new and revised service delivery	0	(32,500)	(42,500)	(42,500)	(42,500)	Stephen Kelly
Planning Policy & Transport	S4302	Planning Service - Service change	0	(40,000)	(40,000)	(40,000)	(40,000)	Stephen Kelly
Planning Policy & Transport	S4303	Planning Service - more effective cost recovery process	0	(85,000)	(85,000)	(85,000)	(85,000)	Stephen Kelly
Strategy & External Partnerships	S4162	Democratic services-miscellaneous savings	0	(2,000)	(2,000)	(2,000)	(2,000)	Andrew Limb
Strategy & External Partnerships	S4163	Corporate policy efficiencies and administrative savings	0	(31,000)	(31,000)	(31,000)	(31,000)	Andrew Limb
Savings Total			0	(1,533,220)	(1,312,720)	(1,324,720)	(1,324,720)	
Savings Total			0	(1,819,420)	(1,578,920)	(1,404,720)	(1,484,720)	

Summary of Budget Proposals by type - Non-Cash Limit

Appendix C (d)

Non-Cash Limit Items								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	NCL4161	Additional allocation to the Climate Change Earmarked Fund	0	100,000	0	0	0	Andrew Limb
Finance & Resources	NCL4325	Additional contribution to Cambridge Live Development Plan Earmarked Reserve to include transition funding	0	250,000	0	0	0	Debbie Kaye
Non-Committee Items	NCL4326	New Homes Bonus (NHB) change to income projections	0	(389,000)	(390,000)	(390,000)	(390,000)	Caroline Ryba
Non-Committee Items	NCL4327	Contribution to Greater Cambridge Partnership (formerly City Deal) from New Homes Bonus (NHB)	0	(395,000)	(372,000)	(372,000)	(176,000)	Caroline Ryba
Non-Committee Items	NCL4328	New Homes Bonus (NHB) – unallocated	(116,000)	(645,000)	762,000	762,000	566,000	Caroline Ryba
Non-Committee Items	NCL4329	Unallocated NHB used to repay internal borrowing (DRF)	116,000	1,429,000	0	0	0	Caroline Ryba
Non-Committee Items	NCL4330	Council Tax Base adjustment	0	32,000	96,000	36,000	(37,000)	Caroline Ryba
Strategy & External Partnerships	NCL4335	Mill Road depot redevelopment - Equity Loan to CIP - interest receivable - revised	(25,000)	(78,000)	(51,000)	168,000	0	Caroline Ryba
Strategy & External Partnerships	NCL4336	Mill Road depot redevelopment - Development Loan to CIP - interest receivable - revised	9,000	147,000	17,000	(18,000)	0	Caroline Ryba
Strategy & External Partnerships	NCL4337	Mill Road depot redevelopment - Equity Loan to CIP - Contribution to GF development earmarked reserve - revised	25,000	78,000	51,000	(168,000)	0	Caroline Ryba
Strategy & External Partnerships	NCL4338	Mill Road depot redevelopment - Development Loan to CIP - Contribution to GF development earmarked reserve - revised	(9,000)	(147,000)	(17,000)	18,000	0	Caroline Ryba
Strategy & External Partnerships	NCL4339	Cromwell Road development - Equity Loan to CIP - interest receivable	(9,000)	(56,000)	(124,000)	(139,000)	(35,000)	Caroline Ryba
Strategy & External Partnerships	NCL4340	Cromwell Road development - Equity Loan to CIP - Contribution to GF development earmarked reserve	9,000	56,000	124,000	139,000	35,000	Caroline Ryba
Strategy & External Partnerships	NCL4341	Cromwell Road development - Development Loan to CIP - interest receivable	0	(12,000)	(160,000)	(108,000)	0	Caroline Ryba

Summary of Budget Proposals by type - Non-Cash Limit

Appendix C (d)

Non-Cash Limit Items								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Strategy & External Partnerships	NCL4342	Cromwell Road development - Development Loan to CIP - Contribution to GF development earmarked reserve	0	12,000	160,000	108,000	0	Caroline Ryba
Non-Cash Limit Items Total			0	382,000	96,000	36,000	(37,000)	

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Communities

Bids

B4155	Allocating funding for Anti Poverty Strategy (APS) projects to the Community Grants pot [Anti-poverty project]	0	0	100,000	0	0	Jackie Hanson	Nil
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The Council seeks to establish a grant fund open to applications from all voluntary and community sector (VCS) organisations for projects that would help deliver the Council's anti-poverty objectives. Funding for anti-poverty projects delivered by VCS organisations would be incorporated into the Council's Community Grants and an additional funding priority of 'reducing poverty' would be added. Projects funded under the 'reducing poverty' priority of the community grants would primarily be revenue projects. This approach is consistent with the existing criteria for the Community Grants. The bid is therefore for an additional annual budgetary allocation of £100k to the Community Grants. The funds for 2019/20 (£100k) have already been authorised by the Council in July 2018.

B4160	Anti-poverty responsive budget [Anti-poverty project]	0	30,000	0	0	0	David Kidston	Nil
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As agreed at Environment and Community Scrutiny Committee on 28 June 2018, all proposals for new projects that support the delivery of the Council's Anti-Poverty Strategy from 2019/20 onwards will be submitted as individual budget proposals. This bid is for a separate responsive budget, which will be used to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes in the city that emerge during the course of 2019/20.

B4165	Anti-Poverty Strategy and Living Wage campaign [Anti-poverty project]	0	22,000	11,000	0	0	David Kidston	Nil
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This bid would fund the continuation of a 0.5 FTE post to: continue the Council's promotion of the Living Wage to businesses in Cambridge; ensure that all Council contracts continue to Living-wage compliant on an ongoing basis; and work with local businesses to identify ways in which they might use their skills, capacity and resources to support achievement of shared objectives around tackling poverty and disadvantage in Cambridge.

B4182	Subsidised and free swimming and exercise referral services to support Anti-Poverty Strategy work [Anti-poverty project]	0	20,000	20,000	0	0	Ian Ross	Nil
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The bid is for a continuation of subsidised and free swimming and exercise referral services to support delivery of the Anti-Poverty Strategy. The swimming initiatives bid (£10k) include free swimming for Sure Start centre users, women-only BAME sessions and targeted work with schools where achievement of KS2 swimming is challenging. The exercise referral scheme bid (also £10k) is to continue to offer free exercise on prescription services to those patients referred from Arbury Road, East Barnwell and Nuffield Road surgeries.

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Communities

B4193	Fuel and Water Poverty Officer [Anti-poverty project]	0	43,000	43,000	0	0	Justin Smith	+M
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The Fuel and Water Poverty Officer supports low income and vulnerable residents to reduce heating and water costs, and to heat their property effectively. Outcomes include a reduction in fuel poverty and improving health and wellbeing. These outcomes contribute to anti-poverty, housing, and climate change strategy objectives. We have had success in reducing fuel poverty in previous years, however latest Government figures show fuel poverty in Cambridge has increased to 5,632 (11.5%) of residents. Without this Officer there would be limited support to take residents out of fuel poverty.

Total Bids in Communities	0	115,000	174,000	0	0	
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Capital Bids

C4156	CHUB - community extension to Cherry Hinton Library	0	767,000	0	0	0	Allison Conder	-L
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There is an identified need for additional community provision to offset development in and around Cherry Hinton. Local preference is for an extension of the existing community hub in the library. An initial phase would cost £484.5k, with funding from Royal British Legion (£250k) of which £200k would require the city council to agree a reducing liability underwriting proposal; generic/specific S106 (£200k); County Council (£28k); Cherry Hinton Residents Association (£1.5k); City Council Community Services (£5k). It would be more cost effective and less disruptive to the community if both phases were constructed at the same time. The additional cost of a combined scheme is £282.5k (total £767k). Before final approval is given for delivery of the combined scheme, further fundraising will be sought to achieve this based around current efforts by Cherry Hinton Residents Association to win funding from trusts.

Total Capital Bids in Communities	0	767,000	0	0	0	
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Savings

S4286	Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review	0	(20,000)	(20,000)	(20,000)	(20,000)	Sally Roden	Nil
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Community services are in the process of reviewing the future funding and allocation of resources to NCP projects to align them with the review of community provision outcomes and also the mainstream grants process. This work will take place over the next 12 months. Previously the Council has stated an aim to reducing NCPs reliance on Council funding. This proposed £20k reduction (from £86k to £66k) would still leave a substantial sum to be allocated to projects during the review period. This affects the Abbey People group and the North Cambridge Community Partnership (formed after a merger of Arbury and Kings Hedges groups. The community review seeks to ensure resources are directed to areas and communities in greatest need in the city.

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Communities

S4293	Reduce leisure management contract budgets (variations and utility variance)	0	(40,000)	(40,000)	(40,000)	(40,000)	Ian Ross	Nil
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Remove budgets for contract variation and utility variance adjustment from leisure management budget. None
This is not always 100% spent.

S4294	Reduce sport & recreation maintenance budgets	0	(15,000)	(15,000)	(15,000)	(15,000)	Ian Ross	Nil
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The sport, leisure and recreation budgets have a total of £90k allocated for general maintenance. This is not None
always 100% spent. The proposal is to reduce it by £15k.

Total Savings in Communities	0	(75,000)	(75,000)	(75,000)	(75,000)	
Total Communities	0	807,000	99,000	(75,000)	(75,000)	

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Environmental Services & City Centre**Bids**

B4189	Air Quality Officer	0	24,300	24,300	0	0	Jo Dicks	+L
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Create a permanent resource (0.5 FTE) to enable the Council to respond to the ongoing air quality technical needs associated with the planning and development of the strategic growth sites and associated infrastructure. The post was initially funded for two years (2017-2019) to ensure the Council had sufficient capacity to respond to the high planning case load (c1500 consultations per annum) and to support strategic air quality initiatives, such as the Air Quality Action Plan; and Clean Air Zone. There is an ongoing need for the post. Without this additional resource, the Council will have insufficient capacity to respond to planning consultations and support strategic air quality initiatives, both of which have legal implications.

B4199	Visit Cambridge & Beyond (VCB) set up loan repayment requirement	0	10,000	10,000	10,000	10,000	Joel Carre	Nil
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To remove the requirement for VCB to pay back the set-up loan (£90K), which forms part of the Business Transfer Agreement, when the independent, not-for-profit organisation was established by the Council in 2016. The agreement commits VCB to offset the loan's repayment against the VCB Strategic Partner Membership fee (£10k pa) which the Council is expected to pay to VCB from April 2019. Holding VCB to the payback agreement will make it extremely difficult for the organisation to move into surplus and create a long-term viable operating model to support the ongoing management of the c8M visitors which the city now attracts. VCB's proposal means that the Council would forego the offset leaving payment of the annual Strategic Partnership Member fee of £10k pa from 2019/20. The full cost of forgoing the £90k loan would need to be met in 2018/19.

B4219	Volunteer Groups - Continue with Officer support with recycling and cleansing groups in City and South Cambs	0	20,000	20,000	0	0	Suzanne Hemingway	+L
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The service has over 150 volunteers that work to improve their local environment and reduce waste. The medium volunteers support the service by helping out at local events; distributing leaflets to local residents; acting as a focal point in the community for recycling issues; talking to groups about recycling; displaying posters on local notice boards; undertaking sweeping and community events. This grade 3 post will also support with composting advice to offset the changes to the garden waste service. The officer will continue to support residents to reduce contamination in dry recycling thus reducing increases in contract costs.

The bid is to continue to fund officer that is already in place.

The cost is to be split between City and South Camb 50/50 - i.e. £20k each council.

B4253	Environmental Health ICT system replacement project	0	38,000	0	0	0	Joel Carre	+L
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2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect <i>& Poverty Ratings</i>
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	Contact

Environmental Services & City Centre

The City Council Environmental Health IT system contract expires in June 2019. SCDC are procuring a system None at present on behalf of the three councils. CCC is named as a partner and can be called off of the contract once funding is available. This is a one off revenue to £38K Y1 (2019/20), Y2 onwards covered from current revenue budget (£30k). Y1 budget assumption is based on having to cover licence and support costs for both current and procured new systems, until the latter is built, tried and tested and rolled out; and current one can be 'switched off'. [Linked to C4252]

Total Bids in Environmental Services & City Centre 0 92,300 54,300 10,000 10,000

Capital Bids

C4180 **Vehicle fleet replacements 2019/20** 0 682,000 0 0 0 David Cox +L

The project is the procurement of the Council's fleet vehicles, plant and equipment scheduled for None replacement in 2019/20, as part of a rolling programme necessary to replace out of life assets that would otherwise significantly increase maintenance costs. Funded from Repairs & Renewals Provisions.

C4181 **Mobile column vehicle lifts
for workshop** 0 24,400 0 0 0 David Cox -L

The HGV area of the workshop has three vehicle lifts and one hard standing area. This hard standing area is only used 20% of the time. By procuring a set of lifts we could fully utilise this area increasing efficiency and income. Capturing the 80% at an hourly rate of £44.60 per hour possible Return On Investment of £111K per annum assuming a 25% uplift return would be £27K in the first year.

C4252 Environmental Health ICT replacement system project 0 40,000 0 0 0 Joel Carre +L

The City Council Environmental Health IT system contract expires in June 2019. SCDC are procuring a system None at present on behalf of the three councils. CCC is named as a partner and can be called off of the contract once funding is available. This is a one off capital bid to purchase a new EH system following a detailed specification [linked to B4253].

Total Capital Bids in Environmental Services & City Centre 0 746,400 0 0 0

Increased Income

II4191	Environmental Health services fees and charges	0	(40,000)	(40,000)	(40,000)	(40,000)	Yvonne O'Donnell	Nil
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Introduction of fees and charges for following Environmental Health services: training for businesses; None immigration and mentoring visits; primary authority partnerships; and pre-application advice and condition discharge for planning.

II4279 Increase income from Trade Waste Service 0 Page 261 (10,000) (10,000) (10,000) Suzanne Hemingway BSR 2019-20 Page 73 of 137 Nil

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Environmental Services & City Centre

The trade waste service has delivered additional profit to both councils for a number of years. If trade waste continues to follow its correct business plan it is estimated that the service will be able to deliver an additional £20k profit (£10k per Council).

The service is currently working with a team of MBA students from the Cambridge University Judge Business School on a project to fully review the trade waste market in the area and develop a marketing direction.

Total Increased Income in Environmental Services & City Centre

0	(50,000)	(50,000)	(50,000)	(50,000)
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Non-Cash Limit Items

NCL4161	Additional allocation to the Climate Change Earmarked Fund	0	100,000	0	0	0	David Kidston	+H
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An additional allocation to the Council's Climate Change Fund to support carbon and energy reduction projects to be delivered in 2019/20 at Council buildings. Specific projects will be identified following further assessments scheduled to be carried out at the following sites: Parkside Pool, Abbey Leisure Complex, Kings Hedges Pool, Cherry Hinton Village Centre, Crematorium and Corn Exchange. Subject to further investigation, potential projects will include heating, lighting and ventilation improvements.

Projects delivered through the Re-Fit Energy Performance Contract bring guaranteed financial savings to the Council. Services benefiting from these projects have their budgets adjusted accordingly.

Total Non-Cash Limit Items in Environmental Services & City Centre

0	100,000	0	0	0
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Reduced Income

RI4179	City Council Garage - Reduction in revenue forecast	0	110,000	0	0	0	David Cox	Nil
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As vehicles are replaced the maintenance requirement is reduced; an indicative example is refuse trucks 1st year costs £5k vs. 5th year costs £15k. This means that on an annual basis, as vehicles age or are replaced with new that budget expectations will need to be reviewed. A more developed forecasting model, informed by the fleet performance over the past 18 months that has greater rigour and accuracy has been used for this year's forecast. The lack of forecasting data has led to key clients underperforming against expectations for FY16/17, FY17/18 and current year.

Total Reduced Income in Environmental Services & City Centre

0	110,000	0	0	0
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Savings

S4166	Sustainable City admin and grants efficiencies	0	(18,000)	(18,000)	(18,000)	(18,000)	David Kidston	Nil
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Savings from underspends on the Council's Sustainable City budget, including underspends on conferences and events, and on historic grants no longer required for local sustainability partnerships (Travel for Cambridgeshire and the Biodiversity Partnership)

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Environmental Services & City Centre

Total Savings in Environmental Services & City Centre	0	(18,000)	(18,000)	(18,000)	(18,000)
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Unavoidable Revenue Pressure

URP4220	Property Growth Pressure on Refuse Collection Services	0	0	44,000	100,000	160,000	Suzanne Hemingway	-H
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Property growth has a direct impact on the total cost of collection, for every 3000 households built, the None service requires an additional vehicle and 3 staff. The revenue cost for vehicle and staff is £155k per year.

This calculation is for CCC part of the service. The growth figures come from Greater Cambridge Housing Trajectory which shows greater growth in SCDC (67% of growth) than the City (33% of growth).

The increase in costs in 2019/20 of around £35k have been averted by finding efficiency savings within the service.

URP4222	MRF cost – reduction in income and increase costs (with current contract and market) under Amey contract	0	100,000	100,000	100,000	100,000	Suzanne Hemingway	Nil
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The pressure is due to changes in the world commodity market which has led to a fall in the secondary None material value and an increase in the quality requirements of material for recycling. In the last year we have seen a fall in the income of our recyclate in the region £5/6k per month. In addition to this, we have also lost £12/£13k per month due to reduced recycling rate income, penalties and loss of income due to the increased monitoring for contamination. More resident education will support with reducing/maintaining contamination costs, however we have no control over material value.

The cost is to be split between City and South Camb 50/50 - i.e. £100k per council.

Total Unavoidable Revenue Pressure in Environmental Services & City Centre	0	100,000	144,000	200,000	260,000
Total Environmental Services & City Centre	0	1,080,700	130,300	142,000	202,000

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Bids

B4158	Recruitment of additional Housing Benefit Assessment (Overpayments) Officer. Linked to Income proposal II4159.	0	37,800	37,800	0	0	Naomi Armstrong	Nil
<p>Proposal to recruit an additional Housing Benefit (Overpayments) Officer is linked to an initiative between DWP, HMRC and Cabinet Office to data match outstanding Housing Benefit debtor information with employment and self-employment information held. DWP estimate that additional income for 2 years is likely to be in the region of £133,000 per year. We participated in a small pilot earlier in the year and were able to recover debts where we had been unsuccessful in getting a response from previous contact with debtor. [Linked to II4159]</p>								
B4187	Increase Procurement Team Resources from 2.5FTE to 3 FTE	0	20,000	20,000	20,000	20,000	Heidi Parker	Nil
<p>The proposal is to increase a 1/2 band post to a full time post at a lower band so as to enable the current level of support around procurement compliance to continue, to ensure all future complex procurements will also be managed in house thus savings the council any additional costs and enable procurement to contribute to be a proactive means by which to support other council objectives. (for the past 12 months there has been 3 FTEs in procurement with the funding gap having been met by a bid to the transformation board - without it all the additional support would not have been and will not be available going forward) [Linked to II4313]</p>								
B4204	Cyber Security, Vulnerability Assessment and Remediation Solutions - CCC share	0	30,000	28,000	28,000	0	Jonathan James	Nil
<p>3Cs are required to prevent unauthorised, malicious, or fraudulent data access to the three partners. Each partner is also required to complete an annual IT health check to connect to the Public Sector Network (PSN). 3CS are recommending implementation of a Security Information & Event Management solution that will identify and alert in real time suspicious activity so any potential breaches can be immediately investigated and prevented. 3CS are also recommending a Cyber Security Vulnerability Assessment and Remediation solution to allow 3CS to perform their own regular in advance security assessments so that PSN compliance can be achieved and more easily retained. This bid is the city council's share of the total costs.</p>								
B4224	Gwydir Enterprise Centre improvements and repairs	0	27,000	9,000	0	0	Andrew Muggeridge	+L

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

This was intended as a capital bid in accordance with long term financial planning proposals made earlier in the year for works to Commercial Property. Various works have been identified at Gwydir Enterprise Centre via the planned maintenance programme and surveys carried out by QMP in late 2015. The works identified for the year 2019/20 are as follows together with costings:

Repairs to boundary wall: £2,800, New external lighting: £12,000, Hardstanding repairs: £7,500, Lining to car park: £2,000, Contingency @ 10%: £2,430 - Total £26,730

These repairs are items related to addressing health and safety matters and improving energy efficiency. This will not generate additional income but will maintain existing (current income c£125,000 p.a.)

B4225	69-71 Lensfield Road - external works and structural repairs	0	90,000	0	0	0	Andrew Muggeridge	Nil
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This was intended as a capital bid in accordance with long term financial planning proposals made earlier in the year for works to Commercial Property. Various works have been identified at 69-71 Lensfield Road via the planned maintenance programme and surveys carried out by QMP in 2015. The works identified for the year 2019/20 are as follows together with costings:

Scaffolding: £16,500, External Decorations: £28,000, New Rain Water Goods: £2,500, Repointing to Walls & Chimney £2,500, Roof repairs: £1,500, Structural repairs: £30,000, Contingency @ 10%: £9,100 - Total £90,100

These are part building maintenance and part health and safety issues due to structural problems with part of the building preventing occupation of those parts. The structural repairs are necessary to keep the building safe and may enable occupation of more of the building generating an additional income.

B4316	Financial Inclusion Officer (GF share) [Anti-poverty project]	0	14,700	0	0	0	Naomi Armstrong	Nil
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This existing post (previously funded through sharing prosperity fund) provides support and hands-on assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives going forward. The client group tends to be those on lowest incomes, the most vulnerable claimants and families with complex needs and often chaotic lifestyles. This is the GF share (35%).

B4324	Meadows Community Hub and Buchan Street Retail Outlet - internal borrowing - cost	0	0	0	0	115,350	Jim Pollard	+M
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Construction of new Community Hub at Meadows and a Retail outlet at Buchan Street. This forms part of a scheme that will provide 106 Council rent dwellings funded through devolution grant and the HRA capital programme. The funding required from the GF may be reduced by a contribution from the HRA CP subject to Secretary of State approval. The retail unit at Buchan Street will generate a return. Requires an annual minimum revenue provision (MRP) of £115,350.[Linked to C4323]

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Capital Bids

C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	0	125,000	0	0	0	Andrew Muggeridge	-L
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The current audio-visual system in the Committee Rooms and Council Chamber has come to the end of its usable life. Continual breakdowns, connectivity problems as well as interference/crackling. All of this is hindering the ability to hold meetings. This project is to replace the existing audio-visual system in both Committee Rooms; this will include a new hearing system with a new up to date conference system to meet current and future needs and expectations. At the same time the audio system in the Council Chamber is going to be replaced to the same standard, the visual being done at a later date.

C4203	Improvements to Customer Service Centre	0	91,000	0	0	0	Clarissa Norman	Nil
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Improvements to Customer Service Centre to include new cash machine, scanners, lighting, CCTV and a panoramic camera to improve staff safety in the front of house area.

C4206	Income Management Solution Replacement	0	47,000	0	0	0	Clarissa Norman	+L
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All 3C partners currently use Capita for their income management and payment solutions. This scheme is to replace the whole income solution with a more cost effective product that enables the councils to improve customer service.

All 3C partners are looking to replace the current service provider for the following reasons:

- Capita are not offering their current products in line with technology trends such as mobile friendly web pages
- Capita team response to issues is slow and inefficient
- Project costs are unreasonable and project managers fail to resolve issues across projects. The level of service does not justify the high fees charged. [Linked to S4205]

C4208	Secure Phone Payment Solution	0	24,000	0	0	0	Clarissa Norman	+L
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Cambridge City Council, SCDC and HDC are all currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS.

Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. Calls should not be recorded or stored if they include sensitive card data but there is a risk calls on our network could be compromised and the data stolen. [URP4209]

C4210	Replacement Property Management Software Project	0	100,000	0	0	0	Philip Doggett	Nil
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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Funding to procure and implement a replacement property management software system. The current property management system holds property ownership and management information and is an essential tool for overall management of the Council's property portfolio. It has not been upgraded or replaced for over 20 years. It is unable to operate on the Windows 10 platform or through "Council Anywhere" and is now unsupported and the supplier (Northgate) is not investing in the product or upgrading. The current software previously failed Government compliance requirements. The quality of decision making on property matters is crucially dependent on the quality and accuracy of property data and the ability to manipulate this. A comprehensive, easy to use, web-enabled system will facilitate this.

C4251	Council Anywhere	0	114,600	18,000	18,000	0	Fiona Bryant	+L
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The primary objective of the Council Anywhere project is to move to an effective, standardised and supportable ICT desktop setup, allowing 3C ICT to take on best of breed solutions and removing long standing issues. The technology is being utilised to help support the Office Accommodation Strategy and support the transformation agenda at Cambridge City.

This bid is to cover the devices identified from a recent audit of staff and equipment to ensure all can benefit from the advantages of flexible working.

This includes providing Planning staff (based at SCDC working on CCC applications) with ICT hardware which will allow them to work more collaboratively and flexibly and support the creation of future savings as a result of services becoming significantly more efficient and productive through the use of technology the £54k cost being spread £18k over each of 3 years.

C4319	Lion Yard investment - capital spend	0	4,200,000	1,800,000	0	0	Dave Prinsep	Nil
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. [Linked to proposals II4320, RI4321]

C4323	Meadows Community Hub and Buchan Street Retail Outlet	0	554,000	2,168,000	1,892,000	0	Jim Pollard	+M
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Construction of new Community Hub at Meadows and a Retail outlet at Buchan Street. This forms part of a scheme that will provide 106 Council rent dwellings funded through devolution grant and the HRA capital programme. The funding required from the GF may be reduced by a contribution from the HRA CP subject to Secretary of State approval. The retail unit at Buchan Street will generate a return. [Linked to B4324]

Total Capital Bids in Finance & Resources	0	5,255,600	3,986,000	1,910,000	0
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Increased Income

II4159	Increase in repayment of housing benefit overpayments.	0	(133,000)	(133,000)	0	0	Naomi Armstrong	Nil
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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Projected increase in repayments of housing benefit overpayments from claimants that are no longer claiming benefit (and who now have the means to make the repayments), who either gave the Council wrong information or could have known that they were being overpaid, or who didn't report a change in their circumstances. This would be achieved by making use of a new DWP matching service with HMRC, providing the opportunity to significantly increase income for the Council, but this will only be realised if we invest in additional resource to gain maximum impact from the data. (This proposal refers to 2019/20 and 2020/21 only as the introduction of Universal Credit will significantly reduce the amount of housing benefit being created). [Linked to B4158].

II4313	Procurement - income generation	0	(20,000)	0	0	0	Heidi Parker	Nil
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This budget bid is for first year income generation only and will be reviewed annually. [Linked to B4187, None Increase Procurement Team 2.5 to 3 FTE]

II4320	Lion Yard Investment - additional rental income	0	0	0	0	(80,000)	Dave Prinsep	Nil
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. Return calculated at 5%, income stream commences after completion. The full year's income from 2023/24 will be £300k per year. [Linked to proposals C4319, RI4321]

Total Increased Income in Finance & Resources	0	(153,000)	(133,000)	0	(80,000)	
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Non-Cash Limit Items

NCL4325	Additional contribution to Cambridge Live Development Plan Earmarked Reserve to include transition funding	0	250,000	0	0	0	Jane Wilson	Nil
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The Council has been working with Cambridge Live to review the organisation's business, and this work has now concluded. Both parties have agreed that the contracted services run by Cambridge Live should return back to the direct control of the Council. The decision is made in the best interests of the beneficiaries of these services, i.e. local people and to ensure a successful and financially sustainable future for all cultural activity covered by the contract. It is proposed that additional funding of £250k is made available in 2019/20 to be utilised for the transition.

Total Non-Cash Limit Items in Finance & Resources	0	250,000	0	0	0	
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Programme

PROG4242	Enterprise Portfolio Management Solution (EPMS)	0	0	30,000	30,000	30,000	Paul Boucher	Nil
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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

The Council will be implementing an Enterprise Portfolio Management System (EPMS) from early 2019 which will support the Corporate Programme Office and all services in delivering and managing our complex range of projects and programmes. The procurement has involved our partner Council's and it is expected that they will adopt the solution which will make cross council complex projects easier to manage in the future. Existing provision in the transformation fund covers the one off implementation costs and user licence costs in 2019/20 as a carry forward. On-going revenue funding is required from 2020/21 to cover user licence costs and this bid is linked to the Establishment of the Corporate Programme and Transformation Office budget proposal.

PROG4243	Establishment of Corporate Programme Office	0	110,000	190,000	170,000	0	Paul Boucher	Nil
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This will enhance the council's transformation and project management capacity to lead and support and delivery of service reviews and major complex projects. This is an investment to save as the team will provide support to ensure we deliver the savings required for future years and to keep major projects on track.

Total Programme in Finance & Resources	0	110,000	220,000	200,000	30,000		
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Reduced Income

RI4321	Lion Yard investment - internal borrowing - cost	0	0	0	150,000	150,000	Dave Prinsep	Nil
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. Requires an annual minimum revenue provision (MRP) of £150k. [Linked to proposals C4319, II4320]

Total Reduced Income in Finance & Resources	0	0	0	150,000	150,000		
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Savings

S4168	Savings from bringing website development support into shared service	0	(25,000)	(25,000)	(25,000)	(25,000)	Ashley Perry	Nil
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3C ICT took over responsibility from an external supplier for supporting, hosting, maintaining and developing the council's website in 2018. This shared service arrangement presents efficiencies compared to an external contract, so the full budget is no longer required in this cost centre.

S4176	Cash limit specific Supplies & Services Budgets	0	(150,000)	(150,000)	(150,000)	(150,000)	John Harvey	Nil
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Cash limit specific Supplies & Services Budgets - GF element

None

S4177	Maternity leave costs delegated to service budgets	0	(75,000)	(75,000)	(75,000)	(75,000)	John Harvey	Nil
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		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

It is proposed to remove the central provision so that where cover is needed to maintain service delivery all None costs of maternity leave will be met directly by services in 2019/20 and in future years. This will ensure that these costs are correctly attributed to services, and that this funding is released to support service delivery. There will be no impact on the rights of those on maternity leave, who will continue to be entitled to payment in line with Council Maternity Policy.

S4178	Increase staff turnover allowance baseline by 1% to 4%	0	(200,000)	(200,000)	(200,000)	(200,000)	John Harvey	Nil
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Increase staff turnover allowance baseline by 1% to 4% GF element in line with experience. None

S4205	Income Management Solution Replacement	0	0	0	(12,000)	(12,000)	Clarissa Norman	+L
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All 3C partners currently use Capita for their income management and payment solutions. This scheme is to replace the whole income solution with a more cost effective product that enables the councils to improve customer service. None

All 3C partners are looking to replace the current service provider for the following reasons:

- Capita are not offering their current products in line with technology trends such as mobile friendly web pages
- Capita team response to issues is slow and inefficient
- Project costs are unreasonable and project managers fail to resolve issues across projects. The level of service does not justify the high fees charged. [Linked to C4206]

S4238	Savings from within HR service budget of £12k	0	(12,000)	(12,000)	(12,000)	(12,000)	Deborah Simpson	Nil
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Savings across various codes within the HR budget totalling £12k. None

S4239	Delete vacant post of Assistant HR Business Partner	0	(38,000)	(38,000)	(38,000)	(38,000)	Deborah Simpson	Nil
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Delete vacant post of Assistant HRBP with effect from April 2019. None

S4247	Legal Practice	0	(64,500)	0	0	0	Tom Lewis	Nil
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By reflecting on the positive growth in income and limited expenditures on training, travel etc. it is possible to identify a 10% saving for next year, 2019/20, as a one-off saving at this stage. The saving for the City Council would be £64,564 which would also see savings for South Cambs and Hunts equating to a combined figure £119,100. None

S4299	Invest for Income Fund used to repay internal borrowing - saving	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba	Nil
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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Allocate the £8m Invest for Income Fund to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £200k None

S4317	Unallocated NHB used to repay internal borrowing - saving	0	(38,600)	(38,600)	(38,600)	(38,600)	Caroline Ryba	Nil
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Allocate the unallocated portion of New Homes Bonus (NHB) to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £38,600. [Linked to NCL4326, NCL4327, NCL4328 and NCL4329]. None

S4318	Capital Receipt (K1) used to repay internal borrowing - saving	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba	Nil
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Allocate capital receipts expected on completed plot sales at K1 in December 2018 and January 2019 to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £75k. None

S4345	Reduction in revenue funding (DRF) allocated to capital in 2019/20	0	(193,000)	0	0	0	Caroline Ryba	Nil
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Reduction in revenue funding (DRF) allocated to capital in 2019/20, reflecting the expected availability of capital receipts to meet capital financing requirements None

Total Savings in Finance & Resources	0	(1,071,100)	(813,600)	(825,600)	(825,600)		
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Unavoidable Revenue Pressure

URP4209	Secure Phone Payment Solution	0	16,000	16,000	16,000	16,000	Clarissa Norman	+L
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Cambridge City Council, SCDC and HDC are all currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS. None

Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. Calls should not be recorded or stored if they include sensitive card data but there is a risk calls on our network could be compromised and the data stolen. [Linked to C4208]

URP4240	EastNet - Forced Procurement Replacement of Virgin Media CPSN	0	86,600	26,000	26,000	26,000	Fiona Bryant	Nil
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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Finance & Resources

Replacement of CPSN Wide Area network currently supplied by Virgin Media and due to expire end of 2019 None with new EastNet Wide Area Network to be supplied by MLL Telecom, awarded as a result of procurement run by Cambridgeshire County Council. While most costs are now understood, the split between partners may not be known for some time, and will be depend on which partners join. Novation of Virgin Media Circuits may not be known until early 2019. ICT suggest that the migration will take an FTE. The revenue increases are on top of the existing CPSN budgeted costs: Exit Costs = £21,000 (year 1) - 3% of expected £700k tot

Staff Backfill = £40,000 (year 1) - CCC contribution to 1 FTE (effort related to significant number of discrete sites compared to other partners)

Amortised Setup and annual running costs = £26,000 (7 years) - Access Circuit Migration and Core costs

URP4244	Support Services Review (SSR) - GF element	0	145,000	145,000	145,000	145,000	Paul Boucher	Nil
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In setting the 2015 budget, £800K was built in as the savings target to be delivered over 4 years to reduce our support and central costs. At that stage we were at the early stages of developing and implementing alternative share service delivery models and the realisation of the full savings was uncertain. £600K savings have been achieved through support service reviews of ICT, Finance and Business Support and from procurement activity leaving £200k allocated £145k to GF and £55k to HRA. There is very little scope for further centralisation or consolidation of CCC support services, in view of the shared services that have been implemented.

URP4278	External interest revised projections (General Fund)	0	250,000	250,000	250,000	250,000	Charity Main	Nil
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Revising the income from external interest that are attributable to the General Fund based upon projected balances held.

Total Unavoidable Revenue Pressure in Finance & Resources	0	497,600	437,000	437,000	437,000	
Total Finance & Resources	0	5,108,600	3,791,200	1,919,400	(153,250)	

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Housing - General Fund

Bids

B4171	Increased specialist consultancy support and advice for the delivery of new build schemes through the H.D.A.	0	53,200	53,200	0	0	Claire Flowers	Nil
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To deliver the increased number of new homes that are anticipated to be on site or in earlier stages of progress from 2019/20, additional resource is requested to allow the use of specialist consultants and legal advisors where required. These costs are expected to be full recovered through the fee income generated by the H.D.A from the HRA Capital Programme. [Linked to II4172]

Total Bids in Housing - General Fund

0	53,200	53,200	0	0
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Increased Income

II4172	Increased fee income from the HRA for the delivery of new build schemes through the H.D.A.	0	(53,200)	(53,200)	0	0	Claire Flowers	Nil
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The fee income earned by the Housing Development Team is expected to be greater in 2019/20 and 2020/21 due to the increased delivery of new homes as part of the 500 Programme. The increased fee income will allow the budget set for the team for the next two years to include funding for the specialist advice and consultancy that is expected to be required to facilitate this. [Linked to B4171]

Total Increased Income in Housing - General Fund

0	(53,200)	(53,200)	0	0
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Savings

S4169	Deletion of 18.5 hours of the Grants Officer	0	(22,100)	(22,100)	(22,100)	(22,100)	Helen Reed	Nil
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This saving proposes the deletion of 18.5 hours of the full time Grants Officer post dealing with the approval of Disabled Facilities Grants and Private Sector Grants and Loans. This would reduce the current post to half time for Cambridge City Council. There will be no negative impact of this saving on the ability to consider and approve grant applications made.

S4173	Reduction in Choice Based Lettings IT costs	0	(3,000)	(3,000)	(3,000)	(3,000)	David Greening	Nil
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Based upon expenditure in 2017/18, it is proposed to reduce budgets for the IT costs for the Choice Based Lettings System as costs have proved to be lower than as budgeted.

S4174	Deletion of 7 hours of the Housing Strategy Manager post	0	(11,000)	(11,000)	(11,000)	(11,000)	Helen Reed	Nil
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2019/20 Budget - GF proposals - by Portfolio**Page 18 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Housing - General Fund

This saving proposes the deletion of 7 hours of the full time Housing Strategy Manager post, as the current post holder works 30 hours per week. This would mean that any additional ad-hoc housing research would need to be funded from elsewhere if it was required.

S4175	Deletion of the Temporary Accommodation Coordinator post	0	(23,800)	(23,800)	(23,800)	(23,800)	David Greening	Nil
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This saving proposes the deletion of the Temporary Accommodation Coordinator post within the Housing Advice. Following reorganisation of the Housing Service, there is now a reduced need for a post that liaises between two services that now operate as a single service and less need for a specialist in commercial temporary accommodation as this is now dealt with within the restructured Temporary Accommodation Team.

Total Savings in Housing - General Fund	0	(59,900)	(59,900)	(59,900)	(59,900)	
Total Housing - General Fund	0	(59,900)	(59,900)	(59,900)	(59,900)	

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Non-Committee Items

Non-Cash Limit Items

NCL4326	New Homes Bonus (NHB) change to income projections	0	(389,000)	(390,000)	(390,000)	(390,000)	Caroline Ryba	Nil
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New Homes Bonus (NHB) income projections have been revised following the notification from the Ministry for Housing, Communities and Local Government (MHCLG) December 2018 and recalculated based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL4327, NCL4328, NCL4329 and S4317].

NCL4327	Contribution to Greater Cambridge Partnership (formerly City Deal) from New Homes Bonus (NHB)	0	(395,000)	(372,000)	(372,000)	(176,000)	Caroline Ryba	Nil
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New Homes Bonus (NHB) to support the Greater Cambridge Partnership (formerly City Deal) programme, which is based on a contribution of 40% in 2018/19 and revised to 30% for all other years, has also been revised following notification from the Ministry for Housing, Communities and Local Government (MHCLG) December 2018 and recalculation based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL4326, NCL4328, NCL4329 and S4317].

NCL4328	New Homes Bonus (NHB) – unallocated	(116,000)	(645,000)	762,000	762,000	566,000	Caroline Ryba	Nil
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Net unallocated New Homes Bonus (NHB) has been revised following the notification from the Ministry for Housing, Communities and Local Government (MHCLG), revised allocations for Greater Cambridge Partnership (formerly City Deal) infrastructure investment and any further funding allocations. [Linked to NCL4326, NCL4327, NCL4329 and S4317].

NCL4329	Unallocated NHB used to repay internal borrowing (DRF)	116,000	1,429,000	0	0	0	Caroline Ryba	Nil
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Allocate the unallocated portion of New Homes Bonus (NHB) in 2018/19 and 2019/20 to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £38,600. [Linked to NCL4326, NCL4327, NCL4328 and S4317].

NCL4330	Council Tax Base adjustment	0	32,000	96,000	36,000	(37,000)	Charity Main	Nil
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The projected Council Tax Base has been recalculated using the recent housing statistics which shows a slower rise than previously anticipated, resulting in a reduction in the income from Council Tax.

Total Non-Cash Limit Items in Non-Committee Items

0	32,000	96,000	36,000	(37,000)
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Total Non-Committee Items

0	32,000	96,000	36,000	(37,000)
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2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Planning Policy & Transport

Capital Bids

C4194	Local Highway Improvement (LHI) programme	0	0	30,000	30,000	30,000	Alistair Wilson	Nil
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To extend the current jointly funded City/ County Council LHI programme for a further four year period, None 2019-23. The LHI programme is managed and primarily delivered by the County Council with the aim of tackling persistent highway problems through projects, which make an improvement, have local benefit and add value. There is an expectation that LHI project applicants make a financial contribution to the programme, typically 10%. In Cambridge, the City Council's annual £30K allocation provides the necessary match funding, where the applications are from, or have the support of, Ward Councillors. Contributions to individual projects are approved by the Executive Councillor for Planning and Transport in accordance with the priorities established, and funding available.

C4211	Replacement of Pay and Display machines	0	18,000	0	0	0	Sean Cleary	Nil
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The purchase of solar powered, card only, pay and display machines at Adam and Eve, Castle Hill, Riverside and Gwydir Street surface car parks as existing machines need upgrading

C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	0	20,000	0	0	0	Sean Cleary	Nil
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Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park as existing servers need upgrading.

[Funded from residual Local Authority Parking Enforcement (LAPE) earmarked reserve]

Total Capital Bids in Planning Policy & Transport	0	38,000	30,000	30,000	30,000	
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Increased Income

II4283	3C Building Control Review of Ratio of Non-Fee-Earning to Fee-Earning Elements	0	(30,000)	(30,000)	(30,000)	(30,000)	Heather Jones	Nil
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Review of the ratio of non-fee-earning to fee-earning element of Building Control, this is reliant on the Negative approval to increase the fees and charges and that the current level of income increases.

Total Increased Income in Planning Policy & Transport	0	(30,000)	(30,000)	(30,000)	(30,000)	
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Reduced Income

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Planning Policy & Transport

RI4213	Reduction in income due to review of Shopmobility charges	0	45,000	45,000	45,000	45,000	Sean Cleary	Nil
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The Council has concluded on the base of detailed monthly usage data that, even after the Shop Mobility charges reduction in September, charging is not an effective route to matching the funding gap following withdrawal of the County Council £45k per year grant contribution. A free service will therefore recommence from April 2019.

RI4214	Park Street Closure implications to budget during closure	0	122,000	397,000	349,000	0	Sean Cleary	Nil
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Park Street car park will be fully closed for redevelopment from Jan 2020 - December 2021 . This bid covers None the sum of the anticipated reduction in income and any savings in operating costs during closure.

[Linked to RI4300]

RI4215	Reduction in car parking income for all parking revenue less Park Street MSCP	0	100,000	100,000	100,000	100,000	Sean Cleary	Nil
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The strategy of charging a parking charge premium on cars using the car parks at peak times has successfully None reduced usage at those times and contributed to reducing congestion and air pollution. The effect on car park income is recognised by this reduction in expected income.

RI4300	Park Street Closure implications to budget after re-opening	0	0	0	0	226,500	Sean Cleary	Nil
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Park Street car park will be fully closed for redevelopment from Jan 2020 - December 2021 . This bid covers None the sum of the anticipated reduction in income and any savings in operating costs after re-opening.

Total Reduced Income in Planning Policy & Transport	0	267,000	542,000	494,000	371,500	
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Savings

S4167	Pruning unallocated budgets in Urban Growth cost centre	0	(4,000)	(4,000)	(4,000)	(4,000)	Tim Wetherfield	Nil
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The Urban Growth cost centre (1709) has previously been allocated a £1,660 annual budget for agency staff, which is not needed and can be given up for 2019/20 onwards. Similarly, the £2340 conference expenses annual budget could be trimmed to £500 per year from 2019/20 onwards without impacting on the service.

S4216	Parking Services Administration Saving	0	(5,000)	(5,000)	(5,000)	(5,000)	Sean Cleary	Nil
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2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Planning Policy & Transport

Saving from advertising cost line. No negative impact to service delivery anticipated None

S4217	Saving against Parking Maintenance	0	(13,000)	0	0	0	Sean Cleary	Nil
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Saving against annual car parking maintenance for FY 19/20. This savings is only for FY19/20 and will be reviewed annually to establish if further savings or bids are required in future years None

S4218	Parking Service review	0	(80,000)	(120,000)	(120,000)	(120,000)	Sean Cleary	Nil
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Review of Parking services running costs estimated at £120k saving year on year. None

S4262	Deletion of subscription to the Local Enterprise Partnership (LEP)	0	(16,720)	(16,720)	(16,720)	(16,720)	Sara Saunders	Nil
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The activities of The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) has now become The Business Board of the Cambridgeshire and Peterborough Combined Authority. There will be no separate subscription for the services previously undertaken by GCGP LEP None

S4301	Planning Service - new and revised service delivery	0	(32,500)	(42,500)	(42,500)	(42,500)	Sharon Brown	Nil
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Revisions to the services we provide, or the way in which they are provided to users. This includes changes to the way in which we review, consult, make decisions (scheme of delegation) or the explicit service that we offer – building upon recognised expertise nationally for place making. The income/reduced costs highlighted are estimates based upon an assessment of market conditions/demand but also depend upon our ability to account for and “harness” reductions in costs of postage/printing and redeploy staff from existing tasks (e.g. Committee meetings). In the case of changes to consultation, an estimate for investment in year 1 (of £10K) is included in the potential saving. None

S4302	Planning Service - Service change	0	(40,000)	(40,000)	(40,000)	(40,000)	Sharon Brown	Nil
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These proposals seek to change the service provided to users in the City. The changes would end "free" conservation advice and bring householder pre-app services in line with SCDC, but retain free advice on access issues and the duty officer service at the Customer Service Centre. We would seek to address work towards improving self service advice this through new web-based information/advice using a more active feedback loop to provide written/online advice to help mitigate the impacts on users. None

S4303	Planning Service - more effective cost recovery process	0	(85,000)	(85,000)	(85,000)	(85,000)	Sharon Brown	Nil
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2019/20 Budget - GF proposals - by Portfolio**Page 23 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Planning Policy & Transport

Improvements to accounting processes and tighter discipline around work recharging. This includes more accurate time/cost recorded using "full cost" recovery as a matter of principle. The effect of this upon some partners will be to increase their costs and will require officer support/engagement across the service, training around a new process and support from finance/FMS to include prompt invoicing and improved accounting (and member recognition). None

Total Savings in Planning Policy & Transport

0	(276,220)	(313,220)	(313,220)	(313,220)
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Total Planning Policy & Transport

0	(1,220)	228,780	180,780	58,280
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2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Strategy & External Partnerships

Capital Bids

C4332	Mill Road depot development - capital contribution - remove	(5,760,000)	0	0	0	0	Caroline Ryba	Nil
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Remove the capital contribution of £5,760k provided in the BSR February 2018 proposed to support the redevelopment of the council's Mill Road depot, principally for affordable and market housing. This development will be delivered by CIP providing the council with a capital receipt for the land and a projected surplus on the scheme. [Funded by temporary borrowing] [Linked to C4333, C4334, NCL4335, NCL4336, NCL4337, NCL4338]

C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	(709,000)	1,774,000	(2,500,000)	0	0	Caroline Ryba	Nil
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Rephase provision made in BSR February 2018 - As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Mill Road depot site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4332, C4334, NCL4335, NCL4336, NCL4337, NCL4338]

C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	(51,000)	(1,253,000)	1,412,000	0	0	Caroline Ryba	Nil
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Rephase provision made in BSR February 2018. As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Mill Road depot site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4332, C4333, NCL4335, NCL4336, NCL4337, NCL4338]

C4343	Cromwell Road redevelopment - Equity Loan to CIP	1,113,000	850,000	2,708,000	17,000	0	Caroline Ryba	Nil
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As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Cromwell Road site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4344, NCL4339, NCL4340, NCL4341, NCL4342]

C4344	Cromwell Road redevelopment - Development Loan to CIP	0	1,324,000	5,819,000	0	0	Caroline Ryba	Nil
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As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Cromwell Road site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4343, NCL4339, NCL4340, NCL4341, NCL4342]

2019/20 Budget - GF proposals - by Portfolio**Page 25 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Strategy & External Partnerships**Total Capital Bids in Strategy & External Partnerships**

(5,407,000)	2,695,000	7,439,000	17,000	0
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Non-Cash Limit Items

NCL4335	Mill Road depot redevelopment - Equity Loan to CIP - interest receivable - revised	(25,000)	(78,000)	(51,000)	168,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4336, NCL4337, NCL4338]

NCL4336	Mill Road depot redevelopment - Development Loan to CIP - interest receivable - revised	9,000	147,000	17,000	(18,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4337, NCL4338]

NCL4337	Mill Road depot redevelopment - Equity Loan to CIP - Contribution to GF development earmarked reserve - revised	25,000	78,000	51,000	(168,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns moved to earmarked reserve to provide contingency and risk mitigation for the project - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4336, NCL4338]

NCL4338	Mill Road depot redevelopment - Development Loan to CIP - Contribution to GF development earmarked reserve - revised	(9,000)	(147,000)	(17,000)	18,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns moved to earmarked reserve to provide contingency and risk mitigation for the project - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4336, NCL4337]

NCL4339	Cromwell Road development - Equity Loan to CIP - interest receivable	(9,000)	(56,000)	(124,000)	(139,000)	(35,000)	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns. [Linked to C4343, None C4344, NCL4340, NCL4341, NCL4342]

2019/20 Budget - GF proposals - by Portfolio**Page 26 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Strategy & External Partnerships

NCL4340	Cromwell Road development - Equity Loan to CIP - Contribution to GF development earmarked reserve	9,000	56,000	124,000	139,000	35,000	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project. [Linked to C4343, C4344, NCL4339, NCL4341, NCL4342]

NCL4341	Cromwell Road development - Development Loan to CIP - interest receivable	0	(12,000)	(160,000)	(108,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns. [Linked to None C4343, C4344, NCL4339, NCL4340, NCL4342]

NCL4342	Cromwell Road development - Development Loan to CIP - Contribution to GF development earmarked reserve	0	12,000	160,000	108,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project. [Linked to C4343, C4344, NCL4339, NCL4340, NCL4341]

Total Non-Cash Limit Items in Strategy & External Partnerships

0	0	0	0	0
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Savings

S4162	Democratic services-miscellaneous savings	0	(2,000)	(2,000)	(2,000)	(2,000)	Gary Clift	Nil
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Savings come from the area committee overall costs following a new contract on use of audio equipment at None meetings and reduced budget for meeting venues.

S4163	Corporate policy efficiencies and administrative savings	0	(31,000)	(31,000)	(31,000)	(31,000)	David Kidston	Nil
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Savings from underspends in the Corporate Policy cost centre, including budgets for equipment, conferences and training for staff, corporate translation and interpretation services, and corporate consultations. None

2019/20 Budget - GF proposals - by Portfolio**Page 27 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Strategy & External Partnerships

Total Savings in Strategy & External Partnerships	0	(33,000)	(33,000)	(33,000)	(33,000)
<hr/>					
Total Strategy & External Partnerships	(5,407,000)	2,662,000	7,406,000	(16,000)	(33,000)

2019/20 Budget - GF proposals - by Portfolio**Page 28 of 28**

Reference	Item Description	2018/19	2019/20	2020/21	2021/22	2022/23	Climate Effect & Poverty Ratings
		Budget	Budget	Budget	Budget	Budget	
		£	£	£	£	£	

Streets & Open Spaces**Bids**

B4198	Streets and Open Spaces - Growth Officer	0	40,000	0	0	0	Alistair Wilson	+L
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A one year extension to the current Growth Officer role to facilitate completing the site inspection, defect recording and adoption of public realm assets by the City Council, including open spaces, allotments, trees, drainage and other landscape features, associated with the approved city growth sites.

B4322	Community Clear up	0	25,000	0	0	0	Joel Carre	Nil
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Programme of 12 additional Saturday "Community Clear Up" events in 2019/20, focusing on tackling neglected environments and areas of fly-tipping in local communities including council housing areas. Ward Councillors would be asked to nominate locations which would be assessed and a programme of 12 events drawn up for the year, one a month.

Total Bids in Streets & Open Spaces

0	65,000	0	0	0
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Capital Bids

C4192	Environmental Improvement Programme	0	0	170,000	0	0	Alistair Wilson	+L
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To extend the funding and delivery of the Council's EIP for a further two year period, 2019-21, with Year 1 (2019/20) funded from the unallocated budget balance carried forward from the current EIP. A review will be carried out before any commitment is made for after 2020/21.

Total Capital Bids in Streets & Open Spaces

0	0	170,000	0	0
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Total Streets & Open Spaces

0	65,000	170,000	0	0
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Report Total

(5,407,000)	9,694,180	11,861,380	2,127,280	(97,870)
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D Sensitivity analysis

Topic	Quantum	BSR Assumption	Commentary / Risk
Bereavement services income	c.£2.3m	Current mortality rates built into BSR assumptions	Falling mortality rate [yet ageing population in Cambridge] Competition from sites at Great Chesterford and Huntingdon Disruption due to works along A14 and suitability of access road after works are complete Success of commemoration scheme and development of other commercial activities(positive)
Building control fee income	c. £1.6m	Based on break-even full cost recovery position for the Building Control Shared Service	Housing development levels in the sub region are not as great as anticipated or are delayed due to developers unwillingness to build Competition from approved inspectors has now stalled but the threat exists leading to a potentially smaller market share
Car parking income	c. £10.7m	Based on officer and external consultants' projections of usage	Income stream is contingent on decisions made by the Greater Cambridge Partnership (ex City Deal) board to manage congestion and pollution in the city. As visitors, residents, tourist, commuters and business people choose use other modes of transport to access the city this income stream will feel negative downward pressure.
Commercial property income	c. £8.7m	Officer assessment of current market conditions and future trends, including growth of the current property portfolio	Economic conditions lead to increase in voids, increased level of unrecoverable debts and less significant rent increases High yields are negotiated on new investments (positive)
Council tax base	c. 43,700 Band D equivalent properties @£197.50 (2019/20)	Projections are based on the housing trajectory indicated in the Annual Monitoring Report (AMR)	Any significant growth or deceleration in building will affect the number of houses on which council tax can be charged with the associated impact on the council tax income stream which in turn informs our savings requirement

Topic	Quantum	BSR Assumption	Commentary / Risk
Council tax income	£8.6m p.a.	2.99% per annum	<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 provides a strong disincentive for high increase proposals.</p> <p>Economic climate may require an increase in enforcement activity and consequent reduction of funds available in the collection fund</p>
Developer contributions	c. £4.0m (not yet allocated)	All contributions are used in compliance with the terms of Section 106 agreements	Failure to meet conditions stipulated in Section 106 agreements would lead city council contribution types set out in the Council's Planning Obligations Strategy becoming liable for repayment. This is mitigated by regular funding rounds and / or Section 106 negotiations to identify appropriate projects and careful Section 106 funding / programme management.
Employer's pension contribution	£4.5m	BSR includes provision for employer's percentage and capital payments, and for one-off contributions as necessary	Subject to the outcome of the next triennial review with effect from 1 April 2020.
Energy costs (all)	£0.3m	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 is not taken into account until received.	The council's stock of land available for sale is reducing. Receipts will reduce significantly over the life of this budget plan.
Garage Income	£1.3m	Budget will be met	<p>Failure to attract new customers</p> <p>Failure to maintain customer base at remote base at Waterbeach</p>

Topic	Quantum	BSR Assumption	Commentary / Risk
Housing benefits	£34.5m	Officer assessment of current conditions and trends	<ul style="list-style-type: none"> - With anticipated reduction in central government grant, the Council funded element of provision of the service will increase (N.B. grant funding will not be confirmed until January 2019) - Potential increase in housing benefit fraud - Ongoing impact of universal credit implementation is not fully known and may exceed (or under achieve) modelling, having an impact on staffing and Council Tax and rent arrears. - If the Council exceeds 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%.
Interest receipts from the housing company	< £150k	An estimate of additional income has been included to reflect the higher rate applicable to this loan above the interest rate expected on our treasury management investments	The viability of the company is dependent on the rent levels achievable and the capital value of the property portfolio.
Investment income	+/- 1% is ~£0.8m for 2018/19 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 faster increase in bank base rates would result in increase in investment income. (positive)</p>
Land charges income	c. £0.25m	Reductions based on latest experience have been incorporated in the budget	Increased proportion of personal searches and reduced number of overall searches due to market conditions.
Local retention of business rates	c. £0.8m	BSR includes projections based on latest figures and guidance	Business rates are 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. £0.90m	Officer assessment of current market conditions and future trends	<p>Level of voids as a result of a changing economic climate.</p> <p>Any reductions will be mitigated by new traders coming to the market as we seek to widen the range of services on the market.</p> <p>An improving climate will see full occupancy</p>
Non-pay inflation	Net impact +/- 1% for GF ~ £200k for 2019/20	General inflation: 2019/20 - 2.2% (2.6%) 2020/21 - 2.1% (2.2%) 2021/22 – 2.0% (2.3%) thereafter 2.0%	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	£19.5m (GF)	Current assumption is of 2% inflation plus pay progression	New pay arrangements resulting from the pay award are scheduled from 1 April 2019 and budgets will be revised to reflect the impact in 2019/20 and for future incremental progression.
Planning fee income	c. £1.7m	Income projections for 2019/20 have been amended to reflect current market conditions. (now forms part of Greater Cambridge Planning Partnership)	Developers retain land stock rather than building out
Shared services	n/a	Shared services will deliver savings outlined individual service business cases.	<p>Delivery of savings and other non-cashable benefits is dependent on effective partnership working in a complex political and cultural environment.</p> <p>Significant element of savings will not crystallize until support service costs have been reduced to reflect smaller client base</p> <p>Savings may be delayed, may not be deliverable in full, or there may be unforeseen costs of implementation.</p>
Spending review	c. £4.2m	The budget assumption, based on the 2015 autumn statement, is that Revenue support grant will cease from 2020/21, but will be offset by increased retention of Business rates.	<p>The budget is based on the 2015 Spending review and the level of Revenue support grant and locally retained business rates are budgeted accordingly.</p> <p>Certainty of income until then has been received from the DCLG following our submission of an Efficiency Plan</p>
Support costs charged to the HRA	c. £1m	Support costs ("Recharges") are charged based on various fixed and variable criteria which change from year to year.	<p>Following significant savings in the HRA the proportion of support service costs that are chargeable to the HRA will also reduce.</p> <p>Fixed costs such as administrative buildings, management structure, costs of democracy and long term contracts cannot be reduced immediately, if at all. There may be a perceived imbalance in the short term in the proportion of costs charged to the HRA until such time as a strategic decision is taken to allocate a lower level of costs recharged to the HRA with a corresponding increase in costs to the GF and thus the council tax payer. The onus is therefore on the council to make appropriate savings in rechargeable costs as the council reduces in size overall.</p>
VAT partial exemption	c. £300k if breached	No breach of partial exemption limit is anticipated for 2018/19	Potential liability if limit is breached over a seven-year moving average

Summary of Budget Proposals by type - Capital

Appendix E (a)

Capital Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	C4156	CHUB - community extension to Cherry Hinton Library	0	767,000	0	0	0	Debbie Kaye
Environmental Services & City Centre	C4180	Vehicle fleet replacements 2019/20	0	682,000	0	0	0	James Elms
Environmental Services & City Centre	C4181	Mobile column vehicle lifts for workshop	0	24,400	0	0	0	James Elms
Environmental Services & City Centre	C4252	Environmental Health ICT replacement system project	0	40,000	0	0	0	Joel Carre
Finance & Resources	C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	0	125,000	0	0	0	Suzanne Hemingway
Finance & Resources	C4203	Improvements to Customer Service Centre	0	91,000	0	0	0	Jonathan James
Finance & Resources	C4206	Income Management Solution Replacement	0	47,000	0	0	0	Jonathan James
Finance & Resources	C4208	Secure Phone Payment Solution	0	24,000	0	0	0	Jonathan James
Finance & Resources	C4210	Replacement Property Management Software Project	0	100,000	0	0	0	Dave Prinsep
Finance & Resources	C4251	Council Anywhere	0	114,600	18,000	18,000	0	Fiona Bryant
Finance & Resources	C4319	Lion Yard investment - capital spend	0	4,200,000	1,800,000	0	0	Dave Prinsep
Finance & Resources	C4323	Meadows Community Hub and Buchan Street Retail Outlet	0	554,000	2,168,000	1,892,000	0	Claire Flowers
Planning Policy & Transport	C4194	Local Highway Improvement (LHI) programme	0	0	30,000	30,000	30,000	Joel Carre
Planning Policy & Transport	C4211	Replacement of Pay and Display machines	0	18,000	0	0	0	James Elms
Planning Policy & Transport	C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	0	20,000	0	0	0	James Elms
Strategy & External Partnerships	C4332	Mill Road depot development - capital contribution - remove	(5,760,000)	0	0	0	0	Caroline Ryba
Strategy & External Partnerships	C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	(709,000)	1,774,000	(2,500,000)	0	0	Caroline Ryba
Strategy & External Partnerships	C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	(51,000)	(1,253,000)	1,412,000	0	0	Caroline Ryba
Strategy & External Partnerships	C4343	Cromwell Road redevelopment - Equity Loan to CIP	1,113,000	850,000	2,708,000	17,000	0	Caroline Ryba

Summary of Budget Proposals by type - Capital

Appendix E (a)

Capital Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Strategy & External Partnerships	C4344	Cromwell Road redevelopment - Development Loan to CIP	0	1,324,000	5,819,000	0	0	Caroline Ryba
Streets & Open Spaces	C4192	Environmental Improvement Programme	0	0	170,000	0	0	Joel Carre
Capital Bids Total			(5,407,000)	9,502,000	11,625,000	1,957,000	30,000	

Capital Projects Requiring Funding From Reserves

(3 pages)

2019/20 Budget
<----- Funding Required ----->
Budget Setting Report - Appendix E (b)
<----- Project Total ----->

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
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General Fund

Page 291	C4156	CHUB - community extension to Cherry Hinton Library	-L		282,500				Medium	Funding: Royal British Legion £250k, County Council £28k, Cherry Hinton Residents Association £1.5k, , S106 £200k, Community Services £5k		767,000				
	C4180	Vehicle fleet replacements 2019/20	+L						None	Funding: R & R		682,000				
	C4181	Mobile column vehicle lifts for workshop	-L		24,400				None			24,400				
	C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	-L		125,000				None			125,000				
	C4192	Environmental Improvement Programme	+L			170,000			None				170,000			
	C4194	Local Highway Improvement (LHI) programme	Nil			30,000	30,000	30,000	None				30,000	30,000	30,000	
	C4203	Improvements to Customer Service Centre	Nil		91,000				None			91,000				
	C4206	Income Management Solution Replacement	+L		47,000				None	Linked to: S4205.		47,000				
	C4208	Secure Phone Payment Solution	+L		24,000				None	Linked to: URP4209.		24,000				

Capital Projects Requiring Funding From Reserves

(3 pages)

Budget Setting Report - Appendix E (b)
2019/20 Budget
<----- Funding Required ----->
<----- Project Total ----->

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
C4210	Replacement Property Management Software Project	Nil			100,000				None			100,000			
C4211	Replacement of Pay and Display machines	Nil			18,000				None			18,000			
C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	Nil							None	Funding: LAPE earmarked reserve		20,000			
C4251	Council Anywhere	+L			114,600	18,000	18,000		None			114,600	18,000	18,000	
C4252	Environmental Health ICT replacement system project	+L			40,000				None	Linked to: B4253.		40,000			
C4319	Lion Yard investment - capital spend	Nil							None	Linked to: II4320 RI4321. Funding: Internal borrowing		4,200,000	1,800,000		
C4323	Meadows Community Hub and Buchan Street Retail Outlet	+M							High	Linked to: B4324. Funding: Internal borrowing		554,000	2,168,000	1,892,000	
C4332	Mill Road depot development - capital contribution - remove	Nil							None	Linked to: C4333 C4334 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(5,760,000)				
C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	Nil							None	Linked to: C4332 C4334 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(709,000)	1,774,000	(2,500,000)		

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Capital Projects Requiring Funding From Reserves

(3 pages)

Budget Setting Report - Appendix E (b)
2019/20 Budget
<----- Funding Required ----->
<----- Project Total ----->

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	Nil							None	Linked to: C4332 C4333 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(51,000)	(1,253,000)	1,412,000		
C4343	Cromwell Road redevelopment - Equity Loan to CIP	Nil							None	Linked to: C4344 NCL4339 NCL4340 NCL4341 NCL4342. Funding: Internal borrowing	1,113,000	850,000	2,708,000	17,000	
C4344	Cromwell Road redevelopment - Development Loan to CIP	Nil							None	Linked to: C4343 NCL4339 NCL4340 NCL4341 NCL4342. Funding: Internal borrowing		1,324,000	5,819,000		
Total Funding Required from Reserves : General Fund				866,500	218,000	48,000	30,000				(5,407,000)	9,502,000	11,625,000	1,957,000	30,000

Appendix E (c)

Capital approvals since MTFS 2018

Ref.	Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
SC692	Cromwell Road redevelopment (GF)	17,166	-	-	-	-	-
	Section 106 miscellaneous:						
PR030p	Outdoor fitness equipment near astroturf pitch by Abbey Pool (S106)	42	-	-	-	-	-
PR032s	Footbridge across Hobson's Brook at Accordia development (S106)	8	52	-	-	-	-
PR042a	St Clement's Church community grant (S106)	30	-	-	-	-	-
PR042b	Museum of Technology meeting space community grant (S106)	31	-	-	-	-	-
PR042c	Grant for Netherhall School meeting space (S106)	24	-	-	-	-	-
PR042d	Romsey Mill community facility grant (S106)	21	-	-	-	-	-
PR042e	Grant for Arbury Community large hall improvements (S106)	25	25	-	-	-	-
PR040v	Public art grant for Pink Festival Group - showcase of queer art (S106)	11	-	-	-	-	-
Total S106		192	77	-	-	-	-
Total approvals since MTFS 2018		17,358	77	-	-	-	-

Appendix E (d): Capital Plan 2018/19 to 2023/24

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
Capital-GF Projects								
PR030e	Cavendish Rd (Mill Rd end) improvements: seating & paving (S106)	J Richards	13	0	0	0	0	0
PR030h	Romsey 'town square' public realm improvements (S106)	J Richards	130	0	0	0	0	0
PR030j	The Mill Road Railway Legacy (S106)	A Wilson	21	0	0	0	0	0
PR030o	Coldham's Lane play area improvements for older children (S106)	A Wilson	80	0	0	0	0	0
PR030p	Outdoor fitness equipment near astroturf pitch by AbbeyPool (S106)	I Ross	42	0	0	0	0	0
PR030q	Lichfield Rd play area improvements (S106)	A Wilson	45	0	0	0	0	0
PR030r	Brothers' Place landscaping & natural play improvements (S106)	A Wilson	8	0	0	0	0	0
PR031g	Milton Rd Library community meeting space (S106)	J Hanson	100	0	0	0	0	0
PR031n	Grant for 4 tennis courts at North Cambridge Academy (S106)	I Ross	125	0	0	0	0	0
PR031q	Bramblefields nature reserve: improve biodiversity & access (S106)	A Wilson	12	0	0	0	0	0
PR031r	Chesterton Rec Ground skate and scooter park (S106)	A Wilson	50	0	0	0	0	0
PR031s	Nun's Way Rec Ground - mini climbing dome (S106)	A Wilson	27	0	0	0	0	0
PR032p	Reilly Way play area improvements (S106)	A Wilson	5	0	0	0	0	0
PR032q	Upgrade Nightingale Avenue play area (S106)	A Wilson	24	0	0	0	0	0
PR032s	Footbridge across Hobson's Brook at Accordia development (S106)	A Wilson	8	52	0	0	0	0
PR032t	Fulbourn Road open space improvements (S106)	A Wilson	10	0	0	0	0	0
PR032u	Tenby Close play area improvements (S106)	A Wilson	50	0	0	0	0	0
PR032v	Gunhild Close play area improvements (S106)	A Wilson	50	0	0	0	0	0
PR032w	Accordia open space improvements (S106)	A Wilson	10	0	0	0	0	0
PR032y	Trumpington Rec Ground skate park (S106)	A Wilson	80	0	0	0	0	0
PR032z	Trumpington Rec Ground trim trail and climbing frame (S106)	A Wilson	70	0	0	0	0	0
PR033m	Benches on Carisbrooke Road green and next to Coton footpath near Wilberforce Road (S106)	A Wilson	1	0	0	0	0	0
PR033q	Additional play equipment, benches and landscaping at Christ Piece's play area (S106)	A Wilson	1	0	0	0	0	0
PR033r	Improvements to Histon Road Rec Ground football area (S106)	I Ross	31	0	0	0	0	0
PR033s	Histon Rd Rec play area: paths, surfacing & landscaping (S106)	A Wilson	12	0	0	0	0	0
PR033t	St Clement's churchyard open space on Bridge Street (S106)	A Wilson	10	0	0	0	0	0
PR034d	Public Art - 150th and 400th Anniversary (Cambridge Rules) (S106)	N Black	12	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
PR034n	Cambridge Gymnastics Academy: grant for warehouse conversion into gym facility (S106)	I Ross	65	0	0	0	0	0
PR040i	Public art grant - History Trails (S106)	N Black	5	0	0	0	0	0
PR040o	Public art grant - 'The place where we stand' (S106)	N Black	3	0	0	0	0	0
PR040s	Public art grant for Kettle's Yard - Antony Gormley Performance Programme (S106)	N Black	10	0	0	0	0	0
PR040t	Public Art Grant for Cambridge Live - Colours in our Community (S106)	N Black	8	0	0	0	0	0
PR040u	Public art grant for University of Cambridge Primary School Eddington Flag Parade (S106)	N Black	15	0	0	0	0	0
PR040v	Public Art Grant for Pink Festival Group - showcase of queer arts (S106)	N Black	8	0	0	0	0	0
PR040w	Public Art Grant for Menagerie Theatre Company - Trumpington Voices (S106)	N Black	11	0	0	0	0	0
PR040x	Public Art Grant for Oblique Arts - Mitcham's Moving (S106)	N Black	3	0	0	0	0	0
PR040y	Public Art Grant - Rhyme, Rhythm & Railways (S106)	N Black	5	0	0	0	0	0
PR040z	Public art grant for Historyworks - Michael Rosen Walking Trails 2 (S106)	N Black	15	0	0	0	0	0
PR041a	Grant for refurbishment of Memorial Hall and Church Hall (S106)	J Hanson	150	0	0	0	0	0
PR041b	Grant to Cambridge Gymnastics Academy for trampoline and foam pit in gym (S106)	I Ross	75	0	0	0	0	0
PR041g	Netherhall School: supplementary grant for gym and fitness suite facilities (S106)	I Ross	236	0	0	0	0	0
PR042b	Mill Road cemetery access and main footpath improvements (S106)	A Wilson	175	0	0	0	0	0
PR042g	To the River - artist in residence (S106)	N Black	117	0	0	0	0	0
PR042h	Public art grant - Cambridge Junction: News News News (S106)	N Black	15	0	0	0	0	0
PR042i	Public art grant - In your way festival: TAAT KHOR II (S106)	N Black	15	0	0	0	0	0
PR042j	Public art grant - NIE Theatre, tales from the Edge of Town (S106)	N Black	14	0	0	0	0	0
PR042k	Public art grant - Rowan Humberstone: Ecology sculpture S106	N Black	15	0	0	0	0	0
PR042l	Public art grant - Faith and Hope (S106)	N Black	30	0	0	0	0	0
PR042m	Public art grant - Chesterton village sign (S106)	N Black	10	0	0	0	0	0
PR042n	Public art grant - HistoryWorks: Travellers and Outsiders	N Black	15	0	0	0	0	0
PR050a	Relocation of services to 130 Cowley Road (OAS)	W Barfield	374	0	0	0	0	0
PR050b	Mandela House refurbishment (OAS)	W Barfield	869	0	0	0	0	0
PR050d	Mobile working (OAS)	W Barfield	99	0	0	0	0	0
PR050e	Cowley Road Compound ex-Park and Ride site (OAS)	W Barfield	428	0	0	0	0	0
PR050f	Guildhall Welfare Improvements (OAS)	W Barfield	209	0	0	0	0	0
PR050g	Office optimisation (OAS)	W Barfield	275	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC548	Southern Connections Public Art Commission (S106)	A Wilson	17	0	0	0	0	0
SC571	Procurement of IT System to Manage Community Infrastructure Levy	S Saunders	20	0	0	0	0	0
SC590	Structural Holding Repairs & Lift Refurbishment - Queen Anne Terrace car park	S Cleary	208	0	0	0	0	0
SC597	Empty Homes Loan Fund	Y O'Donnell	200	0	0	0	0	0
SC601	Replacement Telecommunications & Local Area Network	T Allen	34	0	0	0	0	0
SC604	Replacement Financial Management System	C Ryba	50	0	0	0	0	0
SC605	Replacement Building Access Control System	W Barfield	33	0	0	0	0	0
SC611	Grafton East car park essential roof repair	S Cleary	37	0	0	0	0	0
SC614	Redeployable CCTV camera stock	J Carre	13	0	0	0	0	0
SC615	Cherry Hinton Grounds improvements Phase 2 (S106)	A Wilson	160	0	0	0	0	0
SC621	20 Newmarket Road - commercial property	D Prinsep	3	0	0	0	0	0
SC623	Environment and cycling improvements in Water Street and Fen Road	A Wilson	35	0	0	0	0	0
SC627	Reinforcing grass edges along paths across Parker's Piece (S106)	A Muggeridge	101	0	0	0	0	0
SC633	Reinforcing grass edges along paths across Parker's Piece (S106)	D Peebles	140	0	0	0	0	0
SC634	Grand Arcade and Queen Anne Terrace car parks sprinkler systems	S Cleary	382	0	0	0	0	0
SC635	Grand Arcade car park deck coating and drainage	S Cleary	117	0	0	0	0	0
SC636	Management of waste compound - vehicle	D Blair	165	0	0	0	0	0
SC639	Re-roofing the Guildhall	W Barfield	164	0	0	0	0	0
SC644	Acquisition of land adjacent to Huntingdon Road Crematorium	G Theobald	58	0	0	0	0	0
SC645	Electric vehicle charging points	J Dicks	376	176	50	0	0	0
SC648	Local Centres Improvement Programme - Arbury Court	J Richards	138	0	0	0	0	0
SC651	Shared ICT waste management software	J Carre	453	0	0	0	0	0
SC654	Redevelopment of Silver Street Toilets	D O'Halloran	315	283	0	0	0	0
SC655	Resealing the roof at Robert Davies Court	A Muggeridge	177	0	0	0	0	0
SC656	Barnwell Business Park remedial works to the roofs	A Muggeridge	90	0	0	0	0	0
SC658	Cambridge City CCTV infrastructure	J Carre	601	0	0	0	0	0
SC659	My Cambridge City online customer portal	J James	160	76	0	0	0	0
SC660	Council Anywhere - desktop transformation	F Bryant	400	211	18	18	0	0
SC661	Adaptions to Riverside Railings	A Wilson	100	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC662	Shared Planning Service software and implementation	S Kelly	90	0	0	0	0	0
SC670	Lammas Land car parking infrastructure	A French	27	0	0	0	0	0
SC671	Mill Road depot development - capital contribution	C Ryba	0	0	0	0	0	0
SC672	Mill Road Redevelopment - Development Loan to CIP	C Ryba	1,499	7,947	1,412	0	0	0
SC673	Roller brake tester for Waterbeach Garage	D Cox	26	0	0	0	0	0
SC674	Mill Road Redevelopment - Equity Loan to CIP	C Ryba	1,491	2,774	0	0	0	0
SC675	Bateman Street tree replacement	A Wilson	30	0	0	0	0	0
SC676	Refurbishment of Jesus Green Public Conveniences	A Wilson	25	0	0	0	0	0
SC677	AV equipment upgrade for Committee Rooms and Council Chamber	A Muggeridge	0	125	0	0	0	0
SC678	Crematorium - additional car park	G Theobald	25	325	0	0	0	0
SC679	Crematorium - cafe facilities	G Theobald	20	310	0	0	0	0
SC680	CCTV equipment upgrade	J Carre	30	0	0	0	0	0
SC681	Abbey astroturf floodlighting (S106)	I Ross	66	0	0	0	0	0
SC682	Pay and display equipment upgrade	S Cleary	0	18	0	0	0	0
SC684	Property Management software	D Prinsep	0	100	0	0	0	0
SC685	Mobile column lifts at Waterbeach garage	D Cox	0	24	0	0	0	0
SC686	Car park server replacement (LAPE)	S Cleary	0	20	0	0	0	0
SC687	Customer Service Centre improvements	C Norman	0	91	0	0	0	0
SC688	Environmental Health software	Y O'Donnell	0	40	0	0	0	0
SC689	Income management software	C Norman	0	47	0	0	0	0
SC690	Secure phone payments	C Norman	0	24	0	0	0	0
SC692	Cromwell Road Redevelopment (GF)	D Prinsep	17,166	0	0	0	0	0
PR042a	St Clement's Church community grant (S106)	N Black	30	0	0	0	0	0
PR042b	Museum of Technology meeting space community grant (S106)	N Black	31	0	0	0	0	0
PR042c	Grant for Netherhall School meeting space (S106)	N Black	24	0	0	0	0	0
PR042d	Romsey Mill community facility grant (S106)	N Black	21	0	0	0	0	0
PR042e	Grant for Arbury Community Centre: large hall improvements (S106)	N Black	25	25	0	0	0	0
SC692	CHUB - community extension to Cherry Hinton Library	J Hanson	0	767	0	0	0	0
SC694	Meadows community hub and Buchan St retail outlet	C Flowers	0	554	2,168	1,892	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC693	Lion Yard shopping centre capital investment	D Prinsep	0	4,200	1,800	0	0	0
SC695	Cromwell Road redevelopment - equity loan to CIP	C Ryba	1,113	850	2,708	17	0	0
SC696	Cromwell Road redevelopment - development loan to CIP	C Ryba	0	1,324	5,819	0	0	0
Capital-GF Projects			30,782	20,363	13,975	1,927	0	0
Capital-Programmes								
PR010a	Environmental Improvements Programme - North Area	J Richards	140	0	0	0	0	0
PR010b	Environmental Improvements Programme - South Area	J Richards	126	0	0	0	0	0
PR010c	Environmental Improvements Programme - West/Central Area	J Richards	147	0	0	0	0	0
PR010d	Environmental Improvements Programme - East Area	J Richards	169	0	0	0	0	0
PR010	Environmental Improvements Programme	J Richards	0	0	170	0	0	0
PR017	Vehicle Replacement Programme	D Cox	1,781	682	0	0	0	0
PR035	Waste & Recycling Bins - New Developments (S106)	T Nicoll	284	0	0	0	0	0
PR037	Local Centres Improvement Programme	J Richards	7	0	0	0	0	0
PR038	Investment in commercial property portfolio	D Prinsep	2,427	0	0	0	0	0
PR039	Minor Highway Improvement Programme	J Richards	85	0	30	30	30	0
PR050	Office Accommodation Strategy Phase 2 (OAS)	W Barfield	473	0	0	0	0	0
PR051	Building works at the Guildhall to reduce carbon emissions and improve energy efficiency	W Barfield	437	0	0	0	0	0
Capital-Programmes			6,076	682	200	30	30	0
Capital-GF Provisions								
PV007	Cycleways	J Richards	408	0	0	0	0	0
PV018	Bus Shelters	J Richards	5	0	0	0	0	0
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	2	0	0	61	0	0
PV549	City Centre Cycle Parking	J Richards	23	0	0	0	0	0
PV554	Development Of land at Clay Farm	D Prinsep	537	96	816	0	0	0
PV583	Clay Farm Commercial Property Construction Costs	D Prinsep	67	0	0	0	0	0
PV682	Local investment bond	C Ryba	5,000	0	0	0	0	0
Capital-GF Provisions			6,042	96	816	61	0	0
Total GF Capital Plan			42,900	21,141	14,991	2,018	30	0

F Principal earmarked and specific funds

Fund	Balance at 1 April 2018 £000	Anticipated contributions £000	New contributions £000	Forecast expenditure £000	Forecast balance 31 March 2023 £000
Greater Cambridge Partnership (formerly City Deal) Investment and Delivery Fund <i>including revised projections</i>	(5,034)	(9,318)		14,352	0
Sharing Prosperity Fund	(469)	(200)		669	0
Climate Change Fund <i>including new contribution NCL4161</i>	(405)	(250)	(100)	755	0
Asset Replacement Fund	(1,005)	(6,000)		7,005	0
Bereavement Services Trading Account	(1,094)	(960)		2,054	0
Development Plan Fund	0	(252)		252	0
Shared Local Plan Fund	(315)	(900)		1,215	0
Office accommodation strategy fund	(2,759)	0		2,759	0
Invest for Income now funding capital to reduce cost of internal borrowing	(8,000)	0		8,000	0
A14 Mitigation Fund	(718)	(782)		1,500	0
General Fund (GF) Development Fund <i>including Mill Road and Cromwell Road revised projections</i>	0	(1,303)		1,303	0
Cambridge Live Development Plan <i>including new contribution NCL4325</i>	0	(500)	(250)	750	0
Total	(19,799)	(20,465)	(350)	40,614	0

The majority of these funds are subject to future contributions and expenditure which cannot be exactly stated. This table reflects our best estimates.

¹ The asset replacement funds will be shared in part with South Cambridgeshire District Council (SCDC) in respect of waste vehicles transferred to the shared service.

² The Development Plan Fund is a joint fund with SCDC from 1 February 2018 and the basis of cost allocation is unknown at this time because the Memorandum of Understanding is not yet complete.



Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on CityNet. For specific questions on the tool, email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts please contact Graham Saint, Strategy Officer, at graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:

General Fund Budget 2019/20 Initial Budget Proposals

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)

The BSR will be published with the papers for Strategy and Resources Committee in January 2019.

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

This summary EqIA provides an overview assessment of budget proposals that are likely to have equalities impacts on different categories of people arising from proposals to change services. This approach is intended to ensure that councillors have access to the appropriate level of information about the equality impacts of budget proposals at the right time and that further information is provided in the form of detailed EqIAs as budget proposals are developed and taken forward. This will enable councillors to discharge their Duty under the Equality Act 2010.

The 2019/20 budget proposals considered as part of this summary impact assessment are listed below:

C4186: New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber

This proposal is to replace the existing, inadequate audio-visual system in both Committee Rooms with a modern system to meet current and future needs. At the same time the audio system in the Council Chamber will be replaced to the same standard - the visual being done at a later date.

B4203: Improvements to Customer Service Centre

This proposal will include the installation of a new cash machine and scanners as well as lighting and additional CCTV to improve the customer experience, efficiency and safety of staff.

R14213: Reduction in income due to review of Shopmobility charges

This proposal is to accept the reduction in income arising from the implementation of recommendations arising from the review of Shopmobility charges, which seek to encourage use of the car park by people with disabilities.

R14215: Reduction in income arising from the closure of Park Street Car Park

This proposal is to accept the reduction in income that will arise from the decision to redevelop Park Street Car Park between January 2020 and December 2021.

B4155: Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot

This proposal allocates funding to the Community Grants pot to allow Community and Voluntary Groups to bid for, and if successful deliver projects that will meet the priorities set out in the Council's Anti-Poverty Strategy.

C4156: Community extension to Cherry Hinton Library

This proposal provides additional funding to deliver the entire community provision scheme in Cherry Hinton.

B4160: Anti-poverty responsive budget

This proposal is for a separate budget that will be used to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes.

B4165: Anti-Poverty Strategy and Living Wage Campaign

This proposal is for the continuation of funding for a post to support the promotion of the Living Wage to businesses in Cambridge and to identify ways local businesses can contribute to the alleviation of poverty in the city.

B4182 Continuation of subsidised and free swimming and exercise referral services

This proposal is for a continuation of the subsidy that allows free swimming for Sure Start Centre users, BAME women-only sessions and targeted work with local schools where achievement of K2 swimming targets is challenging. It will also allow the continuation of the free exercise on referral

prescription service available to patients referred into the service from three GP health centres in disadvantaged areas in the city.

S4169 Delete 18.5 hours of Grant Officer post

This proposal will reduce the present post dealing with Disabled Facilities Grants and Private Sector Loan Grants to half a post.

B4193 Continuation of Fuel and Water Poverty post

This proposal will help local people in households experiencing fuel poverty to reduce their heating and water costs and improve the effectiveness of their heating.

B4219 Continuation of officer support with recycling and cleansing volunteer groups in the City

This proposal will provide support to local residents who want to improve their local environment by championing recycling and waste reduction within their communities.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review

This proposal is part of a review looking to align the NCPs with neighbourhood community development work and the mainstream grants process. The Abbey People group and the North Cambridge Community Partnership will be the groups that will be required to work in a different way.

B4307 Additional funding to respond to Welfare Reform

This proposal will increase the level of support for people impacted by welfare reform, giving officers an additional tool to deploy temporary support to mitigate the impact of negative change on individuals and families.

B4315 Extension of the Financial Inclusion Officer post

This proposal will extend an existing post that provides "hands-on" assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives moving forwards.

4. Responsible Service

The Finance Service manages the budget process, but a range of Council services are responsible for the individual bids included in this EqIA.

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

- Residents of Cambridge City
- Visitors to Cambridge City
- Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): N/a

6. What type of strategy, policy, plan, project, contract or major change to your service is this?

Each of the proposals identified will change the level of service to be delivered.

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
- Yes (Please provide details): This is an assessment of the Council's Budget Setting Report and therefore covers all of our services. The budget may also affect some of the Council's partnership working arrangements.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

The General Fund Budget Proposals for 2018/19 will form part of the Budget Setting Report, when it is presented to Strategy and Resources Scrutiny Committee and Council.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

This information is based on feedback from Council Officers that lead the individual Budget Bids and the EqIAs they have produced.

10. Potential impacts

For each of the categories below, the possible positive or negative impacts or no impacts on service users, visitors and staff members are assessed.

(a) Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

As a part of the normal aging process more people are likely, as they get older, to experience hearing and vision impairment¹. Whilst the **new audio-visual system to Committee rooms 1 & 2 and new audio system in the Council Chamber, (C41860)** will benefit all users of our committee rooms, with increased clarity of images and sound, older people, especially those over 65 years of age who are at higher risk of a long-term physical condition², will particularly benefit from any upgraded system.

The **improvements to the Customer Services Centre (B4203)** should benefit a wide range of people with protected characteristics under the Equality Act 2010, having taken into account the views of people using the centre in its design. Older people, in particular, will benefit from improved lighting and seating areas that offer greater comfort and ergonomic fit.

The **lowering of the present charges for the hire of Shopmobility equipment (R14213)** will benefit disabled people who wish to hire a scooter to move around the shopping area or city independently. The prevalence of disability increases with age and about one third of all people between 65 to 74 years of age nationally report having a long-term limiting illness³, with a high proportion living in low income households. Older people will therefore be more likely to use the service and benefit from this reduction in charges. The National Federation of Shopmobility⁴ local authorities, in its response to the original consultation for charges for the service, said that most users valued this kind of service and the opportunity it gave to move around an area, which in turn provided more confidence and dignity for the individual.

With the impending temporary closure of Park Street multi-storey car park and the **reduction in income arising from its closure (R14215)**, the seven disability bays on the ground floor will no longer be available during the period the car park is being redeveloped. People who are unable to use alternative transport to the car will need to park elsewhere. For older people, who are more likely to have a disability or mobility issues, the absence of parking close to where they want to be could be

¹ Age UK Information and Advice: <https://www.ageuk.org.uk/information-advice/health-wellbeing/conditions-illnesses/hearing-loss/>

² Cambridgeshire Annual Public Health Report 2017 <https://cambridgeshireinsight.org.uk/wp-content/uploads/2017/08/Cambridgeshire-Annual-Public-Health-Report-2017.pdf>

³ Public Health England: Local Health detailed report

http://www.localhealth.org.uk/GC_preport.php?lang=en&s=164&view=map8&id_repf=r01&selld0=60&nivgeo=latl_2013

⁴ National Shopmobility Federation: <http://nfsuk.org/about-the-national-federation-of-shopmobility/>

problematic. However, in practice, the take-up of the Park Street disability bays has been relatively low and because of the significant investment in improvements across the Council's other multi storey car parks these other car parks, notably Lion Yard, are more attractive for disabled people to use. The absence of Park Street disability places will therefore have no or a low negative impact on older people.

Allocating additional funding for Anti-Poverty projects to the Community Development Grants pot (B4155) will allow a wider range of community and voluntary sector organisations to submit grant bids. This will include organisations working with children, families and older people that will look to deliver local projects that align to the Council's anti-poverty priorities and improve the lives of local people living on low incomes. Last year the Council's Community Development Grant was provided to 114 different voluntary and community groups who delivered over 150 projects to local communities⁵. This could particularly benefit younger people and older people, who are more likely to be in poverty than people of a working age. The Council's recent Mapping Poverty⁶ research revealed that nearly one in five children and one in six pensioners are living in households claiming benefits in the City.

The **community extension to Cherry Hinton Library (C4156)** will provide additional community facilities that are likely to facilitate services for disadvantaged families and older people. The library is sited in a localised "pocket of poverty" identified in the Council's Mapping Poverty 2017 research. Disadvantaged families and older people are presently two of the priority groups that the Council's existing community centre provision is aimed at⁷.

The **Anti-Poverty responsive budget (B4160)** will allow the Council to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes in the city that emerge during the course of 2019/20. This could include providing support for new, short-term projects to address immediate needs, including support for disadvantaged older people and children.

The current **Living Wage Campaign (B4165)** has helped to increase the number of Living Wage accredited employers in Cambridge. There are currently just over 40 accredited local employers (with the addition of national employers the total is 66)⁸ in the City who are now paying, as a minimum, a real living wage to their employees. Additional employers who join as a result of the campaign will boost the income of low income households in work and help them meet the high cost of living in the City. There are at present 1,500 family households who are living on a low income in the City according to the Council's Mapping Poverty 2017 research. If the campaign is able to further increase the number of accredited employers, it will have a positive impact on people of a working age and their dependents.

The **continuation of subsidised and free swimming and exercise referral services** will have a positive impact on young people and older people. The bid will allow children from low income families to continue to participate in free swimming lessons in the City. Last year 3,000 young people^[1] attended free swimming lessons as a part of this scheme, which will both improve their safety in water and increase their level of physical activity. Families referred from the Sure Start programme also participated in free swimming lessons. The free exercise referral scheme tends to involve older people

⁵ Corporate Plan Annual Review 2017/18: <https://www.cambridge.gov.uk/media/4458/corporate-plan-annual-report-2017-18.pdf>

⁶ Mapping Poverty 2017: <https://www.cambridge.gov.uk/mapping-poverty>

⁷ Community Centres Strategy: <https://democracy.cambridge.gov.uk/documents/s37430/Appendix%20A%20Building%20Stronger%20Communities%20-%20Community%20Centres%20Strategy.pdf>

⁸ Cambridge City Living Wage campaign: <https://www.cambridge.gov.uk/living-wage>

^[1] Corporate Plan Annual Review 2017/18: <https://www.cambridge.gov.uk/media/4458/corporate-plan-annual-report-2017-18.pdf>

and last year 120 people benefited from it.

The proposal is to **delete 18.5 hours of the Grant Officer post (S4169)** dealing with Disabled Facilities Grants (DFG) and Private Sector Loan Grants. It is not anticipated that there will be any delays to processing of mandatory DFGs as an outcome of this reduction, and no-one will be refused a DFG on the basis of the change. This bid will therefore have no impact on users of this service. However, now that government grant to fund DFGs to individuals comes to the districts through the Better Care Fund, the Council has been working on a new county-wide Adaptations & Repairs Policy. This is aimed at making more flexible use of the government grant beyond mandatory DFGs, achieving a more joined up approach across Cambridgeshire, and providing better housing, health and social care outcomes.

For Cambridge City, this new policy will replace the relevant elements of our existing Repair & Regulatory Reform Order (RRO) policy. The launch of a new policy is likely to make more people – including health and social care professionals – aware of the availability of these grants and loans, and demand may increase. A national review of DFGs has also just been published, which makes a number of recommendations. The implications of this are not yet known as we await the government's response.

A large number of people over 65 years of age are admitted to hospital as an emergency for falls in Cambridge City, which is significantly worse than the England average⁹. Improvements and adaptations to homes, funded by grants, can help older people live safely and independently. 71 local grants and loans were awarded in 2017/18, averaging a similar figure over the last three years.

Proposal **B4193** will help **local people in households experiencing fuel and water poverty** to reduce their heating and water costs and improve the effectiveness of their heating. This will have a positive impact on older people, children and families. The percentage of households that experience fuel poverty in Cambridge City is 11.5%¹⁰ for the 2016 period (the latest release). Households with a low income, across age ranges, are likely to find it difficult to pay fuel bills as heating a home may come lower down their list of priorities. Living in a cold home can have a range of health consequences, including potentially harming infants' and children's development, and increasing children's vulnerability to respiratory problems¹¹. Older people also feel colder because changes in the body associated with aging can make it difficult to retain body heat and be aware of the cold¹².

The proposal for the **continuation of officer support with recycling and cleansing volunteer groups in the City (B4219)** will provide support to local residents who want to improve their local environment by championing recycling and waste reduction within their communities. Recycling Champions, looking at the profile of current Champions, are likely to be older people who are already active through tenant and resident groups. Nevertheless this work will reach-out to all sections of the community to promote local action, so there will be positive benefits for all age groups.

Proposal **S4286** will **reduce the level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review**. The Council will be asking the Partnerships to mitigate the impacts of this reduction in the Council's grant on different groups, across the age range, who currently benefit from their activities. This will involve: prioritising current and future work in an action plan; showing

⁹ Public Health Outcomes Framework 2.24i: <https://fingertips.phe.org.uk/profile/public-health-outcomes-framework/data#page/0/gid/1000042/pat/6/par/E12000006/ati/101/are/E07000008>

¹⁰ Public Health Outcomes Framework, 1.17 Fuel Poverty: <https://fingertips.phe.org.uk/search/fuel%20poverty#page/3/gid/1/pat/6/par/E12000006/ati/101/are/E07000008/id/90356/age/1/sex/4>

¹¹ The Energy Penalty – University of Leicester 2013: <https://www2.le.ac.uk/departments/law/research/cces/documents/the-energy-penalty-disability-and-fuel-poverty-pdf>

¹² Age UK Winter Toolkit: <https://www.ageukmobility.co.uk/mobility-news/article/the-ultimate-winter-toolkit-for-older-people>

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where they can make the biggest difference in the use of the remaining grant so that work on the ground isn't affected; identify how they will utilise any paid staff to bring the biggest benefits; securing alternative sources of grant funding where possible, and; encouraging volunteering. In addition to the NCP funding that will continue there will be community development hours managed by the Council that will be allocated to these wards.

In recent years the Partnerships have become more independent of the Council and gained a stronger sense of local ownership. The NCP groups have been funded through a revenue stream allocated to these projects as well as accessing Area Committee Grants. The North Cambridge Community Partnership now runs two community rooms on behalf of the Council and these are hired for a variety of activities, some targeting older people and others families, which can help subsidise other activities and offers a local community resource.

The **Extension of the Financial Inclusion Officer post (B4315)** will mainly involve supporting people of a working age who have been awarded Discretionary Housing Payments by the Council. The aim is to provide an extra payment for people claiming Housing Benefit or Universal Credit who are struggling to pay their rent because of changes to the way they receive benefits. People presenting are often in crisis and facing manifest poverty and need short-term help to keep their homes and families together. Revenues and Benefits Service staff processing benefit payments can identify individuals and families who need advice and guidance, but they do not have the time to offer any extended assistance. These residents would be sign-posted to the Financial Inclusion Officer, who can offer intensive support to get them back on track.

In the last financial year, the largest sum of Discretionary Housing Payment was awarded to nearly 100 households^[1] to mitigate the impact of the Benefit Cap, which places a limit on the amount households can receive. For some households, with a large number of children, the benefit cap is applied to limit the amount of benefit claimed. Households in receipt of Pension Credit are exempt from the Benefit Cap, although some pensioners have been affected by the application of the Spare Room Subsidy, which has reduced their benefit income until they can downsize or make other arrangements. It is likely the majority of people that will benefit from this proposal will be working age people and that children in claimant households will also benefit.

The majority of people that will benefit from the proposal for **Additional funding to respond to Welfare Reform (B4307)** will be working age people with children. The funding will allow specialist support to be provided to help people who will be transitioning from Housing Benefit to Universal Credit, following a change in their circumstances, who find themselves struggling to pay their rent and make ends meet because the level of payment they receive has changed. It is anticipated that approximately 5,000 people^[2] will be migrated across to Universal Credit by early 2023 and some, because of their circumstances, will not be receiving the same amount of benefit payment or face a delay in receiving this payment, which may affect their ability to pay their rent and meet other basic needs. Two additional Officers have already been brought into the Council's Income Team to help mitigate the impact on individuals and to prevent the Council's landlord services from being compromised. This proposal will provide a further tool to assist people who are facing more complex problems, such as debt and employment issues, where specialist advice or support commissioned from the Council's partners could make a difference and allow them to become more self-sufficient irrespective of their tenure type.

^[1] Discretionary Housing Payment Update, 19 March 2018, Report to Strategy and Resources Scrutiny Committee
^[2] Policy in Practice, Forecasting Universal Credit Migration in Cambridge.

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(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities

The proposal for a **new audio-visual system to Committee rooms 1 & 2 and new audio system in the Council Chamber, (C41860)** will benefit people with hearing impairment. This package of measures will include improvements to the hearing loop system (sometimes called an audio induction loop), which is a special type of sound system for use by people with hearing aids.

The **improvements to the Customer Services Centre (B4203)** should benefit a wide range of people with protected characteristics under the Equality Act 2010, having taken into account the views of people using the centre. Disabled people will benefit from improved lighting and seating areas that offer greater comfort and ergonomic fit for all users. The accompanying income management system will also support ways of accessing the internet for people with disabilities.

The **lowering of the present charges for the hire of Shopmobility equipment** is likely to benefit people with disabilities who will pay less for the service. In Cambridge City just over 16,000 people reported in Census 2011 that they experience a long-term limiting illness or disability¹³. The prevalence of disability increases with age and about one third of all people between 65 to 74 years of age nationally report having a long-term limiting illness, with a higher proportion living in low income households. In Cambridgeshire the proportion is higher, applying Health Survey for England research with 45% of people aged 65 and over reporting two or more long-term conditions and limitations with mobility, compared to 4% of people aged between 18 to 64 years of age. Disabled people aged 16 to 64 are likely to be in receipt of Personal Independence Payments (PIPs) that may help them meet the additional costs associated with living with disability or long-term illness, helping to offset charges for this service.

The impending temporary **closure of Park Street multi-storey car park and the reduction in income arising from its closure (R14215)** will mean that seven accessible parking bays on the ground floor for people with disabilities will be no longer be available. However, overall, it is expected that the closure of the bays will not have a significant adverse impact on people with disabilities. Currently disabled people tend to use the Lion Yard multi-storey car park in preference to Park Street, where more parking bays for disabled people are available and the building is more accessible (e.g. wider lifts and circulation areas). People with Blue Badges(a nationally recognised on-street parking scheme for disabled people) could also find and use alternative on-street parking places near to Park Street by parking on double yellow lines where there are not loading restrictions or where they could block vehicle movement, as this is permissible within the Blue Badge scheme.

By **allocating funding for Anti-Poverty projects to the Community Development Grants pot (B4155)** it will allow a wider range of community and voluntary sector organisations to submit grant bids, including those looking to deliver services for disabled people.

The **community extension to Cherry Hinton Library (C4156)** will make additional community space available for use by a wider range of community groups, including those offering support for people with disabilities. The improvements will include the fitting of adaptations that will make the community centre accessible for disabled people.

The **Anti-Poverty responsive budget (B4160)**, will allow the Council to support new short-term projects or existing projects to respond to immediate needs of emergencies. These projects would

¹³ PHE Local Health:
http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map8&id_repf=r01&selld0=60&nivgeo=lalt_2013

assist vulnerable people on low incomes, including disabled people.

The current **Living Wage Campaign (B4165)** has managed to secure just over 40 accredited local employers in the City who are now paying, as a minimum, a real living wage to their employees. Recent research by the TUC highlights the "Disability Pay Gap¹⁴", the difference between the average hourly pay of disabled and non-disabled people, and that disabled people are more likely to earn less as a result. In addition, disabled people face increased living costs of up to £550 per month due to physical barrier to their social participation¹⁵. Encouraging more local employers to pay the real living wage to is therefore likely have a positive impact on disabled people by increasing their income.

The proposal to **continue exercise referral services (B4182)** will have a positive impact on disabled people. The City Council currently runs two exercise referral schemes from GP practices for inactive residents with a medical condition or disability. This includes people with diagnosed medical conditions including high blood pressure, diabetes, obesity, osteoporosis, arthritis, depression, as well as people living with and recovering from cancer and cardiac conditions. Both schemes can help adults become more active to improve or manage their health.

The proposal is to **delete 18.5 hours of the Grant Officer post (S4169)** dealing with Disabled Facilities Grants and Private Sector Loan Grants. It is not anticipated that there will be any delays to processing of mandatory DFGs as an outcome of this reduction, and no-one will be refused a DFG on the basis of the change. This bid will therefore have no impact on disabled people applying for grants.

In Cambridge City 13%¹⁶ of the population experiences a limiting long-term illness or disability. The county-wide review around the use of Disabled Facilities Grants (DFGs) aimed to provide a more joined-up approach, and better use of resources, to improve health care and housing outcomes. Our existing policy of providing grants and loans to private sector residents includes topping up Disabled Facilities Grants (DFGs); helping people to move if their property is unsuitable for adaptation; and repairs and improvements to make homes safer. These all help to contribute towards Cambridgeshire's Better Care Fund¹⁷ vision, which includes: diverting resources away from acute health services and on-going social care; focusing rather on helping people to help themselves; and returning people to independence wherever possible.

This proposal will help **local people in households experiencing fuel and water poverty (B4193)** to reduce their heating and water costs and improve the effectiveness of their heating. This is likely to have a positive impact on disabled people. Research shows that households that include someone with a disability or a long-term illness are at heightened risk of fuel poverty¹⁸. Many disabled people face difficulties in affording adequate energy consumption to meet their needs. The negative health impacts of fuel poverty are particularly likely to affect disabled people and those living with long term conditions. Families with one or more disabled children are likely to experience extra costs compared to those with no disabled children, and face difficulties in affording fuel and other essential costs.

It is anticipated that the proposal to **reduce the level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review (S4286)** will have no impact on disabled people. The events supported by the NCPs have been accessible to people with disabilities, including trips, and it is likely that this will continue.

¹⁴ TUC, Disability Pay Gap, <https://www.tuc.org.uk/research-analysis/reports/disability-employment-and-pay-gaps-2018>

¹⁵ Scope (2014), 'Priced out: Ending the Financial Penalty of Disability by 2020'

¹⁶ PHE Local Health:

http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map&id_rep=r01&selld0=60&nivgeo=lat_2013

¹⁷ Cambridgeshire Better Care Fund: <https://www.cambridgeshire.gov.uk/residents/working-together-children-families-and-adults/working-with-partners/cambridgeshire-better-care-fund-bcf/>

¹⁸ Fuel Poverty and Disability: <https://www.nea.org.uk/research/research-database/fuel-poverty-and-disability-a-statistical-analysis-of-the-english-housing-survey/>

The **Financial Inclusion Officer post (B4315)** could sign-post disabled people to Cambridge CAB and other support groups if they have been sanctioned or missed out on benefits and find that paying their rent is difficult. The **Additional funding to respond to Welfare Reform (B4307)** proposal could also allow additional support to be directed to support disabled people.

In some cases Discretionary Housing Payments are made to disabled claimants, including those whose house has been adapted to support their disability, or where a disabled claimant uses a spare bedroom to store medical equipment or other items to alleviate their disability. These payments will bridge the gap between any benefit reduction arising from welfare reforms (Spare Room Subsidy) and their rent. As people with disabilities transition to Universal Credit it is anticipated that some may be financially worse off through the removal of disability premiums, as well as cuts to child disability payments. Support will be provided through personal independence payments (PIPs) but transitional protection maybe required when disabled people are moved from ESA on to Universal Credit in 2019.

(c) Sex – A man or a woman.

R14213: Reduction in income due to review of Shopmobility charges. Women are more likely to benefit from the proposed reductions in Shopmobility charges than men, as there are more disabled women than men in the UK. In 2012/13, there were 6.4 million disabled women (21%) and 5.5 million disabled men (18%). These proportions have remained broadly stable over time¹⁹.

B4165: Anti-Poverty Strategy and Living Wage Campaign. Whilst both men and women on low incomes will benefit from the Council's Living Wage campaign, it is likely that women on low incomes will benefit more. Nationally, there is a gender pay gap of nearly 20% between men and women. In Cambridge, the average earnings for women in Cambridge with the lowest 25% of earnings is £214.50 per week or less, compared with £419 or less for men with the lowest 25% of earnings.²⁰ Women are more likely than men to be in lower paid jobs, often work part-time with less security.

Women are more likely to experience domestic abuse²¹ and experience abuse with much more intensity²². In some cases, such as where women are facing or in fear of domestic abuse and leave their home, other housing costs associated with housing need can be taken into consideration when making Discretionary Housing Payments. Both the **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** could help sign-post people to specialist support or start a process to recover their home.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment that is the process of transitioning from one gender to another)

There are no impacts for this protected characteristic arising from budget proposals.

¹⁹ PHE Local Health:

http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map8&id_rep=r01&selld0=60&nivgeo=lat_2013

²⁰ NOMIS (2017), 'Labour Market Profile – Cambridge':

<https://www.nomisweb.co.uk/reports/lmp/la/1946157205/report.aspx?town=cambridge>

²¹ ONS (2018), 'Domestic abuse in England and Wales: year ending March 2018'

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/domesticabuseinenglandandwales/yearendingmarch2018>

²² Walby and Allen (2004), 'Domestic violence, sexual assault and stalking: Findings from the British Crime Survey': <http://womensaidorkney.org.uk/wp-content/uploads/2014/08/Home-office-research.pdf>

(e) Pregnancy and maternity

C4156: Community extension to Cherry Hinton Library. The extension to the library will make additional community space available for use by a wider range of community groups, including those supporting people through pregnancy and maternity.

B4165: Anti-Poverty Strategy and Living Wage Campaign. Both men and women will benefit from the Council's Living Wage campaign, if it succeeds in increasing the number of employers in the city paying their staff the Real Living Wage. Some of the beneficiaries will be women²³ who have taken breaks in their employment due to pregnancy and maternity leave, who may have had fewer opportunities to develop a career and therefore receive lower wages as a result.

B4182 Continuation of subsidised and free swimming and exercise referral services. Families using Family Centres are provided with free swimming as a part of the scheme. This will include pregnant people and those looking after young children. For pregnant women exercising in water is supportive, good for circulation (as the pressure of the water on blood vessels stimulates blood flow) and reduces swelling. The availability of free-swimming could encourage women on low incomes who are pregnant to maintain normal daily physical activity or exercise²⁴, and once they have given birth continue to participate in swimming activities and Sure Start classes with their new families.

B4193 Continuation of Fuel and Water Poverty post. The continuation of this post will provide support for people living in fuel poverty, including pregnant women. A survey by Save the Children found almost half of the parents from the lowest income families have said they are considering cutting back on food in order to pay their energy bills. During pregnancy this could have a greater impact on the health of the expectant mother and child. When a property is assessed in the current service, if a pregnant person in the household is identified this will be taken into account in the proposals.

Both the **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** could assist and help sign-post people who are pregnant who have had to give up working earlier than anticipated, or had other difficulties, to specialist support to prevent or ameliorate any loss of benefits that might cause difficulty in paying rent, putting a home at risk, and meeting basic needs.

(f) Marriage and civil partnership

There are no impacts for this protected characteristic arising from budget proposals.

(g) Race - The protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

R14213: Reduction in income due to review of Shopmobility charges. As identified above, the

²³ UK Gender Pay Gap: <https://www.gov.uk/government/news/uk-gender-pay-gap>

²⁴ Women and Sport: <https://www.sportengland.org/our-work/women/>

reduction in Shopmobility charges could have a positive impact on disabled people, by reducing the cost of using the service to access city centre shops and services. The impact may vary across ethnic groups, as the prevalence and profile of disability varies by ethnicity. For instance, people from white ethnic groups are almost twice as likely as those from non-white ethnic groups to have a limiting long-standing illness or disability (20% compared with 11%).²⁵ However, the impact that disability or long-term illness has on one's ability to participate in social life (including leisure activities like shopping) are different for different ethnic backgrounds, with black or black British disabled people reporting the highest number of life areas (for example, leisure) in which participation is restricted.²⁶

B4155: Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot.

This could allow community and voluntary groups to bid for projects that will help address issues of low income across a range of ethnic groups. According to JRF, for all ages, family types and family work statuses, people from minority ethnic groups are, on average, much more likely to be in income poverty nationally than white British people. The differences are particularly greater for families where at least one adult is in paid work: in these families, around 60% of Bangladeshis, 40% of Pakistanis and 30% of black Africans are in income poverty²⁷.

C4156: Community extension to Cherry Hinton Library. The extension to the library will make additional community space available for use by a wider range of community groups, including those supporting particular ethnic groups.

B4165: Anti-Poverty Strategy and Living Wage Campaign. If the Living Wage campaign succeeds in increasing the number of employers in the city paying their staff the Real Living Wage, this could particularly benefit people from particular ethnic groups who may be more likely to be on low incomes. Recent JRF research has shown that BME people have a higher likelihood of lower pay²⁸. Throughout the UK, BAME communities are less likely than white people to be paid the living wage. The Joseph Rowntree Foundation showed in 2015 that the ethnic group least likely to be paid below the minimum wage was white males (15.7 per cent); and that which was most likely was Bangladeshi males (57.2 per cent). 38.7 per cent of Pakistani males were paid below the minimum wage, 37 per cent of Pakistani women, and 36.5 per cent of Bangladeshi women.

B4182 Continuation of subsidised and free swimming and exercise referral services. The continuation of free swimming sessions is likely to have a positive impact on BAME children. Data from the Amateur Swimming Association²⁹ (ASA) shows that ethnic minorities in Britain are three times less likely than white people to know how to swim. By encouraging all school children to swim with free-swimming lessons and water confidence lessons for adults, it is hoped that more people from ethnic minority groups will be able to learn to swim.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review. One of the aims of the Partnerships has been to bring people who live in the local community together, reflecting the diversity of the area. Overall, Cambridge is ethnically diverse, with nearly one person in three residing in the City born outside of the UK³⁰. There are no real

²⁵ Papworth Trust, Disability in the United Kingdom 2016: Facts and Figures

<http://www.papworthtrust.org.uk/sites/default/files/Disability%20Facts%20and%20Figures%202016.pdf>

²⁶ Papworth Trust, Disability in the United Kingdom 2016: Facts and Figures

<http://www.papworthtrust.org.uk/sites/default/files/Disability%20Facts%20and%20Figures%202016.pdf>

²⁷ Poverty and Ethnicity in the UK: <https://www.jrf.org.uk/report/poverty-and-ethnicity-uk>

²⁸ Poverty and Ethnicity in the Labour Market: <https://www.jrf.org.uk/report/poverty-ethnicity-labour-market>

²⁹ ASA Sporting Equals:

http://www.swimming.org/~widgets/ASA_Research_Library/Black%20Minority%20Ethnic%20Swimming/ExBME8%20Sporting%20Equals%20BME%20Communities%20and%20Swimming%202012.pdf

³⁰ ONS Country of Birth estimates:

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/populationoftheunitedkingdombycountryofbirthandnationality>

concentrations of ethnic communities in the NCP areas, but there is a larger group of people of Bangladeshi and Polish descent in some areas. The NCPs, reflecting the diversity of the area, have in the past run English classes, promoted Asian groups, street parties and cultural events. It is uncertain whether people of particular ethnicities will be disproportionately affected by the reduction of grant to the partnerships – it will depend on how the NCP's prioritise their work in the future.

(h) Religion or belief

B4182 Continuation of subsidised and free swimming lessons could have a positive impact for people of particular religions. Analysis carried out in 2012 on Sport England's Active People Survey data showed that participation in swimming is low among Sikh, Muslim and Buddhist women, compared with the overall female population. Muslim women and girls can be less likely to swim, as an outfit that fully covers the body is usually required, and they may not wish to swim in mixed classes³¹. Children attending as part of a school group are more likely to include children of different faiths.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review. The Partnerships have looked to support groups celebrating cultural events and groups, such as an Asian girls group in the past, taking into account religion or belief and promoted events to all communities to improve integration.

(i) Sexual orientation

There are no impacts for this protected characteristic arising from budget proposals.

(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

Many of the proposals will impact on people living on low incomes:

- The **Reduction in income due to review of Shopmobility charges** will lower barriers for people on low incomes to access this service.
- The **Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot and the Anti-poverty responsive budget** will continue to promote local projects looking to support people on low incomes, looking to prioritise those that fall within the main

³¹ Sport and Faith: <https://www.sportengland.org/research/understanding-audiences/faith/>

Appendix G

areas of the strategy.

- The post helping to deliver the **Anti-Poverty Strategy and Living Wage Campaign** has at its heart the purpose to raise the incomes of low income groups of people.
- The **continuation of subsidised and free swimming and exercise referral services** will provide young people living in low income families with access to swimming lessons and older people on low incomes with access to structured activities that will promote their wellbeing.
- Last year the Cambridgeshire Housing Improvement Agency completed 222 adaptations for clients living in social housing, costing £1.7m. **Reducing the present post dealing with Disabled Facilities Grants and Private Sector Loan Grants to half a post** will not affect the number of people applying or receiving this grant with a low income.
- The **Continuation of Fuel and Water Poverty post** will provide targeted help to many low income households experiencing fuel poverty to reduce their heating and water costs and improve the effectiveness of their heating.
- The **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** proposals will provide support to people who have proved that they have no financial resources at their disposal to meet their housing needs and basic living requirements. Both proposals could assist and help sign-post people to specialist support to prevent or ameliorate any loss of benefits.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

This EqIA provides an overall assessment of the equality impacts of budget proposals included in the General Fund budget proposed for 2018/19. As these projects and service changes move towards implementation during 2018/19, officers will continue to monitor equality impacts and individual EqIAs with attached action plans for these projects will be produced if required.

12. Do you have any additional comments?

No additional comments.

13. Sign off

Name and job title of lead officer for this equality impact assessment: Graham Saint, Corporate Strategy Officer.

Appendix G

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

Allison Conder, Strategic Project Manager
Andrew Muggeridge, Principal Surveyor
Clarissa Norman, Customer Services Operations Manager
David Greening, Head of Housing
David Kidston, Strategy and Partnerships Manager
Debbie Kaye, Head of Community Services
Helen Crowther, Equality and Anti-Poverty Officer
Helen Reed, Housing Strategy Manager
Ian Ross, Sport and Recreation Manager
Jonathan James, Head of Customer Services
Justin Smith, Energy Projects Team Leader
Naomi Armstrong, Benefits Manager
Rebecca Weymouth-Wood, Waste Policy, Change and Innovation Manager
Sally Roden, Neighbourhood Community Development Manager
Sean Cleary, Commercial Operations Manager

Date of EqIA sign off:

Date of next review of the equalities impact assessment: This will be different for each project.

Sent to Helen Crowther, Equality and Anti-Poverty Officer?

Yes

No

Date to be published on Cambridge City Council website (if known): Not known as yet

Vision

The Council has a clear vision to lead a united city, 'One Cambridge - Fair for All', in which economic dynamism and prosperity are combined with social justice and equality.

It's a vision we will share and develop, working with our citizens and partner organisations.

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
THEME 1 - HELPING PEOPLE IN CAMBRIDGE WHO HAVE THE GREATEST NEED					
1.1 To implement our Anti-Poverty Strategy, which aims to improve the standard of living and daily lives of those residents in Cambridge who are currently experiencing poverty; and to help alleviate issues that can lead households on low incomes to experience financial pressures.	<p>We will:</p> <p>1.1.1 Deliver or fund projects and mainstream services that help reduce the impacts of poverty on residents and communities in Cambridge.</p> <p>1.1.2 Ensure that adverse impacts of welfare reforms are minimised; working effectively with the DWP and other partner organisations to support residents with the implementation of Universal Credit.</p> <p>1.1.3 Support individuals and households to benefit from greater digital inclusion.</p>	<ul style="list-style-type: none"> Fewer people experiencing material hardship and the detrimental impacts of poverty on physical and mental health. Residents are supported through the impact of welfare reforms, including through housing benefit, council tax support and homelessness assistance, debt advice and personal budgeting support. Customers' financial hardship during the transition period is minimised. Residents are able to make the most of digital technology to secure better value services; the council is able to provide better quality and more efficient services. 	<ul style="list-style-type: none"> Basket of indicators in the Anti-Poverty Strategy Speed of processing housing benefit claims Numbers of people who meet one or more of the Digital Inclusion Outcomes Framework indicators as a result of the City Council's Digital Inclusion Strategy interventions 	Cllr Smith Cllr Johnson Cllr Robertson	Suzanne Hemingway Debbie Kaye David Greening Alison Cole Andrew Limb
1.2 To develop and deliver our Housing Strategy, which aims to provide more affordable housing, a better mix of tenure types in the city, and to reduce homelessness and rough sleeping.	<p>We will:</p> <p>1.2.1 Develop and implement a Greater Cambridge Housing Strategy with South Cambridgeshire District Council, setting the vision and key housing objectives and priorities across the two councils up to 2022.</p>	<ul style="list-style-type: none"> The Housing Strategy is informed by community consultation, adopted by both councils, and then implemented. We work in partnership to ensure: <ul style="list-style-type: none"> High quality new homes are being built that meet local needs and which people can afford. Existing homes are well-managed and maintained. Homelessness and rough sleeping are successfully addressed. Households move into the new homes that have been delivered; and financial returns are achieved consistent with the aspirations set out in initial proposals for each site. 	<ul style="list-style-type: none"> The suite of indicators for housing issues - including new build starts and completions (via annual monitoring report), tenant satisfaction, number of rough sleepers - set out elsewhere in this plan. 	Cllr Johnson	Suzanne Hemingway David Greening

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
	<p>1.2.2 Provide advice and support to people in housing need in Cambridge, in order to help them find homes that meet their needs, and to avoid becoming homeless. Prevent homelessness and reduce rough sleeping for as many in Cambridge as possible.</p> <p>1.2.3 Develop permanent, self-contained housing for homeless people with complex needs ('Housing First').</p> <p>1.2.4 Build at least 500 new Council Homes through the Devolution funding, ensuring they comply with the Council's Sustainable Housing Guide wherever viable.</p> <p>1.2.5 Seek to secure 40% affordable housing in new developments through the planning application process.</p> <p>1.2.6 Provide sub-market intermediate housing that also generates a financial return through Cambridge City Housing Company (CCHC).</p> <p>1.2.7 Review the CCHC to explore potential for management of mixed tenures.</p>	<ul style="list-style-type: none"> People are supported to make housing choices that meet their needs, including through access to Council or housing association homes, or temporary accommodation for short periods. Households placed in bed and breakfast accommodation minimised; rough sleeping numbers are reduced and people supported off the street given routes to housing and to re-establishing their lives. City and County Councils agree a strategy for the development of Housing First schemes and trial different types of scheme, increasing the number of bed spaces each year. Construction is commenced and local people in need start to be housed in quality new Council Homes that they can afford. Residents have lower fuel costs, and lower emissions in new build housing than equivalent properties in older stock. Different types of households, with a broad range of incomes, are assisted to afford to live in Cambridge. 23 households continue to be housed at sub-market rents. 	<ul style="list-style-type: none"> Number of different individuals found sleeping rough in Cambridge City in a single financial year Number of rough sleepers found on the bi-monthly and official annual count (November) Number of homelessness preventions where a homelessness duty is owed Number of council housing starts Number of new homes that comply with the Cambridge Sustainable Housing Design Guide Number of residents reporting lower fuel bills as part of 12 month survey in relevant developments Number of Affordable Housing completions (all social housing providers) Financial return to the Council 		Fiona Bryant Claire Flowers Stephen Kelly Claire Flowers Dave Prinsep
1.3 To support local communities and residents to meet the needs of the most vulnerable, including refugees.	<p>We will:</p> <p>1.3.1 Work, including with other agencies, to provide support for communities, including through community centres, outreach and grant funding.</p> <p>1.3.2 Review the range of community development provision across Cambridge to ensure it supports individuals and communities with the greatest need.</p> <p>1.3.3 Strengthen community capacity via Community Grants and support for the voluntary sector</p>	<ul style="list-style-type: none"> Children, young people, older people and families in areas of most need are supported to access services. Community centres provide efficient services enabling residents/communities (particularly those with real need) to support themselves and access key services. Communities in areas where there is most need are supported to be more cohesive, healthy and safe. There is a thriving community and voluntary sector which in turn adds value to the quality of Cambridge life 	<ul style="list-style-type: none"> Universal ChYpPs sessions <ul style="list-style-type: none"> Number of sessions Number of child visits Community Centres <ul style="list-style-type: none"> Visitor numbers % of income target achieved Number of entries to Council leisure facilities by people holding concession memberships 	Cllr Smith	Debbie Kaye

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
	1.3.4 Continue to develop links and co-operative working arrangements with partner organisations and agencies to ensure delivery of the appropriate services for resettled families.	<ul style="list-style-type: none"> Resettled people are integrated into the Cambridge community and are supported to acquire skills for quality of life. Customised and individual plans in place for families on arrival which ensures they receive the appropriate support for their needs. The families gain the required skills to live full and integrated lives, and earn a living, including competent English. 	<ul style="list-style-type: none"> Number of refugees attaining ESOL 'elementary' standard 		

THEME 2 - PLANNING FOR GROWTH AND ENSURING OUR NEW COMMUNITIES ARE SUCCESSFUL					
2.1 To plan for the sustainable growth of Cambridge, support the development of new communities and deliver services to our growing population.	We will: 2.1.1 Develop the new joint Greater Cambridge Local Plan in partnership with South Cambridgeshire District Council and the relevant delivery partners. 2.1.2 Plan and deliver efficient services to new communities. 2.1.3 Work with residents in the new neighbourhoods and adjacent areas to develop sustainable communities. 2.1.4 Ensure that the quality of place in all development facilitates health, well-being and quality of living. 2.1.5 Manage elections on revised local ward boundaries that reflect the growth in the city's population and electorate - for all 42 seats in May 2020, and by thirds in subsequent years.	<ul style="list-style-type: none"> The local plan 2018 is implemented successfully. Work on the new Greater Cambridge local plan is carried out, integrating spatial and transport planning to provide for sustainable and inclusive economic growth. New communities are well-planned, well-served, cohesive and well-integrated in the wider city. New communities lead a range of community activities. Community facilities are well-used by new communities. All electors who are entitled to vote can do so. The Council's democratic structures take account of relative population growth in different wards. 	<ul style="list-style-type: none"> Number of homes completed (Annual Monitoring Report) Feedback from Residents' surveys on development of new communities Number of applications for community chest grants for start-up activity Awards for the quality of new developments 	Cllr Blencowe Cllr Smith Cllr Herbert	Stephen Kelly Suzanne Hemingway Fiona Bryant Claire Flowers
2.2 To work with partners to address the infrastructure needs of the city and the Greater Cambridge area, to reduce congestion and pollution; provide more housing; and support sustainable growth and quality of life for all.	We will: 2.2.1 Through our membership of the Greater Cambridge Partnership and Combined Authority, develop and implement projects that support sustainable economic growth by tackling congestion & improving connectivity. 2.2.2 With our partners, seek to influence regional and national agencies to prioritise additional investment in the infrastructure needs of Greater Cambridge. 2.2.3 Develop, with partners including through the Cambridge Investment Partnership, new homes of mixed tenure, including council housing and other facilities as required at sites including Mill Road Depot and Cromwell Road, along with financial returns to the Council.	<ul style="list-style-type: none"> Improved connectivity, and reduced congestion, supporting the continued sustainable growth of the Greater Cambridge economy by allowing freer movement of people, goods and ideas. Improved public transport and modal shift from cars to public transport and other non-car transport options. Mixed and balanced developments are built at Mill Road Depot and Cromwell Road. 	<ul style="list-style-type: none"> % of all journeys undertaken by bicycle, public transport and on foot Number of housing schemes started on site Financial return to Council 	Cllr Johnson Cllr Robertson	Debbie Kaye David Greening Andrew Limb

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
	2.2.4 Explore new models for housing to help address the Cambridge Housing market gaps. 2.2.5 Continue to work with partners on infrastructure-unlocking opportunities such as development in the Northern Fringe.	<ul style="list-style-type: none"> • New tenure models developed to support diverse housing needs and income earning opportunities. • Infrastructure issues addressed at Cambridge Northern Fringe and other sites to enable housing to be delivered, close to places of work. 			

THEME 3 - PROTECTING OUR ENVIRONMENT AND TACKLING CLIMATE CHANGE					
3.1 To deliver our Climate Change Strategy, which aims to reduce carbon emissions reduce consumption of resources, increase recycling and reduce waste; and to support Council services, residents and businesses to adapt to the impacts of climate change	3.1.1 Produce Sustainable Design and Construction planning guidance to help shape new low energy/carbon private sector development. 3.1.2 Deliver the Cambridge Air Quality Action Plan; and explore the scope for working in partnership on air quality issues with South Cambridgeshire District Council. 3.1.3 Make our streets and open spaces and communities more resilient to the impacts of climate change. 3.1.4 Manage Cambridge's streets and open spaces for the benefit of both wildlife and people by ensuring that biodiversity protection and enhancement is taken into account in all development decisions and management practices. 3.1.5 Invest in energy efficiency and generation projects as set out in our Carbon Management Plan. 3.1.6 Develop and implement the Commercial Property Energy Efficiency Plan to invest in energy efficiency measures that improve the performance of the portfolio over time. 3.1.7 Reduce the amount of waste generated, by supporting and educating residents to reduce, reuse and recycle more. 3.1.8 Take enforcement action, including prosecution where appropriate, against those damaging the environment. 3.1.9 Work with community organisations to promote sustainable food practices.	<ul style="list-style-type: none"> • Sustainable Design and Construction (SCaD) Supplementary Planning Document (SPD) produced and adopted, supporting the transition to a lower carbon economy. • New developments minimise and mitigate climate change and protect and enhance habitats. • Draft flood and water management Supplementary Planning Document implemented. • Improved air quality across the city, particularly in high air pollution zones, with particular focus on reducing vehicle emissions harmful to public health. • Cambridge's streets and open spaces can continue to be enjoyed by future generations. • Cambridge's biodiversity value is protected and enhanced. • Emissions reduction target achieved, and reduced energy bills, saving money that can then be spent on essential services. • Reduced energy use and emissions from our portfolio. • Compliance with Minimum Energy Efficiency Standards (MEES) Regulations by 1st April 2023. • Recycling targets are achieved, and the amount of waste sent to landfill is reduced. Bin contamination kept to target minimum. • Fewer instances of environmental crime; cleaner and safer streets and open spaces. • Communities have greater access to locally sourced food; Cambridge is working towards "silver" award. 	<ul style="list-style-type: none"> • Number of air quality monitoring points exceeding NO2 legal limit • Number of low emission taxis • % of insect-friendly wildflower meadows and long grass areas • Volume of glyphosate-based herbicide used • % of City Council owned and managed parks and open spaces actively designated and / or managed for biodiversity • % of designated Local Wildlife Sites (City Wildlife Sites & County Wildlife Sites) in positive conservation management • tCO2 from council assets and activities • Council's fuel usage (Kwh) • EPC Rating by Total Floor Area (Sq m) assessed annually • % black bin waste • % Blue bin recycling rate • % Bin contamination • Number of Fixed Penalty Notices (FPN) issued for littering 	Cllr Moore Cllr Thornburrow Cllr Blencowe Cllr Johnson Cllr Robertson	Suzanne Hemingway David Greening Joel Carre Stephen Kelly Andrew Limb Dave Prinsep Lynn Thomas Trevor Nicholl

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
THEME 4 - DELIVERING QUALITY SERVICES WITHIN FINANCIAL CONSTRAINTS					
<p>4.1 To provide essential services that meet customer needs within the resources we have available.</p>	<p>We will:</p> <ul style="list-style-type: none"> 4.1.1 Ensure planning applications are dealt with within target timescales and resources. 4.1.2 Collect Council Tax and Business Rates efficiently. 4.1.3 Keep our streets and open spaces clean, green and safe, including by: <ul style="list-style-type: none"> • supporting communities to assist us in caring for their streets and open spaces; and • tackling littering, fly-tipping and graffiti. 4.1.4 Carry out risk based food safety standard inspections of food businesses. 4.1.5 Carry out targeted work in areas where community safety issues such as anti-social behaviour related to drug and alcohol abuse, knife crime, begging and domestic abuse have been identified and need to be addressed through support and enforcement. 4.1.6 Collect recyclables and waste from residents and businesses in the city efficiently. 	<ul style="list-style-type: none"> • Residents and businesses experience efficient services, with queries responded to in a timely and professional manner. • The management of our streets and open spaces is supported by an active band of community volunteers. • High quality, environmentally-friendly street and open space environments achieved. • Reduced levels of littering, fly tipping and graffiti. • All food businesses are managed to good food safety standards. • Communities know that we will work with partners to address community safety issues where they arise, and will know how to report issues. • Balanced approach taken to supporting and enforcing so that vulnerable victims are protected and supported. • High level of successful scheduled waste collections; income, savings & efficiencies delivered by the shared waste service. 	<ul style="list-style-type: none"> • % planning applications processed within target timescales • Council Tax and Business Rates collection rates • % of streets achieving Grade A cleanliness standard • Number of open spaces with active friends groups • Number of volunteer hours contributed to maintaining streets and open spaces • Number of Green Flag sites • % of food businesses rated as broadly compliant • Number of prevention initiatives in place • Number of awareness raising events for domestic abuse • Cost per household of waste collection • % successful collections 	All Executive Councillors	Antoinette Jackson Suzanne Hemingway Fiona Bryant Stephen Kelly Heads of Service
<p>4.2 To provide safe, warm and well-maintained homes for our tenants; and to work with private sector landlords of Houses in Multiple Occupation to achieve the same.</p>	<p>We will:</p> <ul style="list-style-type: none"> 4.2.1 Invest in the Council's housing stock in line with the housing asset management strategy. 4.2.2 Provide a high performing repairs and planned maintenance service for our tenants that gives value for money. 4.2.3 Administer and enforce the mandatory HMO (House in Multiple Occupation) Licensing scheme to improve standards. 4.2.4 Work with tenants to agree priorities and invest in environmental improvements to our estates and communal areas. 	<ul style="list-style-type: none"> • Quality housing provided for tenants that meets the agreed appropriate standards and is energy efficient. • Tenants' satisfaction with the repairs and planned maintenance service is maintained and improved. • We have achieved the agreed target for average repairs cost. • All HMO landlords provide good standard, energy-efficient private rental accommodation. • High quality environments for our Council Housing residents leading to increased resident satisfaction in their neighbourhood. 	<ul style="list-style-type: none"> • % customer satisfaction of their homes • energy and environmental performance of our housing stock (RdSAP) • % customer satisfaction with repairs service • % resident satisfaction with the neighbourhood 	Cllr Johnson	Suzanne Hemingway David Greening

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
	4.2.5 Take action against Council tenants who create harm or disturbance for others.	<ul style="list-style-type: none"> Tenants are able to enjoy a peaceful quality of life; disruptive tenants are managed and anti-social behaviour is deterred. 			
4.3 To generate income from our services, where we have opportunity to do so, and to run those services in an efficient and modern way to generate a return to help fund other council services	<p>We will:</p> <p>4.3.1 Invest in facilities at the crematorium and cemetery that help us to deliver an efficient bereavement service focused on the needs of the bereaved.</p> <p>4.3.2 Manage the Council's car parks to provide a high level of service, while planning for a future reduction in the need for city centre parking.</p> <p>4.3.3 Manage our garage in a way that meets the needs of private vehicle owners and expanded range of commercial fleets.</p> <p>4.3.4 Grow income-generating services including planning services & building control, open space hire, trade waste, and wider service charges to help cover costs.</p>	<ul style="list-style-type: none"> The Council crematorium increases its turnover and market share annually, with successful budgetary performance and positive customer experience. We balance managing demand, congestion and air pollution while achieving an income from our car parks. Provide electric charging that meets customers' needs and facilitates a shift to clean travel in the city; and increased use of zero/ultra-low emission vehicles across the council's fleet. Private client base grow year on year, managing four major HGV clients and we have established a profitable waste vehicle rental service. Increased income and reduced cost of delivery. 	<ul style="list-style-type: none"> share of total market by volume % of budget achieved % of customers paying by card % of card payments done via the contactless system Number of electric vehicles in the council's fleet Number of major HGV clients 	Cllr Robertson	Fiona Bryant James Elms Heads of Service
4.4 To ensure a varied cultural offer is available to those who live, work and study in, and visit, Cambridge	4.4.1 Manage the return of the cultural service back into the council to ensure cultural events and services continue to be provided efficiently for the benefit of local people.	<ul style="list-style-type: none"> The Corn Exchange and Guildhall programme, Cambridge Folk Festival and City Events are delivered efficiently and effectively, achieving positive customer feedback 		Cllr Smith	Debbie Kaye
4.5 To deliver a wide range of essential services to those who live, work and study in, and visit, Cambridge. As central Government funding reduces we will continue to focus on delivering, those key front line services.	<p>We will:</p> <p>4.5.1 Publish clear standards for our services and ensure services are delivered to them.</p> <p>4.5.2 Ensure residents and businesses enjoy an efficient service, with queries responded to in a timely and professional manner.</p> <p>4.5.3 Give service users a say on changes through consultation, as appropriate.</p> <p>4.5.4 Deal with complaints effectively when we get things wrong.</p>	<ul style="list-style-type: none"> People who live, work and study in, or visit, Cambridge experience high quality and efficient services. 	<ul style="list-style-type: none"> Residents' Survey overall satisfaction with the Council 	All Executive Councillors	Antoinette Jackson Suzanne Hemingway Fiona Bryant Heads of Service

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
THEME 5 - DEVELOPING EFFECTIVE PARTNERSHIPS AND AN INNOVATIVE AND DYNAMIC ORGANISATION					
<p>5.1 To transform the quality and efficiency of the services we provide to ensure we are maximising our resources and adapting to the changing needs of our residents and service users.</p> <p>To implement our ICT Business Plan and technology road map and our Digital Strategy.</p>	<p>We will:</p> <p>5.1.1 Develop and promote an online customer portal for residents. Carry out effective business process reviews to help deliver better online transactional services enabling more residents to self-serve on line.</p> <p>5.1.2 Implement a new online housing management information system.</p> <p>5.1.3 Deliver the Streets and Open Spaces service development strategy, 2017-21, including investing in new technologies and ways of working.</p> <p>5.1.4 Implement a new online planning system with improved customer self-service functionality.</p> <p>5.1.5 Provide the infrastructure and training, including through the Council Anywhere programme, to enable our staff to take advantage of new digital technologies to work flexibly and efficiently.</p>	<ul style="list-style-type: none"> • More people can access services digitally and customers are responded to quickly, receiving a quality customer experience, leading to a reduction in telephone calls to the contact centre. <ul style="list-style-type: none"> ◦ Customers will receive alerts on the status of their request and can track and receive confirmation when completed. ◦ Transformation projects deliver financial savings to the Council. • Customers will be able to log service requests, view, amend and make payments on their rent accounts, receive notifications and alerts. • Our Streets and Open Spaces service is able to respond to the impacts of growth and associated service demands without increasing costs. • Our customers are able to raise and track streets and open spaces service requests digitally. • Applicants and interested parties can receive notifications, review and comment on proposals online alongside improved information and advice online. • Improved productivity, positive impact on recruitment and retention, better customer experience. 	<ul style="list-style-type: none"> • % of contacts made online, including via the portal • Number of registered portal accounts • Proportion of tenant contacts regarding repairs and rent balances made online • Operational unit cost to maintain streets and open spaces • % of responses & submissions received online • % staff who feel supported to achieve a work/life balance in staff survey 2019 	Cllr Herbert Cllr Robertson	Antoinette Jackson Suzanne Hemingway Fiona Bryant Heads of Service
<p>5.2 To invest in our staff and ensure we have a workforce equipped and supported to deliver on our priorities</p>	<p>We will:</p> <p>5.2.1 Invest in our staff and implement our Organisational Development Strategy.</p> <p>5.2.3 Support and create opportunities for apprenticeships in line with our Apprenticeship Strategy.</p> <p>5.2.4 Implement actions arising from Investor in People review 2018 and from staff survey 2019.</p>	<ul style="list-style-type: none"> • We can recruit and retain the staff we need. • We have a diverse workforce. • Staff regard the Council as a good employer. • Staff are trained and developed to meet changing needs and to develop their careers within the council. • We optimise our apprenticeship levy contributions, meet government targets and deliver quality apprenticeships to support workforce and succession planning. • Staff engage in wellbeing at work programme to improve their physical and mental health. • We continue to be recognised as an Investor in People (IiP)and as Disability Confident . 	<ul style="list-style-type: none"> • % of workforce who are apprentices • Outcome of Investor in People (IiP) review (2021) • Workforce profile (% staff and number of job applicants who declare a disability; %who declare themselves as BAME - Black, Asian and Minority Ethnic) 	Cllr Robertson	Antoinette Jackson Deborah Simpson Heads of Service
<p>5.3 To transform services through internal service reviews and by implementing further shared services.</p>	<p>We will:</p> <p>5.3.1 Carry out strategic reviews of key services including Car parking, Human Resources, Community Services and Customer Services and other services.</p> <p>5.3.2 Invest in our transformation, project and programme management capabilities and capacity.</p>	<ul style="list-style-type: none"> • Improved quality and efficiency of service. • Projects delivered more efficiently, saving the Council time and money. 		Cllr Herbert Cllr Robertson	Fiona Bryant Suzanne Hemingway Fiona Bryant

Objective	Activities	What success looks like	Indicators	Executive Cllrs	Lead officers
	5.3.3 Implement the Shared Planning Service to optimise the potential of new ways of working, including digital technological transformation, to improve service quality and productivity. 5.3.4 Develop the Shared Waste Service business plan including through partnership working with other councils and organisations. 5.3.5 Explore the scope for further collaboration or sharing of other services.	<ul style="list-style-type: none"> Further savings and/or benefits in productivity/efficiency identified and then delivered. Sharing further services, or other collaborations, would aim to provide greater resilience and efficiency and the capacity to deliver services to the City and partner councils. 			Stephen Kelly Trevor Nicoll Fiona Bryant
5.4 To review our assets to ensure they are delivering maximum value to the Council and to the wider community.	We will: 5.4.1 Generate income, capital receipts and value through extra investment in commercial property following completion of a comprehensive asset review. 5.4.2 Further develop the long term Council accommodation strategy to achieve more efficient and flexible working arrangements, improve service delivery, reduce fuel costs and carbon emissions and identify further income and redevelopment opportunities. 5.4.3 Procure goods and services for the Council, and its partners as agreed, in a way that is competitive, accessible, standardised, fair and transparent, delivering innovative ways to support the local economy.	<ul style="list-style-type: none"> Increasing income, capital receipts and portfolio value. Council buildings, land and property used more efficiently, improving service delivery and embedding new ways of working. Procurements generate opportunities to work collaboratively, reduce costs and improve services. We are compliant with PCR (Public Contract Regulations) and transparency requirements. 	<ul style="list-style-type: none"> Annual income from commercial property portfolio % of contracts which are PCR compliant 	Cllr Robertson	Dave Prinsep James Elms
5.5 To continue to develop and work with innovative partnerships to improve the quality of life in the city.	5.5.1 Continue to develop the My Cambridge Cultural Education Partnership. 5.5.2 Provide opportunity for young people to participate in local decision making through Agenda Days and Takeover Days. 5.5.3 Work with partners (including the police) in the Community Safety Partnership to increase safety in Cambridge. 5.5.4 Work with Cambridge BID and Visit Cambridge and Beyond to respond to and manage tourism and visitor related issues facing our city centre. 5.5.5 Work collaboratively with Cambridgeshire County Council, and other partners in the Local Health & Wellbeing Board, to support our communities to be healthy and resilient.	<ul style="list-style-type: none"> More young people are supported to build up confidence and aspiration. Children and young people have a real say and influence council decisions including specific issues such as the refurbishment of play areas. Problems are identified; joint working with the police and others in working groups has a measurable impact in reducing crime; Cambridge continues to be a safe city to live in and visit. Visitors staying longer, exploring Cambridge and using it as a base to visit other attractions outside the city. More people engage in healthy lifestyle choices and activities. 	<ul style="list-style-type: none"> Number of young people completing ACTIVATE programme Number of medium & high risk ASB cases responded to within the service standard Number of people with action plans in place at Street Life Working Group Level of visitor spend in the city; Average duration of visit to the city Number of people participating in the programme 	Cllr Smith	Debbie Kaye Joel Carre Suzanne Hemingway

Contacts

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Budget process guidance – your Service Accountant		
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Budget-Setting Report (BSR) 2019/20 - Review of Charges

In the Medium-Term Financial Strategy (MTFS) October 2018 the general inflation assumption (target) for income and charges was 2.0% ongoing. All areas are required to review fees and charges (including property rental income based on detailed projections and rent reviews) and, if any specific review results in material additional or reduced income, then these are identified and included in the Budget-Setting Report (BSR) February 2019 as budget proposals.

Contents:

Portfolio	Charges	Contacts
Streets & Open Spaces	Bereavement Services Open Spaces	Glyn Theobald Joel Carre
Environmental Services & City Centre	Environmental Services Taxi Testing Shared Waste	Yvonne O'Donnell David Cox Trevor Nicoll
Communities	Sports and Recreation	Ian Ross
Housing – General Fund	HMOs, Enforcement	Yvonne O'Donnell
Planning Policy & Transport	Parking	Sean Cleary
Finance & Resources	Moorings Guildhall Lettings Land Charges	Ashley Read Gary Clift Laura Prideaux-Brune
Licensing	Business Licensing Taxi Licensing Licensing & Gambling Act Street Trading	Yvonne O'Donnell Tim Jones

Streets & Open Spaces - Bereavement Services

CAMBRIDGE CITY CREMATORIUM	Charge 2018/19 £	Charge 2019/20 £	Increase / (Decrease) £	% Increase	Charge incl VAT (where appropriate) £
Adult - Band 1 (before 9:30am and after 4pm)	602.00	602.00	0.00	0.00%	
Adult - Band 2	740.00	830.00	90.00	12.16%	
Adult - Body Part	95.00	97.00	2.00	2.11%	
Bearer	25.00	50.00	25.00	100.00%	
Extended Service	265.00	265.00	0.00	0.00%	
Over running allotted service time by more than 5 minutes	70.00	71.00	1.00	1.43%	
Adult - Saturday service by request	1,286.00	1,512.00	226.00	17.57%	
Adult - Sunday service by request	Price on Application	Price on Application	0.00	0.00%	
Child - Sunday service by request	Price on Application	Price on Application	0.00	0.00%	
Infant - Sunday service by request	Price on Application	Price on Application	0.00	0.00%	
Baby (pre 24 weeks gestation) - Sunday service by request	Price on Application	Price on Application	0.00	0.00%	
ADDITIONAL CHARGES (IF APPLICABLE)					
Memorial Service **	314.00	384.00	70.00	22.29%	460.80
Audio (CD) Recording**	45.00	55.20	10.20	22.67%	66.24
Visual (DVD) Recording**	45.00	55.20	10.20	22.67%	66.24
USB Recording **	45.00	55.20	10.20	22.67%	66.24
Web Cast**	89.00	55.20	(33.80)	(37.98%)	66.24
Visual Tribute (West Chapel only) - price on application** (minimum charge shown)	20.00	30.00	10.00	50.00%	36.00
Visual tribute price per picture **	NEW	1.92	N/A	N/A	2.30
Visual tribute price per minute of video **	NEW	5.40	N/A	N/A	6.48
Additional copy of recording **	NEW	21.60	N/A	N/A	25.92
Copy of VT **	NEW	27.60	N/A	N/A	33.12
Include VT on recording **	NEW	27.60	N/A	N/A	33.12
Outside Broadcast (West Chapel only)	51.00	N/A	N/A	N/A	
Wooden casket	39.00	48.00	9.00	23.08%	
Witness scattering - Sunday	Price on Application	Price on Application	0.00	0.00%	
Scattering from another crematoria (inc witness fee)	75.00	N/A	N/A	N/A	
Scattering from another crematoria (inc witness fee) - Saturday	87.00	N/A	N/A	N/A	
Scattering from another crematoria (inc witness fee) - Sunday	Price on Application	Price on Application	0.00	0.00%	
Duplicate Cremation Certificate	20.00	21.00	1.00	5.00%	
Postage & Packing	At Cost	At Cost	0.00	0.00%	
Disposal Certificate - copy	20.00	N/A	N/A	N/A	
Safe keeping of Ashes (per month)	80.00	N/A	N/A	N/A	
Customs Certificate	20.00	21.00	1.00	5.00%	
Cancelling service within 4 working days of the allotted time	90.00	90.00	0.00	0.00%	
Exhumation of Ashes**	145.00	177.00	32.00	22.07%	212.40
NEWMARKET ROAD & HUNTINGDON ROAD CEMETERY					
Exclusive Right of Burial – Adult					
<i>City resident</i>	645.00	N/A	N/A	N/A	
5 year top up extension to reinstate Exclusive right to 50 years	65.00	N/A	N/A	N/A	
<i>Non-City resident</i>	1,290.00	N/A	N/A	N/A	
5 year top up extension to reinstate Exclusive right to 50 years	135.00	N/A	N/A	N/A	

Streets & Open Spaces - Bereavement Services

CAMBRIDGE CITY CREMATORIUM	Charge 2018/19	Charge 2019/20	Increase / (Decrease)	% Increase	Charge incl VAT (where appropriate)
Exclusive Right of Burial – Adult - 50 years	NEW	958.00	N/A	N/A	
Exclusive Right of Burial – Adult - 75 years	NEW	1,436.00	N/A	N/A	
Exclusive Right of Burial – Adult - 99 years	NEW	1,940.00	N/A	N/A	
5 year top up extension to reinstate Exclusive right to 50 years	NEW	96.00	N/A	N/A	
Exclusive Right of Burial – 2 years and under					
<i>City resident</i>	79.00	N/A	N/A	N/A	
5 year top up extension to reinstate Exclusive right to 50 years	11.00	N/A	N/A	N/A	
<i>Non-City resident</i>	160.00	N/A	N/A	N/A	
5 year top up extension to reinstate Exclusive right to 50 years	16.00	N/A			
Exclusive Right of Burial – 2 years and under	NEW	161.00	N/A	N/A	
All Interments - Traditional and Green burials					
Adult	775.00	N/A	N/A	N/A	
Adult interment Resident	NEW	820.00	N/A	N/A	
Adult interment Non Resident	NEW	1,458.00	N/A	N/A	
Adult - Saturday	988.00	1,000.00	12.00	1.21%	
Adult - Sunday	Price on Application	Price on Application	0.00	0.00%	
Child (2-16yrs) - Sunday (2017/18 was 2-12yrs)	Price on Application	Price on Application	0.00	0.00%	
Infant (under 2 & stillborn) - Sunday	Price on Application	Price on Application	0.00	0.00%	
Baby - pre 24 weeks gestation - Sunday - Interment Fee applicable	Price on Application	Price on Application	0.00	0.00%	
Ashes	189.00	193.00	4.00	2.12%	
Ashes - Saturday	280.00	287.00	7.00	2.50%	
Ashes - Sunday	Price on Application	Price on Application	0.00	0.00%	
Burial within 24 hours notice	65.00	N/A	N/A	N/A	
Permanent (Wooden) Shoring (single depth grave)	230.00	310.00	80.00	34.78%	
Permanent (Wooden) Shoring (double depth, closed boarding) (For use with oversized coffin)	1,061.00	1,083.00	22.00	2.07%	
Topsoil (single depth grave)	351.00	358.00	7.00	1.99%	
Oversize interment - 36"	320.00	327.00	7.00	2.19%	
Headstone (up to 18"x18") plus memorial inspection fee ***	102.00	104.00	2.00	1.96%	
Infant Kerbset including headstone (36"l x 24"w x 24"h) plus memorial inspection fee ***	135.00	138.00	3.00	2.22%	
Adult Headstone (up to 36"h) plus memorial inspection fee ***	197.00	201.00	4.00	2.03%	
Adult Half Kerb including headstone (36"l x 36"w x 48"h) plus memorial inspection fee ***	197.00	201.00	4.00	2.03%	
Adult Full Kerbset including headstone (84"l x 36"w x 48"h) plus memorial inspection fee ***	295.00	301.00	6.00	2.03%	
Adult Full Kerbset including headstone (up to 84"l x 36"w x 54"h) plus memorial inspection fee ***	445.00	454.00	9.00	2.02%	
Adult Full Kerbset including headstone (up to 84"l x 36"w x 60"h) plus memorial inspection fee ***	665.00	678.00	13.00	1.95%	
Adult Full Kerbset including headstone (up to 84"l x 36"w x 66"h) plus memorial inspection fee ***	995.00	1,015.00	20.00	2.01%	
Memorial inspection fee ***	74.00	76.00	2.00	2.70%	
ADDITIONAL CHARGES (IF APPLICABLE)					
Use of chapel - Funeral service	94.00	196.00	102.00	108.51%	
Use of chapel - Saturday	188.00	N/A	N/A	N/A	

Streets & Open Spaces - Bereavement Services

CAMBRIDGE CITY CREMATORIUM	Charge 2018/19	Charge 2019/20	Increase / (Decrease)	% Increase	Charge incl VAT (where appropriate)
Use of chapel - Sunday	Price on Application	Price on Application	0.00	0.00%	
Memorial service**	Price on Application	Price on Application	0.00	0.00%	Price on Application
Grave Plot prepurchase - Huntingdon Road (Single)	2,500.00	N/A	N/A	N/A	
Grave Plot prepurchase - Huntingdon Road (Single) 50years	NEW	2,550.00	N/A	N/A	
Grave Plot prepurchase - Huntingdon Road (Single) 75years	NEW	3,100.00	N/A	N/A	
Grave Plot prepurchase - Huntingdon Road (Single) 99years	NEW	3,700.00	N/A	N/A	
Assignment of grave ownership	55.00	56.00	1.00	1.82%	
Transfer of Ownership	55.00	56.00	1.00	1.82%	67.20
Duplicate Deed of Grant	20.00	21.00	1.00	5.00%	
Late receipt of burial papers (waived for burial within 24 hours)	29.00	N/A	N/A	N/A	
Permit for cleaning and renovation only	30.00	31.00	1.00	3.33%	
Amendment to original instructions	30.00	N/A	N/A	N/A	
Cancelling service after the grave has been dug	180.00	180.00	0.00	0.00%	
Exhumation**	1,500.00	Price on Application	N/A	N/A	Price on Application
Exhumation (non-viable foetus) **	235.00	288.00	53.00	22.55%	345.60
Family History price per search	NEW	50.00	N/A	N/A	60.00
Family History charges up to 5 searches	NEW	15.00	N/A	N/A	18.00
**Subject to VAT @ 20%					

Open Spaces Review of Charges

Charge Type and description	Charges 2018/19	Proposed Charges 2019/20	% increase 2019/20
Allotments			
Standard size is 10 rods (300 m2)			
Allotment Full size	42.50	47.50	12.0%
Allotment Half size	22.00	25.00	13.0%
Allotment starter plot	13.80	15.00	15.0%
Refundable Key Deposit (where applicable)	30.00	30.00	0.0%
Parks, Commons & Open Spaces			
Grazing			
Horses - Other Commons	181.40	190.00	5.0%
Cows	59.50	65.00	9.0%
Cows - 10 or more (per beast)	37.40	40.00	7.0%
Parks & Open Spaces Lettings			
Application Fee - all applicants (may be returnable for local events if criteria met) (Plus VAT)	120.00	120.00	0.0%
Filming on parks and open spaces (Non Commercial)	Free	Free	N/A
Filming on parks and open spaces (Commercial)	Negotiable	Negotiable	N/A
Daily Hire - Fairs	450.00	475.00	5.0%
Daily Hire - Circuses	380.00	400.00	5.0%
Setting up/Pulling down days (For events where hire fee is more)	220.00	225.00	2.0%
Ongoing business use e.g. fitness classes (per quarter)	350.00	350.00	0.0%
Non Commercial Public Events ‡	250.00	275.00	10.0%
National Charities ‡	200.00	210.00	5.0%
Local events / demos ‡	Free	Free	N/A
Fun Runs and Charity Walks (Local Charity Run/100% beneficiary)(under 500 participants)	Free	Free	N/A
Commercial Public Events on City Centre Parks: * †	Negotiable	Negotiable	N/A
- minimum charge for lettings up to and over 1,000 sq metres	850.00	890.00	5.0%
- additional charge per square metre for lettings over 1,000 sq metres	2.00	2.00	0.0%
Commercial Public Events on Other Parks & Open Spaces: * †	Negotiable	Negotiable	N/A
- minimum charge for lettings up to and over 1,000 sq metres	450.00	475.00	5.0%
- additional charge per square metre for lettings over 1,000 sq metres	2.00	2.00	0.0%
Use of a Premises Licence for external event providers **	At Pro rata cost per day of total licence fee	At Pro rata cost per day of total licence fee	N/A
Provision of Wi-Fi facility for commercial events	Free Where Existing	Free Where Existing	N/A
Internal Event/Cambridge Live - No Fees	120.00	130.00	8.0%
Internal Event/Cambridge Live - Fee Paying	160.00	175.00	9.0%

‡ to include fun runs, cycle rides and charity walks, up to 500 participants

† to include fun runs, cycle rides and charity walks, over 500 participants

Environmental Services & City Centre

Review of Fees and Charges

Charge Type and Description	Charges 2018/19	Charges 2019/20	% Increase
Environmental Services Pest Control Treatments for Businesses / Commercial per hour (minimum half hour) House / Car Alarms (fee includes administration costs) Lecture Fees - per hour Food Surrender and Disposal Food Register - entire register printed Taught CIEH courses Online CIEH Courses Examination following on-line courses Tailored Training Mentoring Training Primary Authority Partnership Scheme at £45 hour Contaminated Land (per Enquiry/Polygon) Food Hygiene Ratings (FHRs) Rescore	£97.00 Actual Costs £74.00 Actual Costs £875.00 £70.00 £26.50 £21.50 Actual Costs Actual Costs Actual Costs £210.00 £150.00	£97.00 Actual Costs £85.00 Actual Costs £890.00 £71.50 £27.00 £22.00 Actual Costs Actual Costs Actual Costs £215.00 £190.00	0.0% 0.0% 14.9% 0.0% 1.7% 2.1% 1.9% 2.3% 0.0% 0.0% 0.0% 2.4% 26.7%
Scrap Metal Dealers Site Licence Conversion to collector's licence Change of licensee name Addition of site Removal of site Change of Site Manager Replacement of lost or damaged licence Collector's licence Conversion to site licence Change of name (e.g. status) Replacement of lost or damaged licence	£440.00 £54.00 £54.00 £440.00 £54.00 £130.00 £48.00 £188.00 £380.00 £54.00 £48.00	£450.00 £55.00 £55.00 £450.00 £55.00 £132.50 £49.00 £192.00 £390.00 £55.00 £49.00	2.3% 1.9% 1.9% 2.3% 1.9% 1.9% 2.1% 2.1% 2.6% 1.9% 2.1%
Taxi Vehicle Testing by the Garage Mechanical Fitness Test (Twice Yearly) Re-test if works carried out at a separate garage and returned within 10 days Re-test if works carried out at a separate garage and returned after 10 days	£58.20 £29.00 £58.20	£60.00 £30.00 £61.00	3.1% 3.4% 4.8%
Shared Waste Service			
Hazardous domestic collections Per Item (Fridge / Freeze / CRT Monitor / TV / Microwares etc.)	£25.00	£25.00	0.0%
Domestic collections One to three items (excluding hazardous items) More than three items (per item and maximum 9 items) Charge to empty contaminated bin / additional empty (per bin) Clearance of rubbish from bin stores Annual 2nd green bin charge - per additional 240 litre (October to October) Annual 2nd green bin charge - per additional 140 litre (October to October) Additional garden waste capacity for flats (per 1100l bin)	£30.00 £5.00 NEW By quote £35.00 £30.00 NEW	£30.00 £5.50 £30.00 By quote £35.00 £30.00 £75.00	0.0% 10.0% NEW 0.0% 0.0% 0.0% NEW
Bins Delivery of bin(s) for new property Additional approved black bin - for large families etc. Delivery of a replacement black bin 240 litre - (damaged/stolen) Delivery of a replacement green/blue bin (damaged/stolen) Delivery of an additional blue bin Recycling Kitchen Caddy Sacks (in packs of 50). Includes VAT. Recycling Kitchen Caddy Sacks (in packs of 10). Includes VAT and delivery.	£75.00 £50.00 £50.00 FREE FREE £3.00 £4.49	£77.50 £50.00 £50.00 FREE FREE £3.00 £4.49	3.3% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%

Environmental Services & City Centre

Review of Fees and Charges

Charge Type and Description	Charges 2018/19	Charges 2019/20	% Increase
Dogs			
Statutory Fee for all stray dogs**	£25.00	£25.00	0.0%
Collection and transportation cost of stray dogs in normal office hours	£65.85	£67.50	2.5%
Kennels registration and vet checking fee	£51.70	£53.00	2.5%
Daily kennel charges	£16.20	£16.60	2.5%
Collection fee for stray dogs out of normal office hours (Bank holidays)	£150.50	£154.30	2.5%
Collection fee for stray dogs out of normal office hours (Weekday evenings)	£96.75	£99.20	2.5%
Collection fee for stray dogs out of normal office hours (Weekends)	£107.50	£110.20	2.5%
Markets			
Cambridge Retail Market			
Monday - Tuesday rents			
General Market Weekday Premium	£20.22	£20.63	2.0%
General Market Weekday Standard	£10.00	£10.00	0.0%
Wednesday - Friday rents			
General Market Weekday Premium	£20.22	£20.63	2.0%
General Market Weekday Standard	£16.73	£17.07	2.0%
General Market Weekend Premium	£38.83	£39.62	2.0%
General Market Weekend Standard	£31.90	£32.55	2.0%
General Market Bank Holidays	£0.00	£0.00	0.0%
Hot Food Premium	£7.18	£7.33	2.1%
Casual Trading Premium	£5.00	£5.00	0.0%
*Storage Units	£18.03	£18.03	0.0%
All Saints Craft Fair			
Monday - Friday rents	£15.54	£15.86	2.1%
Saturday rent	£32.89	£33.56	2.0%
All Markets - Administration Fees			
Variations Fee - applicable for any changes that result in the production of a new licence.	£30.00	£30.00	0.0%
Direct Debit rebate	4%	4%	0.0%

* These charges are shown net of VAT

** Externally set fees and charges

Please note that animal businesses, skin piercing, sex establishment and taxi licences will be approved at Licensing Committee on 29th January 2018

Communities - Fees and Charges

Charge Type and description	Charges 2018/19	2.0% increase 2019/209	Proposed Charges 2019/20	Increase	% increase
				£	%
Sports & Recreation Charges (including VAT)					
Sports Facilities					
Cricket					
Adult Per pitch	£42.75	£43.61	£43.50	£0.75	1.8%
Including Pavilion	£58.00	£59.16	£59.00	£1.00	1.7%
Junior per pitch (Under 16's)	£27.50	£28.05	£28.00	£0.50	1.8%
Including Pavilion	£34.00	£34.68	£34.50	£0.50	1.5%
Football/Rugby/Hockey					
Per pitch including Pavilion	£55.50	£56.61	£56.50	£1.00	1.8%
Junior per pitch including Pavilion (Under 16's)	£30.50	£31.11	£31.00	£0.50	1.6%
8-a-side pitch	£22.50	£22.95	£23.00	£0.50	2.2%
American Football					
Per pitch (including 4 changing rooms)	£71.50	£72.93	£100.00	£28.50	39.9%
Junior (Under 16's) per pitch (including 4 changing rooms)	£44.00	£44.88	£50.00	£6.00	13.6%
Rounders					
Per Pitch	£23.50	£23.97	£24.00	£0.50	2.1%
Per Pitch - Junior (Under 16's)	£12.25	£12.50	£12.50	£0.25	2.0%
Tennis					
Jesus Green - Per hour	FREE	FREE	FREE	£0.00	0.0%
Nightingale Avenue, Lammas Land, Coleridge, Barnwell, Christs	FREE	FREE	FREE	£0.00	0.0%
Abbey Artificial Pitch (including Floodlights)					
Peak Time					
Mon-Fri 17.00-22.00/Sat 11.00-19.00/Sun 12.00-16.00					
Whole Pitch	£57.75	£58.91	£59.00	£1.25	2.2%
Whole Pitch - Junior	£31.50	£32.13	£32.00	£0.50	1.6%
Half Pitch	£37.75	£38.51	£39.00	£1.25	3.3%
Half Pitch - Junior	£21.25	£21.68	£21.75	£0.50	2.4%
Off-Peak Time					
Whole Pitch	£45.50	£46.41	£46.50	£1.00	2.2%
Whole Pitch - Junior	£30.00	£30.60	£30.75	£0.75	2.5%
Half Pitch	£31.50	£32.13	£32.00	£0.50	1.6%
Half Pitch - Junior	£18.25	£18.62	£18.75	£0.50	2.7%
Lighting Charges per hour					
Whole Pitch max lux	£17.50	£17.85	£18.00	£0.50	2.9%
Half Pitch max lux	£9.75	£9.95	£10.00	£0.25	2.6%
Changing Room Hire - Per Game					
Additional Changing Room (per room)	-	-	£12.50	NEW	NEW
Swimming Services					
The charges relating to the swimming services are the HEADLINE prices					
These charges are the MOST the Leisure Contractor can charge for an activity					
The Leisure Contractor can REDUCE any or all of the activity prices BELOW the headline price if they wish.					
Juniors are 17 years and under; Under 3's are FREE					
Parkside Pools					
Adult	£4.70	£4.79	£4.80	£0.10	2.1%
Junior	£2.45	£2.50	£2.50	£0.05	2.0%
Main Pool Hire - per hour (Non Commercial)	£128.50	£131.07	£131.00	£2.50	1.9%
Main Pool Hire - per hour (Commercial)	£330.00	£336.60	£336.50	£6.50	2.0%
Lane Hire	£23.50	£23.97	£24.00	£0.50	2.1%
Diving Pool - per hour (Non Commercial)	£73.50	£74.97	£75.00	£1.50	2.0%
Diving Pool - per hour (Commercial)	£102.50	£104.55	£104.50	£2.00	2.0%
Children's Pool Hire - per hour (Non Commercial)	£48.00	£48.96	£49.00	£1.00	2.1%
Children's Pool Hire - per hour (Commercial)	£56.50	£57.63	£57.75	£1.25	2.2%
Flumes	£57.00	£58.14	£58.00	£1.00	1.8%
Non-City LEA School Swim	£1.95	£1.99	£2.00	£0.05	2.6%
Abbey Pool					
Adult	£4.70	£4.79	£4.80	£0.10	2.1%
Junior	£2.45	£2.50	£2.50	£0.05	2.0%
Pool Hire - per hour (Non Commercial)	£82.50	£84.15	£84.00	£1.50	1.8%
Pool Hire - per hour (Commercial)	£102.50	£104.55	£104.50	£2.00	2.0%
Learner Pool Hire - per hour (Non Commercial)	£42.00	£42.84	£43.00	£1.00	2.4%
Learner Pool Hire - per hour (Commercial)	£56.50	£57.63	£57.75	£1.25	2.2%
Gala Hire - per hour (City Clubs)	£156.00	£159.12	£160.00	£4.00	2.6%
Gala Hire - per hour (Commercial)	£210.00	£214.20	£215.00	£5.00	2.4%
Non-City LEA School Swim	£1.95	£1.99	£2.00	£0.05	2.6%
Kings Hedges Pool					
Pool Hire - per hour - Non Commercial	£40.00	£40.80	£41.00	£1.00	2.5%
Pool Hire - per hour - (Commercial)	£56.50	£57.63	£57.75	£1.25	2.2%

Communities - Fees and Charges

Charge Type and description	Charges 2018/19	2.0% increase 2019/209	Proposed Charges 2019/20	Increase	% increase
Jesus Green Outdoor Pool					
Adult	£4.70	£4.79	£4.80	£0.10	2.1%
Adult - Season Ticket	£106.50	£108.63	£110.00	£3.50	3.3%
Adult - Season Ticket with Sauna	£158.00	£161.16	£165.00	£7.00	4.4%
Junior	£2.45	£2.50	£2.50	£0.05	2.0%
Junior - Season Ticket	£37.50	£38.25	£38.25	£0.75	2.0%
Pool hire per Hour - Non Commercial	£106.50	£108.63	£110.00	£3.50	3.3%
Pool hire per Hour - (Commercial)	£168.50	£171.87	£175.00	£6.50	3.9%
Health Suites					
Abbey Pool					
Sauna & Swim	£7.30	£7.45	£7.50	£0.20	2.7%
GP Referral					
Swimming Session - Abbey, Parkside, Kings Hedges					
Induction	£8.00	£8.16	£8.80	£0.80	10.0%
Session	£3.00	£3.06	£3.00	£0.00	0.0%
Membership Cards					
Adult Residents (up to 30% discount)	£10.00	£10.20	£10.00	£0.00	0.0%
Adult Students & 60+ (up to 35% Discount)	£7.50	£7.65	£7.50	£0.00	0.0%
Adult Concessions (up to 50% Discount)	£5.00	£5.10	£5.00	£0.00	0.0%
Junior Residents (up to 30% discount)	£5.00	£5.10	£5.00	£0.00	0.0%
Junior Concessions (up to 50% Discount)	£2.50	£2.55	£2.50	£0.00	0.0%
Cherry Hinton Village Centre					
Activity					
Main Hall per Hour - Adult	£46.00	£46.92	£47.00	£1.00	2.2%
Main Hall per Hour - Junior (17yr & Under)	£27.00	£27.54	£27.50	£0.50	1.9%
Large Meeting Room per hour - (Community)	£21.00	£21.42	£21.50	£0.50	2.4%
Large Meeting Room per hour - (Commercial)	£29.00	£29.58	£29.50	£0.50	1.7%
Small Meeting Room per hour - (Community)	£11.00	£11.22	£11.00	£0.00	0.0%
Small Meeting Room per hour - (Commercial)	£18.00	£18.36	£18.00	£0.00	0.0%
Admission on Sports Bookings per person	£0.30	£0.31	£0.30	£0.00	0.0%
Badminton Court per hour - Adult	£13.00	£13.26	£13.50	£0.50	3.8%
Badminton Court per hour - Junior (17yr & Under)	£7.30	£7.45	£7.50	£0.20	2.7%
Activities - (Sessions, Schools Out, etc.)					
Per person	£1.80	£1.84	£1.80	£0.00	0.0%
Tea Dances per person	£5.25	£5.36	£5.25	£0.00	0.0%

Housing General Fund Review of Charges

Charge Type and Description	Charges 2018/19	Charges 2019/20	% Increase
Licences:			
HMO's with up to and including 9 Rooms			
HMO Licences - New Applications	£580	£950 £950, (£855 if app submitted at least 8wks prior to expiry of current licence.	N/A
HMO Licence Renewals	£470		N/A
HMO's with 10 or more rooms			
HMO Licences - New Applications	£625	£950 £950, (£855 if app submitted at least 8wks prior to expiry of current licence.	N/A
HMO Licence Renewals	£515		N/A
Assisted application	Cost	Cost	N/A
Enforcement Activity			
Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge	£945	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	N/A
Subsequent offences	£5,000	£5,000	N/A
Penalty for non compliance with the Smoke and Carbon Monoxide Regulations	Monthly Local Housing Allowance Rate for the property	Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	N/A
Civil Penalty for non-compliance under the Housing and Planning Act 2016	Case by case basis using agreed matrix, maximum of £30,000 per offence	Case by case basis using agreed matrix, maximum of £30,000 per offence	N/A
Charge for the service of an Improvement Notice under the Housing Act 2004	£330	£337	2.0%
Charge for the service of a Prohibition Order under the Housing Act 2004	£300	£306	2.0%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	£280	£286	2.0%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	£100	£102	2.0%
Charge for the service of a Hazard Awareness Notice	£0	£0	N/A
Training and other services			
Delivering training and other discretionary services for landlords and agents	Cost (including development) **	Cost (including development) **	
** Including development, promotion, and associated costs			
Landlord training	£100 per delegate	£102 per delegate	2.0%
Immigration inspections	£140	£143	2.0%

Planning Policy & Transport - Parking

Off Street

MULTISTOREY CAR PARKS (Pay on foot)	2019/20				2018/19			2019/20 from 2018/19			
	Mondays to Fridays	Mondays to Fridays PEAK TIME	Saturdays and Sundays	Saturdays and Sundays PEAK TIME	Mondays to Fridays	Mondays to Fridays PEAK TIME	Saturdays and Sundays	Comparisons % Change			
Grand Arcade	Mon-Fri 10am to 7pm	If a vehicle parks between 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 7pm Sun 10am to 7pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay	Mon-Fri 10am to 6pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 5pm Sun 10am to 5pm	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.50	£3.00	£2.80	£3.30	£2.40	£2.90	£2.70	4.2%	3.4%	3.7%	22.2%
2hrs	£4.90	£5.90	£5.40	£6.40	£4.80	£5.80	£5.30	2.1%	1.7%	1.9%	20.8%
3hrs	£7.30	£8.80	£8.00	£9.50	£7.10	£8.60	£7.80	2.8%	2.3%	2.6%	21.8%
4hrs	£10.70	£12.70	£12.40	£14.40	£10.50	£12.50	£12.10	1.9%	1.6%	2.5%	19.0%
5hrs	£20.50	£23.00	£21.70	£24.20	£20.10	£22.60	£21.20	2.0%	1.8%	2.4%	14.2%
over 5 hrs	£26.40	£29.40	£27.40	£30.40	£25.80	£28.80	£26.80	2.3%	2.1%	2.2%	13.4%
evenings & overnight	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20	£1.20	0.0%	0.0%	0.0%	0.0%

Queen Anne Terrace Paid 331	Mon-Fri 10am to 7pm	If a vehicle parks between 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 7pm Sun 10am to 7pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay	2018/19			2019/20 from 2018/19			
					Mon-Fri 10am to 6pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 5pm Sun 10am to 5pm	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£1.60	£2.10	£1.60	£2.10	£1.60	£2.10	£1.60	0.0%	0.0%	0.0%	31.3%
2hrs	£3.20	£4.20	£3.20	£4.20	£3.10	£4.10	£3.10	3.2%	2.4%	3.2%	35.5%
3hrs	£4.40	£5.90	£4.40	£5.90	£4.30	£5.80	£4.30	2.3%	1.7%	2.3%	37.2%
4hrs	£5.20	£7.20	£5.20	£7.20	£5.10	£7.20	£5.10	2.0%	0.0%	2.0%	41.2%
5hrs	£6.90	£9.40	£6.90	£9.40	£6.80	£9.30	£6.80	1.5%	1.1%	1.5%	38.2%
6hrs	£10.50	£13.50	£10.50	£13.50	£10.30	£13.30	£10.30	1.9%	1.5%	1.9%	31.1%
over 6 hrs	£14.00	£17.50	£14.00	£17.50	£13.70	£17.20	£13.70	2.2%	1.7%	2.2%	27.7%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%

Park Street	Mon-Fri 10am to 7pm	If a vehicle parks between 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 7pm Sun 10am to 7pm	If a vehicle parks between 11am to 1pm the following rates are payable for the duration of the stay	2018/19			2019/20 from 2018/19			
					Mon-Fri 10am to 6pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 5pm Sun 10am to 5pm	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
1hr	£2.30	£2.80	£2.50	£3.00	£2.20	£2.70	£2.40	4.5%	3.7%	4.2%	25.0%
2hrs	£4.00	£5.00	£4.90	£5.90	£3.90	£4.90	£4.80	2.6%	2.0%	2.1%	22.9%
3hrs	£6.00	£7.50	£6.80	£8.30	£5.90	£7.40	£6.70	1.7%	1.4%	1.5%	23.9%
4hrs	£10.10	£12.10	£11.00	£13.00	£9.90	£11.90	£10.80	2.0%	1.7%	1.9%	20.4%
5hrs	£17.90	£20.40	£19.00	£21.50	£17.50	£20.00	£18.60	2.3%	2.0%	2.2%	15.6%
over 5 hrs	£25.30	£28.30	£25.30	£28.30	£24.80	£27.80	£24.80	2.0%	1.8%	2.0%	14.1%
evenings & overnight	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%

Planning Policy & Transport - Parking

Grafton East	Mon-Fri 10am to <u>7pm</u>	If a vehicle parks between 8am to 10am the following rates are payable for the <u>duration of the</u> stay	Sat 9am to <u>7pm</u>	Sun 10am to <u>7pm</u>	If a vehicle parks between 11am to 1pm the following rates are payable for the <u>duration of the</u> stay	Mon-Fri 10am to 6pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 5pm	Sun 10am to 5pm	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
		1hr	£2.30	£2.80	£2.50	£3.00	£2.20	£2.70	£2.40	4.5%	3.7%	4.2%	25.0%
2hrs	£3.80	£4.80	£4.60	£5.60			£3.70	£4.70	£4.50	2.7%	2.1%	2.2%	24.4%
3hrs	£5.90	£7.40	£6.50	£8.00			£5.80	£7.30	£6.40	1.7%	1.4%	1.6%	25.0%
4hrs	£9.70	£11.70	£11.00	£13.00			£9.50	£11.50	£10.80	2.1%	1.7%	1.9%	20.4%
5hrs	£17.90	£20.40	£19.00	£21.50			£17.50	£20.00	£18.60	2.3%	2.0%	2.2%	15.6%
over 5 hrs	£25.30	£28.30	£25.30	£28.30			£24.80	£27.80	£24.80	2.0%	1.8%	2.0%	14.1%
evenings & overnight	£0.80	£0.80	£0.80	£0.80			£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%

Grafton West	Mon-Fri 10am to <u>7pm</u>	If a vehicle parks between 8am to 10am the following rates are payable for the <u>duration of the</u> stay	Sat 9am to <u>7pm</u>	Sun 10am to <u>7pm</u>	If a vehicle parks between 11am to 1pm the following rates are payable for the <u>duration of the</u> stay	Mon-Fri 10am to 6pm	If a vehicle parks between Mon to Fri 8am to 10am the following rates are payable for the duration of the stay	Sat 9am to 5pm	Sun 10am to 5pm	Mon-Fri NON PEAK	Mon-Fri PEAK	Sat-Sun NON PEAK	Sat-Sun PEAK
		1hr	£2.30	£2.80	£2.50	£3.00	£2.20	£2.70	£2.40	4.5%	3.7%	4.2%	25.0%
2hrs	£3.80	£4.80	£4.60	£5.60			£3.70	£4.70	£4.50	2.7%	2.1%	2.2%	24.4%
3hrs	£5.90	£7.40	£6.50	£8.00			£5.80	£7.30	£6.40	1.7%	1.4%	1.6%	25.0%
4hrs	£9.70	£11.70	£11.00	£13.00			£9.50	£11.50	£10.80	2.1%	1.7%	1.9%	20.4%
5hrs	£17.90	£20.40	£19.00	£21.50			£17.50	£20.00	£18.60	2.3%	2.0%	2.2%	15.6%
over 5 hrs	£25.30	£28.30	£25.30	£28.30			£24.80	£27.80	£24.80	2.0%	1.8%	2.0%	14.1%
evenings & overnight	£0.80	£0.80	£0.80	£0.80			£0.80	£0.80	£0.80	0.0%	0.0%	0.0%	0.0%

Planning Policy & Transport - Parking

SURFACE CAR PARKS

ADAM AND EVE STREET				
Monday to Friday Monday to Saturday Sunday	8am to 7pm 9am to 7pm 10am to 5pm	Pay and display		
Maximum stay 2 hours	2019/20	2018/19	% change	Evenings and overnight
Charges	80p for 20 mins (£2.40/hr)	70p for 20 mins (£2.10/hr)	14.3%	Free

CASTLE HILL CAR PARK				
Monday to Friday Saturday Sunday	8am to 7pm 9am to 7pm 10am to 5pm	Pay and display		
Charges	2019/20	2018/19	% change	Evenings and overnight
Up to 2 hours	£2.60	£2.50	4.0%	
2-4 hours	£4.90	£4.80	2.1%	
over 4 hours	£8.20	£8.00	2.5%	
Sunday £1 full day charge	£4.10	£4.00	2.5%	
Weekly ticket (7 days)	£35.80	£35.00	2.3%	Free

GWYNN STREET CAR PARK				
Monday to Friday Saturday	8am to 7pm 9am to 7pm	Pay and display		
Maximum stay 2 hours	2019/20	2018/19	% change	Evenings, overnight and Sundays
Charges	90p for 30 mins (£1.80/hr)	90p for 30 mins (£1.80/hr)	0.0%	Free
RIVERSIDE CAR PARK				
Monday to Friday Saturday	8am to 7pm 9am to 7pm	Pay and display		
Maximum stay 8 hours	2019/20	2018/19	% change	Evenings, overnight and Sundays
Charges	60p for 30 mins (£1.20/hr)	50p for 30 mins (£1/hr)	20.0%	Free

Planning Policy & Transport - Parking

SEASON TICKET CHARGES - Business Permits

New rates for 2019/20

Park Street, Queen Anne and Grafton Centre car parks	Quarterly fee inclusive of VAT (19/20)	Quarterly fee inclusive of VAT (18/19)	% change	20% Discount for low emission [Group A] vehicles 19/20	Discounted fee (19/20)
'Night Owl' 7 days 5pm-9am (one car park*)	£230.00	£243.75	-5.6%	£46.00	£184.00
24/7 Premium (Grafton car parks, Park St, Queen Anne)	£890.00	£806.00	10.4%	£178.00	£712.00
Monday-Friday 24/5 access (one car park*)	£680.00	£650.00	4.6%	£136.00	£544.00
Monday-Friday 8am-6pm (one car park*)	£540.00	£520.00	3.8%	£108.00	£432.00

Note * excluding Grand Arcade car park

DISABLED BADGE HOLDERS

First three hours parking free, on production of a valid Blue Badge to the City Council at the **Grand Arcade, Park Street, Grafton East, Grafton West and Queen Anne Terrace car parks**.

At multi-storey car parks durations of stay in excess of three hours the normal car park charges will apply as if from the first hour, i.e. the fourth will be charged as if it were the first hour, the fifth as if it were the second hour, etc.

Two hours free parking during charging hours when a valid Blue Badge and time clock is displayed at **Adam and Eve and Gwydir Street car parks**.

Three hours free parking when a valid Blue Badge and time clock is displayed at **Castle Hill and Riverside car parks**.

Finance & Resources - Mooring Fees

Charge Type and description	Charges 2018/19	Charges 2019/20	% increase 2019/20 **
Mooring Fees*			
Tariff Class 30 - vessel up to 5 metres	796.00	822.00	3.3%
Tariff Class 32 - vessel under 3 metres	796.00	822.00	3.3%
Tariff Class 33 - Vessel 3 to 5 metres	796.00	822.00	3.3%
Tariff Class 34 - Vessel 5 to 7.5 metres	849.00	877.00	3.3%
Tariff Class 35 - Vessel 7.5 to 10 metres	903.00	933.00	3.3%
Tariff Class 36 - Vessel 10 to 12.5 metres	956.00	988.00	3.3%
Tariff Class 37 - Vessel 12.5 to 15 metres	1,009.00	1,042.00	3.3%
Tariff Class 38 - Vessel 15 to 20 metres	1,062.00	1,097.00	3.3%
Tariff Class 39 - Vessel over 20 metres	1,168.00	1,207.00	3.3%
Tariff Class 51 - Any other vessel	1,168.00	1,207.00	3.3%

* Tariff as used by Cam Conservators for River Navigation Licensing

** The agreed fee increase for the 2019/20 financial year is as per the Review of Moorings Policy (March 2017) - RPIX for September 2018 - 3.3%

Finance & Resources - Guildhall Lettings

Conference/exhibition letting charges for Guildhall

DAILY LETS:-	Charges 2018/19 *	Charges 2019/20 *	% Increase
COMMITTEE ROOMS 1 AND 2: Morning or Afternoon (per session) Evening/Weekends/Bank Holidays (per hour)	£137.72 £137.72	£141.16 £141.16	2.50% 2.50%
COUNCIL CHAMBER: Morning or Afternoon (per session) Evening/Weekends/Bank Holidays (per hour)	£275.41 £165.24	£282.30 £169.37	2.50% 2.50%
EXHIBITION AREA (Outside Council Chamber): Monday to Friday, 9am to 5pm (per day) Saturday/Sunday, 9am to 5pm (per hour) + day rate Evening, after 5pm (per hour) + day rate	£137.72 £52.47 £52.47	£141.16 £53.78 £53.78	2.50% 2.50% 2.50%

Standard letting charges for Guildhall

DAILY LETS:-	2018/19 *	2019/20 *	% Increase
COMMITTEE ROOMS 1 AND 2: Morning or Afternoon (per session) Evening/Weekends/Bank Holidays (per hour)	£85.25 £85.25	£87.38 £87.38	2.50% 2.50%
COUNCIL CHAMBER: Morning or Afternoon (per session) Evening/Weekends/Bank Holidays (per hour)	£137.72 £85.25	£141.16 £87.38	2.50% 2.50%
EXHIBITION AREA (Outside Council Chamber): Monday to Friday, 9am to 5pm (per day) Saturday/Sunday, 9am to 5pm (per hour) + day rate Evening, after 5pm (per hour) + day rate	£137.72 £52.47 £52.47	£141.16 £53.78 £53.78	2.50% 2.50% 2.50%

* All charges are subject to VAT.

Finance & Resources - Land Charges

Charge Type and description	Charges 2018/19	Proposed Charges 2019/20	% increase 2019/20
Land Charges			
LLC1	£22.00	£22.00	0.0%
CON29R *	£125.00	£125.00	0.0%
Each additional Parcel of Land *	£12.00	£12.00	0.0%
Additional Enquiries *	£12.00	£12.00	0.0%
CON29O (Optional Enquiries) *			
Q4 - Road Proposals	£8.00	£8.00	100%
Q5 - Advertisements	£8.00	£8.00	0.0%
Q6 - Completion Notices	£8.00	£8.00	0.0%
Q7 - Parks & Countryside	£4.00	£4.00	0.0%
Q9 - House in Multiple Occupation	£8.00	£8.00	0.0%
Q10- Noise Abatement and other Nuisances	£4.00	£4.00	0.0%
Q11 - Urban Development Areas	£4.00	£4.00	0.0%
Q12 - Enterprise Zones	£8.00	£8.00	0.0%
Q13 - Inner Urban Development Areas	£4.00	£4.00	0.0%
Q14 - Simplified Planning Zones	£4.00	£4.00	0.0%
Q15 - Land Maintenance Notices	£8.00	£8.00	0.0%
Q16 - Mineral Consultation Areas	£4.00	£4.00	0.0%
Q17 - Hazardous Substance Consents	£8.00	£8.00	0.0%
Q18 - Environmental & Pollution Notices	£8.00	£8.00	0.0%
Q19 - Food Safety Notices	£8.00	£8.00	0.0%
Q20 - Hedgerow Notices	£8.00	£8.00	0.0%
Q21 - Flood Defence and Land Drainage Consents	£4.00	£4.00	0.0%
Q22 - Common Land, Town and Village Greens	£8.00	£8.00	0.0%

Notes

* Subject to the standard rate of VAT

Licensing

Charge Type and Description	Charges 2018/19	Proposed Charges 2019/20	% Increase
Animal Businesses (New and Renewal)			
Pet Shop Licence	see below	see below	0.00%
Animal Boarding Establishment	see below	see below	0.00%
Dog Breeding Establishment	see below	see below	0.00%
Riding Establishment	see below	see below	0.00%
Zoo	£568.00	£580.00	2.00%
Dangerous Wild Animals	£337.00	£344.00	2.00%
Home Boarding	see below	see below	0.00%
Skin Piercing			
Skin Piercing – Premises	£140.00	£143.00	2.00%
Skin Piercing - Practitioners	£54.00	£55.00	2.00%
Sex Establishments			
Sexual Entertainment Venues (new & variation)	£2,951.00	£3,010.00	2.00%
Sexual Entertainment Venues (renewal)	£874.00	£891.00	2.00%
Sexual Entertainment Venues (transfer)	£874.00	£891.00	2.00%
Sex Shop / Sex Cinema (new & variation)	£2,732.00	£2,787.00	2.00%
Sex Shop / Sex Cinema (renewal)	£874.00	£891.00	2.00%
Sex Shop / Sex Cinema (transfer)	£874.00	£891.00	2.00%
Taxi Licences			
Drivers			
Disclosure & Barring Service Check (DBS) *	£44.00	£44.00	0.00%
Knowledge Test	£65.00	£67.00	2.00%
New Licence Fee	£240.00	£245.00	2.00%
Annual Renewal Fee	£80.00	£82.00	2.00%
3 Yearly Renewal Fee	£220.00	£225.00	2.00%
Replacement Badges	£20.00	£20.00	0.00%
DVLA Data Check *	£8.00	£9.00	12.50%
Change of Details	£15.00	£15.00	0.00%
Replacement Licence	£10.00	£10.00	0.00%
Vehicles			
Hackney Carriage Licence (new)	£270.00	£275.00	2.00%
Private Hire Licence (new)	£270.00	£275.00	2.00%
Hackney Carriage Ultra Low Emission Vehicle (new)	£135.00	£137.50	2.00%
Private Hire Ultra Low Emission Vehicle (new)	£135.00	£137.50	2.00%
Hackney Carriage Zero Emission Vehicle (new)	£0.00	£0.00	0.00%
Private Hire Zero Emission Vehicle (new)	£0.00	£0.00	0.00%
Hackney Carriage Licence Renewal	£235.00	£240.00	2.00%
Private Hire Licence Renewal	£220.00	£225.00	2.00%
Hackney Carriage Ultra Low Emission Vehicle (renewal)	£117.50	£120.00	2.00%
Private Hire Ultra Low Emission Vehicle (renewal)	£110.00	£112.50	2.00%
Hackney Carriage Zero Emission Vehicle (renewal)	£0.00	£0.00	0.00%
Private Hire Zero Emission Vehicle (renewal)	£0.00	£0.00	0.00%
Plate Deposit	£50.00	£50.00	0.00%
Replacement Plate	£25.00	£25.00	0.00%
Change of Ownership	£70.00	£72.00	2.00%
Crest - self adhesive	£6.00	£6.00	0.00%
Crest - magnetic	£8.00	£8.00	0.00%
Replacement Licence	£10.00	£10.00	0.00%
Change of Details	£15.00	£15.00	0.00%
Operators Licence			
Private Hire Operators Licence (New)	£280.00	£286.00	2.00%
Private Hire Operators Licence (Renewal - 1 Year)	£210.00	£214.00	2.00%

Private Hire Operators Licence (renewal - 5 Year)	£860.00	£877.00	2.00%
Replacement Licence	£10.00	£10.00	0.00%
Change of Details	£15.00	£15.00	0.00%
Training			
Fee for Customer Awareness: Safeguarding, Equality & Protection	£50.00	£52.00	2.00%
BIIAB Level 1 Award in Responsible Alcohol Retailing	£65.00	£67.00	2.00%
BIIAB Level 2 Award for Personal Licence Holders	£100.00	£102.00	2.00%
Licensing Act 2003			
Personal Licence	£37.00	£37.00	0.00%
New Premises Licence (or full variation)	Various	Various	N/A
Annual Fee	Various	Various	N/A
Minor Variation	£89.00	£89.00	0.00%
Temporary Event Notice	£21.00	£21.00	0.00%
Change of Designated Premises Supervisor	£23.00	£23.00	0.00%
Gambling Act 2005			
Bingo Club (New)	£2,625.00	£2,625.00	0.00%
Bingo Club (Annual Fee)	£900.00	£900.00	0.00%
Small Society Lottery (New)	£40.00	£40.00	0.00%
Small Society Lottery (Annual)	£20.00	£20.00	0.00%
Betting Premises (New)	£2,250.00	£2,250.00	0.00%
Betting Premises (Annual Fee)	£540.00	£540.00	0.00%
Family Entertainment Centre (Annual Fee)	£500.00	£500.00	0.00%
Adult Gaming Centre (New)	£1,500.00	£1,500.00	0.00%
Adult Gaming Centre (Annual Fee)	£900.00	£900.00	0.00%

Street Trading			
12 month food licence pitch	£2,886.00	£2,886.00	0.00%
12 month retail licence pitch	£2,727.00	£2,727.00	0.00%
8 month food licence pitch	£2,165.00	£2,165.00	0.00%
8 month retail licence pitch	£2,045.00	£2,045.00	0.00%
4 month food licence pitch	£722.00	£722.00	0.00%
4 month retail licence pitch	£682.00	£682.00	0.00%

* These charges are shown net of VAT

** Externally set fees and charges

Licensable Activity	Application fee	Initial rating or re-rating inspection fee	Maintenance fee			Variation of a licence requiring a re-inspection	Copy of licence/ change of details not requiring an inspection
			1 yr	2 yr	3 yrs		
Boarding of animals	Up to 10 animals	£76.00	£129	£125	£375	£129	£10.50
	11 to 30		£172			£172	
	31 to 60 animals		£215			£215	
	61 to 99 animals		£258			£258	
	100+ animals		£301			£301	
Dog Breeding			£43 + VET fee			£43 + VET fee	
Hiring of Horses			£43+ VET fee			£43 + VET fee	
Selling Animals as Pets			£215			£215	
Exhibiting Animals			£129		£375	£129	

STRATEGY & RESOURCES

11 February 2019

5.00- 8.55 pm

Present: Councillors Barnett (Chair), Baigent (Vice-Chair), Bick, Dalzell, Green and Sargeant

Executive Councillors:

Councillors Blencowe, Herbert, Johnson, Moore, Robertson and Thornburrow

Opposition Spokes:

Councillors Cantrill, Martinelli, McGerty and O'Connell

Amendments to the Budget Setting Report 2019/20: Liberal Democrat Amendment

The purpose of the discussion was to ask questions of the Liberal Democrat Members on their group's budget amendment.

The Labour Members of the Committee and Executive Councillors asked the following questions. The answers provided by Liberal Democrat Members immediately follow.

C0004 – Housing Purchase Capital

- i. Questioned the benefit to house homeless people without the support which went alongside it.

This referred to a service that the Council already provided, which was constrained by the number of landlords offering houses into the scheme. There were a variety of reasons why people became homeless which included addictions, mental health issues and domestic circumstances. This proposal would expand housing resources and enable people to get back on their feet.

- ii. Questioned what was meant by 'minimum support' in the C0004 proposal.

'Minimum support' was the level of support needed for individuals to live an independent life. Homelessness was a major crisis; rough sleepers equated to around 15-20% of people who were homeless but a larger part of homelessness was not seen. Private landlords were reluctant to rent to individuals who were homeless and the Council had to step in to assist.

- iii. Questioned why 5 properties (3 bed in size) would be prioritised for homeless individuals to rent.

The decision to propose 5 properties, 3 bed in size was a balanced decision to help with capacity; it may not go all the way but it would help. Unless individuals met certain criteria then they would not be prioritised for housing. For example males 25-35 years of age who were divorced and had a job but who had to pay maintenance towards dependents could end up 'sofa surfing' or using Cambridge City Housing Company's services.

Proposed to use the standard key worker model, for example teachers and nurses who struggled to make ends meet. The proposal would help those individuals who were the golden thread of this city. It was a struggle to recruit teachers not only in Cambridge but across the County.

- iv. Questioned if there would be any revenue support (additional staff time) to assist with the administration of the proposed 40 tenancies.

Clarified that if an individual's income did not increase or decrease by more than 10% in a 12 month period, then a review of rent would not be triggered. It was proposed that rents would increase by inflation which on past experience was unlikely to trigger the 10% threshold. This approach was approved by Shelter.

- v. Commented that the rate of return was low as it was expected to be 1.6%. There seemed to be little scope to cover normal operational risks.

The proposal was not just about a financial return but was also about a social return for the residents of the city. The risk could be managed in a reasonable way. Key workers were not always able to afford to live in the city.

- vi. Questioned the rent range that would be charged for the properties if rents were to be based on one third of a household income. There appeared to be a proposed rent range of £400-£1100.

The number of households with a lower income who were able to live in Cambridge was shrinking; the cost of living in the city was gentrifying Cambridge. Charging a rent which was one third of a household's income would generate an adequate return. For the city to operate it needed teachers, carers and nurses, this proposal would send a message. This proposal was similar to council properties where some people paid local authority rent and others paid a local housing allowance rent (which had a 20% difference). This

was regardless of whether the property was new or was an existing council property.

- vii. Commented this was a wonderful idea but could not see how the scheme would add up. Also commented the flexibility that the £12 million investment would provide would be better met through a council programme.

When the Council introduced the real living wage, it impacted on 15% of the council's staff, this sent a message across the city. Noted the work the ruling group had done on this initiative. The Council was one of the key stakeholders who needed to put a peg in the ground, so that other stakeholders would up their game. The Council should forgo financial benefit for social benefit.

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Item

LIBERAL DEMOCRAT GROUP AMENDMENT TO: Budget-Setting Report (BSR) 2019/20

To:

Councillor Richard Robertson, Executive Councillor for Finance and Resources Portfolio

Report by:

Caroline Ryba, Head of Finance

Tel: 01223 - 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

Foreword to the Liberal Democrat Group Amendment

Government economic policies in general, and towards local government in particular, continue to present financial stress for many whilst also placing constraints on local councils such as ours. Like the administration, we want to see this changed.

This is aggravated by the threatened impact of Brexit both on individual citizens and on the capacity of our local and national economy to generate the resources that healthy public services badly need. This threat, unresolved at the time of writing, is much more real because it is willed by both government and official opposition in Parliament.

It is therefore all the more important that the City Council maximises public use of all the resources that are already under its control. The Liberal Democrat opposition is bringing forward amendments to achieve this which have been overlooked in the Labour administration's budget proposals.

Housing continues to be the major source of disadvantage in Cambridge. The city needs homes that address the needs and the pockets of a broad spectrum of people. New social housing will help some, but not all. For a second year the administration's budget is silent on homes with tenancies customised for key public sector workers. For a second year we propose to invest in this, under a local living rent scheme, using funds which have so far been left in the bank.

Homelessness visibly haunts Cambridge and damages many. So, as part of the same housing investment we will expand the provision of rented shared houses through the council, which has proved successful in helping single homeless people without additional support needs to get back on their feet.

Polluted air harms health and requires urgent action in our city. The council has signed pledges and expressed good intentions – but we are bringing forward a series of immediate actions. We want this issue to be at the centre of daily life so that we can all see how our behaviour and our choices can help; an approach already taken by many councils elsewhere, but so far rejected here. We do this with proposals to tackle engine idling; to monitor air quality in sensitive locations such as schools in order to direct future action; to multiply electric vehicle charging opportunities; and to plant more trees!

Reducing waste and maximising recycling remain vital to saving the planet. We regret that the council has weakened our green waste collection by cutting services. We want the council to work out what it would take to introduce here a weekly collection of separated food waste, which could have both domestic and wider environmental benefit. We also propose to invest in public water fountains across the city to help reduce single-use plastic waste.

Disappointingly, the administration's budget provides further evidence that what it says and what it does are different things. Its budget last year imposed extortionate charges on disabled and elderly people using its shop mobility service, sharply contradicting its own proclamation of "One Cambridge, Fair for all". This year, despite at long last bowing to our widely-supported campaign and agreeing to scrap the charges, the administration is needlessly continuing to extract money from users right to the bitter end. We propose to withdraw them immediately.

The administration's budget also includes proposals which will radically reduce the council's current practice of proactively notifying neighbours in the vicinity of a planning application and increase the number of planning applications which get determined by officers in private, rather than by elected representatives in public. These measures reduce transparency and undermine confidence in the planning system which is often already under challenge in a growing city. To protect Cambridge and continue to empower residents, we propose to reject these cutbacks.

The funding for our revenue spending proposals utilises 35% of the projected unallocated interest income from Cambridge Investment Partnership, from the continuation of income gained from procurement services provided to other organisations, and from tightening budgetary targets for office supplies. Our housing acquisitions utilise treasury funds for which they provide a net financial return which is redirected to reduce future savings targets. Our other capital schemes utilise unallocated funding within the existing capital programme.

Councillor Tim Bick, Leader of the Liberal Democrat Group

Councillor Jamie Dalzell, Liberal Democrat Group Spokesperson on Finance and Resources

1. Executive Summary

1.1 This report sets out amendments proposed by the Lib Dem group to the overall set of budget proposals in the Budget Setting Report to be considered by the Executive at its meeting on 11th February 2019, for recommendation to the Council on 21st February 2019.

Through the Liberal Democrat Group Budget amendment:

- 40 homes will be acquired to let to key public service workers at local living rents
- Provision of shared housing to help homeless individuals quickly back on their feet will be increased through the purchase of a further 5 houses
- Charges for use of the council's Shop Mobility service will be removed – immediately
- Monitoring of air quality will be enabled at sensitive locations around the city to assess the need for further action
- An education campaign will be initiated to discourage drivers from leaving their engines idling in stationary vehicles that are out of traffic
- A comprehensive strategy for charging electric vehicles within the city will be developed
- The introduction of a weekly food waste collection service will be evaluated, following the recent cutbacks in the green bin collections
- A strategy will be undertaken to develop water play and community cafes on council open spaces
- The planting of 5000 more trees in Cambridge will be started in an expanded educational partnership with schools
- A scheme addressing period poverty in the city will be designed
- There will be no cutback in notification of residents in the vicinity of planning applications, nor in the determination of applications by elected councillors in public
- 10 public water fountains will be provided across the city
- Two more electric self-propelled street sweepers will be brought into service to improve cleaning in the city centre
- A fixed CCTV camera will be added to the council's network at the junction of East Road, Norfolk Street and Burleigh Street

2. Recommendations

Changes to recommendations are highlighted *in italics* referring to the recommendations of the Executive to this Council, as being presented at their meeting on 11 February 2019, subject to any Executive Amendment agreed by The Leader at this committee or the Executive are further amended as follows:

The Leader is recommended to:

For the existing recommendation “2: Recommendations”, add:

General Fund Revenue Budgets: [Section 5, Page 30 refers] add:

- *Together with the changes in the attached Appendix 1 - Lib Dem Budget Amendment to Appendices [C (a), (b, (d)]*
- Incorporate and replace the tables shown in *Appendix 4 - Lib Dem Budget Amendment at the pages so annotated*
- *New recommendation: any overachievement of savings to be used to reduce future year's savings targets*

Earmarked Reserves [Section 5, Page 27 refers]:

- *New recommendation: to redirect 35% of the anticipated contributions to the GF development fund, releasing these funds to meet time-limited proposals.*

Capital: [Section 7, page 35 refers]

- For the existing recommendation 2 f) After “*Agree any recommendations to the Executive add “together with the changes in the attached Appendix 2 - Lib Dem Budget - Budget Amendment to Appendix [E(a)]”, specifically to recommend that Executive Councillor for Finance & Resources Invests in housing by utilising the £12.5m resources (Proposal C0004 refers).*

Equality Impact Assessment [Appendix G, Page 113 refers]

- Append *Appendix 3 - Lib Dem Budget Amendment Appendix G Equality Impact Assessment to the existing Equality Impact Assessment*

Section 25 Report [Section 10, Page 52 refers]

- Replace in Section 10 *Appendix 5 - Lib Dem Budget Amendment*

3. Council Tax

3.1 No changes are being proposed by the Lib Dem Group.

4. Capital Plan

4.1 The Lib Dem Group are proposing items identified "***Lib Dem Budget Amendment to [E(a) Capital proposals]***".

5. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

Financial implications of budget proposals are summarised in the General Fund Budget Setting Report 2019/20, ***as amended by [Lib Dem Budget Amendment]***.

(b) Staffing Implications

Staffing implications of budget proposals are also summarised in the General Fund Budget Setting Report 2019/20.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included in the BSR, ***as amended by [Appendix 3 - Lib Dem Budget Amendment]***. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

A local poverty rating (using the classifications outlined in the BSR (Appendix B) has been included in each budget proposal to assist with assessment.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H / +M / +L: to indicate that the proposal has a high, medium or low positive impact.

- Nil: to indicate that the proposal has no climate change impact.
- -H / -M / -L: to indicate that the proposal has a high, medium or low negative impact.

(e) Procurement Implications

Any procurement implications will be outlined in the BSR 2019/20, **as amended by [Lib Dem Budget Amendment]**

(f) Community Safety Implications

Any Community Safety Implications will be outlined in the BSR 2019/20, **as amended by [Lib Dem Budget Amendment]**.

6. Background papers

These background papers were used in the preparation of this report:

- Budget Setting Report 2019/20, **updated (as appropriate) for Strategy and Resources Scrutiny Committee and the Executive on 11 February 2019, and for the [Lib Dem Amendment].**
- Medium-Term Financial Strategy (MTFS) October 2018
- Individual Equality Impact Assessments

7. Appendices

Lib Dem Budget Amendment:

Appendix 1 - Amendment to Appendix [C (a), (b), (d)] Revenue Budget and Non-cash limit proposals

Appendix 2 - Amendment to Appendix [E (a)] Capital Budget proposals

Appendix 3 - Appendix [G] Equality Impact Assessment (Supplement)

Appendix 4 - Replacement of relevant tables in the BSR

Appendix 5 - Section 25 Report

8. Inspection of papers

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

Authors' Names:

Caroline Ryba

Authors' Phone Numbers:

01223 - 458134

Authors' Emails:

caroline.ryba@cambridge.gov.uk

Appendix 1: Lib Dem Budget Amendment - Revenue Summary

Proposal Type	Proposal refs	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	2023/24 Budget £	Total
Part A: time-limited budget proposals funded from GF development Fund (via GF reserves)								
Bids	B001 to B008	7,500	210,000	120,000	70,000	20,000	20,000	447,500
NCL	NCL0001	(20,300)	(132,650)	(198,100)	(92,750)	(12,250)	-	(456,050)
Savings	None							-
	Net change to use of GF reserves	(12,800)	77,350	(78,100)	(22,750)	7,750	20,000	(8,550)
Part B: redirect grant funding								
Bids	B0009	-	8,730	-	-	-	-	8,730
NCL	None							-
Savings	S0001	-	(8,730)	-	-	-	-	(8,730)
	Net	-						
Part C: base budget proposals								
Bids	B0010 to B0011	-	39,100	49,100	49,100	49,100	49,100	235,500
NCL	None							-
Savings	S002 to S005	-	(37,000)	(107,000)	(107,000)	(107,000)	(107,000)	(465,000)
	Net	-	2,100	(57,900)	(57,900)	(57,900)	(57,900)	(229,500)
	Net change to use of GF reserves		2,100	-	-	-	-	2,100
	Reduce annual Savings Targets		-	(57,900)	-	-	-	-
Total impact of Lib Dem Budget Proposals								
Bids		7,500	257,830	169,100	119,100	69,100	69,100	691,730
NCL		(20,300)	(132,650)	(198,100)	(92,750)	(12,250)	-	(456,050)
Savings		-	(45,730)	(107,000)	(107,000)	(107,000)	(107,000)	(473,730)
	Net	(12,800)	79,450	(136,000)	(80,650)	(50,150)	(37,900)	(238,050)
	Change to use of GF reserves	(12,800)	79,450	(78,100)	(22,750)	7,750	20,000	(6,450)
	Reduce annual Savings Targets		-	(57,900)	-	-	-	-

Appendix 1: Lib Dem Budget Amendment to Appendix [C (a), (b), (d)]

2019/20 Budget - GF - Bids and Savings

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	2023/24 Budget £	Contact / Climate rating / Poverty rating	Portfolio
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Appendix [C (a) - GF - Pressures & Bids]

Part A: time-limited budget proposals funded from GF development Fund (via GF reserves)

B0001	Bids Remove Shop Mobility Charges from 1st February 2019	7,500	-	-	-	-	-	James Elms Nil Low	Planning Policy & Transport
	Financial provision for the Executive Councillor to advance the scrapping of the charges for use of the council's Shop Mobility service by two months to 1st February 2019, under the procedure for urgent decisions. Now that there is a consensus across the council that the charges should be removed, and given the harm done to the service since their introduction in May 2018 and their negative impact on disabled and elderly people, this item enables the charges to be dispensed with at the earliest possible opportunity, rather than waiting until the end of the financial year.								
B0002	Education on Engine Idling and Air Quality	-	50,000	50,000	50,000	-	-	Jo Dicks +M None	Environmental Services & City Centre
	This budget item is for the development of an immediate 3 year public education campaign to curtail controllable driver behaviour of allowing engines to idle while stationary and out of traffic in the city (including installation of additional signage detailed in budget item B0004 and the management of the mobile air quality unit (B0003). This dual focus will have the benefit of creating a wider public understanding for the impact of subsequent measures. In addition to the general public, its particular potential audiences will include: the taxi trade, bus companies and drivers, the employees of major city organisations, users of council car parks and schools. The final year of the project would include evaluation of a follow-on to this with an enforcement element. The costs provided are for an Air Quality Projects Officer at City Band 6 £42,500pa and £7,500pa for promotional media. (B0003)								
B0003	Mobile Air Quality Monitoring to Target Hotspots	-	50,000	-	-	-	-	Jo Dicks +L None	Environmental Services & City Centre
	Cambridge comprises a number of known air quality hotspots and it is already established that the major contributor to these is motor traffic, especially diesel-powered vehicles. The relationship of poor air quality to early deaths, particularly among the young and elderly, is understood and is agreed to be the basis for intervention on public health grounds. This budget item seeks to provide funding for the hire of an additional air quality monitoring system which could be relocated between sites of interest such as schools on a 3-4 monthly basis and would be sufficiently sensitive to pick up diurnal variance in air quality, such as at the time of the school run. This data would be used by the Air Quality Projects Officer to provide evidence to action local change and as an educational stimulus.								
B0004	Improved Signage to Combat Engine Idling	-	5,000	-	-	-	-	Jo Dicks +L None	Environmental Services & City Centre
	Following on from a well-received installation of anti-idling signs at the Grafton Centre, this budget item seeks to provide funding for the purchase of signs for 20 city hotspots. Sites, which could include local schools and private businesses, will be identified by the Air Quality Projects Officer and further liaison performed leading to their installation.								
B0005	A Comprehensive Vehicle Charging Strategy	-	50,000	50,000	-	-	-	Jo Dicks / James Elms +L None	Environmental Services & City Centre
	Despite the increasing popularity of electric vehicles (EVs) in Cambridge, public charging points remain a rarity. Taking into account the need to improve our local environment in terms of air quality and our global environment in terms of carbon emissions, this budget item seeks to provide funding for additional officer time over 2 years to bring forward the development of a comprehensive strategy for EV charging. This would take into account the need to provide additional charge points in our city's car parks and the council's own facilities. This funding would also provide sufficient officer time to accelerate liaison with businesses and the County Council with a particular focus on residents without off-street parking, work on alterations to the council's fleet and apply to central government for additional resources. This overall item would allow the City Council to take on a leadership role in this vital strand of environmental protection and where consistent and relevant would explore potential income generation for the council.								
B0006	Development of Weekly Food Waste Collection	-	15,000	-	-	-	-	Trevor Nicoll Nil None	Environmental Services & City Centre
	Whilst Cambridge has reduced its organic and food waste collection over recent months with the move to monthly green bin collections over winter, December 2018's Defra report clearly identifies a need for every householder to have a separate weekly food waste collection, in order to reduce our carbon footprint. This amendment seeks to provide the necessary initial funding for the redesign of waste collection in Cambridge, such that we can become an early adopter council in committing to weekly food waste collection - reducing our greenhouse gas emissions and providing a better service to residents and where consistent and relevant would explore potential income generation potential for the council.								

2019/20 Budget - GF - Bids and Savings

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	2023/24 Budget £	Contact / Climate rating / Poverty rating	Portfolio
B0007	Development of Water Play and Community Café Strategy	-	20,000	-	-	-	-	Alistair Wilson	Streets & Open Spaces
	The provision of paddling pools and splash pads throughout the summer as well-used and valued community assets. Existing facilities at Lamas Land and Cherry Hinton Hall are aging, have a large environmental impact, and need medium term investment. As yet, water play facilities have not been provided to emerging and future communities. The addition of commercial cafés could provide much needed income, rationalise public toilets and plant builds, extend seasonal use and increase the appeal of each site. It is recommended that a budget allocation for feasibility is made available.								
	This budget will allow Officers to investigate:							Nil	
	- the supply and demand for water play,							None	
	- the level of support from residents and friends groups								
	- the associated costs required to invest in modern facilities,								
	- the opportunities to rationalise park buildings and toilets and introduce new facilities,								
	- items that would enhance existing offers such as catering, changing facilitates and toilets								
	- the preparation of business plans to support capital and revenue requirements.								
B0008	Children's Tree Programme	-	20,000	20,000	20,000	20,000	20,000	Alistair Wilson	Streets & Open Spaces
	The Council's adopted tree strategy envisages a growth of the city's tree canopy of 2% by 2030 to reduce air pollution, mitigate the effects of climate change and contribute to human wellbeing. However, it is unlikely the council could plant enough new trees on its own land to meet the target.								
	Following proposals in the Liberal Democrat Alternative Budget for 2017/18 for a Children's Tree Scheme, council has run a trial with the charity Trees for Cities at The Spinney Primary School.							+L	
	This new bid increases the council's ambition to all the city's primary schools, enabling a gift of a young tree to each year 4 primary pupil, for planting at home, a designated part of the public realm or school premises, integrated with education about the importance of trees to the environment and techniques for planting and maintenance. Considerable enthusiasm about this programme has been expressed by schools since it was first proposed by Liberal Democrats. It has the potential to increase the city's tree stock by 5,000 over 5 years. It is based on a unit cost of £20 per tree, envisages continued cooperation with Trees for Cities and the schools to manage educational costs.							None	
	Total Bids & Reduced Income Part A	7,500	210,000	120,000	70,000	20,000	20,000		
	Part B: redirect grant funding								
B0009	Development of Project addressing Period Poverty	-	8,730	-	-	-	-	Suzanne Heminaw	Communities
	With national data indicating that 1 in 10 women cannot afford menstrual products, this item provides for the City Council to explore and develop a scheme to tackle period poverty in Cambridge in collaboration with a relevant voluntary sector organisation. This should seek to provide free menstrual products in the public facilities within the City Council's control. The model designed is intended to constitute the basis for a viable commissioned project for 2020-21 through the council's Community Grants programme.							Nil	
								Low	
	Total Bids & Reduced Income Part B	- 8,730	-	-	-	-	-		
	Part C: base budget proposals								
B0010	Reduce saving in BSR S4301 (Planning)	-	30,000	40,000	40,000	40,000	40,000	Stephen Kelly	Planning Policy & Transport
	Removal of the Executive's proposals in S4301 (1) to reduce the extent to which planning decisions are taken by the Planning Committee in public session and (2) to curtail the extent of proactive notification of residents in the neighbourhood of a planning application. (This would retain the proposal to charge other authorities for tours and visits of development sites in the city).							Nil	
								None	
B0011	Revenue impact of capital schemes (maintenance, etc.)	-	9,100	9,100	9,100	9,100	9,100	Joel Carre	Streets & Open Spaces / Communities
	The maintenance costs arising from the capital schemes for CCTV, Water Fountains and Electric Sweepers							Nil	
	Total Bids & Reduced Income - Part C	- 39,100	49,100	49,100	49,100	49,100	49,100		
	Total Bids & Reduced Income - Total	7,500	257,830	169,100	119,100	69,100	69,100		

2019/20 Budget - GF - Bids and Savings

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	2023/24 Budget £	Contact / Climate rating / Poverty rating	Portfolio
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Appendix [C (d) - GF - Non-cash limit]

Part A: time-limited budget proposals funded from GF development Fund (via GF reserves)

NCL0001	Earmarked GF Development Reserve - 35% of contributions to GF reserves	(20,300)	(132,650)	(198,100)	(92,750)	(12,250)	-	Caroline Ryba	Finance & Resources
Transfer 35% of the contributions to the GF development earmarked fund based on the anticipated additional income from internal borrowing into General Fund reserves (to allow for management of anticipated income streams) to be used to fund time limited budget proposals - ref B001 to B008									
	Total Non-cash limit / net change in use of GF reserves	(20,300)	(132,650)	(198,100)	(92,750)	(12,250)	-		

Appendix [C (b) - GF - Savings]

Part B: redirect grant funding

S0001	Reduce funding of Community Grants Programme	-	(8,730)	-	-	-	-	Suzanne Heminaway	Communities
Remove unallocated budget from Community Grants programme for 2019-20 only, in order to fund B0009									
	Total Savings & Increased Income - Part B	-	(8,730)	-	-	-	-		

Part C: base budget proposals

S0002	Increase expected income in BSR II4313 (Procurement)	-	-	(20,000)	(20,000)	(20,000)	(20,000)	James Elms	Finance & Resources
Continued income generation from the provision of procurement services to third party public sector bodies beyond 2019-20. Staff resource which can make this possible is provided in B4187. The concept has been successfully proved in the current arrangement with Cambridgeshire and Peterborough Combined Authority. If the council is serious about income generation, then it should undertake a budgetary commitment to continue this arrangement or to replace it with another body.									
S0003	Increase expected savings in BSR S4176 (Supplies & Services)	-	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	John Harvey	Finance & Resources
Increase in the savings target from the specific Supplies & Services budgets across the council which are referred to in S4176. The total spend is circa £7m and this additional saving is 0.35%, making a total expected saving of 2.9%.									
S0004	Net income from Town Hall Lettings (see C0004)	-	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)	Caroline Ryba	Finance & Resources
Net additional income that would be received by Town Hall Lettings as part of its role as managing agent for the properties purchased under C0004. The total income from the role would be approximately £47,000, but it is anticipated that there would be a corresponding increase in fixed costs of up to £35,000 to deliver the service.									
S0005	Revenue impact of Housing investment (see C0004)	-	-	(50,000)	(50,000)	(50,000)	(50,000)	Caroline Ryba	Finance & Resources
The £12.5m investment in residential property to rent on a living rent basis provides a return of approximately 1.6% (ignoring any change in the capital value of the properties). The investment is split 50/50 debt and equity, as a result the interest the council will receive on the loan it has provided (£6.25m) will be £200,000 (i.e. an interest rate of approximately 3.2%). This will lead to an additional £50,000 being generated in interest income from the investment over the alternative return of £150k from the sum of £12.5m placed on bank deposit.									
	Total Savings & Increased Income Part C	-	(37,000)	(107,000)	(107,000)	(107,000)	(107,000)		
	Total Savings & Increased Income Total	-	(45,730)	(107,000)	(107,000)	(107,000)	(107,000)		
	All Portfolios - Net Impact of Lib Dem Amendment total	(12,800)	79,450	(136,000)	(80,650)	(50,150)	(37,900)		

Appendix 2: Lib Dem Budget Amendment to Appendix [E (a) Capital proposals]

2019/20 Budget - GF - Capital Bids

Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact / Climate rating / Poverty rating	Portfolio
Capital								
C0001	CCTV Camera - East Road/Burleigh Street	-	25,000	-	-	-	J Carre	Strategy & External Partnerships
	To erect a CCTV camera column and two new pan/tilt/ zoom (PTZ) CCTV cameras at Burleigh Street/ East Road junction. This location is identified as a significant crime/ ASB 'hot spot' and so would benefit from the additional CCTV surveillance capacity provided. This addition is supported by the Police and safer communities team. The project is to be delivered as a variation to the current CCTV public space camera and network upgrade contract and so benefit from the associated supplier/ installation economies.						Nil	
C0002	10 Public Water Fountains	-	35,000	-	-	-	A Wilson	Streets & Open Spaces
	The council's participation in the Refill scheme, where businesses offer to refill people's water bottle for free, provides part of the need to give access to clean fresh water to the public but misses out most of the city's parks and green spaces. With input from residents' groups and area committees, this bid will roll out new public water fountains across the city where both feasible and advantageous to people's activity such as in public parks, running routes, trim trails, football and all-weather pitches.						+L	
	The new water fountain on Parkers Piece provides a good model. Wherever people play sports and exercise on the city's green spaces, the council should provide them with the choice of clean, fresh water as an alternative to high sugar drinks in single use plastic containers.						None	
C0003	Electric Self-propelled Street Sweepers	-	51,000	-	-	-	J Carre	Streets & Open Spaces
	Cambridge City Council are currently trialling a Maxwind 160 electric self-propelled street sweeper, aiming to improve the cleanliness of city centre areas where the concentration of shoppers, students and tourists makes it especially challenging for Street Cleansing front line staff using a traditional hand cart to maintain the high service level the council should aim for. The electric sweeper features rotary brushes and a vacuum hose for collection of small waste such as cigarette ends around street furniture etc.						-L	
	The trial is progressing satisfactorily and so this bid recommends the purchase of three permanent electric carts to replace the hand carts currently in use in the city centre. Maintenance costs include a complete set of new brushes per machine, per month and may be less in operation.						None	
<hr/>								
All Portfolios - Net Impact of Lib Dem Amendment on available use				0	111,000	0	0	0

Part D: Housing

C0004	Housing purchase - capital	-	12,500,000	-	-	-	Caroline Ryba	Finance & Resources
	Cambridge continues to be a very difficult market for people seeking to buy and rent residential property. Rents have increased by approximately 8% over the last four years in the city. In particular, it is increasingly difficult for key workers to be able to live in the city. The City Council, as a key stakeholder in the city is in a position to assist in addressing this issue. The proposal involves the loan of £6.25m and a similar equity investment from treasury to purchase residential properties across the city to be held in a new housing property company for rental.							
	(a) 40 of the properties would be available to rent to public sector workers such as teachers and nurses. An adjustment of rent based on an adjustment of household income would only occur if household income moved by 10% over a 12 month period. Rental will be on a living rent basis (i.e. approximately one third of a household income in the bracket £15,000 - £40,000) - this is approximately 35% of the households in Cambridge. In addition, all rents would increase annually on an inflation basis. The scheme would be based on household income rather than market rents.						-L	
	(b) 5 of the properties (3 bed in size) would be prioritised for homeless individuals (requiring minimal support) to rent on a shared basis through the council's Town Hall Letting Agency (at a housing benefit level of rent) as part of the effort to address the homeless crisis in the city.						High	

All Portfolios - Net Impact of Lib Dem Amendment to Capital Plan

0 12,611,000 0 0 0

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]



Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:
Liberal Democrat Budget proposals 2019/20
2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=116&MId=3405&Ver=4

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

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

The Liberal Democrats budget amendment makes a number of alternative budget proposals to those set out by the ruling group in the Budget Setting Report. This EqIA has been carried out by Council officers to provide Councillors with an assessment of the potential equality impacts of the Liberal Democrat budget proposals at the point when they are being asked to make a decision, as required by the Public Sector Equality Duty under the Equality Act 2010.

Some proposals in the Liberal Democrat budget amendment will have very small or neutral impacts on equality and therefore have not been included in this EqIA. For other proposals there is not enough information at this stage on the proposal to be able to assess equality impacts.

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service? (Continued)

The proposals that could have more significant impacts related to equality include:

- B0001 Remove Shop Mobility Charges from 1st February 2019
- B0002/3/4: Education Campaign on Engine Idling and Air Quality/Improved Signage/Mobile Air Quality Monitoring to target hotspots
- B005 A Comprehensive Electric Vehicle Strategy
- B0006 Development of Weekly Food Waste Collection
- B0007 Development of Water Play and Community Café Strategy
- B0008 Children's Tree Programme
- B0009 Development of Project addressing Period Poverty
- C0001 CCTV Camera - East Road/Burleigh Street
- C0002 10 Public Water Fountains
- C0004 Housing purchase - capital

4. Responsible Service

The Finance service manages the budget process, but a range of Council services would be responsible for the individual proposals included in this EqIA, if they were implemented.

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

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

- Residents of Cambridge City
- Visitors to Cambridge City
- Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): N/a

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

- New
- Major change
- Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
- Yes (Please provide details):

This is an assessment of proposed amendments to the Budget Setting Report and therefore covers many Council services. The budget also affects some of the Council's partnership working.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

This will go to Council on 21st February 2019

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

- Disability Facts and Figures report (2016) by The Papworth Trust: <http://www.papworthtrust.org.uk/node/2206>
- Royal College of Physicians (2016), 'Every Breath we Take: The Lifelong impact of air pollution' (report of a working party)
- Plan International UK's research on period poverty and stigma (2017), <https://plan-uk.org/media-centre/plan-international-uks-research-on-period-poverty-and-stigma>
- Home Office (2018), Hate Crime England and Wales 2017/18 Statistical Bulletin <https://plan-uk.org/media-centre/plan-international-uks-research-on-period-poverty-and-stigma>

10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age

B0001 Remove Shop Mobility Charges from 1st February 2019

This proposal is for financial provision to advance removing the charges for the use of the Council's Shopmobility service by two months from 1st February instead of the 1st April, which would have a positive impact for people of all ages who want to use the service

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(a) Age (continued)

used by a mixture of age groups use the service. Since the charges were introduced in May 2018, demand of people using the service has fallen significantly. In the period from May to December 2017 there were 39% more users than in period from May to December 2018.

B0007 Development of Water Play and Community Café Strategy

As the proposal states, the pools and splash pads in the city are well-used in the summer by families with children. The proposed feasibility study will look into the supply and demand for water play to ensure that their needs are being met (including in new communities).

B0002/3/4: Education Campaign on Engine Idling and Air Quality/Improved Signage/Mobile Air Quality Monitoring to target hotspots, B005 A Comprehensive Electric Vehicle Strategy, B0006 Development of Weekly Food Waste Collection (service?), and B0008 Children's Tree Programme

These proposals may have a positive impact in preventing ill-health, disability and early deaths caused by poor air quality. Research shows that the health of young people and older people is especially likely to be impacted by poor air quality. Some of the proposals are especially focusing on schools, which could have a positive impact on children's health (for B0002 Education on Engine Idling and Air Quality, B0003 Improved Signage to Combat Engine Idling, and B0004 Mobile Air Quality Monitoring to Target Hotspots).

B0008 Children's Tree Programme

As well as helping to improve air quality like the proposals above (by increasing the city's tree stock), this proposal would have educational benefits for children of year 4 primary school age. It will enable them "a gift of planting a tree at home, a designated part of the public realm or school premises, integrated with education about the importance of trees to the environment and techniques for planting and maintenance."

(b) Disability

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(b) Disability

B0001 Remove Shop Mobility Charges from 1st February 2019

This proposal is for financial provision to advance removing the charges for the use of the Council's Shop Mobility service by two months from 1st February instead of the 1st April, which would have a positive impact for disabled people who have mobility issues that make them more likely to require the service. Since the charges were introduced in May 2018, demand of people using the service has fallen significantly. In the period from May to December 2017 there were 39% more users than in period from May to December 2018. Disabled people are more likely to have higher living costs than non-disabled people, so they are more likely to experience poverty. If the charges meant that may were not able to access the city centre because they cannot afford to use the service then this will have increased social isolation.

(b) Disability (Continued)

B0002/3/4: Education Campaign on Engine Idling and Air Quality/Improved Signage/Mobile Air Quality Monitoring to target hotspots, B005 A Comprehensive Electric Vehicle Strategy, B0006 Development of Weekly Food Waste Collection (service?) and B0008 Children's Tree Programme

These proposals may have a positive impact in preventing ill-health, disability and early deaths caused by poor air quality.

C0001 CCTV Camera – East Road/ Burleigh Street

The proposal could have a positive impact in helping the Community Safety Team and Police to be more proactive in reducing crime, including hate crime. In the UK as a whole hate crime motivated by hostility or prejudice based upon the victim's disability or perceived disability had risen by 30% from 2016/17 to 2017/18.

C0002 10 Public Water Fountains

This proposal could have a positive impact on people's health by providing easier access to water, which may mean they are less likely to buy sugary drinks and stay hydrated. Also, if people have access to water in public parks, running routes, trim trails, football and all-weather pitches, this may encourage them to exercise more, which is beneficial for physical and mental health.

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(c) Gender reassignment

B0007 Development of Water Play and Community Café Strategy

There are no specific impacts identified for this equality group. However, there could be opportunity in the feasibility study to explore whether to include gender neutral toilet and changing room facilities in looking into "opportunities to rationalise park buildings and toilets and introduce new facilities" and "items that would enhance existing offers such as... changing facilities and toilets". This could have a positive impact on people with the protected characteristic of gender reassignment if gender neutral toilets are developed as a result, where individuals do not want to use facilities designated as female or male. Currently only 9 out of 20 of the Council's public toilet facilities provide gender neutral options.

C0001 CCTV Camera - East Road/Burleigh Street

The proposal could have a positive impact in helping the Community Safety Team and Police to be more proactive in reducing crime, including hate crime. Hate crime motivated by hostility or prejudice towards transgender people nationally had risen by 32% from 2016/17 to 2017/18.

(d) Marriage and civil partnership

No impacts have been identified specific to this equality group.

(e) Pregnancy and maternity

B0007 Development of Water Play and Community Café Strategy

As the proposal states, the pools and splash pads in the city are well-used in the summer by families with children. The proposed feasibility study will look into the supply and demand for water play to ensure that their needs are being met (including in new communities). The proposal might also lead to better changing facilities for families with children.

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(f) Race

Note that the protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

B0001 Remove Shop Mobility Charges from 1st February 2019

Since introducing the charges there has been a significant drop in overall usage. This proposal is for financial provision to advance removing the charges for the use of the Council's Shop Mobility service by two months from 1st February instead of the 1st April, which could have a positive impact for adults with an impairment from black or black British ethnic backgrounds who are more likely to be socially excluded as a result of their disability. The impact that disability or long-term illness has on one's ability to participate in social life (including leisure activities like shopping) varies for different ethnic groups. Adults with an impairment from black or black British ethnic backgrounds report the highest number of life areas (for example, leisure) in which participation is restricted, while adults from white ethnic backgrounds report the lowest.

C0001 CCTV Camera - East Road/Burleigh Street

The proposal could have a positive impact in helping the Community Safety Team and Police to be more proactive in reducing crime, including hate crime. Hate crime motivated by hostility or prejudice towards someone's race has remained the most common type of hate crime in the UK as a whole since 2011/12 to 2017/18.

(g) Religion or belief

C0001 CCTV Camera - East Road/Burleigh Street

The proposal could have a positive impact in helping the Community Safety Team and Police to be more proactive in reducing crime, including hate crime. Hate crime motivated by hostility or prejudice towards someone's religion have increased the most (by 40%) according to figures for the UK as a whole between 2016/17 and 2017/2018.

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(h) Sex

B0001 Remove Shop Mobility Charges from 1st February 2019

There are more disabled women than men in the UK. This has remained broadly stable over time. Therefore, it is likely that women would benefit more from the proposal to advance the removal of the charges from 1st April to 1st February.

B0009 Development of Project addressing Period Poverty

National data from Plan International UK indicates that 1 in 10 women cannot afford menstrual products in the UK. This proposal is likely to have a positive impact on women on low incomes by seeking to provide free products in public facilities within the Council's control.

(i) Sexual orientation

C0001 CCTV Camera - East Road/Burleigh Street

The proposal could have a positive impact in helping the Community Safety Team and Police to be more proactive in reducing crime, including hate crime. Hate crime motivated by hostility or prejudice towards someone's sexual orientation was the second most common type of hate crime in the UK as a whole for 2017/2018.

(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

B0001 Remove Shop Mobility Charges from 1st February 2019

This proposal is for financial provision to advance the removal of the charges for the use of

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

(j) Other factors that may lead to inequality (Continued)

the Council's Shop Mobility service from 1st April to 1st February, which would have a positive impact on low-income people and especially those who cannot afford to pay the charges at their current rate.

B0007 Development of Water Play and Community Café Strategy

The proposed feasibility study will look into the supply and demand for free water play facilities, which could have a positive impact on low-income families, if it increases the number of facilities that they are able to use free of charge.

B0009 Development of Project addressing Period Poverty

National data from Plan International UK indicates that 1 in 10 women cannot afford menstrual products in the UK. This proposal is likely to have a positive impact on women in low incomes by seeking to provide free products in public facilities within the Council's control.

C0002 10 Public Water Fountains

This proposal is to increase the provision of water free of charge in public spaces, so it could have a positive impact for people in poverty or on low incomes.

C0004 Housing purchase – capital

The proposal involves the loan of £6.25m and a similar equity investment from Treasury to purchase residential properties across the city to be held in a new housing property company for rental on a "living rent basis". Most of the properties proposing to be purchased (35) are for key workers. 5 of the properties (3 bed in size) would be prioritised for homeless individuals (requiring minimal support) to rent on a shared basis through the council's Town Hall Letting Agency (at a housing benefit level of rent), which may help tackle homelessness in the city.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

Appendix 3 - Lib Dem Amendment 2019/20 [BSR App G]

This will go to Council on 21st February 2019

12. Do you have any additional comments?

No negative impacts have been identified for the protected characteristics related to these budget proposals. Potential positive impacts specific to particular protected characteristics have been identified for all protected characteristics apart from marriage/ civil partnership.

13. Sign off

Name and job title of lead officer for this equality impact assessment: Helen Crowther, Equality and Anti-Poverty Officer

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

- David Kidston, Strategy and Partnerships Manager
- Graham Saint, Strategy Officer
- Sean Cleary, Commercial Operations Manager

Date of EqIA sign off: 1st February 2019

Date of next review of the equalities impact assessment: This will go to Council on 21st February 2019

All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer. Has this been sent to Helen Crowther?

Yes

No

Date to be published on Cambridge City Council website: 14th February 2019

Appendix 4 - Lib Dem Budget Amendment – Replacement Tables

Performance against savings target (BSR, page 31)

Savings Targets	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
MTFS 2018 Current Savings Target (new savings each year)	190	630	542	244	482
Previous year savings not achieved / (over achieved)	-	-	-	-	-
Revised savings target	190	630	542	244	482
Unavoidable revenue pressures	598	581	637	697	697
Reduced income	377	542	644	522	522
Bids	545	376	58	145	145
Savings	(1,533)	(1,313)	(1,325)	(1,325)	(1,325)
Increased income	(286)	(266)	(80)	(160)	(160)
Programme	110	220	200	30	30
Net bids and savings	(190)	140	134	(91)	(91)
Revised savings target / savings	-	960	536	19	482
Adjustment to savings to attain target level of reserves at the end of 5 years and smooth savings over the final 4 year period	-	(325)	99	616	153
Savings still to be found	-	635	635	635	635
Impact of Lib Dem Budget proposals	-	(58)	-	-	-
Savings still to be found	-	577	635	635	635

General Fund Reserves (BSR, page 45)

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Balance as at 1 April (b/fwd)	(13,380)	(9,378)	(9,015)	(7,796)	(6,458)	(5,994)
Contribution (to) / from Reserves per MTFS 2018	4,013	(96)	876	1,099	883	0
Non-Cash Limit items (Appendix C(d))		382	96	36	(37)	(106)
Impact of rephasing savings	0	0	325	226	(390)	(543)
Impact of Lib Dem Budget proposals - made up by:	(11)	77	(78)	(23)	8	20
GF Development Reserve - 35% of contributions	(20)	(133)	(198)	(93)	(12)	-
To fund time-limited proposals	7	210	120	70	20	20
Base balance	2	-	-	-	-	-
Balance as at 31 March (c/fwd)	(9,378)	Page 373	(7,796)	(6,458)	(5,994)	(6,623)

General Fund Projection (BSR, page 34)

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Expenditure						
Net service budgets	21,002	19,314	22,608	23,262	22,396	21,026
Revenue Budget Proposals (before allocation to other lines) updated for Lib Dem Budget proposals	8	22	202	146	(129)	(129)
Capital accounting adjustments	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)
Capital expenditure financed from revenue	3,686	2,966	1,786	1,786	1,786	1,786
Contributions to earmarked funds <i>updated for Lib Dem Budget proposals</i>	4,950	3,513	2,570	2,549	2,236	1,947
Revised net savings requirement <i>updated for Lib Dem Budget proposals</i>	-	-	(577)	(635)	(635)	(635)
Net spending requirement	23,304	19,473	20,247	20,766	19,312	17,653
Funded by:						
Settlement Funding Assessment (SFA)	(4,680)	(4,179)	(3,951)	(3,925)	(3,897)	(3,867)
Locally Retained Business Rates – Growth Element	(800)	(800)	(800)	(800)	(800)	(800)
Other grants from central government	-	-	-	-	-	-
New Homes Bonus (NHB)	(5,595)	(5,504)	(5,277)	(5,277)	(4,272)	(3,271)
Appropriations from earmarked funds	-	-	-	-	-	-
Council Tax	(8,227)	(8,627)	(9,000)	(9,426)	(9,879)	(10,344)
Contributions to / (from) reserves - updated for Lib Dem Budget proposals	(4,002)	(363)	(1,219)	(1,338)	(464)	629
Total funding	(23,304)	(19,473)	(20,247)	(20,766)	(19,312)	(17,653)

General Fund Capital Funding and Spend (BSR, pages 40 & 41)

Capital funding Available	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Funding available and unapplied (MTFS Oct 2018)	-	(1,352)	(1,761)	(1,786)	(1,786)	(1,786)
Capital bids requiring funding (Appendix E(b))	-	867	218	48	30	-
Direct revenue funding of capital (DRF) returned to revenue S4345	-	193	-	-	-	-
Impact of Lib Dem Budget proposals	-	111	-	-	-	-
Net Funding Available	-	(182)	(1,543)	(1,738)	(1,756)	(1,786)

Capital plan spending	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Spend MTFS Oct 2018	30,949	11,562	3,366	61	-	-
Approvals since MTFS Oct 2018 see Appendix E (c):						
- Cromwell Road development (GF share)	17,166	-	-	-	-	-
- Section 106 (with funding)	192	77	-	-	-	-
Capital Plan total before new proposals	48,307	11,639	3,366	61	-	-
New proposals see Appendix E (d)	(5,407)	9,502	11,625	1,957	30	-
Total Spend	42,900	21,141	14,991	2,018	30	-
<i>Impact of Lib Dem Budget proposals</i>	-	12,611	-	-	-	-
Total Spend	42,900	33,752	14,991	2,018	30	-

Capital plan funding	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
External support						
Developer Contributions	(2,745)	(77)	0	0	0	0
Other Sources	(495)	(431)	(25)	0	0	0
Total - External Support	(3,240)	(508)	(25)	0	0	0
City Council						
Direct Revenue Financing (DRF) - GF Services	(105)	(5)	0	0	0	0
Direct Revenue Financing (DRF) - Use of Reserves	(3,686)	(2,966)	(1,786)	(1,786)	(1,786)	(1,786)
Earmarked Reserve - Capital Contributions	(27,543)	(655)	0	0	0	0
Earmarked Reserve - Climate Change Fund	(300)	0	0	0	0	0
Earmarked Reserve - Repair & Renewals Fund	(2,156)	(682)	0	0	0	0
Earmarked Reserve - OAS	(473)	0	0	0	0	0
Internal Borrowing - Temporary Use of Balances						
<i>Impact of Lib Dem Budget proposals</i>	(626)	(29,016)	(14,723)	(1,909)	0	0
Usable Capital Receipts	(4,771)	(102)	0	(61)	0	0
Total Funding	(39,660)	(33,426)	(16,509)	(3,756)	(1,786)	(1,786)
Capital Plan	42,900	33,752	14,991	2,018	30	0
Net Funding Available	0	(182)	(1,543)	(1,738)	(1,756)	(1,786)

Principal earmarked and specific funds (BSR, page 112)

Fund	Balance at 1 April 2018 £000	Anticipated contributions £000	New contributions £000	Forecast expenditure £000	Forecast balance 31 March 2023 £000
General Fund (GF) Development Fund including Mill Road and Cromwell Road revised projections	0	(1,303)		1,303	0

Impact of Lib Dem Budget proposals : Available balance reduced by £456k from £1,303k to £847k.

Appendix 5 – Lib Dem Budget Amendment - Section 25 Report

These budget amendments would not require any substantive changes to the existing Section 10 – Section 25 Report. **[Section 10, Page 52 refers]**

There are two types of amendment:-

- General Fund (GF) revenue amendments – spending proposals or reductions in savings and income are matched by funding generated from a variety of sources including:
 - Using unallocated budget from within the Community Grants programme
 - Increasing income
 - Increasing the level of savings from supplies and services budgets
 - Reducing the earmarked reserve (GF Development Fund) created from interest income earned from loans provided to fund development at the former Mill Road depot and at the Cromwell Road site by 35%, thereby reducing the level of contingency funding available for these and other Cambridge Investment Partnership (CIP) projects.

These proposals represent a reprioritisation of existing funding with the addition of some small increases in income and the use of other available resources. As such they do not compromise the deliverability of the council's overall budget. It should be noted that some of the proposals support feasibility and development work that may give rise to future bids for funding.

The GF Development Fund is created in the BSR from interest receipts that are considered to be uncertain in timing and quantum. By limiting the use of this source of funding to 35% of the total income, risks related to the receipt of this income are considered to be reduced, although not eliminated entirely.

- Capital bids – proposals are matched by available capital funding from 2019/20 and the use of internal borrowing for the provision of affordable housing.

The proposal to invest in the provision of affordable housing at Living Rent uses the council's cash balances to invest £12.5m into a new housing company to buy and manage 45 houses. Interest rate returns of 1.2% will be foregone as a result. The expected 1.6% return on the proposal exceeds current returns on the council's cash investments by about £50k per year, but if interest rates rise, as expected in the short to medium term, this saving will be eroded and could fall below the returns that can be achieved on cash. On current interest rate predictions, this could occur within two to three years.

Uncertainties relating to Brexit may impact the housing market, increasing the risk of falls in the value of properties. The timing of any property purchases will be significant both in relation to possible changes in capital value and when income from rents commences.

The affordable housing scheme has been financially assessed at current year prices with estimates made in line with those used for the 23 properties owned and managed by the council's existing housing company. However, it is noted that existing properties of various ages and locations around Cambridge will be purchased, rather than new build properties located on one or a small number of developments. There is therefore a risk that management, maintenance and capital costs will be higher than estimated. Rent income has been calculated assuming that across the properties an average rent will be achieved, based on the incomes of tenants. However, a mix of tenants with incomes at the lower end of the range would reduce the rental income of the scheme. The expected return will also be subject to differential inflation rates on pay and expenditure, such as maintenance costs.

Overall, the scheme is considered to be of marginal viability, with a low level of return that cannot be guaranteed due to the risks noted above. Furthermore, the level of return leaves little scope to cover normal operational risks. Further, more detailed modelling is required to fully understand the risks and how they might be mitigated.

I therefore consider, in relation to the budget resulting from the application of these amendments, that the estimates for the financial year 2019/20 to be sufficiently robust and the financial reserves up to 31 March 2019 to be adequate. I draw attention to the financial risks associated with the low level of projected return from the proposed housing scheme.

Caroline Ryba
Head of Finance and S151 Officer

CIVIC AFFAIRS

30 January 2019

5.30 - 6.30 pm

Present: Councillors McPherson (Chair), Benstead (Vice-Chair), O'Connell, Robertson, Thornburrow and Tunnacliffe

Other Councillor Present: Councillor Moore, Executive Councillor for Environmental Services and City Centre

Officers:

Chief Executive: Antoinette Jackson

Head of Finance: Caroline Ryba

Head of Human Resources: Deborah Simpson

Head of Shared Waste: Trevor Nicoll

Interim Deputy Head of Finance: Ken Trotter

Business Development Manager: Tony Stead

Support Services Manager: Karl Tattam

Committee Manager: James Goddard

Others Present:

Ernst & Young External Auditor: Suresh Patel

FOR THE INFORMATION OF THE COUNCIL**19/7/Civ Draft Pay Policy Statement 2019/20 and Implementation of 2019 Pay Award**

The Committee received a report from the Head of Human Resources.

The report set out a draft pay policy statement as required under the Localism Act. The Localism Act requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31 March each year.

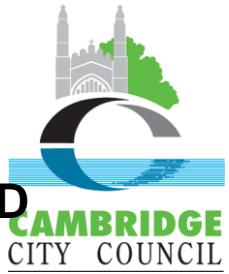
Unanimously resolved to:

- i. Recommend to Council the draft Pay Policy Statement 2019/20 attached as Appendix 1.
- ii. Note the position on the consultation with Unison members on the proposed pay scale changes, and to receive an update at the Civic Affairs meeting.

- iii. Recommend to Council the proposal to introduce the proposed changes to the Council's pay scale with effect from April 2019, attached in Appendix 2 of the Officer's report and to delegate authority to the Head of Human Resources to implement the changes to the Council's pay scale.
- iv. Agree the renaming of the previous grade of JNC1 as 'Head of Service'.

The meeting ended at 6.30 pm

CHAIR



Item

DRAFT PAY POLICY STATEMENT 2019/20 AND IMPLEMENTATION OF 2019 PAY AWARD

To:

Civic Affairs Committee 30.01.2019

Report by:

Deborah Simpson, Head of Human Resources

Tel: 01223 - 458101 Email: Deborah.Simpson@cambridge.gov.uk

Wards affected:

All

1. Introduction

- 1.1 This report sets out a draft pay policy statement as required under the Localism Act. The Localism Act requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31st March each year.
- 1.2 The pay policy statement covers posts designated 'chief officer'. For Cambridge City Council this includes the chief executive, strategic directors and heads of service. The areas to be covered in the statement are: salary, expenses, bonuses, performance-related pay, severance payments, how election fees are paid and the pay policy on re-engagement of ex-employees. The Localism Act also requires the statement to define the lowest paid employees and the ratio to the highest earning employee.

- 1.3 In 2018 two year national pay awards (1 April 2018 to 31 March 2020) were agreed for Chief Executive's and for Chief Officers (relating to Strategic Directors and Heads of Service). Both awards were for 2% in 2018 and 2% in 2019. The pay scales shown in the Pay Policy Statement 2019 show salary levels following these two pay awards.
- 1.4 In April 2018 a two year national pay award (1 April 2018 to 31 March 2020) was also agreed for employees covered by the National Joint Council for Local Government Services (NJC), affecting pay Bands 1-11 at Cambridge City. The award was also for 2% from 1 April 2018 and 2% from 1 April 2019, and included changes to the national pay scale with effect from 1 April 2019, to be implemented locally by each council.
- 1.5 It has been necessary to redesign the Council's pay scale to enable the introduction of the NJC pay scale changes. This report includes proposed changes to the Council's pay scale affecting Bands 1 to 11, to take with effect from 1 April 2019, to enable the introduction of the amended NJC pay scale. The pay scale changes include the 2% pay award which has already been nationally agreed.
- 1.6 The Council is an accredited real Living Wage employer (currently £9.00 per hour) and pays a Cambridge Weighting supplement in addition to salary and the real Living Wage supplement, to bring the hourly rate to an equivalent of £10.00 per hour. These arrangements for employees and agency workers are unchanged by the proposed pay scale as there are still pay points of less than £10 per hour on the national pay scale.
- 1.7 This report presents the Council's Pay Policy Statement 2019/20 for consideration by Civic Affairs and Council and recommends changes to the Council's pay scale.

2. Recommendations

The Civic Affairs Committee is asked to:

- 2.1 Consider and recommend to Council the draft Pay Policy Statement 2019/20 attached as Appendix 1.

- 2.2 Consider and recommend to Council the proposal to introduce the proposed changes to the Council's pay scale with effect from April 2019, attached in Appendix 2.
- 2.3 To note the position on the consultation with Unison members on the proposed pay scale changes, and to receive an update at the Civic Affairs meeting.
- 2.4 To recommend to Council to delegate authority to the Head of Human Resources to implement the changes to the Council's pay scale as agreed by Full Council on 21 February 2019 and following the outcome of the Unison ballot.
- 2.5 To agree the renaming of the previous grade of JNC1 as 'Head of Service'.

3. Background and Proposals

National Pay Awards

- 3.1 Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives, the Joint Negotiating Committee (JNC) for Chief Officers and the National Joint Council for Local Government Services (NJC) for staff on Bands 1-11.
- 3.2 With effect from 1 April 2018 there were nationally negotiated two year pay awards affecting staff on Bands 1-11, Directors, Heads of Service and Chief Executives. The pay awards cover the period 1 April 2018 to 31 March 2020 and include 2% on basic salary with effect from 1 April 2018 and 2% on basic salary with effect from 1 April 2019. The NJC pay award included implementation of a revised national pay scale.
- 3.3 The NJC award was complex, comprising of:
 - a two year deal over the period 1 April 2018 to 31 March 2020
 - higher percentage pay awards at the lower points on the national pay scale and 2% for most staff.
 - a pay award designed to increase the lower points on the scale in line with future national minimum wage rates and the proposed increases in the national living wage
 - in the second year (2019) redesign of the lower part of the national pay scale by consolidating some of the pay points through merging

groups of two points into one new point, up to what is currently pay point 28, and creating some new pay points.

- the national pay scale for 2019 has new numbered pay points.
- with its potentially wide spread impact across all local authorities who are part of the national negotiations, the pay award was made over two years to allow time for individual authorities to redesign their pay structures and to introduce the new national pay points.

3.4 The second year of the pay offer has lead to a redesign of the Council's pay scales as pay points are consolidated or created. Detailed pay modeling has taken place in 2018 to redesign the Council's pay structure, to clarify the costs and to work with the trade unions on the changes.

3.5 This report to Civic Affairs and Full Council proposes the changes to the pay scale in time for the 1 April 2019 implementation date.

3.6 Proposals for the redesign of the pay scales have been drawn up and Unison and GMB have been consulted on these, please see Appendix 2. One proposal has been considered as suitable for implementation on the basis of:

- It introduces the new national pay points
- It includes the national pay award
- It allows for assimilation onto the new pay scales
- It allows for continued incremental progression (where possible)
- The pay bands are no longer than 7 points
- The overlap between any band is no more than one point
- It maintains our accredited real Living Wage Employer status and Cambridge Weighting.
- It is affordable within the Council's budgeting for pay inflation, incremental progression and pay provision
- The equal pay considerations have been assessed and it maintains the Council's equal pay arrangements
- The proposals include changes to all pay bands that will assist with recruitment and retention; either by increasing starting salary or by allowing for additional incremental progression.
- For existing staff on Bands 6,8,9 and 10 there is the opportunity for one more increment, subject to performance. This should aid retention in these grades.

- 3.7 Discussions have been held with Unison and GMB on the proposed changes to the pay scales to enable local implementation of the new national scales. Cambridge City Council uses the points on the national pay scale as the basis for pay arrangements but the structure and position of the Council's pay bands is locally determined under a collective agreement with the trade unions.
- GMB have confirmed acceptance of the proposed option and have stated a further ballot of GMB members is not required. The GMB membership has already been balloted on the two year pay deal and they believe the intended assimilation proposal would not warrant a further ballot.
 - Unison has confirmed the proposal meets the criteria for proposed implementation of the national pay scales and will consult Unison members in January 2019.
- 3.8 Briefing sessions are being held for staff in January 2019 to outline the changes to the pay scale and assimilation arrangements. The briefings will be for information on transfer from the existing pay scales to the new salary points and arrangements for incremental progression where new incremental progression will be possible. The briefings will be taking place around the same time as Unison consult members.
- 3.9 An update from the trade unions and feedback from the briefing sessions with staff will be reported verbally to the Civic Affairs Committee.
- 3.10 The intended outcome of the above is agreement on the proposed pay scale and agreement to implement with effect from 1 April 2019. Subject to approval at Full Council we will write to each member of staff to confirm their individual position on the new pay scales.
- 3.11 It is proposed that the previous grade of JNC1 is renamed as 'Head of Service'. The term JNC1 had relevance when there were two heads of service grade: JNC1 and JNC2, but JNC2 was re-designated as Band 11 in 2018. All posts on JNC1 are heads of service level posts. The re-designation of the grade will give more transparency to our pay arrangements.

4. Implications

(a) Financial Implications

The Council made budget provision in the Medium Term Financial Strategy for 2% pay inflation in 2018 and 2019. The impact of the pay offer for 2019 has been assessed.

The proposed changes to the pay scales are affordable within the Council's budgeting for pay inflation, incremental progression and pay provision.

(b) Staffing Implications

This report relates to the pay, terms and conditions of staff.

(c) Equality and Poverty Implications

An equality impact assessment was undertaken for the proposed pay scale changes and an EQIA is attached as Appendix 3.

Equality information by grade is reported annually to the Equalities Panel and is available on the Council's website.

(d) Environmental Implications

The proposal has no climate change impact.

(e) Procurement Implications

The real Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

(f) Community Safety Implications

This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

5. Consultation and communication considerations

- 5.1 The Chief Executive, Strategic Directors, Head of Legal Practice, Head of Finance, Support Services Manager, Democratic Services Manager, Equality and Anti-Poverty Officer and Strategic Procurement Manager have been consulted on this report and the attached draft Pay Policy Statement.
- 5.2 The trade unions have been consulted on the proposed implementation of the revised pay scales.

- 5.3 This pay policy statement once approved by Full Council will be published on the Council's website. The Pay Policy Statement will be updated following agreed changes to the pay scales.
- 5.4 The changes to the pay scales affecting Bands 1-11, once agreed will be communicated to all staff individually, to enable them to see where they have been assimilated to on the new pay scale. The new pay scales will be communicated to all staff.

6. Background papers

Background papers used in the preparation of this report:

- Pay Policy Statement 2018/19
- Provisions of the Localism Act relating to chief officer pay statements
- Communities and Local Government Openness and accountability in local pay: Guidance under section 40 of the Localism Act February 2012 and Supplementary Guidance February 2013.
- Local Government Association Localism Act: Pay Policy Statements Guidance (November 2011) and Supplementary Notes 1 and 2.
- City Council Pay scales
- Notification by circular from the National Joint Council for Local Government Services dated 10 April 2018 of NJC pay award.
- Notification by circular from the Joint Negotiating Committee for Chief Executives of Local Authorities dated 8 June 2018 of chief executive's pay award.
- Notification by circular from the Joint Negotiating Committee for Chief Officers of Local Authorities dated 12 July 2018 of chief officer pay award.

7. Appendices

- Appendix 1- Pay Policy Statement 2019/20
- Appendix 2- Cambridge City Pay Bands 2018 and proposed for 2019
- Appendix 3- EQIA – Proposed changes to pay scales (Bands 1-11)

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Deborah Simpson, Head of Human Resources, tel: 01223 - 458101, email: deborah.simpson@cambridge.gov.uk.

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Pay Policy Statement 2019/20

Scope

This pay policy statement covers the posts of the chief executive, strategic directors and heads of service.

The Council is an accredited real Living Wage Employer and this statement incorporates the Council's policy on the real Living Wage. This statement also incorporates the Cambridge Weighting which is paid as a pay supplement to bring the minimum pay rate to £10.00 per hour.

The Council has a number of apprenticeship opportunities and there is a statement relating to apprenticeships.

Salary

The salary scales for the chief executive, strategic directors and heads of service, following the nationally agreed pay award with effect from 1 April 2019, are shown below.

Progression through the pay band (a four point scale) is subject to a range of criteria that are currently assessed via the annual performance review.

Chief Executive	£115,299	120,197	125,086	130,013
Strategic Director	£88,942	92,455	95,963	99,476
Head of Service	£69,043	71,394	73,710	76,062

Review of Salary levels

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with current median level pay.

The next review of senior officer salaries will be undertaken in 2019.

Pay Awards

Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives and the Joint Negotiating Committee (JNC) for Chief Officers.

In 2018 two year national pay awards were agreed for Chief Executive's and Chief Officers (relating to Strategic Directors and Heads of Service), covering the period 1 April 2018 to 31 March 2020. Both awards were for 2% in 2018 and 2% in 2019.

Terms and Conditions of Employment

The terms and conditions of employment for the chief executive, strategic directors and heads of service within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Remuneration on Recruitment

Recruitment to the posts of chief executive and strategic director is undertaken by a committee of councillors appointed by Council, but in the case of the chief executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee. The salary on recruitment will be within the current salary range for these posts at that time.

Recruitment to posts of head of service is undertaken by the chief executive or a strategic director and is subject to notification to Executive Councillors before a job offer can be made. The salary on recruitment will be within the current salary range for these posts at that time.

There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas, due to fluctuations in the labour market supply. These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the "material reason" for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum payment for new appointments or to the staff in identified roles at a given date. The payment is tied to a defined retention period (two years) and must be repaid in full if the

person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

Rules governing the recruitment of the chief executive, strategic directors and heads of service are set out in the councils constitution in section; Part 41, Officer Employment Procedure Rules.

Bonuses

There are no bonus arrangements payable to the chief executive, strategic directors or heads of service.

Performance Related Pay

Performance and progression through the pay band is assessed annually in line with the Council's performance review schemes. For the chief executive and strategic directors, performance is assessed by a panel of councillors, the Chief Officer Performance Review Working Party. For heads of service, performance is assessed by their strategic director.

There is no performance related pay scheme outside of the performance review scheme, which determines the salary point of an officer, within the salary scale set out above.

Salaries over £100,000

The post of chief executive is the sole post which carries a salary range of over £100,000.

Publication of salary data

Salary data for the chief executive, strategic directors and heads of service is published on the council's website, in the Open Data, Transparency in local government, senior salaries or Senior Council Officers sections.

This pay policy statement once approved by Full Council will be published on the Councils website.

Expenses

The expenses which may be payable to the chief executive, a strategic director or head of service include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbursement of travel and subsistence
- one professional subscription per annum
- payments under the eye sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with

local government guidelines and statutory provisions. Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory weeks pay definition.

Employees in the pension scheme and who are over age 55 are entitled to immediate onset of pension benefits based on actual reckonable service if:

- They are over 55 at the termination date
- They meet the two years vesting period in the Local Government Pension Scheme (LGPS)

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

The chief executive, monitoring officer and chief finance officer can only be dismissed by the full council. All other directors and heads of service can only be dismissed in accordance with the Councils constitution, Part 41, Officer Employment Procedure Rules.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

Pension and Pension Enhancements

The employees within the scope of this pay policy are entitled to and receive pension contributions from the Local Government Pension Scheme (LGPS). This is a contributory scheme and they currently contribute between 9.9% and 11.4% of their pensionable pay to the scheme.

The employer contribution rate is currently 17.4% i.e. the council contributes 17.4% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17.4% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries. The next review will be in 2019, with the outcome effective for 2020/21.

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2014. This policy was approved by the Civic Affairs Committee on the 25 June 2014. The policy is currently being reviewed in line with the requirement that Council officers review the statement every 3 years and / or in line with changes to the

Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council), and will go before Civic Affairs in January 2019 for approval.

Pay Ratios

Relationship to lowest paid and Chief Executive and median average of employees

The lowest paid staff within the Council's pay structure are on Band 1. For this reason we have chosen staff employed on Band 1 as our definition of the 'lowest paid' for the purposes of this policy. The current lowest pay point is £16,755 but with effect from 1 April 2019 this will be £17,711.

Cambridge City Council is an accredited real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the minimum pay level for employees is £10.00 per hour, equivalent to £19,294.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Pay policies which apply to Band 1 employees include:

- car/bicycle/motorcycle mileage at HMRC rates
- re-imbursement for travel and subsistence
- overtime/enhanced rates
- standby and callout arrangements
- one professional subscription per annum
- payments under the eye sight tests scheme
- Travel scheme (where applicable)

The highest paid officer of the council is the chief executive, with a current salary of £127,464 (£130,013 on 1.4.19). With effect from 1 April 2019 the chief executive's salary scale will run from £115,299 to £130,013.

The ratio between the highest and lowest pay points on 1.4.19 will be: - 1:7.3

The ratio of the chief executive's current salary (2018) and current the lowest pay point is - 1:7.6

The current median average salary (2018) of all Cambridge City Council staff is - £27,358.

The ratio of the chief executive's current salary to the current median average salary is - 1:4.6

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

Real Living Wage

The Council has adopted a real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The Council will pay the real Living Wage rate for Cambridge City Council staff, by way of a supplement to pay rates.

The Council will pay the minimum of the real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to deliver services on Council premises to pay their employees/sub-contractor employees who work on the premises for 2 or more hours on any day in a week for 8 or more consecutive weeks in a year at least the real Living Wage rate. The only contracts that will be excluded from the requirement to pay the real Living Wage are:

- contracts where it would be unlawful to require the payment of the real Living Wage
- Contracts where, following evaluation, it is considered inappropriate to impose the requirement.

The real Living Wage is £9.00 per hour (£17,362 per annum).

Cambridge Weighting

The Council implemented a Cambridge Weighting with effect from 1 April 2018, paid to employees and agency workers earning less than £10 per hour. For employees the weighting is paid in addition to salary and the real Living Wage supplement, to bring the hourly rate to an equivalent of £10 per hour (£19,294). For agency workers the weighting applies in addition to current hourly rates and the real Living Wage arrangements. The weighting is variable, depending upon the current hourly rate and the real Living Wage supplement payable at that time.

Pay Ratios and the real Living Wage and Cambridge Weighting

The pay ratios based on a minimum pay rate of £10.00 are as follows:

The ratio between the highest pay point (1.4.19) and the minimum pay rate of £10.00: - 1:6.7

The ratio of the chief executive's current salary and the minimum pay rate of £10.00: - 1:6.6

The current median average salary of all Cambridge City Council staff (including the real Living Wage and Cambridge weighting supplements) is £27,358

The ratio of the chief executive's current salary to the median average salary, including the real Living Wage and Cambridge weighting supplements is -1:4.6

Apprentices

The Council has engaged a number of apprentices in apprenticeship roles. These roles have been created by services as development opportunities, to support the apprenticeship programme. These roles do not replace existing posts and are outside of the real Living Wage and Cambridge Weighting policies.

The national minimum apprenticeship wage is currently £3.70. (£3.90 on 1.4.19)

As a council we pay apprentices in line with the National Living Wage/Minimum Wage Rates in their first year of apprenticeship. For apprentices under 18 this is currently £4.20; apprentices aged 18-20, £5.90; apprentices aged 21-24, £7.38 and for apprentices aged 25 and over, £7.83.

The apprentice rates increase with effect from 1 April 2019: for apprentices under 18 to £4.35; apprentices aged 18-20, £6.15; apprentices aged 21-24, £7.70 and for apprentices aged 25 and over, £8.21.

Pay Ratios and Apprenticeships

The pay ratios based on the lowest pay rate for an apprentice at Cambridge City Council is currently £5.90 (for the first year) are as follows:

The ratio between the highest pay point with effect from 1.4.19 (£6.15) and the apprenticeship rate is - 1:11.0

The ratio of the chief executive's current salary and the apprentice rate is - 1:11.2

The median average salary of all Cambridge City Council staff, including apprentices is £27,358.

The ratio of the chief executive's current salary to the median average salary, including apprentices is -1:4.6

Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the combined authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally and current fees were agreed by the Civic Affairs Committee in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.”

Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

The Council will continue to advise employment agencies for each role, whether the role has been assessed to be within scope of IR35, or not.

Re-engagement of ex City Council staff within the scope of this policy

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex city council member of staff within the scope of this policy outside of these arrangements.

February 2019

Cambridge City NJC Paybands							
01/04/2018				01/04/2019			
SCP	£	Band	Hourly Rate £	SCP	£	Band	Hourly Rate £
9	£16,755	Band 1	£8.68	1	£17,364	Band 1	£9.00
10	£16,863		£8.74	2	£17,711		£9.18
11	£17,007		£8.82	3	£18,065		£9.36
12	£17,173		£8.90	4	£18,426		£9.55
13	£17,391		£9.01	5	£18,795		£9.74
14	£17,681		£9.16	6	£19,171		£9.94
15	£17,972	Band 2	£9.32	7	£19,554	Band 2	£10.14
16	£18,319		£9.50	8	£19,945		£10.34
17	£18,672		£9.68	9	£20,344		£10.54
18	£18,870		£9.78	10	£20,751		£10.76
19	£19,446		£10.08	11	£21,166		£10.97
20	£19,819		£10.27	12	£21,589		£11.19
21	£20,541	Band 3	£10.65	13	£22,021	Band 3	£11.41
21	£20,541		£10.65	14	£22,462		£11.64
22	£21,074		£10.92	15	£22,911		£11.88
23	£21,693		£11.24	16	£23,369		£12.11
24	£22,401		£11.61	17	£23,836		£12.35
25	£23,111		£11.98	18	£24,313		£12.60
26	£23,866	Band 4	£12.37	19	£24,799	Band 4	£12.85
26	£23,866		£12.37	20	£25,295		£13.11
27	£24,657		£12.78	21	£25,801		£13.37
28	£25,463		£13.20	22	£26,317		£13.64
29	£26,470		£13.72	23	£26,999		£13.99
30	£27,358		£14.18	24	£27,905		£14.46
31	£28,221	Band 5	£14.63	25	£28,785	Band 5	£14.92
32	£29,055		£15.06	26	£29,636		£15.36
33	£29,909		£15.50	27	£30,507		£15.81
34	£30,756		£15.94	28	£31,371		£16.26
35	£31,401		£16.28	29	£32,029		£16.60
36	£32,233		£16.71	30	£32,878		£17.04
37	£33,136	Band 6	£17.18	31	£33,799	Band 6	£17.52
37	£33,136		£17.18	31	£33,799		£17.52
38	£34,106		£17.68	32	£34,788		£18.03
39	£35,229		£18.26	33	£35,934		£18.63
40	£36,153		£18.74	34	£36,876		£19.11
41	£37,107		£19.23	35	£37,849		£19.62
42	£38,052	Band 7	£19.72	36	£38,813	Band 7	£20.12
43	£39,002		£20.22	36	£38,813		£20.12
44	£39,961		£20.71	37	£39,782		£20.62
45	£40,858		£21.18	38	£40,760		£21.13
46	£41,846		£21.69	39	£41,675		£21.60
47	£42,806		£22.19	40	£42,683		£22.12
47	£42,806	Band 8	£22.19	41	£43,662	Band 8	£22.63
48	£43,757		£22.68	41	£43,662		£22.63
49	£44,697		£23.17	42	£44,632		£23.13
50	£45,646		£23.66	43	£45,591		£23.63
51	£46,652		£24.18	44	£46,559		£24.13
52	£47,678		£24.71	45	£47,585		£24.66
53	£48,728	Band 9	£25.26	45	£47,585	Band 9	£24.66
54	£49,803		£25.81	46	£48,632		£25.21
55	£52,025		£26.97	47	£49,703		£25.76
56	£53,586	Band 10	£27.78	48	£50,799	Band 10	£26.33
57	£55,146		£28.58	49	£53,066		£27.51
58	£56,707		£29.39	49	£53,066		£27.51
101	£58,499		£30.32	50	£54,658		£28.33
102	£60,805		£31.52	51	£56,249		£29.16
103	£63,113		£32.71	52	£57,841		£29.98
104	£65,382	Band 11	£33.89	101	£59,669	Band 11	£30.93
				101	£59,669		£30.93
				102	£62,021		£32.15
				103	£64,375		£33.37
				104	£66,690		£34.57

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Appendix 3



Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:
Proposed changes to the Council's pay scales affecting Bands 1 to 11.
2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
Report to Civic Affairs on 30 January 2019.
3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
<p>In April 2018 a two year national pay award (2018-2020) was agreed affecting pay Bands 1-11 at Cambridge City Council. The award was for 2% from 1 April 2018 and 2% from 1 April 2019. The pay award also included changes to the national pay scale with effect from 1 April 2019, to be implemented locally by each council.</p> <p>It has been necessary to redesign the Council's pay scale to enable the introduction of the national pay scale changes. The proposal is for changes to the Council's pay scale affecting Bands 1 to 11, to take with effect from 1 April 2019, to enable the introduction of the National Joint Council for Local Government Services (NJC). The pay scale changes include the 2% pay award which has already been nationally agreed.</p>
4. Responsible Service
Human Resources

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)
<input type="checkbox"/> Residents of Cambridge City <input type="checkbox"/> Visitors to Cambridge City <input checked="" type="checkbox"/> Staff
Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

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

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

- New
 Major change
 Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
 Yes (Please provide details):

All services and all staff on pay bands 1-11.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

Civic Affairs on 30 January 2019 and Full Council on 21 February 2019.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

An equality impact assessment has been undertaken on the pay proposals, based on the transfer of current staff from the existing to the revised pay scales. (This EqIA identifies impacts on protected characteristics based on equalities monitoring information about current staff employed by Cambridge City Council.) Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

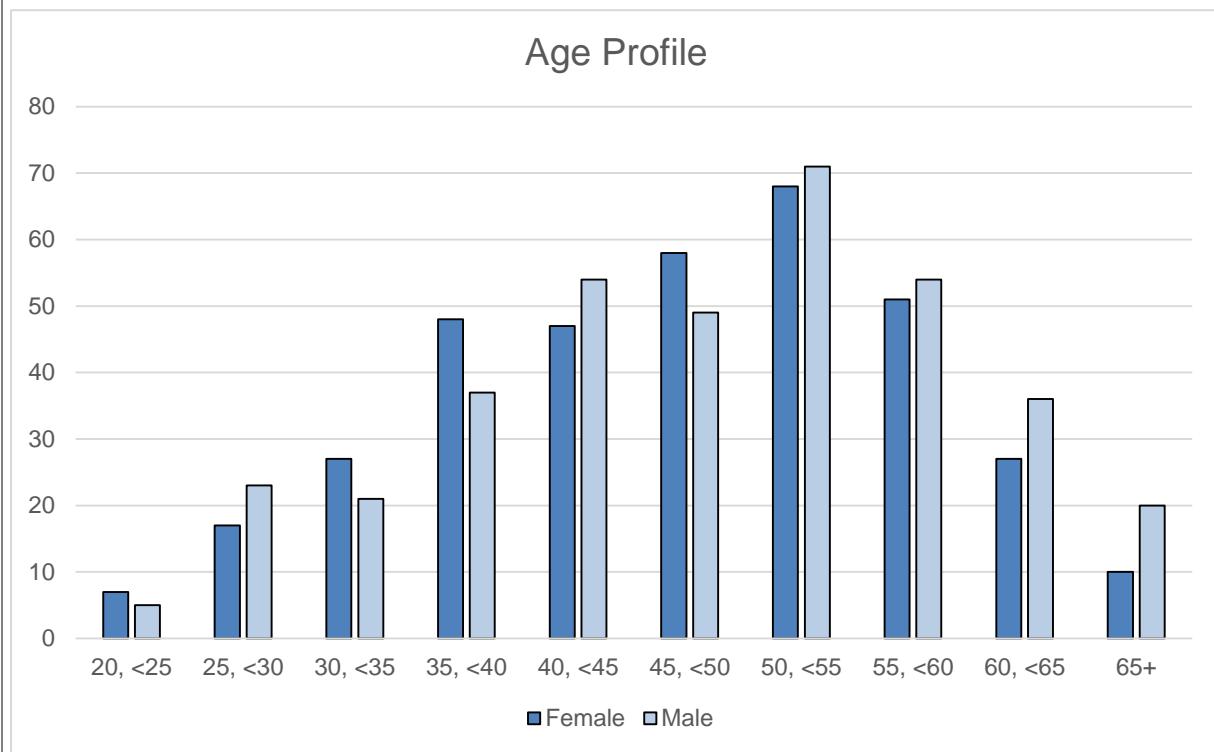
10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age

Note that this refers to any group of people of a particular age (e.g. 32 year-olds), or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

The age profile of the council by grade is as follows (based on completed records).



The table below shows the average pay for each age range. The second column shows the average pay expressed as a percentage of the overall average pay.

Age Range	Proposal	
	Average Pay	% of O/A ave
20, <25	25,112	79.1%
25, <30	26,603	83.8%
30, <35	31,147	98.1%
35, <40	31,681	99.8%
40, <45	33,013	104.0%
45, <50	33,957	106.9%
50, <55	32,444	102.2%
55, <60	31,369	98.8%
60, <65	31,106	98.0%
65 +	29,791	93.8%
Total	31,751	100.0%

The table above generally shows that younger employees are paid less than older employees. The highest average pay is in the 45 – 50 age group. This is to be expected as local government pay recognises knowledge, which is gained through qualifications and experience. The Council operates an incremental pay progression system linked to employee performance and longer serving employees will earn more as they have had longer to demonstrate their performance and to be longer serving employees would tend to be older.

From an equality viewpoint there are no equality concerns based on the protected characteristic of age.

(b) Disability

Note that a person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

The disability profile of the council by grade is as follows (based on completed records and self-declaration).

Grade	Non-Disabled	Disabled	% Non-Disabled	% Disabled
City Band 1	13		1.8%	0.0%
City Band 2	30	2	4.1%	0.3%
City Band 3	142	14	19.6%	1.9%
City Band 4	126	14	17.4%	1.9%
City Band 5	157	7	21.7%	1.0%
City Band 6	100	6	13.8%	0.8%
City Band 7	50	2	6.9%	0.3%
City Band 8	36	1	5.0%	0.1%
City Band 9	15	3	2.1%	0.4%
City Band 10 and 11	3		0.4%	0.0%
Other	4	0	0.6%	0.0%
Total	672	49	93.2%	6.8%

Data for pay bands 10 and 11 has been shown together where possible as the numbers are small.

The table below shows the average pay of disabled and non-disabled employees in each grade. Disabled average pay has been expressed as a percentage of non-disabled pay.

Grade	Proposal		
	Non-Disabled	Disabled	%
City Band 1	18,376		0.0%
City Band 2	20,908	21,166	101.2%
City Band 3	23,966	24,094	100.5%
City Band 4	27,678	27,529	99.5%
City Band 5	32,862	33,197	101.0%
City Band 6	37,195	37,368	100.5%
City Band 7	42,533	43,173	101.5%
City Band 8	46,237	46,559	100.7%
City Band 9	50,145	49,711	99.1%
City Band 10	56,250		0.0%
City Band 11	66,690		0.0%
Total	31,783	30,687	96.6%

The average pay of disabled employees is £30,687. There are no grades that show disabled employees earning more than +/-3% than non-disabled employees.

Disabled employees tend to earn the same or more than non-disabled employees in each grade. On this basis there are no equality concerns for these options based on the protected characteristic of disability.

(c) Gender reassignment

Data was not available to make an assessment, which means that no impact has been identified specific to this equality group. Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

(d) Marriage and civil partnership

Data was not available to make an assessment, which means that no impact could be identified specific to this equality group. Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

(e) Pregnancy and maternity

Data was not available to make an assessment, which means that no impact could be identified specific to this equality group. Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

(f) Race

Note that the protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

The race profile of the council by grade is as follows (based on completed records).

Grade	BAME	White	% BAME	% White
City Band 1		9	0.0%	1.3%
City Band 2	9	21	1.3%	3.0%
City Band 3	12	142	1.7%	20.0%
City Band 4	5	133	0.7%	18.8%
City Band 5	10	151	1.4%	21.3%
City Band 6	8	97	1.1%	13.7%
City Band 7	2	49	0.3%	6.9%
City Band 8	3	33	0.4%	4.7%
City Band 9		18	0.0%	2.5%
City Band 10 and 11		3	0.0%	0.4%
Other		4	0.0%	0.6%
Total	49	660	6.9%	93.1%

Data for pay bands 10 and 11 has been shown together where possible as the numbers are small.

The table below shows the average pay of white and BAME employees in each grade as at 1 April 2019. The average pay for BAME employees has been expressed as a percentage of White employees' pay.

Grade	Proposal		
	BAME	White	%
City Band 1		18,190	0.0%
City Band 2	21,030	20,971	100.3%
City Band 3	23,744	23,986	99.0%
City Band 4	28,012	27,647	101.3%
City Band 5	32,386	32,924	98.4%
City Band 6	37,849	37,145	101.9%
City Band 7	41,722	42,609	97.9%
City Band 8	46,236	46,237	100.0%
City Band 9		50,073	0.0%
City Band 10		56,250	0.0%
City Band 11		66,690	0.0%
Total	29,858	31,945	93.5%

The average pay of BAME employees is £29,858. The main differences in the pay structures are in lower grades and there is a higher proportion of BAME employees in those grades compared to higher grades.

There are no grades that show BAME employees earning more than +/-3% than White employees. On this basis there are no equality concerns for these options based on the protected characteristic of race.

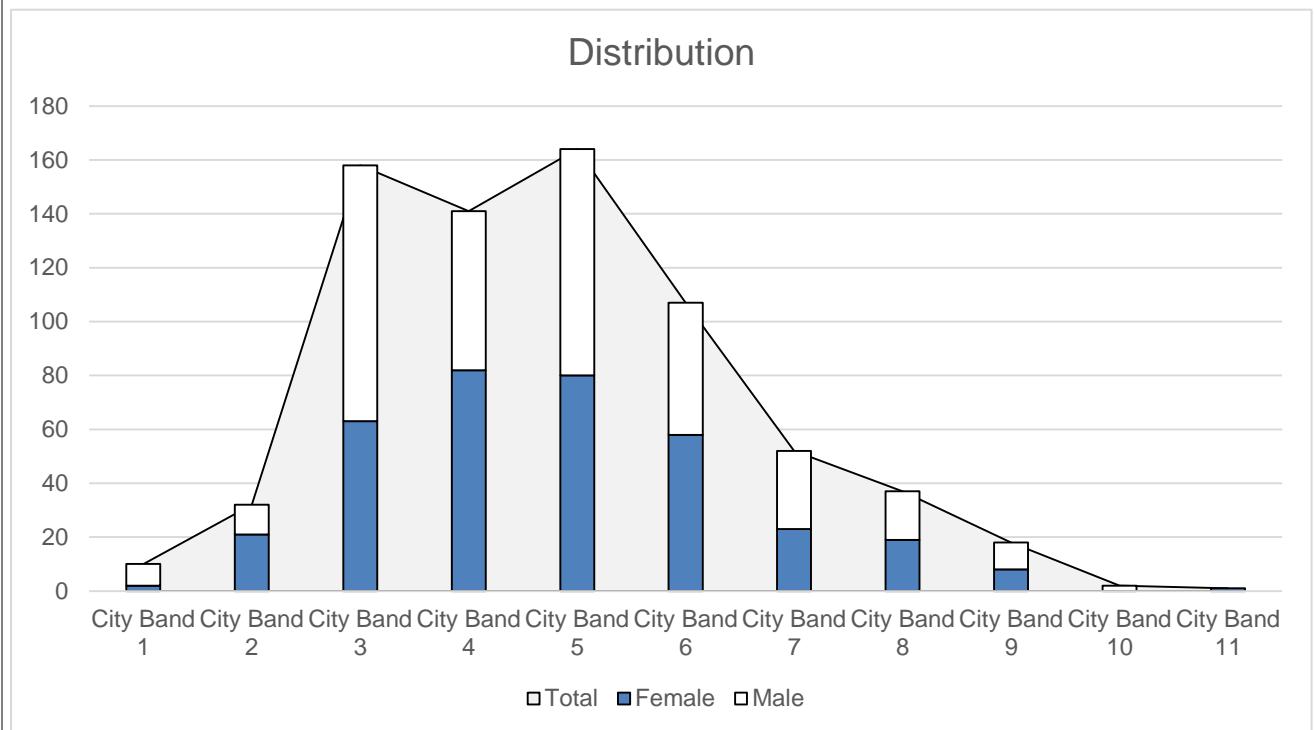
(g) Religion or belief

Data was not available to make an assessment, which means no impact could be identified specific to this equality group. Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

(h) Sex

The profile of the council by grade is as follows.

Grade	F	M	F	M
City Band 1	2	8	0.3%	1.1%
City Band 2	21	11	2.9%	1.5%
City Band 3	63	95	8.7%	13.2%
City Band 4	82	59	11.4%	8.2%
City Band 5	80	84	11.1%	11.6%
City Band 6	58	49	8.0%	6.8%
City Band 7	23	29	3.2%	4.0%
City Band 8	19	18	2.6%	2.5%
City Band 9	8	10	1.1%	1.4%
City Band 10 and 11	1	2	0.1%	0.3%
Total	357	365	49.4%	50.6%



Grade	Proposal		
	F ave pay	M ave pay	F pay as % of M pay
City Band 1	18,190	18,432	98.7%
City Band 2	21,069	20,647	102.0%
City Band 3	23,674	24,156	98.0%
City Band 4	27,569	27,763	99.3%
City Band 5	32,682	33,060	98.9%
City Band 6	37,231	37,098	100.4%
City Band 7	42,142	42,886	98.3%
City Band 8	46,102	46,398	99.4%
City Band 9	50,117	50,037	100.2%
City Band 10		56,250	0.0%
City Band 11	66,690		0.0%
Total	31,680	31,692	100.0%

The average pay of female employees in the proposal is £31,680. The average male pay is £31,692. Overall, female average pay is similar to male average pay because of the distribution of employees throughout the pay structure.

The proposal does not highlight female pay being more than +/-3% that of male pay in each grade. This demonstrates that equal pay for work of equal value is being achieved in each grade in each option. On this basis there are no equality concerns for the proposal based on the protected characteristic of sex.

Data for pay bands 10 and 11 has been shown together where possible as the numbers are small.

(i) Sexual orientation

Data was not available to make an assessment, which means that no impact could be identified specific to this equality group. Overall the impact will be positive for all staff as the new pay scales are inclusive of a 2% pay award.

(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

The national pay award includes higher percentage pay awards for those on the equivalent of Band 1 and Band 2, this has a positive impact on pay for lower income groups.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

The equality impacts of these proposals will be monitored and reported in the annual workforce report, which includes equality reporting by pay band, and the Council's gender pay gap reporting. This information is reported annually to the Equalities Panel and will be available on the Council's website.

12. Do you have any additional comments?

N/a

13. Sign off

Name and job title of lead officer for this equality impact assessment:

Deborah Simpson, Head of Human Resources

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

Consultees of Civic Affairs report.

Date of EqIA sign off: January 2019

Date of next review of the equalities impact assessment: April 2020

All EqIAs need to be sent to Helen Crowther, Equality and Anti-Poverty Officer. Has this been sent to Helen Crowther?

Yes

No

Date to be published on Cambridge City Council website: As part of Civic Affairs report

Planning	Plan/1	Wednesday, 6 February 2019
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PLANNING COMMITTEE

6 February 2019
10.00 - 11.10 am

Present: Councillors Smart (Chair), Blencowe (Vice-Chair), Baigent, Green, Hipkin, McQueen, Nethsingha, Page-Croft, Thornburrow and Tunnacliffe

FOR ADOPTION BY THE COUNCIL

19/26/Plan LGO Complaint Ref 17 003 486

The Committee received a report from the City Development Manager stating the LGO had upheld a complaint relating to the Council referencing the wrong plans on the decision notice to a planning permission.

In Summary the Ombudsman's final decision was as follows:

The Council should have referenced revised plans submitted in association with a planning application. These plans indicated a transfer of land from the application site to the complainant, for the purpose of enlarging their existing garden. The Ombudsman recognised the complainant's strong feeling of injustice due to the Council's actions and that referencing the wrong plans was a significant administrative fault. The Ombudsman accordingly found injustice in the time and trouble taken by the complainant in pursuing their complaint.

The Committee:

Resolved unanimously to accept the officer recommendation to note that:

- i. The LGO had upheld a complaint relating to a private property.
- i. In these circumstances the Head of Legal Practice as the Council's Monitoring Officer has an obligation to report the findings to Council and that Committee is satisfied with the action that has been taken (set out in Section 4 of the Officer's report).

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CAMBRIDGE CITY COUNCIL

REPORT OF: Director of Planning and Environment

TO: Planning Committee 06/02/2019
WARDS:All

LOCAL GOVERNMENT OMBUDSMAN (LGO) COMPLAINT REFERENCE 17 003 486

1 INTRODUCTION

- 1.1 The LGO has upheld a complaint relating to the Council referencing the wrong plans on the decision notice to a planning permission. A copy of the LGO decision is attached (Appendix A).
- 1.2 In summary the Ombudsman's final decision was as follows:

The Council should have referenced revised plans submitted in association with a planning application. These plans indicated a transfer of land from the application site to the complainant, for the purpose of enlarging their existing garden. The Ombudsman recognised the complainant's strong feeling of injustice due to the Council's actions and that referencing the wrong plans was a significant administrative fault. The Ombudsman accordingly found injustice in the time and trouble taken by the complainant in pursuing their complaint.

2. RECOMMENDATIONS

- 2.1 To note that the LGO has upheld a complaint relating to a private property.
- 2.2 To note that in these circumstances the Head of Legal Services as the Council's Monitoring Officer has an obligation to report the findings to Council and that Committee is satisfied with the action that has been taken (set out in Section 4 of the report).

3. THE COMPLAINT AND THE LGO INVESTIGATION

- 3.1 The complainant lives in a terraced house with a small courtyard to the rear. A business previously ran from the property next door within a range of outbuildings in the rear garden. The neighbour had previously made an application to develop that property including a block of flats to replace the outbuildings.

In 2014 the Council received an application for development of the neighbouring property following refusal of an earlier application. This proposal comprised building a block of four flats in the garden of that house. The applicant offered to engage with the immediate neighbours to see if they could achieve a compromise about the overshadowing issues that had been a concern in the earlier application.

The Planning Committee considered the application in September 2014 and January 2015. The plans considered by the Committee showed the enlargement of the complainant's garden through a suggested transfer of land from the applicant to the complainant. The officer's Committee report commented that the increase in the size of the complainant's garden would help to overcome the sense of enclosure – one of the complainant's concerns. The Committee approved the application. By 2016 the developer had not commenced building works. A non material amendment was sought to the approved plans. This application included plans which did not show the land transfer. The application was approved by the Council.

In March 2017 the developer need to amend the application to include a meter cupboard and because of an "alteration of boundary to facilitate the transfer of land to (the complainant's house). The complainant objected to the application as the wrong plans were attached to the planning permission and the developer was only seeking to transfer 1.5 m of land. The complainant lodged a complaint with the Council which was investigated.

In July 2017 the Council's Planning Committee considered the new application. The officer's report noted the errors with the referencing of the plans; a Councillor objected to the application as the meter cupboard took up some of the land which the developer had earlier agreed to transfer; and there were no reasonable grounds for linking the development to the provision of the extra land. The Committee approved the new application.

The complainant then lodged a complaint with the LGO.

The findings of the LGO are attached and can be summarised as follows: The referencing of the wrong plans is a significant administrative error

3.2 The LGO noted that the Council had accepted fault in the way that the wrong plans were referenced in its decision notices for the development next door to the complainant.

The LGO agreed with the complainant that it was likely the Committee granted planning permission with reference to the amended plans showing the two metres of land to be transferred to the complainant. However the LGO also stated that, it does not mean that without the transfer of land, the Committee would not have granted permission. It has to be taken into account that ownership of land is not a material planning consideration and should have played little part in the decision making process.

The LGO noted that any possibility of enforcement action if the correct plans had been referenced would have to be proportionate to the breach. On the basis that the ownership of land is not a material consideration, the LGO considered that the Council would not have concluded it expedient to take enforcement action.

The Complainant suffered injustice in terms of time and trouble.

3.3 The LGO recognised the complainant's strong sense of injustice and recognised that the Council's previous offer of a £500 remedy was in line with the Ombudsman's remedies guidance. This amount addressed the time and trouble that the complainant had taken in making the complainant.

4 LGO AGREED ACTION AND FINAL DECISION

4.1 The LGO recommends the following action:

The Council pays the complainant £500 to acknowledge the faults causing injustice identified above.

4.2 The LGO final decision:

There was fault by the Council, which caused injustice in terms of time and trouble to the complainant. The LGO considers the complaint resolved and the investigation is complete.

5 IMPLICATIONS

- (a) **Financial Implications** The LGO has recommended the payment of compensation. In July 2018 the Planning Service paid the complainant £500 and this has been met from the Planning Services budget
- (b) **Staffing Implications** Officers have been briefed about the outcome of the investigations by the ICI and LGO.
- (c) **Equality and Poverty Implications** An equality impact assessment has not been carried out in respect of this report.
- (d) **Environmental Implications** This report has no climate change impact.
- (e) **Procurement** There are no procurement implications.
- (f) **Consultation and communication** No consultations were necessary to prepare this report.
- (g) **Community Safety** No direct or indirect community safety implications.

BACKGROUND PAPERS: The following are the background papers that were used in the preparation of this report:

LGO final decision (20th July 2018)

Report file:

Date originated: 22 January 2019
Date of last revision: 22 January 2019

The Ombudsman's final decision

Summary: The complaint is that the Council referenced the wrong plans to a planning permission. It should have referenced revised plans that included a transfer of land to the complainant. The Ombudsman upholds the complaint. But our view is the Council has offered a suitable remedy for the fault caused.

The complaint

1. The complainant, whom I shall refer to as Ms U, complains the Council's error in naming the wrong plans on a decision notice has increased the impact of the neighbouring development on her home and garden.

The Ombudsman's role and powers

2. We investigate complaints about 'maladministration' and 'service failure'. In this statement, I have used the word fault to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. I refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)
3. If we are satisfied with a council's actions or proposed actions, we can complete our investigation and issue a decision statement. (*Local Government Act 1974, section 30(1B) and 34H(i), as amended*)

How I considered this complaint

4. As part of the investigation, I have:
 - considered the complaint and the documents provided by Ms U;
 - made enquiries of the Council and considered its response;
 - considered Ms U's comments on the Council's response;
 - sent my draft decision to Ms U and the Council and considered the responses I received.

What I found

Legal and administrative background

5. The role of local planning authorities is to balance the right of a landowner to do what s/he wishes with his or her land and property against the public and private interests of those who own and enjoy land that may be affected by development.
6. Planning decisions must only have regard to material considerations. Material considerations must be genuine planning considerations, i.e. they must be related to the development and use of land in the public interest.
7. As planning is about the use of land, the identity of the occupier/owner of land is usually irrelevant.
8. A Council must consider whether it would be expedient for it to take enforcement action against breaches of planning permission. Guidance advises any enforcement action must be proportionate to the breach of planning control to which it relates. The guidance says the Council, when considering enforcement action, must consider whether what has been built would be generally acceptable.
9. The process councils follow to publicise planning applications is often referred to as a 'consultation'. However, councils are not under any duty to 'consult' local people. The law says councils must publicise planning applications in the local area to let people know how to make comments. Councils must consider any comments they receive.
10. The Council has an extra stage in its development control process, that allows people to petition the Council. Subject to certain conditions, petitioners can ask to present it to the Council's Development Control Forum (DCF), made up of Councillors, planning officers and the applicant. The Council's website says:

"the aim of the forum is to allow early discussion of the planning issues raised by petitioners and to explore the scope for building consensus and resolving concerns.

It is an informal meeting and the forum does not determine the application. A formal committee ultimately determines the application."

11. The 1996 Part Wall Act provides a framework for preventing and resolving disputes about party walls. Any disputes about matters covered by this act are civil disputes. The Council has no duties or powers for party walls. So, complaints about party walls are outside the jurisdiction of the Ombudsman.
12. If neighbours cannot agree on party wall disputes they will need to appoint surveyor(s) to agree a 'party wall award'. This is a legal document which says:
 - what work should happen;
 - how and when it will be carried out;
 - who will pay for which part and how much will be;
 - ownership.

What happened

13. Ms U lives in a terraced house. The house has a small courtyard to its rear. A business runs from the house next door. The garden of that property has a range of outbuildings. The neighbour had made an earlier application to develop that property, including a block of flats to replace the outbuildings. A Planning Inspector had dismissed an appeal against non-determination of that application.

-
14. In 2014 the Council received a new application for development of the neighbouring property. This included building a block of four flats in the garden of that house. The applicant offered to engage with the immediate neighbours to see if they could achieve a compromise about the overshadowing issues that had been a concern in the earlier application.
15. In July the Council's DCF considered the application, following submission of a petition. The Forum asked whether the developer would consider providing Ms U's property with some extra land to enlarge the courtyard, to reduce the feeling of enclosure.
16. In response to the DCF, the developer submitted a revised set of plans. The covering letter advised:
- “after careful deliberation the applicant is willing to amend the boundary adjacent to the rear courtyard of [Ms U's house], thereby increasing the depth of their courtyard by 2m...”
 - “The land would be transferred to the neighbour's ownership for a nominal price to benefit her. The applicant would expect to deliver the scheme in accordance with the amended plans....”.
 - The letter noted land transfer would not affect the Council's assessment of the sense of enclosure from Ms U's house. But it would be beneficial to neighbour's amenity. – “...providing a much more useable open space and enhancing the feeling of space within the courtyard.”
 - The developer would write to Ms U, but the offer was not intended as a point of negotiation. If Ms U decided she did not accept the offer, the applicant would submit a revised application.
17. The Council's planning committee considered the application, first in September 2014 and then in January 2015. The officer's report submitted to the committee noted:
- The amended plans which showed a two metre change to Ms U's garden.
 - The impact of the proposed building must be compared to the impact of the existing outbuildings.
 - The submitted shadow diagrams showed the proposed building would cast slightly more shadow over the neighbouring gardens than the existing outbuildings, but not significantly more.
 - “I consider that the additional set back to the gable end, removing the bins and bike storage away from the boundary and increasing the size of the garden to [Ms U's house] will allow more light into this garden and open up views from the garden to overcome possible enclosing to [Ms U's house] and has overcome the concern and in my opinion, the impact on the neighbours will not be significantly different from what is currently experienced, and not to a degree that would justify refusal of the application.”
- The committee granted permission.
18. By 2016 the developer had not started building the approved buildings. S/he sought non-material amendments to the approved plans. This application included the plans without the land transfer. The Council approved the amendments.
19. Ms U says that in March they received a set of plans attached to a Party Wall Notice. The plans did not show the transferred land. She says they questioned

this with the developer's surveyor, who then sent a set of plans showing the transferred lands. She said this led them to believe the developer would follow those plans.

20. In July 2016 Ms U says they received the party wall award. This attached the plans that did not show the land transfer. They wrote to the developer about this. S/he replied saying s/he intended to still discuss a transfer of land.
21. In March 2017 the developer needed to amend the application because of a need to include a meter cupboard and because of an "alteration of boundary to facilitate transfer of land to [Ms U's house]".
22. Ms U objected to the new application. She noted the wrong plans were attached to the planning permission. And the developer was now only offering to transfer 1.5 metres of land. Ms U also complained.
23. The Council's complaint response advised:
 - The officer's report noted the extension of the garden, which "...*indicates that the Committee made their decision with the amended plans in mind and the Case Officer...refers to the beneficial impact that the revisions make in terms of the set back of part of the building...*"
 - the Decision Notice wrongly referenced the original plans. The later amendment again did not reference the revised plans.
 - "*I appreciate that to have this space as enclosed garden land would be beneficial to you and that this was the expectation of the Committee however there was no mechanism through planning to require transfer of this land to you in this case.*"
 - "*We will make the Committee aware of the error in terms of the approved plans but this in itself cannot influence their decision which has to be made on planning issues only.*"
24. In July the Council's planning committee considered the new application. The officer's report noted:
 - the errors with the referencing of the plans;
 - a Councillor objected to the application because the meter cupboard would take up land the developer had earlier agreed to transfer;
 - there were no reasonable planning grounds for linking the development to the provision on the extra land.The Committee approved the new application.
25. Ms U complained to the Ombudsman. In response to our enquires, the Council advised:
 - "...*when drafting the decision notice, the case officer did not follow the correct procedure in referencing and selecting the correct plans and applying the approved plans condition.*"
 - "*Whilst the plan referencing error was acknowledged and formal apology issued, the additional land was not considered to be a significant material factor in officers supporting the original planning application. Officers did not consider, with or without the additional land, the proposal development would have a significantly adverse impact on the residential amenity of the occupiers [Ms U's house].*"

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- It offered £500 to address the time and trouble Ms U had taken in making complain. But it did not offer any compensation in terms for loss of property value.
26. I sent the Council's response to Ms U. She provided the following comments:
- They were only aware of the wrong plans after the party wall issue was finished and the foundations laid.
 - They had still not had a response from the developer's surveyor in response to their correspondence about the land transfer.
 - *"Our issue is that the Planning Department have failed to follow the decisions and wishes of the East Area Committee who made the planning decision. We have spoken to members of the Committee who confirm that the offer of increased area of land was a significant reason for the final granting of planning permission."*
 - *"We strongly believe that if the original plans had been linked the committee would NOT have approved the [application for amendments] and would have solid grounds to do so. Since the wrong plans had been linked councillors' hands were tied."*

Analysis

27. The Council has accepted fault in the way it referenced the wrong plans in its decision notices on the development next to Ms U. I agree the Committee likely granted permission with reference to the amended plans, showing the intended two metres transfer of land to Ms U's home.
28. But the question remains of the injustice this led to. Ms U says she has spoken to members of the Committee who told her the transfer of land was a factor in their decision making. That may be so. But that does not mean that, without the transfer of land, the Committee would not have granted permission. Indeed, in planning terms (given that ownership of land is not a material consideration), it should have played little part in the decision-making process.
29. Ms U notes that if the Council had referenced the correct plans, the developer would have been in breach of planning permission by not building according to those plans. But enforcement action needs to be proportionate to the breach. And (again), as ownership of the land is not a material consideration, it is, in my view, likely the Council would not have found it expedient to take enforcement action.
30. I recognise Ms U's strong feeling of injustice because of the Council's actions, and that referencing the wrong plans is a significant administrative fault. But it seems to me I can only find injustice in the time and trouble to Ms U.
31. The Council has offered a remedy of £500 to recognise Ms U's time and trouble. My view is that that remedy is in line with the Ombudsman's remedies guidance. So my view further investigation by the Ombudsman is not warranted or could achieve any more for the complainant than this.

Final decision

32. I uphold the complaint because of fault by the Council. The Council has offered a suitable remedy for the injustice identified. So I have completed my investigation.

Investigator's decision on behalf of the Ombudsman

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CAMBRIDGE CITY COUNCIL

Record of Executive Decision

OUTCOME OF CAMBRIDGE LIVE REVIEW

Decision of:	Councillor Smith Executive Councillor for Communities	
Reference:	18/SPURGENCY/EnC/1	
Date of decision:	20/12/18	Recorded on: 20/12/18
Decision Type:	Key	
Matter for Decision:	Future of the Cambridge Live contract	
Why the decision had to be made (and any alternative options):	The Council has been working with Cambridge Live to review the organisation's business, and this work has now concluded. Both parties have agreed that the contracted services run by Cambridge Live should return back to the direct control of the Council. The decision is made in the best interests of the beneficiaries of these services, i.e local people and to ensure a successful and financially sustainable future for all cultural activity covered by the contract. An urgent decision had to be made as the operation of the contract was not meeting financial performance requirements and the Council and Cambridge Live needed to take steps to ensure business continuity.	
The Executive Councillor's decision(s):	To transfer services currently run by Cambridge Live back to the Council to be run directly by the authority To recommend to Council that the 2019/20 budget be revised to make an allocation of £250k to be utilised for the transition. .	
Reasons for the decision:	As set out in the briefing paper from the Strategic Director attached	
Scrutiny consideration:	The Chair of Environment and Community Scrutiny Committee was consulted prior to the action being authorised. The Chair agreed that under Special Urgency Procedures (9.4, Part 4B, Council Constitution) the decision could not be reasonably deferred.	
Report:	A briefing note from the Strategic Director explaining the reasons for the decision is attached.	
Conflicts of interest:	None	

Item

CAMBRIDGE LIVE: OUTCOME OF REVIEW

To: Councillor Anna Smith, Executive Councillor for Communities

Report by:

Suzanne Hemingway, Strategic Director.

Wards affected: All

Key Decision

1. Executive Summary

1.1 The Council has been working with Cambridge Live to review the organisation's business, and this work has now concluded. Both parties have agreed that the contracted services run by Cambridge Live should return back to the direct control of the Council. The decision is made in the best interests of the beneficiaries of these services, i.e local people and to ensure a successful and financially sustainable future for all cultural activity covered by the contract.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Transfer services currently run by Cambridge Live back to the Council to be run directly by the authority.
- 2.2 Recommend to the Council that the Council's 2019/20 budget be revised to make an allocation of £250k to be utilised for the transition.

3. Background

3.1 The Council decided to establish Cambridge Live (CL) in October 2014, in order to reduce the subsidy required to these services, provide a

sustainable financial and operational basis on which the services can thrive, and to manage and mitigate the increasing risk to the authority of continuing to provide the services directly. This decision was taken in a context not dissimilar from today, in which officers identified that “The risk profile for this area of activity is high, due ... financial volatility of the events and entertainment sector “ and that “Citizens’ Surveys show that residents support these services but challenge levels of subsidy and do not think the Council should run them directly.”

3.2 The new model was established so that it could take advantage of operating efficiencies, cost savings and income generating opportunities and well as provide a more innovative and flexible environment in which cultural activity in Cambridge could thrive for the benefit of local people.

3.3 CL made progress in establishing the charity, expanding its business, establishing networks and relationships and reviewing the Folk Festival among many other achievements. However, launching a start-up is not without its risks particularly during the first few years of trading. As such, a joint review of the business plan was planned for 2017, midway through the first funding period.

The first phase of this work revealed a need for the Council to consider revised short term funding arrangements to CL and for CL to strengthen the financial management and governance of the charity. In June 2018, the Council agreed to support a turnaround with the following points:

- The Council should work with CL to put in place bespoke and stronger governance focused on a turnaround plan, for a time limited period;
- The Council would provide staged, time limited financial support, of up to £500k, to enable the charity to develop and then implement their new business plan.

3.4 Since then, officers have been working closely with CL. Despite the appointment of a new chair, a smaller Board, an interim Managing Director, and significant external advice, the charity has not been able to develop a viable business plan. Rather, the financial situation has worsened and the Council would have to provide further financial underwriting immediately and on an ongoing basis to enable the charity to return to a sustainable position. However, it would take a significant number of years to address this.

3.5 Accordingly, the Council has offered to support CL with a voluntary return of the Contract. Services will return to management directly by the Council. Detailed financial modelling work has been undertaken, and the Council has preparations in hand to affect a smooth transfer for services, staff and customers.

3.6 Short-term financial support of £750,000 (i.e. increase of £250,000 on the £500k funding already approved) will be required in 2018/19 and 2019/20 for:

- Prepare the services for transfer
- Re-integration into financial and IT systems at the Council
- Management and project capacity for the transition

3.7 The key advantages of this option are that:

- Surety of uninterrupted business and service continuity for staff and customers
- The Council has skills and previous experience of managing all of the services.
- The Council will have direct control of costs and staff
- All financial issues are addressed and assets are returned to the Council

3.7 The key issues are:

- The loss of the Charity, and benefits such as its charitable objectives, rate relief, cultural exemption, more flexible decision making, and facility for fund-raising
- The impact of reintegration on Council services, both on a one-off and ongoing basis, that requires extra resources from within the Council

3.8 Other option considered but not pursued

The other option pursued up until now has been that of supporting CL to continue. The advantages of this would be retention of charity and charitable benefits (and thus ability to access alternative sources of income) and retention of cultural exemption. However, whilst it is technically possible for CL to continue with an injection of funds, the charity is not in a strong enough position to affect the turnaround required.

If the Council does not intervene, there would be a real risk of Cambridge Live becoming insolvent. Insolvency would have an impact on services and customers for a significant period.

4. Implications

Financial

- The earmarked reserve of £500k already allocated to supporting the CL turnaround needs to be increased by £250k to ensure sufficient funding in place to cover the transition costs.
- On an ongoing basis, the financial model shows that the service can be sustainable assuming ongoing Council contributions to the service, equivalent to the contract fee (plus inflationary uplift) for the foreseeable future.

Implications for CL, services and staff: All staff and aspects of the Council's contract with Cambridge Live will transfer back to the Council and services will be managed under a revised staffing structure. There will need to be a minor restructure to ensure this is appropriate and fit for purpose within the Council and this will be dealt with under the organisational change policy.

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