

Version 2  
Final

# General Fund Mid-Year Financial Review

October  
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2013/14 to 2037/38

Cambridge City Council



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# Foreword by the Leader of the Council

## The City Council of the Future

The ongoing trend of reduced resources, which this Mid-Year Financial Review confirms, takes us into new territory.

Because of its civic history and its position as the focal point for a large surrounding area, Cambridge City Council has always been more ambitious than the average district council. The Council has provided many non-statutory services and done much more than the minimum. The city has high expectations. The pressures on local government finance are now such that radical new approaches are needed if expectations are to continue to be met.

For more than 10 years the Council has had an engrained process of service reviews which have yielded very substantial savings. These have successfully enabled it to keep pace with reductions in central government funding under this government and the last. They have also provided it with the means to re-invest, to innovate and to meet new service demands.

The impact of these reviews has been to enable services to continue or be improved by more resource-efficient means: through new organisational models such as the Customer Service Centre and the re-routing of our waste collection service.

This proven approach of inventing and re-inventing for efficiency must remain fundamental to the way we deliver services for the future. But this on its own it will not any more be sufficient to match the pace of funding reductions we face from central government.

This is why over the past year a number of initiatives have been put in place which question more fundamentally how the Council functions and what type of organisation it will be. The results of these will flow forward for scrutiny over the next 18 months. But it is important to set broad expectations now, as the future is likely to look and feel very different.

Organisationally the City Council is likely to be smaller and, on its own, doing less. But it will

remain the primary democratic forum for the city, representing the public will. Its influence over city affairs will increasingly rest on its leadership in rallying opinion and tackling issues in partnership, more than simply throwing its own resources at issues. This is what we already demonstrate in our commitment to mitigate climate change for example.

The Council will need to be more creative in using the resources that are available. It will need to give priority to tackling the underlying issues that could prevent the problems which drive demand for some of our services. It will need to work with partners to make better use of resources across public agencies through techniques such as community budgeting.

Our work in shaping the growth of the local economy, its housing, jobs and infrastructure, whilst acting in stewardship of our historic and natural environment will remain a major and active task for us. We need to keep all elements of this equation in balance using our strategic planning and our regulatory powers .

The economy of Greater Cambridge has national importance. We aim to support its growth with vital infrastructure investment in the city region through the City Deal we are negotiating with central government. This is likely to see the Council embracing more complex funding arrangements and taking on a direct stake in joined-up decision making with our partners over a broader geography than our own. It will also include policy areas, notably transport, which are currently separated between different organizations. We need to be equipped for this.

Our basic services will increasingly be delivered with, or through, others in order to achieve economy of scale. We already deliver a number of services in joint arrangements with other councils such as Internal Audit and Home Aid and are exploring the potential for more services being shared. This will add up to a new web of relationships behind service delivery, probably leading to us having much wider operational responsibility over some services and much less over others. It is important for our own Council to remain the glue between them and the instrument of accountability to our residents.

We also have some services delivered through the private sector where the Council buys in the service on behalf of the public. We will continue to consider this a pragmatic option where the sector can deliver services more effectively or economically or can provide greater operational resilience, for example in managing leisure facilities and ICT.

With individual councils delivering services less autonomously than before, the added value of two tiers of council will be difficult to sustain. We should in the foreseeable future plan to be part of a unitary authority for Greater Cambridge, which would make much more sense as an organisational and a strategic unit.

With all our services, including those which are statutory in nature, we need to consider the specification that is required and to ensure we are focused on what makes a difference to our residents and minimises risk of harm, not unnecessarily gold-plating the service.

With diminished resources, the Council's provision of non-statutory services such as arts, leisure and community development will need to be focused on those areas where only the Council can make a difference and which are important to ensure our city is inclusive. In a prosperous city some needs can, are and will be met through voluntary community effort and the market. Council resources will be channelled to address needs that are not met or not met well in these ways. We expect the Council to continue to maintain its role as a major provider of social housing and to give priority to services for the disadvantaged.

The Council should be aspiring to empower and enable people and groups themselves to act in the interests of the community. This will call for a mindset change for the Council, so it is doing less on behalf of people - doing more to help them to do it for themselves wherever they can in what will be quite a different dialogue.

As government funding shrinks the Council's ability to raise income from other sources becomes increasingly important to provide investment in those services which the market does not provide. The Council has a track record in investment in commercial property, for example, which provides an important income stream to fund other services. The Council will continue to be entrepreneurial in its approach so we can maximise the returns we get from our commercial activities whilst supporting our wider policy objectives,

These dynamics will unavoidably mean a lot of change within the local government sphere. Letting go of traditional ways of doing things and adjusting established relationships is never easy. Longstanding expectations are likely to be challenged. But we live in a more individualistic and less paternalistic society than we used to and it is natural that this is reflected

in the way the city is governed, so long as provision for those unable to help themselves is protected.

Our staff will continue to face the stresses of organisational change and new ways of working. They will need our support in making these changes.

As strong advocates of power at local level, we approach this underlying change in local public resources less with relish than realism. The combination of positive and imaginative leadership, a direction of travel and a strong sense of unchanging values is most likely to deliver the best results for our residents and the city. That is the way we intend to continue as the Council and its committees start to contemplate the important choices ahead.



**Tim Bick**

**Leader of the Council**

# Section 1

## Introduction to the Mid-Year Financial Review (MFR)

### Background

This mid-year review of the General Fund (GF) financial position replaces the previously produced annual Medium Term Strategy (MTS). The Mid-Year Financial Review (MFR) is part of a more streamlined forecasting and budget setting process which will culminate in the Budget Setting Report (BSR) presented to Council in February each year, at which time the Council Tax level for the following financial year is set.

The BSR sets out the Council's financial strategy over the medium-term, based on a range of assumptions and forecasts. This review takes the BSR as the effective 'direction of travel', and reviews the key assumptions on which it is based to identify whether there are any material changes which need to be incorporated at this time, in advance of the detailed 2014/15 budget setting process.

This report also makes proposals for the process leading to the development of both revenue and capital budgets for 2014/15, providing an indication of the medium-term and longer-term impact of any changes on the General Fund's 25-year financial projections.

These changes may include changes in assumptions made (for example inflation and interest rates) either as a direct result of changes in external factors, economic climate, national policy, legislation and decisions taken locally.

The GF MFR incorporates a review of the current year budget position (2013/14), and updated projections for the 5 years from 2014/15 to 2017/18, to demonstrate the full-year effects of any changes in assumptions made and of their impact in terms of savings requirements and potential changes required in services and their delivery.



A key part of the mid-year review processes is the identification of:

- Items which require immediate action or approval (which may include net changes to existing budgets)
- Items which provide context for decisions on the strategy or process, influencing:
  - o The level at which any Priority Policy Fund (PPF) is set
  - o Resources to be made available for funding the Capital & Revenue Projects Plan
  - o The level of spending reductions required
  - o The level of the GF general Reserves

## Timetable

The detailed financial planning and budget preparation timetable is included at Appendix A. Key dates and decision points are set out below:

Date	Task
<b>2013</b>	
30 September	Strategy & Resources Scrutiny Committee consider the GF MFR for recommendation to Council by the Leader
24 October	Council considers both GF and HRA MFR reports
<b>2014</b>	
8 January (Provisionally)	Budget Setting Report (BSR) published
20 January	BSR considered by Strategy & Resources Scrutiny Committee
23 January	The Executive consider and recommend the BSR and Council Tax level to Council
7 February	Special Strategy & Resources Scrutiny Committee to consider any budget amendment proposals
27 February	Council approves Budget Setting Report and sets the level of Council Tax for 2014/15

# Section 2

## Local Policy Context & Priorities

### Annual Statement

The local policy context and priorities for the Council are agreed in May each year through the adoption by Council of an Annual Statement. The Annual Statement for 2013/14 was approved in May 2013, and can be accessed on the Council's web site at:

<http://tinyurl.com/pohd76s>

The 2013 Annual Statement did not involve any material changes to the Council's spending plans, as approved in the February 2013 Budget Setting Report.

The Leaders Foreword now supplements the Annual Statement by setting a direction of travel for the Council which responds to the future financial outlook.

### Partnership Working

The Council works in partnership with a range of other bodies where this can bring additional benefits to the people who live work and study in our area, especially when this leads to a pooling of resources and skills to achieve a common aim. The following paragraphs significant changes in partnership working since publication of the February 2013 BSR.

### City Deal

Key challenges that are limiting Greater Cambridge's potential future economic success include transport infrastructure constraints and a shortage of available and affordable housing. To address these challenges Cambridge City Council has been working with Cambridgeshire County Council, South Cambridgeshire District Council, the University of Cambridge and the Greater Cambridge Greater Peterborough Local Enterprise Partnership to develop proposals for a Greater Cambridge City Deal with Government.

Such a deal would see the partners pool resources and powers to create a unified strategic vision for the area, backed by significant investment in infrastructure to facilitate sustainable growth. We are asking Government to allow us to share in the financial dividend of this further economic growth, in order to cover the costs of that infrastructure investment.

## **The Greater Cambridge Greater Peterborough Local Enterprise Partnership (LEP)**

Cambridge City Council is a partner in the Greater Cambridge Greater Peterborough Local Enterprise Partnership. The LEP aims to tackle key barriers to growth, such as skills development, infrastructure issues and funding. Government is proposing to allocate some funding which has previously come direct to local authorities such as the City Councils to Local Enterprise Partnerships.

The City Council will work closely with partners on the LEP to ensure its funding achieves the greatest impact, including by engaging closely in work to develop the LEP's Local Growth Strategy and European Funding Strategy.

## **Demographic Factors**

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

Given the projected level of growth projected for the City over the medium term the ending of the link to the annual funding distribution by Government is significant as it creates a time lag between any recognition of increased costs and the periodic re-basing of the funding mechanism (initially after 7 years and thereafter every 10 years).

# Section 3

## The National Policy Context and External Factors

### National Policy Context

The impact that National Policy announcements, outside of the control of the organisation, have on financial forecasts are shown below.

#### Government Spending Announcements

The Chancellor published the Budget Settlement on 20 March 2013, which set out the position on the national finances and a number of measures that the Government were intending to take.

Spending Round 2013 was announced on 26 June 2013. This covered the period 2014/15 and 2015/16 only and replaced the anticipated full spending review which would have covered a longer period.

The elements of these announcements that impacted on the Council were:

- Confirmation of additional reductions to Central Government department spending plans equivalent to a 1% cut in 2014/15 in most cases.
- The announcement of a 10% real terms cut in funding for local government in 2015/16. This would include Revenue Support Grant, business rates and New Homes Bonus.
- Confirmation that total spending in 2015/16, 2016/17 and 2017/18 will continue to fall in real terms at the same rate as during the spending review 2010 period.
- The announcement of funding for Council's implementing a Council Tax freeze in 2014/15 and/or 2015/16.
- Plans to set a threshold to require a Council Tax referendum to be held where rises of more than 2% are proposed.
- That there would be a public sector pay restraint policy of 1% for 2015/16.

- The proposal to create a Single Local Growth Fund (SLGF) from April 2015 which Local Enterprise Partnerships would be able to bid for, from 2015/16.
- That part of local authorities New Homes Bonus funding would be added to a new SLGF, This would involve some £400m nationally.
- The reallocation of £3b a year from 2015/16 from revenue to capital.

## Local Government Finance Settlement Consultation

On 25 July 2013, detailed consultation papers on the proposed Local Government Finance Settlement for 2014/15 and 2015/16 and New Homes Bonus were published

### Core Government Funding

The Spending Round announcement together with the proposed Finance Settlement consultation document has given the first indications of the likely core funding levels for 2014/15 and 2015/16 at a local authority level. However, there is still no real clarity about the likely levels for future years.

#### 2014/15 and 2015/16

The exemplifications included with the consultation suggest that the core grant funding which the Council will receive in respect of 2014/15 will be around £86,360 less than the level that had been forecast in the February 2013 Budget-Setting Report (BSR).

In the BSR the Council had included initial assumptions of 2.3% grant reductions in both 2015/16 and 2016/17. The exemplifications provided with the recent consultation indicates a reduction equivalent to 14.78% for 2015/16. This implies a further reduction in core grant of £1,010,700 compared with the projection included in the BSR.

When including the effects of revised projections for other aspects of the overall Settlement Funding Assessment (SFA), the effects on the projections included in the February 2013 BSR are shown in the table below:

	2014/15 £	2015/16 £
Total Settlement Funding Assessment (SFA) - per Feb 2013 BSR	8,198,630	8,010,060
Total SFA – per consultation exemplification	8,112,270	6,913,000
<b>Increase / (Reduction) in funding</b>	<b>(86,360)</b>	<b>(1,097,060)</b>
<b>Additional ongoing Savings pressure implied in year</b>	<b>86,360</b>	<b>1,010,700</b>

Unless compensating changes are made to the Council's current spending plans, then the effect of these reductions in core grant will be to increase the level of Net Revenue Savings required in each of the years.

### 2016/17 and Future Years

Previous Government announcements had not given any clear indications on the likely levels of core funding in 2016/17 and subsequent years, and the February 2013 BSR had assumed a cash standstill position.

In order to plan effectively over the medium and longer-term the Council needs to determine whether this remains a sound basis for projections in the context of the latest Government announcements and the overall economic position. This is particularly important given the need to ensure that lead times associated with the more fundamental type of changes to services and their delivery which the Council will need to employ going forward.

Although there are some early positive signs of recovery within the economy as a whole, the rebalancing exercise that the Government had committed to is still struggling to remain on track. The implications of this are that it would appear highly likely that there will be continued pressure on core funding for local authorities throughout the period of the next Parliament – with little scope for change to public spending plans relating to District Councils whatever the outcome of the next General Election.

Modelling has, therefore, been undertaken which can analyse a number of high-level scenarios. The basis that has been used for the projections in this MFR document assumes that:

- the level of the SFA continues to reduce at a rate similar to that over the last two years until such time as all of the Revenue Support Grant (RSG) element has been removed (effectively a 13% reduction on SFA in each of the 4 years from 2016/17)

- this is the limit of the ability to reduce Government support under the current funding mechanism
- There is no net increase in entitlement through locally retained share of Business Rates

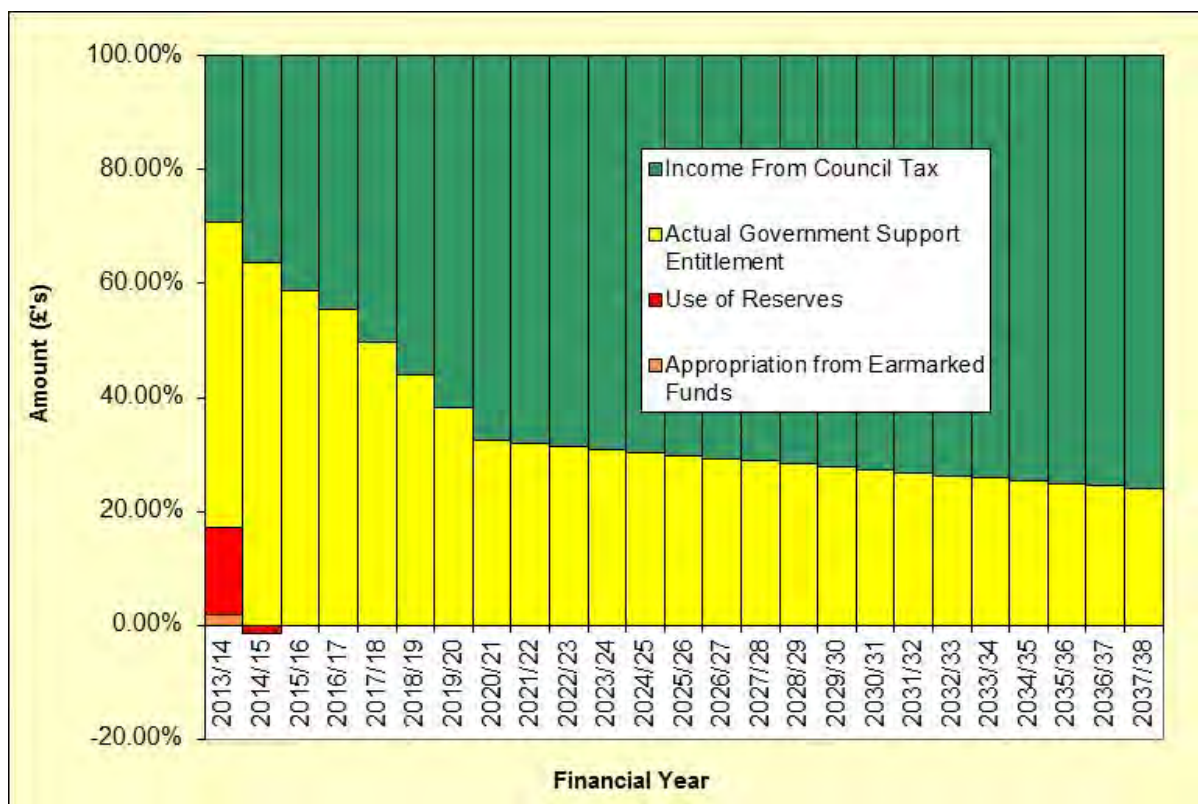
It does not allow for the potential for a new funding mechanism to be introduced once local authorities reach a point where their RSG is zero, although this may be considered by Government at some point in the future.

This is illustrated in the table below:

Portfolio	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
SFA per Feb 2013 BSR	7,825,830	7,825,830	7,825,830	7,825,830	7,825,830
Revised SFA projection	6,014,300	5,232,400	4,552,200	3,962,000	3,962,000
<b>Increase / (Reduction) in funding</b>	<b>1,811,530</b>	<b>2,593,430</b>	<b>3,273,630</b>	<b>3,863,830</b>	<b>3,863,830</b>
<b>Additional ongoing Savings pressure implied in year</b>	<b>714,470</b>	<b>781,900</b>	<b>680,200</b>	<b>590,200</b>	<b>0</b>

This shows that the Council would face significant increases in the Net Savings Requirement pressures over the 4 year period, before returning to the previously projected levels from 2020/21 once RSG entitlement reaches zero.

It should also be noted that this scenario reflects a continuation of the material shift in the balance of funding that the Council receives, as shown graphically below:



This clearly demonstrates the significant reduction in the proportion of the Council’s spending (after fees and charges) which is being met from core Government grant.

### New Homes Bonus

The New Homes Bonus (NHB) was launched in 2010 as a non-ringfenced payment (via a Section 31 grant) to all local authorities based on the number of new homes added each year within its area. The eligible amount is then paid for each of a period of 6 years. Between 2011/12 and 2013/14 this has resulted in payments totalling some £1.3b being made to local authorities.

The NHB scheme, as originally announced, was projected to run up to and including 2014/15. There had been indications of the intention of Ministers to continue NHB in some form from 2015/16, but without any details being published.

As part of the Spending Round 2013 announcement the Treasury published a document entitled ‘Investing in Britain’s Future’ which identified that part of the NHB funding would be added to a new Single Local Growth Fund (SLGF) which Local Enterprise Partnerships (LEPs)



would be able to bid for. This includes the proposal that NHB would continue to be allocated from 2015/16 on its current basis, i.e. for increases in effective housing stock.

The document, and subsequent detail as part of the Government's consultation package, has confirmed that it is the intention to 'pool' £400m nationally within LEP areas to support strategic, locally-led economic growth priorities, including housing. It is stated that the pooling will remain within LEP areas in order to reassure authorities that the resources will be used for local housing and growth priorities. One of the claimed benefits of this new approach is to give authorities an indirect financial stake in new housing built near but outside their own boundary – seeking to address the claim that there has been no mitigation for developments which result in pressures on neighbouring authorities.

It is suggested that authorities Local Plans would be the focus for where development should go, and that the pooling arrangement is designed to complement the duty to cooperate and the abolition of Regional Strategies introduced through the Localism Act. A particular aim is to encourage authorities to work together on new developments which cross boundaries and help unlock the provision of cross-boundary infrastructure.

In practice it is proposed that NHB payments are still made to individual authorities, but that they then be required (via a condition within the Section 31 grant) to pool a centrally prescribed element within their LEP area.

Two possible methods are being consulted upon for the identification of the element of NHB to be included in the Single Local Growth Fund. In two-tier areas, the first is based on an equal proportion of NHB being contributed by all tiers of authority. This is currently estimated as being 35.09% in order to generate the planned £400m nationally. The second approach would be that the upper-tier authority (Cambridgeshire County Council, in our case) would contribute 100% of their NHB allocation in the year, whilst lower-tier authorities would only be required to pool 18.9% of their allocation. This is designed to reflect the upper tier role in the provision of services and infrastructure and the contribution that they make to strategic planning.

For the City Council, our NHB receipt projections to 2015/16 are shown below:

	2012/13 £	2013/14 £	2014/15 £	2015/16 £
2011/12 allocation (Housing Completions & Empty Homes)	(786,646)	(786,646)	(786,646)	(786,646)
2012/13 allocation	(734,898)	(734,898)	(734,898)	(734,898)
2013/14 allocation		(563,739)	(563,739)	(563,739)
<b>Confirmed New Homes Bonus Funding at February 2013 BSR</b>	<b>(1,521,544)</b>	<b>(2,085,283)</b>	<b>(2,085,283)</b>	<b>(2,085,283)</b>
<i>add</i>				
Projected NHB Receipts for 2014/15 based on projection of future housing completions & empty homes			(1,038,000)	(1,038,000)
Projected NHB Receipts for 2015/16 based on projection of future housing completions & empty homes				(1,074,000)
<b>Potential New Homes Bonus Total</b>	<b>(1,521,544)</b>	<b>(2,085,283)</b>	<b>(3,123,283)</b>	<b>(4,197,283)</b>

This would imply a need to transfer £1,472,827 to the Single Local Growth Fund in 2015/16 on an equal percentage basis, or £793,286 on the alternate approach where County's would pay over 100%.

The implications for the Council's financial plans as agreed in the February 2013 BSR need to be considered in the context of commitments against the projected receipts :

Projected Effect in 2015/16	£	£
Total Receipts under current scheme (i.e. to 2014/15)		3,123,290
Less Commitments		
- Posts to deliver growth	(785,000)	
- Contribution to cover base budget costs	(564,000)	
- Contribution to fund capital spending	(880,000)	(2,229,000)
<b>Total uncommitted available from current scheme</b>		<b>894,290</b>
Add Projected receipt under new scheme for 2015/16		1,074,000
<b>Total uncommitted available</b>		<b>1,968,290</b>

This suggests that the Council could still meet the commitments included in the BSR in 2015/16 even at the higher rate of transfer to the Local Growth Fund. However, it does raise a number of concerns:

- Will the level of transfer be increased in future years
- Can we rely on the ability to fund Growth-related posts and continue to make contributions to base budget costs in the longer-term
- The reduced availability of NHB funding which could be used as a contribution to the City Deal

Under the approach anticipated in the Government's consultation document, the Lead Authority of the LEP will receive all of the pooled allocations and the LEP will then be free to use the resources (as part of the wider Local Growth Fund) to finance their strategic economic plan. It is not intended that the funding will be ring-fenced in any way by Government, although they have published guidance for LEPs on developing local growth plans (including the expectation of engagement with local authorities and other partners).

The consultation document is seeking to identify contractual commitments which authorities have entered into based on anticipated NHB receipts in future years. They are doing this so that "commitments to support local growth are considered appropriately". The Council will argue in response to the consultation that our contribution to the City Deal should be considered such a commitment and needs to be recognised as such or ring-fenced by the LEP to go back to the City Deal.

The Council is in the process of responding to the consultation paper, and greater clarity is expected to be available for the publication of the BSR.

## Welfare Reforms

April 2013 saw the removal of the spare bedroom subsidy. Under these changes, housing benefit entitlement for a household considered to be under-occupying by one bedroom is reduced by approximately 14%, and by two bedrooms by approximately 25%.

Discretionary Housing Payments are being considered by Housing Benefits on a case by case basis, with time limited top up payments being awarded, from a finite allocation of resource, to allow claimants the time to make alternative housing arrangements. DHP can be awarded to meet the additional rent payments whilst this takes place.

The Benefit Cap (a cap of £500 per week for families, and £350 per week for a single person) was introduced later than anticipated, effective from 15th July 2013, and the impact has not yet been fully realised

The introduction of Universal Credit, which replaces a range of existing means-tested benefits and tax credits, with a single payment, has been delayed, with additional pilot projects expected to take pace during the autumn of 2013. Introduction in Cambridge, is now anticipated to be after April 2014.

From April 2014 new claims for working age people for Job Seekers Allowance (income based), Income Support, Employment & Support Allowance (income related), Child Tax Credit, Working Tax Credit and Housing Benefit will claim Universal Credit. Customers will be paid directly, and will receive one monthly payment, in arrears, administered centrally by the DWP. Pensioners continue to be excluded from these arrangements at present.

Given the material delay in the implementation dates associated with Welfare Reform this MFR recommends that the fixed-term post of Head of Revenue Services be extended for a further two years (2014/15 and 2015/16). This is reflected in the New Savings and Unavoidable Revenue Spending Pressures section, and Appendix C.

## External Factors

The impact that external factors, outside of the control of the organisation, have on financial forecasts are shown below.

### Inflation Rates

The base rate of inflation used to drive expenditure assumptions in the GF financial forecasts has been the Consumer Price Index (CPI) and more specifically CPIY, which excludes indirect taxes such as VAT, stamp duty and excise duty. The base level of inflation included within forecasts for the BSR from 2013/14 onwards was 2% reflecting the Government target for CPI. At July 2013 CPIY was 2.9% and in their August report the Bank of England Monetary Policy Committee suggests that more likely than not, the rate will be at least 2.5% for the next 18 to 24 months.

### Interest Rates on Deposits

The Council lends externally, on a short-term basis, any cash balances that are held at any point within the financial year. If the balances held relate in any way to the Housing Revenue Account, the General Fund pays the interest earned to the Housing Revenue Account. The level of interest receivable on HRA balances and reserves currently remains low. Although anticipated to be slow, recovery in the rates available is predicted in the longer term.

Status	Year	Interest Rate Earned on Balances
Council Estimated Rates (Sector)	2013/14	0.64%
	2014/15	0.64%
	2015/16	1.25%
	2016/17	1.25%
	2017/18	1.50%

In the medium to long-term, if the HRA holds significant cash reserves to repay debt in the future, the authority will need to consider forms of longer-term lending of these larger sums, in order to secure the higher rates that are predicted to be available.

## Interest Rates on Borrowing

The Council secured preferential borrowing rates from the Public Works Loans Board (PWLB), of between 3.46% and 3.53% for the self-financing loan portfolio taken out on 28<sup>th</sup> March 2012.

Any additional borrowing must be within the level of the current HRA borrowing cap, resulting in maximum borrowing in the region of £16m still being available. It is still considered likely that this will be facilitated via internal borrowing from the General Fund, subject to the availability of this level of resource at the point at which it is required.

If external borrowing is deemed necessary, the authority has taken advantage of a certainty rate from the PWLB, ensuring that any prudential borrowing for the HRA can be secured at 20 basis points (0.2%) below the standard PWLB lending rates. The agreement runs for a year at a time, with the current agreement expiring in November 2013. If available from November 2013 onwards, the authority will again subscribe to this offer to maintain the greatest degree of flexibility possible.

The external borrowing rate assumed in the HRA Budget Setting Report was 4%, but having reviewed the certainty rates currently available from the PWLB for maturity loans with a 30-year duration, it was considered prudent to increase this assumption to 4.5% as part of the HRA Mid-Year Financial Review.

# Section 4

## Mid-Year Budget Issues

### 2012/13 Outturn

The position for the net spending on General Fund revenue services for the year 2012/13 was an under spending of £699,576, after allowing for approved carry forward requests of £717,250. Taking into account variances on Government funding, statutory capital accounting adjustments, contributions to/ from earmarked reserves and the application of direct revenue funding for capital the overall net effect was a reduction in the use of the GF Reserve of £531,723.

### 2013/14 Mid-Year Review of Budgets

#### Revenue Savings & Spending Pressures

A review undertaken of the budget position for 2013/14 has identified a number of revenue savings and spending pressures. Changes to budgets and financial projections as a result of the review are presented in Appendix C split between those that are one-off or time limited in nature and those that are on-going. These changes have been incorporated into the revised projections for the General Fund presented in Appendix D.

The report on the restructuring of the Resources Department recommended that the costs of change should be met from the net revenue underspend from 2012/13. The scale of the net underspend also provided the opportunity to consider making an initial contribution to set up a new 'Keeping Cambridge Moving' fund, and this has also been included in this document – with further detail on remit provided in Section 5, below.

In terms of spending pressures, the approach adopted has been to limit inclusion to changes formally approved by Executive Councillors, budget amendments resulting from tendering

exercises completed since publication of the BSR together with the outcome of latest projections for investment interest and property portfolio rental income.

## Areas of Uncertainty

The review process has also highlighted a number of areas where there is a degree of uncertainty regarding the achievement of expenditure and/or income against budget. In some instances it is considered too early in the financial year to amend budget forecasts with sufficient accuracy and in others it may be possible to take remedial action to avoid significant budget variances at year end.

Appendix E lists the key areas of uncertainty identified and which will need further consideration as part of the detailed budget setting process later in the year.



# Section 5

## Review of Key Assumptions

### Review of Key Assumptions

Budget forecasts presented in the February 2013 Budget Setting Report were based on a number of key assumptions, for example levels of general and pay inflation, interest rates, future funding requirements and Council Tax levels.

These key assumptions have been reviewed taking account of changes in external factors, Government announcements, latest forecasts and circumstances. Appendix B sets out the key assumptions considered and reviewed at this stage in the budget process and highlights those where changes have been made and those that have been retained for the purposes of forecasts presented in this document.

Forecast assumptions for future Government grant funding and the use of the GF Reserve towards funding of the Capital and Revenue Projects plan are included in more detail in sections 3 and 6 of this report respectively.

### Levels of Reserves

#### The General Fund Reserve

No changes are proposed to the target or minimum levels of the General Fund Reserve as a result of this mid-year review.

#### Earmarked & Specific Funds

In addition to the General Reserve, the General Fund maintains a number of earmarked or specific funds which are held for major expenditure of a non-recurring nature or where the income is received for a specific purpose. See Appendix H for further detail.

On 18 April 2013 the City Council resolved to set up the 'Keep Cambridge Moving Fund'. The purpose of this fund is to contribute towards public transport and cycling provision that will help

mitigate the impact of traffic congestion on the city as a result of an upgrade to the A14. The City Council is not a transport authority, however it is recognised that the Council, in partnership with the County Council, can help promote accessibility whilst reducing the environmental impact of travel.

The Fund will be created with an initial allocation of £300k funded from the 2012/13 revenue underspend. Further consideration will be given to additional funding in the 2014/15 Budget Setting Report. It is expected that the Fund will enable a long-term investment that will safeguard the environment whilst helping to support the economic wellbeing of the city. A report on options (including rules for the operation of the Fund and criteria for bids) will be brought to Environment Scrutiny Committee in due course.

# Section 6

## Capital & Revenue Projects Plan

### Approved Plan

The (then) approved Capital and Revenue Projects Plan was set out in the 2013/14 Budget Setting Report, together with details of anticipated variances, re-phasing requests and capital bids recommended for approval. These additions and amendments were approved by Council in February 2013.

Since then, Council has approved further changes to the plan, and its funding, to reflect actual spending and funding at 2012/13 outturn.

2012/13 Outturn	Re-phase £000	Variance (under) / Over £000
General Fund	2,381	(667)
Housing Revenue Account	9,586	(743)
<b>Total</b>	<b>11,967</b>	<b>(1,410)</b>

The effect of the outturn position is:

- The total of unapplied capital funding in 2013/14 increases by £521k (reflecting the capital receipts unapplied and Direct Revenue Financing (DRF) elements of the £667k figure above)
- The opening GF Reserve level at the start of 2013/14 was £2,308,170 higher (reflecting the DRF element of the £2.381m figure above). This will be offset by an increase in DRF during 2013/14 of the same amount to fund re-phased spending.

In addition, two new schemes have been recommended for inclusion in the Plan relating to:

- Office Accommodation Strategy – Re-location of staff from Lion House
- Tourist Office Air Cooling System

The resulting approved Capital and Revenue Projects Plan is presented in Appendix G (c). Changes have been made to the presentation of detailed items within the plan to more clearly identify individual schemes, programmes and provisions for potential spending. A summary of available, planned and remaining uncommitted funding is presented in Appendix G (d).

## Mid-Year Review of the Plan

The Office Accommodation Strategy item noted above, included the proposal that the financial implications should be reviewed in the Mid-Year Financial Review. This reflected the fact that the report had proposed that the net costs associated with achieving the changes should be met from the use of internal borrowing in the first instance, with this being repaid from the resulting net savings.

The MFR review work has identified an increase in the unapplied funding available for the Capital and Revenue Projects Plan of 521k, as shown above. As a result, it is recommended that this scheme now be funded from this amount, enabling the net revenue savings to be taken from the start of the project (this has been reflected in the Mid-Year Budget Issues section above).

The effect of this, together with the provision of funding for the Tourist Office Air Cooling system, on the level of unapplied capital funding available is shown in the table below:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
<b>Funding available and unapplied (per Feb 2013 BSR)</b>	<b>(330)</b>	<b>(500)</b>	<b>(544)</b>	<b>(1,062)</b>	<b>(1,380)</b>
<i>Adjusted for:</i>					
Additional funding available	(521)				
Office Accommodation Strategy	215	150			
Tourist Office Air Cooling system	10				
Rephase net additional funding unapplied	296	(296)			
<b>Revised Capital funding availability</b>	<b>(330)</b>	<b>(646)</b>	<b>(544)</b>	<b>(1,062)</b>	<b>(1,380)</b>

A review of progress against the Capital and Revenue Projects Plan has been undertaken. Appendix G(a) sets out requests for consideration of re-phasing of certain works and expenditure between 2013/14 and 2014/15.

The remits of Programmes have been reviewed to identify those whose approved timescales end in 2013/14 or 2014/15. In such cases the lead officers are required to review the programmes achievements against the objectives originally agreed in order to either confirm completion and closure of the programme or to request consideration of an extension.

A review of the Hold List has also been undertaken and the only proposed change is the addition of the Rouse Ball Pavilion Development proposal (previously PR034j in the approved plan) pending approval of the concept document in the October 2013 committee cycle. The updated Hold List is shown at Appendix G(b).

# Section 7

## Summary and Conclusions

### General Fund Budget Strategy

#### The Budget Process

The GF budget process for 2014/15 will remain broadly similar to that for previous years, working within an overall cash limit designed, to meet both known financial pressures and to create policy space through the provision of Priority Policy Fund (PPF) funding.

The updated base model used to prepare this report, has driven the recommendations in respect of the 2014/15 budget process, recommending the level of savings required to meet both current and anticipated spending needs.

The GF Mid-Year Financial Review has highlighted:

- Additional one-off net spending pressures in the period 2013/14 to 2015/16
- Material reductions in the ongoing net spending requirements from 2013/14 onwards, reflecting the outcome of tenders for new contracts, successful challenges to business rate revaluations and revisions to inflationary provisions for pay and prices
- Significant reductions in Government funding in 2015/16, with a strong expectation of reductions at similar levels going forward
- A level of net reduction in spending by the end of 2013/14 that enables reconsideration of the February 2013 BSR strategy for returning Reserves to the Target level

## Approach to GF General Reserves

The February 2013 BSR set a target of returning the level of General Reserves to the Target level of £5m by 2017/18, through planned staged increases (i.e. to £3.734m at the end of 2013/14, £3.975m by 2014/15 and then £5m by 2017/18).

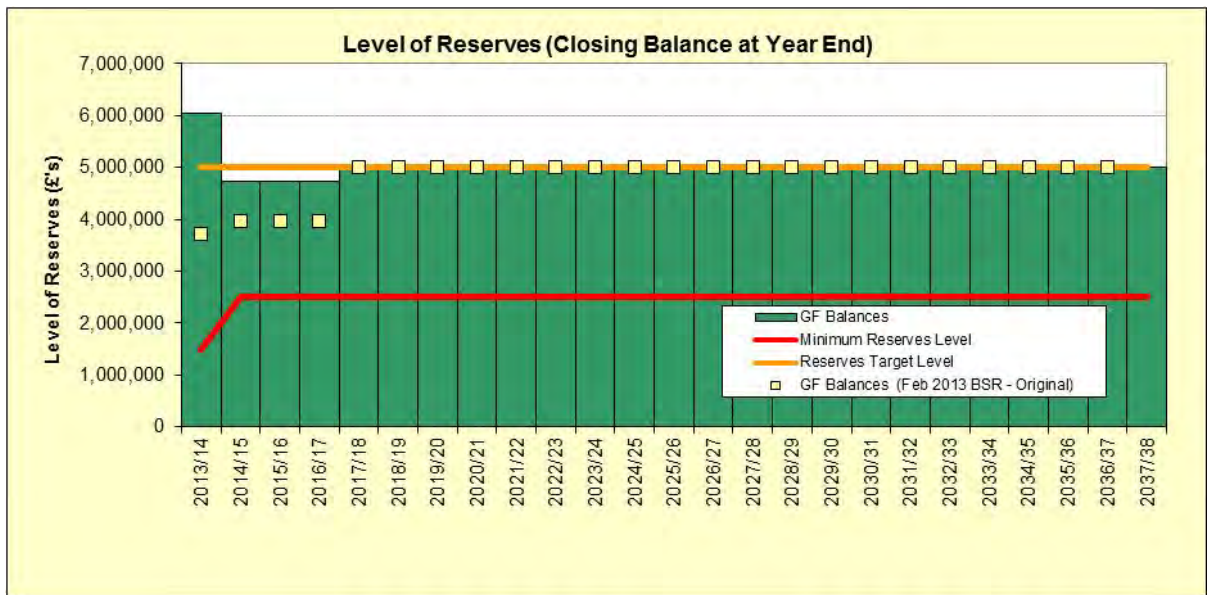
The changes to the financial projections in this document result in a higher starting position for the level of Reserves at the start of 2013/14, and revised use of reserves during 2013/14 as shown below:

General Fund Reserves	£	2013/14 £
<b>Forecast Balance B/F (per Feb 2013 BSR)</b>		<b>(4,437,900)</b>
Total net revenue underspend 2012/13	(1,248,970)	
Total net Capital underspend (funded from DRF) 2012/13	(2,308,170)	(3,557,140)
<b>Actual Balance B/F (per Sept 2013 MFR)</b>		<b>(7,995,040)</b>
Use of reserves in 2013/14		3,252,640
<b>Sub-Total</b>		<b>(4,742,400)</b>
Reduction in DRF resulting from Capital re-phasing proposals from 2013/14 to 2014/15		(1,303,000)
<b>Balance C/F (per Sept 2013 MFR)</b>		<b>(6,045,400)</b>

In light of the fact that this review has identified the availability of a material level of additional one-off funding resulting from the 2012/13 outturn position, it is recommended that the strategy for Reserves is amended to allow an accelerated movement, from 2014/15, back towards the Target level.

As the rephasing of the Capital & Revenue Project Plan expenditure between 2013/14 and 2014/15 means that the £1.303m use of reserves for DRF takes place in 2014/15 rather than 2013/14, it is recommended that the level of Reserves set for the end of 2014/15 and the following two years be increased from the level of £3,975,160 set in the BSR to £4,742,400. Reserves will then be returned to the Target level of £5m from the end of 2017/18, and that it is maintained at that level, in line with the original BSR plan.

This is shown graphically, based on the level of Reserves at year end, below:



This change in the plan, with an acceleration of the return to the Target level for Reserves, is recommended as a prudent response to the degree of uncertainty and the pressure anticipated on future Government funding identified in this review.

This approach forms the basis for the recalculation of the Net Savings Requirement, as set out below.

### Approach to GF Savings

The February 2013 BSR set a target of £1,450,830 for ongoing net savings in the General Fund in 2014/15, recognising the desire to continue to create policy space for re-investment with the provision of £300,000 per annum of funding.

Current financial projections, taking account of revised assumptions and incorporating all changes proposed as part of this GF Mid-Year Financial Review, can be summarised as follows:



Factor	2013/14 (£'s)	2014/15 (£'s)	2015/16 (£'s)	2016/17 (£'s)	2017/18 (£'s)
2012/13 Revenue Carry Forwards	717,250	0	0	0	0
2012/13 Capital Plan Rephasing of DRF funded items	2,142,000	0	0	0	0
2013/14 Capital Plan Rephasing of DRF funded items	(1,303,000)	1,303,000	0	0	0
Review of Capital Adjustments - MRP	(530)	(530)	(530)	(530)	(530)
Revised Government Grant projection	0	86,360	1,097,060	1,811,530	2,593,430
Anticipated changes – One-Off	73,170	204,400	176,900	0	0
Anticipated Changes - Ongoing	(392,530)	(344,990)	(671,650)	(786,650)	(962,650)
Revised inflation provision – income items	0	(50,000)	(50,000)	(50,000)	(50,000)
Revised provision for pay awards	0	0	(315,000)	(525,000)	(630,000)
Impact of changes on cumulative general inflation provision	0	0	17,970	5,990	(16,740)
<b>Total MFR Variances</b>	<b>1,236,360</b>	<b>1,198,240</b>	<b>254,750</b>	<b>455,340</b>	<b>933,510</b>
<i>less Application of net variances:</i>					
Net Increase / (Decrease) in contribution to <b>Reserves</b>	(1,236,360)	1,553,540	0	0	767,240
<b>Sub-total</b>	<b>0</b>	<b>(355,300)</b>	<b>254,750</b>	<b>455,340</b>	<b>166,270</b>
(Increase) / Decrease in <b>Net Savings Requirement</b>	0	355,300	(254,750)	(455,340)	(166,270)
<b>Net Variance unapplied</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The implications of this in terms of the revised ongoing Net Savings Requirements in each of the next four years is:

Factor	2014/15 (£'s)	2015/16 (£'s)	2016/17 (£'s)	2017/18 (£'s)
Net Savings Requirement (per Feb 2013 BSR)	1,450,830	2,129,170	1,349,020	1,241,090
Increase / (Decrease) in Net Savings Requirement	(355,300)	610,050	200,590	(289,070)
Revised (MFR) Net Savings Requirement	1,095,530	2,739,220	1,549,610	952,020

The longer-term profile of Net Savings Requirements is shown graphically below:



Further consideration will be given, as part of the 2014/15 budget process, as to the affordability of the PPF funding provision in 2014/15 and future years.

As part of the MFR, consideration needs to be given to the achievability of the savings targets for 2014/15 and future years. In doing this the degree of progress against the future savings strategy reflected in the current Service Review programme needs to be considered.

There has been regular monitoring of progress on the work relating to the identified range of Service Reviews, together with work to identify other areas for review.

Although the current round of Service Reviews are not yet complete, and have not reported back final recommendations at this stage, current indications are that they will generate savings sufficient to meet the 2014/15 requirement, and will be aiming to overachieve where possible.

Savings achieved in 2014/15 which are above the Net Savings Requirement will serve to reduce the required level in 2015/16, once any unavoidable bids have been covered. This will be actively explored as part of the detailed budget process with a view to smoothing the required savings levels between the two years to some degree.

Individual savings which relate to particular Service Review targets will be identified as part of the budget process.

## Sensitivities

In respect of all of the assumptions that are incorporated into the GF projections, there continue to be numerous alternative scenarios to consider. It is not possible to predict accurately what will happen in the future, particularly in respect of external factors completely outside of Council control.

To demonstrate the potential financial impact of any change in key factors, the table at Appendix F indicates either the effect on the projections of a number of key factors / assumptions were to change. It should be noted that this only identifies the impact of a single assumption change, and not the compound impact of multiple changes.

Appendix E details a number of identified financial and operational uncertainties, highlighting risks and describing areas of known change but with currently unquantifiable impacts.

# Appendix A

## Financial Planning Timetable

Date	Major Stage
<b>2013</b>	
23 May	Council adopts Annual Statement setting out plan & priorities for 2013/14
18 Sep	General Fund (GF) Mid-Year Financial Review (MFR) published for S&R Scrutiny Committee
19 Sep	Housing Revenue Account (HRA) MFR published
30 Sep	S&R Scrutiny Committee / Leader recommendation of GF MFR to Council
1 Oct	Housing Management Board (HMB) considers the HRA MFR
10 Oct	Community Services Scrutiny Committee considers the HRA MFR
14 Oct	Accountancy despatch: Budget Process Guidance
	Accountancy despatch: Budget proposals pro-forma to Heads of Service
	Accountancy despatch: Budget Working Papers to Cost Centre Managers
17 Oct	MFR & budget briefing for Heads of Service
Oct	Budget process workshops for managers
24 Oct	Council considers GF and HRA Mid-Year Financial Review reports
8 Nov	Managers to complete and return Budget Proposal Forms to Accountancy <ul style="list-style-type: none"> <li>· 2013/14 Revised Budget items</li> <li>· 2014/15 Revenue Budget Proposals</li> <li>· 2014/15 Capital Budget Proposals</li> <li>· Outcomes of Service Reviews</li> </ul>
15 Nov	Managers return completed budget working papers (incorporating budget proposals)

Date	Major Stage
w/c 18 Nov	Officer Working Groups meet to consider and comment on budget proposals
16 Dec (provisional)	HRA Budget Setting Report 2014/15 published
Dec	Provisional Government Settlement Announcement
<b>2014</b>	
6 Jan	GF budget proposals for Environment and Community Services Scrutiny Committees published
8 Jan	GF Budget Setting Report 2014/15 published for Strategy & Resources Scrutiny Committee
Jan	Final Government Settlement Announcement
14 Jan	Environment Scrutiny Committee consider budget proposals for own portfolios
16 Jan (provisional)	<p>Meetings of Community Services Scrutiny Committee and Housing Management Board (Special) consider the HRA Budget Setting Report</p> <p>Community Services considers any Executive &amp; / or Opposition HRA budget amendment proposals relating to capital</p> <p>HMB meeting considers any Executive &amp; / or Opposition HRA budget amendment proposals to revenue budget and / or rent levels</p> <p>Executive Councillor for Housing approves rent levels and revenue budgets. Executive Councillor makes final capital proposal recommendations to Council.</p>
16 Jan	Community Services Scrutiny Committee consider General Fund budget proposals for its own portfolios
20 Jan	Strategy & Resources Scrutiny Committee considers GF budget proposals for its own portfolios and GF Budget Setting Report
23 Jan	Meeting of The Executive to consider and recommend GF Budget Setting Report and Council Tax requirement
7 Feb	Special Strategy & Resources Scrutiny Committee considers any GF budget amendment proposals
27 Feb	Council approves GF Budget and sets Council Tax (including precepts). Council approves Capital & Revenue Projects Plan (including HRA recommendations)
31 Mar	Approved budget reports to be sent to Cost Centre Managers by Accountancy

**Note:** HRA Items shown as shaded lines.

# Appendix B

## General Fund Forecast Assumptions (highlighting changes from BSR)

Key Area	Assumption	Comment	Status
Pay Inflation	1% for 2014/15 and 2015/16, 1.5% for 2016/17, 2.0% for 2017/18 then 2.5% from 2018/19. Plus pay progression cost estimate	<p>BSR assumed pay award of 1% and allowance for increments at 1.9% for 2014/15, then re-introducing allowance for pay award at 2.5% from 2015/16 onwards. <b>Changed to reflect Government guidance for 2015/16 and a stepped increase thereafter, reflecting economic recovery.</b></p> <p>Government guidelines for pay cap for 2013/14 and 2014/15 at 1%. A pay inflation provision has been made for 2015/16 and future years at 2.5%.</p> <p>An annual percentage allowance for incremental progression was previously included pending any detailed budget adjustments to reflect performance results. <b>Changed to projected progression cost.</b></p>	Amended
Employee Turnover	3%	Employee budgets assume an employee turnover saving of 3.0% of gross pay budget.	Retained
General Inflation (CPI)	2.0%	<p>General inflation on income and expenditure has been included from 2013/14 onwards at 2% (based on the Government target for CPI inflation).</p> <p>Updated central provisions have been made as appropriate for fuel, electricity and gas based on current knowledge of these markets or revised contractual commitments.</p> <p>The same inflation factors are applied to Central and Support Services as for direct services.</p> <p><b>CPIY was 2.9% at July 2013. August 2013 MPC report suggests rate more likely than not to be at least 2.5% for the next 18 – 24 months. Allowing for separate provision for specific items with high rates of increase (e.g. energy) a remaining general provision of 2.0% is felt to still be appropriate.</b></p>	Retained
Major Contracts		Major contracts and agreements, in term, are rolled forward based on the specified indices in the contract or agreement	Retained

Key Area	Assumption	Comment	Status
Income & Charges Increases	2.5%	<b>Income and Charges – general assumption of 2.5% ongoing (based on MPC report inflation forecast) built into base, but specific reviews of all charges required by committees.</b> Property rental income based on detailed projections and rent reviews.	Amended
Capital funding contributions	£1.38m	Capital funding contributions at base level of £1.38m per annum.	Retained
GF Minimum Balances	£2,500,000	Maintain GF minimum balance at £2,500,000, recognising increased risks in particular relating to new government funding arrangements and the introduction of local Council Tax Support schemes.	Retained
GF Target balances	£5,000,000	Maintain GF target balance at £5,000,000.	Retained
Council Tax Increase	2.0% ongoing	Council Tax increase assumed at 2.0% for 2013/14 ongoing following 0% for 2011/12 & 2012/13.  Spending round confirmed a referendum threshold of 2% for 2014/15 and 2015/16.	Retained
Government Grant	<b>Levels notified for 2014/15 and 2015/16, with assumption of reduction of 13% on SFA for the following 4 years</b>	<b>Government consultation paper following Spending round 2013 indicates Settlement Funding Assessment of ££8.112m for 2014/15, £6.913m for 2015/16. Assumption made of similar levels of increase each year thereafter until the Revenue Support Grant element reaches zero – in practice this is reflected in a 13.0% reduction for 4 years.</b>	Amended
Savings Requirements		Savings requirements are calculated in the GF model based on latest projections of net spending, target and minimum reserves levels and required Priority Policy Space.	Retained
Priority Policy Fund	£300,000	PPF retained in base model recognising desire to expand services and respond to external pressures. To be reviewed as part of 2014/15 GF Budget Setting Report.	Retained
Service Reviews		The outcomes of service reviews, Resource Optimisation and Income Generation initiatives will be reported as part of the budget process. MFR forecasts do not include any estimates of these outcomes.	Retained

# Appendix C

## New Savings & Unavoidable Revenue Spending Pressures (£'s)

Name	2013/14	2014/15	2015/16	2016/17	2017/18
<b>One-off or time limited budget items:</b>					
Lion Yard - revised rental income projection for 2013/14	(42,000)				
Lion Yard – reduced rental income due to delayed new units and vacant units		127,500	100,000		
Provision for Resources Department restructuring	120,000				
Business Rate refunds following successful valuation appeals (prior years element)	(304,180)				
Contribution to ‘Keep Cambridge Moving’ Fund	300,000				
Council Tax Support Transitional Grant	(17,090)				
New Burdens Grant for implementing welfare reform changes	(27,060)				
VAT in respect of Home Improvement Agency fees	43,500				
Extend post of Head of Revenues & Benefits post by 2 years following changes in Welfare Reform implementation timetable		76,900	76,900		
<b>TOTAL</b>	<b>73,170</b>	<b>204,400</b>	<b>176,900</b>	<b>0</b>	<b>0</b>

<b>Ongoing budget changes:</b>					
Leisure Management Contract saving	(133,000)	(239,000)	(239,000)	(239,000)	(239,000)
Removal of budget provision from services for discretionary rate relief – now accounted for as part of Business Rate Retention Scheme	(127,000)	(127,000)	(127,000)	(127,000)	(127,000)
Office Accommodation Strategy projected savings		(38,240)	(27,900)	(127,900)	(127,900)
External investment income - implications of latest market projections and sums available for investment	116,000	263,000	(74,000)	(89,000)	(265,000)
ICT Contract savings	(25,000)	(190,000)	(190,000)	(190,000)	(190,000)



Name	2013/14	2014/15	2015/16	2016/17	2017/18
Provision for Resources Department restructuring	15,000	15,000	15,000	15,000	15,000
Lion Yard – reduced base rental income projection due to market conditions		100,000	100,000	100,000	100,000
Reduced rent & service charges from BSR projected levels (excluding Lion Yard shown separately)		49,550	49,550	49,550	49,550
Release of S106 commuted sums for annual maintenance of open spaces	(64,000)	(14,600)	(14,600)	(14,600)	(14,600)
Business Rate refunds following successful valuation appeals (ongoing)	(184,530)	(183,700)	(183,700)	(183,700)	(183,700)
Inflation adjustment for latest gas prices	10,000	20,000	20,000	20,000	20,000
<b>TOTAL</b>	<b>(392,530)</b>	<b>(344,990)</b>	<b>(671,650)</b>	<b>(786,650)</b>	<b>(962,650)</b>

<b>Net effect of proposed changes:</b>	<b>(319,360)</b>	<b>(140,590)</b>	<b>(494,750)</b>	<b>(786,650)</b>	<b>(962,650)</b>
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<b>Changes to Forecast Assumptions (from Appendix B):</b>					
Increase in income and charges increase assumption (2.5% from 2%)		(50,000)	(50,000)	(50,000)	(50,000)
Revised provisions for future pay inflation			(315,000)	(525,000)	(630,000)
<b>TOTAL</b>		<b>(190,590)</b>	<b>(859,750)</b>	<b>(1,361,650)</b>	<b>(1,642,650)</b>

# Appendix D (a)

## General Fund – Revenue Projection 2013/14 to 2017/18

Description	2013/14 (£'s)	2014/15 (£'s)	2015/16 (£'s)	2016/17 (£'s)	2017/18 (£'s)
Net Service Budgets	21,829,990	20,156,230	19,662,670	17,919,370	17,365,810
Revenue Budget Proposals:	(319,360)	(190,590)	(859,750)	(1,361,650)	(1,642,650)
<b>Sub-Total</b>	<b>21,510,630</b>	<b>19,965,640</b>	<b>18,802,920</b>	<b>16,557,720</b>	<b>15,723,160</b>
Future Years PPF Provision	0	300,000	300,000	300,000	300,000
<b>Sub-Total</b>	<b>21,510,630</b>	<b>20,265,640</b>	<b>19,102,920</b>	<b>16,857,720</b>	<b>16,023,160</b>
Capital Accounting Adjustments	(4,593,720)	(4,593,720)	(4,593,720)	(4,593,720)	(4,593,720)
Capital Expenditure Financed from Revenue	2,076,000	2,373,000	2,444,000	2,762,000	1,380,000
<b>Sub-Total</b>	<b>18,992,910</b>	<b>18,044,920</b>	<b>16,953,200</b>	<b>15,026,000</b>	<b>12,809,440</b>
Contributions to Earmarked Funds:					
Vehicle Fleet & Plant Depreciation	775,850	775,850	775,850	775,850	775,850
Council Tax Income earmarked for Growth	25,880	171,480	355,120	355,120	355,120
New Homes Bonus	0	771,170	894,170	894,170	987,520
Pension Fund Reserve	492,800	657,000	821,300	985,500	985,500
<b>Sub-Total</b>	<b>20,287,440</b>	<b>20,420,420</b>	<b>19,799,640</b>	<b>18,036,640</b>	<b>15,913,430</b>
Net Savings Requirement	0	(1,095,530)	(2,739,220)	(1,549,610)	(952,020)
<b>Net Spending Requirement</b>	<b>20,287,440</b>	<b>19,324,890</b>	<b>17,060,420</b>	<b>16,487,030</b>	<b>14,961,410</b>

# Appendix D (b)

## General Fund – Funding Statement 2013/14 to 2017/18

Description	2013/14 (£'s)	2014/15 (£'s)	2015/16 (£'s)	2016/17 (£'s)	2017/18 (£'s)
<b>Net Spending Requirement</b>	<b>20,287,440</b>	<b>19,324,890</b>	<b>17,060,420</b>	<b>16,487,030</b>	<b>14,961,410</b>
less					
External Support:					
Total Start-Up Funding Assessment	(9,341,130)	(8,112,270)	(6,913,000)	(6,014,300)	(5,232,400)
Council Tax Support Implementation	(57,750)	(77,080)	0	0	0
NHB Adjustment Grant	(31,630)	0	0	0	0
Community Right to Bid	(7,850)	(7,850)	0	0	0
Community Right to Challenge	(8,550)	(8,550)	0	0	0
<b>Sub-Total</b>	<b>10,840,530</b>	<b>11,119,140</b>	<b>10,147,420</b>	<b>10,472,730</b>	<b>9,729,010</b>
less					
New Homes Bonus:					
2011/12 Allocation	(786,650)	(786,650)	(786,650)	(786,650)	0
2012/13 Allocation	(734,900)	(734,900)	(734,900)	(734,900)	(734,900)
2013/14 Provisional Allocation	(563,740)	(563,740)	(563,740)	(563,740)	(563,740)
2014/15 Projection	0	(1,038,000)	(1,038,000)	(1,038,000)	(1,038,000)
<b>Sub-Total</b>	<b>8,755,240</b>	<b>7,995,850</b>	<b>7,024,130</b>	<b>7,349,440</b>	<b>7,392,370</b>
less					
Appropriation from Earmarked Funds:					
Efficiency Fund	(185,780)	0	0	0	0
Climate Change Fund	(77,000)	0	0	0	0
Project Facilitation Fund	(125,500)	0	0	0	0
Council Tax Income Earmarked for Growth	(164,000)	0	0	0	0
<b>Sub-Total</b>	<b>8,202,960</b>	<b>7,995,850</b>	<b>7,024,130</b>	<b>7,349,440</b>	<b>7,392,370</b>
less					
Income From Council Tax	(6,393,560)	(6,692,850)	(7,024,130)	(7,349,440)	(7,649,970)
Collection Funds - Net Deficit / (Surplus)	140,240	0	0	0	0
<b>Contribution (To) / From Reserves</b>	<b>1,949,640</b>	<b>1,303,000</b>	<b>0</b>	<b>0</b>	<b>(257,600)</b>
<b>Memorandum Items:</b>					
Band 'D' Council Tax	£169.90	£173.30	£176.77	£180.31	£183.92
Council Tax Increase	-	2.00%	2.00%	2.00%	2.00%

# Appendix D (c)

## General Fund – Reserves Projection 2013/14 to 2017/18

Description	2013/14 (£'s)	2014/15 (£'s)	2015/16 (£'s)	2016/17 (£'s)	2017/18 (£'s)
<b>Balance as at 1 April (b/fwd)</b>	<b>(7,995,040)</b>	<b>(6,045,400)</b>	<b>(4,742,400)</b>	<b>(4,742,400)</b>	<b>(4,742,400)</b>
Contribution (To) / From Reserves	1,949,640	1,303,000	0	0	(257,600)
<b>Balance as at 31 March (c/fwd)</b>	<b>(6,045,400)</b>	<b>(4,742,400)</b>	<b>(4,742,400)</b>	<b>(4,742,400)</b>	<b>(5,000,000)</b>

# Appendix E

## Areas of Uncertainty

### All Portfolios / Cross-Cutting

#### External Contracts

A contract base usually includes provision for inflation and built in savings targets. Whilst re-tendering may offer further savings, the Council retains the option of contract extension, where available in the original contractual documents.

#### VAT: Partial Exemption

The Council's 5% Partial Exemption limit is calculated using a 7-year average effective from 1st September 2011. This has reduced the risk of the Council breaching the 5% limit over a 7-year period (i.e. the year of a potential breach, the 4 previous actual year calculations, and an estimate of 2 years after a potential breach). However, careful monitoring of this limit will still be required and may still necessitate actions to 'opt to tax' selected land and buildings. Opting to tax will give the Council more scope to recover Input Tax which was previously irrecoverable.

#### Capital Issues

There is uncertainty regarding a number of capital related issues. These include: adequacy of Repairs and Renewal Funds, availability of funding from General Reserves, the timely use of Section 106 funds and the acquisition, sale or retention of commercial property throughout the City.

#### Regional Growth

There will be significant implications for the Council from the impact and timing of the Growth Agenda, both within the City and in the wider sub-region. The Council is working in partnership with neighbouring authorities to determine the capital and revenue consequences. Revenue pressures are anticipated in terms of increased demand on a number of services. A General Fund provision is maintained through the Council Tax for Growth fund and is available for projects and other costs arising directly from the impact of growth.

#### Joint Working and Services Funded Jointly with Other Organisations

The future funding plans and decisions by partner organisations can result in pressures for the City Council, for example where government or other external funding has been removed or is under threat.

#### Electricity & Gas prices

The Council is re-tendering its energy contracts which are likely to be renewed on an annual basis only.

#### External Legal Costs

Council services require infrequent access to expert witnesses or barristers for which there is no budget provision. Legal action may also result in costs awards which are also unbudgeted.

#### Climate Change

## All Portfolios / Cross-Cutting

The impact of climate change may have broad ranging consequences across the council including fuel pricing, housing insulation, vehicle purchase and design of new and refurbishment of existing buildings. It is not possible to quantify the financial impact of this however the Council's Climate Change Fund is available for support for appropriate projects, subject to key criteria and overall affordability.

The Council does not currently fall into Phase 2 of the Carbon Reduction Commitment (CRC) or any successor however this position may change depending on the criteria set by the Government. If we do fall within future criteria, we would be liable to purchase CO<sub>2</sub> allowances at £12/ tonne (2013/14 cost) for carbon emissions from our buildings that fall within the scope of the scheme.

### Community Right to Challenge

The 'Community Right to Challenge', which came into force on 27 June 2012, allows voluntary and community bodies and groups of local authority employees to express an interest in running a local authority service. The Council is required to consider and respond to all expressions of interest. Depending on the number of 'Expressions of Interest' that the Council receives, the Right to Challenge could result in significant administrative costs for the Council.

### Municipal Mutual Insurance (MMI)

In 1992/93 the Council's then insurers, Municipal Mutual Insurance (MMI), ceased taking new business and are now being managed under a "scheme of arrangement". City Council claims under this arrangement have totalled £1,034,649. The directors of MMI triggered an insolvency under this scheme in November 2012, meaning that a solvent run-off was no longer foreseen.

The appointed administrator has indicated that based on current projections a levy equal to 15% (excluding the first £50,000 of claims) is required. A creditor for £148,000 has therefore been recognised in the 2012/13 statement of accounts. The administrator is required to review the levy rate at least once every 12 months. Although the administrator has indicated that unless there is a significant change to the financial position of MMI, the current levy of 15% should be sufficient, they have undertaken modelling that indicates a worst case scenario that a levy of up to 28% could be required

### Council Tax Collection Fund deficit / surplus contributions

Any surplus or deficit on the Collection Fund must be taken into account in setting the level of Council Tax. The likely year-end position is assessed in January each year. Projections for 2013/14 have been provisionally included in the Mid-Year Financial Review and will be reassessed as part of the budget process.

## Area of Uncertainty

### Portfolio: Customer Services & Resources

#### Benefit Processing

Projections are based on a continuation of current performance levels. If performance was to fall, and the Council breached the thresholds (upper and/or lower) set by the DWP for local authority error overpayment subsidy, then this could materially affect the level of subsidy receivable on such amounts down from 100% to either 40% or 0%.

## Area of Uncertainty

### Travellers

The Cambridge sub-regional Gypsy & Traveller Accommodation Assessment 2011 identified the need for one permanent pitch in Cambridge City, and for a transit or emergency stopping place site in the Cambridge area.

The Council has been trying to identify a potential site through the Local Plan process, but to date has been unsuccessful.

The Homes and Communities Agency (HCA) has awarded joint grant funding to City and South Cambridgeshire to provide ten Traveller pitches, and South Cambridgeshire is considering the purchase of an existing private site in Milton, with the option of one the pitches being used to meet the City's identified need. If this progresses to plan, then any revenue implications for the City - likely to be from 2015/16 onwards - will need to be identified

### Office Accommodation Review

Work is in progress to review options across the Council's office accommodation following the opening of the Customer Service Centre and the implications of the corporate restructure.

## Portfolio: Planning & Climate Change

### Parking Services

Consultants have and will continue to be used to assist in forecasting income and demand for parking services, as well as with customer surveys. Current projections try and build in potential issues arising from variations the rate of growth of the general economy, and local growth in the city and surrounding areas. The lead times for projections (12-18 months) is a real impediment to their reliability. As with all forecasting, there is also uncertainty regarding a number of the assumptions made which could impact on the income projections.

- Traffic management and demand management policies made by other partners, including the County Council, such as road pricing and Park and Ride pricing.
- The availability of capital funding , and arrangements financing major investment projects and redevelopment programmes.
- the vitality of the city centre, and the growing impact of internet shopping on high street demand.
- the impact of planned and emergency streetworks in the city centre.

### Parking Services Investment

Like Park Street, Queen Anne Terrace car park is in need of substantial structural repair and refurbishment to extend its operational life and protect the council's income stream.

Alternatively, there is an opportunity to consider a future redevelopment of this site. Further work is required to report on the potential for such a project to deliver financial benefits to the Council.

Until such time as Park Street redevelopment is completed, there is an immediate priority to retain parking at Queen Anne Terrace, and an immediate requirement for around £700k of capital investment, funded from Repairs & Renewals provision, in a programme of essential structural repairs that will maintain the operation over the short to medium term. The bulk of this investment will need to be front-loaded, i.e. in the first year of the programme, at the end of 2014/15.

Projects will also be coming forward in the next financial year to modernise and support investment in the resilience of the current parking equipment and the ICT infrastructure, that will allow the service to extend its commercial potential.

## Area of Uncertainty

### Portfolio: Environmental & Waste Services

#### **New legislation or changes to existing legislation may have budgetary impacts, including:**

The Environmental Health team has limited resources to undertake investigations into the sites on the register. Environmental Health has prioritised this limited funding for one site investigation per year on properties not owned by the council where our enforcement role is clear. The provision of further funding will need to be considered to ensure work can be undertaken relating both to Council-owned and orphan sites. Sites owned by the Council may require remediation with associated cost implications.

This risk relates to statutory duties under s78 Environmental Protection Act 1990 and related statutory instruments. It is in addition to duties to ensure safe development on contaminated land which are implemented through Planning legislation.

Prosecutions - There may be a requirement for additional budget provision in order to ensure appropriate enforcement action can be taken in all appropriate cases.

### Portfolio: Housing

#### **Reduction in Contributions Cambs HIA**

Following the creation of a shared Home Improvement Agency with South Cambridgeshire District Council and Huntingdonshire District Council from April 2012 (now called Cambs HIA), there remains uncertainty as to the level of external funding that can be anticipated for the future, both in terms of third party contributions and fee generation.

#### **Community Safety Funding**

Potential loss of Community Safety funding via the Community Safety Partnership, resulting in an inability to deliver grant programmes managed previously.

### Portfolio: Public Places

#### **Adequacy of Grounds Maintenance funding**

The rapid growth of the City and associated green spaces means that larger areas need to be maintained. Whilst Developer Contributions cover at least the first 12 years, there may be significant budget pressures from 2030 depending upon the rate of housing delivery and the required and affordable maintenance standards.

#### **Riverbanks and Watercourses**

The City's liability to maintain riverbanks and watercourses within the city boundary may give rise to substantial costs over the next 50 years. Some works may be eligible for grant funding at rates of up to 100%.

### Portfolio: Community Wellbeing

#### **Corn Exchange**

Income streams are driven by the levels of disposable income of ticket buyers and the risk appetite of promoters and artist agents. In the current financial climate both of these are anticipated to remain static or reduce in the foreseeable future. This will continue to impact on show attendances and the availability of profitable product.

Current indications suggest that the work that is being done to diversify into conferences and private events utilising both the Corn Exchange and the Guildhalls will be successful and will go some way towards mitigating the challenges faced by the Corn Exchange arts and events programme.



## Area of Uncertainty

### Ongoing revenue funding of Community Development facilities

The impact of growth in the city and surrounding area will require the creation of community facilities. Whilst the creation and initial management of the facilities will be covered by developer contributions, the ongoing revenue funding of these facilities may require ongoing City Council support.

# Appendix F

## Revenue Forecast Sensitivity Analysis (highlighting changes from BSR)

Topic	Quantum	BSR Assumption	Risk
Employer's Pension Contribution	£35m	BSR includes provision for increases of 0.75% from 2011/12 to 2016/17	Assumptions on life expectancy and negative market effects on the value of assets in the Pension Fund leading to increased employer contribution requirements above the level of provision already made
Pay Settlement	£35m +/- 1% is GF c. £270k for 2013/14	In line with Government guidance, 1% in 2013/14, 2014/15 <b>and 2015/16. This is followed by assumptions of 0.5% increases annually with 2.5% in 2017/18 and future years.</b>	Actual pay award settlements are agreed as part of national negotiations. Actual awards may be higher than provided for.
Developer Contributions	c. £8.5m	All contributions are used in compliance with terms of agreements.  Capital bids for area-based and City-wide projects funded from developer contributions have been identified.	Failure to meet conditions of individual schemes leads to the requirement to repay contributions and accrued interest to developers.  Developers seek to renegotiate current agreements in order to improve the viability of their schemes putting at risk the ability to deliver essential infrastructure  The introduction of the Community Infrastructure Levy may reduce income from individual developments.
Energy costs (all)	£1.2m	Officer assessment of current conditions and trends, based on latest contracts	Volatility of world market prices. The Council has contracts for electricity and gas which run from October each year and takes specialist consultant advice in determining the most advantageous terms to contract for. <b>Contracts have been extended to April 2014 to enable the Council to join a framework contract for energy to help improve competitive procurement.</b>
Future Capital Receipts	Income	Occasional disposal of assets as outlined in the Disposal Programme. Income not taken into account until received.	Market conditions significantly reduce the value of Council assets with the associated reduced level of funding available for new capital investment. Purchaser's ability to buy is limited due to financing constraints.
Investment Income	+/- 1% is c. £600k for 2013/14	These are based on a mid-range level provided by market analysts.	Rates fall further than anticipated or for a longer period.  A shorter period of recession or a less steep decline in rates would result in increase in investment income. (Positive)

Topic	Quantum	BSR Assumption	Risk
Non-Pay inflation	+/- 1% is GF c. £284k spend and c. £320k income for 2013/14	<b>General inflation on income and expenditure is included at 2.5% from 2014/15 ongoing (based on the MPC report projection for inflation over the next 18-24 months).</b>	General Inflation rises more quickly than anticipated placing greater pressure on cash limited budgets or on General Reserves to fund those pressures.
Housing Benefits	£42m	Officer assessment of current conditions and trends	Council funded element of provision of the service. Potential increase in Housing Benefit fraud Council breached the thresholds (upper and/or lower) set by the DWP for local authority error overpayment subsidy, then this could materially affect the level of subsidy receivable on such amounts down from 100% to either 40% or 0%.
Council Tax Income	£6.4m p.a.	2% increase for 2013/14 and future years are built into projections	Criteria for triggering referendums for proposed excessive increases are published each year. <b>Government have provided confirmation of the intended level of 2.0% for 2014/15 and 2015/16.</b> The requirement for rebilling and associated costs, together with the loss of Council Tax income, effectively provide a strong disincentive for high increase proposals. Economic climate may require an increase in enforcement activity.
Car Parking Income	c. £9.0m	Based on Officer and external consultants' projections of usage	Economic downturn reduces usage and/or increased use of Park & Ride and impact of guided bus.
Bereavement Services Income	c.£1.8m	Current mortality rates built into BSR assumptions	Falling mortality rate [yet ageing population in Cambridge]  Opening of competitor facilities in view of the expansion of Cambridge sub region and the comparatively low investment required for a profitable new build crematorium with private sector operating costs.
Planning Fee Income	c. £1.2m	Income projections for 2013/14 have been amended to reflect current market conditions.	Impact of economic downturn is greater or longer than anticipated.
Building Control Fee Income	c. £0.4m	Based on break-even full cost recovery position for the Building Control Service	Impact of economic downturn is greater or longer than anticipated  Increased competition from approved inspectors leading to smaller market share  New LABC fees guidance leads to significant over or under-recovery of costs

Topic	Quantum	BSR Assumption	Risk
Corn Exchange Income	c. £0.5m	Based on Officer projections of attendance	Economic downturn leads to fall in attendances. Social change leads to lower attendance at live concerts Product offer does not meet client expectation
Folk Festival Income	c. £1.5m	Based on assumption that all tickets will be sold	Economic downturn leads to fall in attendances and/or failure to retain sponsorship
Market Income	c. £0.7m	Officer assessment of current market conditions and future trends	Increased level of voids as a result of the current economic climate, mitigated by new traders coming to the market as we seek to widen the range of services on the market and the cost of business premises is prohibitive for start-ups.
Commercial Property Income	c. £6.6m	Officer assessment of current market conditions and future trends	Economic conditions lead to increase in voids, increased level of unrecoverable debts and less significant rent increases.
Land Charges Income	c. £0.2m	Reductions based on latest experience have been incorporated	Increased proportion of personal searches and reduced number of overall searches due to market conditions. Potential limitation of ability to charge for searches as a result of threatened legal challenge.
New Homes Bonus (NHB)	c. £3.1m in 2014/15  c. £4.2m expected in 2015/16 if new scheme approved	<b>A continuation of the NHB scheme from 2015/16</b>  Funding from NHB is available to support posts delivering Growth, capital and revenue costs from Growth and to make contributions towards City Deal	<b>Government reduce / remove the NHB scheme in the future – this has been mitigated by only committing funds based on the current scheme.</b>  Government implements changes to the scheme to require a proportion of receipts to be passed to the LEP.

# Appendix G (a)

## Proposed amendments to Capital & Revenue Projects Plan 2013/14 to 2017/18

Ref.	Description	Lead Officer	Change type	Net Effect	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	Comment
PR033e	Great St Mary's Church Development	T Woollams	New scheme	50	50					New Scheme – approved West Central 5th September 2013
PV583	Clay Farm Commercial Property	D Prinsep	New scheme	500		100	375	25		Pending Approval MFR 2013.
PV584	Lighting on Parker's Piece	A Preston	New scheme	60	60					Pending Approval MFR 2013.
SC585	Fleetmaster software	M Parsons	New scheme	15	15					Pending Approval MFR 2013
PR020	ICT Infrastructure Programme	J Nightingale	Enhanced	581	360	(89)	40	160	110	Budgets need to be re-profiled in order to correspond with the forthcoming work programme
PR023	Admin Buildings Asset Replacement Programme	W Barfield	Enhanced	392	81	85	90	74	62	The Admin Buildings Asset Replacement work programme will be reviewed during the 2013 - 14 financial year following completion of new condition surveys.
PV564	Clay Farm Community Centre -Phase 2 Construction	A Carter	Enhanced	961	(223)	823	361			This budget anticipates a start on the construction of the new Centre this financial year with the bulk next year
SC573	Installation of Air Conditioning units at the TIC	E Thornton	Enhanced	10	10					Executive Councillor out of cycle decision
SC522	New Sound Equipment at Cambridge Corn Exchange	D Kaye	Scheme reduction	(40)	(40)					Reduce scheme to actual anticipated cost as per report to scrutiny committee October 2012
PR034j	Rouse Ball Pavilion Development	A Wilson	To Hold List	(185)			(185)			To hold list pending approval of concept document at scrutiny October 2013

Ref.	Description	Lead Officer	Change type	Net Effect	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	Comment
PR031a	Community Meeting Space at Sikh Community Centre	T Woollams	Scheme cancelled	(50)	(50)					Scheme cancelled, funds returned to area committee PR031
PR024	Commercial Properties Asset Replacement Programme	W Barfield	Rephasing	0	(33)	(15)	6	20	22	The Commercial Properties Asset Replacement work programme will be reviewed during 2013 - 14
PR033c	Public Art element of improvements to the entrances at Histon Rd Rec	A Preston	Rephasing	0	(39)	39				Inception meeting planned to take place to agree the scope and programme for this project with the project steering group and Executive Councillor.
PR034a	Logan's Meadow Local Nature Reserve (LNR) Extension	G Belcher	Rephasing	0	(140)	140				Tenders and Planning docs nearing completion. Scheme promoted at Chesterton Festival with strong support. Plans displayed on site. Phase 1 works to be completed in October this year - project over 2 years
PR034d	Public Art - 150th & 400th Anniversary	A Preston	Rephasing	0	(69)	69				Project restarted following request from Executive Councillor. New project approach shows delivery by the end of October 2014.
PR034e	Play Provision Project Nth	A Wilson	Rephasing	0	(40)	40				Chestnut Grove now selected as preferred site.
PR034f	Play Provision Project East	A Wilson	Rephasing	0	(35)	35				St Thomas's Square now selected as preferred site.
PR034g	Grant for extension to St Andrew's Hall	T Woollams	Rephasing	0	(100)	100				Grant subject to approval of revised planning application to be re-submitted by St Andrews Church
PV016	Public Conveniences	B Carter	Rephasing	0	(417)	417				Lion Yard on programme for completion by March 2014. Consultation planned for Autumn 2013. Silver St on programme for completion by 01 - 12 - 14.
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	Rephasing	0	21	(121)	100			To reflect the revised expenditure plan from the site agent

Ref.	Description	Lead Officer	Change type	Net Effect	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	Comment
PV282	Kettle's Yard	D Kaye	Rephasing	0	(40)	40				Agreed by Exe Cllr R Cantrill Feb 2013 as Kettle's Yard applying for ACE funds for related scheme which will affect construction timetable
PV329	Corporate Document Management (DIP & EDRM)	J Nightingale	Rephasing	0	(348)	348				Following roll-out to services directly relating to the Customer Service Centre, bids are being sought from other services against the remaining scheme balance.
PV532	Cambridge City 20mph Zones Project	P Dell	Rephasing	0	(239)	239				Target completion date relates to Phase 1 only i.e. the North Area of the city (overall project completion expected in 2015). Work should start on site in Jan 2014, should the consultation response come back in favour. The project will also need to approved at scrutiny in October and by the County in December. Assuming the project is approved the allocated budget of £136,000 for this financial year is likely to be spent. Project needs to be correctly profiled in the capital plan. Completion not planned until 2015.
PV549	City Cycle Park	A Preston	Rephasing	0	(257)	257				Project on Programme. Consultation on the on-street started on July in accordance with the programme. Budget allocated exceeds that required for the on-street proposals. Remained will be available to contribute to the undercover cycle park, added to a capital budget bid in October, once the feasibility report has been presented and the preferred option chosen.

Ref.	Description	Lead Officer	Change type	Net Effect	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	Comment
PV554	Development Of land at Clay Farm	A Carter	Rephasing	0	(719)	64	£157	(£263)	£761	The costs incurred are in respect of the Collaboration Agreement with Countryside. Rate of invoices from Countryside relate directly to rate of house-building which is variable and beyond our control. Target completion date is long stop date in draft Development Agreement and equates to four years from estimated planning approval.
SC429	Telephony System Upgrade	J Nightingale	Rephasing	0	(50)	50				Approach currently being planned. Project work to be scoped.
SC570	Essential Structural - Holding Repairs - Park Street Multi Storey car park	P Necus	Rephasing	0	75	(35)	(£40)			Evaluation of tenders complete, contractor to be appointed with start date September 2013.
SC574	Essential Repairs to Car Parks	P Necus	Rephasing	0	(165)	165				Current estimate is £200k required for deck coating at Grand Arcade subject to a legal claim which may reduce the cost if successful. The Capital spend will need to be deferred to 14 - 15 due to litigation.
PR031	Unallocated North Area Committee Developer Contribution	T Wetherfield	Transfer In	50		50				Funds from Sikh Community Centre Grant no longer required
PR032c	Improvements to Cherry Hinton Rec.	A Wilson	Transfer in	58	58					Funds from South Area programme PR032
PR014	Environmental Safety Fund	A Preston	Transfer out	(16)	(16)					Funds to support Parkers Piece Lighting Scheme SC584
PR032	Unallocated South Area Committee Developer Contribution Funds	T Wetherfield	Transfer out	(58)		(58)				Funds to CherryHinton Rec scheme PR032c



Ref.	Description	Lead Officer	Change type	Net Effect	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	Comment
PR033	Unallocated West Central Area Committee Developer Contribution Funds	T Wetherfield	Transfer out	(50)		(50)				Funds to support Gt St Mary's scheme PR033e
PR034	Unallocated Strategic Developer Contribution Funds	T Wetherfield	Transfer out	(39)		(39)				Funds to support Parkers Piece Lighting Scheme SC584
SC436	Pye's Pitch Rec Facilities	I Ross	Transfer out	(58)	(58)					Reduce scheme to actual anticipated cost
<b>Total amendments to Capital &amp; Revenue Projects Plan</b>				<b>2,181</b>	<b>(2,348)</b>	<b>2,654</b>	<b>904</b>	<b>16</b>	<b>955</b>	

# Appendix G (b)

## Capital & Revenue Projects Plan Hold List 2013/14 to 2017/18

Portfolio	Capital Ref	Description	Lead Officer	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Public Places	SC472	Cherry Hinton Hall Grounds Improvements (Developer Contributions)	A Preston	0	0	982	0
Public Places	SC475	Nightingale Rec Pavilion Refurbishment (Developer Contributions)	I Ross	228	0	0	0
Public Places	PR034j	Rouse Ball Pavilion Development (Developer Contributions)	A Wilson	0	0	0	185
<b>Total Hold List</b>				<b>228</b>	<b>0</b>	<b>982</b>	<b>185</b>

# Appendix G (c)

## Resulting Capital & Revenue Projects Plan 2013/14 to 2017/18

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
<b>Capital-GF Projects</b>							
SC234	Histon Road Cemetery Landscaping (S106)	A Wilson	5	0	0	0	0
SC335	Customer Access Strategy - IT Workstream	C Bolton	20	0	0	0	0
SC361	Disabled Access and Facilities - Guildhall Halls	S Bagnall	80	0	0	0	0
SC362	Lighting and Power in Committee Rooms	J Stocker	14	0	0	0	0
SC391	La Mimosa Punting Station	P Doggett	10	0	0	0	0
SC410	Mill Road Cemetery	A Wilson	25	0	0	0	0
SC416	UNiform e-consultee Access Module	P Boucher	10	0	0	0	0
SC417	Development of UNiform System	P Boucher	6	0	0	0	0
SC423	Recycling Bins for Flats	J Robertson	25	0	0	0	0
SC429	Telephony System Upgrade	J Nightingale	0	50	0	0	0
SC432	Mill Road Cemetery Memorial Artwork (S106)	A Preston	44	0	0	0	0
SC436	Pye's Pitch Rec Facilities (S106)	I Ross	18	0	0	0	0
SC440	King George V Rec Ground (consolidated) (S106)	T Woollams	16	0	0	0	0
SC450	Changing Facilities at Cherry Hinton Village Centre (S106)	I Ross	2	0	0	0	0
SC456	Coldhams Common Local Nature Reserve (LNR) (S106)	G Belcher	26	0	0	0	0
SC460	Kings Hedges Learners Pool Electricity	I Ross	20	0	0	0	0
SC469	Vie Public Open Space (S106)	A Wilson	35	0	0	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
SC474	Cherry Hinton Hall Grounds Improvements - Phase 1 (S106)	A Wilson	19	0	0	0	0
SC476	Water Play Area Abbey Paddling Pool (S106)	I Ross	180	0	0	0	0
SC477	Coleridge Paddling Pool Enhancement (S106)	I Ross	140	0	0	0	0
SC478	Water Play Area Kings Hedges "Pulley" (S106)	I Ross	180	0	0	0	0
SC479	Abbey Pool Play Area Facilities (S106)	A Preston	85	0	0	0	0
SC492	Jesus Green Play Area (S106)	A Preston	147	0	0	0	0
SC493	Jesus Green Tennis Court (S106)	A Preston	3	0	0	0	0
SC494	Kings Hedges "Pulley" Play Area (S106)	A Preston	71	0	0	0	0
SC496	Petersfield Play Area (S106)	A Preston	64	0	0	0	0
SC497	Peverel Road Play Area (S106)	A Preston	84	0	0	0	0
SC500	Trumpington Rec Outdoor Space (S106)	A Wilson	1	0	0	0	0
SC505	Land Explorer Software/3D Modelling ESRI	G Richardson	3	0	0	0	0
SC506	Replacement Grand Arcade Car Park Pay on Foot Machines	S Cleary	347	38	0	0	0
SC507	Visit Cambridge Website	E Thornton	2	0	0	0	0
SC508	E-Benefits	A Cole	5	0	0	0	0
SC512	Hobbs Pavilion Refurbishment (S106)	I Ross	34	0	0	0	0
SC516	Relocation Grand Arcade Car Park Control Room	S Cleary	1	0	0	0	0
SC522	New Sound Equipment at Cambridge Corn Exchange	D Kaye	160	0	0	0	0
SC523	Refurbishment of Newmarket Rd Cemetery Buildings	T Lawrence	75	0	0	0	0
SC524	Cambridge Crematorium - Chapels & Public Areas Refurbishment	T Lawrence	120	0	0	0	0
SC525	Cambridge Crematorium - Staff Room Refurbishment	T Lawrence	0	0	30	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
SC530	Street Cleaning Planning Software	B Carter	15	0	0	0	0
SC531	In-cab Technology for Trade Waste Service	M Parsons	61	0	0	0	0
SC534	Refurbishment of Park Street Car Park	S Cleary	0	0	1,700	1,700	0
SC535	Repairs to Grafton West Car Park	S Cleary	178	0	0	0	0
SC538	Information Kiosks to be installed in local area	C Bolton	25	0	0	0	0
SC539	Metered system for the supply of electricity on the Market	A White	50	0	0	0	0
SC540	Electronic Market Management Software	A White	14	0	0	0	0
SC541	Corporate PC Replacement Programme	J Nightingale	116	0	0	0	0
SC543	Voltage Optimisation Roll-out	D Kidston	33	0	0	0	0
SC544	Coleridge Recreation Ground Improvements (S106)	A Wilson	289	0	0	0	0
SC545	Parkside Pool Variable Speed Drive	I Ross	9	0	0	0	0
SC548	Southern Connections Public Art Commission (S106)	N Black	75	30	0	0	0
SC551	Stourbridge Common - Riverbank Project	A Wilson	100	0	0	0	0
SC552	Localisation of Council Tax - Implementation Costs	A Cole	11	0	0	0	0
SC555	Siemens Maintenance Contract	C Bolton	67	0	0	0	0
SC556	Arbury Community Centre (S106)	T Woollams	80	0	0	0	0
SC557	Grand Arcade Annex Car Park - Drainage Gulleys	S Cleary	52	0	0	0	0
SC559	CBBid Software	K Jay	3	0	0	0	0
SC560	Guildhall & Corn Exchange Cap Schemes RO AR9	S Bagnall	150	0	0	0	0
SC561	Adaptations - Riverside River Banks	A Wilson	0	75	0	0	0
SC562	Review - Street & Open Spaces Benches	A Wilson	25	25	0	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
SC563	Corn Exchange Heating Mgt System	S Bagnall	20	0	0	0	0
SC566	Rapid Response Team - Vehicle & Equipment	T Ainley	75	0	0	0	0
SC567	Purchase of Street Cleansing Vehicles & Plant	B Carter	70	0	0	0	0
SC569	Topographical Survey of Multi-Storey Car Parks	P Necus	30	0	0	0	0
SC570	Essential Structural/Holding Repairs - Park Street Multi Storey car park	P Necus	174	15	10	0	0
SC571	Procurement of IT System to Manage Community Infrastructure Levy	S Saunders	20	0	0	0	0
SC573	Installation of Air Conditioning units at the Tourist Information Centre	E Thornton	35	0	0	0	0
SC574	Essential Repairs to Car Parks	P Necus	0	165	0	0	0
SC577	Underground Investigations at Park St Multi Storey Car Park	P Necus	60	0	0	0	0
SC578	Box Office Ticketing Software	S Bagnall	113	0	0	0	0
SC579	Office Accommodation Strategy	F Barratt	377	150	0	0	0
SC580	Electoral Services Software	G Clift	25	0	0	0	0
SC581	Epilog Upgrade	T Lawrence	24	0	0	0	0
SC582	Corn Exchange Front of House Toilets	S Bagnall	60	0	0	0	0
SC584	Lighting on Parker's Piece	A Preston	60	0	0	0	0
SC585	Fleetmaster software	M Parsons	15	0	0	0	0
<b>Capital-GF Projects</b>			<b>4,588</b>	<b>548</b>	<b>1,740</b>	<b>1,700</b>	<b>0</b>

<b>Capital-GF Provisions</b>							
PV007	Cycleways	A Preston	422	100	0	0	0
PV016	Public Conveniences	B Carter	361	417	0	0	0
PV018	Bus Shelters	A Preston	250	0	0	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
PV033B	Street Lighting	A Preston	40	0	0	0	0
PV163	Compulsory Purchase Orders (CPOs)	R Lord	400	0	0	0	0
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	124	63	173	0	0
PV221b	Lion Yard - Contribution to Works Phase 2	P Doggett	617	0	0	0	0
PV282	Kettle's Yard	D Kaye	0	40	0	0	0
PV329	Corporate Document Management (DIP & EDRM)	J Nightingale	50	348	0	0	0
PV348	Allotment Improvements (S106)	A Wilson	14	0	0	0	0
PV386	HMOs - Management Orders	R Lord	50	0	0	0	0
PV414	Property Accreditation Scheme	R Lord	9	0	0	0	0
PV526	Clay Farm Community Centre - Phase 1 (S106)	A Carter	471	0	0	0	0
PV527	Energy efficiency improvements to private sector housing	J Dicks	48	0	0	0	0
PV529	Upgrade facilities at 125 Newmarket Road	A Carter	100	0	0	0	0
PV532	Cambridge City 20mph Zones Project	P Dell	153	239	0	0	0
PV549	City Cycle Park	A Preston	232	257	0	0	0
PV554	Development Of land at Clay Farm	A Carter	783	850	739	327	761
PV564	Clay Farm Community Centre - Phase 2 (Construction)	A Carter	250	7,100	361	0	0
PV583	Clay Farm Commercial Property Construction Costs	D Prinsep	0	100	375	25	0
	<b>Capital-GF Provisions</b>		<b>4,374</b>	<b>9,514</b>	<b>1,648</b>	<b>352</b>	<b>761</b>

Capital-Programmes							
PR003	City Centre Management Programme	E Thornton	20	20	0	0	0
PR010a	Environmental Improvements Programme - North Area	A Preston	130	59	0	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
PR010b	Environmental Improvements Programme - South Area	A Preston	173	42	0	0	0
PR010c	Environmental Improvements Programme - West/Central Area	A Preston	186	43	0	0	0
PR010d	Environmental Improvements Programme - East Area	A Preston	157	56	0	0	0
PR010di	Environmental Improvements Programme - Riverside/Abbey Road Junction	A Preston	32	0	0	0	0
PR010j	Environmental Improvements Programme - Fitzroy/Burleigh Street	A Preston	70	0	0	0	0
PR017	Vehicle Replacement Programme	D Cox	1,030	750	0	0	0
PR020	ICT Infrastructure Programme	J Nightingale	656	211	260	160	110
PR023	Admin Buildings Asset Replacement Programme	W Barfield	164	155	138	74	62
PR024	Commercial Properties Asset Replacement Programme	W Barfield	82	135	433	20	22
PR025	New Town Community Development Capital Grants Programme (S106)	T Woollams	69	0	0	0	0
PR026	Community Development Grants Programme (S106)	T Woollams	407	0	0	0	0
PR027	Replacement of Parks & Open Space Waste/Litter Bins	A Wilson	150	75	75	0	0
PR028	Litter Bin Replacement Programme	B Carter	138	125	125	0	0
PR030	East Area Committee Developer Contribution Funds (S106)	T Wetherfield	0	520	0	0	0
PR030a	Increase Biodiversity at Stourbridge Common (S106)	G Belcher	15	0	0	0	0
PR030b	Improve Access to Abbey Paddling Pools From Coldham's Common (S106)	A Wilson	10	0	0	0	0
PR030c	Installation of Adult Gym Equipment next to Ditton Fields Play Area (S106)	I Ross	30	0	0	0	0
PR031	North Area Committee Developer Contribution(S106)	T Wetherfield	0	220	0	0	0



Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
PR031b	BMX track next to Brown's Field Community Centre (S106)	A Wilson	30	0	0	0	0
PR031c	Improvements to Nun's Way Skate Park (S106)	A Wilson	65	0	0	0	0
PR032	South Area Committee Developer Contribution Funds (S106)	T Wetherfield	0	462	0	0	0
PR032a	Conversion of Hanover Court/Princess Court Laundry into Community Meeting Space (S106)	T Woollams	100	0	0	0	0
PR032b	Trim Trail/Outdoor Fitness Equipment at Nightingale Ave Rec (S106)	I Ross	30	0	0	0	0
PR032c	Improvements to Cherry Hinton Rec. (S106)	A Wilson	123	0	0	0	0
PR032d	Cherry Hinton Community Centre - Stage 1 (at Cherry Hinton Library) (S106)	T Woollams	9	0	0	0	0
PR033	West Central Area Committee Developer Contribution Funds (S106)	T Wetherfield	0	600	0	0	0
PR033a	Benches in Parks & Open Spaces (S106)	A Wilson	30	0	0	0	0
PR033b	Access Improvements to Midsummer Common Community Orchard (S106)	A Wilson	20	0	0	0	0
PR033c	Public Art element of improvements to the entrances at Histon Rd Rec (S106)	A Preston	11	39	0	0	0
PR033d	Community meeting space at Centre 33 (S106)	T Woollams	12	0	0	0	0
PR033e	Great St Mary's Church Development	T Woollams	50	0	0	0	0
PR034	Strategic Developer Contribution Funds	T Wetherfield	0	156	0	0	0
PR034a	Logan's Meadow Local Nature Reserve (LNR) Extension (S106)	G Belcher	20	140	0	0	0
PR034b	Paradise Local Nature Reserve (LNR) (S106)	G Belcher	100	0	0	0	0
PR034c	Drainage of Jesus Green (S106)	A Wilson	95	0	0	0	0

Ref.	Description	Lead Officer	Budget 2013/14 £' 000s	Budget 2014/15 £' 000s	Budget 2015/16 £' 000s	Budget 2016/17 £' 000s	Budget 2017/18 £' 000s
PR034d	Public Art - 150th & 400th Anniversary (S106)	A Preston	19	69	0	0	0
PR034e	Play Provision Project Nth (S106)	A Wilson	0	40	0	0	0
PR034f	Play Provision Project East (S106)	A Wilson	0	35	0	0	0
PR034g	Grant for extension to St Andrew's Hall to provide a dedicated space for a community cafe (S106)	T Woollams	40	100	0	0	0
PR034h	Grant to the Cherry Trees Centre Refurbishment (S106)	T Woollams	50	0	0	0	0
PR034i	Grant to the Centre at St Paul's Development - Phase 3 (S106)	T Woollams	50	0	0	0	0
PR035	Waste & Recycling Bins - New Developments (S106)	J Robertson	65	0	0	0	0
<b>Capital-Programmes</b>			<b>4,438</b>	<b>4,052</b>	<b>1,031</b>	<b>254</b>	<b>194</b>

<b>TOTAL GENERAL FUND CAPITAL PLAN</b>	<b>13,400</b>	<b>14,114</b>	<b>4,419</b>	<b>2,306</b>	<b>955</b>
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#### Housing Capital Plan

PR001	Housing Capital Investment Programme	J Hovells	30,290	40,553	18,443	14,847	14,750
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<b>TOTAL CAPITAL PLAN</b>	<b>43,690</b>	<b>54,667</b>	<b>22,862</b>	<b>17,153</b>	<b>15,705</b>
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# Appendix G (d)

## Funding of the Capital & Revenue Projects Plan

Description	2013/14 £' 000s	2014/15 £' 000s	2015/16 £' 000s	2016/17 £' 000s	2017/18 £' 000s
<b>External Support</b>					
Specified Capital Grants (SCG)	(1,566)	(2,283)	(1,172)	(262)	(262)
Other Sources	(1,652)	(1,330)	(361)	0	0
Developer Contributions	(3,683)	(5,684)	0	0	0
HRA Capital Balances	1,500	700	517	204	343
Prudential Borrowing	0	(15,358)	0	0	0
<b>TOTAL - External Support</b>	<b>(5,401)</b>	<b>(23,955)</b>	<b>(1,016)</b>	<b>(58)</b>	<b>81</b>
<b>City Council</b>					
Specified Capital Grants	(311)	(394)	(300)	(300)	(300)
Usable Capital Receipts	(4,714)	(5,370)	(1,048)	(530)	(510)
Direct Revenue Financing (DRF) - HRA	(10,247)	(9,021)	(8,001)	(4,986)	(5,035)
Direct Revenue Financing (DRF) - GF Services	(28)	0	0	0	0
Earmarked Reserve - Repair & Renewals Fund	(3,865)	(1,519)	(871)	(254)	(194)
Earmarked Reserve - Capital Contributions	(895)	(37)	0	0	0
Direct Revenue Financing (DRF) - Use of Reserves	(2,076)	(2,373)	(2,444)	(2,762)	(1,380)
Earmarked Reserves - Technology Investment Fund	(33)	0	0	0	0
HRA Capital Balances	(5,782)	(1,203)	(1,020)	(707)	(503)
Direct Revenue Financing (DRF) - Temporary Use of Reserves	(833)	(850)	(739)	(327)	(761)
Major Repairs Reserve	(9,835)	(10,591)	(7,967)	(8,291)	(8,483)
<b>TOTAL - City Council</b>	<b>(38,619)</b>	<b>(31,358)</b>	<b>(22,390)</b>	<b>(18,157)</b>	<b>(17,166)</b>
<b>Total Available Finance</b>	<b>(44,020)</b>	<b>(55,313)</b>	<b>(23,406)</b>	<b>(18,215)</b>	<b>(17,085)</b>

# Appendix H

## Earmarked & Specific Funds (all figures in £'000s)

### Asset Repairs & Renewals

General Fund Portfolio	Balance at 1 April 2013	Contributions 2013/14	Expenditure to July 2013	Closing Balance at July 2013
Community Wellbeing	(830.3)	(305.6)	53.9	(1,082.0)
Customer Services & Resources	(4,409.6)	(974.9)	21.4	(5,363.1)
Environmental & Waste Services	(5,860.1)	(380.5)	2.2	(6,238.4)
Housing	(397.5)	(39.9)	0.0	(437.4)
Planning & Climate Change	(214.1)	(94.7)	5.2	(303.6)
Public Places	(631.3)	(327.9)	108.8	(850.4)
Strategy	(535.7)	(79.7)	4.6	(610.8)
<b>Totals *</b>	<b>(12,878.6)</b>	<b>(2,203.2)</b>	<b>196.1</b>	<b>(14,885.7)</b>

\* The Capital & Revenue Projects Plan includes project budgets totalling £3.6m to be funded from Repairs and Renewals Funds in the current financial year. These will be met from the closing balance above, subject to the actual level of expenditure during 2013/14.

### Climate Change Fund

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(409.7)	(235.6)	(235.6)	(235.6)	(235.6)
Contributions	0.0	0.0	0.0	0.0	0.0
Total surplus available	(409.7)	(235.6)	(235.6)	(235.6)	(235.6)
Expenditure approvals	77.0	0.0	0.0	0.0	0.0
Pending Approvals	97.1	0.0	0.0	0.0	0.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(235.6)</b>	<b>(235.6)</b>	<b>(235.6)</b>	<b>(235.6)</b>	<b>(235.6)</b>

## Council Tax Earmarked for Growth

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(398.1)	(260.0)	(308.6)	(540.0)	(746.3)
Contributions	(272.2)	(417.8)	(591.5)	(591.5)	(591.5)
Total surplus available	(670.3)	(677.8)	(900.1)	(1,131.4)	(1,337.8)
Expenditure approvals	410.4	369.2	360.2	385.2	385.2
<b>(Surplus) / Deficit Balance c/f</b>	<b>(260.0)</b>	<b>(308.6)</b>	<b>(540.0)</b>	<b>(746.3)</b>	<b>(952.6)</b>

## Development Plan Fund

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(418.2)	(267.1)	(4.2)	(11.2)	(14.2)
Contributions	(150.0)	(317.0)	(142.0)	(42.0)	(167.0)
Total surplus available	(568.2)	(584.1)	(146.2)	(53.2)	(181.2)
Forecast expenditure	301.1	579.9	135.0	39.0	39.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(267.1)</b>	<b>(4.2)</b>	<b>(11.2)</b>	<b>(14.2)</b>	<b>(142.2)</b>

## Efficiency Fund

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(490.4)	(304.6)	(304.6)	(304.6)	(304.6)
Contributions	0.0	0.0	0.0	0.0	0.0
Total surplus available	(490.4)	(304.6)	(304.6)	(304.6)	(304.6)
Expenditure approvals	185.8	0.0	0.0	0.0	0.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(304.6)</b>	<b>(304.6)</b>	<b>(304.6)</b>	<b>(304.6)</b>	<b>(304.6)</b>

## Fixed-Term Posts Costs

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)
Contributions	-	-	-	-	-
Total surplus available	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)
Expenditure	-	-	-	-	-
<b>(Surplus) / Deficit Balance c/f</b>	<b>(30.0)</b>	<b>(30.0)</b>	<b>(30.0)</b>	<b>(30.0)</b>	<b>(30.0)</b>

## Pension Fund Reserve

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(492.8)	(985.5)	(1,642.5)	(2,463.8)	(3,449.3)
Contributions	(492.8)	(657.0)	(821.3)	(985.5)	(985.5)
Total surplus available	(985.5)	(1,642.5)	(2,463.8)	(3,449.3)	(4,434.8)
Expenditure approvals	0.0	0.0	0.0	0.0	0.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(985.5)</b>	<b>(1,642.5)</b>	<b>(2,463.8)</b>	<b>(3,449.3)</b>	<b>(4,434.8)</b>

## Project Facilitation Fund

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(250.0)	(124.5)	(34.0)	(34.0)	(34.0)
Contributions	0.0	0.0	0.0	0.0	0.0
Total available	(250.0)	(124.5)	(34.0)	(34.0)	(34.0)
Expenditure approvals	125.5	90.5	0.0	0.0	0.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(124.5)</b>	<b>(34.0)</b>	<b>(34.0)</b>	<b>(34.0)</b>	<b>(34.0)</b>

## Property Strategy Fund

	2013/14	2014/15	2015/16	2016/17	2017/18
(Surplus) / Deficit Balance b/f	(86.3)	(29.1)	(64.0)	(98.9)	(133.8)
Contributions *	(34.9)	(34.9)	(34.9)	(34.9)	(34.9)
Total surplus available	(121.2)	(64.0)	(98.9)	(133.8)	(168.7)
Expenditure approvals	92.1	0.0	0.0	0.0	0.0
<b>(Surplus) / Deficit Balance c/f</b>	<b>(29.1)</b>	<b>(64.0)</b>	<b>(98.9)</b>	<b>(133.8)</b>	<b>(168.7)</b>

\* In July 2010 it was agreed that the proceeds of the sale of one of the Council's commercial premises, £385,000, would also be made available to reinvest in commercial property.

## Technology Investment Fund

Description	2013/14 £ '000	2014/15 £ '000	2015/16 £ '000	2016/17 £ '000	2017/18 £ '000
(Surplus) / Deficit b/f	(84.9)	0.0	0.0	0.0	0.0
Reduction in Existing Commitments	(22.7)	0.0	0.0	0.0	0.0
New commitments	107.6	0.0	0.0	0.0	0.0
<b>(Surplus) / Deficit c/f</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Developer Contributions at July 2013

Category	Completed agreements		Future Forecast <sup>1</sup>		Approvals <sup>3</sup>	Projected Balance Available
	Balance at 1 April 2013	Apr-Jul 2013 (Actual)	Non Growth Sites	Growth Sites <sup>2</sup>		
Affordable Housing	(67.9)	0.0	.0	.0	.0	(67.9)
Community Facilities	(2,108.1)	(56.3)	(294.7)	(155.7)	1,768.0	(846.7)
Formal Open Spaces/Outdoor Sports Facilities	(1,088.9)	(162.7)	(43.2)	(263.2)	1,350.8	(207.2)
Informal Open Spaces	(1,788.5)	(139.8)	(164.5)	(247.7)	1,447.2	(893.3)
Childrens Play Area/Provision for Children & Teenagers	(707.5)	(18.7)	(124.7)	(277.2)	598.0	(530.1)
Indoor Sports Facilities	(219.7)	(24.2)	(137.5)	(99.7)	100.0	(381.0)
Public Art	(485.6)	(35.0)	(5.6)	(180.4)	279.0	(427.6)
Public Realm	(276.8)	0.0	(7.5)	(59.1)	288.0	(55.4)
Misc (includes Waste & Recycling & S106 Monitoring)	(122.2)	(24.0)	(86.0)	(11.3)	65.0	(178.4)
<b>Total</b>	<b>(7,068.2)</b>	<b>(482.1)</b>	<b>(983.1)</b>	<b>(1,382.3)</b>	<b>5,996.0</b>	<b>(3,919.7)</b>

<sup>1</sup> Includes forecast funding from completed S106 agreements where trigger points for the receipt of contributions have not yet been reached. Whilst most of these contributions are for off-site spending, stipulations within some legal agreements can prescribe how (type of project), where (proximity to development) and when the contribution can be used. Developer contributions must be used for the intended purposes.

<sup>2</sup> Some contributions from CB1 and NIAB Frontage developments are available to fund projects beyond the growth sites.

<sup>3</sup> Includes capital projects that are in the Capital Plan & Hold List (2013/14 – 2017/18) to be financed from Developer Contributions.

## Developer Contributions Forecast – Major Growth Sites (*memorandum only*)

Category	Cambridge City £000	Cambridgeshire CC £000	South Cambs DC £000	TOTAL £000
Affordable Housing <sup>1</sup>	0.0	0.0	0.0	0.0
Community Facilities <sup>2 3</sup>	6,606.8	2,155.9	0.0	8,762.7
Formal Open Space <sup>3</sup>	983.7	745.8	0.0	1,729.5
Informal Open Space <sup>2 3</sup>	3,810.2	0.0	0.0	3,810.2
Children & Teenagers <sup>2 4</sup>	2,093.2	0.0	0.0	2,093.2
Allotments <sup>2 4</sup>	221.0	0.0	0.0	221.0
Indoor Sport <sup>3</sup>	1,454.0	0.0	0.0	1,454.0
Public Art <sup>1</sup>	0.0	0.0	0.0	0.0
Public Realm <sup>1 2</sup>	82.5	0.0	0.0	82.5
Waste & Recycling <sup>2 4</sup>	25.6	0.0	0.0	25.6
Ecology <sup>3</sup>	564.3	0.0	0.0	564.3
Miscellaneous <sup>3</sup>	417.9	0.0	35.9	453.8
Section 106 monitoring <sup>2</sup>	423.0	0.0	0.0	423.0
Community development & other revenue contributions	1,313.6	0.0	0.0	1,313.6
Education & Lifelong learning	0.0	52,014.4	0.0	52,014.4
Household Waste Recycling Facility	0.0	1,514.4	0.0	1,514.4
Transport	0.0	35,698.1	0.0	35,698.1
<b>TOTAL</b>	<b>17,995.9</b>	<b>92,128.7</b>	<b>35.9</b>	<b>110,160.4</b>

<sup>1</sup> Indicates that all provision within this category will be provided on site, so that no off-site contributions will be payable

<sup>2</sup> Indicates site-specific maintenance contributions only for open spaces/public realm areas within these categories to be provided on site that will be transferred to the City Council to manage and maintain/ or payments to the local authority for other facilities and services that need to be provided/delivered on site

<sup>3</sup> Indicates off-site contribution towards named project specified in S106 agreement

<sup>4</sup> Formula contributions to be calculated