



To: Executive Councillor for Strategy / Leader:
Councillor Tim Bick

Report by: Director of Resources

Relevant scrutiny committee: Strategy & Resources 20 Jan 2014

Wards affected: All Wards

Budget-Setting Report (BSR) 2014/15

Key Decision

1. Executive summary

Overview of Budget-Setting Report

- 1.1 At this stage in the 2014/15 budget process the range of assumptions on which the Mid-Year Forecast (MFR) was based need to be reviewed, in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for the finalisation of the 2013/14 revised and 2014/15 budgets, in particular.
- 1.2 The Budget-Setting Report (BSR), which is attached, provides an overview of the review of the key assumptions. It includes the detailed revenue bids and savings and sets out the key parameters for the detailed recommendations and budget finalisation to be considered at the meeting of the Executive on 23 January 2014. The Executive will make final budget recommendations to Council, for consideration at it's meeting on 21 February 2014.
- 1.3 The recommendations that follow refer to the strategy outlined in the BSR and all references to Appendices, pages and sections relate to the Budget-Setting Report (Version 1 – Strategy & Resources).

2. Recommendations

The Executive Councillor is recommended to:

General Fund Revenue Budgets: [Section 4, page 37 refers]

Budget 2013/14:

- a) Approve, with any amendments, the revised budget items shown in Appendix C(a).

- b) Approve, with any amendments, the Non Cash-Limit budget items for 2013/14 as shown in Appendix C(b).
- c) Approve, with any amendments, the overall revised budget for 2013/14 for the General Fund, as shown in Section 4 [page 37 refers] and Appendix D(a).

Budget 2014/15:

- d) Agree any recommendations for submission to the Executive in respect of:
 - Non Cash Limit items as shown in Appendix C(b).
 - Revenue Savings and Bids as shown in Appendix C(c), (d) & (e).
 - Priority Policy Fund (PPF) Bids as shown in Appendix C(f) – based on the position as outlined in Section 4 [page 37 refers].
 - Bids to be funded from External or Earmarked Funds as shown in Appendix C(g).
- e) Note the Council Tax taxbase, as set out in Appendix B(a), as calculated and determined by the Director of Resources under delegated authority.
- f) Recommend to Council the level of Council Tax for 2014/15 as set out in Section 3 [page 32 refers].

Note that the Cambridgeshire Police and Crime Panel will meet on 5 February 2014 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority will meet on 13 February 2014 and Cambridgeshire County Council will meet on 18 February 2014 to consider the amounts in precepts to be issued to the City Council for the year 2014/15.

Treasury Management: [Section 6, page 58 refers]

- g) Recommend to Council to approve:
 - (i) the Prudential Indicators as set out in Appendix M(a) and to confirm that the Authorised Limit for external borrowing determined for 2014/15 will be the statutory limit determined under section 3 of the Local Government Act 2003,
 - (ii) to delegate to the Director of Resources, within the borrowing totals for any financial year within (i) above, to effect movement between the separately agreed figures for 'borrowing' and 'other long term liabilities',
 - (iii) the Treasury Management Annual Borrowing and Investment Strategies set out in Appendices M(b) and M(c) , and
 - (iv) the Council's Counterparty List shown in Appendix M(c), Annex 3.

Other Revenue:

- h) Delegate to the Director of Resources authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Capital: [Section 5, page 47 refers]

Capital & Revenue Projects Plan: [Section 5, page 51 refers]

- i) Approve project appraisals that have been referred by Executive Councillors:
- j) Agree any recommendations to the Executive in respect of the bids outlined in Appendix G(a) & (b) for approval to include in the Capital Plan, or put on the Hold List, including any additional use of reserves required.
- k) Agree to carry forward resources from 2013/14, resulting from variances as detailed in Appendix G(c), to fund re-phased capital spending.
- l) Agree the revised Capital & Revenue Projects Plan as set out in Appendix G(d), the Hold list set out in Appendix G(e), and the Funding as set out in Appendix G(f) for the General Fund.

Note that the Appendices do include new bids, but will be updated in subsequent versions to incorporate approved rephasing included in the above recommendations.

General Fund Reserves:

- m) Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to:
 - (i) support the 2013/14 budget
 - (ii) support the 2014/15 and future year's budgets.

as set out in Appendix D(c).

3. Implications

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

(a) Financial Implications

The financial implications are outlined in the attached Budget-Setting Report 2014/15.

(b) **Staffing Implications**

See text above

(c) **Equal Opportunities Implications**

An Equality Impact Assessment is included at Appendix I in the attached Budget Setting Report 2014/15.

(d) **Environmental Implications**

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

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

(e) **Consultation**

As outlined in 3 above, budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations relating to Council services are undertaken throughout the year, and details can be found on the Council's website - details of the results of the 2013 survey can be found on the internet at: <http://alturl.com/h9jgw>

(f) **Community Safety**

See text above.

4. **Background papers**

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

- Mid-Year Financial Review (MFR) 2013
- Budget working papers: Revised 2013/14 and Original 2014/15.

5. **Appendices**

In this Report:

- Budget-setting Report Version 1, January 2014 (covering 2013/14 to 2017/18)

6. **Inspection of papers**

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

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