

<p style="text-align: center;">RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES – COUNCILLOR OWERS)</p>

Budget 2014/15 – Amendment by the Executive

The report set out a budget amendment proposed by The Executive.

The appendices to the report presented the budget proposals in relation to specific budget items for both General Fund (GF) Revenue and Capital as follows:

- (i) to add new budget proposals
- (ii) to amend or delete specific existing revenue budgets
- (iii) to amend existing items on the Capital & Revenue projects Plan
- (iv) to create new Earmarked Funds with accompanying Remits

The Strategy and Resource Scrutiny Committee considered and approved the recommendations by 5 votes to 3.

Accordingly, Council is recommended to:

Agree the budget changes as outlined in the following:

General Fund Revenue Budgets:

Approve the following revenue budget changes:

- for items funded from General Fund Reserves, as shown in Appendix A of the officer's report.
- for items funded from External or Earmarked Funds, as shown in Appendix B of the officer's report.

Capital & Revenue Projects Plan:

Approve the capital amendment, as shown in Appendix C of the officer's report.

Approve changes as follows:

Amend the 'Keep Cambridge Moving Fund'

The Budget-Setting Report approved by Council in February 2014 included a contribution to this fund of £1,063.9k. It is now proposed to reduce this to £263.9k in order to fund the new Earmarked Reserves outlined below. The updated Earmarked and Specific Funds are shown in Appendix D of the officer's report.

• Establishing an earmarked reserve of £500,000 for 'Sharing Prosperity Fund', with the remit:

Sharing Prosperity Fund Formal Remit:

To provide resources to fund fixed-term and one-off projects and proposals (which can be made through the budget process by members or officers, subject to consideration by the relevant scrutiny committee and the Anti- Poverty Strategy Project Board) that support the interim objectives of the council's Anti-Poverty Strategy, namely:

- 1 Helping people on low incomes to maximise their income and minimise their costs*
- 2 Making the move into work easier*
- 3 Helping low income families with the cost of raising a child*
- 4 Breaking the link between poor health and poverty*
- 5 Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience*
- 6 Helping people with high housing costs and improving the condition of people's homes*
- 7 Working in partnership to tackle wider barriers to employment and engagement (e.g. transport, learning and skills)*

Establishing an earmarked reserve of £300,000 for 'Fixed-Term Priority Project Fund', with the remit:

Fixed-Term Priority Project Fund Formal Remit:

To use non-ongoing, potentially short-term or uncertain sources of income, most obviously New Homes Bonus, for fixed-term costs.

The creation of this fund will allow such sources of income to be used for priority projects without building in unsustainable ongoing revenue commitments.

3. Earmarked Reserves

‘Sharing Prosperity Fund’ (SPF)

It is recommended that £500,000 of the balance of unapplied New Homes Bonus Funding for 2014/15 (currently in “Keep Cambridge Moving” Earmarked Fund) is used to create a ‘Sharing Prosperity Fund’. It will provide resources to fund fixed term and one-off projects and proposals (which can be made through the budget process by members or officers, subject to consideration by the relevant scrutiny committee and the Anti-Poverty Strategy Project Board) that support the objectives of the council’s Anti-Poverty Strategy,

‘Fixed-Term Priority Project Fund’ (FTPPF)

Currently the Priority Policy Fund (PPF) can be used to fund ongoing revenue costs as well as fixed-term or one-off projects. It is recommended that in future years it is used solely to fund ongoing revenue costs, not fixed-term or one-off projects.

It is recommended that a new fund, similar to the PPF but only available for funding non-ongoing, fixed-term projects, be set up, called the Fixed-Term Priority Project Fund (FTPPF). This can then harness non-ongoing, potentially short-term or uncertain sources of income, most obviously NHB. The creation of this fund will allow such sources of income to be used for priority projects without building in unsustainable ongoing revenue commitments. It is recommended that £300,000 of the balance of unapplied New Homes Bonus Funding for 2014/15 (currently in “Keep Cambridge Moving” Earmarked Fund) is used to create this fund.

4. Capital

The Executive are proposing the change identified in Appendix C, namely to delete the 'Capital contribution to the 'Keep Cambridge Moving Fund' of £111,140 and delete from Capital Plan SC593.