



To: Executive Councillor for Finance and Resources:  
Councillor George Owers

Report by: Head of Finance

Relevant scrutiny committee: Strategy & Resources 19 Jan 2015

Wards affected: All Wards

## **Budget-Setting Report (BSR) 2015/16**

### **Key Decision**

#### **1. Executive summary**

##### **Overview of Budget-Setting Report**

- 1.1 At this stage in the 2015/16 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 budget considerations.
- 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 22 January 2015. The Executive will make final budget recommendations to Council, for consideration at its meeting on 26 February 2015.
- 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 5, page 28 refers]**

- a) Agree any recommendations for submission to the Executive in respect of:
  - Revenue Pressures shown in Appendix B(a) and Savings shown in Appendix B(b).
  - Priority Policy Fund (PPF) Bids as shown in Appendix B(c).
  - Bids to be funded from External or Earmarked Funds as shown in Appendix B(d).
  - Non Cash Limit items as shown in Appendix B(e).
- b) Formally confirm delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) as set out in Appendix A(a).
- c) Recommend to Council the level of Council Tax for 2015/16 as set out in Section 4 [page 26 refers].

*Note that the Cambridgeshire Police and Crime Panel will meet on 28 January 2015 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority will meet on 12 February 2015 and Cambridgeshire County Council will meet on 17 February 2015 to consider the amounts in precepts to be issued to the City Council for the year 2015/16.*

### **Treasury Management (see separate report).**

### **Other Revenue:**

- d) Delegate to the Head of Finance authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
- e) Approve an amendment to the remit for the “Sharing Prosperity Fund” so that the revised remit (changes are underlined) is:

**Sharing Prosperity Fund Formal Remit:**

To provide resources to fund fixed-term and one-off projects and proposals that support the interim and final 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)

In accordance with the Council's delegation and approval processes outlined in Part 3 Section 9.3 of the Council Constitution, approval of allocations to be made from the Sharing Prosperity Fund will differ depending on the amount of funding requested and whether it is capital or revenue.

Projects costing £15,000 or less will be approved by the Head of Corporate Strategy, subject to endorsement by The Anti-Poverty Strategy Project Board.

Projects costing more than £15,000 will be considered in the first instance by The Anti-Poverty Strategy Project Board and then submitted for approval by the Executive Councillor for Finance and Resources.

Projects over £75,000 will be reviewed at Strategy and Resources Scrutiny Committee before approval, subject to the need to make urgent decisions.

Where a project includes capital spending of more than £15,000, capital approval processes are also required.

**Capital: [Section 7, page 35 refers]**

**Capital Plan:**

- f) Agree any recommendations to the Executive in respect of the proposals outlined in Appendix D(a) for approval to include in the Capital Plan, or put on the Projects Under Development or Hold Lists, including any additional use of revenue resources required.
- g) Agree the revised Capital Plan as set out in Appendix D(c), the Projects Under Development and Hold lists set out in Appendices D(d) and D(e) respectively and the Funding as set out in Section 7, page 41 for the General Fund.

**General Fund Reserves:**

- (i) Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to support the budget proposals as set out in the table [Section 6, report page 34 and Section 8, page 46 refers].

### **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 2015/16.

#### **(b) Staffing Implications**

See text above

#### **(c) Equality and Poverty Implications**

A consolidated Equalities Impact Assessment is included at Appendix F in the attached Budget Setting Report 2015/16. Individual Equality Impact Assessments have been conducted to support this, and will be available on the Council's website.

#### **(d) Procurement Implications**

Any procurement implications will be outlined in the Budget Setting Report 2015/16.

#### **(e) 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.

#### **(f) Consultation and Communication Implications**

As outlined in 3 above, budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations are undertaken throughout the year and can be seen at:

<https://www.cambridge.gov.uk/current-consultations>

#### **(g) Community Safety Implications**

Any community safety implications will be outlined in the Budget Setting Report 2015/16.

#### **4. Background papers**

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

- Mid-Year Financial Review (MFR) 2014
- Budget Papers 2015/16
- Individual Equalities Impact Assessments

#### **5. Appendices**

In this Report:

- Budget-setting Report Version 1, January 2014 (covering 2014/15 to 2019/10)

#### **6. Inspection of papers**

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

Author's Name:	Caroline Ryba
Author's Phone Number:	01223 - 458134
Author's Email:	caroline.ryba@cambridge.gov.uk