



To: Executive Councillor for Strategy & Transformation:
Councillor Lewis Herbert

Report by: Chief Executive, Director of Customer and Community
Services, Director of Environment, Director of Business
Transformation and Head of Finance

Relevant scrutiny
committee: Strategy and Resources
Scrutiny Committee 18 January 2016

Wards affected: All Wards

**Strategy and Resources – Strategy & Transformation Portfolio
Revenue and Capital Budget Proposals for 2015/16 to 2019/20**

Key Decision

1. Executive summary

Revenue and Capital Budgets

- 1.1 The following report details the budget proposals relating to this portfolio that are included in the Budget-Setting Report (BSR) 2016/17 which will be considered at the following meetings:

Date	Committee	Comments
18 January 2016	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
21 January 2016	The Executive	Budget amendment may be presented
8 February 2016	Strategy & Resources	Consider any further amendments including opposition proposals
25 February 2016	Council	Approves General Fund Budget and sets Council Tax

2. Recommendations

The Executive Councillor is recommended to:

Review of Charges:

- a) There are none requiring formal approval within this Portfolio (so no Appendix A).

Revenue:

- b) Consider the revenue budget proposals as shown in Appendix B.

Capital:

- c) Consider the capital budget proposals as shown in Appendix C.
- d) Adjust capital funding for item 2 (c).

3. Background

- 3.1 At its meeting on 22 October 2015, Council gave initial consideration to the budget prospects for the General Fund for 2016/17 and future years in the Mid-year Financial Review (MFR) 2015.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 18 January 2016 will include a review of all the factors relating to the overall financial strategy that were included in the MFR.
- 3.3 The report to The Executive on 21 January 2016 may include details of the Government's Final Settlement for 2016/17. The announcement is likely to be made shortly after the conclusion of the consultation period, which ends on 15 January 2016.
- 3.4 Further work may be required on detailed budgets, so delegation to the Head of Finance will be sought from Council for authority to finalise changes relating, for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Budget 2016/17 - Overall Revenue Budget Position

- 3.5 The budget proposals for this portfolio, as summarised in table 1, will be considered by the Executive at its meeting on 21 January 2016.

Table 1: Overall Revenue Proposals (see Appendix B)

Savings and Bids	2015/16 Budget £	2016/17 Budget £	2017/18 Forecast £
Savings:			
Increased Income	-	-	-
Savings	-	(94,500)	(94,500)
Total	-	(94,500)	(94,500)
Bids:			
Unavoidable Revenue Pressures	-	-	-
Reduced Income	-	-	-
Bids	-	55,500	52,500
Total	-	-	-
Net (savings)/bids	-	(39,000)	(42,000)

External Bids	-	-	-
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Non-Cash Limit Items	408,000	230,000	81,000
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Capital

- 3.6 The review of the capital plan and capital approval processes, first proposed in the MFR 2014, is now complete. The review addressed a number of concerns, as listed below:
- Capacity to deliver projects to time, cost and quality;
 - Dependency on revenue funding; and
 - Inclusion of items, such as unallocated funds, projects at an early stage of development, and items more properly treated as small enhancements or maintenance spend.
- 3.7 Phase 1 sought to remove projects from the plan that were not fully specified and/or not deliverable. Phase 2 proposed and implemented new processes and procedures, including a Capital Programme Board to review and approve the planning and deliverability of schemes prior to funding approval. The operation of the board and the new processes will be kept under review to ensure effectiveness.
- 3.8 All capital proposals in this BSR have been put through the new processes. Additionally, new documentation was required for schemes already on the plan but not yet started, to ensure that they are planned and deliverable. Where

satisfactory documentation has not been received, it is proposed that funding is withdrawn and the schemes are moved to the Projects Under Development (PUD) list.

Table 2: Overall Capital Proposals (see Appendix C)

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Deletions	-	-	-	-	-
Capital Bids	-	85,000	-	-	-
Net Capital Bids	-	85,000	-	-	-

Public Consultation

- 3.9 The Council has carried out a budget consultation exercise annually since 2002. Last year, the council used a tool called “YouChoose”, in which residents were asked to say how they would increase or decrease the budget across a range of council services, to meet the council’s savings targets and set a balanced budget. In the YouChoose exercise, residents identified a number of services where they thought the biggest savings could be made. These included planning services, managing parks and public spaces, waste collection and recycling, running community centres, street cleaning, and enforcing environmental standards.
- 3.10 This year, the council asked a group of residents and businesses to take part in workshops to look in more detail at where savings could be made from the services picked out last year. BMG Research, an independent research agency, was commissioned to conduct deliberative workshops to explore their views. Three workshops involving a representative sample of residents and local businesses were run in August and early September 2015. Participants were asked to:
- Indicate how they perceived the Council and the services it provides.
 - Give their initial views on a long-list of services (23) that make-up the five key service areas.
 - Talk about their experiences of using the services (23).
 - Discuss how they valued the services, and whether there were opportunities for doing things in a different way.
 - Vote on the importance of services where ideas for savings (8) had been put forward.
 - Give their initial views on the savings ideas.
 - Consider the ideas for savings in a bit more depth.
- 3.11 The full report, published on the Council’s website, sets out the key findings from the research. Section 3 of the BSR highlights the views of participants in the workshops, outlining similarities or differences between the views of resident and business representatives.

4. Implications

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

Financial implications of budget proposals are summarised in the BSR 2016/17.

(b) Staffing Implications

See text above.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the Council's Budget Setting Report will be submitted to The Executive at its meeting on 21 January 2016. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

(d) Environmental Implications

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

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

(e) Procurement Implications

Any procurement implications will be outlined in the BSR 2016/17.

(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/budget-consultation>

(g) Community Safety Implications

Any community safety implications will be outlined in the BSR 2016/17.

5. Background papers

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

- Budget Setting Report 2016/17
- Mid-year Financial Review 2015
- Individual Equality Impact Assessments

6. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Review of Fees & Charges	-
B	Revenue Budget Proposals for this portfolio	✓
C	Capital Budget Proposals for this portfolio	✓

7. Inspection of papers

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

Authors' Name: John Harvey
Authors' Phone Number: 01223 - 458143
Authors' Email: John.harvey@cambridge.gov.uk

[O:\accounts\Committee Reports & Papers\Strategy & Resources from July 2007\2016 January\Strategy and Transformation Portfolio\Final\2016-17 Budget Report - S&T - Final.doc](#)

2016/17 Budget - Revenue Proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

Strategy & Transformation

B3771	Public Spaces Protection Order Signage	0	3,000	0	0	0	Lynda Kilkelly	Nil
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Exploration is underway into obtaining a Public Spaces Protection Order against punt touting. If this is pursued, extensive signage will be required in specific conservation areas of the city. 2.9

B3772	Domestic Abuse – Development work, training and awareness raising	0	7,000	7,000	7,000	7,000	Lynda Kilkelly	Nil
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The City Council has committed to delivering an extensive action plan to retain our White Ribbon Campaign accreditation and to develop work to help address domestic abuse in the City. The plan involves engaging the community, including business, voluntary sector and partner agencies in working together to raise awareness, improve the availability of information and increase reporting of domestic abuse incidences. In order to do this we need to run events, produce publicity material, train staff and ensure there is dynamic and effective working with a wide range of stakeholders and a successful Domestic Abuse Forum in the City. 6.5

B3821	Bid to keep Cambridge's streetlights on in partnership with the County Council	0	45,500	45,500	45,500	45,500	Lynda Kilkelly	+H
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The County Council's proposal to dim or turn off lighting in a number of areas across the County will have a significant effect on community safety in Cambridge. This bid is a compromise offer to the County, in line with the actions of various parishes across Cambridgeshire, to fund the lights between 2am and 6am in the city if the County will fund the period between midnight and 2am. The precise nature of this bid is to be subject to the results of ongoing negotiations with the County as their budget decisions become clearer. 3.2

This proposal is on the basis that, in the agreed time period:

- (i) Lights in the city centre and University areas, including immediate walk/cycle to home routes, and from other key locations, will be kept on with a maximum of 20% dimming, and will be funded by the County
- (ii) All other lights in streets currently proposed for switch off in the city, i.e. the remaining affected streets, to be kept on with a maximum dimming of 50%

Total Bids in Strategy & Transformation

0	55,500	52,500	52,500	52,500
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Total Bids

0	55,500	52,500	52,500	52,500
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2016/17 Budget - Revenue Proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Non-Cash Limit Items

Strategy & Transformation

NCL3845	Additional funding for Business Transformation Programme	408,000	77,000	(72,000)	29,000	0	Ray Ward	Nil
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The Council has previously provided funding for a complex cross-cutting programme of transformational change. At the outset it is challenging to predict accurately the costs of such a change as the scale of the savings required from it and the detail of each specific project within the programme may be difficult to accurately define. As more detail of the costs, benefits and pace of the programme become available it is clear that additional funding is required. The programme is currently managing and preparing to manage projects with a combined cost saving value of £2.4m. The bid will provide for the additional change resources required to deliver these and future projects and other staffing costs associated with the programme. The bid also reflects the need to re-profile the programme budget, based on the anticipated demand in the earlier years of the programme. n/a

NCL3855	Contribution to City Deal from New Homes Bonus (NHB)	0	153,000	153,000	153,000	153,000	Caroline Ryba	Nil
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Contribution from New Homes Bonus to support the City Deal programme based on a contribution of 40% in 2015/16 and 50% thereafter. This incorporates the additional New Homes Bonus for 2016/17 based on 17 December notification from the Department for Communities and Local Government (DCLG) and future NHB amounts calculated based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL3854 and NCL3856].

Total Non-Cash Limit Items in Strategy & Transformation

408,000	230,000	81,000	182,000	153,000
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Total Non-Cash Limit Items

408,000	230,000	81,000	182,000	153,000
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2016/17 Budget - Revenue Proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Savings

Strategy & Transformation

S3755	Miscellaneous savings in Democratic Services	0	(7,000)	(7,000)	(7,000)	(7,000)	Gary Cliff	Nil
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A change to one post (grade and hours) will result in an on-going saving. A new printing contractor has resulted in savings on committee agenda costs. n/a

S3801	Various operational savings from cost centre 01007 and 01006	0	(7,500)	(7,500)	(7,500)	(7,500)	Andrew Limb	Nil
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Savings from operational efficiencies in cost centres 01007 (£2,500) and 01006 Corporate Policy (£5,000). Some of the efficiencies will be achieved as a result of reduced demand for consultancy support and from the current underspend on the interpreting budget. It is anticipated that the remaining budget will be sufficient to meet demand for these services. n/a

S3835	Corporate Management Review	0	(80,000)	(80,000)	(80,000)	(80,000)	Antoinette Jackson	Nil
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The Chief Executive has reviewed the council's senior management structures to reduce the number of senior managers, in the light of the number of new arm's length and shared services arrangements, which mean the council is managing fewer services directly. This saving is based on the deletion of one director and two head of service posts and replacing these with a shared Director of Planning, a two day a week project post and new head of service post. n/a

Total Savings in Strategy & Transformation	0	(94,500)	(94,500)	(94,500)	(94,500)			
Total Savings	0	(94,500)	(94,500)	(94,500)	(94,500)			
Report Total	408,000	191,000	39,000	140,000	111,000			

2016/17 Budget - Capital

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Capital Bids

Strategy & Transformation

C3785	Investment in dedicated Wi-fi frequency for Cambridge CCTV cameras	0	25,000	0	0	0	Paul Necus	Nil
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To procure a dedicated Wi-Fi frequency to operate CCTV cameras in Cambridge City Centre that will ensure uninterrupted communications between the cameras and the CCTV Control Room

4.4

C3786	Replacement of Redeployable CCTV camera stock	0	60,000	0	0	0	Paul Necus	Nil
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To procure six new redeployable CCTV cameras for Cambridge City Centre that are fit for purpose, replacing obsolete stock

4.4

Total Capital Bids in Strategy & Transformation

0	85,000	0	0	0
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Total Capital Bids

0	85,000	0	0	0
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Report Total

0	85,000	0	0	0
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