

Version 1
Strategy &
Resources

Budget-Setting Report 2019/20

February
2019

2019/20

Cambridge City Council



Version Control

	Version No.	Revised version / updates for:	Content / Items for Consideration
Current	1	Strategy & Resources Scrutiny Committee (11 February 2019)	<ul style="list-style-type: none"> – Budget overview and budget proposals – Opposition budget amendment proposals
		The Executive (11 February 2019)	<ul style="list-style-type: none"> – Proposals of the Executive
	2	Council (21 February 2019)	Final Proposals to Council incorporating updates relating to: <ul style="list-style-type: none"> - Head of Finance final Section 25 report - Final Local Government Finance Settlement 2019/20 - Appendix A(b) Council Tax Setting following receipt of County Council, Police, Fire and Combined Authority precepts
	3	Council (Final)	Approved Budget-Setting Report incorporating <ul style="list-style-type: none"> - Decisions of Council - Any other final amendments

Anticipated Precept Setting Dates

Cambridgeshire Police & Crime Commissioner	Cambridgeshire & Peterborough Fire Authority	Cambridgeshire County Council	Cambridgeshire & Peterborough Combined Authority
30 January 2019	7 February 2019	5 or 8 February 2019	-

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Foreword by the Leader of the Council and the Executive Councillor for Finance and Resources

The country has now suffered for over eight years from the imposition of the austerity policies by successive governments. Public services and household incomes for many in Cambridge have been cut while at the same time significant ongoing inflation has developed. Failing to regulate markets, including private rented housing and energy, has brought great hardship to many in Cambridge, and often the same people on falling real incomes or who have suffered from welfare benefit cuts. The Council budget for Cambridge in 2019/20 delivers on our vision to lead a united city that is "One Cambridge - Fair for All", by supporting our city to be prosperous and using that to tackle inequality. It's a vision we will share and develop, working with our residents and partner organisations.

Delivering quality services within financial constraints

Only five years ago, our core government grant was £5.6m. In 2019/20 it will be zero.

Despite that loss, and cuts in "New Homes Bonus", we have found ways to continue to deliver quality services such as keeping our streets free of litter; maintaining our many play areas, parks and commons; and carrying out hygiene checks on cafés and takeaways.

Our pest control service will continue to be free, as will a collection of green waste from each household, unlike many other councils who now charge for these services. For some years we have provided Community Clear Up days in some areas to help with disposal of bulky items and avoid fly tipping, and these Clear Ups are to be expanded in 2019 across the city to areas needing them the most.

Despite government cuts, we have found rewarding ways to invest council funds for the future. Releasing underused bank balances has enabled us to purchase commercial property and provide new income. Investing a further £6m in Lion Yard will help that shopping centre diversify as well as add to the income for the Council. Our proposed investment in a new community centre at the Meadows in King's Hedges will not only provide enhanced facilities but will also release land for the badly needed new council homes.

We are committed to ensuring the continuation of a high quality programme of entertainment and cultural events in the city. It has become apparent that Cambridge Live has been unable to do this within financial targets so we have stepped in and all services and staff will be transferred back to

the Council. We have acted decisively to make clear to customers that it is business as usual and ensure that Cambridge continues to enjoy a wide range of cultural events.

We are continuing extra investment in new IT software to improve services, with a new system for Environmental Health. Like last year's refuse and recycling IT system, this will improve access and reporting by residents as well as enhancing service and efficiency.

Last year's £800,000 funding upgraded Cambridge's CCTV cameras and enhanced pictures are already assisting our anti-social behaviour team, car park staff and the police keep our city safe. Similarly, we will continue to fund making Cambridge street lights operate at brighter levels in the evening, after persuading the County Council that they be lit all night. This is essential in a city like ours with shift workers travelling to and from work at all hours, as well as many people out at night clubs.

Helping people in Cambridge who have the greatest need

Parts of our city include great wealth while nearby there are pockets of people in poverty and severe deprivation, and they continue to be a core council target for our assistance. The Council is committed to promoting financial inclusion and prioritises services which achieve this.

This budget continues our campaign, supported by dozens of local employers, to promote the Real Living Wage of at least £9/hour to all businesses in Cambridge, further fund our Fuel and Water Poverty Campaign, and provide subsidised or free swimming and an exercise referral service targeted for those relying on benefits.

Our Financial Inclusion Officer provides support and hands-on assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives going forward. Universal Credit is now being fully rolled out in Cambridge by the Government and it is apparent from elsewhere in the country that it has profound faults. Notably these delay money reaching claimants, extensively reduce sums payable to many people, and penalise with "sanctions" even minor failures to follow agreed actions such as missing an appointment. To protect Cambridge people, we are expanding assistance from our council team, we have seconded staff to help train Work and Pensions staff on Chesterton Road in the intricacies of tenancies and rent, and have increased funding of Cambridge Citizens Advice Bureau to provide advice.

In our budget planning we have made sure that the Council Tax Reduction Scheme for lowest income households is fully maintained – we are now one of only 37 councils in the country who have not cut this benefit. We also provide Discretionary Housing Payments which protect many

recipients from increased rent arrears, and help prevent many households from becoming homeless. Our Housing Benefit Plus scheme also tops-up local housing allowance rates to those assessed to be most in urgent need, to allow them to meet the cost of renting privately.

In 2019 we will fund many organisations that work to assist homeless people and those who sleep rough. This helps prevent people from sleeping on the streets in the first place, ensures that emergency shelter is provided for rough sleepers in the event of bad winter weather, and seeks to get people into permanent accommodation as quickly as possible if they do sleep rough.

We are expanding provision of 'Housing First' flats, which accommodate homeless people with complex needs who are unable to use the usual housing services. The flats provide access to a room combined with intensive support, as a means of sustainably turning their lives around and avoid ending back on the streets.

Planning for growth and ensuring our new communities are successful

Our city has seen considerable expansion with hundreds of new homes being built, especially in the Clay Farm and Eddington areas. Further expansion is planned, with extensive possibilities for 'Cambridge North East' if the Anglian Water waste water treatment works can be moved. To ensure the quality of new buildings and the environment around them, our budget ensures our Planning Service is well staffed and that those who benefit from planning permission properly contribute towards the delivery of that service.

The Cambridge Investment Partnership, our joint venture with Hill Residential, is working to build 800 houses and flats on Council land of which at least 500 will be council homes at affordable rents. This budget also uses spare cash balances to earn interest by funding much of the development costs of this new homes programme.

To ensure that our new communities are welcoming and successful, we are funding community development officers and providing some new and some expanded community centres. All new areas need refuse collection, street cleaning and other essential services, and we are funding expansion of these services.

Protecting our environment and tackling climate change

The council is committed to increasing the city's future sustainability, acting locally to make a difference globally and working with partners and residents towards our objective of a carbon neutral Cambridge by 2050, or earlier if that proves possible.

We continue to encourage businesses and organisations to reduce their carbon footprint. On this, the council is leading the way with a further £100,000 added to our Climate Change Fund for transforming the energy efficiency of council buildings. Solar panels and a new Combined Heat and Power plant are already being installed and the new funding will provide for further investment in heating, lighting and ventilation improvements.

Our budget includes new funds for a permanent extra Air Quality officer to tackle air pollution, including our Air Quality Action Plan; and city centre and wider Clean Air Zone. We want to increase the use of electric vehicles in the city, starting with taxis and private hire cars, with the installation of electrical charging points. Where possible, our fleet of council vans is being replaced with electric vehicles on renewal.

We are committed to maintaining the unique and special environment of our city. We fund a strong team of Streets and Open Spaces staff. Our tree officers work hard to look after the many thousands of trees in the city, and find places for new plantings. This budget continues funding support for our extensive team of volunteers who complement council staff in working to support their local environment with recycling and local cleaning activities, particularly at community events.

Developing effective partnerships and an innovative and dynamic organisation

Our budget strategy includes a series of shared services mainly in conjunction with South Cambridgeshire District Council, but some with Huntingdonshire Council as well. These have saved money and enabled services to share and enhance management, and provide specialist expertise which would be too expensive for any one council to afford on its own.

Last year's budget invested heavily in extra IT capacity in conjunction with those councils. This year, "Council Anywhere" is being funded further, to provide more staff with computer access to deal with your issues and reported problems on the move and at any Council premises. Another major IT project is the "My Cambridge City" online portal which is being developed to enable residents to more easily access a range of essential council services online.

We work closely with the Greater Cambridge Partnership, to develop public transport, redesign highways including cycling and pedestrian improvements tackle congestion and implement new residents' parking zones where supported locally. Our Cycleways Fund is developing new routes and paths for bikes and we will be providing extra secure cycle parking at local centres in 2019.

Working with the Cambridgeshire and Peterborough Combined Authority has been an interesting addition, delivering £70m for our 500 new council homes programme, and winning their support for our bid to the government for up to £227m to fund the relocation of the Anglian Water works.

We are also investing further with this budget in a new transformation team to take on further service reviews and council transformation projects.

In conclusion, despite austerity cuts that continue to be imposed by the Government, this Budget demonstrates our determination to continue the Council's challenging task of maintaining the wide range of services we provide for the whole Cambridge community. By applying sound and prudent financial management, minimising the need for cuts to services and investing in more affordable housing, we will develop a fairer and more equal city - "One Cambridge, Fair for All".

Councillor Lewis Herbert, *Leader of the Council*

Councillor Richard Robertson, *Executive Councillor for Finance & Resources*

Section 1

Introduction

Purpose

The Budget Setting Report (BSR) is designed to provide an integrated view of the council's finances and outlook. It covers General Fund (GF) revenue and capital spending, highlighting the inter-relationships between the two, and the resultant implications. Detailed budget proposals for the Housing Revenue Account are presented and considered separately from this report.

On 18 October 2018 the council approved the Medium Term Financial Strategy (MTFS). The MTFS set out the financial strategy for the council in light of local and national policy priorities, external economic factors and the outlook for public sector funding. The MTFS also reviewed key assumptions and risks, thereby confirming the framework for detailed budget work for 2019/20 and beyond.

The BSR reviews the impacts of developments since the MTFS and sets the financial context for the consideration of detailed recommendations and budget finalisation to be made at council on 21 February 2019. The document proposes a detailed budget for the next financial year, and indicative budget projections for the following four years.

Background

The financial planning context for the BSR is set by the MTFS. This identified a total net savings requirement of around £2.1m for the 5 year period, after taking into account changes to base assumptions and pressures and savings identified at that time.

£000	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Net savings requirement	190	630	542	244	482	2,088

These savings requirements stem from reductions in government funding, unavoidable cost increases and pressures, including the additional net cost of services for every new home in the City.

In previous years, the net savings requirement has been adjusted using GF reserves to create a consistent profile across the period. However, the adjustment was not been made in this MTFS for the following reasons:-

- the financial modelling includes indicative pressures, which may or may not crystallise into budget proposals, so any adjustment of the savings profile could be misleading
- significant uncertainty in relation to funding from government (settlement funding assessment) would similarly impact the saving profile
- the longer planning trajectory allows use of reserves to be phased out, so that the council no longer relies on the use of reserves

The council continues to deliver a programme of on-going transformation targeted at the way it delivers services and interacts with residents, tenants and other parties. There is an increasing emphasis on identifying and implementing proposals for income generation to make the council more financially sustainable. This BSR builds on what has been achieved, with particular emphasis on the continuing delivery of transformation projects.

Key dates

The key member decision-making dates are as follows:

Date	Task
2019	
11 February	Strategy and Resources Scrutiny Committee considers BSR (all GF portfolios)
11 February	The Executive recommends BSR to Council
21 February	Council approves the budget and sets the council tax for 2019/20

Section 2

Local and national policy context

Local policy priorities

The local policy priorities for the council are informed by the budget consultation and the council's annual statement which in turn feed into the corporate plan. The plan covers services such as those shown on the diagram (below).



The corporate plan has been reviewed during 2018-19 and will be scrutinised at the Strategy & Resources Scrutiny Committee on 11 February 2019, alongside this BSR.

The final agreed corporate plan 2019/22 will then be incorporated in this document as an Appendix.

Corporate plan

The corporate plan sets out the key themes and strategic objectives for Cambridge City Council for the years 2019/22. It sets out key activities the council will undertake against five key themes:

- Delivering quality services within financial constraints
- Helping people in Cambridge who have the greatest need
- Planning for growth and ensuring our new communities are successful
- Protecting our environment and tackling climate change
- Developing effective partnerships and an innovative and dynamic organization

Review of 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.

The direct budgetary impact of increased population could be a simple proportional uplift of service costs. However in some cases a review of the current model of service delivery will be required, factoring in not only growth in population and dwellings, but also changes in demand, changes in the nature of that demand and the available funding envelope.

Growth of Cambridge

With the on-going implementation of the planned housing and economic growth of Cambridge, the city's population is set to increase by more than 20% between 2011 and 2031. The council is already focussed on meeting the needs of new communities and residents through better use of technology, joint services with other local authorities and partnership working (through the Greater Cambridge Partnership and the Combined Authority) in order to lever in funding for infrastructure improvements.

Services use projections and estimates of population growth and the number of new dwellings to plan for the impacts of growth. The expected location of these changes can also be significant. The forecast growth in dwellings between 2011 and 2026 can be seen in two major areas – Trumpington to the south and in Castle ward to the North West. 50% of new housing growth is forecast in these wards up to 2026. This rapid growth brings associated demand on core City services and will be

reinforced with the development of Cambridge Northern Fringe East to the north and Cambridge Wing to the east.

Whilst new homes generate new council tax income for providing services, the increase in student accommodation (with council tax exemptions) and the number of commuters, plus the particular needs of new residents as they settle into new communities, can present additional service demands and financial pressure. However, this is at a time of on-going financial pressures facing council budgets with the phased withdrawal of core grants from central government.

The council will continue to explore ways to make better use of resources (say, for managing and maintaining new open spaces being created as part of new neighbourhoods and to enable new communities to become established and thrive on their own sooner).

The Greater Cambridge Partnership (GCP)

The City Council is working with Cambridgeshire County Council, South Cambridgeshire District Council and the University of Cambridge through the GCP to deliver infrastructure, housing and skills targets as agreed with government in the City Deal. The agreement consists of a grant of up to £500m, subject to periodic gateway reviews, to be released over a 15 to 20 year period, and expected to be matched by up to another £500m from local sources, including through the proceeds of growth.

The funding will enhance the status of Greater Cambridge as a prosperous economic area. The Partnership is working to:

- Accelerate the delivery of 33,500 planned homes
- Enable delivery of 1,000 extra affordable new homes on rural exception sites
- Deliver over 420 new apprenticeships for young people by 2019
- Provide £1bn of local and national public sector investment, enabling an estimated
- £4bn of private sector investment in the Greater Cambridge area
- Create 44,000 new jobs
- Harness and develop smart technology, to support transport, housing and skills
- Provide a governance arrangement for joint decision making between local councils

The Partnership is currently developing proposals for transport improvements to enable people, goods and ideas to move more quickly, reliably and sustainably between centres of research, innovation and enterprise, and between places of residence, work and study.

One aspect of this is likely to be proposals to tackle congestion, and this may require ways of managing the number of vehicles on the most congested routes at the most congested times of the day. Whatever proposals are ultimately implemented may have impacts on City Council services, including potentially budgetary implications. The service and financial impact of such measures will be factored into the council's financial planning in more detail as the impacts become clearer.

The Partnership is supporting delivery of affordable housing and a skills system that equips more young, local people with the skills they need to engage in the knowledge-based industries that comprise the Cambridge Cluster.

The Partnership is also bringing together public, private and academic experts to develop and exploit "smart city" technologies to help identify and address the challenges that Greater Cambridge faces.

The council, with the other local authority partners, have agreed to create an investment and delivery fund from a proportion of New Homes Bonus (NHB). As a result of this, the BSR considers the application of funds from NHB, earmarking part of future uncommitted funding in line with the expected levels of contribution to the fund.

Cambridgeshire and Peterborough Combined Authority

In November 2016, eight organisations¹ in Cambridgeshire, including Cambridge City Council, agreed a devolution deal with the government to form the Cambridgeshire and Peterborough Combined Authority (CPCA). The deal gives delegated powers to the CPCA, an elected Mayor, and brings funding to the region. Following elections on 5 May 2017, James Palmer was elected as Mayor for the Combined Authority. Councillor Lewis Herbert represents the council on the CPCA.

The CPCA will receive funding and powers from central government in a number of areas including:

¹ Cambridge City Council; Cambridgeshire County Council; East Cambridgeshire District Council; Fenland District Council; Huntingdonshire District Council; Peterborough City Council; South Cambridgeshire District Council; Greater Cambridge Greater Peterborough Local Enterprise Partnership

- £100 million to deliver new homes over a five-year period in Peterborough and Cambridgeshire which includes affordable, rented and shared ownership housing, plus £70m for Cambridge City Council to deliver at least 500 new council homes.
- £20 million a year funding over 30 years to support infrastructure and boost economic growth in the region

The key ambitions for the CA include:

- doubling the size of the local economy
- accelerating house building rates
- improving transport and digital infrastructure.

It has been agreed that CPCA costs will be funded from the gain share grant and therefore there will be no charge to the City Council for this. The Mayor has the power to raise a precept (i.e. a separate additional element of council tax to fund the running costs of the Mayoral office).

The CPCA (but not the Mayor) can levy constituent councils to make a contribution towards its functions but this would need to be unanimously agreed by those authorities through the budget making process for the CPCA. Each council could also decide voluntarily to make a financial contribution to the CPCA.

The city's economy should benefit from the additional investment and improved infrastructure in the local area that the CPCA brings. The delivery of the £70m council building programme will bring an income stream to the Housing Revenue account as those houses are built and occupied.

Shared / partnership services

The following services are delivered in two or three way partnerships with South Cambridgeshire District Council (SCDC) and Huntingdonshire District Council (HDC):

With SCDC and HDC:

- 3C Building Control
- 3C ICT
- 3C Legal
- Home Improvement Agency

With SCDC:

- Greater Cambridge Shared Waste Service
- Greater Cambridge Shared Internal Audit Service
- Greater Cambridge Shared Planning Service
- Payroll

With HDC:

- CCTV

There are many other areas of both direct and indirect service provision that could be incorporated into the shared service model. Whilst some of services listed above are newly shared and work remains to be done to fully develop and embed the services, work is beginning on the development of a business case for sharing Finance Services with SCDC, with the possibility of other services coming forward for sharing in due course.

Cambridge Investment Partnership (CIP)

CIP is a partnership between the City Council and Hill Investment Partnership. It is a 50:50 Limited Liability Partnership (LLP). The investment partnership model provides an opportunity for the council to benefit from the experience and additional resource that a development partner can bring. Each partner shares the outputs (financial and social) in proportion to the value of its input, and therefore the model allows the partners to share the development risk and the development uplift arising from a scheme.

The agreed objectives of CIP as set out in the Members Agreement are:-

- Investment in the development of land to create successful new places that meet both the financial objectives (primarily a revenue return) and social objectives of Cambridge City Council (particularly housing that is affordable and is needed locally), provided always that individual sites may be developed to meet either financial or social objectives;
- Improve the use of council assets and those of other public sector bodies in the Cambridge, or Cambridge-wide area;
- Maximise the financial return through enhanced asset value (with reference to the first bullet above);

- Provide a return to the investment partners commensurate to their investment and the level of risk in respect to such investment.

National policy framework

Economic factors

2018 has seen a number of developments in the UK, EU, US and beyond that have a major impact on economic forecasts. These include Brexit negotiations, lower than anticipated unemployment, greater tax receipts and a significant reduction in national debt. The ongoing poor exchange rate in the £ sterling against the US Dollar has contributed to the rate of inflation.

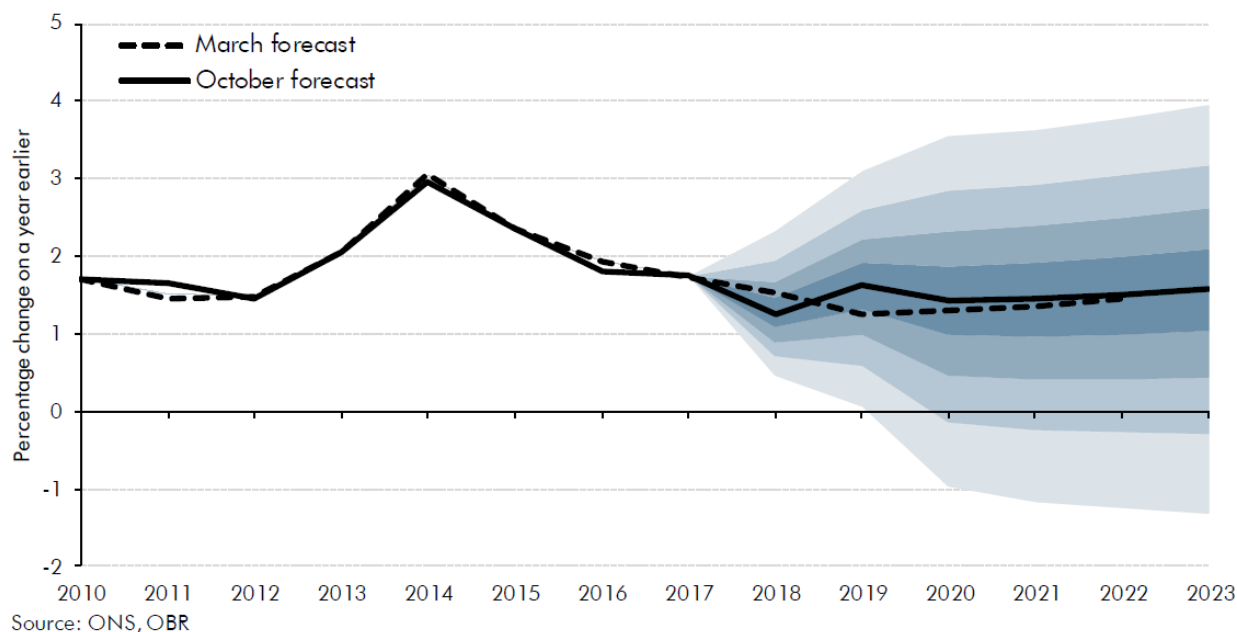
The Office of Budget Responsibility (OBR) commented in its October 2018 report:

*"There remains no meaningful basis on which to predict the outcome of the current negotiations over the relationship between the UK and the EU after Brexit, so we have retained the broad-brush assumptions on productivity, trade and migration that we have made in our previous post-referendum forecasts. The one exception – in line with the March draft Withdrawal Agreement – is that we now assume that there will be a two-year transition period in which the trading relationship will remain as it is now. This delays the decline in trade intensity that we expect after we leave the EU."*²

Most discussion of the economic outlook focuses on real GDP – the volume of goods and services produced in the economy. But the nominal (or cash) value is more important for the public finances, especially for the path of tax receipts. Nominal GDP is forecast to rise by 14.4% between 2018/19 and 2022/23, up from 12.9% in March.

² Report issued prior to Prime Minister's announcement of 16 November 2018

Real GDP fan chart (October 2018)



The Office for Budget Responsibility's charter states that the government's objective for fiscal policy is to "return the public finances to balance at the earliest possible date in the next Parliament". In January 2017, this was expected to be in the period from 2020 to 2025, but currently it can be any time between 2022 and 2027.

On current policy – including the decisions announced in Budget 2018 and the assumptions regarding the UK's exit from the EU – the deficit is expected to remain below 2 per cent of GDP throughout the forecast and, after a modest rise in 2019-20, to fall slowly over the four years to 2023-24.

The forecast reflects the effects of a significant underlying improvement in the public finances ensuing from better than expected tax receipts and lower than expected public spending in the first half of 2018. These gains are offset by the government's decision to use almost all of the improvement to boost public spending. Borrowing in 2018/19 is expected to be £11.6bn lower than forecast in March 2018.

Nominal government consumption (cash expenditure minus transfer payments, such as welfare) is expected to end the forecast slightly higher as a share of GDP than it started. This is the first time that the OBR has forecast such a rise, and is a significant development.

The reversal of the planned course of government spending in cash terms for the first time since 2010, albeit of somewhat modest magnitude, is the most significant features of this Budget. But perhaps another important development in terms of financial management is the Chancellor's signalling that PFI is coming to an end. However, this announcement was tempered by an insistence that other forms of private sector funding, so far unspecified, would be sought for large capital projects.

Bank of England forecasts from the November 2018 inflation report are as follows:

Forecast % at December	2018	2019	2020	2021
Gross Domestic Product (GDP) Growth	1.5	1.7	1.7	1.7
Consumer Index (CPI)	2.5	2.1	2.1	2.0
Unemployment rate	3.9	3.9	3.9	3.9
Bank base rate	0.7	1.0	1.2	1.4

These inflation forecasts show an under provision of inflation in the MTFS of approximately 0.1% in 2019/20 (~£20k) increasing marginally over time. No adjustment to budgets is proposed, as these amounts are minor in relation to overall expenditure.

Interest rates

Interest rates are set by the Bank's Monetary Policy Committee which increased the bank base rate to 0.75% on 2 August 2018 from 0.50% (2 November 2017). The committee maintained that rate at its November meeting and reported:



Pay is rising at a faster rate



The UK economy is growing just above its speed limit



Interest rate rises should be gradual and limited...



...and are expected to bring inflation back to our 2% target



The nature of Brexit will affect the UK economy

"In the Committee's central projection, conditioned on the gently rising path of Bank Rate implied by market yields and on a smooth adjustment to the average of a range of possible outcomes for the United Kingdom's eventual trading relationship with the European Union, GDP is expected to grow by

around 1¾% per year on average over the forecast period. Momentum in household consumption appears greater than previously expected, supported by the strong labour market and resilient household confidence. Over the forecast period, household consumption is expected to grow modestly relative to historical rates, broadly in line with real incomes. In contrast, business investment has been more subdued than previously anticipated, as the effect of Brexit uncertainty has intensified. Under the smooth transition assumption on which the forecast is conditioned, greater clarity is expected to emerge over the coming months, boosting investment growth. The MPC's projections were finalised before the Budget measures had been announced and the Committee will assess the implications at its next meeting.

The global economy continues to grow at above potential rates, supporting UK net trade. Growth has softened, however, and become more uneven across countries, and downside risks have risen. Global financial conditions have tightened, particularly in emerging market economies, and activity has slowed in the euro area. Trade restrictions have increased and there is a risk of further escalation."

Latest projections for interest rates from the council's treasury management advisors (Link Asset Services) at August 2018, set out below, show a rise from the current 0.75% to 1.5% by March 2021.

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.70%
6 month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.90%
5 yr PWLB	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10 yr PWLB	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25 yr PWLB	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50 yr PWLB	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

Interest rates projection at August 2018 (Link Asset Services)

2018 Budget Statement

The government published the Budget on 29 October 2018.

The Chancellor went some way to meet the Local Government Association's (LGA) call for investment in local services although long term pressures still exist. £650 million was announced for social care and it is hoped that the Spending Review next year will provide a longer term solution.

The LGA commented that *"significant funding gaps and rising demand for adult social care, children's services and homelessness support will continue to threaten other services our communities rely on, like running libraries, cleaning streets and maintaining park spaces."*

The statement contained some items of relevance to the council, with little or no impact on the council's GF budget in the short-term, but with prospects for a longer term effect :

- Spending on public services will grow 1.2% above inflation a year from next year until 2023/24
- The national Living Wage will be increased by 4.9% to £8.21/hour from April 2019. The Council is paying a minimum of £10/hour for all employed staff.
- The government is lifting the cap on the amount of money local authorities are able to borrow to build housing (HRA).
- From April 2019, large businesses will be able to invest up to 25% of their apprenticeship levy to support apprentices in their supply chain.
- Public lavatories will receive 100% business rates relief.
- £1.7 billion was announced to increase existing work allowances in Universal Credit. People will also receive extra help as they move from their existing benefits to Universal Credit and there will be targeted support for people repaying debts.
- A £28.8 billion National Roads Fund, paid for by road tax, of which £25.3 billion is for the Strategic Road Network but also includes £150 million to improve local traffic hotspots such as roundabouts.

Section 3

Budget consultation

Context and approach

The council has carried out a budget consultation exercise annually since 2002, using a variety of quantitative and qualitative methods.

This year the Leader of the Council, Cllr Lewis Herbert, hosted two events in early November to discuss with local business and community representatives the council's budget priorities and challenges facing the city. The events provided the opportunity to listen to the Leader's view, participate in discussion and make comments about the path the council is looking to follow. Prior to the event a short questionnaire was provided to business representatives to hear their views about what they felt should be the priorities of the council, their satisfaction with council services relating to business and the approaches the council might take in balancing the budget.

The comments provided at the events have been used to help inform members' consideration of the council's developing budget.

The findings from the survey showed that local business respondents felt that collecting rubbish and recycling and planning for future development were the most important council services for them. They also thought the council should put more services online, continue looking at alternative ways of delivering services, such as local trusts, and protect capital spending on public assets. The number one priority for local businesses was growing the city's economy, followed by increasing the supply of affordable housing in the city.

The events were filmed with the consent of participants and the slides and videos can be viewed via the council's website.

Section 4

General Fund resources

Local government finance settlement 2019/20

In December 2015, as part of the provisional local government settlement, a four year funding guarantee was offered to councils that submit an efficiency plan. The City Council's plan was accepted by the government, confirming revenue support grant (RSG) and baseline levels of business rates for 2016/17 to 2019/20.

The provisional finance settlement was published on 13 December 2018 with the final settlement expected in January 2019, providing funding figures for 2019/20. However, certain elements are subject to the funding guarantee described above.

Impact of final settlement 2019/20

The final settlement is expected in late January or early February. This section will be completed for the Council version only.

Fair funding review and reforms to business rates retention

The fair funding review is intended to identify new baseline funding allocations for local authorities by delivering an up-to-date assessment of their relative needs and resources, using the best available evidence. A fair funding review technical consultation ran from December 2017 to March 2018. This consultation focused on potential approaches to measure the relative needs of local authorities. A further consultation was launched alongside the provisional settlement. It builds on responses received to the earlier consultation, seeking views on:

- Proposals to simplify the assessment of local authorities' relative needs
- The types of adjustment to be made to an authority's relative needs assessment to take account of the relative resources available to them to fund local services

- A set of principles that will be used to design potential transitional arrangements and examines how the baseline for the purposes of transition should be established.

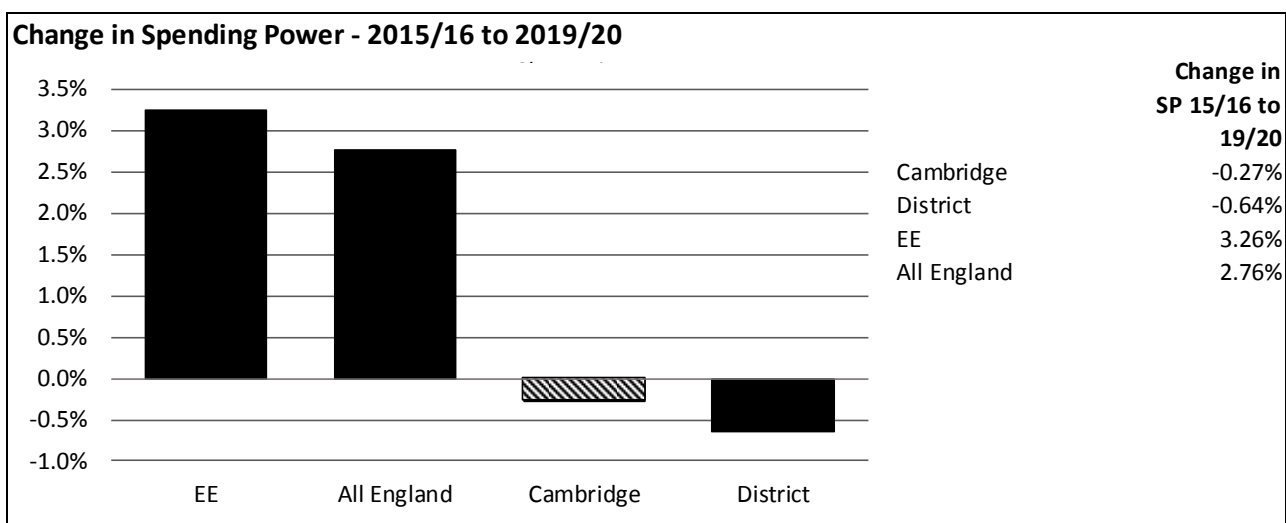
A consultation on the reform of the business rates retention system was also announced alongside the provisional settlement. It seeks views on proposals for sharing risk and reward, managing volatility in income and setting up the reformed business rates retention system.

The reform of the business rates retention system will sit alongside the wider changes to the local government finance system considered in the fair funding review, which the government aims to introduce in 2020.

Core spending power

Element of core spending power (£000)	2018/19 Final	2019/20 Provisional	2019/20 Final	Change 2018/19 to 2019/20 Provisional
Settlement Funding Assessment (SFA):				
- Revenue Support Grant (RSG)	571	-		(100.0%)
- Business rates baseline	4,109	4,203		2.3%
	4,680	4,203		(10.2%)
Compensation for under-indexation of business rate multiplier	94	137		45.7%
New Homes Bonus (NHB) grant ¹ including returned funding	5,596	5,504		(1.6%)
Council tax income ¹	8,243	8,718		5.8%
Core spending power	18,613	18,562		(0.3%)

¹ – Figures based on government projections



EE – East of England

The core spending power measure, based on illustrative amounts for NHB, shows a decline of 0.27% over five years.

There are no material changes in the SFA from that included in MTFS 2018, as this funding has been guaranteed following the government’s acceptance of the council’s efficiency plan.

Future prospects

There is considerable uncertainty relating to the SFA for 2020/21 onwards as this is beyond the spending review announced for 2019, after the possible implementation of 75% business rates retention, and following possible changes to the tier split between upper and lower tier authorities. The outcome of the fair funding review and a probable baseline reset create further uncertainty. All these changes represent a total rebasing of the business rate funding system for local government. The council has modelled the possible trajectory of the SFA but is aware that considerable risk remains around these projections. It is also noted that as RSG has now declined to zero and the business rates tariff adjustment / negative RSG will be subsumed by the fair funding review, the SFA will be equal to the business rates baseline going forwards.

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
SFA / Business rates baseline	4,203	3,951	3,925	3,897	3,867

Local retention of business rates

The SFA approach enables local authorities to benefit directly from supporting local business growth. The assessment includes a baseline level of business rates receivable (indexed linked from an initial assessment in 2013/14) with the level of rates receivable above that being taken by government as a 'tariff' – which will be used to 'top up' local authorities who would receive less than their funding level. Government intends that this will be fixed until 2020.

In addition, the council can retain 50% of any business rates collected above the assumed baseline level, paying the remainder to central government as a 'levy'. If business rates income falls to less than 92.5% of the baseline, the council receives a 'safety net' payment so that any loss of income below the baseline is capped at 7.5%

One of the challenges faced by all authorities is effectively predicting the level of movement in the business rate tax base. This is dependent on accurately forecasting the timing and incidences of new properties, demolitions and significant refurbishments – together with the consequent effect on valuations. This is further complicated by the need to assess the level of appeals that will be lodged. For example there is currently uncertainty around whether the Valuation Office Agency (VOA) will be permitted to appeal the recent decision that retail ATMs are not rateable. If the VOA can appeal it is likely that this will take a number of years to come to court.

Although there has been growth in the tax base in the city since the scheme started in 2013/14, there have also been significant reductions as a result of the settling of appeals against rateable value (including backdated aspects).

Forecasting the effects and timing of new development and redevelopment on the city's tax base remains difficult. Significant development is continuing, for example on the Cambridge Biomedical campus and in the station area. The council expects some growth in 2019/20 as Royal Papworth Hospital opens and a major new office development at 50/60 Station Road is completed (Spring 2019). However, the timing and speed of these major projects remains subject to change. There are delays to the Astra Zeneca research and head office buildings project which was originally expected to commence occupation in late 2018.

There are also significant uncertainties around the operation of the business rates retention scheme in the next few years. The DCLG began working with local authorities and other interested parties in

2016 on changes to the local government finance system to pave the way for the implementation of 100% business rate retention. Progress on the design of any future scheme was halted by the General Election and it became clear that there was unlikely to be the capacity for government to consider the primary legislation required for 100% retention. However, as part of the settlement announcement in December 2017, the Department of Communities and Local Government (DCLG) gave some indication about the future shape of business rates retention.

The Secretary of State has announced that the local share in the business rates retention scheme (BRRS) will increase from 50% to 75% in 2020/21.

The review is likely to rebalance the distribution of business rates away from district councils towards those authorities with social care responsibilities, for example by changing the tariff and top up payments, or the relative shares of income between the tiers of local government. The government has also indicated that the increase in the retention percentage will mean the transfer of additional responsibilities to local government.

It remains difficult to forecast the appeals position accurately. There was a business rates revaluation at 1 April 2017. Alongside this there was a move to a process of 'Check, Challenge, Appeal' in respect of valuations. Nationally there has been very little activity in respect of businesses appealing their rateable values and this makes the appeals position for the 2017 list particularly challenging.

There are also uncertainties in respect of residual 2010 list appeals. with appeals settled elsewhere in the country having knock-on effects nationally. NHS Foundation Trusts, including those in the city, are also pursuing a claim for award of mandatory charitable relief, backdated a number of years.

Given these uncertainties the BSR takes a cautious approach to forecasting business rates income. The overall position is currently projected to reflect additional net income above the baseline of £800k in each year.

New Homes Bonus

2019/20 represents the final year of funding agreed through the Spending Review 2015. In light of this, it is the Government's intention to explore how to incentivise housing growth. In July 2018 The Ministry of Housing, Communities and Local Government (MHCLG, formerly DCLG) launched a

consultation covering proposals for the local government finance settlement for 2019-20, including proposals for NHB. This consultation ended on 18 September 2018.

The settlement confirms continuation of the existing threshold of 0.4% for the bonus payment. There is no change to the four year period over which the bonus continues to be paid.

The table below includes estimates of future NHB payments based on expected housing completions, four years of payment for bonus awarded in 2019/20 and thereafter and 0.4% deadweight threshold. Any changes in these factors could materially impact these estimates.

NHB is currently used to fund both revenue and capital spending related principally to growth and place. Up to and including 2018/19 40% of NHB has been set aside as a contribution to the GCP investment and delivery fund, with remaining amounts reserved for schemes to mitigate the impacts of the A14 upgrade. The GCP contribution from 2019/20 onwards has been agreed at 30%. However, the council's revenue expenditure takes priority over the contribution to the GCP Investment and Delivery Fund, so that the contribution may be limited to the available funding after revenue expenditure requirements have been met.

The amount of NHB that the Council will receive for 2019/20 was confirmed on 13 December 2018. Therefore it is proposed that uncommitted NHB in 2018/19 and 2019/20 be used to repay internal borrowing, creating a recurring saving by reducing the annual minimum revenue provision (MRP). As the future of NHB is uncertain, no similar proposals for 2020/21 onwards have been put forward at this time.

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Confirmed NHB funding at February 2018 BSR	(5,595)	(4,009)	(2,648)	(1,487)		
Add						
Confirmed NHB receipts for 2019/20		(1,496)	(1,496)	(1,496)	(1,496)	-
Estimated NHB receipts for 2020/21			(1,133)	(1,133)	(1,133)	(1,133)
Estimated NHB receipts for 2021/22				(1,161)	(1,161)	(1,161)
Estimated NHB receipts for 2022/23					(482)	(482)
Estimated NHB receipts for 2023/24						(494)
Potential New Homes Bonus Total	(5,595)	(5,504)	(5,277)	(5,277)	(4,272)	(3,270)
Commitments against NHB						
Funding for officers supporting growth e.g. within planning	785	785	785	785	785	785
Replacement of Homelessness Prevention Funding subsumed into the SFA	564	564	564	564	564	564
Public Realm Officer - Growth X3782	35	-	-	-	-	-
Direct revenue funding of capital (DRF)	1,075	1,075	1,075	1,075	1,075	1,075
Contribution to GCP	2,238	1,651	1,583	1,583	1,282	981
DRF to reduce internal borrowing NCL4329	116	1,429				
Total commitments against NHB	5,595	5,504	4,007	4,007	3,706	3,405
NHB reserved for A14 mitigation	782	-	-	-	-	-
Cumulative amounts reserved for A14 mitigation (schemes and profile of spend to be determined)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
NHB (uncommitted) / overcommitted	-	-	(1,270)	(1,270)	(566)	135

The above summary shows significant levels of reduction in expected NHB receipts in future years, demonstrating the importance of keeping this funding distinct from the core funding required to support ongoing services.

Earmarked and specific funds

In addition to general reserves, the council maintains a number of earmarked and specific funds held to meet major expenditure of a non-recurring nature or where the income has been received for a specific purpose but not yet spent. Details of opening and closing balances, with approved/anticipated use over the budget period are set out in Appendix F.

These funds have been rationalised over the last couple of years, with the aim of retaining only major policy led funds. A number of funds still remain with residual balances and commitments; however these will be closed as soon as the commitments are delivered.

Existing funds

Sharing prosperity fund

The fund has been used to provide resources to fund fixed-term and one-off projects and proposals that support the objectives of the council's Anti-Poverty Strategy, namely:

- Helping people on low incomes to maximise their income and minimise their costs
- Increasing community pride, raising skills and aspirations, and improving access to higher value employment opportunities for people on low incomes
- Improving health outcomes for people on low incomes
- Helping people with high housing costs, increasing numbers of affordable homes, and improving the condition of people's homes
- Supporting groups of people that are more likely to experience poverty and social isolation, including children and young people, older people, women, people with disabilities, and BAME residents

A total of £1,634,406 has been allocated to date to 29 projects for delivery between 2014/15 and 2019/20. Some of the projects supported by the fund to date have included:

- Living Wage campaign officer and associated promotional budget
- Work to promote financial inclusion, including appointing a Financial Inclusion officer, promoting affordable finance options including credit unions, and money management projects in schools

- A programme of apprenticeships in council services
- Outreach advice work for people with mental health issues associated with low income and debt
- Work to address fuel and water poverty, including promotion of water meters, energy efficiency measures and Cambridgeshire County Council's collective energy switching scheme
- Free swimming lessons for children from low income families
- Promotion of healthy eating through cookery skills workshops for low income families
- An exercise referral scheme to support residents in low incomes areas with medical conditions to take physical exercise
- A programme of free holiday lunches at community centres and other venues
- Promoting 'Time Credits' to support volunteering in local communities
- A programme of arts and cultural activity to develop self-awareness, resilience and leadership skills amongst young people from low income families
- Provision of training and other support to promote digital skills and access

It was agreed at the Council's Environment and Community Scrutiny Committee on 28 June 2018 that funding for new anti-poverty projects would be separated into two elements:

- Funding to City Council-led anti-poverty projects. From 2019/20 onwards, funding for such projects will be allocated via the Council's existing budget setting process. Projects for 2019/20 are highlighted in this BSR as 'reducing poverty projects'.
- Funding for voluntary and community sector (VCS) organisations for projects that would help deliver the council's anti-poverty objectives. An additional £100,000 has been allocated to the council's Community Grants budget for 2019/20, and an additional 'reducing poverty' priority has been included in the criteria for the grants. The Executive Councillor for Communities will decide Community Grants allocations at the Environment and Community Scrutiny Committee meeting on 29 January 2019.

Climate change fund

The council's five key objectives in relation to climate change are set out in its Climate Change Strategy for 2016/2021. The first of these objectives is 'reducing emissions from the City Council estate and operations'.

To ensure a strategic approach to this objective, the council has produced two Carbon Management Plans for 2011/12 - 2015/2016 and 2016/17 - 2020/21. We delivered 47 carbon reduction projects

during the period of the first plan, and 9 projects were delivered during the first two years of the current plan (2016/17 and 2017/18). 8 more projects are scheduled for completion during 2018/19.

In 2008 the council established a dedicated Climate Change Fund (CCF) to finance projects that will contribute to the reduction of carbon emissions from the council's estate and operations. The fund supports projects focussing on:

- Energy and fuel efficiency;
- Sustainable transport;
- Waste minimisation; or
- Management of climate change risks.

Activities that can be supported include infrastructure, equipment, feasibility studies and awareness activities to change the behaviour of staff. Project proposals are assessed using a number of key criteria, including:

- Annual reduction in carbon dioxide emissions;
- Cost effectiveness (£ per tonne of CO₂ saved);
- Annual financial savings resulting from the project; and
- Payback period on investment.

In addition to reducing the council's carbon emissions, financial savings are achieved as a result of the installation of projects, by reducing the council's energy consumption and therefore energy bills. The financial savings achieved by projects costing over £15,000 and saving more than £1,000 per annum are recouped from the utility budgets of the Council services and sites where the measure was installed.

Between 2008/09 and 2017/18, £1.2m has been allocated to the CCF and 40 projects have been supported by the fund so far, including some of those set out in the Carbon Management Plans. In addition to this, a range of other sources of funding have been used to support carbon reduction projects. Projects funded to date through the CCF have included:

- A solar thermal system to provide hot water at Abbey Pool, pool covers at Parkside and Abbey Pools, and energy efficiency measures at Parkside Pool changing rooms

- LED lighting at Mandela House, the Corn Exchange, the Crematorium, and Grafton West, Grafton East and Grand Arcade car parks
- Upgrading boilers and installing heating controls at a number of community centres, leisure centres and administrative buildings including Mandela House.

During 2018/19 a number of energy efficiency and renewable energy generation technologies are being installed at the Guildhall with funding from the CCF. These measures include:

- Installing low energy LED light fittings and motion sensors.
- Installing a solar photovoltaic (PV) system, replacing existing roofing and installing additional insulation.
- Installing a combined heat and power system (CHP).
- Building automation measures to increase the level of control over the heating systems, including installing a new Building Energy Management System (BEMS);
- Mechanical works to improve the efficiency of the heating and hot water system, and insulation of pipework and valves in plant rooms to reduce heat loss;
- Installing secondary glazing where required.

With funding from the CCF, a number of further solar photovoltaic (PV) systems and lighting upgrades are also planned at pools and leisure centres, the crematorium, office accommodation and sheltered housing schemes for installation by the end of 2018/19.

It is proposed that an additional £100,000 be allocated to the CCF in the Budget Setting Report to support projects identified in the Carbon Management Plan for 2019/20 and beyond. Utilising the County Council's Refit 3 framework, high level assessments will be carried out in 2018/19 by the chosen contractor to assess the feasibility and viability of installing further potential carbon reduction projects at the following sites during 2019/20 and 2020/21:

- Parkside Pool
- Abbey Leisure Complex
- Kings Hedges Pool
- Cherry Hinton Village Centre
- Crematorium
- Corn Exchange
- Grand Arcade Annexe Car Park

The high level assessments will identify more accurate estimates of financial savings, but we would expect any projects that are taken forward to have a payback period of around 10 years.

Greater Cambridge Partnership (GCP) investment and delivery fund

The council has committed to pooling a proportion of gross NHB receipts with its local authority partners to provide funding to enable delivery of GCP objectives which will support and address the impacts of growth. The contribution by individual authorities has now been agreed at 30% of NHB, a reduction from the previously planned 40%. The governance of the fund will be aligned with the governance of the GCP.

Invest for income fund

This fund was set up at BSR 2015 with contributions of £8m over three years. The purpose of the fund is to invest to create income streams to support service delivery in future years. Since inception, work has been undertaken to identify, investigate and evaluate a number of investment proposals. However, no proposals have reached implementation stage, so this BSR proposes to assign this fund to the financing of recently purchased commercial property, saving £200k of MRP costs each year.

Asset replacement funds

These are maintained to fund the periodic replacement of assets. Annual contributions are based on estimated replacement costs, spread over the anticipated life of the assets; these funds are kept for vehicles only.

Office accommodation strategy fund

This fund was set up at BSR 2016 to fund the ongoing programme of office / depot rationalisation. The office accommodation strategy works towards consolidating the council's city centre office accommodation at the Guildhall and Mandela House and developing longer term options for building rationalisation. Land at the depot has been released by relocating operational services to new depot facilities elsewhere in Cambridge and to Waterbeach Shared Waste and Garage sites. A significant amount of cultural change in how and where staff work has been supported through investment in training around smart working and changes in how teams are managed. The programme has also implemented reductions in space per desk and desk to staff ratios, underpinned by investment in smart working technology.

Staff are now occupying refurbished offices in Mandela House, Cowley Road and the Guildhall where office space has been rationalised. Mobile working has been enabled by new ICT hardware and software which is due to be rolled out to all services over the next year. Many staff have embraced the opportunity to use flexible working as a method of reducing both travel costs and time.

A14 mitigation fund

As referred to in the NHB section above, a temporary earmarked fund has been set up to accumulate NHB contributions to meet the requirement for funding of projects to mitigate the impacts in Cambridge of the A14 upgrade. As the work on the upgrade is completed and its impact on the city can be assessed, consideration will be given to how these funds might best be used.

Cambridge Live development fund

Approved at MTFS 2018, this fund was earmarked to support the transformation and ongoing development of Cambridge Live over the next two years, subject to a maximum spend of £500k, with full delegation for management of the fund assigned to the Chief Executive. Further intensive work has been undertaken with Cambridge Live since then, leading to a decision taken under urgency powers, to bring the activities of Cambridge Live back into the council. This BSR proposes that a further £250k of funding is added to the fund to provide resources to enable this transition.

General Fund (GF) development fund

The council will provide loans to Cambridge Investment Partnership (CIP), of which it is a member, to support the development of GF and HRA land. Interest income arising from the development of former council depot on Mill Road, land purchased at Cromwell Road and other CIP developments will be retained in an earmarked reserve reflecting uncertainty in both timings and quantum, and to provide a contingency fund reflecting the potential risks in this scheme and future schemes under development.

Tax base and council tax

Tax base

The tax base is one element in determining both the level of council tax to be set and the amount it is estimated will be collected. This calculation is governed by regulation and the formal setting of the tax base is delegated to the Head of Finance to enable notification to be made to the major precepting authorities during January each year.

The tax base reflects the number of domestic properties in the city expressed as an equivalent number of band D properties, calculated using the relative weightings for each property band. The calculation of the tax base takes account of various discounts (for example a 25% discount for single adult households) exemptions and reliefs. Allowances are also made for the projected growth in the number of dwellings as well as including a deduction assumed for non-collection.

In 2019/20 the council will be permitted to charge a premium of 100% on a property which has been empty for more than 2 years, compared to the current premium of 50%. There will be safeguards for council tax payers – so for example if a property is genuinely on the market the premium will not be payable. The estimate of the council tax base reflects the new premium.

The tax base for 2019/20 has been calculated as 43,685.3 (2018/19 42,988.6) and details of its calculation are given in Appendix A (a) and will form the basis of the final approved level for tax setting and precepting purposes. This reflects a 1.6% increase in the tax base compared with 2018/19.

Collection fund

Operation of the fund

The collection fund is a statutory fund, maintained by billing authorities such as the City Council, into which income from council tax and business rates is recorded and out of which respective amounts set for the year, are paid to the City Council and precepting bodies.

Forecast position at 31 March 2019

The collection fund for council tax is projected to have a surplus at the end of the current year of £55,856. The City Council's share of this projected year end surplus is £6,267 and this will need to be taken into account in setting the council's budget for 2019/20. The position for business rates was described earlier in this section.

Council tax thresholds

Under the Localism Act, local authorities are required to hold a local referendum if they propose to increase council tax above the relevant limit set by the Secretary of State.

The limit is a maximum increase of 3% for a Band D property, with some shire districts, including the City Council, permitted to increase their element of council tax by up to £5, where this is higher than 2.99%. The MTFS assumed an increase of 2.99% for 2019/20 and onwards.

The overall effect of the referendum requirements is such that a local authority would need to have reasonable expectation of public support for a level of council tax increase deemed to be excessive compared to the threshold, if acting in a prudent manner.

Council tax level

Financial projections of the council tax level made for the October 2018 MTFS included the assumption of an increase of 2.99% for 2019/20 and onwards. The BSR incorporates a council tax increase in 2019/20 of just below 3% to £197.50 from £191.75 for band D and proportionately for other bands.

Section 52Z of the Local Government Finance Act 1992 requires the authority to consider whether the relevant basic amount of council tax for the financial year in question is excessive, based on the principles determined by the Secretary of State. As noted above, the threshold set for 2019/20 is that an increase is excessive where it is more than 3% or £5 on the band D charge whichever is higher. Therefore the City council's proposed increase would not be deemed excessive. The table below shows the City council element of council tax for 2018/19 for each property band together with the proposed levels for 2019/20:

Band	City Council tax		Difference £
	2018/19 £	2019/20 £	
A	127.83	131.66	3.83
B	149.14	153.61	4.47
C	170.44	175.55	5.11
D	191.75	197.50	5.75
E	234.36	241.38	7.02
F	276.97	285.27	8.30
G	319.58	329.16	9.58
H	383.50	394.99	11.49

Section 5

General Fund revenue budgets

Revised budget 2018/19

GF revenue budgets for the current year (2018/19) were reviewed as part of the MTFS. It should be noted that the revised budget includes carry forward approvals from 2017/18. No adjustment of 2018/19 revenue budgets is proposed, as budgets are monitored monthly through the review of variances and forecast outturns, and management actions taken to ensure that spending is controlled and income optimised.

Budget proposals

The GF revenue projections for 2019/20 to 2023/24 as presented in the MTFS have been reviewed and changes proposed. Proposals have arisen from policy initiatives, additional income opportunities balanced by additional staffing costs where appropriate, ongoing service transformations, unavoidable increases in costs and savings opportunities. The impact of these proposals is shown below, with the detailed proposals set out in Appendix C (e) and summarised by type of proposal in Appendices C (a) and C (b).

Performance against savings target

For the purposes of this table, it has been assumed that where there are savings still to be found they will be achieved in the year, and will not therefore roll forward to later years. It should be noted that the council has embarked on a long term programme of savings and income generation, which will require an on-going focus on delivery. Work is already in progress to identify more projects to contribute to savings requirements going forward.

The table below shows that the overall effect of the measures recommended in the BSR has resulted in a total level of net savings of £2,440k across the period from 2019/20 to 2023/24.

Savings Targets	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
MTFS 2018 Current Savings Target (new savings each year)	190	630	542	244	482
Previous year savings not achieved / (over achieved)	-	-	-	-	-
Revised savings target	190	630	542	244	482
Unavoidable revenue pressures	598	581	637	697	697
Reduced income	377	542	644	522	522
Bids	545	376	58	145	145
Savings	(1,533)	(1,377)	(1,389)	(1,389)	(1,389)
Increased income	(286)	(266)	(80)	(160)	(160)
Programme	110	220	200	30	30
Net bids and savings	(90)	76	70	(155)	(155)
Revised savings target / savings	-	896	536	19	482
Adjustment to savings to attain target level of reserves at the end of 5 years and smooth savings over the final 4 year period	-	(286)	74	591	128
Savings still to be found	-	610	610	610	610

Review of significant proposals

Pressures:

Anti-poverty proposals

It is proposed that bids are incorporated for:

- Anti-poverty grants and internally delivered projects
- The continuation of a post to promote the Living Wage to local businesses
- Targeted subsidised and free swimming and exercise referral services
- A Fuel and Water Poverty Officer to support low income and vulnerable residents to reduce costs and use these utilities effectively
- A contribution to a Financial Inclusion Officer post, shared with the HRA.

Business Transformation funding

Additional funds are sought to enhance the council's transformation and project management capacity through consolidation of transformation and business analysis capability, the implementation of an enterprise portfolio management system (£30k p.a.) and the establishment of a corporate programme office (2019/20 £110k, 2020/21 £190k, 2021/22 £170k).

Parking Income

Improvements to Park Street Car Park during 2019/2022 will bring about a reduction in income of £870k over the period of this budget with an ongoing reduction of £226k pa from 2022/23. Car parks have experienced a year on year reduction in usage and this declining profile continues, is likely to continue and will become more acute with corresponding revenue pressures.

Recycled waste income

World prices for recycled waste have fallen with China, amongst others, no longer taking recyclate products (£100k).

Savings and additional income:

A number of smaller savings have been identified across service budgets. The following, more significant, proposals are also recommended.

Planning Fees

Savings and additional cost recoveries have been identified in respect of the shared planning service which will reduce our share of the cost of the shared service by £174k.

Parking Services Review

The service are undertaking a review which is anticipated to yield ongoing savings of £120k however this is not yet complete and this figure is provisional.

Technical adjustments:

A number of technical adjustments have been identified in respect of the amount of Minimum Revenue Provision provided (£314k), Maternity provision (£75k), Staff Turnover Allowance (£200k), and inflation increases on certain supplies and services budgets (£150k).

Non cash limit items:

In general, non-cash limit items do not impact on savings requirements, they are use of or contributions to reserves. As such, they are only used for one off items, principally of a transformational or policy nature.

Contribution to the CCF

An additional allocation of £100k is proposed to support carbon reduction projects to be delivered in 2019/20.

Contribution to the Cambridge Live development fund

A further allocation of £250k is proposed to provide resources to enable the transition of the activities of Cambridge Live back into the council.

Funding variances

Differences in funding allocations and outturns from previous estimates are actioned as non-cash limit items, for example, differences on the local government finance settlement such as the changes in NHB noted above, changes arising from re estimation of the council tax base and the council's share of the council tax collection fund surplus or deficit. Proposals are shown in Appendix C (c).

Section 6

General Fund: Expenditure and funding 2018/19 to 2023/24

Description / £'000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Expenditure						
Net service budgets	21,001	19,316	22,608	23,229	22,388	21,043
Net Bids and Savings (before allocation to other lines)	-	(190)	76	70	(155)	(155)
Capital accounting adjustments	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)	(6,342)
Capital expenditure financed from revenue	3,686	2,966	1,786	1,786	1,786	1,786
Contributions to earmarked funds	4,970	3,646	2,768	2,642	2,248	1,947
Revised net savings requirement	-	-	(610)	(610)	(610)	(610)
Net spending requirement	23,315	19,396	20,286	20,775	19,315	17,669
Funded by:						
Settlement Funding Assessment (SFA)	(4,680)	(4,179)	(3,951)	(3,925)	(3,897)	(3,867)
Locally Retained Business Rates – Growth Element	(800)	(800)	(800)	(800)	(800)	(800)
Other grants from central government	-	-	-	-	-	-
New Homes Bonus (NHB)	(5,595)	(5,504)	(5,277)	(5,277)	(4,272)	(3,271)
Appropriations from earmarked funds	-	-	-	-	-	-
Council Tax	(8,227)	(8,627)	(9,000)	(9,426)	(9,879)	(10,344)
Contributions to / (from) reserves	(4,013)	(286)	(1,258)	(1,347)	(467)	613
Total funding	(23,315)	(19,396)	(20,286)	(20,775)	(19,315)	(17,669)

Section 7

Capital

Introduction

The council's asset portfolio as at 1 April 2018 is shown below.

Category	Value £000	%
Operational assets:		
Council dwellings	628,303	64.7%
Other land and buildings	137,850	14.2%
Vehicles, plant and equipment	8,957	1.0%
Infrastructure assets	4,346	0.4%
Community assets	1,344	0.1%
Total operational assets	780,800	80.4%
Non-operational assets		
Investment properties	175,281	18.1%
Surplus properties	0	0.0%
Assets under construction	14,843	1.5%
Total non-operational assets	190,124	19.6%
Overall total	970,924	100.0%

The portfolio includes council housing, assets for direct service provision such as swimming pools, community centres, car parks, vehicles and equipment, as well as substantial areas of common land. In addition to the assets used for service provision, the council has a portfolio of commercial property. Each asset needs to provide an appropriate return on the investment made by the council and also be fit for the purpose for which it is used.

The council has developed long term accommodation strategy to consider the best use of our administrative buildings. This review is linked to work to determine the most appropriate service

delivery models (e.g. shared services) and working practices (e.g. flexible and/or remote working) for the future.

Capital strategy

In line with guidance, the council has prepared a capital strategy which is presented to the Strategy and Resources Scrutiny Committee and Council alongside the treasury management and investment strategies. The council is also undertaking an asset management review, which will be used to inform the capital strategy going forward.

Capital plan

The council's capital plan shows anticipated expenditure for the next 5 years, where relevant, for each programme or scheme.

Capital proposals

The majority of capital bids address the ongoing renewal, updating and major repairs of the council's buildings and operational assets. As such they support income generation (car parks, commercial property), and the delivery of services (ICT, vehicles, building repairs, etc). All capital proposals are shown in Appendix E (a) and the funding requirements in Appendix E (b). Approvals since the MTFS Oct 2018 are shown in Appendix E (c).

Significant Capital Bids

Vehicle replacements (waste and estates)

The procurement of the council's fleet vehicles, plant and equipment scheduled for replacement in 2019/20, as part of a rolling programme necessary to replace out of life assets that would otherwise significantly increase maintenance costs. This bid is for £0.7m and is funded from the asset replacement reserve.

Mill Road redevelopment

The Mill Road development, first identified in the BSR last year, has progressed with work now taking place on site. Throughout the year plans have developed and estimates have been refined accordingly. This development is being delivered by CIP providing the council with a capital receipt for the land and a projected surplus on the scheme. The capital contribution of £5,760k proposed last year is no longer required and has therefore been deleted from the capital programme.

Capital proposals were also presented for the provision of equity and secured development loans to the CIP to fund the development phase of the scheme. Revised figures are now available, reflecting the latest plans and estimates. Proposals are therefore put forward to revise and rephase these loans.

The council's equity loan to CIP will be matched by the council's partner, with both organisations earning 5% p.a. on these loans. The value of the loan will vary depending on the cash flows of the scheme, but is expected to peak at £4.3m in February 2020.

The scheme will require additional development funding expected to rise to £10.9m at peak requirement. The council will provide this loan in the place of a financial institution. The rate of interest will be determined at the point in time that funding is required by the scheme and with reference to market rates.

Cromwell Road redevelopment

The council purchased a site on Cromwell Road in 2018/19 and is now working with CIP to bring forward plans to develop the site. Capital proposals are presented for equity and secured development loans, based on early estimates. Whilst the council is committed to providing the equity funding through the CIP partnership agreement, the provision of development funding will be considered at the time the funding is required.

At this stage the equity funding requirement is expected to peak at £4.7m in July 2021 and the development funding at £7.1m in March 2021.

Investment in Lion Yard

An investment of £6.0m over 2019/20 and 2020/21 is proposed to support the redevelopment of part of the Lion Yard shopping centre to allow diversification of use, maintain the relevance and vibrancy of the shopping centre and to generate additional income.

Meadows Community Hub and Buchan Street Retail Outlet

This bid, totalling £4,614k over three years, provides for the development of a single community hub at the Meadows and the re-provision of a retail unit at Buchan Street, whilst freeing up land for the development of over 100 council homes. At this stage, funding from the council's cash balances (internal borrowing) has been assumed, with a minimum revenue provision (MRP) of £115k budgeted for from 2022/23. However, the possibility of a contribution from the HRA will be investigated and financing from capital receipts, when available, will be used to reduce internal borrowing and the associated MRP charge.

Modernisation of ICT applications and infrastructure

A number of capital bids are brought forward for consideration:

- Environmental Health ICT replacement system (40k)
- New audio-visual system for the committee rooms and council chamber (£125k)
- Income management system replacement (£47k)
- Secure phone payment solution (£24k)
- Replacement Property Management Software (£100k)
- Council Anywhere, hardware and software to support flexible and mobile working (£150k)

Contribution to the Climate Change Fund

An additional allocation of £100k is proposed to support carbon reduction projects to be delivered in 2019/20.

Allocation of existing cycleways funding

Although not a new capital bid, as it uses funding already allocated to cycleways within the capital plan, the final £40k from that budget has been allocated to provide extra secure cycle parking in local centres.

Financing

Capital schemes are funded from a variety of internal and external funding sources. The use of certain funding types is restricted, for example developer and other contributions, grants, and earmarked and specific funds.

Internal:

- Earmarked and specific funds (e.g. asset replacement reserve)
- Capital receipts
- NHB
- Revenue resources
- Internal borrowing

External:

- Developer and other contributions
- Grants, National Lottery etc.
- Prudential borrowing

Where capital expenditure is funded from internal or external borrowing, a minimum revenue provision (MRP) is charged annually in line with the council's MRP policy. In previous years £18.5m was spent on commercial property, funded from internal borrowing. It is proposed to use the Invest for Income Fund (£8m), capital receipts from the sale of residential plots at K1 (£3m) expected in December 2018 and early January 2019, and 2018/19 and 2019/20 unallocated NHB (£116k and £1,429k) to partially fund this expenditure and thereby avoiding annual MRP charges of £314k. Where the funding is available in 2018/19, the equivalent MRP charge in that year can also be avoided.

A further £1.5m of K1 receipts are expected, but timing is uncertain. Therefore these receipts will be used to fund significant projects in delivery at the time, avoiding the need for additional internal borrowing.

The following table shows the latest funding position, updated since MTFS Oct 2018:

Capital funding Available	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Funding available and unapplied (MTFS Oct 2018)	-	(1,352)	(1,761)	(1,786)	(1,786)	(1,786)
Capital bids requiring funding (Appendix E(b))	-	867	218	48	30	-
Direct revenue funding of capital (DRF) returned to revenue S4345	-	193	-	-	-	-
Net Funding Available	-	(293)	(1,543)	(1,738)	(1,756)	(1,786)

The projections in the remainder of the BSR assume that all of the capital proposals are approved.

The current capital plan, updated for schemes approved since the MTFS 2018 and proposals for new schemes, is shown in detail in Appendix E (d). The tables below summarise the changes since the MTFS Oct 2018, the latest capital plan and shows how it is funded.

Capital plan spending	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Spend MTFS Oct 2018	30,949	11,562	3,366	61	-	-
Approvals since MTFS Oct 2018 see Appendix E (c):						
Cromwell Road redevelopment (GF share)	17,166	-	-	-	-	-
Section 106 (with funding)	192	77	-	-	-	-
Capital Plan total before new proposals	48,307	11,639	3,366	61	-	-
New proposals see Appendix E (d)	(5,407)	9,502	11,625	1,957	30	-
Total Spend	42,900	21,141	14,991	2,018	30	-

Capital plan spending	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Programmes	6,076	682	200	30	30	-
Projects	30,782	20,363	13,975	1,927	-	-
Sub total	36,858	21,045	14,175	1,957	30	-
Provisions	6,042	96	816	61	-	-
Total Spend	42,900	21,141	14,991	2,018	30	-

Capital plan funding	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
External support						
Developer Contributions	(2,745)	(77)	0	0	0	0
Other Sources	(495)	(431)	(25)	0	0	0
Total - External Support	(3,240)	(508)	(25)	0	0	0
City Council						
Direct Revenue Financing (DRF) - GF Services	(105)	(5)	0	0	0	0
Direct Revenue Financing (DRF) - Use of Reserves	(3,686)	(2,966)	(1,786)	(1,786)	(1,786)	(1,786)
Earmarked Reserve - Capital Contributions	(27,543)	(655)	0	0	0	0
Earmarked Reserve - Climate Change Fund	(300)	0	0	0	0	0
Earmarked Reserve - Repair & Renewals Fund	(2,156)	(682)	0	0	0	0
Earmarked Reserve - OAS	(473)	0	0	0	0	0
Internal Borrowing - Temporary Use of Balances	(626)	(16,516)	(14,723)	(1,909)	0	0
Usable Capital Receipts	(4,771)	(102)	0	(61)	0	0
Total Funding	(39,660)	(20,926)	(16,509)	(3,756)	(1,786)	(1,786)
Capital Plan	42,900	21,141	14,991	2,018	30	0
Net Funding Available	0	(293)	(1,543)	(1,738)	(1,756)	(1,786)

Section 8

Risks and reserves

Risks and their mitigation

Risks and sensitivities

The council is exposed to a number of risks and uncertainties which could affect its financial position and the deliverability of the proposed budget. These risks include:

- Assumptions and estimates, such as inflation and interest rates, may prove incorrect. These estimates are particularly difficult in light of current uncertainties surrounding the UK's exit from the EU, with or without a deal;
- The economic impact of the United Kingdom leaving the EU may impact some of the council's income streams, such as car parking income, commercial rents and planning fee income;
- Brexit uncertainty, coupled with the global nature of many of the businesses in the city, may reduce or reverse growth in the local economy. Impacts for the council could include reductions in business rates collected and increased demand for council services which support residents on low incomes.
- Unforeseen impacts resulting from a 'no deal' Brexit.
- Increases in council tax and business rates receipts due to local growth assumptions may not meet expectations;
- The actual impact and timing of local growth on the demand for some services may not reflect projections used;
- Funding from central government (NHB and other grants) may fall below projections;
- Business rates appeals, which may be backdated to 2010, may significantly exceed the provision set aside for this purpose;
- The impact of 75% business rates retention, coupled with any additional responsibilities handed down to the council at that time and the outcome of the fair funding review, may create a net pressure on resources;
- Savings plans may not deliver projected savings to expected timescales;

- New legislation or changes to existing legislation may have budgetary impacts;
- Unforeseen capital expenditure, such as major repairs to offices and commercial properties, may be required;
- The implementation of proposals to tackle congestion in Cambridge may adversely impact car parking income and the delivery of services that rely on officers travelling around the city. The council may also become subject to a work place parking levy; and
- The council may not be able to replace time limited funding for commitments to maintain open spaces associated with growth sites, or implement alternative arrangements for their maintenance.

The budget process addresses these risks by applying principles of prudence and sustainability throughout. The sensitivity of the budget to estimates and assumptions has been assessed and is presented in Appendix D.

Equality impact assessment

As a key element of considering the changes proposed in this BSR, an Equality impact assessment has been undertaken covering all of the Budget 2019/20 proposals. This is included in this report at Appendix G. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show that they have treated everyone fairly and without discrimination.

Section 25 Report

Section 25 (s. 25) of the Local Government Act 2003 requires that the Chief Financial Officer (CFO) reports to the authority, when it is making the statutory calculations required to determine its council tax or precept, on the following:

- The robustness of the estimates made for the purposes of the calculations, and
- The adequacy of the proposed levels of financial reserves.

This includes reporting and taking into account:

- the key assumptions in the proposed budget and to give a view on the robustness of those assumptions;
- the key risk areas in the budget and to assess the adequacy of the council's reserves when reviewing the potential financial impact of these risk areas on the finances of the council; and

- it should be accompanied by a reserves strategy

This report has to be considered and approved by full council as part of the budget approval and council tax setting process.

The majority of the material required to meet the requirements of the Act has been built into the key reports prepared throughout the corporate budget cycle, in particular:

- MTFS 2018
- The corporate plan and the budget reports to the January cycle of meetings.

This reflects the fact that the requirements of the Act incorporate issues that the council has, for many years, adopted as key principles in its financial strategy and planning; and which have therefore been incorporated in the key elements of the corporate decision making cycle.

This also reflects the work in terms of risk assessment and management that is built into all of the key aspects of the council's work.

The Section 25 report will be included as Section 10 in the second publication of the BSR to be submitted to Strategy and Resources Scrutiny Committee.

General reserves

GF reserves are held as a buffer against crystallising risks, and to deal with timing issues and uneven cash flows. As such, the level of reserves required is dependent on the financial risks facing the council, which will vary over time. The prudent minimum balance (PMB) and target level of GF reserves were reviewed and amended in the MTFS. No further changes are recommended at this time.

GF reserves	£m
October 2018 MTFS / February 2019 BSR – Recommended levels	
- Target level	6.6
- Minimum level	5.5

The projected levels of reserves for the budget setting period, based on the proposals included in this report, and assuming that all net savings requirements are delivered, are as follows:

Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Balance as at 1 April (b/fwd)	(13,380)	(9,,367)	(9,081)	(7,823)	(6,476)	(6,009)
Contribution (to) / from reserves per MTFS 2018	4,013	(96)	876	1,099	883	-
Non-Cash Limit items (Appendix C(d))	-	382	96	36	(37)	(106)
Impact of rephasing savings	-	-	286	212	(379)	(507)
Balance as at 31 March (c/fwd)	(9,367)	(9,081)	(7,823)	(6,476)	(6,009)	(6,622)

Section 9

Future strategy and recommendations

Future issues and prospects

The impact of a number of uncertainties and challenges outlined below are likely to become clearer in the early part of 2019/20. The new or developing issues and projects which are not clear at the time of agreeing this BSR include:

- **Fair funding review** – The government are reviewing the distribution of funding across local government, with the aim of simplifying the funding formulae and rebalancing funding and need to spend. The outcome of this review is expected to become clearer in the second half of 2019/20 and to be implemented for 2020/21. It is likely to result in significant funding reductions for the council.
- **Spending review** – A full spending review has been announced for 2019. It will determine the funding envelope for local government, and will set the trajectory for local government funding for the following five years.
- **New Homes Bonus (NHB)** – the future of this funding stream, designed to reward councils for achieving growth and to mitigate the impacts of that growth, is uncertain. It may be rolled into the funding total subject to redistribution through the fair funding review, or it could be revised and reformed in some way
- **75% business rates retention** – it is still unclear how this policy will be implemented, and therefore its impact on the council finances cannot be assessed at this point..
- **Homelessness Reduction Act 2017** – the Act has placed new legal duties on the council to provide help and advice to those who are homeless or at risk of becoming homeless and are

eligible for assistance. Expectations are that the demands on the service will increase as a result of the Act however it is too soon to assess the impact on the service and the costs of delivery.

- **Delivery of planned savings** – the council has delivered significant savings in previous years. As a result, current and future savings are more difficult to deliver and the council is undertaking a complex, cross cutting programme of change, both on its own and with partners to achieve them. Significant ICT and digital projects are underway, which could take time to deliver and embed and therefore to realise savings. These programmes represent a considerable challenge for the organisation.
- **Financial pressures on other partners** - as other agencies come under spending pressure there may be direct impacts on services which are currently funded by them or in partnership with them. The County council is facing significant cuts over coming years and the Cambridgeshire and Peterborough health economy continues to be under stress. Even where there are not direct cuts to city council funding there are likely to be indirect impacts on our community based services.
- **Welfare Reform** – the government's plans to reform the country's system of welfare payments continue to have implications for the Council not least the introduction of Universal Credit, which started in October 2018 in Cambridge. The government has made clear its expectation that staff will not TUPE across to the Department for Work and Pensions (DWP) and so the council will need to transform the service as migration of caseload to DWP takes effect.
- **Changes to housing policy** - the significant impact of changes to government policy in relation to the HRA has required significant housing related savings. They will have a knock on impact on support services funded through the HRA and other housing related services funded by the GF.

Future savings strategy

Our efficiency plan

The council submitted its efficiency plan to government in October 2016 and the Minister for Local Government wrote to the council in November 2016 confirming that this efficiency plan would be rewarded by a multi-year financial settlement. This meant the council could expect at least the minimum stated allocation of business rates and revenue support grant up to 2019/20. In return the council committed to continue its ambitious programme of service transformation.

The programme laid out in the efficiency plan tackled the need to deliver good services with fewer resources through five complementary strands of activity:

- Transforming the way the council delivers services by focusing on what's important to service users and delivering that well, sharing services with neighbouring councils where possible to reduce costs and to create stronger and more resilient teams.
- Reducing the number of council offices and reusing other assets.
- Developing new council businesses and ensuring all services think commercially and explore income generating opportunities.
- Investing money wisely so it does not sit in bank accounts earning very little but works to generate a better return for council tax payers.
- Challenging the council's capital programme to reduce capital commitments and ensuring those schemes that do go ahead are well planned and delivered in a timely way.

Underpinning all of this is a commitment to targeting scarce resources to help people who need help and to meet the needs of most vulnerable.

Delivery of our transformation programme in 2019/20

This budget setting report underlines that the council needs to undergo further transformational change over the next five years to meet its financial challenges alongside the challenges posed by

growth in the city. These themes in our efficiency plan remain relevant for our future savings strategy

The Chief Executive has already brought forward proposals to change the current structure at head of service level in order to create more impetus for the transformation of the organisation. This budget includes proposals to create some additional capacity to support transformation. The budget extends some existing resources for business analysis and process reengineering to underpin efficient workflows which were originally funded for a time limited period. This funding will be used for two new posts to support transformation programme and general programme management. The new Head of Transformation and team is an investment to provide capacity to achieve the savings required over the medium term. They will be focused on delivering a transformation programme which will deliver some of those savings directly and support other heads of services to deliver savings and efficiencies in their own service areas.

Transforming the way the council delivers services by focusing on what's important to service users and delivering that well, sharing services with neighbouring councils where possible to reduce costs and to create stronger and more resilient teams

Our programme of systematic service reviews will continue with the next phase focusing on:

Maximising efficiency benefits from recent and planned ICT investment

We are making a strong investment in new ICT. In the short-to-medium term the key focus will be on maximising the benefits of that investment. This will help us maximise productivity and drive efficiencies across all our services, both in the front office and the back office.

Reviewing how we best engage and respond to our residents

We need to move the council from a position where we have a mixed quality and quantum of digital delivery, to a position in which we are delivering our customer facing services using an effective

digital interface. We will review the way we respond and communicate with our residents with the aim of making transactions and payments as seamless as possible.

Continuing to maximise the potential of sharing services with other councils

We will continue to pursue plans to share services with other councils. In particular we will seek to embed the shared planning service with South Cambridgeshire District Council which was implemented during 2018/19. We will explore whether there is a business case to implement a fully shared finance service. We will also continue to look at the services we already share to identify whether further efficiencies can be generated.

Use of car parks

We will consider both shrinking longer term income projections as new public transport infrastructure comes forward and the long term potential to use these assets differently.

Homelessness

The impact of the Homelessness Reduction Act and ensuring we are targeting grant aid effectively.

Play areas and open spaces

Including long term planning for and the funding of open space and play in new developments after committed sums run out.

Human Resources

Reviewing the council's future needs and models for delivery with a particular focus on improving recruitment and retention.

Reducing the number of council offices and reusing other assets

We will develop and deliver an updated Asset Management strategy designed to make most efficient use of our remaining office buildings to maximise return on our commercial assets.

Developing new council businesses and ensuring all services think commercially and explore income generating opportunities

We will continue to identify further opportunities for more commercial approaches to our services. This will include taking the opportunity to sell services to other agencies, such as those offered by the procurement team.

Conclusions

This report presents a balanced budget for 2019/20 and a continuing strategy to maintain the council on a firm financial footing in the medium term. However, significant financial challenges and uncertainties remain.

The overall budget and medium term financial strategy are not without risk, as they rely on the successful delivery of a challenging programme of transformational projects, some of which rely on collaborative working with partners. They are also dependent on increasing levels of income which could be adversely impacted by local or national economic factors. The council actively manages the level of its reserves to give some protection against these risks.

Increasingly, the financial health of the council and hence its ability to deliver services to local residents and visitors to the city will be under the council's control. The key will be to balance policy driven spending with commercialism, and prudent management with well-considered risk taking for reward.

Section 10

Section 25 Report

TO BE ADDED FOR PUBLICATION ON 30 JANUARY

Appendix A(a)

Calculation of Council Tax Base 2019/20

	Council Tax Bands									
	A entitled to disabled relief reduction	A	B	C	D	E	F	G	H	Total
Dwellings on the valuation list		4,208	10,396	19,758	9,993	5,729	3,654	3,193	482	57,413
Dwellings treated as exempt		(453)	(456)	(798)	(626)	(425)	(267)	(374)	(167)	(3,566)
Adjustments for disabled relief (i.e. reduced by one band)		(1)	(11)	(42)	(29)	(20)	(11)	(11)	(2)	(127)
	1	11	42	29	20	11	11	2	0	127
Total chargeable dwellings	1	3,765	9,971	18,947	9,358	5,295	3,387	2,810	313	53,847
Number of dwellings included in the totals above:										
Where there is a liability to pay 100% council tax	0	1,989	4,707	13,078	6,832	4,023	2,715	2,374	272	35,990
That are assumed to be subject to a discount or premium	1	1,776	5,264	5,869	2,526	1,272	672	436	41	17,857
Dwelling Equivalents:										
Number of dwelling equivalents after applying discounts and premiums to calculate taxbase	0.8	3,285.0	8,613.8	17,429.3	8,694.0	4,959.8	3,218.0	2,690.0	298.8	49,189.3
Ratio to Band D	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	
Band D equivalents	0.4	2,190.0	6,699.6	15,492.7	8,694.0	6,061.9	4,648.2	4,483.3	597.5	48,867.6
Band D equivalent contributions for Government properties										1.0
Allowance for Council Tax Support										(3,884.9)
Tax base after allowance for Council Tax Support										44,983.7
	Add		Estimated net growth in tax base							378.7
	Less		Adjustment for student exemptions							(1,101.6)
	Less		Assumed loss on collection at 1.3%							(575.5)
Total Band D Equivalents – Tax base for Council Tax and Precept Setting Purposes										43,685.3

B Local Poverty Rating Index

A Local Poverty Rating Index to assist in assessing Budget Proposals 2019/20

To assist members in assessing the impacts of budget proposals on low income groups of people in the City a local poverty rating composite index ("the Index") has been developed and has been applied for this year's budget proposals for 2019/20 (as used in last year's process). The impact classifications are shown in the table below:

Impact classification of impact	Assessment
High	The bid is a good fit with the areas of focus in the council's Anti-Poverty Strategy and targets people on low incomes that are experiencing pressing and urgent problems that will affect their ability to meet their basic needs, such as housing, food, warmth and security in the short-term.
Medium	The bid touches on or is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families living on low incomes in the short to medium-term.
Low	The bid is outside the areas of focus in the council's Anti-Poverty Strategy but will deliver improvements to people and families, including those living on a low income.
None	The level of service to low income people and families will not change.
Negative	The bid is likely to reduce or restrict access to services by people or families living on a low income.

The council's full [Anti-Poverty Strategy](#) shows the objectives and areas of focus for the Cambridge Anti-Poverty Strategy.

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	B4155	Allocating funding for Anti Poverty Strategy (APS) projects to the Community Grants pot [Anti-poverty project]	0	0	100,000	0	0	Debbie Kaye
Communities	B4160	Anti-poverty responsive budget [Anti-poverty project]	0	30,000	0	0	0	Andrew Limb
Communities	B4165	Anti-Poverty Strategy and Living Wage campaign [Anti-poverty project]	0	22,000	11,000	0	0	Andrew Limb
Communities	B4182	Subsidised and free swimming and exercise referral services to support Anti Poverty Strategy work [Anti-poverty project]	0	20,000	20,000	0	0	Debbie Kaye
Communities	B4193	Fuel and Water Poverty Officer [Anti-poverty project]	0	43,000	43,000	0	0	Joel Carre
Environmental Services & City Centre	B4189	Air Quality Officer	0	24,300	24,300	0	0	Joel Carre
Environmental Services & City Centre	B4199	Visit Cambridge & Beyond (VCB) set up loan repayment requirement	0	10,000	10,000	10,000	10,000	Joel Carre
Environmental Services & City Centre	B4219	Volunteer Groups - Continue with Officer support with recycling and cleansing groups in City and South Cambs	0	20,000	20,000	0	0	Trevor Nicoll
Environmental Services & City Centre	B4253	Environmental Health ICT system replacement project	0	38,000	0	0	0	Joel Carre
Finance & Resources	B4158	Recruitment of additional Housing Benefit Assessment (Overpayments) Officer. Linked to Income proposal II4159.	0	37,800	37,800	0	0	Alison Cole
Finance & Resources	B4187	Increase Procurement Team Resources from 2.5FTE to 3 FTE	0	20,000	20,000	20,000	20,000	James Elms
Finance & Resources	B4204	Cyber Security, Vulnerability Assessment and Remediation Solutions - CCC share	0	30,000	28,000	28,000	0	Jonathan James
Finance & Resources	B4224	Gwydir Enterprise Centre improvements and repairs	0	27,000	9,000	0	0	Dave Prinsep
Finance & Resources	B4225	69-71 Lensfield Road - external works and structural repairs	0	90,000	0	0	0	Dave Prinsep
Finance & Resources	B4316	Financial Inclusion Officer (GF share) [Anti-poverty project]	0	14,700	0	0	0	Alison Cole
Finance & Resources	B4324	Meadows Community Hub and Buchan Street Retail Outlet - internal borrowing - cost	0	0	0	0	115,350	Claire Flowers

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Housing - General Fund	B4171	Increased specialist consultancy support and advice for the delivery of new build schemes through the H.D.A.	0	53,200	53,200	0	0	Claire Flowers
Streets & Open Spaces	B4198	Streets and Open Spaces - Growth Officer	0	40,000	0	0	0	Joel Carre
Streets & Open Spaces	B4322	Community Clear up	0	25,000	0	0	0	Joel Carre
Bids Total			0	545,000	376,300	58,000	145,350	

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Programme								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Finance & Resources	PROG424	Enterprise Portfolio Management Solution (EPMS)	0	0	30,000	30,000	30,000	Fiona Bryant
Finance & Resources	PROG424	Establishment of Corporate Programme Office	0	110,000	190,000	170,000	0	Fiona Bryant
Programme Total			0	110,000	220,000	200,000	30,000	

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Reduced Income								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	RI4179	City Council Garage - Reduction in revenue forecast	0	110,000	0	0	0	James Elms
Finance & Resources	RI4321	Lion Yard investment - internal borrowing - cost	0	0	0	150,000	150,000	Dave Prinsep
Planning Policy & Transport	RI4213	Reduction in income due to review of Shopmobility charges	0	45,000	45,000	45,000	45,000	James Elms
Planning Policy & Transport	RI4214	Park Street Closure implications to budget during closure	0	122,000	397,000	349,000	0	James Elms
Planning Policy & Transport	RI4215	Reduction in car parking income for all parking revenue less Park Street MSCP	0	100,000	100,000	100,000	100,000	James Elms
Planning Policy & Transport	RI4300	Park Street Closure implications to budget after re-opening	0	0	0	0	226,500	James Elms
Reduced Income Total			0	377,000	542,000	644,000	521,500	

Summary of Budget Proposals by type - Pressures & Bids

Appendix C (a)

Unavoidable Revenue Pressure								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	URP4220	Property Growth Pressure on Refuse Collection Services	0	0	44,000	100,000	160,000	Trevor Nicoll
Environmental Services & City Centre	URP4222	MRF cost – reduction in income and increase costs (with current contract and market) under Amey contract	0	100,000	100,000	100,000	100,000	Trevor Nicoll
Finance & Resources	URP4209	Secure Phone Payment Solution	0	16,000	16,000	16,000	16,000	Jonathan James
Finance & Resources	URP4240	EastNet - Forced Procurement Replacement of Virgin Media CPSN	0	86,600	26,000	26,000	26,000	Fiona Bryant
Finance & Resources	URP4244	Support Services Review (SSR) - GF element	0	145,000	145,000	145,000	145,000	Fiona Bryant
Finance & Resources	URP4278	External interest revised projections (General Fund)	0	250,000	250,000	250,000	250,000	Caroline Ryba
Unavoidable Revenue Pressure Total			0	597,600	581,000	637,000	697,000	
Pressures & Bids Total			0	1,629,600	1,719,300	1,539,000	1,393,850	

Summary of Budget Proposals by type - Savings

Appendix C (b)

Increased Income								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	II4191	Environmental Health services fees and charges	0	(40,000)	(40,000)	(40,000)	(40,000)	Joel Carre
Environmental Services & City Centre	II4279	Increase income from Trade Waste Service	0	(10,000)	(10,000)	(10,000)	(10,000)	Trevor Nicoll
Finance & Resources	II4159	Increase in repayment of housing benefit overpayments.	0	(133,000)	(133,000)	0	0	Alison Cole
Finance & Resources	II4313	Procurement - income generation	0	(20,000)	0	0	0	James Elms
Finance & Resources	II4320	Lion Yard Investment - additional rental income	0	0	0	0	(80,000)	Dave Prinsep
Housing - General Fund	II4172	Increased fee income from the HRA for the delivery of new build schemes through the H.D.A.	0	(53,200)	(53,200)	0	0	Claire Flowers
Planning Policy & Transport	II4283	3C Building Control Review of Ratio of Non Fee Earning to Fee Earning Elements	0	(30,000)	(30,000)	(30,000)	(30,000)	Heather Jones
Increased Income Total			0	(286,200)	(266,200)	(80,000)	(160,000)	

Summary of Budget Proposals by type - Savings

Appendix C (b)

Savings								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	S4286	Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review	0	(20,000)	(20,000)	(20,000)	(20,000)	Debbie Kaye
Communities	S4293	Reduce leisure management contract budgets (variations and utility variance)	0	(40,000)	(40,000)	(40,000)	(40,000)	Debbie Kaye
Communities	S4294	Reduce sport & recreation maintenance budgets	0	(15,000)	(15,000)	(15,000)	(15,000)	Debbie Kaye
Environmental Services & City Centre	S4166	Sustainable City admin and grants efficiencies	0	(18,000)	(18,000)	(18,000)	(18,000)	Andrew Limb
Environmental Services & City Centre	S4218	Parking Service review	0	(80,000)	(120,000)	(120,000)	(120,000)	James Elms
Finance & Resources	S4168	Savings from bringing website development support into shared service	0	(25,000)	(25,000)	(25,000)	(25,000)	Andrew Limb
Finance & Resources	S4176	Cash limit specific Supplies & Services Budgets	0	(150,000)	(150,000)	(150,000)	(150,000)	Caroline Ryba
Finance & Resources	S4177	Maternity leave costs delegated to service budgets	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba
Finance & Resources	S4178	Increase staff turnover allowance baseline by 1% to 4%	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba
Finance & Resources	S4205	Income Management Solution Replacement	0	0	0	(12,000)	(12,000)	Jonathan James
Finance & Resources	S4238	Savings from within HR service budget of £12k	0	(12,000)	(12,000)	(12,000)	(12,000)	Deborah Simpson
Finance & Resources	S4239	Delete vacant post of Assistant HR Business Partner	0	(38,000)	(38,000)	(38,000)	(38,000)	Deborah Simpson
Finance & Resources	S4247	Legal Practice	0	(64,500)	(64,500)	(64,500)	(64,500)	Tom Lewis
Finance & Resources	S4299	Invest for Income Fund used to repay internal borrowing - saving	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba
Finance & Resources	S4317	Unallocated NHB used to repay internal borrowing - saving	0	(38,600)	(38,600)	(38,600)	(38,600)	Caroline Ryba
Finance & Resources	S4318	Capital Receipt (K1) used to repay internal borrowing - saving	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba
Finance & Resources	S4345	Reduction in revenue funding (DRF) allocated to capital in 2019/20	0	(193,000)	0	0	0	Caroline Ryba
Housing - General Fund	S4169	Deletion of 18.5 hours of the Grants Officer	0	(22,100)	(22,100)	(22,100)	(22,100)	David Greening
Housing - General Fund	S4173	Reduction in Choice Based Lettings IT costs	0	(3,000)	(3,000)	(3,000)	(3,000)	David Greening
Housing - General Fund	S4174	Deletion of 7 hours of the Housing Strategy Manager post	0	(11,000)	(11,000)	(11,000)	(11,000)	David Greening
Housing - General Fund	S4175	Deletion of the Temporary Accommodation Coordinator post	0	(23,800)	(23,800)	(23,800)	(23,800)	David Greening

Summary of Budget Proposals by type - Savings

Appendix C (b)

Savings								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Planning Policy & Transport	S4167	Pruning unallocated budgets in Urban Growth cost centre	0	(4,000)	(4,000)	(4,000)	(4,000)	Andrew Limb
Planning Policy & Transport	S4216	Parking Services Administration Saving	0	(5,000)	(5,000)	(5,000)	(5,000)	James Elms
Planning Policy & Transport	S4217	Saving against Parking Maintenance	0	(13,000)	0	0	0	James Elms
Planning Policy & Transport	S4262	Deletion of subscription to the Local Enterprise Partnership (LEP)	0	(16,720)	(16,720)	(16,720)	(16,720)	Stephen Kelly
Planning Policy & Transport	S4301	Planning Service - new and revised service delivery	0	(32,500)	(42,500)	(42,500)	(42,500)	Stephen Kelly
Planning Policy & Transport	S4302	Planning Service - Service change	0	(40,000)	(40,000)	(40,000)	(40,000)	Stephen Kelly
Planning Policy & Transport	S4303	Planning Service - more effective cost recovery process	0	(85,000)	(85,000)	(85,000)	(85,000)	Stephen Kelly
Strategy & External Partnerships	S4162	Democratic services-miscellaneous savings	0	(2,000)	(2,000)	(2,000)	(2,000)	Andrew Limb
Strategy & External Partnerships	S4163	Corporate policy efficiencies and administrative savings	0	(31,000)	(31,000)	(31,000)	(31,000)	Andrew Limb
Savings Total			0	(1,533,220)	(1,377,220)	(1,389,220)	(1,389,220)	
Savings Total			0	(1,819,420)	(1,643,420)	(1,469,220)	(1,549,220)	

Summary of Budget Proposals by type - Non-Cash Limit

Appendix C (d)

Non-Cash Limit Items								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Environmental Services & City Centre	NCL4161	Additional allocation to the Climate Change Earmarked Fund	0	100,000	0	0	0	Andrew Limb
Finance & Resources	NCL4325	Additional contribution to Cambridge Live Development Plan Earmarked Reserve to include transition funding	0	250,000	0	0	0	Debbie Kaye
Non-Committee Items	NCL4326	New Homes Bonus (NHB) change to income projections	0	(389,000)	(390,000)	(390,000)	(390,000)	Caroline Ryba
Non-Committee Items	NCL4327	Contribution to Greater Cambridge Partnership (formerly City Deal) from New Homes Bonus (NHB)	0	(395,000)	(372,000)	(372,000)	(176,000)	Caroline Ryba
Non-Committee Items	NCL4328	New Homes Bonus (NHB) – unallocated	(116,000)	(645,000)	762,000	762,000	566,000	Caroline Ryba
Non-Committee Items	NCL4329	Unallocated NHB used to repay internal borrowing (DRF)	116,000	1,429,000	0	0	0	Caroline Ryba
Non-Committee Items	NCL4330	Council Tax Base adjustment	0	32,000	96,000	36,000	(37,000)	Caroline Ryba
Strategy & External Partnerships	NCL4335	Mill Road depot redevelopment - Equity Loan to CIP - interest receivable - revised	(25,000)	(78,000)	(51,000)	168,000	0	Caroline Ryba
Strategy & External Partnerships	NCL4336	Mill Road depot redevelopment - Development Loan to CIP - interest receivable - revised	9,000	147,000	17,000	(18,000)	0	Caroline Ryba
Strategy & External Partnerships	NCL4337	Mill Road depot redevelopment - Equity Loan to CIP - Contribution to GF development earmarked reserve - revised	25,000	78,000	51,000	(168,000)	0	Caroline Ryba
Strategy & External Partnerships	NCL4338	Mill Road depot redevelopment - Development Loan to CIP - Contribution to GF development earmarked reserve - revised	(9,000)	(147,000)	(17,000)	18,000	0	Caroline Ryba
Strategy & External Partnerships	NCL4339	Cromwell Road development - Equity Loan to CIP - interest receivable	(9,000)	(56,000)	(124,000)	(139,000)	(35,000)	Caroline Ryba
Strategy & External Partnerships	NCL4340	Cromwell Road development - Equity Loan to CIP - Contribution to GF development earmarked reserve	9,000	56,000	124,000	139,000	35,000	Caroline Ryba
Strategy & External Partnerships	NCL4341	Cromwell Road development - Development Loan to CIP - interest receivable	0	(12,000)	(160,000)	(108,000)	0	Caroline Ryba

Summary of Budget Proposals by type - Non-Cash Limit

Appendix C (d)

Non-Cash Limit Items								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Strategy & External Partnerships	NCL4342	Cromwell Road development - Development Loan to CIP - Contribution to GF development earmarked reserve	0	12,000	160,000	108,000	0	Caroline Ryba
Non-Cash Limit Items Total			0	382,000	96,000	36,000	(37,000)	

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Communities

Bids

B4155	Allocating funding for Anti Poverty Strategy (APS) projects to the Community Grants pot [Anti-poverty project]	0	0	100,000	0	0	Jackie Hanson	Nil
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The Council seeks to establish a grant fund open to applications from all voluntary and community sector (VCS) organisations for projects that would help deliver the Council's anti-poverty objectives. Funding for anti-poverty projects delivered by VCS organisations would be incorporated into the Council's Community Grants and an additional funding priority of 'reducing poverty' would be added. Projects funded under the 'reducing poverty' priority of the community grants would primarily be revenue projects. This approach is consistent with the existing criteria for the Community Grants. The bid is therefore for an additional annual budgetary allocation of £100k to the Community Grants. The funds for 2019/20 (£100k) have already been authorised by the Council in July 2018.

High

B4160	Anti-poverty responsive budget [Anti-poverty project]	0	30,000	0	0	0	David Kidston	Nil
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As agreed at Environment and Community Scrutiny Committee on 28 June 2018, all proposals for new projects that support the delivery of the Council's Anti-Poverty Strategy from 2019/20 onwards will be submitted as individual budget proposals. This bid is for a separate responsive budget, which will be used to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes in the city that emerge during the course of 2019/20.

High

B4165	Anti-Poverty Strategy and Living Wage campaign [Anti-poverty project]	0	22,000	11,000	0	0	David Kidston	Nil
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This bid would fund the continuation of a 0.5 FTE post to: continue the Council's promotion of the Living Wage to businesses in Cambridge; ensure that all Council contracts continue to Living-wage compliant on an ongoing basis; and work with local businesses to identify ways in which they might use their skills, capacity and resources to support achievement of shared objectives around tackling poverty and disadvantage in Cambridge.

High

B4182	Subsidised and free swimming and exercise referral services to support Anti Poverty Strategy work [Anti-poverty project]	0	20,000	20,000	0	0	Ian Ross	Nil
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The bid is for a continuation of subsidised and free swimming and exercise referral services to support delivery of the Anti-Poverty Strategy. The swimming initiatives bid (£10k) include free swimming for Sure Start centre users, women-only BAME sessions and targeted work with schools where achievement of KS2 swimming is challenging. The exercise referral scheme bid (also £10k) is to continue to offer free exercise on prescription services to those patients referred from Arbury Road, East Barnwell and Nuffield Road surgeries. NB Link to saving on staffing in Active Lifestyles team, but not interdependent

High

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Communities

B4193	Fuel and Water Poverty Officer [Anti-poverty project]	0	43,000	43,000	0	0	Justin Smith	+M
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The Fuel and Water Poverty Officer supports low income and vulnerable residents to reduce heating and water costs, and to heat their property effectively. Outcomes include a reduction in fuel poverty and improving health and wellbeing. These outcomes contribute to anti-poverty, housing, and climate change strategy objectives. We have had success in reducing fuel poverty in previous years, however latest Government figures show fuel poverty in Cambridge has increased to 5,632 (11.5%) of residents. Without this Officer there would be limited support to take residents out of fuel poverty.

High

Total Bids in Communities

0	115,000	174,000	0	0
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Capital Bids

C4156	CHUB - community extension to Cherry Hinton Library	0	767,000	0	0	0	Allison Conder	-L
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There is an identified need for additional community provision to offset development in and around Cherry Hinton. Local preference is for an extension of the existing community hub in the library. An initial phase would cost £484.5k, with funding from Royal British Legion (£250k) of which £200k would require the city council to agree a reducing liability underwriting proposal; generic/specific S106 (£200k); County Council (£28k); Cherry Hinton Residents Association (£1.5k); City Council Community Services (£5k). It would be more cost effective and less disruptive to the community if both phases were constructed at the same time. The additional cost of a combined scheme is £282.5k (total £767k). Before final approval is given for delivery of the combined scheme, further fundraising will be sought to achieve this based around current efforts by Cherry Hinton Residents Association to win funding from trusts.

Medium

Total Capital Bids in Communities

0	767,000	0	0	0
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Savings

S4286	Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review	0	(20,000)	(20,000)	(20,000)	(20,000)	Sally Roden	Nil
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Community services are in the process of reviewing the future funding and allocation of resources to NCP projects to align them with the review of community provision outcomes and also the mainstream grants process. This work will take place over the next 12 months. Previously the Council has stated an aim to reducing NCPs reliance on Council funding. This proposed £20k reduction (from £86k to £66k) would still leave a substantial sum to be allocated to projects during the review period. This affects the Abbey People group and the North Cambridge Community Partnership (formed after a merger of Arbury and Kings Hedges groups). The community review seeks to ensure resources are directed to areas and communities in greatest need in the city

None

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Communities

S4293	Reduce leisure management contract budgets (variations and utility variance)	0	(40,000)	(40,000)	(40,000)	(40,000)	Ian Ross	Nil
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Remove budgets for contract variation and utility variance adjustment from leisure management budget. None
This is not always 100% spent.

S4294	Reduce sport & recreation maintenance budgets	0	(15,000)	(15,000)	(15,000)	(15,000)	Ian Ross	Nil
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The sport, leisure and recreation budgets have a total of £90k allocated for general maintenance. This is not
always 100% spent. The proposal is to reduce it by £15k.

Total Savings in Communities	0	(75,000)	(75,000)	(75,000)	(75,000)			
Total Communities	0	807,000	99,000	(75,000)	(75,000)			

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Environmental Services & City Centre

Bids

B4189	Air Quality Officer	0	24,300	24,300	0	0	Jo Dicks	+L
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Create a permanent resource (0.5 FTE) to enable the Council to respond to the ongoing air quality technical needs associated with the planning and development of the strategic growth sites and associated infrastructure. The post was initially funded for two years (2017-2019) to ensure the Council had sufficient capacity to respond to the high planning case load (c1500 consultations per annum) and to support strategic air quality initiatives, such as the Air Quality Action Plan; and Clean Air Zone. There is an ongoing need for the post. Without this additional resource, the Council will have insufficient capacity to respond to planning consultations and support strategic air quality initiatives, both of which have legal implications.

None

B4199	Visit Cambridge & Beyond (VCB) set up loan repayment requirement	0	10,000	10,000	10,000	10,000	Joel Carre	Nil
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To remove the requirement for VCB to pay back the set-up loan (£90K), which forms part of the Business Transfer Agreement, when the independent, not-for-profit organisation was established by the Council in 2016. The agreement commits VCB to offset the loan's repayment against the VCB Strategic Partner Membership fee (£10k pa) which the Council is expected to pay to VCB from April 2019. Holding VCB to the payback agreement will make it extremely difficult for the organisation to move into surplus and create a long-term viable operating model to support the ongoing management of the c8M visitors which the city now attracts. VCB's proposal means that the Council would forego the offset leaving payment of the annual Strategic Partnership Member fee of £10k pa from 2019/20. The full cost of forgoing the £90k loan would need to be met in 2018/19.

None

B4219	Volunteer Groups - Continue with Officer support with recycling and cleansing groups in City and South Cambs	0	20,000	20,000	0	0	Suzanne Hemingway	+L
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The service has over 150 volunteers that work to improve their local environment and reduce waste. The volunteers support the service by helping out at local events; distributing leaflets to local residents; acting as a focal point in the community for recycling issues; talking to groups about recycling; displaying posters on local notice boards; undertaking sweeping and community events. This grade 3 post will also support with composting advice to offset the changes to the garden waste service. The officer will continue to support residents to reduce contamination in dry recycling thus reducing increases in contract costs.

Medium

The bid is to continue to fund officer that is already in place.

The cost is to be split between City and South Cambs 50/50 - i.e. £20k each council.

B4253	Environmental Health ICT system replacement project	0	38,000	0	0	0	Joel Carre	+L
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2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Environmental Services & City Centre

The City Council Environmental Health IT system contract expires in June 2019. SCDC are procuring a system at present on behalf of the three councils. CCC is named as a partner and can be called off of the contract once funding is available. This is a one off revenue to £38K Y1 (2019/20), Y2 onwards covered from current revenue budget (£30k). Y1 budget assumption is based on having to cover licence and support costs for both current and procured new systems, until the latter is built, tried and tested and rolled out; and current one can be 'switched off'. [Linked to C4252]

Total Bids in Environmental Services & City Centre

0	92,300	54,300	10,000	10,000
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Capital Bids

C4180	Vehicle fleet replacements 2019/20	0	682,000	0	0	0	David Cox	+L
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The project is the procurement of the Council's fleet vehicles, plant and equipment scheduled for replacement in 2019/20, as part of a rolling programme necessary to replace out of life assets that would otherwise significantly increase maintenance costs. Funded from Repairs & Renewals Provisions.

C4181	Mobile column vehicle lifts for workshop	0	24,400	0	0	0	David Cox	-L
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The HGV area of the workshop has three vehicle lifts and one hard standing area. This hard standing area is only used 20% of the time. By procuring a set of lifts we could fully utilise this area increasing efficiency and income. Capturing the 80% at an hourly rate of £44.60 per hour possible Return On Investment of £111K per annum assuming a 25% uplift return would be £27K in the first year.

C4252	Environmental Health ICT replacement system project	0	40,000	0	0	0	Joel Carre	+L
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The City Council Environmental Health IT system contract expires in June 2019. SCDC are procuring a system at present on behalf of the three councils. CCC is named as a partner and can be called off of the contract once funding is available. This is a one off capital bid to purchase a new EH system following a detailed specification. [Linked to B4253]

Total Capital Bids in Environmental Services & City Centre

0	746,400	0	0	0
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Increased Income

II4191	Environmental Health services fees and charges	0	(40,000)	(40,000)	(40,000)	(40,000)	Yvonne O'Donnell	Nil
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Introduction of fees and charges for following Environmental Health services: training for businesses; immigration and mentoring visits; primary authority partnerships; and pre-application advice and condition discharge for planning.

II4279	Increase income from Trade Waste Service	0	(10,000)	(10,000)	(10,000)	(10,000)	Suzanne Hemmingsway	Nil
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Environmental Services & City Centre

The trade waste service has delivered additional profit to both councils for a number of years. If trade waste continues to follow its correct business plan it is estimated that the service will be able to deliver an additional £20k profit (£10k per Council).

The service is currently working with a team of MBA students from the Cambridge University Judge Business School on a project to fully review the trade waste market in the area and develop a business marketing direction.

Total Increased Income in Environmental Services & City Centre

0	(50,000)	(50,000)	(50,000)	(50,000)
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Non-Cash Limit Items

NCL4161	Additional allocation to the Climate Change Earmarked Fund	0	100,000	0	0	0	David Kidston	+H
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An additional allocation to the Council's Climate Change Fund to support carbon and energy reduction projects to be delivered in 2019/20 at Council buildings. Specific projects will be identified following further assessments scheduled to be carried out at the following sites: Parkside Pool, Abbey Leisure Complex, Kings Hedges Pool, Cherry Hinton Village Centre, Crematorium and Corn Exchange. Subject to further investigation, potential projects will include heating, lighting and ventilation improvements.

Projects delivered through the Re-Fit Energy Performance Contract bring guaranteed financial savings to the Council. Services benefiting from these projects have their budgets adjusted accordingly.

Total Non-Cash Limit Items in Environmental Services & City Centre

0	100,000	0	0	0
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Reduced Income

RI4179	City Council Garage - Reduction in revenue forecast	0	110,000	0	0	0	David Cox	Nil
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As vehicles are replaced the maintenance requirement is reduced; an indicative example is refuse trucks 1st year costs £5k vs. 5th year costs £15k. This means that on an annual basis, as vehicles age or are replaced with new that budget expectations will need to be reviewed. A more developed forecasting model, informed by the fleet performance over the past 18 months that has greater rigour and accuracy has been used for this year's forecast. The lack of forecasting data has led to key clients underperforming against expectations for FY16/17, FY17/18 and current year.

Total Reduced Income in Environmental Services & City Centre

0	110,000	0	0	0
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Savings

S4166	Sustainable City admin and grants efficiencies	0	(18,000)	(18,000)	(18,000)	(18,000)	David Kidston	Nil
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Savings from underspends on the Council's Sustainable City budget, including underspends on conferences and events, and on historic grants no longer required for local sustainability partnerships (Travel for Cambridgeshire and the Biodiversity Partnership)

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Environmental Services & City Centre

S4218	Parking Service review	0	(80,000)	(120,000)	(120,000)	(120,000)	Sean Cleary	Nil
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Review of Parking services running costs estimated at £120k saving year on year.

None

Total Savings in Environmental Services & City Centre

0	(98,000)	(138,000)	(138,000)	(138,000)
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Unavoidable Revenue Pressure

URP4220	Property Growth Pressure on Refuse Collection Services	0	0	44,000	100,000	160,000	Suzanne Hemingway	-H
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Property growth has a direct impact on the total cost of collection, for every 3000 households built, the service requires an additional vehicle and 3 staff. The revenue cost for vehicle and staff is £155k per year.

None

This calculation is for CCC part of the service. The growth figures come from Greater Cambridge Housing Trajectory which shows greater growth in SCDC (67% of growth) than the City (33% of growth).

The increase in costs in 2019/20 of around £35k have been averted by finding efficiency savings within the service.

URP4222	MRF cost – reduction in income and increase costs (with current contract and market) under Amey contract	0	100,000	100,000	100,000	100,000	Suzanne Hemingway	Nil
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The pressure is due to changes in the world commodity market which has led to a fall in the secondary material value and an increase in the quality requirements of material for recycling. In the last year we have seen a fall in the income of our recyclate in the region £5/6k per month. In addition to this, we have also lost £12/£13k per month due to reduced recycling rate income, penalties and loss of income due to the increased monitoring for contamination. More resident education will support with reducing/maintaining contamination costs, however we have no control over material value.

None

The cost is to be split between City and South Camb 50/50 - i.e. £100k per council.

Total Unavoidable Revenue Pressure in Environmental Services & City Centre

0	100,000	144,000	200,000	260,000
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Total Environmental Services & City Centre

0	1,000,700	10,300	22,000	82,000
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Finance & Resources

Bids

B4158	Recruitment of additional Housing Benefit Assessment (Overpayments) Officer. Linked to Income proposal I4159.	0	37,800	37,800	0	0	Naomi Armstrong	Nil
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Proposal to recruit an additional Housing Benefit (Overpayments) Officer is linked to an initiative between DWP, HMRC and Cabinet Office to data match outstanding Housing Benefit debtor information with employment and self-employment information held. DWP estimate that additional income for 2 years is likely to be in the region of £133,000 per year. We participated in a small pilot earlier in the year and were able to recover debts where we had been unsuccessful in getting a response from previous contact with debtor. [Linked to I4159]

B4187	Increase Procurement Team Resources from 2.5FTE to 3 FTE	0	20,000	20,000	20,000	20,000	Heidi Parker	Nil
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The proposal is to increase a 1/2 band post to a full time post at a lower band so as to enable the current level of support around procurement compliance to continue, to ensure all future complex procurements will also be managed in house thus saving the council any additional costs and enable procurement to contribute to be a proactive means by which to support other council objectives. (for the past 12 months there has been 3 FTEs in procurement with the funding gap having been met by a bid to the transformation board - without it all the additional support would not have been and will not be available going forward) [Linked to I4313]

B4204	Cyber Security, Vulnerability Assessment and Remediation Solutions - CCC share	0	30,000	28,000	28,000	0	Jonathan James	Nil
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3Cs are required to prevent unauthorised, malicious, or fraudulent data access to the three partners. Each partner is also required to complete an annual IT health check to connect to the Public Sector Network (PSN). 3CS are recommending implementation of a Security Information & Event Management solution that will identify and alert in real time suspicious activity so any potential breaches can be immediately investigated and prevented. 3CS are also recommending a Cyber Security Vulnerability Assessment and Remediation solution to allow 3CS to perform their own regular in advance security assessments so that PSN compliance can be achieved and more easily retained. This bid is the city council's share of the total costs.

B4224	Gwydir Enterprise Centre improvements and repairs	0	27,000	9,000	0	0	Andrew Muggerridge	+L
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Finance & Resources

This was intended as a capital bid in accordance with long term financial planning proposals made earlier in the year for works to Commercial Property. Various works have been identified at Gwydir Enterprise Centre via the planned maintenance programme and surveys carried out by QMP in late 2015. The works identified for the year 2019/20 are as follows together with costings: Low

Repairs to boundary wall: £2,800, New external lighting: £12,000, Hardstanding repairs: £7,500, Lining to car park: £2,000, Contingency @ 10%: £2,430 - Total £26,730

These repairs are items related to addressing health and safety matters and improving energy efficiency. This will not generate additional income but will maintain existing (current income c£125,000 p.a.)

B4225	69-71 Lensfield Road - external works and structural repairs	0	90,000	0	0	0	Andrew Muggeridge	Nil
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This was intended as a capital bid in accordance with long term financial planning proposals made earlier in the year for works to Commercial Property. Various works have been identified at 69-71 Lensfield Road via the planned maintenance programme and surveys carried out by QMP in 2015. The works identified for the year 2019/20 are as follows together with costings: Low

Scaffolding: £16,500, External Decorations: £28,000, New Rain Water Goods: £2,500, Repointing to Walls & Chimney £2,500, Roof repairs: £1,500, Structural repairs: £30,000, Contingency @ 10%: £9,100 - Total £90,100

These are part building maintenance and part health and safety issues due to structural problems with part of the building preventing occupation of those parts. The structural repairs are necessary to keep the building safe and may enable occupation of more of the building generating an additional income.

B4316	Financial Inclusion Officer (GF share) [Anti-poverty project]	0	14,700	0	0	0	Naomi Armstrong	?
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This existing post (previously funded through sharing prosperity fund) provides support and hands-on assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives going forward. The client group tends to be those on lowest incomes, the most vulnerable claimants and families with complex needs and often chaotic lifestyles. High
This is the GF share (35%).

B4324	Meadows Community Hub and Buchan Street Retail Outlet - internal borrowing - cost	0	0	0	0	115,350	Jim Pollard	+M
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Construction of new Community Hub at Meadows and a Retail outlet at Buchan Street. This forms part of a scheme that will provide 106 Council rent dwellings funded through devolution grant and the HRA capital programme. The funding required from the GF may be reduced by a contribution from the HRA CP subject to Secretary of State approval. The retail unit at Buchan Street will generate a return. Requires an annual minimum revenue provision (MRP) of £115,350.[Linked to C4323] High

Total Bids in Finance & Resources	0	219,500	94,800	48,000	135,350	BSR 2019-20 Page 73 of 125		
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Finance & Resources

Capital Bids

C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	0	125,000	0	0	0	Andrew Muggeridge	-L
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The current audio-visual system in the Committee Rooms and Council Chamber has come to the end of its usable life. Continual breakdowns, connectivity problems as well as interference/crackling. All of this is hindering the ability to hold meetings. This project is to replace the existing audio-visual system in both Committee Rooms; this will include a new hearing system with a new up to date conference system to meet current and future needs and expectations. At the same time the audio system in the Council Chamber is going to be replaced to the same standard, the visual being done at a later date.

None

C4203	Improvements to Customer Service Centre	0	91,000	0	0	0	Clarissa Norman	Nil
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Improvements to Customer Service Centre to include new cash machine, scanners, lighting, CCTV and a panoramic camera to improve staff safety in the front of house area.

None

C4206	Income Management Solution Replacement	0	47,000	0	0	0	Clarissa Norman	+L
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All 3C partners currently use Capita for their income management and payment solutions. This scheme is to replace the whole income solution with a more cost effective product that enables the councils to improve customer service.

None

All 3C partners are looking to replace the current service provider for the following reasons:

- Capita are not offering their current products in line with technology trends such as mobile friendly web pages
- Capita team response to issues is slow and inefficient
- Project costs are unreasonable and project managers fail to resolve issues across projects. The level of service does not justify the high fees charged. [Linked to S4205]

C4208	Secure Phone Payment Solution	0	24,000	0	0	0	Clarissa Norman	+L
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Cambridge City Council, SCDC and HDC are all currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS.

None

Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. Calls should not be recorded or stored if they include sensitive card data but there is a risk calls on our network could be compromised and the data stolen. [URP4209]

C4210	Replacement Property Management Software Project	0	100,000	0	0	0	Philip Doggett	Nil
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Finance & Resources

Funding to procure and implement a replacement property management software system. The current property management system holds property ownership and management information and is an essential tool for overall management of the Council's property portfolio. It has not been upgraded or replaced for over 20 years. It is unable to operate on the Windows 10 platform or through "Council Anywhere" and is now unsupported and the supplier (Northgate) is not investing in the product or upgrading. The current software previously failed Government compliance requirements. The quality of decision making on property matters is crucially dependent on the quality and accuracy of property data and the ability to manipulate this. A comprehensive, easy to use, web-enabled system will facilitate this.

C4251	Council Anywhere	0	114,600	18,000	18,000	0	Fiona Bryant	+L
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The primary objective of the Council Anywhere project is to move to an effective, standardised and supportable ICT desktop setup, allowing 3C ICT to take on best of breed solutions and removing long standing issues. The technology is being utilised to help support the Office Accommodation Strategy and support the transformation agenda at Cambridge City. This bid is to cover the devices identified from a recent audit of staff and equipment to ensure all can benefit from the advantages of flexible working.

This includes providing Planning staff (based at SCDC working on CCC applications) with ICT hardware which will allow them to work more collaboratively and flexibly and support the creation of future savings as a result of services becoming significantly more efficient and productive through the use of technology the £54k cost being spread £18k over each of 3 years.

C4319	Lion Yard investment - capital spend	0	4,200,000	1,800,000	0	0	Dave Prinsep	?
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. [Linked to proposals I14320, R14321]

C4323	Meadows Community Hub and Buchan Street Retail Outlet	0	554,000	2,168,000	1,892,000	0	Jim Pollard	+M
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Construction of new Community Hub at Meadows and a Retail outlet at Buchan Street. This forms part of a scheme that will provide 106 Council rent dwellings funded through devolution grant and the HRA capital programme. The funding required from the GF may be reduced by a contribution from the HRA CP subject to Secretary of State approval. The retail unit at Buchan Street will generate a return. [Linked to B4324]

Total Capital Bids in Finance & Resources	0	5,255,600	3,986,000	1,910,000	0			
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Increased Income

I14159	Increase in repayment of housing benefit overpayments.	0	(133,000)	(133,000)	0	0	Naomi Armstrong	Nil
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Finance & Resources

Projected increase in repayments of housing benefit overpayments from claimants that are no longer claiming benefit (and who now have the means to make the repayments), who either gave the Council wrong information or could have known that they were being overpaid, or who didn't report a change in their circumstances. This would be achieved by making use of a new DWP matching service with HMRC, providing the opportunity to significantly increase income for the Council, but this will only be realised if we invest in additional resource to gain maximum impact from the data. (This proposal refers to 2019/20 and 2020/21 only as the introduction of Universal Credit will significantly reduce the amount of housing benefit being created). [Linked to B4158].

II4313	Procurement - income generation	0	(20,000)	0	0	0	Heidi Parker	Nil
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This budget bid is for first year income generation only and will be reviewed annually. [Linked to B4187, Increase Procurement Team 2.5 to 3 FTE]

II4320	Lion Yard Investment - additional rental income	0	0	0	0	(80,000)	Dave Prinsep	?
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. Return calculated at 5%, income stream commences after completion. The full year's income from 2023/24 will be £300k per year. [Linked to proposals C4319, R14321]

Total Increased Income in Finance & Resources

0	(153,000)	(133,000)	0	(80,000)
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Non-Cash Limit Items

NCL4325	Additional contribution to Cambridge Live Development Plan Earmarked Reserve to include transition funding	0	250,000	0	0	0	Jane Wilson	Nil
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The Council has been working with Cambridge Live to review the organisation's business, and this work has now concluded. Both parties have agreed that the contracted services run by Cambridge Live should return back to the direct control of the Council. The decision is made in the best interests of the beneficiaries of these services, i.e. local people and to ensure a successful and financially sustainable future for all cultural activity covered by the contract. It is proposed that additional funding of £250k is made available in 2019/20 to be utilised for the transition.

Total Non-Cash Limit Items in Finance & Resources

0	250,000	0	0	0
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Programme

PROG4242	Enterprise Portfolio Management Solution (EPMS)	0	0	30,000	30,000	30,000	Paul Boucher	Nil
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Finance & Resources

The Council will be implementing an Enterprise Portfolio Management System (EPMS) from early 2019 which will support the Corporate Programme Office and all services in delivering and managing our complex range of projects and programmes. The procurement has involved our partner Council's and it is expected that they will adopt the solution which will make cross council complex projects easier to manage in the future. Existing provision in the transformation fund covers the one off implementation costs and user licence costs in 2019/20 as a carry forward. On-going revenue funding is required from 2020/21 to cover user licence costs and this bid is linked to the Establishment of the Corporate Programme and Transformation Office budget proposal.

PROG4243	Establishment of Corporate Programme Office	0	110,000	190,000	170,000	0	Paul Boucher	Nil
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This will enhance the council's transformation and project management capacity to lead and support and delivery of service reviews and major complex projects. This is an investment to save as the team will provide support to ensure we deliver the savings required for future years and to keep major projects on track.

Total Programme in Finance & Resources	0	110,000	220,000	200,000	30,000			
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Reduced Income

RI4321	Lion Yard investment - internal borrowing - cost	0	0	0	150,000	150,000	Dave Prinsep	?
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Investment in redevelopment of part of Lion Yard Shopping Centre to create new and diversified uses and income streams, improve access to and facilities in the Centre and generate additional income. Requires an annual minimum revenue provision (MRP) of £150k.[Linked to proposals C4319, I14320]

Total Reduced Income in Finance & Resources	0	0	0	150,000	150,000			
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Savings

S4168	Savings from bringing website development support into shared service	0	(25,000)	(25,000)	(25,000)	(25,000)	Ashley Perry	Nil
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3C ICT took over responsibility from an external supplier for supporting, hosting, maintaining and developing the council's website in 2018. This shared service arrangement presents efficiencies compared to an external contract, so the full budget is no longer required in this cost centre.

S4176	Cash limit specific Supplies & Services Budgets	0	(150,000)	(150,000)	(150,000)	(150,000)	John Harvey	Nil
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Cash limit specific Supplies & Services Budgets - GF element

S4177	Maternity leave costs delegated to service budgets	0	(75,000)	(75,000)	(75,000)	(75,000)	John Harvey	Nil
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Finance & Resources

It is proposed to remove the central provision so that where cover is needed to maintain service delivery all costs of maternity leave will be met directly by services in 2019/20 and in future years. This will ensure that these costs are correctly attributed to services, and that this funding is released to support service delivery. There will be no impact on the rights of those on maternity leave, who will continue to be entitled to payment in line with Council Maternity Policy.

S4178	Increase staff turnover allowance baseline by 1% to 4%	0	(200,000)	(200,000)	(200,000)	(200,000)	John Harvey	Nil
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Increase staff turnover allowance baseline by 1% to 4% GF element in line with experience.

S4205	Income Management Solution Replacement	0	0	0	(12,000)	(12,000)	Clarissa Norman	+L
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All 3C partners currently use Capita for their income management and payment solutions. This scheme is to replace the whole income solution with a more cost effective product that enables the councils to improve customer service.

All 3C partners are looking to replace the current service provider for the following reasons:

- Capita are not offering their current products in line with technology trends such as mobile friendly web pages
- Capita team response to issues is slow and inefficient
- Project costs are unreasonable and project managers fail to resolve issues across projects. The level of service does not justify the high fees charged. [Linked to C4206]

S4238	Savings from within HR service budget of £12k	0	(12,000)	(12,000)	(12,000)	(12,000)	Deborah Simpson	Nil
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Savings across various codes within the HR budget totalling £12k.

S4239	Delete vacant post of Assistant HR Business Partner	0	(38,000)	(38,000)	(38,000)	(38,000)	Deborah Simpson	Nil
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Delete vacant post of Assistant HRBP with effect from April 2019.

S4247	Legal Practice	0	(64,500)	(64,500)	(64,500)	(64,500)	Tom Lewis	Nil
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By reflecting on the positive growth in income and limited expenditures on training, travel etc. it is possible to identify a 10% saving for next year. The saving for the City Council would be £64,564 which would also see savings for South Cambs and Hunts equating to a combined figure £119,100.

S4299	Invest for Income Fund used to repay internal borrowing - saving	0	(200,000)	(200,000)	(200,000)	(200,000)	Caroline Ryba	Nil
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Allocate the £8m Invest for Income Fund to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £200k

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Finance & Resources

S4317	Unallocated NHB used to repay internal borrowing - saving	0	(38,600)	(38,600)	(38,600)	(38,600)	Caroline Ryba	?
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Allocate the unallocated portion of New Homes Bonus (NHB) to repay internal borrowing used to fund None commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £38,600. [Linked to NCL4326, NCL4327, NCL4328 and NCL4329].

S4318	Capital Receipt (K1) used to repay internal borrowing - saving	0	(75,000)	(75,000)	(75,000)	(75,000)	Caroline Ryba	?
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Allocate capital receipts expected on completed plot sales at K1 in December 2018 and January 2019 to None repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £75k.

S4345	Reduction in revenue funding (DRF) allocated to capital in 2019/20	0	(193,000)	0	0	0	Caroline Ryba	Nil
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Reduction in revenue funding (DRF) allocated to capital in 2019/20, reflecting the expected availability of None capital receipts to meet capital financing requirements

Total Savings in Finance & Resources	0	(1,071,100)	(878,100)	(890,100)	(890,100)			
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Unavoidable Revenue Pressure

URP4209	Secure Phone Payment Solution	0	16,000	16,000	16,000	16,000	Clarissa Norman	+L
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Cambridge City Council, SCDC and HDC are all currently not compliant with the Payment Card Industry Data Security Standard (PCI DSS). All are working together with 3C ICT to support becoming compliant with PCI DSS.

Customers can currently call both the Call Centre and back office services to make payments. These payments are processed by an agent using the Capita Paye.net system for all three councils. This system complies from a data entry perspective but the telephone connection is a risk as the user currently reads out their sensitive card/ personal details. Calls should not be recorded or stored if they include sensitive card data but there is a risk calls on our network could be compromised and the data stolen. [Linked to C4208]

URP4240	EastNet - Forced Procurement Replacement of Virgin Media CPSN	0	86,600	26,000	26,000	26,000	Fiona Bryant	Nil
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Finance & Resources

Replacement of CPSN Wide Area network currently supplied by Virgin Media and due to expire end of 2019 with new EastNet Wide Area Network to be supplied by MLL Telecom, awarded as a result of procurement run by Cambridgeshire County Council. While most costs are now understood, the split between partners may not be known for some time, and will be depend on which partners join. Novation of Virgin Media Circuits may not be known until early 2019. ICT suggest that the migration will take an FTE. The revenue increases are on top of the existing CPSN budgeted costs: Exit Costs = £21,000 (year 1) - 3% of expected £700k tot

Staff Backfill = £40,000 (year 1) - CCC contribution to 1 FTE (effort related to significant number of discrete sites compared to other partners)

Amortised Setup and annual running costs = £26,000 (7 years) - Access Circuit Migration and Core costs

URP4244	Support Services Review (SSR) - GF element	0	145,000	145,000	145,000	145,000	Paul Boucher	Nil
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In setting the 2015 budget, £800K was built in as the savings target to be delivered over 4 years to reduce our support and central costs. At that stage we were at the early stages of developing and implementing alternative share service delivery models and the realisation of the full savings was uncertain. £600K savings have been achieved through support service reviews of ICT, Finance and Business Support and from procurement activity leaving £200k allocated £145k to GF and £55k to HRA. There is very little scope for further centralisation or consolidation of CCC support services, in view of the shared services that have been implemented.

URP4278	External interest revised projections (General Fund)	0	250,000	250,000	250,000	250,000	Charity Main	Nil
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Revising the income from external interest that are attributable to the General Fund based upon projected balances held.

Total Unavoidable Revenue Pressure in Finance & Resources	0	497,600	437,000	437,000	437,000
Total Finance & Resources	0	5,108,600	3,726,700	1,854,900	(217,750)

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Housing - General Fund

Bids

B4171	Increased specialist consultancy support and advice for the delivery of new build schemes through the H.D.A.	0	53,200	53,200	0	0	Claire Flowers	Nil
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To deliver the increased number of new homes that are anticipated to be on site or in earlier stages of progress from 2019/20, additional resource is requested to allow the use of specialist consultants and legal advisors where required. These costs are expected to be full recovered through the fee income generated by the H.D.A from the HRA Capital Programme. [Linked to I4172] None

Total Bids in Housing - General Fund

0	53,200	53,200	0	0
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Increased Income

I4172	Increased fee income from the HRA for the delivery of new build schemes through the H.D.A.	0	(53,200)	(53,200)	0	0	Claire Flowers	Nil
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The fee income earned by the Housing Development Team is expected to be greater in 2019/20 and 2020/21 due to the increased delivery of new homes as part of the 500 Programme. The increased fee income will allow the budget set for the team for the next two years to include funding for the specialist advice and consultancy that is expected to be required to facilitate this. [Linked to B4171] None

Total Increased Income in Housing - General Fund

0	(53,200)	(53,200)	0	0
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Savings

S4169	Deletion of 18.5 hours of the Grants Officer	0	(22,100)	(22,100)	(22,100)	(22,100)	Helen Reed	Nil
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This saving proposes the deletion of 18.5 hours of the full time Grants Officer post dealing with the approval of Disabled Facilities Grants and Private Sector Grants and Loans. This would reduce the current post to half time for Cambridge City Council. There will be no negative impact of this saving on the ability to consider and approve grant applications made. None

S4173	Reduction in Choice Based Lettings IT costs	0	(3,000)	(3,000)	(3,000)	(3,000)	David Greening	Nil
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Based upon expenditure in 2017/18, it is proposed to reduce budgets for the IT costs for the Choice Based Lettings System as costs have proved to be lower than as budgeted. Negative

S4174	Deletion of 7 hours of the Housing Strategy Manager post	0	(11,000)	(11,000)	(11,000)	(11,000)	Helen Reed	Nil
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Housing - General Fund

This saving proposes the deletion of 7 hours of the full time Housing Strategy Manager post, as the current post holder works 30 hours per week. This would mean that any additional ad-hoc housing research would need to be funded from elsewhere if it was required.

S4175	Deletion of the Temporary Accommodation Coordinator post	0	(23,800)	(23,800)	(23,800)	(23,800)	David Greening	Nil
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This saving proposes the deletion of the Temporary Accommodation Coordinator post within the Housing Advice. Following reorganisation of the Housing Service, there is now a reduced need for a post that liaises between two services that now operate as a single service and less need for a specialist in commercial temporary accommodation as this is now dealt with within the restructured Temporary Accommodation Team.

Total Savings in Housing - General Fund

0	(59,900)	(59,900)	(59,900)	(59,900)
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Total Housing - General Fund

0	(59,900)	(59,900)	(59,900)	(59,900)
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Non-Committee Items

Non-Cash Limit Items

NCL4326	New Homes Bonus (NHB) change to income projections	0	(389,000)	(390,000)	(390,000)	(390,000)	Caroline Ryba	Nil
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New Homes Bonus (NHB) income projections have been revised following the notification from the Ministry for Housing, Communities and Local Government (MHCLG) December 2018 and recalculated based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL4327, NCL4328, NCL4329 and S4317].

NCL4327	Contribution to Greater Cambridge Partnership (formerly City Deal) from New Homes Bonus (NHB)	0	(395,000)	(372,000)	(372,000)	(176,000)	Caroline Ryba	Nil
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New Homes Bonus (NHB) to support the Greater Cambridge Partnership (formerly City Deal) programme, which is based on a contribution of 40% in 2018/19 and revised to 30% for all other years, has also been revised following notification from the Ministry for Housing, Communities and Local Government (MHCLG) December 2018 and recalculation based on Annual Monitoring Report (AMR) housing projections. [Linked to NCL4326, NCL4328, NCL4329 and S4317].

NCL4328	New Homes Bonus (NHB) – unallocated	(116,000)	(645,000)	762,000	762,000	566,000	Caroline Ryba	Nil
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Net unallocated New Homes Bonus (NHB) has been revised following the notification from the Ministry for Housing, Communities and Local Government (MHCLG), revised allocations for Greater Cambridge Partnership (formerly City Deal) infrastructure investment and any further funding allocations. [Linked to NCL4326, NCL4327, NCL4329 and S4317].

NCL4329	Unallocated NHB used to repay internal borrowing (DRF)	116,000	1,429,000	0	0	0	Caroline Ryba	Nil
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Allocate the unallocated portion of New Homes Bonus (NHB) in 2018/19 and 2019/20 to repay internal borrowing used to fund commercial property purchases, thereby reducing the annual minimum revenue provision (MRP) by £38,600. [Linked to NCL4326, NCL4327, NCL4328 and S4317].

NCL4330	Council Tax Base adjustment	0	32,000	96,000	36,000	(37,000)	Charity Main	Nil
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The projected Council Tax Base has been recalculated using the recent housing statistics which shows a slower rise than previously anticipated, resulting in a reduction in the income from Council Tax.

Total Non-Cash Limit Items in Non-Committee Items

0	32,000	96,000	36,000	(37,000)
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Total Non-Committee Items

0	32,000	96,000	36,000	(37,000)
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Planning Policy & Transport

Capital Bids

C4194	Local Highway Improvement (LHI) programme	0	0	30,000	30,000	30,000	Alistair Wilson	Nil
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To extend the current jointly funded City/ County Council LHI programme for a further four year period, 2019-23. The LHI programme is managed and primarily delivered by the County Council with the aim of tackling persistent highway problems through projects, which make an improvement, have local benefit and add value. There is an expectation that LHI project applicants make a financial contribution to the programme, typically 10%. In Cambridge, the City Council's annual £30K allocation provides the necessary match funding, where the applications are from, or have the support of, Ward Councillors. Contributions to individual projects are approved by the Executive Councillor for Planning and Transport in accordance with the priorities established, and funding available. None

C4211	Replacement of Pay and Display machines	0	18,000	0	0	0	Sean Cleary	Nil
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The purchase of solar powered, card only, pay and display machines at Adam and Eve, Castle Hill, Riverside and Gwydir Street surface car parks as existing machines need upgrading. None

C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	0	20,000	0	0	0	Sean Cleary	Nil
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Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park as existing servers need upgrading. None

[Funded from residual Local Authority Parking Enforcement (LAPE) earmarked reserve]

Total Capital Bids in Planning Policy & Transport

0	38,000	30,000	30,000	30,000
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Increased Income

II4283	3C Building Control Review of Ratio of Non Fee Earning to Fee Earning Elements	0	(30,000)	(30,000)	(30,000)	(30,000)	Heather Jones	Nil
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Review of the ratio of non fee earning to fee earning element of Building Control, this is reliant on the approval to increase the fees and charges and that the current level of income increases. Negative

Total Increased Income in Planning Policy & Transport

0	(30,000)	(30,000)	(30,000)	(30,000)
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Reduced Income

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Planning Policy & Transport

RI4213	Reduction in income due to review of Shopmobility charges	0	45,000	45,000	45,000	45,000	Sean Cleary	Nil
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The Council has concluded on the base of detailed monthly usage data that, even after the Shop Mobility charges reduction in September, charging is not an effective route to matching the funding gap following withdrawal of the County Council £45k per year grant contribution. A free service will therefore recommence from April 2019. High

RI4214	Park Street Closure implications to budget during closure	0	122,000	397,000	349,000	0	Sean Cleary	Nil
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Park Street car park will be fully closed for redevelopment from Jan 2020 - December 2021 . This bid covers the sum of the anticipated reduction in income and any savings in operating costs during closure. None

[Linked to RI4300]

RI4215	Reduction in car parking income for all parking revenue less Park Street MSCP	0	100,000	100,000	100,000	100,000	Sean Cleary	Nil
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The strategy of charging a parking charge premium on cars using the car parks at peak times has successfully reduced usage at those times and contributed to reducing congestion and air pollution. The effect on car park income is recognised by this reduction in expected income. None

RI4300	Park Street Closure implications to budget after re-opening	0	0	0	0	226,500	Sean Cleary	Nil
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Park Street car park will be fully closed for redevelopment from Jan 2020 - December 2021 . This bid covers the sum of the anticipated reduction in income and any savings in operating costs after re-opening. None

Total Reduced Income in Planning Policy & Transport

0	267,000	542,000	494,000	371,500
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Savings

S4167	Pruning unallocated budgets in Urban Growth cost centre	0	(4,000)	(4,000)	(4,000)	(4,000)	Tim Wetherfield	Nil
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The Urban Growth cost centre (1709) has previously been allocated a £1,660 annual budget for agency staff, which is not needed and can be given up for 2019/20 onwards. Similarly, the £2340 conference expenses annual budget could be trimmed to £500 per year from 2019/20 onwards without impacting on the service. None

S4216	Parking Services Administration Saving	0	(5,000)	(5,000)	(5,000)	(5,000)	Sean Cleary	Nil
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Planning Policy & Transport

Saving from advertising cost line. No negative impact to service delivery anticipated

None

S4217	Saving against Parking Maintenance	0	(13,000)	0	0	0	Sean Cleary	Nil
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Saving against annual car parking maintenance for FY 19/20. This savings is only for FY19/20 and will be reviewed annually to establish if further savings or bids are required in future years

None

S4262	Deletion of subscription to the Local Enterprise Partnership (LEP)	0	(16,720)	(16,720)	(16,720)	(16,720)	Sara Saunders	Nil
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The activities of The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) has now become The Business Board of the Cambridgeshire and Peterborough Combined Authority. There will be no separate subscription for the services previously undertaken by GCGP LEP

None

S4301	Planning Service - new and revised service delivery	0	(32,500)	(42,500)	(42,500)	(42,500)	Sharon Brown	Nil
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Revisions to the services we provide, or the way in which they are provided to users. This includes changes to the way in which we review, consult, make decisions (scheme of delegation) or the explicit service that we offer – building upon recognised expertise nationally for place making. The income/reduced costs highlighted are estimates based upon an assessment of market conditions/demand but also depend upon our ability to account for and “harness” reductions in costs of postage/printing and redeploy staff from existing tasks (e.g. Committee meetings). In the case of changes to consultation, an estimate for investment in year 1 (of £10K) is included in the potential saving.

None

S4302	Planning Service - Service change	0	(40,000)	(40,000)	(40,000)	(40,000)	Sharon Brown	Nil
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These proposals seek to change the service provided to users in the City. The changes would end "free" conservation advice and bring householder pre-app services in line with SCDC, but retain free advice on access issues and the duty officer service at the Customer Service Centre. We would seek to address work towards improving self service advice this through new web-based information/advice using a more active feedback loop to provide written/online advice to help mitigate the impacts on users.

None

S4303	Planning Service - more effective cost recovery process	0	(85,000)	(85,000)	(85,000)	(85,000)	Sharon Brown	Nil
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Improvements to accounting processes and tighter discipline around work recharging. This includes more accurate time/cost recorded using “full cost” recovery as a matter of principle. The effect of this upon some partners will be to increase their costs and will require officer support/engagement across the service, training around a new process and support from finance/FMS to include prompt invoicing and improved accounting (and member recognition).

None

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Planning Policy & Transport

Total Savings in Planning Policy & Transport

0	(196,220)	(193,220)	(193,220)	(193,220)
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Total Planning Policy & Transport

0	78,780	348,780	300,780	178,280
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Strategy & External Partnerships

Capital Bids

C4332	Mill Road depot development - capital contribution - remove	(5,760,000)	0	0	0	0	Caroline Ryba	Nil
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Remove the capital contribution of £5,760k provided in the BSR February 2018 proposed to support the redevelopment of the council's Mill Road depot, principally for affordable and market housing. This development will be delivered by CIP providing the council with a capital receipt for the land and a projected surplus on the scheme. [Funded by temporary borrowing] [Linked to C4333, C4334, NCL4335, NCL4336, NCL4337, NCL4338] None

C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	(709,000)	1,774,000	(2,500,000)	0	0	Caroline Ryba	Nil
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Rephase provision made in BSR February 2018 - As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Mill Road depot site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4332, C4334, NCL4335, NCL4336, NCL4337, NCL4338] None

C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	(51,000)	(1,253,000)	1,412,000	0	0	Caroline Ryba	Nil
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Rephase provision made in BSR February 2018. As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Mill Road depot site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4332, C4333, NCL4335, NCL4336, NCL4337, NCL4338] None

C4343	Cromwell Road redevelopment - Equity Loan to CIP	1,113,000	850,000	2,708,000	17,000	0	Caroline Ryba	Nil
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As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Cromwell Road site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4344, NCL4339, NCL4340, NCL4341, NCL4342] None

C4344	Cromwell Road redevelopment - Development Loan to CIP	0	1,324,000	5,819,000	0	0	Caroline Ryba	Nil
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As a partner in CIP, the Council will provide a loan, matched by its partner in the CIP, Hill Investment Partnership, to enable the development of the Cromwell Road site to provide affordable and market housing. The interest rate will be 5% per annum. [Funded by temporary borrowing] [Linked to C4343, NCL4339, NCL4340, NCL4341, NCL4342] None

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Strategy & External Partnerships

Total Capital Bids in Strategy & External Partnerships

(5,407,000)	2,695,000	7,439,000	17,000	0
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Non-Cash Limit Items

NCL4335	Mill Road depot redevelopment - Equity Loan to CIP - interest receivable - revised	(25,000)	(78,000)	(51,000)	168,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns - revised based on None updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4336, NCL4337, NCL4338]

NCL4336	Mill Road depot redevelopment - Development Loan to CIP - interest receivable - revised	9,000	147,000	17,000	(18,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns - revised None based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4337, NCL4338]

NCL4337	Mill Road depot redevelopment - Equity Loan to CIP - Contribution to GF development earmarked reserve - revised	25,000	78,000	51,000	(168,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4336, NCL4338]

NCL4338	Mill Road depot redevelopment - Development Loan to CIP - Contribution to GF development earmarked reserve - revised	(9,000)	(147,000)	(17,000)	18,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project - revised based on updated loan profile. [Linked to C4332, C4333, NCL4334, NCL4335, NCL4336, NCL4337]

NCL4339	Cromwell Road development - Equity Loan to CIP - interest receivable	(9,000)	(56,000)	(124,000)	(139,000)	(35,000)	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns. [Linked to C4343, None C4344, NCL4340, NCL4341, NCL4342]

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Strategy & External Partnerships

NCL4340	Cromwell Road development - Equity Loan to CIP - Contribution to GF development earmarked reserve	9,000	56,000	124,000	139,000	35,000	Caroline Ryba	Nil
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Interest receivable in relation to CIP equity loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project. [Linked to C4343, C4344, NCL4339, NCL4341, NCL4342]

NCL4341	Cromwell Road development - Development Loan to CIP - interest receivable	0	(12,000)	(160,000)	(108,000)	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns. [Linked to None C4343, C4344, NCL4339, NCL4340, NCL4342]

NCL4342	Cromwell Road development - Development Loan to CIP - Contribution to GF development earmarked reserve	0	12,000	160,000	108,000	0	Caroline Ryba	Nil
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Interest receivable in relation to CIP development loan in excess of budgeted investment returns moved to None earmarked reserve to provide contingency and risk mitigation for the project. [Linked to C4343, C4344, NCL4339, NCL4340, NCL4341]

Total Non-Cash Limit Items in Strategy & External Partnerships

0	0	0	0	0
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Savings

S4162	Democratic services-miscellaneous savings	0	(2,000)	(2,000)	(2,000)	(2,000)	Gary Cliff	Nil
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Savings come from the area committee overall costs following a new contract on use of audio equipment at None meetings and reduced budget for meeting venues.

S4163	Corporate policy efficiencies and administrative savings	0	(31,000)	(31,000)	(31,000)	(31,000)	David Kidston	Nil
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Savings from underspends in the Corporate Policy cost centre, including budgets for equipment, conferences and training for staff, corporate translation and interpretation services, and corporate consultations. None

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Strategy & External Partnerships

Total Savings in Strategy & External Partnerships

0 (33,000) (33,000) (33,000) (33,000)

Total Strategy & External Partnerships

(5,407,000) 2,662,000 7,406,000 (16,000) (33,000)

2019/20 Budget - GF proposals - by Portfolio

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Reference	Item Description	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	2022/23 Budget £	Contact	Climate Effect & Poverty Ratings
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Streets & Open Spaces

Bids

B4198	Streets and Open Spaces - Growth Officer	0	40,000	0	0	0	Alistair Wilson	+L
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A one year extension to the current Growth Officer role to facilitate completing the site inspection, defect recording and adoption of public realm assets by the City Council, including open spaces, allotments, trees, drainage and other landscape features, associated with the approved city growth sites. None

B4322	Community Clear up	0	25,000	0	0	0	Joel Carre	?
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Programme of 12 additional Saturday "Community Clear Up" events in 2019/20, focusing on tackling neglected environments and areas of fly-tipping in local communities including council housing areas. Ward Councillors would be asked to nominate locations which would be assessed and a programme of 12 events drawn up for the year, one a month. Low

Total Bids in Streets & Open Spaces	0	65,000	0	0	0			
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Capital Bids

C4192	Environmental Improvement Programme	0	0	170,000	0	0	Alistair Wilson	+L
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To extend the funding and delivery of the Council's EIP for a further two year period, 2019-21, with Year 1 (2019/20) funded from the unallocated budget balance carried forward from the current EIP. A review will be carried out before any commitment is made for after 2020/21. None

Total Capital Bids in Streets & Open Spaces	0	0	170,000	0	0			
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Total Streets & Open Spaces	0	65,000	170,000	0	0			
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Report Total	(5,407,000)	9,694,180	11,796,880	2,062,780	(162,370)			
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D Sensitivity analysis

Topic	Quantum	BSR Assumption	Commentary / Risk
Bereavement services income	c.£2.3m	Current mortality rates built into BSR assumptions	<p>Falling mortality rate [yet ageing population in Cambridge]</p> <p>Competition from sites at Great Chesterford and Huntingdon</p> <p>Disruption due to works along A14 and suitability of access road after works are complete</p> <p>Success of commemoration scheme and development of other commercial activities(positive)</p>
Building control fee income	c. £1.6m	Based on break-even full cost recovery position for the Building Control Shared Service	<p>Housing development levels in the sub region are not as great as anticipated or are delayed due to developers unwillingness to build</p> <p>Competition from approved inspectors has now stalled but the threat exists leading to a potentially smaller market share</p>
Car parking income	c. £10.7m	Based on officer and external consultants' projections of usage	<p>Income stream is contingent on decisions made by the Greater Cambridge Partnership (ex City Deal) board to manage congestion and pollution in the city.</p> <p>As visitors, residents, tourist, commuters and business people choose use other modes of transport to access the city this income stream will feel negative downward pressure.</p>
Commercial property income	c. £8.7m	Officer assessment of current market conditions and future trends, including growth of the current property portfolio	<p>Economic conditions lead to increase in voids, increased level of unrecoverable debts and less significant rent increases</p> <p>High yields are negotiated on new investments (positive)</p>
Council tax base	c. 43,700 Band D equivalent properties @£197.50 (2019/20)	Projections are based on the housing trajectory indicated in the Annual Monitoring Report (AMR)	Any significant growth or deceleration in building will affect the number of houses on which council tax can be charged with the associated impact on the council tax income stream which in turn informs our savings requirement

Topic	Quantum	BSR Assumption	Commentary / Risk
Council tax income	£8.6m p.a.	2.99% per annum	<p>Criteria for triggering referendums for proposed excessive increases are published each year.</p> <p>The requirement for rebilling and associated costs, together with the loss of council tax income, effectively provides a strong disincentive for high increase proposals.</p> <p>Economic climate may require an increase in enforcement activity and consequent reduction of funds available in the collection fund</p>
Developer contributions	c. £4.0m (not yet allocated)	All contributions are used in compliance with the terms of Section 106 agreements	Failure to meet conditions stipulated in Section 106 agreements would lead city council contribution types set out in the Council's Planning Obligations Strategy becoming liable for repayment. This is mitigated by regular funding rounds and / or Section 106 negotiations to identify appropriate projects and careful Section 106 funding / programme management.
Employer's pension contribution	£4.5m	BSR includes provision for employer's percentage and capital payments, and for one-off contributions as necessary	Subject to the outcome of the next triennial review with effect from 1 April 2020.
Energy costs (all)	£0.3m	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.
Future capital receipts	Income	Occasional disposal of assets as outlined in the disposal programme. Income is not taken into account until received.	The council's stock of land available for sale is reducing. Receipts will reduce significantly over the life of this budget plan.
Garage Income	£1.3m	Budget will be met	<p>Failure to attract new customers</p> <p>Failure to maintain customer base at remote base at Waterbeach</p>

Topic	Quantum	BSR Assumption	Commentary / Risk
Housing benefits	£34.5m	Officer assessment of current conditions and trends	<p>- With anticipated reduction in central government grant, the Council funded element of provision of the service will increase (N.B. grant funding will not be confirmed until January 2019)</p> <p>- Potential increase in housing benefit fraud</p> <p>- Ongoing impact of universal credit implementation is not fully known and may exceed (or under achieve) modelling, having an impact on staffing and Council Tax and rent arrears.</p> <p>- If the Council exceeds 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%.</p>
Interest receipts from the housing company	< £150k	An estimate of additional income has been included to reflect the higher rate applicable to this loan above the interest rate expected on our treasury management investments	The viability of the company is dependent on the rent levels achievable and the capital value of the property portfolio.
Investment income	+/- 1% is ~£0.8m for 2018/19 variable investments	These are based on a mid-range level provided by market analysts	<p>Rates fall further than anticipated or for a longer period.</p> <p>A faster increase in bank base rates would result in increase in investment income. (positive)</p>
Land charges income	c. £0.25m	Reductions based on latest experience have been incorporated in the budget	Increased proportion of personal searches and reduced number of overall searches due to market conditions.
Local retention of business rates	c. £0.8m	BSR includes projections based on latest figures and guidance	Business rates are subject to the level of appeals against valuations lodged with the Valuation Office Agency (VOA) and the effects of redevelopment and growth in the city.
Market income	c. £0.90m	Officer assessment of current market conditions and future trends	<p>Level of voids as a result of a changing economic climate.</p> <p>Any reductions will be mitigated by new traders coming to the market as we seek to widen the range of services on the market.</p> <p>An improving climate will see full occupancy</p>
Non-pay inflation	Net impact +/- 1% for GF ~ £200k for 2019/20	General inflation: 2019/20 - 2.2% (2.6%) 2020/21 - 2.1% (2.2%) 2021/22 – 2.0% (2.3%) thereafter 2.0%	General Inflation rises more quickly than anticipated placing greater pressure on cash limited budgets or on general reserves to fund those pressures.

Topic	Quantum	BSR Assumption	Commentary / Risk
Pay settlement	£19.5m (GF)	Current assumption is of 2% inflation plus pay progression	New pay arrangements resulting from the pay award are scheduled from 1 April 2019 and budgets will be revised to reflect the impact in 2019/20 and for future incremental progression.
Planning fee income	c. £1.7m	Income projections for 2019/20 have been amended to reflect current market conditions. (now forms part of Greater Cambridge Planning Partnership)	Developers retain land stock rather than building out
Shared services	n/a	Shared services will deliver savings outlined individual service business cases.	<p>Delivery of savings and other non-cashable benefits is dependent on effective partnership working in a complex political and cultural environment.</p> <p>Significant element of savings will not crystallize until support service costs have been reduced to reflect smaller client base</p> <p>Savings may be delayed, may not be deliverable in full, or there may be unforeseen costs of implementation.</p>
Spending review	c. £4.2m	The budget assumption, based on the 2015 autumn statement, is that Revenue support grant will cease from 2020/21, but will be offset by increased retention of Business rates.	<p>The budget is based on the 2015 Spending review and the level of Revenue support grant and locally retained business rates are budgeted accordingly.</p> <p>Certainty of income until then has been received from the DCLG following our submission of an Efficiency Plan</p>
Support costs charged to the HRA	c. £1m	Support costs ("Recharges") are charged based on various fixed and variable criteria which change from year to year.	<p>Following significant savings in the HRA the proportion of support service costs that are chargeable to the HRA will also reduce.</p> <p>Fixed costs such as administrative buildings, management structure, costs of democracy and long term contracts cannot be reduced immediately, if at all. There may be a perceived imbalance in the short term in the proportion of costs charged to the HRA until such time as a strategic decision is taken to allocate a lower level of costs recharged to the HRA with a corresponding increase in costs to the GF and thus the council tax payer. The onus is therefore on the council to make appropriate savings in rechargeable costs as the council reduces in size overall.</p>
VAT partial exemption	c. £300k if breached	No breach of partial exemption limit is anticipated for 2018/19	Potential liability if limit is breached over a seven-year moving average

Summary of Budget Proposals by type - Capital

Appendix E (a)

Capital Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Communities	C4156	CHUB - community extension to Cherry Hinton Library	0	767,000	0	0	0	Debbie Kaye
Environmental Services & City Centre	C4180	Vehicle fleet replacements 2019/20	0	682,000	0	0	0	James Elms
Environmental Services & City Centre	C4181	Mobile column vehicle lifts for workshop	0	24,400	0	0	0	James Elms
Environmental Services & City Centre	C4252	Environmental Health ICT replacement system project	0	40,000	0	0	0	Joel Carre
Finance & Resources	C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	0	125,000	0	0	0	Suzanne Hemingway
Finance & Resources	C4203	Improvements to Customer Service Centre	0	91,000	0	0	0	Jonathan James
Finance & Resources	C4206	Income Management Solution Replacement	0	47,000	0	0	0	Jonathan James
Finance & Resources	C4208	Secure Phone Payment Solution	0	24,000	0	0	0	Jonathan James
Finance & Resources	C4210	Replacement Property Management Software Project	0	100,000	0	0	0	Dave Prinsep
Finance & Resources	C4251	Council Anywhere	0	114,600	18,000	18,000	0	Fiona Bryant
Finance & Resources	C4319	Lion Yard investment - capital spend	0	4,200,000	1,800,000	0	0	Dave Prinsep
Finance & Resources	C4323	Meadows Community Hub and Buchan Street Retail Outlet	0	554,000	2,168,000	1,892,000	0	Claire Flowers
Planning Policy & Transport	C4194	Local Highway Improvement (LHI) programme	0	0	30,000	30,000	30,000	Joel Carre
Planning Policy & Transport	C4211	Replacement of Pay and Display machines	0	18,000	0	0	0	James Elms
Planning Policy & Transport	C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	0	20,000	0	0	0	James Elms
Strategy & External Partnerships	C4332	Mill Road depot development - capital contribution - remove	(5,760,000)	0	0	0	0	Caroline Ryba
Strategy & External Partnerships	C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	(709,000)	1,774,000	(2,500,000)	0	0	Caroline Ryba
Strategy & External Partnerships	C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	(51,000)	(1,253,000)	1,412,000	0	0	Caroline Ryba
Strategy & External Partnerships	C4343	Cromwell Road redevelopment - Equity Loan to CIP	1,113,000	850,000	2,708,000	17,000	0	Caroline Ryba

Summary of Budget Proposals by type - Capital

Appendix E (a)

Capital Bids								
Portfolio	Ref	Item Description	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Head of Service
Strategy & External Partnerships	C4344	Cromwell Road redevelopment - Development Loan to CIP	0	1,324,000	5,819,000	0	0	Caroline Ryba
Streets & Open Spaces	C4192	Environmental Improvement Programme	0	0	170,000	0	0	Joel Carre
Capital Bids Total			(5,407,000)	9,502,000	11,625,000	1,957,000	30,000	

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
General Fund															
C4156	CHUB - community extension to Cherry Hinton Library	-L			282,500				Medium	Funding: Royal British Legion £250k, County Council £28k, Cherry Hinton Residents Association £1.5k, , \$106 £200k, Community Services £5k		767,000			
C4180	Vehicle fleet replacements 2019/20	+L							None	Funding: R & R		682,000			
C4181	Mobile column vehicle lifts for workshop	-L			24,400				None			24,400			
C4186	New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber.	-L			125,000				None			125,000			
C4192	Environmental Improvement Programme	+L				170,000			None				170,000		
C4194	Local Highway Improvement (LHI) programme	Nil				30,000	30,000	30,000	None				30,000	30,000	30,000
C4203	Improvements to Customer Service Centre	Nil			91,000				None			91,000			
C4206	Income Management Solution Replacement	+L			47,000				None	Linked to: S4205.		47,000			
C4208	Secure Phone Payment Solution	+L			24,000				None	Linked to: URP4209.		24,000			

Capital Projects Requiring Funding From Reserves

(3 pages)

Budget Setting Report - Appendix E (b)

2019/20 Budget

<----- Funding Required ----->

<----- Project Total ----->

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
C4210	Replacement Property Management Software Project	Nil			100,000				None			100,000			
C4211	Replacement of Pay and Display machines	Nil			18,000				None			18,000			
C4212	Replacement of 2 Car parking Centralised Servers at the Grand Arcade Multi-Storey Car Park	Nil							None	Funding: LAPE earmarked reserve		20,000			
C4251	Council Anywhere	+L			114,600	18,000	18,000		None			114,600	18,000	18,000	
C4252	Environmental Health ICT replacement system project	+L			40,000				None	Linked to: B4253.		40,000			
C4319	Lion Yard investment - capital spend	?							None	Linked to: I14320 R14321. Funding: Internal borrowing		4,200,000	1,800,000		
C4323	Meadows Community Hub and Buchan Street Retail Outlet	+M							High	Linked to: B4324. Funding: Internal borrowing		554,000	2,168,000	1,892,000	
C4332	Mill Road depot development - capital contribution - remove	Nil							None	Linked to: C4333 C4334 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(5,760,000)				
C4333	Mill Road depot redevelopment - Equity Loan to CIP - rephase	Nil							None	Linked to: C4332 C4334 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(709,000)	1,774,000	(2,500,000)		

Ref	Project	Climate Change Indicator	Priority score	2018/19	2019/20	2020/21	2021/22	2022/23	Poverty rating	Linked to / Funding / Comments	2018/19	2019/20	2020/21	2021/22	2022/23
C4334	Mill Road depot redevelopment - Development Loan to CIP - rephase	Nil							None	Linked to: C4332 C4333 NCL4335 NCL4336 NCL4337 NCL4338. Funding: Internal borrowing	(51,000)	(1,253,000)	1,412,000		
C4343	Cromwell Road redevelopment - Equity Loan to CIP	Nil							None	Linked to: C4344 NCL4339 NCL4340 NCL4341 NCL4342. Funding: Internal borrowing	1,113,000	850,000	2,708,000	17,000	
C4344	Cromwell Road redevelopment - Development Loan to CIP	Nil							None	Linked to: C4343 NCL4339 NCL4340 NCL4341 NCL4342. Funding: Internal borrowing		1,324,000	5,819,000		
Total Funding Required from Reserves : General Fund					866,500	218,000	48,000	30,000			(5,407,000)	9,502,000	11,625,000	1,957,000	30,000

Capital approvals since MTFS 2018

Ref.	Description	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
SC692	Cromwell Road redevelopment (GF)	17,166	-	-	-	-	-
	Section 106 miscellaneous:						
PR030p	Outdoor fitness equipment near astroturf pitch by Abbey Pool (S106)	42	-	-	-	-	-
PR032s	Footbridge across Hobson's Brook at Accordia development (S106)	8	52	-	-	-	-
PR042a	St Clement's Church community grant (S106)	30	-	-	-	-	-
PR042b	Museum of Technology meeting space community grant (S106)	31	-	-	-	-	-
PR042c	Grant for Netherhall School meeting space (S106)	24	-	-	-	-	-
PR042d	Romsey Mill community facility grant (S106)	21	-	-	-	-	-
PR042e	Grant for Arbury Community large hall improvements (S106)	25	25	-	-	-	-
PR040v	Public art grant for Pink Festival Group - showcase of queer art (S106)	11	-	-	-	-	-
	Total S106	192	77	-	-	-	-
	Total approvals since MTFS 2018	17,358	77	-	-	-	-

Appendix E (d): Capital Plan 2018/19 to 2023/24

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
Capital-GF Projects								
PR030e	Cavendish Rd (Mill Rd end) improvements: seating & paving (S106)	J Richards	13	0	0	0	0	0
PR030h	Romsey 'town square' public realm improvements (S106)	J Richards	130	0	0	0	0	0
PR030j	The Mill Road Railway Legacy (S106)	A Wilson	21	0	0	0	0	0
PR030o	Coldham's Lane play area improvements for older children (S106)	A Wilson	80	0	0	0	0	0
PR030p	Outdoor fitness equipment near astroturf pitch by AbbeyPool (S106)	I Ross	42	0	0	0	0	0
PR030q	Lichfield Rd play area improvements (S106)	A Wilson	45	0	0	0	0	0
PR030r	Brothers' Place landscaping & natural play improvements (S106)	A Wilson	8	0	0	0	0	0
PR031g	Milton Rd Library community meeting space (S106)	J Hanson	100	0	0	0	0	0
PR031n	Grant for 4 tennis courts at North Cambridge Academy (S106)	I Ross	125	0	0	0	0	0
PR031q	Bramblefields nature reserve: improve biodiversity & access (S106)	A Wilson	12	0	0	0	0	0
PR031r	Chesterton Rec Ground skate and scooter park (S106)	A Wilson	50	0	0	0	0	0
PR031s	Nun's Way Rec Ground - mini climbing dome (S106)	A Wilson	27	0	0	0	0	0
PR032p	Reilly Way play area improvements (S106)	A Wilson	5	0	0	0	0	0
PR032q	Upgrade Nightingale Avenue play area (S106)	A Wilson	24	0	0	0	0	0
PR032s	Footbridge across Hobson's Brook at Accordia development (S106)	A Wilson	8	52	0	0	0	0
PR032t	Fulbourn Road open space improvements (S106)	A Wilson	10	0	0	0	0	0
PR032u	Tenby Close play area improvements (S106)	A Wilson	50	0	0	0	0	0
PR032v	Gunhild Close play area improvements (S106)	A Wilson	50	0	0	0	0	0
PR032w	Accordia open space improvements (S106)	A Wilson	10	0	0	0	0	0
PR032y	Trumpington Rec Ground skate park (S106)	A Wilson	80	0	0	0	0	0
PR032z	Trumpington Rec Ground trim trail and climbing frame (S106)	A Wilson	70	0	0	0	0	0
PR033m	Benches on Carisbrooke Road green and next to Coton footpath near Wilberforce Road (S106)	A Wilson	1	0	0	0	0	0
PR033q	Additional play equipment, benches and landscaping at Christ Piece's play area (S106)	A Wilson	1	0	0	0	0	0
PR033r	Improvements to Histon Road Rec Ground football area (S106)	I Ross	31	0	0	0	0	0
PR033s	Histon Rd Rec play area: paths, surfacing & landscaping (S106)	A Wilson	12	0	0	0	0	0
PR033t	St Clement's churchyard open space on Bridge Street (S106)	A Wilson	10	0	0	0	0	0
PR034d	Public Art - 150th and 400th Anniversary (Cambridge Rules) (S106)	N Black	12	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
PR034n	Cambridge Gymnastics Academy: grant for warehouse conversion into gym facility (\$106)	I Ross	65	0	0	0	0	0
PR040i	Public art grant - History Trails (\$106)	N Black	5	0	0	0	0	0
PR040o	Public art grant - 'The place where we stand' (\$106)	N Black	3	0	0	0	0	0
PR040s	Public art grant for Kettle's Yard - Antony Gormley Performance Programme (\$106)	N Black	10	0	0	0	0	0
PR040t	Public Art Grant for Cambridge Live - Colours in our Community (\$106)	N Black	8	0	0	0	0	0
PR040u	Public art grant for University of Cambridge Primary School Eddington Flag Parade (\$106)	N Black	15	0	0	0	0	0
PR040v	Public Art Grant for Pink Festival Group - showcase of queer arts (\$106)	N Black	8	0	0	0	0	0
PR040w	Public Art Grant for Menagerie Theatre Company - Trumpington Voices (\$106)	N Black	11	0	0	0	0	0
PR040x	Public Art Grant for Oblique Arts - Mitcham's Moving (\$106)	N Black	3	0	0	0	0	0
PR040y	Public Art Grant - Rhyme, Rhythm & Railways (\$106)	N Black	5	0	0	0	0	0
PR040z	Public art grant for Historyworks - Michael Rosen Walking Trails 2 (\$106)	N Black	15	0	0	0	0	0
PR041a	Grant for refurbishment of Memorial Hall and Church Hall (\$106)	J Hanson	150	0	0	0	0	0
PR041b	Grant to Cambridge Gymnastics Academy for trampoline and foam pit in gym (\$106)	I Ross	75	0	0	0	0	0
PR041g	Netherhall School: supplementary grant for gym and fitness suite facilities (\$106)	I Ross	236	0	0	0	0	0
PR042b	Mill Road cemetery access and main footpath improvements (\$106)	A Wilson	175	0	0	0	0	0
PR042g	To the River - artist in residence (\$106)	N Black	117	0	0	0	0	0
PR042h	Public art grant - Cambridge Junction: News News News (\$106)	N Black	15	0	0	0	0	0
PR042i	Public art grant - In your way festival: TAAT KHOR II (\$106)	N Black	15	0	0	0	0	0
PR042j	Public art grant - NIE Theatre, tales from the Edge of Town (\$106)	N Black	14	0	0	0	0	0
PR042k	Public art grant - Rowan Humberstone: Ecology sculpture \$106	N Black	15	0	0	0	0	0
PR042l	Public art grant - Faith and Hope (\$106)	N Black	30	0	0	0	0	0
PR042m	Public art grant - Chesterton village sign (\$106)	N Black	10	0	0	0	0	0
PR042n	Public art grant - HistoryWorks: Travellers and Outsiders	N Black	15	0	0	0	0	0
PR050a	Relocation of services to 130 Cowley Road (OAS)	W Barfield	374	0	0	0	0	0
PR050b	Mandela House refurbishment (OAS)	W Barfield	869	0	0	0	0	0
PR050d	Mobile working (OAS)	W Barfield	99	0	0	0	0	0
PR050e	Cowley Road Compound ex-Park and Ride site (OAS)	W Barfield	428	0	0	0	0	0
PR050f	Guildhall Welfare Improvements (OAS)	W Barfield	209	0	0	0	0	0
PR050g	Office optimisation (OAS)	W Barfield	275	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC548	Southern Connections Public Art Commission (S106)	A Wilson	17	0	0	0	0	0
SC571	Procurement of IT System to Manage Community Infrastructure Levy	S Saunders	20	0	0	0	0	0
SC590	Structural Holding Repairs & Lift Refurbishment - Queen Anne Terrace car park	S Cleary	208	0	0	0	0	0
SC597	Empty Homes Loan Fund	Y O'Donnell	200	0	0	0	0	0
SC601	Replacement Telecommunications & Local Area Network	T Allen	34	0	0	0	0	0
SC604	Replacement Financial Management System	C Ryba	50	0	0	0	0	0
SC605	Replacement Building Access Control System	W Barfield	33	0	0	0	0	0
SC611	Grafton East car park essential roof repair	S Cleary	37	0	0	0	0	0
SC614	Redeployable CCTV camera stock	J Carre	13	0	0	0	0	0
SC615	Cherry Hinton Grounds improvements Phase 2 (S106)	A Wilson	160	0	0	0	0	0
SC621	20 Newmarket Road - commercial property	D Prinsep	3	0	0	0	0	0
SC623	Environment and cycling improvements in Water Street and Fen Road	A Wilson	35	0	0	0	0	0
SC627	Reinforcing grass edges along paths across Parker's Piece (S106)	A Muggeridge	101	0	0	0	0	0
SC633	Reinforcing grass edges along paths across Parker's Piece (S106)	D Peebles	140	0	0	0	0	0
SC634	Grand Arcade and Queen Anne Terrace car parks sprinkler systems	S Cleary	382	0	0	0	0	0
SC635	Grand Arcade car park deck coating and drainage	S Cleary	117	0	0	0	0	0
SC636	Management of waste compound - vehicle	D Blair	165	0	0	0	0	0
SC639	Re-roofing the Guildhall	W Barfield	164	0	0	0	0	0
SC644	Acquisition of land adjacent to Huntingdon Road Crematorium	G Theobald	58	0	0	0	0	0
SC645	Electric vehicle charging points	J Dicks	376	176	50	0	0	0
SC648	Local Centres Improvement Programme - Arbury Court	J Richards	138	0	0	0	0	0
SC651	Shared ICT waste management software	J Carre	453	0	0	0	0	0
SC654	Redevelopment of Silver Street Toilets	D O'Halloran	315	283	0	0	0	0
SC655	Resealing the roof at Robert Davies Court	A Muggeridge	177	0	0	0	0	0
SC656	Barnwell Business Park remedial works to the roofs	A Muggeridge	90	0	0	0	0	0
SC658	Cambridge City CCTV infrastructure	J Carre	601	0	0	0	0	0
SC659	My Cambridge City online customer portal	J James	160	76	0	0	0	0
SC660	Council Anywhere - desktop transformation	F Bryant	400	211	18	18	0	0
SC661	Adaptions to Riverside Railings	A Wilson	100	0	0	0	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC662	Shared Planning Service software and implementation	S Kelly	90	0	0	0	0	0
SC670	Lammas Land car parking infrastructure	A French	27	0	0	0	0	0
SC671	Mill Road depot development - capital contribution	C Ryba	0	0	0	0	0	0
SC672	Mill Road Redevelopment - Development Loan to CIP	C Ryba	1,499	7,947	1,412	0	0	0
SC673	Roller brake tester for Waterbeach Garage	D Cox	26	0	0	0	0	0
SC674	Mill Road Redevelopment - Equity Loan to CIP	C Ryba	1,491	2,774	0	0	0	0
SC675	Bateman Street tree replacement	A Wilson	30	0	0	0	0	0
SC676	Refurbishment of Jesus Green Public Conveniences	A Wilson	25	0	0	0	0	0
SC677	AV equipment upgrade for Committee Rooms and Council Chamber	A Muggeridge	0	125	0	0	0	0
SC678	Crematorium - additional car park	G Theobald	25	325	0	0	0	0
SC679	Crematorium - cafe facilities	G Theobald	20	310	0	0	0	0
SC680	CCTV equipment upgrade	J Carre	30	0	0	0	0	0
SC681	Abbey astroturf floodlighting (S106)	I Ross	66	0	0	0	0	0
SC682	Pay and display equipment upgrade	S Cleary	0	18	0	0	0	0
SC684	Property Management software	D Prinsep	0	100	0	0	0	0
SC685	Mobile column lifts at Waterbeach garage	D Cox	0	24	0	0	0	0
SC686	Car park server replacement (LAPE)	S Cleary	0	20	0	0	0	0
SC687	Customer Service Centre improvements	C Norman	0	91	0	0	0	0
SC688	Environmental Health software	Y O'Donnell	0	40	0	0	0	0
SC689	Income management software	C Norman	0	47	0	0	0	0
SC690	Secure phone payments	C Norman	0	24	0	0	0	0
SC692	Cromwell Road Redevelopment (GF)	D Prinsep	17,166	0	0	0	0	0
PR042a	St Clement's Church community grant (S106)	N Black	30	0	0	0	0	0
PR042b	Museum of Technology meeting space community grant (S106)	N Black	31	0	0	0	0	0
PR042c	Grant for Netherhall School meeting space (S106)	N Black	24	0	0	0	0	0
PR042d	Romsey Mill community facility grant (S106)	N Black	21	0	0	0	0	0
PR042e	Grant for Arbury Community Centre: large hall improvements (S106)	N Black	25	25	0	0	0	0
SC692	CHUB - community extension to Cherry Hinton Library	J Hanson	0	767	0	0	0	0
SC694	Meadows community hub and Buchan St retail outlet	C Flowers	0	554	2,168	1,892	0	0

Ref.	Description	Lead Officer	2018/19 (£000's)	2019/20 (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
SC693	Lion Yard shopping centre capital investment	D Prinsep	0	4,200	1,800	0	0	0
SC695	Cromwell Road redevelopment - equity loan to CIP	C Ryba	1,113	850	2,708	17	0	0
SC696	Cromwell Road redevelopment - development loan to CIP	C Ryba	0	1,324	5,819	0	0	0
Capital-GF Projects			30,782	20,363	13,975	1,927	0	0
Capital-Programmes								
PR010a	Environmental Improvements Programme - North Area	J Richards	140	0	0	0	0	0
PR010b	Environmental Improvements Programme - South Area	J Richards	126	0	0	0	0	0
PR010c	Environmental Improvements Programme - West/Central Area	J Richards	147	0	0	0	0	0
PR010d	Environmental Improvements Programme - East Area	J Richards	169	0	0	0	0	0
PR010	Environmental Improvements Programme	J Richards	0	0	170	0	0	0
PR017	Vehicle Replacement Programme	D Cox	1,781	682	0	0	0	0
PR035	Waste & Recycling Bins - New Developments (S106)	T Nicoll	284	0	0	0	0	0
PR037	Local Centres Improvement Programme	J Richards	7	0	0	0	0	0
PR038	Investment in commercial property portfolio	D Prinsep	2,427	0	0	0	0	0
PR039	Minor Highway Improvement Programme	J Richards	85	0	30	30	30	0
PR050	Office Accommodation Strategy Phase 2 (OAS)	W Barfield	473	0	0	0	0	0
PR051	Building works at the Guildhall to reduce carbon emissions and improve energy efficiency	W Barfield	437	0	0	0	0	0
Capital-Programmes			6,076	682	200	30	30	0
Capital-GF Provisions								
PV007	Cycleways	J Richards	408	0	0	0	0	0
PV018	Bus Shelters	J Richards	5	0	0	0	0	0
PV192	Development Land on the North Side of Kings Hedges Road	P Doggett	2	0	0	61	0	0
PV549	City Centre Cycle Parking	J Richards	23	0	0	0	0	0
PV554	Development Of land at Clay Farm	D Prinsep	537	96	816	0	0	0
PV583	Clay Farm Commercial Property Construction Costs	D Prinsep	67	0	0	0	0	0
PV682	Local investment bond	C Ryba	5,000	0	0	0	0	0
Capital-GF Provisions			6,042	96	816	61	0	0
Total GF Capital Plan			42,900	21,141	14,991	2,018	30	0

F Principal earmarked and specific funds

Fund	Balance at 1 April 2018 £000	Anticipated contributions £000	New contributions £000	Forecast expenditure £000	Forecast balance 31 March 2023 £000
Greater Cambridge Partnership (formerly City Deal) Investment and Delivery Fund <i>including revised projections</i>	(5,034)	(9,318)		14,352	0
Sharing Prosperity Fund	(469)	(200)		669	0
Climate Change Fund <i>including new contribution NCL4161</i>	(405)	(250)	(100)	755	0
Asset Replacement Fund	(1,005)	(6,000)		7,005	0
Bereavement Services Trading Account	(1,094)	(960)		2,054	0
Development Plan Fund	0	(252)		252	0
Shared Local Plan Fund	(315)	(900)		1,215	0
Office accommodation strategy fund	(2,759)	0		2,759	0
Invest for Income <i>now funding capital to reduce cost of internal borrowing</i>	(8,000)	0		8,000	0
A14 Mitigation Fund	(718)	(782)		1,500	0
General Fund (GF) Development Fund <i>including Mill Road and Cromwell Road revised projections</i>	0	(829)		829	0
Cambridge Live Development Plan <i>including new contribution NCL4325</i>	0	(500)	(250)	750	0
Total	(19,799)	(19,991)	(350)	40,140	0

The majority of these funds are subject to future contributions and expenditure which cannot be exactly stated. This table reflects our best estimates.

¹ The asset replacement funds will be shared in part with South Cambridgeshire District Council (SCDC) in respect of waste vehicles transferred to the shared service.

² The Development Plan Fund is a joint fund with SCDC from 1 February 2018 and the basis of cost allocation is unknown at this time because the Memorandum of Understanding is not yet complete.

Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on CityNet. For specific questions on the tool, email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts please contact Graham Saint, Strategy Officer, at graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:

General Fund Budget 2019/20 Initial Budget Proposals

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)

The BSR will be published with the papers for Strategy and Resources Committee in January 2019.

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

This summary EqIA provides an overview assessment of budget proposals that are likely to have equalities impacts on different categories of people arising from proposals to change services. This approach is intended to ensure that councillors have access to the appropriate level of information about the equality impacts of budget proposals at the right time and that further information is provided in the form of detailed EqIAs as budget proposals are developed and taken forward. This will enable councillors to discharge their Duty under the Equality Act 2010.

The 2019/20 budget proposals considered as part of this summary impact assessment are listed below:

C4186: New audio-visual system to Committee rooms 1 & 2, as well as new audio system in the Council Chamber

This proposal is to replace the existing, inadequate audio-visual system in both Committee Rooms with a modern system to meet current and future needs. At the same time the audio system in the Council Chamber will be replaced to the same standard - the visual being done at a later date.

B4203: Improvements to Customer Service Centre

This proposal will include the installation of a new cash machine and scanners as well as lighting and additional CCTV to improve the customer experience, efficiency and safety of staff.

R14213: Reduction in income due to review of Shopmobility charges

This proposal is to accept the reduction in income arising from the implementation of recommendations arising from the review of Shopmobility charges, which seek to encourage use of the car park by people with disabilities.

R14215: Reduction in income arising from the closure of Park Street Car Park

This proposal is to accept the reduction in income that will arise from the decision to redevelop Park Street Car Park between January 2020 and December 2021.

B4155: Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot

This proposal allocates funding to the Community Grants pot to allow Community and Voluntary Groups to bid for, and if successful deliver projects that will meet the priorities set out in the Council's Anti-Poverty Strategy.

C4156: Community extension to Cherry Hinton Library

This proposal provides additional funding to deliver the entire community provision scheme in Cherry Hinton.

B4160: Anti-poverty responsive budget

This proposal is for a separate budget that will be used to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes.

B4165: Anti-Poverty Strategy and Living Wage Campaign

This proposal is for the continuation of funding for a post to support the promotion of the Living Wage to businesses in Cambridge and to identify ways local businesses can contribute to the alleviation of poverty in the city.

B4182 Continuation of subsidised and free swimming and exercise referral services

This proposal is for a continuation of the subsidy that allows free swimming for Sure Start Centre users, BAME women-only sessions and targeted work with local schools where achievement of K2 swimming targets is challenging. It will also allow the continuation of the free exercise on referral

prescription service available to patients referred into the service from three GP health centres in disadvantaged areas in the city.

S4169 Delete 18.5 hours of Grant Officer post

This proposal will reduce the present post dealing with Disabled Facilities Grants and Private Sector Loan Grants to half a post.

B4193 Continuation of Fuel and Water Poverty post

This proposal will help local people in households experiencing fuel poverty to reduce their heating and water costs and improve the effectiveness of their heating.

B4219 Continuation of officer support with recycling and cleansing volunteer groups in the City

This proposal will provide support to local residents who want to improve their local environment by championing recycling and waste reduction within their communities.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review

This proposal is part of a review looking to align the NCPs with neighbourhood community development work and the mainstream grants process. The Abbey People group and the North Cambridge Community Partnership will be the groups that will be required to work in a different way.

B4307 Additional funding to respond to Welfare Reform

This proposal will increase the level of support for people impacted by welfare reform, giving officers an additional tool to deploy temporary support to mitigate the impact of negative change on individuals and families.

B4315 Extension of the Financial Inclusion Officer post

This proposal will extend an existing post that provides "hands-on" assistance in helping people affected by welfare reforms to maximise their income, reduce their costs and explore options for improving their lives moving forwards.

4. Responsible Service

The Finance Service manages the budget process, but a range of Council services are responsible for the individual bids included in this EqIA.

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- ☒ Residents of Cambridge City
☒ Visitors to Cambridge City
☒ Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here): N/a

6. What type of strategy, policy, plan, project, contract or major change to your service is this?

Each of the proposals identified will change the level of service to be delivered.

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- ☐ No
☒ Yes (Please provide details): This is an assessment of the Council's Budget Setting Report and therefore covers all of our services. The budget may also affect some of the Council's partnership working arrangements.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

The General Fund Budget Proposals for 2018/19 will form part of the Budget Setting Report, when it is presented to Strategy and Resources Scrutiny Committee and Council.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

This information is based on feedback from Council Officers that lead the individual Budget Bids and the EqIAs they have produced.

10. Potential impacts

For each of the categories below, the possible positive or negative impacts or no impacts on service users, visitors and staff members are assessed.

(a) Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

As a part of the normal aging process more people are likely, as they get older, to experience hearing and vision impairment¹. Whilst the **new audio-visual system to Committee rooms 1 & 2 and new audio system in the Council Chamber, (C41860)** will benefit all users of our committee rooms, with increased clarity of images and sound, older people, especially those over 65 years of age who are at higher risk of a long-term physical condition², will particularly benefit from any upgraded system.

The **improvements to the Customer Services Centre (B4203)** should benefit a wide range of people with protected characteristics under the Equality Act 2010, having taken into account the views of people using the centre in its design. Older people, in particular, will benefit from improved lighting and seating areas that offer greater comfort and ergonomic fit.

The **lowering of the present charges for the hire of Shopmobility equipment (R14213)** will benefit disabled people who wish to hire a scooter to move around the shopping area or city independently. The prevalence of disability increases with age and about one third of all people between 65 to 74 years of age nationally report having a long-term limiting illness³, with a high proportion living in low income households. Older people will therefore be more likely to use the service and benefit from this reduction in charges. The National Federation of Shopmobility⁴ local authorities, in its response to the original consultation for charges for the service, said that most users valued this kind of service and the opportunity it gave to move around an area, which in turn provided more confidence and dignity for the individual.

With the impending temporary closure of Park Street multi-storey car park and the **reduction in income arising from its closure (R14215)**, the seven disability bays on the ground floor will no longer be available during the period the car park is being redeveloped. People who are unable to use alternative transport to the car will need to park elsewhere. For older people, who are more likely to have a disability or mobility issues, the absence of parking close to where they want to be could be

¹ Age UK Information and Advice: <https://www.ageuk.org.uk/information-advice/health-wellbeing/conditions-illnesses/hearing-loss/>

² Cambridgeshire Annual Public Health Report 2017 <https://cambridgeshireinsight.org.uk/wp-content/uploads/2017/08/Cambridgeshire-Annual-Public-Health-Report-2017.pdf>

³ Public Health England: Local Health detailed report http://www.localhealth.org.uk/GC_preport.php?lang=en&s=164&view=map8&id_rep=r01&sellid0=60&nivgeo=lalt_2013

⁴ National Shopmobility Federation: <http://nfsuk.org/about-the-national-federation-of-shopmobility/>

problematic. However, in practice, the take-up of the Park Street disability bays has been relatively low and because of the significant investment in improvements across the Council's other multi storey car parks these other car parks, notably Lion Yard, are more attractive for disabled people to use. The absence of Park Street disability places will therefore have no or a low negative impact on older people.

Allocating additional funding for Anti-Poverty projects to the Community Development Grants pot (B4155) will allow a wider range of community and voluntary sector organisations to submit grant bids. This will include organisations working with children, families and older people that will look to deliver local projects that align to the Council's anti-poverty priorities and improve the lives of local people living on low incomes. Last year the Council's Community Development Grant was provided to 114 different voluntary and community groups who delivered over 150 projects to local communities⁵. This could particularly benefit younger people and older people, who are more likely to be in poverty than people of a working age. The Council's recent Mapping Poverty⁶ research revealed that nearly one in five children and one in six pensioners are living in households claiming benefits in the City.

The **community extension to Cherry Hinton Library (C4156)** will provide additional community facilities that are likely to facilitate services for disadvantaged families and older people. The library is sited in a localised "pocket of poverty" identified in the Council's Mapping Poverty 2017 research. Disadvantaged families and older people are presently two of the priority groups that the Council's existing community centre provision is aimed at⁷.

The **Anti-Poverty responsive budget (B4160)** will allow the Council to fund additional anti-poverty projects in response to any immediate needs or emergency issues affecting residents on low incomes in the city that emerge during the course of 2019/20. This could include providing support for new, short-term projects to address immediate needs, including support for disadvantaged older people and children.

The current **Living Wage Campaign (B4165)** has helped to increase the number of Living Wage accredited employers in Cambridge. There are currently just over 40 accredited local employers (with the addition of national employers the total is 66)⁸ in the City who are now paying, as a minimum, a real living wage to their employees. Additional employers who join as a result of the campaign will boost the income of low income households in work and help them meet the high cost of living in the City. There are at present 1,500 family households who are living on a low income in the City according to the Council's Mapping Poverty 2017 research. If the campaign is able to further increase the number of accredited employers, it will have a positive impact on people of a working age and their dependents.

The **continuation of subsidised and free swimming and exercise referral services** will have a positive impact on young people and older people. The bid will allow children from low income families to continue to participate in free swimming lessons in the City. Last year 3,000 young people^[1] attended free swimming lessons as a part of this scheme, which will both improve their safety in water and increase their level of physical activity. Families referred from the Sure Start programme also participated in free swimming lessons. The free exercise referral scheme tends to involve older people

⁵ Corporate Plan Annual Review 2017/18: <https://www.cambridge.gov.uk/media/4458/corporate-plan-annual-report-2017-18.pdf>

⁶ Mapping Poverty 2017: <https://www.cambridge.gov.uk/mapping-poverty>

⁷ Community Centres Strategy:

<https://democracy.cambridge.gov.uk/documents/s37430/Appendix%20A%20Building%20Stronger%20Communities%20-%20Community%20Centres%20Strategy.pdf>

⁸ Cambridge City Living Wage campaign: <https://www.cambridge.gov.uk/living-wage>

[1] Corporate Plan Annual Review 2017/18: <https://www.cambridge.gov.uk/media/4458/corporate-plan-annual-report-2017-18.pdf>

and last year 120 people benefited from it.

The proposal is to **delete 18.5 hours of the Grant Officer post (£4169)** dealing with Disabled Facilities Grants (DFG) and Private Sector Loan Grants. It is not anticipated that there will be any delays to processing of mandatory DFGs as an outcome of this reduction, and no-one will be refused a DFG on the basis of the change. This bid will therefore have no impact on users of this service. However, now that government grant to fund DFGs to individuals comes to the districts through the Better Care Fund, the Council has been working on a new county-wide Adaptations & Repairs Policy. This is aimed at making more flexible use of the government grant beyond mandatory DFGs, achieving a more joined up approach across Cambridgeshire, and providing better housing, health and social care outcomes.

For Cambridge City, this new policy will replace the relevant elements of our existing Repair & Regulatory Reform Order (RRO) policy. The launch of a new policy is likely to make more people – including health and social care professionals – aware of the availability of these grants and loans, and demand may increase. A national review of DFGs has also just been published, which makes a number of recommendations. The implications of this are not yet known as we await the government's response.

A large number of people over 65 years of age are admitted to hospital as an emergency for falls in Cambridge City, which is significantly worse than the England average⁹. Improvements and adaptations to homes, funded by grants, can help older people live safely and independently. 71 local grants and loans were awarded in 2017/18, averaging a similar figure over the last three years.

Proposal **B4193** will help **local people in households experiencing fuel and water poverty** to reduce their heating and water costs and improve the effectiveness of their heating. This will have a positive impact on older people, children and families. The percentage of households that experience fuel poverty in Cambridge City is 11.5%¹⁰ for the 2016 period (the latest release). Households with a low income, across age ranges, are likely to find it difficult to pay fuel bills as heating a home may come lower down their list of priorities. Living in a cold home can have a range of health consequences, including potentially harming infants' and children's development, and increasing children's vulnerability to respiratory problems¹¹. Older people also feel colder because changes in the body associated with aging can make it difficult to retain body heat and be aware of the cold¹².

The proposal for the **continuation of officer support with recycling and cleansing volunteer groups in the City (B4219)** will provide support to local residents who want to improve their local environment by championing recycling and waste reduction within their communities. Recycling Champions, looking at the profile of current Champions, are likely to be older people who are already active through tenant and resident groups. Nevertheless this work will reach-out to all sections of the community to promote local action, so there will be positive benefits for all age groups.

Proposal **S4286** will **reduce the level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review**. The Council will be asking the Partnerships to mitigate the impacts of this reduction in the Council's grant on different groups, across the age range, who currently benefit from their activities. This will involve: prioritising current and future work in an action plan; showing

⁹ Public Health Outcomes Framework 2.24: <https://fingertips.phe.org.uk/profile/public-health-outcomes-framework/data#page/0/gid/1000042/pat/6/par/E12000006/ati/101/are/E07000008>

¹⁰ Public Health Outcomes Framework, 1.17 Fuel Poverty: <https://fingertips.phe.org.uk/search/fuel%20poverty#page/3/gid/1/pat/6/par/E12000006/ati/101/are/E07000008/iid/90356/age/1/sex/4>

¹¹ The Energy Penalty – University of Leicester 2013: <https://www2.le.ac.uk/departments/law/research/cces/documents/the-energy-penalty-disability-and-fuel-poverty-pdf>

¹² Age UK Winter Toolkit: <https://www.ageukmobility.co.uk/mobility-news/article/the-ultimate-winter-toolkit-for-older-people>

where they can make the biggest difference in the use of the remaining grant so that work on the ground isn't affected; identify how they will utilise any paid staff to bring the biggest benefits; securing alternative sources of grant funding where possible, and; encouraging volunteering. In addition to the NCP funding that will continue there will be community development hours managed by the Council that will be allocated to these wards.

In recent years the Partnerships have become more independent of the Council and gained a stronger sense of local ownership. The NCP groups have been funded through a revenue stream allocated to these projects as well as accessing Area Committee Grants. The North Cambridge Community Partnership now runs two community rooms on behalf of the Council and these are hired for a variety of activities, some targeting older people and others families, which can help subsidise other activities and offers a local community resource.

The **Extension of the Financial Inclusion Officer post (B4315)** will mainly involve supporting people of a working age who have been awarded Discretionary Housing Payments by the Council. The aim is to provide an extra payment for people claiming Housing Benefit or Universal Credit who are struggling to pay their rent because of changes to the way they receive benefits. People presenting are often in crisis and facing manifest poverty and need short-term help to keep their homes and families together. Revenues and Benefits Service staff processing benefit payments can identify individuals and families who need advice and guidance, but they do not have the time to offer any extended assistance. These residents would be sign-posted to the Financial Inclusion Officer, who can offer intensive support to get them back on track.

In the last financial year, the largest sum of Discretionary Housing Payment was awarded to nearly 100 households^[1] to mitigate the impact of the Benefit Cap, which places a limit on the amount households can receive. For some households, with a large number of children, the benefit cap is applied to limit the amount of benefit claimed. Households in receipt of Pension Credit are exempt from the Benefit Cap, although some pensioners have been affected by the application of the Spare Room Subsidy, which has reduced their benefit income until they can downsize or make other arrangements. It is likely the majority of people that will benefit from this proposal will be working age people and that children in claimant households will also benefit.

The majority of people that will benefit from the proposal for **Additional funding to respond to Welfare Reform (B4307)** will be working age people with children. The funding will allow specialist support to be provided to help people who will be transitioning from Housing Benefit to Universal Credit, following a change in their circumstances, who find themselves struggling to pay their rent and make ends meet because the level of payment they receive has changed. It is anticipated that approximately 5,000 people^[2] will be migrated across to Universal Credit by early 2023 and some, because of their circumstances, will not be receiving the same amount of benefit payment or face a delay in receiving this payment, which may affect their ability to pay their rent and meet other basic needs. Two additional Officers have already been brought into the Council's Income Team to help mitigate the impact on individuals and to prevent the Council's landlord services from being compromised. This proposal will provide a further tool to assist people who are facing more complex problems, such as debt and employment issues, where specialist advice or support commissioned from the Council's partners could make a difference and allow them to become more self-sufficient irrespective of their tenure type.

^[1] Discretionary Housing Payment Update, 19 March 2018, Report to Strategy and Resources Scrutiny Committee

^[2] Policy in Practice, Forecasting Universal Credit Migration in Cambridge.

(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities

The proposal for a **new audio-visual system to Committee rooms 1 & 2 and new audio system in the Council Chamber, (C41860)** will benefit people with hearing impairment. This package of measures will include improvements to the hearing loop system (sometimes called an audio induction loop), which is a special type of sound system for use by people with hearing aids.

The **improvements to the Customer Services Centre (B4203)** should benefit a wide range of people with protected characteristics under the Equality Act 2010, having taken into account the views of people using the centre. Disabled people will benefit from improved lighting and seating areas that offer greater comfort and ergonomic fit for all users. The accompanying income management system will also support ways of accessing the internet for people with disabilities.

The **lowering of the present charges for the hire of Shopmobility equipment** is likely to benefit people with disabilities who will pay less for the service. In Cambridge City just over 16,000 people reported in Census 2011 that they experience a long-term limiting illness or disability¹³. The prevalence of disability increases with age and about one third of all people between 65 to 74 years of age nationally report having a long-term limiting illness, with a higher proportion living in low income households. In Cambridgeshire the proportion is higher, applying Health Survey for England research with 45% of people aged 65 and over reporting two or more long-term conditions and limitations with mobility, compared to 4% of people aged between 18 to 64 years of age. Disabled people aged 16 to 64 are likely to be in receipt of Personal Independence Payments (PIPs) that may help them meet the additional costs associated with living with disability or long-term illness, helping to offset charges for this service.

The impending temporary **closure of Park Street multi-storey car park and the reduction in income arising from its closure (R14215)** will mean that seven accessible parking bays on the ground floor for people with disabilities will be no longer be available. However, overall, it is expected that the closure of the bays will not have a significant adverse impact on people with disabilities. Currently disabled people tend to use the Lion Yard multi-storey car park in preference to Park Street, where more parking bays for disabled people are available and the building is more accessible (e.g. wider lifts and circulation areas). People with Blue Badges(a nationally recognised on-street parking scheme for disabled people) could also find and use alternative on-street parking places near to Park Street by parking on double yellow lines where there are not loading restrictions or where they could block vehicle movement, as this is permissible within the Blue Badge scheme.

By **allocating funding for Anti-Poverty projects to the Community Development Grants pot (B4155)** it will allow a wider range of community and voluntary sector organisations to submit grant bids, including those looking to deliver services for disabled people.

The **community extension to Cherry Hinton Library (C4156)** will make additional community space available for use by a wider range of community groups, including those offering support for people with disabilities. The improvements will include the fitting of adaptations that will make the community centre accessible for disabled people.

The **Anti-Poverty responsive budget (B4160)**, will allow the Council to support new short-term projects or existing projects to respond to immediate needs of emergencies. These projects would

¹³ PHE Local Health:
http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map8&id_rep=r01&sellid0=60&nivgeo=lalt_2013

assist vulnerable people on low incomes, including disabled people.

The current **Living Wage Campaign (B4165)** has managed to secure just over 40 accredited local employers in the City who are now paying, as a minimum, a real living wage to their employees. Recent research by the TUC highlights the “Disability Pay Gap¹⁴”, the difference between the average hourly pay of disabled and non-disabled people, and that disabled people are more likely to earn less as a result. In addition, disabled people face increased living costs of up to £550 per month due to physical barrier to their social participation¹⁵. Encouraging more local employers to pay the real living wage to is therefore likely have a positive impact on disabled people by increasing their income.

The proposal to **continue exercise referral services (B4182)** will have a positive impact on disabled people. The City Council currently runs two exercise referral schemes from GP practices for inactive residents with a medical condition or disability. This includes people with diagnosed medical conditions including high blood pressure, diabetes, obesity, osteoporosis, arthritis, depression, as well as people living with and recovering from cancer and cardiac conditions. Both schemes can help adults become more active to improve or manage their health.

The proposal is to **delete 18.5 hours of the Grant Officer post (S4169)** dealing with Disabled Facilities Grants and Private Sector Loan Grants. It is not anticipated that there will be any delays to processing of mandatory DFGs as an outcome of this reduction, and no-one will be refused a DFG on the basis of the change. This bid will therefore have no impact on disabled people applying for grants.

In Cambridge City 13%¹⁶ of the population experiences a limiting long-term illness or disability. The county-wide review around the use of Disabled Facilities Grants (DFGs) aimed to provide a more joined-up approach, and better use of resources, to improve health care and housing outcomes. Our existing policy of providing grants and loans to private sector residents includes topping up Disabled Facilities Grants (DFGs); helping people to move if their property is unsuitable for adaptation; and repairs and improvements to make homes safer. These all help to contribute towards Cambridgeshire’s Better Care Fund¹⁷ vision, which includes: diverting resources away from acute health services and on-going social care; focusing rather on helping people to help themselves; and returning people to independence wherever possible.

This proposal will help **local people in households experiencing fuel and water poverty (B4193)** to reduce their heating and water costs and improve the effectiveness of their heating. This is likely to have a positive impact on disabled people. Research shows that households that include someone with a disability or a long-term illness are at heightened risk of fuel poverty¹⁸. Many disabled people face difficulties in affording adequate energy consumption to meet their needs. The negative health impacts of fuel poverty are particularly likely to affect disabled people and those living with long term conditions. Families with one or more disabled children are likely to experience extra costs compared to those with no disabled children, and face difficulties in affording fuel and other essential costs.

It is anticipated that the proposal to **reduce the level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review (S4286)** will have no impact on disabled people. The events supported by the NCPs have been accessible to people with disabilities, including trips, and it is likely that this will continue.

¹⁴ TUC, Disability Pay Gap, <https://www.tuc.org.uk/research-analysis/reports/disability-employment-and-pay-gaps-2018>

¹⁵ Scope (2014), ‘Priced out: Ending the Financial Penalty of Disability by 2020’

¹⁶ PHE Local Health:

http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map8&id_rep=r01&sellid0=60&nivgeo=lalt_2013

¹⁷ Cambridgeshire Better Care Fund: <https://www.cambridgeshire.gov.uk/residents/working-together-children-families-and-adults/working-with-partners/cambridgeshire-better-care-fund-bcf/>

¹⁸ Fuel Poverty and Disability: <https://www.nea.org.uk/research/research-database/fuel-poverty-and-disability-a-statistical-analysis-of-the-english-housing-survey/>

The **Financial Inclusion Officer post (B4315)** could sign-post disabled people to Cambridge CAB and other support groups if they have been sanctioned or missed out on benefits and find that paying their rent is difficult. The **Additional funding to respond to Welfare Reform (B4307)** proposal could also allow additional support to be directed to support disabled people.

In some cases Discretionary Housing Payments are made to disabled claimants, including those whose house has been adapted to support their disability, or where a disabled claimant uses a spare bedroom to store medical equipment or other items to alleviate their disability. These payments will bridge the gap between any benefit reduction arising from welfare reforms (Spare Room Subsidy) and their rent. As people with disabilities transition to Universal Credit it is anticipated that some may be financially worse off through the removal of disability premiums, as well as cuts to child disability payments. Support will be provided through personal independence payments (PIPs) but transitional protection maybe required when disabled people are moved from ESA on to Universal Credit in 2019.

(c) Sex – A man or a woman.

R14213: Reduction in income due to review of Shopmobility charges. Women are more likely to benefit from the proposed reductions in Shopmobility charges than men, as there are more disabled women than men in the UK. In 2012/13, there were 6.4 million disabled women (21%) and 5.5 million disabled men (18%). These proportions have remained broadly stable over time¹⁹.

B4165: Anti-Poverty Strategy and Living Wage Campaign. Whilst both men and women on low incomes will benefit from the Council's Living Wage campaign, it is likely that women on low incomes will benefit more. Nationally, there is a gender pay gap of nearly 20% between men and women. In Cambridge, the average earnings for women in Cambridge with the lowest 25% of earnings is £214.50 per week or less, compared with £419 or less for men with the lowest 25% of earnings.²⁰ Women are more likely than men to be in lower paid jobs, often work part-time with less security.

Women are more likely to experience domestic abuse²¹ and experience abuse with much more intensity²². In some cases, such as where women are facing or in fear of domestic abuse and leave their home, other housing costs associated with housing need can be taken into consideration when making Discretionary Housing Payments. Both the **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** could help sign-post people to specialist support or start a process to recover their home.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment that is the process of transitioning from one gender to another)

There are no impacts for this protected characteristic arising from budget proposals.

¹⁹ PHE Local Health:

http://www.localhealth.org.uk/GC_preport.php?lang=en&s=141&view=map8&id_rep=r01&sellid0=60&nivgeo=lalt_2013

²⁰ NOMIS (2017), 'Labour Market Profile – Cambridge':

<https://www.nomisweb.co.uk/reports/lmp/la/1946157205/report.aspx?town=cambridge>

²¹ ONS (2018), 'Domestic abuse in England and Wales: year ending March 2018'

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/domesticabuseinenglandandwales/yearendinmarch2018>

²² Walby and Allen (2004), 'Domestic violence, sexual assault and stalking: Findings from the British Crime Survey': <http://womensaidorkney.org.uk/wp-content/uploads/2014/08/Home-office-research.pdf>

(e) Pregnancy and maternity

C4156: Community extension to Cherry Hinton Library. The extension to the library will make additional community space available for use by a wider range of community groups, including those supporting people through pregnancy and maternity.

B4165: Anti-Poverty Strategy and Living Wage Campaign. Both men and women will benefit from the Council's Living Wage campaign, if it succeeds in increasing the number of employers in the city paying their staff the Real Living Wage. Some of the beneficiaries will be women²³ who have taken breaks in their employment due to pregnancy and maternity leave, who may have had fewer opportunities to develop a career and therefore receive lower wages as a result.

B4182 Continuation of subsidised and free swimming and exercise referral services. Families using Family Centres are provided with free swimming as a part of the scheme. This will include pregnant people and those looking after young children. For pregnant women exercising in water is supportive, good for circulation (as the pressure of the water on blood vessels stimulates blood flow) and reduces swelling. The availability of free-swimming could encourage women on low incomes who are pregnant to maintain normal daily physical activity or exercise²⁴, and once they have given birth continue to participate in swimming activities and Sure Start classes with their new families.

B4193 Continuation of Fuel and Water Poverty post. The continuation of this post will provide support for people living in fuel poverty, including pregnant women. A survey by Save the Children found almost half of the parents from the lowest income families have said they are considering cutting back on food in order to pay their energy bills. During pregnancy this could have a greater impact on the health of the expectant mother and child. When a property is assessed in the current service, if a pregnant person in the household is identified this will be taken into account in the proposals.

Both the **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** could assist and help sign-post people who are pregnant who have had to give up working earlier than anticipated, or had other difficulties, to specialist support to prevent or ameliorate any loss of benefits that might cause difficulty in paying rent, putting a home at risk, and meeting basic needs.

(f) Marriage and civil partnership

There are no impacts for this protected characteristic arising from budget proposals.

(g) Race - The protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

R14213: Reduction in income due to review of Shopmobility charges. As identified above, the

²³ UK Gender Pay Gap: <https://www.gov.uk/government/news/uk-gender-pay-gap>

²⁴ Women and Sport: <https://www.sportengland.org/our-work/women/>

reduction in Shopmobility charges could have a positive impact on disabled people, by reducing the cost of using the service to access city centre shops and services. The impact may vary across ethnic groups, as the prevalence and profile of disability varies by ethnicity. For instance, people from white ethnic groups are almost twice as likely as those from non-white ethnic groups to have a limiting long-standing illness or disability (20% compared with 11%).²⁵ However, the impact that disability or long-term illness has on one's ability to participate in social life (including leisure activities like shopping) are different for different ethnic backgrounds, with black or black British disabled people reporting the highest number of life areas (for example, leisure) in which participation is restricted.²⁶

B4155: Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot. This could allow community and voluntary groups to bid for projects that will help address issues of low income across a range of ethnic groups. According to JRF, for all ages, family types and family work statuses, people from minority ethnic groups are, on average, much more likely to be in income poverty nationally than white British people. The differences are particularly greater for families where at least one adult is in paid work: in these families, around 60% of Bangladeshis, 40% of Pakistanis and 30% of black Africans are in income poverty²⁷.

C4156: Community extension to Cherry Hinton Library. The extension to the library will make additional community space available for use by a wider range of community groups, including those supporting particular ethnic groups.

B4165: Anti-Poverty Strategy and Living Wage Campaign. If the Living Wage campaign succeeds in increasing the number of employers in the city paying their staff the Real Living Wage, this could particularly benefit people from particular ethnic groups who may be more likely to be on low incomes. Recent JRF research has shown that BME people have a higher likelihood of lower pay²⁸. Throughout the UK, BAME communities are less likely than white people to be paid the living wage. The Joseph Rowntree Foundation showed in 2015 that the ethnic group least likely to be paid below the minimum wage was white males (15.7 per cent); and that which was most likely was Bangladeshi males (57.2 per cent). 38.7 per cent of Pakistani males were paid below the minimum wage, 37 per cent of Pakistani women, and 36.5 per cent of Bangladeshi women.

B4182 Continuation of subsidised and free swimming and exercise referral services. The continuation of free swimming sessions is likely to have a positive impact on BAME children. Data from the Amateur Swimming Association²⁹ (ASA) shows that ethnic minorities in Britain are three times less likely than white people to know how to swim. By encouraging all school children to swim with free-swimming lessons and water confidence lessons for adults, it is hoped that more people from ethnic minority groups will be able to learn to swim.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review. One of the aims of the Partnerships has been to bring people who live in the local community together, reflecting the diversity of the area. Overall, Cambridge is ethnically diverse, with nearly one person in three residing in the Cityborn outside of the UK³⁰. There are no real

²⁵ Papworth Trust, Disability in the United Kingdom 2016: Facts and Figures

<http://www.papworthtrust.org.uk/sites/default/files/Disability%20Facts%20and%20Figures%202016.pdf>

²⁶ Papworth Trust, Disability in the United Kingdom 2016: Facts and Figures

<http://www.papworthtrust.org.uk/sites/default/files/Disability%20Facts%20and%20Figures%202016.pdf>

²⁷ Poverty and Ethnicity in the UK: <https://www.jrf.org.uk/report/poverty-and-ethnicity-uk>

²⁸ Poverty and Ethnicity in the Labour Market: <https://www.jrf.org.uk/report/poverty-ethnicity-labour-market>

²⁹ ASA Sporting Equals:

http://www.swimming.org/~widgets/ASA_Research_Library/Black%20Minority%20Ethnic%20Swimming/ExBME8%20Sporting%20Equals%20BME%20Communities%20and%20Swimming%202012.pdf

³⁰ ONS Country of Birth estimates:

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/datasets/populationoftheunitedkingdombycountryofbirthandnationality>

concentrations of ethnic communities in the NCP areas, but there is a larger group of people of Bangladeshi and Polish descent in some areas. The NCPs, reflecting the diversity of the area, have in the past run English classes, promoted Asian groups, street parties and cultural events. It is uncertain whether people of particular ethnicities will be disproportionately affected by the reduction of grant to the partnerships – it will depend on how the NCP's prioritise their work in the future.

(h) Religion or belief

B4182 Continuation of subsidised and free swimming lessons could have a positive impact for people of particular religions. Analysis carried out in 2012 on Sport England's Active People Survey data showed that participation in swimming is low among Sikh, Muslim and Buddhist women, compared with the overall female population. Muslim women and girls can be less likely to swim, as an outfit that fully covers the body is usually required, and they may not wish to swim in mixed classes³¹. Children attending as part of a school group are more likely to include children of different faiths.

S4286 Reduce level of funding to Neighbourhood Community Partnerships (NCPs) pending a full review. The Partnerships have looked to support groups celebrating cultural events and groups, such as an Asian girls group in the past, taking into account religion or belief and promoted events to all communities to improve integration.

(i) Sexual orientation

There are no impacts for this protected characteristic arising from budget proposals.

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty

Many of the proposals will impact on people living on low incomes:

- The **Reduction in income due to review of Shopmobility charges** will lower barriers for people on low incomes to access this service.
- **Allocating funding for Anti-Poverty Strategy (APS) projects to the Community Grants pot and the Anti-poverty responsive budget** will continue to promote local projects looking to support people on low incomes, looking to prioritise those that fall within the main

³¹ Sport and Faith: <https://www.sportengland.org/research/understanding-audiences/faith/>

areas of the strategy.

- The post helping to deliver the **Anti-Poverty Strategy and Living Wage Campaign** has at its heart the purpose to raise the incomes of low income groups of people.
- The **continuation of subsidised and free swimming and exercise referral services** will provide young people living in low income families with access to swimming lessons and older people on low incomes with access to structured activities that will promote their wellbeing.
- Last year the Cambridgeshire Housing Improvement Agency completed 222 adaptations for clients living in social housing, costing £1.7m. **Reducing the present post dealing with Disabled Facilities Grants and Private Sector Loan Grants to half a post** will not affect the number of people applying or receiving this grant with a low income.
- The **Continuation of Fuel and Water Poverty post** will provide targeted help to many low income households experiencing fuel poverty to reduce their heating and water costs and improve the effectiveness of their heating.
- The **Financial Inclusion Officer post (B4315)** and **Additional funding to respond to Welfare Reform (B4307)** proposals will provide support to people who have proved that they have no financial resources at their disposal to meet their housing needs and basic living requirements. Both proposals could assist and help sign-post people to specialist support to prevent or ameliorate any loss of benefits.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

This EqIA provides an overall assessment of the equality impacts of budget proposals included in the General Fund budget proposed for 2018/19. As these projects and service changes move towards implementation during 2018/19, officers will continue to monitor equality impacts and individual EqIAs with attached action plans for these projects will be produced if required.

12. Do you have any additional comments?

No additional comments.

13. Sign off

Name and job title of lead officer for this equality impact assessment: Graham Saint, Corporate Strategy Officer.

Names and job titles of other assessment team members and people consulted:

Allison Conder, Strategic Project Manager
Andrew Muggeridge, Principal Surveyor
Clarissa Norman, Customer Services Operations Manager
David Greening, Head of Housing
David Kidston, Strategy and Partnerships Manager
Debbie Kaye, Head of Community Services
Helen Crowther, Equality and Anti-Poverty Officer
Helen Reed, Housing Strategy Manager
Ian Ross, Sport and Recreation Manager
Jonathan James, Head of Customer Services
Justin Smith, Energy Projects Team Leader
Naomi Armstrong, Benefits Manager
Rebecca Weymouth-Wood, Waste Policy, Change and Innovation Manager
Sally Roden, Neighbourhood Community Development Manager
Sean Cleary, Commercial Operations Manager

Date of EqIA sign off:

Date of next review of the equalities impact assessment: This will be different for each project.

Sent to Helen Crowther, Equality and Anti-Poverty Officer?



Yes



No

Date to be published on Cambridge City Council website (if known): Not known as yet

Contacts

Subject / Name	Email	Telephone / Extension
Budget process guidance – your Service Accountant		
Chris Humphris	chris.humphris@cambridge.gov.uk	8141
John Harvey	john.harvey@cambridge.gov.uk	8143
Karen Whyatt	karen.whyatt@cambridge.gov.uk	8145
Richard Wesbroom	richard.wesbroom@cambridge.gov.uk	8148
Linda Thompson	linda.thompson@cambridge.gov.uk	8144
Tamara Kulatunga	tamara.kulatunga@cambridge.gov.uk	8241
Emma Bowles	emma.bowles@cambridge.gov.uk	7161
Capital		
Joanna Darul	joanna.darul@cambridge.gov.uk	8131
Housing Finance		
Julia Hovells	julia.hovells@cambridge.gov.uk	01954 713071
Cherie Carless	cherie.carless@cambridge.gov.uk	01954 713240
Service Planning		
Andrew Limb	andrew.limb@cambridge.gov.uk	7004
Programme Office contact		
Paul Boucher	paul.boucher@cambridge.gov.uk	7400
Equalities Impact Advice		
Helen Crowther	helen.crowther@cambridge.gov.uk	7046
Poverty Implications Advice		
Graham Saint	graham.saint@cambridge.gov.uk	7044
Climate Change and environmental implications advice		
Janet Fogg	janet.fogg@cambridge.gov.uk	7176
Growth Agenda advice		
Julian Adams	julian.adams@cambridge.gov.uk	7617
Developer Contributions and CIL		
Tim Wetherfield	tim.wetherfield@cambridge.gov.uk	7313
Procurement advice		
Heidi Parker	heidi.parker@cambridge.gov.uk	8051