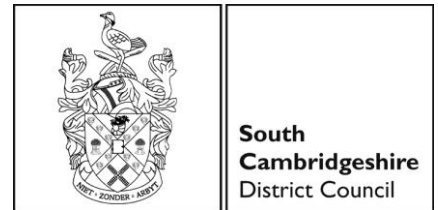


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7 December 2022

To: Chair – Councillor Stephen Drew
Vice-Chair – Councillor Graham Cone
Members of the Scrutiny and Overview Committee – Councillors
Anna Bradnam, Tom Bygott, Libby Earle, Sue Ellington, Peter Fane,
Sally Ann Hart, James Hobro, Helene Leeming, Dr John Loveluck,
Judith Rippeth, Richard Stobart and Dr. Aidan Van de Weyer

Quorum: 4

Substitutes:	Councillors Heather Williams, Dr. Richard Williams, Bunty Waters, Mark Howell, Lina Nieto, Annika Osborne, Paul Bearpark, Carla Hofman, Dr Lisa Redrup and William Jackson-Wood
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There is a pre-meeting session at 5pm the day before the meeting, for members of the Committee only, to plan their lines of enquiry.

Dear Councillor

You are invited to attend the next meeting of **Scrutiny and Overview Committee**, which will be held in the **Council Chamber - South Cambs Hall** on **Thursday, 15 December 2022 at 5.20 p.m.**

Members are respectfully reminded that when substituting on committees, subcommittees, and outside or joint bodies, Democratic Services must be advised of the substitution ***in advance of*** the meeting. It is not possible to accept a substitute once the meeting has started. Council Standing Order 4.3 refers.

Yours faithfully
Liz Watts
Chief Executive

The Council is committed to improving, for all members of the community, access to its agendas and minutes. If you have any specific needs, please let us know, and we will do what we can to help you.

Agenda

1. Chair's announcements

Pages

2. **Apologies for absence**
To receive apologies for absence from committee members.
3. **Declarations of Interest**
4. **Minutes of Previous Meeting** **7 - 12**
To authorise the Chairman to sign the Minutes of the meeting held on 15 November 2022 as a correct record.
5. **Public Questions**
If you would like to ask a question or make a statement, then please refer to the

[Document called Public Speaking Scheme \(Physical Meetings\)](#)

and contact the Scrutiny and Governance Adviser in Democratic Services by no later than 11.59pm on Friday 9 December 2022.
6. **General Fund Medium Term Financial Strategy** **13 - 42**
The Scrutiny and Overview Committee is asked to review the draft report presented to Cabinet on 12 December 2022 together with draft appendices A and B. Relevant comments from Cabinet will be reported to the Committee. A final version of the MTFs will be presented to Cabinet in February 2023.
7. **Work Programme** **43 - 56**
8. **To Note the Date of the next meeting**

Exclusion of Press and Public (if needed)

The law allows Councils to consider a limited range of issues in private session without members of the Press and public being present. Typically, such issues relate to personal details, financial and business affairs, legal privilege and so on. In every case, the public interest in excluding the Press and Public from the meeting room must outweigh the public interest in having the information disclosed to them. The following statement will be proposed, seconded and voted upon.

"I propose that the Press and public be excluded from the meeting during the consideration of the following item number(s) in accordance with Section 100(A) (4) of the Local Government Act 1972 on the grounds that, if present, there would be disclosure to them of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act."

If exempt (confidential) information has been provided as part of the agenda, the Press and public will not be able to view it. There will be an explanation on the website however as to why the information is exempt.

Notes to help those people visiting the South Cambridgeshire District Council offices

While we try to make sure that you stay safe when visiting South Cambridgeshire Hall, you also have a responsibility for your own safety, and that of others.

Security

When attending meetings in non-public areas of the Council offices you must report to Reception, sign in, and at all times wear the Visitor badge issued. Before leaving the building, please sign out and return the Visitor badge to Reception.

Public seating in meeting rooms is limited. For further details contact Democratic Services on 03450 450 500 or e-mail democratic.services@scambs.gov.uk

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- **Do not** use the lifts to leave the building. If you are unable to use stairs by yourself, the emergency staircase landings have fire refuge areas, which give protection for a minimum of 1.5 hours. Press the alarm button and wait for help from Council fire wardens or the fire brigade.
- **Do not** re-enter the building until the officer in charge or the fire brigade confirms that it is safe to do so.

First Aid

If you feel unwell or need first aid, please alert a member of staff.

Access for People with Disabilities

We are committed to improving, for all members of the community, access to our agendas and minutes. We try to take all circumstances into account but, if you have any specific needs, please let us know, and we will do what we can to help you. All meeting rooms are accessible to wheelchair users. There are disabled toilet facilities on each floor of the building. Infra-red hearing assistance systems are available in the Council Chamber and viewing gallery. To use these, you must sit in sight of the infra-red transmitter and wear a 'neck loop', which can be used with a hearing aid switched to the 'T' position. If your hearing aid does not have the 'T' position facility then earphones are also available and can be used independently. You can get both neck loops and earphones from Reception.

Toilets

Public toilets are available on each floor of the building next to the lifts.

Recording of Business and Use of Mobile Phones

We are open and transparent about how we make decisions. We allow recording, filming and photography at Council, Cabinet and other meetings, which members of the public can attend, so long as proceedings at the meeting are not disrupted. We also allow the use of social media during meetings to bring Council issues to the attention of a wider audience. To minimise disturbance to others attending the meeting, please switch your phone or other mobile device to silent / vibrate mode.

Banners, Placards and similar items

You are not allowed to bring into, or display at, any public meeting any banner, placard, poster or other similar item. Failure to do so, will result in the Chairman suspending the meeting until such items are removed.

Disturbance by Public

If a member of the public interrupts proceedings at a meeting, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room. If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared. The meeting will be suspended until order has been restored.

Smoking

Since 1 July 2008, South Cambridgeshire District Council has operated a Smoke Free Policy. No one is allowed to smoke at any time within the Council offices, or in the car park or other grounds forming part of those offices.

Food and Drink

Vending machines and a water dispenser are available on the ground floor near the lifts at the front of the building. You are not allowed to bring food or drink into the meeting room.

Declarations of interest

As a Councillor, you are reminded of the requirements under the Council's Code of Conduct to register interests and to disclose interests in a meeting. You should refer to the requirements set out in the Code of Conduct which are summarised in the notes at the end of this agenda frontsheet.

Disclosable pecuniary interests

A "disclosable pecuniary interest" is an interest of you or your partner (which means spouse or civil partner, a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners) which falls within the categories in [Table 1 of the code of conduct, which is set out in Part 5 of the Constitution](#).

Where a matter arises at a meeting which directly relates to one of your disclosable pecuniary interests you must:

disclose the interest;
not participate in any discussion or vote on the matter; and
must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

It is a criminal offence to:

fail to notify the monitoring officer of any disclosable pecuniary interest within 28 days of election
fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register
fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting
participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest
knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.

Other registerable interests

These are categories of interest which apply to the Councillor only (not to their partner) and which should be registered. Categories are listed in [Table 2 of the code of conduct, which is set out in Part 5 of the Constitution](#). Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your Other Registerable Interests, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter; and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of non-registerable interests

Where a matter arises at a meeting which directly relates to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where a matter arises at a meeting which affects – a. your own financial interest or well-being; b. a financial interest or well-being of a relative or close associate; or c. a financial interest or wellbeing of a body included under Other Registrable Interests as set out in Table 2 you must disclose the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied. Where a matter (referred to in the paragraph above) affects the financial interest or well-being: a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and; b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest, you may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

[Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it]

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Agenda Item 4

South Cambridgeshire District Council

Minutes of a meeting of the Scrutiny and Overview Committee held on
Tuesday, 15 November 2022 at 5.20 p.m.

PRESENT: Councillor Stephen Drew – Chair
Councillor Graham Cone – Vice-Chair

Councillors: Anna Bradnam Libby Earle
Sue Ellington Sally Ann Hart
James Hobro Helene Leeming
Richard Stobart Dr. Aidan Van de Weyer
Heather Williams

Officers in attendance for all or part of the meeting:

In the Chamber

Anne Ainsworth (Chief Operating Officer), Aaron Clarke (Democratic Services Technical Officer), Peter Maddock (Head of Finance), Ian Senior (Scrutiny and Governance Adviser)

Virtually

Peter Campbell (Head of Housing), Jeff Membery (Head of Transformation, HR and Corporate Services), Stephen Kelly (Joint Director of Planning and Economic Development), Kevin Ledger (Senior Policy and Performance Officer), Michael Parsons (Waste Operations Manager), Alex Snelling-Day (Policy, Climate and Environment Team Manager) and Liz Watts (Chief Executive)

Councillors Bill Handley (Lead Cabinet Member for Communities), Brian Milnes (Deputy Leader) and Bridget Smith (Leader of the Council) were in attendance, by invitation.

Councillors Peter Fane and Dr John Loveluck were in attendance remotely.

1. Chair's announcements

The Chair made several brief housekeeping announcements.

2. Apologies for absence

There were no apologies.

3. Declarations of Interest

With reference to agenda item 9 (Young People Task & Finish Group - Terms of Reference), Councillor Heather Williams declared an interest because the Task & Finish Group in question had been established as a result of her motion to Full Council in July 2022.

4. Minutes of Previous Meeting

The Committee authorised the Chair to sign, as a correct record, the minutes of the meeting held on 20 October 2022.

5. Public Questions

There were no public questions or statements.

6. 2022-23 Quarter Two Performance Report

The Scrutiny and Overview Committee considered a report on the Council's Quarter 2 position regarding its operational Key Performance Indicators (KPIs) and 2020-25 Business Plan actions.

With reference to FS104 (Percentage of Business Rates collected (year to date)), Councillor Sue Ellington said that a simple percentage figure did not really provide the kind of information needed for there to be effective scrutiny. While accepting assurances from both Councillor John Williams (Lead Cabinet Member for Resources) and the Head of Finance that the current position was generally positive, Councillor Ellington said that an attempt should be made to demonstrate this by creating a Key Performance Indicator (KPI) that more clearly reflected the state of business in South Cambridgeshire. Councillor Heather Williams asked that the KPI should differentiate between those businesses struggling to pay business rates and those simply not paying.

KPIs PN510 to PN512 related to Development Management. Councillor Peter Fane said that a differentiation should be made between those planning applications determined within the period set by statutory targets and those determined within a timescale set by an Extension of Time Agreement. Councillor Fane asked that the percentage of appeals against major planning permission refusals allowed should specify the proportion allowed in respect of appeals against non-determination. The Committee noted that the number of Extension of Time Agreements and refusals made in order to meet determination targets was unrelated to the time taken to validate applications.

Councillor Graham Cone questioned how realistic the target of 17 days was referred to in AH211 (Average days to re-let all housing stock). In reply, the Head of Housing gave an assurance that the Council had deliberately set itself a challenging target after benchmarking itself against a group of similar local authorities. Councillor Heather Williams expressed concern about the impact of stated problems with electricity meters on tenants' cost of living. The Head of Housing assured the Committee that the recently re-let contract required there to be a greater focus on voids and re-lets and that he was confident that this KPI would show improved performance as a result.

Turning to the Contact Centre, and after clarifying that CC303 (percentage of calls handled) referred to calls answered by a contact centre agent, Councillor Sally Ann Hart asked that future statistics should include a measure as to the effectiveness of the call-back option. Councillor Helene Leeming expressed concern at KPI CC307 (Average call answer time (seconds)). The Head of Transformation, HR and Corporate Services acknowledged that the Contact Centre was subject to peaks in demand and assured the Committee that the situation was constantly monitored to make sure that available resources (considered to be sufficient) were deployed in an appropriate and effective manner dependant on demand at any given time.

Moving on to performance against the Business Plan, Councillor Richard Stobart challenged the Leader (Councillor Bridget Smith) to explain why the proposed development of a formal engagement programme with schools and employers was being pursued only locally (Measure A2(ii)). In reply, the Leader said that it was right that the Council should focus on 'local' in the first instance but added that it did work with universities when recruiting to higher-paid jobs. South Cambridgeshire was an expensive area to move into although it was hoped that initiatives such as a four-day-week would help compensate for that.

Action B5 related to the delivery of two new sports pavilion, community centre and civic hub (containing health, library, and community facilities) at Northstowe. Councillor Heather Williams said that there was an urgent need for Full Council to consider again the provision of temporary community facilities in the new town especially as a planning application for the civic hub was not anticipated before Quarter 4.

Councillor Sue Ellington used Action C6 (Upgrade our stock of 1,800 streetlights to LED, which will reduce energy consumption and save Parish Councils money) to highlight the very significant financial pressures currently being faced by smaller villages in maintaining their streetlights. Both Councillor Brian Milnes (Deputy Leader) and Councillor John Williams (Lead Cabinet Member for Resources) sympathised with the sentiment but regretted that South Cambridgeshire District Council simply did not have the necessary resources with which to help.

Subject to the comments in paragraphs 2 to 9 above, the Scrutiny and Overview Committee supported submission of the Quarter 2 Performance Report to Cabinet on 12 December 2022.

7. General Fund Revenue Bids & Savings

The Scrutiny and Overview Committee considered a draft of the report to be presented to Cabinet on 12 December 2022 relating to Revenue bids and savings for 2023-24.

Referring to paragraph 9 of the draft report and the budget gap likely to be between £700,000 and £1 million, Councillor Heather Williams said that future such reports should make it clear what bids had already been discounted so that Members could decide whether resources were being allocated in the most effective way for the benefit of residents.

In response to Councillor Richard Stobart, the Green Energy Investment Manager gave more detail about how extending the contract of a Project Officer post previously submitted as a one-off bid, would help the Council to meet its Net Zero targets and to deliver key Member priorities.

The Head of Finance said that the Medium Term Financial Strategy (MTFS) to be submitted to Cabinet in December would reveal a likely budget gap of around £7.5 million over the forecast period up to 2027-28. In response to Councillor Graham Cone, the Head of Finance confirmed that that figure was nett of about £2 million of savings expected to be made from the service transformation programme.

Councillor John Williams (Lead Cabinet Member for Resources) speculated about the implications for South Cambridgeshire District Council of measures anticipated to be in the Government's Autumn Statement. He also urged Committee members to consider the Council Budget in the context of its Business Plan.

The Scrutiny and Overview Committee **supported** the recommendations in the draft report, namely that Cabinet notes

1. the growth bids put forward (both one-off and ongoing), detailed at Appendix A and B and considers whether those for 2023-24 should be included in the Budget to be proposed in February 2023. These would undergo further refinement and consultation with stakeholders; and
2. the proposed range of service efficiency savings/additional income detailed in Appendix C and D and consider whether those for 2023/2024 should be included in the Budget to be proposed in February 2023. These would undergo further refinement and consultation with stakeholders.

8. The future use of South Cambridgeshire Hall, Cambourne

The Scrutiny and Overview Committee received and noted a report about officers' current concepts for the best use of space within South Cambridgeshire Hall in Cambourne. Appended floorplans showed an early-stage proposal for most South Cambridgeshire District Council officers to be working on the first floor to allow more space for renting out and for potentially providing community facilities.

Councillor Heather Williams said that great care must be taken to make sure that space was only let to businesses adhering to South Cambridgeshire District Council's ethical standards. Several Councillors said that it would be important to consider the personal safety of Council staff and security of the Council's business interests given the open-plan nature of South Cambridgeshire Hall. In reply, Councillor Brian Milnes (Deputy Leader) and the Head of Transformation, HR and Corporate Services acknowledged Members' concern and assured the Committee that such concerns would be considered when developing detailed aspects of the project. The Head of Transformation, HR and Corporate Services said that the second floor offered the biggest opportunities for income-generation.

Following further discussion and having reviewed proposals for the best use of space at South Cambridgeshire Hall, the Chair concluded by saying that, while safety and security had rightly been highlighted as concerns, the general principle offered significant opportunities in finding ways to help address the budget funding gap faced by the Council. An update report would be presented to the Scrutiny and Overview Committee at an appropriate date so that it could continue to review progress.

9. Young People Task & Finish Group - Terms of Reference

The Scrutiny and Overview Committee considered a report seeking its endorsement of the Terms of Reference agreed by the Young People Task & Finish Group for conducting its investigation into youth engagement in South Cambridgeshire.

Councillor Richard Stobart, Chair of the Task & Finish Group, summarised the timetable set by the Group and anticipated making recommendations in June for decision by Cabinet or Full Council in July 2023.

The Scrutiny and Overview Committee **approved** the Young People Task & Finish Group Terms of Reference attached to the report at Appendix A.

10. Ice Rink

The Scrutiny and Overview Committee received and noted a report updating Members about the ice rink at Newmarket Road, Cambridge, which had been part-funded by a loan from South Cambridgeshire District Council.

The Head of Finance confirmed that a proposal to extend the repayment period by five years was subject to the Cambridge Leisure and Ice Centre (CLIC) negotiating a new lease. CLIC did not require additional funding and the interest rate would remain fixed at 4.31%. Councillor John Williams (Lead Cabinet Member for Resources) referred to proposals to relocate the Newmarket Road Park & Ride site and the implications for CLIC. The only risk for this Council was repayment of the loan and Councillor Brian Milnes (Deputy Leader) said it was in everyone's interest that the ice rink remains viable.

11. Work Programme

The Scrutiny and Overview Committee noted its work programme attached to the agenda.

The Committee considered a request from Councillors Paul Bearpark and Richard Stobart that it add to the work programme the monitoring of legal agreements made under Section 106 of the Town and Country Planning Act 1990. Following some discussion among Members, the Chair and Vice-Chair agreed to explore with the Chief Executive the option of holding instead a training workshop for all Councillors.

12. To Note the Date of the next meeting

Members noted that the next Scrutiny and Overview Committee meeting would be on Thursday 15 December 2022 at 5.20pm.

The Meeting ended at 8.30 p.m.

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Report to:	Cabinet	12 December 2022
Lead Cabinet Member:	Councillor John Williams, Lead Cabinet Member for Resources	
Lead Officer:	Peter Maddock, Head of Finance	

General Fund Medium Term Financial Strategy

Executive Summary

1. The Council reviews its Medium-Term Financial Strategy (MTFS) and financial forecasts twice a year in accordance with best practice. This report updates the MTFS to the financial year 2027/2028 and sets out the updated medium term financial plan following the outcome of a mid-year review of financial forecasts.
2. The assumptions in the document may need to be updated as the budget progresses and information becomes available. The provisional 2023/2034 Local Government Finance Settlement in December 2022 should provide more clarity for future forecasts.

Key Decision

3. No.

Recommendations

4. **That Cabinet is requested to consider the report and, if satisfied, to:**
 - (a) **Acknowledge the projected changes in service spending and the overall resources available to the Council over the medium term to 2027/2028.**
 - (b) **Recommend to Full Council the updated Medium Term Financial Strategy once the 2023/2024 budget is complete and the settlement finalised.**

Reasons for Recommendations

5. To ensure that the Cabinet is aware of the financial challenges over the medium-term and the strategy that is required to ensure that the Council will be in a position to deliver sustainable public services in the future.
6. To provide Cabinet with an update of the financial position and forecasts for the General Fund over the medium term following a review of financial assumptions.
7. To enable the Cabinet to recommend the MTFS to Council for approval in order to assist in the Council's financial planning.

Details

Background

8. The MTFFS is the Council's overarching Financial Strategy document and gives financial expression to the Council's plans and fiscal challenges over the medium term. It sets out a range of financial assumptions and in so doing sets parameters within which the Council will deliver key public services over the medium term. This report includes an updated financial forecast, including risks due to high inflation and cost of living crisis.
9. The MTFFS comprises two key elements (i) an assessment of the resources available to the Council over the medium term and (ii) an assessment of spending pressures based on existing levels of service delivery and known policy/legislative changes. Taken together the movement over the planning period of these two elements represents the financial challenge facing the Council.
10. There is a need, as part of effective medium term financial planning, to undertake a mid-year review of financial forecasts and projected changes in service spending. This will enable an updated forecast of the level of savings that need to be achieved to deliver the indicative Council Tax level.
11. The impact of COVID-19 previously, and now the cost of living crisis and rising inflation, have impacted on the financial forecasts and projections have, therefore, been further refreshed from the report that was submitted to Cabinet on 6 September 2021 to take account of (i) the subsequent announcements made by the Department for Levelling Up, Housing and Communities (DLUHC) on public sector funding and (ii) actual experience in the year to date. Specifically, the forecast takes account of:
 - Forecast pressures against the Council Tax Yield in the initial MTFFS period.
 - Forecast pressures against Business Rates Yield in the initial MTFFS period.
 - Forecast reduction in service-related income in the initial MTFFS period; and
 - Forecast additional expenditure in the initial period of the MTFFS.
12. It should be noted that these forecasts are based on assumptions around the impact of rising inflation, the cost of living crisis and the speed of the UK economic recovery. A longer duration will increase costs and reduce income to a greater degree; an increased severity in economic terms will increase demand led spending and suppress recovery of income levels. The MTFFS assumes that the economy will broadly recover by the end of financial year 2023/2024.
13. To be able to deliver the Council's aspirations, set out in the refreshed Business Plan approved by Council on 22 February 2022, and meet its statutory responsibilities the Council must take a proactive approach to managing its resources effectively. The MTFFS is a key tool for proactive financial management which allows for future projected funding requirements to be identified thus enabling the Council to identify appropriate actions to deal with any funding shortfalls. Coupled with the Service Transformation Programme, introduced during 2019/2020, the Council is able to manage its resources effectively in line with its established priorities.
14. The MTFFS covering the period 2022/2023 to 2026/2027 was considered by Cabinet on 6 September 2021 and subsequently approved by Council at its meeting on 23 September 2021. The document sets out the framework within which financial

forecasts, as part of the medium-term financial plan, are determined. The Strategy has now been reviewed and refreshed to cover the period 2023/2024 to 2027/2028. The updated version of the MTFS is attached at **Appendix A** with the proposed minor changes identified in red and crossed through text.

15. This document sets out the framework within which the financial forecast, summarised at **Appendix B**, has been determined. The forecast shows the estimated funding gap between expected resources and expenditure, and between the period 2023/2024 and 2027/2028, stands at **£6.302 million**.
16. In considering the impact of the financial forecasts on revenue budgets during the MTFS period and the key issues for consideration, due regard has been given to the local and national policy context, current financial position, economic indicators, risks and assumptions relating to financial planning. It must be stressed, however, that the financial forecasts, and imminent budget setting process, are being prepared in the context of difficult economic circumstances with the ongoing financial challenges associated with the recovery from the Coronavirus pandemic (COVID-19) and high inflation levels; these factors have created real uncertainty and some market volatility.
17. Whilst the UK inflation is expected to ease slightly, prices are still continuing to rise at nearly their fastest rate in 40 years. Inflation, as a measure of price rises, increased marginally to 10.1% in the 12 months to September 2022, from 9.9% in August 2022 (based upon the Office for National Statistics (ONS) information). The prospects for economic growth look somewhat limited and a cautious approach is, therefore, being maintained given the level of uncertainty. In response to the prevailing economic conditions the Bank of England Base Rate has been increasing during the financial year 2022/2023, with the base rate now at 3.00% (compared to 0.75% at the start of the financial year, effective from 17 March 2022).

Spending Review and Autumn Budget 2021

18. The Chancellor of the Exchequer announced, on 27 October 2021, details of the Government Spending Review and the Autumn Budget. The latter set out the Governments' taxation and public expenditure plans for the year ahead, and the Spending Review confirmed resource and capital budgets for the three-year period 2022/2023 to 2024/2025.
19. The Spending Review did not address a number of long-standing funding issues for Local Government that remain unresolved. There was no announcement made on business rates retention (BRR) reset or funding reform although the Government did announce that the BRR pilots would continue throughout the spending review period. It was expected that the pilot would end when there was a reset. It is reasonable to assume that these reforms are likely to be further delayed beyond 2024/2025, some six years later than originally planned. These reforms are expected to fundamentally change how, and to what level, all Local Authorities are to be funded. Therefore, despite the three-year spending review, there remains significant uncertainty as to the level and distribution of local government funding beyond 2024/2025.

Resources

20. The Provisional Local Government Finance Settlement for 2022/2023, announced on 17 December 2021, made no significant changes to the funding allocations compared

to 2021/2022. Whilst this benefitted the Council in 2022/2023, there remains very significant risks to the funding level for District Council's in future years with the expectation that the Council will lose a significant share of its funding as a result of the funding changes – the deferred business rate baseline reset could be particularly damaging. To offset any adverse impact of the local government funding reforms, when implemented, some form of damping support would be inevitable, although it will be phased out over time.

21. The Settlement for 2022/2023 provided a potential increase of 6.9 per cent in Council core spending power in cash terms, including new government grants, to support vital local services. The potential increase will support councils to meet extra cost and demand-led pressures next year to keep providing services at pre-pandemic levels. The Government forecasts are, however, based on the assumption that every local authority will raise their Council Tax by the maximum permitted without a referendum. This leaves Councils facing the tough choice about whether to increase Council Tax bills to bring in desperately needed funding at a time when they are acutely aware of the significant burden that could place on some households.
22. The other key headlines in relation to the Provisional Local Government Finance Settlement were as follows:
 - (i) Council Tax referendum principle of the higher of 1.99% or £5 per dwelling for 2022/2023.
 - (ii) Continuation of the existing Business Rate Retention Scheme for a further year, with 100% business rates pilots continued for a further year. The Cambridgeshire Business Rates Pool was also confirmed for a further year.
 - (iii) Continuation of the Rural Service Grant of £137,000 for a further year in recognition of the additional cost of providing services in sparse rural areas, pending implementation of the Fair Funding Review.
 - (iv) Continuation of the additional Lower Tier Services Grant un-ringfenced grant of £113,000 in 2022/2023. Indications in the 2021/2022 settlement were that this was a one-off grant for that year, but it continued for 2022/2023 and is expected to continue until 2024/2025.
 - (v) A one-off services grant of £182,000. Although the settlement states this is for one year only it also states the total amount of £882 million will remain within local government but be allocated differently in future years.
 - (vi) Continuation of the New Homes Bonus (NHB) scheme with an allocation of £2,376,000. This is higher than assumed in the MTFs which is at least a positive outcome for 2022/2023.
23. The Local Government Finance Settlement for 2022/2023 was confirmed on 7 February 2022 and, in financial terms, overall Core Spending Power increased by 7.3% (rather than the 6.9% in the provisional settlement).

Autumn Statement 2022

24. The Chancellor's Autumn 2022 Statement was announced on 17 November 2022 with four main areas potentially affecting local government at District Council level:

- The Council Tax referendum limit will rise from 2% to 3% in 2023/2024 (with the adult social care precept flexibility rising from 1% to 2% for Cambridgeshire County Council). It is understood that increases of up to £5 on a Band D property will continue to be permitted.
 - Business rates will be subject to a revaluation but relief schemes to offset the impact of the revaluation will continue. The business rates multiplier (which usually increases with CPI) will be frozen in 2023/2024 for the third year running and local authorities will be fully compensated for any loss of income as a result of the 2023 revaluation.
 - Social housing rents will be capped at 7% – this though affects the Housing Revenue Account rather than the General Fund.
 - Local Housing Allowance rates will remain frozen in cash terms at the current levels.
25. Like most local authorities in England, South Cambridgeshire District Council is facing a shortfall in its budget, made worse by the impact of inflation with increased running costs, including employee and utility costs. The announcement that Council Tax can be raised does provide flexibility, though the £5 increase will still be the determining factor for the Council. There is, however, a significant impact on households from the prevailing economic situation and the Council will need to be responsible in budget setting; thus minimising the inflationary increase and to, wherever possible, absorb cost increases. The Council is, therefore, facing some very difficult decisions in helping to tackle a cost-of-living crisis coupled with increasing demand for services and a reduction in budgets.
26. The funding allocations that the Council will receive from the government for 2023/2024 will not be known until later this month, but it can now be reasonably assumed that allocations will follow the methodology that existed for 2022/2023.

Medium Term Financial Planning

27. The MTFS forecast, reproduced at **Appendix A**, has now been updated to outline the current financial position, economic forecasts and the headline figures for the medium term based upon the risks and assumptions relating to financial planning. The financial forecasts are based upon the latest modelling data, but the medium-term forecasts should be treated with caution as the final position is uncertain until the outcome of the local government funding review is known.
28. The revised financial forecasts are set out in the table below which incorporates a number of planned savings and estimated additional investment income but factors in only limited additional service pressures beyond 2022/2023. Further service pressures will exaggerate the funding gap and, wherever possible, these should be managed within existing budgets.

	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000	2027/2028 £'000
Council Tax	11,193	11,824	12,468	13,051	13,618
Retained Business Rates	10,804	11,530	5,613	5,693	5,767

Revenue Support Grant	-	-	754	766	781
New Homes Bonus	1,800	1,000	-	-	-
Rural Services Grant	137	137	137	137	137
Services Grants	303	303	-	-	-
Section 31 Grant	-	-	-	-	-
Collection Fund Deficit	(364)	-	-	-	-
Total Resource	23,873	24,794	18,972	19,647	20,303
Net Budget Requirement	23,979	22,438	22,233	22,566	22,675
Net Resource Position	(106)	2,356	(3,261)	(2,919)	(2,372)

29. Spending pressures are, however, inevitable as the Council responds effectively to the needs of the service and customer expectations and, in this regard, Service Areas have been tasked to identify the existing budget pressures that need to be managed, and to prepare growth bids where existing resources and budgets need to be strengthened; these will be subject to review and refinement as part of the 2023/2024 budget setting process. Service Areas are also continuing to identify efficiency opportunities across the Council's services that are realistic, achievable and sustainable (including possible invest to save and income generation opportunities). The forecast includes the bids currently being considered but this list is subject to change.
30. The forecast assumes the continuation of the service transformation programme that was developed during 2019 in response to the funding gap and the financial challenges over the medium term. This includes a programme of targeted service reviews to ensure that value for money is obtained in the delivery of services. The transformation agenda will continue to be pursued to target and deliver financial savings to contribute to the inevitable funding challenges that will arise from the review and redistribution of local government funding. It is also relevant that the impact of COVID-19 has to some extent necessitated a reorientation of the programme and a reassessment of some projects and lead times and the resulting impact of the range of planned savings and areas of potential additional income has been regularly reported to Cabinet as part of the ongoing budget monitoring. The forecast assumes that £2 million savings will be achieved, and these are phased over the three-year period from 2022/2023 until 2024/2025 and included in the financial forecast.
31. The overall impact of the budget pressures, planned savings opportunities and other base budget adjustments (such as the cost of borrowing, investment income and pay and price inflation) is shown in the table below:

	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	£'000	£'000	£'000	£'000	£'000
Net Budget Requirement: Before Adjustments	24,527	23,979	22,438	22,233	22,566
Budget Pressures	323	99	22	-	-
Savings/Income Identified	(2,327)	(1,125)	-	-	-
Borrowing Cost Changes	1,809	(748)	50	150	100
Other Base Budget Changes	(353)	233	(277)	183	9

Budget Requirement c/f	23,979	22,438	22,233	22,566	22,675
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* Further service pressures will exaggerate the funding gap and, wherever possible, should be managed within existing budgets.

** Other base budget adjustments include investment income variations and pay/price inflation.

32. It is inevitable that the expected major review of local government financing will be accompanied by some form of “damping support” to reduce any sudden, adverse impact, on Council finances although it is acknowledged that this reduction would be phased out over a number of years.

33. The financial forecasts are based upon the latest modelling data, as explained in the report below, but the medium-term forecasts should be treated with caution as the final position is uncertain until decisions on future local government funding are eventually confirmed. There is also concern that any further service pressures over the medium term will exaggerate the funding gap. The estimated damping has not, therefore, been included in the current figures.

Financial Modelling: Assumptions

34. The Council subscribes to an external funding advisory service, with access to well developed and well-respected modelling data. The financial modelling is based upon the latest available data and the following key assumptions have been made in deriving the latest MTFS financial planning forecast:

(1) Council Tax

35. Council Tax has been the most predictable and stable element of Local Government funding. This source of income is predicted to yield £10,489 million in 2022/2023 based upon an assumed £5 increase in Council Tax (the maximum level permitted by Government) and an increase in the tax base based upon the latest estimates of housing growth.

36. Council Tax Yield has been adversely affected through a combination of an increased uptake of Council Tax Support (Council Tax Reduction Scheme) and an assumed reduction in Council Tax collected in year. The Secretary of State for Local Government has put in place arrangements to allow local authorities with a Council Tax deficit to phase the cost over three years. The MTFS allows for a repayment of the authority's share of the overall exceptional balance deficit of £72,000 which is being phased equally over the three years 2021/2022, 2022/2023 and 2023/2024.

37. It is expected that the authority will continue to see moderate growth in the number of dwellings introduced through the introduction of new developments across the MTFS period, with an assumed Council Tax base increase of between 1.6% and 3.6%. The financial forecast continued to include an increase in Council Tax of £5 each year. The increase is for planning purposes only, and no decision has been made on the actual level of Council Tax increases in the medium term.

(2) Business Rates

38. The Business Rate Retention Scheme (BRRS) was introduced in April 2013 to provide Councils with stronger financial incentives to support property development and boost the economy in their local area. The scheme provides that Councils bear a proportion

of the real terms change in business rates revenues in their area: gaining when revenues grow in real terms, losing when they fall. The proportion was initially set at 50% across England. In two-tier areas, like Cambridge, 40% is retained by the District Council and 9% is retained by Cambridgeshire County Council and 1% by the Cambridgeshire Fire Authority.

39. In estimating rates yield from retained business rates for the purpose of the MTFs, COVID-19 has been considered in terms of the immediate and medium-term impact on business activity and economic recovery. The following key assumptions have also been made:
- The current provision for existing Appeals is materially sufficient.
 - There are no further significant changes to valuation schemes resulting from Tribunal or Court decisions.
 - There are no significant variations to the levels of rate reliefs.
 - Projected bad debts is higher than historical trends, with the potential impact of the COVID crisis on business bankruptcies and, therefore, non-payment of business rates. The overall forecast used is that bad debts will be around 2.5% of gross rates.
 - The compensation to Local Authorities by way of Section 31 grants to cover the cost of measures introduced to help businesses (e.g. Small Business Rates Relief) will continue and will be increased annually in-line with inflation levels (it is further assumed that, if the grants are discontinued, it is anticipated there will be a compensating increase in the yield).
40. Significant relief has been awarded to a number of businesses during the current financial year to recognise the pressures on trading opportunities. The Council was recompensed for the lost rates income in the form of section 31 grants. For the purposes of the MTFs, it is assumed that reliefs will be consistent with those recorded prior to the pandemic.
41. It is also expected that the Council will see some growth in rates yield as a result of new developments across the MTFs period. The financial forecast assumes neither a surplus or deficit in the period to 2027/2028.
42. There continues to be uncertainty over the timing of the local government funding reforms, previously planned for introduction from April 2021, including the originally proposed Fair Funding Review, the expected increase in local business rate share to 75% (from 50%), a business rate baseline reset or a potential alternative BRR system, and further other changes to key funding streams, such as social care and New Homes Bonus (NHB). The issues highlighted in previous MTFs reports (and set out below), therefore, remain relevant:
- (a) There is no recognition of the proposed increase in local business rate share to 75% (from 50%) in that it is unclear when (or indeed whether) this will be introduced given current public finance turbulence. It should be noted that in the event of this being introduced that it is intended to be fiscally neutral, i.e. existing grants will be funded by Business Rates.
 - (b) The Government will consult on Fair Funding proposals that will form the mechanism to allocate a share of the Local Government Control Total to Local

Authorities. The Review will look at factors that drive spend (population, deprivation) as well as a Council's ability to raise local finance (Council Tax).

- (c) The Government is additionally looking at how best to build on the current business rates retention scheme and will consider issues such as appeals, growth and revaluation frequencies/baseline resets.

- 43. Given the extent of unknowns in relation to the Fair Funding Review and 75% Business Rates Retention, it has been assumed that Business Rates (for modelling purposes) will continue at a 50% retention level as at present (movement to 75% will be funding neutral for councils). It is further assumed that the Fair Funding Review may not now be implemented until 2025/2026.

(3) Rural Services Grant

- 44. The Council currently receives a Rural Services Grant in the sum of £137,000 in recognition of the additional cost of providing services in sparse rural areas. It is now assumed that this grant will be continued for the foreseeable future.

(4) Lower Tier Services Grant

- 45. This is a new one-off grant of £113,000 provided to lower tier authorities to support service provision and is un-ringfenced. It has been assumed in the financial forecast that this will not continue in subsequent years.

(5) New Homes Bonus

- 46. The New Homes Bonus (NHB) was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas. The aim of the bonus was to provide a financial incentive to reward and encourage local authorities to help facilitate housing growth. It is based on the amount of extra Council Tax revenue raised from new-build homes, conversions and long-term empty homes brought back into use. NHB funding has been based on the following:

- (a) Housing growth over a threshold of 0.4% of the Tax Base.
- (b) Payments are based on a rolling 4-year period.

- 47. The Government launched a consultation in 2021/2022 regarding the reform of the NHB that was due to be introduced in the 2022/2023 financial year. The consultation contained a number of options on the operation of the scheme and indicated that legacy payments from the existing scheme would not be continuing in the longer term. It is expected that changes to NHB will be implemented alongside the wider local government reform package but there is insufficient information at this time to determine the impact of the NHB reform and, as such, the situation will be kept under review. The medium-term forecast now assumes the continuation of the existing NHB scheme albeit at a lower level in the period to and including 2024/2025.

(6) Other Base Budget Changes

- 48. The economic landscape has continued with a degree of uncertainty and volatility during 2022/2023, with the ongoing financial challenges associated with the cost of living crisis and high inflation levels.

- 49. An allowance has also been made for inflation on the Council’s key contracts and fees and charges. Allowance for a pay award and pay increments (including National Living Wage) over the period has also been included.
- 50. The revenue impact of the latest approved Capital Programme has been included in the revised projections. Investment income has been determined having regard to the level of expected balances, including capital receipts and expenditure, together with Reserves and Provisions held by the Council and in line with the Council’s approved Treasury Management Strategy.
- 51. There has also been significant volatility recently with interest rates and it is expected that the base rate will peak at 4.5% during 2023/2024 before falling back again over the following 12 to 18 month period. The Council’s General Fund borrowing is predominately short term and, based on the current information, there will be a peak in interest costs during 2023/2024 and this is the main driver for the emergence of a budget gap in that year. The borrowing rates the Council faces are expected to be around 0.5% higher than base rates.

(7) General Reserve

- 52. The Council has a healthy General Reserve balance of around £14.7 million, taking into account the 2021/2022 General Fund revenue outturn position and the net underspend (after income from Taxation and Government Grants) in that year of £0.490 million, as reported to Cabinet on 14 November 2022.
- 53. The risks and assumptions will continue to be reviewed and this, together with planning savings from the transformation agenda and known service pressures, will enable the forecasts, reproduced at **Appendix A**, to be refined and updated as part of the Council’s medium term financial planning.
- 54. It must be recognised, however, that the assumptions used in the financial forecasts could vary significantly for the actual outcome and there is more uncertainty than ever about the long-term funding for Local Government.

Alternative Scenarios

- 55. The table and chart below set out the impact of alternative scenarios on the cumulative funding gap. The alternative scenarios reflect a change to Council Tax, Business Rates, Corporate Pressures (including inflation) and the ability to realise planned savings. The Negative Economic View additionally increases the Base Budget reflecting a broader assessment of an increased net spend.

	Pessimistic View (A), (B) and (C):	Optimistic View:	Negative Economic View:
Base Budget Requirement			2.5% increase on Base Budget Requirement due to cost and demand pressure arising from increased economic friction due

			to a move away from the existing trading relationship with the EU and slower recovery from the pandemic.
Council Tax	2.5% reduction in yield due to weaker economic recovery forecast	2.5% increase in yield due to improving economic conditions	As per Pessimistic View (A)
Business Rates	(A) 2.5% reduction in yield due to weaker economic recovery forecast	2.5% increase in yield due to improving economic conditions	As per Pessimistic View (A)
	(B) 5% reduction in yield due to weaker economic recovery forecast		
	(C) 10% reduction in yield due to weaker economic recovery forecast		
Budget Pressures/Demand	5.0% increase in demand due to socio economic factors arising from a forecast weaker economic recovery	2.5% reduction in demand due to improving socio economic factors leading to less demand for Council services	As per Pessimistic View (A)
Other Base Budget Changes (inc. Inflation)	5.0% increase in demand due to socio economic factors arising from a forecast weaker economic recovery	2.5% reduction in corporate costs due to lower pay and price uplift assumptions	As per Pessimistic View (A)
Ability to realise planned savings/income identified (e.g. due to cost of living crisis and COVID-19 recovery)	5.0% reduction in overall planned savings level from service reviews	No variation from Baseline Scenario	As per Pessimistic View (A)

56. The impact of the scenarios is set out in the table below. This demonstrates the gap in resources to spend over the medium-term period and compares the scenario to the Baseline Case. It should be noted that, although these are high level assessments, the scenarios nevertheless give an indication of the potential impact on the Council's budgets over the MTF5 period.

	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	TOTAL
Baseline Case	(106)	2,356	(3,261)	(2,919)	(2,372)	(6,302)
Outcome of Scenarios:						
Pessimistic View (A)	(806)	1,699	(3,728)	(3,396)	(2,857)	(9,088)
Pessimistic View (B)	(1,076)	1,411	(3,869)	(3,539)	(3,001)	(10,074)
Pessimistic View (C)	(1,616)	834	(4,149)	(3,823)	(3,290)	(12,044)
Optimistic View	461	2,948	(2,801)	(2,446)	(1,888)	(3,726)

Negative Economic View	(1,419)	1,100	(4,289)	(3,952)	(3,421)	(11,981)
Comparison to Baseline:						
Pessimistic View (A)	(700)	(657)	(467)	(477)	(485)	(2,786)
Pessimistic View (B)	(970)	(945)	(608)	(620)	(629)	(3,772)
Pessimistic View (C)	(1,510)	(1,522)	(888)	(904)	(918)	(5,742)
Optimistic View	567	592	460	473	484	2,576
Negative Economic View	(1,313)	(1,256)	(1,028)	(1,033)	(1,049)	(5,679)

Options

57. The option exists of not approving the new MTFS.

Implications

58. In the writing of this report, taking into account the financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered:

Legal

59. It is a legal requirement that the Council set a balanced budget for the ensuing financial year; the MTFS provides the framework for this and brings together funding and spending assumptions over the medium-term thereby identifying funding shortfalls and providing sufficient time for decisions to be made in order to achieve balanced budgets over the medium term.

Policy

60. To demonstrate financial resilience, the Council sets out its potential funding position over the medium term thereby enabling the most effective strategies to be put in place to ensure that the Council is able to set a balanced budget (as required by statute) on an annual basis. Given the demand for services outstripping income sources, coupled with the prevailing economic situation with high inflation and increased running costs, (including employee and utility costs), and the continued recovery from COVID-19, the MTFS identifies a funding gap that needs to be addressed over the medium term.
61. The financial strategy needs to have regard to the “resource envelope” available to the Council. This includes the transition to the new funding model, introduced in 2013/2014, predicated on the Business Rates Retention Scheme which means that the Council’s net spending is financed from local sources; Business Rates and Council Tax. As part of this continued transition the Government have been consulting on a Fair Funding Formula that will change the method of distributing funding levels across Councils based on “Need” and “Local Resources”. In addition, the MTFS period is outside of the current Spending Review period and, as such, the Government has not set out the spending limits beyond 2022/2023.

62. The Council has adopted its Business Plan for the period 2020-2025 and this was refreshed by Council on 22 February 2022. The areas of focus and key priorities within the Business Plan inform the policy framework for achieving the required ongoing savings whilst meeting the Council's strategic objectives and statutory obligations.

Financial

63. The MTFs is the Council's key financial planning document and sets out the Council's strategic approach to the management of its finances and Council Tax levels over the medium term, thereby allowing sufficient lead time to develop services consistent with the forecast resource envelope.
64. The updated medium-term forecast covering the period 2023/2024 to 2027/2028, is attached at **Appendix B**, and is based upon the assumptions underpinning the financial projections and overarching plan. The forecast shows the level of savings that need to be achieved to deliver the indicative Council Tax level.
65. As further information is available in respect of the review of local government funding, it may be necessary to review the forecasts and provide a further report to Cabinet and Council on the implications.

Staffing

66. None

Risk/Opportunities

67. There are inherent risks in developing a financial strategy over the medium term, not least due to the uncertainty of funding streams (this is particularly relevant as the outcomes of the Fair Funding Review and Spending Review post 2024/2025 are not known) and the demands placed on the Council in delivering services.
68. The current economic environment, arising from the impact of the cost of living crisis and rising inflation, creates further risks in that the Council's resource forecasts take into account the impact on Council Tax and Business Rates yields. These assumptions are based on an economic recovery over the period to 2027.
69. The Council's overall reputation and performance assessment is at risk if it is not aware of the challenges presented by the reduction in resources available to it and their impact on key areas of performance of the Council. There are a number of other risks that need to be understood and these broadly fall into the following categories:
- (a) Savings: It is increasingly more difficult to continue to reduce service costs and identify further areas of savings after an extended period of reduced funding, without impacting on service provision. It is, however, a legal requirement to set a balanced budget on an annual basis and this requires the Council to reduce its net costs in line with funding.
 - (b) Economic: The economic landscape has continued with uncertainty in the last 12 months, with the ongoing financial challenges associated with recovery from the Coronavirus pandemic and high inflation levels acting as a dampener on growth and impacting on Council services. There is, therefore, an impact on the

Council's finances over the medium term with potential risk arising from (i) reduced economic activity adversely business rate income and increased levels of unemployment, (ii) reduced income from fees and charges, (iii) increased costs, including welfare related costs and increased demand for services and (iv) potential impact on the Council's supply chain

- (c) Climate Change: The Office for Budget Responsibility review of Fiscal Risks (July 2019) set out risks in relation to climate change and additionally recognised the need to develop greater sophistication in modelling such impacts. Adverse climate events will have financial consequences; an estimate of the one-off costs will form part of the General Fund risk assessed level whereas those that potentially impact ongoing income/spending need to be considered as potential cost implications over an MTFS period.

70. As the Council reviews the MTFS twice a year, it is able to assess the robustness of the financial forecast, reassess risk and, where appropriate, refresh the forecast.

Consultations

71. Consultations have been undertaken with the Council's advisers on financial planning.

Alignment with Council Priority Areas

72. Timely and robust consideration of the Council's financial forecasts and budget setting is vital to ensure that financial performance is in line with expectations, emerging issues are identified and tackled and that Business Plan priorities are met.

Background Papers

Where the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require documents to be open to inspection by members of the public, they must be available for inspection:

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

The following documents are relevant to this report:

- Service Transformation Programme – Report to Cabinet: 4 December 2019
- Medium Term Financial Strategy – Report to Cabinet: 6 September 2021
- Medium Term Financial Strategy – Report to Council: 23 September 2021
- Capital Programme Update and New Bids – Report to Cabinet: 6 December 2021

- General Fund Revenue Budget 2022/2023 – Report to Cabinet: 7 February 2022
- General Fund Revenue Budget 2022/2023 – Report to Council: 22 February 2022
- Business Plan 2020/2025 – Report to Cabinet: 7 February 2022
- Business Plan 2020/2025 – Report to Council: 22 February 2022

Appendices

- A Medium-Term Financial Strategy
- B Financial Forecasts 2023/2024 to 2027/2028

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Appendix A



**South
Cambridgeshire
District Council**



Medium Term Financial Strategy ~~2022-2027~~ 2023-2028

September ~~2021~~ December 2022

Councillor John Williams
Lead Member for Resources

Peter Maddock
Head of Finance

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Introduction

1. The Medium-Term Financial Strategy (MTFS) is the Council's key financial planning and policy document. It sets out the:
 - Policy Context of the Strategy;
 - Linkage of the Medium-Term Financial Strategy to the Business Plan;
 - Revenue Budget;
 - Capital Budget;
 - Financial Outlook – Capital and Revenue;
 - Efficiency Requirements;
 - Risk.
2. The MTFS has to be considered as part of a corporate wide process and it links into the wider decision making of the Council.

Policy Context of the MTFS

3. The MTFS is the Council's overarching Financial Strategy and Policy document. The purpose of the MTFS is to give financial expression to the Council's plans over the medium term in the context of the Council's longer-term plans as set out in the approved Business Plan (approved by Council on ~~20 May 2024~~) **22 February 2022**.
4. The MTFS sets out the Council's funding plan, for achieving its goals and priorities, thus balancing available financing and spending ambitions. It highlights the financial projections for financing, spending (revenue and capital), and reserves. It also highlights the underlying financial strategy, the financial assumptions, and the inherent financial risks. Importantly, it endeavours to link decisions on resource allocation to decisions on policy priorities.
5. In addition, the Council has approved corporate policies which, in addition to the MTFS, act as a cornerstone of its Financial Management. These include:
 - Investment Strategy;
 - Corporate Asset Plan;
 - Value for Money Strategy;
 - Procurement Strategy;
 - Organisational Development Strategy;
 - Risk Management Strategy;
 - Digital Strategy.
6. Looking ahead, the Council's financial planning process will continue to develop. It will promote the best use of limited financial resources and facilitate the alignment of those resources to the Council's priorities. Base budgets will be analysed with increasing sophistication and spending that does not contribute to Council priorities will come under increasing levels of scrutiny.

Linkage to the Business Plan

7. The Council's key priorities and areas of focus are expressed in its approved Business Plan and the allocation of resources over the medium term is intended to reflect the established priorities.
8. In developing the Business Plan and the MTFS, it is important to give full regard to the following:
 - national and local priorities;
 - stakeholder and partner views;
 - external drivers, including funding variations and requirements to improve economy, efficiency and effectiveness;
 - capital investment plans and their revenue implications;
 - risk assessments and financial contingency planning;
 - sensitivity analysis;
 - expected developments in services.
9. The Council needs to manage the continued high level of population growth and economic growth and the resulting impact on Council services, while continuing to improve, in order to meet its ambition to become an excellent authority. The MTFS must recognise these challenges and, in doing so, takes its lead from the strategic goals and priorities outlined in the approved Business Plan.

Revenue Budget

Revenue Budget Planning

10. The Council's financial planning for ~~2022/2023 to 2026/2027~~ **2023/2024 to 2027/2028**, as set out in this Strategy, is to contribute to the Council's overall vision and priorities by:
 - Securing stable and sustainable budgets within the financial resources available;
 - Ensuring that limited resources are focussed towards the Council's highest priorities;
 - Recognise risks and ensure an adequate level of financial protection against risk by maintaining a prudent level of financial reserves;
 - Securing an understanding of sources of potential finance;
 - Building financial capacity for fundamental change;
 - Being flexible to allow shifts in spending if circumstances change;
 - Ensuring that the Council is not overburdened with financial commitments.
11. The Council's MTFS is reviewed twice per year on a rolling basis and, through the revenue budget determination process, seeks to link decisions on resource allocation with decisions on policy priorities.

12. The clear message is that budget setting and medium term financial planning will be tough over the duration of the MTFS and the following financial objectives will, therefore, help guide budget proposals:
 - A sustainable medium term financial plan that allows the achievement of the Council's key objectives;
 - Realistic levels of year on year spending which are supportable via annual income streams and do not require the use of general reserves to support recurring expenditure;
 - General reserves should be maintained at all times at or above the agreed minimum level;
 - Constraining annual Council Tax increases to an acceptable level (and within any Referendum Limit issued by The Secretary of State);
 - The pursuance of "invest to save" opportunities with a financial return on the investment in transforming activities over an acceptable payback period;
 - A commitment to explore income generation opportunities and to maximise income from fees and charges;
 - A commitment to maximise efficiency savings.
13. Full regard will be given to Revenue Budget forecasts (annually updated in this Strategy) and any increase in the ongoing annual Revenue Budget (by way of use of the contingency provision or virement) will be subject to the expenditure being either legally unavoidable or considered affordable after taking into account:
 - any forecast savings targets;
 - Implications on Council Taxpayers in future years.
14. In the light of any forecast savings targets, every effort will be made to increase annual income sources and reduce annual expenditure without materially reducing front line services provided by the Council.
15. Notwithstanding 14 above, if the Council is facing a position whereby the ensuing year's forecast expenditure is more than the forecast total income to be received, it can elect to consult Council Taxpayers on either the option to reduce service levels or increase Council Tax and the Council will have regard to the consultation outcome before it reaches its final decision. The Council is required to hold a referendum for any Council Tax rise in excess of an amount set by the Secretary of State, in January each year, to ensure that Taxpayers support the proposed Council Tax increase.

Revenue Budget Policy

16. To ensure a continuously stable financial base for the provision of Council services and functions, the Council will ensure that annual ongoing General Fund revenue expenditure can be covered by annual income sources across the MTFS period.
17. The Council recognises that any significant use of reserves to fund ongoing expenditure commitments is unsustainable in the medium term.
18. A prudent level of revenue contingency [defined as Precautionary Items] will be maintained to enable unforeseen and "one off" needs (i.e. having no long term ongoing revenue commitment) to be considered for funding.

19. Under Section 25 of the Local Government Act 2003, before approving the ensuing year's Capital and Revenue Budget, the Council is required to receive and take into account a report of the Chief Finance Officer on the robustness of the estimates leading to the Council's Council Tax requirement and the adequacy of financial reserves. Council needs to consider:
- affordability (having regard to Council Tax implications);
 - prudence (having regard to Council policies/strategies);
 - sustainability (having regard to forecast annual expenditure and income);
 - In addition, it must also take into account risks and impact on reserves.
20. The Council's financial strategy reflects the anticipated funding gap over the medium term and, as such, it highlights that over the period resources are not going to be able to sustain the current level of spend. Consequently, the Council has put in place a transformation programme comprising service and efficiency reviews that will look to reduce costs and better focus resources on the Council's Business Plan priorities.

Revenue Budget Monitoring

21. There is a need for effective budget monitoring to be undertaken in line with the Council's Financial Regulations as this will enable the Cabinet to put plans in place to address forecast budget issues.
22. The Cabinet will, therefore, receive regularly reports in respect of budget trends and, as part of these monitoring reports, will identify potential variations to the approved budget and consider appropriate action. Where possible, performance data will be developed over time and reported as part of the process of linking budget allocations to performance attainment.

Value for Money

23. Each Service/Function Budget submitted to Cabinet/Council as part of the annual budgetary process will have regard to the need to secure economy, effectiveness and efficiency as detailed in the Council's approved Value for Money Strategy.

Financial Regulations

24. Council, Cabinet and Lead Cabinet Members shall adhere to all Budgeting (including Budget Preparation, Monitoring and Control) requirements as set out in the approved Financial Regulations of the Council. Officers shall adhere to detailed financial procedures issued by the Head of Finance (as the statutory Chief Finance Officer) as required by Financial Regulations.

One-Off Savings, Fortuitous Income and Fixed Term Funding

25. Given that the Council, from time to time, achieves one-off revenue savings or receives fortuitous income these monies will ordinarily accrue to the general contingency and could be used to meet:
- any unavoidable one-off expenditure;
 - one-off expenditure consistent with Business Plan Priorities.

Growth Prospects

26. The Local Government Finance Act 2012, and associated subsequent regulations, introduced extensive changes to local government finance from April 2013, including provisions for local authorities to retain a portion of the revenue that is collected from the Non-Domestic Rates payable in respect of properties situated in their area.
27. The Business Rates Retention Scheme is based upon a policy initiative to promote economic growth through aligning financial and business growth benefit for Councils and, given the economic outlook and the increased reliance on locally raised taxation, the Council's financial planning needs to address the benefits and risks of this funding structure. The Council will, therefore, actively pursue growth opportunities through its Economic Growth Strategy in order to maximise revenue from this source but also give due regard to the potential for and impact of reduced yield arising, for example, from rating appeals (i.e. reductions in rateable value).

Investment Opportunities

28. The Council has finite resources and will seek to supplement its resource base by exploring income generation opportunities, with appropriate emphasis on the pursuance of "invest to save" opportunities where statutory powers exist and where there is a financial return on the investment over an acceptable payback period. This includes, for example, returns generated from the wholly owned company (Ermine Street Housing) and investment in the Council's commercial property portfolio in line with the approved Investment Strategy. Investment opportunities solely for yield (i.e. acquisition of commercial assets) is not part of the Council's Capital Strategy.
29. The Investment Strategy sets out how the Council determines its capital investment priorities in particular in relation to corporate priorities taking into account the capital resources available including borrowing in line with the Council's approved Prudential Indicators. In determining the appropriateness of investment opportunities, the provisions of the Investment Strategy should be fully observed.

Reserves

30. The Cabinet, as part of the annual budgetary process, or at such other times where it is necessary, will identify one-off unavoidable expenditure and one-off expenditure for identified requirements. Such funding will be held in earmarked reserves until spent but will be subject to annual review by the Cabinet as part of the annual budget process to determine whether the monies still need to be held and that the balances held comply with professional guidance.
31. The General Fund Balance is based on a risk assessment and is an integral element of the MTFs in that the General Fund's purpose is Financial Resilience over the medium term.

32. Thus, the policy on reserves is to:
- (a) establish earmarked reserves for specific commitments and make them subject to review as outlined above;
 - (b) only adjust the General Fund Balance based on a full risk assessment.
 - (c) enable Directorates/Service Areas to carry forward legitimate under-spends for project based work and planned expenditure commitments subject to:
 - i. An overall underspend within the Council (with any overspends taking first call on any underspends);
 - ii. An overall underspend within the Directorate (with any overspends taking first call on any underspends);
 - iii. A brief explanation by the service demonstrating the reasons for the underspend and the continuing service requirement;
 - iv. Approval by the Head of Finance.

Contingency Allocation

33. The appropriate level of contingency will be assessed as part of each budget setting process in the context of the risk profile and the level of reserves available. Specific contingency items shall be identified as Precautionary Items in the Council's revenue budget and these Precautionary Items shall not be released until year end, and then should be allocated to areas that have incurred unexpected costs or not achieved expected income levels during the financial year.
34. The contingency is to cover:
- (a) any net reductions in income sources during the year compared to the levels estimated;
 - (b) any unavoidable expenditure falling on the Council during the year which is not known at this time;
 - (c) any "one-off" expenditure needs which arise during the year and are considered critical to achieving the Business Plan requirements.



Capital Budget

Capital Strategy

35. The Council's Capital Programme is determined, prioritised, delivered and monitored in accordance with the Council's approved Capital Strategy. This Strategy is subject to annual review by the Cabinet.
36. The Capital Strategy outlines the Council's approach to capital investment ensuring that it is directed to the Council's Business Plan priorities. It provides the framework for the Council to maximise the finance available for investment together with the allocation of capital reserves.
37. The Strategy, therefore, provides a mechanism for the Council, the Cabinet and its officers to manage, measure and monitor the Council's Capital Programme including an annual review of investment needs targeted to key investment priorities.
38. Capital Scheme Bids will be evaluated and prioritised in accordance with the approved Capital Strategy and based on the priorities in the approved Business Plan.

Capital Finance Policy

39. The Council has a number of methods of ensuring the most effective use of available capital finance. These include:
 - (i) The Council will each year consider the proposed Capital Programme having regard the CIPFA prudential indicators. Council will consider the extent of borrowing based on these indicators.
 - (ii) The Council will seek to maximise resources for capital investment from all potential sources.
 - (iii) Any savings made on capital schemes will potentially reduce the need for external borrowing.
 - (iv) A prudential financial framework will be maintained so that, once priorities have been determined, no capital scheme can be authorised (and no commitment made) until:
 - (a) capital finance is in place to cover the full capital costs; and
 - (b) it has been determined that the ongoing revenue cost consequences are affordable in the light of forward three year Revenue Budget forecasts and related Council Tax consequences.
40. An annual review of the Capital Programme will be undertaken and, in doing so, full regard will be given to the Prudential Indicators before any proposals/decisions are made in respect of a revised programme. There is a need to be cautious in terms of future borrowing requirements given the capital financing costs and future decisions will need to balance the need for, and cost of, investment or failure to invest. Endeavours will be made to support revenue contributions to capital expenditure to ensure that funding is available for essential ongoing investment needs.

Efficiency Requirements

41. The ongoing financial challenges will require the Council to continue to make radical changes in order to transform itself to deliver sustainable services to its residents. The indications are that future spend pressures will significantly exceed the forecast growth in resources (with a significant impact on the delivery of services), which requires the Council to plan for ongoing efficiencies in relation to the provision of services. The financial planning process will, therefore, facilitate the identification and delivery of efficiency savings with emphasis on challenging service delivery, comparing performance, outcomes and delivery options, ensuring competitiveness and consulting fully on emerging proposals and service options.
42. In recognition of the level of Government Grant, set against anticipated spending demands, and the ongoing commitment to efficient and cost effective service delivery, the Council has put in place a programme of initiatives designed to review services delivered, review and improve internal processes and reappraise the workforce model required to deliver services in the most efficient and effective manner.
43. The Council will continue to look for efficiencies and better ways of working as part of the day to day operations of the business, including:
 - (a) Creating capacity through additional efficiencies and service delivery options;
 - (b) Implementing demand management strategies including investment in technology to enable Channel Shift, including greater agile working;
 - (c) Increasing Business Rate income through economic development activity;
 - (d) Raising additional revenue such as increasing income and external funding;
 - (e) Identifying opportunities to “invest to save”.
44. As part of this process, all bids for additional resources must be accompanied by a quality business case and such proposals will be subjected to more rigorous challenge through the strong corporate ‘management line’ within Services, as well as peer review by other Services.



Risk

45. As far as possible, changes in the Council's financing and spending from year to year should be predictable and manageable so that key services can be protected. That can never be entirely the case, hence the need for the Council to recognise and manage financial risks, including the identification of the significant risks in terms of the spending assumptions (see section 43 above). Sound financial planning processes are critical in predicting and managing the limited resources available.
46. The purpose of this strategy is to provide the key financial planning tool of the Council. Without forward financial planning difficulties will arise in respect of:
 - not meeting the Council's own policy on Council Tax increases;
 - not meeting any Government targets on Council Tax increases so as to avoid a Council Tax Referendum;
 - not having sufficient Capital Resource to fund the approved Capital Programme.
47. It is important that, in considering Revenue and Capital Budgets, factors which could make the projections worse are identified. The Council will, therefore, as part of its decision making, consider the risk implications of all proposals. By adopting the actions in this Strategy, the risks outlined above should be mitigated.
48. The impact of the COVID-19 pandemic has and continues to have an impact on the demand for Council services, both in terms of how services are delivered and the income generated by the Council. This will have an undoubted impact on the Council during the period of the MTFS. This impact will be kept under review.

Summary & Conclusion

49. This Strategy sets out how the Council will resource its Revenue Budget and Capital Programme over the Medium-Term having regard to the policy objectives of keeping Council Tax increases within Government guidelines.
50. The MTFS represents the Council's overarching Financial Strategy and Policy document and it gives financial expression to the Council's plans for the next five years, in the context of the plans set out in its Business Plan. It, therefore, sets out the Council's funding plan, for achieving its goals and priorities, balancing available financing and spending ambitions and, in doing so, highlights the underlying financial strategy, the financial assumptions, and the inherent financial risks. Importantly, decisions on resource allocation are linked to decisions on policy priorities.
51. The MTFS will be kept under review and, as a minimum, will be reviewed:
 - In Autumn prior to considering the annual budget setting report to Council;
 - As part of the budget setting report, taking into account the financial forecasts that are available at that time.



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Medium Term Financial Strategy

Financial Forecasts 2023/2024 to 2027/2028

	For Information					
	2022/2023 £'000	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000	2027/2028 £'000
Council Tax	10,489	11,193	11,824	12,468	13,051	13,618
Retained Business Rates	9,760	10,804	11,530	5,613	5,693	5,767
Revenue Support Grant	-	-	-	754	766	781
New Homes Bonus (NHB)	2,376	1,800	1,000	-	-	-
Rural Services Grant/Lower Tier Grant	432	440	440	137	137	137
Section 31 Grant	4,667	-	-	-	-	-
Collection Fund Surplus/(Deficit)	(2,591)	(364)	-	-	-	-
Total Resource	25,133	23,873	24,794	18,972	19,647	20,303
Net Budget Requirement: Before Adjustments		24,527	23,979	22,438	22,233	22,566
Budget Pressures *		323	99	22	-	-
Savings/Income Identified		(2,327)	(1,125)	-	-	-
Borrowing Cost Changes		1,809	(748)	50	150	100
Other Base Budget Changes **		(353)	233	(277)	183	9
Net Operating Expenditure *		23,979	22,438	22,233	22,566	22,675
Net Resource Position	606	(106)	2,356	(3,261)	(2,919)	(2,372)
						(6,302)

* Further service pressures will, however, exaggerate the funding gap and, wherever possible, should be managed within existing cash limit budgets.

** Other base budget adjustments include investment income variations and pay and price inflation.

MTFS: Key Assumptions

The assumptions made in determining the financial forecasts can be summarised as follows:

- (a) Council Tax: An increase in Band D Council Tax of the higher of £5 or 1.99% in each year, together with £35,000 additional income from the sharing agreement with Neighbouring Councils in 2034/2024 rising to £105,000 in 2025/2026.
- (b) Council Tax: The increase in the Council tax-base is calculated using the Council's housing trajectory which results in a Council tax-base increase of between 1.6% and 3.6% per annum.
- (c) Business Rates: Income from Business Rates in 2023/2024 and 2024/2025 is based upon modelling provided by Pixel Financial Management but includes Section 33 compensation grants. In 2025/2026 the level of income is assumed to drastically reduce due to the expected implementation of a new distribution scheme following the Fair Funding review.
- (d) Business Rates: The current provision for existing Appeals is sufficient and there are no further significant changes to valuation schemes resulting from Tribunal or Court decisions or to the levels of rate reliefs.
- (e) New Homes Bonus: A consultation on a potential replacement scheme has concluded but the expected replacement scheme from 2022/2023 did not materialise. A realistic level of bonus has been assumed in the period to 2023/2024 and 2024/2025 before being phased out.
- (f) Other Base Budget Changes: Allowance has been made for the following:
 - The revenue impact of the latest Capital Investment Programme needs and priorities has been included in the projections.
 - Interest rate forecasts have been assumed to continue at relatively low levels for the duration of the MTFS.
 - Investment income has been determined having regard to the level of expected balances, including capital receipts and expenditure, together with Reserves held.
 - An allowance has been included for projects related to the reduction in the Council's carbon footprint in line with the Council's aspiration to be carbon neutral by 2050.
 - An allowance has been made for inflation on the Council's key contracts; and fees and charges. Allowance for a pay award and pay increments (including National Living Wage increases) over the period has also been included.
 - An estimate of the impact of the Welfare Benefit Reforms and, in particular, the impact of the Housing and Council Tax Benefit Grant has been included.
 - The MTFS incorporates estimated income from Ermine Street Housing Limited for the repayment of loans to reflect the commitments made in the Capital Programme.

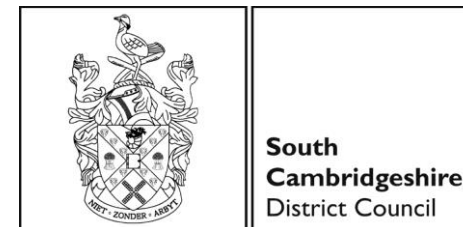
Scrutiny and Overview Committee Work Programme 2022-23

Meeting date	Potential Agenda item (subject to prioritisation by Chair and Vice Chair)		
	Pre-Scrutiny	Scrutiny review by Committee	Task and Finish Groups
15 December 2022	<ul style="list-style-type: none"> • Medium Term Financial Strategy 	-	-
10 January 2023	<ul style="list-style-type: none"> • Greater Cambridge Local Plan 	-	-
19 January 2023	<ul style="list-style-type: none"> • Budget reports • Investment Strategy 	-	-
28 February 2023	<ul style="list-style-type: none"> • Annual Equality Scheme 	-	-
28 March 2023	-	-	-
25 April 2023	-	-	-
11 May 2023	-	<ul style="list-style-type: none"> • Update – the future use of South Cambs. Hall 	-

June 2023	-	-	<ul style="list-style-type: none"> • Final report with recommendations from the Young People T&F Group
July 2023	-	-	-
To be scheduled	-	<ul style="list-style-type: none"> • Stakeholder engagement 	-
To be scheduled	-	<ul style="list-style-type: none"> • Community Facilities at Northstowe (not before October 2023) 	-
To be scheduled	-	<ul style="list-style-type: none"> • Planning engagement with Town and Parish Councils (provisional) 	-

Notice of Key and Non-Key Decisions

To be taken under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 from 1 December 2022



Notice is hereby given of:

- Key and Non-Key decisions that will be taken by Cabinet, individual Lead Cabinet Members or Officers
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part)

A Key Decision is a decision by the Cabinet, or an individual Cabinet Member or officer, which is likely to either incur significant* expenditure or make significant savings, or to have a significant impact on those living or working in 2 or more wards.

*A decision to:

1. Incur expenditure or savings in excess of £200,000; or
2. Acquire or dispose of land or property with a value in excess of £1,000,000 shall be treated as significant for these purposes. However, a decision to invite a tender or award a contract shall not be treated as a key decision where the purpose of the contract is to fulfil the intention of any policy or scheme included in the policy framework or budget or involves a continuation of an existing policy or service standard.

A notice / agenda, together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restriction on their disclosure, copies may be requested from Democratic Services, South Cambridgeshire District Council, South Cambridgeshire Hall, Cambourne Business Park, Cambourne, Cambridge, CB23 6EA. Agenda and documents may be accessed electronically at www.scambs.gov.uk

Formal notice is hereby given under the above Regulations that, where indicated (in column 4), part of the meetings listed in this notice may be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See overleaf for the relevant paragraphs.

Where two meetings (for example, Cabinet and Council) are listed for a particular item, the first will be making a recommendation to the second, which will then make a final decision.

If you have any queries relating to this Notice, please contact
Ian Senior on 01954 713028 or by e-mailing ian.senior@scambs.gov.uk

**Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended)
(Reason for a report to be considered in private)**

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the authority proposes:
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

Page 4
The Decision Makers referred to in this document are as follows:
Cabinet

Councillor Bridget Smith
Councillor Brian Milnes
Councillor Henry Batchelor
Councillor John Batchelor
Councillor Bill Handley
Councillor Tumi Hawkins
Councillor Peter McDonald
Councillor Brian Milnes
Councillor John Williams

Leader of the Council
Deputy Leader
Environment
Housing
Communities
Planning
Economic Development
Environment
Resources

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report being considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
Business Rates Discretionary Relief Policy Key	Update to the Council's Discretionary Rate Relief Policy in line with Government direction.	Lead Cabinet member for Resources	Not before 04 November 2022		Lead Cabinet member for Resources Katie Kelly, Revenues Manager	
Medium Term Financial Strategy (Final Submission) Page 47	Review and ensure that Council is aware of the financial challenges over the medium-term.	Cabinet Council	12 December 2022 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 2 December 2022
2022/2023 Revenue and Capital Budget Monitoring (Quarter 2) Non-Key	Consider the monitoring data and trends in respect of the 2022/23 budgets and issues.	Cabinet	12 December 2022		Lead Cabinet member for Resources	Report publication expected on 2 December 2022
Capital programme Update & New Bids Non-Key	Report Council's Capital Programme and new Capital bids from 2023/24.	Cabinet	12 December 2022		Lead Cabinet member for Resources	Report publication expected on 2 December 2022

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
Bids and Savings Non-Key	Consider new Revenue bids and savings for 2023/2024.	Cabinet	12 December 2022		Lead Cabinet member for Resources	Report publication expected on 2 December 2022
Waterbeach Renewable Energy Network (solar project) - Update Non-Key	Update on progress	Cabinet	12 December 2022		Lead Cabinet member for Environment Alex Snelling-Day, Policy, Climate and Environment Team Manager	Report publication expected 2 December 2022
Q2 Performance Report Non-Key	Progress report	Cabinet	12 December 2022		Deputy Leader Kevin Ledger, Senior Policy and Performance Officer	Report publication expected 2 December 2022
Providing additional self-continued accommodation for homeless Non-Key	To use some ring-fenced external funding to purchase properties to be used to house homeless people and avoid the use of temporary accommodation.	Cabinet	12 December 2022		Lead Cabinet member for Housing Susan Carter, Service Manager - Housing Advice and Options	Report publication expected 2 December 2022

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
Care Leavers Council Tax Discount	To award a Council Tax discount for Care Leavers under the Council's discretionary powers.	Cabinet Council	23 January 2023 21 February 2023		Lead Cabinet member for Resources Katie Kelly, Revenues Manager	Report publication expected 13 January 2023
Greater Cambridge Joint Local Plan Key Page 49	To confirm preferred strategy	Cabinet	23 January 2023		Lead Cabinet member for Planning Jonathan Dixon, Planning Policy Manager, Caroline Hunt, Strategy and Economy Manager	Report publication expected on 13 January 2023
Responses to Water Resources East Regional Water Plan, and Cambridge Water Resources Management Plan Non-Key	To agree the Council's responses to Water Resources East's Regional Water Plan, and Cambridge Water's Water Resources Management Plan	Cabinet	Not before 23 January 2023		Lead Cabinet member for Planning Jonathan Dixon, Planning Policy Manager	Report publication expected on 13 January 2023

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
Compliance Policy Key	To consider the policy	Cabinet	06 February 2023		Lead Cabinet member for Planning Heather Jones, Strategic Lead 3C Building Standards	Report publication expected 27 January 2023
Medium Term Financial Strategy Page 50	Review and ensure that Council is aware of the financial challenges over the medium-term.	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023
General Fund Budget 2023/24	Consider the General Fund Revenue Budget for 2023-24	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources Lead Cabinet member for Resources	Report publication expected on 27 January 2023
Investment Strategy	Annual review of the strategy to be adopted by the Council.	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
					Anne Ainsworth, Chief Operating Officer	
Housing Revenue Account Budget 2023/24	Consider the Housing Revenue Account Budget for 2023-24	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023
Capital Investments Programme 2023/24 - 2027/28	Consider the Council's Capital Programme	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023
Treasury Management Strategy	Consider a refreshed version of the Strategy for adoption by the Council.	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023
Capital Strategy	Consider a refreshed	Cabinet	06 February 2023		Lead Cabinet	Report publication

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
	version of the Strategy for adoption by the Council.	Council	21 February 2023		member for Resources	expected on 27 January 2023
Review of Revenue Reserves and Provisions Page 52	Review the Council's Revenue Reserves and Provisions as part of the 2022/2023 budget setting process.	Cabinet Council	06 February 2023 21 February 2023		Lead Cabinet member for Resources	Report publication expected on 27 January 2023
2020-25 Business Plan	Approval of the 2023-24 iteration of the 2020-25 Business Plan	Cabinet Council	06 February 2023 21 February 2023		Leader of Council Liz Watts, Chief Executive, Kevin Ledger, Senior Policy and Performance Officer	Report publication expected on 27 January 2023
Pay Policy Statement		Council	21 February 2023		Lead Cabinet member for Resources Jeff Membery, Head of	Report publication expected on 13 February 2023

Key and non-key decisions expected to be made from 1 December 2022

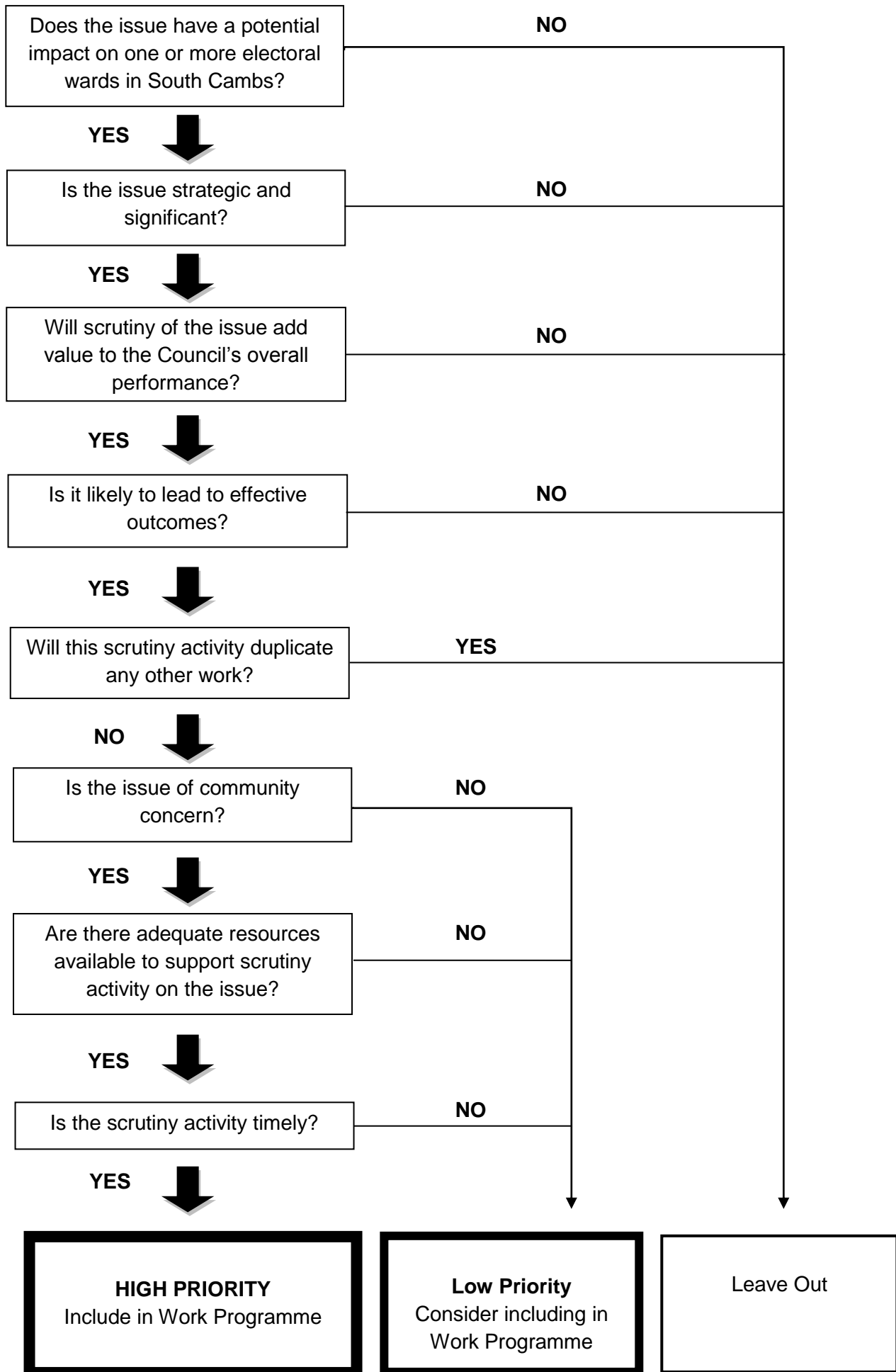
Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
					Transformation, HR and Corporate Services	
Making of Fulbourn Neighbourhood Plan	Full Council will need to formally adopt the neighbourhood plan if it has a successful referendum. Referendum date not set yet	Council	Not before 21 February 2023		Lead Cabinet member for Planning Jenny Nuttycombe, Principal Planning Policy Officer	Report publication expected five clear working days before the meeting
2022/2023 Revenue and Capital Budget Monitoring (Quarter 3) Non-Key	Consider the monitoring data and trends in respect of the 2022/23 budgets and issues.	Cabinet	20 March 2023		Lead Cabinet member for Resources	Report publication expected on 10 March 2023
Annual Equality Scheme Update and Progress Report Key		Cabinet	20 March 2023		Lead Cabinet member for Resources Kevin Ledger, Senior Policy and Performance Officer	Report publication expected on 10 March 2023
Quarter 3 Performance report	Review Key Performance Indicator	Cabinet	20 March 2023		Deputy Leader	Report publication expected on 10

Key and non-key decisions expected to be made from 1 December 2022

Decision to be made	Description of Decision	Decision Maker	Date of Meeting	Reason for Report to be considered in Private	Lead Cabinet Members and Contact Officer	Documents submitted to the decision maker
Non-Key	results and comments recommending any actions required to address issues identified.				Kevin Ledger, Senior Policy and Performance Officer	March 2023
2021/22 Provisional Housing Revenue Account (HRA) Outturn	Reports the HRA Revenue and Capital outturn position for the financial year 2021/22	Council	Not before 30 March 2023			Report publication expected five clear working days before the meeting
New Collection Rounds Non-Key	To consider in the context of the four day week (if continued)	Cabinet	15 May 2023		Lead Cabinet member for Environment Greg Hutton-Squire, Commercial Waste Manager, Michael Parsons, Waste Operations Manager, Alex Snelling-Day, Policy, Climate and Environment Team Manager	Report publication expected on 4 May 2023)

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Scrutiny Work Programme Prioritisation Tool



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