

Referrals Report of Recommendations from Cabinet

Report No:	COU/WS/20/002	
Report to and date:	Council	25 February 2020
Documents attached:	Appendix 1: Final version of the West Suffolk Strategic Framework 2020-2024 for approval	

(A) Referrals from Cabinet: 14 January 2020

1. Delivering a Sustainable Medium-Term Budget 2020-2021

Portfolio Holder: Cllr Sarah Broughton

Report No:
[CAB/WS/20/004](#)

**Performance and Audit
Scrutiny Committee:**
28 November 2019

Report No:
[PAS/WS/19/019](#)

Recommended:

That the proposals detailed in Section 2 and Table 1 of Report No: PAS/WS/19/019, be included in securing a balanced budget for 2020/2021 and the medium-term financial plans.

- 1.1 See Section (B) (3) 'Delivering a Sustainable Medium-Term Budget 2020-2021' for further detail on this item.

2. Treasury Management Report – September 2019

Portfolio Holder: Cllr Sarah Broughton

Report No:
[CAB/WS/20/005](#)

**Financial Resilience
Sub-Committee Report
No:** [FRS/WS/19/004](#)

Recommended:

That the Treasury Management Report (September 2019), being Report No: FRS/WS/19/004, be approved.

- 2.1 Following the creation of West Suffolk Council, the total amount invested at 1 April 2019 was £42,750,000 and at 30 September 2019 £46,900,000.
- 2.2 The 2019-2020 Annual Treasury Management and Investment Strategy sets out the Council's projections for the current financial year. The budget for investment income in 2019-2020 was £142,141 which was based on a 0.90% target interest rate of return on investments.
- 2.3 As at the end of September 2019, interest earned during the second quarter of the financial year amounted to £194,249 against a profiled budget for the period of £71,070; a budgetary surplus of £123,179. The budgetary surplus related to higher than expected cash balances due to slippages in the Capital programme and also the favourable interest rates secured on the investments carried over from the previous councils.
- 2.4 As at the end of September 2019 a total of £14.5m had been borrowed internally from available cash balances. This had meant the Council had not had any additional borrowing over the long-term £4m loan.
- 2.5 The report included assumptions on borrowing for the capital projects included within it, alongside the current £4m external borrowing in respect of the previous Newmarket Leisure Centre build. This new borrowing requirement was based around three specific projects;
 - West Suffolk Operational Hub, Bury St Edmunds
 - Mildenhall Hub
 - Investing in our Growth Fund
- 2.6 The report also included a summary of the capital borrowing budget for 2019-2020; a summary of capital borrowing for quarter two; borrowing and income – proportionality; current borrowing as at 30 September 2019 and other market considerations. The Government's unexpected announcement on 9 October 2019, which stated they would be raising the margin applied to Public Works Loans Board loans by 1%, was of particular concern to the Cabinet.



3. Draft West Suffolk Strategic Framework 2020-2024

Portfolio Holder: Cllr John Griffiths

Report No:
[CAB/WS/20/010](#)

[Appendix A](#)
[Appendix B](#)

Recommended:

That subject to the incorporation of Appendix A (Leader's Foreword), the draft West Suffolk Strategic Framework 2020-2024, as contained in Appendix B to Report No: CAB/WS/20/010 be adopted, taking account of the comments made by the Overview and Scrutiny Committee.

- 3.1 The preparation of the new draft West Suffolk Strategic Framework has been taking place as part of a wider piece of work aimed at 'Planning for the Future', in which a joined-up approach is being taken to the Strategic Framework, West Suffolk Local Plan and Medium Term Financial Strategy.
- 3.2 The advent of the new council and the aligned timetables of the three documents gives a good opportunity for West Suffolk Council to develop a single, coherent narrative and approach to what councillors want to see achieved in West Suffolk in coming years.
- 3.3 Section 1 of Cabinet Report No: CAB/WS/20/010 detailed the process that was undertaken to produce the draft Strategic Framework, which included provision of Member workshops. The first workshop sought exploration of the following questions, the feedback from which has been used to inform both the Strategic Framework and the initial scoping of the new West Suffolk Local Plan and Medium Term Financial Strategy:
 1. What makes West Suffolk unique (that you want to preserve)?
 2. What are the strategic challenges and opportunities for West Suffolk over the next 20 years?
 3. What are the key things you would like to see achieved over the next 20 years?
- 3.4 The second workshop considered in more detail what might be the best approach to achieving growth in West Suffolk in future years.
- 3.5 The input from Members was then combined with the existing commitments and priorities, plus those of partner organisations, to produce a draft Strategic Framework document.
- 3.6 In developing the Framework, the key points to note are:
 - a. **The document is not comprehensive.** The aim of the Strategic Framework document is to provide councillors, staff, partners and interested members of the public with an overview of the Council's strategic direction and its distinctive ways of working, as opposed to a complete description of the activities the Council will be carrying out. The

content is therefore necessarily high-level and focused on areas that are changing, with the detail and business as usual activities being fleshed out in individual plans, strategies and service-specific business plans.

- b. It is proposed that the Council's strategic priorities remain the same.** The draft document reflects an ongoing commitment to the three priorities of Growth, Families and Communities and Housing, while updating the detail of how West Suffolk Council will work to improve the quality of life for West Suffolk residents in these areas.
 - c. West Suffolk's contribution is only part of the picture.** The diagram on page 4 of the draft document shows that West Suffolk's role is not to directly deliver everything referred to in the document but to play a role in influencing, partnering with and working alongside other partners, not least residents and communities.
 - d. The document includes a new emphasis on the Environment and Rural issues.** Space has been left in the draft document to include the emerging priorities of the West Suffolk Environment and Climate Change Taskforce and the West Suffolk Rural Taskforce, and the vision has been revised to reflect the Council's commitment to protecting and enhancing the environment.
- 3.7 The Overview and Scrutiny Committee considered the draft document on 14 November 2019 and made a number of comments which were set out in section 3 of the report.
- 3.8 Having considered the document (Appendix B), the Leader's Foreword (Appendix A) and the comments of the Overview and Scrutiny Committee, the Cabinet is supportive of recommending its adoption by Council.
- 3.9 The full Cabinet report and its appendices can be accessed electronically via the links shown within the heading; however, for ease of reference the finalised version of the Strategic Framework is attached to this referral report as Appendix 1.

(B) Referrals from Cabinet: 11 February 2020

1. Treasury Management Strategy Statement 2020-2021 and Treasury Management Code of Practice

Portfolio Holder: Cllr Sarah Broughton

[Report No:](#)
[CAB/WS/20/022](#)

**Performance and Audit
Scrutiny Committee:**
30 January 2020

[Report No:](#)
[PAS/WS/20/004](#)
and
[Appendix 1](#) and
[Appendix 2](#)

Recommended:

That:

- 1. The Treasury Management Strategy Statement 2020-2021, as set out in Appendix 1 to Report No: PAS/WS/20/004 be approved.**
 - 2. The Treasury Management Code of Practice, as set out in Appendix 2 to Report No: PAS/WS/20/004, be approved.**
- 1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice requires that, prior to the start of each financial year, the Council formally approve a Treasury Management Policy Statement and Investment Strategy which sets out its treasury management policy and strategy for the forthcoming year.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) recommend that all Councils adopt a Treasury Management Code of Practice based on the treasury management practices published by CIPFA and guidance issued in their Code of Practice. Adherence to the principles of the CIPFA Code should ensure that Treasury Management activities within the Council are effectively managed and adequately controlled.
- 1.3 Following a procurement exercise, Arlingclose Ltd, have been appointed as treasury advisors to West Suffolk Council. The Treasury Management Strategy Statement and Code of Practice have been compiled in line with advice from Arlingclose.
- 1.4 The Council uses the Arlingclose credit rating method in conjunction with information available from other industry sources to identify suitable counterparties for investments.

Credit Rating	Banks Unsecured	Banks Secured	Pooled Funds
AAA	£6m 5 years	£12m 20 years	£12m 20 years
AA+	£6m 5 years	£12m 10 years	£12m 15 years
AA	£6m 4 years	£10m 5 years	£10m 15 years
AA-	£6m 3 years	£10m 4 years	£10m 10 years
A+	£6m 2 years	£8m 3 years	£8m 5 years
A	£6m 13 months	£8m 2 years	£8m 5 years
A-	£6m 6 months	£6m 13 months	£6m 5 years
None	£6m 6 months	n/a	£1m 5 years

UK Government	£Unlimited, 50 Years
Other UK Local Authorities	Using Arlingclose Rating Formula (Per iDeal trade platform) Gold - £12m, 5 years Silver - £10m, 5 years Bronze - £8m, 5 years

- 1.5 With the increase in cash balances available for investment and a number of institutions withdrawing from the Local Authority marketplace the council have experienced difficulties in placing funds due to the lowered limits agreed in the 2019/20 strategy.
- 1.6 Our recommendation to increase the limit for unrated building societies from £2m to £6m reflects the limits of St Edmundsbury BC and Forest Heath DC (individually £6m per council) before becoming a single council. Although not strictly in-line with the guidance provided by our Treasury advisers, Arlingclose, we feel that the strict criteria we apply to each society, must be one of the top 15 building societies with assets in excess of £2billion together with our trading experience over the past 10 years with the societies in question provides sufficient evidence of their suitability for this increase. As with all investment counterparties, the Treasury Team will continuously monitor credit ratings, performance and status, making recommendations for changes where appropriate.
- 1.7 The following table shows the revised interest rate based on the current economic climate. Projections have been revised down due to slower interest rate rises than originally predicted by the Bank of England and re-profiling of the Council's capital programme.

	Previous Strategy	New Strategy
2020/21	1.00%	0.65%
2021/22	1.10%	0.75%
2022/23	1.25%	0.75%

- 1.8 The full reports and Appendices from the Performance and Audit Scrutiny Committee and from the Cabinet can be accessed electronically via the links shown within the heading above.

2. Treasury Management Report – December 2019

Portfolio Holder: Cllr Sarah Broughton

**[Report No:
CAB/WS/20/023](#)**

**Performance and Audit Scrutiny Committee:
30 January 2020**

**[Report No:
PAS/WS/20/003](#)**

Recommended:

The Treasury Management Report (December 2019), being Report No: PAS/WS/20/003, be approved.

- 2.1 Following the creation of West Suffolk Council, the total amount invested at 1 April 2019 was £42,750,000 and at 31 December 2019 £43,900,000.

TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY	
	2019/20
Opening Balance 01 April 2019	42,750,000
Investments made during the year (including transfers to business reserve accounts)	104,350,000
Sub Total	147,100,000
Investments realised during the year (including withdrawals from business reserve accounts)	103,200,000
Closing Balance 31 December 2019	43,900,000

- 2.2 The 2019-2020 Annual Treasury Management and Investment Strategy sets out the Council's projections for the current financial year. The budget for investment income in 2019-2020 was £142,141 which was based on a 0.90% target interest rate of return on investments.
- 2.3 As at the end of December 2019, interest earned during the third quarter of the financial year amounted to £288,512 against a profiled budget for the period of £106,606; a budgetary surplus of £181,931. The budgetary surplus related to higher than expected cash balances due to slippages in the Capital programme and also the favourable interest rates secured on the investments carried over from the previous councils.

INTEREST EARNED & AVERAGE RATE OF RETURN SUMMARY			
Investment Category	Total Average Investment	Average Rate of Return (%)	Interest Earned
Temporary Investments (Term Deposits)	1,633,793	0.819%	135,552
Lloyds 95 Day Account	2,408,858	1.100%	19,964
Santander 365 Day Account	8,000,000	1.150%	69,315
Santander 180 Day Account	1,000,000	0.950%	7,158
Santander 95 Day Account	500,000	0.850%	3,202
Lloyds Treasury Account	5,452,476	0.650%	26,286
Barclays Deposit Account	5,062,000	0.010%	381
Local Authorities	4,543,379	0.768%	20,927
CCLA	2,516,666	0.692%	5,727
Total Overall Average Return on Investments %			0.780%
Total Interest Earned - 1 April 2019 to 31 Dec 2019			288,512

- 2.4 As at the end of December 2019 a total of £16.8m had been borrowed internally from available cash balances. This had meant the Council had not had any additional external borrowing over the long-term £4m loan.
- 2.5 The report included assumptions on borrowing for the capital projects included within it, alongside the current £4m external borrowing in respect of the previous Newmarket Leisure Centre build. This new borrowing requirement was based around three specific projects and totalled £63.4m;
- Investing in our Growth Fund – including specific projects agreed from the fund
 - Mildenhall Hub
 - West Suffolk Operational Hub, Bury St Edmunds

SUMMARY OF CAPITAL BORROWING BUDGET 2019/20			
Project	External Borrowing Requirement (Budget + 18/19 C/Fwd)	Servicing Costs	
		Minimum Revenue Provision (MRP)	Interest Payable
Investing in our Growth Fund	£27,211,713	£316,500	£144,000
Mildenhall Hub	£18,391,029	£0*	£0*
West Suffolk Operational Hub	£7,436,208	£72,000	£79,000
Newmarket Leisure Centre (FHDC)	£4,000,000	£113,000	£169,600
Toggam Solar Farm	£0**	£91,000	£51,000
20 High St Haverhill	£0**	£49,300	£14,000
113 High St Newmarket	£0**	£24,930	£5,000
Olding Road DHL Depot	£0**	£197,750	£32,000
Vicon House, Western Way	£3,375,059	£46,500	£105,000
Unallocated Capital	£3,000,000	£75,000	£82,500
Total borrowing and associated servicing costs	£63,414,009	£985,980	£682,100
% of Gross Revenue Income Budget ***		2.1%	1.4%

(*Mildenhall Hub will not be completed within 2019/20. Borrowing costs are not planned until the site is active.

**Business cases assessed on the basis of borrowing. These purchases were made in 2018/19 using available cash reserves. A full year of MRP is budgeted but interest only from the planned borrowing date of January 2020.

***Referred to as Net Revenue Budget in previous reports and capital strategy – title amend to make relationship to West Suffolk gross revenue income budget (£52.0m) clearer.)

2.6 The report also included a summary of borrowing and income – proportionality; borrowing and asset yields;

2019/20 BUDGET	Asset Value £m	External Borrowing £m	Borrowing as % of Long Term Assets (£217.4m)	Annual Income £m	% Proportion of Total Gross Revenue Income Budget
Industrial Units	£24.2	£0.0	0%	£2.9	6.0%
Retail Units	£28.2	£0.0	0%	£1.3	2.7%
Land	£10.3	£0.0	0%	£1.0	2.1%
Solar Farm	£13.8	£0.0	0%	£1.5	3.1%
Growth Fund		£30.6	14.0%	£0.5	1.0%
West Suffolk Operational Hub		£7.4	3.4%	£0.1	0.2%
Mildenhall Hub		£18.4	8.4%	£0.1	0.2%
Other		£7.0	3.2%	£0.6	1.2%
TOTAL		£63.4	29.1%	£8.0	16.5%

2019/20 FORECAST	Asset Value £m	External Borrowing £m	Borrowing as % of Long Term Assets (£217.4m)	Annual Income £m	% Proportion of Total WSC Gross Revenue Income
Industrial Units	£24.2	£0.0	0%	£2.9	5.6%
Retail Units	£28.2	£0.0	0%	£1.3	2.5%
Land	£10.3	£0.0	0%	£1.0	1.9%
Solar Farm	£13.8	£0.0	0%	£1.5	2.9%
Growth Fund		£23.0	10.6%	£0.5	1.0%
West Suffolk Operational Hub		£0.0	0%	£0.1	0.2%
Mildenhall Hub		£0.0	0%	£0.0	0.0%
Other		£7.0	3.2%	£0.5	1.0%
TOTAL		£30.0	13.8%	£8.7	15.1%



2019/20 BUDGET	Asset Value £m	Borrowing £m	Annual Income £m	Net Return (Excl. Borrowing Costs ****)	Net Return (Incl. Borrowing Costs)	Yield % (E/A)
	A	B	C	D	E	F
Industrial Units	£24.2	£0.0	£2.9	£2.4	£2.4	10.0%
Retail Units	£28.2	£0.0	£1.3	£1.1	£1.1	3.9%
Land	£10.3	£0.0	£1.0	£1.0	£1.0	9.7%
Solar Farm	£14.4	£0.0	£1.5	£1.1	£0.5	3.3%
Growth Fund		£30.6	£0.5	£0.5	£0.2	0.5%
West Suffolk Operational Hub		£7.4	£0.1	£0.0	£0.0	0.0%
Mildenhall Hub		£18.4	£0.0	£0.0	£0.0	0.0%
Other		£7.0	£0.6	£0.3	£0.1	1.4%
TOTAL	£77.1	£63.4	£8.0	£5.6	£5.0	3.6%

(**** Includes direct operating costs)

2019/20 FORECAST	Asset Value £m	Borrowing £m	Annual Income £m	Net Return (Excl. Borrowing Costs ****)	Net Return (Incl. Borrowing Costs)	Yield % (E/A)
	A	B	C	D	E	F
Industrial Units	£24.2	£0.0	£2.9	£2.3	£2.3	9.5%
Retail Units	£28.2	£0.0	£1.3	£1.1	£1.1	3.9%
Land	£10.3	£0.0	£1.0	£1.0	£1.0	9.7%
Solar Farm	£14.4	£0.0	£1.5	£1.2	£0.6	3.9%
Growth Fund		£27.2	£0.5	£0.5	£0.2	0.7%
West Suffolk Operational Hub		£3.2	£0.1	£0.0	£0.0	0.0%
Mildenhall Hub		£2.0	£0.0	£0.0	£0.0	0.0%
Other		£7.0	£0.5	£0.3	£0.1	1.5%
TOTAL	£77.1	£39.3	£7.8	£6.4	£5.3	4.6%

(**** Includes direct operating costs)



2.7 Current external borrowing as at 31 December 2019:

BORROWINGS		
Lender / Loan number	Balance outstanding	Maturity date
Barclays Loan	£4,000,000	31 March 2078

2.8 The report also set out other market considerations, particularly with regard to the Government's unexpected decision on 9 October 2019 that they would be raising the margin applied to PWLB (Public Works Loans Board) loans by 1%.

2.9 The full reports from the Performance and Audit Scrutiny Committee and from the Cabinet can be accessed electronically via the links shown within the heading above.

3. Delivering a Sustainable Medium-Term Budget 2020-2021

Portfolio Holder: Cllr Sarah Broughton

**[Report No:
CAB/WS/20/024](#)**

**Performance and Audit
Scrutiny Committee:
30 January 2020**

**[Report No:
PAS/WS/20/002](#)**

Recommended:

That, as part of the budget setting process, the proposals detailed in Section 2 and Table 1 of Report No: PAS/WS/20/002, be included in securing a balanced budget for 2020/2021 and the medium-term financial plans.

3.1 At its meeting on 26 September 2019, the Performance and Audit Scrutiny Committee (PASC) agreed the principles and approach for delivering a balanced budget in 2020/21 and a medium-term financial plan for the years up to 2023/24. Those principles were:

- The 2020/21 budget and medium-term financial plans will continue to follow the West Suffolk Council Strategic Framework (three priorities) and Medium-Term Financial Strategy (six themes).
- The budget and MTFs will reflect any new initiatives developed as part of the revised Strategic Plan.
- The budget and MTFs will include the forecast impact of initiatives that address our financial challenges and seize opportunities to reduce the existing budget gaps.
- The process will continue to communicate the overall West Suffolk financial challenges and opportunities through the medium-term financial strategy to Leadership Team, staff, cabinet and all councillors.

- 3.2 Workshops took place during August-December 2019, alongside a detailed “line by line” review of each services cost base to ensure that budgets were only set for planned and understood expenditure. A report setting out the changes in close and income assumptions that had been identified at that point through that process was presented to the Performance and Audit Scrutiny Committee on 28 November 2019.
- 3.3 On 14 January 2020, Cabinet had considered the recommendations emanating from an earlier version of the Delivering a Sustainable Medium-Term Budget 2020-2021 report that was presented to the Performance and Audit Scrutiny Committee on 28 November 2019 (Report Nos: [PAS/WS/19/019](#) and [CAB/WS/20/004](#) and see (A) (1) above). These had been approved and were fed into the subsequent report presented to the Performance and Audit Scrutiny Committee on 30 January 2020, with the recommendations emanating from that meeting being approved by Cabinet on 11 February 2020, as detailed above. These are now recommended to Council for approval and have been incorporated into the budget setting process, the report for which is contained under Agenda Item 10 on this Council agenda.
- 3.4 The Performance and Audit Scrutiny Committee on 30 January 2020, were updated on the workshops and line-by-line reviews which had now concluded and any further proposed changes in cost and income assumptions, as a result had been included in Table 1 of the report, including those relating to budget assumption changes:
- Confirmation received for the continuation of the Rural Services Delivery Grant in the Spending Round.
 - Confirmation of the increase in the tax base for council tax setting purposes (number of properties chargeable for council tax)
 - Known changes to property lease changes and renewals (retail and industrial units)
 - An additional year of Housing Support Grant allocation to fund the additional resources within the housing team.
- 3.5 The net impact of each of these assumption changes was included in Table 1 of the report. These changes and the outcomes from the Budget Challenge workshops gave rise to a budget gap (cumulative) of £0.06m for 2020-2021, £1.7m for 2021-2022, £2.2m for 2022-2023 and £2.7m for 2023-2024.
- 3.6 At this stage the report did not include assumptions on the final outcomes of the Parking Review Group or the Council Tax. The report also included information on corporate reviews – expenditure; corporate reviews – income assumptions; the current outlook; timescales and next steps.
- 3.7 *Extract from Report No: PAS/WS/20/002: (Section 2 and Table 1)*
2. *Provisional Local Government Finance Settlement*
- 2.1 *On 20 December 2019 the newly formed government issued their provisional local government finance settlement for 2020/21. This settlement was effectively an extension to the 4-year settlement that covered the period 2016/17 – 2019/20 and was very much expected to*

be a roll forward of allocations received in the current year (2019/20) and in the main that was the case. The provisional settlement sets out (as expected) the further delay in both the fairer funding review and the reform of business rates which is now due to take place in time for the 2021/22 budget process. While we have included existing business rates retention allocations in our medium-term budget assumptions, this delay creates a greater level of uncertainty over the Council's medium-term financial plans, this is the same for all local authorities.

2.2 The provisional settlement also sets out the proposed roll forward (as a one off) of the revenue support grant and rural services delivery grant allocation that both Council's had received in 2019/20 but had not assumed for 2020/21. An additional years Housing Support Grant was also allocated. The tables provided to members at both the November PASC and at para 5.2 now include those one-off allocations.

2.3 The provisional settlement also confirmed the council tax referendum principles of an average band D for a district council to be able to increase up to 2% or £5, whichever is the maximum for 2020/21.

New Homes Bonus

2.4 The big change included in the provisional local government settlement was around the future of new homes bonus, a funding allocation from central government that's future has been uncertain for a number of years. The government's provisional settlement sets out a final round of allocations of new homes bonus for 2020/21 (over and above the growth baseline of 0.4%). However, it will only attract a one-year allocation instead of the previous four- year allocation. There will be no further allocations beyond 2020/21, with legacy payments (from 2018-20) only then being paid in future years - effectively phasing out the grant over the next 3 years.

2.5 The government have announced that they will consult on the future of housing incentives in the spring, including the potential of moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes needed, and which is aligned with other measures around planning performance. It is uncertain how this will be funded alongside the fairer funding review, reform of business rates and the demands from the whole system (see 2.7 below).

2.6 West Suffolk has been prudent over the years in allocating the new homes bonus direct to a strategic priority and MTFs reserve which has been utilised towards strategic projects and financial initiatives. However, there are a couple of areas within the council's budgets that continue to be funded from this reserve such as locality budgets and proportion of the community chest fund, that would now need to be put into the base budget and as a result will create a budget pressure in future years (likely to be beyond this current MTFs period).

2.7 The provisional settlement continues to reaffirm central governments thoughts and approach to local government funding. In that local

authorities need to balance their books in future from efficiencies in the way that they work and through locally generated income streams and taxation along with a move to be more self-sufficient. This combined with the need to address the system wide challenges such as social care and children service provides further uncertainty to the level of funding available. Members will need to take this into consideration when considering the role that locally generated income streams play in delivering a sustainable budget for West Suffolk in the longer term.

See over for Table 1



	2020/21	2021/22	2022/23	2023/24
Budget Gap - February 2019	0	2,700	3,900	4,400
Budget Gap (as per Nov PASC Report PAS/WS/19/019)	286	1,980	2,947	3,031
<u>Budget Assumptions Review (see paragraph 3.1)</u>	(112)	(57)	(476)	26
<u>Additional Cost Pressures</u>				
Private Sector Renewal Grant <i>Annual revenue contribution (previously funded from capital receipts) to enable scheme to be fully funded in the medium/longer term</i>	100	100	100	100
Scrap Metal sales <i>Current pricing available for sale of scrap metal significantly lower than in previous MTFS</i>	68	69	71	72
Contribution to 20/21 Cycle Tour <i>Partial contribution to costs of Suffolk stage of Cycling Tour of Britain</i>	20	0	0	0
Total Additional Pressures	188	169	171	172
<u>Income/Savings items</u>				
Revised Treasury Management interest income <i>Higher expected cash balances planned at a lower average rate of return (based on advisor guidance)</i>	(71)	(69)	(60)	(60)
<u>Fees & Charges Reviews</u>				
Increase in Trade Waste income <i>Based on Ro-ro trend and good customer retention</i>	(148)	(179)	(213)	(249)
Increase in Apex activity <i>Net surplus driven by continuing 19/20 levels of venue usage</i>	(33)	(33)	(34)	(34)
Markets income reduction <i>Trend in income particularly driven by Newmarket market</i>	47	44	44	44
Solar Feed-In Tariffs <i>£0.5m capital investment to drive increased returns</i>	(68)	(69)	(71)	(72)
Aggregate of smaller budget movements	(30)	(112)	(73)	(128)
Total Income/Savings items	(303)	(418)	(406)	(499)
Net Balance	59	1,674	2,236	2,730

- 3.8 The full reports from the Performance and Audit Scrutiny Committee and from the Cabinet can be accessed electronically via the links shown within the heading above.

4. Budget and Council Tax Setting: 2020/2021 and Medium Term Financial Strategy 2020-2024

Portfolio Holder: Cllr Sarah Broughton

**[Report No:
CAB/WS/20/025](#)**

(The various Appendices associated with this report are also available to view under this Report Number via the Cabinet Agenda Papers for 11 February 2020)

- 4.1 The recommendations emanating from the Cabinet's consideration of this report are contained within Report No: COU/WS/20/005 'Budget and Council Tax Setting: 2020/2021 and Medium Term Financial Strategy 2020-2024', for consideration as Agenda Item 10 on this Council agenda.

