

The Proposal in the Budget Report under Agenda item 13(b) be amended as below:

Liberal Democrat Group

Category	Description	(Savings)/ Costs £000	Cumulative £000
New or Council-Wide Savings Proposals	One-off deletion of direct revenue financing budget which forms part of the funding for the proposed Capital Programme.	(210)	(210)
Additional Expenditure/Pressures	A one-off budget allocation of £500,000 to address immediate rough sleeping challenges with a focus on early help initiatives.	500	290
Financial Resilience Mechanism	One-off reduction to the FRM, by deleting the proposed allocation to support and communicate enhanced information to residents in respect of the Council's Waste Service.	(144)	146
	Remove the current Cabinet proposal in relation to Bus Routes – Subsidy.	(750)	(604)
	Replace with the following one-off allocation from the FRM. To create a fund that can be used to support the provision of bus routes in the city. The fund will be utilised following relevant consultation that can inform consideration of the most appropriate means to achieve this. This might include providing a social subsidy where deemed necessary but could also involve providing necessary infrastructure to support bus services. The resource would be used over a two year period.	750	146
Use of Reserves and Contingency Budgets	Reduction in the level of General Contingency. This reduces the Contingency to £1.715 million.	(1,285)	(1,139)
	One-off transfer from the Homelessness Reserve to fund support for rough sleepers. This reduces the estimated balance in the reserve to £866,000.	(100)	(1,239)
		(1,239)	(1,239)
Capital Budget	Reduction to the Property Asset Renewal budget following the deletion of the direct revenue financing budget which partly funds this allocation.	(210)	(210)
		(210)	(210)

Proposed by: Cllr Rodney Berman

Seconded by: Cllr Joe Boyle

Statutory Officers Commentary on the Liberal Democrat Budget Proposals 2019/20

The proposal from the Liberal Democrat Group includes additional one-off growth and savings, a reduction in specific contingency budgets and an increased use of earmarked reserves when compared with the Cabinet Budget Proposal. Overall, this results in a net reduction of £1.239 million to the funding requirement, reducing the proposed increase in Council Tax for 2019/20 to 4.0%. The proposals have not been subject to detailed discussions with directorates or further equality impact assessments. However, within this constraint they have been reviewed as to their financial achievability.

The proposal includes a budget saving of £210,000 through the deletion of the direct revenue financing budget which forms part of the funding for the Capital Programme and a saving of £144,000 through a reduction to the Financial Resilience Mechanism (FRM) by deleting the proposed allocation to support and communicate enhanced information to residents in respect of the Council's Waste Service. These are both one-off savings in 2019/20 and will not impact on the Capital Programme or the level of the FRM budget in future years. The one-off deletion of the direct revenue financing budget will however reduce the Property Asset Renewal Budget in the Capital Programme by £210,000 in 2019/20.

Additional one-off budget of £500,000 is proposed in order to address immediate rough sleeping challenges with a focus on early help initiatives. This is partly funded through a one-off transfer of £100,000 from the Homelessness Reserve. This reduces the estimated balance in the reserve at 31 March 2020 to £866,000 thereby reducing the amount available to support initiatives and expenditure in future years. The proposal also deletes the current Cabinet proposal for a £750,000 allocation from the FRM in relation to bus routes subsidy and replaces it with an alternative proposal relating to bus routes including infrastructure also amounting to £750,000.

The proposal includes a reduction of £1.285 million to the General Contingency Budget, reducing it from £3.0 million to £1.715 million. This budget supports the overall financial resilience of the Council by acting as a buffer to offset the impact of any in-year savings shortfalls or unanticipated financial pressures. The proposal represents a significant reduction to this budget and increases the potential risk of the need to utilise general reserves to maintain the Council's ability to balance its in-year revenue budget should difficulties arise.

Legal Implications

The legal context and implications set out in the main budget report also apply to these proposals.

Any specific proposals which are developed in relation to these proposals, such as providing the necessary infrastructure to support bus services, will require identification of the legal power, and will need to follow the relevant statutory processes. They may require appropriate consultation, equality impact assessment, and evaluation in relation to the Council's wellbeing objectives. Where these alternative proposals require consultation and an equality impact assessment, any decision taken to incorporate the proposals into the Council's budget will be an in principle decision, and the details of the

implementation proposals will have to be subject to consultation and equality impact assessments which must be taken into account in a final decision on the implementation.

Budget Summary – Liberal Democrat Proposal 2019/20

Resources Available:-	£000	£000
Welsh Government	(444,629)	
Use of Reserves	(2,850)	
Council Tax at 4.0% increase	<u>(174,698)</u>	
		(622,177)

Resources Needed:-	
2018/19 adjusted Base Budget	610,400
Commitments, inflation and realignments	27,478
New Financial Pressures Accepted	5,295

Less:	
Council Savings	(19,367)
Reduction in Contingency Budget	(1,285)
Reduction in FRM	<u>(344)</u>
	622,177

RECOMMENDATIONS – LIBERAL DEMOCRAT GROUP

(a) Recommendations to Council

The Liberal Democrat Group have examined the Cabinet budget proposals and considered the responses received in the Budget Consultation. Having taken account of the comments of the Corporate Director Resources in respect of the robustness of the attached alternative budget and the adequacy of reserves as required under Section 25 of the Local Government Act 2003, the Liberal Democrat Group recommend that Council:

- 1.0 Approve the Revenue, Capital and Housing Revenue Account budgets including all proposals and increasing the Council Tax by 4.0% as set out in this report and that the Council resolve the following terms.
- 2.0 That it be noted that at its meeting on 13 December 2018 the Council calculated the following amounts for the year 2019/20 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992:-
 - a) 145,499 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995, as amended, as its Council Tax base for the year.
 - b)

Lisvane	2,409
Pentyrch	3,280
Radyr	3,783
St. Fagans	1,423
Old St. Mellons	1,828
Tongwynlais	817

being the amounts calculated in accordance with Regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.

2.1 Agree that the following amounts be now calculated by the County Council of the City and County of Cardiff for the year 2019/20 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

- a) Aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (d) (including Community Council precepts totalling £396,847).

£1,024,596,847

- b) Aggregate of the amounts which the Council estimates for items set out in Section 32(3)(a) and (c).

£405,273,000

- c) Amount by which the aggregate at 2.1(a) above exceeds the aggregate at 2.1(b) above calculated in accordance with Section 32(4) as the budget requirement for the year.

£619,323,847

- d) Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of Revenue Support Grant, its council tax reduction scheme, redistributed Non-Domestic Rates.

£444,629,480

- e) The amount at 2.1(c) above less the amount at 2.1(d) (net of the amount for discretionary relief of £400,000), all divided by the amount at 2.0(a) above, calculated in accordance with Section 33(1) as the basic amount of Council Tax for the year.

£1,203.41

- f) Aggregate amount of all special items referred to in Section 34(1).

£396,847

- g) Amount at 2.1(e) above less the result given by dividing the amount at 2.1(f) above by the amount at 2.0(a) above, in accordance with Section 34(2) of the Act, as the basic amount of Council Tax for the year for dwellings in those parts of the area to which no special items relate.

£1,200.68

- h) The amounts given by adding to the amount at 2.1(g) above the amounts of special items relating to dwellings in those parts of the Council's area mentioned below, divided in each case by the amount at 2.0(b) above, calculated in accordance with Section 34(3) as the basic amounts of Council Tax for the year for dwellings in those parts of the area to which special items relate.

	£
Lisvane	1,216.87
Pentyrch	1,247.94
Radyr	1,233.55
St. Fagans	1,215.09
Old St. Mellons	1,220.92
Tongwynlais	1,226.38

- i) The amounts given by multiplying the amounts at 2.1(g) and 2.1(h) above by the number which in the proportion set out in the Council Tax (Valuation Bands) (Wales) Order 2003 is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D calculated in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

VALUATION BANDS

	A £	B £	C £	D £	E £	F £	G £	H £	I £
Area									
Lisvane	811.24	946.45	1,081.66	1,216.87	1,487.28	1,757.70	2,028.11	2,433.74	2,839.35
Pentyrch	831.96	970.62	1,109.28	1,247.94	1,525.25	1,802.57	2,079.90	2,495.88	2,911.84
Radyr	822.36	959.43	1,096.49	1,233.55	1,507.66	1,781.79	2,055.91	2,467.10	2,878.27
St. Fagans	810.06	945.07	1,080.08	1,215.09	1,485.10	1,755.12	2,025.15	2,430.18	2,835.19
Old St. Mellons	813.94	949.60	1,085.26	1,220.92	1,492.23	1,763.55	2,034.86	2,441.84	2,848.80
Tongwynlais	817.58	953.85	1,090.11	1,226.38	1,498.90	1,771.43	2,043.96	2,452.76	2,861.54
All other parts of the Council's Area	800.45	933.86	1,067.27	1,200.68	1,467.49	1,734.31	2,001.13	2,401.36	2,801.57

- 2.2 That it be noted that for the year 2019/20, the Police and Crime Commissioner for South Wales has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwelling shown below:-

VALUATION BANDS

A £	B £	C £	D £	E £	F £	G £	H £	I £
171.68	200.29	228.91	257.52	314.75	371.97	429.20	515.04	600.88

- 2.3 Having calculated the aggregate in each case of the amounts at 2.1(i) and 2.2 above, the County Council of the City and County of Cardiff in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings shown below:-

Part of Council's Area
VALUATION BANDS

	A	B	C	D	E	F	G	H	I
	£	£	£	£	£	£	£	£	£
Area									
Lisvane	982.92	1,146.74	1,310.57	1,474.39	1,802.03	2,129.67	2,457.31	2,948.78	3,440.23
Pentyrch	1,003.64	1,170.91	1,338.19	1,505.46	1,840.00	2,174.54	2,509.10	3,010.92	3,512.72
Radyr	994.04	1,159.72	1,325.40	1,491.07	1,822.41	2,153.76	2,485.11	2,982.14	3,479.15
St. Fagans	981.74	1,145.36	1,308.99	1,472.61	1,799.85	2,127.09	2,454.35	2,945.22	3,436.07
Old St. Mellons	985.62	1,149.89	1,314.17	1,478.44	1,806.98	2,135.52	2,464.06	2,956.88	3,449.68
Tongwynlais	989.26	1,154.14	1,319.02	1,483.90	1,813.65	2,143.40	2,473.16	2,967.80	3,462.42
All other parts of the Council's Area	972.13	1,134.15	1,296.18	1,458.20	1,782.24	2,106.28	2,430.33	2,916.40	3,402.45

2.4 Authorise the Corporate Director Resources to make payments under Section 38 of the Local Government (Wales) Act 1994 from the Council Fund by equal instalments on the last working day of each month from April 2019 to March 2020 in respect of the precept levied by the Police and Crime Commissioner for South Wales in the sum of £37,469,009.

2.5 That the Common Seal be affixed to the said Council Tax.

2.6 The Common Seal be affixed to precepts for Port Health Expenses for the period 1 April 2019 to 31 March 2020 namely

	£
The County Council of the City and County of Cardiff	113,864
The Vale of Glamorgan County Borough Council	12,736

2.7 Agree that notices of the making of the said Council Taxes signed by the Chief Executive be given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

3.0 In accordance with the Local Government Act 2003, the Local Authority (Capital Finance and Accounting) (Wales) Regulations 2003 and subsequent amendments and the CIPFA Prudential Code and Treasury Management Codes of Practice:

(a) Approve the Capital Strategy 2019/20

(b) Approve the Treasury Management Strategy 2019/20 and authorise the Section 151 Officer to raise such funds as may be required to finance capital expenditure by temporary or long term borrowing

(c) Approve the Prudential Indicators for 2019/20 to 2023/24 including the affordable borrowing limit

- (d) Delegate to the Section 151 Officer the authority to effect movement between the limits for borrowing and long term liabilities within the limit for any year and to bring forward or delay schemes within the Capital Programme.
 - (e) Approve the Minimum Revenue Provision Policy for 2019/20.
- 4.0 To approve the Budgetary Framework outlined in this report including the Affordability Envelope detailed in this report. This will be subject to the approval of a business case in respect of the indoor arena and the financial implications of such a decision being within the affordability and borrowing implications outlined.
- 5.0 Maintain the current Council Tax Reduction Scheme as set out in the report.

THE LIBERAL DEMOCRAT GROUP
26 FEBRUARY 2019