

Service: Corporate Services

Subject: Finance Monitoring Report – Final Report 2022

Date: 27 June 2022

Key Indicators

Previous Status	Category	Target	Current Status	Section Ref.
Green	Income and Expenditure	Balanced year end position	Green	1.1 – 1.3
Green	Capital Programme	Remain within overall resources	Green	2

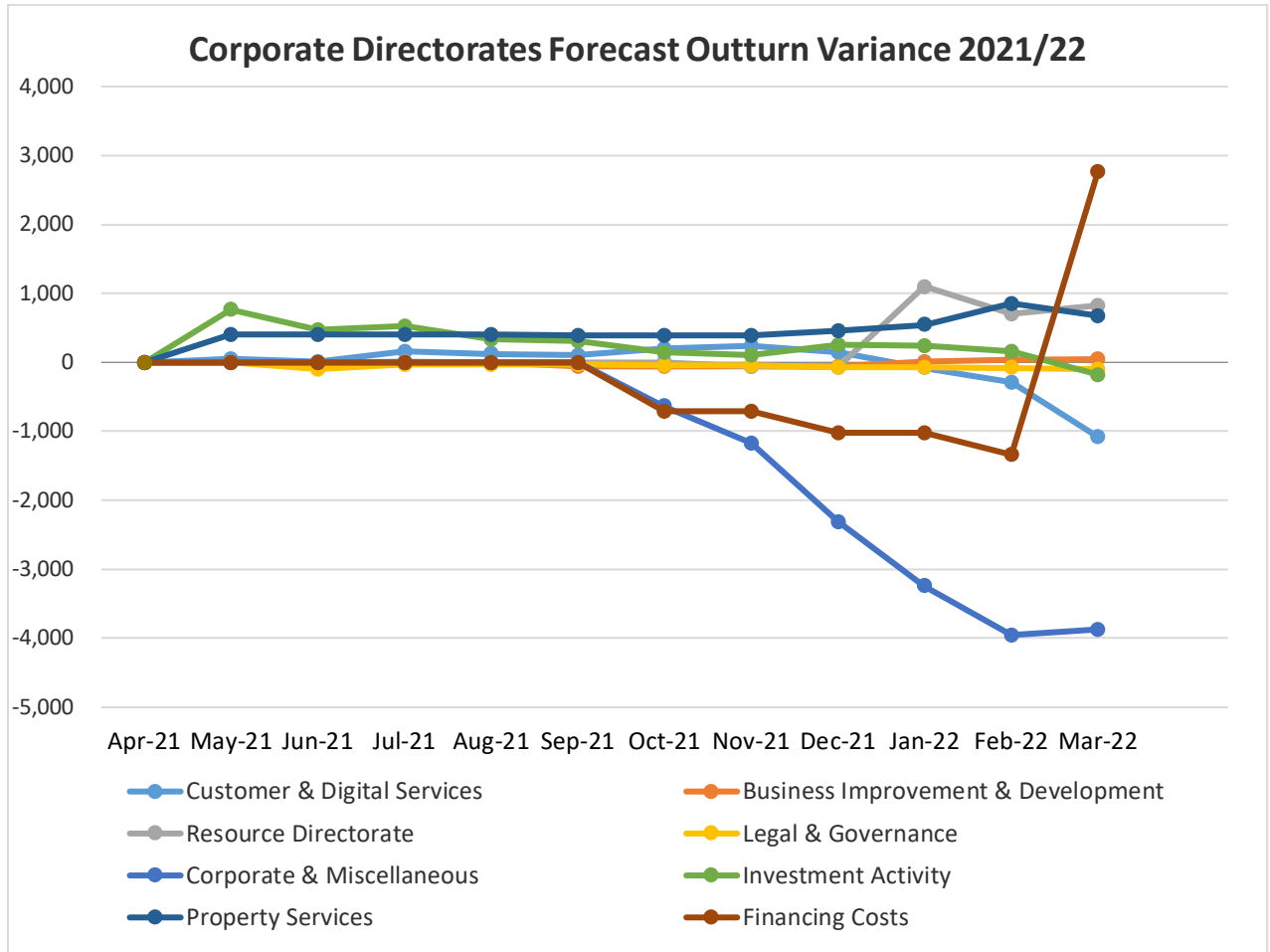
Contents

Section	Item	Description	Page
1	Revenue Executive Summary	High level summary of information; By Directorate Narrative on key issues in revenue financial position	2-5
2	Capital Executive Summary	Summary of the position of the Capital programme	6-7
3	Savings Tracker Summary	Summary of the latest position on delivery of savings	7
4	Technical Note	Explanation of technical items that are included in some reports	7
Appx 1	Service Level Financial Information	Detailed financial tables for Corporate Services	8-9
Appx 2	Service Commentaries	Detailed notes on financial position of services that are predicting not to achieve their budget	10-15
Appx 3	Capital Position	This contains more detailed information about Corporate Services Capital programme, including funding sources and variances.	16-19
Appx 4	Savings Tracker	Each quarter, the Council's savings tracker is produced to give an update of the position of savings agreed in the business plan.	20-22
Appx 5	Technical Appendix	This contains technical financial information for Corporate Services showing: <ul style="list-style-type: none">• Grant income received & service reserves• Budget virements into or out of Corporate Services	23-28

1. Revenue Executive Summary

1.1 Overall Position

Overall Corporate Services & Financing has an underspend of £1,011k in 2021/22, a decrease of £2,870k since February.



1.2 Summary of Revenue position by Directorate

The service level budgetary control report for Corporate Services & Financing Costs for the year 2021/22 can be found in [appendix 1](#)

Outturn Variance (previous) £'000	Directorate	Budget £'000	Actual £'000	Outturn Variance £'000	Outturn Variance %	Status
-282	Customer & Digital Services	17,214	16,134	-1,081	-6.3%	Green
42	Business Improvement & Development	1,985	1,940	-46	-2.3%	Green
709	Resources Directorate	4,923	5,746	824	16.7%	Amber
-77	Legal & Governance	2,335	2,237	-98	-4.2%	Green
-3,953	Corporate & Miscellaneous	5,334	1,464	-3,870	-72.6%	Green
165	Investment Activity	-11,300	-11,477	-177	-1.6%	Green
855	Property Services	2,729	3,399	670	24.6%	Amber
-1,339	Financing Costs	31,295	34,061	2,766	8.8%	Amber
-3,881	Total	54,516	53,504	-1,011	-1.9%	Green

Further analysis can be found in [appendix 2](#) for Corporate Services

1.3 Significant Issues

At year end, the overall Corporate Services outturn position is an underspend of £1,011k.

Significant issues are detailed below:

Customer and Digital Services

The overall position of Customer and Digital Services budgets in 2021/22 is an underspend of £1,081k an increase in underspend of £798k from the previous forecast.

The Director, Customer & Digital Service budgets are underspent by £103k due to vacancies in Emergency Management and additional income received in the Corporate Services Director budget.

IT & Digital is overspent by £141k, with an improved position on the previous forecast due to an underspend from staff working on IT capital schemes and shared resources with PCC. The IT Managed budgets are now showing an underspend due to an improvement of £315k than previously forecast for Hardware items, due to global

supplies impacting our ability to procure IT hardware predominantly Laptops. A £283k improved position occurred because previously committed expenditure was investigated which resulted in a saving due to the resolution of a complex historical (LGSS) recharging situation. We have also seen an increase for additional costs of mobile phones of £140k.

Business Improvement & Development

The overall position for Business Improvement & Development budgets in 2021/22 is an underspend of £46k, which is a decrease in spend of £88k from the previous forecast due to staffing underspends across the directorate.

Resources Directorate

The overall position for Resources Directorate budgets in 2021/22 is an overspend of £824k, an increase of £115k from the previous forecast. This is mainly due to an increased overspend of £171k for the Insurance provision requirement.

Corporate & Miscellaneous

The overall position for Corporate & Miscellaneous budgets in 2021/22 is an underspend of £3,870k, a decrease of £82k from the previous forecast, this is mainly due to the increased allowance for bad debt.

Investment Activity

The overall position for Investment Activity budgets in 2021/22 is an underspend of £177k, an increase of £342k from the previous forecast. The changes relate to the increase from Shareholder Dividend of £70k, an improved position from the investment properties of £95k and the estimated March income to be received from the renewable energy scheme has increased the outturn by £167k.

Property Services

The overall position for Property Services budgets in 2021/22 is an overspend of £670k, a decrease of £185k from the previous forecast. The final pressure across property maintenance and compliance was less than expected, with continued savings on cleaning, waste & utilities, which helped to offset higher repairs and maintenance. The running costs of Shire Hall contributed to £506k of the total overspend. We have also seen an improved position for the County Farms rent for Oct 21 – Mar 22, which was higher than the previous forecast.

Financing Costs

The overall position for Financing costs budgets is an overspend of £2,766k, an increase of £4,105k from the previous forecast. This is primarily due to an additional Minimum Revenue Provision (MRP) payment of £3.528m for the estimate of the

impact of changes to MRP on third-party loans that is currently being consulted on, and an additional pressure of £533k on the capitalisation of interest budget.

Covid 19 – Financial Impact

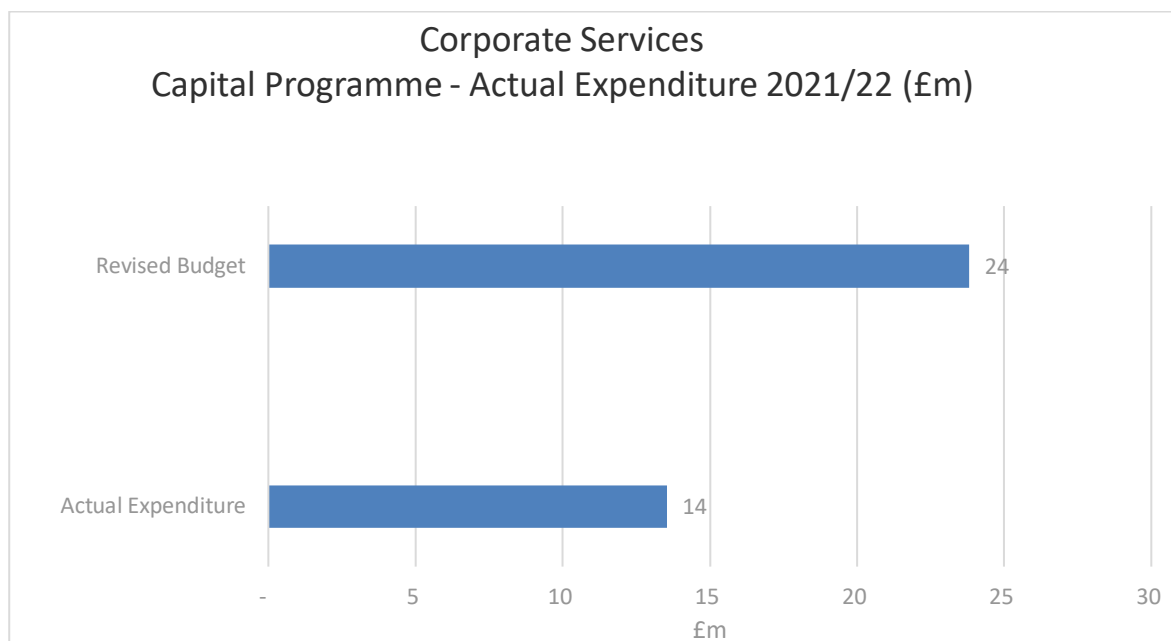
Overall Financial costs associated with managing the implications of the Coronavirus pandemic, including any loss of income in 2021/22:

Service Area	Details	2021/22 £000
IT – continued remote working	Remote working continues as per government guidance.	310
Postage	Postage directly related to Covid-19	20
Temporary mortuary	Site cost for provision of body storage	32
Communications- Test and Trace	Staff and advertising costs towards the Test and Trace Service	266
Information Management	Cambs 2020 programme removal costs – delays due to Covid-19 pandemic	43
Democratic & Member Services	Hire of external venues for Council AGM	20
Council Tax	Income saving rephased due to pressures on the District Council's Revenue & Benefits teams impacting timeline for project mobilisation	650
Cromwell Leisure	We anticipate that in the current climate, two of the restaurant units will generate minimal income during 2021-22 and the cinema is facing further challenges	337
County Farms	Reduction in income from new investments & a small decline on existing income	205
Pools Property Fund Investment	Expecting the risk of further challenges ahead, a forecast of 5% income reduction is likely.	0
Property Services	Health and Safety supplies, cleaning, water testing, additional resource.	94
Brunswick House	A reduction in the occupancy levels since it is expected that some students will stay at home and opt for online learning and a drop in international student numbers is expected.	737
Compliance	To carry out ventilation surveys to 109 buildings to ensure the safe capacities of our buildings for Covid-19 management	102
Compliance	CO2 monitors to be installed to ensure safe working in our buildings for Covid-19 management	144

2. Capital Executive Summary

2.1 Expenditure

Corporate Services has a capital budget of £23,816k and expenditure of £13,490k in 2021/22.



Please note the variations budget has been updated to reflect the recent changes to the hierarchy, resulting in a lower figure and therefore increasing the overall budget from £15m to £24m.

There are three exceptions to report this month.

Building Maintenance

The Building Maintenance schemes has underspent by £492k in 2021/22.

- Property Services have completed a large majority of schemes this year, with two large projects, Huntingdon Youth Centre & Butts Grove overspending due to additional unforeseen works required. There will be a retention for both projects paid in 2022 – 2023.
- Some M&E projects have been delayed because of renewable energy installations on-going. It is not possible to have more than one set of contractors on site at the same time.
- Some projects have not proceeded due to detailed surveys.
- Carry forwards will be required for the following high-cost schemes - March Community Centre roof replacement, Speke House heating & ventilation works and a lift replacement at Signet Court. Funding carry forwards will also be requested for continuing committed projects relating to alarm upgrades, heating & boiler replacements, and LED lighting.

Capitalisation of Interest Budget

An in-year underspend of £436k is being reported at year-end. This is primarily due to lower capital spend than budgeted and lower interest rates in 2021/22 than anticipated at the time of budget setting, resulting in lower interest costs being charged to schemes. There were also some movements of schemes from Corporate Services to Place & Economy during the 2021/22 financial year.

Details of the capital variances and funding can be found in [appendix 3](#)

2.2 Funding

Corporate Services has a capital budget of £24m in 2021/22. This includes £5m of funding carried forward from 2020/21.

3. Savings Tracker Summary

The savings tracker is produced quarterly. The Q4 table can be found in [appendix 4](#)

4. Technical Notes

A technical financial appendix has been included as [appendix 5](#) for Corporate Services.

This appendix covers:

- Grants that have been received by the service, and where these have been more or less than expected
- Budget movements (virements) into or out of corporate services from other services (but not within corporate services), to show why the budget might be different from that agreed by Full Council
- Service reserves – funds held for specific purposes that may be drawn down in-year or carried-forward – including use of funds and forecast draw-down.

Appendix 1 – Corporate Services Level Financial Information

Previous Forecast Outturn Variance £000's	Service	Budget 2021/22 £000's	Actual £000's	Variance £000's	Variance %
Customer & Digital Services					
14	Director, Customer & Digital Services	450	347	-103	-23%
13	Chief Executive	130	145	15	11%
-16	Communication and Information	751	672	-79	-11%
-317	Customer Services	2,068	1,750	-318	-15%
292	IT & Digital Service	2,588	2,729	141	5%
-83	IT Managed	7,320	6,775	-545	-7%
0	Elections	170	170	0	0%
-56	Human Resources	1,637	1,567	-70	-4%
-9	Health, Safety & Wellbeing	184	165	-19	-10%
-121	Learning & Development	1,917	1,815	-103	-5%
-282	Customer & Digital Services Total	17,214	16,134	-1,081	-6%
Business Improvement & Development					
320	Policy, Design and Delivery	648	896	248	38%
-91	Commercial Team	268	182	-86	-32%
-187	Business Intelligence	1,069	862	-207	-19%
42	Business Improvement & Development Total	1,985	1,940	-46	-2%
Resources Directorate					
0	Resources Directorate	376	347	-30	-8%
-99	Professional Finance	1,860	1,757	-102	-6%
5	Procurement	622	612	-10	-2%
30	CCC Finance Operations	427	482	56	13%
-15	Shared Finance Operations	445	483	38	9%
1,073	Insurance	55	1,299	1,244	2245%
0	External Audit	75	42	-33	-44%
-286	Shared Services	1,063	724	-339	-32%
709	Resources Directorate Total	4,923	5,746	824	17%
Legal & Governance					
6	Legal & Governance Services	105	126	21	20%
-32	Information Management	885	830	-55	-6%
1	Democratic & Member Services	332	329	-3	-1%
-53	Members' Allowances	1,013	952	-60	-6%
-77	Legal & Governance Total	2,335	2,237	-98	-4%
Corporate & Miscellaneous					
-1,075	Central Services and Organisation-Wide Risks	828	-133	-961	-116%
-1,566	Pandemic Risk	1,573	0	-1,573	-100%
-1,300	Investment in Social Care Capacity	1,300	0	-1,300	-100%
16	Subscriptions	110	129	19	17%
-28	Authority-wide Miscellaneous	94	39	-55	-59%
0	Transformation Fund	1,429	1,429	0	0%
-3,953	Corporate & Miscellaneous Total	5,334	1,464	-3,870	-73%
Investment Activity					
556	Property Investments	-3,544	-3,083	461	13%
-37	Shareholder Company Dividends & Fees	-491	-598	-107	-22%
-61	Housing Investment (This Land Company)	-6,063	-6,096	-33	-1%
201	Contract Efficiencies & Other Income	-201	0	201	100%
-359	Collective Investment Funds	-779	-1,175	-396	-51%
-137	Renewable Energy Investments	-222	-526	-304	-137%
165	Commercial Activity Total	-11,300	-11,477	-177	-2%

Previous Forecast Outturn Variance £000's	Service	Budget 2021/22 £000's	Actual £000's	Variance £000's	Variance %
	Property Services				
709	Facilities Management	5,285	5,939	655	12%
41	Property Services	811	843	31	4%
38	Property Compliance	208	197	-11	-5%
35	County Farms	-4,287	-4,337	-51	-1%
32	Strategic Assets	712	757	45	6%
855	Property Services Total	2,729	3,399	670	25%
	Financing Costs				
-1,339	Debt Charges and Interest	31,295	34,061	2,766	9%
-1,339	Financing Costs Total	31,295	34,061	2,766	9%
-3,881	Total	54,516	53,504	-1,011	-2%

Appendix 2 – Service Commentaries on the Outturn Position

Narrative is given below where there is an adverse/positive variance greater than £100,000.

Director, Customer & Digital Services

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
450	-103	-26%

The final position for Director, Customer and Digital Services in 2021/22 is an underspend of £103k. This is due to an underspend on staffing in Emergency Management of £50k and an overspend for the COVID 19 temporary mortuary of £30k. The Director, Corporate and Customer Services budget has underspends on staffing of £25k and have received £61k of funding from Contain Outbreak Management Fund.

Customer Services

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
2,068	-318	-15%

The final position for Customer Services in 2021/22 is an underspend of £318K due to the challenge of recruiting suitably skilled individuals into our Customer Service Advisor Vacancies. This is in spite of several recruitment campaigns run over the last year- 18 months. 4.5 FTE Customer Service Advisors and two new Team Managers are currently being inducted into the service. We now have 1.3FTE Customer Service Advisor and 1FTE resource scheduler vacancy outstanding.

Plans are underway to reopen key corporate offices. New Shire Hall is operational and Awdry House is scheduled for May 2022. We currently have 2 FTE Customer Service Assistant vacancies which we are holding back on advertising, pending all three of our sites re-opening and, to enable the exploration of Automated visitor management systems in the first instance.

IT & Digital Services

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
2,588	141	5%

The final position for IT & Digital Services in 2021/22 is an overspend of £141k, due to the increased cost of £215k for IT systems and licences and £110k hosting Outsystems, a legacy system from LGSS. Staffing underspends of £158k for vacancies, and income received from working across PCC & capital projects.

IT Managed

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
7,320	-545	-7%

The final position of the IT Managed budgets in 2021/22 is an underspend of £545k, this is due to an underspend of £512k for Hardware items partly due to global supplies impacting our ability to procure IT hardware predominantly Laptops. The Microsoft Enterprise Agreement has cost an additional £69k this year.

We have also seen an increase for additional costs of mobile phones & telephony of £173k. Staff underspends of £162k relating to vacancies, staff working on IT capital projects across Cambridgeshire and Peterborough and additional income received of £58k.

Learning & Development

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,899	-103	-5%

The final position of Learning and Development budget in 2021/22 is an underspend of £103k. There have been significant savings on room hire, due to virtual training delivery in response to covid precautions, this includes having to change the apprenticeship awards to a virtual event when Omicron started to drive up case numbers. Achieving additional income and funding support of £25K. Further underspends due to staff vacancies being on hold due to planned restructure and two vacancies where we have been unable to recruit to them as no applications were received due to the current recruitment market.

Policy, Design and Delivery

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
648	248	38%

The final position of Policy, Design and Delivery in 2021/22 is an overspend of £248k, this is due to higher expenditure on professional fees to support programmes across the authority.

Business Intelligence

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,069	-207	-19%

The final position for Business Intelligence in 2021/22 is an underspend of £207k which is mainly due to difficulty in recruitment, which has led to vacancies and hence the underspend but with consequent impacts on service delivery.

Professional Finance

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,860	-102	-6%

The final position for the Professional Finance budget in 2021/22 is an underspend of £102k. Like many services, the Finance team has faced recruitment challenges resulting in some posts being vacant for longer than expected. In addition, several posts were funded by the Contain Outbreak Management Fund due to their work supporting the distribution of that grant, resulting in unexpected income into the service. We are reviewing our approach to recruitment and retention to ensure staffing budgets do not underspend.

Insurance

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
55	1,244	2245%

The final position for Insurance budget in 2021/22 is an overspend of £1,244k, which is due to the need to increase the insurance fund to the recommended level as per the latest actuary report.

Shared Services

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,063	-339	-32%

The final position for the Shared Services budgets in 2021/22 is an underspend of £339k. The Business Systems & Programme team underspent by £182k due to staff vacancies and lower staff costs e.g., travel and a reduction in external supplier costs. The cost of the Programme team has also reduced due to the outcome of this year's project delivery across the partnership. The Insurance section have an underspend of £97k mainly due to recruitment delays and efficiencies with staffing costs for travel etc. The Payroll and HR Transactions team is underspent by £48k due to staff vacancies.

Central Services and Organisation-Wide Risks

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
828	-961	-116%

The final position for Corporate & Miscellaneous budgets in 2021/22 is an underspend of £961k. This underspend is from overachievement of savings from reduced mileage projected across the year of £1,257k. Lower mileage budgets will be applied to services in 2022/23 to reflect changing work practices.

This budget also has also incurred costs such as the bad debt provision of £453k and an additional £280k towards the cost of local government pay increase 1.75%.

Pandemic Risk

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,573	-1,573	-100%

The final position for the Pandemic Risk budget in 2021/22 is an underspend of £1,573k. This is a budget line held temporarily for 2021/22 to reflect uncertainties during business planning around the continuation of government grant funding for key parts of the Covid response (such as PPE and infection control). Funding from government for key schemes has generally been confirmed and so much of this budget is expected not to be required. This budget is reversed in the new year's business plan.

Investment in Social Care Capacity

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
1,300	-1300	-100%

The final position for the Investment in Social Care Capacity budget is an underspend of £1,300k. This contingency budget was held to offset any pressures resulting from Covid-19 in adult or children's social care. As a result of the pandemic significant additional grant funding has been received that has mitigated pressures, and in 2021/22 budget allocations to social care departments appear sufficient. This has been re-planned as part of business planning for 2021-26 with this budget permanently reduced and an additional investment made in the demand impact of the pandemic recovery.

Property Investments

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
-3,544	461	13%

The final position for Property Investments in 2021/22 is an overspend of £461k. This is due to the reduction in rental income from the leisure property and the student accommodation property because of the impact of the pandemic on income streams. The shortfall is higher than expected at budget setting creating a pressure in year of £473k. The income from office/research, retail and manufacturing properties overachieved by £12k, this has improved due to rent increases seen during the year.

Shareholder Company Dividends & Fees

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
-491	-107	-22%

The final position for Shareholder Company Dividends & Fee in 2021/22 is an overachievement of income of £107k for the 2020/21 dividend of £53k and additional income received for staffing of £54k.

Contract Efficiencies & External Income

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
-201	201	100%

The final position for the External Income budget in 2021/22 is an underachievement of £201k. Planned new income generation from increasing advertising and sponsorship, a target held on behalf of the entire organisation, has not been achieved this year due to some COVID impact in this market, and a long-term underperforming contract has been purposefully managed to expiry to allow for new engagement and procurement in 2022 for better and increased returns.

Collective Investment Funds

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
-779	-396	-51%

The final position for the Collective Investment Fund budget in 2021/22 is £396k overachievement of income. The return expected from the multi class credit fund has increased; this is due to anticipating receiving a higher return during the first 2 quarters of 2021 than had previously been predicted based on the level of return in 2020/21.

(There is an overall reduction in the anticipated value of the returns from 5.7% to 2.9% reflecting the environmental, social and governance factors used in selecting an appropriate investment fund. The decision was made to reduce the income budget to reflect the current return in investment. July 2021)

Renewable Energy investments

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
-222	-304	-137%

The final position for the Solar Farm in Soham in 2021/22 is an underspend of £304k due to a higher level of income generated in the year and lower maintenance.

Facilities Management

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
5,285	655	12%

The final position for Facilities Management budgets in 2021/22 is an overspend of £670k. The final pressure across property maintenance and compliance was less than expected, with continued savings on cleaning, waste & utilities which helped to offset higher repairs and maintenance. The running costs of Shire Hall contributed to £506k of the total overspend.

Financing Costs

Current Budget for 2021/22 £'000	Outturn £'000	Outturn %
31,295	-2,766	9%

A £2.766m pressure is being reported at year-end. This is a change of £4.105m from the underspend position previously reported last month. This is primarily due to the following:

- An additional Minimum Revenue Provision (MRP) payment of £3.528m for the estimate of the impact of changes to MRP on third-party loans that is currently being consulted on.
- An additional pressure of £533k on the capitalisation of interest budget; lower capital spend and lower interest rates than budgeted resulted in lower interest costs being charged to schemes; consequently there was a smaller recharge back to the financing costs budget.

Appendix 3 – Capital Position

3.1 Capital Expenditure 2021/22

Total Scheme Revised Budget £000	Original 2021/22 Budget as per BP £000	Scheme	Revised Budget for 2021/22 £000	Actual Spend 2021/22 £000	Actual Variance 2021/22 £000
		<u>Corporate Services and Transformation</u>			
750	150	Essential CCC Business Systems Upgrade	183	89	(94)
8,382	1,682	Capitalisation of Transformation Team	1,682	1,662	(20)
5,351	300	Capitalisation of Redundancies	-	-	-
5,408	2,440	Data Centre Relocation	2,909	613	(2,296)
3,259	1,554	IT Strategy - Infrastructure & Corporate Systems	280	313	33
		IT Strategy - Microsoft	100	297	197
		IT Strategy - Data	120	82	(38)
		IT Strategy - Business Systems	940	766	(174)
674	135	IT Infrastructure refresh	144	31	(113)
		<u>Investments</u>			
152,395	6,321	Housing Schemes	6,674	20	(6,654)
1,600	200	Development Funding	388	213	(175)
		<u>Property Services</u>			
7,163	600	Building Maintenance	2,339	1,847	(492)
60		London Road Childrens Home Maintenance	60	63	3
5,518	1,663	Investment in the CCC asset portfolio	2,779	1,640	(1,139)
		<u>Strategic Assets</u>			
3,814	25	Lower Portland Farm	75	2	(73)
900	100	Local Plans Representations	100	14	(86)
2,700	300	County Farms Investment	300	181	(119)
1,981	1,484	Community Hubs - East Barnwell	1,552	28	(1,524)
18,737	6,279	Shire Hall Relocation	7,329	6,400	(929)
150	-	Arbury Road Site	150	165	15
500	-	Mill Rd - Former Library	489	461	(28)
450	-	Mill Farmhouse	58	-	(58)
219,792	23,233		28,651	14,886	(13,765)
1,472	785	Capitalisation of Interest Budget	785	349	(436)
(24,260)	(5,620)	Capital Programme Variations Budget	(5,620)	-	5,620
		Prior year Infrastructure adjustment	-	(1,745)	(1,745)
197,004	18,398	TOTAL	23,816	13,490	(10,326)

3.2 Capital Funding 2021/22

Original 2021/22 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2021/22 £000	Actual Spend £000	Variance £000
1,645	Capital Receipts	1,345	1,662	317
1,590	Other Contributions	1,740	306	(1,486)
260	Developer Contributions	260	-	(260)
14,903	Prudential Borrowing	20,471	11,522	(8,897)
18,398	TOTAL	23,816	13,490	(10,326)

3.3 Corporate Services Capital Variation 2021/22

Service	Capital Programme Variations Budget £'000	Outturn Variance £'000	Capital Programme Variations Budget Used £'000	Capital Programme Variations Budget Used %	Revised Outturn Variance £'000
Corporate Services	(5,620)	(10,326)	5,620	-100%	(4,706)

3.4 Service Commentaries on the Capital Position

The schemes with significant variances (>£250k) either due to changes in phasing or changes in overall scheme costs can be found in the following table:

Housing Schemes

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
6,674	20	-6,654	0	-6,654

Housing Schemes capital scheme has underspent by £6,654k. This Land's cashflow position is such that they do not currently require any further loan financing, the next loan request is expected in mid-2022. This has reduced the prudential borrowing requirement in year by £6,654k.

Data Centre Relocation

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,909	613	-2,296	-766	-1,530

The Data Centre Relocation capital scheme has underspent by £2,296k in 2021/22. The budget for this scheme has been rephased to reflect the timing of the work. The move of Cambridgeshire's data centre was scheduled to take place in April 2021 however was delayed due to problems with the air-conditioning units within the Sand Martin House building. This has reduced the borrowing requirement by £2,296k in this financial year.

The total scheme is expected to underspend by £766k, with £1,530k estimated to complete the programme of work in 2022/23. A request to carry over this budget will be submitted.

Community Hub – East Barnwell

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,552	28	-1,524	0	-1,524

Community Hubs - East Barnwell has underspent this year by £1,524k due to delays in progressing this scheme. Options are currently being worked on and a further update will follow. This has reduced the borrowing requirement by £1,524k in this financial year.

Shire Hall Relocation

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
7,329	6,400	-929	-552	-377

Shire Hall Relocation Scheme has underspent this year by £929k. Savings have been made within construction costs of £250k and ICT £205k. The costs associated with COVID 19 amounted to £219k (£400k budget for COVID 19 pressure). This has reduced the borrowing requirement by £929k in this financial year.

£211k will be held back until the defect liability period is over in July 2022 as per the contract's terms and £166k for a small number of items required to finish off the project, such as the refreshment area, potential IT works and other minor works, this will increase next year's financial borrowing. The total scheme is expected to underspend by £552k.

Investment in the CCC asset portfolio

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,779	1,640	-1,139	-	-1,139

The Investment in the CCC asset portfolio scheme has underspent by £1,139k. The main challenges this year have been the additional work required at Roger Ascham, with increased costs related to planning delays, extra requirements associated with the Air Source Heat Pump (ASHP) and buildings maintenance, which will need to

continue into 2022-23. Work will also continue next financial year to complete Bottisham Children’s Centre, 78 Victoria Road, Fawcett House (formally CPDC) and Oak Court and the replacement of IT and furniture as required. Additional project management costs will be incurred because programme delivery period has extended due to COVID. The total scheme forecast is an increase of £29k at this stage, this figure will be finalised next financial year.

This has reduced the borrowing requirement by £1,139k in this financial year.

Building Maintenance

Revised Budget for 2021/22 £'000	Actual Spend 2021/22 £'000	Outturn Variance 2021/22 £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,339	1,847	-492	-	-492

The Building Maintenance schemes has underspent by £492k.

- Property Services have completed many schemes this year, with two large projects, Huntingdon Youth Centre & Butts Grove overspending due to additional unforeseen works required. There will be a retention for both projects paid in 2022 – 2023.
- Savings have been made for most of the projects completed as estimated costs have been value engineered.
- Some M&E projects have been delayed because of renewable energy installations on-going. It is not possible to have more than one set of contractors on site at the same time.
- Some projects have not proceeded due to detailed surveys
- Carry forwards will be required for the following high-cost schemes - March Community Centre roof replacement, Speke House heating & ventilation works and a lift replacement at Signet Court. Funding carry forwards will also be requested for continuing committed projects relating to alarm upgrades, heating & boiler replacements, and LED lighting.

This has reduced the borrowing requirement by £492k in this financial year.

Appendix 4 – Quarter 4 Savings Tracker

Reference	Title	Description	Q1	Q2	Q3	Q4	Forecast Saving 21-22	Variance from Plan £000	Saving complete ?	% Variance	Forecast Commentary	RAG
C/R.6.103	External Auditor fee	Saving to be achieved from reduction in expenditure on External Audit, as per fees set by Public Sector Audit Appointments	0	0	0	0	0	15	No	100	The savings anticipated to be delivered through the PSAA process have not materialised on a national level, this has been recognised as part of the Government's Redmond Review, which has provided additional funding to authorities to partially compensate for these additional pressures.	Black
C/R.6.104	Reduction in staff mileage	A reduction in staff travel is expected to continue.	-474	-254	-249	-279	-1,256	-692	Yes	-123	Saving overachieved	Blue
C/R.6.105	Customer Services	Trends over recent years have determined a reduction of £85k is achievable. This reduction will be delivered by removing 3 vacant posts.	-85				-85	0	Yes	0	Vacant posts removed.	Green
F/R.6.003	Babbage House closure	The lease on Babbage House is due to end in 2020-21 and will not be renewed.	-198				-198	0	Yes	0	Lease has ended.	Green
F/R.6.109	Cambs 2020 Operational Savings	Savings to the running costs of corporate buildings because of the Cambs 2020 programme.	0	0	0	0	0	605	No	100	The savings from Shire Hall will not be achieved until	Black

Reference	Title	Description	Q1	Q2	Q3	Q4	Forecast Saving 21-22	Variance from Plan £000	Saving complete ?	% Variance	Forecast Commentary	RAG
											such time as the sale is complete.	
F/R.7.106	Utilisation/ commercialisation of physical assets	Carry-forward saving - unachieved in 20/21. One Public Estate	0	0	0	0	0	36	No	100	There has been no development in this area.	Black
F/R.7.110	Return on Commercial Property Investments (Carry-forward saving - unachieved in 20/21)	The Council is developing a portfolio of commercial property investments. This is the rental income generated from the lease.	0	0	0	0	0	105	No	100	This is now reported on separately by each investment, this entry should be removed	Black
F/R.7.127	County Farms - Commercial uses	Conversion of barns on the County Farms Estate for non-agricultural commercial uses, including storage and distribution.	-11	-11	-11	-12	-45	0	Yes	0		Green
F/R.7.131	Commercial Income	Commercial return from the Council's Commercial Strategy, to be generated by the newly developed Commercial Team.	0	0	0	0	0	232	No	100	Saving not achieved. However, as part of the budget rebasing exercise approved by S&R at the July 2021 meeting this pressure is now removed	Black
F/R.7.140	Tesco - Income Generation	Estimated annual rent increase.	0	0	0	-17	-17	60	Partial	78	The % increase was not line with the estimated investment figure.	Green

Reference	Title	Description	Q1	Q2	Q3	Q4	Forecast Saving 21-22	Variance from Plan £000	Saving complete ?	% Variance	Forecast Commentary	RAG
F/R.7.141	Evolution Business Park - Income Generation	Estimated annual rent increase.	-3	-3	-3	-3	-12	0	Yes	0		Green
F/R.7.142	Kingsbridge - Income Generation	Estimated annual rent increase.	-3	-3	-3	-2	-11	0	Yes	0		Green
F/R.7.143	Brunswick House - Income Generation	Estimated annual rent increase.	0	0	0	0	0	66	No	100	The % increase was not line with the estimated investment figure.	Black
F/R.7.144	County Farms	Increase in rental income for the county farms estate.	0	0	-20	-20	-40	0	Yes	0		Green
G/R.6.003	MRP: Accountable Body (effect of capital swaps)	As Accountable Body the Council incurs certain administrative costs in undertaking this role. However, it also holds the cash on an interim basis pending utilisation by those parties. The Council maximises the use of these resources whilst not detrimentally affecting those resources. This is only possible where the body or partnership does not use the funds that have been awarded in the financial year in which they are provided. This is an adverse effect; it is the reversal of savings made in previous years as the cash received in prior years is utilised by the parties for whom we hold the funds and can no longer be used to offset borrowing requirements	-88	-89	-89	-89	-355	0	Yes	0		Green

Appendix 5 – Technical Note

5.1 Grant Income Analysis

Grant	Awarding Body	Amount Received £'000
Skills for Care	ASYE for Social Workers in Adult Services	15
Skills for Care	ASYE Child and Family Services	18
Education, Skills & Funding Agency	Apprentice Levy	81
Skills for Care	Workforce Development Fund	35
Department of Works & Pensions	Kickstart Scheme	40
Non-material grants (+/- £30k)	New Burdens: Data Transparency Funding	13
Total Grant Funding 2021/22		202

5.2 Virements and Budget Reconciliation

Customer & Digital Services

Budgets and movements	£000	Notes
Budget as per Business Plan	17,708	
Redundancy, Pensions & Injury	-846	Transferred to P&C
IT and Digital Services	46	Transferred from P&C: Baseline adjustment for Total Mobile
Chief Executive	-41	Budget correction – Transferred Performance & Governance Team to Shared services
IT Managed	150	Transferred from Pandemic Risk Provision to meets the increased demand of Laptops by Staff
Customer & Digital Services Team	211	Funding for 2021/22 Pay Award @ 1.75% and Q4 2021/22 Mileage Savings
Non-material virements (+/- £30k)	7	April
Non-material virements (+/- £30k)	29	May
Non-material virements (+/- £30k)	21	June

Budgets and movements	£000	Notes
Non-material virements (+/- £30k)	-23	July
Non-material virements (+/- £30k)	-23	Oct
Non-material virements (+/- £30k)	-25	Jan
Current Budget 2021/22	17,214	

Business Improvement & Development

Budgets and movements	£000	Notes
Budget as per Business Plan	1,449	
Policy, Design and Delivery	209	Transferring Investment team budget to new service area
Commercial Team	261	Staff costs have been split out from the Investments heading
Business Improvement & Development Team	71	Funding for 2021/22 Pay Award @ 1.75% and Q4 2021/22 Mileage Savings
Non-material virements (+/- £30k)	-5	
Current Budget 2021/22	1,985	

Resources Directorate

Budgets and movements	£000	Notes
Budget as per Business Plan	6,995	
Performance & Governance Team	41	Budget correction- Transferred from Chief Executive
LGSS Business Systems	-46	Budget correction - Transferred to Authority-Wide Miscellaneous
CCC Finance Operations -Debt Team	77	Transferred from Pandemic Risk to meet the additional support required within debt
Insurance	-2,221	2021-22 Insurance budget for Liability, Material Damage, Moton insurance, Misc
Resources Directorate Team	98	Funding for 2021/22 Pay Award @ 1.75% and Q4 2021/22 Mileage Savings
Non-material virements (+/- £30k)	-8	
Current Budget 2021/22	4,923	

Legal & Governance

Budgets and movements	£000	Notes
Budget as per Business Plan	2,302	
Information Management	56	From Central Services and Organisation-Wide Risks to cover the costs of extra resources
Non-material virements (+/- £30k)	-18	
Non-material virements (+/- £30k)	10	
Current Budget 2021/22	2,326	

Corporate & Miscellaneous

Budgets and movements	£000	Notes
Budget as per Business Plan	6,680	
Central Services Organisation-Wide Risks	-56	To cover the costs of extra resources in Information Management
Central Services Organisation-Wide Risks	288	Quarter 1 Mileage Savings
Authority-wide Miscellaneous	46	Budget correction - Transferred from LGSS Business Systems
Central Services Organisation-Wide Risks	254	Quarter 2 Mileage Savings
Pandemic Risk	150	Transferred to IT Managed to meet the increased demand for Laptops by Staff
Pandemic Risk	-77	Transfer to Finance Operations to meet the cost of temp staff in the debt team
Central Services Organisation-Wide Risks	249	Quarter 3 Mileage Savings
Central Services Organisation-Wide Risks	279	Q4 Mileage Savings
Central Services Organisation-Wide Risks	-2148	Funding for 2021/22 Pay Award - 1.75% for Local Government Service
Non-material virements (+/- £30k)	-29	
Non-material virements (+/- £30k)	-6	
Current Budget 2021/22	5,334	

Investment Activity

Budgets and movements	£000	Notes
Budget as per Business Plan	-11,518	
Investments	-209	Transferring budget to new service area
Collective Investment Funds	435	Baseline adjustments approved in July
Investments	235	Baseline adjustments approved in July
Collective investment Funds	-235	Now includes the new Investment budget

Budgets and movements	£000	Notes
Investments	-26	Moving the new Investment to Collective Investment Funds and The Commercial team budget to BID policy heading
Non-material virements (+/- £30k)	17	
Current Budget 2021/22	-11,300	

Property Services

Budgets and movements	£000	Notes
Budget as per Business Plan	2,551	
Facilities management	93	Budget transfer for Action for Children properties from P&C
County Farms	42	Material Damage Insurance
Facilities Management Team	36	Funding for 2021/22 Pay Award -1.75% for Local Government Service
Non-material virements (+/- £30k)	6	
Current Budget 2021/22	2,729	

5.3 Reserves Schedule

Corporate Services Reserves

Fund Description	Balance at 1 April 2021 £'000	Movements in 2021/22 £'000	Balance at 31 March 2022 £'000	Notes
Other Earmarked Funds				
Election Processes	37	85	122	1
City Deal - NHB funding	2,455	-2,455	0	2
CCC Finance Office	58	75	133	3
Records Management	50	-50	0	4
North Cambridge Academy Site Demolition Costs	686	-226	460	5
Contact Centre	0	53	53	6
Communications & Information	0	138	138	7
Building Maintenance	0	337	337	8
Debt Team	0	77	77	9
Director, Corporate & Customer Services	0	30	30	10
Hardware & Infrastructure (Laptops)	0	150	150	11
Miscellaneous other	0	1,158	1,158	12
This Land	0	40	40	13
Shire Hall Relocation	483	-2	481	14
subtotal	3,768	-591	3,177	
Other Earmarked Funds				
CPSN Partnership Funds	98	-17	81	
subtotal	98	-17	81	
Short Term Provisions				
Insurance Short-term Provision	911	2	912	
Insurance MMI Provision	1,182	0	1,182	
subtotal	2,093	2	2,095	
Long Term Provisions				
Insurance Long-term Provision	3,613	1,133	4,746	
subtotal	3,613	1,133	4,746	
Capital Reserves				
General Capital Receipts	10,861	16,189	27,050	
subtotal	10,861	16,189	27,050	
TOTAL	20,433	16,716	37,149	

(+) positive figures represent surplus funds

(-) negative figures represent deficit funds

Notes

1. Election budget to be transferred to reserve for future years election cycle
2. New Homes Bonus funding - Greater Cambridge Partnership
3. Recharged costs for CCC Investigation
4. Earmarked reserved for Records Management

5. Rental income from Bellerbys buildings on the North Cambridge Academy site is being held to offset demolition costs when the lease expires in 2021
6. Contact Centre - funding for additional staff working on temporary work
7. Communications – funding for additional staff working on temporary work
8. Buildings Maintenance – funding held for repairs to investment properties and county buildings
9. Debt - funding for additional staff working on temporary work
10. Funding for additional staff working on temporary work
11. Laptops – requirement for higher costs expected
12. Busway litigation costs
13. This Land cost of surveys required in 22-23
14. Shire Hall costs associated with the relocation