

Service: Commercial & Investment

Subject: Finance Monitoring Report – Final Report 2020-21

Date: 6 July 2021

Key Indicators

Previous Status	Category	Target	Current Status	Section Ref.
Amber	Revenue position by Service Area	Balanced year end position	Amber	1.2
Green	Capital Programme	Remain within overall resources	Green	2

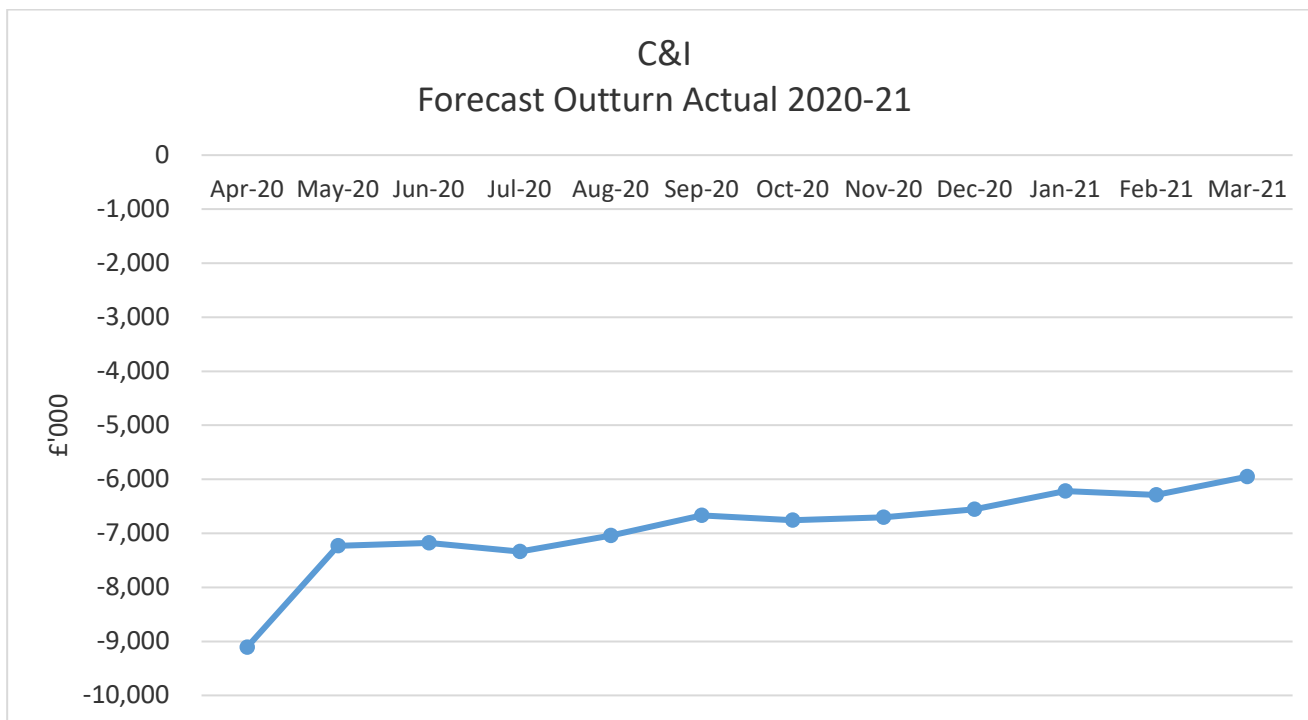
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1. Revenue Executive Summary

1.1 Overall Position

Commercial & Investment (C&I) has a negative budget as it has an income target for 2020/21 of -£9,113k. As such, the outturn variance of £3,161k means that C&I has achieved a net income position of -£5,952k as demonstrated in the following chart:



1.2 Summary of Revenue position by Service Area

Service Area	Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
Commercial Activity	-12,209	-9,277	2,935	24%
Property Services	6,828	7,219	391	6%
Strategic Assets	-3,461	-3,849	-388	11%
Traded Services	-271	-48	223	82%
Total	-9,113	-5,952	3,161	35%

A service level budgetary control report for Commercial and Investment Committee can be found in [Annex 1](#).

1.3 Significant Issues

At the end of March 2021, the overall position for C&I is an underachievement of £3,161k. This represents a change of £319k from the February forecast, which is mainly due to the under achievement of income in relation to Commercial Activity and an increased overspend for Property Services, offset by an increase in rental income from County Farms.

Commercial Activity

Property Investments ended the year with an underachievement of income of £1,291k, £128k higher than previously reported. This is due to loss of rental income on some properties due to the Covid-19 pandemic and final calculations of the net income due from Brunswick House. The ESPO dividend for 2020/21 has not been finalised and the outcome of this means the 2020-21 position is now an underachievement of £178k, £419k higher than previously reported. It is still expected that this return will be received from ESPO but not until 2021/22.

Property Services

Property Services ended the year with an overspend of £391k, £104k higher than previously reported. Due to increased costs for Facilities Management of £133k for maintenance costs expected for March. An additional amount of Lost Sales and Fees Compensation of £23k was received for the lost parking income due to Covid-19.

Strategic Assets

The County Farms budget ended the year with an underspend of £517k, an increase underspend of £347k since February due to an increase in income from rent for the second part of the year.

A detailed explanation of the revenue position for Commercial and Investment Committee can be found in [Annex 2](#).

Covid-19 – Financial Impact

Financial costs associated with managing the implications of the Coronavirus pandemic, including any loss of income:

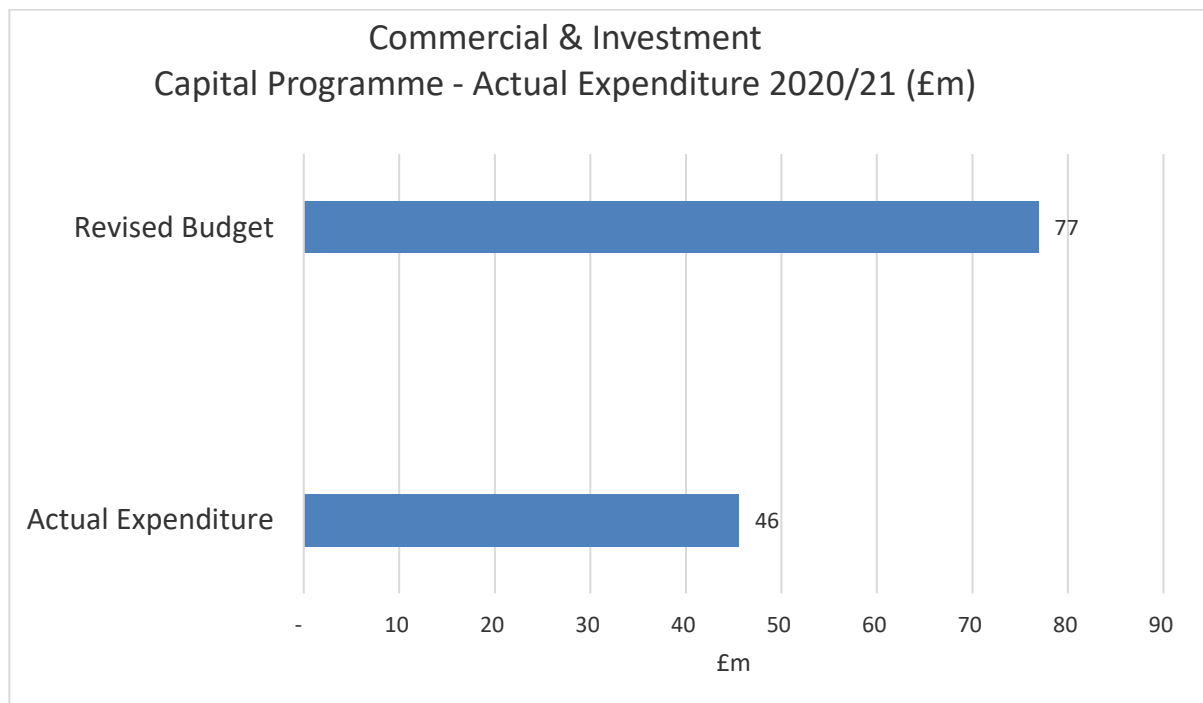
Service Area	Details	Estimated cost 2020/21 £000	2020/21 impact £000
Property Services	Loss of income from Shire Hall & Castle Court Car park	90	84
Collective Investment Funds	Reduction on annual return from CCLA fund	40	40
Contract Efficiencies & Other Income	Delay in contract negotiations during this time	371	371
Property Services	Cambs 2020 programme removal costs with regards to H&S & Risk Assessments	9	6
Property Investments	Reduction in rent received from commercial properties	1,287	1,392

Service Area	Details	Estimated cost 2020/21 £000	2020/21 impact £000
Traded Services	Reduction in income due to CPDC being closed	52	52
Collective Investment Funds	Reduction in the return in investment	859	859
Property Services	Cost of additional signage and H&S supplies and resource	55	60
Traded Services	Reduction in ICT Service income due to the closure of schools and change of roles	77	71

2. Capital Executive Summary

2.1 Expenditure

Commercial and Investment Committee ended the year with expenditure of £45.5m on the Capital Programme, against a revised budget of £76.9m:



In-year, an underspend of £31.3m is reported as the final position for C&I; this is in addition to the Capital Variations budget of £17.6m.

Significant Issues

Stanground Closed Landfill Energy Project

The Stanground Closed Landfill Energy Project ended the year with an underspend of £319k. In January 2021 the Stanground Project was placed on hold after securing planning consent. This decision was taken due to a combination of resourcing challenges for the Energy Investment Unit and the Council's Energy Performance Contractor and constraints due to Covid-19. Consequently, commencement of construction is expected to be delayed for a year from June 2021 to June 2022. This reduced the 2020/21 borrowing requirement by £319k.

North Angle Solar Farm

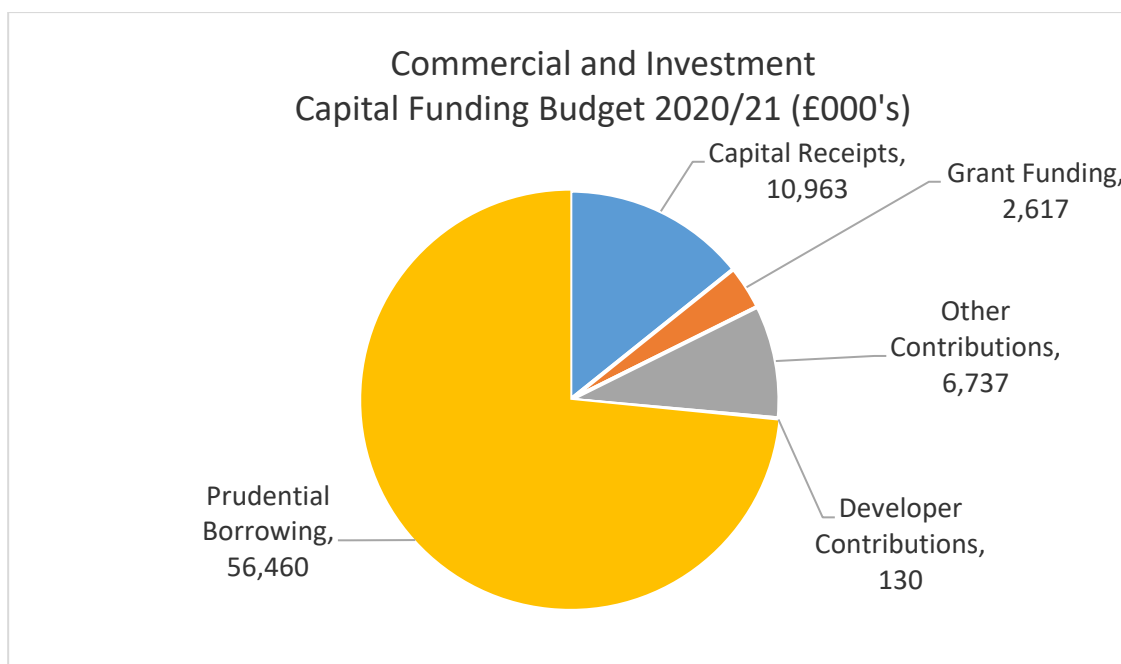
The North Angle project has ended the year with an underspend of £4,865k. This is an increase of £825k since the February forecast. The planning timetable for the North Angle project has been revised due to additional planning requirements and the incorporation of some design changes which has resulted in a minor delay to the construction timetable. Pre-mobilisation works were expected to take place during 2020/21 but will now occur in early 2021/22. This reduced the 2020/21 borrowing requirement by £4,865k.

Investment in the CCC asset portfolio

The Investment in CCC asset portfolio scheme has underspent by £3.6m in year due to delays, mainly due to the impact of Covid on planned construction works and preparatory works. The Spokes programme is well underway, and savings have been seen on existing projects. The Hawthorns budget of £771k is no longer required since it was agreed not to enhance this property for use as part of the spokes programme. A full update will be submitted to Commercial and Investments Committee in early 2021-22 outlining the savings/budget required for the remainder of the programme.

2.2 Funding

Commercial and Investment Committee had a revised capital funding budget of £76.9m in 2020/21.



A detailed explanation of the capital programme position for Commercial and Investment Committee can be found in [Annex 3](#).

3. Savings Tracker Summary

The savings tracker is produced three times a year – the quarter four table is included as [Annex 4](#).

4. Technical note

A technical financial appendix is included as [Annex 5](#), which 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 Commercial & Investment from other services (but not within Commercial & Investment), 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

Annex 1 – Service Level Financial Information

C&I Finance & Performance Report – 2020/21

Previous Forecast Outturn Variance £000's	Service	Budget 2020/21 £000's	Actual 2020/21 £000's	Outturn Variance £000's	Outturn Variance %
Commercial Activity					
1,163	Property Investments	-3,665	-2,374	1,291	35%
-241	Shareholder Company Dividends & Fees	-491	-313	178	36%
225	Housing Investment (This Land Company)	-5,796	-5,619	177	3%
371	Contract Efficiencies & Other Income	-449	-78	372	83%
1,100	Collective Investment Funds	-1,560	-360	1,200	77%
-257	Renewable Energy Investments	-248	-531	-283	-114%
2,361	Commercial Activity Total	-12,209	-9,274	2,935	24%
Property Services					
320	Facilities Management	5,829	6,282	453	8%
27	Property Services	797	814	18	2%
-40	Lost Sales, Fees & Charges Compensation	0	-63	-63	0%
-20	Property Compliance	202	185	-18	-9%
287	Property Services Total	6,828	7,219	391	6%
Strategic Assets					
-170	County Farms	-4,176	-4,692	-517	-12%
111	Strategic Assets	715	844	129	18%
-59	Strategic Assets Total	-3,461	-3,849	-388	11%
Traded Services					
94	ICT Service (Education)	-200	-139	61	31%
158	Professional Development Centres	-71	91	162	228%
252	Traded Services Total	-271	-48	223	82%
2,842	Total	-9,113	-5,952	3,161	35%

Annex 2 – Service Commentaries on the Revenue Outturn Position

Narrative is given below where there is an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater for a service area.

Property Investments

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-3,665	-2,375	1,291	35%

The Property Investments budget underachieved by £1,291k, an increase of £128k since last month, for the following reasons:

- Loss from rental income for two of the Council's properties due to the impact of the Covid-19 pandemic
- The Kingsbridge outturn improved by £225k because the debt charge reduced due to application of capital receipts to fund most of the purchase.

Shareholder Company Dividends & Fees

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-491	-313	178	36%

The Shareholder Company Dividends & Fees budget underachieved by £178k in 2020/21, an increase of £419k. This is a timing issue as the ESPO dividend for 2020/21 has not yet been declared and so is not recognised in the accounts. However, the budgeted amount is still expected to be received in full, but in the next financial year 2021/22.

Housing Investment (This Land Company)

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-5,796	-5,619	177	3%

The Housing Investment budget has reduced income of £177k on its £5.8m budget. As a result of positive cashflows into the company from a property sale, lending to This Land was lower than originally expected this year. Loans are released according to progress on works and review by the monitoring surveyor. The outturn reflects the schedule of loan funding advanced to date. The company is noting progress with planning and construction closely, given the ongoing pandemic.

Contract Efficiencies & Other Income

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-449	-78	372	83%

The Contract Efficiencies & Other Income budget has underachieved by £372k in 2020/21. This is due to the targets for savings and additional income not being met.

The commercial income expected from the sale of a modular e-learning product to other local authorities is unable to be achieved. Whilst fifteen local authorities have indicated their intention to purchase the system, due to the new lockdown and impact further on budgetary positions this 2020/21 year, they are not able to complete the purchase in this financial period. However, strong communications are being maintained with a view to achieving sales in the early to mid-period of the next financial year. Coupled with some emerging mechanisms to achieve sponsorship and advertising revenues, direct to the organisation and as a scheme with other LAs, we are expecting this income target to be fully achievable in 2021/22.

Covid-19 has impacted on all of the Council's suppliers across the organisation. Some of these suppliers are seeking relief under the PPN 02/20 guidance. It is likely that these businesses will be very much focused on recovering from the impacts of this pandemic and will not be open (or capable) of negotiating contracts.

Collective Investment Funds

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-1,560	-360	1,200	77%

The Collective Investment Funds budget has underachieved by £1,200k.

- The return on investment from the CCLA fund was £40k less than budget due to the impact of the pandemic on fund returns.
- A £20m investment into a multi-class credit fund was scheduled to take place in April/May 2020. Due to the impact of Covid-19 on the financial markets, it was necessary to reassess the viability of this fund to ensure that it still met the Council's investment objectives. A lower overall yield was selected than originally anticipated, taking account of environmental and sustainability governance. And in addition, the investment did not take place until mid-way through the financial year and at a reduced value of £14.5m. The investment has provided a return but in the context of the pandemic this return has been much lower than budgeted.

Renewable Energy Investments

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-248	-531	-283	114%

The income received from the Solar Farm this year has increased due to the favourable weather conditions over the spring and summer; there is an overachievement of income of £137k in 2020/21. We have also seen less maintenance costs this year, an underspend of £134k.

Facilities Management

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
5,829	6,282	453	8%

Property Services have overspent by £453k. This is mainly due to:

- The 2020/21 revenue budget for the Alconbury Weald Civic Hub is £175k. Based on the expected completion date for the building (Spring 2021), this budget is not required during 2020/21, therefore creating a -£175k underspend.
- The Shire Hall Car Park Income budget is forecasting to underachieve by £84k in 2020/21.
- Buildings maintenance has continued with costly repairs needed for various properties; however, we have seen a partial offset from savings on utility bills & general costs due to the temporary closure of buildings, £419k
- Lease Car Vehicle Costs of £84k, contract costs that cannot be recovered due to Covid-19 restrictions on staff travel.

County Farms

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-4,176	-4,692	-517	-12%

The County Farms budget ended the year with an underspend of £517k, an increase underspend of £347k since February due to an increase in income from rent for the second part of the year.

Strategic Assets

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
715	844	129	18%

The Shire Hall Relocation revenue budget has overspent by £129k. The initial costs associated with the Hawthorns building preparation work are a revenue pressure due to the decision to no longer use the building as part of the Cambs2020 programme. There is also a cost for storing shelving & storage that will no longer be used.

ICT Service (Education)

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-200	-139	61	31%

The ICT Service have underachieved income of £61k in 2020/21. This is due to a combination of reduced training income over the school closure period, and reduced earning potential while staff have been working on the set up of devices provided by the Department for Education. A greater online training offer is being delivered which is helping to mitigate the position.

Professional Development Centres

Current Budget for 2020/21 £'000	Actual for 2020/21 £'000	Outturn for 2020/21 £'000	Outturn for 2020/21 %
-71	91	162	228%

The Professional Development Centre has underachieved by £162k. The centre at CPDC closed in 2020/21 as part of Cambs 2020, causing a £64k pressure due to reduced income in-year. Provision for the loss of income of this closure has been included in the Business Plan for 2021/22, and as such this will be a one-off pressure.

The service has seen a further loss of £52k income due to being unable to trade as expected in the early months of the year as a result of Covid-19.

Annex 3 – Capital Position

3.1 Capital Expenditure 2020/21

Total Scheme Revised Budget £000	Original 2020/21 Budget as per BP £000	Scheme	Revised Budget for 2020/21 £000	Actual Spend 2020/21 £000	Actual Variance 2020/21 £000
		Commercial Activity			
192,416	4,101	Commercial Investments	11,323	-	(11,323)
158,222	32,050	Housing Schemes	42,300	29,798	(12,501)
1,000	-	Development Funding	200	12	(188)
3,645	3,306	St Ives Smart Energy Grid	1,110	40	(1,070)
6,306	563	Babraham Smart Energy Grid	322	227	(95)
6,969	-	Trumpington Smart Energy Grid	87	1	(86)
8,267	8,027	Stanground Closed Landfill Energy Project	491	172	(319)
2,526	-	Woodston Closed Landfill Energy Project	-	(2)	(2)
26,258	25,345	North Angle Solar Farm	5,014	149	(4,865)
40	20	Light Blue Fibre	20	20	-
643	-	Swaffham Prior Energy Project	537	601	64
-	-	School Ground Source Heat Pump Projects	213	134	(79)
907	-	Cambridgeshire Outdoor Centres	864	827	(37)
-	-	Marwick Centre Roof Repair	-	62	62
-	-	March Community Centre	400	35	(365)
-	-	Farm	3,750	3,514	(236)
475	475	LGSS Law Equity	-	-	-
407,674	73,887		66,630	35,590	(31,041)
-	-	Property Services			
6,352	600	Building Maintenance	1,042	604	(438)
345	-	Office Portfolio Rationalisation	11	2	(9)
6,405	2,965	Investment in the CCC asset portfolio	4,793	1,145	(3,648)
90	-	Property Asset Database	90	-	(90)
15,000	3,000	Decarbonisation Fund	4,500	516	(3,984)
200	200	Electric Vehicle Chargers	200	-	(200)
-	6,765		10,636	2,268	(8,368)
-	-	Strategic Assets			
1,000	100	Local Plans Representations	100	1	(99)
3,000	300	County Farms Investment	300	119	(181)
1,981	885	Community Hubs - East Barnwell	1,584	32	(1,552)
18,737	9,721	Shire Hall Relocation	14,076	6,950	(7,126)
295	-	Meads Farm House Replacement	272	239	(33)
330	-	Mill Rd - Former Library	330	11	(319)
25,343	11,006		16,662	7,352	(9,310)
669	603	Capitalisation of Interest Budget	603	306	(297)
(32,070)	(17,692)	Capital Programme Variations Budget	(17,625)	-	17,625
430,008	74,569	TOTAL	76,906	45,514	(31,392)

3.2 Capital Variation 2020/21

A summary of the use of capital programme variations budget is shown below. As forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

Service	Capital Programme Variations Budget £000	Outturn Variance 2020-21 £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Outturn Variance 2020-21 £000
C&I	-17,625	-49,017	-17,625	100%	-31,392

3.3 Capital Funding 2020/21

Original 2020/21 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2020/21 £000	Actual Spend 2020/21 £000	Variance £000
3,736	Capital Receipts	10,963	1,900	(9,063)
1,373	Grant Funding	2,617	985	(1,632)
6,731	Other Contributions	6,737	-	(6,737)
130	Developer Contributions	130	-	(130)
62,599	Prudential Borrowing	56,460	42,639	(13,831)
74,359	TOTAL	76,906	45,514	(31,392)

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 below:

Commercial Investments

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/pressure £'000	Variance Rephasing £'000
11,323	-	-11,323	-11,323	-

The Commercial Investment scheme has underspent by £11.3m. There are no active plans at this stage for investment, given the current market conditions and general uncertainty. This has reduced the capital receipt requirement.

Housing Schemes

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/pressure £'000	Variance Rephasing £'000
42,300	29,798	-12,501	-	-12,501

The Housing scheme has underspent by £12,501k. As a result of positive cashflows into the company, lending to This Land has been lower than originally expected this year. Loans are released according to progress on works and review by the monitoring surveyor. This has

reduced the borrowing requirement in year by £12.1m and the capital receipts requirement by £0.4m.

St Ives Smart Energy Grid

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
1,110	40	-1,070	-1,070	-

The St Ives Energy scheme has underspent by £1,070. Due to ongoing delays in securing necessary grant funding, forecast expenditure to support the construction of the Smart Energy Grid has been delayed until 2021/22.

Stanground Closed Landfill Energy Project

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
491	172	-319	-	-319

In January 2021 the Stanground Project was placed on hold after securing planning consent. This decision was taken due to a combination of resourcing challenges for the Energy Investment Unit and the Council's Energy Performance Contractor and constraints due to Covid-19. Consequently, commencement of construction is expected to be delayed for a year from June 2021 to June 2022.

This has reduced the 2020/21 borrowing requirement by £319k.

North Angle Solar Farm

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
5,014	149	-4,865	-	-4,865

The planning timetable for the North Angle project has been revised due to additional planning requirements and the incorporation of some design changes which has resulted in a minor delay to the construction timetable. Pre-mobilisation works, including road reinforcement, were expected to take place during 2020/21 but will now occur in early 2021/22. This reduced the 2020/21 borrowing requirement by £4,865k.

Swaffham Prior Energy Project

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
537	601	64	-	-

Delivery timescales for the commercialisation phase of the Swaffham Prior project have been accelerated in order to submit a Stage 1 application for Renewable Heat Incentive (RHI) funding for the project as early as possible. An application was submitted in November 2020, locking in current tariff values for both ground source and air source heat pumps. The project was awarded a commercialisation grant of £355,000 under the government's Heat

Network Investment Project (HNIP) in July 2020 which will fund the additional expenditure in 2020/21.

School Ground Source Heat Pump Projects

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
213	134	-79	-	-79

Commercial and Investment Committee approved a £213k development budget for three school ground source heat pump projects at Comberton Village College, Impington Village College and The Galfrid School in November 2020. This will be funded by prudential borrowing. The Comberton project is around a month behind schedule so final Investment Grade Proposal development costs have run into the start of 2021/22. The Impington Village College project has been cancelled prior to finalisation of the IGP due to financial viability issues. This reduced the 2020/21 borrowing requirement by £79k.

March Community Centre

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
400	35	-365	-	-365

March Community Centre has been delayed due to asbestos issues and is now due to be completed by end of May. The scheme has underspent by £365k in 2020/21.

£0.4m of EU funds have been allocated to the refurbishment project for the March Community Centre. This project will expand the workshop and teaching space at the venue, enabling the service to deliver a revised and refocused learning programme in Fenland, focussing on vocational skills and employability. The funds are due to be claimed in full from the Cambridgeshire and Peterborough Combined Authority by June 2021. No additional prudential borrowing is required for the project.

Farm acquisition

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
3,750	3,514	-236	-186	-50

The acquisition of a new farm was approved by GPC in November 2020. The expenditure in 2020/21 was for the acquisition, with costs related to planning expected in later years. This scheme is funded by prudential borrowing.

Building Maintenance

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
1,042	604	-438	-	-438

Building Maintenance scheme has underspent by £438k. The building work expected for March Community Centre, Huntingdon Youth Centre, Butts Grove and Yaxley has been delayed. The work required will be re-assessed in 2021/22.

This has reduced the 2020/21 borrowing requirement by £438k.

Investment in the CCC asset portfolio

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
4,793	1,145	-3,648	-	-3,648

The Investment in CCC asset portfolio scheme has underspent by £3.6m in year due to delays, mainly due to the impact of Covid on planned construction works and preparatory works. The Spokes programme is well underway, and savings have been seen on existing projects. The Hawthorns budget of £771k is no longer required since it was agreed not to enhance this property for use as part of the spokes programme. This has reduced the borrowing requirement in year by £3.6m and the budget available moved over to 2021/22, however a full update will be submitted to Commercial and Investments Committee in early 2021/22 outlining the savings/budget required for the remainder of the programme.

Decarbonisation Fund

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
4,500	516	-3,984	-3,984	-

The Decarbonisation Fund scheme has underspent by £3.9m. Several major projects have been delayed due to a combination of factors including practical issues onsite due to Covid-19, planning permission and supplier delays also linked to the pandemic. Some projects have also been cancelled due to uncertainty surrounding long term use of the sites. However, 20 projects totalling £4.4m in value are currently in progress and a further £2.4m of schemes are cleared to proceed. The underspend for 2020/21 has reduced the borrowing requirement in year by £3.9m.

In addition, £3.4m has been awarded by the Public Sector Decarbonisation Scheme, a £1bn fund from BEIS and administered by Salix Finance, aimed at decarbonising heat in public buildings. £0.5m will be spent this financial year and £2.9m in 2021/22. This reduces the 2020/21 borrowing requirement by a further £0.5m.

The Community Hubs – East Barnwell

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
1,584	32	-1,552	-	-1,552

The Community Hubs – East Barnwell scheme has underspent by £1,552k in 2020/21; the only costs in 2020/21 will be related to planning, and any construction costs will be in future years. The planning application is due approx. July/August after C&I approvals. This will reduce the developer contributions applied this year by £260k and the prudential borrowing requirement in year by £1,292k.

Shire Hall Relocation

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
14,076	6,950	-7,126	-	-7,126

The Shire Hall Relocation scheme has underspent by £7m in 2020/21. This is mainly due to the initial impact of Covid 19 on planned construction works. The building is now watertight with completion of the roof and glass façade, as well as the internal walls, allowing the first fix of electrical, plumbing, and mechanical installations to get underway. Completion is now expected in late summer-early autumn. This has reduced the borrowing requirement in year by £7.1m.

Mill Road (former library)

Revised Budget for 2020/21 £'000	Actual Spend 2020-21 £'000	Actual Variance 2020-21 £'000	Variance Underspend/ pressure £'000	Variance Rephasing £'000
330	11	-319	-	-319

The Mill road Scheme has underspent by £319k. The preliminary works have started and at the moment notwithstanding any unforeseen works or further damage than visual inspection have identified, completion in July 2021 is expected.

This has reduced the 2020/21 borrowing requirement by £319k.

Annex 4 – Savings Tracker Quarter 4

Reference	Title	Original Saving 20/21	Current Forecast - Q1	Current Forecast - Q2	Current Forecast - Q3	Current Forecast - Q4	Saving 20/21	Variance from Plan £000	% Variance	RAG	Forecast Commentary
F/R.6.003	Babbage House closure	-397	0	0	0	-397	-397	0	0	Green	Babbage House is now closed.
F/R.6.108	Energy Efficiency Fund - Repayment of Financing Costs	-8	0	0	0	-8	-8	0	0	Green	Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs.
F/R.7.105	Renewable Energy Soham - Repayment of Financing Costs	-18	-18	0	0	0	-18	0	0	Green	Increased income received
F/R.7.106	Utilisation/commercialisation of physical assets (One Public Estate)	-36	0	0	0	0	0	36	100	Black	Income from parking – not met in 2020/21
F/R.7.110	Return on Commercial Property Investments	-105	0	0	0	0	0	105	100	Black	This was an extension of the current target, which has not been met due to delayed investment.
F/R.7.113	Invest to Save Housing Schemes - Income Generation	54	0	0	0	54	54	0	0	Green	Net reduction in income from loans from This

Reference	Title	Original Saving 20/21	Current Forecast - Q1	Current Forecast - Q2	Current Forecast - Q3	Current Forecast - Q4	Saving 20/21	Variance from Plan £000	% Variance	RAG	Forecast Commentary
											Land expected in 20/21
F/R.7.127	County Farms – Commercial uses	-75	-38	0	-37	0	-75	0	0	Green	Rental income increased, but not due to commercial investment
F/R.7.130	Increase in ESPO dividend	-250	0	0	0	-250	0	250	100	Black	ESPO dividend saving is expected to be achieved; however, it was not declared in time.
F/R.7.129	Pooled Property Fund Investment (CCLA)	-420	-95	-80	-80	-125	-379	41	9	Amber	The return from the CCLA fund improved later in the year, after initially granting rental breaks

Annex 5 – Technical Note

1. Grant Income Analysis

There is no additional grant income to record in 2020/21.

2. Virements and Budget Reconciliation

Budgets and Movements	£'000	Reported
Budget as per Business Plan	-9,205	
Transfer of budget to Shire Hall Relocation, as agreed for the Babbage House move.	15	May 2020
Transfer of the Ely Archive Centre budget from P&C to Property Services	83	May 2020
Transfer of budget from Property Services to Information Management for offsite storage	-20	June 2020
Transfer of budget from Finance to Shareholder Company Dividends & Fees budget for Non-Exec Director costs	-35	September 2020
Transfer for the pay award and mileage savings for Q2.	4	October 2020
Transfer for mileage savings for Q3	-16	February 2021
Insurance budget transfers	60	March 2021
Transfer for mileage savings for Q4	-2	March 2021
Revised Budget	-9,113	

3. Reserve Schedule

Fund Description	Balance at 01 April 2020	Movements in 2020/21	Balance at 31 Mar 2021	Notes
Other Earmarked Funds				
Specific property reserves	709	-19	690	1
Shire Hall relocation	0	483	483	2
Capital Reserves				
General Capital Receipts	11,632	-771	10,861	3
TOTAL	12,341	-307	12,034	

Notes

- 1 Mainly related to the North Cambridge Academy site - rental income from Bellerbys buildings on the site is being held to offset demolition costs when the lease expires in 2021.
- 2 Shire Hall relocation costs were previously part of the central contingency reserve but are now shown separately.
- 3 General Capital Receipts received during 2020/21 were be used to fund the capital programme at year-end, and This Land Capital Receipts used to purchase equity in This Land, or as decided by GPC/Full Council.