Appendix A

Integrated Finance Monitoring Report
October 2023

Contents

1. Executive Summary

1.1 This report presents financial information to assess progress in delivering the Council's Business Plan.

The Council's financial accounts are produced annually and are available on our website.

The Council's total service budgets for 2023/24 are:

- Revenue: £501m net budget
- Capital: £195m (with a total programme of over £1bn)

As well as this, the Council has a Dedicated Schools Grant (DSG) funded budget of £114m, which mainly relates to High Needs spend.

The table below shows the key forecast information by service:

Directorate/Area	Forecast Revenue Budget Variance £000	Forecast Revenue Budget Variance %	Forecast Net Capital Budget Variance £000	Forecast Net Capital Budget Variance %
Children, Education & Families – non-DSG	10,670	8.3%	0	0.0%
Adults, Health & Commissioning	-365	-0.2%	0	0.0%
Place & Sustainability	3,256	4.8%	0	0.0%
Strategy & Partnerships	118	0.6%	0	0.0%
Finance & Resources	-121	-0.9%	0	0.0%
Capital Financing	-1,586	-4.2%	-	-
Corporate & Funding Items	-6,408	-33.7%	-	-
Net Spending Total (+ overspend / - underspend)	**5,565**	1.1%	**0**	**0.0%**
Public Health	-652	-	-	-
Children, Education & Families – DSG	10,149	-	-	-

Detailed financial information about each service area is contained in the relevant Finance Monitoring Report. These can be found published at each scheduled committee meeting. Summary financial information in this report is presented with the assumption that any accompanying recommendations to committees will be agreed.

1.2 Key Issues

The Council is currently forecasting an improved £5.6m net overspend across all services for 2023-24 (down from £9.3m in September). This report sets out in detail the key pressure areas of income generation from renewable energy schemes and looked after children staffing and placement costs. The improvement in forecast is the result of additional one off mitigation, and the initial impact of concerted efforts to reduce financial pressure in key services through targeted action that has been previously reported. Despite the improved position, pressures remain and cause a risk to our long-term financial picture. The report sets out other pressures that are mitigated in-year but present a risk to the council's longer-term financial position.

The overspend position in the Children, Education and Families directorate is concerning. National issues around the cost of placements for looked after children with the highest needs are impacting us, with constrained supply of places driving costs up. As well as this, we are engaging a large number of agency social workers covering vacant posts, whilst focusing on permanent recruitment and 'grow our own' initiatives. This costs more than the allocated staffing budget available. We are also seeing an overspend expected on home to school transport services. This likewise links to constrained supply and increased needs, particularly linked to the increasing number and complexity of children with special educational needs and disabilities.

Energy generation schemes are expected to deliver income later than forecast, that is now suggested in July 2024-25 and so is a one-off, in-year pressure but also impacts on the 2024-25 gap. The financial challenge in Children, Education & Families has increased since last reported and relates to the placements budget, is acute and at risk of adding permanent cost to the council and pose a risk looking ahead to the medium-term financial plan.

We remain in a position where our waste disposal budget is significantly overspent due to the need to landfill additional waste following the closure last year of the waste management plant at Waterbeach due to odour regulations. We are considering the options available to us regarding the long-term arrangement, but in the meantime additional costs of at least £100k per week are faced. These are mitigated in year by the planned use of reserves, the specific value of which will be confirmed at the end of the year.

Reported pressures within demand-led services have a risk of worsening as the year progresses, in particular adult social care services can be volatile heading into winter.

Directorates are considering further mitigations to the position to offset pressures both within and across departments to contain income and expenditure within approved budgets for 2023-24, with a requirement for stronger controls to be put in place – but as we get further through the year the in-year impact of these are reduced. These include constraining expenditure on non-essential items and recruitment to non-essential posts, continuing review of spend considered to be essential, a sustained reduction in the use of agency staff and reviewing local schemes of delegation for spending decisions. Opportunities to reduce or delay capital expenditure are continuing to be explored alongside business planning, and the council's reserves balance are being reviewed to identify any that can be re-allocated to reserves that underpin financial resilience. We are also maximising, where possible the use of grant funding to substitute existing budgeted spend where allowable by grant conditions.

1.3 Key Issues by Directorate/Area

1.3.1 Adults, Health & Commissioning

The overall position for Adults, Health and Commissioning at the end of October 2023 is a small forecast underspend of £365k (0.2% of budget). This masks underlying pressures of £1.2m on care and support costs. However, this is a significant improvement on the position reported in September, largely due to increased expectations around client contributions to care costs. This is an ongoing volatile position with some high-cost packages which can change the forecast quickly. As a result, close attention is paid to changes in demand and costs and income as the year progresses and forecasts are adjusted accordingly.

The current in year pressures are mainly driven by movements in the net numbers of older adults supported in bed-based care. In the years immediately following the covid pandemic we had seen reduced numbers of net placements into care settings, for Older Adults, compared to pre pandemic levels. As such it has proven more challenging to use historical trends to forecast future demand and activity. Net placements during 2023/24 have been rising once more and exceeding forecast numbers built into our budget for 2023/24. Mitigations through the application of grants are in place for 2023/24, but much of this funding is one off and will not be available in 2024/25. Therefore, the current increases in net care placements will lead to continuing pressures in the years ahead as the full year effect of current year increases is seen.

Further mitigating actions involve a review of those people in receipt of services in areas where the overspend is reported, to ensure forecasts for the remainder of the year for both expenditure and income reflecting planned activity. There is also a deep dive review of domiciliary care, along with the use of bed-based care against the forecast budget, in particular for discharges from hospital to ensure the correct pathways are being maximised.

The legacy of Covid is still being felt, and impact on Adult Social Care is not fully understood, on demand for our broad range of services, as well as with capacity of providers to deliver our requirements and continue to provide support to markets. Adult Social Care continues to feel the consequences of paused work and backlog on teams, and of reviews and assessments, changing demographics projections and the demand for services. The care market also manages the impact with both resident population and staff recruitment and retention a factor.

Whilst there has been significant investment into the care sector, including workforce, primarily through Adult Social Care Market Sustainability and Improvement Fund which has helped, the whole adult social care market remains fragile to other factors that may impact on it. Care providers are continuing to report cost pressures related to both workforce issues and the current cost of living crisis.

The position of the care market, particularly around specific types of provision and location, is making some placements more difficult to source, particularly at the more complex end of provision.

Hospital Discharge systems continue to be pressured to manage flows and demand on their services, with a subsequent focus on timely, safe and effective discharges into the correct pathways; although additional funding has been provided to both the Council and wider partners to help address these issues. The long-term legacy of the impact of the pandemic remains unclear and the implications this has on future demand for services, greater need for community support due to backlogs in elective surgery, and the availability of a skilled and experienced workforce and the wider health inequalities on our communities.

The budget for 2022/23 assumed an increased contribution from the NHS towards Learning Disability packages reflecting a shift in the percentage of packages that should be funded from Health budgets. For the current financial year we have made provision for this increased contribution, but the joint project between the Integrated Care Board (ICB) and the Council to review those packages required to agree a revised split of costs going forwards for the pool did not proceed as expected. The Council has now served notice to end the cost sharing arrangements of the pooled budget. There is a risk of short-term financial pressures from this decoupling as we move to separate budgets for health and social care.

1.3.2 Children, Education & Families

In line with national trends, we currently have a small number of young people in very high-cost placements which is causing a significant weekly pressure against the budget. A reduced forecast of £5.737m is now being reported against Children in Care Placements, this reduction is a result of step-downs in high-cost placements to bring young people into sustainable placements that are at a more manageable cost. We still currently have a small number of young people in very high-cost placements which is causing a significant weekly pressure against the budget. If forecast to year-end, these placements would leave us in a significant overspend position, and whilst the service is working hard with relevant agencies to secure placements at more manageable costs, it is proving extremely difficult to secure appropriate regulated placements for these young people, due to a combination of complexity of need and a saturated external market. This has led to an increase in the length of some of the very high-cost placements being forecast, which has worsened the forecast overspend position. This position is being carefully monitored and the service is working hard to control cost where possible, including the weekly complex placement meeting to track all unregulated and high-cost placements and ensure all agencies are working towards more suitable, stable and cost-effective placements for these children. We are also continuing our market engagement with our providers to develop more cost-effective arrangements for current and future children needing placements.

A revised net forecast overspend of £1.286m is now being reported across Children and Safeguarding. Continuing high levels of agency staffing covering vacancies, along with additional agency project teams are being offset by unallocated budget and unused Social Care Grant reserves from previous financial years, as well as underspends on fostering and adoption allowances.

A net forecast overspend of £756k is now being reported across Education (excluding Home to School Transport). As a result of delays in implementing a new ICT service, the proposed efficiency savings of £223k are now unlikely to be delivered until the 2025/26 financial year. The Education ICT Service is now also reporting an increased pressure of £126k due to reduced income from schools. Special Educational Needs and Disabilities (SEND) Specialist Services are reporting a forecast of £500k across the Education Psychology (EP) service and SEND Head of Service. The EP service is experiencing a continuing increase in demand for Education Health and Care Needs Assessments (EHCNA) which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. We have seen a 24% increase in the number of requests for assessments for SEND. The SEND Head of Service pressure is a result of additional speech and language therapy costs and back care training costs. Both service areas are in discussion with relevant health organisations around performance and responsibility for payment.

A revised forecast of £3.508m is now being reported across the Home to School Transport budget lines. There are increasing concerns around the home to school transport budget areas following the summer procurement rounds, which, due to lack of supply in the market, saw between 7% and 8% uplifts on the same route previously. This inflationary impact continues to be a live issue for the delivery of home to school transport. Alongside this, recent admissions data shows that growth of children and young people with SEND will continue to rise above what is forecast, therefore creating a higher demand for more complex routes, such as solo travel.

1.3.3 Place & Sustainability

In summary, Place and Sustainability (P&S) is now forecasting an overspend of £3,256k. There is a pressure on Energy Services of £4,058k across all its projects. The supply chain for these projects, like the rest of the construction industry, is facing significant challenges including rising costs of energy, securing key equipment and materials along with a widespread shortage of skilled labour. This is creating longer lead in and delivery times for these projects. As a result, income against these projects have been budgeted to be received from July 2023, however owing to delays to commencing these contracts the income will now be on a different profile than that assumed in the budget. An update on the projects is provided in Appendix 2.

The P&S directorate is a large and complex budget area that has a variety of services and significant income streams which require detailed monitoring and have the potential for variances. Highways development management is now billing in advance and so there is a one-off additional income being achieved. The Waste Management budget is also a high-risk budget area, and the service is working with the contractor to identify cost reductions which can be made.

All budgets are being reviewed to see if there are any mitigations to offset the bottom line pressure.

1.3.4 Finance & Resources, and Strategy & Partnerships

The national and local pay awards have been set within budget for this financial year, alleviating a key risk to our forecast position. We are seeing increased income from our treasury investments, and only property services are reporting a material pressure this year as farms income is lower than the challenging budget set.

Within Strategy & Partnerships, budgets have been re-aligned following the establishment of the Policy, Insight & Performance Service, which is expected to balance to the budget set for it.

1.3.5 Public Health

At the end of October 2023, the Public Health Directorate is forecasting an underspend of £652k (1.6%).

The Public Health Directorate is funded wholly by ringfenced grants, mainly the Public Health Grant. The work of the Directorate was severely impacted by the pandemic, as capacity was re-directed to outbreak management, testing, and infection control work. The Directorate has now returned to business as usual following the pandemic but there are ongoing issues that continue to impact on activity and spend:

i) much of the Directorate's spend is contracts with, or payments to Primary Care (GP practices and community pharmacies) for specific work. Primary Care continues to be under pressure, and it may take some time for activity levels to return to pre pandemic levels; and

ii) the unprecedented demand for Public Health staff across the country meant recruitment became very difficult through the pandemic resulting in underspends on staffing budgets. The position within the Public Health team has improved with recruitment becoming easier, but recruitment challenges continue to be reflected in our provider services which has affected their ability to deliver consistently.

2 Revenue Budget

2.1.1 This table shows summary information for the Council's 2023-24 revenue budgets at the end of October 2023 (key variances are reported in appendix 1). The forecast is shown both gross and following mitigations (planned or unplanned); mitigations are listed in the tables at 2.1.2:

Line	Previous Forecast Variance £000	Directorate/Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Unmitigated Forecast Variance £000	Forecast Variance £000	Forecast Variance %	Movement in Forecast £000s
1	11,855	Children, Education & Families (non DSG)	163,788	-34,943	128,845	67,902	11,303	**10,670**	8%	-1,185
2	-55	Adults, Health & Commissioning	343,526	-129,830	213,696	123,343	1,066	**-365**	0%	-310
3	3,528	Place & Sustainability	103,615	-35,291	68,324	40,182	5,293	**3,256**	5%	-272
4	108	Strategy & Partnerships	26,512	-7,534	18,978	5,931	118	**118**	1%	10
5	281	Finance & Resources	47,805	-33,620	14,184	12,778	-121	**-121**	-1%	-402
6	-1,200	Capital Financing	58,884	-20,742	38,141	2,040	-1,586	**-1,586**	-4%	-386
7	-5,256	Corporate and Funding Items	19,731	-710	19,021	-1,181	-4,401	**-6,408**	-34%	-1,152
	9,261	**CCC Core Spending Total**	**763,861**	**-262,670**	**501,191**	**250,995**	**11,673**	**5,565**	**1%**	**-3,696**
8	4,418	Children, Education & Families (DSG)	156,780	-156,780	0	-4,523	10,149	10,149	-	5,731
9	-412	Public Health	41,587	-41,587	0	-9,084	-652	**-652**	-	-240
	13,267	**Total including ring-fenced budgets**	**962,228**	**-461,037**	**501,191**	**237,389**	**21,170**	**15,062**	**3%**	**2,035**
		Funding delegated to maintained schools	132,391	-132,391	0					
		Total Budget	**1,094,619**	**-593,428**	**501,191**					

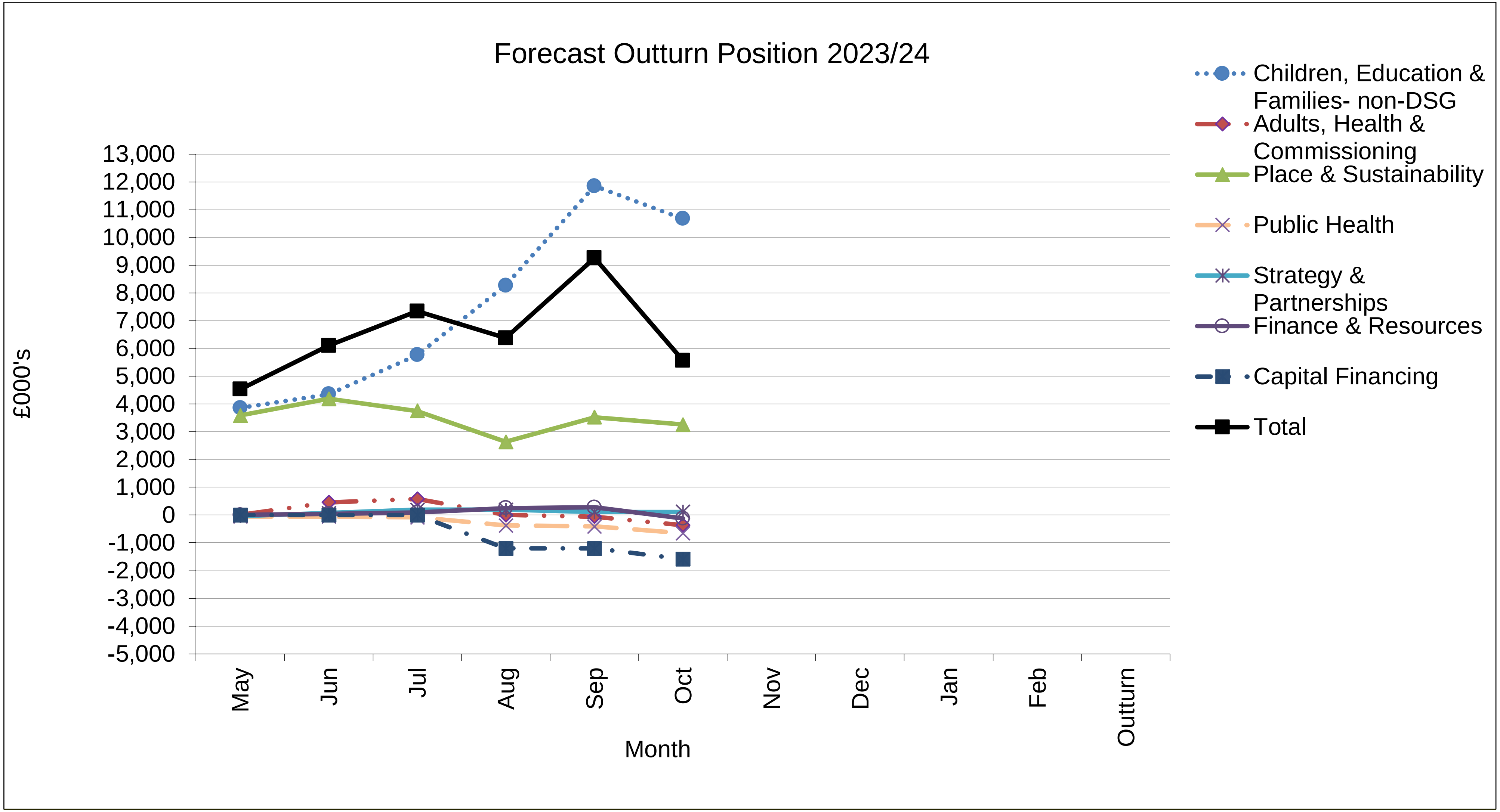
Notes on this table:

1. The actuals figures are net.
2. Numbers are presented based on current information, with adjustments for any recommendations proposed for Committee in this report.
3. Lines 8 and 9 show ring-fenced budgets, with any outturn variance treated separately to core council budgets. Any variance on Public Health goes to the PH grant reserve, and the balance for DSG is subject to separate accounting requirements. More information can be found on the DSG in section 2.2.
4. Negative actuals in lines 7, 8 and 9 relate to grants and other income being received in advance of spend taking place, which helps the council's cashflow and reduces the need for borrowing

2.1.2 The tables below show the types of mitigations applied to service forecasts above, and the nature of those mitigations:

Directorate/Area	**Unmitigated Forecast Variance £000**	**Planned Reserves Use £000**	**Use of Grant Funding £000**	**Mitigated Forecast Variance £000**
Children, Education & Families- non-DSG	11,303		-633	10,670
Adults, Health & Commissioning	1,066		-1,431	-365
Place & Sustainability	5,293	-2,037		3,256
Strategy & Partnerships	118			118
Finance & Resources	-121			-121
Capital Financing	-1,586			-1,586
Corporate and funding items	-4,401		-2,007	-6,408
Total	**11,672**	**-2,037**	**-4,071**	**5,564**

Directorate and assumed mitigation	**Planned Reserves Use £000**	**Use of Grant Funding £000**
CEF: use of grant funding to mitigate service pressures in line with grant conditions		-633
AHC: use of grant funding to mitigate service pressures in line with grant conditions		-1,431
P&S: use of service and corporate reserve to offset Waste pressure	-1,845	
P&S: use of service reserve to offset Registration & Citizenship Services pressure	-192	
Corporate: core budget available following use of grant funding across the council on eligible services		-2,007


Forecast Outturn Position 2023/24
£000's
13,000
12,000
11,000
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
-1,000
-2,000
-3,000
-4,000
-5,000
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Outturn
Month
Children, Education & Families- non-DSG
Adults, Health & Commissioning
Place & Sustainability
Public Health
Strategy & Partnerships
Finance & Resources
Capital Financing
Total

2.2 Dedicated Schools Grant

2.2.1 The below table summarises the overall DSG position in terms of overall funding for Cambridgeshire schools, funding that flows through the council, and funding that forms part of our budget:

	£000
Gross DSG Income to be received	603,372
Less Academy Recoupment	-314,201
DSG within CCC's gross budget	**289,171**
of which spent or commissioned by CCC	*156,780*
of which delegated to maintained schools	*132,391*
Less High Needs Place Recoupment	-16,614
Total DSG estimated to be Received in 23/24	**272,557**

2.2.2 Within the DSG budgets spent and commissioned directly by the council, there is significant pressure particularly on high needs spend. This table shows a summary of the position of the Council's Dedicated Schools Grant position before further action:

Opening Deficit Balance 2023/24	£29.2m
Forecast in-year movement **(Excluding 2023/24 DfE Safety Valve payment and LA contribution)**	£10.1m
Forecast Closing Deficit Balance 2023/24 **(Excluding 2023/24 DfE Safety Valve payment and LA contribution)**	£39.3m

2.2.3 A cumulative DSG deficit of £29.2m was carried forward into 2023-24.

2.2.4 In 2020-21 the Department for Education (DfE) introduced the safety valve intervention programme in recognition of the increasing pressures on high needs.

2.2.5 As a result of the Safety valve agreement with the Secretary of State for Education the local authority received an initial payment of £19.6m in March 2023 to reduce the overall DSG deficit. Alongside this, a local authority contribution of £2.5m has been applied, resulting in the cumulative deficit of £29.2m carried forward into 2023/24.

2.2.6 To the end of October the reported net DSG forecast has worsened to £10.1m in year overspend, which is £6.3m off track of the agreed safety valve position. Demand and pressure on high needs budgets have continued to increase despite the work of the safety valve programme to date. We are in active discussions with central government about next steps to bring this work back on track, and are continuing to refine and validate projections.

2.2.7 Being off track risks the safety valve funding committed by central government, and increases the risk that council resources will be required to meet the high needs deficit.

2.3 Savings Tracker

2.3.1 The Savings Tracker is a reporting tool for summarising delivery of planned revenue savings. Within the Tracker, the forecast delivery of savings is shown against the original saving approved in the 2023-28 Business Plan. The Tracker is completed at the end of each quarter and reported in the next IFMR going to committee. It is important to note the relationship between the reported savings projections and the overall revenue financial position reported in this report. As pressures arise in-year, further mitigation and/or additional savings will be required to deliver a balanced position.

2.3.2 Currently, the Council is on track to deliver £9.7m of savings against its original plan. Blue rated savings (savings that will overachieve) total £1.3m. Green rated savings total £6.1m. Black savings (ones that will not achieve any of the original target) total £2.3m and require mitigations by relevant departments. The Savings Tracker as at the end of quarter 2 is included as Appendix 5 to this report.

2.3.3 A summary of 2023-24 Business Plan savings by RAG rating is shown below:

RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	Total Original Savings £000	Total Forecast Variance £000
Blue	-1,111	-179	Green	-6,149	0	Amber	-2,508	935	Red	-5,712	5,030	Black	2,284	2,284	--17,764	8,070

2.3.4 The full description of each RAG status is included in the detailed appendix 5 – in summary, blue savings are forecast to over-achieve, green are forecast to fully achieve, amber and red are forecast to not fully achieve, and black are expected to not achieve at all.

3. Revenue Funding Changes

This section highlights any new in-year changes to revenue budgets or funding that have taken place or that are proposed for agreement by Committee.

3.1 Social Care Support Grant

3.1.1 The council receives £31.6m from government for this grant. It is an unringfenced grant but given with the intention of supporting social care budgets (both adult and children's social care). As an unringfenced grant, the majority sits corporately and forms part of the council's base budget. However, a small amount of the original grant was allocated more discretely to service budgets - £633k was allocated to adult social care and £400k to children's.

3.1.2 Due to the current pressure faced by children's services, and the current close to balanced position forecast by Adults, Health & Commissioning, it is proposed to transfer the grant-funded budget supporting adult social care over to mitigate the position on children's social care for this year. There remains a separate risk reserve focused on adult services that provides some insurance against the service requiring this funding once transferred, and we are closely monitoring the forecast position across all demand-led budgets.

Recommendation: to agree a virement of £633k of social care support grant-funded budget from Adults, Health & Commissioning to Children, Education and Families

3.2 Public Health Reserves

The Public Health reserve balance at the end of October 2023 stood at £6.64m. Of this balance, £709k was uncommitted.

The Council's Public Health team have been reviewing the potential usage of the uncommitted reserves and put forward to Strategy, Resources and Performance Committee the following proposals for work to reduce health inequalities and help the pandemic recovery:

Reserve usage	Total Cost
1. School based interventions to address obesity	£389,000
2. Tackling childhood anxiety	£320,000

Further detail on these areas is set out below:

1. School based interventions to address obesity

Obesity is considered to be the most pressing public health challenge. There is robust data collected through the annual National Child Weight Measurement Programme (NCMP) that measures reception (5/6 year) and year 6 (10/11 years) children in maintained schools. For over two decades rates of childhood obesity have increased and stagnated at a high level. The COVID-19 pandemic exacerbated these high rates especially amongst year 6 children, with around a third either overweight or obese.

During the past two years in Cambridgeshire, we provided funding for piloting primary school-based interventions to address low levels of physical activity and poor nutrition. Additional Contain Outbreak Management Fund (COMF) funding has been secured to build on this pilot work because of the impact that the Covid-19 pandemic has had on childhood obesity, which is one of criteria for allocating the Fund. There is increasing evidence that incentives have a role in behaviour change at an individual but also at an organisational level. The proposal for use of Public Health reserves is that an incentive payment is made to schools where their projects/interventions have evaluated positively in terms of changing the school environment, pupil and staff behaviour change. The aim is to increase engagement but also encourage and support schools to embed and sustain their projects without ongoing funding.

2. Tackling childhood anxiety

A whole school approach and holistic model to address and prevent anxiety and to support children, young people, school teachers and parents to limit school absences due to anxiety and other mental health related issues. The funds will be primarily focused to support the schools in Cambridgeshire that do not currently benefit from having mental health support teams (157 out of 285 schools do not have an Mental Health Support Teams (MHST) allocated). This is approximately 60% of Cambridgeshire schools. However, it is also expected that some of the funds will be spent to provide specific and extra support to the schools that do have mental health support teams to address anxiety that contributes to school attendance issues.

The funds will buy expert resources in terms of employing trained specialists to work in and with schools to design and deliver tiered programmes of activity working with children and young people, teachers and parents with evidence-based interventions that are known to address anxiety and reduce school absence rates that are due to social anxiety.

This will fully commit the current Public Health reserve balance.

Recommendation B: To allocate across 2023/24 and 2024/25 £389k Public Health reserves to School based interventions to address obesity and £320k to tackling childhood anxiety

3.3 Insurance Settlement

3.3.1 Following a major fire at Duxford Primary School on 31 July 2020 a negotiated position has now been reached to settle the remaining matters covered by insurance policies. The finalised sums due to the Council are as follows:

Item	Amount
Buildings	£1,080k
Increased cost of working	£460k
Contents	£54k
Total valuation	**£1,594k**
Less Deductible (funded by the Council)	(£260k)
Less Interim payment already received from Insurers	(£766k)
Balance due	**£568k**

3.3.2 The school has not been reinstated like-for-like and the opportunity was taken to undertake improvements that were in the planning pipeline for the school at the time of the loss. It has been necessary to determine with the appointed loss adjuster the appropriate settlement for mobile accommodation during the period of the works (which forms part of the increased costs of working item above). Following liaison between the Council's Insurance and Education Capital teams, and negotiation with the insurer, it is acknowledged that mobile accommodation would not have been necessary for the works planned prior to the fire. Officers are content that the settlement reached reflects the additional costs for the Council based on an agreed reinstatement period for the school had the Council reinstated like-for-like.

3.3.3 This offer of settlement has been carefully reviewed against assessed costs and is recommended as appropriate as it reflects the extent of the costs that would have been incurred had the school been reinstated like-for-like. Technical advice and surveying was required from a loss adjuster and quantity surveyor.

3.3.4 The amount the Council is due to receive in final settlement of the claim is £568k. £766k had already been received as an interim payment, and under the terms of the Council's relevant insurance policy, the Council itself is responsible for the deductible (or excess) of £260k.

Recommendation C: Approve an agreement reached with the Council's insurers determining the insurance payout arising from a school fire

4 Capital Programme

4.1 Capital programme financial position

Previous Forecast Variance £000	Service	Gross 2023/24 Budget £000	Capital Programme Variations 2023/24 Budget £000	Net 2023/24 Budget £000	Actuals £000	Net Forecast Outturn Variance £000	Forecast Outturn Variance %	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
0	Place & Sustainability	97,664	-24,489	73,175	21,006	0	0.0%	652,287	2,092
0	Children, Education & Families	118,352	-17,826	100,526	44,635	0	0.0%	407,514	-1,500
0	Adults, Health & Commissioning	6,032	-57	5,975	4,783	0	0.0%	114,008	0
0	Strategy & Partnerships	4,918	-1,677	3,241	207	0	0.0%	18,194	0
0	Finance & Resources	16,334	-4,689	11,645	2,331	0	0.0%	53,995	-314
0	**Total**	**243,300**	**-48,738**	**194,562**	**72,963**	**0**	**0.0%**	**1,245,998**	**390**

Notes on this table:

1. The Budget column incorporates any changes in the funding available to what was originally budgeted in the Business Plan. A breakdown of the budget changes made in-year can be found in 4.4.
2. The Budget column also includes an assumed level of variations, called the ‘capital variations budget’ which is shown in section 4.2.
3. The reported Place & Sustainability capital figures do not include the Greater Cambridge Partnership, which has a budget for 2023/24 of £44.4m.
4. The columns setting out budgets and forecast variances for total schemes show financial information for all schemes in a service block across all financial years.

4.2 Capital variations budgets

4.2.1 A summary of the use of the 2023-24 capital programme variations budgets by services is shown below. These variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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 rephasing exceeds this budget.

4.2.2 Capital variations summary

Service	Capital Variations Budget £000	Forecast Outturn Variance £000	Capital Variations Budget Used £000	Capital Variations Budget Used %	Net Forecast Outturn Variance £000
Place & Sustainability	-24,489	-16,748	16,748	-68.4%	0
Children, Education & Families	-17,826	-8,389	8,389	-47.1%	0
Adults, Health & Commissioning	-57	0	0	0.0%	0
Strategy & Partnerships	-1,677	-1,141	1,141	-68.0%	0
Finance & Resources	-4,689	-4,070	4,070	-86.8%	0
Total	**-48,738**	**-30,348**	**-30,348**	**-62.3%**	**0**

4.3 Key capital budget variances are identified by exception and commented upon in appendix 2.

Key variances are those forecast to be in excess of +/-£250k

4.4 Capital Funding

4.4.1 This table sets out changes to funding for capital schemes in-year.

Funding Source	Business Plan Budget £m	Rolled Forward Funding £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Forecast Outturn Funding £m	Funding Variance £m	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
Department for Transport (DfT) Grant	26.3	0.1	2.8	3.4	**32.6**	28.3	-4.3	234.8	0.0
Basic Need Grant	2.3	2.6	0.0	0.0	**4.9**	4.9	0.0	39.2	0.0
Capital Maintenance Grant	3.8	0.8	0.0	0.1	**4.7**	4.7	0.0	26.9	0.0
Devolved Formula Capital	0.8	2.5	0.0	-0.0	**3.2**	3.2	0.0	7.8	0.0
Specific Grants	30.7	-0.3	-2.9	5.3	**32.8**	31.1	-1.8	145.4	0.0
S106 Contributions & Community Infrastructure Levy	66.7	0.9	-15.5	0.5	**52.5**	51.4	-1.2	157.5	0.0
Capital Receipts	1.3	0.0	-0.3	0.0	**1.1**	1.2	0.1	11.7	0.0
Other Contributions	9.8	1.5	-8.5	5.4	**8.2**	8.1	-0.1	63.5	0.0
Revenue Contributions	0.0	0.0	0.0	0.0	**0.0**	0.0	0.0	0.0	0.0
Prudential Borrowing	117.8	24.5	-89.2	1.4	**54.5**	61.7	7.2	559.3	0.4
TOTAL	**259.4**	**32.7**	**-113.6**	**16.1**	**194.6**	**194.6**	**0.0**	**1,246.0**	**0.4**

Notes: The ‘rolled forward funding’ column reflects the difference between the anticipated 2022/23 year-end position used at the time of building the initial Capital Programme budget, as incorporated within the 2023/24 Business Plan, and the actual 2022/23 year-end position.

4.5 Capital Funding Changes

4.5.1 The table below details changes (where the change is greater than £250k).

Funding	**Directorate**	**Amount £m**	**Reason for Change**
Correction to rolled forward funding (Grants)	P&S	1.0	Correction to the Delivering the Transport Strategy Aims grant budget, £1.030m.

5. Balance Sheet

5.1 Reserves

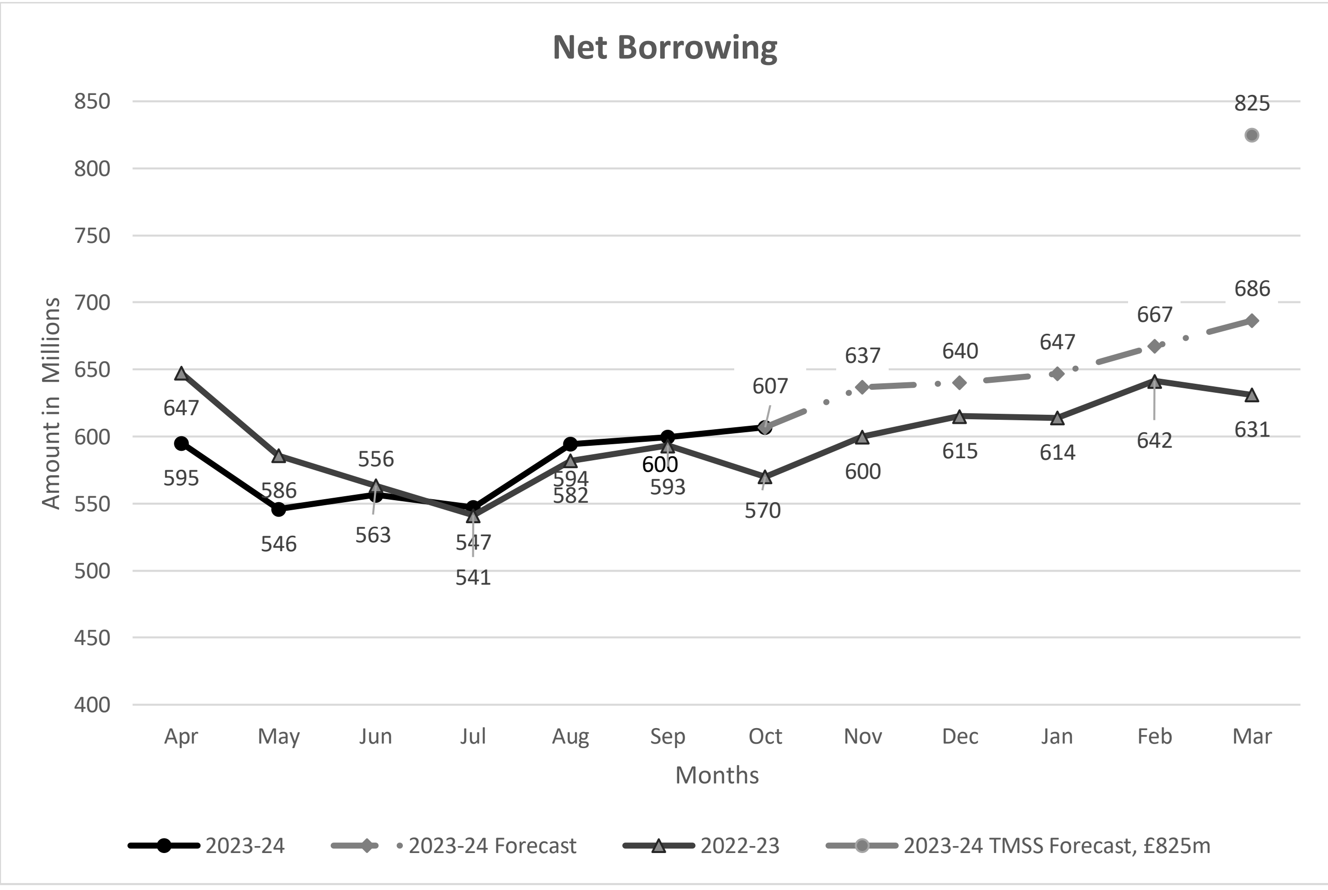
At the end of October, the Council has revenue earmarked reserves totalling £161m. These reserves are earmarked for specific purposes, and the breakdown of these can be seen in appendix 4. We retain a general fund reserve as our principal un-ringfenced reserve, which is held at a target balance of 4% of gross non-school expenditure.

The medium-term financial strategy assumes a gradual reduction in the overall level of reserves as earmarked funds are spent, which is planned into medium-term budgets.

5.2 Borrowing

Of the gross borrowing in 2023/24, it is estimated that £305m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to third parties in order to receive a financial return.

The graph below shows net borrowing (borrowings less investments) on a month-by-month basis and compares the position with previous financial years. At the end of October 2023, investments held totalled £135.5m (excluding all 3rd party loans, Equity and This Land) and gross borrowing totalled £742.4m, equating to a net borrowing position of £606.9m.



5.3 General Balance Sheet

An overview of other key balance sheet health issues is shown below. This highlights a key focus is the recovery of Adult Social Care Debt, a position that is reflected nationally.

	Measure	Target	Actual as at the end of October 2023
1	% of income collected (owed to the council) within 90 days on rolling 12 month basis: Adult Social Care	85%	85%
2	Level of debt outstanding (owed to the council) 91 days +, £m: Adult Social Care	£9.96m	£15.61m
3	Level of debt outstanding (owed to the council) 91 days +, £m: Sundry	£2.89m	£4.03m
4	% of invoices registered on ERP within 2 working days	98.0%	99.8%
5	% of Undisputed Commercial Supplier Invoices Paid Within 30 Days	95.0%	98.5%
6	% of Undisputed Commercial Supplier Invoices Paid Within Terms	95.0%	92.9%

Some additional information for items that are behind target:

2. Adult social debt – the measure has been behind target for some time, which is partly reflecting national trends around increasing social care debt. A key issue in this is delays in the Court of Protection, which delays us being able to collect income in many cases. This area is under regular review by officers within both the central debt collection team and the social care teams and is subject to regular reporting to Audit and Accounts Committee. Additional capacity has been recruited to focus on this area.

3. Sundry debt- several large invoices to the Integrated Care Board for pooled budget arrangements have gone unpaid for several months. Officers are actively pursuing this with the ICB and escalating.

6. Payment within terms – substantial improvement has been made over recent months and has been achieved in recent months. We are reviewing payment terms for suppliers with a view to move away from immediate terms and generally towards 30 day terms unless good reason (which may include being a local or small supplier).

6 Treasury Management

6.1 The Council's cash flow profile – which influences the net borrowing requirement - varies considerably during the year, due to the timing difference between outgoing payments (payroll, supplier payments etc.) and income streams (grants, council tax etc.). As illustrated by 2022-23 actual net borrowing positions, cash flows at the beginning of the year are typically stronger than at the end of the year, as many grant receipts are received in advance of spend. The 2023-24 net borrowing position is expected to take a similar path, rising more substantially towards the end of the financial year as capital projects are progressed to completion and financed.

6.2 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the forthcoming year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2023-24 TMSS was set in February 2023, it anticipated that net borrowing would reach £825.0m by the end of this financial year. Based on the 2022-23 outturn position and subsequent revisions to the capital programme, the net borrowing is currently predicted to be below this, at £686m by the end of this financial year.

6.3 From a strategic perspective, the Council continues to temporarily utilise cash-backed resources in lieu of additional borrowing (known as internal borrowing) and where borrowing is undertaken loans are raised for shorter terms, both to generate net interest cost savings and consequently holding less investments reduces the Council's exposure to credit risk. However, this approach carries with it interest rate risk and officers continue to monitor options as to the timing of any potential longer-term borrowing should underlying interest rates be forecast to rise in a sustained manner.

6.4 There is a link between the capital financing borrowing requirement, the net borrowing position and consequently net interest costs. However, the Debt Charges budget is prudently formulated with sensitivity to additional factors including projected levels of cash-backed reserves, forecast movements in interest rates, and the overall borrowing requirement for the Council over the life of the Business Plan and beyond.

Appendix 1 – Revenue – commentaries on exceptions

Key variances are those forecast to be in excess of +/-£250k.

1. Children, Education & Families – non-DSG

New commentaries

1a Fostering and Supervised Contact Services

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.3	-3%

An in-year underspend of -£0.275m is forecast against foster carer allowances for in-house carers. This is predominantly due to a lower number of children placed with in-house carers than was anticipated when the budget was set.

1b Adoption

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.3	-6%

An in-year underspend of -£0.300m is forecast against adoption allowances and Special Guardianship Order (SGO) allowances, this is due to a lower number of children in these placement types than anticipated at the time the budget was set.

1c Mitigations

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.6	-%

Additional Social Care Grant to be transferred from Adults. Subject to approval.

Previously reported commentaries, updated since last month:

1d Children in Care Placements

Forecast Outturn Variance £m	Forecast Outturn Variance %
+5.7	+22%

An in-year pressure of £5.737m is forecast on Children in Care Placements, which is a decrease of £0.250m on the pressure position previously forecast last month. This reduction is a result of step-downs in high-cost placements to bring young people into sustainable placements that are at a more manageable cost. We still currently have a small number of young people in very high-cost placements which is causing a significant weekly pressure against the budget. If forecast to year-end, these placements would leave us in a significant overspend position, and whilst the service is working hard with relevant agencies to secure placements at more manageable costs, it is proving extremely difficult to secure appropriate regulated placements for these young people, due to a combination of complexity of need and a saturated external market. This has led to an increase in the length of some of the very high-cost placements being forecast, which has worsened the forecast overspend position. This position is being carefully monitored and the service is working hard to control cost where possible, including the weekly complex placement meeting to track all unregulated and high-cost placements and ensure all agencies are working towards more suitable, stable and cost-effective placements for these children. We are also continuing our market engagement with our providers to develop more cost-effective arrangements for current and future children needing placements.

1e Integrated Front Door

Forecast Outturn Variance £m	Forecast Outturn Variance %
+2.0	+44%

An in-year pressure of £1.956m is forecast, which is an increase of £0.319m on the pressure position previously reported last month. 50% of vacancies within the assessment services are currently filled by agency workers and this relates to the budget pressures. We anticipate mitigating these costs with the recruitment of International Social Workers and AYSE's (Assessed and Supported Year in Employment). The previous shared service structure was not sufficient to meet the demand, and in January 2023, the assessment service had over 270 out of date assessments, and caseloads over 35. To address these issues 2 project teams were agreed initially for 13 weeks then extended for a further 13 weeks to support the service to address the backlog. The additional capacity provided by the project teams, (at enhanced rates), ceased in August and September. Additional agency staff have been recruited at normal rates until November within the East and Hunts team to replace the project teams whilst the current service structure is reviewed. The initial mapping work in the Multi Agency Safeguarding Hub (MASH) is complete and subject to change to reflect the demand in the system. The current data can't be validated as the system process doesn't support the practice; this is being reviewed. The volume of work within MASH continues to be high and further solutions are being considered to manage demand. Once data is confirmed as accurate, we can determine the workflow to inform the size of the assessment service.

1f Home to School Transport - Special

Forecast Outturn Variance £m	Forecast Outturn Variance %
+2.2	+11%

Please see 1g below.

1g Home to School Transport - Mainstream

Forecast Outturn Variance £m	Forecast Outturn Variance %
+1.3	+11%

There are increasing concerns around the home to school transport budget areas following the summer procurement rounds, which, due to lack of supply in the market, saw between 7% and 8% uplifts on the same route previously. This inflationary impact continues to be a live issue for the delivery of home to school transport. Alongside this, recent admissions data shows that growth of children and young people with SEND will continue to rise above what is forecast, therefore creating a higher demand for more complex routes, such as solo travel.

Work is underway to determine the financial impact of the unprecedented levels of in-year applications into the county which will not have been factored into the budget setting last year given the timing of the applications. Equally, the summer Year 7 secondary school place allocation round saw 5% higher retention of pupils from Primary into Secondary on previous years transfer rates. The impact of this has meant pressure on secondary school places and consequently more young people are being placed in schools over 3 miles from their home address and therefore eligible for transport. This information has been built into business planning to ensure budget setting is appropriate in the context of current demand.

Various cost saving exercises are currently taking place, such as optimising the use of our fleet and working with other external providers, to minimise overspends and create a more sustainable market.

Previously reported commentaries, unchanged since last month:

1h Strategic Management - Children & Safeguarding

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.5	-19%

An in-year underspend of -£0.520m is forecast. This is due unallocated budget in the Strategic Management budget, and unused Social Care Grant reserves from previous financial years.

1i Children's Disability Service

Forecast Outturn Variance £m	Forecast Outturn Variance %
+0.3	+4%

The Disability Social Care 0-25 Service is currently forecasting a year-end overspend of £340k. This has been caused by an accumulation of factors, including a significant increase in new demand (with over 100 new Direct Payments being set up in the past 4 months), and a continued increase in behavioural complexity resulting in 2:1 staffing being required more frequently at our community support services and residential children's homes. In addition, we have had to amend the terms and conditions of our Community Support Service staff to pay them enhancements for weekend work, which has brought them in line with other commensurate council services but has increased our salary costs. The service has also taken steps which, whilst preventing costs to the Children's Placement Budget, have increased the Disability Social Care in-year pressure, such as by utilising the third unfunded bed at our residential children's home (London Road) and funding the Disabled Facilities Grant (DFG) top-ups to enable children and young people with complex needs to remain living within their family homes. These actions have significantly improved outcomes for the complex children and young people we support, whilst maintaining their right to family life.

1j SEND Specialist Services

Forecast Outturn Variance £m	Forecast Outturn Variance %
+0.5	+11%

An in-year pressure of £0.500m is forecast across SEND Specialist Services. The Education Psychology service is forecasting a pressure of £338k. The service is experiencing increasing demand which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. This pressure is due to the significant increase in requests for Education Health and Care Needs Assessments (EHCNA) that is impacted SEND services generally. The SEND Head of Service budget is also reporting a forecast pressure as a result of additional speech and language therapy, and back care training costs.

2. Children, Education & Families - DSG

Previously reported commentaries, unchanged since last month:

2a SEND Financing - DSG

Forecast Outturn Variance £m	Forecast Outturn Variance %
+5.4	+96%

An in-year pressure of £5.418m is forecast. The budgeted deficit is reflective of continuing pressures and increasing demand within the High Needs Block as per the Safety Valve management plan. This is net of forecast underspends on the Central Schools Services Block (CSSB).

2b Nursery Schools and private, voluntary and independent settings

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.0	-3%

This forecast underspend is as per the Safety Valve management plan.

3. Adults, Health & Commissioning

Previously reported commentaries, updated since last month:

3a Executive Director - Adults, Health & Commissioning

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.4	-1%

An in-year underspend of -£0.442m is forecast, which is an increase of £0.122m on the underspend position previously reported last month. Underspends from vacant posts were larger in the first half of 2023/24 than assumed in the budget and are forecast to contribute £517k to the Directorate’s overall financial position by year end. This forecast underspend is partially offset by a forecast overspend of £76k on

Adults Social Care transport which has an outstanding savings target of £91k brought forward from 2021/22. The work to deliver this saving has been completed, but unusually high inflationary pressures on transport costs have meant cost reductions could not be delivered as originally planned.

3b Older People's and Physical Disabilities Services

Forecast Outturn Variance £m	Forecast Outturn Variance %
+1.2	+1%

An in-year pressure of £1.214m is forecast across Older People's and Physical Disabilities Services which is a decrease of £1.069m from the pressure position previously reported last month. Demand patterns have changed significantly in recent years, particularly in relation to Older Peoples care home placements which experienced no overall growth, as previously reported. This resulted in a significant underspend in 2022/23, with the change in activity being factored into business planning assumptions for 2023/24 budgets. In addition, £0.75m from this budget for this financial year was redistributed to offset pressures elsewhere in Adults, Health, and Commissioning whilst recognising the potential risk of an emerging pressure within this budget area should activity increase.

Subsequently, Older People’s care home demand has returned in 2023/24 with increases in placement numbers similar to pre-pandemic levels. The cost of new placements continues to rise despite additional investment from the Adult Social Care Market Sustainability and Improvement Fund, and the recent closure of a number of care homes has added additional pressure to the budget. In addition to the significant overspend on care home placements, demand for domiciliary care has been steadily rising after a period of stability between January and May 2023.

Income from clients contributing to the cost of their care has been increasing steadily throughout the year. Services have been working to streamline processes and improve the client’s journey through the financial assessments process so that their assessment can be completed in a timelier manner in order to resolve a backlog of historic outstanding cases. These improvements, in conjunction with rising demand for services, have increased the level of income expected from clients contributing towards the cost of their care. In light of this, we have reassessed expected income due and have made an adjustment to the forecast of -£1.0m, reducing the forecast overspend to £1.2m.

3c Mental Health

Forecast Outturn Variance £m	Forecast Outturn Variance %
+0.5	+2%

An in-year pressure of £0.500m is forecast across Mental Health Services, which is a decrease of £0.150m on the pressure position previously reported last month. There are significant demand pressures across both community and bed-based care for both Adult and Older People’s Mental Health. However, the underlying demand pressures for care in Older People’s Mental Health are being offset by a correspondingly high level of income from people contributing towards the cost of their care.

Due to significant recent increases in demand, an enhanced expectation for incoming demand over previously budgeted expectations has been included in the forecast position. Ongoing analysis will be carried out to review activity information and other cost drivers in detail to continually validate the reported position. This remains subject to variation as circumstances change and more data comes through the system.

3d Mitigations

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.4	-%

Given the pressures on care budgets for Older People and Mental Health, priorities around the use of grant funding have been revisited. This identified additional spend that can be funded from external grant, freeing up £1.4m of grant monies to contribute to the identified pressures. This is a reduction from last month as the lower forecasted pressures on Adult Social Care budgets have allowed the release of grant funding not restricted to spend on Adult Social Care, to support other areas of the Council.

4. Place and Sustainability

Previously reported commentaries, updated since last month:

4a Highways Development Management

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.8	-%

An in-year underspend of -£1.828m is forecast, which is an increase of £0.618m on the underspend position previously reported last month. Highways Development Management has moved to collect contributions in advance. This change in methodology means there is a one-off benefit this year. In addition, there are some one-off payments from previous years.

4b Planning and Sustainable Growth

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.4	+48%

An in-year pressure of +£0.440m is forecast, which is an increase of £0.095m on the pressure position previously reported last month. The slowing down of the housing market and lower development rates has led to the pressure for Planning and Sustainable Growth, particularly as fewer pre-application planning requests and planning applications with maximum fees have been submitted, which includes development by the Council, such as new schools. Further pressures are also anticipated as a result of a planning appeal where the appellant has requested a public inquiry. The Planning Inspectorate (PINS) has recently announced the timescales for this future appeal with the public inquiry planned to sit for 8 days between Tuesday 20 February 2024 and Friday 1 March 2024. Officers are in the process of seeking legal and technical support for this process in order to be able to predict these expenses, which has not to date been taken into account in the above outturn variance for this financial year, so further pressures will be added to this area in due course.

4c Energy Services

Forecast Outturn Variance £m	Forecast Outturn Variance %
+4.1	+106%

An in-year pressure of £4.058m is forecast on Energy Services income across all its projects. This is an increase of £0.162m on the pressure position previously reported last month. The forecast for North Angle Farm has now been updated to reflect the purchase of spares required to ensure the project will remain operational once energised and St Ives are forecasting a reduction in expected revenue.

Energy projects Income against these projects have been budgeted to be received from July 2023, however owing to delays to commencing these contracts the income will now be on a different profile than that assumed in the budget. An update on the projects is provided below.

The **St. Ives Smart Energy Grid** is on track to be energised and generating clean electricity by the end of September 2023. Negotiations are underway on a power purchase agreement (PPA) with licensed energy suppliers to start selling green electricity wholesale from October 2023. This is a one year or shorter term PPA whilst we go through the processes of connecting a local business to the system. The forecast is short term, it includes EV charging forecasts which are conservative, as we don't yet know the pattern local users will take charging cars/taxis and we are seeing reduced prices from the highs of last year. This is the first smart energy micro-grid for Cambridgeshire and the outcomes from this project will inform future approaches to local energy supply.

The second micro-grid which is under construction is at Babraham Park and Ride. This is a three phase construction programme, with the first phase nearing completion and target energisation is Spring 2024. This project is delayed due to the re-phasing of the project in 2022 from two to three phases as directed by CUH, poor performance of one sub-contractor and current onsite challenges with existing street lighting column bases and their electricals.

Steady progress is being made towards the energisation of the **North Angle Solar Farm** with the next phase of works to start before the end of the year, progressing over the winter. Plans are in development to manage the weather related risks over the winter build. The bulk of the income reprofiling relates to this project.

Swaffham Prior Community Heat Network is operational and supplying decarbonised heat and hot water to customers. By October, approximately 60 homes will be connected to the system ahead of its first winter, when final system performance tests can complete. Further customers will be connected from Spring 2024. The number of homes physically being connected is slower than was originally forecast, due to supply chain challenges, but this will be caught up during 2024. The Renewable heat Incentive (RHI) has been approved by Ofgem for the heat network and income from RHI will be paid for each Kwh of heat generated. However, there is a substantial backlog on payments with Ofgem hence a revised forecast and reprofiling of income starting in 2024.

The **Stanground Solar and Battery Project** is still in development. Work on this halted during last year to focus on the large energy team's resources into the projects in contract and their delivery.

Previously reported commentaries, unchanged since last month:

4d Parking Enforcement

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.5	-%

An in-year pressure of +£0.474m is forecast. £100k is due to one off costs to assist with the implementation of civil parking enforcement in Huntingdonshire District Council and Fenland District Council areas. Decreased Penalty Charge Notice Income from bus lanes is due to decline in activity and the closure of Station Road, Cambridge.

4e Waste Management

Forecast Outturn Variance £m	Forecast Outturn Variance %
+1.8	+4%

An in-year pressure of £1.845m is forecast, as there are significant additional disposal costs for waste whilst it is diverted to landfill/third parties for processing. However, these costs are being balanced by expected Waste Private Finance Initiative (PFI) contract cost reductions (from Thalia) and an agreed draw down from reserves which is shown as 'mitigation'. The cost reductions are currently being discussed with Thalia. However, until these cost reductions are confirmed, there is significant uncertainty around the budget outturn, which is likely to remain until the end of this financial year.

5. Finance & Resources

New commentaries

5a Collective Investment Funds

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.3	-29%

Income from these treasury investments are forecast to exceed budget. Despite a challenging economic position dividends from the funds remain strong. Performance of the investments is monitored regularly by officers.

Previously reported commentaries, updated since last month:

5b County Farms

Forecast Outturn Variance £m	Forecast Outturn Variance %
+0.3	+6%

An in-year pressure of £0.328m is forecast on County Farms. This is due to delays in sales of the Bio-diversity Net Gain (BNG) units. Biodiversity Net Gain agreements have taken longer than expected to put in place. This is a new area for all Councils and developers and Cambridgeshire County Council is operating at the leading edge in the country putting new BNG agreements in place. The S106 agreement with South Cambridgeshire District Council was completed on the 18th August 2023. The first agreement with Network Rail for BNG Credits related to the new Cambridge South Station is expected to be executed by Network Rail in the week commencing 13th November. Network Rail then must serve a 30-day notice on the County to confirm the number of units they require and at the end of the 30-day period must transfer the funds to acquire the units. There are several other smaller transactions with other developers in the pipeline. Once the Network Rail transaction completes, the Council's marketing agent Bidwells will launch a high-profile marketing programme to sell more BNG credits which will also tie in with the Government's legislation to require developers to deliver BNG effective from January 2024.

6. Capital Financing

Previously reported commentaries, updated since last month:

6a Financing Costs

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.6	-4%

The Financing Costs budget is forecasting an underspend of £1.586m, which is an increase of £386m on the underspend position previously reported last month. The underspend is due to higher than expected cash balances, and the phasing of capital spend, reducing the need to borrow this year. In the final quarter of last year, additional government funding was received, and capital spend reduced, resulting in more cash being held at year end compared to when budgets were set. This trend has continued into the current financial year. As well as this, we are seeing higher than expected interest on the cash that we are holding. A full review of borrowing is taking place which may increase this underspend.

7. Corporate and funding Items

New commentaries

7a Central holding and miscellaneous accounts

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.995	-12%

An in-year underspend of £995k is forecast across Central holding and miscellaneous accounts. The main component of this forecast at this stage is the result of an exercise to match accruals with actual costs over recent financial years, identifying provisions for costs that were legitimately expected and correctly accounted for, but that now are not expected to be required.

Previously reported commentaries, updated since last month:

7b Business Rates

Forecast Outturn Variance £m	Forecast Outturn Variance %
-2.7	-4%

An in-year underspend of £2,707k is forecast across Business Rates. This consists of a projected £1,100k additional 2023-24 Business Rates Pool dividend above the amount budgeted, which is dampened from the latest projection received based on previous experience, £667k additional 2022-23 Business Rates Pool dividend above the amount accrued at last year-end following the final confirmation and an additional £526k of general Business Rates funding upside that was confirmed by district councils (who collect rates) after the 23-24 Business Plan was finalised.

7c Corporate Grants

Forecast Outturn Variance £m	Forecast Outturn Variance %
-2.7	-5%

An in-year underspend of £2,709k is forecast across Corporate grants, maximising use of grants to fund existing planned spend where eligible. This is a combination of in-year and carried-forward grants.

Appendix 2 – Capital – commentaries on exceptions

Key variances are those forecast to be in excess of +/-£250k

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1a	P&S	New	March Future High Street	6.853	5.116	-0.616	Phasing	Forecasted variation on annual underspend due to change in principal contractor spend profile. This is therefore not a forecasted project underspend for the project as a whole but rather will now be spent in 24/25.
1b	P&S	New	A10 Ely to A14 Improvements	3.803	2.378	-0.948	Phasing	Programme for the Strategic Outline Business Case extended into 2023/24, which delayed the start of the Outline Business Case (OBC) Programme. The OBC programme has been further developed to consider the consultation period, which has resulted in further work expected to occur in 2024/25.
1c	P&S	New	Babraham Smart Energy Grid	8.595	5.040	-1.035	Phasing	Delay to the project which has pushed the capital spend profile out of 2023/24 and into 2024/25 partially. This has been updated for the end of October to reflect a more accurate spend profile for the remaining portion of the project.
1d	P&S	New	Stanground Closed Landfill Energy Project	8.267	0.550	-0.310	Phasing	Delay to Investment Grade Proposal data from Bouygues Energies and Services which has pushed the programme of development works later. In year spend as a result expected to be much lower than previously forecast.
1e	P&S	Updated	Delivering the Transport Strategy Aims	8.329	3.446	-1.246	Phasing	Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								against the programme. This has enabled greater forecast certainty matching planned works. Two further schemes in Whittlesey are to be withdrawn due to a lack of local support from the members and the town council, as they don't align with their longer-term objectives for the areas in question. This reprofiling has increased the 23/24 underspend by 100k, the £100k will be reallocated to new schemes to be delivered from the start of the 24/25 financial year. This will be detailed in a report going to H&T in March 24. Broadway St Ives (£100k) has also now been withdrawn from the programme and will be funded via other means from CPCA (Cambridgeshire and Peterborough Combined Authority) TCF (Transforming Cities Fund) funding.
1g	P&S	Updated	Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating	10.518	2.463	-0.845	Phasing	Removal of phase 4 project development costs from the project as the aim is to do this work mostly in-house. Also, a slight rephasing has been forecast as the work for phase 4 is now planned for 2024/25.
1h	P&S	Updated	Capital variations budget- P&S	-66.696	-24.489	16.748	Phasing	Any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore the £16.748m P&S in-year underspend is balanced by use of the capital variations budget.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1i	P&S	Unchanged	Local Infrastructure Improvements	4.409	1.100	-0.643	Phasing	Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. Most of the projects within the programme form part of a rolling delivery programme from Q1 of 24/25 which is in line with member expectations.
1j	P&S	Unchanged	A14 De-trunking	24.750	4.750	-4.000	Phasing	It is estimated we will spend £750k of the total £24.75m this FY. The initial estimate of spend was £4.75m per year for 6 years but due to the road not coming to us as thought when the estimate was made the profile of spend has changed. We are not going to be clear on the profile of spend of the total until we get an agreed date for the transfer of the road to us.
1k	P&S	Unchanged	St Ives local Improvements	2.300	1.800	-0.635	Phasing	Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. Construction period is due to run from Sep 23 to November 2024.
1l	P&S	Unchanged	Guided Busway - Widening of footpath	2.891	2.891	-2.441	Phasing	Following 23/24 budget setting, we have held early workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1m	P&S	Unchanged	Waste Infrastructure	7.424	1.500	-1.400	Phasing	Only £100k of the £1.5m budget for March Household Recycling Centre is likely to be spent this year as procurement is just starting using the education service Construction Consultancy framework contract; as a result, a £1.4m underspend is currently being forecast for this financial year.
1n	P&S	Unchanged	Solar Projects	28.957	6.438	-2.267	Phasing	The scheme has been reprofiled to reflect that the programme of work is now due to start in November and end in approximately June 24, resulting in a forecast in-year underspend of -£2.267m. The overall scheme variance of £1.892m is still forecast on the total scheme budget as a result of higher than expected staff, advisor and legal costs, as well as design revisions and associated construction costs. However, these remain largely indicative for the time being.
2a	CEF	New	Ermine Street Primary, Alconbury, Phase 2	4.080	1.500	-0.500	Phasing	Scheme estimated to start on site January 2024. Project will now be a steel frame rather than CLT (cross laminated timber panels). Steel has a longer construction period and therefore not all costs will be incurred this financial year.
2b	CEF	New	Darwin Green (North West Fringe) secondary	34.680	0.332	-0.282	Phasing	Scheme delayed due to planning application appeal. Appeal not likely to be heard until January 2024. Work will continue on MS1.
2c	CEF	New	Alconbury Weald	74.827	29.000	-0.500	Phasing	Slippage on the Secondary school element. £1m was budgeted for design work this financial year. Design

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
			secondary and Special					work delayed as work is ongoing to confirm who will undertake the delivery of the project.
2d	CEF	New	Conditions Maintenance	27.334	4.109	-1.572	Phasing	Number of schemes delayed due to contractors being not available, and discussion on scope of work needed. £500k committed to energy schemes and heat decarbonisation plans will not be taken forward this year.
2e	CEF	New	Samuel Pepys Special School	10.720	5.000	1.000	Phasing	Expected £1m additional spend, due to land purchase, furniture and fittings and IT expenditure occurring ahead of original schedule.
2f	CEF	New	Enhanced Resources Bases	2.290	0.675	-0.375	Phasing	Initial progress on suitable schemes is slower than originally expected. One scheme stopped due to school withdrawing.
2g	CEF	Updated	Northstowe secondary, phase 2	53.450	22.500	-3.600	Phasing (-3.6m) Overall Scheme Variance (-1.5m)	The receipt of milestone 4 report shows £1.5m saving on original estimate due to risk contingencies including those built in for price volatility. £2.1m slippage as groundworks and superstructure works appear to be slower than originally expected.
2h	CEF	Updated	Capital variations budget- CEF	-54.565	-17.826	8.389	Phasing	Any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore the £8.389m CEF in-year underspend is balanced by use of the capital variations budget.
2i	CEF	Unchanged	Kennett Primary School	10.123	5.800	-0.800	Phasing	Slippage due to later start on site than expected due to skylarks still nesting. Ecologists to confirm birds

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								have left. Delay start on site from 14.08.23 to 04.09.23 and completion 30.08.24 to 20.09.24.
2j	CEF	Unchanged	Witchford Village College	1.380	1.332	-1.292	Phasing	Slippage due to planning application progressing slower than anticipated. Planning expected in December with works not starting until 2024/25.
2k	CEF	Unchanged	Adaptations- William Westley Primary	0.353	0.338	-0.338	Phasing	This project is being reviewed to establish whether it can be delivered in an alternative way to meet the need for places across the wider area, including whether it can be combined with other planned capital projects. Revised delivery expected to be 2027.
3a	S&P	Updated	Libraries - Open access & touchdown facilities	1.172	0.875	-0.820	Phasing	The pilot will be reviewed in the autumn, and feed into a new plan for review this year.
3b	S&P	Updated	Capital variations budget- S&P	-2.016	-1.677	1.141	Phasing	Any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore the £1.141m S&P underspend is balanced by use of the capital variations budget.
4a	F&R	New	Condition Survey Works	2.836	2.298	-1.150	Phasing	Hereward Hall Heating, & Air handling, March Community Centre Roof & Heating and Speke House Heating, ventilation work to take place next year.
4b	F&R	Updated	Capital variations budget- F&R	-9.474	-4.689	4.070	Phasing	Any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								Therefore the £4.070m F&R underspend is balanced by use of the capital variations budget.
4c	F&R	Unchanged	Hawthorns - Intensive Therapeutic Support Hub	3.544	3.477	-1.777	Phasing	Delays with the planning process has meant the procurement needs to take place later in the programme.

Appendix 3 – Budget transfers between services in 2023/24

This table shows budget movements of at least £1k between service blocks in 2023/24, subject to rounding errors:

Budgets and Movements	CEF £000	AHC £000	P&S £000	PH £000	S&P £000	F&R £000	Capital Financing £000	Corporate & Funding Items £000	Total £000
Opening Net Budgets as per Business Plan	**129,279**	**215,038**	**71,326**	**0**	**16,270**	**19,325**	**38,263**	**11,690**	**501,191**
Service management change		-300			300				**0**
Post business plan, pre initial budget load adjustments	-915		-42		-203	1,160			**0**
Postage budget centralisation	-20				20				**0**
Transfer of post	-26				26				**0**
Insurance budget centralisation			-22		-21	43			**0**
Pay award element correction	12		-12						**0**
Allocation of centrally held funding for former People Services restructuring	449	351				-800			**0**
Budget resetting movements as outlined in May IFMR	801	506	-728			2,456		-3,035	**0**
Correction virements to replace expenditure budgets with reserve draw down lines	-285	-1,621				-155		2,061	**0**
Adjust PH income budget to match amounts to be transferred under PH MoU	-254	-53	-31	0	78	260			**0**
Staffing inflation correction			-55			55			**0**
Coding of treasury management team						121	-121		**0**
Staffing budget corrections - Adults and Childrens Transport	4	-4							**0**
Time credits transfer from Adults to S&P		-34			34				**0**

Budgets and Movements	CEF £000	AHC £000	P&S £000	PH £000	S&P £000	F&R £000	Capital Financing £000	Corporate & Funding Items £000	Total £000
Transfer of Domestic Abuse and Sexual Violence service budgets			-2,032		2,032				**0**
Transfer Association of Directors of Adult Social Services (ADASS) budget	-15	0 g15							**0**
Transfer property maintenance budget					-20	20			**0**
Residual budget transfer linked to regulatory services moving			12		-12				**0**
Executive Assistant and Personal Assistant restructure	-185	-198	-91		470	4			**0**
Transfer Deprivation of Liberty Safeguards signatory training		-5			5				**0**
Reporting line change of cross-council items from F&R to Corporate & Funding Items						-8,304		8,304	**0**
Current budget	**128,845**	**213,696**	**68,324**	**0**	**18,978**	**14,186**	**38,142**	**19,021**	**501,191**

Appendix 4 – Reserves and provisions

This section shows the reserves available to the Council:

Fund Description	Balance at 1 April 2023 £000s	Movements in 2023-24 £000s	Balance at 31 Oct 2023 £000s	Forecast balance at 31 March 2024 £000s	Notes
General Reserves **- County Fund Balance**	30,661	0	30,661	25,097	
General Reserves subtotal	30,661	0	30,661	25,097	
1 Insurance	5,018	0	5,018	5,018	
2 Adults, Health and Commissioning	7,564	-53	7,511	3,861	
3 Children, Education and Families	5,704	-42	5,661	3,901	
4 PH	7,854	-1,214	6,640	3,953	
5 Place & Sustainability	15,359	-364	14,994	8,484	
6 Strategy & Partnerships	1,581	-35	1,546	1,361	
7 Finance & Resources	3,836	-247	3,589	2,550	
8 Just Transition Fund	12,526	-893	11,633	9,833	Original starting balance of £14m, with allocations made totalling £9.9m across medium-term
9 High Needs Block Offset Reserve	9,935	0	9,935	8,185	
10 Transformation Fund	1,762	-102	1,660	843	Balance for legacy Transformation projects
11 Cultivate Cambs Fund	347	0	347	0	
12 Corporate- COVID	15,972	0	15,972	14,972	Allocated over medium-term.
13 Specific Risks Reserve	12,772	0	12,772	-1,727	
14 This Land Credit Loss & Equity Offset	5,850	0	5,850	5,850	
15 Revaluation & Repair Usable (Commercial Property)	2,940	0	2,940	2,940	
16 Local taxation volatility & appeals account	8,514	0	8,514	8,514	
17 Local Government Settlement phasing reserve	4,076	0	4,076	4,076	Applying the temporary elements of the 2023/24 finance settlement over multiple years
18 Post-pandemic recovery and budgeting account	2,431	0	2,431	1,831	
19 Business change reserve	3,054	-175	2,879	2,879	
20 Financing items	1,803	0	1,803	1,044	
21 Winter Risk Reserve	600	0	600	600	
22 Grant carry forwards	29,246	-24,865	4,381	0	Carry forward of unspent ring-fenced grants, reversed out in April 2023. COMF grant retained in reserve
Earmarked Funds subtotal	158,744	-27,991	130,753	88,968	
SUBTOTAL	**189,405**	**-27,991**	**161,414**	**114,064**	
23 Children, Education and Families	28,290	0	28,290	28,290	
24 Adults, Health and Commissioning	33	0	33	33	
25 Place & Sustainability	36,230	-1,092	35,138	35,138	
26 Finance and Resources	556	162	718	718	
27 Corporate	46,342	0	46,342	46,342	
Capital Useable Reserves subtotal	111,451	-930	110,521	110,521	
GRAND TOTAL	**300,856**	**-28,921**	**271,935**	**224,585**	

Provisions on the balance sheet are:

Department	Balance at 1 April 2023 £000s	Movements in 2023-24 £000s	Balance at 31 Oct 2023 £000s	Forecast balance at 31 March 2024 £000s	Notes
1 Adults, Health and Commissioning	141	-141	0	0	
2 Finance & Resources	2,093	0	2,093	2,093	Insurance short term provision
Short Term Provisions subtotal	2,234	-141	2,093	2,093	
3 Finance & Resources	4,746	0	4,746	4,746	Insurance long term provision
Long Term Provisions subtotal	4,746	0	4,746	4,746	
GRAND TOTAL	**6,980**	**-141**	**6,839**	**6,839**	

Appendix 5 – Savings Tracker 2023-24 Quarter 2

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
Green	Adults	A&H	A/R.6.176	Adults Positive Challenge Programme	-154	-154	0	0%	On track
Green	Adults	A&H	A/R.6.185	Additional block beds - inflation saving	-263	-263	0	0%	On track
Black	Adults	A&H	A/R.6.200	Expansion of Direct Payments	-133	0	133	100%	Delivery of savings has been delayed, as has investment. Self Directed Support programme currently defining benefits and update on savings achieved will be provided in September.
Green	Adults	A&H	A/R.6.202	Adults & MH employment support	-40	-40	0	0%	Complete
Blue	Adults	A&H	A/R.6.203	Decommissioning of block contracts for Car rounds providing homecare	-1,111	-1,290	-179	-16%	Complete
Green	Adults	A&H	A/R.6.204	Post hospital discharge reviews	-310	-310	0	0%	On track
Amber	Adults	A&H	A/R.6.205	Mental Health s75 vacancy factor	-150	-70	80	53%	Partially unachieved due to staffing reorganisation and high-cost interim appointments in CPFT.
Amber	Adults	A&H	A/R.6.206	LD mid-cost range placement review (links to A/R.5.025)	-203	-102	101	50%	Project started September. This has led to a 3-6 month delay to benefits realisation.
Green	Adults	A&H	A/R.6.208	Integration with the Integrated Care System on	-61	-61	0	0%	On track

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
				digital social prescribing					
Black	Childrens	C&YP	A/R.6.250	Efficiencies resulting from implementation of new IT system	-223	0	223	100%	Delay in implementation of new computer systems means this saving will not be achieved in 2023-24
Green	Childrens	C&YP	A/R.6.252	Teachers Pensions	-150	-150	0	0%	Complete
Green	Childrens	C&YP	A/R.6.253	Realign schools partnership and improvement service	-85	-85	0	0%	Achieved
Black	Childrens	C&YP	A/R.6.254	Children in Care Placements	-1,000	0	1,000	100%	Saving at risk due to significant pressures from very high cost complex placements
Amber	Childrens	C&YP	A/R.6.255	Careers Education Information Advice and Guidance	-75	-30	45	60%	Delayed consultation means full saving will not be made in 2023-24
Green	Childrens	C&YP	A/R.6.256	Family Safeguarding Team restructure	-352	-352	0	0%	Saving fully achieved
Green	Childrens	C&YP	A/R.6.257	Special Guardianship Orders	-150	-150	0	0%	On track
Green	Childrens	C&YP	A/R.6.268	Transport - Home to School	-570	-570	0	0%	On track
Green	Childrens	C&YP	A/R.6.274	Outdoors Centres	-134	-134	0	0%	On track
Green	Childrens	C&YP	A/R.7.110	Cambridgeshire ICT	-100	-100	0	0%	On track
Green	Childrens	C&YP	A/R.7.111	Cambridgeshire Music	-25	-25	0	0%	On track

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
Green	P&S	H&T	B/R.6.215	Recycle asphalt, aggregates and gully waste	-20	-20	0	0%	Savings made as budget reduction has been absorbed within budgets due to low value.
Green	P&S	H&T	B/R.6.217	Vacancy factor	-112	-112	0	0%	On track
Green	P&S	H&T	B/R.6.218	Stop Weedkilling of Footways and Road Edges	-125	-125	0	0%	The saving is to reduce proactive weed treatments and the use of chemicals. The saving has been made but there has been a strong community negative reaction and increased reactive pressure on the service. Indications are saving is reputationally unsustainable in the long term. Service is reviewing impacts and likelihood of making this saving in future years.
Black	P&S	H&T	B/R.6.220	Highways Materials Recycling	-100	0	100	100%	This saving will not be made this year as set up delayed with the project stalling due to service pressures. Project ph1 is being progressed for setup in March. Ph2 programme and deliverability to be reviewed in Q4 this year.
Amber	P&S	EG&I	C/R.7.106	St Ives Smart Energy Grid - Income Generation	-177	-47	130	73%	Purchase of spares in advance of need has caused an increase in the operating costs in year 1 above previously expected balance. Income still expected to be on target but net position is impacted by additional costs.
Black	P&S	EG&I	C/R.7.107	Babraham Smart Energy Grid - Income Generation	-383	0	383	100%	Delay in project with an energisation date of 24/25, therefore no income expected in 2023/24 per forecast.
Red	P&S	EG&I	C/R.7.109	North Angle Solar Farm, Soham - Income Generation	-4,535	-416	4,119	91%	Project energisation date historically forecast at July 2023. Now forecast significantly later and therefore reduction in saving forecast is expected.
Red	P&S	EG&I	C/R.7.110	Swaffham Prior Community Heat Scheme - Income Generation	-572	-116	456	80%	Longer than expected customer connection profile means revenue from sale of heat is lower than previously expected.

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
Green	P&S	H&T	B/R.7.134	Light blue fibre income	-11	-11	0	0%	On track
Black	F&R	SRP	C/R.6.108	New IT System	-70	0	70	100%	The capital project has been delayed, this will not be achieved this year.
Green	F&R	SRP	C/R.6.109	Council Wide Mileage	-500	-500	0	0%	On track
Green	F&R	SRP	C/R.6.110	Corporate Vacancy Factor (F&R & S&P)	-400	-400	0	0%	On track
Green	F&R	SRP	C/R.6.111	PH grant contribution to overheads	-61	-61	0	0%	Complete
Green	F&R	SRP	C/R.6.113	Insurance re-procurement	-405	-405	0	0%	On track
Green	F&R	SRP	C/R.6.115	Lead Authority Services - Governance	-25	-25	0	0%	On track
Green	F&R	SRP	C/R.6.116	Payment Card Compliance	-19	-19	0	0%	Complete
Green	F&R	EG&I	C/R.7.105	Renewable Energy Soham - Income Generation	-14	-14	0	0%	On track
Green	F&R	SRP	C/R.7.111	Commercial Income	-900	-900	0	0%	Complete
Green	F&R	SRP	C/R.7.115	Brunswick House - Income Generation	-70	-70	0	0%	On track
Black	F&R	SRP	C/R.7.116	Cromwell Leisure - Income Generation	-84	0	84	100%	Empty units remain into 2023-24.

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
Green	F&R	SRP	C/R.7.117	Tesco - Income Generation	-150	-150	0	0%	On track
Black	F&R	SRP	C/R.7.120	County Farms - Agricultural Rent	-46	0	46	100%	The rent review has now been calculated and this additional rental figure will not be met.
Amber	F&R	S&R	C/R.7.156	Biodiversity Net Gain Offset	-487	-159	328	67%	Based on the current expectation of income generation, the profile needs revising in the business plan. The new forecast is based on the current investment plus selling 100 units per year.
Green	S&P	CSMI	D/R.6.001	Communities Saving - S&P	-380	-380	0	0%	Complete
Green	PH	A&H	E/R.6.002	Vacancy factor for Public Health staffing	-80	-80	0	0%	On track
Green	PH	A&H	E/R.6.003	Public Health savings	-201	-201	0	0%	On track
Black	Adults	A&H	A/R.6.195	Increased support for carers	-129	0	129	100%	Carers Strategy approved and action plan in development. Reprofiling savings as part of action plan development.
	Adults	A&H	A/R.6.186	Adult Social Care Transport	-91	-10	81	89%	All routes retendered in 22/23. Saving achieved is lower than expected due to the inflationary pressures on transport.
Black	Adults	A&H	A/R.6.188	Micro-enterprises Support	-103	0	103	100%	Not fully delivered due to low number of Direct Payment (DP) and Individual Service Fund (ISF) clients utilising capacity created in East Cambs. The Self Directed Support programme will increase uptake of DPs and ISFs and improve the pathway to Micro-enterprise provision.
Amber	Adults	A&H	A/R.7.113	Learning Disability Partnership Pooled Budget Rebaselining	-1,125	-1,125	0	0%	A one off additional contribution has been received pending detailed work with ICB to review the pool position. However, savings built into the Business Plan for future years remain at risk until the review work is completed.
Amber	P&S	CSMI	A/R.6.213	Registrars	-200	-30	170	85%	Saving based on additional income through the diversification of some of the services provided by the

RAG	Directorate	Committee	BP Ref	Title	Original Saving £000	Forecast Saving £000	Variance from Plan £000	% Variance	Commentary
									Registration Service, and increasing existing ceremonial capacity. The current financial climate and suitability of the venues has led to a reduction in bookings making this saving difficult to achieve.
Green	F&R	SRP	C/R.6.106	Contract Efficiencies	-200	-200	0	0%	On track
Green	F&R	SRP	B/R.7.127	Alconbury Solar Carport	-37	-37	0	0%	On track
Black	F&R	SRP	C/R.7.105	Renewable Energy Soham - Income Generation	-13	0	13	100%	To be reviewed later on in the year once the annual cycle has commenced.
Green	F&R	SRP	C/R.7.120	County Farms - Agricultural Rent	-45	-45	0	0%	On track
Red	F&R	SRP	F/R.6.109	Cambs 2020 Operational Savings	-605	-150	455	75%	Costs for Shire Hall, mostly business rates & security costs will continue until the site is handed over.

Key to RAG ratings

Total saving	Over £500k	£100-500k	Below £100k
Black	100% non-achieving	100% non-achieving	100% non-achieving
Red	Percentage variance more than 19%	-	-
Amber	Under-achieving by 14% to 19%	Percentage variance more than 19%	Percentage variance more than 19%
Green	Percentage variance less than 14%	Percentage variance less than 19%	Percentage variance less than 19%
Blue	Over-achieving	Over-achieving	Over-achieving

Appendix 6 - Revenue summary comparison to last year's outturn position

2022/23 Net Budget £000	Actual Outturn Variance £000	Actual Outturn Variance %	Service	2023/24 Net Budget £000	Forecast Variance £000	Forecast Variance %
86,875	2,399	2.8%	Children, Education & Families- non-DSG	128,845	10,670	8.3%
224,975	-58	0.0%	Adults, Health & Commissioning	213,696	-365	-0.2%
72,175	415	0.6%	Place & Sustainability	68,324	3,256	4.8%
15,557	-81	-0.5%	Strategy & Partnerships	18,978	118	0.6%
11,950	2,837	23.7%	Finance & Resources	14,184	-121	-0.9%
33,275	-2,377	-7.1%	Capital Financing	38,141	-1,586	-4.2%
11,047	-2,388	-21.6%	Corporate and funding items	19,021	-6,408	-33.7%
455,852	**12,884**	**2.8%**	**Net Spending Total**	**501,190**	**9,330**	1.9%