

Service: Place & Sustainability

Subject: Finance Monitoring Report – October 2023

Date: 13th November 2023

Contents

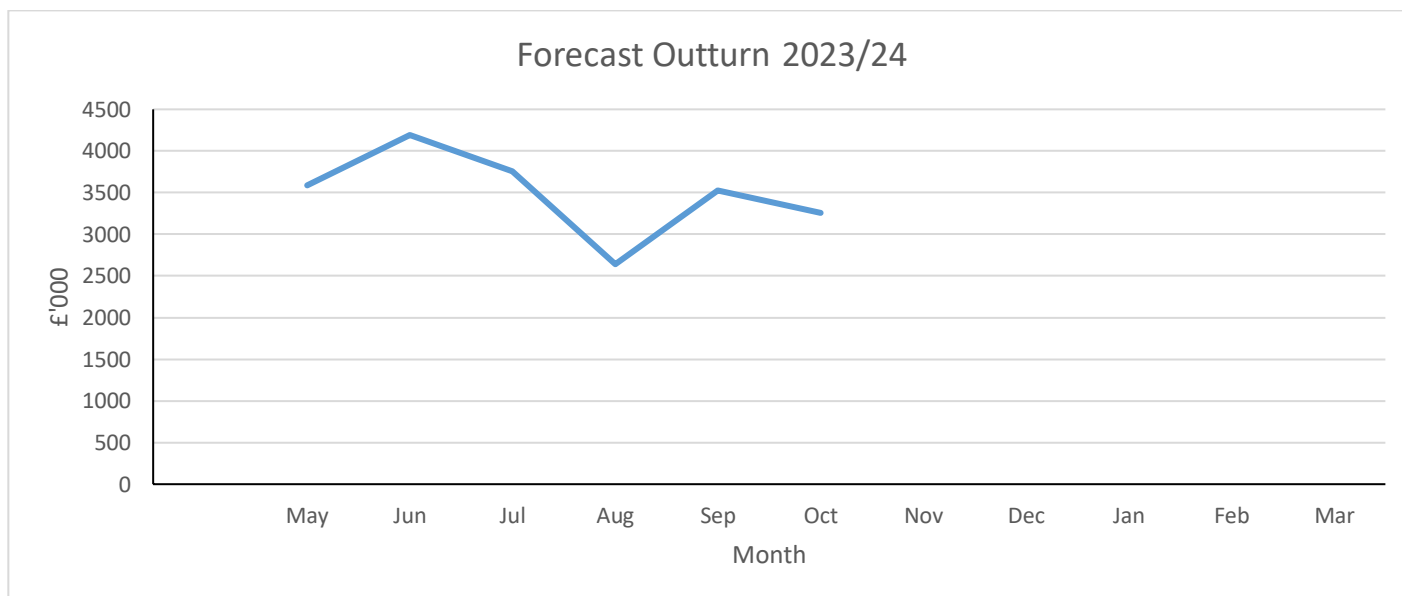
Section	Item	Description
1	Revenue Executive Summary	High level summary of information and narrative on key issues in revenue financial position
2	Capital Executive Summary	Summary of the position of the Capital programme within Place and Sustainability
3	Savings Tracker Summary	Summary of the latest position on delivery of savings
4	Technical Note	Explanation of technical items that are included in some reports
Appx 1	Service Level Financial Information	Detailed financial tables for Place and Sustainability main budget headings
Appx 2	Service Commentaries	Detailed notes on revenue financial position of services that have a significant variance against budget
Appx 3	Capital Appendix	This contains more detailed information about the capital programme, including funding sources and variances from planned spend.
<i>The following appendices are included quarterly as the information does not change as regularly:</i>		
Appx 4	Savings Tracker	Each quarter, the Council's savings tracker is produced to give an update of the position of savings agreed in the Business Plan.
Appx 5	Technical Appendix	Each quarter, this will contain technical financial information showing: <ul style="list-style-type: none"> Earmarked reserves <ul style="list-style-type: none"> • Grant income received • Budget virements

1. Revenue Executive Summary

1.1 Overall Position

At the end of 2023/24, Place and Sustainability is projected to be 3,256k overspent.

1.2 Summary of Revenue position by Directorate



1.2.1 Place and Sustainability

Forecast Outturn Variance (Previous) £000	Directorate	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
-209	Executive Director	937	-1,002	-64	828	-209	-324.6%
-527	Highways & Transport	42,505	-19,121	23,384	13,666	-1,027	-4.4%
2,223	Planning, Growth & Environment	52,403	-5,672	46,731	25,461	2,317	5.0%
3,857	Climate Change and Energy	2,568	-6,282	-3,715	-547	4,023	108.3%
221	Regulatory Services	5,203	-3,215	1,988	774	189	9.5%
5,565	Total Expenditure	103,615	-35,291	68,324	40,182	5,293	7.7%
-2,037	Mitigations	0	0	0	0	-2,037	
3,528	Total	103,615	-35,291	68,324	40,182	3,256	4.8%

1.3 Significant Issues

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 Place and Sustainability (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.

2. Capital Executive Summary

Scheme category	Scheme Budget	Schemes Forecast Variance	2023/24 Budget	2023/24 Actuals	2023/24 Forecast Variance
	£000	£000	£000	£000	£000
Highways & Transport	569,757	0	68,773	16,925	-11,126
Planning, Growth & Environment	29,305	0	2,834	73	-1,400
Climate Change & Energy Services	94,934	2,092	22,373	3,881	-4,222
Connecting Cambridgeshire	20,072	0	2,353	127	0
Capitalisation of Interest			1,331	0	0
Capital Programme variations			-24,489	0	16,748
Total including Capital Programme variations	714,068	2,092	73,175	21,006	0

The BATc Waste budget will not be spent this financial year and has been re-profiled into next financial year.

For the Swaffham Prior Community Heat Scheme, Strategy, Resources and Performance Committee on 31st October approved a total of an additional £3.205m of funding to finalise the connections to the heat pump, of which £1.095m is required in 2023-24, which brings the in-year forecast on target.

Details for all capital schemes are shown in Appendix 3.

3. Savings Tracker Summary

The savings trackers are produced quarterly to monitor delivery of savings against agreed plans. See Appendix 4 for the Quarter 2 savings tracker.

4. Technical note

On a quarterly basis, a technical financial appendix is included as Appendix 5.

- 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 the directorate from other services, to show why the budget might be different from that agreed by Full Council
- Service earmarked reserves – funds held for specific purposes that may be drawn down in-year or carried-forward – including use of funds and forecast draw-down.

Appendix 1 – Detailed Financial Information

Forecast Outturn Variance (Previous)	Committee		Gross Budget	Income Budget	Net Budget	Actual	Forecast Outturn Variance	Forecast Outturn Variance
£000			£000	£000	£000	£000	£000	%
Executive Director								
-209		Executive Director	937	-1,002	-64	828	-209	325%
-209		Executive Director Total	937	-1,002	-64	828	-209	325%
Highways & Transport								
<u>Highways Maintenance</u>								
45	H&T	Asst Dir - Highways Maintenance	116	0	116	76	45	39%
120	H&T	Highway Maintenance	7,319	-179	7,140	2,058	120	2%
8	H&T	Highways Asset Management	935	-456	479	582	23	5%
0	H&T	Winter Maintenance	3,075	0	3,075	394	0	0%
<u>Project Delivery</u>								
0	H&T	Asst Dir - Project Delivery	200	0	200	-51	0	0%
-31	H&T	Project Delivery	291	0	291	87	-31	-11%
206	H&T	Street Lighting	14,141	-3,997	10,144	3,691	206	2%
<u>Transport, Strategy & Development</u>								
23	H&T	Asst Director - Transport, Strategy & Development	1,219	-271	948	3,634	23	2%
-215	H&T	Traffic Management	3,686	-3,432	255	350	-247	-97%
5	H&T	Road Safety	908	-534	374	810	9	2%
-0	H&T	Transport Strategy and Policy	94	-32	63	210	-0	0%
-1,210	H&T	Highways Development Management	1,736	-1,736	0	-1,139	-1,828	0%
48	H&T	Park & Ride	1,780	-1,480	300	1,743	179	60%
474	H&T	Parking Enforcement	7,003	-7,003	0	1,221	474	0%
-527		Highways & Transport Total	42,505	-19,121	23,384	13,666	-1,027	-4%

Forecast Outturn Variance (Previous) £000	Committee		Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
Planning, Growth & Environment								
-11	E&GI	Asst Dir - Planning, Growth & Environment	185	0	185	103	-11	-6%
345	E&GI	Planning and Sustainable Growth	1,858	-939	920	783	440	48%
44	E&GI	Natural and Historic Environment	1,356	-578	779	197	43	6%
1,845	E&GI	Waste Management	49,004	-4,155	44,848	24,379	1,845	4%
2,223		Planning, Growth & Environment Total	52,403	-5,672	46,731	25,461	2,317	5%
Climate Change & Energy Service								
-39	E&GI	Climate and Energy Services	652	-541	111	344	-36	-32%
3,896	E&GI	Energy Services	1,916	-5,741	-3,825	-892	4,058	106%
3,857		Climate Change & Energy Service Total	2,568	-6,282	-3,715	-547	4,023	121%
Community Safety and Regulatory Service								
192	CSMI	Registration & Citizenship Services	1,148	-1,955	-807	-427	192	24%
37	CSMI	Coroners	3,316	-1,236	2,080	917	37	2%
-9	CSMI	Trading Standards	739	-24	715	285	-40	-6%
221		Community Safety and Regulatory Service Total	5,203	-3,215	1,988	774	189	10%
5,565	Total		103,615	-35,291	68,324	40,182	5,293	8%
Mitigations								
-2,037		Transfer from P&S earmarked reserves	0	0	0	0	-2,037	
3,528	Overall Total		103,615	-35,291	68,324	40,182	3,256	5%

Appendix 2 – Service Commentaries on Forecast 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.

1) Executive Director

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
937	-1,002	-64	828	-209	-325%

When CCC undertakes work for other agencies and authorities it recovers an element to reflect the cost of overheads including risk. The amounts recovered vary and a smoothing mechanism is applied which is reflected by this variance.

2) Highways Maintenance

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
7,319	-179	7,140	2,058	120	2%

Recycling facility phase 1 savings will now not be made for this year 23/24. The project start has been delayed due to capacity pressures within the service. Work is commencing now with the aim of having the facility operational early in 24/25.

3) Street Lighting

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
14,141	-3,997	10,144	3,691	206	2%

Pressures arising from historic Street Lighting matters on the PFI contract between years 2011-12 and 2016-2017. These relate to targets set in the contract that have not been achievable as originally intended by CCC and therefore the baselines set in the contract need adjustment as notified by the Contractors, which is permitted under the contract.

4) Traffic Management

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
3,686	-3,432	255	350	-247	-97%

Streetworks area is realising increased income due to more Section 74 charges (prolonged occupation of the road), and the fact that the increased number of road closures and openings are generating more income. Additionally, scaffolding and skips have higher volume which contributes to the over achievement of income on this area. Higher volumes of permits for scaffolding and skips have contributed to this additional income.

5) Highways Development Management

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,736	-1,736	0	-1,139	-1,828	0%

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.

6) Park & Ride

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,780	-1,480	300	1,743	179	60%

The closure of the southern section of the guided bus way has resulted in a loss of income and a pressure on the budget.

7) Parking Enforcement

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
7,003	-7,003	0	1,221	474	0%

£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.

8) Planning and Sustainable Growth

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,858	-939	920	783	440	48%

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.

9) Waste Management

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
49,004	-4,155	44,848	24,379	1,845	4%

The revenue budget for waste is currently showing a pressure, 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.

10) Energy Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,916	-5,741	-3,825	-892	4,058	106%

There is a pressure on Energy Services income of £4,058k across all its projects. 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 January 2024. 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 have been 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.

11) Registration and Citizenship Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1,148	-1,955	-807	-427	192	24%

The cost of living is having an impact on ceremony bookings with a significant rise in ceremony cancellations as couples are having to make difficult financial decisions. A further year without a rise in statutory fees during a period of high inflation has in addition negatively impacted on revenue.

Appendix 3 – Capital Position

4.1 Capital Expenditure

Original 2023/24 Budget as per Business Plan £000	Committee	Scheme	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Revised Budget for 2023/24 £000	Actual Spend (October) £000	Forecast Outturn Variance (October) £000
		Integrated Transport					
200	H&T	Major Scheme Development & Delivery	1,000	0	0	1	0
600	H&T	Safety Schemes	3,000	0	1,780	50	0
345	H&T	Strategy and Scheme Development work	1,725	0	656	614	0
25	H&T	Air Quality Monitoring	125	0	25	3	0
1,040	H&T	Annual Contribution to A14 upgrade	26,000	0	1,040	0	0
895	H&T	Local Infrastructure Improvements	4,409	0	1,100	541	-643
0	H&T	Minor improvements for accessibility and Rights of Way	77	0	77	-7	0
4,406	H&T	Delivering the Transport Strategy Aims	7,299	0	3,446	1,104	-1,246
		Operating the Network					
9,450	H&T	Carriageway & Footway Maintenance incl Cycle Paths	37,650	0	10,200	3,579	0
235	H&T	Rights of Way	1,175	0	250	105	0
2,347	H&T	Bridge Strengthening	11,735	0	2,347	546	0
778	H&T	Traffic Signal Replacement	3,890	0	1,070	285	0
183	H&T	Smarter Travel Management - Int Highways Man Centre	915	0	183	17	0
118	H&T	Smarter Travel Management - Real Time Bus Information	0	0	0	0	0
		Highways & Transport					
		Highways Maintenance					
0	H&T	£90m Highways Maintenance schemes	78,700	0	492	-30	0
8,179	H&T	Pothole grant funding	36,656	0	10,544	4,438	0
4,000	H&T	Footways	28,000	0	4,165	1,768	0
4,750	H&T	A14 De-trunking	24,750	0	4,750	1	-4,000
500	H&T	Highways materials recycling	2,500	0	500	0	-200
		Project Delivery					
3,868	H&T	Guided Busway	149,791	0	3,890	0	0
10	H&T	Ely Crossing	49,006	0	10	-868	0
0	H&T	Cambridge Cycling Infrastructure	487	0	487	51	-242

Original 2023/24 Budget as per Business Plan £000	Committee	Scheme	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Revised Budget for 2023/24 £000	Actual Spend (October) £000	Forecast Outturn Variance (October) £000
600	H&T	King's Dyke	33,500	0	-2,550	628	0
0	H&T	Emergency Active Fund	1,181	0	279	71	-73
0	H&T	Lancaster Way	2,589	0	8	8	0
0	H&T	Wisbech Town Centre Access Study	1,883	0	101	-1,119	32
4,571	H&T	March FHSF and MATS Broad Street	6,853	0	5,116	1,293	-616
4,367	H&T	St Neots Future High St Fund	7,905	0	1,992	42	0
0	H&T	March Area Transport Study - Main schemes	3,329	0	1,298	718	0
1,300	H&T	St Ives local Improvements	2,300	0	1,800	236	-635
2,903	H&T	A141 and St Ives Improvement	5,805	0	1,754	298	0
2,535	H&T	A10 Ely to A14 Improvements	3,803	0	2,378	429	-948
0	H&T	Witchford A10 NMU	100	0	100	103	0
0	H&T	Transforming Cities Fund	2,860	0	2,347	973	0
0	H&T	Southern Busway Widening – widening of maintenance track	2,891	0	2,891	16	-2,441
100	H&T	Street Lighting LED	13,283	0	100	1	10
0	H&T	Soham Wicken NMU	1,230	0	430	0	-124
0	H&T	Active Travel 4	910	0	910	0	0
		Transport Strategy and Network Development					
0	H&T	Scheme Development for Highways Initiatives	1,000	0	0	0	0
0	H&T	CaPCAM	1,620	0	940	752	0
0	H&T	Northstowe Transport Monitoring	0	0	0	0	0
200	H&T	Wheatsheaf Crossroads	6,795	0	90	79	0
		Planning, Growth & Environment					
2,180	E&GI	Waste Infrastructure	7,424	0	1,500	7	-1,400
19,320	E&GI	Waterbeach Waste Treatment Facilities	20,367	0	500	46	0
0	E&GI	Northstowe Heritage Centre	680	0	0	20	0
834	E&GI	Reallocation and funding of cost cap for Northstowe phase 1	834	0	834	0	0
		Climate Change & Energy Services					
0	E&GI	Energy Efficiency Fund	0	0	0	0	0
0	E&GI	Swaffham Prior Community Heat Scheme	14,170	0	2,300	1,234	0
0	E&GI	Alconbury Civic Hub Solar Car Ports	928	0	0	0	0
2,066	E&GI	St Ives Smart Energy Grid Demonstrator scheme	5,486	200	1,277	552	200

Original 2023/24 Budget as per Business Plan £000	Committee	Scheme	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Revised Budget for 2023/24 £000	Actual Spend (October) £000	Forecast Outturn Variance (October) £000
2,819	E&GI	Babraham Smart Energy Grid	8,595	0	5,040	819	-1,035
0	E&GI	Trumpington Smart Energy Grid	6,970	0	0	0	0
3,000	E&GI	Stanground Closed Landfill Energy Project	8,267	0	550	1	-310
0	E&GI	Woodston Closed Landfill Energy Project	150	0	135	0	0
427	E&GI	North Angle Solar Farm, Soham	28,957	1,892	6,438	525	-2,267
409	E&GI	Fordham Renewable Energy Network Demonstrator	635	0	450	0	0
1,627	E&GI	Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating	10,518	0	2,463	150	-845
0	E&GI	Environment Fund - Decarbonisation Fund - School Low Carbon Heating Programme	2,383	0	281	562	35
0	E&GI	Environment Fund- Decarbonisation Fund - School Education Capital	3,499	0	1,729	0	0
0	E&GI	Environment Fund - EV ChargePoint's	200	0	158	0	0
167	E&GI	Environment Fund - Oil Dependency	500	0	205	28	0
230	E&GI	Environment Fund - Climate Innovation	300	0	63	0	0
0	E&GI	Treescape Fund	74	0	31	0	0
0	E&GI	Cambridge Electric Vehicle ChargePoint's	157	0	15	10	0
0	E&GI	School Ground Source Heat Pump Projects	3,145	0	143	0	0
2,490	E&GI	Connecting Cambridgeshire	20,072	0	2,353	127	0
1,331		Capitalisation of Interest	4,915	0	1,331	0	0
95,405		Subtotal	718,983	2,092	97,664	21,006	-16,748
-19,129		Capital Programme variations	-66,696	0	-24,489	0	16,748
76,276		Total including Capital Programme variations	652,287	2,092	73,175	21,006	0

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

Ref	Committee	Commentary vs previous month	Scheme	Scheme Budget £000	Budget for 2023/24 £000	Forecast Outturn Variance £000	Cause	Commentary
1a	H&T	Unchanged	Local Infrastructure Improvements	4,409	1,100	-643	Reprofiling	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.
1b	H&T	Updated	Delivering the Transport Strategy Aims	7,299	3,446	-1,246	Reprofiling	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. 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.
1c	H&T	Unchanged	A14 De-trunking	24,750	4,750	-4,000	Reprofiling	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.
1d	H&T	Unchanged	Highways Maintenance	2,500	500	-200	Reprofiling	Highways Materials Recycling: Project at early stage and the latest estimate is that circa £300k will be needed for initial set up of phase 1 in March depot in 23/24. The remaining £200k may be required in 24/25 to enhance / complete Phase 1.
1e	H&T	Unchanged	Cambridge Cycling Infrastructure	487	487	-242	Reprofiling	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.

Ref	Committee	Commentary vs previous month	Scheme	Scheme Budget £000	Budget for 2023/24 £000	Forecast Outturn Variance £000	Cause	Commentary
1f	H&T	New	March Future High Street	6,853	5,116	-616	Reprofiling	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.
1g	H&T	Unchanged	St Ives Local Improvement	2,300	1,800	-635	Reprofiling	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.
1h	H&T	New	A10 Ely to A14 improvements	3,803	2,378	-948	Reprofiling	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.
1i	H&T	Unchanged	Guided Busway – Widening of footpath	2,891	2,891	-2,441	Reprofiling	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.
1j	EG&I	Unchanged	Waste Infrastructure	7,424	1,500	-1,400	Reprofiling	The £1.5m budget for March HRC will require re-phasing as only £100K is likely to be spent this year as procurement is just starting using the education service Construction Consultancy framework contract, and a £1.4m underspend is currently being re-forecast for this financial year.
1k	EG&I	Unchanged	St Ives Smart Energy Grid Demonstrator scheme	5,486	1,277	200	Overspend	Revised estimates on grid connection work on site has resulted in an adjustment required to the capital to complete the project. Fuelled by significant inflationary pressures in the construction sector.
1l	EG&I	New	Babraham Smart EnergyGrid	8,595	5,040	-1,035	Reprofiling	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.
1m	EG&I	New	Stanground Closed Landfill Energy Project	8,267	550	-310	Reprofiling	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.

Ref	Committee	Commentary vs previous month	Scheme	Scheme Budget £000	Budget for 2023/24 £000	Forecast Outturn Variance £000	Cause	Commentary
1n	EG&I	Unchanged	North Angle Solar farm	28,957	6,438	-2,267	Reprofiling	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.
1o	EG&I	Updated	Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating	10,518	2,463	-845	Reprofiling	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.

4.2 Capital Variations Budget

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.

The capital variations budget for Place and Sustainability service is £24,489 and has been recalculated to reflect the reprofiling of the works at the Waterbeach waste treatment facility.

4.3 Capital Funding

Original 2023/24 Funding Allocation as per Business Plan £000	Source of Funding	Revised Funding for 2023/24 £000	Forecast Spend – Outturn (October) £000	Forecast Variance – Outturn (October) £000
13,626	Local Transport Plan	13,771	13,508	-263
15,545	Other DfT Grant funding	18,841	14,841	-4,000
8,875	Other Grants	11,588	10,599	-989
5,113	Developer Contributions	5,426	5,284	-142
39,699	Prudential Borrowing	33,559	25,901	-7,658
12,308	Other Contributions	14,240	10,544	-3,696
-19,129	Capital Programme variations	-24,489	-7,741	16,748
76,037	Total including Capital Programme variations	72,936	72,936	0

The increase between the original and revised budget is partly due to the carry forward of funding from 2022/23, this is due to the re-phasing of schemes, which were reported as underspending at the end of the 2022/23 financial year. The phasing of a number of schemes have been reviewed since the published business plan.

Table explaining Capital Funding changes

Funding	Amount (£m)	Reason for Change
Rephasing (DfT Grants)	3.44	Highways schemes funded by DfT grants rolled forward into 23/24. DfT grant used to fund schemes that were earmarked to be funded by borrowing in 22/23. Rolled forward schemes will be funded by borrowing. Highways maintenance (-£3,906). Carry forward of DfT grant for Safety schemes (£1.18m), carriageway and footpath maintenance (£0.75m), Traffic Signal replacement (£0.292m) and Cambridge Cycling Infrastructure (£0.203m). Additional Pothole funding (£3.332m). Rephasing of Major Scheme Delivery and development (-£0.2m). Adjustment of Delivering the Transport Strategy Aims budget (£1.03m).
New funding/Rephasing (Specific Grants)	2.71	Additional funding for Emergency Active Fund (£0.279m). Additional funding and carry forward of funding for March Area Transport Study £1.298m). Rephasing of A141 and St Ives improvement (-£1.149m). New funding for Transforming Cities Fund (£2.803m)
Additional Funding / Revised Phasing (Section 106 & CIL)	0.31	Developer contributions to be used for a number of schemes. Carry forward of S106 funding for cycling infrastructure schemes (£0.284m)
Additional funding / Revised Phasing (Other Contributions)	1.93	Deletion of A14 cycling schemes which are part of phase 2 bid (-£1.830m). CaPCOM from CPCA (£0.848m). New funding for March Future High Street (£0.545m). Rephasing of St Neots Future High Street scheme (-£2.375m). St Ives local improvements carry forward and rephasing (£0.5m). New funding for Guided Busway - widening of maintenance track (£2.981m). Addition of Soham to Wicken project (£0.33m). Addition of Active Travel 4 project (£0.91m).
Additional Funding / Revised Phasing (Prudential borrowing)	-7.23	Highways Maintenance funding (£4.398m). Reduction in borrowing for pothole fund (-£0.976m). Rephasing of Waste schemes (-£0.68). Rephasing of Energy schemes (£1.417m). Rephasing of North Angle Solar Farm (-£6.011m). Rephasing of Environment fund (£2.875m). Rephasing King's Dyke (-£3.15m). Rephasing of Wheatsheaf Crossroads (£1.308m). Rephasing of Scheme Development of Highways Initiatives (£ 0.424m). Rephasing of Waterbeach waste treatment plant works (-£18.820m). Additional borrowing for Swaffham Prior Community Heat Scheme (£1.095m)

Appendix 4 – Savings Tracker

Quarter 2 Savings Tracker

RAG	Directorate	Committee	Category Type	Type of Proposal	BP Ref	Title	Planned Saving	Forecast Saving 23 24	Variance from Plan £000	% Variance	Forecast Commentary
Green	P&S	H&T	23-24 New	Saving	B/R.6 .215	Recycle asphalt, aggregate and gully waste	-20	-20	0	0%	On track to meet this saving target.
Green	P&S	H&T	23-24 New	Saving	B/R.6 .217	Vacancy factor	-112	-112	0	0%	On track to meet this saving target
Green	P&S	H&T	23-24 New	Saving	B/R.6 .218	Stop Weedkilling of Footways and Road Edges	-125	-125	0	0%	On track to meet this saving target for 23/24
Black	P&S	H&T	23-24 New	Saving	B/R.6 .220	Highways Materials Recycling	-100	0	100	100%	Capital project has slipped and savings are anticipated in year two.
Amber	P&S	EG&I	23-24 New & C/F 22-23	Income	C/R.7 .106	St Ives Smart Energy Grid - Income Generation	-177	-47	130	73.45%	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	23-24 New & C/F 22-23	Income	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	23-24 New & C/F 22-23	Income	C/R.7 .109	North Angle Solar Farm, Soham - Income Generation	-4,535	-416	4,119	90.83%	Project energisation date historically forecast at July 2023. Now forecast significantly later and

RAG	Directorate	Committee	Category Type	Type of Proposal	BP Ref	Title	Planned Saving	Forecast Saving 23 24	Variance from Plan £000	% Variance	Forecast Commentary
											therefore reduction in saving forecast is expected.
Red	P&S	EG&I	23-24 New & C/F 22-23	Income	C/R.7 .110	Swaffham Prior Community Heat Scheme - Income Generation	-572	-116	456	79.72%	Longer than expected customer connection profile means revenue from sale of heat is lower than previously expected.
Green	P&S	H&T	23-24 New	Income	B/R.7 .134	Light blue fibre income	-11	-11	0	0.00%	On track to meet this income target
Amber	P&S	H&T	22-23 CFWD	Income	A/R.6 .213	Registrars	-200	-30	170	85.00%	Saving based on additional income through the diversification of some of the services provided by the 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.
							6,235	857	5,378		

Key to RAG ratings

Total Savings	Over 500k	100-500k	Below 100k
Black	100% non-achieving	100% non-achieving	100% non-achieving
Red	% variance more than 19%	-	-
Amber	Underachieving by 14% to 19%	% variance more than 19%	% variance more than 19%
Green	% variance less than 14%	% variance less than 19%	% variance less than 19%
Blue	Over-achieving	Over-achieving	Over-achieving

Appendix 5 – Technical Appendix

Earmarked Reserves Schedule

Quarter 2 Revenue Reserves

Fund Description		Balance at 31st March 2023	Movement within Year	Balance at 30th Sept 2023	Yearend Forecast Balance	Notes
		£'000	£'000	£'000	£'000	
Other Earmarked Funds						
H&T	Deflectograph Consortium	31	0	31	0	Partnership accounts, not solely CCC
H&T	Highways Searches	365	0	365	347	
H&T	On Street Parking	2,222	0	2,222	1,722	
H&T	Highways Maintenance	394	406	800	406	Funding agreed by S&R Committee
H&T	Central Winter Maintenance	0	600	600	600	
H&T	Streetworks Permit scheme	224	0	224	112	
H&T	Highways Commuted Sums	3,493	146	3,639	3,632	
H&T	Streetlighting - Commuted Sum	16	0	16	16	
H&T	Busway safety improvements	2,891	0	2,891	0	
H&T	Apprentices	0	700	700	560	
H&T	Real Time Passenger Information (RTPI)	216	0	216	0	Funding to be transferred to CPCA
E&GI	Flood Risk funding	20	0	20	0	
E&GI	Travel to Work	114	0	114	92	Partnership accounts, not solely CCC
E&GI	Steer- Travel Plan+	55	0	55	45	
E&GI	Greenspaces	85	0	85	0	
E&GI	Waste reserve	2,845	0	2,845	1,000	
E&GI	Coroners - Complex inquests	279	0	279	253	
E&GI	Registrars	194	0	194	0	
E&GI	Trading Standards	100	(100)	0	0	
E&GI	Proceed of Crime	296	0	296	296	
H&T	Other earmarked reserves under £30k	20	0	20	0	
Total		1,753	15,611	9,081	1,753	

Quarter 2 Capital Reserves

Fund Description		Balance at 31st March 2023	Movement within Year	Balance at 30th Sept 2023	Yearend Forecast Balance	Notes
		£'000	£'000	£'000	£'000	
Capital Reserves						
H&T	Other Government Grants	21,751	(979)	20,772	19,000	
H&T	Other Capital Funding	1,045	(113)	932	0	
TOTAL		22,796	(1,092)	21,704	19,000	

Quarter 2 Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

Grant	Awarding Body	Amount £'000
Grants as per Business Plan		
Street Lighting PFI credits	Department of Levelling Up, Housing and Communities	3,994
Waste PFI credits	Department for Environment, Food and Rural Affairs	2,570
Bikeability	Department of Transport	213
Public Health Grant	Department of Health and Social Care	209
Woodland Creation	Department for Environment, Food and Rural Affairs	150
Non-material grants (+/- £50k)	Various	187
Total Non-Baselined Grants 23/24		7,275

Quarter 2 Virements and Budget Reconciliation

Budgets and movements	£'000	Notes
Budget as per Business Plan (BP)	71,326	
Pre initial load adjustments	-42	
Budget rebasing. Approved by S&R	-728	
Public Health (PH) income	-31	Update PH income to match PH MoU
Streetworks Staffing Inflation	-55	Correction to budget
Domestic Abuse and Sexual Violence	-2,032	Service budgets moved from P&S to S&P
Staffing restructure	-90	
Non-material virements (+/- £30k)	-22	
Current Budget 2023/24	68,324	