

**INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD
ENDING 31ST JULY 2016**

To: **General Purposes Committee**

Date: **20th September 2016**

From: **Chief Finance Officer**

*Electoral
division(s):* **All**

Forward Plan ref: **N/A**

Key decision: **No**

Purpose: **To present financial and performance information to assess progress in delivering the Council's Business Plan.**

Recommendations: **General Purposes Committee (GPC) is recommended to:**

- a) Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.**

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1. PURPOSE

- 1.1 To present financial and performance information to assess progress in delivering the Council's Business Plan.

2. OVERVIEW

- 2.1 The following table provides a snapshot of the Authority's forecast performance at year-end by value, RAG (Red, Amber, Green) status and direction of travel (DoT).

Area	Measure	Forecast Year End Position (June)	Forecast Year End Position (July)	Current Status	DoT (up is improving)
Revenue Budget	Variance (£m)	+£1.8m	+£0.5m	Amber	↑
Basket Key Performance Indicators	Number at target (%)	44% (7 of 16) ¹	38% (6 of 16) ¹	Amber	↓
Capital Programme	Variance (£m)	+£0.03m	+£0.2m	Green	↓
Balance Sheet Health	Net borrowing activity (£m)	£432m	£415m	Green	↔

¹ The number of performance indicators on target reflects the current position.

- 2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end overspend of £0.5m, which is a decrease of £1.3m on the position reported last month. The change in position is largely due to a net reduction in CS and CFA overspends and an underspend emerging in CS Financing. See section 3 for details.
- Key Performance Indicators; the corporate performance indicator set has been refreshed for 2016/17. There are 18 indicators in the Council's new basket, with data currently being available for 16 of these. Of these 16 indicators, 6 are on target. However, 7 indicators are currently rated amber, with 5 of these being within 5% of their target values. See section 5 for details.
- The Capital Programme is showing a forecast year-end overspend of £0.2m (0.2%); this is within A&I. Although CFA and ETE are reporting £3.7m and £2.8m (respectively) in-year slippage on their capital programmes, this is within their allocated budgets for capital programme variations, giving them a balanced outturn overall. See section 6 for details.

- Balance Sheet Health; The original forecast net borrowing position for 31st March 2017, as set out in the Treasury Management Strategy Statement (TMSS) is £479m. This projection has now fallen to £415m, which is £17m lower than reported last month. This decrease is due to the forecast for prudential borrowing in 2016/17 falling from £87m to £70m. See section 7 for details.

3. REVENUE BUDGET

3.1 A more detailed analysis of financial performance is included below:

Key to abbreviations

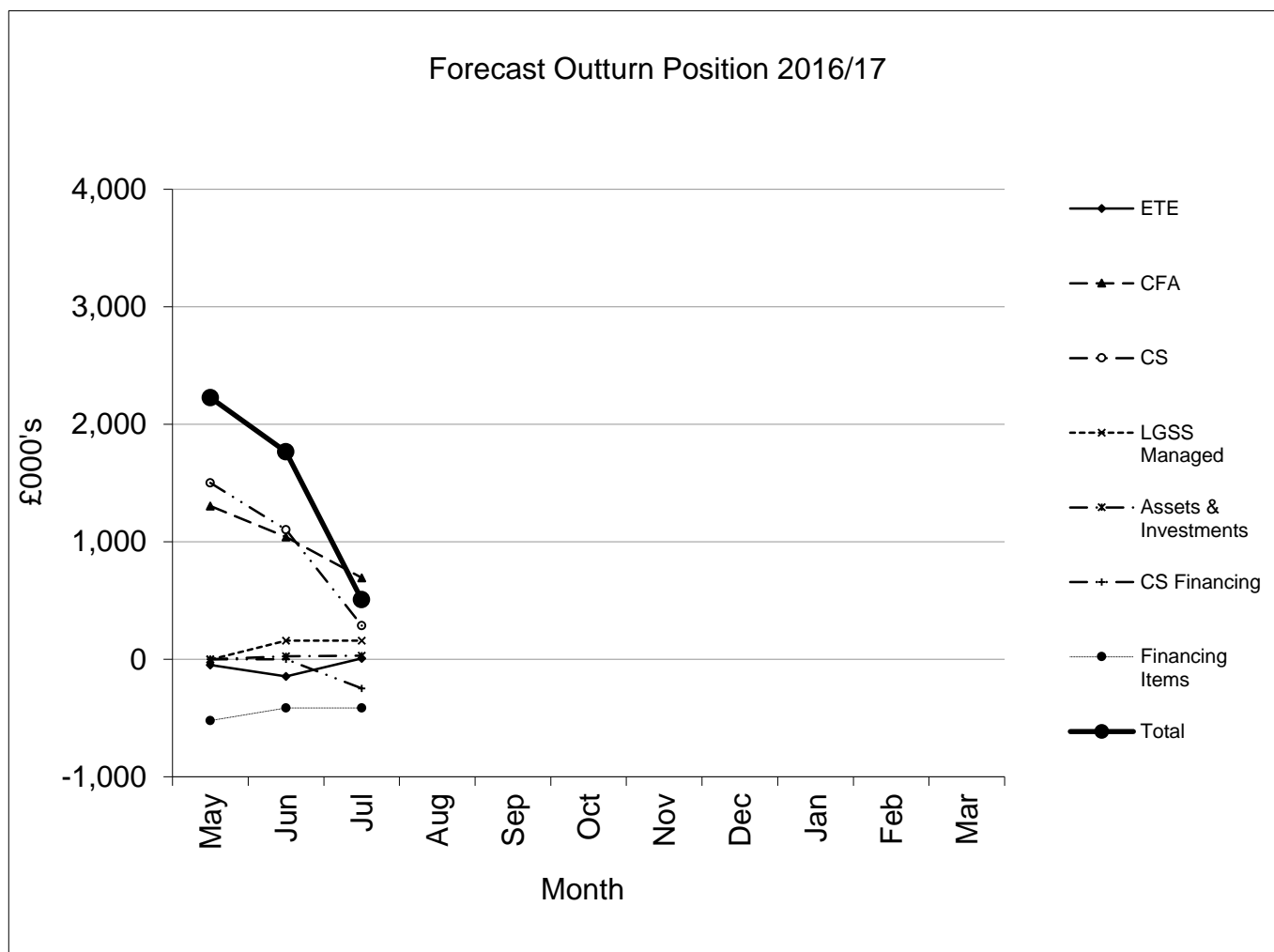
ETE	– Economy, Transport and Environment
CFA	– Children, Families and Adults
CS Financing	– Corporate Services Financing
DoT	– Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (June) £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (July) %	Overall Status	DoT
59,952	ETE	61,967	-147	7	0.0%	Green	↓
242,563	CFA	242,310	1,041	693	0.3%	Amber	↑
182	Public Health	182	0	0	0.0%	Green	↔
4,674	Corporate Services	4,830	1,102	285	5.9%	Amber	↑
6,010	LGSS Managed	6,010	159	157	2.6%	Amber	↑
2,711	Assets & Investments	2,714	25	31	1.1%	Green	↓
34,206	CS Financing	34,206	0	-250	-0.7%	Green	↑
350,298	Service Net Spending	352,219	2,180	923	0.3%	Amber	↑
4,677	Financing Items	1,900	-415	-415	-21.8%	Green	↓
354,975	Total Net Spending	354,119	1,765	508	0.1%	Amber	↑
	Memorandum items:						
9,589	LGSS Operational	9,682	83	98	1.0%	Amber	↓
222,808	Schools	222,808					
587,372	Total Spending 2016/17	586,610					

¹ The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.

² The forecast variance outturn does not include the £9.3m budget saving in 2016/17 following the change in Minimum Revenue Provision (MPR) policy, which was approved by Council on 16 February 2016.

³ For budget virements between Services throughout the year, please see [Appendix 1](#).



3.2 Key exceptions this month are identified below.

3.2.1 **Economy, Transport and Environment:** +£0.007m (0.0%) overspend is forecast at year-end. There are no new exceptions to report; for full and previously reported details see the [ETE Finance & Performance Report](#).

3.2.2 **Children, Families and Adults:** +£0.693m (0.3%) overspend is forecast at year-end.

	£m	%
<ul style="list-style-type: none"> Learning Disability Head of Services – The Head of Service policy line is currently forecasting an underspend of £759k. This is a movement of -£292k from last month. The movement is the result of holding back additional expenditure on vacant posts and contracts to offset against pressures elsewhere in the pool totalling -£120k, and increasing the forecast Clinical Commissioning Group contribution to the LDP overspend by -£172k, due to the risk share on the pooled budget. 	-0.759	(-48%)
<ul style="list-style-type: none"> Learning Disability Young Adults – City, South and East Localities – An overspend of £825k is forecast for year-end. This is an increase of £311k on the forecast reported last month. In South Locality costs have increased by £106k as a result of 	+0.825	(+3%)

changes in service user need. The remainder of the increase is due to the updating of spending commitments after loading packages onto an automated payments and recording system, and updated expectations for the delivery of savings in the remainder of the year.

- **Learning Disability – Hunts & Fenland Localities** – An overspend of £748k is forecast for year-end. This is an increase of £490k on the forecast reported last month. £280k of this increase is within Hunts Locality and is mainly as a result of a service user's previous placement breaking down. Further pressures have been caused through revised estimates of future transport and variable package costs. The remainder of the increase is due to an updated estimate of savings achievable in the remainder of the year. +0.748 (+4%)
- **Mental Health – Adults & OP** – An underspend of £676k is forecast at year-end. This is a movement of -£450k from the position reported last month.

£200k of the overall underspend reflects the level and amount of care provided being lower than anticipated at this stage of the year. This accounts for £100k of the increase in the underspend reported last month.

The remaining £350k of increase in underspend is due to scrutiny of care and funding arrangements for service users identifying that the County Council is funding health responsibilities for some placements made through Section 41 of the Mental Health Act. Discussions are ongoing with the Clinical Commissioning Group (CCG) to address the provision of appropriate health funding and it is anticipated this could yield additional savings of £350k. -0.676 (-5%)

The remaining £126k forecast underspend is due to successful price negotiations on contracts.

- Other areas in CFA account for the additional -£406k movement in the overall position of CFA since last month, but none meet the exception threshold of £250k for reporting.
- For full and previously reported details see the [CFA Finance & Performance Report](#).

3.2.3 **Public Health:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [PH Finance & Performance Report](#).

3.2.4 **Corporate Services:** +£0.282m (+5.8%) overspend is forecast at year-end.

£m %

Director, Policy & Business Support – an overspend of £403k is forecast at year-end. This is a movement of -£775k on the previously reported position.

The last report to this Committee identified an underachievement of the in-year saving in respect of the Corporate Capacity Review. As explained this was caused by a delay in the implementation of the restructure rather than a reduction in the quantum of the saving. This was as a result of the unforeseen complexity and capacity of the Council to manage a cross organisation, multi discipline restructure of this nature without a central resource to call upon to support its delivery. In addition a robust engagement process has been undertaken in order to ensure successful delivery of the proposals. Even with this engagement there has been some resistance within the organisation as change of this level and complexity is unprecedented within the Council. Whilst the overall quantum of the saving will be delivered the aforementioned factors have resulted in a delay in implementation.

The level of the in-year pressure identified in the last report period was highlighted as being the worst case scenario and further work has been undertaken to refine this position. A recruitment freeze has been in place since the consultation process commenced and although the position will improve slightly over the coming months as some staff that are at risk take the opportunity to leave the organisation it is likely that directly attributable savings from CCR will be in the region of £875k.

+0.403 (49%)

At the last meeting the Committee asked for officers to consider ways to bridge this in-year budget pressure. In addition to the refining of the projection as set out above there are two opportunities to further reduce this pressure:

- As highlighted in previous GPC Workshops the CCR was the first phase of a review of the Council's overall staffing resources and structures. A larger more in depth review of the whole organisation looking at spans of control and tiers of management was planned to be implemented on a phased basis over 2017/18 and 2018/19. Given the scale of these potential changes, and the slippage in delivering the CCR, it has been agreed to approach the review on a more tactical basis and therefore bring forward some early proposals.
- It is anticipated that this will lead to a significant reduction in the numbers of management within the Council, the potential for some jointly funded posts with other organisations, leading to substantial savings in management costs. This will provide some protection to the services that we provide to our communities whilst potentially leading to a more integrated service offer that could provide improved outcomes for the population. The details

of these proposals are still being refined but it is anticipated that savings in the region of £300k could be achieved in the current financial year.

- The Council has held a contractual provision in relation to Capita/Mouchel latent defect corrections. Given the passage of time it is believed that it is reasonable to release £322k of this provision.
- During the budget setting process the Council is provided with revised projections of both in-year council tax and business rate collections and future years. The 2015/16 year end position for business rates has resulted in an improvement of the sums that were assumed. Additional revenue in the sum of £100k will therefore be received that will negate the impact of slippage in delivery of the CCR.

The overall net position of these adjustments will therefore leave a shortfall of around £400k. Officers will continue to work on reducing this shortfall further throughout the year.

For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

- 3.2.5 **LGSS Managed:** +£0.157m (+2.6%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.6 **CS Financing:** -£0.250m (-0.7%) underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.7 **LGSS Operational:** +£0.098m (+1.0%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.8 **Assets & Investments:** +£0.031m (+1.1%) overspend is forecast at year-end. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

***Note:** exceptions relate to Forecast Outturns that are considered to be in excess of +/- £250k.*

4. KEY ACTIVITY DATA

- 4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [CFA Finance & Performance Report](#) (section 2.5).

5. PERFORMANCE TARGETS

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Developing our economy	Percentage of Cambridgeshire residents aged 16 - 64 in employment: 12-month rolling average	ETE	High	At-31-Dec-2015	%	80.4%	80.3% (2015/16 target)	Green	↔
	Additional jobs created	ETE	High	To 30-Sep-2014	Number	+14,000	+ 3,500 (2015/16 target)	Green	↑
	'Out of work' benefits claimants – narrowing the gap between the most deprived areas (top 10%) and others	ETE	Low	At-30-Nov-2015	%	Gap of 6.4 percentage points Most deprived areas (Top 10%) = 11.4% Others = 5%	Most deprived areas (Top 10%) ≤12% Gap of <7.2 percentage points (2015/16 target)	Green	↑
	The proportion of children in year 12 taking up a place in learning	CFA (E&P)	High	June 16	%	94.5%	96.5%	Amber	↓
	Percentage of 16-19 year olds not in education, employment or training (NEET)	CFA	Low	June 16	%	3.4%	3.3%	Amber	↓
	The proportion pupils attending Cambridgeshire Primary schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	80.8%	82.0%	Amber	↑
	The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	55.5%	75.0%	Red	↑
	The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	94.8%	100%	Amber	↔

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Helping people live independent and healthy lives	The proportion of Adult Social Care and Older People's Service users requiring no further service at end of re-ablement phase	CFA	High	June 16	%	52.8%	57%	Amber	↓
	Reduced proportion of Delayed Transfers of care from hospital, per 100,000 of population (aged 18+)	CFA	Low	May 16	Number	556	429 per month (4874.5 per year)	Red	↓
	Number of ASC attributable bed-day delays per 100,000 population (aged 18+)	CFA	Low	May 16	Number	124	114	Amber	↑
	Healthy life expectancy at birth (males)	Public Health	High	2012 – 2014	Years	66.1	N/A – contextual indicator	Green (compared with England)	↓ (compared with previous year)
	Healthy life expectancy at birth (females)	Public Health	High	2012 – 2014	Years	67.6	N/A – contextual indicator	Green (compared with England)	↑ (compared with previous year)
	Absolute gap in life expectancy between the most deprived 20% of Cambridgeshire's population and the least deprived 80% (all persons)	Public Health	Low	2013-2015 (Q4 2015)	Years	2.6	N/A – contextual indicator	N/A – contextual indicator	↔
Supporting and protecting vulnerable people	The number of looked after children per 10,000 children	CFA (CSC)	Low	June 16	Rate per 10,000	46.7	40	Red	↑
	No/ % of families who have not required statutory services within six months of have a Think Family involvement.	CFA (E&P)	TBC	TBC	TBC	TBC	TBC new measure for 2016/17	TBC	TBC

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
An efficient and effective organisation	The percentage of all transformed transaction types to be completed online	CS&T	High	1 Apr– 30 June 2016	%	70.4%	75%	Amber	↓
	The average number of days lost to sickness per full-time equivalent staff member	LGSS HR	Low	July 16	Days (12 month rolling average)	6.49	7.8	Green	↓

* 'Out of work' benefits claimants - narrowing the gap between the most deprived areas (top 10%) and others – the target of ≤12% is for the most deprived areas (top 10%). At 6.7 percentage points the gap is the same as last quarter, but is narrower than the baseline (in May 2014) of 7.2 percentage points.

5.2 Key exceptions: there are no exceptions to report this month; for full and previously reported details go to the respective Service Finance & Performance Report:

- [ETE Finance & Performance Report](#)
- [CFA Finance & Performance Report](#)
- [PH Finance & Performance Report](#)
- [CS & LGSS Finance & Performance Report](#)
- [A&I Finance & Performance Report](#)

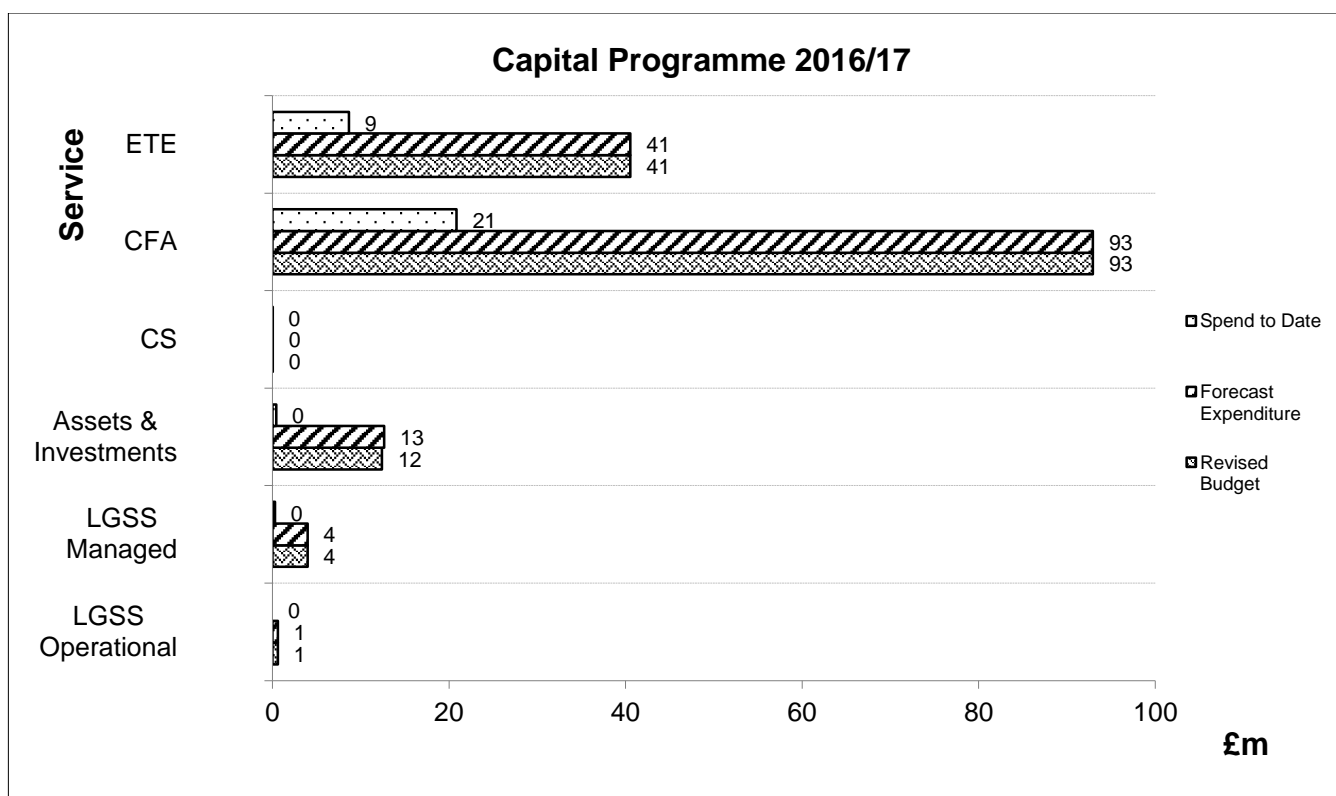
6. CAPITAL PROGRAMME

6.1 A summary of capital financial performance by service is shown below:

2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Service	Revised Budget for 2016/17 £000	Forecast Variance - Outturn (June) £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (July) %	Total Scheme Revised Budget (July) £000	Total Scheme Forecast Variance (July) £000
71,699	ETE	40,548	-	-	0.0%	415,047	-
97,156	CFA	92,921	0	0	0.0%	543,222	13,984
33	Corporate Services	48	-	-	0.0%	300	-
4,405	LGSS Managed	3,996	-	-	0.0%	15,628	-0
11,397	Assets & Investments	12,412	29	232	1.9%	240,324	-1,730
1,104	LGSS Operational	618	-	-	0.0%	1,704	-
185,794	Total Spending	150,543	29	232	0.2%	1,216,225	12,253

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted, including the capital programme variations budget allocated to each service. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported ETE capital figures do not include City Deal, which has a budget for 2016/17 of £7.4m and is currently forecasting an in-year underspend of £0.15m.



Note: The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

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

2016/17					
Service	Capital Programme Variations Budget	Forecast Variance - Outturn (July)	Capital Programme Variations Budget Used	Capital Programme Variations Budget Used	Revised Forecast Variance - Outturn (July)
	£000	£000	£000	%	£000
ETE	-10,500	-2,827	2,827	26.92%	0
CFA	-10,282	-3,739	3,739	36.36%	0
Corporate Services	-12	0	0	0.00%	0
LGSS Managed	-1,029	0	0	0.00%	0
Assets & Investments	-2,850	232	0	0.00%	232
LGSS Operational	-155	0	0	0.00%	0
Total Spending	-24,828	-6,334	6,566	26.45%	232

6.3 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.5m or greater are identified below.

6.3.1 **Economy, Transport and Environment:** a balanced budget is forecast at year end.

	£m	%
<ul style="list-style-type: none"> Kings Dyke: planning permission has been granted and the tender package prepared. However, problems in agreeing access to private land for ground investigation surveys has delayed the completion of the works information and thus the start of the project; it is anticipated that this will be resolved in September and the works package is expected to be awarded in early 2017. 	-2.6	(-77%)
<ul style="list-style-type: none"> ETE Capital Variation – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. 	+2.8	(+27%)
<ul style="list-style-type: none"> For full and previously reported details see the ETE Finance & Performance Report. 		

6.3.2 **Children, Families and Adults:** a balanced budget is forecast at year end.

	£m	%
<ul style="list-style-type: none"> Basic Need – Primary - a number of schemes have experienced in-year cost movements since the Business Plan was approved and Basic Need – Primary is now forecasting a £2.99m underspend, which is a movement of -£1.12m on the position reported last month, as explained below. 		
<ul style="list-style-type: none"> Northstowe First Primary; -£346k (-14%). Slippage is due to furniture, equipment and part of the ICT requirement not being needed in 2016/17, as the school is not due to open until September 2017. 	-3.0	(-7%)
<ul style="list-style-type: none"> Bearcroft Primary School; -£690k (-12%). The start date for works on site has slipped by a month and works are now not expected to commence until September 2016. 		
<ul style="list-style-type: none"> Meldreth Primary, nil variance. Works have now moved back in line with the original timescale; last month they were progressing ahead of schedule and a +£140k in-year variance was forecast. 		
<ul style="list-style-type: none"> CFA Capital Variation – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of +£1.17m in the outturn for CFA capital variation since last month. 	+3.7	(+36%)

- For full and previously reported details see the [CFA Finance & Performance Report](#).

6.3.3 **Corporate Services:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.4 **LGSS Managed:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.5 **LGSS Operational:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.3.6 **Assets & Investments:** +£0.232m (1.9%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

6.4 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.5m or greater are identified below:

6.4.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [ETE Finance & Performance Report](#).

6.4.2 **Children, Families and Adults:** +£14.0m (3%) total scheme overspend is forecast. This is an increase of £8.2m on the position reported last month.

£m %

- **Basic Need – Primary**

Previously reported exceptions remain. Since June the overall position has moved by +£7.8m. This is mainly due to changes in the outturn of the following schemes:

- Loves Farm Primary: +£2,320k (27%). The scope of the project has been extended to a two form entry school.
- Barrington Primary: +£1,890k (126%). Costs have increased after the option appraisal has been completed and costs have been inflated to meet a September 2020 delivery. 12.6 (6%)
- Clay Farm, Cambridge: +£1,543k (14%). The scope of the project has been extended to a two form entry school to accommodate further anticipated housing development.
- Ramnoth, Wisbech: +£740k (11%) due to increased build cost identified at the design stage.
- Hatton Park, Longstanton: +£530k (11%) due to an increased build cost identified at the planning stage and the cost of

transporting children to school in Northstowe to minimise disruption while building works are ongoing.

As the changes relate to future years, funding for these schemes will be addressed through the 2017/18 Business Planning process.

- For full and previously reported details see the [CFA Finance & Performance Report](#).

6.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.4 **LGSS Managed:** a total scheme balanced budget is forecast. The schemes in LGSS Managed that were reporting total scheme underspends have now transferred to Assets & Investments. There are no new exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.5 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.6 **Assets & Investments:** -£1.7m (-0.7%) total scheme underspend is forecast. The schemes affected were previously reported as exceptions under LGSS Managed. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

6.5 A breakdown of the changes to funding has been identified in the table below:

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding ¹ £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
DfT Grant	20.5	0.2	-1.7	1.0	20.0	20.0	-
Basic Need Grant	3.8	-	-	-	3.8	3.8	-0.0
Capital Maintenance Grant	4.6	-	-	0.1	4.7	4.7	-
Devolved Formula Capital	1.1	0.9	-	-0.0	1.9	1.9	-0.0
Specific Grants	21.1	3.6	-12.7	1.6	13.7	10.9	-2.8
S106 Contributions & CIL	30.3	1.1	-3.7	0.0	27.7	27.7	-0.0
Capital Receipts	10.3	-	-	-4.0	6.2	6.2	-0.0
Other Contributions	10.7	0.2	-8.8	0.2	2.3	2.2	-0.0
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	83.4	10.2	-29.3	5.9	70.2	73.3	3.1
TOTAL	185.8	16.3	-56.1	4.6	150.5	150.8	0.2

¹ Reflects the difference between the anticipated 2015/16 year end position, as incorporated within the 2016/17 Business Plan, and the actual 2015/16 year end position.

6.6 Key funding changes (of greater than £0.5m or requiring approval):

Funding	Service	Amount (£m)	Reason for Change
Rolled forward funding (Prudential Borrowing)	A&I	£0.5	£455k of the 2015/16 underspend on building maintenance schemes at Shire Hall and other County Council sites was identified as slippage due to unavoidable delays in completing condition surveys, meaning works planned for 2015/16 could not be completed. The funding is still required to complete the works in 2016/17 and a schedule of spend for the full amount of the 2016-17 budget has now also been identified; therefore the roll forward of 2015-16 budget is required.

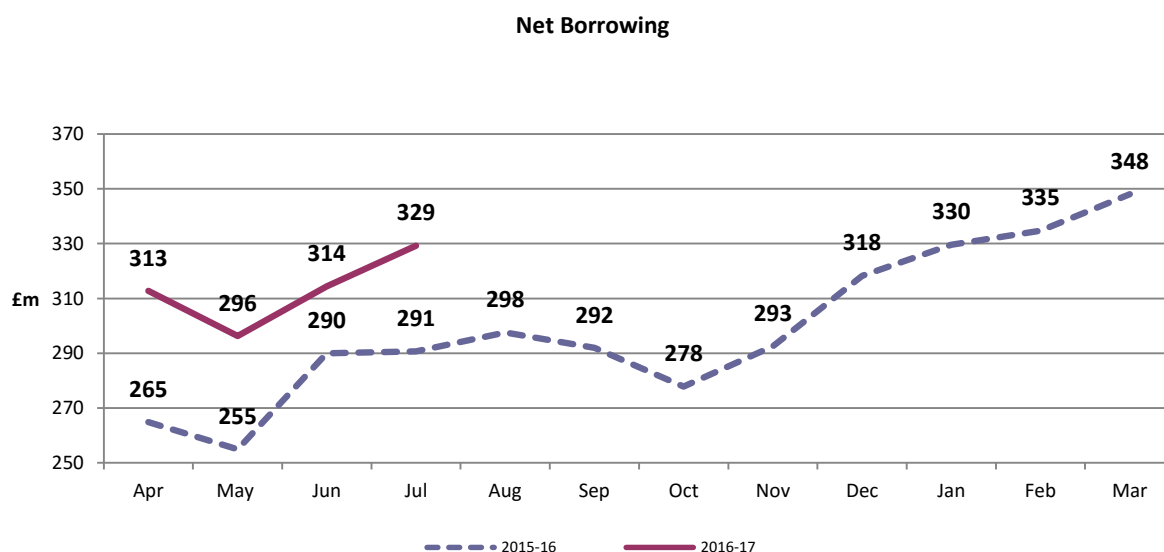
			General Purposes Committee is asked to note the recommendation made to Assets & Investments Committee to approve the carry forward of £455k of funding to 2016/17 for this scheme.
Additional funding (Prudential Borrowing)	A&I	£0.7	<p>The Soham Eastern Gateway project requires additional funding of £700k in 2016/17 for additional works including reconfiguration of parking, alteration to a listed wall and relocation of a heat pump.</p> <p>General Purposes Committee is asked to note the recommendation made to Assets & Investments Committee to approve additional Prudential Borrowing of £700k in 2016/17 to support this scheme.</p>

7. BALANCE SHEET

7.1 A more detailed analysis of balance sheet health issues is included below:

Measure	Year End Target	Actual as at the end of July
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.9m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.2m
Invoices paid by due date (or sooner)	97.5%	99.7%

7.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of July were £32.9m (excluding 3rd party loans) and gross borrowing was £362.1m.



7.3 Key exceptions are identified below:

Key exceptions	Impacts and actions
Less borrowing activity than planned –original net borrowing forecast was £479m. Actual net borrowing at 31st July was £329m.	<p>A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve.</p> <p>The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.</p> <p>The Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances (where possible) and undertaking shorter term borrowing which could potentially generate savings next year, subject to an assessment of the interest rate risks involved.</p>

7.4 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).

7.5 A schedule of the Council's reserves and provisions can be found in [appendix 2](#).

8. ALIGNMENT WITH CORPORATE PRIORITIES

8.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

8.2 **Helping people live healthy and independent lives**

There are no significant implications for this priority.

8.3 **Supporting and protecting vulnerable people**

There are no significant implications for this priority.

9. **SIGNIFICANT IMPLICATIONS**

9.1 **Resource Implications**

This report provides the latest resources and performance information for the Council and so has a direct impact.

9.2 **Statutory, Risk and Legal Implications**

There are no significant implications within this category.

9.3 **Equality and Diversity Implications**

There are no significant implications within this category.

9.4 **Engagement and Consultation Implications**

No public engagement or consultation is required for the purpose of this report.

9.5 **Localism and Local Member Involvement**

There are no significant implications within this category.

9.6 **Public Health Implications**

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	No Name of Legal Officer: Not applicable
Are there any Equality and Diversity implications?	No Name of Officer: Not applicable

Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Are there any Localism and Local Member involvement issues?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	No Name of Officer: Not applicable

Source Documents	Location
ETE Finance & Performance Report (July 16) CFA Finance & Performance Report (July 16) PH Finance & Performance Report (July 16) CS and LGSS Cambridge Office Finance & Performance Report (July 16) A&I Finance & Performance Report (July 16) Performance Management Report & Corporate Scorecard (July 16) Capital Monitoring Report (July 16) Report on Debt Outstanding (July 16) Payment Performance Report (July 16)	1 st Floor, Octagon, Shire Hall, Cambridge

APPENDIX 1 – transfers between Services throughout the year (only virements of £1k and above (total value) are shown below)

[illegible]

APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 July 16		
	£000s	£000s	£000s	£000s	
<u>General Reserves</u>					
- County Fund Balance	18,921	0	18,921	19,501	
- Services					
1 CFA	1,623	-1,062	561	-132	
2 PH	1,138	0	1,138	638	
3 ETE	3,386	-2,015	1,371	0	
4 CS	1,218	0	1,218	-989	
5 LGSS Operational	1,013	0	1,013	0	
subtotal	27,299	-3,077	24,222	19,018	
<u>Earmarked</u>					
- Specific Reserves					
6 Insurance	2,864	0	2,864	-	
subtotal	2,864	0	2,864	0	
- Equipment Reserves					
7 CFA	782	0	782	168	
8 ETE	218	0	218	250	
9 CS	57	0	57	57	
subtotal	1,057	0	1,057	475	
<u>Other Earmarked Funds</u>					
10 CFA	4,097	-2,122	1,975	636	Includes liquidated damages in respect of the Guided Busway - current balance £2.7m.
11 PH	2,020	0	2,020	1,445	
12 ETE	6,631	-80	6,551	4,919	
13 CS	1,274	0	1,274	1,207	
14 LGSS Managed	149	0	149	149	
15 Assets & Investments	233	47	280	327	Savings realised through change in MRP policy
16 LGSS Operational	130	0	130	130	
17 Transformation Fund	9,891	0	9,891	19,142	
subtotal	24,425	-2,155	22,270	27,955	
SUB TOTAL	55,645	-5,232	50,413	47,448	
<u>Capital Reserves¹</u>					
- Services					
18 CFA	2,428	6,308	8,736	425	Section 106 and Community Infrastructure Levy balances.
19 ETE	11,703	13,633	25,336	10,200	
20 LGSS Managed	422	-322	100	100	
21 Assets & Investments	230	85	315	230	
22 Corporate	39,388	1,335	40,723	21,283	
subtotal	54,171	21,039	75,210	32,238	
GRAND TOTAL	109,815	15,807	125,622	79,685	

Notes:

1. The figures do not include City Deal reserves, which have a current balance of £37.8m and are anticipated to have a year-end balance of £30.4m.

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 July 16		
	£000s	£000s	£000s	£000s	
- Short Term Provisions					
1 ETE	712	0	712	0	
2 CS	1,312	0	1,312	1,312	
3 LGSS Managed	5,545	0	5,545	5,545	
4 Assets & Investments	50	0	50	50	
subtotal	7,619	0	7,619	6,907	
- Long Term Provisions					
5 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
GRAND TOTAL	11,232	0	11,232	10,520	