

Business and Financial Plan 2024-2029

To: Asset and Procurement Committee

Meeting Date: 16 January 2024

From: Executive Director Finance and Resources

Electoral division(s): all

Key decision: No

Executive Summary: This report summarises the proposals in relation to the terms of reference of this Committee noted at the Strategy, Resources and Performance Committee 19 December 2023. In particular the:

- Proposal to rationalise the Council's office estate.
- Proposal to develop Libraries Plus.
- Governance of the Council's capital programme
- Continuous improvement in our procurement process and saving opportunities as a key part of the Council's longer term financial planning.

Recommendations: The Committee is asked to

a) consider and scrutinise the proposals relevant to this Committee within the Business and Financial plan put forward by the Strategy, Resources and Performance Committee 19 December 2023.

b) recommend changes and /or actions for consideration by the Strategy, Resources and Performance Committee at its meeting on 30 January 2024 to enable a budget to be proposed to Full Council on 13 February 2024.


Officer contact:

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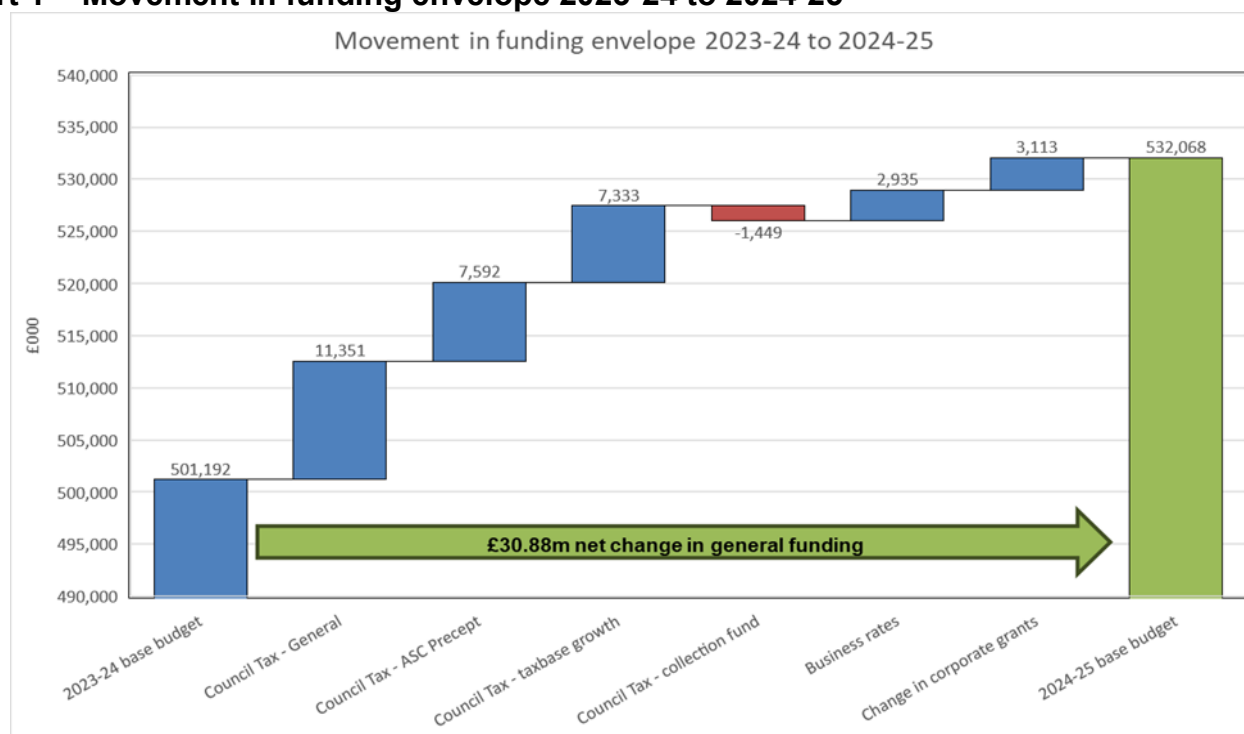
1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The proposals presented to the Strategy, Resources and Performance Committee 19 December set out the Council's delivery and plans against its seven ambitions  [Strategic Framework 2023-28](#).
- 1.2 The Capital Programme proposed at Tables 4 and 5 - [Strategy, Resources & Performance Committee - Item 6 Appendix 1B](#) supports deliver of all seven ambitions. Proposals around rationalising the Council's office estate specifically set out how the Council will meet its ambitions relating to:
- **Ambition 1** - Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.
 - **Ambition 2** - Travel across the county is safer and more environmentally sustainable.
 - **Ambition 4** - People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs.
 - **Ambition 6** - Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised.

2. Background

- 2.1 The Strategy, Resources and Performance Committee considered draft proposals in order to balance the 2024-25 budget as well as longer term business and financial planning. Papers are available at the following link - [Strategy, Resources and Performance Committee - Item 6: Business and Financial Plan 2024-29](#)
- 2.2 The proposals cover a range of services provided by the Council. Each of the service and policy committees have been asked to provide scrutiny and feedback on proposals within their remit in order to inform the Strategy, Resources and Performance Committee 30 January 2024 in its consideration of recommending budget proposals to Full Council 13 February 2024.
- 2.3 The Council draws its funding from two main sources – Council Tax and government grants. The Council's government funding allocated for 2024-25 comprises of three elements; the first two make up what is referred to as Cambridgeshire's Settlement Funding Allocation (SFA), which is the Department for Levelling Up, Housing and Communities (DLUHC) calculation of what the Council's spending should be compared with other councils across the country. A third element of government funding is from additional grants, such as the social care support grant. The other main source of funding is from Council Tax. For 2024-25 it is forecast this will mean £30.9 million more income in 2024-25. This funding and the impact for Cambridgeshire are set out in more detail in the following Chart 1 and represents the current assumptions from DLUHC, a 2% Adult Social Care Precept and a 2.99% Council Tax increase:

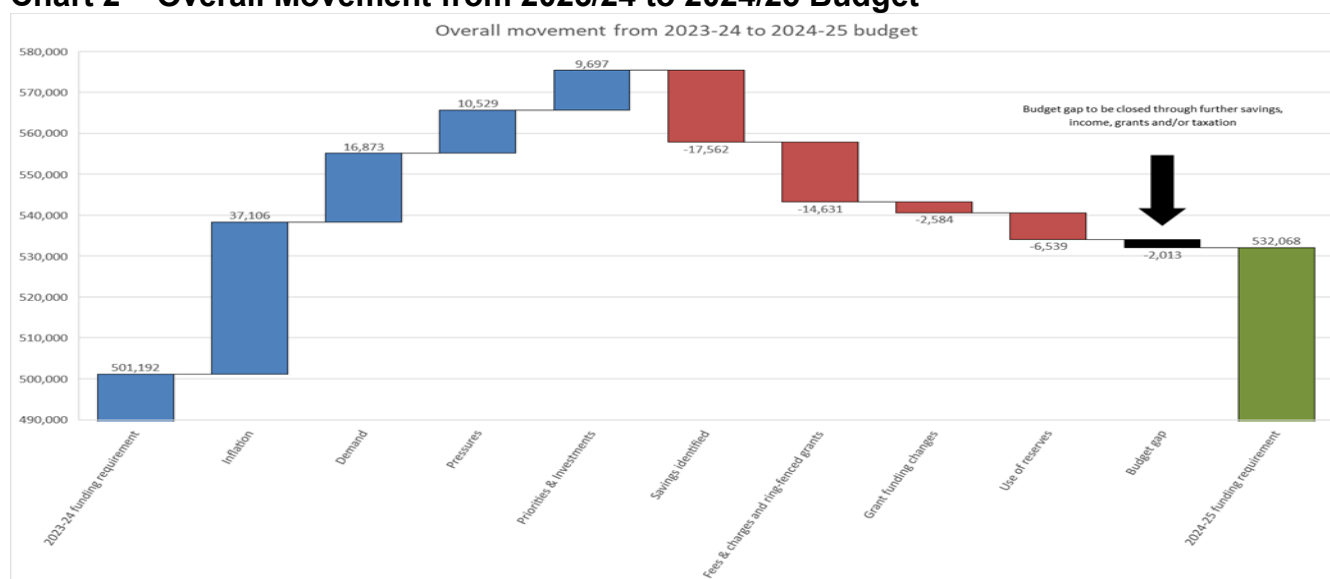
Chart 1 – Movement in funding envelope 2023-24 to 2024-25



2.4 In total, the Council is facing gross pressures, alongside the prioritisation being proposed and costs of borrowing of £74.2 million. That means that after accounting for the funding envelope noted above (£30.88 million as shown in Chart 1), there is a net financial gap to bridge of £43.3 million.

2.5 It is proposed that this financial gap is closed by £6.5 million of reserves to support the bottom-line position; £17.6 million of savings proposals identified to date and which are outlined at Section 9 and Appendix 1C of the Strategy, Resources and Procurement Committee 19 December 2023; plus, £17.2 million of other income through grant, fees and charges. That leaves a remaining gap of £2 million to still be addressed to achieve a balanced position. This is summarised in Chart 2:

Chart 2 – Overall Movement from 2023/24 to 2024/25 Budget



2.6 Against that context, the report includes a further forecast for 2025-26 to 2028-29. This brings into focus key change programmes that have begun or will begin in 2024 to help

determine the future shape and funding of the Council to achieve a balanced budget in each of the years remaining of the current Strategic Framework.

- 2.7 The Council is continuing to invest capital spend in the County's infrastructure, such as schools, roads and social care facilities. We are proposing a capital programme for 2024-25 of £217.9 million, and a further £306 million across the following nine years and beyond, giving a total programme of £523.9 million. The capital programme will be funded from grants, capital receipts and borrowing, with £102.1 million of borrowing forecast for 2024-25, at a revenue cost in 2024-25 of £42 million. The total capital programme is summarised in the table 1 below.

Table 1: Capital Programme by Directorate 2024-29

Directorate	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2028-29 £,000	Later years £,000	Total 2024-2029 £,000
CEF	95,885	83,227	34,128	12,725	4,836	26,487	230,801
AHC	14,481	20,205	10,670	15,005	15,005	30,188	75,366
P&S	100,176	46,027	19,534	9,561	19,584	17,361	204,382
F&R	5,547	2,288	1,116	1,116	1,008	4,320	11,075
S&P	1,810	7	-	-	-	-	1,817
Total	217,899	151,754	65,448	48,407	40,433	78,356	523,941

- 2.8 The total programme for 2024-25 as it currently stands requires £217.9 million of funding which includes £102.1 million from borrowing. The cost of capital is expected to continue rising for the next two years with increases exceeding £2.5m in both 2025-26 and 2026-27. Although the capital programme has been prioritised to ensure that the expected cost of capital is within the prudential limit set by the capital strategy for 2024-25 and in the later years of the plan, it can be seen that in 2025-28 the budgeted cost is currently in excess of the prudential limit. Assuming costs of borrowing remain as currently projected, this will mean further prioritisation of investment may be necessary in future planning rounds.

3. Assets and Procurement Committee: Revenue and Capital Proposals

- 3.1 The proposals within the papers considered by the Strategy, Resources and Performance Committee on 19 December 2023 raised the following matters directly under the remit of the Asset and Procurement Committee:

- *Overall directorate draft budget*

- 3.2 The key functions within the remit of this Committee – Property and Procurement, are within the Finance and Resources Directorate. The revenue budget proposals for this Directorate are contained within the Strategy, Resources and Performance Committee Appendix 1B Finance Tables 1 to 3. The Strategy, Resources and Performance Committee will consider the other service areas of Finance at its meeting on 30 January 2024. The following Table summarises the draft budget for the services relating to this Committee as proposed:

Table 2: Finance and Resources Directorate draft proposed Medium Term Financial Plan 2024-29

	2024-25 Gross to Net		Net Budget				
	Spend £000	Income £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000
Finance & Procurement							
Finance & Procurement Central	329	-	329	329	329	329	329
Professional Finance	2,910	-323	2,587	2,666	2,745	2,823	2,907
Procurement	1,053	-44	1,009	1,039	1,045	1,076	1,109
CCC Finance Operations	173	-107	66	71	76	79	84
Insurance Fund	2,544	-	2,544	2,140	2,288	2,736	2,786
Lead Authority Services	4,469	-2,197	2,272	2,345	2,441	2,542	2,644
Subtotal Finance & Procurement	11,680	-2,671	9,009	8,794	9,126	9,788	10,061
Property Services							
Facilities Management	9,392	-2,599	6,793	4,804	3,978	4,027	4,066
Property Services	1,051	-	1,051	1,086	1,123	1,161	1,201
Property Compliance	392	-14	378	386	394	403	412
County Farms	786	-5,509	-4,723	-4,736	-4,801	-4,870	-4,935
Strategic Assets	1,027	-18	1,009	986	1,013	1,042	1,071
Subtotal Property Services	12,647	-8,140	4,508	2,526	1,707	1,763	1,814

3.3 The proposed draft movement in the net directorate budget between 2023-24 and 2024-25 is set out in Table 3:

Table 3: Finance and Resources Directorate draft proposed net budget movement 2023-24 to 2024-25

	Net Revised Opening Budget £000	Net Inflation £000	Demog-raphy & Demand £000	Pressures £000	Priori-tisation £000	Savings £000	Income Adjust-ments £000	Net Budget £000
Finance & Procurement								
Finance & Procurement Central	329	0	-	-	-	-	-	329
Professional Finance	2,396	93	-	98	-	-	-	2,587
Procurement	879	39	-	-	69	22	-	1,009
CCC Finance Operations	63	3	-	-	-	-	-	66
Insurance Fund	2,421	173	-	-	-	-50	-	2,544
Lead Authority Services	2,138	126	-	38	-	-30	-	2,272

	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Prioritisation £000	Savings £000	Income Adjustments £000	Net Budget £000
Subtotal Finance & Procurement	8,429	433	-	136	69	-58	-	9,009
Property Services								
Facilities Management	7,291	108	-	208	-	-514	-300	6,793
Property Services	1,010	41	-	-	-	-	-	1,051
Property Compliance	360	18	-	-	-	-	-	378
County Farms	-5,010	45	-	-	-	-	242	-4,723
Strategic Assets	873	36	-	-	100	-	-	1,009
Subtotal Property Services	4,524	248	-	208	100	-514	-58	4,508

- *Inflation, Demand, Pressures and prioritisation facing Property and Procurement*

3.4 The following in Table 4 have been identified as requiring growth in the Council's baseline budgets to maintain the asset and procurement functions:

Table 4: Inflation, Demand, Pressures and prioritisation proposals 2024-25

Ref.	Title	2024-25 £,000	2025-29 £,000	Comments
Inflation:				
D/R.2.001	General inflation F&R	826	916	This is the total general inflation for Finance and Resources, the element relating to Property includes £0.462m of pressures faced through contract inflation in Property services. This is in part offset by the reduction in the gas and electricity identified in reference D/R.2.003 to mean a £0.248m inflation growth in property. This is forecast to continue over 2025-29 but will in part be managed by asset management and rationalisation.
D/R.2.002	Staffing inflation	737	2,281	This applies the council-wide assumptions about cost-of-living uplifts in staff pay for future years. It is assumed there will be a 5% pressure in 2024-25 but the finalisation is not expected until part way through 2024. In addition, future years are forecast to increase by a general 3.5%.
D/R.2.003	Gas & Electricity inflation	-214	-615	A reduction is expected due to the fall in prices.
Demand:				
D/R.4.003	New Shire Hall electricity re-basing	208	0	The original budget for Alconbury New Shire Hall had to be estimated as it was a new build. The base budget

Ref.	Title	2024-25 £,000	2025-29 £,000	Comments
				needs to be amended to reflect the actual costs. (Note: there is no gas supply to the building).
Prioritisation:				
D/R.5.001	Procurement Capacity	69	-25	This is an investment in further procurement staffing to help deliver further commercial focus and drive future savings, and in view of the major legislative changes impacting public procurement in 2024.
D/R.5.006	Commercial Investments - Interest Costs	-35	-140	The Council has a portfolio of commercial property investments. This change is required in order to amend the associated borrowing costs to be repaid using rental income generated from the leases of these properties (the costs of borrowing decreases over time, as the principal is repaid).
D/R.5.007	Property data functions	50	0	Recurrent licence fee and one-off investment in enhancing the property data systems to enhance reporting and monitoring to yield efficiencies in practice.
D/R.5.008	Enhancing the new property database	50	-50	

Property and Procurement Savings and income proposals

3.5 The following Table 5 savings, fees and reserves have been identified in the Council's baseline budgets to maintain the asset and procurement functions:

Table 5: Savings, income and reserves proposals 2024/25

Ref.	Title	2024-25 £,000	2025-29 £,000	Comments
Savings:				
D/R.6.011	Property rationalisation	-414	-1,787	Savings expected in property services following the review of office accommodation. A more detailed paper is attached to this paper at Appendix 1.
D/R.6.014	Contract Savings	0	-150	The ability to renegotiate or procure to achieve contractual savings is expected over the medium term.
D/R.6.016	Property - facilities management	-100	100	There will be a one-off reduction of planned maintenance in 2024-25. Whilst this is a risk it is felt that the reduction can be managed with a risk-based approach to allocation of work based on retention, condition and whole life data.
Income:				
D/R.7.008	Castle Court car park income	-300	100	It has been possible to make available an expanded number of public car parking spaces on Castle Hill, for an additional period. Increase in income for 2024-25 is due to increase of charges in line with inflation. There is a reduction of that at this stage in later years due to rebasing of the budget for expected development of the site in 2025-26.
D/R.7.105	Renewable Energy Soham - Income Generation	-176	79	Increased activity assumed
D/R.7.115	Student Accommodation - Income Generation	-62	-260	Increase rental charge in line with inflation
D/R.7.116	Leisure Park - Income Generation	-146	0	Increase rental charge in line with inflation
D/R.7.117	Supermarket Site - Income Generation	-71	-493	Increase rental charge in line with inflation
D/R.7.118	Business Park - Income Generation	-40	-63	Increase rental charge in line with inflation

Ref.	Title	2024-25 £,000	2025-29 £,000	Comments
D/R.7.119	Independent Living Service: East Cambridgeshire	0	-730	Future year charges as service becomes available. See Appendix 2 for more detailed business case.
D/R.7.155	Kingsbridge - Income Generation	0	-24	Increase rental charge in line with inflation
D/R.7.156	Biodiversity Net Gain Offset	242	-250	Delay in income arising from legislative delay, with income gain expected now in 2025.

- *Capital*

3.6 The draft proposed capital programme contains the following items relating to the management of the Council's estate at Tables 6 and 7. Other specific proposals will be considered through other committees, and paragraph 3.7 below discusses the management of that programme.

Table 6: Finance and Resources Property draft proposed Capital Items

Ref	Scheme	Description	Total Cost £,000	Previous Years £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2028-29 £,000	Later years £,000
D/C.3.003	Building Maintenance	Used to carry out replacement of failed elements and maintenance refurbishments.	6,000	-	600	600	600	600	600	3,000
D/C.3.004	Condition Survey Works	To make the necessary repairs to bring buildings back to a decent standard (with respect to the structural, mechanical & electrical and internal finishes) taking into account statutory requirements, property health & safety and compliance.	2,836	1,686	1,150	-	-	-	-	-
D/C.3.013	Wisbech Adventure Playground	Funding received from the Youth Investment Fund Pilot Grant for costs associated with site preparation and construction of a youth and community centre.	915	150	765	-	-	-	-	-
	Total – Property Services		9,751	1,836	2,515	600	600	600	600	3,000

Table 7 Strategic Capital Assets items

Ref	Scheme	Description	Total Cost £,000	Previous Years £,000	2024-25 £,000	2025-26 £,000	2026-27 £,000	2027-28 £,000	2028-29 £,000	Later years £,000
D/C.4.001	Lower Portland Farm	To replenish the rural portfolio with agricultural land that has the opportunity for diversification in renewable energy projects, commercial and residential development whilst receiving regular income from agricultural land to tenant farmers. Long term plan to obtain planning permissions for development leading to a significant increase in value across 68 acres of agricultural land.	3,741	3,646	-	97	-	-	-	-
D/C.4.006	County Farms Investment (Viability)	To invest in projects and improve the County Farms' Estate revenue potential, asset value and long-term viability.	5,000	-	500	500	500	500	500	2,500
D/C.4.008	Community Hubs – East Barnwell	Provision of a replacement community centre, children's nursery and library on a site owned by Cambridge City Council in the Abbey Ward as part of a regeneration project led by the City Council.	1,259	481	778	-	-	-	-	-
D/C.4.013	Local Plans & Development	Promotion of sites through the Local Development Framework process, investigating site options. Including feasibilities, option appraisals and obtaining planning permissions where appropriate to maximise value.	3,137	537	450	450	450	450	300	500
D/C.4.014 - 16	Confidential schemes	Schemes being developed of a commercial nature	1,163	27	1,336	-	-	-	-	-
		Total Strategic assets	14,500	4,691	3,064	1,047	950	950	800	3,000

- *Other matters*

- 3.7 Alongside the above the papers set out a broad £213 million 2024-25 Capital Programme as detailed in Tables 4 and 5 of Appendix 1B of the papers considered by the Strategy, Resources and Performance Committee. This Committee's remit includes the Council's controls to deliver the capital programme.
- 3.5 In addition, there is clearly a need for strong governance and monitoring of the Council's commissioning, procurement and contract management to both deliver savings, as well as delivering savings, cash and cost / pressure avoidance, in future years. This Committee has received previous updates on the improvements within procurement. This will continue in 2024-25 as well as deeper dives and going forward for 2025-29 with commercial challenge to all commissioning and contracts, especially as they are due for re-tender.
- 3.6 In addition, the report does identify a number of proposals being considered by other committees relating to procurement and will be considered by those committees. As examples, in Adults, Health and Commissioning, this includes activity to improve utilisation of respite and block booked accommodation; for Highways the focus is on scrutiny of works orders and in Children's Services, there is focus is on contract monitoring and invoice verification as well as strategic relationship building with suppliers.

4. Alternative Options Considered

- 4.1 The Strategy, Resources and Performance Committee will consider feedback from all Committees at its 30 January 2024 meeting, and Full Council will hear any proposed amendments.

5. Conclusion and reasons for recommendations

- 5.1 Conclusion and the reasons why the recommendations are being proposed.

6. Significant Implications

- 6.1 Resource Implications

The proposals set out the response to the financial context and the need to review our service offer and model to maintain a sustainable budget. The full detail of the financial proposals and impact on budget will be described in the financial tables of the business plan. Proposals will seek to ensure that we make the most effective use of available resources and are delivering the best possible services with the money allocated.

- 5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications for the proposals set out in this report. Details for specific proposals will be set out in the business cases. All required procurement activity will be fully compliant with the Council's Contract Procedure Rules.

- 5.3 Statutory, Legal and Risk Implications

The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget. Cambridgeshire County Council will continue to meet the range of statutory duties for supporting our residents.

5.4 Equality and Diversity Implications

Each of the proposals will be developed alongside an Equality Impact Assessment, where required, to ensure we have discharged our duties in line with the Equality Act 2010, including the Public Sector Equality Duty, as well as met our commitment to implementing the Socio-economic Inequalities Duty.

5.5 Engagement and Communications Implications

Our Business Planning proposals are informed by the CCC public consultation and will be discussed with a wide range of partners throughout the process. In the case of the office rationalisation this will include Trade Unions and staff. The feedback from consultation will continue to inform the refinement of proposals. Where this leads to significant amendments to the recommendations a report would be provided to the Committee.

5.6 Localism and Local Member Involvement

As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities. We are working with members on materials which will help them have conversations with Parish Councils, local residents, the voluntary sector and other groups about where they can make an impact and support us to mitigate the impact of budget reductions.

5.7 Public Health Implications

Any public health implications will vary depending on the detail of each of the proposals. Any positive or negative impacts will have been considered for each proposal as part of its development. The Quality-of-Life Survey provides some useful information on physical and mental health outcomes that could usefully inform ongoing business planning.

5.8 Climate Change and Environment Implications on Priority Areas

The climate and environment implications will vary depending on the detail of each of the proposals. Any positive or negative impacts will have been considered for each proposal as part of its development.

In relation to the office rationalisation the planned reduction in buildings will positively reduce our Carbon footprint and contribute to our net carbon zero targets. (The footprint of those disposed of is reduced from current council total.)

Also the positive Investment in the buildings we retain to decarbonise them to become net zero assets. Greater flexibility and more options in how and where staff can work across the county will enable better decision making, planning and reduction in unnecessary travel. All buildings being a consistent standard and offer regarding IT provision, meeting room availability for connecting teams etc will enable better choices in regard to travel.

Have the resource implications been cleared by Finance? No/Yes

Name of Financial Officer: Ellie Tod

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement and Commercial? No/Yes

Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or Pathfinder Legal? No/Yes
Name of Legal Officer: Emma Duncan

Have the equality and diversity implications been cleared by your EqIA Super User? No/Yes
Name of Officer: Faye McCarthy

Have any engagement and communication implications been cleared by Communications? No/Yes
Name of Officer: Christine Birchall

Have any localism and Local Member involvement issues been cleared by your Service Contact? No/Yes
Name of Officer: Joe Lacey-Holland

Have any Public Health implications been cleared by Public Health? No/Yes
Name of Officer: Jyoti Atri

If a Key decision, have any Climate Change and Environment implications been cleared by the Climate Change Officer? No/Yes
Name of Officer: Emily Bolton

7. Source Documents

Appendices:

Appendix 1 – Assets and Procurement draft business cases

Appendix 2 – Independent Living Services Income 2025 onwards business case

Office Rationalisation Business Case

Proposal Title (Business Plan Description):	Property Rationalisation Savings		
<u>Relevant Ambition(s)</u>	Ambitions 1, 2, 3, 4, 5, 6, 7		
Directorate:	Finance & Resource		
Service:	Property		
Type:	Saving		
Recurrent or One Off:	Recurrent		
Directorate Ref No:	D/R.6.011		
Date:	27.12.2023	Version	0.1

Section B: Proposal Summary

Summary / details of Proposal:
<p>The Council is developing a new Corporate Strategy alongside embedding a Corporate Landlord model of asset management. As part of this strategy, it is intended an asset rationalisation programme will be formulated to release savings, and as a result the current operational office property portfolio will reduce in number.</p> <p>A beneficial consequence of this will be a reduction in revenue from running costs and a potential capital receipt if the property is duly disposed of.</p> <p>Assessment of office utilisation carried out during 2023, looked at the actual flexible use being seen in a post pandemic way of working. This identified that the majority of our buildings are running at less than 25% occupancy across the working week, and thus there is scope for significant reduction in the office estate. Some of our office accommodation has dual use, particularly supervised contact, however alternative options are possible and these are being explored to support moves. We will work with staff and managers to facilitate moves and continuation of agile working and the move to hubs and satellites can give more staff access to working closer to home / clients.</p> <p>We are currently working on an office portfolio rationalisation programme and basing the new model on a hub, spoke and satellite model, an illustrative map is attached at Appendix A. This is linked to working closer with and in our communities through the expansion and improvement in our library facilities as satellite buildings for our staff and partners. This is being driven on financial savings and the fact that as we continue to operate an agile hybrid way of working the present utilisation rates of our office buildings is extremely low.</p> <p>We are aware of the running cost data and potential site valuation for those office sites however we are still working through which of these buildings will be retained and which may be released. Details of each property are attached at Appendix B.</p> <p>The sums to be achieved will be phased over 2024-2026 and as such a lower value of £0.414 million has been set out in the 2024/25 savings. This lower figure also reflects that investment will also be needed in securing and marketing assets to dispose of; running the change programme; as well as investment in retained assets / buildings, including a corporate and possibly wider public sector training facility.</p>

Proposed Office Properties for Retention.

- New Shire Hall, Alconbury Huntingdonshire
- Amundsen House, St Ives
- Vantage House, Huntingdon
- Sackville House, Cambourne
- Sunley House, Papworth
- Cambridge Central Library (third floor)
- Awdry House, Wisbech

Proposed Office Properties for Disposal.

- See Appendix A. These would be phased for disposal / none renewal of leases across 2024-26.

Has an [EqIA](#) been completed?

This will be completed on a building by building basis as moves are planned.

Proposed Start Date:

01/4/2024

Summary Business Plan Revenue Financial Information

(Business Plan Format £000):

Type	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Saving		-414	-1,787			
Total		-414	-1,787			

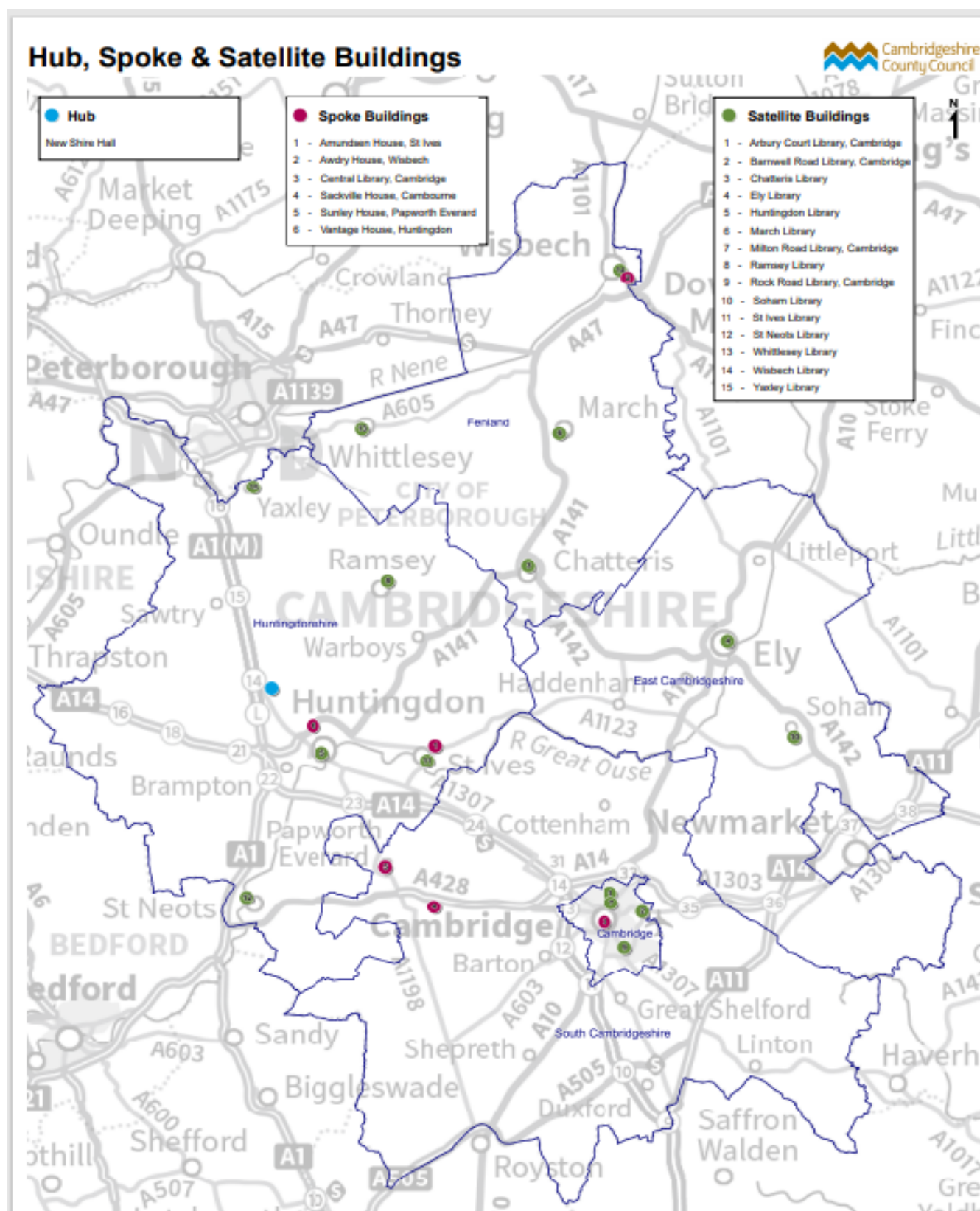
Capital link

Is there a linked capital proposal?	<p>Potential capital receipt realisation which could fund capital work and reduce the requirement for the council to borrow to fund capital programme.</p> <p>We also need to assess the ability for funding for investment in remaining sites (outside of Just Transition Fund Reserves below), as well as investment in a corporate training facility.</p>
If so, what is the reference no.?	N/A
Investment year(s)	There is a separate Just Transition Fund Reserves allocation to enable work in Libraries Plus to further the decentralised agenda to support working in local communities and satellite offices.
Investment Amount	N/A
Funding Source	N/A

Section C: Proposal benefits and impacts

Benefit	Ambitions impacted	Measurement & Evaluation
Potential £1.7m Revenue operating cost savings from those assets disposed of identified out of a target across the next few years of £2.2m. Further sites will need to be identified and this process will begin in 2024.	Ambition 1 Ambition 6	Reduction in required revenue budget for Facilities Management.
Potential £11.4m of Capital receipts from those assets disposed of from the portfolio.	Ambition 1	Capital receipts received over a two-to-four-year period as the assets are marketed and disposed of on the open market in line with policy.
By applying Strategic Asset Management principles, the remaining asset portfolio will be fit for purpose, the right size, highly utilised and of good quality.	Ambition 1,6	Smaller portfolio of assets which compliment the agile hybrid way of working and are of a high quality, safe and maintained to a high standard.
Ability to focus on a reduced office portfolio and improve compliance, and maintenance of the assets under a Corporate Landlord model	Ambition 1,2, 3,4, 5, 6,7	Manage a planned and dedicated maintenance budget.
Contribute to net zero targets by reducing our building numbers and investing on the decarbonisation of retained assets.	Ambition 1	Measure carbon reduction for those buildings disposed of. Invest in assets retained to decarbonise them. Work with carbon programme to facilitate investment opportunities.
Better quality office buildings to facilitate both agile working and connectivity of individuals and teams in an excellent environment.	Ambition 1,6	Measure utilisation and staff feedback.
This will deliver Hub and Spokes, we will expand into utilisation of satellites via library buildings and potential of shared space with OPE partners.	Ambition 1,3,4,6	Further flexibility for staff to work in a truly hybrid agile way with options to suit their own work needs to enable better outcomes.
Opportunity to reframe where other services are currently operating from and include within the new portfolio which will reduce need to lease buildings from third parties.		Potential opportunity to work with public and voluntary sector partners across our and their estates.

Type of impact	Details
Environmental Impact	<p>Reduction in buildings will positively reduce our Carbon footprint and contribute to our net carbon zero targets. (The footprint of those disposed of is reduced from current council total.)</p> <p>Positive Investment in the buildings we retain to decarbonise them to become net zero assets.</p> <p>Greater flexibility and more options in how and where staff can work across the county will enable better decision making, planning and reduction in unnecessary travel.</p> <p>All buildings being a consistent standard and offer regarding IT provision, meeting room availability for connecting teams etc will enable better choices in regard to travel.</p>
Social Impact	<p>Reduction in number but more options and flexibility of office buildings will mean those buildings retained will be used more, with a higher utilisation rate which gives the working environment vibrancy and energy, enabling staff to connect, and feel part of a council team, which is a benefit to staff wellbeing and mental health.</p> <p>More flexibility regarding if staff work from a Hub, spoke or satellite office means staff are having that control to best fit their own work pattern and will be able to plan how they work more productively which will give them a better work life balance.</p>
Health Impact	<p>We will have a reduced number of built office assets and those retained will have greater focus on ensuring they are kept to a very high level of quality in terms of maintenance, cleaning and compliance work which will ensure a healthy and safe environment to work from.</p>



Appendix B

Name of Proposed Office Properties for Disposal	Planned Property Maintenance (£)	Reactive Help Desk Works (£)	Utilities (water, gas, electricity, oil) (£)	Business Rates (£)	Cleaning & Waste (£)	Security (£)	Rents & Leases (£)	Grounds Maintenance (£)	Total Revenue saving from disposal	Market Rent (£) pa if investment rather than sale	Market Valuation (£) Potential Capital Receipt	initial Recommendation
Signet Court (units 18-20) Cambridge	£1,743.00	£8,500.00	£45,201.00	£47,821.00	£18,453.00	£8,313.00	£12,700.00	£0.00	£142,731.00	£82,000.00	£900,000.00	Release unless alternative Cambridge base, reprovision is not found. Market in 24/25
Fawcett House (CPDC) Cambridge	£5,355.00	£5,000.00	£55,328.00	0	26,641.00	9,896.00	0	17,559.00	£119,779.00	n/a	£5,000,000.00	Release. Market in 24/25 Identified for sale to This Land.
Noble House (Part Ground Floor and 1st Floor) Ely	£3,220.00	£1,300.00	£34,578.00	£46,728.00	£15,499.00	£10,629.00	£92,700.00	£0.00	£204,654.00	£88,500.00	n/a	Release. Do not renew lease expires Oct 24.
Butts Grove Huntingdon	£3,809.00	£8,000.00	£55,812.00	£53,013.00	£30,446.00	£10,556.00	£1,700.00	£5,252.00	£168,588.00	£35,000.00	£575,000.00	Release depending on what will need to be re-provided and the required location for service delivery. Market 24/25.
Stanton House (Part of wider site including Depot, Villas, Fedex Building) Huntingdon	£3,200.00	£6,000.00	£85,935.00	£51,109.00	£26,014.00	£10,167.00	£0.00	£4,569.00	£186,994.00	£30,000.00	£425,000.00	Disposal and release as part of redevelopment of the wider site master plan (Stanton Highways Depot/ Stanton Villas/Stanton House & Fedex Building). Linked to Swavesey Highways Depot. Market 25/26
Scott House Huntingdon	£30,990.00	£30,000.00	£171,581.00	£115,864.00	£67,672.00	£14,292.00	£7,000.00	£0.00	£437,399.00	£190,000.00	£2,100,000.00	Release. Leasehold title issues to work through market 26/27
Hereward Hall March	£6,007.00	£15,000.00	£78,141.00	£54,106.00	£31,194.00	£12,583.00	£0.00	£5,252.00	£202,283.00	£112,500.00	£1,075,000.00	Fenland DC have shown interest following OPE conversation. Market 24/25
Speke House St Ives	£22,336.00	£15,000.00	£89,606.00	£39,077.00	£15,070.00	£11,071.00	-£68,100.00	£1,576.00	£125,636.00	£50,000.00	£575,000.00	Potential disposal or Investment Property for CCC if not required for operational purposes. Market 24/25
Broad Leas St Ives	£1,744.00	£5,500.00	£15,346.00	£4,848.00	£14,794.00	£726.00	£0.00	£4,202.00	£47,160.00	£12,500.00	£400,000.00	Redevelop/rebuild. Market 24/25
Victoria Road (Marshland) Wisbech	£3,387.00	£1,000.00	£12,268.00	0	16,715.00	8,996.00	0	4,178.00	£46,544.00	n/a	£350,000.00	Release but will need specialist contact elsewhere. Market 24/25

£1,681,768.00

£11.4m

ILS East Cambs

Proposal Title (Business Plan Description):	Independent Living Service - East Cambridgeshire		
<u>Relevant Ambition(s)</u>	Ambition 4 & 6		
Directorate:	Adults, Health & Commissioning Place & Sustainability		
Service:	Independent Living Service East Cambridgeshire (proposed)		
Type:	Income Generation		
Recurrent or One Off:	One off capital investment to deliver recurrent savings		
BP Reference No:	B/R.6.026 D/R.7.119		
Date:	08/12/2023	Version	0.1

Proposal Summary

Summary / details of Proposal:
<p>This business case supports the following Adult Social Care Priority:</p> <ul style="list-style-type: none"> • We will maximise people's opportunities and independence <p>This proposal is in relation to commissioning and opening a number of new tenancy-based flats within Cambridgeshire, to increase residential and nursing care capacity for older people wishing to remain living independently.</p> <p>Specifically, this supports people being able to stay in their own tenancy for longer, given care can be stepped up as needs increase, unlike residential care where they may need to move to get increased care needs met. Stimulating development of new services in this way will generate the much-needed provision to meet population growth forecasts and do so at a cost affordable to the local authority.</p> <p>We will receive income from renting the ILS (Independent Living Service) building to a registered social landlord, plus income from the NHS for their use of part of the building. In addition to the income, there should be a saving in care placement costs to the Council due to a change in model. The savings have been calculated as the difference between the anticipated net cost of care for people living in an Independent Living Service compared to standard residential or nursing care. An Independent Living Service is a tenancy-based model, so the care costs do not include the "hotel costs" of a residential or nursing placement.</p> <p>It is assumed that the service will open at the beginning of November 2025.</p>

Has an EqIA been completed?	Yes
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Proposed Start Date:	November 2025
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Summary Business Plan Revenue Financial Information (Business Plan Format £000):

Type	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Saving – Adults & Commissioning			-50	-69		
Income Generation – Assets & Procurement			-438	-292		
Choose an item.						
Choose an item.						
Total for A&P			-438	-292		

Capital link

Is there a linked capital proposal?	Yes
If so, what is the reference no.?	A/C.12.007
Investment year(s)	4 years
Investment Amount	£22.2m
Funding Source	Prudential borrowing

Proposal benefits and impacts

Benefit < List the benefits that will be realised as a result of this Business Case. Include financial, non-financial and dis-benefits.>	Which ambition does it contribute towards? Select which ambition this contributes towards or if it is enabling, put 'enabler' e.g Ambition 4	Measurement & Evaluation <How will you measure the benefits? Will there be internal or external evaluation – by who and when>
Reduced average expenditure on care placement costs for tenants moving to an independent living service.	Ambition 4	The reduction in care budget. Income generated from rent.
Greater choice and control for tenants, who will have greater independence over their care options in an independent living service.	Ambition 4	Individual outcomes for people. Feedback from people using services. Compliments and complaints. Contract and performance monitoring of providers.
Secure employment for local care workers	Ambition 6	Number of jobs created.

Type of impact	Details <i>Summarise any positive or negative impacts anticipated</i>
Environmental Impact	Reduction of carbon footprint, contributing to the net-zero ambition of the Council through the designing and implementation of reduced carbon emitting features in building.
Social Impact	Provides more choice and control for older people over their care options, enabling more older people to be supported to remain living independently in a tenancy-based model of care as an alternative to a traditional residential or nursing home. Specifically, this enables people to remain in their own tenancy and local community longer as care can be stepped up as needs increased, unlike residential care where they may need to move to get increased care needs.
Health Impact	This model supports people to remain in their own tenancy for longer and have their care stepped up as their needs increase, rather than having to move into a residential or nursing care setting for instance.