

Section 3 - C: Financing & Resources

Table 1: Revenue - Summary of Net Budget by Operational Division

Budget Period: 2023-24 to 2027-28

Net Revised Opening Budget 2022-23 £000	Policy Line	Gross Budget 2023-24 £000	Fees, Charges & Ring-fenced Grants 2023-24 £000	Net Budget 2023-24 £000	Net Budget 2024-25 £000	Net Budget 2025-26 £000	Net Budget 2026-27 £000	Net Budget 2027-28 £000
	Customer & Digital Services							
2,076	Customer Services	2,456	-381	2,075	2,075	2,075	2,075	2,075
10,967	IT & Digital Service	12,551	-746	11,805	12,739	13,810	13,810	13,810
13,043	Subtotal Customer & Digital Services	15,007	-1,127	13,880	14,814	15,885	15,885	15,885
	Finance & Procurement							
359	Service Director of Finance & Procurement	555	-	555	555	555	555	555
1,899	Professional Finance	2,231	-331	1,900	1,900	1,900	1,900	1,900
920	Procurement	869	-41	828	828	828	828	828
149	CCC Finance Operations	244	-100	144	144	144	144	144
2,436	Insurance Fund	2,193	-55	2,138	2,138	2,138	2,138	2,138
75	External Audit	202	-	202	202	202	202	202
1,040	Lead Authority Services	3,617	-2,736	881	832	1,848	1,848	1,848
6,878	Subtotal Finance & Procurement	9,911	-3,263	6,648	6,599	7,615	7,615	7,615
	Corporate & Miscellaneous							
5,621	Central Services and Organisation-Wide Risks	12,294	-920	11,374	15,630	19,983	24,656	29,499
110	Local Government Subscriptions	110	-	110	110	110	110	110
817	Authority-wide Miscellaneous	441	-650	-209	-209	-209	-209	-209
6,548	Subtotal Corporate & Miscellaneous	12,845	-1,570	11,275	15,531	19,884	24,557	29,400
	Investment Activity							
-3,610	Property Investments	3,817	-8,578	-4,761	-5,128	-5,451	-5,644	-5,832
-571	Shareholder Company Dividends & Fees	-36	-572	-608	-608	-608	-608	-608
-6,063	Housing Investment (This Land Company)	2,437	-8,500	-6,063	-6,063	-6,063	-6,063	-6,063
-405	Contract Efficiencies & Other Income	-1	-213	-214	-414	-414	-414	-414
-1,050	Collective Investment Funds	-	-1,050	-1,050	-1,050	-1,050	-1,050	-1,050
-222	Renewable Energy Investments	895	-1,134	-239	-256	-256	-256	-256
-11,921	Subtotal Investment Activity	7,112	-20,047	-12,935	-13,519	-13,842	-14,035	-14,223
	Property Services							
6,029	Facilities Management	9,677	-2,086	7,591	7,154	6,858	6,855	6,852
925	Property Services	928	-	928	928	928	928	928
210	Property Compliance	273	-64	209	209	209	209	209
-4,502	County Farms	961	-6,065	-5,104	-4,813	-4,905	-5,041	-5,177

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Net Revised Opening Budget 2022-23 £000	Policy Line	Gross Budget 2023-24 £000	Fees, Charges & Ring-fenced Grants 2023-24 £000	Net Budget 2023-24 £000	Net Budget 2024-25 £000	Net Budget 2025-26 £000	Net Budget 2026-27 £000	Net Budget 2027-28 £000
830	Strategic Assets	845	-17	828	828	828	828	828
3,492	Subtotal Property Services	12,684	-8,232	4,452	4,306	3,918	3,779	3,640
33,275	Financing Costs Debt Charges and Interest	38,058	-63	37,995	37,995	37,995	37,995	37,995
33,275	Subtotal Financing Costs	38,058	-63	37,995	37,995	37,995	37,995	37,995
	Greater Cambridge Partnership							
-	- City Deal with Greater Cambridge Partnership	1,682	-1,682	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	Subtotal Greater Cambridge Partnership	1,682	-1,682	-	-	-	-	-
	- UNIDENTIFIED SAVINGS TO BALANCE BUDGET		-	-12,886	-38,284	-56,261	-69,314	-83,647
	Future Years							
-	- Inflation	-	-	-	449	1,058	1,648	2,392
51,315	F&R BUDGET TOTAL	97,299	-35,984	48,429	27,891	16,252	8,130	-943

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Table 2: Revenue - Net Budget Changes by Operational Division

Budget Period: 2023-24

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
Customer & Digital Services							
Customer Services	2,076	-1	-	-	-	-	2,075
IT & Digital Service	10,967	158	-	23	727	-70	11,805
Subtotal Customer & Digital Services	13,043	157	-	23	727	-70	13,880
Finance & Procurement							
Service Director of Finance & Procurement	359	-	-	-	196	-	555
Professional Finance	1,899	-	-	-	1	-	1,900
Procurement	920	-	-	-	-92	-	828
CCC Finance Operations	149	-5	-	-	-	-	144
Insurance Fund	2,436	108	-	-	-	-405	2,138
External Audit	75	-	-	127	-	-	202
Lead Authority Services	1,040	7	-	-	-	-166	881
Subtotal Finance & Procurement	6,878	110	-	127	105	-571	6,648
Corporate & Miscellaneous							
Central Services and Organisation-Wide Risks	5,621	8,988	-	-1,496	100	-1,839	11,374
Local Government Subscriptions	110	-	-	-	-	-	110
Authority-wide Miscellaneous	817	-	-	-	-1,026	-	-209
Subtotal Corporate & Miscellaneous	6,548	8,988	-	-1,496	-926	-1,839	11,275
Investment Activity							
Property Investments	-3,610	2	-	-	-35	-1,118	-4,761
Shareholder Company Dividends & Fees	-571	-1	-	-36	-	-	-608
Housing Investment (This Land Company)	-6,063	-	-	-	-	-	-6,063
Contract Efficiencies & Other Income	-405	191	-	-	-	-	-214
Collective Investment Funds	-1,050	-	-	-	-	-	-1,050
Renewable Energy Investments	-222	-	-	6	-9	-14	-239
Subtotal Investment Activity	-11,921	192	-	-30	-44	-1,132	-12,935
Property Services							
Facilities Management	6,029	1,564	-	-2	-	-	7,591
Property Services	925	-	-	-	3	-	928
Property Compliance	210	-1	-	-	-	-	209
County Farms	-4,502	81	-	-	-	-683	-5,104
Strategic Assets	830	-2	-	-	-	-	828
Subtotal Property Services	3,492	1,642	-	-2	3	-683	4,452

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Budget Period: 2023-24

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
Financing Costs							
Debt Charges and Interest	33,275	-	-	-	4,280	440	37,995
Subtotal Financing Costs	33,275	-	-	-	4,280	440	37,995
F&R BUDGET TOTAL	51,315	11,089	-	-1,378	4,145	-3,855	61,315

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Table 3: Revenue - Overview

Budget Period: 2023-24 to 2027-28

Detailed Plans	Outline Plans
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Ref	Title	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	Description	Committee
1	OPENING GROSS EXPENDITURE	62,142	46,355	26,371	14,679	6,968		
C/R.1.002	Base Adjustment - Restructure F&R to S&P	-10,668	-	-	-	-	- Base Adjustment - Restructure F&R to S&P	S&R
C/R.1.003	Base Adjustments	631	-	-	-	-	- Adjustment for permanent changes to base budget from decisions made in 2022-23.	S&R
C/R.1.004	Splitting out PVs following CLT restructure - F&R to S&P	-863	-	-	-	-	- Accounting for structure changes in respect of budget movements in the 2022/23 financial year.	S&R
C/R.1.014	Public health funding to support Health related spend	61	-	-	-	-	- Public Health business planning for 2023-24 pulls together outstanding underspends across several service areas. These will have minimal disruption as they are demand led services which are already underspending. In addition, savings are available from contingency and holding funds where the funding is no longer required. Funding from the grant will be applied to other eligible costs across the Council.	S&R
C/R.1.015	Base Adjustment relating to Public Health Savings	-220	-30	250	-	-	- Base Adjustment relating to Public Health Savings, which will contribute to costs across the rest of the Council in line with the Public Health Grant conditions.	S&R
1.999	REVISED OPENING GROSS EXPENDITURE	51,083	46,325	26,621	14,679	6,968		
2	INFLATION							
C/R.2.001	Inflation	1,964	491	649	704	791	Inflation for Finance & Resources budgets	S&R
C/R.2.003	Salary Inflation - All Services	4,838	5,031	5,208	5,391	5,579	Forecast pressure from inflation relating to pay and employment costs. 4% in years 1 and 2, and 3.5% in years 3 to 5. This is all held centrally until the pay award in each relevant year is confirmed, when it will be allocated to services.	S&R
C/R.2.004	Re-baselining of F&R Budgets	850	-	-155	-	-	- Following review of several historic income targets, this adjustment is needed to bring budgets in line with expected income.	S&R
C/R.2.009	2022/23 Staff Pay Award	3,500	-	-	-	-	- Pressure relating to the 2022/23 staff pay award. The pay award was higher than budgeted for in that year, and so catch-up funding is required.	S&R
2.999	Subtotal Inflation	11,152	5,522	5,702	6,095	6,370		
3	DEMOGRAPHY AND DEMAND							
3.999	Subtotal Demography and Demand	-	-	-	-	-		
4	PRESSURES							
C/R.4.018	IT - Continued Remote Working	-	-134	-55	-	-	- Costs of data and licenses increased during the pandemic with more staff working remotely. This cost was expected to be temporary.	S&R

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Budget Period: 2023-24 to 2027-28

Detailed Plans	Outline Plans
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Ref	Title	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	Description	Committee
C/R.4.021	IT - Microsoft Enterprise Agreement	114	241	50	-	-	- Cambridgeshire County Council uses Microsoft software extensively across all services. The Council is licensed to do so under the terms of its Microsoft Enterprise Agreement, which was renewed in 2020 and the cost of the new contract increased. Following the migration to Office 365 and reviewing the strategic requirements of the organisation in areas such as reporting (PowerBI) and automation (Power Apps) additional licences are required at an additional cost.	S&R
C/R.4.025	Pandemic risks provision	-600	-	-	-	-	- Phased reversal of temporary funding intended to mitigate against risks during the pandemic.	S&R
C/R.4.027	IT - Systems	189	-5	-	-	-	- There are requirements for additional modules in existing systems to meet new requirements and planned projects in services. There may also be a period of dual running of systems in the Education space as services are migrated from one to the other.	S&R
C/R.4.028	IT - Telephony	50	-341	-	-	-	- Funding for an increase in telephony costs due to a contract overlap, and then reduce the budget in 2024/25.	S&R
C/R.4.029	IT - Hardware & Infrastructure	-380	-	-	-	-	- In order to ensure fit for purpose laptops for staff and members it was anticipated that a significant number of devices would need to be replaced in 2022-23. This budget has been revised to re-establish the ongoing requirement.	S&R
C/R.4.030	IT - Shared Health Care Record	50	-	-	-	-	- This is the estimated revenue costs to CCC for funding towards the Cambridgeshire & Peterborough Shared Health Care Record.	S&R
C/R.4.032	Pathfinder Legal Services dividend expectation	-36	-	-	-	-	- This line reflects the dividend that is likely to be payable from the Council's joint-owned legal services company. The primary financial purpose of the company is to provide cost effective services, which is achieved through fees, rather than the delivery of dividend.	S&R
C/R.4.034	Renewable Energy - Soham	6	6	-	-	-	- Operating costs associated with the capital investment in Renewable Energy, at the Soham Solar Farm. Links to capital proposal C/C.2.102 in BP 2016-17.	S&R
C/R.4.035	Alconbury Solar Carport - operating costs	-2	2	-3	-	-	- The proposal is to construct a series of four solar canopies over the car park, which will generate electricity that will be used to charge electric vehicles (EVs) on site and that can be used directly by the building to offset the use of grid electricity.	S&R
C/R.4.036	External Auditor Fees	127	-	-	-	-	- The annual fee expected to meet statutory external audit costs is due to increase. The Council is opted-into the national commissioning arrangement for audit services, in line with the majority of councils.	S&R
C/R.4.037	Pension Fund Contribution Level	-666	-683	-700	-718	-736	The pension fund is currently more than fully funded for its anticipated liabilities, and so the annual contribution the Council makes to it can be slightly reduced. The pension contribution rates and benefits for employees are unchanged.	S&R
C/R.4.039	Increase in National Insurance - Council Staff	-230	-	-	-	-	- Reversal of impact of increase in employers' national insurance payments for staff in Finance & Resources	S&R
4.999	Subtotal Pressures	-1,378	-914	-708	-718	-736		

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Detailed Plans	Outline Plans
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Ref	Title	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	Description	Committee
5	INVESTMENTS							
C/R.5.005	Renewable Energy Soham - Interest Costs	-9	-10	-	-	-	- The Council has invested in building a solar park at Triangle Farm, Soham. These are the borrowing costs associated with the scheme to be repaid using income from the sale of energy.	S&R
C/R.5.006	Commercial Investments - Interest Costs	-35	-35	-35	-35	-35	The Council is developing 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.	S&R
C/R.5.009	ITDS Capital to Revenue Funding	726	1,173	1,076	-	-	- A shift from capital to revenue funding is required for Information Technology & Digital Service (ITDS) programmes over the next 3 financial years, due to the nature of IT services changing to cloud based systems.	S&R
C/R.5.011	CLT Structure and Shared Posts Changes	208	-	-	-	-	- The restructure of the extended Corporate Leadership Team and several shared posts was agreed by the Council in 2022/23. The net investment into posts will be funded through the business change reserve for two years until the eventual structure of the council is finalised at which point, if no mitigations, this investment will be required. This is the impact for Finance & Resources.	S&R
C/R.5.115	Think Communities - Creating a Unified Approach	-1,028	-	-	-	-	- Planned reversal of the temporary transformation funding put into previous financial years. We are reviewing the long term funding options for this service.	S&R
C/R.5.119	Development of an Asset-Based Area Approach to Commissioning and Delivery	2	-92	-	-	-	- Ongoing transformation funded scheme through to 2024/25. Development of a sustainable model of community-based care and support for adults using an Asset-Based Area approach to commissioning and delivery. The project aims to delay demand for long term adult social care and improve outcomes for adults with care and support needs in the community.	S&R
5.999	Subtotal Investments	-136	1,036	1,041	-35	-35		
6	SAVINGS S&R							
C/R.6.106	Contract Savings	-	-200	-	-	-	- The ability to renegotiate or procure to achieve contractual savings is expected in 2024-25.	S&R
C/R.6.108	IT - Education Software	-70	-	-	-	-	- Estimated annual software saving expected from the implementation of the new education system.	S&R
C/R.6.109	Council Wide Mileage	-500	-	-	-	-	- Reduction in mileage budgets across the council, reflecting permanently changed travelling patterns.	S&R
C/R.6.110	Corporate Vacancy Factor	-400	-	-	-	-	- Whilst effort is made to ensure all critical posts are filled, this is to recognise slippage on staffing budgets that inevitably take place.	S&R
C/R.6.111	Public Health Grant Contribution to Overheads	-61	-	-	-	-	- Funded by a ring-fenced grant, the Public Health service makes a contribution to the cost of overheads that support it in the rest of the Council. This contribution is inflated.	S&R

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C/R.6.113	Insurance re-procurement	-405	-	-	-	-	- Following a successful re-procurement of our Insurance contracts, a reduction in cost is expected from insurance premiums and provisions.	S&R
C/R.6.114	Lead Authority Services - Governance	-25	-	-	-	-	- A saving target has been agreed for the Lead Authority Performance and Governance Service.	S&R
C/R.6.116	Payment Card Compliance	-19	-	-	-	-	- Efficiencies from improved payment card processes.	S&R
6.999	Subtotal Savings	-1,480	-200	-	-	-		
	UNIDENTIFIED SAVINGS TO BALANCE BUDGET	-12,886	-25,398	-17,977	-13,053	-14,333		
	TOTAL GROSS EXPENDITURE	46,355	26,371	14,679	6,968	-1,766		
7	FEES, CHARGES & RING-FENCED GRANTS							
C/R.7.001	Previous year's fees, charges & ring-fenced grants	-34,331	-35,921	-36,475	-36,422	-36,833	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.	S&R
C/R.7.002	Changes to fees and charges from previous year	-134	-	-	-	-	- Adjustment for permanent changes to income expectation from decisions made in 2022-23.	S&R
C/R.7.003	Fees and charges inflation	-63	-42	-40	-114	-47	- Uplift in external charges to reflect inflation pressures on the costs of services.	S&R
C/R.7.004	2022/23 Staff Award Pay Inflation	-71	-	-	-	-	- Recharges for shared staff are expected to be higher in light of the 2022/23 staff pay award.	S&R
C/R.7.005	Changes to Fees and Charges - Restructure F&R to S&P	1,422	-	-	-	-	- Changes to Fees and Charges - Restructure F&R to S&P	S&R
	Changes to fees & charges							
C/R.7.104	Alconbury Solar Carport - Income Generation	-	-1	-1	-3	-3	-3 The proposal is to construct a series of four solar canopies over the car park, which will generate electricity that will be used to charge electric vehicles (EVs) on site and that can be used directly by the building to offset the use of grid electricity.	S&R
C/R.7.105	Renewable Energy Soham - Income Generation	-14	-13	-	-	-	- Income generation resulting from capital investment in solar farm at Soham. Links to capital proposal C/C.2.102 in BP 2016-17.	S&R
C/R.7.111	New rental income - Evolution Business Park	-938	-	-	-	-	- Anticipated additional income from a new investment the Council is expected to make.	S&R
C/R.7.115	Student Accommodation - Income Generation	-70	-62	-65	-65	-65	-65 Estimated annual rent increase.	S&R
C/R.7.116	Leisure Park - Income Generation	-38	-179	-	-	-	- Estimated change in annual rent, including two vacant units for part of the year.	S&R

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C/R.7.117	Supermarket Site - Income Generation	-80	-83	-85	-88	-88	Estimated annual change in rent income	S&R
C/R.7.118	Business Park - Income Generation	19	-8	-43	-5	-	Estimated annual change in rent income	S&R
C/R.7.119	Independent Living Service: East Cambridgeshire	-	-438	-292	-	-	Rent received from the lease of the new building.	S&R
C/R.7.120	County Farms -Agricultural Rent	-46	-129	-132	-136	-136	Increase expected in rental income for the county farms estate.	S&R
C/R.7.150	COVID Impact - Leisure Park	-16	-	-	-	-	Cromwell Leisure consists of a cinema and three restaurant units. This is the final recovery amount for the impact on rent received due to COVID.	S&R
C/R.7.154	COVID Impact - Commercial Income	-849	-	-	-	-	For the additional income expected across the Commercial Strategy, based on the current funds for investments, we forecast that the 2021-22 & 2022-23 target will be achieved in full by 2023-24.	S&R
C/R.7.155	Kingsbridge - Income Generation	5	-	-95	-	-	Estimated annual change in rent income.	S&R
C/R.7.156	Biodiversity Net Gain Offset	-637	420	40	-	-	To deliver an innovative Biodiversity Net Gain (BNG) scheme at Lower Valley Farm, Fulbourn, South Cambridgeshire. The annual maintenance is expected to be £15k per annum.	S&R
C/R.7.201	Changes to ring-fenced grants Change in Public Health Grant	-80	-19	766	-	-	Change in ring-fenced Public Health grant to reflect expected contribution from Public Health to budget gap, and thereafter the expected removal of the grant ringfence.	S&R
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-35,921	-36,475	-36,422	-36,833	-37,172		
	TOTAL NET EXPENDITURE	10,434	-10,104	-21,743	-29,865	-38,938		

FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
C/R.8.001	Budget Allocation	-10,034	10,304	21,743	29,865	38,938	Net budget balance of Corporate Services.	S&R
C/R.8.002	Public Health Grant	-747	-766	-	-	-	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	S&R
C/R.8.003	Fees & Charges	-35,174	-35,709	-36,422	-36,833	-37,172	Fees and charges for the provision of services.	S&R
C/R.8.005	Public Health Reserve	-400	-200	-	-	-	Drawn down of public health reserve to fund pressures in service	S&R
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-46,355	-26,371	-14,679	-6,968	1,766		