

COUNCIL MEETING

AGENDA

9th February 2021

Virtual Meeting

Cambridgeshire County Council Notice of Meeting

The meeting of the County Council will be held on Tuesday 9th February 2021 at 10.30a.m.

COVID-19

During the Covid-19 pandemic Council and Committee meetings will be held virtually for Committee members and for members of the public who wish to participate. These meetings will be held via Zoom and Microsoft Teams (for confidential or exempt items). For more information please contact the clerk for the meeting (details provided below).

Agenda

Apologies for Absence

1. Minutes – 15th December 2020 (previously circulated)
[available at [County Council meeting 15/12/2020](#)]
2. Chairman’s Announcements (oral)
3. Declarations of Interests (oral)
[[Guidance for Councillors on declaring interests is available here](#)]
4. Public Question Time (oral)

To receive and respond to questions from members of the public in accordance with Council Procedure Rule 9.3. and the Council’s Virtual Meeting Protocol
5. Petitions (oral)

To receive petitions from the public in accordance with Council Procedure Rule 9.4. and the Council’s Virtual Meeting Protocol
6. Audit and Accounts Committee Annual Report 2019-20 (pages 4-8)
7. Council’s Business Plan and Budget Proposals 2021-22 to 2025-26 (pages 9-29)

Note: a copy of the report discussed by the General Purposes Committee on 26th January 2021 and the minutes of the meeting are available via the following link: [General Purposes Committee meeting 26/01/2021](#)

8. Questions

(a) Cambridgeshire and Peterborough Combined Authority and Overview and Scrutiny Committee (Council Procedure Rule 9.1) (to follow)

(b) Written Questions (Council Procedure Rule 9.2) (oral)

To note responses to written questions from Councillors submitted under Council Procedure Rule 9.2.

Dated 1st February 2021

Fiona McMillan
Monitoring Officer

For more information about this meeting, please contact Michelle Rowe at the County Council's Democratic Services on Cambridge (01223) 699180 or by email at: michelle.rowe@cambridgeshire.gov.uk

Audit and Accounts Committee Annual Report 2019-20

To: County Council

Date: 9th February 2021

From: Chairman of the Audit and Accounts Committee

Purpose: To present the Audit & Accounts Committee Annual Report 2019-20. The Audit and Accounts Committee issues an annual report to Council, summarising the Committee's annual work programme.

Recommendation: It is recommended that Full Council note the content of the report.

Officer contact:

Name: Neil Hunter
Post: Head of Audit & Risk Management
Email: neil.hunter@cambridgeshire.gov.uk
Tel: 01223 715317

Member contact:

Names: Councillor Mike Shellens
Post: Chairman Audit and Accounts Committee
Email: Shellens@waitrose.com
Tel: 01223 706398

Audit and Accounts Committee Annual Report

1. Introduction

- 1.1 The Audit and Accounts Committee exists to provide independent assurance on the adequacy of the Council's risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. Audit and Accounts Committees within Local Authorities are necessary to satisfy the wider statutory requirements for sound financial management as part of best practice so that the Council can meet its duties under the Accounts and Audit Regulations.
- 1.2 The Audit and Accounts Committee plays a vital role in ensuring that the residents of Cambridgeshire County Council are getting good-quality services and value for money, i.e. economy, efficiency and effectiveness.
- 1.3 The Audit and Accounts Committee has seven members and met 7 times in 2019-20. The scheduled meeting in March 2020 was cancelled. All meetings were held in public.
- 1.4 The Committee has been structured around the following responsibilities:
 - Considering and approving the Annual Statement of Accounts;
 - Ensuring that the financial management of the Council is adequate and effective;
 - Ensuring that the Council has a sound system of internal control, which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk;
 - Reviewing annually the Council's system of internal control and agreeing an Annual Governance Statement;
 - Ensuring that the Council has an adequate and effective Internal Audit function.
- 1.5 In its role of overseeing the work of Internal Audit, every meeting of the Committee was provided with updates on progress in delivering the agreed Annual Audit Plan. Whilst the final few weeks of 2019/20 were disrupted by Covid 19 measures, Internal Audit was able to complete almost all work planned for the 2019/20 financial year and has produced an Annual Report where the Chief Internal Auditor has provided his annual opinion as below:

On the basis of the audit work undertaken during the 2019/20 financial year, an opinion of satisfactory assurance is awarded. This is unchanged from 2018/19. This opinion is caveated as the key financial systems audit reviews of Payroll, Treasury Management, General Ledger, Bank Reconciliation and IT System controls were not completed in the financial year 2019/20. It should be noted that no systems of control can provide

absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.

- 1.6 During 2019/20, Key Financial Systems audits were again undertaken as joint reviews of Cambridgeshire County Council, Milton Keynes and Northamptonshire County Council LGSS systems.
- 1.7 Although Internal Audit colleagues based at Cambridgeshire completed reviews of Accounts Receivable, Accounts Payable, and Debt Recovery across all LGSS sites as planned, the key financial systems audit reviews scheduled to be completed by colleagues based at Milton Keynes and Northamptonshire (Payroll, Treasury Management, General Ledger, Bank Reconciliation and IT System controls) were not completed for 2019/20.
- 1.8 The 2020/21 audit of Key Financial Systems is now underway and all are planned for completion by the end of March 2021; this will provide assurance over the systems with outstanding reports from 2019/20.
- 1.9 Internal Audit reported on the Council's implementation of agreed audit recommendations to the Audit & Accounts Committee throughout the 2019/20 year. This afforded the Committee ongoing assurance that control weaknesses were being promptly addressed by management.
- 1.10 The Chief Internal Auditor determined that work to review implementation of agreed actions was suspended in March 2020 as the organisation prioritised resources towards responding to the Covid 19 pandemic.
- 1.11 During January 2021, the Internal Audit team at Cambridgeshire has been conducting a review to identify all high and medium priority recommendations where implementation has not been verified. Full reporting to Audit & Accounts Committee on the implementation of all outstanding actions will be reintroduced from March 2021.

2. Proactive Work of the Committee

The following section provides a summary of the proactive work undertaken by the Committee over the last year. This aspect of the Committee's work is vital, and has assisted in improving the effectiveness of the Council's overall corporate governance arrangements.

2.1 Corporate Governance

- 2.1.1 The Council's Annual Governance statement is compiled on the basis of the findings of Internal Audit reviews throughout the year, assurance statements from executive and corporate directors and input from senior management and members of the Committee. The 2019/20 Annual Governance Statement was reviewed by the Committee in July 2020, prior to final sign-off and inclusion in the Council's annual Statement of Accounts.

2.2 Council Finance and Statement of Accounts

- 2.2.1 Throughout 2019/20, the Committee has maintained its oversight of Council finances, reviewing the quarterly Integrated Resources and Performance Reports to assess progress in delivering the Council's Business Plan and review the status of the Council's Key Performance Indicators. The Committee regularly inquires and follows-up on areas which have overspends or other issues. The Committee was pleased to note the combined Council outturn overspend for 2019-20 was £0.2m, an almost balance position and the most pleasing result for several years, given the considerable budget and demand volatility faced by the authority.
- 2.2.2 The Committee also considers and approves the Council's annual Statement of Accounts. During 2019/20, the Committee received and approved the audited financial statements for the year ending 31 March 2019, the first year in which Ernst & Young LLP had been our appointed external auditor. The draft Statement of Accounts 2019/20 was presented to Committee on 30th July 2020, ahead of the final review and delegation of approval at the Committee on 24 November 2020. This reflects the disruption caused by Covid19.
- 2.2.3 In respect of the accounts, BDO (the Council's former External Auditors) had received objections from a local elector in respect of the 2017/18 and 2016/17 public rights periods. BDO provided an update highlighting no resolution to these objections at the date of this report, and no guaranteed date of resolution could be provided.

2.3 Ely Bypass Investigation

- 2.3.1 The Committee requested an Internal Audit review of this project in the light of a projected overspend of £13m to £49m. The Committee considered this item on 29th July 2019 and the Committee's conclusions were then reported into the Economy and Environment Committee on 17th Oct 2019. The work highlighted key learning from this project that needed to be embedded within all other large projects.

2.4 Whistleblowing Referrals

- 2.4.1 The Committee received periodic updates on all referrals received under the Whistleblowing policy. Whilst cases that remain ongoing cannot be reported publicly, it can be reported that no completed cases identified material control failures or fraud. In all completed cases the Committee was satisfied that robust action was taken as appropriate.

2.5 Farms Audit

- 2.5.1 The Committee has received regular updates on the progress of this audit. The Chair of the Committee has met with the independent audit firm appointed in December 2020 to complete the audit. At that meeting held on

4th January 2021, the Chair expressed the importance of the audit and the need for its timely completion in line with the brief given to the auditors.

3. The Committee's relationship with Internal Audit

- 3.1 A key part of the Committee's role is to both challenge and support the Internal Audit service. The Committee has supported a flexible approach from the Internal Audit team, which ensures that planned coverage is continually re-assessed to direct audit resource towards areas of emerging risk, rather than a static plan agreed some months before. The Committee has taken a proactive role in this approach, both by suggesting pieces of work for Internal Audit, contributing ideas towards the detailed brief, and requesting updates from Internal Audit and Council services on implementation of actions.

4. Terms of Reference for the Committee

- 4.1 Having been fully reviewed and revised in 2016/17, the Terms of Reference for the Audit & Accounts Committee were reviewed by the Committee in May 2018 and retained with no changes. The Committee is advised that the document remains current and consistent with best practice.

5. 2020/21

- 5.1 Covid 19 has had a major impact across the Council. The Committee has continued to meet virtually but those meetings have focussed (as agreed across group leaders) on matters requiring decision.
- 5.2 This has impacted on the work of the Committee and the services that serve it, i.e. Finance, Legal, Internal and External Audit. Risk Management has, of course been similarly affected. The Committee has been kept informed and briefed by the relevant services, but often outside formal meetings, particularly in the early part of 2020/21 where formal meetings were deferred for some months.
- 5.3 The work of the Committee is returning to normality in the second half of 2020/21 and there is confidence that the work of Finance and Audit will ensure statutory duties are met for the financial year 2020/21.

6. Source Documents

- 6.1 Audit and Accounts Committee agendas and minutes.

[Audit and Accounts Committee - Agenda and Minutes](#)

Council's Business Plan and Budget Proposals 2021-22 to 2025-26

To: Council

Meeting Date: 9 February 2021

From: Gillian Beasley, Chief Executive
Chris Malyon, Chief Finance Officer

Outcome:

- (a) To advise Council of any amendments and changes made to the Business Plan subsequent to the General Purposes Committee meeting on 26 January 2021.

[General Purposes Committee meeting 26/01/2021](#)

The amendments are in accordance with the appropriate delegations and do not alter the recommendations by the General Purposes Committee on 26 January 2021.

- (b) To advise Full Council of the General Purposes Committee's consideration and recommendations on the Business Plan.
- (c) To consider the Section 25 Statement from the Chief Finance Officer regarding the robustness of the budget proposals and position of the Council's reserves (given in Section 3).

Recommendation: It is recommended that Full Council:

1. Approves the Business Plan, including supporting budget, business cases, Transformation Fund Bids, consultation responses and other material, in light of all the planning activities undertaken to date.
2. Receives the following recommendations to Council:
 - a) That approval is given to the Service/Directorate budget allocations as set out in each Service/Directorate table in Section 3 of the Business Plan.
 - b) That consideration is given to a total county budget requirement and precept level.
 - c) That consideration is given to a Council Tax increase for each Band of property, based on the number of "Band D" equivalent properties notified to the County Council by the District Councils as set out in Section 2, Table 6.4 of the Business Plan.

3. That approval is given to the Capital Strategy as set out in Section 6 of the Business Plan including:
 - Commitments from schemes already approved,
 - Expenditure on new schemes in 2021-22 shown in summary in Section 2, Table 6.7 of the Business Plan.
4. That approval is given to the Treasury Management Strategy as set out in Section 7 of the Business Plan, including:
 - i. The Council's policy on the making of the Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (England) (Amendment) Regulations 2008.
 - ii. The Affordable Borrowing Limit for 2021- 22 (as required by the Local Government Act 2003).
 - iii. The Investment Strategy for 2021-22 as required by the Ministry of Housing, Communities and Local Government (MHCLG) revised Guidance on Local Government Investments issued in 2018, and the Prudential Indicators as set out in Appendix 3 of Section 7 of the Business Plan.
5. Authorise the Chief Finance Officer, in consultation with the Leader of the Council, to make technical revisions to the Business Plan, including the foregoing recommendations to the County Council, so as to take into account any changes deemed appropriate. This includes updated information on District Council Tax Base and Collection Funds, Business Rates forecasts and Collection Funds and any grant changes, as well as appending the agreed budget submitted by the Greater Cambridge Partnership, in the County Council's role as the host authority.

Officer contact:

Name: Gillian Beasley / Chris Malyon
Post: Chief Executive / Deputy Chief Executive
Email: Gillian.Beasley@cambridgeshire.gov.uk / Chris.malyon@cambridgeshire.gov.uk
Tel: 01223 729051 / 01223 699796

Member contacts:

Names: Councillors Count and Hickford
Post: Chair/Vice-Chair
Email: Steve.count@cambridgeshire.gov.uk
Roger.hickford@cambridgeshire.gov.uk
Tel: 01223 706398

1. Background and context for business planning

- 1.1 The Council's Business Plan sets out how we will spend the resources we have at our disposal to achieve our vision and priorities for Cambridgeshire, and the outcomes we want to achieve. It is a statutory requirement under the Local Government Finance Act 1992 for the Council to approve a balanced budget "before 1 March in the financial year preceding that for which it is set". In doing so, the Council undertakes financial planning covering a five-year timescale in order to align spending plans with the projected resources available and ensure that we recognise and provide for growth in demand for services. The paper also seeks to highlight the environment within which the Business Plan has been developed this year, the added complexity that developing the business plan whilst in the middle of a world-wide pandemic brings, and the challenges that being a relatively low spend but effective organisation has on the opportunities to reduce costs further to address the financial challenges caused by COVID-19.
- 1.2 In February of last year the Council set a balanced budget for the current financial year with no use of reserves to support the delivery of base services. It also made provision for further investment in transformation interventions. At that point the Council was in a very robust financial position to manage future year challenges with only a £4.2m 'budget gap' for 2021-22. This was much less than in previous budget setting processes and was predicated on a 2% council tax rise through levying the Adult Social Care precept (every 1% increase in council tax generates an additional £3m).
- 1.3 Developing the current Business Plan within the context of a global pandemic required a new approach resulting in the development of a robust planning framework which has enabled us to track the trajectory of the impact of COVID-19. Since March 2020, we have continually developed our understanding of emerging trends, demand increases and impacts on society and the economy. This has enabled us to narrow the range of the predicated budget gap and present options for a robust budget for 2021-22. We have made a number of prudent assumptions through our modelling which will reduce, but not completely protect against, the sensitivity of the figures to external factors. The ongoing impacts will be monitored and managed through the Council's existing risk management and recovery planning processes.
- 1.4 For 2021-22, Cambridgeshire will receive £632m of funding, excluding grants retained by its schools. The key sources of funding are council tax (£322m), business rates (£64m), central Government grants (£125m) and fees and charges income (£121m).
- 1.5 Council tax falls into two elements. These are the core council tax that is used to support the delivery of all Council services, and the Adult Social Care precept which can only be used to support the delivery of social care services to adults. The assumptions upon which the current MTFS (Medium Term Financial Strategy) financial forecasts are predicated are 0% general council tax increase and 2% adult social care precept increase for each year of the Business Plan.
- 1.6 Total expenditure for 2021-22 will be £641m. The costs of running the Council have risen by £31m (5.1%) as compared to 2020-21. In particular, the impact of COVID-19 has led to increased challenges across all services areas but especially in respect of Adult's and Children's Social care provision which have seen increases in both volume and complexity of need.

2. Overview of financial position and updates to position from January General Purposes Committee

- 2.1 The draft Business Plan was considered by General Purposes Committee (GPC) on 26 January 2021. The report to GPC highlighted that although more than £4m of savings/new income had been identified for 2021/22, a budget gap of £9.612m remained for that financial year. Substantial gaps were also projected in the latter four years of the plan, based on the latest information on budget pressures and the outcome of the provisional local government finance settlement.
- 2.2 There have also been a number of other changes to budget proposals since the January Committee that are summarised in Appendix 1 of this report.
- 2.3 A significant amount of activity has been undertaken to identify savings, efficiencies and income to reduce the current gap. However, the opportunities to generate additional savings proposals without significantly impacting the delivery of services have reduced in both number and scale. This is all the more challenging given the current operational issues posed by the pandemic.
- 2.4 The following options remain available to contribute towards not only closing the gap for 2021-22 but some also support the significant challenges faced in 2022-23 and beyond because the benefits are then baked into the base funding of the Council;
- Increase the rate at which base Council Tax is set
 - Increase the rate at which the Adult Social Care Precept is set
 - Use of the flexibility available around Minimum Revenue Provision (MRP)
 - Use of the Transformation Fund
 - Reduce service levels

As a last resort, the Council would also deplete the General Reserve. This would need to be the very last resort as this reserve is held to deal with any in-year unforeseen financial issues. As this reserve is already considered to be at the minimum adequate level, the other options above to provide a means by which to set a balanced budget for the year ahead must be considered as a priority.

- 2.5 The benefits and dis-benefits of each option are described in the following paragraphs to enable the Committee to consider the best course of action.

2.5.1 Increase the base rate of general Council Tax (each 1% would bring in £3.066m)

Currently the Medium Term Financial Strategy (MTFS) includes an assumption that general Council Tax will remain unchanged (zero increase) across the five years of the business plan. The Council Tax Limitation Regulations for 2021-22 will provide councils with the freedom to raise Council Tax by up to 1.99% without triggering a local referendum.

If the Council chooses to amend the assumptions in the MTFS and raise the core Council Tax, each percentage point increase generates additional revenue of £3.066m from year 1. From a financial perspective, this is the most advantageous approach as it generates ongoing revenue on a sustainable basis. It is also important to note the cumulative effect of raising the level of council tax; with a higher base rate, the value of each % of increase agreed in future years is also increased. Maximising tax revenue also places the Council in a better position with

regard to challenging central government in respect of adopting a fairer funding distribution methodology as part of the forthcoming Comprehensive Spending Review.

Clearly, however, the dis-benefit of this option is the increased burden on Cambridgeshire households through higher tax bills. The tables below show the impact of various Council Tax increases on the Council's budget deficits across the planning period and the average cost per household for taxpayers.

Impact on Households

Percentage increase in Council Tax	Annual Impact on a Band D Household
2%	£27.18
3%	£40.77
4%	£54.36
4.99%	£67.77

Note - a 2% increase (£27.18 for a Band D Household) is included in current Business Plan assumptions as a result of increasing the Adult Social Care precept.

Impact on Council Budget Position

The table below shows the forecast gaps in each of the next five years and how potential changes in the ongoing assumption of base Council Tax increases would affect this (2% is current position):

	Remaining Level of Unidentified Savings				
	2021-22	2022-23	2023-24	2024-25	2025-26
2% rise	9,612	17,637	12,884	13,638	10,611
3% rise	6,546	17,444	12,776	13,529	10,474
4% rise	3,479	17,251	12,668	13,420	10,359
4.99% rise	454	17,059	12,561	13,312	10,243

The table assumes that the resulting deficit in each of these scenarios is covered through on-going reductions in expenditure/increased income.

The following table shows the cumulative additional Council tax that would be raised over five years for each level of increase:

	Cumulative additional Council tax raised				
	2021-22	2022-23	2023-24	2024-25	2025-26
2% rise	6,322	12,847	19,588	26,547	33,738
3% rise	9,483	19,270	29,382	39,821	50,629
4% rise	12,644	25,694	39,176	53,094	67,498
4.99% rise	15,764	32,034	48,844	66,198	84,153

The table below shows the absolute level of savings (non-cumulative) that the Council would need to find in 2021-22 and 2022-23 for each level of increase if the budget gap was not covered by reductions in the net operating budget of the Council in 21/22:

Year 2 impact of 2021-22 Council tax on Unidentified Savings		
	2021-22	2022-23
2% rise	9,612	27,249
3% rise	6,546	23,990
4% rise	3,479	20,730
4.99% rise	454	17,513

It should be noted that the Business Plan currently assumes that an Adults Social Care precept of 2% will be available in each of the five years to 2025-26 and that the Council will choose to apply the precept each year.

2.5.2 Increase in Adult Social Care Precept (a further 1% would bring in £3.066m)

The impact on the Council's finances of increasing the Adult Social Care Precept by the additional 1% permitted is the same as for 1% of general Council Tax.

This year, it has been announced that the ASC precept limitation for 2021-22 can be carried forward to 2022-23 if preferred by the Council (no other details about funding or Council tax limitations having been confirmed for 2022-23). The Council can demonstrate that the planned increased investment in Adult Social Care for next year exceeds the maximum amount available through the precept, and it therefore makes no difference to our overall financing whether that arrives as a hypothecated or general precept.

The carry forward flexibility has not been granted for general Council tax.

2.5.3 Use of ongoing MRP benefit to balance budget deficit (up to £2m funding recurring until 2025-26 then diminishing annually)

The Council agreed an alternative approach to the calculation of Minimum Revenue Provision (MRP) in 2016 which provided ongoing budgetary savings, reducing over time. The MRP strategy maintained a commitment to invest the funding made available as a result of the MRP savings into the Council's Transformation Fund - recognising that this fund is essential to delivering the sustainable change we need. However, there is a judgement to be made about the appropriate level of funds applied each year to the Transformation Fund, or other priorities, on the other hand. It should be noted that changing the Council's treatment of MRP savings cannot be considered as a permanent source of base funding to close the budget gap as the benefit of these savings is diminishing annually. The amount from the MRP benefit next year is £4.1m, reducing to £2m by the end of the current business planning period (2025-26).

2.5.4 Use of Transformation Fund

The amount of one-off reserves held within the transformation fund that are not allocated to future projects, is £23m.

Whilst this could be used to address the budget gap next year it must be recognised that this does not address the on-going operational budget deficit. Any draw from

the reserve would need to be addressed in the following year, creating a larger cliff edge that will eventually need to be covered by recurrent funding or reduced expenditure.

2.5.5 Reduced service levels

The Business Plan and the level of services that are supported by the resource allocation have been discussed in detail by each service committee. However, the Council can decide to reduce the operating cost base by reducing service levels. As the Committee will be aware any service reductions will have a significant impact on the users of that service. Having operated within a financially challenging environment for a number of years (as well as the impact of COVID-19) most service efficiencies have already been identified and have / or are being implemented (as evidenced through the benchmarking work presented at the December Committee) and therefore further changes will impact on the quality or quantum of those services.

2.5.6 Other funding uncertainties that are unconfirmed

Category	Item	Remarks
Revenue	Better Care Fund uplift	There is a favourable change likely as a result of an uplift applied nationally to the Better Care Fund amounts the Council receives from the local Clinical Commissioning Group
Revenue	Cost of Capital/Debt	There is a favourable change possible in year 1 of the MTFS, this will also need to take account of any remaining capital amendments politically.
Revenue	Local Taxation	<p>As a result of the pandemic and the economic impact there is additional uncertainty in this area.</p> <p>Government have announced additional funding streams to support the impacts across Council Tax and Business Rates. However the precise impact and functioning of the schemes, and the interaction between billing and precepting authorities is not yet clear.</p> <p>There is considerable downside and uncertainty relating to collection rates, tax base and growth for both taxes in the coming years, and volatility in the estimates submitted by District Councils.</p> <p>The intention is therefore to initially allocate any additional grant received from government for local taxation losses to an earmarked reserve in order to offset and mitigate the future risks and volatility. This will be reviewed as the situation settles and part of future business planning.</p>
Capital	Roads Fund / Potholes	We are awaiting local authority level allocations of the second year of the manifesto investment in Roads and Potholes.

In previous years, the Council has undertaken varying levels of a budget reset at the July General Purposes Committee to reflect the latest demand and funding information at that point. As a backstop, all of the above items could be addressed through this route, after the budget has been formally set for the year ahead.

- 2.6 In light of the above recommendations from GPC, the Medium Term Financial Strategy has been updated to show the anticipated funding sources to deliver the expenditure budget. The table below shows an updated overview of the Council's budget for 2021/22.

	2021-22 £000
Revised base budget	852,803
Inflation	9,579
Demography	15,038
Pressures	9,564
Investments	-741
Savings	-4,007
Change in reserves/one-off items	12,730
Total budget	894,966
Less funding:	
Business Rates plus Top-up	63,657
Dedicated Schools Grant	243,274
Un-ringfenced Grants (including schools)	60,885
Ring-fenced Grants	74,734
Fees & Charges	121,070
Surplus/deficit on collection fund	1,026
Council Tax	320,708
Total Funding	885,354
Remaining budget gap	9,612

- 2.7 The table below shows the updated savings/income target for 2021/22 and the requirement and levels of identified and unidentified savings across the rest of the planning period.

	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
Total Saving Requirement	13,619	26,886	18,431	17,324	9,799
Identified Savings	-4,007	-1,853	-882	-2,453	1,227
Identified additional Income Generation	-	-7,396	-4,665	-1,233	-415
<i>Current position</i>	9,612	17,637	12,884	13,638	10,611
<i>Unidentified savings</i>					

3. Local Government Act 2003: Section 25 Statement by the Chief Finance Officer

- 3.1 The Local Government Act 2003 (Section 25) requires that when a local authority is agreeing its annual budget, and precept, the Chief Finance Officer must report to it on the following matters:
- the robustness of the estimates made for the purposes of the calculations; and
 - the adequacy of the proposed financial reserves.

- 3.2 The estimates that support this budget have used all the data and supporting information that the Council has at its disposal at this point in time. When considering the budget each year, the assumptions that have been used in order to construct that budget and the uncertainties contained therein are always made clear. In any year, building a robust projection of the level of demand for services is extremely challenging – on the back of a worldwide pandemic this uncertainty is understandably significantly exacerbated. The recent mutation of the virus which has necessitated a further period of lockdown now means that there is significant additional uncertainty to the financial projections contained within the Council's financial forecast.
- 3.3 To date, the additional costs/reduced income arising from COVID-19 have largely been funded by additional financial support from the Government. It is therefore not an unreasonable assumption that any additional costs following increases to the infection rate and the national lockdown announced by the Prime Minister on 4 January will also be funded through additional grant.
- 3.4 Against the uncertainty over the long-term implications that may arise from the pandemic, the budget proposals presented for consideration are as robust as they can be at this point. They set out how the increasing pressures and costs will be managed within the resource envelope at the Council's disposal and individual proposals are supported by business cases, delivery plans and, where required, by additional transformation investment.
- 3.5 Although a post-COVID-19 world brings with it a significant amount of economic uncertainty, the Council does still expect that there will be further economic and population growth throughout the period of the MTFS. To date, the growth seen within the County and the consequential demand for additional services that this growth brings with it have not been adequately reflected within the grant distribution methodology. This point has been raised on a number of occasions with Government and was the foundation of the Council's 2018 fairer funding campaign. It is hoped that the issues highlighted during this campaign will be addressed in the forthcoming Comprehensive Spending Review later this year. However, given the pressures on public funds it is unlikely that the total funds available to local government will be dramatically increased.
- 3.6 At this point the Council must therefore adopt prudent estimates of available core funding in future years. In addition to the uncertainties of delivering services in a post-COVID-19 world there are potentially additional issues that may arise from Brexit which, whilst mitigated by the securing of a trade agreement, have not been fully removed. When coupled with additional Government restrictions that will restrict the Council's ability to operate as commercially as it might have hoped for, the need for maintaining a reasonable level of prudent reserves is as key now as it ever has been.
- 3.7 The consequences arising from the pandemic in the current financial year have, in most part, been funded by the Government. The Spending Review, and the subsequent local government grant settlement, have also provided additional support for many of the implications of the post-COVID-19 environment. Whilst this additional funding is obviously most welcome it is to a large extent only for the 2021-22 financial year. With the uncertainties surrounding the outcome of the 2021 Comprehensive Spending Review the MTFS is currently forecasting a significant financial gap for the financial year 2022-23.

- 3.8 It is, however, pleasing to be able to present the Council with a range of potential options for it to consider in order to balance the 2021-22 budget. When the reports were presented to service committees towards the end of 2020 this opportunity seemed highly unlikely. However, the Council is urged to consider what the impact that any decisions it makes appertaining to the 2021-22 budget will have on the longer-term financial position of the Council.
- 3.9 The General Reserve is specifically held to mitigate against any in-year pressures beyond those that have been built into the Business Plan. The General Reserve is held at no less than 3% of gross non-school spending to cover any such incidents. This currently equates to a figure of £19.5m. When the Council agreed to increase the General Reserve to 3% it did so in the context of a risk assessment that reviewed key areas of spend and the likelihood of significant budget variations in those areas. The risks associated with delivery have not diminished and therefore it is the Chief Finance Officer's opinion that the level of the General Reserve should remain as a minimum at 3%. Consequently, any draw on this Reserve that takes it below this threshold should be balanced with a contribution from within the base budget for the following financial year.
- 3.10 Because of COVID-19, the Council has had to re-evaluate some of the savings proposals that had been included within the Business Plan. Some have been deferred or modified as a result. As a consequence there is slightly less concern as to the deliverability of these plans in 2021-22. However, this reduced risk is negated by the uncertainties of the scale and timing of the economic recovery in a post-COVID-19 environment.
- 3.11 Given these uncertainties it is imperative that the Council maintains sufficient resources to cover any in-year unforeseen expenditure. It is therefore the Chief Finance Officers view that the General Reserve should be held only for the purposes as set out above and not for the purposes of balancing the budget. In addition, the Council holds a Transformation Fund which is a revenue-based reserve established to support pump priming initiatives/investments that will reduce the ongoing operating costs of the Council. Whether as a direct result of the pandemic, or simply the fact that most big-ticket transformation projects have been progressed, the Fund balance is currently in excess of the pipeline of requirements. It could therefore be available to support any unforeseen in-year expenditure should that situation arise.
- 3.12 Given the matters above, it is the Chief Finance Officers view that the Council's reserves are currently sufficient to meet the challenges that could realistically be anticipated at this point.

4. Alignment with Corporate Priorities

- 4.1 A good quality of life for everyone
- 4.2 Thriving places for people to live
- 4.3 The best start for Cambridgeshire's children

The purpose of the Business Plan is to consider and deliver the Council's vision and priorities and this paper sets out how we aim to provide good public services and achieve better outcomes for communities, whilst also responding to the changing challenges of the pandemic.

- 4.4 Net zero carbon emissions for Cambridgeshire by 2050

The budget is reviewed at each stage of development to assess the carbon implications of any new investments or savings initiatives. Additionally, the Council is committed to reviewing the sufficiency of climate mitigation funds included in the Business Plan on an annual basis to deliver the Climate Change and Environment Strategy.

5. Significant Implications

5.1 Resource Implications

The proposals set out the response to the financial context described throughout this report and the need to change our service offer and model to maintain a sustainable budget. The full detail of the financial proposals and impact on budget is described in the financial tables of the business plan. The proposals will seek to ensure that we make the most effective use of available resources and are delivering the best possible services given the reduced funding.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications for the proposals set out in this report.

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 citizens.

5.4 Equality and Diversity Implications

As the proposals develop, they will consider and describe the impact of each proposal, in particular any disproportionate impact on vulnerable, minority and protected groups. Full EqlAs have been completed where identified.

5.5 Engagement and Consultation 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. 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 GPC.

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

We are working closely with Public Health colleagues as part of the operating model to ensure our emerging Business Planning proposals are aligned.

Have the resource implications been cleared by Finance? Yes

Officer clearance: Tom Kelly

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? Yes

Officer clearance: Gus de Silva

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes

Officer clearance: Fiona McMillian

Have the equality and diversity implications been cleared by your Service Contact? Yes

Officer clearance: Beatrice Brown

Have any engagement and communication implications been cleared by Communications? Yes

Officer clearance: Christine Birchall

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Officer clearance: James Gemmell

Have any Public Health implications been cleared by Public Health? Yes

Officer clearance: Liz Robin

6. Source Documents

6.1 General Purposes Committee Agenda and Minutes for 26 January 2021

[General Purposes Committee meeting 26/01/2021](#)

Business Plan Contents:

- SECTION 1 - Strategic Framework
- SECTION 2 - Medium Term Financial Strategy
- SECTION 3 - Finance Tables
- SECTION 4 - Business Cases
- SECTION 5 - Public Consultation
- SECTION 6 - Capital Strategy
- SECTION 7 - Treasury Management Strategy

Appendix 1a

1.1 The following sections summarise the financial amendments made to the Business Plan following the meeting of the January General Purposes Committee. These updates do not impact the Council's budget gap; some have a cost neutral impact and others have a small (<£100k) revenue impact which can be offset against general reserves whilst maintaining an overall balance in line with the Council's policy of 3% of gross expenditure.

1.2 The below updates were not included in the published draft Business Plan due to a number of time-limiting factors including:

- Approval of 2021-22 schools budget proposals by Schools Forum and C&YP Committee in January
- Conclusion of negotiations with the Combined Authority regarding the Transport Levy
- Continuing work on the repatriation of LGSS Services
- Reliance on data from District Authorities with a statutory deadline of 31st January

2.0 Corporate Services

2.1 The Corporate Services budget tables have been updated with budgets for Lead Authority Services repatriated from LGSS. The overall impact on the Service budget is as follows:

Net Revised Opening Budget 2020-21 £000	Gross Budget 2021-22 £000	Fees, Charges & Ring-fenced Grants 2021-22 £000	Net Budget 2021-22 £000	Net Budget 2022-23 £000	Net Budget 2023-24 £000	Net Budget 2024-25 £000	Net Budget 2025-26 £000
+793	+1,869	-2,478	-609	-351	-309	-267	-224

2.2 There has been a corresponding reduction in the corporate pressures budget for the repatriation of LGSS services of £1,414,000 in 2021-22.

2.3 Inflation on corporate budgets has been increased as follows:

Reference	Description	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000
C/R.2.001	Inflation	+15	+49	+50	+51	+52
C/R.7.003	Fees and charges inflation	-3	-11	-8	-9	-9

2.4 Budgeted income has increased by £90,000 for the provision of administrative services to the Cambridgeshire & Peterborough Combined Authority

2.5 Revised Corporate Services Finance Tables 1 and 2 are provided in Appendix 1b.

3.0 Place & Economy

3.1 The transfer of Transport Services to the Cambridgeshire and Peterborough Combined Authority has further impacted the Place & Economy budget position as follows:

3.1.1 Reduction in gross expenditure from £84,975,000 to £84,079,000

3.1.2 Reduction in Fees, Charges & Ring-fenced Grants from £21,957,000 to £21,021,000

3.1.3 Increase in net expenditure from £63,018,000 to £63,058,000

3.2 Following negotiations with the Combined Authority, the Transport Levy budget has been increased from £9,229,000 to £9,246,000

4.0 People & Communities

4.1 Dedicated Schools Grant retained by the Council for provision of Maintained Schools, Early Years Settings and Education Services increased from £81,976,000 to £114,930,000. This is due to a change in the reporting of funding to special schools and units which is now included within P&C. This has resulted in an increase in the P&C gross budget from £499,434,000 to £532,388,000 and an increase in ring-fenced grants from £196,904,000 to £229,858,000.

5.0 Financing

5.1 The five year MTFS tax base projections have been updated as follows:

	2021-22	2022-23	2023-24	2024-25	2025-26
Projected tax base as at January GPC	232,607.3	235,386.2	238,544.4	241,635.0	245,086.0
<i>Amendment</i>	-1,276.3	-385.8	+249.5	+59.1	+242.2
Projected tax base as at February Council	231,331.0	235,000.4	238,793.9	241,694.1	245,328.2

Figures stated in band D equivalents

6.1 The Capital Strategy, Treasury Management Strategy, Medium Term Financial Strategy and Finance Tables will be updated following Full Council to reflect the changes to service revenue budgets and financing proposals set out above and any additional spending proposals introduced through political amendments to the Business Plan.

Appendix 1b: Corporate Services Revised Finance Tables

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

Budget Period: 2021-22 to 2025-26

Net Revised Opening Budget 2020-21 £000	Policy Line	Gross Budget 2021-22 £000	Fees, Charges & Ring-fenced Grants 2021-22 £000	Net Budget 2021-22 £000	Net Budget 2022-23 £000	Net Budget 2023-24 £000	Net Budget 2024-25 £000	Net Budget 2025-26 £000
	Customer & Digital Services							
394	Director, Corporate and Customer Services	747	-360	387	466	466	466	466
129	Chief Executive	133	-3	130	130	130	130	130
719	Communication and Information	739	-22	717	717	717	717	717
1,958	Customer Services	2,193	-308	1,885	1,885	1,885	1,885	1,885
2,214	IT & Digital Service	2,486	-146	2,340	2,340	2,340	2,340	2,340
6,696	IT Managed	7,886	-391	7,495	7,117	7,117	7,117	7,117
165	Elections	170	-	170	170	170	170	170
846	Redundancy, Pensions & Injury	1,019	-173	846	846	846	846	846
1,730	Human Resources	1,826	-97	1,729	1,729	1,729	1,729	1,729
143	Health, Safety & Wellbeing	202	-61	141	141	141	141	141
1,926	Learning & Development	2,288	-364	1,924	1,924	1,924	1,924	1,924
16,920	Subtotal Customer & Digital Services	19,689	-1,925	17,764	17,465	17,465	17,465	17,465
	Business Improvement & Development							
664	Transformation Team	693	-76	617	2,299	2,299	2,299	2,299
831	Business Intelligence	1,163	-337	826	848	848	848	848
1,495	Subtotal Business Improvement & Development	1,856	-413	1,443	3,147	3,147	3,147	3,147
	Resources Directorate							
706	Resources Directorate	760	-52	708	708	708	708	708
1,840	Professional Finance	2,196	-353	1,843	1,843	1,843	1,843	1,843
459	Procurement	715	-102	613	613	613	613	613
434	Finance Operations	964	-526	438	438	438	438	438
75	External Audit	75	-	75	75	75	75	75
2,160	Insurance	2,322	-93	2,229	2,229	2,229	2,229	2,229
5,674	Subtotal Resources Directorate	7,032	-1,126	5,906	5,906	5,906	5,906	5,906
	Legal & Governance							
144	Legal & Governance Services	155	-11	144	144	144	144	144
556	Information Management	691	-5	686	686	686	686	686
330	Democratic & Member Services	425	-98	327	327	327	327	327
1,054	Members' Allowances	1,054	-	1,054	1,054	1,054	1,054	1,054
2,084	Subtotal Legal & Governance	2,325	-114	2,211	2,211	2,211	2,211	2,211

Appendix 1b: Corporate Services Revised Finance Tables

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

Budget Period: 2021-22 to 2025-26

Net Revised Opening Budget 2020-21 £000	Policy Line	Gross Budget 2021-22 £000	Fees, Charges & Ring-fenced Grants 2021-22 £000	Net Budget 2021-22 £000	Net Budget 2022-23 £000	Net Budget 2023-24 £000	Net Budget 2024-25 £000	Net Budget 2025-26 £000
	Corporate & Miscellaneous							
2,169	Central Services and Organisation-Wide Risks	1,840	-	1,840	1,718	1,718	1,718	1,718
	- Pandemic risks provision	1,800	-	1,800	600	-	-	-
1,002	PCC Shared Services	2,834	-1,822	1,012	1,232	1,232	1,232	1,232
110	Subscriptions	110	-	110	110	110	110	110
48	Authority-wide Miscellaneous	166	-118	48	148	148	148	148
	- Corporate Redundancies	-	-	-	300	300	300	300
5,194	Transformation Fund	1,429	-	1,429	1,118	92	-	-
	- Connecting Cambridgeshire	658	-658	-	-	-	-	-
2,600	Investment in Social Care Capacity	1,300	-	1,300	-	-	-	-
11,123	Subtotal Corporate & Miscellaneous	10,137	-2,598	7,539	5,226	3,600	3,508	3,508
	Greater Cambridge Partnership							
649	City Deal with Greater Cambridge Partnership	2,354	-2,354	-	-	-	-	-
649	Subtotal Greater Cambridge Partnership	2,354	-2,354	-	-	-	-	-
-9,612	UNIDENTIFIED SAVINGS TO BALANCE BUDGET	-9,612	-	-9,612	-27,249	-40,133	-53,771	-64,382
	Future Years							
	- Inflation	-	-	-	443	892	1,340	1,787
	- Council Tax: Counter Fraud & Compliance	-	-	-	-650	-650	-650	-650
28,333	CS BUDGET TOTAL	33,781	-8,530	25,251	6,499	-7,562	-20,844	-31,008

Appendix 1b: Corporate Services Revised Finance Tables

Table 2: Revenue - Net Budget Changes by Operational Division

Budget Period: 2021-22

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							
Director, Corporate and Customer Services	394	-7	-	-	-	-	387
Chief Executive	129	1	-	-	-	-	130
Communication and Information	719	-2	-	-	-	-	717
Customer Services	1,958	12	-	-	-	-85	1,885
IT & Digital Service	2,214	-4	-	-	130	-	2,340
IT Managed	6,696	17	-	782	-	-	7,495
Elections	165	5	-	-	-	-	170
Redundancy, Pensions & Injury	846	-	-	-	-	-	846
Human Resources	1,730	-1	-	-	-	-	1,729
Health, Safety & Wellbeing	143	-2	-	-	-	-	141
Learning & Development	1,926	-2	-	-	-	-	1,924
Subtotal Customer & Digital Services	16,920	17	-	782	130	-85	17,764
Business Improvement & Development							
Transformation Team	664	-47	-	-	-	-	617
Business Intelligence	831	-5	-	-	-	-	826
Subtotal Business Improvement & Development	1,495	-52	-	-	-	-	1,443
Resources Directorate							
Resources Directorate	706	2	-	-	-	-	708
Professional Finance	1,840	3	-	-	-	-	1,843
Procurement	459	-	-	154	-	-	613
Finance Operations	434	4	-	-	-	-	438
External Audit	75	-	-	-	-	-	75
Insurance	2,160	69	-	-	-	-	2,229
Subtotal Resources Directorate	5,674	78	-	154	-	-	5,906
Legal & Governance							
Legal & Governance Services	144	-	-	-	-	-	144
Information Management	556	3	-	127	-	-	686
Democratic & Member Services	330	-3	-	-	-	-	327
Members' Allowances	1,054	-	-	-	-	-	1,054
Subtotal Legal & Governance	2,084	-	-	127	-	-	2,211

Appendix 1b: Corporate Services Revised Finance Tables

Table 2: Revenue - Net Budget Changes by Operational Division

Budget Period: 2021-22

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
Corporate & Miscellaneous							
Central Services and Organisation-Wide Risks	2,169	-424	-	2,460	-	-564	3,640
Pandemic risks provision	-	-	-	-	-	-	-
PCC Shared Services	1,002	10	-	-	-	-	1,012
Subscriptions	110	-	-	-	-	-	110
Authority-wide Miscellaneous	48	-	-	-	-	-	48
Corporate Redundancies	-	-	-	-	-	-	-
Transformation Fund	5,194	-	-	-	-3,765	-	1,429
Connecting Cambridgeshire	-	-	-	-	-	-	-
Investment in Social Care Capacity	2,600	-	-	-	-1,300	-	1,300
Subtotal Corporate & Miscellaneous	11,123	-414	-	2,460	-5,065	-564	7,539
Greater Cambridge Partnership							
City Deal with Greater Cambridge Partnership	649	-	-	-	-649	-	-
Subtotal Greater Cambridge Partnership	649	-	-	-	-649	-	-
UNIDENTIFIED SAVINGS TO BALANCE BUDGET	-9,612	-	-	-	-	-	-9,612
CS BUDGET TOTAL	28,333	-371	-	3,523	-5,584	-649	25,251

Appendix 1c

The Capital Programme has been updated as below following decisions taken at recent meetings of the Commercial and Investment Committee and Environment and Sustainability Committee and as a result of minor revisions to the Schools Capital Programme.

Section 3 Finance Tables; Table 4

People and Communities

Ref	Scheme	Update	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
A/C.01.043	Littleport Community Primary	Position per January GPC	5,565	21	650	3,000	1,800	94	-	-
		<i>Amendment</i>	-460	-	-	-260	-200	-	-	-
		Position per February Council	5,105	21	650	2,740	1,600	94	-	-

Place & Economy

Ref	Scheme	Update	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
B/C.5.013	NEW: Swaffham Prior Community Heat Scheme ¹	Position per February Council	12,701	870	8,835	2,496	250	250	-	-

¹ A ground breaking scheme enabling the residents of Swaffham Prior to decarbonise their heating and hot water. The project comprises an energy centre located at Goodwin Farm supplying heat via a network of underground pipes that runs through the village connecting to homes and businesses.

Commercial & Investment

Ref	Scheme	Update	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
F/C.1.119	Babraham Smart Energy Grid	Position per January GPC	6,306	338	3,999	1,969	-	-	-	-
		<i>Amendment</i>	36	-126	-1,838	2,000	-	-	-	-
		Position per February Council	6,342	212	2,161	3,969	-	-	-	-
F/C.1.120	Trumpington Smart Energy Grid	Position per January GPC	6,969	48	269	6,652	-	-	-	-
		<i>Amendment</i>	1	-44	-269	-6,652	-	-	-	6,966
		Position per February Council	6,970	4	-	-	-	-	-	6,966
F/C.1.121	Stanground Closed Landfill Energy Project	Position per January GPC	8,267	479	7,788	-	-	-	-	-
		<i>Amendment</i>	-1	-55	-7,661	7,715	-	-	-	-
		Position per February Council	8,266	424	127	7,715	-	-	-	-
F/C.1.123	North Angle Solar Farm, Soham	Position per January GPC	26,258	5,702	20,556	-	-	-	-	-
		<i>Amendment</i>	-1,814	-4,039	2,225	-	-	-	-	-
		Position per February Council	24,444	1,663	22,781	-	-	-	-	-
F/C.1.124	NEW: Fordham Renewable Energy Network Demonstrator Project ²	Position per February Council	635	85	550	-	-	-	-	-
F/C.2.113	Decarbonisation Fund	Position per January GPC	15,000	3,000	2,400	3,200	3,200	3,200	-	-
		<i>Amendment</i>	-	609	-1,538	310	310	309	-	-
		Position per February Council	15,000	3,609	862	3,510	3,510	3,509	-	-
F/C.2.114	Electric Vehicle chargers	Position per January GPC	200	200	-	-	-	-	-	-
		<i>Amendment</i>	-	-200	200	-	-	-	-	-
		Position per February Council	200	-	200	-	-	-	-	-

² Development of an Investment Grade Proposal for a 58 acre solar park at Glebe Farm in Fordham. The schemes aims to assist local businesses in decarbonising their energy supplies while generating a return for the Council and contributing to the aims of the Climate Change and Environment Strategy.

Overall impact on the Capital Programme

Update	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
Position per January GPC	68,565	9,788	35,662	14,821	5,000	3,294	-	-
<i>Amendment</i>	11,098	-2,900	504	5,609	360	559	-	6,966
Position per February Council	79,663	6,888	36,166	20,430	5,360	3,853	-	6,966

As a result of the above updates to the Capital Programme the overall Capital Variation Budget has been reduced by £4,339,000 from -£104,599,000 to -£108,938,000. The net impact on overall capital spending is an increase of £6,759,000 and the net impact on borrowing is an increase of £1,943,000.

Section 3 Finance Tables; Table 5

People and Communities

Ref	Scheme	Update	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
A/C.01.043	Littleport Community Primary	Position per January GPC	5,565	21	519	-	-	5,025
		<i>Amendment</i>	-460	-	-	-	-	-460
		Position per February Council	5,105	21	519	-	-	4,565
A/C.01.077	Waterbeach New Town Primary	Position per January GPC	11,701	-	11,701	-	-	-
		<i>Amendment</i>	-	-	-1,371	-	-	1,371
		Position per February Council	11,701	-	10,330	-	-	1,371

Place & Economy

Ref	Scheme	Update	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
B/C.5.013	NEW: Swaffham Prior Community Heat Scheme	Position per February Council	12,701	3,581	-	-	-	9,120

Commercial & Investment

Ref	Scheme	Update	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
F/C.1.119	Babraham Smart Energy Grid	Position per January GPC	6,306	-	-	-	-	6,306
		<i>Amendment</i>	36	-	-	-	-	36
		Position per February Council	6,342	-	-	-	-	6,342
F/C.1.120	Trumpington Smart Energy Grid	Position per January GPC	6,969	-	-	-	-	6,969
		<i>Amendment</i>	1	-	-	-	-	1
		Position per February Council	6,970	-	-	-	-	6,970
F/C.1.121	Stanground Closed Landfill Energy Project	Position per January GPC	8,267	-	-	-	-	8,267
		<i>Amendment</i>	-1	-	-	-	-	-1
		Position per February Council	8,266	-	-	-	-	8,266
F/C.1.123	North Angle Solar Farm, Soham	Position per January GPC	26,258	-	-	-	-	26,258
		<i>Amendment</i>	-1,814	-	-	-	-	-1,814
		Position per February Council	24,444	-	-	-	-	24,444
F/C.1.124	NEW: Fordham Renewable Energy Network Demonstrator Project	Position per February Council	635	-	-	-	-	635

Overall impact on the Capital Programme

Update	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
Position per January GPC	65,066	21	12,220	-	-	52,825
<i>Amendment</i>	11,098	3,581	-1,371	-	-	8,888
Position per February Council	76,164	3,602	10,849	-	-	61,713

The Capital Strategy, Treasury Management Strategy, Medium Term Financial Strategy and Finance Tables will be updated following Full Council to reflect the changes to the Capital Programme set out above and any additional spending proposals introduced through political amendments to the Business Plan.