Agenda Item No.7

INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE YEAR ENDING 31ST MARCH 2017

To:	**General Purposes Committee**
Date:	**13th June 2017**
From:	**Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**2017/026** *Key decision:* **Yes**

Purpose: **This report:**

- **Details the performance of the Council for the 2016/17 financial year.**
- **Is a management report that precedes the production of the Council's formal Statement of Accounts. Although the Outturn Report and Statement of Accounts reconcile to one another, it is the statutory Statement of Accounts on which the audit opinion is formed.**

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

a) Note the Council's year-end resources and performance position for 2016/17.

b) Approve the changes to capital funding for 2016/17, as set out in section 11.6.

c) Approve the changes to capital funding for 2016/17 previously recommended in the February and March Integrated Resources & Performance Reports, as set out in Appendix 3.

d) Approve the allocation of additional grant funding received, as previously recommended in the March Integrated Resources & Performance Report, set out in Appendix 3.

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1. PURPOSE

1.1 To present financial and performance information for the financial year 2016/17.

2. OVERVIEW

2.1 The following table provides a snapshot of the Authority's performance for the financial year 2016/17 by value and RAG (Red, Amber, Green) status.

Area	Measure	Year End Position	Status
Revenue Budget	Variance (£m)	+£0.5m	Amber
Basket Key Performance Indicators	Number at target (%)	50% (8 of 16)	Amber
Capital Programme	Variance (£m)	-£5.3m	Green
Balance Sheet Health	Net borrowing activity (£m)	£399m	Green

2.2 This report summarises the overall financial position for the 2016/17 financial year, whereas prior reports have focussed on the movements since the previous report. As is the case with every year-end report there are a number of changes that result as balance sheet activities are reviewed. Key movements in operational expenditure are set out below in paragraph 3.2.

2.3 The key issues included in the summary analysis are:

- The overall revenue budget position was an overspend of +£0.5m (+0.1%) at year end. This is a movement of -£0.7m on the forecast reported last month (as at the end of March), with all services reporting small favourable movements on their March forecasts with the exception of Economy, Transport & Environment (ETE).

- Key Performance Indicators; there are 18 indicators in the Council's corporate basket, with data currently being available for 16 of these. Of these 16 indicators, 8 have finished the year on target. See section 10 for details. GPC will recall that it has been agreed that the corporate KPIs should be reviewed to ensure that the corporate basket of indicators support the outcomes that the Council is seeking to achieve. The revised indicators proposed will be presented to the Committee for consideration in July.

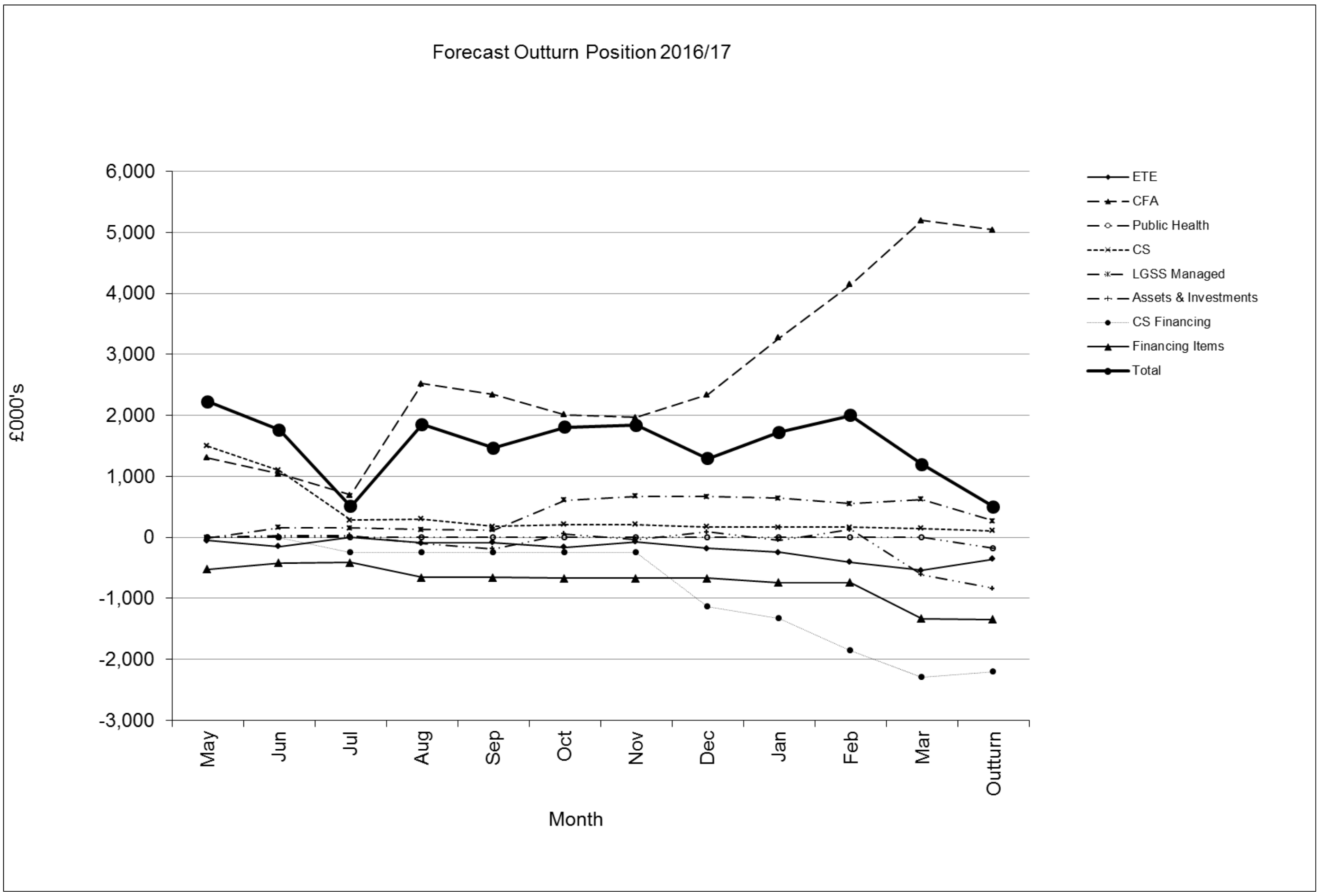
- The Capital Programme is reporting an in-year underspend of -£5.3m (-3.4%) at year end, which is an increase in the underspend of -£2.4m since last month. The majority of this is due to further slippage in the programme across Children, Families and Adults (CFA). See section 11 for details.

3. REVENUE BUDGET

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Original Budget as per BP	**Service**	**Revised Budget**	**Application of Carry Forwards**	**Total Funds (3)+(4)**	**Actual Spending**	**Variation**		**Transfer to (+) / from (-) Reserves**
£'000		**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**%**	**£'000**
59,952	Economy, Transport & Environment (ETE)	61,396	1,157	62,553	62,200	-354	-0.6%	354
242,563	Children, Families & Adults (CFA)	242,147	0	242,147	247,190	5,043	2.1%	-5,043
182	Public Health (PH)	182	0	182	0	-182	-100.0%	182
4,674	Corporate Services (CS)	5,801	0	5,801	5,911	110	1.9%	-110
6,006	LGSS Managed	3,973	0	3,973	4,243	270	6.8%	-270
2,714	Assets & Investments (A&I)	4,012	0	4,012	3,173	-839	-20.9%	839
34,206	CS Financing	34,206	0	34,206	31,999	-2,207	-6.5%	2,207
350,297	**Service Net Spending**	**351,717**	**1,157**	**352,874**	**354,716**	**1,841**	**0.5%**	**-1,841**
4,677	Financing Items	2,514	0	2,514	1,183	-1,332	-53.0%	1,332
354,974	**Net Spending**	**354,232**	**1,157**	**355,389**	**355,898**	**510**	**0.1%**	**-509**
	Memorandum Items:							
9,589	LGSS Operational	8,171	244	8,415	8,203	-212	-2.5%	212
364,563	**Total Net Spending 2016/17**	**362,403**	**1,401**	**363,804**				

[1] The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.
[2] Key to column 7: + signifies overspend or reduced income, - signifies underspend or increased income.
[3] For budget virements between Services throughout the year, please see Appendix 1.



3.2 Key exceptions are identified below:

3.2.1 **Economy, Transport and Environment:** -£0.354m (-0.6%) underspend is being reported at year end. There are no exceptions to report; for full and previously reported details go to the ETE Finance & Performance Report.

3.2.2 **Children, Families and Adults:** +£5.043m (+2.1%) overspend is being reported at year end.

	£m	%
• **Adult Mental Health Localities**: an underspend of -£724k is being reported at year end, which is a movement of -£254k on the position previously reported (in July) and -£12k movement on the final forecast position in March. The underlying underspend on cost of care was £502k. Savings were made on residential, nursing and domiciliary care, although this had an offsetting effect on income from client contributions reflecting the reduction in overall service user numbers.	-0.724	(-11%)

Discussions with the NHS over additional funding for placements made through Section 41 of the Mental Health Act are ongoing. There is an expectation of receiving £300k of funding from the NHS, which is included in the final position. Also included is a six figure provision in respect of a dispute with another County Council regarding a high-cost, backdated package.

- **Strategy & Commissioning, Commissioning Services**: an overspend of +£613k is being reported at year end, which is a movement of +£347k on the position previously reported in January. This is due to an increase in the numbers of children with a Statement of Special Educational Needs / Education, Health and Care Plans (EHCP) out of school in receipt of alternative education (tuition) packages. It had been expected that some of the ongoing packages would cease earlier in the term. This budget is funded from the High Needs Block (HNB) element of the Dedicated Schools Grant (DSG) and as such has been met from DSG carry-forward applied in-year. +0.613 (+16%)

- **Looked After Children (LAC) Transport**: an overspend of +£287k is being reported at year end. This is predominantly a result of the overall increase in Looked after Children meaning more children are requiring Home to School Transport than at the same point last year. +0.287 (+26%)

- **Financing Dedicated Schools Grant (DSG)**: an underspend of -£1.301m is being reported at year end, which is a movement of -£278k on the position previously reported in February. The underspend represents a one-off drawdown from DSG reserves to fund a £1.3m pressure in 2016/17 on the budgets in CFA funded by ring-fenced DSG. This pressure is primarily made up from Special Educational Needs (SEN) Placements (£845k); Commissioning Services (£755k); Early Years Specialist Support (-£216k); Locality Teams (-£33k); 0-19 Place Planning & Organisation Service (-£60k). Since February pressures in Commissioning Services and SEN Placements have increased, and hence the underspend on the financing budget has increased to reflect the necessary drawdown from reserves. -1.301 (-6%)

- For full and previously reported details go to the CFA Finance & Performance Report.

3.2.3 **Public Health:** -£0.182m (-100%) underspend is being reported at year end as Public Health has not required its base budget in 2016/17; all expenditure has been funded from the ring-fenced Public Health Grant. There are no new exceptions to report; for full and previously reported details go to the PH Finance & Performance Report.

3.2.4 **Corporate Services:** +£0.110m (+1.9%) overspend is being reported at year end. There are no new exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

3.2.5 **LGSS Managed:** £0.270m (+6.8%) overspend is being reported at year end. There are no new exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

3.2.6 **CS Financing:** -£2.207m (-6.5%) underspend is being reported at year end. There are no exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

3.2.7 **Assets & Investments:** -£0.839m (-20.9%) underspend is being reported at year end.

	£m	%
• **County Farms**: an underspend of -£444k is being reported at year end, which is a movement of -£233k on the forecast outturn in March. The increase in underspend is due to adjustments to the calculation of year end reserved debtors. The remainder of the underspend is largely due to higher than expected income streams.	-0.444	(-13%)

- For full and previously reported details go to the A&I Finance & Performance Report.

3.2.8 **LGSS Operational:** -£0.212m (-2.5%) underspend is being reported at year end. There are no exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

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

4. KEY ACTIVITY DATA

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

5. SCHOOLS

5.1 Funding for schools is received from the Department for Education (DfE) via the Dedicated Schools Grant (DSG). As well as funding individual school budgets, the DSG also funds a range of central support services for schools.

5.2 Total schools balances as at 31st March 2017 are as follows:

	31st March 2016 £m (original published balances)	**31st March 2016 £m (amended for in-year academy conversions)**	**31st March 2017 £m**	**Change £m**
Nursery Schools	0.6	0.6	0.6	0.0
Primary Schools	13.7	12.7	11.7	-1.0
Secondary Schools	0.0	0.0	0.1	+0.1
Special Schools	1.1	1.1	0.6	-0.5
Pupil Referral Units (PRUs)	0.1	0.0	0.0	0.0
Sub Total	**15.5**	**14.4**	**12.9**	**-1.5**

Other Balances (incl. Pools and Contingency Funds, Community Focussed Extended Schools and Sports Centres)	3.9	3.9	1.1	-2.8
TOTAL	**19.4**	**18.3**	**14.0**	**-4.3**

It must be noted that further to the DSG, schools budgets include funding from the Education Funding Agency (EFA) for Post 16 funding, in year funding for items such as pupils with statements and additional grant such as the Pupil Premium. Schools that converted to Academy status prior to 31 March are no longer reported by the Local Authority and therefore are not included within the figures.

The change in individual school balances can be attributed to several reasons:

- Some schools will have delayed or cancelled spending decisions due to the uncertainty around future years' funding amounts.
- Some schools have chosen to apply balances in 2016/17 to maintain current staffing levels and class structures.
- Pressures on capital funding have led some schools to reconsider and reprioritise revenue resources to allow for the possibility of capitalisation in future years.

5.3 Analysis will be undertaken to look at the individual changes in balances and appropriate challenge given to those schools in a deficit position and those with excessive balances. Further analysis will be carried out throughout the year to ensure that schools are spending in accordance with their submitted budgets and recovery plans.

5.4 If a school is classed as not meeting the minimum floor targets for attainment, any balance in excess of 5% (secondary) or 8% (primary/special/nursery) is considered excessive and will be subject to local authority learning directorate officers determining how some of the excess could be best used to raise attainment levels.

5.5 The balances can be further analysed in the tables below:

Sector	**Schools with Reported Deficit Balances as at 31st March 2017**
Nursery	0
Primary	7
Secondary	0
Special	1
Total Schools	**8**

Value of revenue deficits at 31st March 2017:

Deficit	Nursery	Primary	Secondary	Special	Total
£100k+	0	0	0	0	**0**
£60k - £100k	0	0	1	1	**2**
£20k - £60k	0	1	0	0	**1**
£10k - £20k	0	3	0	0	**3**
£1k - £10k	0	2	0	0	**2**

Value of surplus revenue balances held by schools at 31st March 2017:

Surplus	Nursery	Primary	Secondary	Special	Total
£0k - £10k	0	6	0	0	**6**
£10k - £20k	0	9	0	0	**9**
£20k - £60k	2	49	1	1	**53**
£60k - £100k	3	46	0	0	**49**
£100k - £150k	2	24	0	1	**27**
£150k - £200k	0	5	0	1	**6**
£200k - £300k	0	7	0	1	**8**
£300k - £400k	0	1	0	0	**1**
£400k+	0	0	0	0	**0**

Please note: the figures in 5.2 and 5.6 are based on the year end returns from schools. However, following further validation of the Consistent Financial Reporting (CFR) returns the final information on Schools balances published by the Department for Education may differ slightly.

6. GENERAL RESERVE BALANCES

6.1 Balances on the general reserve as at 31st March 2017 are £18.9m as set out below:

General Reserve Balance	2016/17 Final Outturn £m
Balance as at 31st March 2016	18.921
Changes Arising:-	
Planned Business Plan adjustments	-2.482
Children, Families and Adults	-5.043
Debt Charges	2.207
Surplus Corporate Grants	1.332
Assets & Investments	0.839
Economy, Transport & Environment	0.354
LGSS Managed	-0.270
Public Health	0.182
Corporate Services	-0.110
Schools' deficits on transfer to academy status	-0.095
Miscellaneous	-0.027
Balance as at 31st March 2017	**15.808**

6.2 As a minimum it is proposed that General Reserve should be no less than 3% of gross non-school expenditure of the Council. At present, the General Reserve is 2.8% of budgeted 2017-18 gross non-school expenditure – this deficit will be addressed as part of the 2018-19 Business Planning (BP) process, to include a review of service reserve balances.

7. REVIEW OF OTHER RESERVES

7.1 The Council reviews the level of its overall reserves at outturn each year, in addition to assessing the adequacy of reserves as part of the BP process. Reserves have long provided vital flexibility in the Council's financial management and no changes are proposed in the operation of these reserves going forward. Details of the Council's earmarked reserves are set out in Appendix 2.

8. TREASURY MANAGEMENT ACTIVITY

8.1 This section summarises the expenditure and income for debt financing, which is held as a central budget within Corporate Services, and complies with the reporting requirements in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management.

	Budget £'000	**Actual £'000**	**Variation £'000**
Interest payable	16,363	14,962	-1,401
Interest receivable	-459	-1,552	-1,093
Technical & other	491	408	-83
MRP – loan repayments	8,560	8,930	370
	***24,955**	**22,748**	**-2,207**

*The budget is shown net of £9.251m transfer to Transformation Fund.

8.2 Net payments were less than budgeted because fewer long term loans were raised during the year than had been budgeted. Temporary, short term loans at low rates of interest were raised instead to meet liquidity needs. In addition the Council exercised an option to repay a £15m loan from Siemens in February which was refinanced with short term borrowing at a significantly lower rate of interest. Interest receivable contains several one-off items totalling £1.015m in respect of interest accruing on S106 that was not budgeted. The pressure shown against the Minimum Revenue Provision (MRP) was offset by underspends within the debt charges resulting in a net underspend of £2.207m.

8.3 The change in the authority's loan debt over the year was as follows:

	1st April 2016 £'000	Loans Raised £'000	Loans Repaid £'000	31st March 2017 £'000
Long-Term Debt	358,100	4,000	15,080	347,020
Temporary Debt	-	92,000	-	92,000
	358,100	-	-	439,020
Less Investments	10,051			40,454
Net Debt	**348,059**			**398,566**

8.4 Long-term debt consists of loans for periods exceeding one year (at either fixed or variable rates of interest) and the average rate of interest paid on this long-term debt was 4.20%. The average rate paid on short term debt was 0.40%.

8.5 Each year the authority must approve limits known as Prudential Capital Indicators for the level of its external financing costs and the maximum limits on total debt. The outcome for 2016/17 compares with approved limits as follows:

	Approved £'000	Actual £'000
Financing Costs		
% of Net Revenue Expenditure	10.5%	6.4%
Authorised Limit for Debt	702,500	439,020
Operational Boundary for Debt	672,500	439,020
Interest Rates Exposure (as % of total net debt)[1]		
Fixed Rate	150%	82%
Variable Rate	65%	17%
Debt Maturity (as % of total debt)[2]		
Under 1 year	0 – 80%	28%
1 – 2 years	0 – 50%	3%
2 – 5 years	0 – 50%	8%
5 – 10 years	0 – 50%	15%
Over 10 years	0 – 100%	46%

Notes:
1. The Interest Rate Exposure is calculated as a percentage of net debt.
2. The guidance for this indicator required that LOBO loans are shown as maturing at the next possible call date rather than at final maturity.

8.6 Financing costs are below the approved limit as a result of the underspend for debt charges, and all debt levels are within the approved limits.

9. DEBT MANAGEMENT

9.1 Summary Final Position:

Although overall debt outstanding has increased since the last reporting period for the 2016/17, the £36m outstanding at 31st March 2017 includes current debt of £17m. Overdue debt (total less current) has decreased by £2m from £9m to £7m.

4-6 month balances have decreased by £47k since the last reporting period. The target of £410k was not achieved, with the final balance being £791.0k.

Over 6 months debt has decreased by £22k overall in the last period, with a final balance of £2.2m against a target of £990k.

9.2 Children, Families and Adults (CFA):

Adult Social Care (ASC) – Over 6 month debt has decreased by £33k since the last period. Final balances are £2.0m against a target of £0.9m. 4-6 month debt has increased by £67k since the last period. Final balances are £515k against a target of £340k.

Children and Families – Over 6 month debt has increased by £1.5k since the last reporting period. Final balances are £35k against a target of £30k. 4-6 month debt has decreased by £43k since the last period and the final balance is £52k against a target of £30k.

9.3 Economy, Transport and Environment (ETE):

Over 90 day balances have decreased by £11k since the last reporting period. Final balances are £50k against a target of £20k. Final balances for over 6 month debt are £52k against a target of £10k, having increased by £7k since the last reporting period.

9.4 Corporate Services (CS):

Over 90 days balances have decreased by £62k overall since the last reporting period. Final balances are £106k against a target of £20k, with £58k of this relating to County Farms. Final balances for over 6 month debt are £98k against a target of £30k, having increased by £2k since the last reporting period.

10. PERFORMANCE TARGETS

10.1 As previously reported to GPC the key performance indicators are currently under review and Members will have the opportunity to agree a new set of KPIs at workshop sessions in June.

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Developing our economy	Percentage of Cambridgeshire residents aged 16 - 64 in employment: 12-month rolling average	ETE	High	At-31-Dec-2016	%	78.5%	80.9% to 81.5%	Amber	↑
	Additional jobs created*	ETE	High	To 30-Sep-2015	Number	+6,300 (provisional)	+ 3,500 (2015/16 target)	Green	↓
	'Out of work' benefits claimants – narrowing the gap between the most deprived areas (top 10%) and others (see note 1 at end of table)[1]	ETE	Low	At-31-Aug-2016	%	Gap of 6.1 percentage points Most deprived areas (Top 10%) = 11.0% Others = 4.9%	Gap of <=6.5 percentage points Most deprived areas (Top 10%) <=11.5%	Green	↔
	The proportion of children in year 12 taking up a place in learning	CFA	High	March 2017	%	94.4%	96.5%	Amber	↓
	Percentage of 16-18 year olds not in education, employment or training (NEET) (see note 2 at end of table)[2]	CFA	Low	March 2017	%	4.0%	3.8%	Amber	↓
	The proportion pupils attending Cambridgeshire Primary schools judged good or outstanding by Ofsted	CFA (Learning)	High	March 2017	%	81.7%	82.0%	Amber	↓

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
	The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted	CFA (Learning)	High	March 2017	%	80.3%	75.0%	Green	↑
	The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted	CFA (Learning)	High	March 2017	%	100%	100%	Green	↔
Helping people live independent and healthy lives	The proportion of Adult Social Care and Older People's Service users requiring no further service at end of re-ablement phase	CFA	High	March 2017	%	56.5%	57%	Amber	↑
	Reduced proportion of Delayed Transfers of care from hospital, per 100,000 of population (aged 18+)	CFA	Low	February 2017	Number	589	429 per month (4874.5 per year)	Red	↑
	Number of ASC attributable bed-day delays per 100,000 population (aged 18+)	CFA	Low	February 2017	Number	153	114	Red	↑
	Healthy life expectancy at birth (males)	Public Health	High	2013 – 2015	Years	65.7	N/A – contextual indicator	Green (compared with England)	Down by 0.1 of a year compared with 2012-2014.
	Healthy life expectancy at birth (females)	Public Health	High	2013 – 2015	Years	67.3	N/A – contextual indicator	Green (compared with England)	Down by 0.3 of a year compared with 2012-2014.
	Absolute gap in life expectancy between the most deprived 20% of Cambridgeshire's population and the least deprived 80% (all persons)	Public Health	Low	2013 quarter 3 – 2016 quarter 2	Years	3 years	N/A – contextual indicator	N/A – contextual indicator	Gap has increased by 0.4 of a year from 2013-2015.

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Supporting and protecting vulnerable people	The number of looked after children per 10,000 children	CFA (Children's Social Care)	Low	March 2017	Rate per 10,000	50.7	40	Red	⬇
	No/ % of families who have not required statutory services within six months of have a Think Family involvement.	CFA (Enhanced & Preventative)	TBC	Following the recommendations from the Think Family evaluation report and the implementation of the Children's Change Programme, the Family CAF is being replaced with a new Early Help Assessment from December 2016. In addition, the Corporate Capacity Review has led to the development of the Business Intelligence and Transformation Teams, both of which are supporting the Council in reviewing how performance is monitored / measured. Considering these changes it is not currently possible or helpful to report on the current CAF / Think Family measure as this will be redefined.					
An efficient and effective organisation	The percentage of all transformed transaction types to be completed online	Customer Service & Transformation	High	1 January – 31 March 2017	%	75.2%.	75%	Green	⬆
	The average number of days lost to sickness per full-time equivalent staff member	LGSS HR	Low	March 2017	Days (12 month rolling average)	6.91	7.80	Green	⬆

Notes:

1. 'Out of work' benefits claimants - narrowing the gap between the most deprived areas (top 10%) and others - the target of <=12% is for the most deprived areas (top 10%). At 6.4 percentage points the gap is the same as last quarter and is narrower than the baseline (in May 2014) of 7.2 percentage points.

2. From Sept 2016 - This indicator has changed from 16-19 to 16-18 and now includes unknowns, and therefore isn't comparable to previous years
Though performance remains within target, there is a high number of young people whose situation is currently unknown. Information about these young people will be gathered during the autumn term to give a clearer idea of our actual performance.

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

- ETE Finance & Performance Report
- CFA Finance & Performance Report
- PH Finance & Performance Report
- CS & LGSS Finance & Performance Report
- A&I Finance & Performance Report

11. CAPITAL PROGRAMME

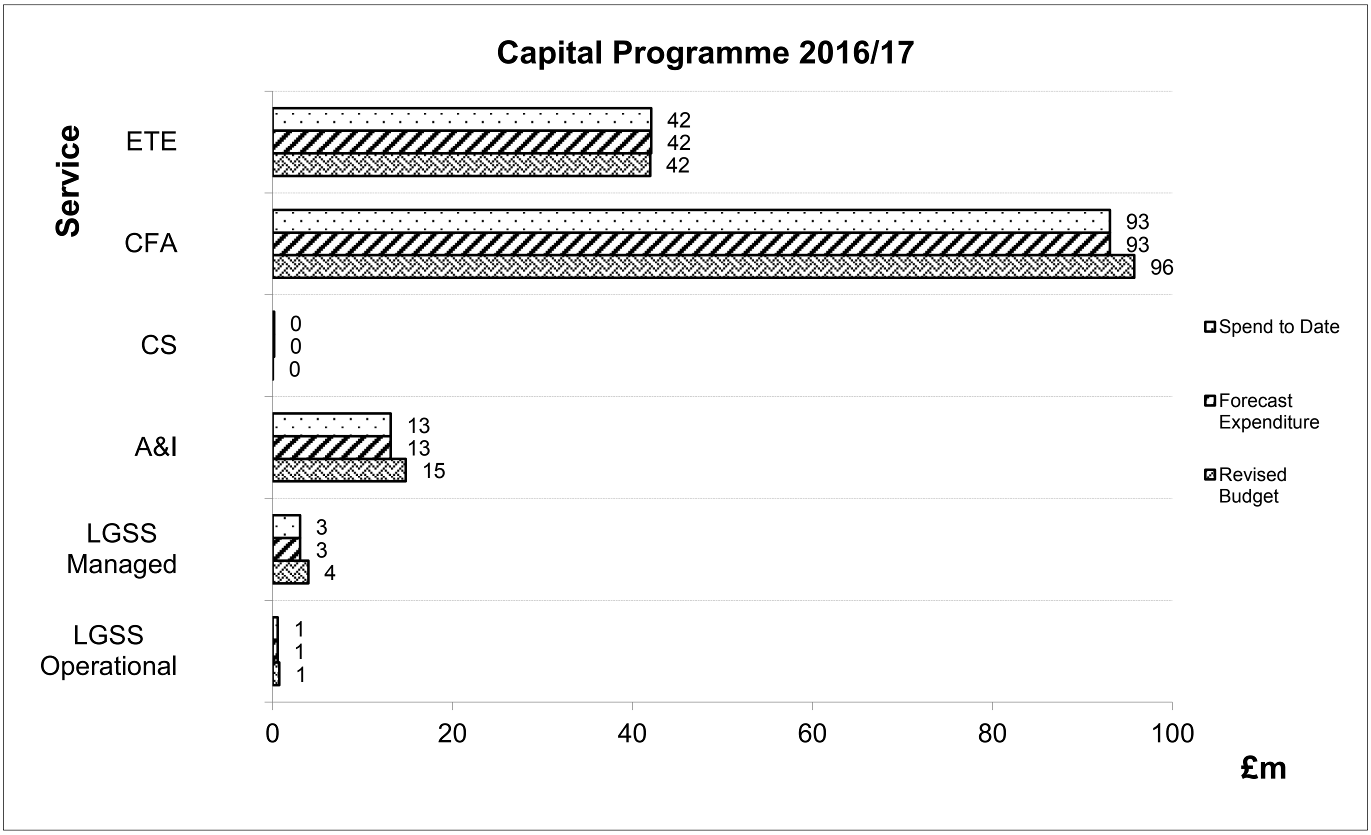
11.1 A summary of capital financial performance by service is shown below:

2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per Business Plan £000	Service	Revised Budget for 2016/17 £000	Forecast Variance - Outturn (March) £000	Actual Variance - Outturn 2016/17 £000	Actual Variance - Outturn 2016/17 %	Total Scheme Revised Budget (March) £000	Total Scheme Forecast Variance (March) £000
71,699	ETE	41,969	-	124	0.3%	416,571	-
97,156	CFA	95,754	-299	-2,665	-2.8%	543,722	31,825
33	Corporate Services	178	6	6	3.2%	430	-
4,405	LGSS Managed	3,996	-987	-942	-23.6%	15,140	38
11,397	A&I	14,807	-1,632	-1,668	-11.3%	243,475	-7,189
1,104	LGSS Operational	758	55	-166	-21.9%	1,844	-
185,794	**Total Spending**	**157,462**	**-2,856**	**-5,311**	**-3.4%**	**1,221,182**	**24,674**

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted, including the capital programme variations budget allocated to each service. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.

2. The reported ETE capital figures do not include City Deal, which had a budget for 2016/17 of £7.4m, with final expenditure of £6.0m.



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

11.2 In light of the significant slippage experienced in recent years due to deliverability issues with the programme, and the impact this has on the revenue financing of the related debt for the programme, the Capital Programme Board recommended that a 'Capital Programme Variations' line be included for each Service which effectively reduced the programme budget for 2016/17. This was allocated service-wide rather than against individual schemes as it is not possible to identify in advance which particular schemes will be affected by land-purchase issues, environmental factors etc. which create the slippage.

A summary of the use of their capital programme variations budgets by service is shown below:

2016/17					
Service	Capital Programme Variations Budget £000	Actual Variance - Outturn 2016/17 £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Actual Variance Against Revised Budget - Outturn 2016/17 £000
ETE	-10,500	-10,376	10,376	98.82%	124
CFA	-10,282	-12,947	10,282	100.00%	-2,665
Corporate Services	-12	-6	6	50.00%	6
LGSS Managed	-1,029	-1,971	1,029	100.00%	-942
A&I	-2,850	-4,518	2,850	100.00%	-1,668
LGSS Operational	-155	-321	100	64.52%	-166
Total Spending	**-24,828**	**-30,139**	**24,643**	**99.26%**	**-5,311**

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

11.3.1 **Economy, Transport and Environment:** +£0.1m (+0.3%) overspend is being reported at year end.

	£m	%
• **Delivering the Transport Strategy Aims**: -£1.1m underspend is reported for year-end, which is a movement of -£0.6m on the position reported in December. The main underspends are on the following schemes: ○ Norwood Road, March: -£0.2m slippage due to ongoing negotiations with Network Rail (previously reported). ○ Route 12, St Ives cycleway improvements: -£0.5m slippage due to land issues, which are being dealt with by legal services. ○ High Barnes/New Barnes, Ely cycle routes: -£0.1m slippage due to issues around parking causing delays.	-1.1	(-43%)
• **Operating the Network**: -£2.4m underspend is reported for year-end, which is a movement of -£0.5m on the position reported in February. Expenditure in this area was less than previously projected due to a number of delays. The delayed schemes included: ○ Station Road, Abbots Ripton: -£252k slippage due to delays caused by Network Rail. ○ Cambridge radial routes East signing review: -£142k slippage. Work is on hold awaiting results from the City Centre Access study.	-2.4	(-15%)

- **Archives/Ely Hub**: -£1.6m underspend is reported at year-end, which is a movement of -£0.5m on the position previously reported in October. Further delays in confirming the final specification for the project have led to there being minimal expenditure in 2016/17. It is expected that the majority of work on this scheme will be undertaken in 2017/18. -1.6 (-91%)

- **Connecting Cambridgeshire**: -£2.0m underspend is reported at year-end, which is a movement of -£0.8m on the position previously reported in August. The underspend is greater than anticipated as BT front loaded a proportion of their Phase Two deployment investment in order to meet the state aid intensity % required to meet the requirements of the gap-funded contract. The public funding is still needed in order to deliver the THP (Total Homes Passed) as part of the Phase Two deployment, but will not be required until later in 2017. Overall the programme remains on track and all delivery milestones to date have been met. -2.0 (-40%)

- For full and previously reported details go to the [ETE Finance & Performance Report]

11.3.2 **Children, Families and Adults:** -£2.7m (-2.8%) underspend is being reported at year - end.

	£m	%
• **Basic Need – Secondary**: -£5.3m underspend is being reported at year end, which is an increase of -£0.7m on the underspend forecast in March, with the main movements being on the following schemes: ○ Cambourne Secondary Expansion: -£1.7m (-27%) underspend is reported, which is a movement of -£0.4m on last month. The original forecast from the contractors was overly optimistic, and more of the work has slipped into 2017/18. ○ Bottisham Village College Expansion: -£0.9m (-46%) underspend is reported, which is a movement of -£0.1m on last month. The slippage is due to the start on site being delayed by several months.	-5.3	(-12%)
• **CFA IT Infrastructure**: -£1.3m underspend is being reported at year end, which is a movement of -£0.8m on the position last reported in October. This is due to a number of reasons, including the delay in the implementation of the ERP Gold financial system and a lack of resources to keep development to the original timescales.	-1.3	(-75%)

- **Basic Need – Early Years**: -£0.5m underspend is being reported at year-end. This is due to continued site issues with the Early Years scheme in St Neots, leading to the scheme start date being delayed until 2017/18. -0.5 (-89%)

- For full and previously reported details go to the CFA Finance & Performance Report.

11.3.3 **Corporate Services:** +£0.006m (+3.2%) overspend is being reported at year end. There are no exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

11.3.4 **LGSS Managed:** -£0.9m (-23.6%) underspend is being reported at year end. There are no new exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

11.3.5 **Assets & Investments:** -£1.7m (-11.3%) underspend is being reported at year end. There are no new exceptions to report; for full and previously reported details go to the A&I Finance & Performance Report.

11.3.6 **LGSS Operational:** -£0.2m (-21.9%) underspend is being reported at year end. There are no new exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

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

11.4.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report; for full and previously reported details go to the ETE Finance & Performance Report.

11.4.2 **Children, Families and Adults:** +£31.8m (+5.9%) total scheme overspend is forecast. There are no exceptions to report; for full and previously reported details go to the CFA Finance & Performance Report.

11.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

11.4.4 **LGSS Managed:** +£0.04m (+0.2%) total scheme overspend is forecast. There are no exceptions to report; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

11.4.5 **Assets & Investments:** -£7.2m (-3.0%) total scheme underspend is forecast.

	£m	**%**
- **Shire Hall Campus and Building Maintenance**: -£1.1m total scheme underspend is forecast on each of these schemes. As previously reported, each of these	-2.2	(-18%)

schemes had a year-end underspend of -£0.6m due to delays in obtaining condition surveys and a lack of clarity over some of the buildings and the future of the Shire Hall site. Following the demerger of Property from the LGSS Cambridge office a number of the proposed schemes are being reviewed and a Property Strategy is being drawn up with a five year plan for capital maintenance works. Given the review of schemes, Property is not seeking to roll-forward the unspent 2016/17 funding and it is anticipated that the total scheme underspend will be -£2.2m across both schemes.

- For full and previously reported details go to the A&I Finance & Performance Report.

11.4.6 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details go to the CS & LGSS Finance & Performance Report.

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding1 £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	20.5	0.2	-1.7	5.7	**24.7**	24.3	-0.4
Basic Need Grant	3.8	-	-	-	**3.8**	3.8	-0.0
Capital Maintenance Grant	4.6	-	-	0.1	**4.7**	4.7	-
Devolved Formula Capital	1.1	0.9	-	-0.0	**1.9**	1.1	-0.8
Specific Grants	21.1	3.6	-12.7	41.1	**53.2**	52.5	-0.8
S106 Contributions & Community Infrastructure Levy	30.3	1.1	-3.7	-1.7	**26.1**	21.9	-4.1
Capital Receipts	10.3	-	-	-9.4	**0.9**	0.8	-0.1
Other Contributions	10.7	0.2	-8.8	12.8	**14.9**	15.6	0.7
Revenue Contributions	-	-	-	0.1	**0.1**	0.6	0.4
Prudential Borrowing	83.4	10.2	-29.1	-37.3	**27.1**	26.8	-0.3
TOTAL	**185.8**	**16.3**	**-56.0**	**11.4**	**157.5**	**152.1**	**-5.3**

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

[2] The Funding Variance reflects the in-year expenditure position and the level of spend on specific projects. It does not reflect an increase or decrease to the funding available, which is reflected within the 'Revised Budget' column (as detailed in section 11.5).

11.6 Key funding changes (of greater than £0.5m) are identified below:

Funding	**Service**	**Amount (£m)**	**Reason for Change**
Additional / Reduction in Funding (Specific Grants)	All	+44.1	Funds received for the City Deal (£31.8m), Growth Deal (£4.0m) and Growing Places fund (£8.3m) that have not been needed in 2016/17 have been used in place of borrowing to fund schemes across the capital programme in order to reduce the MRP payable for 2016/17. When these funds are needed again then the Council will borrow to repay them. **GPC is asked to approve the use of £31,810k City Deal, £8,317k Growing Places and £4,013k Growth Deal funding for schemes across the capital programme in place of prudential borrowing, and resultant reduction in the prudential borrowing requirement.**
Additional / Reduction in Funding (Other Contributions)	All	+8.7	£8.7m received in respect of the Horizons rolling fund that has not been used in 2016/17 have been used in place of borrowing to fund schemes across the capital programme in order to reduce the MRP payable for 2016/17. When these funds are needed again then the Council will borrow to repay them. **GPC is asked to approve the use of £8,704k Horizons funding for schemes across the capital programme in place of prudential borrowing, and resultant reduction in the prudential borrowing requirement.**
Additional / Reduction in Funding (Prudential Borrowing)	All	-52.8	As explained above, the level of borrowing required has reduced due to the temporary use of other funds in place of borrowing to fund schemes across the capital programme. The use of this funding temporarily has been built into the debt charges budget as part of the Business Plan, however the actual transfer cannot be made until year end once all final expenditure figures have been confirmed.

Additional / Reduction in Funding (Other Contributions)	CFA	+2.3	School Funded Capital - schemes funded by contributions sourced directly by schools from external sources. Expenditure and funding information for these schemes is received at year end as part of the schools final balances, and was higher than anticipated.
Additional / Reduction in Funding (Department for Transport Grant)	ETE	+4.7	£4.7m additional funding was received from the Department for Transport (DfT) in respect of the Ely Crossing Scheme, which had to be used in 2016/17. **GPC is asked to approve the allocation of £4,682k additional DfT funding to ETE and resultant decrease in Growth Deal funding used in 2016/17.**
Additional / Reduction in Funding (Specific Grants)	ETE	-4.7	As additional funding was received from DfT for the Ely Crossing scheme (explained above), the amount of Growth Deal funding used for this scheme in 2016/17 has reduced by £4.7m.

11.7 For previously reported key funding changes go to the respective Service Finance & Performance Report (appendix 6):

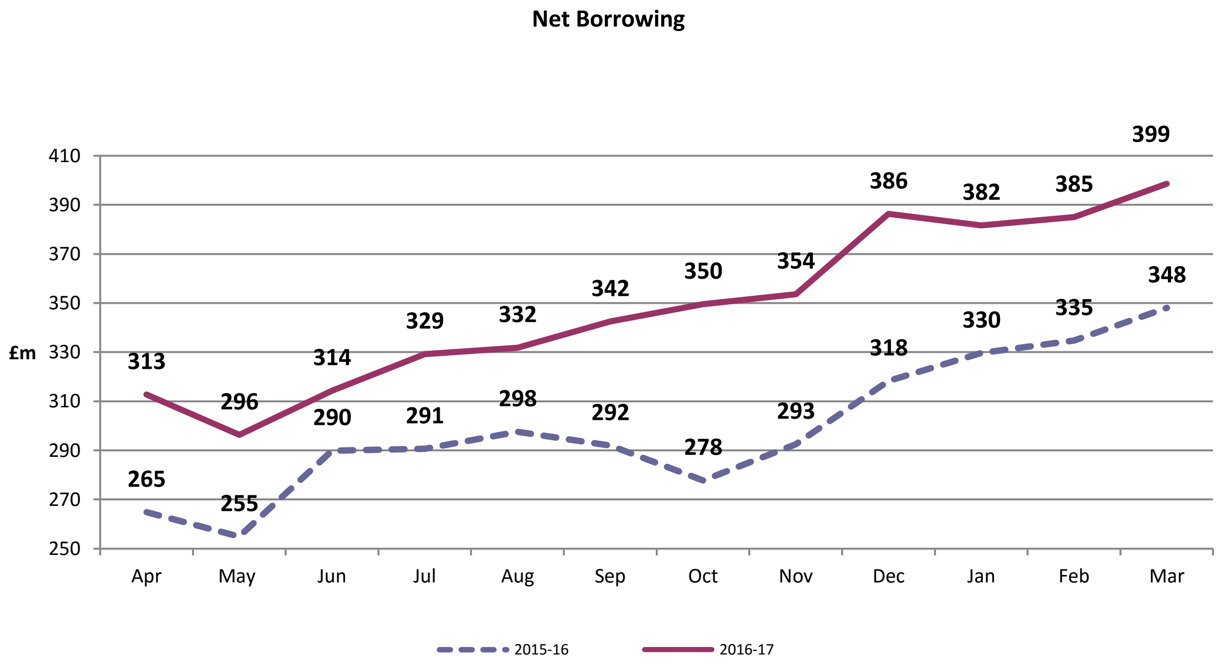
ETE Finance & Performance Report
CFA Finance & Performance Report
CS & LGSS Finance & Performance Report
A&I Finance & Performance Report

12. BALANCE SHEET

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

Measure	Year End Target	Actual end of March
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.8m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.2m
Invoices paid by due date (or sooner)	97.6%	99.6%

12.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of March were £43.040m (excluding 3rd party loans) and gross borrowing was £439.0m.



12.3 Further detail around the Treasury Management activities can be found in the latest Treasury Management Report.

13. EXTERNAL AND CONTEXTUAL ISSUES

13.1 2016/17 has been a very difficult year for the Council financially as it has continued to face substantial increase in demand for its services, both as a result of population growth and changing demographics, particularly in relation to the ageing population and those with complex care needs. The number of Looked After Children in complex and costly placements has also been increasing, placing significant pressure on the Children's Social Care budget. These pressures, coupled with an 8.7% reduction in Government funding led to a savings requirement of £40.9m in 2016/17 and £123.7m over the next five years.

13.2 The Committee will be aware of the increasing pressure on delivering a balanced revenue outturn. As the Council increases its focus on ensuring there is no 'padding' in the base budget the ability to negate in year demand budget pressures becomes increasingly more challenging. As the Council re-focuses its Business Plan on transforming service delivery rather than service cuts it must recognise that this approach also carries with it a degree of risk. The Council carries a General Reserve which enables it to manage these risks effectively. Throughout the year the Committee have been aware of the pressure on the base revenue budget which hovered around £2m for the majority of 2016/17. Although the outturn requires a draw from the General Reserve, in the sum of £0.5m, this is a significant improvement on that position and has come on the back of making every effort to get budgets back in to a balanced position. The organisation is starting to demonstrate that this is seen as a corporate issue to be tackled not just the service area where the pressures are being encountered. Details of the pressures that have led to this position can be found in previous Finance & Performance Reports.

13.3 The financial outlook for 2017/18 is no more positive, as despite the government delaying its aim to return public finances to balance until 2020, the Council is still faced with a further 9.2% reduction in Government funding alongside continuing increases in the demand for its services, resulting in a savings requirement of £31.8m in 2017/18 and £103m over the next five years. However, because of a change in the way the Council bears the cost of borrowing through its Minimum Revenue Position policy, it has been able to establish a £20m Transformation Fund. This makes resources available for Services to invest in strategies and to overhaul their services in a way that will deliver long-term savings.

13.4 Some service reductions are unfortunately still inevitable. However, we do expect these to be far less than otherwise would have been the case had the Council not embarked upon this transformation journey. The Council will continue to seek to shape proposals so that the most vulnerable are the least affected. Nonetheless, there will be a direct impact on local communities: on libraries and roads, on social care and transport, on learning and public health. For further information see the Council's Medium Term Financial Strategy.

14. ALIGNMENT WITH CORPORATE PRIORITIES

14.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

14.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

14.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

15. SIGNIFICANT IMPLICATIONS

15.1 Resource Implications

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

15.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

15.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

15.4 **Equality and Diversity Implications**

There are no significant implications within this category.

15.5 **Engagement and Communication Implications**

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

15.6 **Localism and Local Member Involvement**

There are no significant implications within this category.

15.7 **Public Health Implications**

There are no significant implications within this category.

Implications	**Officer Clearance**
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	No Name of Officer: Not applicable
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	No Name of Legal Officer: Not applicable
Have the equality and diversity implications been cleared by your Service Contact?	No Name of Officer: Not applicable
Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Have any localism and Local Member involvement issues been cleared by your Service Contact?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	No Name of Officer: Not applicable

Source Documents	**Location**
ETE Finance & Performance Report (Outturn 16/17) CFA Finance & Performance Report (Outturn 16/17) PH Finance & Performance Report (Outturn 16/17) CS and LGSS Cambridge Office Finance & Performance Report (Outturn 16/17) A&I Finance & Performance Report (Outturn 16/17) Performance Management Report & Corporate Scorecard (Outturn 16/17) Capital Monitoring Report (Outturn 16/17) Report on Debt Outstanding (March 17) Payment Performance Report (March 17)	1st Floor, Octagon, Shire Hall, Cambridge

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

	CFA	Public Health	ETE	CS Financing	Corporate Services	LGSS Managed	A&I	LGSS Op	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	242,563	182	59,952	34,206	4,674	8,720	0	9,589	3,915
Adjustment LGSS Managed and Operational						10		-10	
LGSS property virement					10			-10	
Licenses budget from LGSS Op. to CS					17	-17			
Contact Centre budget from CFA to CS	-77				77				
CPFT NHS accommodation budget from CFA to LGSS Man.	-10					10			
Reablement budget from CFA to LGSS Op.	-113							113	
Pupil forecasting/demography budget to research group	-53				53				
ETE use of service reserves			2,015						-2,015
Disaggregation of Assets and Investments budgets						-2,714	2,714		
Centralised mobile phones budget	6					-6			
Strategic Assets and Property Services budgets returned to CCC							1,531	-1,531	
Advocacy contract budget from CS to CFA	45				-45				
ETE return of service reserves not needed in 16/17			-65						65
LGSS service reserves allocation for Citrix farm								78	-78
Corporate Capacity Review transfer of budgets	-716		-66		798		-17		
Transfer of LGSS cross-cutting savings to A&I							-24	24	
Reinstate budget for extra gritter routes as agreed by Full Council			570						-570
ETE return of service reserves not needed in 16/17			-604						604
Corporate Capacity Review transfer of budgets			8		-8				
Transfer budget for Deputy Chief Exec function to CS					201			-201	
LGSS use of service reserves for Agresso								140	-140
LGSS use of service reserves for Citrix Farm								26	-26
Transfer budget for income for Pension Board attendance					20			-20	
Reinstate street lighting budget as agreed by Full Council			-600						600
Use service reserves for strategic transport corridor feasibility studies			21						-21
Return P&R wave & pay funding to reserves			-135						135
Correction of corporate capacity review transfer	-4				4				
Transfer insurance budgets	505		1,533			-2,038			
Return highways records digitisation funding to reserves			-45						45
Transfer Strategic Assets and Property Services savings to CCC							-217	217	
Year end insurance match funding correction			-32			7	25		
Current budget	**242,146**	**182**	**62,553**	**34,206**	**5,801**	**3,973**	**4,012**	**8,415**	**2,514**
Rounding	0	0	0	0	0	0	0	0	0

APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2016	2016-17 Movements in 2016-17	2016-17 Balance at 31 March 17	Notes
	£000s	£000s	£000s	
General Reserves				
- County Fund Balance	18,921	-3,114	15,808	
- Services				
1 CFA	1,623	-1,083	540	
2 PH	1,138	-98	1,040	
3 ETE	3,386	-1,157	2,229	
4 CS	1,218	-1,282	-64	
5 LGSS Operational	1,013	-404	609	
subtotal	27,299	-7,138	20,162	
Earmarked				
- Specific Reserves				
6 Insurance	2,864	405	3,269	
subtotal	2,864	405	3,269	
- Equipment Reserves				
7 CFA	782	77	859	
8 ETE	218	0	218	
9 CS	57	0	57	
subtotal	1,057	77	1,134	
Other Earmarked Funds				
10 CFA	4,097	-2,808	1,289	
11 PH	2,020	-100	1,920	
12 ETE	6,631	-628	6,003	Includes liquidated damages in respect of the Guided Busway - current balance £1.5m.
13 CS	1,274	1,382	2,656	
14 LGSS Managed	149	-3	146	
15 Assets & Investments	233	129	362	
16 LGSS Operational	130	-130	0	
17 Transformation Fund	11,853	8,672	20,525	Savings realised through change in MRP policy
subtotal	26,387	6,514	32,901	
SUB TOTAL	**57,607**	**-142**	**57,465**	
Capital Reserves				
- Services				
18 CFA	2,428	-601	1,827	
19 ETE	11,703	-4,429	7,274	
20 LGSS Managed	422	-350	72	
21 Assets & Investments	230	-230	0	
22 Corporate	39,388	-9,218	30,170	Section 106 and Community Infrastructure Levy balances.
subtotal	54,171	-14,828	39,343	
GRAND TOTAL	**111,778**	**-14,970**	**96,808**	

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

Fund Description	Balance at 31 March 2016	2016-17		Notes
		Movements in 2016-17	Balance at 31 March 17	
	£000s	£000s	£000s	
- Short Term Provisions				
1 ETE	712	-43	669	
2 CFA	0	200	200	
3 CS	350	-286	64	
4 LGSS Managed	4,545	-1,489	3,056	
5 Assets & Investments	50	-26	24	
subtotal	5,657	-1,644	4,013	
- Long Term Provisions				
6 LGSS Managed	3,613	0	3,613	
subtotal	3,613	0	3,613	
GRAND TOTAL	**9,270**	**-1,644**	**7,626**	

APPENDIX 3 – RECOMMENDATIONS FROM PREVIOUS REPORTS

The February and March Integrated Resources and Performance Reports included a number of recommendations to General Purposes Committee (GPC) that have not yet received approval, as the last Integrated Resources and Performance Report to be presented at a meeting of GPC was the January report, on 21st March 2017.

GPC is asked to approve the recommendations in the February and March reports, which were circulated to the Committee by email.

February Integrated Resources and Performance Report

One recommendation concerning capital funding found in section 6.7:

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

Funding	Service	Amount (£m)	Reason for Change
Additional/Reduction in Funding (Section 106)	CFA	-£1.9	Triggers for the payment of £1,947k S106 funding for Alconbury Weald Primary School will not be met in 2016/17 as had been anticipated; it is expected they will now be met in 2017/18 instead. Thus the amount of S106 funding available this financial year has reduced and there is a requirement to replace it with borrowing.
Additional/Reduction in Funding (Prudential Borrowing)	CFA	+£1.9	**General Purposes Committee is asked to approve the increase of £1,947k to the Prudential Borrowing requirement in 2016/17** to bridge the funding gap caused by the reduction in S106 funding available (see note above).

March Integrated Resources and Performance Report

One recommendation concerning capital funding found in section 6.7:

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

Funding	Service	Amount (£m)	Reason for Change
Additional/Reduction in Funding (Prudential Borrowing)	A&I	+£1.7	£1,675k additional funding is required for the purchase of Vantage House, which will replace the Stanton House Highways Depot. **General Purposes Committee is asked to note the decision by Assets & Investment Committee to fund this purchase through an increase to prudential borrowing.**

And two recommendations concerning the allocation of unbudgeted grant income found in Section 7.1:

Where there has been a material change in 2016/17's grant allocations to that budgeted in the Business Plan (BP) i.e. +/- £160k, this will require SMT discussion in order to gain a clear and preferred view of how this additional/shortfall in funding should be treated. The agreed approach for each grant will then be presented to the General Purposes Committee for approval.

Education Services Grant

The ESG is an unringfenced grant, which is allocated to local authorities and academies on a per-pupil basis that takes account of school type (mainstream/high needs) and status (academy/maintained). Funding will therefore reduce for local authorities if a school convert to academies.

Based on the expected number of academy conversions during 2016/17 a figure of £4,049,288 was budgeted for the ESG during the Business Planning (BP) process. However, due to slower academy conversions than originally expected during 2016/17, the total ESG received is £4,480,325, resulting in an additional £431,037. This position is an increase of £119,037 from the forecast reported in January 2017.

It is proposed that the additional funding of £431,037 is treated as a general resource and taken to the General Fund, which General Purposes Committee is asked to approve. The income is shown in the "Financing Items" section of this report.

Business Rates Retention Pilot

From April 2015 Cambridgeshire has been in a pilot scheme that allows councils to retain 100% of any additional growth in business rates beyond expected forecasts. For year one of the pilot scheme Cambridgeshire County Council's share of the additional growth, which was received in 2016/17 and was not budgeted for, was £453,207.

It is proposed that the additional funding of £453,207 be treated as a general resource and taken to the General Fund, which General Purposes Committee is asked to approve. The income is shown in the "Financing Items" section of this report.