

GENERAL PURPOSES COMMITTEE



Tuesday, 20 October 2020

Democratic and Members' Services
Fiona McMillan
Monitoring Officer

10:00

Shire Hall
Castle Hill
Cambridge
CB3 0AP

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 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

Open to Public and Press

CONSTITUTIONAL MATTERS

- 1. Apologies for absence and declarations of interest**

*Guidance on declaring interests is available at
<http://tinyurl.com/ccc-conduct-code>*

- 2. Minutes – 22nd September 2020 and Action Log**

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Item Title

[General Purposes Committee meeting 22/09/2020](#)

- 3. Petitions and Public Questions**

KEY DECISIONS

- | | | |
|----|---|------------------|
| 4. | Integrated Finance Monitoring Report for the period ending 31st August 2020 | 3 - 32 |
| | OTHER DECISIONS | |
| 5. | Business Planning Proposals for 2021-26 – Opening Update and Overview | 33 - 70 |
| 6. | Service Committee Review of the draft 2021-22 Capital Programme | 71 - 82 |
| 7. | Transformation Bid Micro-enterprise Roll-Out | 83 - 106 |
| 8. | General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels | 107 - 112 |

The General Purposes Committee comprises the following members:

For more information about this meeting, including access arrangements please contact

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman) Councillor Anna Bailey Councillor Ian Bates Councillor Simon Bywater Councillor Steve Criswell Councillor Lorna Dupre Councillor Derek Giles Councillor Mark Goldsack Councillor Peter Hudson Councillor David Jenkins Councillor Noel Kavanagh Councillor Peter McDonald Councillor Elisa Meschini Councillor Lucy Nethsingha Councillor Tom Sanderson and Councillor Josh Schumann

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GENERAL PURPOSES COMMITTEE MINUTES-ACTION LOG

This is the updated action log as at 12th October 2020 and captures the actions arising from the most recent General Purposes Committee meeting and updates Members on the progress on compliance in delivering the necessary actions.

Minutes of 22nd September 2020					
Minute number	Item title	Responsible officer(s)	Action	Comments	Completed
272.	Integrated Finance Monitoring Report for the period ending 31st July 2020	G Beasley L Robin	To circulate a briefing on the action plan dealing with students returning to the two Universities in Cambridge.	E-mail circulated on 9 October 2020.	Complete
Minutes of 2nd June 2020					
258.	General Purposes Committee agenda plan, training plan and appointment to outside bodies, and internal advisory groups and panels	Cllr Count A Askham C Malyon	The Chairman to work with officers to consider what training should be made available given that economic activity was a new responsibility for the Committee.	Training has been arranged for 13 November 2020.	Complete

Integrated Finance Monitoring Report for the period ending 31st August 2020

To: General Purposes Committee

Meeting Date: 20 October 2020

From: Chief Finance Officer

Electoral division(s): All

Forward Plan ref: 2020/018

Key decision: Yes

Outcome: To present financial information to assess progress in delivering the Council's Business Plan.

Recommendation: General Purposes Committee (GPC) is recommended to:

- note the £1.6m additional capital funding for School Condition Allocations for 2020-21 and approve the resulting £0.5m reduction in prudential borrowing, as set out in section 6.6.

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Member contacts:

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1. Purpose

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

2. Overview

- 2.1 The following summary provides the Authority's forecast financial position at year-end and its key activity data for care budgets.

Finance and Key Activity

Revenue budget forecast outturn +£0.3m (+0.1%) forecast year end variance, however there is major uncertainty about pandemic impact in the second half of the year Amber	This is a £0.230m increase in the revenue pressure since last month's forecast. There is a £1.7m increase in the forecast capital year-end variance compared to last month.	Capital programme forecast outturn +£1.7m (+0.9%) forecast year end variance Green
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Number of service users supported by key care budgets

Older people aged 65+ receiving long term services	Aug-20	May-20	Trend since May 20
Nursing	439	472	Decreasing
Residential	841	898	Decreasing
Community	1,909	1,861	Increasing

Adults aged 18+ receiving long term services	Aug-20	May-20	Trend since May 20
Nursing	68	72	Stayed the same
Residential	358	351	Stayed the same
Community	2,360	2,360	Stayed the same

Children open to social care	July-20	Apr-20	Trend since Apr 20
Children in Care	695	730	Decreasing
Child Protection	363	324	Increasing

2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end pressure of +£0.3m. The pressures are largely within People & Communities (P&C) (+£13.7m), Place & Economy (P&E) (+£3.6m), Commercial & Investment (C&I) (+£2.1m), and LGSS Operational (£0.6m). These are partially offset by underspends in Funding Items (-£19.5m). See section 3 for details.
- The Capital Programme is forecasting a £1.7m in-year pressure at year-end. This includes use of the capital programme variations budget. See section 6 for details.

3. Revenue Budget

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

Key to abbreviations

CS Financing – Corporate Services Financing
DoT – Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per Business Plan £000	Forecast Variance (July) £000	Service	Current Budget for 2020/21 £000	Actual (Aug) £000	Forecast Variance (Aug) £000	Forecast Variance (Aug) %	Overall Status	DoT	Covid-19 Financial Impact £000	Non Covid-19 Financial Impact £000
56,470	3,863	Place & Economy	56,430	14,394	3,645	6.5%	Red	↑	4,886	-1,241
275,096	13,660	People & Communities	274,633	103,632	13,707	5.0%	Red	↓	16,259	-2,552
0	0	Public Health	0	-9,113	0	-	Green	↔	157	-157
17,214	-124	Corporate Services	16,750	7,577	-492	-2.9%	Green	↑	508	-1,000
12,226	97	Corporately Managed	11,989	8,212	327	2.7%	Amber	↓	0	327
-9,277	1,769	Commercial & Investment	-9,128	119	2,087	-	Red	↓	2,490	-403
29,570	0	CS Financing	29,570	2,703	0	0.0%	Green	↔	0	0
381,299	19,265	Service Net Spending	380,244	127,524	19,274	5.1%	Red	↓	24,300	-5,026
16,844	-19,725	Funding Items	16,844	7,411	-19,504	-	Green	↓	-	-
398,143	-460	Subtotal Net Spending	397,088	134,936	-230	-0.1%	Amber	↓	24,300	-5,026
6,286	557	Memorandum items: LGSS Operational	6,894	4,069	557	8.1%	Amber	↔	0	557
	97	Grand Total Net Spending	403,982	139,005	327	0.1%	Amber	↓	24,300	-4,469
148,989		Schools	148,989							
553,418		Total Spending 2021/21	552,971							

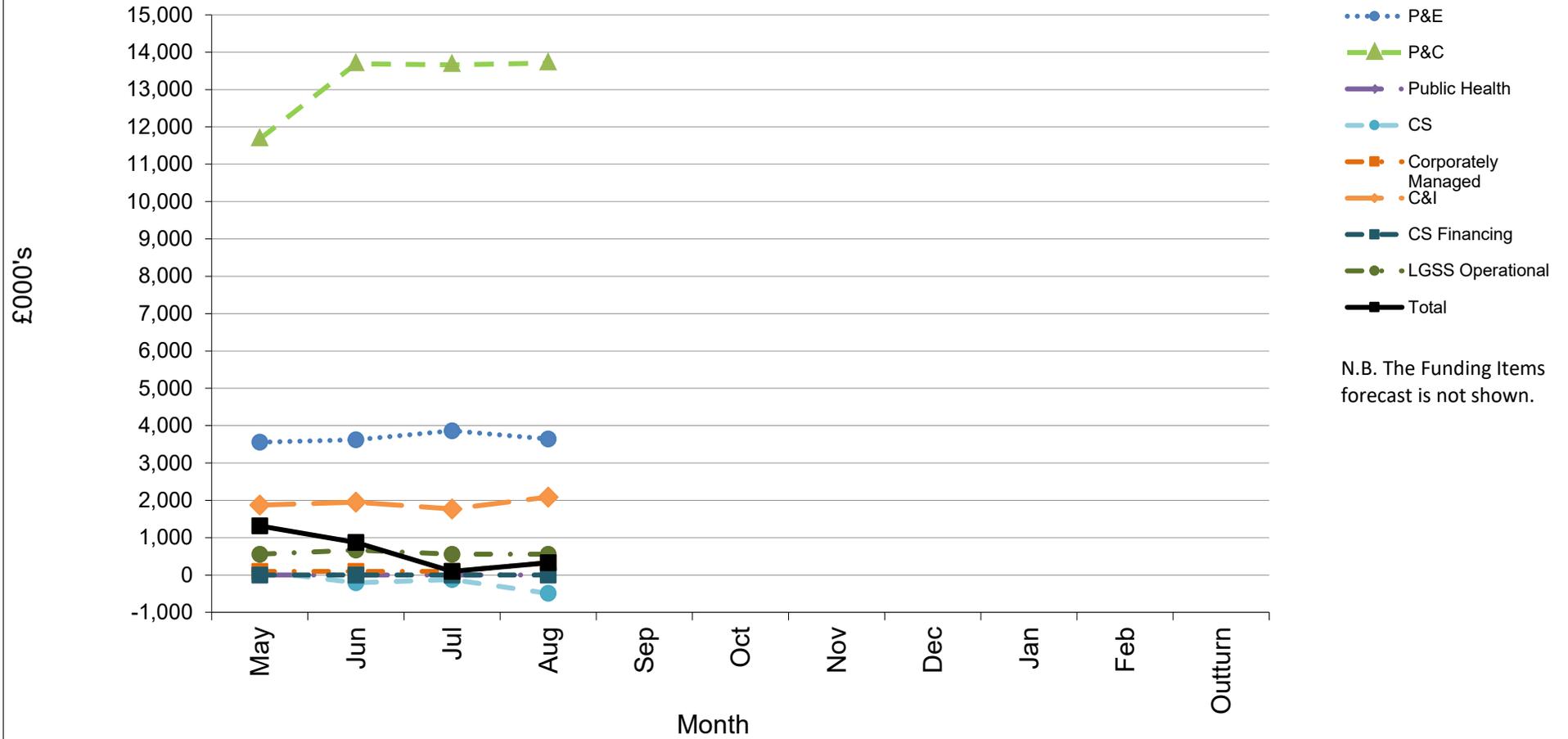
1 The budget figures in this table are net.

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

3 The budget of £0k stated for Public Health is cash limit budget. In addition to this, Public Health has a budget of £25.2m from ring-fenced public health grant, which makes up its gross budget.

4 The 'Funding Items' budget comprises the £9.0m Combined Authority Levy, the £416k Flood Authority Levy and £7.4m change in general and corporate reserves budget requirement. The forecast outturn on this line reflects any variance in the amount received from corporate grants and business rates from what was budgeted; a negative outturn indicates a favourable variance, i.e. more income received than budgeted.

Forecast Outturn Position 2020/21



3.1.1 In addition to the County Council forecast shown above for management accounting purposes, the Council is also monitoring and estimating the full potential financial consequences of the pandemic through an additional and enhanced process. The latest position as at 11 October is shown below.

'£000	Column Lab												
Row Labels	Ring Fenced Grant	Impaired Savings	Income foregone	New Commitments	Total	MHCLG	NHS	DSG	PCC	T&T	Other	SFC	Net total
Adults		4,588	434	28,365	33,387		-8,366		-418		-11,647		12,956
C&I		443	1,959	165	2,567								2,567
Communities			699	2,091	2,790				-231		-405		2,154
CYP	1,483	1,436	3,080	5,975	11,973			-1,483			-1,298		9,192
GPC			35	2,397	2,432				-517	-182			1,733
Health		17		2,474	2,491					-2,311			180
E&S			262	594	856								856
H&T		990	3,117	4,187	8,294						-2,142		6,152
Total	1,483	7,474	9,586	46,248	64,791								
						-29,912						-5,039	-34,951
GRAND TOTAL						-29,912	-8,366	-1,483	-1,166	-2,493	-15,492	-5,039	839

Key to abbreviations

- MHCLG – Ministry of Housing, Communities & Local Government
- DSG – Dedicated Schools Grant
- PCC – Peterborough City Council
- T&T – Test & Trace
- SFC – Sales, Fees and Charges
- C&I – Commercial & Investment
- CYP – Children and Young People
- GPC – General Purposes Committee
- E&S – Environment & Sustainability
- H&T – Highways & Transport

3.1.2 This illustrates a potential financial impact, this year, on the Council of over £64m. After taking account of confirmed and anticipated funding (shown on the right hand side of the table above) this would present a deficit of £0.8m, a significantly improved position compared to last month. This is mainly the result of the government's decision to extending funding for infection control (worth £5.5m to Cambridgeshire) as well as more minor reductions in individual estimates, including for personal and protective equipment, following a stock review. The first claim has now also been made for lost sales, fees and charges. Applying the government guidance, a claim certified by the Chief Finance Officer for £2.1m relating to April – July has been submitted, and is awaiting confirmation from MHCLG.

3.1.3 This method of anticipating the financial impact on the Council differs from the overall forecast shown on the previous page on a management accounting basis. At this stage there remain major variables and uncertainties about the impact of the pandemic and the proposal is that GPC continues to hold the MHCLG unringfenced funding centrally to offset a variety of risks across different departments of the Councils. The main differences between the forecasting methods include:

- Adults Services – we have not yet included a longer term estimate of the impact on Adults services of the pandemic in our management accounts, whereas there is provision for this in the full consequences forecast. Additionally the management accounts acknowledge some reductions in demand, as fewer people are receiving social care compared to the Spring, with more NHS funding.
- Children’s Services – the anticipated national increase in demand is shown within the full consequences forecast, but not yet evident on commitment records underpinning the management accounts.
- Financing differences- the full consequences forecast includes the impact of redistributing staff internally and some capital impacts that will not have an impact on the revenue position necessarily.

3.2 Key exceptions this month are identified below.

3.2.1 Place & Economy:

+£3.645m (+6.5%) pressure is forecast at year-end.

- **Parking Enforcement**

Outturn Variance £m	Outturn Variance %
+3.291	(-%)

A +£3.291m pressure is forecast. This is a decrease of £0.315m on the position reported last month. With restrictions around the Covid-19 virus, there is expected to be a significant shortfall in income especially for on-street parking and bus lane enforcement. The assumptions behind this shortfall are continually being monitored.

- **Bus Operations including Park & Ride**

Outturn Variance £m	Outturn Variance %
+0.223	(+3,144%)

A +£0.223m pressure is forecast. This is a decrease of £0.274m on the position previously reported in May, of which £0.174m relates to a change since last month. With restrictions around the Covid-19 virus, there is expected to be a significant shortfall in income for this service. The assumptions behind this shortfall are continually being monitored.

- **Waste Management**

Outturn Variance £m	Outturn Variance %
+0.970	(+3%)

A +£0.970m pressure is forecast. This is an increase of £0.263m on the position reported last month. The tonnage of waste and recyclables collected at the kerbside up to the end of July has increased due to the impact of COVID 19, which will result in increased treatment costs and recycling credit payments to the city and district councils. Income from district and city councils trade waste collections is £400k lower than forecast due to reduced demand for trade waste services.

The temporary closure of the Household Recycling Centres (HRCs) and restricted throughput due to social distancing measures since reopening, has resulted in less waste being collected than originally forecast. However, this position may change over the coming months as residents continue to dispose of waste at the HRCs that was stored while the sites were closed. The additional measures required to implement social distancing at the reopened Household Recycling Centres (HRCs) have created an additional burden on the waste budget. Although COVID related impacts have created an additional pressure on the service budget of approximately £685k (largely for HRC operations) so far, this pressure will be partly offset by reduced contract costs and an overall reduction in total waste collected (if this trend continues) resulting in a forecast pressure of £970k.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of +£3.645m. For full and previously reported details, see the [P&E Finance Monitoring Report](#).

3.2.2 People & Communities:

+£13.707m (+5.0%) pressure is forecast at year-end.

- Strategic Management - Adults

Outturn Variance £m	Outturn Variance %
+5.119	(+68%)

A +£5.119m pressure is forecast. This is an increase of £0.268m on the position previously reported in June, of which £0.264m relates to a change since last month. This increase is mainly due to the anticipated impact of Covid on delivery of in-year savings through the Adults Positive Challenge Programme, and the impact of Covid on the adults transport budget, particularly the reduced opportunity to rationalise or retender routes and the reduced income from transporting people to day centres.

- Learning Disability Partnership (LDP)

Outturn Variance £m	Outturn Variance %
+1.668	(+2%)

A £1.668m pressure is forecast. This is an increase of £0.291m on the position previously reported last month. The overall pressure is mainly due to a 10% Covid market resilience payment to care providers and other Covid pressures. Demand increases so far this year are exceeding levels originally budgeted for, much of which is linked to Covid. For example, the closure of day services has seen an increased amount of spend on support for people at home.

- Coroners

Outturn Variance £m	Outturn Variance %
+0.266	(+17%)

A +£0.266m pressure is forecast, of which £0.054m relates to a change since last month. This is Covid-19 related and in the main due to the increased cost of post-mortems where Covid-19 is suspected.

There are anticipated extra pressures relating to a couple of complex inquests. The costs relating to these will start to appear at the end of 20/21. It is too soon to forecast the pressure but this will be included towards the end of the year.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of +£13.707m. For full and previously reported details, see the [P&C Finance Monitoring Report](#).

3.2.3 Public Health:

A balanced budget is forecast for year-end. There are no exceptions to report this month; for full details, see the [PH Finance Monitoring Report](#).

3.2.4 Corporate Services:

-£0.492m (-2.9%) underspend is forecast for year-end.

- Central Services and Organisation-Wide Risks

Outturn Variance £m	Outturn Variance %
-0.933	(-43%)

A -£0.933m underspend is forecast. This is a decrease of -£0.376m on the position previously reported in May, which relates in full to a change since last month. The decrease is due to a saving of £376k in 2020/21 from the agreement that CCC's New Homes Bonus contribution to the Greater Cambridge Partnership will discontinue from September.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of -£0.492m. For full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

3.2.5 Corporately Managed:

+£0.327m (+2.7%) pressure is forecast for year-end.

- IT Managed

Outturn Variance £m	Outturn Variance %
+0.311	(+8%)

A +£0.311m pressure is forecast, of which £0.222m relates to a change since last month. This is due to the following issues:

- The additional cost of 3,500 new data sim connections, £89k.
- As part of the Covid-19 response, the change to everyone working remotely has led to a 200% increase in data usage and a 300% increase in voice minutes. With recharges to other partners based on their increased usage, the net effect to CCC is an increased annual cost of £420k per annum.

We are undertaking analysis to see if there are any actions that can be undertaken to mitigate or reduce these pressures.

The IT Managed equipment budget is currently predicting an underspend of £180k, which is based on 20% replacement of devices, however if there is an influx of new starters this forecast could change.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of +£0.327m. For full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

3.2.6 CS Financing:

A balanced budget is forecast for year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

3.2.7 Commercial & Investment:

+£2.087m (-%) pressure is forecast for year-end.

- Property Investments

Outturn Variance £m	Outturn Variance %
+1.769	(+38%)

A + £1.769m pressure is forecast. This is an increase of £0.256m on the position previously reported in May, which relates in full to a change since last month. The increase is primarily due to the following:

- The current expected loss from rental income for Brunswick House (student accommodation) has worsened by a further £441k due to the impact of the Covid-19 pandemic.
 - The Kingsbridge forecast has improved by £225k because the debt charge has reduced.
- A combination of more minor variances sum with the above to lead to an overall forecast outturn of +£2.087m. For full and previously reported details, see the [C&I Finance Monitoring Report](#).

3.2.8 Funding Items:

-£19.504m underspend is forecast for year-end. This relates to forecast usage of the unbudgeted Covid-19 support grant from MHCLG in relation to forecast pressures as a result of the Covid-19 pandemic. The amount of Covid-19 grant identified as required has decreased by £0.2m since the previous report last month.

3.2.9 LGSS Operational:

+£0.557m (+8.1%) pressure is forecast for year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

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

4. Covid-19 Strategic Overview

4.1 Recovery

- 4.1.1 Services have been working on the development of their Recovery Plans and taking them through the relevant Service Committee. These plans are being costed as part of the annual business planning process.

The Council is working on understanding the impacts of the first wave of Covid, including the impacts of the social and economic restrictions during lockdown. Services have worked through scenarios exploring the impact of the first wave and potential second waves on demand for their services as part of an adjusted approach to business planning. The Council also works with partners as part of the response and recovery phases. As a partner in the Recovery Sub-Groups which bring together agencies around themes such as Transport, Economic Recovery, Vulnerable People, each sub-group has conducted an impact assessment which focuses on the immediate impacts to the areas they are focusing on. The Business Intelligence team has produced a 'Covid 19 Impacts Assessment', working closely with colleagues from across the system, which looks at risks of harm to the people in Cambridgeshire and Peterborough in five categories:

- A. Poor health outcomes of COVID-19 as a disease
- B. Impacts on mental health
- C. Poor educational and employment outcomes for young people
- D. Economic and income impacts
- E. Victimisation

These are deliberately drawn widely so as to support strategic recovery planning, and the specific pieces of needs assessment and planning work going on where agencies have particular responsibilities to service users or patients for example.

This report is included at Appendix 3 and will be discussed in more detail at a workshop for GPC members on the 13th November.

4.2 Preparedness for second phase

4.2.1 Redeployed staff

In preparation for a second wave, the Community Hub have been identifying roles that will need additional capacity in a second wave. A cohort of staff who could be redeployed have been identified from across the council and are undertaking 'contract tracing' training to enable them to take on these roles at short notice. These will be in addition to the 33 members of staff who are currently redeployed to support the work of the Countywide Community Hub.

4.2.2 Supply chain

Our supply chains have been affected by COVID in many ways and much of our activity has been to support our high risk suppliers to ensure our services continue and our markets remain competitive. The support being provided to suppliers has included uplifts in contract costs and temporary relief from certain contractual obligations. The cost implications of this support has come from external sources and within council budgets. Across the organisation we are continuing to maintain regular engagement with our suppliers to ensure that they are aware of the support available.

4.2.3 Modelling peaks

Public Health Intelligence and Business Intelligence teams are working with analysts from CCG to understand and model the possible scenarios around the progress of the Covid pandemic in Cambridgeshire and Peterborough. These models are based on a common set of assumptions about the epidemiology of the disease, and are based on national and regional models applied locally. These models describe a potential range of scenarios which are used to help the Council prepare and plan, on a common footing with other agencies.

4.2.4 Outbreak Management

We continue working on the Outbreak Plan alongside Health and District colleagues, looking at areas such as local lockdown and the track and trace system. The Outbreak Plan is refreshed as new guidance is received.

There is strong governance on outbreak management including:

- Cambridgeshire & Peterborough Local Outbreak Engagement Board, co-chaired by the HWB Board Chairs, which meets monthly and provides political leadership;
- A multi-agency C&PH Health Protection Board chaired by the Director of Public Health (DPH) which meets weekly supported by a Programme Delivery Group for strategic focus on delivering the Local Outbreak Control Plan;
- Test and Trace Gold meets 3 x weekly – CEO, DPH, Corporate Director, Communities Director, Communications to drive activities;
- Daily rhythm of Surveillance Cell, Outbreak Management Team co-ordinating action of local 'cells' and rapid response teams.

Key actions on outbreak management in the last month have included:

- Outbreak Plans for Anglia Ruskin University and Cambridge University have been reviewed by the public health team before submission nationally. There is ongoing close communication and joint work with both Universities.
- The Education Cell is providing advice and support for schools across Cambridgeshire and Peterborough. A new Department for Education helpline has been introduced and we continue to provide briefings for head-teachers, which are very well received.
- The Health Protection Board is planning for a winter surge and identifying key priorities, including a focus on capacity and business continuity, communicating with communities, ensuring local preparedness, access to testing, and promoting flu vaccination for eligible groups.
- A local testing system for essential key workers (including school staff) has been set up and is running successfully.
- Ongoing support for Care Homes including implementation and updating of the Care Home Support Plan, with renewed training on infection control and PPE use.
- Ongoing support to workplaces experiencing cases or outbreaks including working cross-border where outbreaks outside our boundaries involve staff who are local residents.

4.3 Workforce

- 4.3.1 At the beginning of October, we had 40 people recorded as self-isolating, 25 of whom are working at home and the others are unable to due to the nature of the role. Since the beginning of the pandemic we have had 35 people diagnosed with the virus. Currently there are nine, five of whom are continuing to work at home and four are unable to.

Changes to the shielding arrangements at the end of July meant that many of those who had been shielding at home were able to return to the workplace with a robust risk assessment process in place, and in some cases some advice from occupational health. Those who were able to continue to perform their normal duties from home have of course continued to do so.

Some services have returned to partially operate from buildings, these are predominantly those that protect our most vulnerable citizens and front line services such as Registrations and Libraries. All buildings were assessed to ensure they were Covid-19 secure before staff or visitors returned.

Most staff continue to work from home for all or part of their working week. We have provided loaned IT equipment and chairs from our offices to enable staff to work effectively, and comfortably from home.

Health and wellbeing support and advice is being provided in every staff bulletin, covering topics ranging from how to set up a workstation at home to where to find support for financial matters, and dealing with anxiety. The Council's Health and Wellbeing Portal has been updated and now hosts all of this information in one place for ease of access.

On line mental health training has been rolled out which is being delivered by an external provider and is open to all staff, and more recently bespoke sessions for Members have been delivered.

5. Key Activity Data

- 5.1 The latest key activity data for: Children in Care Placements; Special Educational Needs (SEN) Placements; Adults & Safeguarding; Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [P&C Finance Monitoring Report](#) (section 5).

6. Capital Programme

6.1 Capital financial performance

A summary of capital financial performance is shown below:

Original 2020/21 Budget as per Business Plan £000	Forecast Variance - Outturn (July) £000	Service	Revised Budget for 2020/21 £000	Actual-Year to Date (Aug) £000	Forecast Variance - Outturn (Aug) £000	Forecast Variance - Outturn (Aug) %	Total Scheme Revised Budget (Aug) £000	Total Scheme Forecast Variance (Aug) £000
29,051	-	P&E	49,723	6,639	-	0.0%	424,135	-
61,817	-0	P&C	50,754	12,428	5,025	9.9%	573,379	-
10,866	-	CS	15,404	1,048	-3,296	-21.4%	67,092	-
140	-	Corporately Managed	730	666	-	0.0%	6,951	-
74,569	-	C&I	71,043	4,765	0	0.0%	428,322	-
-	-	Outturn adjustment	-	-	-	-	-	-
176,443	-0	Total Spending	187,655	25,547	1,729	0.9%	1,499,879	-

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2020/21 of £37.4m and is currently forecasting an in-year pressure of £3.9m at year-end.
3. The 'Total Scheme Forecast Variance' reflects the forecast variance against budget of the total expenditure for all active capital schemes across all financial years.

6.2 2020-21 capital programme variations budgets

6.2.1 A summary of the use of the 2020-21 capital programme variations budgets by services is shown below. As forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when re-phasing exceeds this budget.

Service	Capital Programme Variations Budget £000	Forecast Variance - Outturn (Aug) £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Revised Forecast Variance - Outturn (Aug) £000
P&E	-12,043	-2,036	2,036	0	0
P&C	-6,523	502	0	0.00%	5,025
CS	-3,827	-7,123	3,827	100.00%	-3,296
Corporately Managed	-183	0	0	0.00%	0
C&I	-17,625	-2,532	2,532	14.36%	0
Outturn adjustment	-	-	-	-	-
Total Spending	-40,201	-11,189	8,395	20.88%	1,729

6.2.2 As at the end of August, Corporate Services schemes have exceeded the capital variations budget allocated to them, forecasting an in-year underspend of -£3.3m. People & Communities are declaring an in-year pressure of £5.0m, as the level of variation is not expected to fully use the -£6.5m P&C capital variations budget. The current overall forecast position is therefore a £1.7m pressure; the forecast will be updated as the year progresses.

6.3 Capital Current Year Key Exceptions

A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.25m or greater are identified below.

6.3.1 Place & Economy:

A balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details, see the [P&E Finance Monitoring Report](#).

6.3.2 People & Communities:

A +£5.0m (+9.9%) in-year pressure is forecast at year-end.

- Adaptations

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
1	300	299	0	299	0	299

An in-year pressure of +£0.3m is forecast across Adaptations schemes, which relates in full to a change since last month. This is primarily due to changes on the scheme outlined below:

- Duxford - Fire Damage Rebuild

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
0	300	300	0	300	0	300

This programme will be added to the 2021-22 business plan and a full business case has been submitted to Capital Programme Board. In response to the fire £300k of works is anticipated in 2020-21 for demolitions, temporary works and commencing redesign.

- P&C Capital Variation

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
-6,523	-2,000	4,523	4	4,519	4,523	0

As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. At this stage of the financial year it is anticipated that only -£2.0m of the capital variations budget will be utilised, resulting in a forecast £4.5m in-year pressure.

- For full and previously reported details, see the [P&C Finance Monitoring Report](#).

6.3.3 Corporate Services:

A -£3.296m (-21.4%) underspend is forecast at year-end.

- Data Centre Relocation

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
5,204	2,764	-2,440	-	-2,440	0	-2,440

An in-year underspend of -£2.4m is forecast. Due to the impact of Covid-19 the requirement for connectivity within the Shire Hall campus has been extended which has also resulted in the final move date for the Data Centre being moved to June 2021. The programme has therefore been re-profiled.

- IT Strategy

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
1,639	639	-1,000	-	-1,000	0	-1,000

An in-year underspend of -£1.0m is forecast. This is due to the impact of Covid-19 on the prioritisation of projects to support the business with day-to-day operations. A number of IT Strategy projects have been delayed or have made slower progress than originally planned.

- Investment in Connecting Cambridgeshire

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
8,790	5,289	-3,501	-	-3,501	0	-3,501

An in-year underspend of -£3.5m is forecast. Due to the nature of the contract with BT, the majority of the costs are being extended with expenditure being incurred into 2021/22. The total scheme budget is expected to be spent.

- CS Capital Variation

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
-3,827	0	3,827	182	3,645	0	3,827

As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore £3.8m of the net underspend is balanced by full utilisation of the capital variations budget;

this relates primarily to the underspends as reported above, together with more minor variances

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

6.3.4 Corporately Managed:

A balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

6.3.5 Commercial & Investment:

A balanced budget is forecast at year-end.

- Community Hubs - East Barnwell

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
1,584	100	-1,484	-	-1,484	0	-1,484

An in-year underspend of -£1.5m is forecast. The only costs expected in 2020-21 will be related to planning, and any construction costs will be in future years.

- C&I Capital Variation

Revised Budget for 2020/21 £'000	Forecast Spend - Outturn (Aug) £'000	Forecast Spend - Outturn Variance (Aug) £'000	Variance Last Month (July) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance : Rephasing £'000
-17,625	-15,093	2,532	1,107	1,425	0	2,532

As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore the net £2.5m underspend is balanced by use of the capital variations budget; this increase since last month relates primarily to the underspend on the Community Hubs - East Barnwell as reported above, together with more minor variances.

- For full and previously reported details, see the [C&I Finance Monitoring Report](#).

6.4 Capital Total Scheme Key Exceptions

A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.25m or greater are identified below:

6.4.1 Place & Economy:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details, see the [P&E Finance Monitoring Report](#).

6.4.2 People & Communities:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details, see the [P&C Finance Monitoring Report](#).

6.4.3 Corporate Services:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously details, see the [CS & LGSS Finance Monitoring Report](#).

6.4.4 Corporately Managed:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously details, see the [CS & LGSS Finance Monitoring Report](#).

6.4.5 Commercial & Investment:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously details, see the [C&I Finance Monitoring Report](#).

6.5 Capital Funding Changes

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding ¹ £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	17.8	-	5.2	-0.9	22.1	22.1	-
Basic Need Grant	20.6	-	-	-	20.6	20.6	-
Capital Maintenance Grant	3.9	-	-	1.2	5.1	5.1	-
Devolved Formula Capital	0.8	1.4	-	-0.0	2.2	2.2	-
Specific Grants	9.0	0.1	2.7	3.0	14.9	14.3	-0.6
S106 Contributions & Community Infrastructure Levy	8.5	2.7	-2.9	2.9	11.2	11.1	-0.1
Capital Receipts	7.3	11.3	0.0	-5.1	13.5	15.3	1.7
Other Contributions	11.4	0.0	1.7	7.8	20.9	18.4	-2.4
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	97.1	46.0	-59.7	-6.2	77.2	80.4	3.2
TOTAL	176.4	61.5	-52.9	2.6	187.7	189.4	1.7

¹ Reflects the difference between the anticipated 2019/20 year end position used at the time of building the initial Capital Programme budget, as incorporated within the 2020/21 Business Plan, and the actual 2019/20 year end position.

6.6 Key funding changes (of greater than £0.25m or requiring approval):

Funding: Additional/ Reduction in Funding (Specific Grants, Prudential borrowing)

Service: P&C

Amount: +£1.6m Specific Grant, -£0.5m Prudential borrowing

Reason for Change:

In August, the Government published the additional Schools Condition Allocations (SCA) for 2020-21. This is on top of funding already allocated this year. The purpose of SCA is to maintain and improve the condition of school buildings, so that children can learn in a safe and effective environment. The Council has been allocated an additional £1,607k SCA.

We have a planned minor works and maintenance programme to which this budget relates. The majority of works are specified and tendered in the winter and spring months with works starting on site to take the maximum advantage of the school summer holiday period. The programme budget is, therefore, mostly committed early in the financial year. A small amount is held back for any unforeseen emergencies but the budget is mostly committed to tackling the high priority projects identified in school condition reports where the building element is either life expired or the failure to address the issue may leave the school at risk of potential closure.

This year, we have had an unprecedented number of emergencies that have required a response. These have been linked to intense summer rainfall episodes and storms. There have been flooding incidents and lightning strikes. The impact of the emergency works undertaken to ensure that these schools were able to re-open for the start of the Summer term has yet to be fully quantified. At one school alone, a temporary solution has been put in place to allow the school to re-open, but the permanent solution required could be in excess of £400k as it may require a new roof to be provided.

A further element of the budget which is difficult to control is the costs arising from academy conversion of a maintained school. As part of the conversion process, there is an expectation that the local authority will not transfer an unreasonable level of liability to the academy sponsor at the point of transfer. The extent of work to be undertaken to facilitate transfer is determined through negotiation in which the Council seeks to limit its commitment to the highest priority condition/maintenance works. There is one particularly complex transfer where the value of the works required is approaching £600k.

P&C was in the process of preparing a business case to the Capital Programme Board to request additional borrowing to meet these pressures when the additional SCA was announced. The SCA was added to the earlier allocation with the intention that it was used to meet the pressures described above. Following a review of relevant projects, budgeted prudential borrowing has been reduced by £539k as a result of the additional SCA.

General Purposes Committee is asked to note the £1.6m additional capital funding for School Condition Allocations for 2020-21 and approve the resulting £0.5m reduction in prudential borrowing.

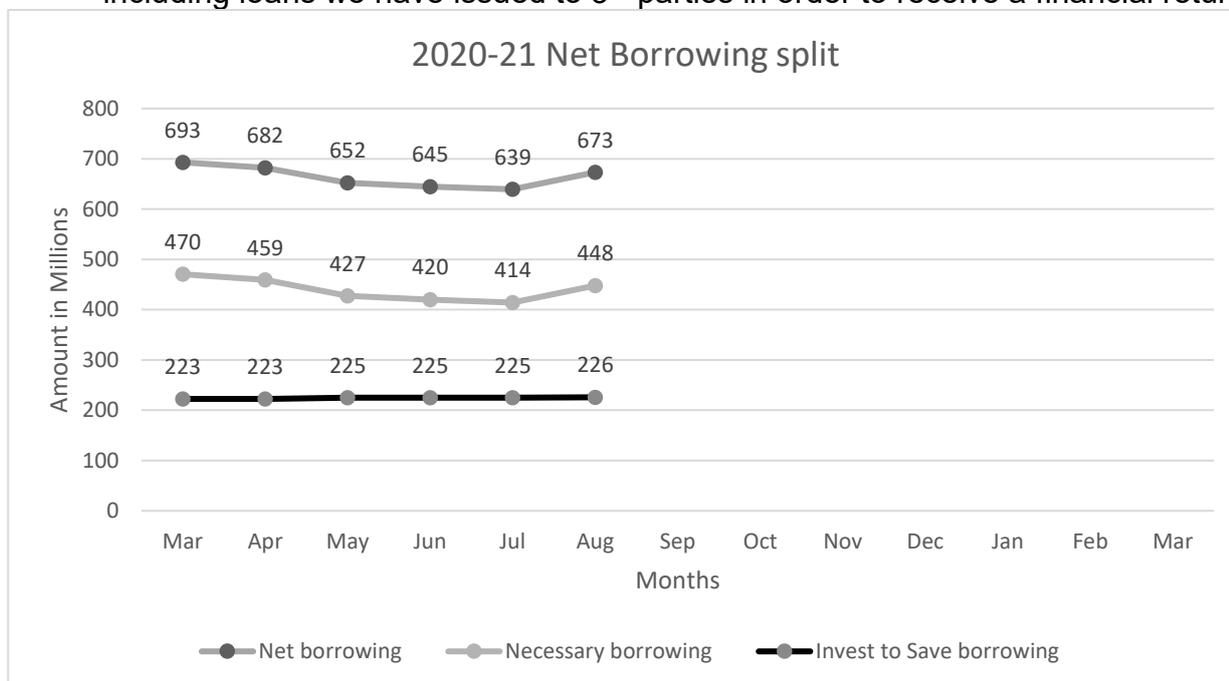
7. Balance Sheet

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

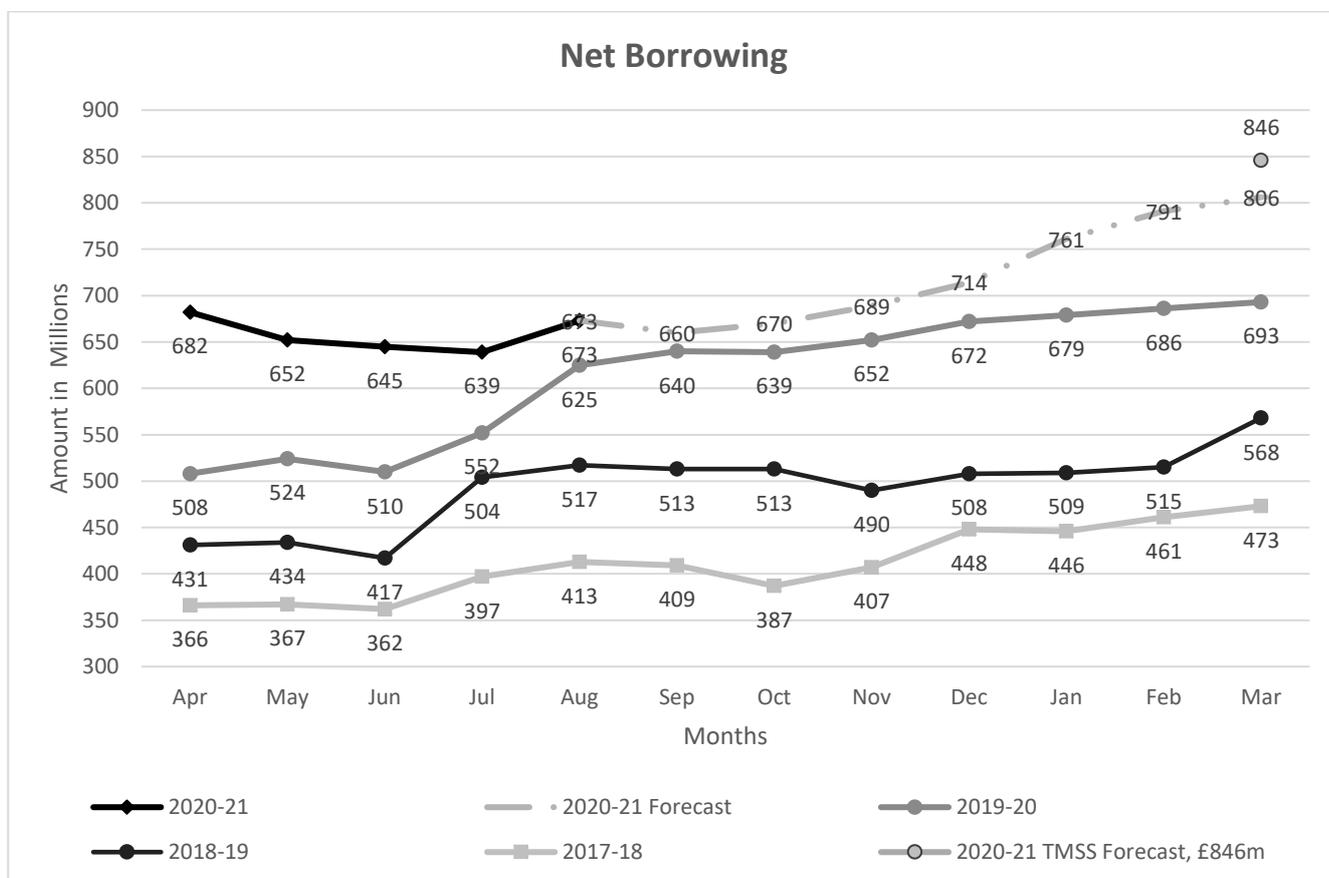
Measure	Year End Target	Actual as at the end of Aug 2020 ¹
Level of debt outstanding (owed to the council) 91 days +, £m: Adult Social Care	£3.37m	£7.10m
Level of debt outstanding (owed to the council) 91 days +, £m: Sundry	£1.71m	£2.82m
% of Undisputed Commercial Supplier Invoices Paid Within 30 Days	95.0%	97.2%
% of Undisputed Commercial Supplier Invoices Paid Within Terms	85.0%	81.9%

¹ The debt figures from Oct 19 onwards exclude Cambridgeshire & Peterborough CCG debts as these are considered collectable and are subject to separate reconciliation. The amount of debt owed by Cambridgeshire & Peterborough CCG exceeding one year hold was £4.01m. The overdue amounts primarily relate to funding contributions to nursing care and for aftercare provided under section 117 of the Mental Health Act. The CCG now funds care homes for nursing care directly, rather than via the Council, so this issue relates to historic sums accrued between 2017 and 2019. Individual payments continue to be received and officers are working to reconcile these to payments owed and allocate against specific invoiced amounts. Both the Council and the CCG continue to work together to agree, expedite and reconcile payments for clients eligible for NHS funding.

7.2 The graph below shows the estimated split of the net borrowing between necessary borrowing and Invest to Save borrowing. Of the gross borrowing in 2020-21, it is estimated that £226m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to 3rd parties in order to receive a financial return.



7.3 The graph below shows net borrowing (borrowings less investments) on a month by month basis and compares the position with the previous financial year. At the end of August 2020, investments held totalled £80.4m (excluding all 3rd party loans) and gross borrowing totalled £753.8m, equating to a net borrowing position of £673.4m.



7.4 The Council's cash flow profile – which influences the net borrowing requirement - varies considerably during the year, due to the timing difference between outgoing payments (payroll, supplier payments etc.) and income streams (grants, council tax etc.). As illustrated by 2019-20 actual net borrowing positions, cash flows at the beginning of the year are typically stronger than at the end of the year, as many grant receipts are received in advance of spend. The 2020-21 net borrowing position is expected to take a similar path, rising more substantially towards the end of the financial year as capital projects are progressed to completion and financed.

7.5 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the forthcoming year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2020-21 TMSS was set in February 2020, it anticipated that net borrowing would reach £846.0m by the end of this financial year. Based on the 2019-20 outturn position and subsequent revisions to the capital programme, this is now forecast to be £806.0m by the end of this financial year, remaining on target.

7.6 From a strategic perspective, the Council continues to temporarily utilise cash-backed resources in lieu of additional borrowing (known as internal borrowing) and where borrowing is undertaken loans are raised for shorter terms, both to generate net interest cost savings and consequently holding less investments reduces the Council's exposure to credit risk. However, this approach carries with it interest rate risk and officers continue to monitor options as to the timing of any potential longer term borrowing should underlying interest rates be forecast to rise in a sustained manner.

- 7.7 There is a link between the capital financing borrowing requirement, the net borrowing position and consequently net interest costs. However, the Debt Charges budget is prudently formulated with sensitivity to additional factors including projected levels of cash-backed reserves, forecast movements in interest rates, and the overall borrowing requirement for the Council over the life of the Business Plan and beyond.
- 7.8 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).
- 7.9 The Council's reserves include various earmarked reserves (held for specific purposes), as well as provisions (held for potential liabilities) and capital funding. A schedule of the Council's reserves and provisions can be found in [Appendix 2](#).

8. Alignment with corporate priorities

8.1 A good quality of life for everyone

There are no significant implications for this priority.

8.2 Thriving places for people to live

There are no significant implications for this priority.

8.3 The best start for Cambridgeshire's children

There are no significant implications for this priority.

8.4 Net zero carbon emissions for Cambridgeshire by 2050

There are no significant implications for this priority.

9. Significant Implications

9.1 Resource Implications

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

9.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

9.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

9.4 Equality and Diversity Implications

There are no significant implications within this category.

9.5 Engagement and Consultation Implications

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

9.6 Localism and Local Member Involvement

There are no significant implications within this category.

9.7 Public Health Implications

There are no significant implications within this category.

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 the LGSS Head of Procurement? No

Name of Officer: Not applicable

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

10. Source documents

10.1 Source documents

P&E Finance Monitoring Report (August 20)

P&C Finance Monitoring Report (August 20)

PH Finance Monitoring Report (August 20)

CS and LGSS Cambridge Office Finance Monitoring Report (August 20)

C&I Finance Monitoring Report (August 20)

Capital Monitoring Report (August 20)

Report on Debt Outstanding (August 20)

CCC Prompt Payment Report (August 20)

10.2 Location

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)

Budgets and Movements	P&C £'000	Public Health £'000	P&E £'000	CS Financing £'000	Corporate Services £'000	Corporately Managed £'000	C&I £'000	LGSS Op £'000	Financing Items £'000
Opening Cash Limits as per Business Plan	275,096	0	56,470	29,570	17,215	12,226	-9,277	6,286	16,844
Greater Cambridge Partnership budgets not reported in CCC budget					-649				
Cambridgeshire Music and Outdoor Education - moving from C&I to P&C	-72						72		
Integrated Finance- moving from LGSS to Corporate Services					6			-6	
Transfer re Social Work recruitment	31				-31				
Transfer for temporary relocation of Babbage House staff					-15		15		
Transfer from Democratic Services to School Organisation and Planning Service	29				-29				
Transfer from Fostering to Communications	-34				34				
Transfer of IT trainer budgets from LGSS to Corporate Services IT & Digital Service					262			-262	
Transfer of IT CCC SLA, Customer Services, Desktop and laptop charges to LGSS to replace annual recharging	-20				-400	-255		675	
Transfer of Ely Archives property costs from P&C to County Offices	-78						78		
County Offices and Early Help District Delivery Service adjustments	-5						5		
Transfer of Recruitment team from P&C to Corporately Managed	-212					212			
Transfer budget for additional Information Management storage					20		-20		
Transfer IT networks budget from IT Managed to IT Operations						-202		202	
Temp transfer to central code of in-year CS&Mgd Qtr1 service underspend on mileage/subs relating to COVID					2	-2			
Transfer Children's Centres CPSN and VOIP budgets	-9					9			
Transfer Desktop and Application support budgets to IT Operations					-175			175	
Centralisation of postage budgets	-93		-40		133		0		
Current budget	274,633	0	56,430	29,570	16,374	11,989	-9,127	7,069	16,844
Rounding	0	0	0	0	0	0	0	1	0

Appendix 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2020 £000s	Movements in 2020-21 £000s	Balance at 31 Aug 2020 £000s	Forecast Balance at 31 March 2021 £000s	Notes
- County Fund Balance	17,658	1,829	19,487	19,160	
1 P&C	0	0	0	0	
2 P&E	0	0	0	0	
3 CS	0	0	0	0	
4 LGSS Operational	825	-228	597	284	
General Reserves subtotal	18,483	1,601	20,084	19,444	
5 Insurance	4,165	-446	3,719	3,719	
Specific Earmarked Reserves subtotal	4,165	-446	3,719	3,719	
6 P&C	0	0	0	0	
7 P&E	0	0	0	0	
8 CS	3	-3	0	0	
9 C&I	0	0	0	0	
Equipment Earmarked Reserves subtotal	3	-3	0	0	
10 P&C	1,097	0	1,097	1,097	
11 PH	2,728	0	2,728	2,469	
12 P&E	4,669	-94	4,575	1,312	Includes liquidated damages in respect of the Guided Busway
13 CS	5,360	-38	5,322	5,168	
14 Corporately Managed	63	0	63	63	
15 C&I	705	0	705	705	
16 Transformation Fund	24,593	7,953	32,546	27,645	Savings realised through change in MRP policy.
17 Innovate & Cultivate Fund	972	-71	901	237	
18 Corporate	14,612	15,301	29,912	0	Includes COVID-19 Support Grant 1st, 2nd and 3rd tranches
Other Earmarked Funds subtotal	54,799	23,051	77,850	38,696	
SUBTOTAL	77,450	24,203	101,653	61,859	
19 P&C	2,518	0	2,518	0	
20 P&E	5,024	7	5,031	0	
21 Corporately Managed	0	0	0	0	
22 C&I	11,632	177	11,809	0	
23 Corporate	60,761	4,818	65,579	54,518	Section 106 and Community Infrastructure Levy balances.
Capital Reserves subtotal	79,935	5,002	84,937	54,518	
GRAND TOTAL	157,385	29,205	186,590	116,377	

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 2020 £000s	Movements in 2020-21 £000s	Balance at 31 Aug 2020 £000s	Forecast Balance 31 March 2021 £000s	Notes
1 P&C	0	0	0	0	
2 P&E	224	-24	200	200	
3 CS	0	0	0	0	
4 Corporately Managed	2,093	0	2,093	2,093	
5 C&I	0	0	0	0	
Short Term Provisions subtotal	2,317	-24	2,293	2,293	
6 Corporately Managed	3,613	0	3,613	3,613	
Long Term Provisions subtotal	3,613	0	3,613	3,613	
GRAND TOTAL	5,930	-24	5,906	5,906	

Appendix 3 – Summary of Impacts of COVID-19 Needs Assessment

This paper is an initial assessment of the impacts of COVID-19 and the social and economic restrictions implemented to manage the pandemic. It tries to present a reasonable set of estimates building on the most up to date policy work as possible, but its conclusions should be taken as reasonable extrapolations and estimates, not validated forecasts. It also is limited in its ability to 'join up' public sector statistics around people; national and local statistics tend to be focused on aspects of people's lives rather than take a holistic view of them.

It focuses on impacts and harms to people who are not being 'case managed' by a particular agency already, because those agencies are already doing needs assessments and adjusting their support for service users or patients. The approach taken looks at risk and potential harm rather than client group.

Five key areas are identified of risk of harm to the population in Cambridgeshire and Peterborough arising from the pandemic.

- A. Poor health outcomes of COVID-19 as a disease
- B. Impacts on mental health
- C. Poor educational and employment outcomes for young people
- D. Economic and income impacts
- E. Victimisation

This work seeks to set out the national evidence of harms arising in these areas and locate that in a Cambridgeshire and Peterborough context in order to support local recovery planning.

Category A includes factors which increase the risk of poor health outcomes for people who are infected with COVID-19. These include age (older people are more likely to die or be seriously ill), sex (men are more likely to be seriously affected than women), ethnicity (people from BAME groups are more likely to die than people of White British ethnicity, although this analysis does not account for impacts of other variables such as occupation or comorbidities) and deprivation (people living in more deprived areas are more likely to die). There is also evidence that some other diseases (such as diabetes, chronic kidney disease and chronic obstructive pulmonary disease) increase the risk of death. Some occupations, particularly those with higher exposure to people with COVID-19 and proximity to people in the course of work, are at higher risk.

These variables are likely to interact with each other substantially. People living in deprived areas often have lower-paid jobs, and those jobs (such as security or care work) are also often higher in risk in terms of exposure and proximity. BAME groups are over-represented in deprived areas and in those jobs. Long-term health is generally poorer in deprived areas.

To quantify the key risk factors, there are 113,000 people aged over 70 living in Cambridgeshire and Peterborough, with 150,000 estimated resident population of people from BAME groups, and approximately 97,000 people living in areas that are amongst the most deprived 20% in the country. Category B covers the risks of harm in mental health at different points in the life course. Elements like changes to normal routine, isolation from friends, boredom, anxiety about friends and family and COVID-19, and financial worries are all key factors driving an anticipated increase in the number of people who have clinically meaningful mental ill-health.

A model developed by Lancashire and South Cumbria Foundation Trust has been used to estimate the number of people who may develop mental ill-health as a result of the pandemic. This highlights a possible 19,000 working age adults developing anxiety (a 20% increase) and 59,000 working age adults developing depression (a 104% increase) in Cambridgeshire and Peterborough, from general impacts of social and economic restrictions. A similar proportion of older adults are potentially at risk. Additionally, there are expected to be impacts on front-line key worker staff, with a fifth to a quarter of

the 20,000 key worker staff in Cambridgeshire and Peterborough at risk of anxiety, depression or PTSD. Impacts of unemployment, hospitalisation, and bereavement are also modelled, although the number of people impacted by these harms will change as the pandemic progresses and the economy reacts. Of people who are newly unemployed, the expectation is that 18% of them will develop mental ill-health as a result, and that following hospitalisation and recovery up to a third will experience depression.

Category C includes the risks to educational and employment outcomes for young people. Some 97.5% of the 137,000 children and young people living in Cambridgeshire and Peterborough missed school during the initial school closure period from March to May 2020. 15-20% of children returned to school from 1 June until the end of term. These closures had a very significant impact on attendance rate; for children who missed the whole period from March-May (approximately 80%) their maximum attendance rate for the year would be about 62%; for children who returned from 1 June their maximum attendance rate was about 80%.

Research into the impacts of attendance on educational outcomes shows a clear decrease in achievement with a decrease in attendance; however at levels below 80% the research is not clear. Schools were providing learning materials over the period, and national surveys suggest that some children were more able to engage than others. A national survey in May reported that 42% of pupils did not return their last piece of work – if we apply this to the 80% of pupils who were not at school, this suggests that around 46,000 pupils were not fully engaged with learning in Cambridgeshire and Peterborough for the period of March-July (although a small proportion were more engaged than usual). Teachers were most concerned about children and young people who did not have access to digital resources or who did not have an appropriate space at home to study; this was more common in areas where deprivation was higher.

Youth unemployment has risen sharply locally, increasing from 2.6% to 7.2% in August 2020. Young people are over represented in industries which are at most risk (such as accommodation and food services), and furthermore young people have more recently relied upon stepping up to higher-paying occupations in order to drive wage growth. If the sectors that typically employ younger people contract following the pandemic, this makes it harder for them to get a first step on the career ladder; then a more general economic downturn will make it harder for them to achieve wage growth by moving into better paying occupations because there are fewer opportunities.

Category D covers the risks of harm to people as a result of economic downturn. COVID-19 is likely to precipitate a severe recession, and during the lockdown evidence has been seen locally from Huntingdonshire and elsewhere of increased use of food banks, increased Council Tax arrears, and demand for hardship funds increasing. Economic impacts drive many other poor outcomes (for example people in economic stress are more likely to live in poor housing, to experience anxiety or depression, to have poorer physical health and to have fewer close friends), and if people fall into poverty as a result of economic harm due to the pandemic, over time more people will experience these outcomes in Cambridgeshire and Peterborough.

Universal Credit claimant count is a clear indicator of economic impact and we have seen rates in Cambridgeshire and Peterborough more than double across the whole patch. Claimant rates are now higher than in the 2008 banking crisis. At that time, claimant rates locally persisted beyond the technical end of the recession in 2012, into 2015, so one area for action locally should focus on supporting people who 'fall out' of the job market in this way.

Using analysis of the Job Retention Scheme, a first estimate of the potential redundancies and the sectors in which they could fall has been produced. It is estimated that approximately 19,000 jobs in Cambridgeshire and Peterborough could be at risk, which would double the (increased) claimant count again if they all happened at once. Sectoral analysis suggests the risk is highest in sectors most affected by economic restrictions, including accommodation and food service activities, arts and entertainment, and manufacturing. Many of these sectors operate low paid jobs, which should be

considered alongside the points made about youth unemployment and risks of COVID-19 made above.

Category E covers the risks to people of greater victimisation. Overall crime fell in the lockdown period. However there are specific crime types for which there has been concern that the pandemic and management measures have influenced the risks of victimisation. These include domestic abuse, safeguarding of children, hate crime and fraud.

Domestic abuse was one of the primary types of crime expected to rise significantly during the pandemic response, as the pressures associated with the pandemic and pandemic response (closed schools, less work, close quarters with partners and children, less income, etc.) took their toll on relationships. Those households already experiencing domestic violence were expected to see more of it and more severe, and new households were expected to be affected. However, no such substantial rise seems to have occurred. The pandemic and pandemic response seems to have caused a slight rise in DA crimes, reversing a previous trend of declining crimes. It must be noted that only 6% of all DA crimes (432 crimes) can be directly attributed to such an effect (that is, either the suspect, the victim or a witness have cited the pandemic and/or pandemic response as a contributing factor in the DA crime).

However, locally it has been reported that Quarter 1 of 2020/21 (April-June) saw an 11% increase in referrals to the Cambridgeshire and Peterborough IDVA services, compared to the same period last year. The increase in Q1 was predominantly new referrals as repeat rates remained steady (a repeat is same victim/perpetrator within 3 months and is likely to be a direct result of lockdown).

The Association of Directors of Children's Services expressed concern in a paper in July 2020 about a potential increase in safeguarding risk for children over the period of the pandemic, arising from lockdown conditions particularly. Analysis of contacts made to the children's services over the lockdown period locally, using these as a proxy indicator for the number of children who the community and children's services system are concerned about, suggests that there was a drop in contacts in April and May compared to the usual levels. However schools and health services being closed is likely to be the driver for this as there were fewer opportunities for professionals to identify and report concerns. Looking at incidents recorded by the Police, child neglect incidents were higher in March, April and July 2020 compared to 2019 (albeit small numbers), child sexual abuse incidence and missing from home incidence did not appear to change significantly or fell. The severity or seriousness of those incidents that did occur is a concern expressed by local professionals.

Due to limits on freedom of movement and less interactions in public places between victims and offenders, the occurrence of hate crime was lower in 2020 (down 46%), relative to the same period in 2019 (951 and 1753 crimes and incidents, respectively). This does not include incidence of hate crimes online however.

The pandemic and pandemic response provided scammers with new opportunities and means by which to defraud victims. There was a modest rise in the volume of fraud offences as a result of the pandemic and pandemic response (however, only 4% of frauds from 15 March to 16 August 2020 were directly linked to COVID-19; 78 of 2054 recorded frauds). At the start of the lockdown, 2020 saw frauds decline by 5% in March. This reversed, and year-on-year monthly increases (versus 2019) were 11%, 3% and 17% in April, May and June, respectively

Business Planning Proposals for 2021-26 – Opening Update and Overview

To: General Purposes Committee

Meeting Date: 20 October 2020

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

Electoral division(s): All

Forward Plan ref: Not applicable Key decision: No

Outcome: The committee is asked to consider:

- the current business and budgetary planning position and estimates for 2021-2026
- the current and potential future impact of COVID-19 on the 2021-2022 financial position
- the principal risks, contingencies and implications facing the Committee and the Council's resources
- the process and next steps for the Council in agreeing a business plan and budget for future years

Recommendation: It is recommended that the Committee:

- a) Notes the overview and context provided for the 2021 – 2026 business plan
- b) Notes the impact of COVID-19 on the Council's financial planning
- c) Requests that officers undertake the necessary actions to ensure that Government is clear on the negative impact on our service delivery if additional support is not forthcoming

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1. Overview

- 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 priority outcomes we want for people.
 - 1.1.1 On the 11 February 2020, Full Council agreed the Business Plan for 2020-2021 which reflected a positive financial position. The Council was almost in a position of setting a balanced budget not just for 2020-2021 but also for the following financial year. A savings requirement of less than £5m for 2021-2022, given the level of the Council's gross operating budget, was very achievable.
- 1.2 With the rise of COVID-19, the Council has taken a central role in coordinating the response of public services to try and manage the complex public health and economic consequences of this pandemic. The scale of these economic challenges is unprecedented and a significant increase in new (and changing) demand for services together with a reduction in income has meant that the Council's financial position is now much less positive.
 - 1.2.1 Support provided from Government to manage the immediate impact of COVID-19 has been welcomed and to-date has covered the additional short term financial implications of the pandemic (see section 3.3.1 for details). The on-going challenges the Council face are significant - including maintaining crucial frontline services in times that are uncertain, recovering the organisation from the effects of the pandemic, and taking the opportunity to "build back better" - and have not, as yet, been reflected in the financial settlement for the next financial year which could have a disastrous impact on the Council's ability to deliver services to our citizens.
- 1.3 Predicting the on-going implications and financial consequences of COVID-19 is challenging and has necessitated the use of a different process (and underlying assumptions) in the development of the Business Plan for 2021-2022 and beyond. Our financial forecasts have been developed using a number of different scenarios, the process of which is described further below, which quantify (as far as possible) the financial implications on the Council of the changing national and local conditions.
- 1.4 Notwithstanding the current challenges, the Council continues to undertake financial planning of its revenue budget over a five year period which creates links with its longer term financial modelling and planning for growth. It remains important to ensure that any changes to resource allocation / service provision is made in consideration of the Council's priorities. If, due to a lack of any additional support from Government, reductions in service provision need to be made then ensuring the Council mitigates the impact on key priority areas becomes even more important.
 - 1.4.1 Our priorities are based around putting communities at the heart of everything we do; a good quality of life for our citizens; protecting and caring for our most vulnerable; making Cambridgeshire a clean green place to live; and ensuring children have a good start in life and an education that enables them to achieve their potential. To ensure we deliver on our priorities, the focus will continue to be on getting the maximum possible value for residents from

every pound of public money we spend, and responding effectively and efficiently to changing needs and new opportunities.

1.4.2 All service committees will receive details of their relevant revenue business planning proposals in December, at which point they will be asked to endorse proposals to January General Purposes Committee as part of the consideration for the overall Business Plan. These savings proposals are currently being developed and will each have a robust implementation plan in place and allow as much mitigation as possible against the impact of current financial challenges. Increasingly the emerging proposals reflect joint proposals between different directorate areas and more creative joined up thinking that recognise children live in families and families live in communities, so some proposals will go before multiple Committees to ensure appropriate oversight from all perspectives

1.5 Within the current context, the scope for traditional efficiencies has diminished, therefore the development of the Business Plan is focused on a range of more fundamental changes to the way we work. Some of the key themes driving the current thinking are;

- Economic recovery – we know that the impact of the measures to reduce the spread of COVID-19 will impact the economic recovery substantially. The Office for Budget Responsibility is forecasting at least a 10% drop in GDP in the UK in 2020. This will impact employment and household income levels for many people across Cambridgeshire. The stress and anxiety caused by worrying about money, or not having enough money to maintain the right housing or buy basic necessities or afford basic utilities, is an important factor that affects demand for many of our services. Economic recovery is therefore at the heart of improving outcomes for people and managing demand for Council services.
- Demand Management – this is fundamentally about supporting people to remain as healthy and as independent as possible, for as long as possible, which is a significant priority as demand increases as a result of COVID-19. It is about working with people and communities to help them help themselves or the person they care for or their community e.g. access to advice and information about local support, asset building in communities and access to assistive technology. We saw communities rise to the challenges of the pandemic and support networks appearing to gather around those who needed it. We must build on this and look at how we further support these networks and groups to continue, and where public services are undisputedly needed, it is about ensuring support is made available early so that people's needs don't escalate to the point where they need to rely heavily on public sector support in the long term.
- Cambridgeshire Local – In support of the need to manage demand and enable people to remain living in their own homes in their local communities and delay the need for more specialist services, continued investment in our Think Communities approach is paramount. Harnessing the capacity within our local district and parish councils, the voluntary, community and faith sectors, volunteers and local place based health, County Council and blue light services will enable us to build place based support services wrapped around our vulnerable people and communities; which will reduce or delay the need for more specialist expensive services

and build resilient and sustainable communities where people feel proud to live.

2. Building the Revenue Budget

2.1 Changes to the previous year's budget are put forward as individual proposals for consideration by committees, General Purposes Committee and ultimately Full Council. Proposals are classified according to their type, as outlined in the attached Table 3, accounting for the forecasts of inflation, scenarios, demand pressures and service pressures, such as new legislative requirements that have resource implications, as well as savings and investments.

2.2 Previously, the process of building the budget began by identifying the cost of providing a similar level of service to the previous year. The previous year's budget is adjusted for the Council's best forecasts of the cost of inflation, the cost of changes in the number and level of need of service users (demand) and proposed investments. Due to the significant uncertainties surrounding the impact of COVID-19 on service provision, we have elected to model three possible budget scenarios based on the level of disruption caused by COVID-19. These are referred to as 'A', 'B' and 'C' scenarios reflecting an increasing level of impact. These scenarios will consider the potential impacts on both demand for service, income generation, environmental changes as well as direct impacts on citizens and existing service users. We are working on mitigation responses to these scenarios but it is important that we account for the full cost impacts of these in our planning as we build the budget.

2.2.1 The uncertainty of the current environment means that we are working to some assumptions on how different scenarios may play out. As our proposals try to account for this, in many instances they become less certain. Some proposals will deliver more or less than anticipated, equally some may encounter issues and delays, (particularly in response to a changing picture locally and nationally) others might be accelerated if early results are promising. We have adapted our approach to business planning in order to manage these risks, specifically;

- Taking a managed approach to risk – with clarity for members about which proposals have high confidence and certainty and which represent a more uncertain impact.
- Developing a budget strategy that brings together thinking from across the organisation on our recovery from the pandemic, and ensures we have a coherent plan to make the budget sustainable.
- Undertaking an exercise of prioritisation to understand the areas we could achieve further efficiencies if our worst case scenario position is realised.

2.2.2 Should services have pressures, our traditional approach would be to manage these within that service where possible, if necessary being met through the achievement of additional savings or income generation. However, given the potential impact arising from the delivery of services in this current environment, the scale of the financial challenges across the board will require a different approach. The Council will unfortunately have to consider significant, and potentially drastic actions including (but not limited to); reducing service levels, disposal of assets, stripping out of provisions within

the balance sheet in order to balance next year's budget if additional Government funding is not forthcoming.

2.3 The budget proposals being put forward include revised forecasts of the expected cost of inflation following a detailed review of inflation across all services at an individual budget line level. Inflation indices have been updated using the latest available forecasts and applied to the appropriate budget lines. Inflation can be broadly split into pay, which accounts for inflationary costs applied to employee salary budgets, and non-pay, which covers a range of budgets such as energy and waste, as well as a standard level of inflation based on Government Consumer Price Index (CPI) forecasts. All inflationary uplifts require robust justification and as such general inflation is assumed to be 0%.

2.4 Although general price inflation is running at near record low levels nationally, the Council is seeing substantial inflationary cost increases in a number of areas, most significantly impacting the Adult Social Care market. Factors such as the rising national living wage, with resulting implications for national insurance and pension payments, as well as a constrained local supply of care placements and challenges in recruiting and retaining care workers, have resulted in high price inflation. There is a strategy in place to contain inflation by moving towards more block purchasing, however a number of existing block bed contracts are due for retender in 2021/22 so average prices will move closer to current market rates as these contracts are renewed. Other services for which costs are expected to increase above general levels of inflation include Coroners (3.6%), Public Transport (3.2%) and Home to School Transport (3.2%). Key inflation indices applied to budgets are outlined in the following table:

Inflation Range	2021-22	2022-23	2023-24	2024-25	2025-26
Non-pay inflation (average of multiple rates) where applicable	2.4%	2.2%	1.9%	2.0%	2.0%
Pay (admin band)	2.75%	2.75%	2.0%	2.0%	2.0%
Pay (management band)	2.0%	2.0%	2.0%	2.0%	2.0%

2.5 Forecast inflation, based on the above indices, is as follows:

Service Block	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
People and Communities (P&C)	8,388	6,760	5,416	5,516	5,617
Place and Economy (P&E)	888	1,502	2,257	2,471	2,576
Commercial and Investments (C&I)	213	145	149	174	205
Public Health	47	34	34	34	34
Corporate and Managed Services	-124*	221	224	225	224
LGSS Operational	306	236	238	239	239
Total	9,718	8,898	8,318	8,659	8,895

*Includes removal of corporate provision for nationally set Local Government pay award. Staff-related inflationary pressures have instead been provided for within service budgets.

2.5.1 The inflationary pressures in the above table and all figures set out in the subsequent sections of this report are provided on an incremental basis. Positive figures indicate an increase on the budget required in the previous year or a reduction in income. Negative figures indicate a reduction on the budget required in the previous year or an increase in income. The figures show the impacts of each proposal on the budget gaps for the relevant financial years and are set out in detail for each Directorate in the finance tables provided in Appendix 1.

2.6 In addition, a review of demand pressures facing the Council has been undertaken. The term demand is used to describe all anticipated demand changes arising from increased numbers (e.g. as a result of an ageing population, or due to increased road kilometres) and increased complexity (e.g. more intensive packages of care as clients age or increased need arising from COVID-19). We have included the impact of scenario A being realised to give a more realistic view of demand pressures. It should be noted that this is the lowest impact scenario. Should the current trajectory continue, for instance, we could move to scenario B reflecting a further increase in demand. The demand pressures calculated are:

Service Block	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
People and Communities (P&C) - Base	12,278	13,579	14,526	14,795	14,757
People and Communities (P&C) – Scenario A	3,427	-802	-459	-345	-273
Place & Economy (P&E) - Base	142	271	298	268	240
Place & Economy (P&E) – Scenario A	638	-	-	-	-
Total	16,485	13,048	14,365	14,718	14,724

2.6.1 In 2021-22 the Council expects to experience a minimum of £4m additional demand pressures as a result of COVID-19. These pressures are expected to reduce in the subsequent years of the Business Plan as the acute impacts of COVID-19 subside, however the Council is likely to see continued impacts throughout the period of the Business Plan with the residual pressure reducing to £2.2m by 2025-26.

2.6.2 It is recognised that service costs are driven by the number of service users, level of need, as well as cost (and method) of delivery of the support. Where appropriate this will be outlined in greater detail within the Directorate specific reports.

2.7 The scenario modelling undertaken has also considered the impacts of COVID-19 on the Council's income streams, including sales, fees and charges, commercial income and precept income. The figures below reflect the anticipated losses in scenario A, however for 'business rates modelling' a scenario B has been assumed due to the severity of the national picture and uncertainty surrounding expected reforms to the business rates system.

Service Block	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
People and Communities (P&C)	662	-483	-179	-	-
Place & Economy (P&E)	3,113	-1,557	-1,556	-	-
Commercial & Investment (C&I)	2,083	-482	60	82	6
Council tax	2,865	1,741	121	-1,115	-1,743
Business rates	1,258	-533	5	-212	-298
Total	9,981	-1,314	-1,549	-1,245	-2,035

2.8 The Council is facing a number of cost pressures that cannot be absorbed within the base funding of services. Some of the pressures relate to costs that are associated with responses to the pandemic, the introduction of new legislation and others as a direct result of changes to contractual commitments. These costs are included within the revenue tables considered by service committees alongside other savings proposals and priorities:

Service Block / Description	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
New Pressures Arising in 21-22					
P&C: Sleep-in Carers	400				
P&C: Deprivation of Liberty Safeguards	45				
P&C: Personal Protective Equipment (in house)	1,000				
P&C: Home to School Transport - Special	800				
P&C: Home to School Transport - Mainstream	200				
C&I: Spokes Building Operating Costs	115				
C&I: Shire Hall Car Park Income	126				
CS: IT – Continued Remote Working	420	-420			
CS: IT – New Connections	102				
Subtotal – New Pressures	3,208	-420	-	-	-
Existing Pressures Brought Forward					
P&C: Impact of National Living Wage on Contracts	4,040	4,625	4,184	3,372	3,372
P&C: Potential Impact of Changing Schools Funding Formula	1,500				
P&C: Libraries to serve new developments	49		50	50	
P&C: Independent reviewing officers (numbers of children)	-85				
P&C: Coroner Service	-37				

Service Block / Description	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
P&E: Minerals and Waste Local Plan	-54				
P&E: Guided Busway Defects		-1,300			
C&I: Renewable energy – Soham	5	40	6	6	
C&I: East Barnwell Community Centre	100				
C&I: LGSS Law dividend expectation			-96		
C&I: St Ives Smart Energy Grid - operating costs		39	1	1	1
C&I: Babraham Smart Energy Grid - operating costs		45	2	3	
C&I: Trumpington Smart Energy Grid - operating costs			63	2	
C&I: Stanground Closed Landfill Site - operating costs		120	3	3	3
C&I: Woodston Closed Landfill Site - operating costs		48	1	2	
C&I: North Angle Solar Farm, Soham - operating costs		499	14	15	15
C&I: Babbage House dilapidation costs	-190				
CS: Repatriation of LGSS Services	750				
Subtotal – Existing Pressures	6,078	4,116	4,228	3,454	3,391
Total	9,286	3,696	4,228	3,454	3,391

3. Summary of the Draft Revenue Budget

- 3.1 In order to balance the budget in light of the cost increases set out in the previous section and uncertain Government funding, savings, additional income or other sources amounting to **at least £32.8m** are required for 2021-22, and a total of £75.7m across the full five years of the Business Plan. The following table provides a summary of the movements in the budget gap since the publication of the 2020-21 Business Plan:

Updated items	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
Opening budget gap per 2020-21 Business Plan	4,247	7,574	10,834	11,650	8,780
Inflation update	1,585	2,037	1,720	1,880	2,115
New pressures	3,208	-420	0	0	0
Changes to existing pressures	1,768	-610	566	-246	-296
Baseline demand update	943	860	1337	1,853	1,787
Scenario (A) demand pressures	4,065	-802	-459	-345	-273
Scenario (A) income pressures	9,981	-1,314	-1,549	-1,245	-2,035
New Investments	3,987	-120	-120	0	0
Impaired savings	5,316	-834	-28	2	-112
New savings	-1,074	-467	-122	-50	0
Financing Adjustments	-1,230	1,286	6	-9	24
Revised budget gap (Scenario A)	32,796	7,190	12,185	13,490	9,990

The Scenario A budget gap of £32.8m assumes a relatively swift recovery following the initial impacts of the pandemic on service delivery and is predicated on the following general assumptions:

- A low likelihood of a second peak requiring a further national lockdown
- Test and tracing is relatively successful in containing the spread of the virus
- A vaccine is available within 12 months
- A soft, open lockdown, with social distancing eased over summer 2020-21
- Demand does not return to pre-COVID levels due to economic and social impacts

- 3.1.1 Given the recent increase in the infection rate it is quite possible that the impact will be in excess of the Scenario A model. It is also quite likely that elements of the various scenarios may arise meaning that the actual position is a hybrid of the options modelled. Scenarios B and C assume further peaks of the virus leading to periods of significant disruption on a national scale. The total savings projected in each scenario are as follows:

Scenario	2021-22 Savings Requirement £'000	5 Year Savings Requirement £'000 (2021-22 – 2025-26)
A	32,796	75,651
B	50,269	84,071
C	82,167	114,281

None of the scenarios assume any additional ongoing Government support in response to the pandemic in 2021/22, either through grant funding or compensation for foregone fees and charges.

3.2 The following table shows the total level of savings necessary for each of the next five years (assuming scenario A), the amount of savings attributed from identified savings and the residual gap for which saving or income has still to be found:

Service Block	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000
Total Saving Requirement	32,796	16,425	15,312	14,302	10,097
Identified Savings	-	-1,702	-153	-	-
Identified additional Income Generation	-	-7,533	-2,974	-812	-107
Residual Savings to be identified	32,796	7,190	12,185	13,490	9,990

3.2.1 Given the scale of impact from COVID-19 it is believed that the actual position could fall somewhere between the scenarios A and B. For the purpose of setting a target to focus on it is felt prudent to assume that the gap for 21/22 will be in the region of £40m.

3.3 The actions currently being undertaken to close the gap include:

- Reviewing all the existing proposals to identify any which could be pushed further – in particular where additional investment could unlock additional savings, including reviewing all strategies.
- Reviewing all income generation opportunities.
- Identifying, through benchmarking, any areas across the organisation we could potentially look to find additional efficiencies whilst ensuring outcomes are maintained.
- Reviewing the full list of in-year and 2021-22 pressures – particularly in line with the scenarios to see if there are any opportunities to prevent assumed increases in demand being realised.
- Being clear on areas which we wish to invest in.

3.3.1 In addition, the Council has worked closely with local MPs in campaigning for a fairer funding deal for Cambridgeshire. We argued long and hard that given how much the Cambridgeshire economy was supporting the Treasury that a new approach to business rates that enabled councils to retain a greater element of the local tax take would help to underwrite the costs of supporting that growth. The implementation of both the CSR and the localisation of business rates have been deferred on many occasions. With the pandemic and the uncertainty over the national position we cannot expect this position to change in the short term. However, as referenced in section 1.2.1 above, it is important to recognise that the Government have used one off interventions of additional finance in Adult Social Care (winter pressures settlement) and Highways (Roads Fund) to negate some of the growing pressure on Councils.

3.3.2 However, we will continue to campaign for additional resources. The focus of this will now need to take a slightly different approach. Whilst all the issues of growth and fairer funding still remain, the challenge is now more focused on simply being able to deliver basic service levels. Without some short term assistance from the Government, over and above the funding that has been

provided to deal with the immediate impact of the pandemic (see above), the Council will be facing an unprecedented financial challenge which will unfortunately involve reductions to services upon which many of our residents have come to rely. We will of course do all we can to seek further support from the Government and will use all channels that we have at our disposal – including:

- Local M.Ps (already regularly briefed)
- County Council Network
- Society of County Treasurers
- Ministry of Housing, Communities and Local Government (MHCLG) officer communications

3.4 There are also a number of financing options available to the Council to contribute towards closing the gap for 2021-2022:

- Additional central Government funding *may* be forthcoming in response to the pandemic and previously announced funding (such as Roads Fund and support for Social Care) rolled forwards.
- Around £1.5m is available next year following an earlier change in how the Council accounts for the minimum revenue provision. These funds have previously been allocated into the Transformation Fund reserve, and decrease each year in value. This is available to the Council for a further three years before this becomes a pressure on the General Fund.
- Up to £1.5m may be available through deployment of existing grants, subject to local decision making about Public Health and Schools grant priorities.
- Funds could be re-allocated on a one-off basis from reserves. Whilst this would contribute to reducing the pressure for the 2021-2022 financial year, the pressure would be delayed until the next financial year as the option to use this funding could not be used again. As such, it is not considered that the General Fund Reserve could be reduced. Similarly, a decision could be taken to utilise the resources within the Transformation Fund, in full or in part, but this would also reduce the Council's ability to respond to any future national or local challenges and could ultimately put delivery of services at risk.
- There is an option to increase the planned levels of council tax, further details are set out in section 3.6 below
- As a last resort in order to balance next year's budget the Council might have to utilise any reserves or provisions held on its balance sheet that are not a contractual commitment. This will leave the Council exposed as it would include potentially using the General Reserve resulting in little or no security against any unforeseen circumstances in 2021-2022. If this approach was adopted a clear plan would need to be in place to ensure that these provisions could be replenished in order to ensure the Council could meet future liabilities.

3.5 Through the scenarios we have identified a number of additional risks and assumptions with potential impacts on the numbers above and accompanying

tables. These will be monitored closely and updated as the Business Plan is developed to ensure that any financial impacts are accurately reflected in Council budgets:

- The National Joint Council pay scales have not been confirmed for 2021-22 onwards and it is possible that the agreed uplifts will be greater than those modelled.
- The result of schools funding reforms, in particular the control of the Dedicated Schools Grant (DSG) shifting further toward individual schools. Potential additional funding from Government, and the local situation on the deficit held within the high needs block, is still under discussion. Changes in regulations mean that the Council is not permitted to support the deficit in the DSG from the General Fund, however Department for Education (DfE) consideration of requests for cash flow support has been paused during the pandemic. Meanwhile, the deficit in the high needs block continues to rise, and authorities across the country continue to call for a significant increase in funding to this area to meet rising needs.
- Movement in current year pressures is being picked up via the scenario modelling work. We are putting monitoring measures in place so we can put in place mitigations before trigger points are met. Work is ongoing to manage our in-year pressures downwards however any change to the out-turn position of the Council will impact the savings requirement in 2021-2022. This is particularly relevant to demand led budgets such as children in care or adult social care provision.
- The inflationary cost increases set out above assume that inflation on the cost of bed-based care within Adults & Older People's Services will continue to be higher than general inflation in 2021-22.

3.6 The level of savings required is based on a 2% increase in the Adults Social Care precept and a 0% increase in Council Tax. It is likely, therefore, that the Council will be presented with the option to increase Council Tax by not less than a further 1.99% in 2021-22. The value of a 1.99% increase in the Council Tax equates to additional revenue of £6.1m.

3.6.1 The Government has not yet confirmed that Local Authorities will be granted the continued flexibility to levy the Adult Social Care precept in 2021-22 or announced the Council Tax limitation regulations for 2021-22. Local Authorities were permitted to increase general Council Tax by a maximum of 2.99% in 2018-19 and 2019-20 and 1.99% in 2020-21 without the requirement for approval from residents through a positive vote in a local referendum. Given the financial impacts of the pandemic and precedent set in previous years, it is possible that Government could elect to set a higher referendum threshold for 2021-22. It is estimated that the cost of holding a referendum for increases deemed to be excessive would be around £100k, rising to as much as £500k should the public reject the proposed tax increase (as new bills would need to be issued).

3.6.2 Were there no Council Tax limitations and the Council was free to raise local revenue to meet the potential budget gap of £40m it would need to raise the Council Tax by a further 13% to cover this sum. The total Council Tax increase required would therefore be 15% and as such would be unrealistic to pursue.

4. Overview of General Purposes Committees' draft Revenue Programme

- 4.1 As well as providing overall oversight of the whole of the County Council's business plan, General Purposes Committee acts as the service committee for the Council's corporate services. In October 2010, the Council established a joint committee for sharing a number of corporate shared services, and LGSS subsequently expanded with Milton Keynes joining the partnership and a number of other public sector bodies becoming customers. In May 2020, Full Council agreed to changes to the financing and operating model for LGSS which lead to the disbanding of the joint committee during 2020-21. Corporate Services including HR, Health & Safety, Learning & Development, IT, Financial Assessment and Procurement are proposed for repatriation to Cambridgeshire County Council (CCC) in October. Meanwhile, a number of services would continue on a shared basis albeit with one authority acting as the lead of provider for others. It is proposed that Cambridgeshire will lead for Finance Operations (Accounts Payable and Accounts Receivable) and Insurance, whereas Milton Keynes or a Northamptonshire authority will lead for Internal Audit, Payroll, Pensions and Business Systems. Budgetary provision has already been made for the anticipated overall impact of the revised model through previous positions plans (see the final line of the table at section 2.8): any updates to this position or more service specific implications for business planning will be brought to this Committee's attention in December.
- 4.2 A Transformation resource was established in 2016 to enable investment in longer term initiatives, identifying opportunities where better outcomes can be delivered at reduced cost and demand for services can be reduced. To date, savings of £26m have been released as a result of services using this resource.
- 4.2.1 The Council continues to pursue an ambitious programme of transformative investment in order to achieve our ambitions of recovery and redesign following the pandemic. Service transformation projects often require lead-in time, especially when they involve service redesign or consultation, and work is underway on concurrent planning for immediate and medium term transformation proposals. The level of funds are under review as part of the business planning process and a report will be prepared for General Purposes Committee in November detailing the impact of new proposals on remaining funds available to invest. Detail of specific proposals will be considered by the relevant service committee in December.

5. Next Steps

- 5.1 The high level timeline for business planning is shown in the table below.

October	Service Committees provided with overview of current position
December	Business cases go to committees for consideration
January	General Purposes Committee will review the whole draft Business Plan for recommendation to Full Council
February	Full Council will consider the draft Business Plan

6. Alignment with Corporate Priorities

- 6.1 A good quality of life for everyone
- 6.2 Thriving places for people to live
- 6.3 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 section 1 of 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.

- 6.4 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.

7. Significant Implications

- 7.1 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, attached as an appendix. 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.

- 7.2 Procurement/Contractual/Council Contract Procedure Rules Implications

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

- 7.3 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.

- 7.4 Equality and Diversity Implications

As the proposals are developed ready for December service committees, they will include Equality Impact Assessments (EqIAs) that will describe the impact of each proposal, in particular any disproportionate impact on vulnerable, minority and protected groups.

- 7.5 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.

7.6 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.

7.7 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
Tom Kelly

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

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

Have the equality and diversity implications been cleared by your Service Contact? Yes
Beatrice Brown
Equality Impact Assessments will be brought to December Committee considering disproportionate adverse effects of decision-making on people with protected characteristics and subsequent mitigating actions.

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

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

Have any Public Health implications been cleared by Public Health Yes
Liz Robin

8. Source Documents

8.1 None

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
1	OPENING GROSS EXPENDITURE	461,304	496,221	520,062	543,838	567,683		
A/R.1.004	Transferred Function - Independent Living Fund (ILF)	-34	-	-	-	-	The ILF, a central government funded scheme supporting care needs, closed in 2015. Since then the local authority has been responsible for meeting eligible social care needs for former ILF clients. The government has told us that their grant will be based on a 5% reduction in the number of users accessing the service each year, with none remaining past 2021/22.	Adults
A/R.1.010	Increase in expenditure funded from ringfenced grants	-1,600	-	-	-	-	Increase in expenditure budgets funded from ringfenced grants (compared to published 2020-25 Business Plan) as advised during the budget preparation period and permanent in-year changes made during 2020-21.	C&P, C&YP, Adults
1.999	REVISED OPENING GROSS EXPENDITURE	459,670	496,221	520,062	543,838	567,683		
2	INFLATION							
A/R.2.001	Centrally funded inflation - Staff pay and employment costs	2,637	1,928	1,928	1,928	1,928	Forecast pressure from inflation relating to pay and employment costs. 2% pay inflation has been budgeted for years 1 and 2, with 1% for years 3-5.	C&P, C&YP, Adults
A/R.2.002	Centrally funded inflation - Care Providers	2,066	2,096	2,158	2,223	2,290	Forecast pressure from general inflation relating to care providers, particularly on residential and nursing care for older people, which has seen around 7% of inflation through 2019/20 and 2020/21. Further pressure funding is provided below to enable the cost of the rising minimum wage to be factored into rates paid to providers. This line includes a challenging trajectory to bring care home inflation back to RPI by 2024/25.	Adults, C&YP
A/R.2.003	Centrally funded inflation - Children in Care placements	639	653	666	680	694	Inflation is currently forecast at 1.8%.	C&YP
A/R.2.004	Centrally funded inflation - Transport	770	497	507	517	527	Forecast pressure for inflation relating to transport. This is estimated at 3.2%.	C&YP
A/R.2.005	Centrally funded inflation - Miscellaneous other budgets	1,507	1,454	658	675	692	Forecast pressure from inflation relating to miscellaneous other budgets, on average this is calculated at 0.2% increase.	C&P, C&YP, Adults
A/R.2.006	Centrally funded inflation - Recommissioning of existing blocks	1,266	636	-	-	-	The Council's 360 historic block residential and nursing beds are reaching the end of the original contract period and need to be recommissioned. These beds are below the current market rate because of fixed uplifts over the contract life. While this has saved the council money, when recommissioned these beds will likely cost similar to current market rates, and so result in a pressure. If this was not done, the cost of 360 spot beds would be higher, and would be subject to greater inflationary increases each year.	Adults
2.999	Subtotal Inflation	8,885	7,264	5,917	6,023	6,131		
3	DEMOGRAPHY AND DEMAND							
A/R.3.002	Funding for additional Physical Disabilities demand	740	717	658	618	415	The needs of people with physical disabilities are increasing and so care packages are becoming more complex. In particular, more hours of domiciliary care are being provided per person, and there is expected to be a rise in the number of residential placements. Funding has been redirected from the Older People's demand bid to allow service users over 65 to continue being supported within the Physical Disabilities service.	Adults

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
A/R.3.003	Additional funding for Autism and Adult Support demand	303	264	269	274	280	Additional funding to ensure we meet the rising level of needs amongst people with autism and other vulnerable people. It is expected that 33 people will enter this service in 2021/22 with 8 leaving and so, based on the anticipated average cost, we are investing an additional £195k to ensure we give them the help they need. We are also investing an additional £64k to meet the increasing complexity in the needs of the people already cared for by the service and a further £45k to employ an additional social worker to help the team manage an unprecedented increase in the number of people accessing the service. This brings the total demand funding requested to £303k for 2021/22.	Adults
A/R.3.004	Additional funding for Learning Disability Partnership (LDP) demand	1,989	1,972	2,041	2,112	2,186	Additional funding to ensure we meet the rising level of needs amongst people with learning disabilities - We need to invest an additional £707k in 2021/22 to provide care for a projected 51 new service users (primarily young people) who outnumber the number of people leaving services. We also need to invest £1,768k in the increasing needs of existing service users and the higher complexity we are seeing in adults over age 25. A further £83k is needed to increase the number of social workers, which has remained static for a number of years as service user numbers have increased. We're therefore allocating a total of £1,989k as the council's share to this pooled budget to ensure we provide the right care for people with learning disabilities.	Adults
A/R.3.005	Funding for Adult Mental Health Demand	212	217	204	189	191	Additional funding to ensure we meet the increased demand for care amongst working age adults with mental health needs. The current pattern of activity and expenditure is modelled forward using population forecasts and data relating to the prevalence of mental health needs, and we estimate that numbers will increase by about 1.5% each year. Some account is taken of the recovery over time of clients in receipt of section 117 aftercare and the additional demand this is placing on social care funding streams. This work has supported the case for additional funding of £212k in 2021-22 to ensure we can continue to provide the care for people who need it.	Adults
A/R.3.006	Additional funding for Older People demand	6,225	6,604	7,270	7,325	7,078	Additional funding to ensure we meet the increased demand for care amongst older people, providing care at home as well as residential and nursing placements. Population growth in Cambridgeshire and the fact that people are living longer results in steeply increasing numbers of older people requiring care. We estimate that numbers will increase by around 5.6% each year and the current pattern of activity and expenditure is modelled forward to estimate the additional budget requirement for each age group and type of care. Account is then taken of increasing complexity of cases coming through the service. This work has supported the case for additional funding of £6,225k in 2021-22 to ensure we can continue to provide the care for people who need it.	Adults
A/R.3.007	Funding for Older People Mental Health Demand	305	313	328	341	352	Additional funding to ensure we meet the increased demand for care amongst older people with mental health needs, providing care at home as well as residential and nursing placements. The current pattern of activity and expenditure is modelled forward using population forecasts to estimate the additional budget requirement for each age group and type of care. We estimate that numbers will increase by about 3.3% each year. Some account is then taken of the recovery over time of clients in receipt of section 117 aftercare and the additional demand this is placing on social care funding streams. This work has supported the case for additional funding of £305k in 2021-22 to ensure we can continue to provide the care for people who need it.	Adults
A/R.3.008	Home to school transport mainstream	270	331	317	193	173	Additional funding required to provide home to school transport for pupils attending mainstream schools. This additional funding is required due to the anticipated 2.8% increase in the number of pupils attending Cambridgeshire's schools in 2021-22.	C&YP
A/R.3.009	Home to school transport Children in Care	47	50	52	54	54	Additional funding required to provide home to school transport for Children in Care. This additional funding is required due to an anticipated 3.1% increase in the number of school-aged Children in Care in 2021-22.	C&YP

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
A/R.3.010	Funding for Home to School Special Transport demand	1,510	1,688	1,888	2,110	2,360	Additional funding required to provide transport to education provision for children and young people with special educational needs (SEN). The additional funding is needed as there are increasing numbers of children with SEN and there is a trend towards increasingly complex needs, often requiring bespoke transport solutions.	C&YP
A/R.3.011	Funding for rising Children in Care Numbers and need	246	950	980	1,010	1,042		Additional budget required to provide care for children who become looked after. As with many local authorities we have experienced a steady rise in the number of Children in Care in recent years, and an increase in the complexity of need and therefore the cost of suitable placements. The additional investment will ensure we can fully deliver our responsibilities as corporate parents and fund suitable foster, residential or other supported accommodation placements for all children entering care.
A/R.3.016	Funding for additional Special Guardianship Orders demand costs	263	295	332	373	419	Additional funding required to cover the cost of placing children with extended family and other suitable guardians. For children who come into the care system we need to invest in guardianship placements which provide stable, loving and permanent care for these children.	C&YP
A/R.3.017	Funding for additional demand for Community Equipment	32	33	34	34	35	Over the last five years, our social work strategy has been successful in supporting a higher proportion of older people and people with disabilities to live at home (rather than requiring residential care). Additional funding is required to maintain the proportion of service users supported to live independently, through the provision of community equipment and home adaptations. This requirement is patent in the context of a rising population and the increasing complexity of the needs of the people in question.	Adults
A/R.3.018	Coroner Service	55	60	64	69	75	Extra costs associated with an increasing population and thus a higher number of deaths.	C&P
A/R.3.019	Children with Disabilities	81	85	89	93	97	Additional funding required for the increase in care packages provided for children and young people with disabilities under the age of 18 years	C&YP
A/R.3.022	Scenario (A) - Adult Social Care Demand	3,139	-514	-459	-345	-273	In scenario A, adult social care is expected to face additional costs from COVID-19 mainly due to increased need over 2020/21. In older people, despite a reduction in people receiving care, more people are now receiving more expensive residential and nursing care than would otherwise have been the case. Within working age adults with disabilities, there has been some deconditioning over the pandemic period and more breakdowns in placements resulting in increased need, as well as more community packages where day centres have closed.	Adults
A/R.3.023	Scenario (A) - Home to School Transport Mainstream demand	75	-75	-	-	-	In scenario A it is assumed that additional costs for ensuring that no LA transport serves multiple schools will continue into summer term 2021.	C&YP
A/R.3.024	Scenario (A) - Home to School Transport Special demand	139	-139	-	-	-	In scenario A it is assumed that some pupils at special schools will continue to travel in bubbles in the summer term of 2021.	C&YP
A/R.3.025	Scenario (A) - Domestic Abuse Service	74	-74	-	-	-	In scenario A it is assumed that we will see increased referrals for Domestic Abuse services in 2021-22 requiring additional staffing capacity.	C&P
3.999	Subtotal Demography and Demand	15,705	12,777	14,067	14,450	14,484		
4	PRESSURES							
A/R.4.009	Impact of National Living Wage (NLW) on Adult Social Care Contracts	4,040	4,625	4,184	3,372	3,372	Following announcements in December 2019, the NLW rose by 51p to £8.72 per hour for 2020/21, and we project further steady rises in future years taking the wage to £11.08 by 2025/26. This will have an impact on the cost of purchasing care from external providers. Our analysis suggests it will have between a 1% and 4% impact on costs depending on the type of care being purchased.	Adults

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
A/R.4.012	Sleep-ins	400	-	-	-	-	- Pressure due to the need, should the resolution to an ongoing court case require, to ensure external care providers are funded sufficiently to pay care staff at least the minimum wage for working hours spent sleeping. Currently a flat, per-night rate amounting to less than the minimum wage is commonly used.	Adults
A/R.4.013	Deprivation of Liberty Safeguards	45	-	-	-	-	- The council has seen rising costs due to the need to progress a large number of best interest assessments where people are subject to deprivation of liberty safeguards. This has resulted in an increased level of spend on independent assessors. As legislation changes over coming years, the level of resource needed will be kept under review.	Adults
A/R.4.014	Personal Protective Equipment	1,000	-	-	-	-	- Due to COVID-19, the amount of PPE being used by frontline council staff has increased considerably. These are staff working in Reablement, council-run day centres and supported living units, schools and others. The pressure is an estimate based on experience and prices in 2020/21.	Adults, C&YP
A/R.4.022	Dedicated Schools Grant Contribution to Combined Budgets	1,500	-	-	-	-	- Based on historic levels of spend, an element of the Dedicated Schools Grant (DSG) spend is retained centrally and contributes to the overall funding for the LA. Schools Forum is required to approve the spend on an annual basis and, following national changes, these historic commitments/arrangements will unwind over time. This pressure reflects the potential reduction in the contribution to combined budgets, although is subject to a decision by Schools Forum, to be taken during the autumn term.	C&YP
A/R.4.023	Libraries to serve new developments	49	-	50	50	-	- Revenue costs of providing library services to new communities.	C&P
A/R.4.028	Independent reviewing officers	-85	-	-	-	-	- Reversal of temporary investment into additional Independent Review Officer (IRO) capacity.	C&YP
A/R.4.029	Coroner Service	-37	-	-	-	-	- Reversal of temporarily funded posts in the Coroner Service.	C&P
A/R.4.032	Home to School Transport - Special	800	-	-	-	-	- A greater than anticipated increase in the number of pupils with Education, Health and Care Plans (EHCPs) requiring transport to school, especially in the post-19 cohort, has resulted in an ongoing pressure of £800k on the Home to School - Special budget.	C&YP
A/R.4.035	Home to School Transport - Mainstream	200	-	-	-	-	- Additional funding to cover inflationary market pressures in prior years.	C&YP
4.999	Subtotal Pressures	7,912	4,625	4,234	3,422	3,372		
5	INVESTMENTS							
A/R.5.001	Permanent Funding for Investments into Social Work	640	-	-	-	-	- As part of the Adults Positive Challenge Programme, a number of investments were made from the Transformation Fund to deliver an ambitious package of demand management measures. This funding in 2021/22 is to provide a permanent basis for those investments that will need to continue, particularly investment in additional staff and equipment in Technology enabled Care, and the ongoing costs of a mobile working system for Reablement.	Adults
A/R.5.003	Flexible Shared Care Resource	-	174	-	-	-	- Funding to bridge the gap between fostering and community support and residential provision has ended. Investment will be repaid over 5 years, at £174k pa from 17/18 to 21-22, from savings in placement costs.	C&YP
A/R.5.005	Investment in additional block beds	107	-	-	-	-	- Following review by Adults Committee, a large number of additional block beds are being commissioned to replace spot purchases. This investment is the small increase in cost that results as newly commissioned beds will replace older ones that had lower prices. Over the medium term, this will save the council money as price increases will be managed, reflected in saving A/R.6.185 below.	Adults
A/R.5.006	Care Homes Team	240	-120	-120	-	-	- A two year pilot starting in October 2020, using a dedicated team of social workers to provide support to care homes.	Adults

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
A/R.5.007	Adult Social Care - Market Resilience	4,000	-	-	-	-	- COVID-19 has greatly increased the costs faced by providers of social care. In particular, costs have increased due to greater use of personal protective equipment, as well as infection control processes (such as reducing the extent to which staff move between care homes). These pressures were recognised in 2020/21 through council funding, and a government grant, but it is likely that this will continue into 2021/22. This investment would average a 2.5% increase in costs over the year.	Adults
5.999	Subtotal Investments	4,987	54	-120	-	-		
6	SAVINGS							
	Adults							
A/R.6.114	Learning Disabilities Commissioning	-400	-	-	-	-	- A programme of work commenced in Learning Disability Services in 2016/17 to ensure service-users had the appropriate level of care; some additional work remains, particularly focussing on high cost placements outside of Cambridgeshire and commissioning approaches, as well as the remaining part-year impact of savings made part-way through 2020/21.	Adults
A/R.6.174	Review of Supported Housing Commissioning	124	-	-	-	-	- An ambitious saving was included in the 2018-23 Business Plan linked to a review of commissioning arrangements for supported housing. In 2021/22 there remains £124k of this saving left. Due to COVID-19 and other changes in legislation, it is not possible to deliver the rest of this saving.	Adults
A/R.6.176	Adults Positive Challenge Programme	1,095	-100	-100	-	-	- Through the Adults Positive Challenge Programme, the County Council has set out to design a new service model for Adult Social Care, which will continue to improve outcomes whilst also being economically sustainable in the face of the huge pressure on the sector. This programme had a savings target of £7.6m over two years, but delivery in 2020/21 was severely impacted by COVID-19. A full review of what opportunities identified by the programme remain deliverable is taking place, but initial estimates suggest part of the saving is permanently impaired. This will be updated as the review concludes. In later years, the effect of the Preparing for Adulthood workstream will continue to have an effect by reducing the level of demand on services from young people transitioning into adulthood.	Adults
A/R.6.177	Cambridgeshire Lifeline Project	-	-10	-122	-50	-	- The aim of this project is for Cambridgeshire Technology Enabled Care (TEC) to become a Lifeline provider so that the income from the charges to customers funds the provision of the Lifeline service, as well as additional savings.	Adults
A/R.6.179	Mental Health Commissioning	-24	-24	-	-	-	- A retender of supported living contracts gives an opportunity to increase capacity and prevent escalation to higher cost services, over several years. In addition, a number of contract changes took place in 2019/20 that have enabled a saving to be taken.	Adults
A/R.6.180	Review of commissioning approaches for accommodation based care	-175	-175	-	-	-	- We are exploring alternative models of delivery for residential and nursing care provision, including a tenancy based model that should deliver savings to the council.	Adults
A/R.6.181	Review of commissioned domiciliary care	300	-	-	-	-	- A saving was identified for 2020/21 around reviewing packages of domiciliary care to ensure that they were appropriate to meet people's needs. Following the impact of the COVID-19 pandemic, this saving is no longer achievable. The pandemic has highlighted that domiciliary care needs to be commissioned in a more outcomes focussed way, which minimises the savings opportunity originally identified. A further efficiency should be achieved once outcome focussed commissioning is established.	Adults

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
A/R.6.184	Revised commissioning approach for interim bed provision	-150	-	-	-	-	- Provision of interim beds, particularly in older people's services, is being reviewed. A new approach to interim bed provision should reduce delayed discharges from hospital and improve the reablement of people on leaving hospital. Therefore, more people will be able to return home instead of needing permanent residential or nursing care.	Adults
A/R.6.185	Additional block beds - inflation saving	-412	-470	-	-	-	- Through commissioning additional block beds, referred to in A/R.5.005, we can reduce the amount of inflation funding needed for residential and nursing care. Block contracts have set uplifts each year, rather than seeing inflationary increases each time new spot places are commissioned.	Adults
A/R.6.255	C&YP Children in Care - Placement composition and reduction in numbers	-246	-	-	-	-	- Through a mixture of continued recruitment of our own foster carers (thus reducing our use of Independent Foster Agencies) and a reduction in overall numbers of children in care, overall costs of looking after children and young people can be reduced in 2021/22.	C&YP
A/R.6.266	Children in Care Stretch Target - Demand Management	-1,000	-	-	-	-	- Please see A/R.6.255 above.	C&YP
A/R.6.267	Children's Disability 0-25 Service	-50	-100	-100	-	-	- The Children's Disability 0-25 service has been restructured into teams (from units) to align with the structure in the rest of children's social care. This has released a £50k saving on staffing budgets. In future years, ways to reduce expenditure on providing services to children will be explored in order to bring our costs down to a level closer to that of our statistical neighbours.	C&YP
6.999	Subtotal Savings	-938	-879	-322	-50	-		
	TOTAL GROSS EXPENDITURE	496,221	520,062	543,838	567,683	591,670		
7	FEES, CHARGES & RING-FENCED GRANTS							
A/R.7.001	Previous year's fees, charges & ring-fenced grants	-186,208	-184,443	-185,137	-185,817	-186,324	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.	C&P, C&YP, Adults
A/R.7.003	Fees and charges inflation	-497	-504	-501	-507	-514	Increase in external charges to reflect inflation pressures on the costs of services.	C&P, C&YP, Adults
A/R.7.107	Changes to fees & charges Scenario (A) - Education income	107	-107	-	-	-	- In scenario A it is assumed that there will be a reduction in various traded income streams across Education.	C&YP
A/R.7.108	Scenario (A) - Outdoor Centres	378	-264	-114	-	-	- In scenario A we expect some reduction in the level of income received across the Cambridgeshire Outdoor Centres.	C&YP
A/R.7.109	Scenario (A) - School Absence Penalty Notices	48	-48	-	-	-	- In scenario A we assume a small reduction in penalty notice income.	C&YP
A/R.7.110	Scenario (A) - Registration Service	129	-64	-65	-	-	- In scenario A it is assumed that we will see a reduced number of weddings and civil partnerships in the early part of 2021-22 resulting in a corresponding reduction in income.	C&P
A/R.7.201	Changes to ring-fenced grants Change in Public Health Grant	-	293	-	-	-	- Change in ring-fenced Public Health grant to reflect expected treatment as a corporate grant from 2022-23, due to removal of ring-fence.	C&P, C&YP, Adults
A/R.7.205	Strengthening Families Protecting Children Grant	1,600	-	-	-	-	- To improve work with families and safely reduce the number of children entering care through adopting the Family Safeguarding approach	C&YP
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-184,443	-185,137	-185,817	-186,324	-186,838		
	TOTAL NET EXPENDITURE	311,778	334,925	358,021	381,359	404,832		

Section 3 - A: People and Communities

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
A/R.8.001	Budget Allocation	-311,778	-334,925	-358,021	-381,359	-404,832	Net spend funded from general grants, business rates and Council Tax.	C&P, C&YP, Adults
A/R.8.002	Fees & Charges	-60,985	-61,972	-62,652	-63,159	-63,673	Fees and charges for the provision of services.	C&P, C&YP, Adults
A/R.8.003	Expected income from Cambridgeshire Maintained Schools	-7,783	-7,783	-7,783	-7,783	-7,783	Expected income from Cambridgeshire maintained schools.	C&YP
A/R.8.004	Dedicated Schools Grant (DSG)	-75,849	-75,849	-75,849	-75,849	-75,849	Elements of the DSG centrally managed by P&C to support High Needs and central services.	C&YP
A/R.8.005	Better Care Fund (BCF) Allocation for Social Care	-16,950	-16,950	-16,950	-16,950	-16,950	The NHS and County Council pool budgets through the Better Care Fund (BCF), promoting joint working. This line shows the revenue funding flowing from the BCF into Social Care.	Adults
A/R.8.007	Youth Justice Board Good Practice Grant	-500	-500	-500	-500	-500	Youth Justice Board Good Practice Grant.	C&YP
A/R.8.009	Social Care in Prisons Grant	-339	-339	-339	-339	-339	Care Act New Burdens funding.	Adults
A/R.8.011	Improved Better Care Fund	-14,725	-14,725	-14,725	-14,725	-14,725	Improved Better Care Fund grant.	Adults
A/R.8.012	Education and Skills Funding Agency Grant	-2,080	-2,080	-2,080	-2,080	-2,080	Ring-fenced grant funding for the Adult Learning and Skills service.	C&P
A/R.8.015	Staying Put Implementation Grant	-175	-175	-175	-175	-175	DfE funding to support young people to continue to live with their former foster carers once they turn 18	C&YP
A/R.8.016	Unaccompanied Asylum Seeking Children (UASC)	-3,400	-3,400	-3,400	-3,400	-3,400	Home Office funding to reimburse costs incurred in supporting and caring for unaccompanied asylum seeking children	C&YP
A/R.8.018	Pupil Premium Grant	-1,364	-1,364	-1,364	-1,364	-1,364	Deployment of Pupil Premium Grant to support the learning outcomes of care experienced children	C&YP
A/R.8.401	Public Health Funding	-293	-	-	-	-	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	C&P, C&YP, Adults
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-496,221	-520,062	-543,838	-567,683	-591,670		

Section 3 - B: Place and Economy

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
1	OPENING GROSS EXPENDITURE	90,241	93,018	94,624	98,309	102,182		
B/R.1.001	Base adjustments	-22	-	-	-	-	- Adjustment for permanent changes to base budget from decisions made in 2020-21.	E&S, H&T
1.999	REVISED OPENING GROSS EXPENDITURE	90,219	93,018	94,624	98,309	102,182		
2	INFLATION							
B/R.2.001	Inflation	1,071	1,631	2,387	2,605	2,714	Some County Council services have higher rates of inflation than the national level. For example, this is due to factors such as increasing oil costs that feed through into services like road repairs. This overall figure comes from an assessment of likely inflation in all P&E services.	E&S, H&T
2.999	Subtotal Inflation	1,071	1,631	2,387	2,605	2,714		
3	DEMOGRAPHY AND DEMAND							
B/R.3.007	Waste Disposal	142	271	298	268	240	Extra cost of landfilling additional waste produced by an increasing population.	E&S, H&T
B/R.3.008	Scenario (A) - Waste Disposal demand	638	-	-	-	-	- A mixture of pressures due to COVID-19. These include restricted use of Household Waste recycling centres, recycling levels higher than normal, a loss of trade waste income and possible shutdown of the Waste MBT plant due to COVID-19.	E&S, H&T
3.999	Subtotal Demography and Demand	780	271	298	268	240		
4	PRESSURES							
B/R.4.009	Cambridgeshire and Peterborough Minerals and Waste Local Plan	-54	-	-	-	-	- This is the removal of the short-term investment made in previous years. Work was undertaken on a new Minerals and Waste Plan with Peterborough City Council.	E&S, H&T
B/R.4.013	Guided Busway Defects	-	-1,300	-	-	-	- This is the removal of the short-term investment made in previous years. The Council is in dispute with the contractor over defects in the busway construction. This was to fund repairs to defects and legal costs in support of the Council's legal action against the Contractor. The Council expects to recover these costs.	H&T
4.999	Subtotal Pressures	-54	-1,300	-	-	-		
5	INVESTMENTS							
B/R.5.104	Investment in Highways Services	1,000	1,000	1,000	1,000	-	- Investment in Highways Services to increase funding for proactive treatment and maintenance of roads, bridges and footpaths.	H&T
5.999	Subtotal Investments	1,000	1,000	1,000	1,000	-		
6	SAVINGS							
B/R.6.214	H&I Street Lighting - contract synergies	2	4	-	-	-	- Every year the budget is changed to reflect the level of synergy savings which will be achieved from the joint contract. This will not lead to any reduction in street lighting provision.	H&T
6.999	Subtotal Savings	2	4	-	-	-		
	TOTAL GROSS EXPENDITURE	93,018	94,624	98,309	102,182	105,136		

Section 3 - B: Place and Economy

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
7	FEES, CHARGES & RING-FENCED GRANTS							
B/R.7.001	Previous year's fees, charges & ring-fenced grants	-33,771	-31,098	-32,832	-34,688	-34,995	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.	E&S, H&T
B/R.7.002	Fees and charges inflation	-183	-129	-130	-134	-138	Additional income for increases to fees and charges in line with inflation, not including the effect of the Combined Authority Levy.	E&S, H&T
B/R.7.004	Inflation on Levy charged to the Combined Authority	-257	-168	-170	-173	-177	Inflation of the Combined Authority Levy - this is matched to the inflation in P&E expenditure for which the Combined Authority are billed.	E&S, H&T
B/R.7.121	Changes to fees & charges Scenario (A) - Park & Ride	300	-150	-150	-	-	- Government COVID-19 grant to bus service operators ends and only a small recovery in Park & Ride contractual income and other ad hoc income.	H&T
B/R.7.122	Scenario (A) - Guided Busway	400	-200	-200	-	-	- Government COVID-19 grant to bus service operators ends and reduction in services.	H&T
B/R.7.123	Scenario (A) - Traffic Management	603	-302	-301	-	-	- Expected reduction in traffic management service income including streetworks permits, licences and policy regulation fees.	H&T
B/R.7.124	Scenario (A) - Parking	1,000	-500	-500	-	-	- Demand for on street parking expected to be less than previous years. Also less income from Parking enforcement.	H&T
B/R.7.125	Scenario (A) - Bus Lane Enforcement	500	-250	-250	-	-	- Bus lane enforcement income projected to only recover to 75% of previous levels.	H&T
B/R.7.126	Scenario (A) - Other	310	-155	-155	-	-	- Expected reduction in income including planning fees, planning monitoring income, search fees and income for historic environment services.	E&S, H&T
B/R.7.202	Changes to ring-fenced grants Change in Public Health Grant	-	120	-	-	-	- Change in ring-fenced Public Health grant to reflect change of function and expected treatment as a corporate grant from 2022-23 due to removal of ring-fence.	E&S, H&T
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-31,098	-32,832	-34,688	-34,995	-35,310		
	TOTAL NET EXPENDITURE	61,920	61,792	63,621	67,187	69,826		
FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
B/R.8.001	Budget Allocation	-61,920	-61,792	-63,621	-67,187	-69,826	Net spend funded from general grants, business rates and Council Tax.	E&S, H&T
B/R.8.002	Public Health Grant	-120	-	-	-	-	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	E&S, H&T
B/R.8.003	Fees & Charges	-24,210	-26,064	-27,920	-28,227	-28,542	Fees and charges for the provision of services.	E&S, H&T
B/R.8.004	PFI Grant - Street Lighting	-3,944	-3,944	-3,944	-3,944	-3,944	PFI Grant from DfT for the life of the project.	H&T
B/R.8.005	PFI Grant - Waste	-2,611	-2,611	-2,611	-2,611	-2,611	PFI Grant from DEFRA for the life of the project.	E&S, H&T
B/R.8.007	Bikeability Grant	-213	-213	-213	-213	-213	DfT funding for the Bikeability cycle training programme	H&T
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-93,018	-94,624	-98,309	-102,182	-105,136		

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
1	OPENING GROSS EXPENDITURE	33,338	-2,941	-11,735	-24,697	-37,935		
C/R.1.001	Base Adjustments	22	-	-	-	-	- Adjustment for permanent changes to base budget from decisions made in 2020-21.	GPC
1.999	REVISED OPENING GROSS EXPENDITURE	33,360	-2,941	-11,735	-24,697	-37,935		
2	INFLATION							
C/R.2.001	Inflation	326	248	251	252	252	Some services have higher rates of inflation than the national level. For example, this is due to factors such as increasing running costs of Council properties. This overall figure comes from an assessment of likely inflation in all Corporate services. Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.	GPC
C/R.2.002	Provision for administrative staff pay award	-424	-	-	-	-	- A budget provision for the administrative staff pay award was held centrally in 2020-21 as a one-off measure due to uncertainty around the national pay settlement at the point at which the budget was set. Inflationary increases have instead been provided for within individual service budgets in 2021-22 and reflect the national settlement awarded in 2020-21.	GPC
2.999	Subtotal Inflation	-98	248	251	252	252		
3	DEMOGRAPHY AND DEMAND							
3.999	Subtotal Demography and Demand	-	-	-	-	-		
4	PRESSURES							
C/R.4.001	Repatriation of LGSS services	750	-	-	-	-	- Cost of services for which responsibility is to move out of LGSS and into Corporate Services. With the move to the majority of staff working remotely in response to the COVID-19 Pandemic, we have seen a 200% increase in the use of data and a 300% increase in the use of Voice. If a higher level of remote working continues into next year the cost will remain high.	GPC
C/R.4.018	IT - Continued Remote Working	420	-420	-	-	-	- When the Mobile Contract was originally let in May 2015, CCC had 3,459. In the paper presented to GPC it was agreed that new connections would require funding to be agreed through Business Planning. Currently CCC has 11,583, having added 1,500 connections since March 20. There has never been additional funding provided since the contract was let.	GPC
C/R.4.019	IT - New Connections	102	-	-	-	-		GPC
4.999	Subtotal Pressures	1,272	-420	-	-	-		
5	INVESTMENTS							
C/R.5.002	Demand risk in social care	-	-1,300	-	-	-	- Demand is expected to increase for both adult and children's social care services over the medium term. There are some ambitious plans to mitigate this through the Adults Positive Challenge Programme and the Children in Care strategy, but there remains a risk that this does not work quickly enough. This line provides some further short-term mitigation should that be the case, to be offset as the demand management work delivers over a longer time period.	GPC
C/R.5.108	Financing the Energy Investment Unit	-	-224	-	-	-	- A Transformation Fund investment to support the development of strategic energy policy, market shaping approaches and a growing portfolio of sustainable energy projects, helping the Council to deliver its target of net zero carbon emissions for Cambridgeshire by 2050.	GPC

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
C/R.5.109	Financing the Commercial Team	-257	-	-	-	-	- A Transformation Fund investment in establishing a Commercial Team to provide additional capacity and expertise to deliver the 2019 - 2021 Commercial Strategy.	GPC
C/R.5.110	Home to Schools and Adults Social Care Transport	-58	-71	-	-	-	- A Transformation Fund investment in specialist capacity to support a review of transport policy, processes and procedures across services and to develop and embed an Independent Travel Training Programme.	GPC
C/R.5.111	Learning Disability Partnership Pooled Budget Review	-300	-	-	-	-	- Dedicated capacity to review the level of health needs of people within the Learning Disability Partnership.	GPC
C/R.5.112	Developing a joint approach for preventing and addressing adolescent risk	-28	-	-	-	-	- Developing a joint approach for preventing and addressing adolescent risk through a unique and innovative model that supports our most vulnerable children and young people with the intention of dramatically improving their life chances.	GPC
C/R.5.113	Demand Management in Special Educational Needs and Disability (SEND)	-80	-	-	-	-	- An investment to fund specialist capacity within the SEND service to explore different ways of working in order to manage demand for specialist services.	GPC
C/R.5.114	Increase in Financial Assessment Team capacity	-89	-64	-	-	-	- Increase in Financial Assessment Team capacity to enable delivery of revised contributions policy approved by Adults Committee in January 2020.	GPC
C/R.5.115	Think Communities - Creating a Unified Approach	658	370	-1,028	-	-	- Investment in our approach to Think Communities, sustaining the infrastructure that has been developed during the pandemic, subject to consideration by the September GPC.	GPC
C/R.5.901	Reversal of 18-19 Transformation Fund Investments	-142	-143	-	-	-	- Transformation funded projects are provided with investments for 1-3 years in order to deliver ongoing savings. This is the reversal of the investment for schemes funded in 2018-19. It is anticipated that further transformation funds will come through for funding in 2019-20.	GPC
C/R.5.902	Removal of 19-20 Transformation Fund Investments	-3,738	-	-	-	-	- Transformation funded projects are provided with investments for 1-3 years in order to deliver ongoing savings. This is the reversal of the investment for schemes funded in 2019-20. It is anticipated that further transformation funds will come through for funding in 2020-21.	GPC
C/R.5.953	Greater Cambridge Partnership's Revenue Costs	-645	-	-	-	-	- The Council's contribution to the Greater Cambridge Partnership's revenue costs funded by the growth in New Homes Bonus, revised following a reduction in the number of payment years.	GPC
5.999	Subtotal Investments	-4,679	-1,432	-1,028	-	-		
6	SAVINGS							
6.999	Subtotal Savings	-	-	-	-	-		
	UNIDENTIFIED SAVINGS TO BALANCE BUDGET	-32,796	-7,190	-12,185	-13,490	-9,990		
	TOTAL GROSS EXPENDITURE	-2,941	-11,735	-24,697	-37,935	-47,673		
7	FEES, CHARGES & RING-FENCED GRANTS							
C/R.7.001	Previous year's fees, charges & ring-fenced grants	-3,898	-3,924	-4,400	-4,427	-4,454	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.	GPC
C/R.7.003	Fees and charges inflation	-26	-27	-27	-27	-28	Uplift in external charges to reflect inflation pressures on the costs of services.	GPC
C/R.7.004	Transfer of Function: Repatriation of Professional Finance and Democratic Services	-	-	-	-	-	- Repatriation of Professional Finance and Democratic Services from LGSS	GPC

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Outline Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
C/R.7.101	Changes to fees & charges Council Tax: Counter Fraud & Compliance	-	-650	-	-	-	-	-	-	-	-	- We will seek to work with Cambridgeshire District Councils to develop a joint action plan to increase the Council tax collected in Cambridgeshire. We will invest in more effective identification of fraudulent or incorrectly claimed Council tax discounts and in compliance activity to ensure residents are paying the correct levels of Council tax. We will establish a gain sharing mechanism to ensure that extra income generated as a result of the scheme is shared fairly between District Councils and the County Council.	GPC
C/R.7.201	Changes to ring-fenced grants Change in Public Health Grant	-	201	-	-	-	-	-	-	-	-	- Change in ring-fenced Public Health grant to reflect expected treatment as a corporate grant from 2022-23 due to removal of ring-fence.	GPC
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-3,924	-4,400	-4,427	-4,454	-4,482							
	TOTAL NET EXPENDITURE	-6,865	-16,135	-29,124	-42,389	-52,155							
FUNDING SOURCES													
8	FUNDING OF GROSS EXPENDITURE												
C/R.8.001	Budget Allocation	6,865	16,135	29,124	42,389	52,155						Net spend funded from general grants, business rates and Council Tax.	GPC
C/R.8.002	Public Health Grant	-201	-	-	-	-						Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	GPC
C/R.8.003	Fees & Charges	-3,723	-4,400	-4,427	-4,454	-4,482						Fees and charges for the provision of services.	GPC
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	2,941	11,735	24,697	37,935	47,673							

Section 3 - C: Corporate and Managed Services

Table 6: Revenue - Financing Debt Charges Overview

Budget Period: 2021-22 to 2025-26

Detailed Plans	Outline Plans
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Ref	Title	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Description	Committee
1	OPENING GROSS EXPENDITURE	29,570	34,274	33,425	34,856	37,380		
1.999	REVISED OPENING GROSS EXPENDITURE	29,570	34,274	33,425	34,856	37,380		
2	INFLATION							
2.999	Subtotal Inflation	-	-	-	-	-		
3	DEMOGRAPHY AND DEMAND							
3.999	Subtotal Demography and Demand	-	-	-	-	-		
4	PRESSURES							
4.999	Subtotal Pressures	-	-	-	-	-		
5	INVESTMENTS							
G/R.5.001	Revenue impact of Capital decisions	2,429	-20	1,262	2,355	-	- Change in borrowing costs as a result of changes to levels of prudential borrowing in the capital programme.	GPC
5.999	Subtotal Investments	2,429	-20	1,262	2,355	-		
6	SAVINGS							
G/R.6.003	MRP: Accountable Body	934	-1,039	-	-	-	- As Accountable Body the Council incurs certain administrative costs in undertaking this role. However it also holds the cash on an interim basis pending utilisation by those parties. The Council maximises the use of these resources whilst not detrimentally affecting those resources. This is only possible where the body or partnership does not use the funds that have been awarded in the financial year in which they are provided. This is an adverse effect, it is the reversal of savings made in previous years as the cash received in prior years is utilised by the parties for whom we hold the funds and can no longer be used to offset borrowing requirements	GPC
G/R.6.004	Capitalisation of interest on borrowing	1,341	210	169	169	-	- Through a change in the Council's accounting policy in 2017-18, the cost of borrowing within all schemes will be capitalised. This will help to better reflect the cost of assets when they actually become operational.	GPC
6.999	Subtotal Savings	2,275	-829	169	169	-		
	TOTAL GROSS EXPENDITURE	34,274	33,425	34,856	37,380	37,380		
7	FEES, CHARGES & RING-FENCED GRANTS							
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-	-	-	-	-		
	TOTAL NET EXPENDITURE	34,274	33,425	34,856	37,380	37,380		

Section 3 - C: Corporate and Managed Services

Table 6: Revenue - Financing Debt Charges Overview

Budget Period: 2021-22 to 2025-26

Detailed Plans	Outline Plans
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Ref	Title	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Description	Committee
FUNDING SOURCES								
8 G/R.8.101	FUNDING OF GROSS EXPENDITURE Budget Allocation	-34,274	-33,425	-34,856	-37,380	-37,380	Net spend funded from general grants, business rates and Council Tax.	GPC
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-34,274	-33,425	-34,856	-37,380	-37,380		

Section 3 - D: LGSS - Cambridge Office

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Outline Plans					Description	Committee	
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000			
1	OPENING GROSS EXPENDITURE	14,060	14,390	14,650	14,910	15,171								
1.999	REVISED OPENING GROSS EXPENDITURE	14,060	14,390	14,650	14,910	15,171								
2 D/R.2.001	INFLATION Inflation	330	260	260	261	262						Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.		LGSS JC
2.999	Subtotal Inflation	330	260	260	261	262								
3	DEMOGRAPHY AND DEMAND													
3.999	Subtotal Demography and Demand	-	-	-	-	-								
4	PRESSURES													
4.999	Subtotal Pressures	-	-	-	-	-								
5	INVESTMENTS													
5.999	Subtotal Investments	-	-	-	-	-								
6	SAVINGS													
6.999	Subtotal Savings	-	-	-	-	-								
	TOTAL GROSS EXPENDITURE	14,390	14,650	14,910	15,171	15,433								
7 D/R.7.001	FEES, CHARGES & RING-FENCED GRANTS Previous year's fees, charges & ring-fenced grants	-7,774	-7,798	-7,602	-7,624	-7,646						Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.		LGSS JC
D/R.7.002	Fees and charges inflation	-24	-24	-22	-22	-23						Uplift in external charges to reflect inflation pressures on the costs of services.		LGSS JC
D/R.7.201	Changes to fees & charges Change in Public Health Grant	-	220	-	-	-						Change in ring-fenced Public Health grant to reflect expected treatment as a corporate grant from 2022-23 due to removal of ring-fence.		LGSS JC
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-7,798	-7,602	-7,624	-7,646	-7,669								
	TOTAL NET EXPENDITURE	6,592	7,048	7,286	7,525	7,764								

Section 3 - D: LGSS - Cambridge Office

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
D/R.8.001	Budget Allocation	-6,592	-7,048	-7,286	-7,525	-7,764	Net spend funded from general grants, business rates and Council Tax.	LGSS JC
D/R.8.003	Fees & Charges	-7,578	-7,602	-7,624	-7,646	-7,669	Fees and charges for the provision of services.	LGSS JC
D/R.8.004	Public Health Grant	-220	-	-	-	-	- Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	LGSS JC
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-14,390	-14,650	-14,910	-15,171	-15,433		

Section 3 - E: Public Health

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Detailed Plans	Outline Plans
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Ref	Title	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Description	Committee
1	OPENING GROSS EXPENDITURE	25,666	26,851	26,894	26,936	26,978		
E/R.1.002	New Public Health burdens in 2020/21	1,193	-	-	-	-	The increase in the Public Health Grant in 2020/21 has been mostly committed to fund a number of new burdens around pay increases in NHS providers.	Health
1.999	REVISED OPENING GROSS EXPENDITURE	26,859	26,851	26,894	26,936	26,978		
2	INFLATION							
E/R.2.001	Inflation	55	43	42	42	42	Forecast pressure from inflation in the Public Health Directorate, excluding inflation on any costs linked to the standard rate of inflation where the inflation rate is assumed to be 0%. Inflation appears low due to the majority of public health spend being committed to external contracts. Providers are expected to meet inflationary and demographic pressures within the agreed contract envelope.	Health
2.999	Subtotal Inflation	55	43	42	42	42		
3	DEMOGRAPHY AND DEMAND							
3.999	Subtotal Demography and Demand	-	-	-	-	-		
4	PRESSURES							
4.999	Subtotal Pressures	-	-	-	-	-		
5	INVESTMENTS							
5.999	Subtotal Investments	-	-	-	-	-		
6	SAVINGS							
E/R.6.033	Health Drug & Alcohol service - funding reduction built in to new service contract	-63	-	-	-	-	This saving has been built into the contract for Adult Drug and Alcohol Treatment Services which was awarded to Change Grow Live (CGL) and implemented in October 2018. The savings are being achieved through a new service model with strengthened recovery services using cost effective peer support models to avoid readmission, different staffing models, and a mobile outreach service.	Health
6.999	Subtotal Savings	-63	-	-	-	-		
	TOTAL GROSS EXPENDITURE	26,851	26,894	26,936	26,978	27,020		
7	FEES, CHARGES & RING-FENCED GRANTS							
E/R.7.001	Previous year's fees, charges & ring-fenced grants	-25,666	-26,851	-446	-454	-462	Fees and charges expected to be received for services provided and Public Health ring-fenced grant from Government.	Health
E/R.7.003	Fees and Charges Inflation	-8	-9	-8	-8	-8	Inflation on external income.	Health

Section 3 - E: Public Health

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Detailed Plans	Outline Plans
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Ref	Title	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Description	Committee
E/R.7.200	Changes to fees & charges Previous year's Public Health Grant increase	-1,177	-	-	-	-	- Due to late announcement of the Public Health Grant uplift, the 2020-25 business plan did not include a budget adjustment for it. This line corrects the starting point for 2021/22. - It is assumed that the Public Health Grant will remain at its 2020/21 level, and that the ring-fence will be removed in 2022/23.	Health
E/R.7.201	Change in Public Health Grant	-	26,414	-	-	-		Health
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-26,851	-446	-454	-462	-470		
	TOTAL NET EXPENDITURE	-	26,448	26,482	26,516	26,550		

FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
E/R.8.001	Budget Allocation	-	-26,448	-26,482	-26,516	-26,550	Net spend funded from general grants, business rates and Council Tax.	Health
E/R.8.101	Public Health Grant	-26,414	-	-	-	-	Direct expenditure funded from Public Health grant. As the ring-fence is assumed to be removed in 2022/23, the grant will be treated corporately and replaced with budget allocation for Public Health services.	Health
E/R.8.102	Fees & Charges	-437	-446	-454	-462	-470	Income generation (various sources).	Health
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-26,851	-26,894	-26,936	-26,978	-27,020		

Section 3 - F: Commercial and Investments

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Detailed Plans	Outline Plans
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Ref	Title	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Description	Committee
1	OPENING GROSS EXPENDITURE	22,678	22,263	25,526	26,045	26,182		
F/R.1.003	Commercial Team	258	-	-	-	-	Establishment of a dedicated commercial resource to deliver the Council's Commercial Strategy; the Commercial Team will be base funded from 2021-22.	C&I
1.999	REVISED OPENING GROSS EXPENDITURE	22,936	22,263	25,526	26,045	26,182		
2	INFLATION							
F/R.2.001	Inflation	229	162	164	189	221	Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.	C&I
2.999	Subtotal Inflation	229	162	164	189	221		
3	DEMOGRAPHY AND DEMAND							
3.999	Subtotal Demography and Demand	-	-	-	-	-		
4	PRESSURES							
F/R.4.001	East Barnwell Community Centre	100	-	-	-	-	- Operating costs for the proposed new community centre in East Barnwell, Cambridge.	C&I
F/R.4.007	LGSS Law dividend expectation	-	-	-96	-	-	LGSS Law Ltd was in deficit in 2017-18 and 2018-19, and the company has retained losses as result. Following significant changes including improvements in fee earner utilisation and in management and direction, the company has returned to profitability in 2020, however this line reflects that a dividend is unlikely to be payable from the company before 2024. The primary financial purpose of the company is to provide cost effective services, which is achieved through fees, rather than the delivery of dividend.	C&I
F/R.4.008	Spokes buildings operating costs	115	-	-	-	-	The acquisition, development and change of use of spokes buildings will lead to an increase in the operating costs of those buildings. This will be offset by the savings from the Cambs 2020 programme in 2021-22 (Bernard Sunley & Eastfield House).	C&I
F/R.4.010	St Ives Smart Energy Grid - operating costs	-	39	1	1	1	The Council is building a Smart Energy Grid at the St Ives Park & Ride site, capital project reference F/C.2.118. These are the expected operating costs.	C&I
F/R.4.011	Babraham Smart Energy Grid - operating costs	-	45	2	3	3	The Council is building a Smart Energy Grid at the Babraham Park & Ride site, capital project reference F/C.2.119. These are the expected operating costs.	C&I
F/R.4.012	Trumpington Smart Energy Grid - operating costs	-	-	63	2	2	The Council is building a Smart Energy Grid at the Trumpington Park & Ride site, capital project reference F/C.2.120. These are the expected operating costs.	C&I
F/R.4.013	Stanground Closed Landfill Site - operating costs	-	120	3	3	3	The Council is installing a solar park facility and battery storage system at the Stanground closed landfill site, capital project reference F/C.2.121. These are the expected operating costs.	C&I
F/R.4.014	Woodston Closed Landfill Site - operating costs	-	48	1	2	2	The Council is installing a solar park facility and battery storage system at the Woodston closed landfill site, capital project reference F/C.2.122. These are the expected operating costs.	C&I
F/R.4.015	North Angle Solar Farm, Soham - operating costs	-	499	14	15	15	The Council is installing a solar park facility at North Angle Farm, Soham, capital project reference F/C.2.123. These are the expected operating costs.	C&I
F/R.4.017	Babbage House dilapidation costs	-190	-	-	-	-	One-off repair and reinstatement costs associated with restoring Babbage House to its original pre-let state following the end of the Council's tenancy.	C&I

Section 3 - F: Commercial and Investments

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
F/R.4.903	Renewable Energy - Soham	5	40	6	6	-	Operating costs associated with the capital investment in Renewable Energy, at the Soham Solar Farm. Links to capital proposal C/C.2.102 in BP 2016-17.	C&I
4.999	Subtotal Pressures	30	791	-6	32	19		
5	INVESTMENTS							
F/R.5.001	Invest to Save Housing Schemes - Interest Costs	-79	-	-	-	-	Revenue costs associated with the development of the Cambridge Housing and Investment Company in order to generate long-term income streams.	C&I
F/R.5.002	St Ives Smart Energy Grid - Interest Costs	-	24	72	-1	-1	The Council is building a Smart Energy Grid at St Ives Park & Ride site, capital project reference F/C.2.118. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy.	C&I
F/R.5.003	Babraham Smart Energy Grid - Interest Costs	-	331	-3	-4	-	The Council is building a Smart Energy Grid at the Babraham Park & Ride site, capital project reference F/C.2.119. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy.	C&I
F/R.5.004	Trumpington Smart Energy Grid - Interest Costs	-	-	366	-4	-	The Council is building a Smart Energy Grid at the Trumpington & Ride site, capital project reference F/C.2.120. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy.	C&I
F/R.5.005	Stanground Closed Landfill Site - Interest Costs	-	434	-4	-5	-4	The Council is installing a solar park facility and battery storage system at the Stanground closed landfill site, capital project reference F/C.2.121. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy and provision of grid services.	C&I
F/R.5.006	Woodston Closed Landfill Site - Interest Costs	-	133	-2	-1	-	The Council is installing a solar park facility and battery storage system at the Woodston closed landfill site, capital project reference F/C.2.122. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy and provision of grid services.	C&I
F/R.5.007	North Angle Solar Farm, Soham - Interest Costs	-	1,438	-16	-16	-16	The Council is installing a solar park facility at North Angle Farm, Soham, capital project reference F/C.2.123. These are the expected borrowing costs associated with the scheme to be repaid using income from the sale of energy.	C&I
F/R.5.008	Renewable Energy Soham - Interest Costs	-9	-10	-9	-10	-	The Council has invested in building a solar park at Triangle Farm, Soham. These are the borrowing costs associated with the scheme to be repaid using income from the sale of energy.	C&I
F/R.5.009	Commercial Investments - Interest Costs	-43	-42	-43	-43	-	The Council is developing a portfolio of commercial property investments. These are the associated borrowing costs to be repaid using rental income generated from the leases of these properties.	C&I
5.999	Subtotal Investments	-131	2,308	361	-84	-21		
6	SAVINGS							
F/R.6.003	Babbage House closure	-198	-	-	-	-	The lease on Babbage House is due to end in 2020-21, and will not be renewed.	C&I
F/R.6.108	Energy Efficiency Fund - Repayment of Financing Costs	2	2	-	-	-	Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs. Links to capital proposal B/C.5.029	C&I

Section 3 - F: Commercial and Investments

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans					Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
F/R.6.109	Cambs 2020 Operational Savings	-605	-	-	-	-	Savings to the running costs of corporate buildings as a result of the Cambs 2020 programme.	C&I
6.999	Subtotal Savings	-801	2	-	-	-		
TOTAL GROSS EXPENDITURE		22,263	25,526	26,045	26,182	26,401		
7	FEES, CHARGES & RING-FENCED GRANTS							
F/R.7.001	Previous year's fees, charges & ring-fenced grants	-31,955	-30,971	-35,831	-37,085	-37,912	Previous year's fees and charges for the provision of services and ring-fenced grant funded rolled forward.	C&I
F/R.7.003	Fees and charges inflation	-16	-17	-15	-15	-16	Uplift in external charges to reflect inflation pressures on the cost of services.	C&I
	Changes to fees & charges							
F/R.7.105	Renewable Energy Soham - Income Generation	-13	-13	-14	-13	-	- Income generation resulting from capital investment in solar farm at Soham. Links to capital proposal C/C.2.102 in BP 2016-17.	C&I
F/R.7.113	Invest to Save Housing Schemes - Income Generation	-188	-	-	-	-	- The Council is a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will require CCC to move from being a seller of sites to being a developer of sites, through a Housing Company. In the future, CCC will operate to make best use of sites with development potential in a co-ordinated and planned manner to develop them for a range of development options, generating capital receipts to support site development and significant revenue and capital income to support services and communities.	C&I
F/R.7.114	St Ives Smart Energy Grid - Income Generation	-	-117	-5	-6	-6	- The Council is building a Smart Energy Grid at St Ives Park & Ride site, capital project reference F/C.2.118. This is the expected income to be generated from the sale of energy.	C&I
F/R.7.116	Babraham Smart Energy Grid - Income Generation	-	-304	-16	-18	-	- The Council is building a Smart Energy Grid at the Babraham Park & Ride site, capital project reference F/C.2.119. This is the expected income to be generated from the sale of energy.	C&I
F/R.7.118	Trumpington Smart Energy Grid - Income Generation	-	-	-463	-15	-	- The Council is building a Smart Energy Grid at the Trumpington Park & Ride site, capital project reference F/C.2.120. This is the expected income to be generated from the sale of energy.	C&I
F/R.7.120	Stanground Closed Landfill Site - Income Generation	-	-510	-23	-24	-25	- The Council is installing a solar park facility and battery storage system at the Stanground closed landfill site, capital project reference F/C.2.121. This is the expected income to be generated from the sale of energy and provision of grid services.	C&I
F/R.7.122	Woodston Closed Landfill Site - Income Generation	-	-380	50	12	-	- The Council is installing a solar park facility and battery storage system at the Woodston closed landfill site, capital project reference F/C.2.122. This is the expected income to be generated from the sale of energy and provision of grid services.	C&I
F/R.7.125	North Angle Solar Farm, Soham - Income Generation	-	-2,362	-78	-80	-82	- The Council is installing a solar park facility at North Angle Farm, Soham, capital project reference F/C.2.123. This is the expected income to be generated from the sale of energy.	C&I
F/R.7.127	County Farms - Commercial uses	-250	-175	-	-	-	- Conversion of barns on the County Farms Estate for non-agricultural commercial uses, including storage and distribution.	C&I
F/R.7.131	Commercial Income	-758	-500	-750	-750	-	- Commercial return from the Council's Commercial Strategy, to be generated by the newly established Commercial Team.	C&I
F/R.7.132	Shire Hall Car Park Income	126	-	-	-	-	- Loss of income due to the closure of the Shire Hall site car park.	C&I
F/R.7.133	Scenario (A) - Cromwell Leisure	205	-171	-30	-	-	- Cromwell Leisure consists of a cinema unit and three restaurant units. This scenario forecasts that in the current climate the 2 restaurant units remain empty in 2021-22. Carter Jonas will market these units with the expectation that they will be re-let in 2022-23. 100% rental income would be received in 2023-24.	C&I

Section 3 - F: Commercial and Investments

Table 3: Revenue - Overview
Budget Period: 2021-22 to 2025-26

Ref	Title	Detailed Plans		Outline Plans			Description	Committee
		2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000		
F/R.7.134	Scenario (A) - County Farms	205	87	-117	-175		- An additional income from the County Farms Estate was included in the 2020-21 Business Plan, £250k - 2021-22 and £175k - 2022-23. Specifically this was to identify buildings for development which could be let at a higher value. This scenario forecasts a reduction in income from new investments and a small decline in existing income due to COVID-19.	C&I
F/R.7.135	Scenario (A) - Pooled Property Fund Investment	21	-21	-	-		- The Pooled Property Fund Investment (CCLA) is expected to start recovery in late 2020-21, but with the risk of further challenges ahead a forecast of 5% income reduction is likely.	C&I
F/R.7.136	Scenario (A) - Multi-Class-Credit	580	-320	-	-		- The impact of COVID-19 on fund assets and the Council's requirements for a high level of Environment, Social and Governance (ESG) criteria have resulted in updated forecasts for this asset with an overall reduction in the value of the returns from 5.7% to 4.4%.	C&I
F/R.7.137	Scenario (A) - Brunswick House	423	-208	7	7	6	Brunswick House (BH) has 251 direct let student beds. This scenario is forecasting 1/3 reduction in the occupancy levels in the 2020-21 academic year due to the expectation that some students will stay at home and opt for online learning and a drop in international student numbers is also expected. The 2021-22 academic year occupancy is expected to go back up to 100%.	C&I
F/R.7.138	Scenario (A) - Contract Efficiencies/Contract Management	649	151	200	250		- An additional income of £500k per year is expected across the Commercial Strategy, this scenario forecasts no additional income in 2021-22, 50% 2022-23, 100% 2023-24. Savings expected from renegotiation of contracts is £249k per year, this scenario forecasts £100k in 2021-22, 100% in 2022-23. This will be wholly dependent on the economic response to COVID-19.	C&I
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-30,971	-35,831	-37,085	-37,912	-38,035		
	TOTAL NET EXPENDITURE	-8,708	-10,305	-11,040	-11,730	-11,634		
FUNDING SOURCES								
8	FUNDING OF GROSS EXPENDITURE							
F/R.8.001	Budget Surplus	8,708	10,305	11,040	11,730	11,634	Net surplus from Commercial and Investment activities contributed to funding other Services.	C&I
F/R.8.003	Fees & Charges	-30,189	-35,049	-36,303	-37,130	-37,253	Fees and charges for the provision of services.	C&I
F/R.8.004	Arts Council Funding	-782	-782	-782	-782	-782	Ring-fenced grant from the Arts Council to part-fund Cambridgeshire Music	C&I
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-22,263	-25,526	-26,045	-26,182	-26,401		

Service Committee Review of the draft 2021-22 Capital Programme

To: General Purpose Committee

Meeting Date: 20th October 2020

From: Chief Finance Officer

Electoral divisions(s): All

Forward Plan ref: Not applicable

Key decision: No

Outcome: To present to Committee an overview of the draft Business Plan Capital Programme for Corporate and Managed Services and provide an opportunity to comment.

Recommendation: The Committee is asked to:

- a) Note the overview and context provided for the 2021-22 Capital Programme for Corporate and Managed Services.
- b) Comment on the draft proposals for Corporate and Managed Services' 2021-22 Capital Programme and endorse their development.

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1. Capital Strategy

- 1.1 The Council strives to achieve its vision through delivery of its Business Plan. To assist in delivering the Plan the Council needs to provide, maintain and update long term assets (often referred to as 'fixed assets'), which are defined as those that have an economic life of more than one year. Expenditure on these long term assets is categorised as capital expenditure, and is detailed within the Capital Programme for the Council.
- 1.2 Each year the Council adopts a ten-year rolling capital programme as part of the Business Plan. The very nature of capital planning necessitates alteration and refinement to proposals and funding during the planning period; therefore whilst the early years of the Business Plan provide robust, detailed estimates of schemes, the later years only provide indicative forecasts of the likely infrastructure needs and revenue streams for the Council.
- 1.3 This report forms part of the process set out in the Capital Strategy whereby the Council updates, alters and refines its capital planning over an extended planning period. New schemes are developed by Services and all existing schemes are reviewed and updated as required before being presented to the Capital Programme Board and subsequently Service Committees for further review and development.
- 1.4 An Investment Appraisal of each capital scheme (excluding committed schemes and schemes with 100% ring-fenced funding) is undertaken / revised, which allows schemes within and across all Services to be ranked and prioritised against each other, in light of the finite resources available to fund the overall Programme and in order to ensure the schemes included within the Programme are aligned to assist the Council with achieving its outcomes.

2. Development of the 2021-22 Capital Programme

- 2.1 Prioritisation of schemes (where applicable) is included within this report to be reviewed individually by Service Committees alongside the addition, revision and update of schemes. Prioritisation of schemes across the whole programme will also be reviewed by General Purposes Committee (GPC) in November, before firm spending plans are considered again by Service Committees in December. GPC will review the final overall programme in January, in particular regarding the overall levels of borrowing and financing costs, before recommending the programme as part of the overarching Business Plan for Full Council to consider in February.
- 2.2 The introduction of the Transformation Fund has not impacted on the funding sources available to the Capital Programme as any Invest to Save or Earn schemes will continue to be funded over time by the revenue payback they produce via savings or increased income. This is the most financially sensible option for the Council due to the ability to borrow money for capital schemes and defray the cost of that expenditure to the Council over the life of the asset. However, if a scheme is transformational, then it should also move through the governance process agreed for the transformation programme, in line with all other transformational schemes, but without any funding request to the Transformation Fund.
- 2.3 There are several schemes in progress where work is underway to develop

the scheme, however they are either not sufficiently far enough forward to be able to include any capital estimate within the Business Plan, or a draft set of figures have been included but they are, at this stage, highly indicative. The following are the main schemes that this applies to:

- There is the potential for further capital schemes to be developed as part of the Older People's Accommodation Strategy, in line with the Adults' Committee's previous decision for a blended approach to increasing capacity for residential and nursing care. One element of this is to procure an increase in capacity through a number of new build sites, which has potential for implications for the Council's capital plans through provision of land or other assets, or involvement with construction. The Council is engaged with health partners on these challenges, to maximise a 'one public estate' approach; however, plans are not yet developed sufficiently to include any capital estimate within the Business Plan.

2.4 Where the Covid-19 pandemic is anticipated to have an impact on the costs of a capital scheme and this has been quantified, this has been worked into revised budgets based on the current situation. However, work is still ongoing in some areas to quantify impact, and as such there is the potential for budgets to continue to be revised over the next few months as the situation unfolds. Any further changes to Government guidelines in response to the pandemic, or local lockdowns, would also require further revision of costs/timescales, and therefore capital budgets.

3. Revenue Implications

- 3.1 All capital schemes can have a potential two-fold impact on the revenue position, relating to the cost of borrowing through interest payments and repayment of principal and the ongoing revenue costs or benefits of the scheme. Conversely, not undertaking schemes can also have an impact via needing to provide alternative solutions, such as Home to School Transport (e.g. transporting children to schools with capacity rather than investing in capacity in oversubscribed areas).
- 3.2 The Council is required by the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code for Capital Finance in Local Authorities 2017 to ensure that it undertakes borrowing in an affordable and sustainable manner. In order to ensure that it achieves this, GPC recommends an advisory limit on the annual financing costs of borrowing (debt charges) over the life of the Plan. In order to afford a degree of flexibility from year to year, changes to the phasing of the limit is allowed within any three-year block (starting from 2015-16), so long as the aggregate limit remains unchanged.
- 3.3 For the 2020-21 Business Plan, GPC agreed that this should continue to equate to the level of revenue debt charges as set out in the 2014-15 Business Plan for the next five years (restated to take into account the change to the MRP Policy agreed by GPC in January 2016), and limited to around £39m annually from 2019-20 onwards. GPC are due to set limits for the 2021-22 Business Plan as part of the Capital Strategy review in November.

4. Summary of the draft Capital Programme

4.1 The revised draft Capital Programme is as follows:

Service Block	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
People and Communities	41,010	140,781	91,275	45,777	18,672	33,311
Place and Economy	40,488	21,620	15,206	15,185	15,185	15,200
Corporate and Managed Services	18,038	907	106	-	-	-
Commercial and Investment	63,748	5,412	8,882	5,960	1,000	10,757
Total	163,284	168,720	115,469	66,922	34,857	59,268

4.2 This is anticipated to be funded by the following resources:

Funding Source	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
Grants	27,988	27,145	27,434	32,363	27,938	42,702
Contributions	45,988	69,727	58,628	42,706	3,113	102,672
Capital Receipts	33,386	200	2,200	2,200	2,200	10,000
Borrowing	60,613	68,416	49,053	16,327	1,606	-7,134
Borrowing (Repayable)*	-4,691	3,232	-21,846	-26,674	-	-88,972
Total	163,284	168,720	115,469	66,922	34,857	59,268

* Repayable borrowing nets off to zero over the life of each scheme and is used to bridge timing gaps between delivery of a scheme and receiving other funding to pay for it.

4.3 The following table shows how each Service's borrowing position has changed since the 2020-21 Capital Programme was set:

Service Block	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
People and Communities	-3,566	-15,421	56,864	11,963	-669	3,019	563
Place and Economy	-4,974	12,288	1,830	-	-	-	-
Corporate and Managed Services	1,872	9,302	795	-6	-	-	-
Commercial and Investment	-1,024	20,407	-4,264	5,073	-2,040	-100	-2,676
Corporate and Managed Services – relating to general capital receipts	2,004	-	500	-1,500	-1,500	-1,500	-9,000
Total	-5,688	26,576	55,725	15,530	-4,209	1,419	-11,113

4.4 The table below categorises the reasons for these changes:

Reasons for change in borrowing	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
New	390	1,917	14,094	2,494	4,191	1,980	150
Removed/Ended	-2,265	0	0	0	0	0	0
Minor Changes/Rephasing *	-49,277	-174	31,313	20,907	5,832	840	2,636
Increased Cost (includes rephasing)	10,760	5,342	8,471	4,276	1,983	382	0
Reduced Cost (includes rephasing)	-1,005	4,760	7,620	-9,142	-14,562	-530	0
Change to other funding (includes rephasing)	9,028	15,610	-4,056	-2,715	-1,725	-1,670	-8,759
Variation Budget	26,681	-879	-1,717	-290	72	417	-5,140
Total	-5,688	26,576	55,725	15,530	-4,209	1,419	-11,113

**This does not off-set to zero across the years because the rephasing also relates to pre-2020-21.*

4.5 These revised levels of borrowing will have an impact on the level of debt charges incurred. The debt charges budget is also currently undergoing thorough review of interest rates, internal cash balances, Minimum Revenue Provision charges and estimates of capitalisation of interest – the results of this will be fed into the next round of committee papers on capital.

5. Overview of Corporate and Managed Services' Capital Programme

5.1 The revised draft capital programme for the Corporate and Managed Services is as follows:

	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
Corporate Services	19,194	1,000	-	-	-	-
Managed Services	135	134	132	-	-	-
Transformation	3,218	-	-	-	-	-
Capital Programme Variation	-4,509	-227	-26	-	-	-
Total	18,038	907	106	-	-	-

5.2 It is anticipated to be funded by the following resources:

Funding Source	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	Later Years £'000
Grants	410	-	-	-	-	-
Contributions	5,452	-	-	-	-	-
Capital Receipts	2,587	-	-	-	-	-
Borrowing	9,589	907	106	-	-	-
Total	18,038	907	106	-	-	-

5.3 The full list of Corporate and Managed capital schemes are shown in the draft capital programme at Appendix 1.

5.4 The following changes have been made to existing schemes from the 2020-21 Business Plan:

- IT Strategy: The budget for this scheme has been rephased to reflect the timing of the work. A number of IT Strategy projects have been delayed or have made slower progress than originally planned due to the impact Covid-19 is having on day-to-day operations. This scheme is to be funded from prudential borrowing.
- Data Centre Relocation: The budget for this scheme has been rephased to reflect the timing of the work. Due to the impact of Covid-19 the requirement for connectivity within the Shire Hall campus has been extended which has also resulted in a delay in the move date for the Data Centre. This scheme is to be funded from prudential borrowing.
- Investment in Connecting Cambridgeshire: The budget for this scheme has been increased and rephased to reflect the timing of the work. Due to the nature of the contract with BT, the majority of the costs are being extended with expenditure being incurred into 2021-22. This scheme is to be funded from prudential borrowing, grant funding and other contributions – the increase in budget will be funded by non-borrowing.

6. Alignment with Corporate Priorities

6.1 A good quality of life for everyone

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

6.2 Thriving places for people to live

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

6.3 The best start for Cambridgeshire's children

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

6.4 Net zero carbon emissions for Cambridgeshire by 2050

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

7. Significant Implications

7.1 Resource Implications

The resource implications have been noted within the main body of the report.

7.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

7.3 Statutory, Legal and Risk Implications

There is a risk that capital schemes which are expected to result in revenue income do not deliver the level of income expected.

7.4 Equality and Diversity Implications

There are no significant implications within this category.

7.5 Engagement and Communications Implications

There are no significant implications within this category.

7.6 Localism and Local Member Involvement

Local Members will be engaged where schemes impact on their area and where opportunities for strategic investment arise.

7.7 Public Health Implications

There are no significant implications within this category.

Have the resource implications been cleared by Finance?

Yes, by Ellie Tod

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?

Not applicable

Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?

Not applicable

Are there any Equality and Diversity implications?

Not applicable

Have any engagement and communication implications been cleared by Communications?

Not applicable

Are there any Localism and Local Member involvement issues?

Not applicable

Have any Public Health implications been cleared by Public Health

Not applicable

8. Source documents

8.1 The 2020-21 Business Plan, including the Capital Strategy, Capital Planning and Forecast: financial models.

8.2 Location

[Council's 2020-21 Business Plan](#)

1st Floor Octagon
Shire Hall,
Cambridge

Appendix 1: Draft Capital Programme

Section 3 - C: Corporate and Managed Services

Table 4: Capital Programme

Budget Period: 2021-22 to 2030-31

Summary of Schemes by Start Date	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
Ongoing	10,207	11,751	-1,291	-227	-26	-	-	-
Committed Schemes	46,392	30,595	15,531	134	132	-	-	-
2019-2020 Starts	8,667	3,869	3,798	1,000	-	-	-	-
TOTAL BUDGET	65,266	46,215	18,038	907	106	-	-	-

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000	Committee
C/C.01	Corporate Services												
C/C.1.001	Essential CCC Business Systems Upgrade	Upgrades and replacements to key business systems that are at the end of life.		Committed	750	600	150	-	-	-	-	-	- GPC
C/C.1.006	Data Centre Relocation	Removal and relocation/transformation of all IT infrastructure & Systems from Shire Hall Data Centre prior to disposal of the site at the end of 2020.		2019-20	5,408	3,164	2,244	-	-	-	-	-	- GPC
C/C.1.007	IT Strategy	Implementation of the first phase of the IT Strategy to support sharing of services across Cambridgeshire and Peterborough. To include: - CRM and Digital - Shared Data - Shared Infrastructure - Office 365		2019-20	3,259	705	1,554	1,000	-	-	-	-	- GPC
C/C.6.001	Investment in Connecting Cambridgeshire	Connecting Cambridgeshire is working to ensure businesses, residents and public services can make the most of opportunities offered by a fast-changing digital world. Led by the Council, this ambitious partnership programme is improving Cambridgeshire's broadband, mobile and Wi-Fi coverage, whilst supporting online skills, business growth and technological innovation to meet future digital challenges.		Committed	44,872	29,626	15,246	-	-	-	-	-	- GPC
	Total - Corporate Services				54,289	34,095	19,194	1,000	-	-	-	-	
C/C.02	Managed Services												
C/C.2.010	IT Infrastructure Refresh	Upgrades/refresh of the core CCC IT systems that underpin use of IT across the Council. This essential work will ensure that the critical IT Infrastructure continues to be fit for purpose and supports changes in technology and business requirements		Committed	674	273	135	134	132	-	-	-	- GPC
	Total - Managed Services				674	273	135	134	132	-	-	-	
C/C.03	Transformation												
C/C.3.001	Capitalisation of Transformation Team	Funding the Transformation team from capital instead of revenue, by using the flexibility of capital receipts direction.		Ongoing	8,882	6,700	2,182	-	-	-	-	-	- GPC

Appendix 1: Draft Capital Programme

Section 3 - C: Corporate and Managed Services

Table 4: Capital Programme

Budget Period: 2021-22 to 2030-31

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
C/C.3.002	Capitalisation of Redundancies	Funding the cost of redundancies from capital instead of revenue, using the flexibility of capital receipts direction.		Ongoing	6,087	5,051	1,036	-	-	-	-	-
	Total - Transformation				14,969	11,751	3,218	-	-	-	-	-
C/C.10 C/C.10.001	Capital Programme Variation Variation Budget	The Council includes a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-4,762	-	-4,509	-227	-26	-	-	-
C/C.10.002	Capitalisation of Interest Costs	The capitalisation of borrowing costs helps to better reflect the costs of undertaking a capital project. Although this budget is initially held on a service basis, the funding will ultimately be moved to the appropriate schemes once exact figures have been calculated each year.		Committed	96	96	-	-	-	-	-	-
	Total - Capital Programme Variation				-4,666	96	-4,509	-227	-26	-	-	-
	TOTAL BUDGET				65,266	46,215	18,038	907	106	-	-	-

GPC

GPC

GPC

Funding	Total Funding £000	Previous Years £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	Later Years £000
Government Approved Funding								
Specific Grants	9,160	8,750	410	-	-	-	-	-
Total - Government Approved Funding	9,160	8,750	410	-	-	-	-	-
Locally Generated Funding								
Prudential Borrowing	28,028	17,426	9,589	907	106	-	-	-
Ring-Fenced Capital Receipts	14,338	11,751	2,587	-	-	-	-	-
Other Contributions	13,740	8,288	5,452	-	-	-	-	-
Total - Locally Generated Funding	56,106	37,465	17,628	907	106	-	-	-
TOTAL FUNDING	65,266	46,215	18,038	907	106	-	-	-

Appendix 1: Draft Capital Programme

Section 3 - C: Corporate and Managed Services

Table 5: Capital Programme - Funding

Budget Period: 2021-22 to 2030-31

Summary of Schemes by Start Date						Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
Ongoing						10,207	-90	-	-1,353	14,338	-2,688
Committed Schemes						46,392	9,250	-	15,093	-	22,049
2019-2020 Starts						8,667	-	-	-	-	8,667
TOTAL BUDGET						65,266	9,160	-	13,740	14,338	28,028

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
C/C.01	Corporate Services										
C/C.1.001	Essential CCC Business Systems Upgrade			- Committed	750	-	-	-	-	750	GPC
C/C.1.006	Data Centre Relocation			- 2019-20	5,408	-	-	-	-	5,408	GPC
C/C.1.007	IT Strategy			- 2019-20	3,259	-	-	-	-	3,259	GPC
C/C.6.001	Investment in Connecting Cambridgeshire			- Committed	44,872	9,250	-	15,093	-	20,529	GPC
	Total - Corporate Services			-	54,289	9,250	-	15,093	-	29,946	
C/C.02	Managed Services										
C/C.2.010	IT Infrastructure Refresh			- Committed	674	-	-	-	-	674	GPC
	Total - Managed Services			-	674	-	-	-	-	674	
C/C.03	Transformation										
C/C.3.001	Capitalisation of Transformation Team			- Ongoing	8,882	-	-	-	8,882	-	GPC
C/C.3.002	Capitalisation of Redundancies			- Ongoing	6,087	-	-	-	6,087	-	GPC
	Total - Transformation			-	14,969	-	-	-	14,969	-	
C/C.10	Capital Programme Variation										
C/C.10.001	Variation Budget			- Ongoing	-4,762	-90	-	-1,353	-631	-2,688	GPC
C/C.10.002	Capitalisation of Interest Costs			Committed	96	-	-	-	-	96	GPC
	Total - Capital Programme Variation			-	-4,666	-90	-	-1,353	-631	-2,592	
	TOTAL BUDGET				65,266	9,160	-	13,740	14,338	28,028	

Transformation Bid: Micro-enterprise Roll-Out

To: General Purposes Committee

Meeting Date: 20th October 2020

From: Executive Director: People and Communities

Electoral division(s): To be confirmed

Forward Plan ref: Not applicable

Key decision: No

Outcome: Establishing a project to increase the number of micro-enterprises providing care and support in the local market, which will:

1. Grow and diversify the range of care and support options available in the local community.
2. Offer more choice and flexibility to those who require care and support at home.
3. Enable more people to remain living well at home for longer.
4. Attract more people into the care workforce and create new employment opportunities for local residents.

Recommendation: General Purposes Committee is asked to:

- a) approve the £160,000 transformation funding bid / business case.
- b) approve the direct award to Community Catalysts, who are the only social enterprise with a track record operating in this market.

Officer contact:

Name: Graeme Hodgson
Post: Commissioner
Email: graeme.hodgson@cambridgeshire.gov.uk
Tel: 07448 379944

Member contacts:

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

1. Background

- 1.1 During late 2019 and early 2020 a review of the homecare market was completed by Commissioning; the review resulted in the development of a Strategic Vision to address sustainability, market capacity and workforce (recruitment, retention and diversity). The actions resulting included within this will be incorporated within the wider Resilience and Recovery Strategy.
- 1.2 One of the actions identified to support the growth in choice and diversity of the domiciliary care and Personal Assistant (PA) market was to encourage and support the development of micro-enterprises/micro-providers. Micro-enterprises are businesses operating on a very small scale, often 1 or 2 individuals who earn their living from the enterprise. The micro-enterprise model has been proven to work in a range of areas across the country supported by a specialist social enterprise called Community Catalysts. This model and its impact is clearly evidenced in a report by the New Economics Foundation, Barrow Cadbury Trust and Community Catalysts (See section 5).
- 1.3 The micro-enterprises the local authority will be targeting, are predominantly people who are self-employed and can support opportunities within the local community and help at home for people who need care or are at the fringes of care need. The following provides examples of the care and support provided by micro-enterprise/providers and is not an exhaustive list:
- Personal care (which can be funded through a personal budget by way of Direct Payments) or privately by self-funders.
 - Meal preparation and food/shopping delivery
 - Cleaning and domestic support in the home
 - Gardening and household maintenance
 - Be-friending and social activity support
- 1.4 The business case (See Appendix 1) outlines a project which is seeking to commission a two year project to enable the council to test and evaluate the impact of implementing the proven Community Catalysts model. Developing the micro-enterprise market in a specified area of Cambridgeshire. We will finalise the chosen location on completion of the diagnostic exercise which will be facilitated by Community Catalysts. The aims of this project will be to increase the range and supply of micro-enterprises, which will support the following outcomes:
- Reduce and delay the need for long term home care, in turn releasing home care capacity to support more people with more complex needs.
 - Increase the choice, diversity and options available to people who need care and support, or who have been identified as on the fringes of needing formal care and would benefit from low levels of support to retain their independence; reducing or delaying their need for long term regulated care.
 - Blend together both statutory and community resources to create a truly individualised, holistic support plan to meet all their needs and aspirations.
 - Increase the numbers of Personal Assistants (PA) across Cambridgeshire to offer an alternative to traditional home care.
 - Provide further choice for people who access a personal budget via Direct Payments, but who prefer not to directly employ a PA.

- Develop micro-enterprises in areas which have a shortage of homecare.
 - Develop the skills and knowledge within the local authority and community required to sustain the growth of micro-enterprises beyond the initial roll-out.
 - Support a 'localised', place-based view of the care market, developing micro-enterprises to meet the specific needs of local communities.
 - Provide employment opportunities for local residents and attract more people into the care workforce; the Community Catalysts model provides the advice and information to enable people to set up as sole traders/self-employed workers.
 - 125 more micro-enterprises delivering 750 hours of support per week by the end of year two.
- 1.5 Previous experience from undertaking pilots such as Neighbourhood Cares, has evidenced that a two year duration is considered more effective due to the lead in times such as research into the current market to determine baselines, market gaps and opportunity.
- 1.6 This model has been proven to work in a range of areas with strong evidence to support the cost avoidance and wider benefits to the adult social care, long term care market. Further detail is included in Section 7 of the business case (See Appendix 1).
- 1.7 This will also link and work with the aims of the Think Communities programme and is part of commissioning's work to develop a sustainable and diverse care and support market.

2. Main Issues

- 2.1 The review of the home care market undertaken over the preceding 12 months has identified a range of recommendations to support the sustainability, improve capacity and support recovery post COVID.
- 2.2 The full business case (see Appendix 1) outlines the approval request for transformation funding to implement a two year roll-out working with Community Catalysts who are a specialist social enterprise supporting the growth, set-up and sustainability of the micro-enterprise market.
- 2.3 In summary, the business case is requesting £160,000 of transformation funding over a period of two years (£100k in year 1 and £60K in year 2). This will include recruitment and employment of the community catalyst plus all resources and support to implement and undertake the roll-out. (See section 1.4).
- 2.4 Following desk top research it is evident that Community Catalysts are the sole provider of the micro-enterprise development model. This is further evidenced by the research outlining the work of Community Catalyst (see section 5).

Further to this discussions with other local authority partners who have commissioned Community Catalyst through a direct award to support them in developing their micro-enterprise model also supports that Community Catalysts are the sole provider of this service.

'I can confirm categorically that the micro enterprise development model is associated with Community Catalysts and was designed by them. To the best of my knowledge there is no other organisation who can provide a comparable service.'

Les Billingham, Interim Director Adult Social Care & Community Development | Adults, Housing and Health lbillingham@thurrock.gov.uk

- 2.5 It is anticipated that the project would breakeven at the end of year two as the roll-out concludes. This is if the projected growth targets are met and subsequent cost avoidance achieved. If the target of 750 hours of support per week being provided by micro-enterprises is achieved, it is estimated that this would save in the region of £170,000 per year. This is based on the difference between commissioned provider rates and direct payment rates for a Personal Assistant.
- 2.6 This approach will also have a range of other benefits and outcomes as referred to in section 1.4 of this report.
- 2.7 The Business Case and Investment Supporting Information are attached at Appendices 1 and 2.

3. Alignment with corporate priorities

3.1 A good quality of life for everyone

The proposal enables people living in more remote rural communities to have the opportunity to access quality care at a lower cost whilst providing meaningful employment opportunities in areas where there are few jobs available.

3.2 Thriving places for people to live

Developing the care market in smaller communities means carers will not have to travel long distances, consuming valuable time and resources in traffic/transport in order to provide the care needed by individuals in those communities. Greater employment opportunities will mean fewer people will move away from their home communities in search of work.

3.3 The best start for Cambridgeshire's children

There are no significant implications for this priority.

3.4 Net zero carbon emissions for Cambridgeshire by 2050

Enabling people to work as carers in their own communities, however small, means less traffic on the road and subsequent reduction in carbon emissions as people are able to walk or cycle to work in their own community.

4. Significant Implications

4.1 Resource Implications

The funding request for the transformation bid over 2 years is £160,000. Resource from the Transformation Team to support implementation, performance monitoring and evaluation is anticipated to be 2/3 days per month in the initial phase (first 6 months) reducing to 1 day per month during the remaining 18 months.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The report identifies that after conducting research that there is not sufficient competition or range of providers within the market and therefore requests a direct award to Community Catalysts (see section 2.4) i.e. (ii) competition is absent for technical reasons,

If approved by Committee, a Voluntary Ex-Ante Transparency Notice (VEAT) notice is recommended to mitigate a challenge under European Union (EU) regulations.

A VEAT notice is a transparency notice for the Official Journal of the EU (OJEU), similar to an OJEU notice which is used to advertise tenders of this value to which bidders respond. The VEAT is an advert that highlights to the EU and bidders that you do not intend to advertise for the reasons given and the EU community has 10 days to challenge that declaration.

4.3 Statutory, Legal and Risk Implications

There are no significant implications for this priority.

4.4 Equality and Diversity Implications

There are no significant implications for this priority.

4.5 Engagement and Communications Implications

There are no significant implications for this priority.

4.6 Localism and Local Member Involvement

There are no significant implications for this priority.

4.7 Public Health Implications

There are no significant implications for this priority.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Stephen Howarth

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

Name of Officer: Gus De Silva

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

Name of Legal Officer: Fiona McMillan

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

Name of Officer: Will Patten

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

Name of Officer: Matthew Hall

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

Name of Officer: Will Patten

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

Name of Officer: Kate Parker

5. Source documents

[University of Birmingham Research - Micro-Enterprises: Small Enough to Care](#)

[New Economics Foundation - Community Micro-Enterprise in Social Care](#)

[Research Gate - Added Value of Micro-providers in Health and Social Care](#)

[Social Care Institute for Excellence - Prevention Research and Practice](#)

Business Planning Business Case Proposal

Project Title Community Catalysts – Micro-Enterprise Development Roll-Out supporting the Homecare and Personal Assistant market

Committee Adults Committee / General Purposes Committee

1. Saving/ Income amount		BP Reference	
	<p>This Business Case Proposal outlines a request for transformation funding to undertake a two year exercise to test and evaluate the impact of increasing the micro-enterprise market in Cambridgeshire.</p> <p>It is anticipated that this project will result in cost avoidance, whilst also releasing capacity in the homecare market and increasing the pool of Personal Assistants (PA's) within Cambridgeshire.(please see section 7)</p> <p>During late 2019 and early 2020 a review was undertaken of the homecare contract and provision across Cambridgeshire and Peterborough from which a range of key themes were identified. Those themes included market capacity gaps in rural locations and around Cambridge City, recruitment in the care and PA market and low engagement from providers in certain locations. Previous research undertaken when developing the Market Position Statement also identified the potential positive impact that supporting and increasing the diversity of provider types in the market could have in our communities.</p> <p>People who use homecare services tell us the current range of providers do not always adequately meet their needs, particularly in terms of flexibility or where support required is outside of, or in addition to, assessed care and support needs.</p> <p>Traditionally mainstream providers deliver a solution based on their capabilities in line with LA commissioning specifications and are incentivised to charge for work carried out on an hourly basis. This does not necessarily build on the inherent assets of the service users and does not lend itself to working flexibly.</p> <p>There are a range of challenges within the current market:</p> <ul style="list-style-type: none"> • Sustainability for providers and cost of care to the local authority • High numbers of people waiting for mainstream care who are in 'pending arrangements' such as: • Bridging in reablement • Utilising block car time for longer than six weeks • Using interim or residential beds due to lack of availability of mainstream care in the community. 		

1. Saving/ Income amount		BP Reference	
	<p>People tell us this shortfall in flexibility and responsiveness means they do not have as much choice and control as they would need to remain independent and well at home, which in turn can prevent or reduce their need for longer term care. This means we need to change the nature and type of some provisions available to people.</p> <p>Commissioners can fill the gap in the market by:</p> <ol style="list-style-type: none"> 1. Changing the specifications and payment incentives 2. Finding and commissioning different and specialist providers such as micro-enterprises, to meet the specific needs 3. Rolling-out a Community Catalysts model to test and evaluate different ways of working while supporting the development of a market which provides early intervention and prevention options from the local micro-enterprise, voluntary and community sector. Detail on the Community Catalysts model can be found in Section 3 of this document. 4. Ensuring the specifications and contract arrangements allow for a more flexible, holistic approach which blends statutory and non-statutory solutions. <p>Research undertaken by the University of Birmingham found that micro-enterprise provision within care and support offers a more personalised approach than larger providers which stems from three main aspects:</p> <ul style="list-style-type: none"> • autonomy of frontline staff (often the sole worker) to vary the service being offered. • greater continuity of frontline staff compared to larger providers. • high level of accessibility of staff member to people using the service. <p>Micro-enterprises are a small but growing sector of the care market. In Somerset where micro-enterprises have been promoted by the local authority, they have risen in numbers from around 50 to more than 450 over five years (Source: Community Micro-enterprise: As a driver of local economic development in social care, NEF, 2020).</p> <p>Research and evidence from pilots in other local authorities indicates that micro-enterprises can add choice and diversity to the care and support market whilst also increasing employment opportunities for people in our local communities. This is further supported by the recent publication of the LGA Adults Social Care: Seven Principles for Reform which highlights the need for traditional services (such as residential care, domiciliary care and day centres) to be part of a “much broader local offer including smaller, more bespoke providers, micro-enterprises and wider community assets. These help bolster community resilience and their potential to help secure a more preventative approach to</p>		

1. Saving/ Income amount		BP Reference	
<p>wellbeing that supports people to live safely and well at home must be harnessed”.</p> <p>Anecdotal evidence has found that such micro-enterprises:</p> <ol style="list-style-type: none"> 1. Deliver £1.30 benefits for every £1 invested (which improves on mainstream providers). This is based on comparing the current domiciliary rates paid to mainstream providers with the typical direct payment rates made to PA's and micro-enterprises. 2. Suffer from many barriers to entry into mainstream markets i.e. <ul style="list-style-type: none"> • Do not have experience of delivering similar LA contracts • Do not have the knowledge or experience to undertake a LA bid process • Do not have all required policies and procedures to meet LA expectations • May not have the financial records to meet due diligence]. 3. Do not have the experience of entering into LA contracts as they are predominantly care/health professionals with less experience or expertise in business skills. <p>We therefore have an unmet need and a potential solution which we cannot connect because of market barriers and wish to undertake the pilot, supported by Community Catalysts who are the only expert organisation specialising in this area with evidenced results, to test and prove the concept can work in Cambridgeshire.</p>			
Date of version		Business Leads / Sponsors	

2. Please describe what the proposed outcomes are?
<p>The outcome of a recent review and development of the Vision for Homecare in the Future has identified that the stimulation of a buoyant micro-enterprise market could support the homecare market; particularly in some of the identified hard to reach localities.</p> <p>Learning from our Neighbourhood Cares pilot and the Innovate & Cultivate funded Connected Communities project suggests that building reliable and sustainable social enterprises within the care market is a specialist skill. Knowledge of the care sector, alongside understanding of business and CQC regulations (especially in regards to regulated activity) is paramount.</p> <p>We know that acting as a sole trader in a one-to-one working relationship does not require people to be CQC registered, however there is a risk that people in this situation can go unchecked and quality of service can be poor. The Community Catalysts model works within the regulations but also ensures that quality provision is in place through their own systems of checks and balances.</p> <p>Working with Community Catalysts will allow us to access specialist support, giving the programme a high chance of success. Developing a healthy micro-enterprise market may</p>

2. Please describe what the proposed outcomes are?

also make the option of a direct payment more attractive as there would be an increase in the delivery of local services.

The project is seeking to commission a project that will enable the council to test and evaluate the impact of implementing the proven Community Catalysts model to develop the micro-enterprise market in a specified area of Cambridgeshire; the aims of which will be to increase the range and supply of micro-enterprises; which in turn will deliver the following outcomes:

- Delaying and reducing the need for regulated care, which could therefore release capacity in the mainstream homecare market
- Increase the choice, diversity and options available to people who need care and support, or who have been identified as on the fringes of meeting assessed need criteria and would benefit from low levels of support to retain their independence; reducing or delaying their need for long term regulated care
- Person-centred, co-produced, place-based care and support plans/options for people (blended statutory and non-statutory solutions)
- Develop the personal assistant market and supply (whilst managing the potential for negative impact on recruitment in the regulated care market)
- Providing further choice for people who access a personal budget via direct payments, but who prefer not to directly employ a PA
- Target an area where gaps in the regulated care and support market have been identified
- Develop the skills and knowledge required to support and grow the micro-enterprise market to enable scale up
- Support a place-based ethos; developing the assets within a local community to remain sustainable in the longer term.

Taking the outcomes identified into account, the brief to Community Catalysts will be to achieve the following deliverables; based on the outcomes achieved in Somerset:

By the end of year 1:

- Survey the current micro-enterprise market in Cambridgeshire and provide a "state of health report" which identifies barriers to success, levels of micro-enterprise already in the market and which gaps in the care and support market have been identified.

Once we understand the base-line levels the following targets will be finalised and agreed :

- Record 200+ enquires from local people expressing interest in running micro-enterprises
- Add 50+ new community micro-enterprises delivering 250 help and care hours to people at home (per week)
- Produce an interim lessons learnt report for Commissioners to help shape the micro-enterprise market for year 2. This will include recommendations about the skills and knowledge required by commissioners to support and grow the micro-enterprise market to enable scale up.

By the end of year 2:

- Record 400+ enquires from local people expressing interest in running micro-enterprises

2. Please describe what the proposed outcomes are?

- Add 125+ new community micro-enterprises delivering 750 help and care hours a week to people at home
- Put in place a sustainable approach to continue to grow and develop the micro-enterprise market place including peer-to-peer network meetings. It is anticipated that this will form part of the infrastructure of Library Services linking with the Think Communities team
- Produce a lessons learnt report for Commissioners to help shape the micro-enterprise market of the future.

The effect of the intervention to the micro-enterprise market will in turn deliver the following outcomes:

- At least 50% of people who receive care and support in the roll-out area:
 - agree they now have increased choice, diversity and options available to them
 - agree they have a more person-centred, co-produced, place-based care and support options
 - agree they better understand and have considered access to a personal budget via direct payments for services such as PA's.
- At least 67% of the new micro-enterprises:
 - agree the facilitation from Community Catalysts has positively helped their business.
- Develop the personal assistant market and supply (whilst managing the potential negative impact on the regulated care market recruitment). This will be measured against a starting base line against the number increase in PA's and feedback from regulated providers with regard to recruitment.
- Support a place-based ethos, developing the assets within a local community.

3. What evidence has been used to support this work, how does this link to any existing strategies/policies?

This project will incorporate the learning from the Neighbourhood Cares and Connected Communities pilots with the Think Communities aims and outcomes from the work completed/being undertaken in our community hubs whilst dealing with the Coronavirus pandemic.

Commissioning Intentions

It will link with the vision and strategy for direct payments and homecare (homecare vision and actions are also included in the recovery and resilience strategy). It also supports the ongoing market shaping and actions identified in the Market Position Statement.

Think Communities

The proposal is aligned with the Think Communities programme, which puts our citizens at the heart of collective decision-making, with a greater emphasis on 'place-based' delivery to ensure there is a deep understanding of local needs, challenges, assets and opportunities.

Changing the Conversation

The current proposal sits comfortably within this approach (devised by *Partners4Change*), the aim of which is to remove the traditional 'assessment for services' model and create a new culture where practice is based on three conversations:

3. What evidence has been used to support this work, how does this link to any existing strategies/policies?

Conversation 1

How can I connect you to things that will help you get on with your life – based on your assets and strengths, and those of your family and neighbourhood?

What do you want to do? What can I connect you to?

Conversation 2

Applicable to people who are at risk.

What needs to change to make you safe? How do I help to make that happen?

What offers do I have at my disposal – including small amounts of money and my knowledge of the community – to support you? How can I pull them together in an ‘emergency plan’ and stay with you to make sure it works?

Conversation 3

What is a fair personal budget and where do the sources of funding come from?

What does a good life look like? How can I help you use your resources to support your chosen life? Who do you want to be involved in good support planning?

Adult Positive Challenge

The roll-out will support Cambridgeshire County Council’s stated priority outcome of “A good quality of life for everyone” and the Peterborough City Council vision of improving quality of life for all its people. The Adults Positive Challenge Programme supports better outcomes for individuals, carers and communities, whilst managing demand and this proposal clearly fosters these outcomes.

Community Catalysts Model

Community Catalysts are a social enterprise who specialise in micro-enterprise development and community led support within the health and social care market. They have developed successful programmes previously, for example in Somerset ([Community Catalysts - Releasing Somerset's Capacity to Care](#)). The roll-out will conclude with an independent evaluation to ensure that we have an evidence base which will support the council to use the learning to scale up.

To date, Community Catalysts have worked in 49 areas, supporting the development of more than 1,800 community enterprises. Community Catalysts use a proven model which scales through a single coordinator or catalyst supporting up to 200 small, self-organising enterprises.

Independent evaluation of the Community Catalysts approach suggests that their method works across any demography, is replicable and delivers good outcomes. Evidence also suggests that this approach creates local choice and will typically, over two years, help nearly 125 would-be entrepreneurs and see nearly 60 community enterprises successfully established.

These successful community enterprises will support on average over 700 older or disabled people. Alongside this the Community Catalysts model can create over 100 jobs and 70 volunteering opportunities. Working alongside Community Catalysts mitigates the risk of failure which was experienced through the Connected Communities pilot and turn around the failure rate for micro-enterprise - over 2 years fewer than 4% compared with an average failure rate for micro-business of 90%. This is due to the specialist support, skills and knowledge that the Community Catalysts model brings in supporting enterprises in the health and social care marketplace.

3. What evidence has been used to support this work, how does this link to any existing strategies/policies?

Somerset County Council challenged Community Catalysts to support home-care start-ups in the most rural parts of the county. They had already made substantial investment in community infrastructure and that, together with courageous leadership and a decision to provide everyone who needed homecare with a direct payment and full information about what was available (and an extremely talented catalyst/coordinator) led to rapid growth in the numbers of community enterprises. Over the 4 years Community Catalysts were there, their employee supported 362 'start-up' enterprises. The enterprises in Somerset supported 1500 people and created 372 local jobs. Collectively they provided 12000 hours of care or support a week.

The model below illustrates the role of the community catalyst employee and the skills and knowledge they need to have:

Role of our local community catalyst



4. Has an options and feasibility study been undertaken? Please explain what options have been considered.

The following options were considered and discarded:

1. Do nothing;
This option has been discounted as a review of the market has identified the immediate need to address shortfalls and supply issues in the mainstream homecare market and this action is included in the homecare vision and recovery and resilience strategy.
2. Cambridgeshire County Council carries out the market facilitation work;
This option has been discounted because of a lack of capacity and expertise for the requirements of this project in the existing LA workforce.
3. Competing for the market facilitation work;
This option has been discounted as Community Catalysts are the only provider operating in this specific segment of care micro-enterprise development nationally. For this reason, it is proposed that a direct award is viable.
4. Delay the start of the activities;

4. Has an options and feasibility study been undertaken? Please explain what options have been considered.

This option has been discounted as there is an immediate need to address the supply issues in the Home Care market. However, if the roll-out is implemented in the right way, we could potentially transfer skills to Cambridgeshire County Council Libraries to enable a more sustainable approach to be taken in the future but upfront investment will be needed to do this.

5. Use Transformation Funding to work with Community Catalysts to develop care micro-enterprises in a 2-year roll-out.

This is the preferred option and reason for the current bid.

5. What are the next steps/ actions the Council should take to pursue it? Please include timescales.

The business case has been developed working with the transformation team, commissioning, strategic development, finance, commercial and contracts; this group will also form the Project Board who will oversee the development and progress of the roll-out.

It is anticipated that ongoing resource/support from the transformation team will be required to work with the project group to implement, engage with stakeholders, deliver and monitor the roll-out; this would in the region of 2/3 days a month.

There will also be a service user and provider group set up to ensure that we continue to shape the delivery and outcomes of the roll-out; this feedback will then be reviewed regularly within the project board and with Community Catalysts; also feeding into the transformation bid/review process.

There will be regular communication with Healthwatch to ensure that feedback can also be facilitated from the community via their regular countywide forums and partnership boards.

High Level Timetable

Task	Start Date	End Date	Lead Responsibility
Set up Project Board	Aug 2020	30 Sep 2020	Karen Chambers
Advice and guidance from transformation team	Aug 2020	Aug 2020	Transformation Team
Develop business case and financial information for submission to JCB	Aug 2020 Submit to JCB 19th Aug	JCB 25 th Aug	Project Group Graeme Hodgson Sundeep Singh Louise Tranham Gurdev Singh Karen Chambers Paula Spelman
Business case to Adults Committee	22 Sept 2020	12 Nov 2020	Karen Chambers
Develop detailed specification/outcomes	26 Aug 2020	31 Oct 2020	Project Group
Procure/award	Nov 2020	Dec 2020	Karen Chambers
Implementation plan	Dec 2021	Jan 2021	Project Group
Commence roll-out	Jan 2021	Jan 2023	Community Catalysts

5. What are the next steps/ actions the Council should take to pursue it? Please include timescales.

Quarterly progress reviews	Apr 2021	Jan 2023	Transformation Team Project Team
Evaluation	Feb 2022	Feb 2023	Internal resource in partnership with Healthwatch

6. Could this have any effects on people with Protected Characteristics or the other two groups protected by the Council of poverty and rural isolation? If so please provide as much detail as possible.

The risks should be potential risks in accordance with the Equality Impact Assessment process.

We are mindful of the emerging data and evidence of the disproportionate adverse effects of COVID-19 on people with protected characteristics specifically Gender, Pregnancy and Maternity, Black, Asian, and Minority Ethnic (BAME) people, LGBTQ+ people, Disabled People and Older People. These impacts must be born in mind when making decisions about business planning and recovery.

Has this group been disproportionately affected by COVID-19 compared with other groups e.g. mental and/or physical health, isolation, housing, domestic abuse and financial impacts etc. If so, how have you considered this in your planning and decision-making?

This proposal seeks to develop a network of micro –enterprises in a location yet to be identified during the diagnostics phase of implementation. This will develop a more diverse care and support market which in turn will create more choice and enable control over how an individual’s care needs are met. The table below outlines the impact this project will have on the following groups:

Category	Positive	Negative	Neutral impact
Age	X		
Disability	X		
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Race			X
Religion or belief			X
Sex	X		
Sexual orientation			X
Poverty			X
Rural isolation	X		

To ensure that the roll-out has considered what the needs of people who access services with protected characteristics will need/want, the project team will engage with relevant groups/advocates during implementation and throughout the life of the project.

POSITIVE IMPACT to key groups/ localities of protected characteristics and those adversely affected by COVID:

1. Older people and those with physical disabilities and care support needs living at home in roll-out areas – increase and diversification of care supply in market, increased choice and flexibility.
2. Roll-out area communities – stimulation of economic activity and new job opportunities for minimum wage sector which is likely to be hardest hit by forecasted COVID-related recession and redundancy/unemployment; particularly applicable in rural areas.

NO NEGATIVE IMPACT to those with protected characteristics as provision will be open to all and will seek to ensure community catalysts are inclusive and fully representative of the communities they serve.

Mitigating actions: Not applicable

Please detail any actions that will be taken to reduce any negative impacts on people with protected characteristics
Not applicable

7. What financial and non-financial benefits are there and how will you measure the performance of these? Are there any dis-benefits? These MUST include how this will benefit the wider internal and external system.

Financial Benefits

Levers to deliver cost avoidances

There are a number of ways that the proposed Community Catalysts approach could achieve cost avoidances:

1. Delay/Diverting ASC demand for long term care
2. Channel shifting some home care work from DPS to micro-enterprise (lower overheads)
3. Reduced travel cost of carers in rural areas
4. Reduction in high-cost Direct Payments to entice providers to pick up packages in these areas
5. Reduced of block cars/interim beds/respice beds with early intervention/ support options available within their local community. Ensuring the people can access low level support at an earlier stage to maintain their independence for longer and delay their need for long term care.

We would expect that by investing in the Community Catalysts approach we would be better able to support older and vulnerable people to maintain independence as long as possible, thus diverting some people away from needing long term social care intervention.

There may well be increased options for social inclusion/befriending/work experience/ volunteering and Community Catalysts can support the development of enterprises to meet the needs of people with mental health needs and learning disabilities in the home or community. They are also moving into the disabled children space and their initial diagnostic analysis would help identify the real areas of need.

To support the case for investing in this model it is essential to demonstrate how the service could help manage demand for long-term statutory social care services.

Cost avoidance breakeven point

The cost of the service over two years is expected to be £160,000. The following section establishes a financial breakeven point considering only the channel shifting method of cost avoidance. As other methods may bring forward the breakeven date there is a margin of safety built in.

It is assumed with the facilitation work of Community Catalysts the traditional hour of support would be replaced with that from a micro-enterprise. The difference in hourly rates is estimated to be nominally £4.50ph (this is based on the current difference between the CCC framework hourly rates and Direct Payment rates for Personal Assistants). Given a steady rise to 750 hours per week of delivery from micro-enterprises over the two years we would expect the roll-out to break-even in Q4 Y2 (as per the cash flow table below).

Element	Frequency	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Work delivered by enterprises	Hours per week	0	100	175	250	375	500	650	750
Work delivered by enterprises	Hours per quarter	0	1300	2275	3250	4875	6500	8450	9750
Cost avoidance using £4.50ph	£ per quarter	£0	£5,850	£10,238	£14,625	£21,938	£29,250	£38,025	£43,875
Expenditure from C/Catalysts	£ per quarter	£25,000	£25,000	£25,000	£25,000	£15,000	£15,000	£15,000	£15,000
Net cash flow	£ per quarter	£-25,000	£-19,150	£-14,763	£-10,375	£6,938	£14,250	£23,025	£28,875
Cum cash flow	£ per quarter	£-25,000	£-44,150	£-58,913	£-69,288	£-62,350	£-48,100	£-25,075	£3,800
									Break Even

This suggests the roll-out would payback just within 2 years. Further investment may be required to sustain this approach beyond the two year roll-out and this will be identified in year one and built into future development plans.

Non-Financial Benefits

The primary non-financial benefit is to grow the micro-enterprise market to deliver 750 hours a week of support by the end of the second year. This will prove the validity and necessity of this market sector.

Key Benefit	Measure	Baseline	Target & Timescale
Development of new and established micro-enterprises	Micro-enterprise numbers (existing and new)	To be established during month 1 of the project	125 more in delivering 750 hours of support per week at the end of the second year
Local employment opportunities for people to become self-employed	Number of new micro-enterprises	First 3 months to identify baseline	20 WTE by the end of Year 2
Satisfaction rates for people who use the provision.	Independent survey	NIL	Greater than 50% when asked at the end of the first year and the second year

Include a questionnaire for people who use current services		To be established	
Satisfaction rates for people who are supported by Community Catalysts	Independent survey	NIL	Greater than 67% at the end of the first year and the second year
Reduction in the number of people on the pending list for care.	Current information	To be established and target for impact agreed	Estimated to reduce pending list by 25% (to be confirmed)

8. Are there any identified risks which may impact on the potential delivery of this?
What is the risk if we do not act?

Risk	Mitigation	RAG (should the risk occur)	Overall Responsibility
We know that acting as a sole trader in a one-to-one working relationship does not require people to be CQC registered however there is a risk that people in this situation can go unchecked and quality of service can be poor.	The Community Catalyst model works within the regulations but also ensures that quality provision is in place through their own systems of checks and balances.	Green	CC
Governance process related to exemptions completed as appropriate.	See below	Green	LGSS/KC
Risk of challenge from other providers due to a direct award of contract.	Committee Approval Issue a VEAT notice	Amber	LGSS/KC
Recruitment risk in mainstream care market from increasing number of Personal Assistants recruited	Community Catalysts will work pro-actively with the market to manage this risk	Amber	CC

Drop-out risk / financial risk if further COVID waves (i.e. cost of PPE etc.)	Community Catalysts specification will include working with micro-enterprise/sole traders to support development of policies/procedures/business continuity plans etc. LA to provide relevant support.	Amber	CC/ LA
Quality and contract management of Community Catalysts and ME's etc.	This will be incorporated in the specification and subject to relevant monitoring.	Green	
Failure to meet agreed targets	Quarterly performance review meeting	Green	Project Group and Transformation Team

9. Scope- What is within scope? What is outside of scope?

The location of the roll-out will be identified based on current intelligence relating to market capacity gaps and input from Community Catalysts based on prior experiences. The people who will benefit from the roll-out will be across the whole child and adult population of the identified location and who would receive homecare through the current contractual arrangements of the Dynamic Purchasing System in CCC, where an early intervention has been identified through the appropriate channels, or where they are in receipt of a personal budget via direct payments, this will also include people who self-fund.

Type of Bid

Transformation

Strategic Links

- Think Communities
- Changing the Conversation
- Adult Positive Challenge Programme
- Direct Payment and Homecare Vision / Strategy
- Covid Recovery Plan
- Place-based ethos

Further detail provided in the business case

Cash Flow	19/20 £000	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000
Revenue Advance		100	60			
Capital Advance	-	-				
Repayment	-	-				

Pay Back Period in Years

1 year 11 months

Savings/Investment Ratio over 10 Years n/a for a roll-out project

Measure of Performance Improvement	Baseline	19/20	20/21	21/22	22/23	24/25
Development of new and established micro-enterprises	To be established during month 1 of the project		125 more delivering 750 hours of support per week at the end of the second year.			
Local employment opportunities for people to become self-employed	First 3 months to identify baseline		20 WTE by the end of Year 2			
Satisfaction rates for people who use the provision	NIL		Greater than 50% when asked at the end of the first year and the second year			
Satisfaction rates for people are supported by Community Catalyst	NIL		Greater than 67% at the end of the first year and the second year			
Development of new and established micro-enterprises	To be established during month 1 of the project		125 more delivering 750 hours of support per week at the end of the second year.			

Risks and Contingencies	Risk	Mitigation	RAG (should the risk occur)	Overall Responsibility
	We know that acting as a sole trader in a one-to-one working relationship does not require people to be CQC registered however there is a risk that people in this situation can go unchecked and quality of service can be poor.	The Community Catalyst model works within the regulations but also ensures that quality provision is in place through their own systems of checks and balances.	Green	CC
	Risk of challenge from other providers due to a direct award of contract.	Committee Approval Issue a VEAT notice	Amber	LGSS
	Recruitment risk in mainstream care market from increasing number of Personal Assistants recruited	Community Catalysts will work pro-actively with the market to manage this risk	Amber	CC

	Drop-out risk / financial risk if further COVID waves (i.e. cost of PPE etc)	Community Catalysts specification will include working with micro-enterprise/sole traders to support development of policies/procedures/business continuity plans etc. LA to provide relevant support.	Amber	CC/ LA
	Quality and contract management of Community Catalysts and ME's etc.	This will be incorporated in the specification and subject to relevant monitoring.	Green	
	Failure to meet agreed targets	Quarterly performance review meeting	Green	Project Group and Transformation Team

Decision and Date

General Purposes Committee Agenda Plan Agenda Item No.8

Published on 1st October 2020

Notes

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public.

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Action Log
- Finance Report – The Council's Virtual Meeting Protocol states that no monitoring or information reports (includes the Finance report) will be included on committee agendas, they will instead be circulated to Members separately
- Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
20/10/20	1. Minutes – 22/09/20	M Rowe		07/10/20	12/10/20
	2. Finance Report (August) [electronic circulation]	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 31st August 2020	R Barnes	2020/018		
	4. Transformation Fund bid for micro-enterprise pilot	K Chambers	Not applicable		
	5. Service Committee Review of Draft Revenue Business Planning Proposals for 2021/22 to 2025/2026	C Malyon T Kelly	Not applicable		
	6. Service committee review of the draft 2021-22 Capital Programme	E Tod	Not applicable		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
24/11/20	1. Minutes – 20/10/20	M Rowe		11/11/20	16/11/20
	2. Finance Report (September)	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 30th September 2020	R Barnes	2020/019		
	4. Treasury Management Report – Quarter 2* [recommended for determination by Council]	Kim Kent-Augustin	Not applicable		
	5. Strategic Framework	C Malyon	Not applicable		
	6. Medium Term Financial Strategy	C Malyon	Not applicable		
	7. Draft 2020/21 Capital Programme and Capital Prioritisation (Capital Strategy)	C Malyon	Not applicable		
	8. Transformation Fund Monitoring Report Quarter 2 2020-21	K Allen	Not applicable		
	9. Corporate Directorates' Risk Register	T Barden	Not applicable		
	10. Performance Report – Quarter 1	A Mailer	Not applicable		
	11. Proposal for additional investment in the County Farms portfolio (confidential report)	T Cooper	2020/040		
	12. Recovery Framework - Economic recovery update	A Askham	Not applicable		
22/12/20	1. Minutes – 24/11/20	M Rowe		09/12/20	14/12/20
	2. Finance Report (October)	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 31st October 2020	R Barnes	2020/020		
	4. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable		
	5. Draft Revenue and Capital Business Planning Proposals for 2021-22 to 2025-2026 (whole Council)	C Malyon	Not applicable		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	6. Treasury Management Strategy	Kim Kent-Augustin	Not applicable		
26/01/21	1. Minutes – 22/12/20	M Rowe		13/01/21	18/01/21
	2. Finance Report (November)	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 31st November 2021	R Barnes	2021/001		
	4. Local Government Finance Settlement	C Malyon	Not applicable		
	5. Business Plan* [recommended for determination by Council]	C Malyon	Not applicable		
	6. Consultation Report	S Grace	Not applicable		
	7. Transformation Fund Investments for Business Planning 2020-21 to 2024-25	A Askham	Not applicable		
	8. Performance Report – Quarter 2	A Mailer	Not applicable		
[23/02/21] Provisional Meeting					
23/03/21	1. Minutes – 26/01/21	M Rowe		10/03/20	15/03/20
	2. Finance Report (January)	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 31st January 2021	R Barnes	2021/002		
	4. Transformation Fund Monitoring Report Quarter 3 2019/20	K Allen	Not applicable		
	5. Treasury Management Report – Quarter 3	Kim Kent-Augustin	Not applicable		
[20/04/21] Provisional Meeting					
15/06/21	1. Minutes – 23/03/21	M Rowe		02/06/21	07/06/21

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	2. Finance Report – Outturn 2020-21	T Kelly	Not applicable		
	3. Integrated Finance Monitoring Report for the Period Ending 31st March 2021	R Barnes	2021/003		
	4. Treasury Management Report – Quarter 4 and Outturn Report* [recommended for determination by Council]	Kim Kent-Augustin	Not applicable		
	5. Performance Report – Quarter 3	A Mailer	Not applicable		

Please contact Democratic Services democraticservices@cambridgeshire.gov.uk if you require this information in a more accessible format

GENERAL PURPOSES COMMITTEE TRAINING PLAN

The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
1.	Emergency planning	The Council's roles and responsibilities, how do we respond in an emergency		25th July 2017	Stuart Thomas / Sue Grace		GPC	Bailey Bates Bywater Count Criswell Dupre Hickford Hudson Jenkins Nethsingha Schumann Shuter	80%
2.	Business Intelligence	Data / system integration Date sharing with other authorities. The importance of good governance and information management. <i>(pre reading material required)</i>		28th November 2017	Tom Barden/ Sue Grace		GPC	Bailey Bywater Criswell Dupre Hickford Hudson Jenkins Kavanagh McGuire Nethsingha Shuter Wotherspoon	80%

