

Service: Finance & Resources and Strategy & Partnerships  
 Subject: Finance Monitoring Report – Final Report 2023

### Key Indicators

Category	Target	Section Ref.
Income and Expenditure	Balanced year end position	1.1 – 1.3
Capital Programme	Remain within overall resources	2

### Contents

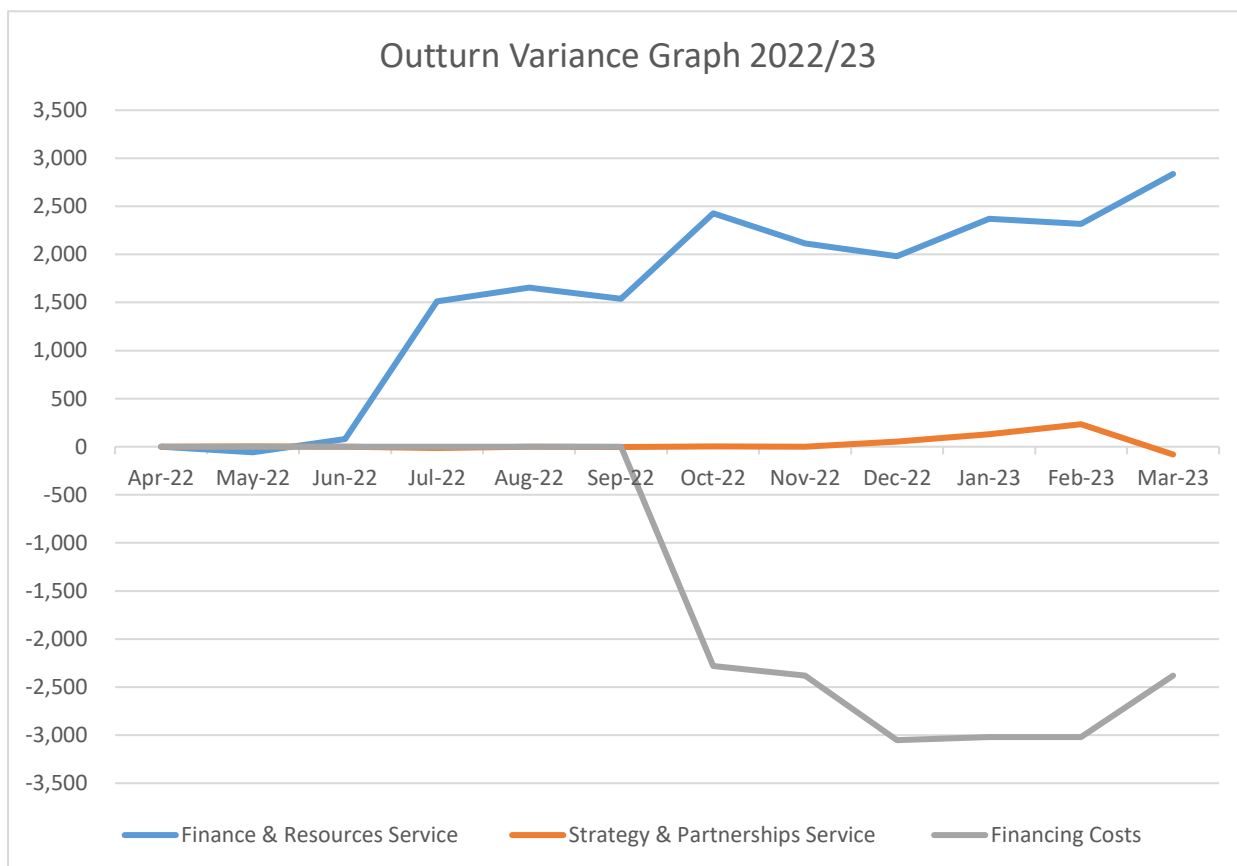
Section	Item	Description
1	Revenue Executive Summary	High level summary of information; By Directorate Narrative on key issues in revenue financial position
2	Capital Executive Summary	Summary of the position of the Capital program
3	Savings Tracker Summary	Summary of the latest position on delivery of savings
4	Technical Note	Explanation of technical items that are included in some reports
Appx 1	Service Level Financial Information	Detailed financial tables for Strategy & Partnerships and Finance & Resource Service
Appx 2	Service Commentaries	Detailed notes on financial position of services that are predicting not to achieve their budget
Appx 3	Capital Position	This contains more detailed information about Capital program, including funding sources and variances.
Appx 4	Savings Tracker	Each quarter, the Council's savings tracker is produced to give an update of the position of savings agreed in the business plan.
Appx 5	Technical Appendix	This contains technical financial information showing: <ul style="list-style-type: none"> <li>• Grant income received &amp; service reserves</li> <li>• Budget virements</li> </ul>

# 1. Revenue Executive Summary

## 1.1 Overall Position

Strategy & Partnerships Service has a total underspend of £81k, which is a shift of £315k since February.

Finance & Resources Service (including financing costs) has a total overspend of £460k, which is an increase of £1,161k since February.



## 1.2 Summary of Revenue position by Directorate

The service level budgetary control report for the year 2022/23 can be found in [appendix 1](#)

Outturn Variance (previous) £'000	Directorate	Budget £'000	Actual £'000	Outturn Variance £'000
234	Strategy & Partnerships Service	15,557	15,476	-81
(701)	Finance & Resources Service	45,224	45,685	460
<b>(467)</b>	<b>Overall Total</b>	<b>60,781</b>	<b>61,161</b>	<b>379</b>

## 1.3 Significant Issues

At year end, the overall Strategy & Partnerships Service position is an underspend of £81k.

### Policy & Business Intelligence

The overall position of the Policy & Business Intelligence budgets in 2022/23 is a pressure of £186k, which is a reduction of £57k from the previous forecast, this change is mostly due to additional income received at the end of the year.

### Communities, Employment & Skills

The overall position of Communities, Employment and Skills budgets in 2022/23 is an underspend of £258k, an increase in underspend of £227k from the previous forecast to the end of February. This is predominantly due to an increased amount of vacancy savings across the service £107k and underspends in both Cambridgeshire Skills £64k and Youth and Community Services £52k.

At year end, the overall Finance & Resources Service position is an overspend of £460k.

### Customer & Digital

The overall position of the Customer and Digital budgets in 2022/23 is an underspend of £300k, a decrease in underspend of £10k from the previous forecast.

### Finance & Procurement

The overall position of the Finance & Procurement budgets in 2022/23 is an underspend of £211k, an increase in underspend of £321k from the previous forecast. The increased savings are largely due to the External Audit budget being adjusted for previous years' creditor accruals, reducing the pressure by £175k. The Programme Team budget has also seen a reduction of £120k compared to the previous forecast, due to the reprofile of the Income Management Project budget (costs not incurred this year, due to delays in the schedule, will be incurred next year). Overall, the Income Management Project expenditure remains within the approved overall budget.

### Property Services

The overall position of the Property Services budgets in 2022/23 is an overspend of £1,102k, an increase of £335k from the previous forecast. The pressure within Property Services have continued and are due to -

- Fire Risk Assessment Works (FRAs) were undertaken for all corporate buildings following the pandemic. They had been delayed for more than two years. Moreover, because of the load, they were undertaken by an external company rather than in-house. Consequently, there were increased costs due to all the FRAs being done at once, with more work identified and consequently more cost.

- Planned Maintenance - There has been a focus on ensuring all assets requiring statutory maintenance are identified, serviced, and repaired where necessary. This has meant that a higher planned volume (following service bill) than in previous years. As a result of the pandemic, the emphasis on air-conditioning and ventilation systems has increased the costs.
- Reactive Maintenance - There have a greater number of callouts than we have had in previous years. Again, since the pandemic colleagues have returned to the office, and this has been reflected in the level of reactive work. The past few months of extreme weather have had an impact: simply, the systems could not cope with the sustained cold weather and have failed several times.
- Cost of materials - The cost of construction materials has increased greatly in the last two years; for some items by at least 100%. This is having a serious impact on the budgets not just for Property. Since the work undertaken is statutory, we have had no choice but to continue undertaking the works. The contractor has demonstrated that they have sought value for money.

## Investments

The overall position of the Investment budgets in 2022/23 is an underspend / overachievement of income of £394k, an improved position of £407k compared to the previous forecast. The main factor for the change is due to the savings achieved within the Property Investment portfolio, additional income received, including rent received from the recently purchased Evolution unit B and lower maintenance costs, resulting in a total underspend of £567k.

The Renewable Energy scheme in Soham has not met the income target this year, with lower performance over the winter months causing a pressure of £178k.

## Corporate & Miscellaneous

The overall position of the Corporate & Miscellaneous budgets in 2022/23 is an overspend of £2,641k an increase of £901k from the previous forecast. The change is due the adjustment for bad debt provision required for 2022-23, which increased from the previous estimate.

The overall position of the Financing costs in 2022/23 is an underspend of £2,377k, a decrease in underspend of £643k from the previous forecast.

This is primarily due to forecast underspends on interest payable, Minimum Revenue Provision (MRP) and interest receivable.

- Interest payable has ended the year with a £1,867k underspend, a £172k reduction in underspend since February. Whilst the cost of taking out PWLB borrowing has been significantly higher over this financial year due to rising interest rates, the Council has instead taken advantage of lower rates on shorter-term Local Authority borrowing when refinancing existing loans, as well as taking the opportunity to fix deals several months in advance to lock in lower rates. The cashflow position has been such that the Council has required less borrowing by the end of the financial year; as a result, some maturing loans have not been refinanced.

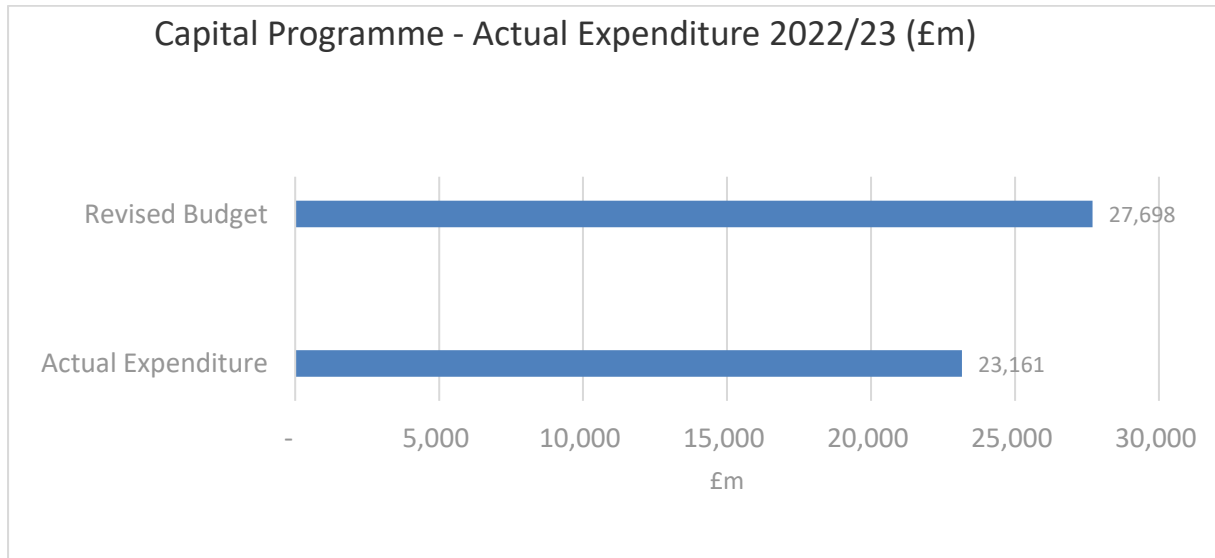
- The Council is required to repay an element of the accumulated General Fund capital spend each year through a revenue charge (the MRP). Following analysis of capital schemes completed in 2021/22 and how they were funded, the MRP payment for 2022/23 has been recalculated and the year-end position is £785k lower than budgeted.
- The forecast interest receivable is higher than budgeted, primarily due to holding higher cash balances in the earlier part of the year than anticipated, plus the effect of increased interest rates on our short-term investment income. This is off-set by a variance in the amount of interest receivable recharged elsewhere, also taking into account higher interest rates over the year.

The detailed analysis can be found in appendix 2

## 2. Capital Executive Summary

### 2.1 Expenditure

The capital programme in 2022/23 is £27.6m, with expenditure of £23.1m.

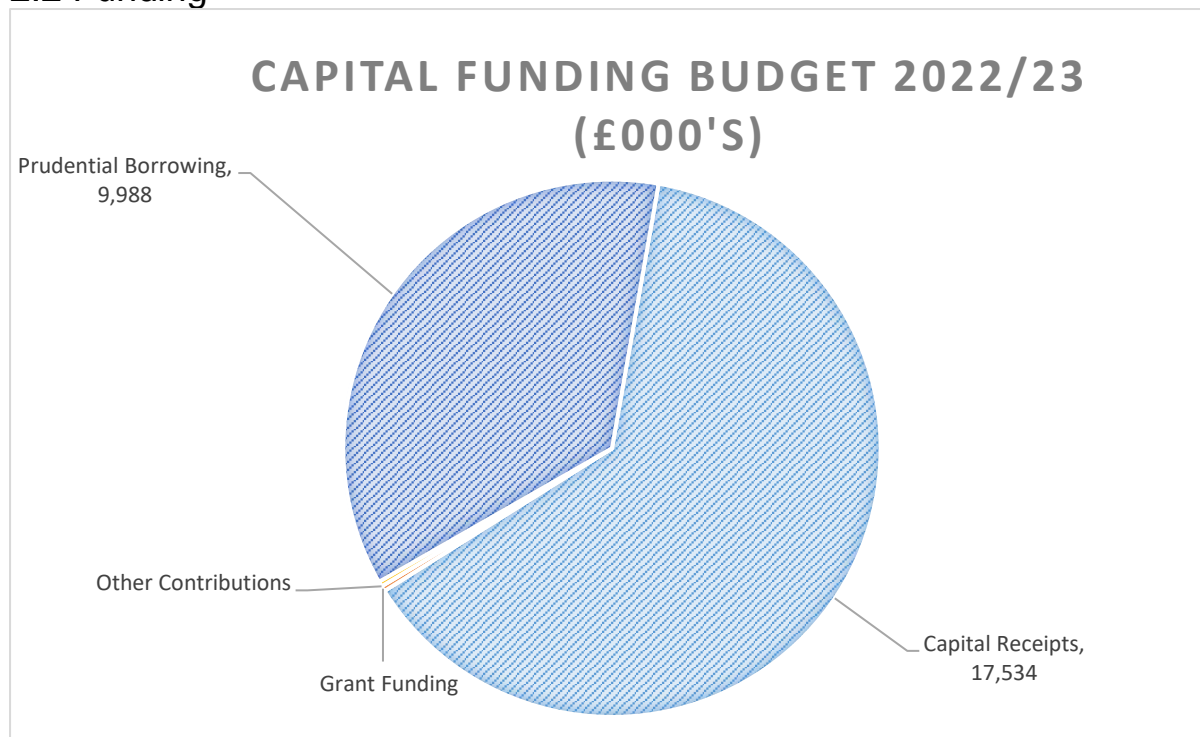


There is one new exception to report this month, and the details of all previously reported capital variances and funding can be found in [appendix 3](#)

The Investment in the CCC asset portfolio scheme has underspent by £285k, there is a requirement for £100k to be carried forward into 2023-24 to complete the work at the Roger Ascham site and for smaller commitments, such as retention payments & IT works.

This has reduced the borrowing requirement by £285k in 2022-23, with a total scheme underspend of £185k.

## 2.2 Funding



The capital budget is £27,698k in 2022/23. This includes £6,800k of funding carried forward from 2021/22 & adjustments made to the total capital scheme budget during the year, including request to move funding into 2023/24 during the Business Planning process.

## 3. Savings Tracker Summary

The savings tracker is produced quarterly. The Q4 table can be found in [appendix 4](#).

## 4. Technical Notes

A technical financial appendix has been included as [appendix 5](#).

This appendix covers:

- Grants that have been received by the service, and where these have been more or less than expected
- Budget movements (virements) from other services, to show why the budget might be different from that agreed by Full Council
- Service reserves – funds held for specific purposes that may be drawn down in-year or carried-forward – including use of funds and forecast draw-down.

# Appendix 1 – Budgetary control report for the year 2022/23

## Strategy & Partnerships Service Financial information

Previous Forecast Outturn Variance £000's		Budget 2022/23 £000's	Actuals 2022/23 £000's	Outturn Variance £000's	Outturn Variance %
-2	Executive Director: Strategy & Partnerships	414	411	-3	-1%
-2	Chief Executive's Office	243	241	-3	-1%
-6	Communications	751	738	-13	-2%
0	Elections	175	175	-0	0%
24	Human Resources	1,854	1,903	49	3%
-7	Learning & Development	1,792	1,752	-40	-2%
	<b>Legal &amp; Governance</b>				
0	Internal Audit	397	399	2	0%
-10	Legal & Governance Services	142	126	-16	-11%
22	Information Management	957	969	12	1%
-10	Democratic & Member Services	352	338	-14	-4%
14	Members' Allowances	994	1,012	18	2%
<b>16</b>	<b>Legal &amp; Governance Total</b>	<b>2,843</b>	<b>2,844</b>	<b>1</b>	<b>0%</b>
	<b>Policy &amp; Communities</b>				
223	Policy, Design and Delivery	842	1,056	214	25%
16	Business Intelligence	1,295	1,272	-23	-2%
3	Emergency Planning	124	119	-5	-4%
	<b>Communities Employment &amp; Skills</b>				
0	Strategic Management - CES	392	285	-107	-27%
0	Public Library Services	4,102	4,089	-13	0%
0	Cambridgeshire Skills	2,188	2,125	-64	-3%
0	Archives	379	372	-6	-2%
-5	Cultural Services	333	324	-8	-2%
-27	Think Communities	17,270	17,263	-8	0%
0	Youth and Community Services	395	342	-52	-13%
<b>-31</b>	<b>Communities Employment &amp; Skills Total</b>	<b>25,058</b>	<b>24,800</b>	<b>-258</b>	<b>-1%</b>
<b>211</b>	<b>Policy &amp; Communities Total</b>	<b>27,320</b>	<b>27,247</b>	<b>-72</b>	<b>0%</b>
<b>234</b>	<b>Total</b>	<b>35,391</b>	<b>35,311</b>	<b>-81</b>	<b>0%</b>
	Grant Funding				
0	Non-Baselined Grants	-19,835	-19,835	-0	0%
<b>0</b>	<b>Grant Funding Total</b>	<b>-19,835</b>	<b>-19,835</b>	<b>-0</b>	<b>0%</b>
<b>234</b>	<b>Overall Total</b>	<b>15,557</b>	<b>15,476</b>	<b>-81</b>	<b>-1%</b>



## Finance & Resources Service Financial Information

Previous Forecast Outturn Variance £000's		Budget 2022/23 £000's	Actuals 2022/23 £000's	Outturn Variance £000's	Outturn Variance %
	<b>Customer &amp; Digital Services</b>				
-67	Customer Services	1,847	1,767	-80	-4%
-243	IT Services	10,610	10,389	-220	-2%
<b>-310</b>	<b>Customer &amp; Digital Services Total</b>	<b>12,457</b>	<b>12,157</b>	<b>-300</b>	<b>-2%</b>
	<b>Finance &amp; Procurement</b>				
31	Service Director of Finance & Procurement	360	362	2	0%
-10	Professional Finance	2,191	2,170	-21	-1%
-26	Procurement	859	840	-19	-2%
-87	CCC Finance Operations	166	88	-78	-47%
-163	Insurance Fund	2,709	2,549	-160	-6%
143	Lead Authority Services	1,344	1,354	10	1%
220	External Audit	75	130	55	74%
<b>109</b>	<b>Finance &amp; Procurement Total</b>	<b>7,704</b>	<b>7,493</b>	<b>-211</b>	<b>-3%</b>
	<b>Property Services</b>				
1,175	Facilities Management	5,903	7,440	1,537	26%
32	Property Services	973	960	-13	-1%
-429	Property Compliance	222	-197	-420	-189%
-12	County Farms	-4,544	-4,491	52	1%
1	Strategic Assets	817	762	-54	-7%
<b>767</b>	<b>Property Services Total</b>	<b>3,371</b>	<b>4,473</b>	<b>1,102</b>	<b>33%</b>
	<b>Investment Activity</b>				
0	Property Investments	-3,610	-4,177	-567	-16%
-51	Company Dividends & Fees	-571	-622	-51	-9%
-125	This Land	-6,063	-6,197	-134	-2%
360	Contract Efficiencies & Other Income	-360	-0	360	100%
-171	Collective Investment Funds	-1,050	-1,230	-179	-17%
0	Renewable Energy Investments	-222	-44	178	80%
<b>13</b>	<b>Investment Activity Total</b>	<b>-11,876</b>	<b>-12,270</b>	<b>-394</b>	<b>-3%</b>
	<b>Corporate &amp; Miscellaneous</b>				
1,752	Central Services and Organisation-Wide Risks	-285	2,324	2,609	916%
17	Local Government Subscriptions	110	127	17	15%
-28	Authority-wide Miscellaneous	468	483	15	3%
<b>1,740</b>	<b>Corporate &amp; Miscellaneous Total</b>	<b>293</b>	<b>2,934</b>	<b>2,641</b>	<b>901%</b>
	<b>Financing Costs</b>				
(3,020)	Capital financing costs and minimum revenue provision	33,275	30,898	-2,377	-7%
<b>(3,020)</b>	<b>Financing Costs Total</b>	<b>33,275</b>	<b>30,898</b>	<b>-2,377</b>	<b>-7%</b>
<b>-701</b>	<b>Total</b>	<b>45,224</b>	<b>45,685</b>	<b>460</b>	<b>1%</b>
	<b>Grant Funding</b>				

<b>Previous Forecast Outturn Variance £000's</b>		<b>Budget 2022/23 £000's</b>	<b>Actuals 2022/23 £000's</b>	<b>Outturn Variance £000's</b>	<b>Outturn Variance %</b>
0	Non-Baselined Grants	0	0	0	0%
<b>0</b>	<b>Grant Funding Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>-701</b>	<b>Total</b>	<b>45,224</b>	<b>45,685</b>	<b>460</b>	<b>1%</b>

## Appendix 2 – Service Commentaries on the Outturn Position

Narrative is given below where there is an adverse/positive variance greater than £100,000.

### Policy, Design & Delivery

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
842	214	25%

The final position for the Policy, Design and Delivery Service budget is an overspend of £214k. The current staffing budget includes a contribution from the capital receipts budget. The nature of this funding is for work related to making savings as set out in the business plan. The current focus for the team is on programmes of work that do not necessarily make a saving and therefore can't be capitalised, which has resulted in an increased requirement for revenue funding.

### Strategic Management - CES

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
392	-107	-27%

The final position for the Strategic Management - CES budget is an underspend of £107k. This is due to the quarter 3 and quarter 4 vacancy savings across the Community, Employment & Skills area being higher than previously anticipated.

### IT Services

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
10,610	-220	-2%

The final position for the IT & Digital Service is an underspend of £220k, this is due to lower-than-expected costs for licences and software costs of £259k, this includes a new contract for which the full cost will not now fall in this financial year. There is also a saving for MFD (printers) of £119k, due to a reduction in lease costs. There is a continued pressure for mobiles/data of £162k in this financial year, work is being done to reduce this cost for next financial year.

### Insurance Fund

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
2,709	-160	-6%

The final position for the Insurance fund budget is an underspend of £160k, due to efficiencies made when procuring the new Insurance contracts from October 2022.

### Lead Authority Services

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
1,344	10	1%

The final position of the Lead Authority budgets is an overspend of £10k, due to the following:

- Programme team costs on projects such as the new Income Management system & Recruitment system, AP Automation & ERP upgrades was due to has resulted in additional costs this year of £72k, this is a reduction on the previous estimate due to timing of work being delayed. A reserve is available to fund this if not affordable in the context of the wider council budget.
- Insurance team underspend of £112k with the majority related to vacancies and additional income received
- Business system team overspend of £53k due to a charge relating to last financial year.
- Performance and Governance team underspend of £46k due to vacancies
- Finance Transactions Service underspend of £104k due to vacancies and additional income towards staffing
- Payroll team is overspent by £160k, due to the requirement for additional staff to meet the demands of the services

### External Audit

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
75	55	74%

The final position of the External Audit budget is an overspend of £55k, this is a reduction of £165k from the previous forecast due to an adjustment made for accruals relating to 2021/22. The remaining pressure is due to an increase in auditor fees expected for this year.

### Facilities Management

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
5,903	1,537	26%

The final position of the Property Service budget is an overspend of £1,537k. This is partly due to the continued cost of running the old Shire Hall site, £424k. Most of the expenditure is for business rates and progress is being made to reduce costs. The cost of maintaining the corporate buildings is causing a further budget pressure, this includes a backlog of work following fire risk assessments which were delayed due to Covid.

### Property Compliance

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
223	-420	-189%

The final position of the Property Compliance budget is an underspend of £420k, this is due to unused reserves of £459k held for the demolition of an educational site on Arbury Road, Cambridge. This work is complete and did not cost as much as the amount reserved.

There is also a pressure of £39k in the compliance budget, due to a reduction of income from external works and additional costs unbudgeted for.

## This Land

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
-6,063	-134	-2%

The final position of the This Land budget is an underspend of £134k, this is due to a reduction in expenditure related to professional fees and staff time.

## Contract efficiencies & Other Income

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
-360	360	100%

The final position of the Contract Efficiencies & Other Income budgets is an overspend of £360k.

Contract Efficiencies: This is due to ongoing difficulties with supply chains – relating to increasing inflationary cost pressures and continued impact from the pandemic – opportunities to renegotiate current contracts without a change to specification is extremely limited. A procurement three-year pipeline is being created alongside a programme of contract review by the Head of Due Diligence and Best Value; it is anticipated savings will be identified through those processes once they commence fully.

External Income: This target originally focused on the achievement of surplus income generation from advertising and sponsorship. Activities in advertising and sponsorship have also been limited not only due to available revenues from businesses wishing to advertise but also the capacity to manage our assets for advertisement/sponsorship and our more exclusive intent for relevant policies to remove or reduce junk food, fossil fuels, etc Further opportunities for other income are being explored.

## Collective Investment Funds

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
-1050	-179	-17%

The final position of the Investment budgets is an underspend of £179k, due to the improved return in investment during the year.

## Central Services and Organisation-Wide risks

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
-285	2,609	916%

The final position of the Central Services & Risk budget is an overspend of 2,609k. We have overachieved the vacancy saving amount by £1.1m, (the majority is from the IT service, with both staff vacancies and from the new PCC shared service £404k, and the contact centre has seen a saving of £392k for vacancies). The mileage saving has overachieved by £181k. The additional costs were for the national pay award for local government, which was £2.8m higher than the amount budgeted (3.5%) and the bad debt provision adjustment of £1.6m which ended up much higher than the forecast.

## Financing Costs

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
33,275	-2,377	-7%

The final position of Financing costs is an underspend of £2,377k. This is primarily due to forecast underspends on interest payable, Minimum Revenue Provision (MRP) and interest receivable.

- This is primarily due to forecast underspends on interest payable, Minimum Revenue Provision (MRP) and interest receivable.
- Interest payable has ended the year with a £1,867k underspend, a £172k reduction in underspend since February. Whilst the cost of taking out PWLB borrowing has been significantly higher over this financial year due to rising interest rates, the Council has instead taken advantage of lower rates on shorter-term Local Authority borrowing when refinancing existing loans, as well as taking the opportunity to fix deals several months in advance to lock in lower rates. The cashflow position has been such that the Council has required less borrowing by the end of the financial year; as a result, some maturing loans have not been refinanced.
- The Council is required to repay an element of the accumulated General Fund capital spend each year through a revenue charge (the MRP). Following analysis of capital schemes completed in 2021/22 and how they were funded, the MRP payment for 2022/23 has been recalculated and the year-end position is £785k lower than budgeted.
- The forecast interest receivable is a £2.2m over achievement of income, primarily due to holding higher cash balances in the earlier part of the year than anticipated, plus the effect of increased interest rates on our short-term investment income. This is off-set by a £2.6m variance in the amount of interest receivable recharged elsewhere, also taking into account higher interest rates over the year.

## Property Investments

Current Budget for 2022/23 £'000	Outturn £'000	Outturn %
-3,610	-567	-17%

The Property Investments budget has an overachievement of income/underspend of £567k in 2022/23. With additional income being received, including new rent from the recently purchased Evolution unit B. There has also been a saving made due to lower maintenance costs during 2022-23.

## Appendix 3 – Capital Position

### 3.1 Capital Expenditure 2022/23

Total Scheme Revised Budget £000	Original 2022/23 Budget as per BP £000	Scheme	Revised Budget for 2022/23 £000	Actual Spend 2022/23 £000	Variance 2022/23 £000
		<b><u>Strategy &amp; Partnerships Service</u></b>			
		<b><u>Policy and Communities</u></b>			
12,632	1,682	Capitalisation of Policy, Design and Delivery Team	1,682	958	(724)
5,000	943	Community Fund	2,429	787	(1,642)
113	-	Histon Library Rebuild	36	15	(21)
1,172	300	Libraries - Open access & touchdown facilities	614	231	(383)
85	85	Library Minor Works	85	14	(71)
389	72	EverySpace - Library Improvement Fund	72	63	(9)
1,875		Community Hub - Sawston	-	12	12
<b>21,266</b>	<b>3,082</b>		<b>4,918</b>	<b>2,081</b>	<b>(2,837)</b>
		<b><u>Finance &amp; Resources Service</u></b>			
		<b><u>Customer &amp; Digital Services</u></b>			
-					-
750	-	Essential CCC Business Systems Upgrade	94	41	(53)
4,642	2,000	Data Centre Relocation	658	355	(303)
3,339	1,499	IT Strategy			-
		IT Strategy - Operations	10	99	89
		IT Strategy - Business Systems	1,032	391	(641)
		IT Strategy - Digital Engagement	80	63	(17)
674	106	IT Infrastructure refresh	106	-	(106)
2,921	1,385	IT Education System Replacement	1,832	386	(1,446)
19	-	IT C&P Shared Care Record	19	19	0
		<b><u>Investments</u></b>			
1,788	350	Development Funding	294	24	(270)
-	-	Evolution Business Park Unit B Acquisition	16,060	16,056	(4)
		<b><u>Property Services</u></b>			
7,307	600	Building Maintenance	1,092	937	(155)
1,841	1,841	Condition Survey Works	927	538	(389)
5,582	-	Investment in the CCC asset portfolio	1,163	878	(285)
3,227	-	Hawthorns - Intensive Therapeutic Support Hub	1,627	92	(1,535)
256	-	Woodland Lodge Children's Home Essential Work	256	144	(112)

		<b>Strategic Assets</b>			
900	100	Local Plans Representations	156	148	(8)
2,700	300	County Farms Investment	419	426	7
1,981	-	Community Hubs - East Barnwell	95	4	(91)
18,185	220	Shire Hall Relocation	377	317	(60)
450	392	Mill Farmhouse	113	7	(106)
<b>56,562</b>	<b>8,793</b>		<b>26,410</b>	<b>20,923</b>	<b>(5,487)</b>
131	108	Capitalisation of Interest Budget	181	157	(24)
(7,826)	(2,078)	Capital Programme Variations Budget	(3,811)		3,811
<b>68,854</b>	<b>9,905</b>	<b>TOTAL</b>	<b>27,698</b>	<b>23,161</b>	<b>(4,537)</b>

### 3.2 Capital Funding 2022/23

<b>Original 2022/23 Funding Allocation as per BP £000</b>	<b>Source of Funding</b>	<b>Revised Funding for 2022/23 £000</b>	<b>Spend 2022/23 £000</b>	<b>Variance 2022/23 £000</b>
1,474	Capital Receipts	17,534	17,263	(271)
72	Grant Funding	91	105	14
-	Other Contributions	-	197	197
85	Developer Contributions	85	94	9
8,274	Prudential Borrowing	9,988	5,502	(4,486)
<b>9,905</b>	<b>TOTAL</b>	<b>27,698</b>	<b>23,161</b>	<b>(4,537)</b>

### 3.3 Capital Variation 2022/23

<b>Service</b>	<b>Capital Programme Variations Budget £'000</b>	<b>Outturn Variance £'000</b>	<b>Capital Programme Variations Budget Used £'000</b>	<b>Capital Programme Variations Budget Used %</b>	<b>Revised Outturn Variance £'000</b>
Corporate Services	(3,811)	(8,325)	3,811	100%	(4,537)

### 3.4 Service Commentaries on the Capital Position

The schemes with significant variances (>£250k) either due to changes in phasing or changes in overall scheme costs can be found in the following table:



### Libraries - Open Access

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
614	(383)	0	(383)

The Libraries Open Access capital scheme has underspent by £383k. Project delays over construction and unexpected revenue pressures have delayed the rollout of project. Currently running through a pilot phase before going back to committee for a further steer and revision of the capital program that will reflect a new timeline and scope agreed.

This has reduced the borrowing requirement by £383k in this financial year.

### Data Centre Relocation

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
658	(303)	(303)	

The Data Centre Relocation capital scheme has underspent by £303k. Post Data Centre migration we can now seek further convergence of IT infrastructure and services and realise further economies; some of these opportunities also have the potential to migrate to a Cloud based model. Consequently, the shift from a 'like for like' replacement approach has extended the overall timelines for the selection and implementation of some products and services which subsequently required a review of the budget.

The original 2022/23 budget was £1.5m, and as part of the 23-24 Business Planning process, a request was made to move £872k into 2024/23, reducing this year's budget.

The 2022/23 underspend has reduced the borrowing requirement by £303k in this financial year and there is no requirement for this to be carried forward.

### Condition Survey Works

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
927	(389)	0	(389)

The Condition Survey Works scheme has underspent by £389k. The original 2022/23 budget was £1,841k and a request was made as part of 2023/24 Business Planning to adjust budget of £914k into 2023/24, due to work being delayed on these main projects - Hereward Hall heating system, St Neots Library window replacement, Signet Court lift works, Huntingdon Community Centre works, Speke House Heating system and re-profiling of other smaller projects.

The 2022/23 underspend has reduced the borrowing requirement by £389k in this financial year.

#### Hawthorns – Intensive Therapeutic Support Hub

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,627	(1,535)	0	(1,535)

Hawthorns - Intensive Therapeutic Support Hub scheme has underspent by £1,535k, due to the new timescale for completion, which now includes an unexpected delay due to the discovery of bats.

This has reduced the borrowing amount by £1,535k in this financial year.

The original budget requested during 2022/23 was for £3,227k, and as part of the 2023/24 Business Planning process, a request was made to move £1,600k into 2023/24, reducing this year's budget.

#### Mill Farmhouse

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
113	(106)	0	(106)

Mill Farmhouse scheme has underspent by £106k, there has been a delay with the planning process. There is a requirement for this underspend to move into 2023-24.

This has reduced the borrowing amount by £106k in this financial year.

The original 2022/23 budget was £450k, and as part of the 2023/24 Business Planning process, a request was made to move £337k into 2023/24, reducing this year's budget.

#### Community Fund

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,429	(1,642)	0	(1,642)

The Community Fund capital scheme has underspent by £1,642k in 2022/23. From the original £5m allocated to the Community Capital Fund some elements remain unallocated, some projects have failed to go forward as planned and some have been subject to delay. The C,S&I Committee has determined that returned/allocated money will be used to deliver a new fund (Cambridgeshire Priorities Capital Fund).

This has reduced the borrowing requirement by £1,642k in this financial year.

### IT Education System Replacement

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,832	(1,446)		(1,446)

IT Education System Replacement scheme has underspent by £1,446 in 2022/23. Due to the Open Tender procurement processes for SEND and Transport (particularly the agreement of contracts) taking longer than anticipated, the programme was not able to make informed decisions about the wider Education system until several months later.

This has reduced the borrowing requirement by £1,446k in this financial year.

### IT Strategy

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,122	(569)		(569)

IT Strategy Programme scheme budget has underspent by £569k in 2022/23. The work will continue into 2023/24 and with the additional funding to enable the procurement of the core infrastructure for the network, to be undertaken by 2025/26. Projects within the IT Strategy scheme include the implementation of the digital engagement projects and the cloud CRM which have begun and will be completed next financial year.

This has reduced the borrowing requirement by £569k in this financial year.

### Development Funding

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
294	(270)	(270)	

The Development Fund budget has underspent by £270k in 2022/23. The budget has also been adjusted by £56k, (under S151 delegated responsibility) this is due to the focus of work at this stage moving towards the Local Plan schemes.

This has reduced the borrowing requirement by £270k and a budget of £56k was allocated to Local Plans scheme.

### Capitalisation of Policy, Design and Delivery Team

Revised Budget for 2022/23 £'000	Forecast Outturn Variance £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,682	(724)	(724)	

Capitalisation of Policy, Design and Delivery Team budget has underspent by £724k. The current programme of work is not focused solely on making savings as per the business plan, but includes other initiatives such as Net Zero, Adults, Strategy and Policy, & COMF programmes and therefore the total budget was not required.

This has reduced the capital receipt requirement by £724k in this financial year.

Investment in the CCC asset portfolio

<b>Revised Budget for 2022/23 £'000</b>	<b>Forecast Outturn Variance £'000</b>	<b>Breakdown of Variance: Underspend/ pressure £'000</b>	<b>Breakdown of Variance: Rephasing £'000</b>
1,163	(285)	(185)	(100)

The Investment in the CCC asset portfolio scheme has underspent by £285k, there is a requirement for £100k to be carried forward into 2023-24 to complete works at the Roger Ascham site and for smaller commitments such as retention payments & IT works.

This has reduced the borrowing requirement by £285k in 2022-23, with a total scheme underspend of £185k.

## Appendix 4 - Savings tracker for quarter four

BP Ref	Title	Service	Original Saving £000	Actual Saving £000	Variance from Plan £000	% Variance	Commentary
A/R.6.214	C&P efficiencies	S&P	-250	-250	0	0%	Met from one off savings. Being dealt with through 2023-24 business planning permanently
C/F 21-22	Communities and Partnership Review	S&P	-200	-200	0	0%	Met from one off savings. Being dealt with through 2023-24 business planning permanently
C/R.6.105	Members Allowances	S&P	-40	-40	0	0%	Saving met
C/R.6.106	Contract Efficiencies	F&R	-200	-42	158	79%	Inflationary cost pressures and continued impact from the pandemic – opportunities to renegotiate current contracts without a change was limited. Improved due to re-negotiation of the Insurance & ESPO contracts.
C/F 21-22	External Income	F&R	-205	0	205	100%	Due to a change in policy for advertising and sponsorship and no new options, this has not been met.
C/R.6.107	Senior Management Staffing	S&P	-100	0	100	100%	Full Council resolved to make an investment into senior management capacity
C/R.7.101	BP 19/20 - Council Tax: Increasing Contributions	F&R	-650	0	650	100%	MOU is still being deliberated by authorities. Investment has not yet been spent. Recruitment will begin once MOU has been agreed and signed.
B/R.7.127	Alconbury Solar Carport	F&R	-37	0	37	100%	A reduction in the electricity costs has not been recognised this year.
C/R.7.105	Renewable Energy Soham - Income Generation	F&R	-13	0	13	100%	Due to the winter performance, this has not been met
C/R.7.115	Brunswick House - Income Generation	F&R	-27	-105	-78	-289%	We overachieved against the budget this year
C/R.7.117	Tesco - Income Generation	F&R	-34	-42	-8	-24%	We received additional rental income

C/R.7.120	County Farms - Agricultural Rent	F&R	-45	0	45	100%	The total rental increase was below the new budget.
C/R.7.155	Investment Income	F&R	-250	-342	-92	-37%	The income from dividends has exceeded the budget
C/F 21-22	Cambs 2020 Operational Savings	F&R	-605	-181	424	70%	This saving has not been fully recognised due to the delay in the site hand over

## Appendix 5 – Technical Note

### 5.1 Grant Income Analysis

Grant	Awarding Body	Amount £'000
Skills for Care	ASYE Children & Family Services	29
Skills for Care	ASYE for Social Workers in Adult Services	23
Department for Work & Pensions	Kickstart Scheme	41
Skills for Care	Workforce Development Fund	31
Apprenticeships - Incentives	ESFA	17
Public Health Grant	DHSC	670
Bio-Diversity Net Gain	Natural England Grant Support	49
External Audit	LG DEL grant payments	40
DLUHC	New Burdens: Data Transparency Funding	13
IT Cyber Grant	DLUHC	80
Household Support Fund	DWP	7,162
Local Authority Practical Support for Self-Isolation	DHSC	156
Adult skills Core FY 21/22	CPCA	2,059
Adult skills ESFA FY 21/22	ESFA	150
Counting Every Adult - City Council	Cambridge City Council	60
Crime and Disorder Reduction Grant	Cambridgeshire Police & Crime Commissioner	60
Homelessness Prevention Grant	Cambridge City Council	20
Housing First - MHCLG RSI	DLUHC (previously DCLG, MHCLG)	242
Cambs & Hunts Family History Society	Cambridgeshire & Huntingdon Family History Society	7
Museum Partnership	SHARE	29
Kimbolton Cataloguing Project	Huntingdonshire Local History Society	3
The British Library Board	The British Library	253
The Library Presents	Arts Council	183
Homes for Ukraine (Tariff)	DLUHC (previously DCLG, MHCLG)	18,973
Homes for Ukraine (Thankyou payments)	DLUHC (previously DCLG, MHCLG)	1,350
<b>Total Grant Funding 2022/23</b>		<b>20,798</b>

## 5.2 Virements and Budget Reconciliation

### Strategy and Partnerships Service

<b>Budgets and movements</b>	<b>£000</b>	<b>Notes</b>
<b>Budget as per Business Plan</b>	<b>14,674</b>	
Executive Director: Strategy & Partnership	118	CLT Restructure
Legal & Governance	-84	CLT Restructure
Strategic Management – CES	68	Public Health income correction
Strategic Management – CES	59	Contribution towards staff savings
Learning and Development	-20	Q2 Staff savings
Cambridgeshire Skills	-20	CLT restructure
Archives	-14	Q2 Staff saving
Strategy and Partnerships	938	Staffing Inflation 2022/23
Strategy and Partnerships	-53	Q3 Staff Savings (F&R Central Savings)
Strategy and Partnerships	-29	Q3 Mileage Savings (F&R Central Savings)
Strategy and Partnerships	-104	Q4 Staff Savings (F&R Central Savings)
Strategy and Partnerships	-8	Q4 Mileage Savings (F&R Central Savings)
Strategic Management - CES	57	Staff Savings for the year
Strategic Management - CES	-23	Grants movements
Think Communities	3,632	Grants movements
Non Baselined Grants	-3,642	Grant movements
Non-material virements (+/- £30k)	4	Dec virement
Non-material virements (+/- £30k)	28	Feb virement
Non-material virements (+/- £30k)	-24	March Virement
<b>Current Budget 2022/23</b>	<b>15,557</b>	

### Finance & Resources Service

<b>Budgets and movements</b>	<b>£000</b>	<b>Notes</b>
<b>Budget as per Business Plan</b>	<b>51,024</b>	
Customer Services	-53	Q2 Staff Savings
Procurement	-37	CLT Restructure
Central Services & Organisation-Wide Risks	65	Q2 Staff savings
Central Services & Organisation-Wide Risks	156	Q2 Mileage Savings
Central Services & Organisation-Wide Risks	-45	CLT Restructure



<b>Budgets and movements</b>	<b>£000</b>	<b>Notes</b>
Central Services & Organisation-Wide Risks	-6,451	Staffing Inflation 2022/23 (held in F&R) allocated to Peoples, P&S and S&P
Central Services & Organisation-Wide Risks	53	Q3 Staff Savings
Central Services & Organisation-Wide Risks	144	Q3 Mileage Savings
Central Services & Organisation-Wide Risks	189,706	Q4 mileage Savings
Insurance	52	Insurance Fund
Central Services and Organisation-Wide Risks	369	Q4 Mileage Savings, Contribution towards Insurance, Q4 Mileage Savings,
Non-material virements (+/- £30k)	-1	Various small virements
<b>Current Budget 2022/23</b>	<b>45,224</b>	

### 5.3 Reserves Schedule

Fund Description	Balance as on 1 April 2022	Movements in 2022/23	Balance as on 31st March 2023
	£'000	£'000	£'000
<b>Strategy &amp; Partnerships Services</b>			
Election Processes	122	152	273
Director, Corporate & Customer Services	30	-16	14
Communications & Information	138	-129	9
Libraries	15	-8	7
Archives	234	-189	45
YS - National Citizen Service	50	0	50
Cambridgeshire Skills Management Team	1,697	-612	1,085
<b>Finance &amp; Resources Services</b>			
North Cambridge Academy Site Demolition Costs	460	-460	0
CCC Finance Office	133	0	133
Building Maintenance	337	1	338
Contact Centre	53	0	53
Debt Team	77	-49	28
Hardware & Infrastructure (Laptops)	150	0	150
Miscellaneous other	1,158	-1,158	0
This Land	40	-40	0
Shire Hall Relocation	481	-203	278
Council Tax: Counter Fraud & Compliance	0	464	464
Strategic Procurement & Contract Management	0	139	139
subtotal	5,173	-2,108	3,065
<b>Long Term Provisions</b>			
CPSN Partnership Funds	81	90	171
subtotal	81	90	171
Insurance Short-term Provision	911	0	911
Insurance MMI Provision	1,182	0	1,182
subtotal	2,093	0	2,093
<b>Long Term Provisions</b>			
Insurance Long-term Provision	4,746	0	4,746
subtotal	4,746	0	4,746
<b>Capital Reserves</b>			
General Capital Receipts	13,857	-13,300	556
subtotal	13,857	-13,200	
<b>TOTAL</b>	<b>25,950</b>	<b>-15,319</b>	<b>10,631</b>

(+) positive figures represent surplus funds  
 (-) negative figures represent deficit funds