

Thursday, 12 October 2023

Democratic and Members' Services
Emma Duncan
Service Director: Legal and Governance

10:00

New Shire Hall
Alconbury Weald
Huntingdon
PE28 4YE

Red Kite Room

New Shire Hall, Alconbury Weald, Huntingdon, PE28 4YE

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/cc-conduct-code>*

2 Minutes - 7 September 2023 (Public version)

5 - 8

3 Public Questions and Petitions

KEY DECISION

4 Innovate UK Net Zero Living Programme - Phase 2 Bid

9 - 32

DECISIONS

| | | |
|----------|--|------------------|
| 5 | Progress Report on the Council’s Climate Change and Environment Strategy Target | 33 - 56 |
| 6 | Finance Monitoring Report – August 2023 | 57 - 82 |
| 7 | Corporate Performance Report (Quarter 1 – 2023-24) | 83 - 104 |
| 8 | Environment and Green Investment Committee Agenda Plan and Appointments | 105 - 106 |

The County Council is committed to open government and members of the public are welcome to attend Committee meetings. It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens. These arrangements operate in accordance with a protocol agreed by the Chair of the Council and political Group Leaders which can be accessed via the following link or made available on request: [Filming protocol hyperlink](#)

Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting [Democratic Services](#) no later than 12.00 noon three working days before the meeting. Full details of arrangements for public speaking are set out in Part 4, Part 4.4 of the Council’s Constitution: [Procedure Rules hyperlink](#)

The Council does not guarantee the provision of car parking on the New Shire Hall site. Information on travel options is available at: [Travel to New Shire Hall hyperlink](#)

Meetings are streamed to the Council’s website: [Council meetings Live Web Stream hyperlink](#)

The Environment and Green Investment Committee comprises the following members:

Councillor Lorna Dupre (Chair) Councillor Nick Gay (Vice-Chair) Councillor Anna Bradnam Councillor Steve Corney Councillor Piers Coutts Councillor Stephen Ferguson Councillor Ian Gardener Councillor John Gowing Councillor Ros Hathorn Councillor Jonas

King Councillor Peter McDonald Councillor Brian Milnes Councillor Catherine Rae
Councillor Mandy Smith and Councillor Steve Tierney

| | |
|------------------|--------------------------------------|
| Clerk Name: | Nick Mills |
| Clerk Telephone: | 01223 699763 |
| Clerk Email: | nicholas.mills@cambridgeshire.gov.uk |

Environment and Green Investment Committee

Date: 7 September 2023

Time: 10.00am - 11.00am

Venue: New Shire Hall

Present: Councillors L Dupré (Chair), N Gay (Vice Chair), A Bradnam, S Corney, P Coutts, S Ferguson, I Gardener, J Gowing, R Hathorn, J King, P McDonald, C Rae, P Slatter (substituting for Cllr Milnes) M Smith and S Tierney.

158. Apologies for Absence and Declarations of Interest

Apologies for absence were noted from Councillor Brian Milnes (substituted by Councillor Philippa Slatter)

No declarations of interest were made.

159. Minutes of the meetings held on 13 July 2023

The public and confidential minutes of the meetings held on 13 July 2023 were agreed as correct records.

A Member requested that the workshop proposed under action 98, for the development of the Corporate Tree and Woodland Strategy be opened up for all Members who may have an interest into inputting to the strategy.

ACTION

The action log was noted.

160. Public Questions and Petitions

No petitions or public questions were received.

161. Appointments to Outside Bodies and Internal Advisory Groups and Panels

The Committee received a report that sought a new appointment for the Greensand Country Landscape Partnership to replace the current appointee, Councillor Kindersley and an appointment for a vacancy on the Local Access Forum. Members agreed to discuss the appointments at the next spokes meeting. **ACTION**

162. Environment and Green Investment Committee Agenda Plan

Members discussed the Committee agenda plan. A member queried where the responsibility for the strategy in relation to Electric Vehicle (EV) charging points sat and whether it would come to this committee. The Executive Director: Place and Sustainability explained that it currently sat under the Highways and Transport Committee but was related to the work of this committee and the Combined Authority. He agreed to clarify and provide a written response to members. **ACTION**

It was resolved to note the agenda plan.

163. Exclusion of Press and Public

It was resolved that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed - information relating to the financial or business affairs of any particular person (including the authority holding that information).

164. Northstowe and Longstanton Heritage Facility - Implications and Options After Contractor Failure

The committee considered a report on the Northstowe and Longstanton Heritage Facility - Implications and Options After Contractor Failure.

It was resolved to agree the recommendations set out in the report.

165. The Cambridgeshire Open Radio Access Network Ecosystem (CORE) Project Update

The committee received a report outlining the Cambridgeshire Open Radio Access Network Ecosystem (CORE) Project Update.

It was resolved to agree the recommendations set out in the report.

Environment and Green Investment Committee - Minutes Action Log

This is the updated action log as at 4 October 2023 and it captures the actions arising from recent Environment and Green Investment Committee meetings and updates Members on the progress on compliance in delivering the necessary actions.

Minutes of the Committee Meeting Held on 13 October 2022

| Minute No. | Agenda Item | Officer(s) | Action | Comments | Status |
|------------|--|----------------------|---|---------------------------------------|----------------|
| 98. | Draft Interim Corporate Tree and Woodland Strategy | E Bolton and P Clark | Arrange workshop for Committee members to input into development of the final strategy next year. | A workshop will be organised shortly. | Action Ongoing |

Minutes of the Committee Meetings Held on 7 September 2023

| Minute No. | Agenda Item | Officer(s) | Action | Comments | Status |
|------------|--|------------|--|--|-----------------|
| 161. | Appointments to Outside Bodies and Internal Advisory Groups and Panels | F Jordan | Discuss pending appointments to Greensand Country Landscape Partnership and the Local Access Forum at the next Spokes meeting. | In accordance with the Scheme of Delegation, the Executive Director of Place and Sustainability approved the nomination of Councillor Stephen Ferguson to the Greensand Country Landscape Partnership and Councillor Anna Bradnam to the Local Access Forum. | Action Complete |

| | | | | | |
|------|--|----------|---|------------------|----------------|
| 162. | Environment and Green Investment Committee Agenda Plan | F Jordan | Provide written response to members on which body was responsible for the strategy in relation to electric vehicle charging points. | Awaiting update. | Action Ongoing |
|------|--|----------|---|------------------|----------------|

Innovate UK Net Zero Living Programme - Phase 2 Bid

| | |
|------------------------|---|
| To: | Environment and Green Investment Committee |
| Meeting Date: | 12 October 2023 |
| From: | Executive Director of Place and Sustainability |
| Electoral division(s): | All |
| Key decision: | Yes |
| Forward Plan ref: | 2023/096 |
| Outcome: | <p>The Council and its partners have submitted bids to Innovate UK under its Phase 2 Net Zero Living Programme. If these bids are successful, the Council will need to enter into grant and partnerships agreements. This report provides an update on the bids that have been submitted and seeks authority to enter into the required agreements if required.</p> |
| Recommendation: | <p>The Committee is recommended to:</p> <ul style="list-style-type: none">a) Note the findings of the Phase 1 CANFFUND Feasibility Study and the scope of a Phase 2 Innovate UK Net Zero Living Programme, CANFFUND Demonstrator Funding Bid of £4.9m, as set out in section 2 of this report;b) Note the additional Cambridgeshire bid applications for a £150k pathfinder project building on one aspect of the Phase 1 study and the inclusion in Peterborough City Council's Innovate UK Demonstrator bid proposal for £330k;c) Delegate authority to the Executive Director of Place and Sustainability, in consultation with the Chair and Vice-Chair of the Environment and Green Investment Committee, to enter into grant agreements with Innovate UK, and to enter into agreements with partners, if the bids are successful, for any of the Demonstrator, Pathfinder or Peterborough bids; andd) Delegate authority to the Executive Director of Place and Sustainability, in consultation with the Chair and Vice-Chair of the Environment and Green Investment Committee, to undertake any associated procurement, awarding and executing of contracts that would be required for the delivery of the programmes covered by these bids. |

Officer contact:

Name: Sheryl French

Post: Assistant Director Climate Change and Energy Services

Email: Sheryl.french@cambridgeshire.gov.uk

Tel: 01223 728552

1. Background

- 1.1 The Climate Change and Environment Strategy approved in February 2022 brought forward the Net Zero target to 2045 for Cambridgeshire, five years ahead of the national target of 2050. To date, the Council has focussed much of its efforts to support delivery of its 2030 Net Zero organisational goals but a key target in the strategy is to also 'Support communities and businesses to reach Net Zero by 2045'. Achieving this target needs collaboration across Cambridgeshire's local authorities, its businesses and communities.
- 1.2 In October 2021, the Cambridgeshire and Peterborough Climate Commission identified that investment of £700m per annum would be required from 2021 to 2050 to achieve Net Zero and that Cambridgeshire's fair share of carbon budget would be used up by 2032 unless the pace and scale of carbon reductions could be accelerated across all sectors. Most Cambridgeshire local authorities and the Cambridgeshire and Peterborough Combined Authority (CPCA) have set in place a range of net zero target dates, from 2030 to 2050, and climate action plans to support delivery.
- 1.3 45% of Cambridgeshire's carbon footprint relates to the decarbonisation of the energy system. This includes, as examples, retrofitting of all homes and buildings across Cambridgeshire; increasing local energy generation (e.g., solar PV on roofs); wind turbines; installing 9000+ EV charge points to reduce transport emissions and switching all homes and businesses off oil and gas onto heat pumps and heat networks.
- 1.4 A common barrier to achieving the climate plans and their targets, is identifying where the money is going to come from and how to appropriately influence the market to respond to this challenge. It is clear that technology is not the barrier, rather it is the non-technical barriers such as finance; engagement with and demand from communities; and addressing market incentives that need to be overcome to deliver the required scale of decarbonisation.
- 1.5 In October 2022, Innovate UK launched a £60m, three-year Net Zero Living Programme. This aims to help places and businesses across the UK to accelerate the transition to net zero across the energy system through:
 - Removing non-technical barriers to demand, skills, organisational capacity, citizen engagement, financing, procurement, and governance processes
 - Driving widespread growth and innovation across the economy.
 - Unlocking significant private investment to enable levelling up between and within places.
- 1.6 The Net Zero Living programme is set up in two phases. In Phase 1, thirty-one projects were successful sharing £2m to undertake feasibility studies. Cambridgeshire received £75k to undertake a feasibility study for a financing framework to support net zero delivery for the energy transition, a project called the Cambridgeshire Net Zero Financing Framework for Whole System Change (CANFFUND). This was delivered from April to June 2023. All thirty-one pathfinder Phase 1 projects are eligible to apply for a Phase 2 Demonstrator Project.
- 1.7 The Phase 1 feasibility study was led by the Council and developed and delivered in partnership with all the Cambridgeshire local authorities (except Fenland District Council),

the Combined Authority, UK Power Networks, Collaborate CiC, City Science and the Greater Southeast Net Zero Hub.

2. Main Issues

2.1 Phase 1 Feasibility Study - CANFFUND

The CANFFUND project was seeking to address the question of where the money is going to come from to transition to Net Zero, framing the problem through the following lenses:

- Demand: Without carbon-pricing, or sufficient price differentiation between high-polluting and net zero goods, the cost of business as usual is an insufficient deterrent to high carbon lifestyles. The market lacks the necessary signals to shift demand from high to low carbon.
- Business case: Net Zero requires decarbonisation everywhere but business cases in rural areas (e.g., shifting oil-dependent villages onto electric heating), lack the economies of scale and often facilitating infrastructure. This makes it more costly and there is a lack of market mechanisms to address this challenge.
- Viability: Existing mechanisms mean that funding and interventions naturally flow where viability is high and costs are low. However, for many places and communities the interventions are cost prohibitive and not seen as being capable of being delivered by the market.

2.2 The CANFFUND project looked at how money flows in and around the finance system. It examined spend of individuals and consumers; the products and profits of businesses; the collection and spending of money by the public sector; and examined the streams of cash flow by investors seeking a return on capital, as set out in Appendix 1.

2.3 A high level analysis of total household income across Cambridgeshire was also undertaken. In 2020, of the £13.5bn spent by Cambridgeshire residents, more than 95% of household spend reinforced the fossil fuel economy. The research also identified the high value of real assets in Cambridgeshire e.g., housing equity, retail and institutional assets; and covered household gross disposable spend. Key insights from this research include:

- Housing equity is high compared to many other areas.
- Gross disposable income of £19bn in 2020 (£22k per person on average, masking significant inequalities in some places)
- Gross disposable income is 16 times higher than the public sector spend, much of which is ring fenced.
- Public sector assets are the smallest contributor to Cambridgeshire 'money flows' but have significant touch points and influence on all sectors of the economy.

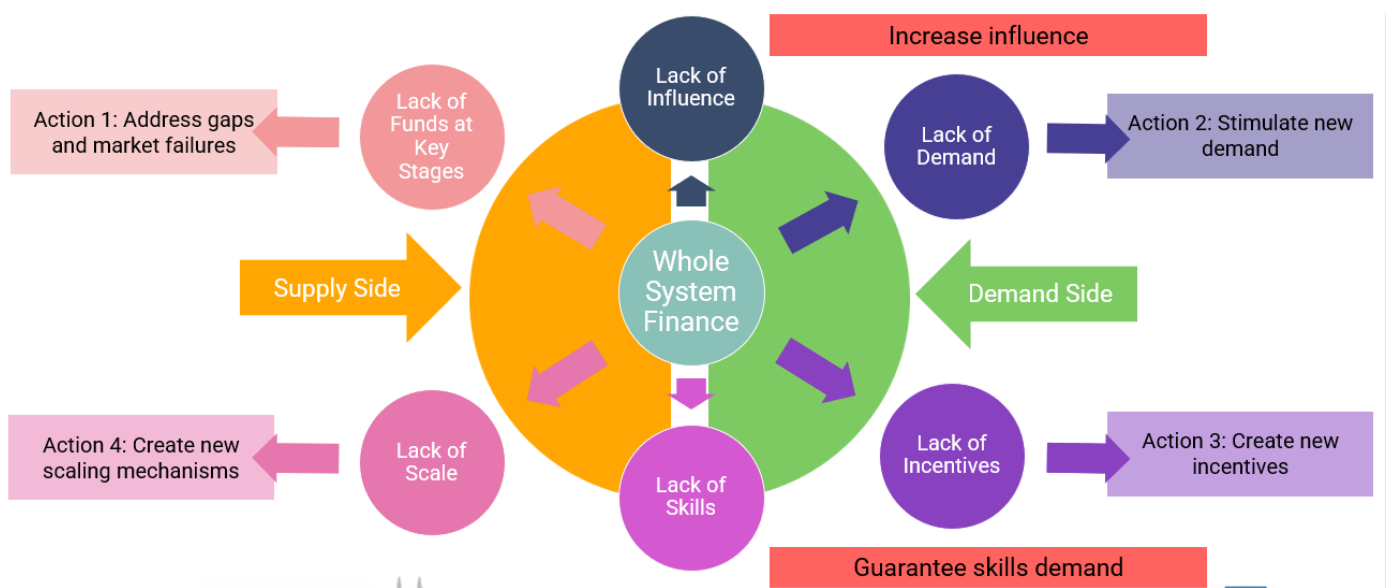
2.4 The type and scale of different measures needed to deliver a new future energy system and Net Zero Places were examined. Appendix 2 summarises the targets, investments, and pathways for ten measures/missions for the energy transition. The common themes and barriers to financing delivery were identified and summarised below:

- Development funding is needed for upfront analysis to address data gaps on low carbon solutions.
- New Net Zero structures are required that meet investors due diligence needs.
- Investor preference is single asset class rather than place based bundled projects.
- Insufficient Place based net zero investment models or real-life case studies to learn from
- More incentives are needed to stimulate the demand side, which then stimulates investment.
- Lack of innovative finance skills and system thinking in both the financial industry and public sector
- Supporting community energy can build demand and the financial case for whole village / neighbourhood / street investments.
- Detailed analysis of investible propositions at regional, place and project level is needed
- Businesses are looking for consistency, level playing field across an area.

2.5 The Conclusions from Phase 1 are summarised below and in Appendix 3 from a range of workshops and telephone discussions. Figure 1 below describes the whole system finance change that is needed.

- Supply and demand must be tackled at the same time, doing only one will likely fail.
- Significant costs but also significant opportunities can be realised.
- Different sectors, require a slightly different approach dependent on the area/place.
- Skills development is crucial for both supply and demand for zero carbon initiatives.
- Community energy builds demand opens new financing options and de-risks projects.
- A clear framework is needed to align central and local government ambitions to build a consistent approach for business to invest.

Figure 1: Tackling Whole System Finance Change



3. A Phase 2 CANFFUND Bid

- 3.1 The Phase 2 competition was launched on 26 June 2023, limiting applications to the thirty-one pathfinder projects selected in Phase 1. Cambridgeshire submitted its Demonstrator bid by the 6 September deadline building on the findings from Phase 1. Five, or possibly six demonstrator projects of up to £5m per project could be funded.
- 3.2 The Cambridgeshire Innovate UK bid includes the opportunity to align governance on climate action plans and ambitions, develop detailed analysis and evidence on net zero/energy projects to inform investment and delivery mechanisms; build skills and capacities across the partnership and develop opportunities to engage and incentivise communities and businesses to invest and be part of the future energy system. If successful, the Phase 2 bid would provide the opportunity to develop an aligned strategy across the Cambridgeshire partnership with a credible delivery plan.
- 3.3 In addition to the existing partners, Hughes Hall, University of Cambridge were keen to be involved, along with the Local Government Pension Scheme and Peterborough City Council.
- 3.4 From the Phase 1 pathfinder projects, it is clear there are strong Phase 2 proposals coming forward across the country. For example, Greater Manchester, Bristol, and Peterborough, all have Local Area Energy Plans in place and their Phase 2 bids focus on engagement to build and scale demand and delivery for domestic retrofits. Leicestershire's proposal centres around local governance, and West Midlands Combined Authority is innovating in the monetisation of co-benefits such as health, grid capacity and carbon credits to support retrofit.
- 3.5 Analysing Cambridgeshire's strengths and opportunities, its bid offers:
- Geography – its rural and light urban nature faces different economic challenge to high density cities.
 - Its communities and villages have strong social capital and capabilities, keen to engage in community energy and decentralisation.
 - Build on existing strong partnerships and capacities delivering retrofits and community energy demonstrators through setting the frameworks and conditions to scale up investment.
 - Tackling 'Whole finance system change' across both supply and demand and how money flows in the economy.
 - A framework for collaboration between Local and Central Government to report progress on Net Zero and which seeks to align local ambitions, investments, business cases and stakeholder roles and responsibilities into a 'Locally Determined (Net Zero) Target'.
 - Businesses are committed and interested to invest in identifying the solution.
- 3.6 The project scope of the Phase 2 bid will address whole finance system change through:
- addressing market failure,
 - stimulating new demand,
 - creating new incentives and scaling mechanisms
 - Identifying interdependencies between interventions to optimise and leverage change in the finance system.

3.7 The project will look to redirect money flows in Cambridgeshire from high carbon to low carbon solutions through the interventions set out in the table in section 3.9 of this report. The result would be increased demand and investment in low carbon energy solutions and an approach that is tackling whole financial system change. This is different from other bids, which are focussed more narrowly on either governance or a low carbon delivery vehicle or street level retrofits.

3.8 The potential outcomes include:

- Re-directing investment in Cambridgeshire from high carbon to low carbon initiatives.
- A framework for collaboration between Local and Central Government to report progress on Net Zero and which seeks to align local ambitions, investments, business cases and stakeholder roles and responsibilities into a 'Locally Determined (Net Zero) Target'. See Appendix D – a draft visualisation of a framework.
- Additional private sector investment into Cambridgeshire's low carbon ambitions
- A green AVC option for pension scheme members
- An agreed of what a 'Net Zero Asset class' comprises and the evidence to back this up for investors.
- Five-year detailed plan for the different sectors that is implementable for the LAEP.
- A skilled Net Zero marketplace across public sector, communities, investors, and businesses
- Public sector leveraging its powers and influence positively to support communities and businesses.
- A Net Zero asset class defined, tested, and gaining acceptance.

3.9 The solutions proposed for development and testing will look to cover (but are not limited to):

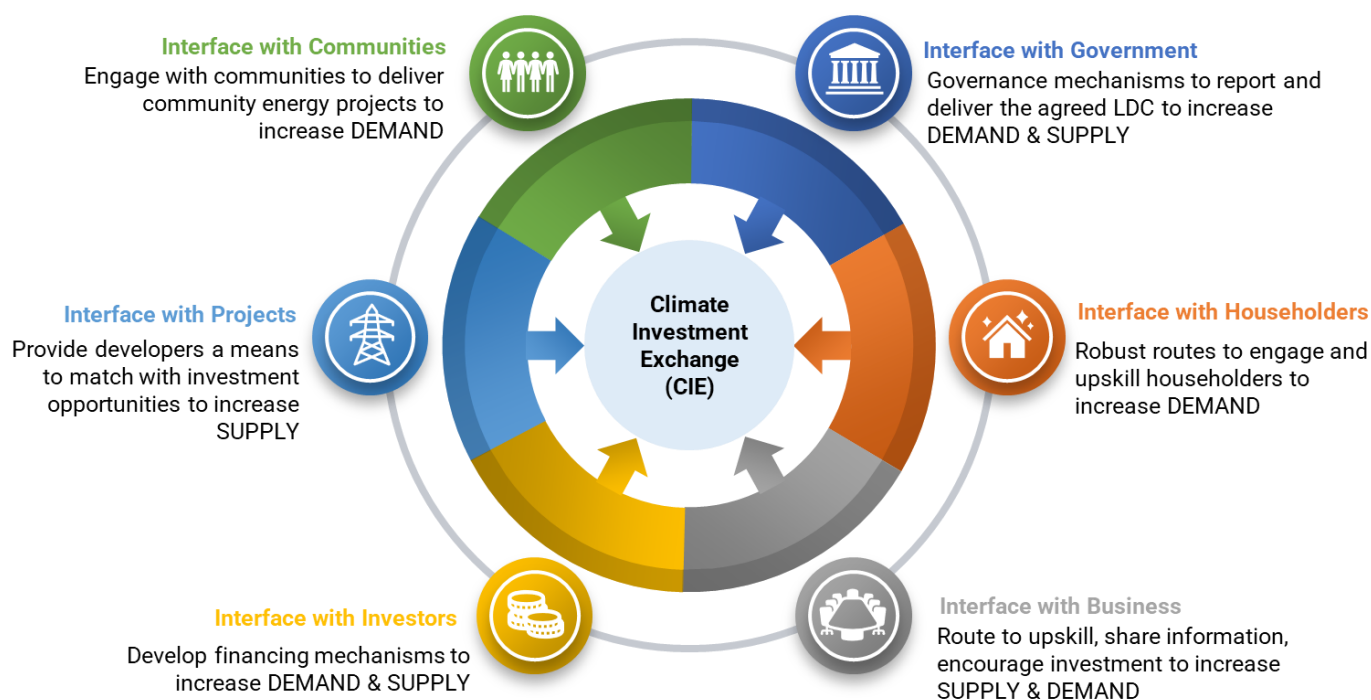
| Solution | Description | Output | Proposed Consultancy Budget (<i>subject to change</i>) |
|---------------------------------------|--|---|---|
| Incentives for householders to invest | Scope opportunities to facilitate incentives for householders. For example, an award scheme bronze, silver, gold on carbon emissions reductions/energy measures installed in homes. Green loan options for homes to support this award scheme. | Incentive scheme scoped and tested as a pilot to encourage household investment into energy measures/retrofits and stimulate demand | £200K |

| Solution | Description | Output | Proposed Consultancy Budget (<i>subject to change</i>) |
|---|--|---|---|
| Scaling existing community and municipal energy schemes | Analyse the success factors and barriers for municipal and community energy projects already delivered. E.g., Swaffham Prior Community Heat Project, Gamlingay wind turbine, housing retrofits | Produce Investment Grade Proposals to scale the different project types e.g., heating, retrofit, energy generation, heat networks at village level, market town level or street, neighbourhood level. A social enterprise retrofit/low carbon vehicle to support delivery. | £300K |
| Re-writing the business case rule book | Treasury's five strategic case and green book business cases do not reflect whole life cycle analysis, avoidance of future climate costs or monetise the triple bottom line that reflects local issues. Investment decisions could look different accounting for these factors. | A revised business case rule book tested and piloted locally and with government, investors. Local Government to drive investment into low carbon solutions. | £150K |
| Build the evidence base for a Net Zero Asset Class | Scope a range of Net Zero Projects that a proxy village would need to be net zero. These cover as a minimum retrofit, generation, ev charging. Build an evidence base of the risks and interactions between projects, how best to bundle projects, ROI on bundled projects, transaction costs etc and how to package up for investors. Test this evidence base for gaps with investors/businesses and communities. | Establish the concept and evidence base for a Net Zero Asset Class with investors and communities. | £150K |

| Solution | Description | Output | Proposed Consultancy Budget (subject to change) |
|---|--|--|--|
| Leverage purchasing, planning and other powers and private sector ESG | Scope the impact of procurement specifications for reducing public sector scope 3 emissions. Identify mechanisms to help suppliers/SMEs become net zero with their services. In addition, scope and develop planning policies to allow developers to contribute to a Fund where on-site carbon emissions reductions can't be delivered, or it is more cost effective to deliver through a Fund. Scope a platform for crowd funding contributions for local projects that can bring the Fund and projects together. | A Decarbonisation Fund to invest in local community projects supported by Public Sector and Private Sector finance. A digital platform for local projects that can be funded and includes crowd funding opportunities | £125K |
| Pension Fund investments | Working with the LGPS to scope green pension options for AVCs that could be tested with scheme members for acceptability and interest. Identify what marketing would be needed to socialise this with scheme members. Test the Net Zero Asset class (see above) with pension fund investment strategies and advisors. Identify and share the learning for scaling across all pension schemes | Pilot green pension AVC options with LGPS scheme members monitoring uptake and satisfaction. Report on the acceptability of Net Zero Asset class with LGPS, its investment strategy and advisors scaling where appropriate. | £150K |
| Community and household engagement digital platform | Develop and test a dynamic digital engagement platform to enable communities to plan energy projects with support including data, qualified suppliers, technical specifications etc. | Launch an engagement platform supporting communities to co-produce and develop energy projects. | £75K |

| Solution | Description | Output | Proposed Consultancy Budget (subject to change) |
|--|---|---|--|
| Essential skills for Net Zero investment and financing | Develop and test training packages to improve financial, economic, and green system thinking skills to drive the pace and scale of delivery in the public, private and community sectors. | Delivery of training courses securing upskilling of key partners, investors, and communities in Net Zero business case development. | £25K |
| Detailed 5-year delivery Plan for the Local Area Energy Plan | Using the Local Area Energy Plan analysis, build a detailed delivery plan, costings, partnership, and mechanisms for the first five years. | Detailed Delivery Plan and costing for the first stage of the Local Area Energy Plan. | £175K |

3.10 Below is an early draft image and concept to describe the touch points that will drive the supply and demand across the market:



3.11 What the Demonstrator bid includes

The maximum bid size is £5m and the project duration is 21 months, starting in February 2024 and ending in October 2025. If the project is successful, this will be announced in November 2023. The Cambridgeshire local authorities and CPCA have included a request for £2.55m in total. This is to recruit up to eight new staff to support delivery of the project, a budget allocation for existing staff to participate and learn as part of the project and a £1.2m consultancy budget is included to support the detailed work needed to identify and address the non-technical barriers. The specifications for the consultancy are still at a high level and will be progressed in detail if successful. The Innovate UK guidelines highlight that local authorities are 100% funded. However, full cost recovery is not possible as staff overheads are limited to 20%, which do not fully cover all costs. Hughes Hall, University of Cambridge and Collaborate CiC a social enterprise specialising in engagement and system change are also 100% funded on the same terms. The Council's business partner, City Science, is 70% funded and has confirmed the 30% match needed for the project if the bid is successful.

- 3.12 The Council is leading the project and has included provision for a Project Director, Programme Manager and Project Manager in the bid, along with a budget to provide for a range of officers to participate and backfill where needed. In discussion with partner authorities, the preferred model is to have the additional staff capacity of up to five full time posts hosted in one organisation as a CANFFUND partnership team supporting the local authorities with capacity, skills, knowledge, reports and driving forward the work programme. The additional roles would be recruited with an emphasis on economic development and finance backgrounds. At the end of the project, it is anticipated that the financial modelling, system skills and capacities needed by local authorities to mobilise the investment and delivery of low carbon solutions would be embedded into organisations.
- 3.13 If the project bid is successful the key risks include:
- Partnership agreements are not in place for a 1st February 2024 start - The partnership will need to sign a grant agreement and a partnership collaboration agreement including how IP generated in the project is managed and licensed with all partners. To manage the risk, IUK provide standard collaboration agreements and reviewing these will start early with lawyers.
 - Key roles are not recruited in time or able to be recruited for 1st February start - The programme and project manager roles are standard specifications and recruitment can start from November. Opportunities for secondments will be welcomed for these roles as they are temporary. For the more specialist roles of Project Director and the economic development/finance roles, these specifications will need to be developed and evaluated and soft market testing undertaken with consultancies and key individuals to understand how best to pitch these roles for success. Again, a secondment arrangement would/could work best for these roles.
 - Spending risk - There are two key risks to manage including ensuring the development and agreement of consultancy specifications and their procurement is started early to support the spend profiles of the bid. 60% of the funding must be spent in the first year. The recruitments and procurement of consultants are the key risks to this spend, which means upfront preparation is strongly advised.
- 3.14 There are two further options if unsuccessful with the Demonstrator project. The Council is included in Peterborough City Council's Demonstrator bid to support delivery of a

workstream on financing a portfolio of projects. Costings for this are still to be developed, but it is likely to be approximately £330k. The other option is £150k available to all Phase 1 pathfinder projects submitting bids to continue to collaborate as a pathfinder project and deliver one aspect from the phase 1 research. The Pathfinder bid submitted includes work developing a locally determined target for Net Zero that includes aligning local climate actions and setting this within a framework between local and central government.

3.15 Next Steps –

- If the Demonstrator Project is shortlisted, a team would need to attend an interview with Innovate UK at the end of October 2023. Notification of whether the bid is successful should be made by mid-November and preparations would commence for a start on 1 February 2024.
- Reviews of the grant agreements and partnership agreements would be undertaken for all three funding opportunities.
- The partnership will continue collaborations with Hughes Hall Cambridge to plan and programme work towards the framework and a locally determined contribution.

4. Alignment with ambitions

4.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

The Phase 2 CANFFUND Demonstrator bid if successful will support the Council's targets for Net Zero by 2045 and supporting its businesses and communities.

4.2 Travel across the county is safer and more environmentally sustainable.

Investment into low carbon transport solutions will be included in the scope of work that sits under the Local Area Energy Plan and IUK bid submission.

4.3 Health inequalities are reduced.

Although the focus of the bids is financing solutions and increasing supply and demand for low carbon solutions, the indirect impact will be to cut greenhouse gas emissions which has positive impacts on air quality and housing and linked to health benefits.

4.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs.

The key challenge for people is that the environmental or low carbon options can be more expensive than the alternative fossil fuel goods and services. This project is looking at market barriers and incentives to address market failures.

4.5 Helping people out of poverty and income inequality.

The Demonstrator bid will look to engage with homes to participate more actively with the energy system to reduce bills whether this is speeding up home retrofits for all, increasing energy efficiency or supporting homes to buy and sell energy via digital platforms to help manage energy costs.

- 4.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised.

A clean and resilient energy system underpins the local economy and its ability to thrive. The energy system transition will help build a local energy economy, local jobs and provide the tools for homes/places to manage their energy needs more dynamically.

- 4.7 Children and young people have opportunities to thrive.

Tackling climate change and financing net zero ambitions is to create a better future for young people to thrive. The do-nothing alternative prejudices the opportunities and quality of life of future Cambridgeshire residents as it deals with climate impacts.

5. Significant Implications

5.1 Resource Implications

If successful, this project will help grow the future skills needed in local authorities including financial modelling and system change.

The Committee is being informed about the Phase2 Innovate UK Net Zero Living Programme, CANFFUND Demonstrator Funding Bid of £4.9m. If unsuccessful in this bid, alternative bids include a Phase 1 Pathfinder Project of £150k and a bid through Peterborough City Council for £330k where the Council is a partner.

Of the £2.5m funding requested by the local authorities and Combined Authority, approximately £2m would be managed directly by the Council.

If the Demonstrator Bid is successful, there would be up to £50k direct revenue cost to the Council to cover the full oncosts of staff, plus the Council would need to cover the overhead cost of laptops, building costs, corporate services etc.

Paragraphs 3.11 and 3.12 provide further details on the resource opportunities.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

A grant funding agreement with Innovate UK will be required should the project be successful and partnership agreements signed.

In paragraph 3.11, a £1.2m consultancy budget has been identified and included in the funding bid for the local authority partners. Support for procurement would be drawn from across the partnership and comply with procurement guidelines and procedures.

Recruitment of the new roles would be on a fixed term basis. The maximum contract would be 21 months. There is a risk that some of these roles could be challenging to recruit. Options would be scoped on the best way to bring these skills into the project, whether via secondments, consultants or using existing staff with these skills and backfilling where needed, with the latter creating an opportunity cost to the Council.

There is also the timescale risk that the roles cannot be recruited for the 1 February 2024 start date. This means flexible contract lengths would be needed to comply with the grant funding and timescale restrictions. For example, 60% of the funding must be spent by March 2025 and only 40% of any funding allocation spent between April and October 2025. The project would continuously monitor spend across the whole of the £4.9m project and its fifteen partners, to ensure spend across the whole partnership can meet this funding requirement. If this is unlikely to be met, early identification of the issues would be shared with Innovate UK to re-profile or reduce scope of the project to accommodate this condition.

5.3 Statutory, Legal and Risk Implications

Key risks are set out in paragraph 3.13. If the Subsidy Control Rules 2002 should apply to any of the activities, they must be complied with.

5.4 Equality and Diversity Implications

There are no significant implications.

5.5 Engagement and Communications Implications

There are no significant implications.

5.6 Localism and Local Member Involvement

There are no significant implications.

5.7 Public Health Implications

There are no significant implications.

5.8 Climate Change and Environment Implications on Priority Areas:

5.8.1 Implication 1: Energy efficient, low carbon buildings.

Positive/neutral/negative Status: Positive

Explanation: : If the bids are successful, this will support the development of the financing framework for low carbon solutions.

5.8.2 Implication 2: Low carbon transport.

Positive/neutral/negative Status: Positive

Explanation: If the bids are successful, this will support the development of the financing framework for low carbon solutions.

5.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Positive/neutral/negative Status: Positive

Explanation: As above

5.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Positive/neutral/negative Status: Neutral

Explanation:

5.8.5 Implication 5: Water use, availability and management:

Positive/neutral/negative Status: Neutral

Explanation:

5.8.6 Implication 6: Air Pollution.

Positive/neutral/negative Status: Positive

Explanation: If the bids are successful, this will support the development of the financing framework for low carbon solutions.

5.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.

Positive/neutral/negative Status: Positive

Explanation: If the bids are successful, this will support the development of the financing framework for low carbon solutions.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Sarah Heywood

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

Name of Officer: Clare Ellis

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

Name of Legal Officer: Emma Duncan

Have the equality and diversity implications been cleared by your EqIA Super User?

Yes

Name of Officer: Sheryl French

Have any engagement and communication implications been cleared by Communications?

Yes

Name of Officer: Kathryn Rogerson

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

Name of Officer: Sheryl French

Have any Public Health implications been cleared by Public Health?

Yes

Name of Officer: Iain Green

If a Key decision, have any Climate Change and Environment implications been cleared by the Climate Change Officer?

Yes

Name of Officer: Sarah Wilkinson

5. Source Documents

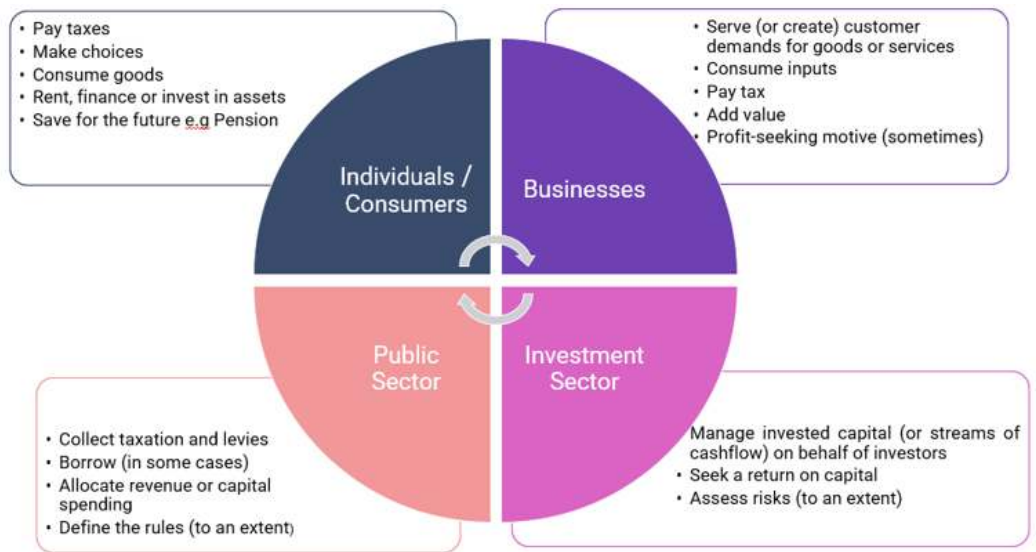
5.1 [Net Zero Living: Pathfinder Places Phase 2 – Pathfinders](#)

5.2 [Net Zero Living: Pathfinder Places Phase 2 – Demonstrators](#)

Appendix 1 - Money Flows

Whilst we would usually talk about “**finance**” to answer the question “where is the money going to come from?” we need to think in terms of “**money flows**”.

And in particular how money flows can **reinforce fossil fuel dependency** and how and where incentives and other levers can change this pattern to re-direct spend.



Appendix 2 – Ten Measures and Missions for Energy Transition

| Mission | Pathway Requirement | Finance Needed | Key Barriers | Concept to Address Barrier |
|--|---|----------------|--|---|
| Domestic retrofit | All homes retrofitted-currently 277,600 households in Cambridgeshire | £1.38bn | <ul style="list-style-type: none"> Funding upfront whole-house surveys Limited financial incentives for homeowners e.g gas price cheaper than electricity Skills / supply chain and cost impacts Capital cost of change & Limited consumer knowledge of offers | <ul style="list-style-type: none"> Reform council tax to link it to property energy efficiency Dual interest rate system for the Bank of England Upfront analysis and development fund Integrate retrofit credits into an immediate offer Stimulate demand for retrofit skills Scale-up of Swaffham Prior Heat Network approach to address at village level in rural areas, or neighbourhoods in urban areas Financial guidance service (integrated with One-Stop-Shop) |
| Non-Domestic buildings and processes | Electrification of buildings and processes to the maximum extent-currently 143,980 non-domestic buildings | £2.88bn | <ul style="list-style-type: none"> Funding upfront decarbonisation surveys Limited green borrowing & Limited financial incentives for business owners Complexity associated with different sectors Perception of risk / cost Disruption to business | <ul style="list-style-type: none"> Upfront analysis supported by a development fund, linked to a revolving loan fund for communities & businesses Reform business rates to provide discounts to energy efficient businesses / properties Dual interest rate system for the Bank of England Greater use of collective LA procurement to create incentives Local Decarbonisation Fund supported by LA procurements and potential for subnational Carbon Credits market Sector-based decarbonisation plans / expertise with funding Financial guarantee product |
| Transport-demand reduction / mode shift | Reduced car mileage through demand management and shift across urban and rural areas-reduce car mileage by 15% by 2030 and 15% modal shift. | >£0.25bn | <ul style="list-style-type: none"> Road investment is prioritised above mass transit solutions Rural Areas are Under-represented | <ul style="list-style-type: none"> Re-write business case rules and include carbon budgets Development Fund for innovative transport models e.g transport as a services plus mass transit |

| Mission | Pathway Requirement | Finance Needed | Key Barriers | Concept to Address Barrier |
|--|--|----------------|---|--|
| Heat Sources | Heat pumps or district heat for all homes and 143,980 non-domestic buildings | £0.67bn | <ul style="list-style-type: none"> Upfront cost of analysis / engineering design Understanding how to scale-up | <ul style="list-style-type: none"> Upfront analysis and development fund Investment grade analysis for whole of Cambridgeshire for heat pumps and networks Community Municipal Bonds and other financing models |
| EV Charging (excludes vehicle costs or buses) | Scale up of EV charging for personal vehicles and freight- currently 264 growing to 12,823 charge points by 2040. Pathway for clean hydrogen to power large fleet vehicles | £0.63bn | <ul style="list-style-type: none"> Governance and responsibility Underweighting in rural areas Insufficient demand for hydrogen powered large fleet | <ul style="list-style-type: none"> Level of service by place-type (EV) Procurement to incentivise rural delivery Cambridgeshire business case to identify opportunity for hydrogen powered large fleet |
| Local Generation | Target based on share of national energy use- Onshore wind potential 6.6 GW, Solar 1.6 GW | £1.6bn | <ul style="list-style-type: none"> Local ownership / buy-in for solar, wind, Anaerobic Digestion Planning Grid connections For Solar PV – perceived loss of agricultural land | <ul style="list-style-type: none"> Community Energy Fund (linked to building society) Green Enterprise Zones (as a result of LAEP) Development of Local Neighbourhood Energy Plans Stacking of revenues and environmental credits into PV energy schemes e.g soil improvements, biodiversity, pesticides, carbon |
| Grid Investment | Supporting all the above actions | TBD | <ul style="list-style-type: none"> Grid constraints Longtime frames for connecting Little visibility of connection costs and queues | <ul style="list-style-type: none"> LAEP identifies clear pipeline of energy projects including upfront analysis on timescales to inform DSO business plans Financing of skill schemes (apprenticeships, internships) |

| Mission | Pathway Requirement | Finance Needed | Key Barriers | Concept to Address Barrier |
|---|--|----------------|---|---|
| General Investor/Pension Fund | Supporting all the above actions Funding deployment at scale Funding for hard to abate areas | TBD | <ul style="list-style-type: none"> Lack of consumer awareness, trust and confidence Competition vs traditional banks Lack of scale/proof Perception of risk Regulatory/FCA limits on local investments | <ul style="list-style-type: none"> Create a fin-tech offer to make climate investment more attractive Encourage all employers to have a green pension option Create a "B-Corp" for Pension funds Green Citizen owned building society Return guarantee product Originate platform for "hard to coordinate" products Local Investment fund and delivery vehicle |
| Flexibility services and community | Increase local generation and modify generation or consumption patterns in reaction to external signals through collaborating with the community | TBD | <ul style="list-style-type: none"> Gaining community engagement and investment Understanding and realizing financial and co-benefits for communities Cost of connections to the grid for smaller/medium sized projects | <ul style="list-style-type: none"> Engage collaboratively with communities to analyse a whole village/neighbourhood energy system Develop whole energy solutions business case templates covering retrofit, generation, selling energy, community tariffs Develop joint venture opportunities between Councils and communities to set up and invest in community energy schemes Put together share offers/crowd funding platforms for community energy Skills development for community energy including data analysis, procurements, financing and land opportunities This mission will coincide with investment into the grid |
| Nature Based Solutions | Offsetting/insetting hard to treat carbon emissions from the energy systems | TBD | <ul style="list-style-type: none"> Verifying offsets Gaining investment in the carbon market | <ul style="list-style-type: none"> <u>Land owners</u> benefitting from private funding through peatland offsets whilst protecting and maintaining wildlife. Utilise finance mechanisms to de-risk investment and encourage buy in Work with an offset verification partner |

Appendix 3 - Long list of interventions identified to inform a Phase 2 Bid

CONCLUSION

30

KEY FINDINGS- INTERVENTIONS IDENTIFIED

Addressing Lack of Finance at specific deal stages:

- Upfront analysis and development fund
- Revolving loan fund for communities & businesses
- Decarbonisation Fund - Offsets / Carbon Credits market
- Re-write business case rules
- Financial guarantee product(s)
- An origination platform for "hard-to-coordinate" assets

Tackling Lack of Incentives:

- Reform council tax to link it to property energy efficiency
- Reform business rates to provide discounts to energy efficient businesses / properties
- Dual interest rate system for the Bank of England
- Green Enterprise Zones (as a result of LAEP)
- Integrate retrofit credits into an immediate offer

Skills, Guidance & Knowledge

- Stimulate demand for retrofit skills / Retrofit pipeline guarantee
- Financial guidance service (integrated with One-Stop-Shop)
- Sector-based decarbonisation plans / expertise with associated funding
- A Cambridgeshire Climate Hub

Scaling Up:

- Scale-up of Swaffham Prior Heat Network approach
- Investment grade analysis for whole of Cambridgeshire

Procurement:

- Level of service by place-type (EV) and mass transit solutions
- Fleet services –large fleet transport solutions
- Greater use of collective council (and wider) procurement to create necessary incentives and support for a Decarbonisation Fund
- Reviewing contracting terms to support supply chain investment, delivery and VFM

Green Investment Demand:

- Community Energy Fund (linked to building society)
- Create a fin-tech offer to make climate investment more attractive to younger demographics (e.g. similar to Bitcoin)
- Encourage all local employers to provide a green pension option as default
- "B-Corp for Pension Funds". High-quality assurance measure for the sustainability claims.
- Green citizen-owned building society

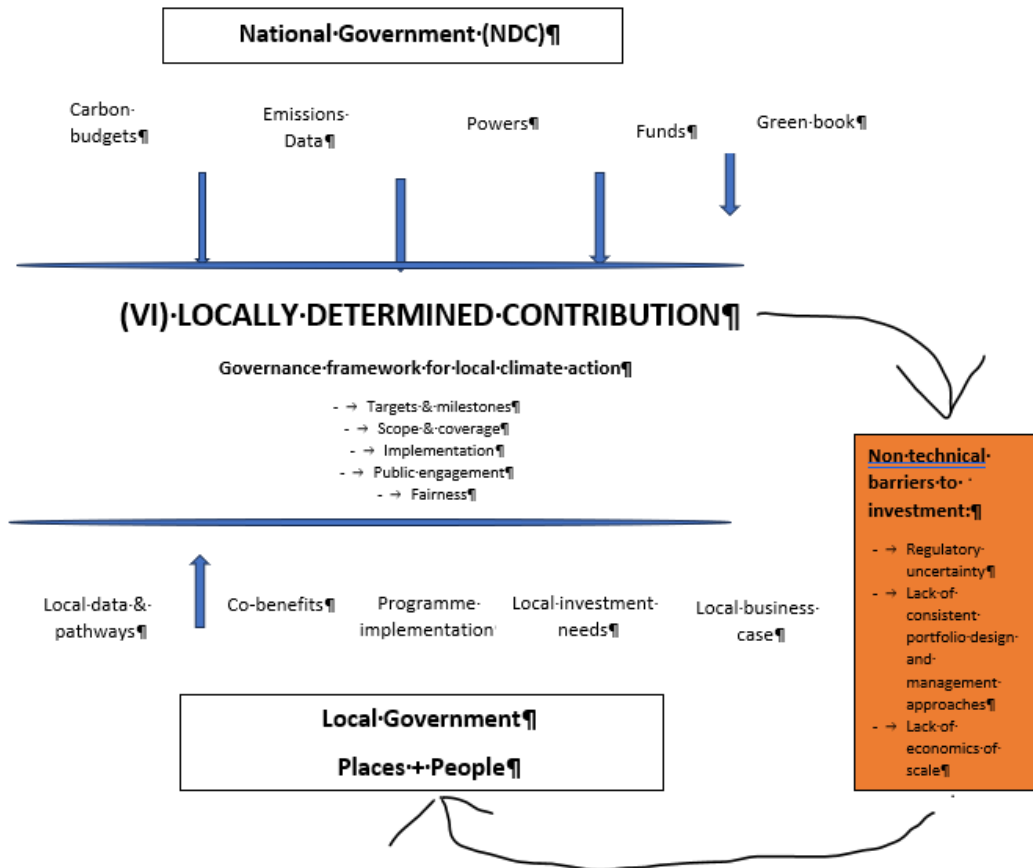
Influence & Governance:

- Framework agreement between Local and Central government to collaborate on net zero delivery and funding
- Create a levelized playing field across an area for businesses including removing any first mover disadvantages



Appendix 4 - Draft Visualisation of a Framework between Central and Local Government

Please note: NDC = Nationally Determined Contribution – the UK’s carbon emissions reported at International COP meetings. A Locally Determined Contribution (LDC) is what Cambridgeshire could agree locally for carbon emissions that it can control and influence.



Progress Report on the Council's Climate Change and Environment Strategy Target Delivery

To: Environment and Green Investment Committee

Meeting Date: 12 October 2023

From: Executive Director of Place and Sustainability

Electoral division(s): All

Key decision: No

Outcome: The purpose of the report is to update the Committee on the progress being made in implementing the Climate Change and Environment Strategy Action Plan and targets.

Recommendation: The Committee is recommended to:

Review the progress, key challenges and residual risk in the delivery of the Council's Climate Change and Environment Strategy.

Officer contact:

Name: Emily Bolton,
Post: Climate Crisis Strategy Manager
Email: emily.bolton@cambridgeshire.gov.uk
Tel: 01223 714732

1. Background

- 1.1 In February 2022, Full Council approved the Climate Change and Environment Strategy of the Council. This strategy covered three main areas, including mitigation, adaptation, and natural capital, and set out how the Council will support communities, businesses, and wildlife to thrive while reducing carbon and dealing with the effects of the changing climate.
- 1.2 In March 2023, the Environment and Green Investment Committee agreed a new risk-based approach to reporting progress against its targets and requested an update in six months to provide the first progress report using the new methodology.

2. The Risk Based Methodology

- 2.1 The risk-based methodology was developed to assess the effectiveness of the delivery of the strategy and to highlight progress to the achievement of the Council's targets.
- 2.2 The new methodology uses action plans as risk mitigations, and where mitigations are not working or are insufficient to deliver the ambitions, these are amended and improved to ensure delivery is on track creating a more dynamic assessment. The risk methodology and matrix are set out in Appendices 1-3 of the report.

3. Progress Report

- 3.1 A summary of the risk change is highlighted in Figure 1. The risk profile has improved as indicated in the October 2023 position.

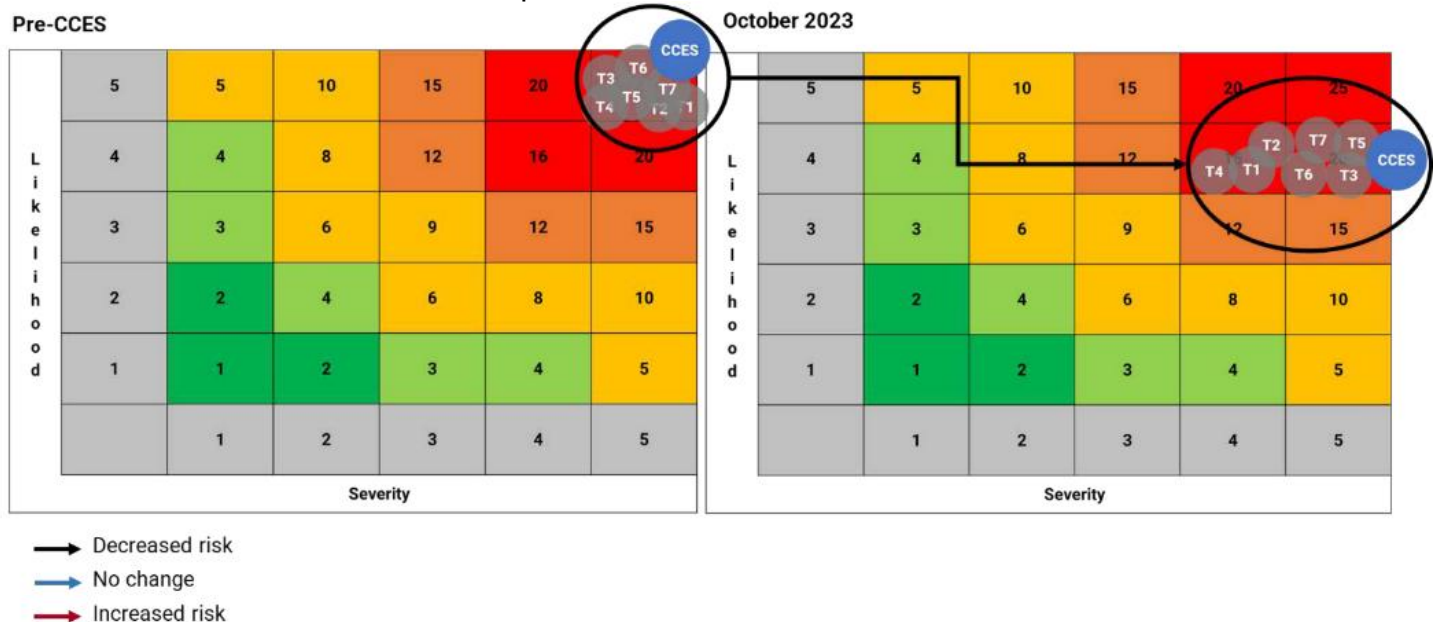


Figure 1 - Comparison of residual risk between pre-CCES and October 2023.

- 3.2 The Initial Risk Score (i.e., before the Action Plan is implemented) across the Programme is set at 25, which is the highest possible level. This is on the basis that, while some action was already underway, it was insufficient to adequately deliver the Targets at that time.
- 3.3 Following the methodology outlined in section 0, the residual risk of not delivering the Targets is 20. The decrease reflects that significant action has been implemented, sufficient to reduce the likelihood of non-delivery. However, there is still significant risk,

as set out in Figure 1.

Risk Analysis by Target

3.4 Target 1: Understand and grow our natural capital account to benefit people and nature by 2025

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 4 | 4 | 16 | improving |

3.4.1 There are eighteen actions mitigating the risk of non-delivery of this target. Actions tend to be in their infancy, with a focus on developing specific plans and strategies to develop the Council's approach to biodiversity and natural capital. The outcomes of these plans and ability to implement them will define whether risk will further reduce over the next reporting period.

3.4.2 Examples of specific projects that are underway include the March Natural Flood Risk Management and Community Led Nature Restoration projects, which are reducing the risk to meeting this target.

3.4.3 Work is also progressing on a Biodiversity Strategy and a survey to underpin and refine this target. The intention is to then update this to provide a set of SMART (Specific, Measurable, Achievable, Relevant and Time-bound) targets for this area of activity.

3.5 Target 2: The Council will reduce emissions from our buildings and fleet transport to net zero by 2030 (scopes 1&2)

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 4 | 4 | 16 | improving |

3.5.1 There are sixteen actions mitigating the risk of non-delivery of this target. Generally, actions are progressing well, with significant work underway to develop decarbonisation plans for Council premises. The Council has decarbonised twenty-two corporate buildings for heating and hot water, while a further six sites are currently in the design phase. Forty-four decarbonisation plans for buildings have been procured and these will inform the future plans for the Council's estate. Challenges related to securing funding to decarbonise are keeping the risk high currently, however work is ongoing to proactively explore funding approaches.

3.5.2 Work is to be commissioned to understand how the Council's fleet is managed and decarbonisation will form part of that review. The results from this work will inform action and support implementation of low carbon fleet options.

3.6 Target 3: The County Council will reduce its supply chain emissions (all scope 3) by 50.4% by 2030

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 5 | 4 | 20 | improving |

3.6.1 There are twenty-six actions mitigating the risk of non-delivery of this target. Projects to understand how to reduce carbon and deliver decarbonation plans are progressing across the Rural Estate, Highways and Waste Services. Action plans are anticipated for January 2024.

3.6.2 Significant progress has been made to integrate climate and nature into procurement processes, however further piloting is required to understand any implications of greater environmental requirements on contract delivery and value. Potential funding implications remain a key risk along with the highly limited ability of some already stretched markets to make changes (e.g., social care provision, school bus provision).

3.7 Target 4: Improve our Biodiversity across the Council estate by 2030

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 4 | 4 | 16 | improving |

3.7.1 There are twenty actions mitigating the risk of non-delivery of this target. As with Target 1, actions tend to be in their infancy, with a focus on developing specific plans and strategies to develop the Council’s approach to biodiversity.

3.7.2 Delivery of the Biodiversity Strategy and the Updated Tree and Woodland Strategy will support delivery of this target, and consideration for nature is also incorporated into Council asset decarbonisation plans. Similarly, the Rural Estates and Highways Service decarbonisation plans both incorporate improvements to nature in their scope. Management of this target will rely on effective implementation of these strategies and plans.

3.7.3 Key work is progressing on a survey to underpin and refine this target to make it SMART.

3.8 Target 5: Cambridgeshire carbon emissions will be net-Zero by 2045

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 5 | 4 | 20 | improving |

3.9 Target 6: Support our communities and businesses to decarbonise by 2045

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 5 | 4 | 20 | improving |

3.9.1 Due to their strong overlap, these two targets are discussed together. Across these targets there are forty actions - the majority of the action plan - mitigating the risk of non-delivery of this target.

3.9.2 Key actions are collaborative in nature, and the Council is not leading all partnership activities (e.g. the Council is a partner in Fenland SOIL looking at peatland emissions). While some collaborations are strengthening, such as integrating sustainable transport into plans with the Combined Authority and the Greater Cambridge Partnership and the partnership developing the Local Areas Energy Plan, others are more challenging.

Managing collaborations to ensure delivery of this target is a key task with fluctuating partner positions over time.

3.9.3 Key areas that increase the risk profile of these targets:

- **External Community Engagement:** A communications plan has been implemented by the Communications Team. However, collaborative external proactive engagement activities have been a key challenge due to resource capacity across all partners, including the Council.
- **Funding:** Delivery at pace and scale across the different actions is limited by the availability and/or complexity of funding. While some projects have sound business cases and significant grant funding is being secured, further work is needed to secure long-term funding. This is being picked up via a government-funded Innovate UK project exploring financing solutions to deliver net zero, with results of the funding application pending.
- **Facilitating community action:** Various schemes such as Action on Energy Cambridgeshire and Heat Pump Ready have progressed. Challenging delivery of the Solar Together scheme, triggering a review of the longer-term outlook for such projects is currently increasing the risk to this target.
- **Supporting electrification of transport:** To date progress to provide Public Electric Vehicle Infrastructure across the county has been limited, with a pilot installing nineteen chargers on-street in Cambridge now complete. However, in collaboration with the Combined Authority and Peterborough City Council, the Council has now secured £232,000 from the government’s Local EV Infrastructure Fund to enable resourcing and capacity building within the authority. Further funding to support joint training, consultancy and engagement activities will be held by the Combined Authority. Recruitment of a Lead EV officer has concluded with further support to follow once a funding agreement with the Combined Authority for the funding is signed. This means the authorities will shortly have dedicated resources and capacity building to support this action.

3.10 Target 7: All Council buildings and infrastructure to be resilient to climate change impacts by 2045

| Initial Status | | | New Average Target Status | | | |
|----------------|------------|------|---------------------------|------------|---------------|-----------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | Direction |
| 5 | 5 | 25 | 5 | 4 | 20 | improving |

3.10.1 There are twenty-two actions mitigating the risk of non-delivery of this target. While significant progress in managing flood risk across the county is recognised within the risk analysis, there remains a key challenge in ensuring the Council and its infrastructure are resilient to the additional pressures the changing climate may bring.

3.10.2 The Public Health team is undertaking analysis to understand the potential health implications on residents and working with the Integrated Care System (ICS) to begin exploring how services may need to evolve.

3.10.3 A lack of suitable information on the nature and scale of the risk climate presents the Council is the key barrier to delivery of this target. A collaboration with the Combined Authority, District and City councils, the Local Resilience Forum, the ICS, as well as the Ambulance, Fire and Police Services is under development. This is seeking to commission a quantified evidence base of the risk climate poses to our collective

statutory services, quantifying the “do nothing” position financially where possible. This would enable targeted adaptation actions to be defined and support future business case development. This is currently being led by the Council as the lead with the Regional Climate Change Forum for adaptation.

3.11 Across the programme, there are several key elements that are either supporting or inhibiting significant progress towards target delivery as set out below:

- Integration of Nature into the Climate and Environment Programme (previously Net Zero Programme) over the last six months aligns all the CCES actions within a single strong existing governance mechanism to drive delivery.
- Resourcing and Funding: This remains an ongoing challenge, and is particularly acute in certain areas, such as driving forward net zero delivery and important biodiversity actions that will arise once strategies are developed.
- External Strategy Developments: A range of proposals have been recently suggested for the Cambridge area by the Department for Levelling Up, Housing and Communities in relation to forthcoming legislation and strategy. It is not possible to assess the implications of these ideas until further detail is available. Should new legislation come into effect in line with nationally highlighted proposals, further assessment of the climate and nature related implications for the county will be required in addition to the statutory processes. The risk mitigation (climate actions) needs to be regularly reviewed to reflect the current risk position according to the external impacts of decisions and legislation.

3.12 Next steps for progress reporting. The fifth annual carbon footprint report (for 2022-23) is currently being drafted and will be presented to the Committee in November 2023. Discussions are now underway on bringing together both the annual carbon footprint report and this risk report into one document over the next twelve months, to start to build a more coherent picture of the successes, the challenges and gaps to delivering the Council’s ambitions.

4. Alignment with ambitions

4.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

The report outlines progress towards reaching this corporate ambition.

4.2 Travel across the county is safer and more environmentally sustainable.

The CCES Action Plan includes actions to support sustainable travel.

4.3 Health inequalities are reduced.

Improving the natural environment is a key wider determinant of health, supporting better health outcomes and reducing inequalities across the County.

4.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs.

The actions within the CCES deliver several wider co-benefits that align to this ambition. For example, adapting services to ensure they continue at their best despite the changing

climate.

4.5 Helping people out of poverty and income inequality.

The actions within the CCES deliver a number of wider co-benefits that align to this ambition including reducing fuel poverty and developing funding routes to enable all residents to benefit from the transition to a low carbon economy.

4.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised.

Just transition is a key theme of the CCES, with all projects designed to support communities to take advantage of the benefits climate and environmental action brings.

4.7 Children and young people have opportunities to thrive.

The actions within the CCES deliver a number of wider co-benefits that align to this ambition including supporting schools to decarbonise and improve the school environment.

5. Significant Implications

5.1 Resource Implications

There are no significant implications within this category. Resource is highlighted as a key challenge to delivery of the CCES action plan and its targets. Proposals for changes to the level of resources will be picked up via the business planning process.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

5.3 Statutory, Legal and Risk Implications

Legal review of the grant funding agreements for the LEVI fund (see description at target 5 & 6) will be undertaken ahead of signing.

Should the LEVI funding not be drawn down, the Council will be unable to build capacity and resource to deliver EV charging infrastructure across the County (unless funded by a new Council revenue budget). Without this capacity the Council will also be unable to develop a business case to access the separate c.£5million LEVI capital funding in 2024.

5.4 Equality and Diversity Implications

There are no significant implications within this category. Each project resulting from the

CCES will produce its own EqlA as part of project governance.

5.5 Engagement and Communications Implications

There are no significant implications within this category.

5.6 Localism and Local Member Involvement

There are no significant implications within this category.

5.7 Public Health Implications

There are no significant implications within this category. Each project resulting from the CCES will produce its own Health Impact Assessment as part of project governance.

5.8 Climate Change and Environment Implications on Priority Areas:

The CCES sets out the Councils priority areas for action, all of which are covered by the CCES action plan. Progress to deliver these actions helps to mitigate the risk of the council not reaching its climate targets and ambitions.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Sarah Heywood

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

Name of Officer: Clare Ellis

Has the impact on statutory and legal implications been cleared by the Council's Monitoring Officer? Yes

Name of Officer: Emma Duncan

Have the equality and diversity implications been cleared by your EqlA Super User?

Yes

Name of Officer: Sheryl French

Have any engagement and communication implications been cleared by Communications?

Yes

Name of Officer: Kathryn Rogerson

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

Name of Officer: Sheryl French

Have any Public Health implications been cleared by Public Health?

Yes

Name of Officer: Iain Green

If a Key decision, have any Climate Change and Environment implications been cleared by the Climate Change Officer?

N/A

6. Source Documents

- 6.1 [Update on delivery of the Climate Change and Environment Strategy \(CCES\) Action Plan](#)
(Agenda Item No. 6 – Environment and Green Investment Committee meeting on 16 March 2023)

Appendix 1 – Risk Methodology Detail and Matrix

- 1.1 For each target, there are a range of actions/mitigations to support delivery. Each action/mitigation is assessed for (i) impact on the target should it not be delivered and (ii) the likelihood of delay/inaction. This produces a value for residual risk. Residual risks describe the remaining risk that needs to be managed to allow the targets to be achieved. The residual risk values are then averaged to produce an overall residual risk associated with each target., which is in turn average to produce a programme level residual risk.
- 1.2 It should be noted that this methodology is designed to provide a realistic position against delivery of the council’s targets, and it is unlikely that significant changes in residual risk would be noted over short time frames. It is only with completion of actions at pace and scale that the risk will reduce, which is highly reflective of the real-world requirements to deliver net zero.
- 1.3 As with any risk register, the Action Plan remains a live dynamic document, amended and added to as new information, innovation and policy comes forward.
- 1.4 Risk Matrix

Severity is determined by the description that best fits the expected impact type, assuming reasonable effectiveness of existing controls. Where there is more than one impact type, the type with the highest severity level is applied.

| Severity | Impact Types | | | | | Severity Factor |
|----------------------|---|--|---|--|--|-----------------|
| | Relative risk of climate impacts to CCC services | Carbon Reduction/biodiversity net gain | Delivery of CCC Corporate Priorities (other than Environment & Sustainability) | Path Dependency – delivery of long-term transition | Reputation | |
| High | Massive disruption to business/ services. Recovery difficult or even impossible. | Negligible benefit to target delivery | Significant, wide ranging and long-term co-benefits supporting all CCC corporate priorities | Immediate, isolated change only | Permanent public / multistakeholder reputational impact, severely affecting business continuity and wider partnerships | 5 |
| High-moderate | Major disruption to business/service delivery. This could be through a single event or a series of outages. | Minor or only indirect carbon reductions and/or biodiversity net gains towards delivery the targets. | Opportunity for significant and/or wide-ranging co-benefits supporting 3 or more CCC Corporate Priorities is lost | Short term change only | Long-standing public / multistakeholder reputational impact, requires major intervention to overcome over long-term | 4 |
| Low-Moderate | Some customers dissatisfaction but business/services restored before any major impacts. | Moderate direct or significant indirect carbon reductions or biodiversity net gains delivered towards the targets. | Opportunity for some co-benefits delivered and/or supports 2 or more CCC corporate Priorities is lost | Medium term change delivered | Wider reputational impact, requires moderate intervention to overcome | 3 |

| | | | | | | |
|-----------------|---|--|---|---|--|----------|
| Low | Minor/short-term inconvenience for business/service users and staff. Services quickly restored. | Significant carbon reduction and/or biodiversity net gain delivered against the targets. | Opportunity for a few co-benefits or only delivers Environmental corporate Priority is lost | Delivers long-term change, but requires continual inputs to sustain | Marginal / temporary reputational impact that can be readily overcome. | 2 |
| Very Low | Negligible. No impact on business/services. | Fully delivering target and contributing to significant and permanent direct carbon reduction and/or biodiversity net gain delivered | No loss of opportunity as action delivers no/negligible co-benefits | Delivers sustained, long-term change | Low-level impact to reputation | 1 |

The probability factor is determined by the likelihood of CCC or its stakeholders incurring (experiencing) the selected impact, assuming reasonable effectiveness of the existing and tested preventative controls.

| Level | Likelihood of delay Factor | | Frequency |
|---------------|-----------------------------------|---------------------|---|
| Very Low | 1 | Less than 5% chance | Is very unlikely to occur in normal circumstances |
| Low | 2 | Around 10% chance | Is unlikely to occur in normal circumstances |
| Low-Moderate | 3 | Around 25% chance | Likely to occur in some circumstances or at some time |
| High-moderate | 4 | Around 60% chance | Is likely to occur at some time in normal circumstances |
| High | 5 | Around 90% chance | Will or almost certainly occur in normal circumstances |

When the risk rating has been assigned to each of the risks, they can be plotted on a risk map to have an overview of the Council's overall risk profile.

| | | | | | | |
|-------------------|---|---|----|----|----|----|
| Likelihood | 5 | 5 | 10 | 15 | 20 | 25 |
| | 4 | 4 | 8 | 12 | 16 | 20 |
| | 3 | 3 | 6 | 9 | 12 | 15 |
| | 2 | 2 | 4 | 6 | 8 | 10 |
| | 1 | 1 | 2 | 3 | 4 | 5 |
| | | 1 | 2 | 3 | 4 | 5 |
| Severity | | | | | | |

| | |
|---------|---------------|
| 1 - 2 | Very Low |
| 3 - 4 | Low |
| 5 - 10 | Low-Moderate |
| 11 - 15 | High-moderate |
| 16 - 25 | High |

Overall RAG Status

Overall Climate Change & Environment Strategy Delivery Risk

| Initial Status <i>*before CCES</i> | | | New Average Programme Status Oct 2023 | | |
|------------------------------------|------------|------|---------------------------------------|------------|---------------|
| Severity | Likelihood | Risk | Severity | Likelihood | Residual Risk |
| 5 | 5 | 25 | 5 | 4 | 20 |

Targets

| Non-delivery of: | Initial Status | | | New Average Target Status | | | Direction |
|---|----------------|------------|------|---------------------------|------------|---------------|-----------|
| | severity | Likelihood | Risk | Severity | Likelihood | Residual Risk | |
| 1 Understand and grow our natural capital account to benefit people and nature by 2025 | 5 | 5 | 25 | 4 | 4 | 16 | ↓ |
| 2 The Council will reduce emissions from our buildings and fleet transport to net zero by 2030 (scopes 1&2) | 5 | 5 | 25 | 4 | 4 | 16 | ↓ |
| 3 The County Council will reduce its supply chain emissions (all scope 3) by 50.4% by 2030 | 5 | 5 | 25 | 5 | 4 | 20 | ↓ |
| 4 Improve our Biodiversity across Council estate by 2030 | 5 | 5 | 25 | 4 | 4 | 16 | ↓ |
| 5 Cambridgeshire carbon emissions will be net-Zero by 2045 | 5 | 5 | 25 | 5 | 4 | 20 | ↓ |
| 6 Support our communities and businesses to decarbonise by 2045 | 5 | 5 | 25 | 5 | 4 | 20 | ↓ |
| 7 All Council buildings and infrastructure to be resilient to climate change impacts by 2045 | 5 | 5 | 25 | 5 | 4 | 20 | ↓ |

Risk Matrix

| | | | | | | | | |
|--|---|---|----|----|----|----|----------|---------------|
| L i k e l i h o o d | 5 | 5 | 10 | 15 | 20 | 25 | 1 - 2 | Very Low |
| | 4 | 4 | 8 | 12 | 16 | 20 | 3 - 4 | Low |
| | 3 | 3 | 6 | 9 | 12 | 15 | 5 - 10 | Low-Moderate |
| | 2 | 2 | 4 | 6 | 8 | 10 | 11 - 15 | High-moderate |
| | 1 | 1 | 2 | 3 | 4 | 5 | 16 - 25 | High |
| | | 1 | 2 | 3 | 4 | 5 | Severity | |

Pre-CCES



d

| | | | | | | |
|----------|---|---|---|---|---|---|
| | 1 | 1 | 2 | 3 | 4 | 5 |
| | | 1 | 2 | 3 | 4 | 5 |
| Severity | | | | | | |

d

| | | | | | | |
|----------|---|---|---|---|---|---|
| | 1 | 1 | 2 | 3 | 4 | 5 |
| | | 1 | 2 | 3 | 4 | 5 |
| Severity | | | | | | |

- Decreased risk
- No change
- Increased risk

| No. | TARGETS | | | | | | | Actions "Mitigations for not delivering the targets" | | |
|-----|---|--|---|--|--|---|--|--|--|---|
| | TARGET 1: Understand and grow our natural capital account to benefit people and nature by 2025 | TARGET 2: The Council will reduce emissions from our buildings and fleet transport to net zero by 2030 (scopes) | TARGET 3: The County Council will reduce its supply chain emissions (all scope 3) by 50.4% by 2030 | Improve our Biodiversity across Council estate by 2030 | Cambridgeshire carbon emissions will be net-Zero by 2045 | Support our communities and businesses to decarbonise by 2045 | All Council buildings and infrastructure to be resilient to climate change impacts by 2045 | Action | Co-Benefits - # corporate priorities supported, summarised as : Transport, Health & Care, Places & Communities, Children & Young People | Transport, Health & Care, Places & Communities, Children & Young People |
| 1 | | | | | | | yes | As Lead Flood Authority, work with the Future Fens Project and Fens Water Partnership, to secure sufficient storage and flood risk management capacity for new and existing buildings and assets on the basis that weather impacts will increase due to human-made climate change | 3 | Transport, Health & Care, Places & Communities, Children & Young People |
| 2 | | | | | yes | yes | | Support communities to develop Community Energy Projects, building on learnings from the Swaffham Prior Community Heat Network project. | 3 | Health & Care, Places & Communities, Children & Young People |
| 3 | yes | | | | yes | yes | | Produce an External Climate Change and Environment Communications and Engagement Plan to provide residents, communities, and businesses information on the challenges of climate change, enable them to make the right choices to reduce their environmental impact and signpost to actions our communities can take along with funding opportunities. To incorporate: - Carbon footprinting - Waste minimisation - Incorporation of climate into neighbourhood plans - Travel and EVs (Electric vehicles) myth busting - Enhancing nature, such as wildflower planting - Reducing water waste - Local impacts of climate change and how to reduce them - A web presence to keep the public and other organisations aware of the County's climate work and progress on delivering the Strategy - Flood resilience and responsibilities -toolkits for key organisations, such as Schools, to share wider messages | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 4 | | | | | yes | yes | | Collaborate with partners on establishment of Locally Determined Contributions for Cambridgeshire to support ownership of carbon emissions and associated action. | 0 | facilitatory |
| 5 | yes | | yes | yes | yes | yes | | Collaborate with the Districts and CPCA to lobby government to: -To incorporate stronger mitigation, adaptation and natural capital requirements into building regulations and the National Planning Policy Frameworks. -To ensure that all nationally significant infrastructure projects assess their climate impacts using both national and local carbon budgets -Improve and extend initiatives and funding schemes for projects to deliver carbon reductions, air quality improvements, adaptation and natural capital improvements, shaping the format of these schemes to enable appropriate funding regimes that provide certainty and longevity to enable business investments | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 6 | yes | | | | yes | yes | | Collaborate with the Greater Cambridge and Greater Peterborough Combined Authority on its non-statutory spatial plan to ensure energy, water and electrified transport infrastructure facilitates carbon emissions reductions, supports adaptation measures to climate change impacts and delivers 20% net gain | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 7 | yes | | | yes | | | | Work with partners to develop local heritage listings and strengthen ties between nature and heritage to improve management approaches to create a better environment for communities and encourage use of green open space. | 2 | Health & Care Places & Communities |
| 8 | | yes | yes | | yes | yes | | Scope a Cambridgeshire Decarbonisation Fund to leverage public and private investment (e.g. carbon offsets, CSR etc) into low carbon projects. Explore verification process to develop a pipeline of projects with verified carbon offsets that may be purchased for formalised offsetting of carbon emissions by the purchaser. | 1 | Places & Communities |
| 9 | yes | yes | yes | yes | yes | yes | yes | Develop and deliver a programme of "Climate Lab" for cross-organisational "blue sky thinking" on how to tackle the climate and nature crisis. | 0 | |
| 10 | | | | | | | yes | Develop a Corporate Climate Risk/Adaptation Strategy to: - proactively manage the risk climate presents on the Council's service delivery - support officers to understand the scale of potential impact on their services and integrate into business continuity planning -support finance and corporate teams to better incorporate climate risk into the annual budgeting process | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 11 | | yes | yes | | | | | Develop a Carbon Budget for the Council, and establish how this can be integrated into business planning. | 0 | |

| | | | | | | | | | | |
|----|-----|-----|-----|-----|-----|-----|--|---|---|---|
| 12 | | | | | yes | yes | | Update the Local Validation List to incorporate carbon evidence to support applicants and planners to adequately consider carbon impacts of new minerals and waste applications. | 1 | Places & Communities |
| 13 | yes | | yes | yes | | yes | | Develop a Corporate Tree & Woodland Strategy for the Council and County. Setting out principles by which the Council will plant and manage its tree assets to maximise carbon and biodiversity benefits | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 14 | | | | yes | yes | | | Develop a joint Public EV Infrastructure Strategy with districts, CPCA and PCC to enable residents without access to off-street parking to switch to electric vehicles, to include: - establishing CCC's position, commercial approach etc - leveraging available public and private finance e.g. LEVI - securing additional resource to deliver a programme of infrastructure role out | 3 | transport places & communities Health & Care |
| 15 | yes | | yes | yes | yes | yes | | Develop a routemap to decarbonise maintained schools and work with them to support their decarbonisation and improve environmental outcomes, including: - Support schools to retrofit buildings to improve energy efficiency and offering finance mechanisms including lifecycle heating and hot water replacements in schools to be fitted with low carbon solutions, offering energy performance contracts and heat agreements - Encourage purchasing of 100% renewable electricity - Encourage schools to utilise a full range of waste disposal options (e.g. providing recycling to students) - Provide guidance and advice to all schools to enhance and manage their sites for natural capital, such as SuDS and biodiversity enhancement including tree planting | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 16 | | yes | yes | yes | yes | yes | | Develop a suitable monitoring dashboard to improve monitoring of target and action delivery. | 0 | |
| 17 | | yes | | | yes | | | Develop a sustainable travel guidance document for all CCC staff, encouraging and enabling use of lower carbon alternatives. And implement actions to support officers to travel more sustainably. | 2 | Transport, Places & Communities |
| 18 | | | yes | yes | yes | | | Develop a Waste Service Decarbonisation Plan to ensure the service most appropriately can: - Review disposal and treatment mechanisms in use and make strategic carbon-evidenced decisions on waste treatment processes - actively manage the closed landfill portfolio to reduce their environmental impact - Monitor and measure carbon reductions | 2 | Health & Care, Places & Communities, |
| 19 | yes | yes | yes | yes | yes | yes | | Develop and deliver a training programme to upskill all CCC staff (and Members where possible) on carbon, climate, and biodiversity to enable improved decision making and delivery of other actions. Type of training to reflect needs of different types of staff. | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 20 | | | yes | | | | | Develop and deliver an offsetting policy strategy to enable the Council to consider options for dealing with its residual "hard to prevent" emissions. | 0 | |
| 21 | yes | | | yes | | yes | | Develop and implement a Biodiversity Strategy for the Council to describe how and where biodiversity enhancement can take place. For County Council assets – including wildlife sites, highways, rural estate and others – this should look to deliver improved environmental outcomes, adaptation, and a doubling of nature. To include: - Mapping of existing assets and biodiversity audits to understand existing biodiversity assets and site conditions - Develop site specific improvement plans to deliver appropriate actions to bring site into positive conservation management - Identification of opportunities for residents to take part and engage in delivery of improvement plans, ongoing maintenance and monitoring - Ongoing monitoring programme to measure progress towards 20% net gain - A policy for the use of chemical pesticides and herbicides across all CCC assets, with a view to minimising their use as far as possible while acknowledging the specific needs and requirements of different asset types. - A policy statement regarding use of peat-free compost for horticulture/landscaping on Council assets | 3 | Transport, Health & Care, Places & Communities, Children & Young People |
| 22 | | | yes | | | | | Develop and implement a Climate Charter for use in procurement and commissioning to provide clearly suppliers/contractors our climate ambitions, set out expectations regarding climate and require pro-active acknowledgement of this ambitions. | 0 | |
| 23 | | yes | yes | | yes | | | Develop approach to enable decarbonisation of CCC fleet, to include: - Scope all Council buildings for suitability for workplace EV chargepoints and commence a delivery programme at all suitable locations - Agree and deliver a coordinated plan for transitioning fleet to appropriate low carbon alternatives e.g. gritters, mobile libraries, highways fleet, pool and hire car & vans etc) | 1 | Transport |
| 24 | | | | | yes | | | Develop innovative large scale renewable energy projects on County Council assets to trial new technologies, including electrolysis of hydrogen using solar PV and carbon capture and storage mechanisms | 1 | Places & Communities |
| 25 | yes | | yes | | yes | | | Develop Low Carbon Purchasing Guidance to support officers involved in procurement and commissioning to appropriately integrate carbon and nature into these activities, including: - Setting internal expectations of officers - Guide specification writing - Guide quality question drafting and evaluation - Strengthening of Social value requirements to maximise environmental benefits. | 0 | |

| | | | | | | | | | |
|----|-----|-----|-----|-----|-----|-----|---|---|---|
| 26 | yes | yes | yes | yes | yes | yes | Develop Net Zero by Design guidance to support officers to embed carbon reduction and nature enhancement into all aspects of their roles. Including: design, delivery, budgeting, governance and decision making | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 27 | yes | yes | yes | yes | yes | yes | Develop new funding mechanisms to deliver the councils net zero by 2030 target, e.g.: - business models to enable investment into projects supporting mitigation, adaptation, and natural capital. - identification of appropriate grant funding regimes - expansion of new opportunities - e.g. BNG credits | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 28 | | | yes | yes | yes | yes | Develop the council's approach to managing our leased-out properties (rural, and built) to, where possible, include or strengthen requirements for tenants to implement methods that are environmentally beneficial. For example: encouragement for carbon reduction measures, adaptation measures (i.e., water reservoirs to use in drought) and positive management of wildlife interest | 1 | Places & Communities |
| 29 | | yes | yes | yes | yes | yes | Embed climate and nature into the culture of the organisation through: - alignment of climate and nature polices into HR Workforce and People Strategies /People strategies/policies - e.g. recruitment, induction processes etc - establishing a corporate climate and nature outcome for "Our conversations" and associated information pages on Camweb | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 30 | | yes | yes | yes | yes | yes | Embed climate mitigation, adaptation and nature recover into decision making across the organisation, including: - Integration of climate and environment into all Committee Paper significant implications evaluations - Embed climate impact assessment across the organisations, particularly at key decision stages of projects/proposals. e.g. through shadow carbon pricing at Capital Programme Board - Improve and streamline climate and nature assessment through developing Integrated Impact Assessment (IIA) with equalities and health | 0 | |
| 31 | | yes | | | yes | | Ensure the Council's corporate energy supplies are as climate conscious as possible, by continuing to purchase 100% renewable electricity for all buildings and street lighting operated by County Council. | 0 | |
| 32 | | | | | yes | yes | Establish funding mechanisms to support delivery of the strategic infrastructure required to deliver net zero by 2045 for Cambridgeshire, e.g. Local Area Energy Plans, significant renewable energy, energy retrofit etc | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 33 | | yes | yes | yes | | yes | For CCC Corporate buildings, incorporate the principles of the CCES into the Council's Asset Strategy, to include: - Building Decarbonisation Plans - Plan to ensure buildings are resilient to extreme weather events and fitted with appropriate passive building adaptations - Approaches to maximise biodiversity potential, targeting 20% net gain - Approaches to minimise waste, especially water through use of water saving and grey water approaches | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 34 | | | yes | yes | yes | | For the Council's Rural Estate, develop our approach to management to include: - develop decarbonisation pathways for the land and associated buildings - include or strengthen requirements for tenants to implement methods that are environmentally beneficial. For example: encouragement for carbon reduction measures, adaptation measures (i.e., water reservoirs to use in drought) and positive management of wildlife interest | 1 | Places & Communities |
| 35 | | yes | yes | | yes | | Identify and implement mechanisms to improve the data provision for carbon footprinting across all scopes 1,2 and 3 | 0 | |
| 36 | yes | | yes | yes | yes | yes | Integrate climate and nature into highways service design, including: - Develop and deliver decarbonisation plans for the highways service considering lifecycle analyse, use of low carbon materials and building resilience to climate change into design approaches - Develop and deliver plans to improve highways maintenance approaches to deliver 20% biodiversity net gain and increased tree canopy | 3 | Transport Health & Care Places & Communities |
| 37 | | yes | yes | yes | yes | yes | Develop and deliver an Internal Engagement Plan to deliver organisational/behavioural change to support officers in translating climate/environment/carbon as a priority across the current and future workforce - 'Mainstreaming climate change | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 38 | yes | | yes | | yes | | Strengthen environmental requirements within Social Value portion of procurement specifications, specifying expected outcomes where appropriate and monitoring delivery via robust contract management | 0 | |
| 39 | | | yes | yes | yes | yes | Support Cambridgeshire and Peterborough Local Authority Partners to develop their Local Plans that include policies to: - reduce carbon emissions in line with government's carbon budgets or locally agreed standards if these deliver reductions faster - incorporate adaptive measures to the changing climate, including use of blue/green infrastructure - deliver positive environmental and biodiversity net gain for green spaces. | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 40 | | | | | yes | yes | Support residents and communities to access renewable energy technologies. E.g. through collective purchasing schemes, such as solar PV with iChoor | 1 | Places & Communities, |
| 41 | yes | | | | | yes | Update county-wide Flood and Water Supplementary Planning Document (SPD) to reflect the evolution of national and local planning policies and the need for adaptive measures | 2 | Health & Care Places & Communities |

| | | | | | | | | | | |
|----|-----|--|-----|-----|-----|-----|-----|--|---|--|
| 42 | | | | | yes | yes | | Work in partnership with our strategic transport partners to ensure policy and new schemes promote the travel hierarchy and contribute to carbon reductions, including: - Work with GCP & CPCA to facilitate public and active transport being the "natural first choice" for Cambridgeshire residents through delivery of improved cycling and walking infrastructure. Influence the CPCA's Local Transport Planning process to ensure policy measures will deliver carbon reductions - Continuing to expand the transport hub/Park & Ride network - Working with partners to increase the access to railways offer currently available. | 3 | Transport Health & Care Places & Communities |
| 43 | | | | | yes | yes | yes | Work with Cambridgeshire service providers on 'Community Service' to support and enable our communities to reduce their impact and to build community resilience / Develop place based targeted behaviour change programmes in communities to enable them to reduce their environmental impacts. | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 44 | | | | | yes | yes | | work with key partners to lead development of a Local Area Energy Plan (LAEP) for Cambridgeshire to facilitate a net zero Cambridgeshire at lowest cost (support the decarbonisation of housing, jobs, and transport), and an associated funding framework to enable delivery. | 3 | transport places & communities Health & Care |
| 45 | yes | | | | yes | yes | | Work with partners across the public and private sector (e.g. Fenland SOIL) to: - support improvements in the evidence base for Cambridgeshire peatland GHG emissions, soil improvement, research, environmental, social and economic adaptation and reduction of the carbon footprint for our Fen peat landscapes - support partner ambitions (e.g. NFU) to deliver carbon reductions and minimise environmental impacts across the Cambridgeshire agricultural sector | 1 | Places & Communities, |
| 46 | | | yes | | yes | | | Work with partners in the Cambridgeshire and Peterborough Waste Partnership (RECAP) to robustly embed climate and nature into the emerging Joint Waste and Resource Strategy to align with the principles of the circular economy to promote more sustainable waste management practices. | 3 | Transport, Health & Care, Places & Communities, |
| 47 | | | | | | | yes | Work with partners to develop Natural Flood Management (NFM) projects to allow catchment-wide adaptation to flooding and sea level rise | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 48 | | | | | yes | | yes | Work with Public Health, NHS and Social Care partners to support development of the Integrated Care Service (ICS) Green Plan and ensure this is aligned to the Council's net zero ambitions for Cambridgeshire | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 49 | | | | | yes | | | Work with the Districts, CPCA and GCP to improve air quality by: - Strengthening collaboration within existing partnerships to tackle air quality challenges - Developing a shared vision for air quality improvement approaches that maximise the air quality, carbon, and wider environmental benefits | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 51 | yes | | | yes | | | yes | Work with partners to deliver the 'Doubling Nature' ambition and Cambridgeshire & Peterborough Parks Partnership, and promote the benefits of blue/green infrastructure for their adaptation benefits to communities | 4 | Transport, Health & Care, Places & Communities, Children & Young People |
| 52 | | | | | | | yes | Work with Public Sector partners (CPCA, districts, Local Resilience forum etc) to develop a strategic evidence base for climate risk and develop Adaptation Plans for the County. | 4 | Transport, Health & Care, Places & Communities, Children & Young People |

| Climate Change & Environment Programme | | Target 1 | | | target 2 | | | target 3 | | | target 4 | | | target 5 | | | target 6 | | | target 7 | | | Average Risk of the action not-performing |
|--|---|----------|------------|------|----------|------------|------|----------|------------|------|----------|------------|------|----------|------------|------|----------|------------|------|----------|------------|------|---|
| programme Workstreams | Project Name(s) (where relevant) | severity | likelihood | risk | severity | likelihood | risk | severity | likelihood | risk | severity | likelihood | risk | severity | likelihood | risk | severity | likelihood | risk | severity | likelihood | risk | |
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | | | | | | | 4 | 4 | 16 | 16 |
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | 5 | 5 | 25 | 5 | 5 | 25 | | | | 25 |
| Workstream 7: Wider Business and Community and Partnerships | | 5 | 2 | 10 | | | | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 17 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Locally Determined Contributions | | | | | | | | | | | | | 4 | 4 | 16 | 4 | 4 | 16 | | | | 16 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | | 4 | 4 | 16 | | | | 5 | 5 | 25 | 5 | 5 | 25 | 4 | 4 | 16 | 4 | 3 | 12 | | | | 19 |
| Workstream 7: Wider Business and Community and Partnerships | LNRS, BNG | 5 | 3 | 15 | | | | | | | 5 | 3 | 15 | | | | | | | 4 | 3 | 12 | 14 |
| Workstream 1: Project Delivery | Local Heritage Listing Project | 3 | 4 | 12 | | | | | | | 4 | 4 | 16 | 5 | 4 | 20 | | | | 4 | 4 | 16 | 16 |
| Workstream 3: Funding Climate Change and Environment | | | | | 3 | 5 | 15 | 4 | 5 | 20 | | | | 3 | 5 | 15 | 5 | 5 | 25 | | | | 19 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Climate Lab Development and Implementation | 3 | 4 | 12 | 2 | 4 | 8 | 3 | 4 | 12 | 2 | 4 | 8 | 3 | 4 | 12 | 3 | 4 | 12 | 3 | 4 | 12 | 11 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Corporate Climate Risk Strategy | | | | | | | | | | | | | | | | | | | 5 | 5 | 25 | 25 |
| Workstream 2: Data and Intelligence | Embed Carbon Budgeting into the Business Planning Process | | | | 4 | 4 | 16 | 4 | 4 | 16 | | | | 4 | 4 | 16 | | | | | | | 16 |

| | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|---|----|---|---|----|---|---|----|---|---|----|---|---|----|---|---|----|--|---|---|----|----|
| Workstream 4: Policy, Strategy, Governance and Decision Making | Develop Climate Change and Carbon Checklist for Minerals & Waste Applications | | | | | | | | | | | | | 4 | 2 | 8 | 5 | 2 | 10 | | | | 9 | |
| Workstream 8: Technical Competence | Tree & Woodland Strategy & Delivery | 3 | 4 | 12 | | | | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 17 | |
| Workstream 8: Technical Competence | County-Wide EV Charging Infrastructure | | | | | | | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 20 | |
| Workstream 1: Project Delivery | Maintained Schools Building decarbonisation | 5 | 3 | 15 | | | | | | | 5 | 3 | 15 | 4 | 3 | 12 | | | | | 4 | 3 | 12 | 14 |
| Workstream 2: Data and Intelligence | | | | | 2 | 2 | 4 | 2 | 2 | 4 | 2 | 2 | 4 | 2 | 2 | 4 | | | | | 2 | 2 | 4 | 4 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | | | | | 4 | 4 | 16 | | | | | | | 4 | 4 | 16 | | | | | | | 16 | |
| Workstream 1: Project Delivery | Waste Decarbonisation | 4 | 3 | 12 | | | | 5 | 4 | 20 | 4 | 3 | 12 | 5 | 4 | 20 | | | | | | | 16 | |
| Workstream 6: Workforce and Internal comms | Carbon & Nature Workforce Training | 3 | 3 | 9 | | | | | | | | | | | | | | | | | 3 | 3 | 9 | 9 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Corporate Carbon Offsetting Policy & Strategy | | | | | | | 4 | 5 | 20 | | | | | | | | | | | | | 20 | |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Biodiversity Audit & Strategy It will form the baseline and develop a clearer series of actions | 3 | 3 | 9 | | | | 3 | 3 | 9 | 5 | 4 | 20 | 4 | 3 | 12 | | | | | 5 | 5 | 25 | 15 |
| Workstream 5: Environmentally Conscious Purchasing | Integrate the Climate Change Charter into Procurements | | | | | | | 4 | 2 | 8 | | | | | | | | | | | | | 8 | |
| Workstream 8: Technical Competence | CCC Fleet Decarbonisation | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 5 | 4 | 20 | | | | | | | 20 | |
| Workstream 1: Project Delivery | | | | | 5 | 2 | 10 | 4 | 2 | 8 | | | | 4 | 3 | 12 | | | | | | | 10 | |
| Workstream 5: Environmentally Conscious Purchasing | Internal Low Carbon Purchasing Guidance | 3 | 3 | 9 | | | | 5 | 3 | 15 | | | | 3 | 3 | 9 | | | | | | | 11 | |

| | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|---|----|---|---|----|---|---|----|---|---|----|---|---|----|---|---|----|---|---|----|----|
| Workstream 4: Policy, Strategy, Governance and Decision Making | Net Zero by Design Principles & Tools | 3 | 2 | 6 | 3 | 2 | 6 | 4 | 2 | 8 | 3 | 2 | 6 | 2 | 2 | 4 | | | | 4 | 2 | 8 | 6 |
| Workstream 3: Funding Climate Change and Environment | Establish financing options to enable implementation of key plans to deliver by 2030 | 4 | 3 | 12 | 4 | 4 | 16 | 5 | 5 | 25 | 4 | 3 | 12 | 4 | 3 | 12 | | | | 4 | 4 | 16 | 16 |
| | | 5 | 3 | 15 | | | | | | | 4 | 3 | 12 | | | | | | | | | | 14 |
| Workstream 6: Workforce and Internal comms | Climate and Nature Outcome and Intranet Page development / Workforce Policy/Strategy Alignment | | | | 4 | 3 | 12 | 5 | 3 | 15 | 4 | 3 | 12 | 4 | 3 | 12 | | | | 4 | 4 | 16 | 13 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | | | | | 4 | 3 | 12 | 4 | 3 | 12 | 4 | 3 | 12 | 5 | 3 | 15 | | | | 4 | 4 | 16 | 13 |
| Workstream 1: Project Delivery | | | | | 5 | 2 | 10 | | | | | | | 4 | 1 | 4 | | | | | | | 7 |
| Workstream 3: Funding Climate Change and Environment | Funding the Cambridgeshire Net Zero by 2045 ambition - CANFFUND | | | | | | | | | | | | | 5 | 5 | 25 | 5 | 5 | 25 | | | | 25 |
| Workstream 1: Project Delivery | CCC Property Assets Decarbonisation | | | | 5 | 3 | 15 | 3 | 2 | 6 | 5 | 4 | 20 | | | | | | | 5 | 4 | 20 | 15 |
| Workstream 1: Project Delivery | Rural Estate Decarbonisation | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | 4 | 3 | 12 | | | | | | | 17 |
| Workstream 2: Data and Intelligence | Carbon Footprint Report Data Improvement and Service Baseline | | | | 5 | 2 | 10 | 5 | 3 | 15 | | | | 2 | 3 | 6 | | | | | | | 10 |
| Workstream 1: Project Delivery | Highways Decarbonisation | 5 | 4 | 20 | | | | | | | 3 | 4 | 12 | | | | | | | 4 | 4 | 16 | 16 |
| Workstream 6: Workforce and Internal comms | | 2 | 4 | 8 | 3 | 4 | 12 | 4 | 4 | 16 | 2 | 4 | 8 | 2 | 4 | 8 | | | | 1 | 4 | 4 | 9 |
| Workstream 5: Environmentally Conscious Purchasing | | 2 | 4 | 8 | | | | 4 | 4 | 16 | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 16 |
| Workstream 7: Wider Business and Community and Partnerships | Derived from other CCC initiatives e.g. Trees & Woodland Strategy and Woodland Creation Accelerator fund | | | | | | | 4 | 5 | 20 | 4 | 4 | 16 | 5 | 5 | 25 | 5 | 5 | 25 | 5 | 5 | 25 | 22 |
| Workstream 1: Project Delivery | | | | | | | | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 20 |
| Workstream 1: Project Delivery | | 3 | 2 | 6 | | | | 4 | 2 | 8 | | | | 4 | 2 | 8 | | | | | | | 7 |

| | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|---|----|---|---|---|---|---|----|---|---|---|---|---|----|---|---|----|---|----|----|----|
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | 5 | 4 | 20 | 5 | 4 | 20 | | | | 20 |
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | 5 | 3 | 15 | 5 | 3 | 15 | 5 | 3 | 15 | 15 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Local Area Energy Plan | | | | | | | | | | | | | 5 | 2 | 10 | 5 | 2 | 10 | | | | 10 |
| Workstream 7: Wider Business and Community and Partnerships | Fenland SOIL (CPCA); Centre for Landscape Research fens projects; FFIA; Discovery project | 4 | 4 | 16 | 5 | 1 | 5 | 5 | 1 | 5 | 4 | 2 | 8 | 5 | 2 | 10 | | | | 4 | 4 | 16 | 10 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | | | | | | | | 5 | 3 | 15 | | | | 5 | 3 | 15 | | | | | | | 15 |
| Workstream 7: Wider Business and Community and Partnerships | JTF work on March; SUDS in Schools | 3 | 3 | 9 | | | | | | | 3 | 3 | 9 | | | | | | | 5 | 3 | 15 | 11 |
| Workstream 4: Policy, Strategy, Governance and Decision Making | Alignment of the Council's Net Zero Programme with the NHS Integrated Care System (ICS) Green Plan | | | | | | | | | | | | | 3 | 4 | 12 | | | | 5 | 4 | 20 | 16 |
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | 4 | 4 | 16 | | | | | | | 16 |
| Workstream 1: Project Delivery | | 3 | 4 | 12 | | | | | | | | | | 5 | 4 | 20 | 4 | 4 | 16 | | | | 16 |
| Workstream 7: Wider Business and Community and Partnerships | | | | | | | | | | | | | | | | | | | 5 | 5 | 25 | 25 | |

Finance Monitoring Report – August 2023

| | |
|------------------------|---|
| To: | Environment and Green Investment Committee |
| Meeting Date: | 12 October 2023 |
| From: | Executive Director of Place and Sustainability Executive Director of Finance and Resources |
| Electoral division(s): | All |
| Key decision: | No |
| Outcome: | The report is presented to provide the Committee with an opportunity to comment on the August position for 2023/2024. |
| Recommendation: | The Committee is recommended to: <ul style="list-style-type: none">a) Note the current position regarding the budget performance for the Place and Sustainability directorate with regards the functions that are within the scope of the Committee; andb) Recommend to the Strategy, Resources and Performance Committee to approve an additional £3.2m capital allocation for connecting homes to the Swaffham Prior Community Heat Network, funded by prudential borrowing. |

Officer contact

Name: Sarah Heywood

Post: Strategic Finance Manager

Email: sarah.heywood@cambridgeshire.gov.uk

Tel: 01223 699714

1. Background

- 1.1 This report provides an update to the Committee on the financial position of the Place and Sustainability Directorate. It provides information on the forecast pressures and underspends across the different services and an explanation for any variances.
- 1.2 The Finance Monitoring Report, attached at Appendix 1 of the report, provides the financial position for the whole of the Place and Sustainability Directorate, and as such, not all of the budgets contained within it are the responsibility of this Committee. Members are requested to restrict their questions to the lines for which this Committee is responsible.

2. Main Issues

- 2.1 This month the FMR includes the Quarter 1 savings tracker (Appendix 4) and the technical appendix (Appendix 5) which details the earmarked reserves schedule, grant income and virements.
- 2.2 The format of the Finance Monitoring Reports (FMR) has been updated to separate out gross and net revenue budgets to ensure the scale of both is clear. Also, any mitigations (transfers from reserves, new grants, etc) are now shown against the bottom line rather than the respective policy line, to increase transparency around the application of one-off funding. The impact of this is visible in respect of the Waste Service, which is now showing a forecast pressure of £1.845m, which is offset by the £1.845m transfer from earmarked reserve (as approved in the Business Plan). The position has not changed since last month, but the application of the one-off funding is made clear.
- 2.3 Revenue: Across Place & Sustainability as a whole, there is a forecast overspend of £2.641m, which is an improvement of £1.1m since the last report. There is a pressure on Energy Services income of £3.9m across all its projects. Income against these projects has been budgeted to be received in 2023, however owing to delays to commencing these contracts the income will now be on a different profile than that assumed in the budget. An update on the projects is provided below.
 - The St. Ives Smart Energy Grid project is on track to be energised and will commence generating clean electricity by the end of September 2023. This is the first smart energy micro-grid for Cambridgeshire and the outcomes from this project will inform future approaches to local energy supply.
 - The second micro-grid which is under construction is at Babraham Park and Ride. This is a three-phase construction programme, with the first phase nearing completion but the overall programme has been delayed owing to the poor performance of one sub-contractor and current onsite challenges with existing street lighting column bases and their electricals. The target for completion is spring 2024.
 - Steady progress is being made towards the energisation of the North Angle Solar Farm, with the next phase of works to start before the end of the year, progressing over the winter. Plans are in development to manage the weather-related risks over the winter build. The bulk of the income reprofiling relates to this project.

- Swaffham Prior Community Heat Network is operational and supplying decarbonised heat and hot water to customers. By October, approximately 60 homes will be connected to the system ahead of its first winter, when final system performance tests can complete. Further customers will be connected from Spring 2024. The number of homes physically being connected is slower than was originally forecast, due to a number of challenges including supply chain, but this will be caught up during 2024.
- The Renewable heat Incentive (RHI) has been approved by Ofgem for the heat network and income from RHI will be paid for each Kwh of heat generated. However, there is a substantial backlog on payments with Ofgem hence a revised forecast and reprofiling of income starting in 2024.
- The Stanground Solar and Battery Project is still in development.

- 2.4 Appendix 1 details the financial tables for the main revenue budgets and Appendix 2 explains the significant variances.
- 2.5 Capital: The budget relating to works to comply with environmental requirements at Waterbeach will not be spent this financial year and will be re-profiled into next financial year, but until this goes through the governance process it is being shown as an underspend. Appendix 3 of the Finance Monitoring Report details the forecasts for individual schemes. Across Place & Sustainability as a whole, the capital programme variation is £28m.
- 2.6 Swaffham Prior Community Heat Network: This is an exemplar project which is aimed at retrofitting housing in a rural village with low carbon heating and hot water via a heat network. The investment in this project is based on the costs being covered from the project whilst generating a small return to the Council. It is a community led project, supported by the Council and the Government, and was developed to highlight the challenges of decarbonising rural off-gas communities.
- 2.7 The construction of the energy centre and primary heat network was completed in late 2022. The scheme is now in the process of connecting homes to the heat network. The first five homes were included in the original construction contract for the energy centre and connections to the remaining homes sit outside of this contract to allow for more time for existing homes to connect to the network. The first phase of the home connections began in May 2023 and this first phase of connections is due to conclude with the start of the heating season in November.
- 2.8 Based on the costs of delivering the first five connections, an estimate of £3.2M is requested to cover the costs of connections. The anticipated future costs are based on averages from the first tranche of connections. The upfront funding of home connections is included in the business case. Please note, these costs are paid back over time through the revenue generated from future heat sales and included in the table below under the total return over asset life. This shows a small positive benefit to the project remains even after all the home connection costs.

The table below shows how the forecast additional costs for end customer connections impacts the business case: The Net Present Value has reduced by c£3.7m as a result of an additional uplift in capital of c£3.2m and increased interest costs for the project life of c£500k. However, the total return over asset life remains positive. In addition, the business case needs to be considered in the context of the wider energy market changes and its volatility.

| Metric | Previous (June 2023) | Proposed |
|------------------------------|--|--|
| Capital budget | £10,965k | £14,140k |
| NPV | £1,093k | -£2,755k |
| ROI | 108.04% | 50.86% |
| Total return over asset life | £11,847k | £7,206k |
| Payback period | 38 years (out of total 60 year project life) | 48 years (out of total 60 year project life) |

- 2.9 The increase cost is due to a number of factors including significant increases in labour and material costs. Adding to this is an immature supply chain, with no incentive to invest in upskilling to deliver low carbon technologies, therefore limiting competition.
- 2.10 Each home connection involves significant engineering expertise. The route for the pipework from the primary heat network in the road to the home is bespoke to each property, as is the location of the Heat Interface Units within the home, all of which needs to be agreed with the homeowner along with re-installment works for patios, gardens and driveways. For some connections, this has necessitated easements with neighbours to allow pipework to reach homes. This all adds to the complexity of connections along with the architectural variety in Swaffham Prior.
- 2.12 As more customers sign up, a more efficient approach to home connections is being developed to reduce time and cost relating to street permits, reduce the need for easements and deliver more direct pipe routes. A key feature of our phase 2 approach for end customer connections will be to go area by area to achieve efficiency improvements. In addition, the Council is seeking to attract additional funding via existing grant schemes to support the home connections.

3. Alignment with ambitions

- 3.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

There are no significant implications for this ambition.

- 3.2 Travel across the county is safer and more environmentally sustainable.

There are no significant implications for this ambition.

- 3.3 Health inequalities are reduced.

There are no significant implications for this ambition.

- 3.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs.

There are no significant implications for this ambition.

- 3.5 Helping people out of poverty and income inequality.

There are no significant implications for this ambition.

- 3.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised

There are no significant implications for this ambition.

- 3.7 Children and young people have opportunities to thrive.

There are no significant implications for this ambition.

4. Significant Implications

- 4.1 Resource Implications

This report details the financial position across Place & Sustainability.

- 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

- 4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

- 4.4 Equality and Diversity Implications

There are no significant implications within this category.

- 4.5 Engagement and Communications Implications

There are no significant implications within this category.

- 4.6 Localism and Local Member Involvement

There are no significant implications within this category.

- 4.7 Public Health Implications

There are no significant implications within this category.

4.8 Climate Change and Environment Implications on Priority Areas

There are no significant implications within this category.

5. Source Documents

5.1 None

Appendix 1

Service: Place & Sustainability

Subject: Finance Monitoring Report – August 2023

 Date: 14th September 2023

Contents

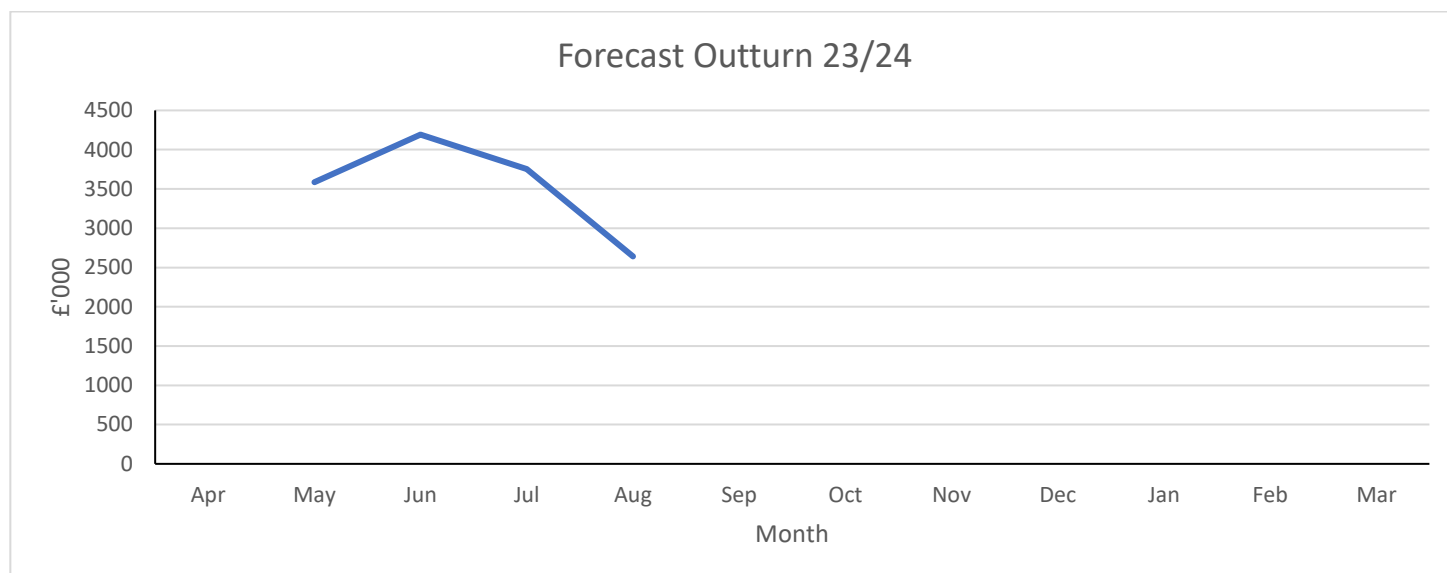
| Section | Item | Description |
|---|-------------------------------------|---|
| 1 | Revenue Executive Summary | High level summary of information and narrative on key issues in revenue financial position |
| 2 | Capital Executive Summary | Summary of the position of the Capital programme within Place and Sustainability |
| 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 Place and Sustainability main budget headings |
| Appx 2 | Service Commentaries | Detailed notes on revenue financial position of services that have a significant variance against budget |
| Appx 3 | Capital Appendix | This contains more detailed information about the capital programme, including funding sources and variances from planned spend. |
| <i>The following appendices are included quarterly as the information does not change as regularly:</i> | | |
| 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 | Each quarter, this will contain technical financial information showing: Earmarked reserves Grant income received Budget virements |

1. Revenue Executive Summary

1.1 Overall Position

At the end of 2023-24, Place and Sustainability is projected to be £2,641k overspent.

1.2 Summary of Revenue position by Directorate



1.2.1 Place and Sustainability

| Forecast Outturn Variance (Previous) £000 | Directorate | Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actual £000 | Forecast Outturn Variance £000 | Forecast Outturn Variance % |
|--|--------------------------------|----------------------|-----------------------|--------------------|----------------|-----------------------------------|--------------------------------|
| 0 | Executive Director | 874 | -1,002 | -128 | 650 | -209 | -163.6% |
| -298 | Highways & Transport | 45,549 | -19,121 | 23,429 | 10,542 | -1,061 | -4.5% |
| -2 | Planning, Growth & Environment | 52,418 | -5,672 | 46,747 | 17,184 | 1,876 | 0.1% |
| 3,995 | Climate Change and Energy | 2,571 | -6,282 | -3,711 | -318 | 3,851 | 103.8% |
| 59 | Regulatory Services | 5,203 | -3,215 | 1,988 | 755 | 29 | 1.4% |
| 5,598 | Total Expenditure | 103,615 | -35,291 | 68,324 | 28,813 | 4,486 | 3.9% |
| -1,845 | Mitigations | 0 | 0 | 0 | 0 | -1,845 | |
| 3,753 | Total | 103,615 | -35,291 | 68,324 | 28,813 | 2,641 | 3.9% |

1.3 Significant Issues

In summary, Place and Sustainability (P&S) is now forecasting an overspend of £2,641k. There is a pressure on Energy Services of £3,889k across all its projects. The supply chain for these projects, like the rest of the construction industry, is facing significant challenges including rising costs of energy, securing key equipment and materials along with a widespread shortage of skilled labour. This is creating longer lead in and delivery times for these projects. As a result, income against these projects have been budgeted to be received from July 2023, however owing to delays to commencing these contracts the income will now be on a different profile than that assumed in the budget. An update on the projects is provided in Appendix 2.

The Place and Sustainability (P&S) directorate is a large and complex budget area that has a variety of services and significant income streams which require detailed monitoring and have the potential for variances. Highways development management is now billing in advance and so there is a one-off additional income being achieved. The Waste Management budget is also a high-risk budget area, and the service is working with the contractor to identify cost reductions which can be made.

All budgets are being reviewed to see if there are any mitigations to offset the bottom line pressure.

2. Capital Executive Summary

| Scheme category | Schemes Budget | Schemes Forecast variance | 23-24 Budget | 2023-24 Actuals | 2023-24 Forecast Variance |
|---|-----------------------|----------------------------------|---------------------|------------------------|----------------------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Highways & Transport | 566,587 | 0 | 66,959 | 8,839 | -8,920 |
| Planning, Growth & Environment | 29,305 | 0 | 15,172 | 56 | -13,738 |
| Climate Change & Energy Services | 91,729 | 5,297 | 21,278 | 1,977 | 2,802 |
| Connecting Cambridgeshire | 20,072 | 0 | 2,353 | 115 | 0 |
| Capitalisation of Interest | | | 1,331 | 0 | 0 |
| Capital Programme variations | | | -27,944 | 0 | 19,856 |
| Total including Capital Programme variations | 707,693 | 5,297 | 79,149 | 10,987 | 0 |

The BATc Waste budget will not be spent this financial year and will be re-profiled into next financial year, but until this goes through the governance process an in-year unadjusted underspend of £20.7m is forecast. Once approval for the re-profiling of the BATc budget is given, the underlying position for this month is a £8.3m underspend, which contributes towards the capital programme variation of £27.9m. Details for all capital schemes are shown in Appendix 3.

3. Savings Tracker Summary

The savings trackers are produced quarterly to monitor delivery of savings against agreed plans. The Quarter 1 savings tracker is attached as Appendix 4.

4. Technical note

On a quarterly basis, a technical financial appendix is 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) into or out of the directorate from other services, to show why the budget might be different from that agreed by Full Council
- Service earmarked 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 – Detailed Financial Information

| Forecast Outturn Variance (Previous) | Committee | | Gross Budget | Income Budget | Net Budget | Actual | Forecast Outturn Variance | Forecast Outturn Variance |
|---|-----------|---|-----------------|------------------|---------------|---------------|---------------------------------|---------------------------------|
| £000 | | | £000 | £000 | £000 | £000 | £000 | % |
| Executive Director | | | | | | | | |
| 0 | | Executive Director | 874 | -1,002 | -128 | 650 | -209 | -164% |
| 0 | | Executive Director Total | 874 | -1,002 | -128 | 650 | -209 | -164% |
| Highways & Transport | | | | | | | | |
| <u>Highways Maintenance</u> | | | | | | | | |
| -0 | H&T | Asst Dir - Highways Maintenance | 116 | 0 | 116 | 102 | 0 | 0% |
| -0 | H&T | Highway Maintenance | 7,319 | -179 | 7,140 | -34 | 120 | 2% |
| 0 | H&T | Highways Asset Management | 949 | -456 | 494 | 427 | 7 | 1% |
| 0 | H&T | Winter Maintenance | 3,075 | 0 | 3,075 | 212 | 0 | 0% |
| <u>Project Delivery</u> | | | | | | | | |
| 0 | H&T | Asst Dir - Project Delivery | 200 | 0 | 200 | -69 | 0 | 0% |
| 0 | H&T | Project Delivery | 291 | 0 | 291 | 428 | -31 | -11% |
| 126 | H&T | Street Lighting | 14,141 | -3,997 | 10,144 | 2,484 | 175 | 1% |
| <u>Transport, Strategy & Development</u> | | | | | | | | |
| -0 | H&T | Asst Director - Transport, Strategy & Development | 1,219 | -271 | 948 | 3,398 | 23 | 2% |
| -111 | H&T | Traffic Management | 3,686 | -3,432 | 255 | 498 | -99 | -39% |
| -0 | H&T | Road Safety | 938 | -534 | 404 | 454 | 9 | 2% |
| -0 | H&T | Transport Strategy and Policy | 94 | -32 | 63 | 150 | -0 | 0% |
| -433 | H&T | Highways Development Management | 1,736 | -1,736 | 0 | -785 | -1,363 | 0% |
| 0 | H&T | Park & Ride | 1,780 | -1,480 | 300 | 1,245 | -1 | 0% |
| 120 | H&T | Parking Enforcement | 7,002 | -7,003 | 0 | 2,029 | 100 | 0% |
| -298 | | Highways & Transport Total | 42,549 | -19,121 | 23,429 | 10,542 | -1,061 | -5% |

| Forecast Outturn Variance (Previous) | Committee | | Gross Budget | Income Budget | Net Budget | Actual | Forecast Outturn Variance | Forecast Outturn Variance |
|--|----------------------|---|-----------------|------------------|---------------|---------------|---------------------------------|---------------------------------|
| £000 | | | £000 | £000 | £000 | £000 | £000 | % |
| Planning, Growth & Environment | | | | | | | | |
| -8 | E&GI | Asst Dir - Planning, Growth & Environment | 185 | 0 | 185 | 74 | -8 | -4% |
| 28 | E&GI | Planning and Sustainable Growth | 1,874 | -939 | 935 | 560 | 28 | 3% |
| 10 | E&GI | Natural and Historic Environment | 1,356 | -578 | 779 | 1 | 11 | 1% |
| 1,812 | E&GI | Waste Management | 49,004 | -4,155 | 44,848 | 16,548 | 1,845 | 0% |
| 1,842 | | Planning, Growth & Environment Total | 52,418 | -5,672 | 46,747 | 17,184 | 1,876 | 0% |
| Climate Change & Energy Service | | | | | | | | |
| -38 | E&GI | Climate and Energy Services | 634 | -521 | 114 | 298 | -38 | -34% |
| 0 | E&GI | Climate Change Services | 21 | -21 | 0 | -14 | 0 | 0% |
| 4,033 | E&GI | Energy Services | 1,916 | -5,741 | -3,825 | -602 | 3,889 | 102% |
| 3,995 | | Climate Change & Energy Service Total | 2,571 | -6,282 | -3,711 | -318 | 3,851 | 104% |
| Community Safety and Regulatory Service | | | | | | | | |
| 50 | CSMI | Registration & Citizenship Services | 1,148 | -1,955 | -807 | -286 | 0 | 0% |
| 17 | CSMI | Coroners | 3,316 | -1,236 | 2,080 | 952 | 37 | 2% |
| -8 | CSMI | Trading Standards | 739 | -24 | 715 | 90 | -9 | -1% |
| 59 | | Community Safety and Regulatory Service Total | 5,203 | -3,215 | 1,988 | 755 | 29 | 1% |
| 3,753 | Total | | 103,615 | -35,291 | 68,324 | 28,813 | 4,486 | 4% |
| Mitigations | | | | | | | | |
| 5,598 | | Transfer from P&S earmarked reserves as approved in the Business Plan | 0 | 0 | 0 | 0 | -1,845 | |
| 3,753 | Overall Total | | 103,615 | -35,291 | 68,324 | 28,813 | 2,641 | 4% |

Appendix 2 – Service Commentaries on Forecast Outturn Position

Narrative is given below where there is an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater for a service area.

1) Executive Director

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 874 | -1,002 | -128 | 650 | -209 | -164% |

When CCC undertakes work for other agencies and authorities it recovers an element to reflect the cost of overheads including risk. The amounts recovered vary and a smoothing mechanism is applied which is reflected by this variance.

2) Highways Maintenance

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 7,319 | -179 | 7,140 | -34 | 120 | 2% |

Recycling facility phase 1 savings will now not be made for this year 23/24. The project start has been delayed due to capacity pressures within the service. Work is commencing now with the aim of having the facility operational early in 24/25.

3) Street Lighting

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 14,141 | -3,997 | 10,144 | 2,484 | 175 | 2% |

Pressures arising from historic Street Lighting matters on the PFI contract between years 2011-12 and 2016-2017. These relate to targets set in the contract that have not been achieved and therefore the baselines set in the contract need adjustment, and so the contractor is requesting recompense for this under recovery. Some of the pressure has been offset by staffing vacancies.

4) Traffic Management

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 3,686 | -3,432 | 255 | 498 | -99 | -39% |

Streetworks area is realising increased income due to more Section 74 charges (prolonged occupation of the road), and the fact that the increased number of road closures and openings are generating more income. Additionally, scaffolding and skips have higher volume which contributes to the over achievement of income on this area. Higher volumes of permits for scaffolding and skips have contributed to this additional income.

5) Highways Development Management

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 1,736 | -1,736 | 0 | -785 | -1,363 | 0% |

Highways Development Management has moved to collect contributions in advance. This change in methodology means there is a one off benefit this year. In addition, there are some one off payments from previous years.

6) Parking Enforcement

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 7,002 | -7,003 | 0 | 2,029 | 100 | 0% |

One off costs to assist with the implementation of civil parking enforcement in Huntingdonshire District Council and Fenland District Council areas.

7) Energy Services

| Gross Budget £000 | Income Budget £000 | Net Budget £000 | Actuals £000 | Forecast Variance £000 | Forecast Variance % |
|----------------------|-----------------------|--------------------|-----------------|---------------------------|------------------------|
| 1,916 | -5,741 | -3,825 | -602 | 3,889 | 102% |

There is a pressure on Energy Services income of £3,889k across all its projects.

Energy projects, Income against these projects have been budgeted to be received from July 2023, however owing to delays to commencing these contracts the income will now be on a different profile than that assumed in the budget. An update on the projects is provided below.

The **St. Ives Smart Energy Grid** is on track to be energised and generating clean electricity by the end of September 2023. Negotiations are underway on a power purchase agreement (PPA) with licensed energy suppliers to start selling green electricity wholesale from October 2023. This is a one year or shorter term PPA whilst we go through the processes of connecting a local business to the system. The forecast is short term, it includes EV charging forecasts which are conservative, as we don't yet know the pattern local users will take charging cars/taxis and we are seeing reduced prices from the highs of last year. This is the first smart energy micro-grid for Cambridgeshire and the outcomes from this project will inform future approaches to local energy supply.

The second micro-grid which is under construction is at Babraham Park and Ride. This is a three phase construction programme, with the first phase nearing completion and target energisation is Spring 2024. This project is delayed due to the re-phasing of the project in 2022 from two to three phases as directed by CUH, poor performance of one sub-contractor and current onsite challenges with existing street lighting column bases and their electricals.

Steady progress is being made towards the energisation of the **North Angle Solar Farm** with the next phase of works to start before the end of the year, progressing over the winter. Plans are in development to manage the weather related risks over the winter build. The bulk of the income reprofiling relates to this project.

Swaffham Prior Community Heat Network is operational and supplying decarbonised heat and hot water to customers. By October, approximately 60 homes will be connected to the system ahead of its first winter, when final system performance tests can complete. Further customers will be connected from Spring 2024. The number of homes physically being connected is slower than was originally forecast, due to supply chain challenges, but this will be caught up during 2024. The Renewable heat Incentive (RHI) has been approved by Ofgem for the heat network and income from RHI will be paid for each Kwh of heat generated. However, there is a substantial backlog on payments with Ofgem hence a revised forecast and reprofiling of income starting in 2024.

The **Stanground Solar and Battery Project** is still in development. Work on this halted during last year to focus on the large energy team's resources into the projects in contract and their delivery.

Appendix 3 – Capital Position

4.1 Capital Expenditure

| Original 2023/24 Budget as per BP £000 | Committee | Scheme | Scheme budget £000 | Scheme forecast variance £000 | 2023-24 budget £000 | 2023-24 actuals £000 | 2023-24 forecast variance £000 |
|--|-----------|--|--------------------|-------------------------------|---------------------|----------------------|--------------------------------|
| | | Integrated Transport | | | | | |
| 200 | H&T | Major Scheme Development & Delivery | 1,000 | 0 | 0 | 14 | 0 |
| 600 | H&T | Safety Schemes | 3,000 | 0 | 1,780 | 30 | 0 |
| 345 | H&T | Strategy and Scheme Development work | 1,725 | 0 | 656 | 322 | 0 |
| 25 | H&T | Air Quality Monitoring | 125 | 0 | 25 | 1 | 0 |
| 1,040 | H&T | Annual Contribution to A14 upgrade | 26,000 | 0 | 1,040 | 0 | 0 |
| 895 | H&T | Local Infrastructure Improvements | 4,409 | 0 | 1,100 | 295 | -643 |
| 0 | H&T | Minor improvements for accessibility and Rights of Way | 77 | 0 | 77 | -9 | 0 |
| 4,406 | H&T | Delivering the Transport Strategy Aims | 7,299 | 0 | 2,516 | 1,230 | -728 |
| | | Operating the Network | | | | | |
| 9,450 | H&T | Carriageway & Footway Maintenance incl Cycle Paths | 37,650 | 0 | 10,200 | 1,776 | 0 |
| 235 | H&T | Rights of Way | 1,175 | 0 | 250 | 47 | 0 |
| 2,347 | H&T | Bridge Strengthening | 11,735 | 0 | 2,347 | 245 | 0 |
| 778 | H&T | Traffic Signal Replacement | 3,890 | 0 | 1,070 | 119 | 0 |
| 183 | H&T | Smarter Travel Management - Int Highways Man Centre | 915 | 0 | 183 | 15 | 0 |
| 118 | H&T | Smarter Travel Management - Real Time Bus Information | 0 | 0 | 0 | 0 | 0 |
| | | Highways & Transport | | | | | |
| | | Highways Maintenance | | | | | |
| 0 | H&T | £90m Highways Maintenance schemes | 78,700 | 0 | 492 | -30 | 0 |
| 8,179 | H&T | Pothole grant funding | 36,656 | 0 | 10,544 | 3,222 | 0 |
| 4,000 | H&T | Footways | 28,000 | 0 | 4,165 | 991 | 0 |
| 4,750 | H&T | A14 De-trunking | 24,750 | 0 | 750 | 0 | -4,000 |
| 500 | H&T | Highways materials recycling | 2,500 | 0 | 300 | 0 | -200 |
| | | Project Delivery | | 0 | | | |
| 3,868 | H&T | Guided Busway | 149,791 | 0 | 3,890 | 0 | 0 |
| 10 | H&T | Ely Crossing | 49,006 | 0 | 10 | -881 | 0 |
| 0 | H&T | Cambridge Cycling Infrastructure | 487 | 0 | 487 | 35 | -242 |
| 600 | H&T | King's Dyke | 33,500 | 0 | -2,550 | 362 | 0 |
| 0 | H&T | Emergency Active Fund | 1,181 | 0 | 279 | 26 | -73 |
| 0 | H&T | Lancaster Way | 2,589 | 0 | 8 | 8 | 0 |

| Original 2023/24 Budget as per BP £000 | Committee | Scheme | Scheme budget £000 | Scheme forecast variance £000 | 2023-24 budget £000 | 2023-24 actuals £000 | 2023-24 forecast variance £000 |
|--|-----------|--|--------------------|-------------------------------|---------------------|----------------------|--------------------------------|
| 0 | H&T | Wisbech Town Centre Access Study | 1,883 | 0 | 101 | -1,147 | 32 |
| 4,571 | H&T | March FHSF and MATS Broad Street | 6,853 | 0 | 5,116 | 275 | 0 |
| 4,367 | H&T | St Neots Future High St Fund | 7,905 | 0 | 1,992 | 31 | 0 |
| 0 | H&T | March Area Transport Study - Main schemes | 3,329 | 0 | 1,298 | 651 | 0 |
| 1,300 | H&T | St Ives local Improvements | 2,300 | 0 | 1,800 | 128 | -635 |
| 2,903 | H&T | A141 and St Ives Improvement | 5,805 | 0 | 1,754 | 143 | 0 |
| 2,535 | H&T | A10 Ely to A14 Improvements | 3,803 | 0 | 2,378 | 256 | 0 |
| 0 | H&T | Witchford A10 NMU | 100 | 0 | 100 | 41 | 0 |
| 0 | H&T | Transforming Cities Fund | 2,860 | 0 | 2,803 | 112 | 0 |
| 0 | H&T | Southern Busway Widening – widening of maintenance track | 2,891 | 0 | 2,891 | 5 | -2,441 |
| 100 | H&T | Street Lighting LED | 13,283 | 0 | 100 | 0 | 10 |
| | | Transport Strategy and Network Development | | | | | |
| 0 | H&T | Scheme Development for Highways Initiatives | 1,000 | 0 | 424 | 0 | 0 |
| 0 | H&T | CaPCAM | 1,620 | 0 | 848 | 463 | 0 |
| 0 | H&T | Northstowe Transport Monitoring | 0 | 0 | 0 | 0 | 0 |
| 200 | H&T | Wheatsheaf Crossroads | 6,795 | 0 | 1,535 | 66 | 0 |
| | | Planning, Growth & Environment | | | | | |
| 2,180 | E&GI | Waste Infrastructure | 7,424 | 0 | 1,500 | 6 | -1,400 |
| 19,320 | E&GI | Waterbeach Waste Treatment Facilities | 20,367 | 0 | 12,838 | 29 | -12,338 |
| 0 | E&GI | Northstowe Heritage Centre | 680 | 0 | 0 | 20 | 0 |
| 834 | E&GI | Reallocation and funding of cost cap for Northstowe phase 1 | 834 | 0 | 834 | 0 | 0 |
| | | Climate Change & Energy Services | | | | | |
| 0 | E&GI | Energy Efficiency Fund | 0 | 0 | 0 | 0 | 0 |
| 0 | E&GI | Swaffham Prior Community Heat Scheme | 10,965 | 3,205 | 2,300 | 273 | 1,095 |
| 0 | E&GI | Alconbury Civic Hub Solar Car Ports | 928 | 0 | 0 | 0 | 0 |
| 2,066 | E&GI | St Ives Smart Energy Grid Demonstrator scheme | 5,486 | 200 | 1,277 | 435 | 200 |
| 2,819 | E&GI | Babraham Smart Energy Grid | 8,595 | 0 | 5,040 | 663 | 60 |
| 0 | E&GI | Trumpington Smart Energy Grid | 6,970 | 0 | 0 | 0 | 0 |
| 3,000 | E&GI | Stanground Closed Landfill Energy Project | 8,267 | 0 | 550 | 0 | 0 |
| 0 | E&GI | Woodston Closed Landfill Energy Project | 150 | 0 | 135 | 0 | 0 |
| 427 | E&GI | North Angle Solar Farm, Soham | 28,957 | 1,892 | 6,438 | -87 | 1,904 |
| 409 | E&GI | Fordham Renewable Energy Network Demonstrator | 635 | 0 | 450 | 0 | 0 |
| 1,627 | E&GI | Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating | 10,518 | 0 | 2,463 | 121 | -457 |

| Original 2023/24 Budget as per BP £000 | Committee | Scheme | Scheme budget £000 | Scheme forecast variance £000 | 2023-24 budget £000 | 2023-24 actuals £000 | 2023-24 forecast variance £000 |
|--|-----------|---|--------------------|-------------------------------|---------------------|----------------------|--------------------------------|
| 0 | E&GI | Environment Fund - Decarbonisation Fund - School Low Carbon Heating Programme | 2,383 | 0 | 281 | 562 | 0 |
| 0 | E&GI | Environment Fund- Decarbonisation Fund - School Education Capital | 3,499 | 0 | 1,729 | 0 | 0 |
| 0 | E&GI | Environment Fund - EV Chargepoints | 200 | 0 | 158 | 0 | 0 |
| 167 | E&GI | Environment Fund - Oil Dependency | 500 | 0 | 205 | 0 | 0 |
| 230 | E&GI | Environment Fund - Climate Innovation | 300 | 0 | 63 | 0 | 0 |
| 0 | E&GI | Treescape Fund | 74 | 0 | 31 | 0 | 0 |
| 0 | E&GI | Cambridge Electric Vehicle Chargepoints | 157 | 0 | 15 | 9 | 0 |
| 0 | E&GI | School Ground Source Heat Pump Projects | 3,145 | 0 | 143 | 0 | 0 |
| 2,490 | E&GI | Connecting Cambridgeshire | 20,072 | 0 | 2,353 | 115 | 0 |
| 1,331 | | Capitalisation of Interest | 4,915 | 0 | 1,331 | 0 | 0 |
| 95,405 | | Subtotal | 712,608 | 0 | 107,093 | 10,987 | -19,856 |
| -19,129 | | Capital Programme variations | -66,696 | 0 | -27,944 | 0 | 19,856 |
| 76,276 | | Total including Capital Programme variations | 645,912 | 5,297 | 79,149 | 10,987 | 0 |

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

| Ref | Committee | Commentary vs previous month | Scheme | Scheme Budget £000 | 2023-24 Budget £000 | Forecast Outturn Variance £000 | Cause | Commentary |
|-----|-----------|------------------------------|--|--------------------|---------------------|--------------------------------|-------------|--|
| 1a | H&T | Unchanged | Local Infrastructure Improvements | 4,473 | 1,087 | -643 | Reprofiling | Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. |
| 1b | H&T | Updated | Delivering the Transport Strategy Aims | 7,299 | 2,516 | -728 | Reprofiling | Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. |
| 1c | H&T | Unchanged | A14 De-trunking | 24,750 | 4,750 | -4,000 | Reprofiling | It is estimated we will spend £750k of the total £24.75m this FY. The initial estimate of spend was £4.75m per year for 6 years but due to the road not coming to us as thought when the estimate was made the profile of spend has changed. We are not going to be clear on the profile of spend of the total until we get an agreed date for the transfer of the road to us. |
| 1d | H&T | Unchanged | Highways Maintenance | 2,500 | 500 | -200 | Reprofiling | Highways Materials Recycling: Project at early stage and the latest estimate is that circa £300k will be needed for initial set up of phase 1 in March depot in 23/24. The remaining £200k may be required in 24/25 to enhance / complete Phase 1. |
| 1e | H&T | Unchanged | Cambridge Cycling Infrastructure | 487 | 487 | -242 | Reprofiling | Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. |
| 1f | H&T | Unchanged | St Ives Local Improvement | 2,300 | 1,800 | -635 | Reprofiling | Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. Construction period is due to run from Sep 23 to November 2024. |
| 1g | H&T | Unchanged | Guided Busway – Widening of footpath | 2,891 | 2,891 | -2,441 | Reprofiling | Following 23/24 budget setting, we have held workshops collaboratively with Finance to test our funding allocation against the programme. This has enabled greater forecast certainty matching planned works. |
| 1h | EG&I | Unchanged | Waste Infrastructure | 7,424 | 1,500 | -1,400 | Reprofiling | The £1.5m budget for March HRC will require re-phasing as only £100K is likely to be spent this year as procurement is just starting using the education service Construction Consultancy framework |

| Ref | Committee | Commentary vs previous month | Scheme | Scheme Budget £000 | 2023-24 Budget £000 | Forecast Outturn Variance £000 | Cause | Commentary |
|-----|-----------|------------------------------|---|--------------------|---------------------|--------------------------------|-------------|---|
| | | | | | | | | contract, and a £1.4m underspend is currently being re-forecast for this financial year. |
| 1i | EG&I | Unchanged | Waterbeach Waste Treatment Facilities | 20,367 | 12,838 | -12,338 | Reprofiling | BATc budget to be re profiled to 2024/25 to reflect updated timeline. |
| 1j | EG&I | Unchanged | Swaffham Prior Community Heat Scheme | 10,965 | 2,300 | 1,095 | Overspend | <p>Historic budget of £1.5m allocated to the first 150 customer connections (at £10k per connection) has not been achieved. The connections have been significantly more expensive and as a result additional funds have been required. The focus is on keeping the momentum of the project forward to ensure as many customers are connected in the village as soon as possible.</p> <p>Overall scheme increase of £3,205k will be proposed.</p> |
| 1k | EG&I | Unchanged | St Ives Smart Energy Grid Demonstrator scheme | 5,486 | 1,277 | 200 | Overspend | Revised estimates on grid connection work on site has resulted in an adjustment required to the capital to complete the project. Fuelled by significant inflationary pressures in the construction sector. |
| 1l | EG&I | Updated | North Angle Solar farm | 28,957 | 6,438 | 1,904 | Reprofiling | The forecast overspend has increased from £639k to £1,904k to reflect the rephasing of the project. This is being revisited on a month by month basis as sensitive work on easements is difficult to predict. The overspend is as a result of forward estimates of costs that are expected to arise across projects. Overspends are now expected at delivery stage in the solar portfolio as a result of higher than expected staff, advisor and legal costs, as well as design revisions and associated construction costs. However, these remain largely indicative for the time being. |
| 1m | EG&I | Unchanged | Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating | 10,518 | 2,463 | -457 | Reprofiling | Removal of phase 4 project development costs from the project as the aim is to do this work mostly in-house. Also, a slight rephasing has been forecast as the work for phase 4 is now planned for 2024/25. |

Capital Variations Budget

Variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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 rephasing exceeds this budget.

The capital variations budget for Place and Sustainability service is £27,944k.

4.2 Capital Funding

| Original 2023/24 Funding Allocation as per BP £000 | Source of Funding | Revised Funding for 2023/24 £000 | Spend - Outturn (Aug 23) £000 | Funding Outturn Variance (Aug 23) £000 |
|---|---|-------------------------------------|----------------------------------|---|
| 16,026 | Local Transport Plan | 15,141 | 13,508 | -1,633 |
| 13,145 | Other DfT Grant funding | 16,441 | 12,441 | -4,000 |
| 8,875 | Other Grants | 12,044 | 12,003 | -41 |
| 5,113 | Developer Contributions | 5,426 | 5,184 | -242 |
| 39,699 | Prudential Borrowing | 44,802 | 33,818 | -10,984 |
| 12,308 | Other Contributions | 13,000 | 10,044 | -2,956 |
| -19,129 | Capital Programme variations | -27,944 | -8,088 | 19,856 |
| 76,037 | Total including Capital Programme variations | 78,910 | 78,910 | 0 |

The increase between the original and revised budget is partly due to the carry forward of funding from 2022/23, this is due to the re-phasing of schemes, which were reported as underspending at the end of the 2022/23 financial year. The phasing of a number of schemes have been reviewed since the published business plan.

Table explaining Capital Funding changes

| Funding | Amount (£m) | Reason for Change |
|---|-------------|---|
| Rephasing (DfT Grants) | 2.41 | Highways schemes funded by DfT grants rolled forward into 23/24. DfT grant used to fund schemes that were earmarked to be funded by borrowing in 22/23. Rolled forward schemes will be funded by borrowing. Highways maintenance (-£3.906m). Carry forward of DfT grant for Safety schemes (£1.18m), carriageway and footpath maintenance (£0.75m), Traffic Signal replacement (£0.292m) and Cambridge Cycling Infrastructure (£0.203m). Additional Pothole funding (£3.332m) |
| New funding/Rephasing (Specific Grants) | 3.17 | Additional funding for Emergency Active Fund (£0.279m). Additional funding and carry forward of funding for March Area Transport Study £1.298m). Rephasing of A141 and St Ives improvement (-£1.149m). New funding for Transforming Cities Fund (£2.803m) |
| Additional Funding / Revised Phasing (Section 106 & CIL) | 0.31 | Developer contributions to be used for a number of schemes. Carry forward of S106 funding for cycling infrastructure schemes (£0.284m) |
| Additional funding / Revised Phasing (Other Contributions) | 0.81 | Deletion of A14 cycling schemes which are part of phase 2 bid (-£1.830m). Local Highways Improvements (£0.65m). CaPCOM from CPCA (£0.848m). New funding for March Future High Street (£0.545m). Rephasing of St Neots Future High Street scheme (-£2.375m). St Ives local improvements carry forward and rephasing (£0.5m). New funding for Guided Busway - widening of maintenance track (£2.981m) |
| Additional Funding / Revised Phasing (Prudential borrowing) | 4.97 | Highways Maintenance funding (£4.398m). Reduction in borrowing for pothole fund (-£0.976m). Rephasing of Waste schemes (-£7.162m). Rephasing of Energy schemes (£1.458m). Rephasing of North Angle Solar Farm (-£6.011m). Rephasing of Environment fund (£2.875m). Rephasing King's Dyke (-£3.15m). Rolled forward Scheme development for Highway Initiatives (£0.424m). Rephasing of Wheatsheaf Crossroads (£1.175m) |

Appendix 4 – Savings Tracker

Quarter 1 Savings Tracker

| RAG | Directorate | Committee | Category Type | Type of Proposal | BP Ref | Title | Planned Saving | Forecast Saving 23-24 | Variance from Plan £000 | % Variance | Forecast Commentary |
|-------|-------------|-----------|-----------------------|------------------|------------|--|----------------|-----------------------|-------------------------|------------|--|
| Green | P&S | H&T | 23-24 New | Saving | B/R.6 .215 | Recycle asphalt, aggregate and gully waste | -20 | -20 | 0 | 0% | On track to meet this saving target |
| Green | P&S | H&T | 23-24 New | Saving | B/R.6 .217 | Vacancy factor | -112 | -112 | 0 | 0% | On track to meet this income target |
| Green | P&S | H&T | 23-24 New | Saving | B/R.6 .218 | Stop Weedkilling of Footways and Road Edges | -125 | -125 | 0 | 0% | On track to meet this income target |
| Amber | P&S | H&T | 23-24 New | Saving | B/R.6 .220 | Highways Materials Recycling | -100 | -50 | 50 | 50% | Capital project has slipped, will now straddle two financial years but optimistic some of the saving will be made in year |
| Amber | P&S | EG&I | 23-24 New & C/F 22-23 | Income | C/R.7 .106 | St Ives Smart Energy Grid - Income Generation | -177 | -47 | 130 | 73.45% | Purchase of spares in advance of need has caused an increase in the operating costs in year 1 above previously expected balance. Income still expected to be on target but net position is impacted by additional costs. |
| Black | P&S | EG&I | 23-24 New & C/F 22-23 | Income | C/R.7 .107 | Babraham Smart Energy Grid - Income Generation | -383 | 0 | 383 | 100% | Delay in project with an energisation date of 24/25, therefore no income expected in 2023/24 per forecast. |
| Red | P&S | EG&I | 23-24 New & C/F 22-23 | Income | C/R.7 .109 | North Angle Solar Farm, Soham - | -4,535 | -416 | 4,119 | 90.83% | Project energisation date historically forecast at July 2023. Now forecast |

| RAG | Directorate | Committee | Category Type | Type of Proposal | BP Ref | Title | Planned Saving | Forecast Saving 23-24 | Variance from Plan £000 | % Variance | Forecast Commentary |
|-------|-------------|-----------|-----------------------|------------------|------------|--|----------------|-----------------------|-------------------------|------------|---|
| | | | | | | Income Generation | | | | | significantly later and therefore reduction in saving forecast is expected. |
| Red | P&S | EG&I | 23-24 New & C/F 22-23 | Income | C/R.7 .110 | Swaffham Prior Community Heat Scheme - Income Generation | -572 | -116 | 456 | 79.72% | Longer than expected customer connection profile means revenue from sale of heat is lower than previously expected. |
| Green | P&S | H&T | 23-24 New | Income | B/R.7 .134 | Light blue fibre income | -11 | -11 | 0 | 0.00% | On track to meet this income target |
| Amber | P&S | H&T | 22-23 CFWD | Income | A/R.6 .213 | Registrars | -200 | -30 | 170 | 85.00% | |
| | | | | | | | -6,235 | - 857 | 5,378 | | |

Key to RAG ratings

| Total Savings | Over 500k | 100-500k | Below 100k |
|---------------|------------------------------|--------------------------|--------------------------|
| Black | 100% non-achieving | 100% non-achieving | 100% non-achieving |
| Red | % variance more than 19% | - | - |
| Amber | Underachieving by 14% to 19% | % variance more than 19% | % variance more than 19% |
| Green | % variance less than 14% | % variance less than 19% | % variance less than 19% |
| Blue | Over-achieving | Over-achieving | Over-achieving |

Appendix 5 – Technical Appendix

Earmarked Reserves Schedule

Quarter 1 Revenue Reserves

| Fund Description | | Balance at 31st March 2023 | Movement within Year | Balance at 30th June 2023 | Yearend Forecast Balance | Notes |
|------------------------------|--|----------------------------|----------------------|---------------------------|--------------------------|--------------------------------------|
| | | £'000 | £'000 | £'000 | £'000 | |
| Other Earmarked Funds | | | | | | |
| H&T | Deflectograph Consortium | 31 | 0 | 31 | 0 | Partnership accounts, not solely CCC |
| H&T | Highways Searches | 365 | 0 | 365 | 347 | |
| H&T | On Street Parking | 2,222 | 0 | 2,222 | 1,722 | |
| H&T | Highways Maintenance | 394 | 1,053 | 1,447 | 1,053 | Funding agreed by S&R Committee |
| H&T | Central Winter Maintenance | 0 | 600 | 600 | 600 | |
| H&T | Streetworks Permit scheme | 224 | 0 | 224 | 112 | |
| H&T | Highways Commuted Sums | 3,493 | 0 | 3,493 | 3,490 | |
| H&T | Streetlighting - Commuted Sum | 16 | 0 | 16 | 16 | |
| H&T | Busway safety improvements | 2,891 | 0 | 2,891 | 0 | |
| H&T | Apprentices | 0 | 700 | 700 | 560 | |
| H&T | Real Time Passenger Information (RTPI) | 216 | 0 | 216 | 0 | Funding to be transferred to CPCA |
| E&GI | Flood Risk funding | 20 | 0 | 20 | 0 | |
| E&GI | Travel to Work | 114 | 0 | 114 | 92 | Partnership accounts, not solely CCC |
| E&GI | Steer- Travel Plan+ | 55 | 0 | 55 | 45 | |
| E&GI | Greenspaces | 85 | 0 | 85 | 0 | |
| E&GI | Waste reserve | 2,845 | 0 | 2,845 | 1,000 | |
| E&GI | Coroners - Complex inquests | 279 | 0 | 279 | 179 | |
| E&GI | Registrars | 194 | 0 | 194 | 0 | |
| E&GI | Trading Standards | 100 | 0 | 100 | 0 | |
| E&GI | Proceed of Crime | 296 | 0 | 296 | 296 | |
| H&T | Other earmarked reserves under £30k | 20 | 0 | 20 | 0 | |
| Total | | 13,859 | 2,353 | 16,212 | 8,511 | |

Quarter 1 Capital Reserves

| Fund Description | Balance at 31st March 2023 | Movement within Year | Balance at 30th June 2023 | Yearend Forecast Balance | Notes |
|-----------------------------|----------------------------|----------------------|---------------------------|--------------------------|-------|
| | £'000 | £'000 | £'000 | £'000 | |
| Capital Reserves | | | | | |
| H&T Other Government Grants | 21,751 | (979) | 20,772 | 0 | |
| H&T Other Capital Funding | 1,045 | 0 | 1,045 | 0 | |
| TOTAL | 22,796 | 1,374 | 21,817 | 0 | |

Quarter 1 Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

| Grant | Awarding Body | Expected Amount £'000 |
|------------------------------------|---------------|-----------------------|
| Grants as per Business Plan | Various | 6,754 |
| Adjustment re Waste PFI grant | | -27 |
| Highways England A14 grant | | 46 |
| Non-material grants (+/- £30k) | Various | 116 |
| Total Grants 2022/23 | | 6,889 |

Quarter 1 Virements and Budget Reconciliation

| Budgets and movements | £'000 | Notes |
|---|---------------|---------------------------------------|
| Budget as per Business Plan (BP) | 71,326 | |
| Pre initial load adjustments | -42 | |
| Budget rebasing. Approved by S&R | -728 | |
| Public Health (PH) income | -31 | Update PH income to match PH MoU |
| Streetworks Staffing Inflation | -55 | Correction to budget |
| Domestic Abuse and Sexual Violence | -2,031 | Service budgets moved from P&S to S&P |
| Non-material virements (+/- £30k) | -34 | |
| Current Budget 2023/24 | 68,403 | |

Corporate Performance Report (Quarter 1 – 2023-24)

To: Environment and Green Investment Committee

Meeting Date: 12 October 2023

From: Executive Director of Place and Sustainability

Electoral division(s): All

Key decision: No

Outcome: To provide the Committee with a performance monitoring information update.

Recommendation: The Committee is recommended to:

Note the contents of the report.

Officer contact:

Name: Richard Springbett
Post: Governance & Performance Manager
Email: Richard.Springbett@cambridgeshire.gov.uk

1 Background

- 1.1 Following the Council adopting a new Strategic Framework and Performance Management Framework in February 2022. This new Performance Management Framework sets out that Policy and Service Committees should:
- Set outcomes and strategy in the areas they oversee.
 - Select and approve addition and removal of KPIs (Key Performance Indicators) for the committee performance report.
 - Track progress quarterly.
 - Consider whether performance is at an acceptable level.
 - Seek to understand the reasons behind the level of performance.
 - Identify remedial action.
- 1.2 This report, delivered quarterly, continues to support the Committee with its performance management role. It provides an update on the status of the selected Key Performance Indicators (KPIs) which track the performance of the services the Committee oversees.
- 1.3 The report covers the period of quarter one 2023/24, up to the end of June 2023.
- 1.4 The full report, attached at Appendix 1, contains information on:
- Current and previous performance and the projected linear trend.
 - Current and previous targets. Note, not all indicators have targets. This may be because they are being developed or the indicator is being monitored for context.
 - Red / Amber / Green / Blue (RAGB) status.
 - Direction for improvement. This will show whether an increase or decrease is good.
 - Change in performance. This shows whether performance is improving (up) or deteriorating (down).
 - The performance of our statistical neighbours. This is only available, and therefore included, where there is a standard national definition of indicator.
 - Indicator description.
 - Commentary on the indicator.
- 1.5 The following RAGB statuses are being used:
- Red – current performance is 10% or more from target.
 - Amber – current performance is off target by less than 10%.
 - Green – current performance is on target or better by up to 5%.
 - Blue – current performance is better than target by 5% or more.
 - Baseline – indicates performance is currently being tracked in order to inform the target setting process.
 - Contextual – these measures track key activity being undertaken, to present a rounded view of information relevant to the service area, without a performance target.
 - In Development - measure has been agreed, but data collection and target setting are in development.

2. Main Issues

2.1 Current performance of indicators monitored by the Committee is as follows:

| Status | Number of KPIs | Percentage of KPIs* |
|----------------|----------------|---------------------|
| Red | - | 0% |
| Amber | - | 0% |
| Green | 1 | 7% |
| Blue | - | 0% |
| Baseline | - | 0% |
| Contextual | 10 | 71% |
| In Development | 3 | 22% |
| Suspended | - | 0% |

*Figures may not add to 100 due to rounding.

2.2 Commentary on the indicators is as follows:

2.2.1 There are no red indicators for commentary this quarter.

2.2.2 There are a large number of indicators which are identified as contextual. Not all indicators have targets. This may be because targets for these KPIs are being developed or the indicator is being monitored for context.

2.2.3 There are three indicators in development which do not form part of the full appendix report. These are:

- Measurement of biodiversity net gain - baselines not currently available to measure, audit underway.
- Natural capital - No baseline exists. Potentially follows from biodiversity audit (above), once have natural assets understanding.
- Percentage of estate under tree canopy - this links to the tree strategy presented to Committee in October 2022. Note: this could either be by trees planted or percentage under tree canopy and will continue to be developed.

2.3 Following the approval by the Committee to create the additional KPI 24b (the percentage of premises in Cambridgeshire and Peterborough with access to Gigabit capable broadband), there is now a target of 85% for this KPI which is a national target set for the whole of the UK. As well as this target for KPI 24b, national benchmarking data has been added which shows Cambridgeshire and Peterborough achieving 79.4% coverage versus a Mean average score across England of 77.1%.

3. Alignment with ambitions

3.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes

The indicators proposed here provide an overview of performance in key priority areas, to enable appropriate oversight and management of performance.

3.2 Travel across the county is safer and more environmentally sustainable

There are no significant implications for this ambition.

3.3 Health inequalities are reduced

There are no significant implications for this ambition.

3.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs

There are no significant implications for this ambition.

3.5 Helping people out of poverty and income inequality

There are no significant implications for this ambition.

3.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised

There are no significant implications for this ambition.

3.7 Children and young people have opportunities to thrive

There are no significant implications for this ambition.

4. Significant Implications

4.1 Resource Implications

There are no significant implications within this category.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

4.5 Engagement and Communications Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

There are no significant implications within this category.

- 4.8 Climate Change and Environment Implications on Priority Areas (See further guidance in Appendix 1):
- 4.8.1 Implication 1: Energy efficient, low carbon buildings.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.2 Implication 2: Low carbon transport.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.5 Implication 5: Water use, availability and management:
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.6 Implication 6: Air Pollution.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.
- 4.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.
Positive/neutral/negative Status: There are no significant implications within this category.
Explanation: There are no significant implications within this category.

Have the resource implications been cleared by Finance? No
Name of Financial Officer: N/A

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement and Commercial? No
Name of Officer: N/A

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or Pathfinder Legal? No
Name of Legal Officer: N/A

Have the equality and diversity implications been cleared by your EqIA Super User?
No
Name of Officer: N/A

Have any engagement and communication implications been cleared by Communications?
No

Name of Officer: N/A

Have any localism and Local Member involvement issues been cleared by your Service Contact? No

Name of Officer: N/A

Have any Public Health implications been cleared by Public Health?

No

Name of Officer: N/A

If a Key decision, have any Climate Change and Environment implications been cleared by the Climate Change Officer?

No

Name of Officer: N/A

5. Source Documents

5.1 [CCC Performance Management Framework](#)

Produced on: 01 August 2023



Performance Report

Quarter 1

2023/24 financial year

Environment and Green Investment Committee

Governance & Performance
Cambridgeshire County Council
governanceandperformance@cambridgeshire.gov.uk

Key



| Data Item | Explanation |
|---|---|
| Target / Pro Rata Target | The target that has been set for the indicator, relevant for the reporting period |
| Current Month / Current Period | The latest performance figure relevant to the reporting period |
| Previous Month / previous period | The previously reported performance figure |
| Direction for Improvement | Indicates whether 'good' performance is a higher or a lower figure |
| Change in Performance | Indicates whether performance is 'improving' or 'declining' by comparing the latest performance figure with that of the previous reporting period |
| Statistical Neighbours Mean | Provided as a point of comparison, based on the most recently available data from identified statistical neighbours. |
| England Mean | Provided as a point of comparison, based on the most recent nationally available data |
| RAG Rating | <ul style="list-style-type: none"> • Red – current performance is off target by more than 10% • Amber – current performance is off target by 10% or less • Green – current performance is on target by up to 5% over target • Blue – current performance exceeds target by more than 5% • Baseline – indicates performance is currently being tracked in order to inform the target setting process • Contextual – these measures track key activity being undertaken, to present a rounded view of information relevant to the service area, without a performance target. • In Development - measure has been agreed, but data collection and target setting are in development |
| Indicator Description | Provides an overview of how a measure is calculated. Where possible, this is based on a nationally agreed definition to assist benchmarking with statistically comparable authorities |
| Commentary | Provides a narrative to explain the changes in performance within the reporting period |
| Actions | Actions undertaken to address under-performance. Populated for 'red' indicators only |
| Useful Links | Provides links to relevant documentation, such as nationally available data and definitions |

Indicator 24a: Percentage of premises in Cambridgeshire & Peterborough with access to at least superfast broadband

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Quarter | Previous Quarter | Change in Performance |
|----------------------------|---------------------------|-----------------|------------------|-----------------------|
| 99.00% | ↑ | 98.54% | 98.53% | Improving |
| Statistical Neighbour Mean | England Mean | RAG Rating | | |
| N/A | 98.1% | Amber | | |

Indicator Description

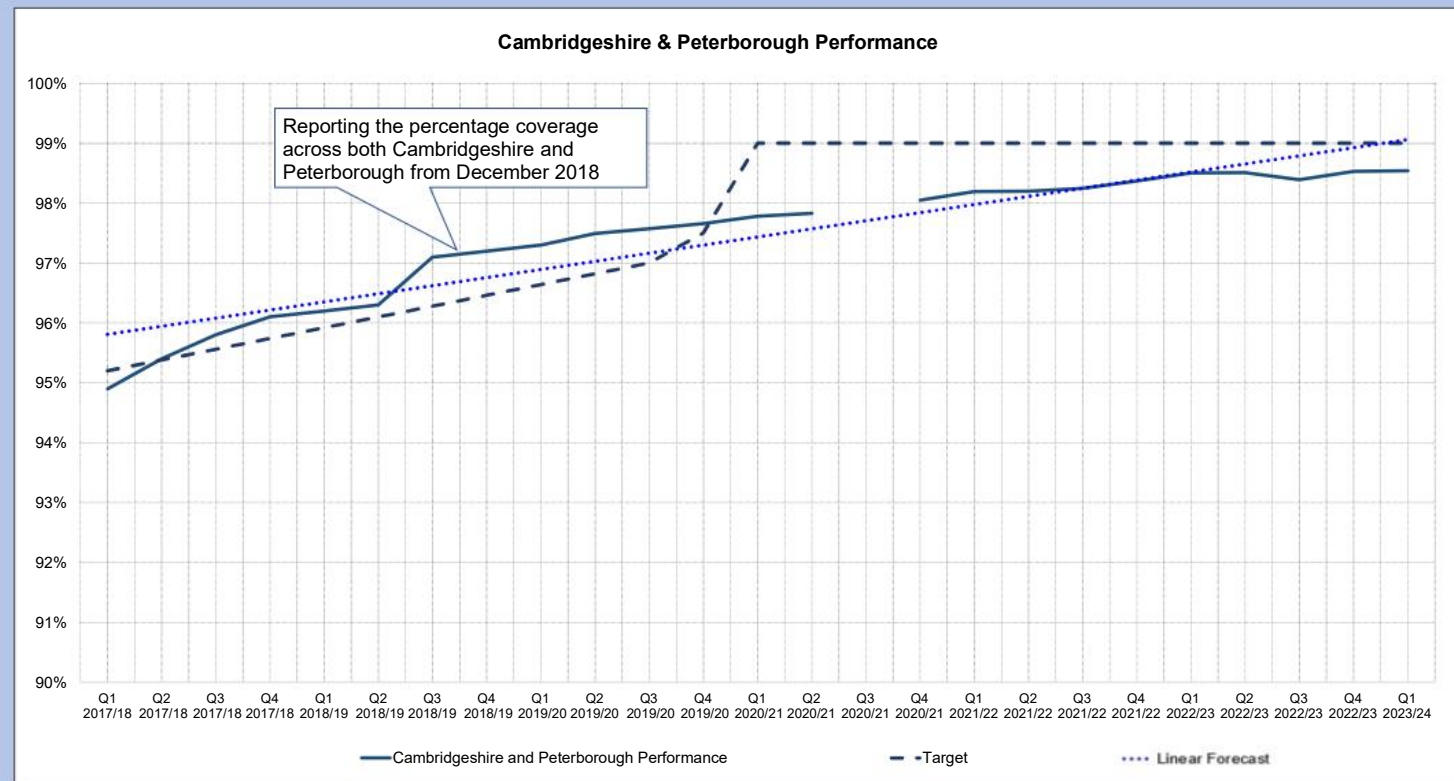
This indicator shows the percentage of addresses with Superfast broadband (greater than 24mbps) availability across Cambridgeshire and Peterborough. The data has been produced by Think Broadband. This is a nationally recognised source of digital infrastructure statistics.

There was an interim target of 97% by end of 2019 and then 99% by 2020.

Source name: Think Broadband Collection name: Local Broadband Information

Polarity: High is good.

There is no statistical neighbour data.



Commentary

The percentage of premises in Cambridgeshire with access to at least superfast broadband is continuing to rise gradually and is still ahead of the England mean. **This remains lower than the target of 99% by end of 2020, however above the England Mean average of 98.1%.** Note, the Covid 19 pandemic affected the pace of digital infrastructure delivery and the lasting effect, together with the increasing cost and complexity of delivering to the final percentage of premises means that it will take longer than originally planned to reach or 99% target.

Please note the following changes to the indicator:

1. The targets and quarterly figures are now for both Cambridgeshire and Peterborough.
2. Quarterly targets have been calculated based on the overall target to reach over 99% coverage countywide by the end of 2020.

Useful Links

Actions

Indicator 24b: The percentage of premises in Cambridgeshire and Peterborough with access to Gigabit capable broadband

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Quarter | Previous Quarter | Change in Performance |
|-----------------------------------|---------------------------|-------------------|------------------|-----------------------|
| Above 85% by end of 2025 | ↑ | 79.40% | 77.14% | Improving |
| Statistical Neighbour Mean | England Mean | RAG Rating | | |
| N/A | 77.1% | Contextual | | |

Indicator Description

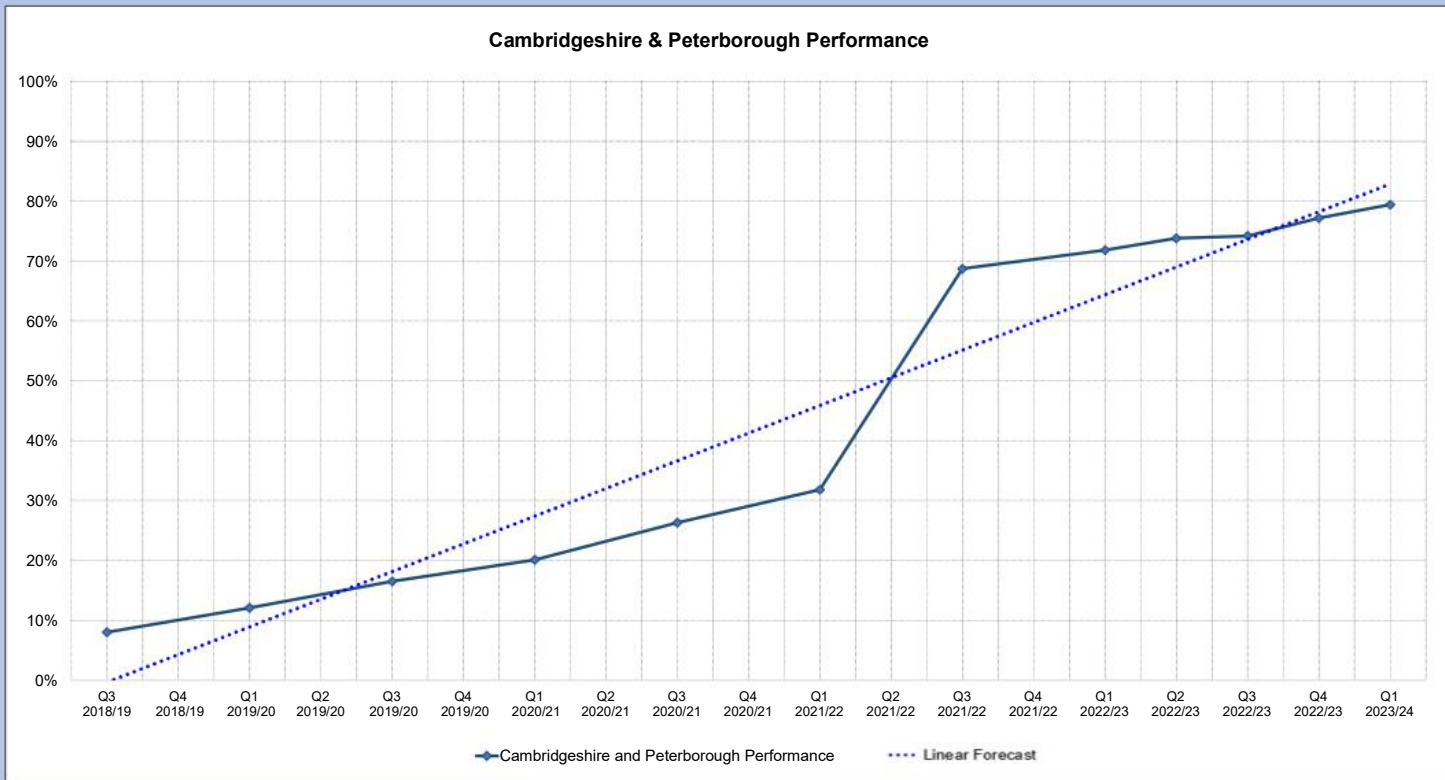
This indicator shows the percentage of addresses with access to Gigabit capable broadband across Cambridgeshire and Peterborough.

The data has been produced by Think Broadband. This is a nationally recognised source of digital infrastructure statistics.

Source name: Think Broadband Collection name: Local Broadband Information

Polarity: High is good.

There is no statistical neighbour data.



Commentary

Gigabit capable broadband coverage continues to rise and we are on target for Cambridgeshire and Peterborough to exceed the government's national target of 85% GB coverage by 2025. This indicator denotes coverage (ie the ability of premises to be able to order a Gigabit broadband service) rather than take-up which reflects the percentage of premises actually ordering a gigabit service. Take up data is a commercially sensitive and therefore not a figure shared by broadband suppliers.

Useful Links

Actions

| Target | Direction for Improvement | Current Quarter | Previous Quarter | Change in Performance |
|--------|---------------------------|-----------------|------------------|-----------------------|
| 100.0% | ↑ | 100.0% | 100.0% | Unchanged |

RAG Rating

Green

Indicator Description

This indicator is an important measure of success when the local authority determines planning applications.

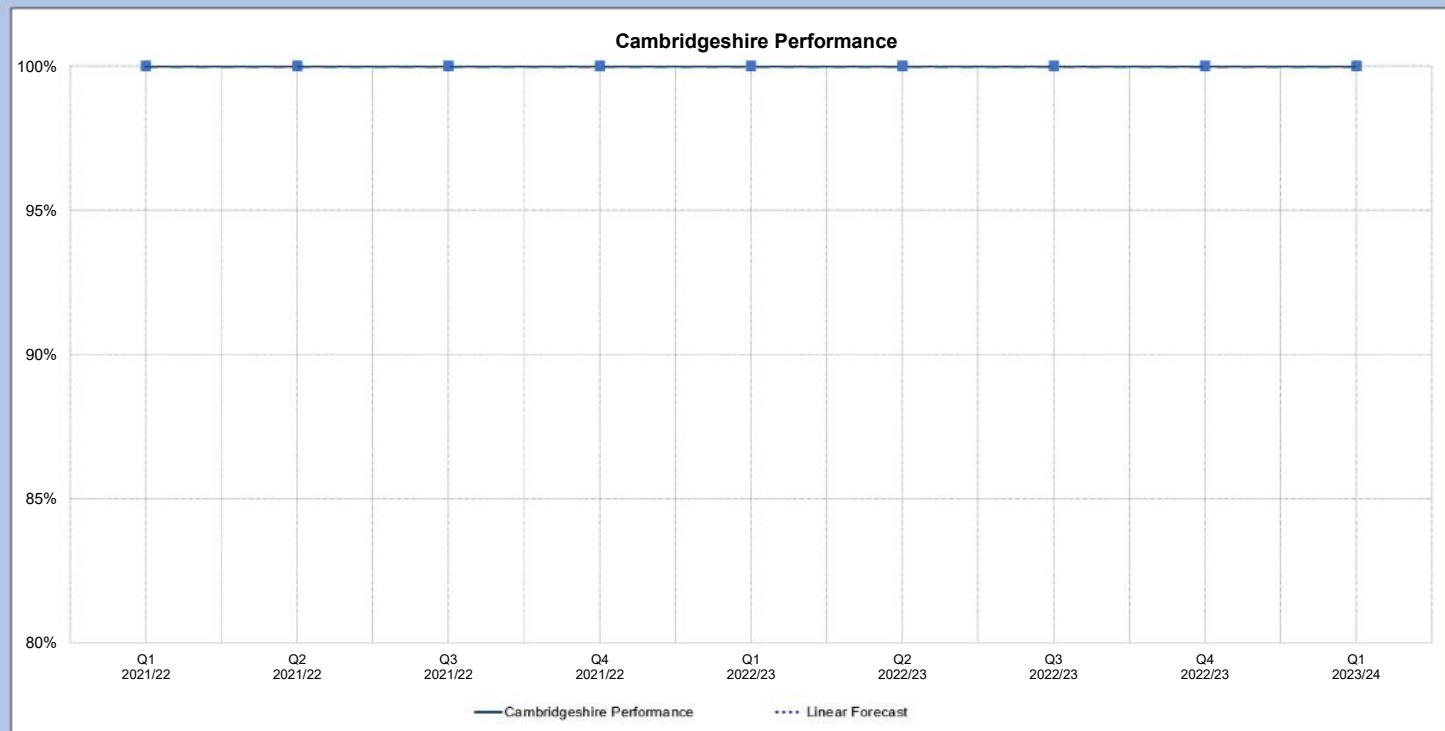
This is shown by the average percentage of decisions on applications made within two years. This is up to and including the most recent financial quarter.

Applications must be made:

- a. within the statutory period. Or:
- b. within an extended period that has been agreed in writing between the applicant and the local planning authority.

We collect the data monthly and report quarterly.

The Department for Levelling Up, Housing and Communities collect data recorded for major development.



Commentary

If a Local Planning Authority often fails to make a decision on planning applications within the statutory period, without agreeing an extension of time, then the Secretary of State can label the Local Planning Authority as underperforming. If this happens, applicants have the option of submitting their applications to the Planning Inspectorate to make a decision.

If the Local Planning Authority is labelled as underperforming, then they will be expected to prepare an action plan to address areas of weakness that are leading to under performance. Therefore, the percentage of applications that are determined within the agreed timescales is a key performance indicator for the County Planning, Minerals and Waste team. **Performance remained at 100% through the whole 2022/23 financial year. It is recommended that this indicator remains in corporate performance reports for as it is a key indicator of monitoring statutory performance of a key service.**

Q1 of 2023/24 continues to see performance remaining at 100%.

Useful Links

[Government publication service document on improving planning performance](#)

Actions

Indicator 48: Municipal waste landfilled (12 month rolling average)

[Return to Index](#)

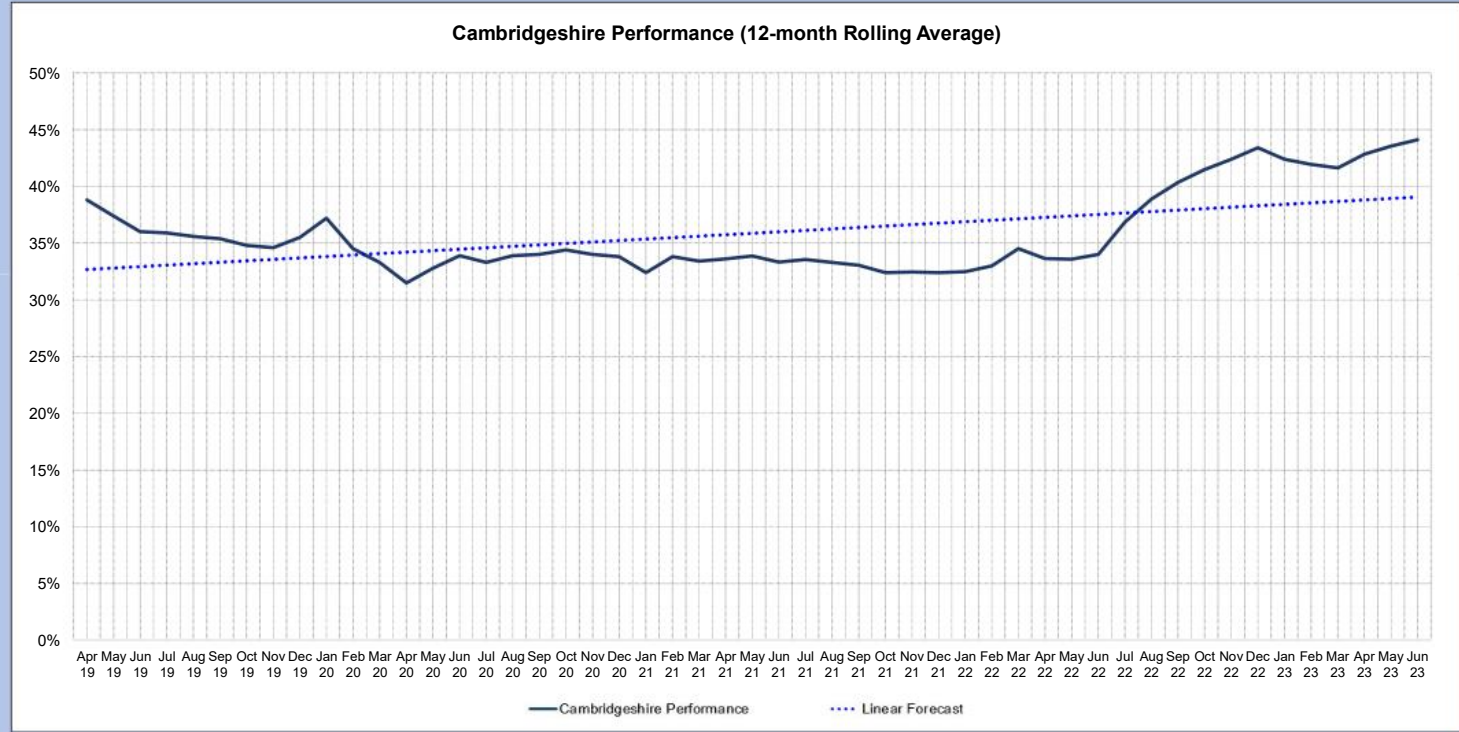
October 2023

| Target | Direction for Improvement | Current Month | Previous Month | Change in Performance |
|-------------------|---------------------------|---------------|----------------|-----------------------|
| Contextual | ↓ | 44.1% | 43.6% | Declining |
| RAG Rating | | | | |
| Contextual | | | | |

Indicator Description

This indicator shows the proportion of waste sent to landfill, either directly or as an output from the Mechanical Biological Treatment facility (MBT). This is based on a 12 month rolling average.

Polarity: Low is good



Commentary

During the 12 months ending June 2023, 44.11% of waste was landfilled. The recent sharp increase relates to residual waste no longer being processed by the MBT from July 2022 onwards (and instead being sent directly to landfill), whilst the facility is being redeveloped.

Useful Links

Actions

Indicator 150a: Cambridgeshire recycling, reuse, composting and recovery rate (12 month rolling total)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Month | Previous Month | Change in Performance |
|------------|---------------------------|---------------|----------------|-----------------------|
| Contextual | ↑ | 52.46% | 52.48% | Declining |

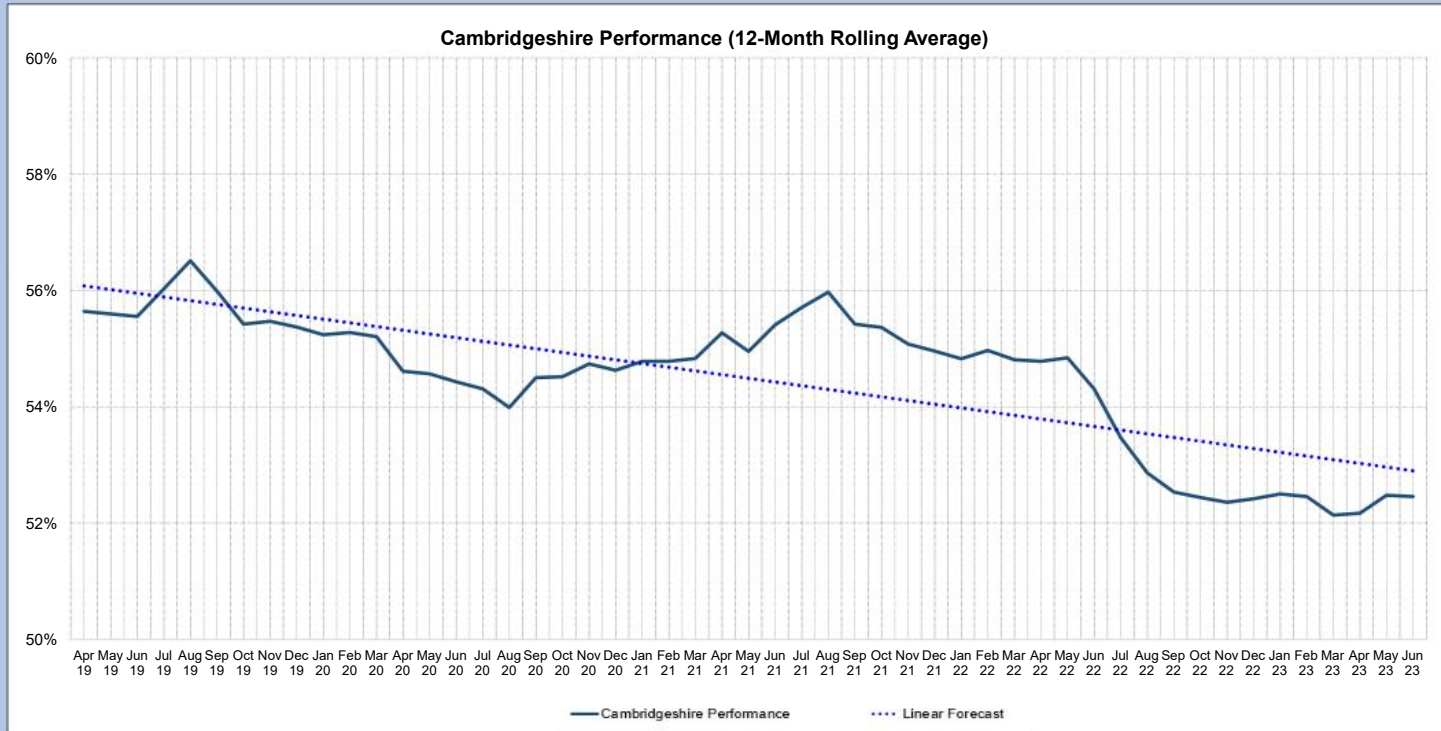
RAG rating

| |
|------------|
| Contextual |
|------------|

Indicator Description

This indicator shows the combined proportion of household waste that is recycled, reused, composted or sent for energy recovery. This includes all district and city partner's recycling performance as well as the performance of the County Council's Household Recycling Centres. This has significant financial impact on the council.

Polarity: High is good



Commentary

During the 12 months ending in June 2023, 52.46% of waste was recycled, reused, composted or sent for energy recovery. Performance has fallen significantly over the past year, partially due to recyclates no longer being recovered at the front end of the MBT (which is unavailable during BATc upgrade works), but mostly due to the drought over the previous Summer resulting in lower green waste tonnages for composting. As a result, performance is expected to improve in the following months.

Useful Links

[Department for Environment, Food & Rural Affairs Waste Statistics](#)

Actions

Indicator 150b: Cambridgeshire recycling, reuse, composting and recovery rate (12 month rolling total)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Month | Previous Month | Change in Performance |
|------------|---------------------------|---------------|----------------|-----------------------|
| Contextual | ↑ | 52.46% | 52.48% | Declining |

RAG rating

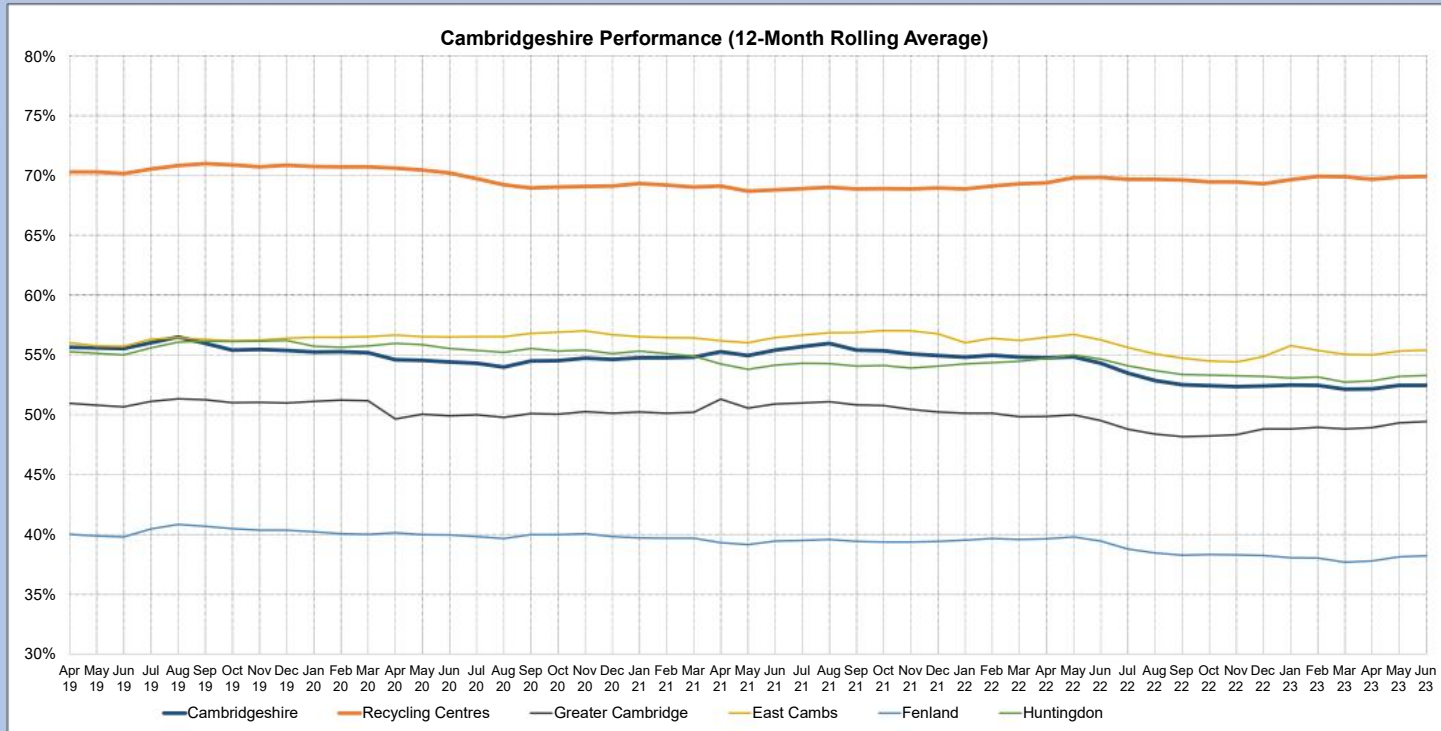
Contextual

Indicator Description

This indicator shows the combined proportion of household waste that is recycled, reused, composted or sent for energy recovery. This includes all district and city partner's recycling performance as well as the performance of the County Council's Household Recycling Centres. This has significant financial impact on the council.

The 'Cambridgeshire' line on this graph is the 12-month rolling average for Cambridgeshire, also shown in Indicator 150a.

Polarity: High is good



Commentary

Fenland's recycling rate is notably lower than the other districts, as they offer a paid garden waste collection, as opposed to the free garden and food waste collection offered by other districts. This results in them collecting proportionally less garden waste for composting.

Useful Links

[Department for Environment, Food & Rural Affairs Waste Statistics](#)

Actions

Indicator 223: Waste per Head (12 month rolling average)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Month | Previous Month | Change in Performance |
|------------|---------------------------|---------------|----------------|-----------------------|
| Contextual | ↓ | 404.9 | 404.5 | Declining |

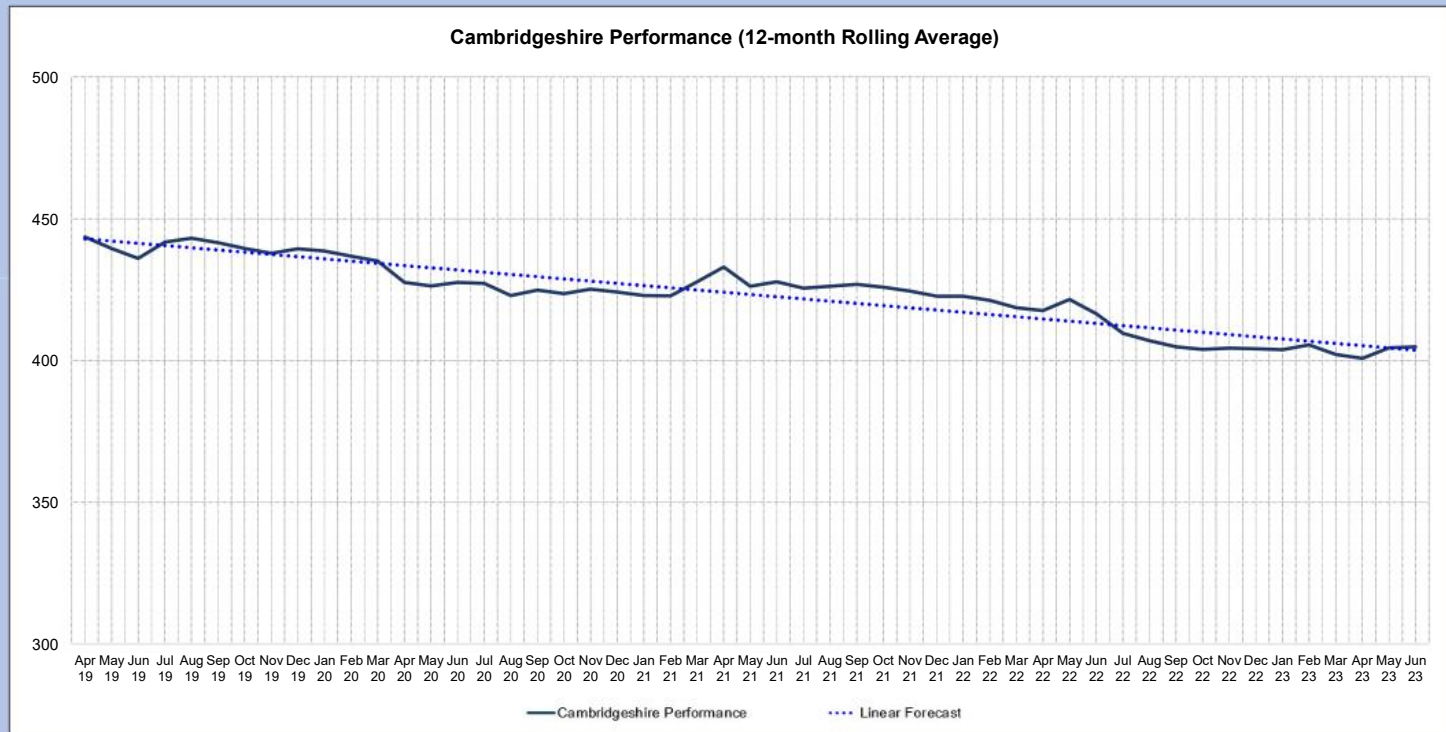
RAG Rating

| |
|------------|
| Contextual |
|------------|

Indicator Description

This indicator shows the amount of household waste generated per person within Cambridgeshire. This is based on a 12 month rolling average. This has significant financial impact on the council.

Polarity: Low is good



Commentary

During the 12 months ending June 2023, we collected 404.9kg/head of household waste across Cambridgeshire. A combination of waste reduction measures and changes to packaging is largely offsetting the current increase in green waste, largely due in comparison to the drought in the previous year.

Useful Links

Actions

Indicator 224: Energy usage at CCC sites (kWh per month)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Month | Same month previous year | Change in Performance |
|------------|---------------------------|---------------|--------------------------|-----------------------|
| Contextual | ↓ | 1,310,318 | 1,161,588 | Declining |

RAG Rating

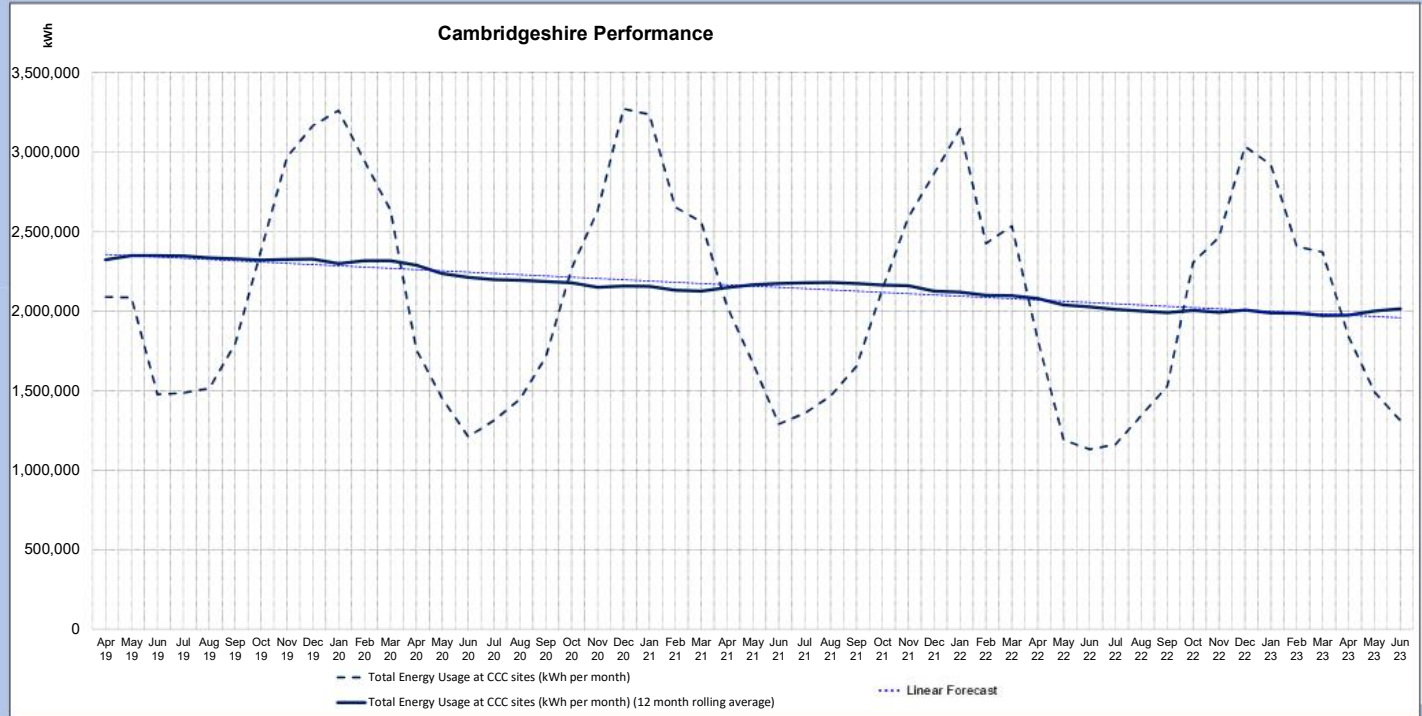
| |
|------------|
| Contextual |
|------------|

Indicator Description
 Energy is the biggest source of the Council's direct (scope 1 & 2) emissions. No target has been set for this indicator.

Energy use includes electricity, gas and oil.

Polarity: Low is good

Useful Links



Commentary

Energy usage is expected to be higher in winter, when there is more demand for heating and lighting.

Around 54% of the Council's electricity usage in the last 12 months was for streetlighting. Much of the increase in overall energy use is due to the Swaffham Prior Community Heat Network energy centre coming online and ramping up in 2022-23.

Annual energy use in the FY 2022-23 was down 5.9% from the previous year. Gas usage in the FY 2022-23 showing a reduction of 24.6% from previous year, as a result of the low carbon heating programme.

Actions

Indicator 225: Council's carbon footprint, Scopes 1 and 2 (tonnes CO2e per year)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Year | Previous Year | Change in Performance |
|------------------|---------------------------|--------------|---------------|-----------------------|
| Net zero by 2030 | ↓ | 2141.0 | 1844.3 | Declining |

RAG Rating

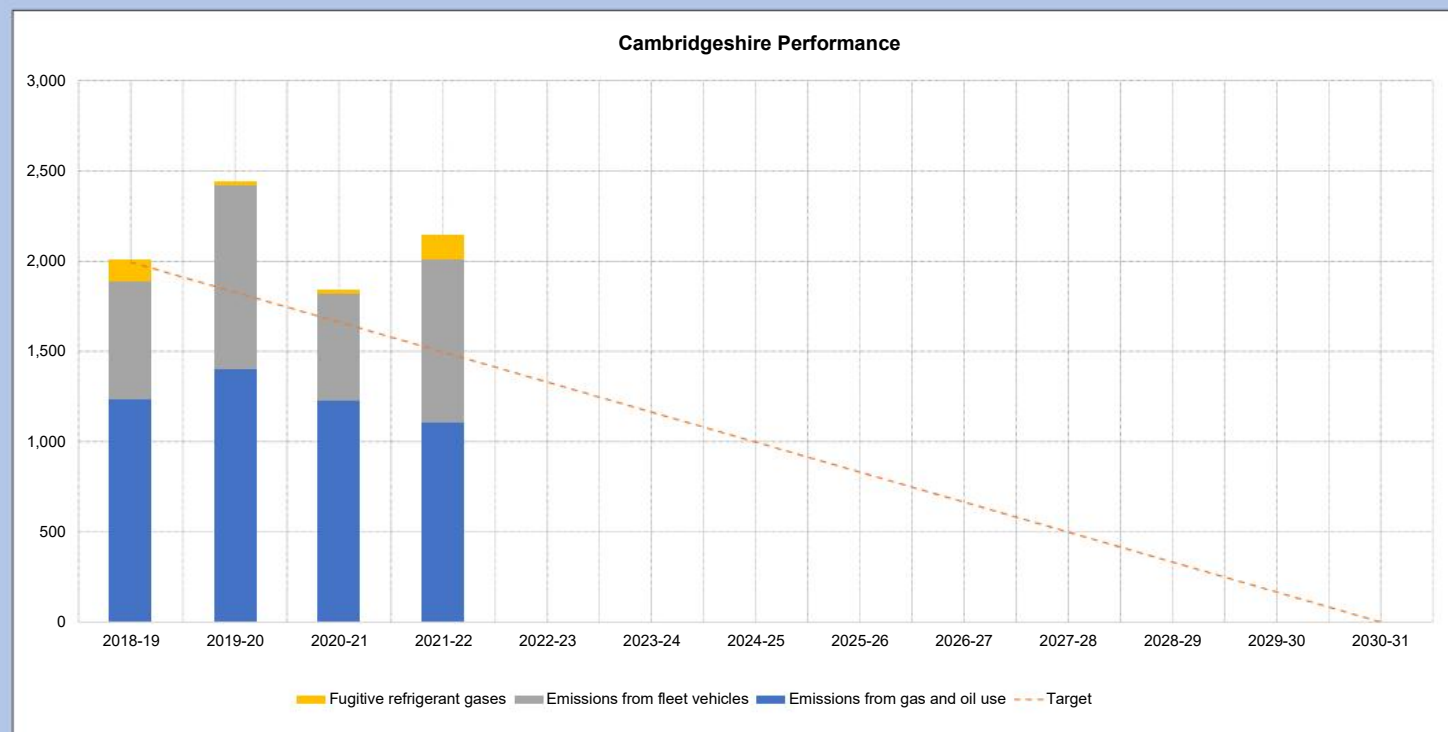
Contextual

Indicator Description

This indicator shows annual progress towards the Council's target set out in the Climate Change and Environment Strategy, of reducing scope 1&2 emissions to net zero by 2030.

Scope 1 means direct emissions from the Council's own assets.
Scope 2 means emissions from purchased electricity.

Polarity: Low is good



Commentary

Carbon footprint is measured retroactively in FY increments. FY 2018-2019 is our baseline year which we use to compare all subsequent FYs since, (2018-19 has been selected as that is the first year that we started Carbon footprinting). It is important to note that we recognise that our Carbon footprint won't necessarily go down year on year (as can be seen post pandemic years). Probably the most useful indicators of how we are moving towards our net zero goal is comparison to our baseline year which should be a net 100% reduction in scope 1 & 2 emissions and 50% reduction in scope 3 emission both by 2030.

Gas and oil emissions have reduced in 2022-23, and will reduce further in 2023-24 due to the low carbon heating programme.

Final data for 22-23 is being analysed and will be presented in the annual carbon footprint report for 22-23 in late 2023 as well as the next Performance Report following the release of the data.

Useful Links

<https://www.cambridgeshire.gov.uk/residents/climate-change-energy-and-environment/carbon-footprinting-how-big-is-the-problem>

Actions

Indicator 226: Council's carbon footprint, Scope 3 (tonnes CO2e per year)

[Return to Index](#)

October 2023

| Target | Direction for Improvement | Current Year | Previous Year | Change in Performance |
|--|---------------------------|--------------|---------------|-----------------------|
| 50% reduction from 2018 levels by 2030 | ↓ | 131,610 | 127,261 | Declining |

RAG Rating

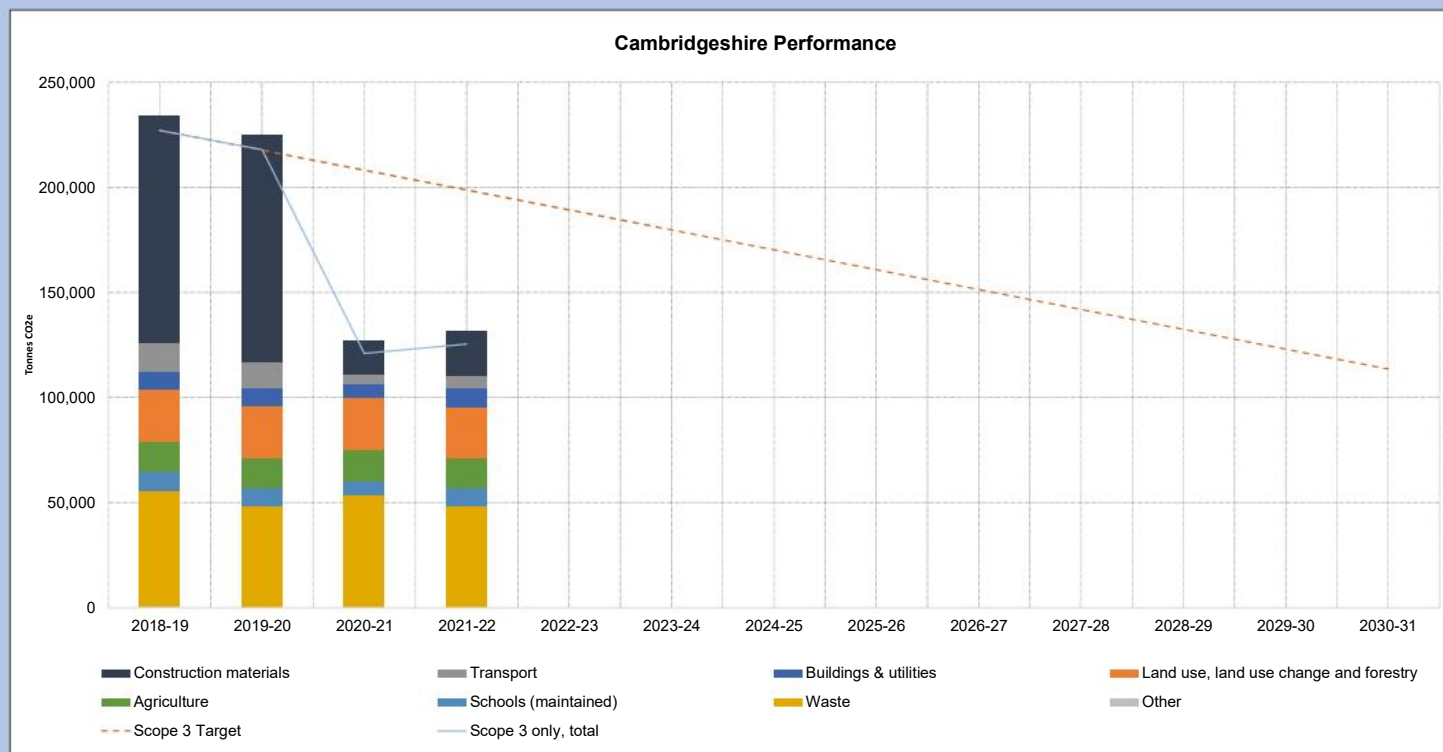
Contextual

Indicator Description

This indicator shows annual progress towards the Council's target set out in the Climate Change and Environment Strategy, of reducing scope 3 emissions by 50% by 2030 (compared to 2018 levels).

Scope 1 means direct emissions from the Council's own assets.
 Scope 2 means emissions from purchased electricity.
 Scope 3 means indirect emissions from assets outside the Council's control - for example, employee-owned vehicles, purchased goods and services, outsourced activities.

Polarity: Low is good



Commentary

The data shown is all known emissions. There are likely to be further unknown emissions in our supply chain that we do not have any data for. Large reduction in emissions in 2020-21, mostly due to drop in construction activity. Construction emissions remain low in 2021-2022. Land use emissions included for first time in 2020-21 and added to all years data for consistency. Total emissions have increased slightly since 2020-21 but remain below 2018-19 and 2019-20. Increase in Buildings and Utilities can be attributed to a couple of factors, Swaffham Prior Energy Centre is our highest utility by some distance, another contributing factor could be increased building occupancy following lockdowns and office work settles down post pandemic, this is being explored further and in more detail when the 2022/23 data becomes available late 2023.

Useful Links

<https://www.cambridgeshire.gov.uk/residents/climate-change-energy-and-environment/carbon-footprinting-how-big-is-the-problem>

Actions

| Target | Direction for Improvement | Current Year | Previous Year | Change in Performance |
|--------------|---------------------------|--------------|---------------|-----------------------|
| Zero by 2045 | ↓ | 6,783 | 6,396 | Declining |

RAG Rating

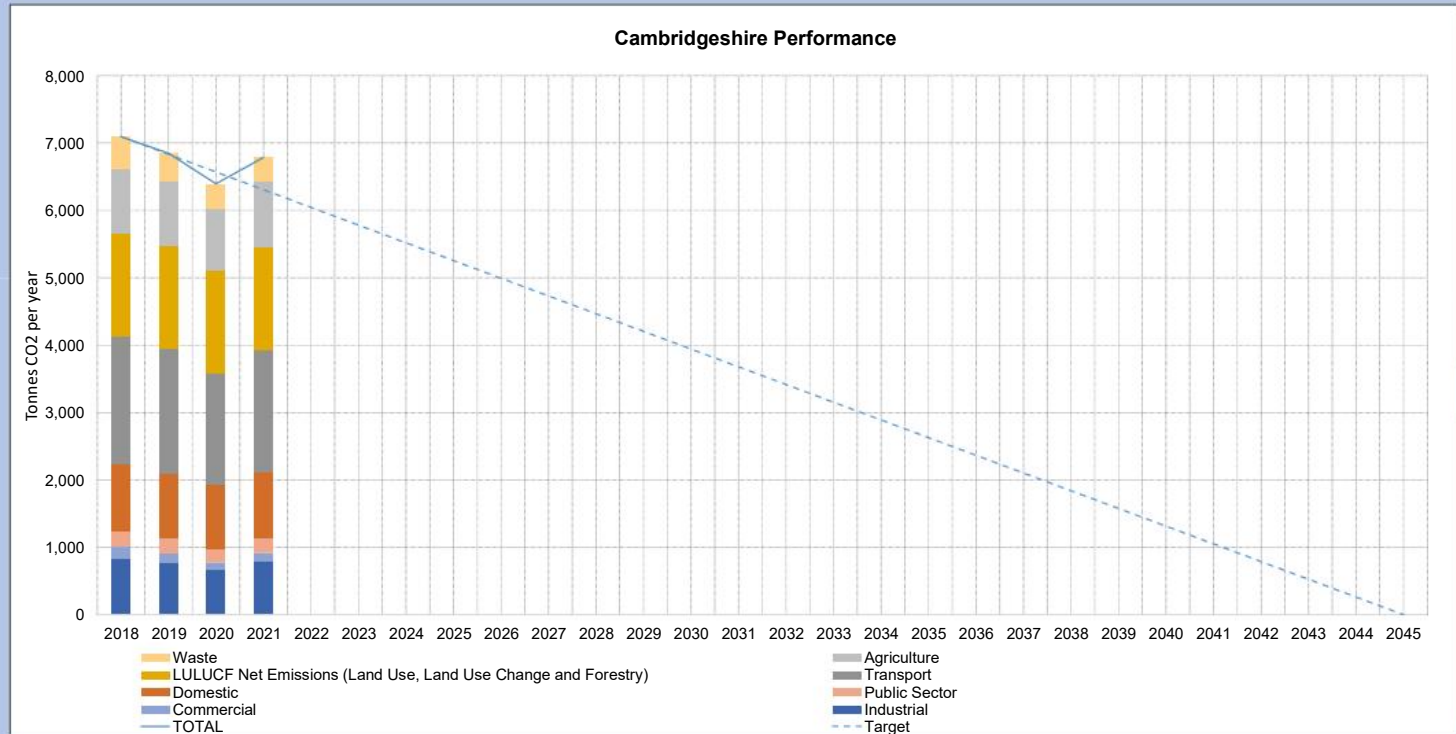
Contextual

Indicator Description

This data is published by BEIS with a two-year lag. E.g. data for 2020 was published in June 2022. Now includes CO2, CH4 and N2O, which equates to approx 97% of all greenhouse gas emissions.

This data includes greenhouse gas emissions from all sources in the geographical area of Cambridgeshire, irrespective of to what extent they are in the control or influence of the Council.

Polarity: Low is good



Commentary

GHG emissions have increased in most areas of the UK in 2021, compared to 2020. UK wide GHG emissions increased by 5.9%. This follows a dip in emissions in 2020 due to Covid-19 restrictions. Increases in 2021 are mostly due to easing of Covid-19 restrictions and colder temperatures. This is the same in Cambridgeshire as the rest of the UK.

Emissions in the county in 2021 were 0.9% lower than 2019.

Transport is the highest emitting sector in the county (27%) with 1,814 kt CO2e, most of that is from A roads. Highest transport emissions are in Huntingdonshire then South Cambridgeshire. Land use, land use change (LULUCF) in second place (23%), 1,524 kt CO2e, mostly from cropland, particularly in Fenland and East Cambridgeshire, likely due to large areas of peatland. Agriculture third (14%, 981 kt CO2e), mostly from soils. Domestic fourth (14%, 968 kt CO2e), mostly from gas use for heating.

Actions

Useful Links

<https://www.gov.uk/government/collections/uk-local-authority-and-regional-carbon-dioxide-emissions-national-statistics>

<https://www.gov.uk/government/collections/uk-greenhouse-gas-emissions-statistics>

Environment and Green Investment Committee Agenda Plan

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 Monitoring Report
- 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 |
|------------------------------|--|--------------------|---------------------------|----------------------------|----------------------|
| 12/10/23 | Innovate UK Net Zero Living Programme - Phase 2 Bid | Sheryl French | 2023/096 | 02/10/2023 | 04/10/2023 |
| | Progress Report on the Council's Climate Change and Environment Strategy Target Delivery | Emily Bolton | | | |
| | Corporate Performance Report (Quarter 1 2023-24) | Richard Springbett | | | |
| 30/11/23 | Business Planning | Frank Jordan | | 20/11/2023 | 22/11/2023 |
| | Annual Carbon Footprint report | Sarah Wilkinson | | | |
| | Heat Pump Ready Project – Install and Loan Budget | Chris Parkin | | | |
| | Corporate Performance Report (Quarter 2 2023-24) | Richard Springbett | | | |
| 30/11/23 Separate meeting | Waste Private Finance Initiative (PFI) Update + [Confidential Item] | Adam Smith | 2023/091 | 20/11/2023 | 22/11/2023 |

| Committee Date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|--------------------------|--|----------------------------------|---------------------------|----------------------------|----------------------|
| 18/01/24 Reserve date | | | | 08/01/2024 | 10/01/2024 |
| 14/03/24 | Flood Risk Enforcement Policy review | Hilary Tandy/ Kathryn Reading | | 04/03/2024 | 06/03/2024 |
| | Risk Register | Frank Jordan | | | |
| | Trees and Woodland Strategy – Progress and Target Update | Emily Bolton | | | |
| | Corporate Performance Report (Quarter 3 2023-24) | Richard Springbett | | | |
| 18/04/24 Reserve date | | | | | |

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