

Business and Financial Plan 2024-2029

To: Communities, Social Mobility and Inclusion Committee

Meeting Date: 11 January 2024

From: Executive Director of Strategy and Partnerships
Executive Director for Finance and Resources

Electoral division(s): All

Key decision: No

Executive Summary: This report summarises the business plan proposals, as presented to the Strategy, Resources and Performance Committee on 19 December 2023, in relation to the remit of this Committee according to its terms of reference.

This includes proposals relating to:

- £2.2 million into an Anti-Poverty Strategy and action plan in 2024/25 funded from reserves.
- £1.32 million to improve our libraries funded from reserves.
- Net movements from 2023/24 to 2024/25 for services under the remit of this committee.
- Capital programme investment of £0.9 million.

Recommendations: The Committee is asked to:

- a) Consider and scrutinise the proposals relevant to this Committee within the Business and Financial plan put forward by the Strategy, Resources and Performance Committee on 19 December 2023;
- b) Provide feedback to the Strategy, Resources and Performance Committee on the proposals for that Committee's consideration at its meeting on 30 January 2024 to enable a budget to be proposed to Full Council on 13 February 2024; and
- c) Receive the fees and charges schedule for this Committee, included at Appendix 2 of the report.

Officer contacts:

Names: Peter Gell, Service Director: Regulatory Services and
Lisa Riddle, Service Director: Communities, Libraries and Skills

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1. The proposals presented to the Strategy, Resources and Performance Committee, 19 December 2023, set out the council's delivery and plans against its seven ambitions in the Strategic Framework 2023-28.
- 1.2. This report provides an assessment to this committee, of the draft budget for 2024/25, as presented to the Strategy, Resources and Performance Committee, at its meeting on 19 December 2023. The Council's budget takes account of the impact on Council Tax, the capital investment programme, schools' overall budgets, as well as Council reserves. The report sets out the corporate position, delivery of the strategic ambitions, investment in priorities and the proposed 2024/25 revenue and capital changes relevant to this committee.
- 1.3. This committee, alongside other Policy and Service committees, will consider the draft budget proposals, and any feedback will be presented to the Strategy, Resources and Performance Committee at its next meeting on 30 January 2024 for consideration.

2. Overview of corporate position

- 2.1 The Strategy, Resources and Performance Committee considered draft proposals to balance the 2024/25 budget, as well as longer term business and financial planning. Papers are available at the following link: [Strategy, Resources and Performance Committee - Item 6: Business and Financial Plan 2024-29](#).
- 2.2 Proposals cover a range of services provided by the Council. Each of the service and policy committees have been asked to provide scrutiny and feedback on the proposals within their remit to inform the Strategy, Resources and Performance Committee meeting on 30 January 2024 in its consideration of recommending budget proposals to Full Council on 13 February 2024.
- 2.3 The Council draws its funding from two main sources – Council Tax and government grants. The Council's government funding allocated for 2024/25 comprises of three elements; the first two make up what is referred to as Cambridgeshire's Settlement Funding Allocation (SFA), which is the Department for Levelling Up, Housing and Communities (DLUHC) calculation of what the Council's spending should be compared with other councils across the country. A third element of government funding is from additional grants, such as the social care support grant. The other main source of funding is from Council Tax. For 2024/25 it is forecast this will mean £30.9 million more income in 2024/25. This funding and the impact for Cambridgeshire are set out in more detail in the following Chart 1 and represents the current assumptions from DLUHC, a 2% Adult Social Care Precept and a 2.99% Council Tax increase:

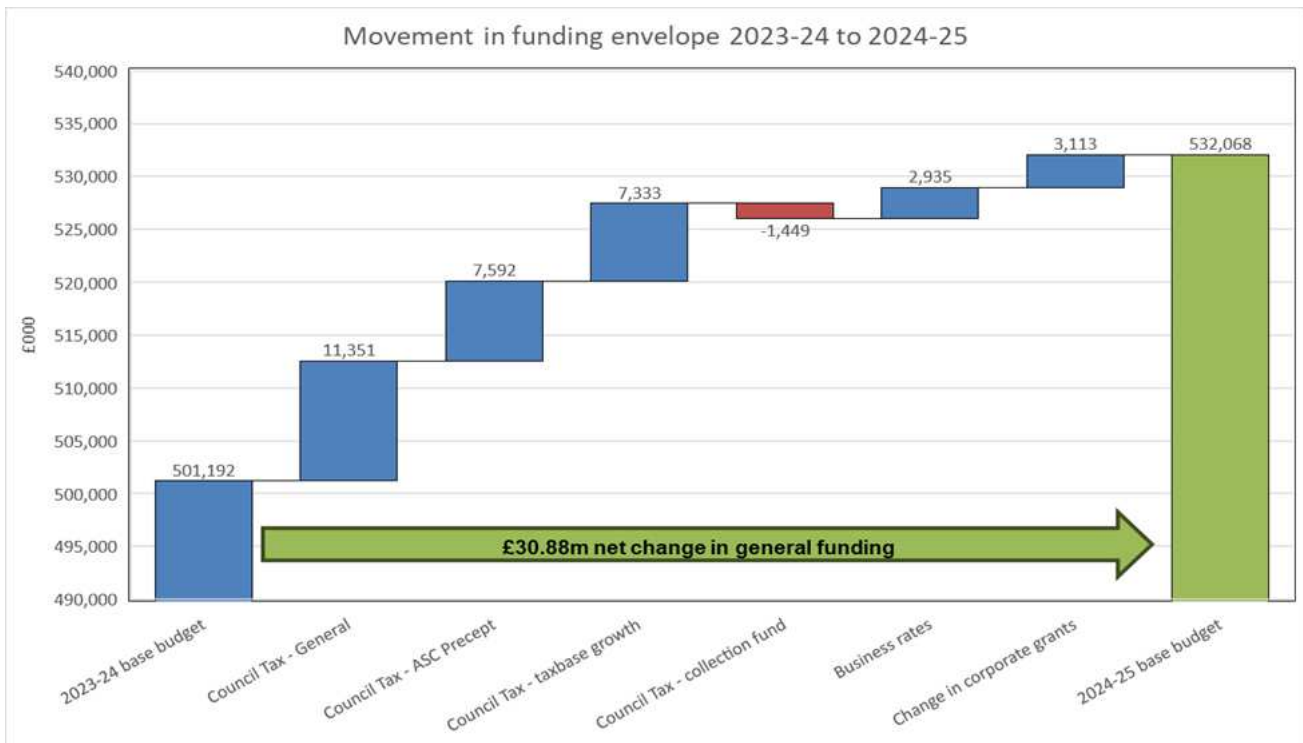


Chart 1: Movement in funding envelope 2023-24 to 2024-25

2.4 In total, the Council is facing gross pressures, alongside the prioritisation being proposed and costs of borrowing, of £74.2 million. That means that after accounting for the funding envelope noted above (£30.88 million as shown in Chart 1), there is a net financial gap to bridge of £43.3 million.

2.5 It is proposed that this financial gap is closed by £6.5 million of reserves to support the bottom-line position; £17.6 million of savings proposals identified to date and which are outlined at Section 9 and Appendix 1C of the Strategy, Resources and Procurement Committee agenda on 19 December 2023; plus, £17.2 million of other income through grants, fees and charges. That leaves a remaining gap of £2 million to still be addressed to achieve a balanced position. This is summarised in Chart 2:

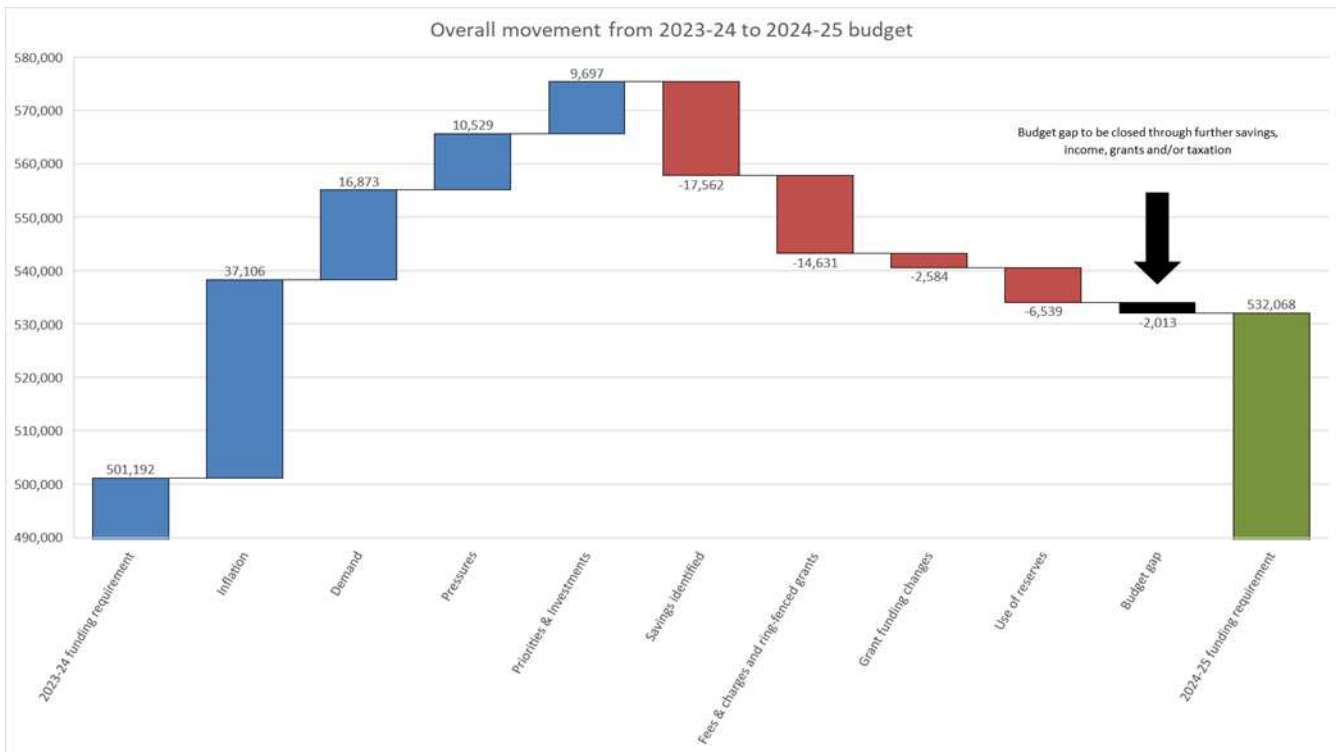


Chart 2 – Overall Movement from 2023/24 to 2024/25 Budget

- 2.6 Against this context, the report includes a further forecast for 2025/26 to 2028/29. This brings into focus key change programmes that have begun or will begin in 2024 to help determine the future shape and funding of the Council to achieve a balanced budget in each of the years remaining of the current Strategic Framework.
- 2.7 The Council is continuing to invest capital spend in the county's infrastructure, such as schools, roads and social care facilities. The proposal is for a capital programme for 2024/25 of £213.4 million, and a further £375.2 million across the following years, giving a total programme of £587.5 million. The capital programme will be funded from grants, capital receipts and borrowing, with £101.5 million of borrowing forecast for 2024/25, at a revenue cost in 2024/25 of £42.0 million. The total capital programme is summarised in Table 1 below.

Directorate	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	2028/29 £,000	Later years £,000	Total 2024-2029 £,000
CEF	95,885	83,227	34,128	12,725	4,836	26,487	230,801
AHC	13,907	21,679	11,070	15,258	13,491	21,327	75,405
P&S	96,229	45,777	19,284	19,311	19,334	17,361	199,935
F&R	5,547	2,288	1,116	1,116	1,008	4,320	11,075
S&P	1,810	7	-	-	-	-	1,817
Total	213,378	152,978	65,598	48,410	38,669	69,495	519,033

Table 1: Capital Programme by Directorate 2024-29

- 2.8 The total programme for 2024/25 as it currently stands requires £213.4 million of funding which includes £101.5 million from borrowing. The cost of capital is expected to continue rising for the next two years with increases exceeding £2.5m in both 2025-26 and 2026-27. Although the capital programme has been prioritised to ensure that the expected cost of capital is within the prudential limit set by the capital strategy for 2024-25, and in the later years of the plan, it can be seen that in 2025-28 the budgeted cost is currently in excess of the prudential limit. Assuming costs of borrowing remain as currently projected, this will mean further prioritisation of investment may be necessary in future planning rounds.

3. Delivering the Council's Strategic Framework Ambitions and investing in its priorities

Ambition 5 - Helping people out of poverty and income inequality.

- 3.1 As the Quality-of-Life Survey showed, there is significant concern around the current cost of living crisis, with 86% of residents being concerned and 47% of those having made a change because of this (limiting heating, food or medicines). Delivering on this ambition has never been more key. In 2023/24 the Council has spent £9.4 million to deliver the following:

- The real living wage to be extended to more of the adult social care workforce, including personal assistants (PAs) - £1.3 million.
- £7 million in direct support to families who are struggling financially, including holiday food vouchers for more than 22,000 Cambridgeshire children.
- The operation of the council's Household Advice and Support Team (previously the Anti-Poverty Hub) which manages the processing and issue of the government's Household Support Fund, as well as providing income maximisation support through a network of partners, to enable people to be supported to access welfare and benefits support.

- 3.2 The Communities, Social Mobility and Inclusion Committee has a significant role in delivering on Ambition 5 – Helping people out of poverty and income inequality. This is why, in anticipation of the ending of the Household Support Fund on 31 March 2024, the Council locally plans to prioritise:

- £2.2 million into an Anti-Poverty Strategy and action plan in 2024/25 funded from reserves. This will be a collaborative piece of work with our public, voluntary and community sector partners. The Council will lead to the development of a place-based Cambridgeshire Anti-Poverty Strategy, rather than a strategy solely for the County Council. It will be informed by those who have experienced the impact of poverty on their lives. Through this work we will target investment where it can be most effective in helping people out of poverty. This will include ensuring people can take full advantage of the range of support that continues to be available to them, including income maximisation. Where we can, we will simplify processes and remove organisational barriers so people can access this support more easily. By understanding the needs of those in poverty we will better understand what we can do to make positive changes to the social, economic and environmental factors that affect the lives of people who are currently experiencing these social inequalities. The recommendations from the planned review and benchmarking of Adult Social Care charges will also be considered

in the context of the Anti-Poverty Strategy and we will link this work with the welfare benefits advice already provided to those seeking support through social care.

3.3 We will be delivering this anti-poverty work in partnership with the Children's and Young People Committee. That is why the Council plans to prioritise, through the Children's and Young People Committee:

- £3 million to continue to provide holiday food vouchers for those on free school meals, reprioritising £1.5 million into the base budget and £1.5 million for each of the next two years coming from reserves, and thereafter fully funding £3 million in the base budget. We will continue to lobby Government to recognise the benefits of this scheme to our young children's health, education and wellbeing.

Ambition 1 to 7 – Closer to our Communities

3.4 The Communities, Social Mobility and Inclusion Committee has a critical role in supporting the Council, across all its Ambitions, to work in a way that is Closer to our Communities. Our libraries play a vital role in providing spaces for people to meet, to stay warm, to engage in activity, to access support from a range of services. This is why the Council plans to prioritise:

- £1.32 million to improve our libraries, funded from reserves rather than through capital funding, thereby reducing the pressure on prudential borrowing – paragraph 2.8. Working in partnership with the Assets and Procurement committee we propose to rationalise our office estate whilst investing in our libraries to create more suitable spaces in more libraries to deliver a broader range of services to meet the needs of our communities and to provide drop down work-places for employees.

4. Communities Social Mobility and Inclusion Committee: Revenue and Capital proposals

4.1 The services that report into the Communities, Social Mobility and Inclusion Committee are wide ranging. They include the Coroners service, the Registration service, Trading Standards, Libraries, Archives and Cultural services, Cambridgeshire Skills, Domestic Abuse and Sexual Violence services and the Council's Communities service. One of the hallmarks of these services is that they touch the lives of many of our residents county-wide. This can be when life is at its most challenging, when a family member passes away or when individuals are subject to domestic abuse or sexual violence. It can also be at times of celebration with the arrival of a new baby or when participating in events such as the Libraries Presents cultural programme or the many opportunities for children, young people and families to take part in activities in library settings.

4.2 Over recent years, the committee has taken on a role in supporting asylum seekers and those seeking refuge in our county, characterised by the recent Libraries of Sanctuary award. The committee also has an important role in overseeing the implementation of key strategies such as the council's Equalities, Diversity and Inclusion strategy. The remainder of this paper sets out the proposed changes to the budget for this committee for the period 2024-25 to 2025-29.

4.3 The services within the remit of this committee are predominantly within the Strategy and Partnership’s Directorate. Other areas from this Directorate are covered under the remit of the Strategy, Resources and Performance Committee. The regulatory services within the remit of this committee sit within Place and Sustainability. As such, the following table extracts the key services from these Directorates to be considered by this committee.

	2024-25 Gross to Net		Net Budget				
	Spend	Income	2024-25	2025-26	2026-27	2027-28	2028-29
Community Safety & Regulatory Services	5,460	-3,275	2,185	2,320	2,435	2,567	2,681
Communities, Libraries & Skills	12,876	-5,309	7,567	7,810	8,064	8,631	8,859
Local Assistance Scheme	300	0	300	300	300	300	300
Total	18,636	-8,584	10,052	10,430	10,799	11,498	11,840

Table 2: Directorate draft proposed Medium Term Financial Plan 2024-29 (NB: these are the main budget lines that are the responsibility of this committee)

4.4 The services that sit within the three areas listed above are:

- Community Safety and Regulatory Services – Registration and Citizenship Services, Coroners and Trading Standards.
- Communities, Libraries and Skills – Strategic Management, Library, Archive and Cultural Services, Cambridgeshire Skills, Communities Service, Changing Futures and the Domestic Abuse and Sexual Violence service.
- Local Assistance Scheme – a commissioned contract that provides support to eligible people residing in Cambridgeshire who are facing financial hardship, through the provision of information and advice and access to low cost or refurbished household items, clothing and food vouchers.

4.5 A more detailed breakdown of the table above can be found in Table 1 of Appendix 1.

4.6 This section provides an overview of the pressures, the savings and the income proposals within the remit of this committee. The detailed business cases supporting the principal items in this section are annexed at Appendix 3. The figures shown in the narratives below are the impacts in the first year of the business plan (2024-25). Please refer to the detailed appendices for the impact across the full period. Overall there is a net increase in the budget from a combination of growth, savings and income of £0.51m. Within this is the proposed £3.5 million to support the prioritisation of work towards addressing poverty and the improvement of our libraries. This £3.5 million is funded, or offset, by using reserves. The comprehensive record of the information summarised in the table above can be found in the tables that follow.

- Revenue

Inflation, Demand, Pressures and prioritisation

Demography & Demand

Budget Table 3 Reference	Title	2024-25	2025-29	Description
C/R.3.001	Coroner Service - Pathologist demand referrals	45	200	Demand for Coroner Services is expected to continue to rise due to the increasing population size, and the number of referrals increasing into the service. As such it is expected that additional costs will be incurred in more hearings in 2024-25
		45	200	Demography and Demand Total

Inflation

Budget Table 3 Reference	Title	2024-25	2025-29	Description
C/R.2.005	Additional inflation relating to Coroner contracts for body transportation	126	0	Coroner's transportation contract is procured every three years, this reflects a one-off adjustment for the new contract for increased inflation since the contract was last re-let.
C/R.2.006	Real Living Wage for staff in Place and Sustainability	30	0	Estimate of the impact of the Real Living Wage increase in Place and Sustainability.
E/R.2.001	General inflation Strategy and Partnerships	45	210	The total non-staffing expenditure inflation allocation is based on different inflation indicators for each budget type. For example, in relation to non-staff costs of running libraries and central postage.
E/R.2.002	Staff pay inflation	864	2,676	Staff inflation estimated as 5% in 2024-25 and 3.5% thereafter
E/R.2.003	Real Living Wage for staff in Strategy and Partnerships	15	0	Estimate of the impact of the Real Living Wage increase in Strategy and Partnerships.
		1,080	2,886	Inflation Total

Priorities & Investments

Budget Table 3 Reference	Title	2024-25	2025-29	Description
C/R.5.044	Removal of temporary funding for Coroner staff to address the backlog	-60	0	Planned reversal of temporary funding in the 2022-27 business plan. This time-limited investment has enabled measures to be implemented which have prevented the backlog increasing as well as reducing it.
E/R.5.004	Communities - Migration Policy and Partnership role and Communities Service activity	150	-150	Temporary investment in Communities Service funded from reserves for a period of three years. This investment funds the Migration Policy and Partnership role and activity across the service that supports the council's Ambitions, including support to migrants, refugees and asylum seekers and work towards the council obtaining the nationally recognised Council of Sanctuary status. This work will be reviewed in the third year of funding and an exit plan developed.

Budget Table 3 Reference	Title	2024-25	2025-29	Description
E/R.5.005	Communities - Migration Policy and Partnership role and Communities Service investment from unapplied grant reserves	-150	150	Communities drawdown from unapplied grant reserves for the Migration Post. Links to E/R.5.004.
E/R.5.006	Anti-poverty strategy and action plan	2,191	-2,191	In the light of the expected ending of the Household Support Fund by Government this investment will be used to develop an Anti-Poverty Strategy and action plan. This will target investment where it can be most effective in helping people out of poverty including ensuring people can take full advantage of the range of support that continues to be available to them, simplifying processes and removing organisational barriers so people can access support more easily. Business Case in Appendix 3.
E/R.5.007	Anti-poverty strategy and action plan investment from reserves	-2,191	2,191	Drawdown from reserves for anti-poverty work. Links to E/R.5.006.
E/R.5.008	Libraries Plus investment	1,320	-1,320	Investing in creating suitable spaces to deliver a broader range of services from our libraries to meet the needs of our communities and employees: making them more accessible; creating trusted spaces that more services can use to further enhance engagement with local communities; improving health, well-being, literacy and access to skills, information and advice.
E/R.5.009	Libraries Plus investment from reserves (Just Transition Fund)	-1,320	1,320	Funding from reserves for investment E/R.5.008
		-60	0	Net Priorities & Investments Total

Pressures

Budget Table 3 Reference	Title	2024-25	2025-29	Description
E/R.4.002	Libraries - impact of new communities	0	55	Growth reflecting increased demand in South Cambridgeshire from new development in Waterbeach where a new library is estimated to open in 2026-27.
		0	55	Pressures Total

Savings

Budget Table 3 Reference	Title	2024-25	2025-29	Description
E/R.6.003	Time Credits contract	-34	0	Ending the council's investment in the Time Credit scheme which provided access to a scheme that provided opportunities to exchange time credits for activities to reward volunteers. This is the conclusion of a decision from the 2023/24 budget setting process.

E/R.6.005	Review of service delivery aligned to grant income	0	-277	The Domestic Abuse and Sexual Violence Partnership currently receives grant funding for just under a quarter of the service from the Ministry of Justice and Office of the Police and Crime Commissioner. The grant is due to end in March 2025, if alternative funding cannot be identified the service will need to consult and restructure to account for a reduction in funding.
E/R.6.006	Use of unapplied grant reserve - libraries	-350	350	Contribution from unapplied grant reserves to cover the cost of three years funding to provide continued support to communities through the Communities Service and Libraries.
E/R.6.007	Strategy & Partnerships Assistant Director budget	-10	0	Reduction in management costs by removal of budget not required following the wider service restructure and removal of Head of Service and Assistant Director posts previously shared with Peterborough City Council.
E/R.6.010	Service Director: Policy & Communities post	-154	0	Removal of the vacant Service Director of Policy & Communities post.
		-548	73	Savings Total

Fees & Charges

Budget Table 3 Reference	Title	2024-25	2025-29	Description
C/R.7.140	Recharge for shared regulatory services with Peterborough City Council	-68	-104	A recharge is made to Peterborough City Council for the cost of these services, which is increased in line with inflation.
C/R.7.141	Registration - Ceremony Refunds	25	-5	We continue to expect to need to provide some refunds for ceremony bookings, this may increase due to the financial climate remaining a challenging one with couples having to make difficult choices regarding their expenditure.
C/R.7.143	Increased income from registration services	-125	0	Increased income resulting from strategically locating additional ceremonial capacity in a new venue, attracting back custom lost to out of county providers for ceremonies.
C/R.7.205	Registrars	200	0	Reduction in income due to statutory fees not being uplifted for several years, resulting in fees no longer covering costs, less demand for ceremonies due to the financial climate, and limitations in terms of the use of our venues for ceremonies, reducing revenue potential.
E/R.7.006	Domestic Abuse and Sexual Violence Service grant ending	0	277	The Domestic Abuse and Sexual Violence Partnership currently receives grant funding for just under a quarter of the service from the Ministry of Justice and Office of the Police and Crime Commissioner. The grant is due to end in March 2025, if alternative funding cannot be identified the service will need to consult and restructure to account for a reduction in funding in 25/26. This reduction is offset by saving E/R.6.005 above.
E/R.7.002	Fees & Charges inflation (S&P)	-35	-51	Increase in external charges to reflect inflationary increases.
		-3	-160	Changes to income budgets – Total

4.7 In accordance with the Council's scheme of financial management, Executive Directors are responsible for reviewing annually the levels of fees and charges, in consultation with the section 151 officer, and presenting a schedule of fees and charges to the relevant service committee. The detailed, planned fees and charges within the remit of this committee are included at Appendix 2.

- Capital

Funding	Total funding £000	Previous Years £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	Later Years £000
Government Approved Funding								
Specific Grants	373	193	173	7	-	-	-	-
Total – Government Approved Funding	373	193	173	7	-	-	-	-
Locally Generated Funding								
Agreed Developer Contributions	292	85	207	-	-	-	-	-
Anticipated Developer Contributions	582	61	521	-	-	-	-	-
Ring-Fenced Capital Receipts	-	-	-	-	-	-	-	-
Other Contributions	16	16	-	-	-	-	-	-
Total – Locally Generated Funding	890	162	728	-	-	-	-	-
TOTAL FUNDING	1,263	355	901	7	-	-	-	-

4.8 The capital programme for this committee comprises £0.9m of expenditure in 2024-25. Full details are provided in tables 4 and 5 of the appendix 1 to this report and relates to refurbishment and/or expansion of existing libraries, and a new library.

5. Significant Implications

Resource Implications

- 5.1 The proposals set out the response to the financial context and the need to review our service offer and model to maintain a sustainable budget. The full detail of the financial proposals and impact on budget will be described in the financial tables of the business plan. Proposals will seek to ensure that we make the most effective use of available resources and are delivering the best possible services with the money allocated.
- 5.2 Procurement/Contractual/Council Contract Procedure Rules Implications
There are no significant implications for the proposals set out in this report. Details for specific proposals will be set out in the business cases. All required procurement activity will be fully compliant with the Council's Contract Procedure Rules.

- 5.3 Statutory, Legal and Risk Implications
The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget. Cambridgeshire County Council will continue to meet the range of statutory duties for supporting our residents.
- 5.4 Equality and Diversity Implications
Each of the proposals will be developed alongside an Equality Impact Assessment, where required, to ensure we have discharged our duties in line with the Equality Act 2010, including the Public Sector Equality Duty, as well as met our commitment to implementing the Socio-economic Inequalities Duty.
- 5.5 Engagement and Communications Implications
Our Business Planning proposals are informed by the council's public consultation and will be discussed with a wide range of partners throughout the process. The feedback from consultation will continue to inform the refinement of proposals. Where this leads to significant amendments to the recommendations a report would be provided to Strategy and Resources Committee.
- 5.6 Localism and Local Member Involvement
As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities. We are working with members on materials which will help them have conversations with Parish Councils, local residents, the voluntary sector and other groups about where they can make an impact and support us to mitigate the impact of budget reductions.
- 5.7 Public Health Implications
Any public health implications will vary depending on the detail of each of the proposals. Any positive or negative impacts will have been considered for each proposal as part of its development. The Quality-of-Life Survey provides some useful information on physical and mental health outcomes that could usefully inform ongoing business planning.
- 5.8 Climate Change and Environment Implications on Priority Areas
n/a

Have the resource implications been cleared by Finance? Yes
Name of Financial Officer: Stephen Howarth

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the 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: Faye McCarthy

Have any engagement and communication implications been cleared by Communications? Yes
Name of Officer: Christine Birchall

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

Name of Officer: Joe Lacey-Holland

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

Name of Officer: Jyoti Atri

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

Name of Officer: Emily Bolton

6. Source Documents

- 6.1 [Strategy, Resources and Performance Committee - Item 6: Business and Financial Plan 2024-29](#)