

## Finance Monitoring Report – January 2023

To: Environment & Green Investment Committee

Meeting Date: 16 March 2023

From: Executive Director, Place & Sustainability  
Service Director, Finance & Procurement

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Outcome: The report is presented to provide Committee with an opportunity to note and comment on the January position for 2022/2023.

Recommendation: The Committee is asked to review, note and comment upon the report.

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## 1. Background

- 1.1 The appendix attached provides the financial position for the whole of Place & Sustainability Directorate, and as such, not all of the budgets contained within it are the responsibility of this Committee. To aid Member reading of the finance monitoring report, budget lines that relate to the Highways and Transport Committee are unshaded and those that relate to the Environment and Green Investment Committee are shaded. Members are requested to restrict their questions to the lines for which this Committee is responsible.
- 1.2 This report is intended to give Committee an update on the financial position of Place & Sustainability Directorate and detail forecast pressures and underspends across the different services and an explanation for variances.

## 2. Main Issues

- 2.1 Revenue: Across Place & Sustainability Directorate, there is a forecast overspend of £214K as at the end of January, and the main factors for E&GI Committee are:-

**Waste (+£802K):** Whilst the previously reported landfill gate fee pressure of £700k remains, the forecast green waste pressure has reduced to around £240k following agreement with Thalia of an annual cap. It is expected that these pressures will be partially offset by cost reductions from reduced energy use etc although these are unlikely to be agreed within 2022/23 financial year. In addition to these major BATc related costs, there is also a pressure related to disposing of waste upholstered domestic seating (WUDS) containing Persistent Organic Pollutants (POPS) for the remainder of this financial year. Based on revised estimates of disposal costs, the forecast pressure has reduced to £190k. There are increased costs due to backdated Thriplow rents and leases, increased RECAP partnership contributions and increased levels of ad-hoc waste. These are being offset by increased volumes of trade waste being collected and a reduction in forecast recycling credit payments to District and City Councils. All combined, the service is forecasting an overspend of £802k.

**Energy Projects Director (+£300K):** (1) Due to the private wire connection points to the business customers requiring additional design work resulting from site/operational changes from the customers, both the income and maintenance costs for the St Ives P&R Smart Energy Grid have been pushed back into 2023/24. (2) Babraham Road P&R smart energy grid has added an additional phase to its construction programme to address the number of available parking concerns during the construction programme. This has added an additional 14 weeks to the construction programme pushing back income generation and maintenance costs to start by October 2023. (3) The North Angle Solar Farm project will be energised by June 2023 and not December 2022 as originally forecast. This is due

to the private wire not being in place by December 2022 as a result of extended third party easement negotiations. This has resulted in an income and maintenance cost delay.

2.2 Capital: The following schemes are showing significant or changed variances:-

**Swaffham Prior Community Heat Scheme (-£1,658K):** The underspend has reduced by £741K and is now £1.658m. The split of costs for the Private Wire has been adjusted between the two projects (North Angle Solar Farm and Swaffham Prior Community Heat Project) to better reflect where the main benefits of the private wire will accrue and therefore how the costs should be apportioned. The North Angle Solar Farm as the generator of clean electricity will benefit more from energy sales as a result of the private wire.

**Babraham Smart Energy Grid (-£2.742m):** The construction of this project is now being delivered in three phases. This has directly impacted on the timescales for delivery, extending the programme by 14 weeks. In addition, the complexities associated with altering the programme for construction delayed the start date of the works by 16 weeks.

**North Angle Solar Farm (-£3,981m):** The North Angle Solar Farm project budget also includes the majority of the budget (£7.3m) for the Cambridgeshire Private Electricity Network, the cable connecting North Angle Solar Farm to Burwell Local and Swaffham Prior Community Energy Centre. It was anticipated that most of this budget would be spent in 2022-23, however, due to various delays in securing easements and planning there has been a slippage in spend of approximately £4m.

### 3. Alignment with corporate priorities

#### 3.1 Environment and Sustainability

There are no significant implications for this priority.

#### 3.2 Health and Care

There are no significant implications for this priority.

#### 3.3 Places and Communities

There are no significant implications for this priority.

#### 3.4 Children and Young People

There are no significant implications for this priority.

### 3.5 Transport

There are no significant implications for this priority.

## 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 Environment and Climate Change Implications on Priority Areas

There are no significant implications within this category

## 5. Source documents

### 5.1 Source documents

None