

# GENERAL PURPOSES COMMITTEE



**Date: Tuesday, 16 July 2019**

**Democratic and Members' Services**

Fiona McMillan  
Monitoring Officer

**10:00hr**

Shire Hall  
Castle Hill  
Cambridge  
CB3 0AP

**Kreis Viersen Room  
Shire Hall, Castle Hill, Cambridge, CB3 0AP**

## **AGENDA**

**Open to Public and Press**

### **CONSTITUTIONAL MATTERS**

- 1. Apologies for absence and declarations of interest**  
*Guidance on declaring interests is available at*  
<http://tinyurl.com/ccc-conduct-code>
- 2. Minutes - 28th May 2019 and Action Log** **5 - 20**
- 3. Petitions**

### **OTHER DECISION**

- 4. Finance and Performance Report - May 2019** **21 - 30**

### **KEY DECISIONS**

<b>5.</b>	<b>Integrated Resources:</b>	
<b>5(a)</b>	<b>Review of 2019-20 budget - responding to demands and developments since budget setting</b>	<b>31 - 40</b>
<b>5(b)</b>	<b>Performance and Resources Monitoring Report For The Period Ending 31st May 2019</b>	<b>41 - 74</b>
<b>6.</b>	<b>IT and Digital Strategy for Cambridgeshire County Council and Peterborough City Council</b>	<b>75 - 100</b>
<b>7.</b>	<b>Commencement of the tendering process for banking services</b>	<b>101 - 106</b>

#### **OTHER DECISIONS**

<b>8.</b>	<b>Transformation Funding:</b>	
<b>8(a)</b>	<b>Development of the Council's Investment Portfolio</b>	<b>107 - 114</b>
<b>8(b)</b>	<b>Resilience and Independence in Special Educational Needs and Disability (SEND) Environment (RAISE)</b>	<b>115 - 120</b>
<b>9.</b>	<b>Draft Updated Corporate Energy Strategy and Action Plan</b>	<b>121 - 154</b>
<b>10.</b>	<b>Transformation Fund Monitoring Report Quarter 4 2018-19</b>	<b>155 - 162</b>
<b>11.</b>	<b>General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels</b>	
<b>11(a)</b>	<b>Agenda Plan</b>	<b>163 - 168</b>
<b>11(b)</b>	<b>Internal Member Advisory Group for the Climate Change and Environment Strategy</b>	<b>169 - 174</b>
<b>12.</b>	<b>Exclusion of Press and Public</b>	

*To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraphs 3 & 5 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, as it refers to information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a*

*claim to legal professional privilege could be maintained in legal proceedings*

**13. Commercial Property Acquisition Proposal - Property Located in Cambridge (CB5) - Confidential**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

**14. Waste Private Finance Initiative Contract-Confidential**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);
- Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings;

The General Purposes Committee comprises the following members:

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman)

Councillor Anna Bailey Councillor Ian Bates Councillor Simon Bywater Councillor Steve Criswell Councillor Lorna Dupre Councillor Peter Hudson Councillor David Jenkins Councillor Sebastian Kindersley Councillor Elisa Meschini Councillor Tom Sanderson Councillor Josh Schumann Councillor Mathew Shuter and Councillor Joan Whitehead

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Clerk Name: Michelle Rowe

Clerk Telephone: 01223 699180

Clerk Email: [michelle.rowe@cambridgeshire.gov.uk](mailto:michelle.rowe@cambridgeshire.gov.uk)

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Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting the Democratic Services Officer 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 <https://tinyurl.com/ProcedureRules>.

The Council does not guarantee the provision of car parking on the Shire Hall site and you will need to use nearby public car parks <http://tinyurl.com/ccc-carpark> or public transport.



**GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Tuesday, 28th May 2019

**Time:** 10.00a.m. – 11.55a.m.

**Present:** Councillors Bailey, Bates, Boden (substituting for Councillor Hudson), Bywater, Criswell, Cuffley (substituting for Councillor Count), Dupre, Hickford (Vice-Chairman), Jenkins, Meschini, Schumann, Shuter, Whitehead and Wilson (substituting for Councillor Nethsingha)

**158. NOTIFICATION OF CHAIRMAN/WOMAN AND VICE-CHAIRMAN/WOMAN**

The Committee noted that the Council had appointed Councillor Count as the Chairman and Councillor Hickford as the Vice-Chairman for the municipal year 2019-20.

**159. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies were received from Councillors Count (Chairman), Hudson, Nethsingha and Sanderson.

No declarations of interest were made.

The Vice-Chairman, on behalf of the Committee, congratulated Councillor Nethsingha on being elected an MEP for the Eastern Region.

**160. MINUTES – 26TH MARCH 2019 AND ACTION LOG**

The minutes of the meeting held on 26th March 2019 were agreed as a correct record and signed by the Vice-Chairman.

In noting the action log, the Vice-Chairman reported that officers had contacted Councillor Whitehead but a meeting had yet to be scheduled. However, on review of the 2019/20 Local Highway Improvement applications approved, there were two for those that had involved street lighting related to replacing columns which had previously been in place, and none for an additional column addressing dark spots where there had been no lighting in the past.

**161. PETITIONS**

No petitions were received.

**162. FINANCE AND PERFORMANCE REPORT – OUTTURN 2018-2019**

The Committee was presented with the Outturn 2018-19 Finance Report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £1,240k. Attention was drawn to five new significant forecast outturn variances, which included staff vacancies and a better than

expected position on a new software system. It was noted that financing costs had not been as favourable as expected due to the reduction of the average cost of borrowing to the Council over the last year.

One Member queried the overspend of £23k reported for Business Improvement and Development. It was noted that this budget was funded by rechargeable capital receipts and other projects, and that it was difficult to predict activity precisely. Another Member queried why performance information for the LGSS Cambridge Office was not currently available. Members noted that there was a capacity issue within the relevant Team as well other external factors relating to LGSS; the Committee would be receiving a wider review of performance reporting across the Council at its July meeting.

It was resolved unanimously to review, note and comment upon the report.

### **163. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MARCH 2019**

The Committee received a report detailing the financial and performance information for the financial year 2018/19. The overall revenue budget position was showing a forecast year-end pressure of £3.2m at year end, which was a reduction of £0.1m on the previous month, and less than 1% of the Council's overall revenue budget. Although the report provided a financial outlook reflecting a constrained financial position, it was important to note that the Council had delivered £27.8m of savings against its original plan.

Individual Members raised the following issues in relation to the report:

- queried whether the 67% off target for "Adults and Children are kept safe" was based on a subjective measurement. The Director: Business Improvement and Development reported that the measurement was subjective as it was based on the use of safeguarding services and did not take into account external factors. Other ways of evaluating this indicator were therefore being considered.
- highlighted the significant pressure in the Special Educational Needs and Disability (SEND) Specialist Services. It was noted that the three Councillor observer representatives on the Schools Forum had raised, at a meeting of the Forum, the fact that maintained schools had £13m in reserves. Officers had not been able to establish the level of reserves held by academies. One Member was concerned that schools expected the Council to provide all the funding. She explained that a small amount of funding was needed from schools to tackle the issue of SEND in the long term. This funding would be used to employ a researcher for a year so was effectively an invest to save scheme. She raised the need for the Chairman to write to the Schools Forum explaining the Council's position. The Chairman of the Children and Young People Committee reported that he shared the frustration of the other Councillors on the Forum. However, it was important a long term solution was identified. He explained that five schools had deficit budgets and a few schools were also on the financial edge. Other Members acknowledged that school reserves could already

be allocated for future development or an increase in pupil numbers. The Chief Finance Officer acknowledged that SEND was a national problem, which needed to be addressed nationally, and he hoped that the issue would be addressed in the spending review. The Vice-Chairman agreed that a joint letter from the Chairman and Chief Executive should be sent to the Schools Forum explaining the Council's position and exploring the possibility of schools providing a small amount of funding to help identify a long term solution to the pressure in the SEND budget. **Action Required.**

- noted that the provisional total for people killed or seriously injured on the roads to the end of December 2018 was lower than the same period of the previous year and the overall trend was downwards but still above target. One Member queried how the figures set out in the report related to the Combined Authority's new "Vision Zero" which aimed to move the number towards zero. The Vice-Chairman asked the Chairmen of the Economy and Environment and Highways and Infrastructure Committees to work with officers and the Combined Authority to provide a written response. **Action Required.**
- queried when Commercial and Investment would make a profit. The Head of Finance reported that the underachievement at year end of £6.416m related to the value of land at the point of transfer to This Land, which had been constrained by the planning process. The budget was currently being reprofiled and should meet its target. It was also noted that not all commercial property acquisitions had yet been secured. The Chairman of Commercial and Investment Committee reported that Commercial and Investment had made a profit this year but not as much as hoped. He was optimistic that transfers of land would happen quicker to enable the Committee over the next twelve months to forecast in line with what had been achieved. He drew attention to other successful work streams such as the Energy Investment Unit.
- highlighted the need to explain in the text next to the diagram relating to "People lead a healthy lifestyle and stay healthy for longer" why the position was worsening. One Member raised the need for Health Committee to take action. The Vice-Chairman acknowledged the need to clarify the position it had worsened from. The Director: Business Improvement and Development reminded the Committee of work taking place on performance indicators which would be reported to the July meeting. In the meantime, the Vice-Chairman asked the Director to review the presentation of the information. **Action Required.**
- congratulated officers on achieving considerable savings including some projects which had over achieved. The Vice-Chairman asked the Chief Executive to pass on the thanks of the Committee. **Action Required.**
- requested clarification regarding the use of Cambridgeshire Horizons funding. Members were informed that the Council was the accountable body for Cambridgeshire Horizons, which was a dormant company. The funding therefore related to projects previously approved by the company. The Chief Finance Officer reported that the Council was utilising the capital sum for investment to delay the time it had to borrow. The funding

was secure and the Council would pay interest on the balance. The Vice-Chairman asked officers to provide a report to the next Horizons meeting explaining this situation. **Action Required.**

It was resolved unanimously to:

- a) Note the Council's year-end resources and performance position for 2018/19.
- b) Approve the allocation of the Business Rates Relief Reconciliation of Authorities' 2017/18 Tax Loss Payments grant (£462,063) to the corporate grants account within Funding Items. This would offset pressures across the Council, reducing the transfer from the general fund reserve at year-end, see section 6.2.
- c) Approve the use of £27,532k Basic Need Grant, £3,601k Greater Cambridge Partnership funding, and £2,052k Horizons to off-set the additional funding required to repay the use in previous years of £20,901k Growth Deal and £7,654k Growing Places funding, as well as the resulting reduction of £4,630k in the prudential borrowing requirement, see section 13.7.
- d) Note the use of £3,693k Section 106 contributions for applicable schemes where expenditure was incurred in prior years, and the resulting reduction of £3,693k in the prudential borrowing requirement for 2018/19, see section 13.7.
- e) Note the additional capital contributions as set out in section 13.7.
- f) Approve additional prudential borrowing of £599,000 in 2019/20 for the Abbey Meadows condition works scheme, as set out in section 13.9.
- g) Note the changes to capital funding requirements as previously recommended in the February report, set out in Appendix 3, amounting to £372k applied to Highways schemes.
- h) Note a compensation payment in relation to the outcome of a Community Transport investigation, as set out in Appendix 4.

#### **164. MOBILISING LOCAL ENERGY INVESTMENT FINANCING THE WORK OF THE ENERGY INVESTMENT UNIT – TRANSFORMATION BID**

The Committee considered a Transformation Fund bid for supporting the work of the Energy Investment Unit until March 2022. The bid had received unanimous support from Commercial and Investment Committee. The funding would provide greater operational flexibility to the Unit and help it achieve the following objectives: supporting the Council's ambitions in relation to energy; achieving a substantial net income for the Council through income generation from large energy projects; and supporting the growth agenda but in line with the energy motion approved by Council. The Vice-Chairman

reported that this bid represented a small investment for a great potential return.

It was resolved unanimously to approve Appendix A, the Transformation Bid proposal of £989,000 for financing the Energy Investment Unit up to March 2022.

## **165. MOVE OF IT SYSTEMS FROM SHIRE HALL DATA CENTRE**

The Council's data centre was more than 20 years old and had been retro-fitted because it had not been originally designed as a data centre. It therefore required renewing at the same time the Council was planning to move from the Shire Hall site. The Committee would be receiving the Council's IT Strategy at its July meeting which would set out the sharing of services between Cambridgeshire and Peterborough and the move to cloud services.

Attention was drawn to the six options which had been considered for housing the systems and data currently based in the Shire Hall data centre. Option 6: Hybrid option which involved migrating selected critical systems to the Cloud with remaining systems and data hosted from Peterborough was being recommended. It was important to note that this option like the other five options was not without risk.

The complexity of this work required an iterative approach and a dedicated project team. Project governance would be through a separate project board which would feed into the Cambs 2020 and Capital Programme Boards. The Chairman of GPC would receive periodic updates. Given the impact of this work on partners such as LGSS, there would also need to be a partnership board.

Individual Members raised the following issues in relation to the report:

- highlighted the rationale for Option 6 set out in Section 4.2. It was noted that negotiating an appropriate timeline with the preferred bidder for a phased departure of this area of Shire Hall would provide more time for the work to be carried out and minimise risk. It was important to bear in mind that putting IT projects up against an absolute deadline increased risk.
- acknowledged the risks associated with IT projects, and therefore welcomed the hybrid option. However, it needed to be dynamic in order to meet different requirements and time limits. It therefore required good management. One Member hoped that the Chief Executive would take personal control. The Chief Executive confirmed that she would take leadership as she had when Peterborough City Council had moved its data centre to Sand Martin House. She informed the Committee that the Strategic IT Lead for CCC had also worked on this project.
- acknowledged the need for a high contingency cost figure, which reflected a realistic approach. However, it was hoped it would not be used.

- highlighted the importance of liaising with LGSS partners, which would be difficult given the change in composition of LGSS.
- queried whether the capital and revenue data was available for the other five options. Members noted that it was not available in the same detail. Although cost had been part of the decision in proposing Option 6, other issues such as how it strategically and organisationally fitted and how it minimised risk had also been considered. It was noted that the best option had been identified and then costed up.
- queried why there was no data centre included at Alconbury. The Chief Finance Officer reported that there had been a conscious decision not to have a data centre at the Council's new headquarters. It was important to bear in mind that there had been detailed discussions regarding the other options but it was considered that they would not advance Cambridgeshire in the same way as Option 6. This option reflected Cambridgeshire's strategic context of a cloud first strategy.
- questioned whether the proposed governance arrangements were strong enough. The Chief Executive reported that they were based on a clear project plan, which included a risk matrix to evaluate every point. She stressed that she would escalate wherever appropriate any issues. The Strategic IT Lead stressed the importance of robust project management and a strong Project Manager.
- welcomed the report which provided a clear rationale for the reasons for the recommended approach.
- queried the use of the Cloud – First Model diagram on page 93 which was not very clear. One Member drew attention to the risks and actions detailed in the report but expressed concern that there was no figures regarding the severity or likelihood of impact. Although a risk matrix had been prepared, she reported that it should have been included with the report to enable the Committee to make an informed decision.
- queried whether this process could be unravelled in the future if the governance arrangements changed in Cambridgeshire. The Strategic IT Lead reported that it was possible to build in an exit strategy but it would take time and cost money. It was noted that items could be put in and taken out. It was important to bear in mind that the cloud was effectively a massive data centre.
- questioned the relationship between the move from Shire Hall and the need to replace an obsolete data centre. One Member queried whether the former would hold up the arrangements for replacing the data centre. She also queried whether the data centre at Peterborough would be in place for a long time. It was noted that there were some interdependencies, which was why the Council would be working with the preferred bidder to negotiate some flexibility. It was also noted that Sand Martin House was a new building and would be there for the long term. However, over time the Council's dependence on physical structures would reduce.

- expressed concern about the number of risks in particular the future of LGSS, which should appear on the Risk Register. One Member commented that the Council would have more time to move the data centre if it was not moving from Shire Hall. He was concerned about the unknown costs associated with the move from Shire Hall.

It was resolved

- a) Endorse the suggested approach to relocation of the data centre outlined in Section 4 of this document.
- b) Agree funding for this approach as detailed in Section 5 of this document.

## 166. CAMBRIDGESHIRE COUNTY COUNCIL DRAFT PLASTICS STRATEGY

The Committee was reminded of the motion approved by Full Council on 15 May 2018 to reduce the Council's reliance on single-use plastics. A cross-service working group comprising staff from Waste, Facilities Management, Procurement, Communications, Flood and Water was involved in developing a strategy and action plan. The draft strategy included the following four strategic themes: Getting our own house in order; Working with suppliers and contracts; Helping raise awareness across Cambridgeshire; and Enabling Cambridgeshire to take action.

The Committee acknowledged the significant amount of work which had gone into preparing the strategy and action plan. Individual Members raised the following issues in relation to the report:

- noted that tyre dust was a significant contributor to marine plastic litter. One Member requested more information regarding this component in the strategy. Members were informed that road sweepings provided by District Councils, including tyre dust, were processed through the Council's recycling scheme which prevented them from entering the water course. Another Member highlighted the difficulty of the Council reducing tyre and brake dust. He suggested that it was therefore more important to target air pollution.
- expressed concern that the Council had replaced plastic cups with compostable cups when it did not have a collection or treatment facility in place that could treat biodegradable and compostable packaging. One Member highlighted that there was no reference to this in the list of actions. Members were informed that compostable cups currently went to landfill, as the time taken for them to decompose was longer than the seven week process of the Mechanical Biological Treatment equipment. The Vice-Chairman asked the Project Director to investigate this issue to identify an interim solution. **Action Required.**
- noted plans to scope which of the Council's buildings and other assets could provide free water refills for visitors and the public by August 2019. One Member queried how many points would be needed and was

concerned that no additional resources had been identified to install the water points. The Project Director reported that a programme of publically available buildings was being prepared. It was likely to cost £500 each time to plumb in the system at each point. The Council therefore needed to identify how many points would be required and how they would be provided financially in order to prepare a timeline.

- stressed the importance of assigning a budget to the officer appointed to monitor this programme. It was noted that resources would be available from the Transformation Team. A Member raised the need for this to be documented.
- acknowledged that it was disappointing the Council could not do too much on its own. Although Cambridgeshire could only do a little it was important the Council exercised leadership in relation to other contacts, and the Local Government Association (LGA). In relation to the chart on page 120, a Member highlighted the need for a change in behaviour to be included. He suggested that more could be done in relation to the supply chain. In response, the Project Director reported that the Council's purchasing power was one of its biggest influences in relation to the supply chain.
- noted that Government was currently conducting a review of recycling. It was proposing to extend producer responsibility by 2023, introduce a plastics tax, ensure 75% of packaging was recycled by 2030, and reduce to 10% by 2035 the level of waste going to landfill. It was acknowledged that a significant amount was going on at a national level, which would need to be aligned with the Council's strategy.
- highlighted the need to include work the Council had carried out with other organisations and individually such as street cleaning and recycling tyres. There was also a need to adapt one of the strategic objectives to reflect the need to stop plastic production and related material particularly with regard to synthetic clothing and black food trays. One Member raised the need to differentiate between good and bad plastics.

Councillor Dupre proposed an amendment to the recommendation to ensure the comments identified at the meeting were taken on board. The Vice-Chairman, with the agreement of the Committee, agreed to alter the recommendation to ensure the alterations raised at the meeting were recommended to Full Council.

It was resolved unanimously to comment on the draft Plastics Strategy with alterations raised at the meeting and recommend it for approval to the next Full Council meeting.

## **167. TREASURY MANAGEMENT REPORT – QUARTER FOUR 2018-19**

The Committee considered the fourth quarterly update on the Treasury Management Strategy 2018-19, approved by Council in February 2018.



Attention was drawn to the key headlines set out in Section 2.1 of the report. The Chief Finance Officer reported that the LGA had reviewed the Municipal Bonds Agency and were scheduled to go to market to issue the first bond.

It was resolved unanimously to note the Treasury Management Quarter Four Report for 2018-19 and forward to full Council to note.

**168. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENT TO OUTSIDE BODIES, AND INTERNAL ADVISORY GROUPS AND PANELS**

The Committee considered its agenda, training plans and appointment to outside bodies, and internal advisory groups and panels. Councillor Whitehead reported that the Labour Group was refusing to appoint a representative to the LGSS Joint Overview and Scrutiny Working Group because it did not see the point of this Group when there was an LGSS Board to scrutinise the work of LGSS. It was agreed that the Council's representative on the LGSS Board, Councillor Boden, should take this up with the LGSS Managing Director. **Action Required.**

It was resolved unanimously to:

- (i) review its agenda plan attached at Appendix 1;
- (ii) review its training plan attached at Appendix 2;
- (iii) agree the appointments to outside bodies as detailed in Appendix 3 subject to the appointment of Councillor Tierney as the Council's representative on the Police and Crime Panel and Councillor Connor as the substitute; and
- (iv) agree the appointments to Internal Advisory Groups and Panels as detailed in Appendix 4 subject to the appointment of Councillor Sanderson on the Member Development Panel to replace Councillor Giles, and Councillor Hay on the County Farms Outcome Focused Review to replace Councillor Hickford.

Chairman



## GENERAL PURPOSES COMMITTEE

### Minutes-Action Log



#### Introduction:

This log captures the actions arising from the General Purposes Committee on 28th May 2019 and updates members on the progress on compliance in delivering the necessary actions. This is the updated action log as at 8th July 2019.

### Minutes of 28th May 2019

Item No.	Item	Action to be taken by	Action	Comments	Completed
160.	Minutes – 28th March 2019 and Action Log	G Hughes E Murden Cllr Shuter Cllr Whitehead	The need to arrange a meeting with Councillor Whitehead to discuss street lighting.	Cllr Whitehead and Emma Murden have discussed her concerns with Whitehill Road, and surrounding streets. Cllr Whitehead is happy with the officer's response and will progress a future LHI.	Yes

Item No.	Item	Action to be taken by	Action	Comments	Completed
163.	<b>Integrated Resources and Performance Report for the period ending 31st March 2019</b>	Cllr Count G Beasley (S Gough)	The Vice-Chairman agreed that a joint letter from the Chairman and Chief Executive should be sent to the Schools Forum explaining the Council's position and expressing concern at the growing level of individual school balances (surpluses) alongside an increasing high needs block deficit.	A letter from the Chairman and Chief Executive was sent to the Schools Forum explaining the Council's position on 21 June 2019.	Yes

		<p>Cllr Bates Cllr Shuter G Hughes</p>	<p>The Vice-Chairman asked the Chairmen of the Economy and Environment and Highways and Infrastructure Committees to work with officers and the Combined Authority to provide a written response detailing how the figures relating to people killed or seriously injured on roads set out in the report related to the Combined Authority's new "Vision Zero".</p>	<p>The Combined Authority's 'Vision Zero' statement is a welcome approach and is taken from international best practice to road safety management, known as the 'Safe Systems Approach'. This statement is central to the safety element of the Combined Authority's Draft Local Transport Plan (LTP) which is currently out to consultation until Friday 27 September 2019. Policy theme 5.1 in the Draft LTP "Safety for all – a safe systems approach" includes a policy for "continuous and comprehensive monitoring of key road safety indicators." It is anticipated that the data the Council currently reports regarding the number of people killed or injured on the roads will form the basis of this monitoring, along with other related data that is already, or could be collected. The detail of exactly how this is reported will be reliant on what key performance indicators and reporting mechanisms are included in the final LTP document following the consultation, and how these relate to local policies and plans for the Council. The Council, and the Cambridgeshire and Peterborough Road Safety Partnership will be providing responses to the Combined Authority as part of this consultation.</p>	<p>Yes</p>
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Item No.	Item	Action to be taken by	Action	Comments	Completed
		A Askham	The Vice-Chairman asked the Director: Business Improvement and Development to review the presentation of the information set out next to the diagram relating to “People lead a healthy lifestyle and stay healthy for longer”.	A proposal for presentation of performance information is included as part of Agenda Item No.5 – Integrated Resources - b) Performance and Resources Monitoring Report For The Period Ending 31st May 2019	Yes
		Chief Executive (S Gough)	Congratulated officers on achieving considerable savings including some projects which had over achieved. The Vice-Chairman asked the Chief Executive to pass on the thanks of the Committee.	The Chief Executive recorded and released a vlog on 28 May 2019 passing on the thanks of the Committee to all staff.	Yes
		C Malyon/ T Kelly	Officers to provide a report to the next Horizons meeting detailing how its funding was being managed.	Next Horizons meeting is yet to be booked but likely to be in the autumn. Item added to agenda plan.	Yes
166.	<b>Cambridgeshire County Council Draft Plastics Strategy</b>	S French	The Vice-Chairman asked the Project Director to investigate the use of compostable cups, which could not currently be composted, and identify an interim solution.	This has been discussed by the Plastics Project Team and Democratic Services and the following solutions are proposed: <ul style="list-style-type: none"> <li>• Members provide their own mug for coffee/tea/water and/or bring a reusable bottle for water</li> <li>• Guests are provided with a mug for tea/coffee and water, once existing supplies of compostable cups have run out.</li> </ul>	Yes

<b>Item No.</b>	<b>Item</b>	<b>Action to be taken by</b>	<b>Action</b>	<b>Comments</b>	<b>Completed</b>
<b>168.</b>	<b>General Purposes Committee Agenda Plan, Training Plan and appointment to Outside Bodies, and Internal Advisory Groups and Panels</b>	Cllr Boden	It was agreed that the Council's representative on the LGSS Board, Councillor Boden, should take up the issue of whether the LGSS Joint Overview and Scrutiny Working Group was required with the LGSS Managing Director.		Ongoing





**FINANCE AND PERFORMANCE REPORT – MAY 2019**

*To:* **General Purposes Committee**

*Meeting Date:* **16th July 2019**

*From:* **Director of Corporate and Customer Services  
Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To present to General Purposes Committee (GPC) the May 2019 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.**

**The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of May 2019.**

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

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
Name:	Tom Kelly	Names:	Councillors Count & Hickford
Post:	Head of Finance	Post:	Chair/Vice-Chair
Email:	<a href="mailto:Tom.Kelly@cambridgeshire.gov.uk">Tom.Kelly@cambridgeshire.gov.uk</a>	Email:	<a href="mailto:Steve.Count@cambridgeshire.gov.uk">Steve.Count@cambridgeshire.gov.uk</a> <a href="mailto:Roger.Hickford@cambridgeshire.gov.uk">Roger.Hickford@cambridgeshire.gov.uk</a>
Tel:	01223 703599	Tel:	01223 706398

## **1. BACKGROUND**

- 1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility, remain on target.

## **2. MAIN ISSUES**

- 2.1 Attached as **Appendix A**, is the May 2019 Finance and Performance report.

### **2.2 Revenue:**

- At the end of May, Corporate Services (including the LGSS Managed, Deputy Chief Executive and Financing Costs) is forecasting an underspend of £911k.

The Demography Reserve budget is forecast to underspend by £322k.

On the Central Services and Organisation-Wide Risks budget, an underspend of £582k is reported to offset the £582k overspend on LGSS Cambridge Office.

The PCC Shared Services Savings target is forecast to underachieve by £300k.

The Managed IT Budget is forecast to underspend by £250k.

- At the end of May, the LGSS Cambridge Office budget is forecasting an overspend of £582k.

LGSS Cambridge Office is forecasting an underachievement of £460k against its trading target. Its savings target is also forecast to underachieve by £122k.

This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.

### **2.3 Capital:**

- At the end of May, Corporate Services & Transformation and LGSS Managed are forecasting a balanced budget on capital and as yet none of the capital programme variations budget has been used. There are no significant forecast outturn variances by value (over £250k) to report.

- 2.4 Corporate and LGSS Managed Services have twelve performance indicators for which data is available. Eight indicators are currently at green, three at amber and one at red status.

## **3. ALIGNMENT WITH CORPORATE PRIORITIES**

### **3.1 A good quality of life for everyone**

There are no significant implications for this priority.

### **3.2 Thriving places for people to live**

There are no significant implications for this priority.

### **3.3 The best start for Cambridgeshire's children**

There are no significant implications for this priority.

## **4. SIGNIFICANT IMPLICATIONS**

### **4.1 Resource Implications**

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

There are no significant implications within this category.

### **4.3 Statutory, Risk and Legal 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 Consultation 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.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	N/A
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?</b>	N/A
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	N/A
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	N/A
<b>Have any engagement and communication implications been cleared by Communications?</b>	N/A
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	N/A
<b>Have any Public Health implications been cleared by Public Health</b>	N/A

<b>Source Documents</b>	<b>Location</b>
CS and LGSS Cambridge Office Finance & Performance Report (May 19)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge

**Corporate Services and LGSS Cambridge Office****Finance and Performance Report – May 2019****1. SUMMARY****1.1 Finance**

<b>Previous Status</b>	<b>Category</b>	<b>Target</b>	<b>Current Status</b>	<b>Section Ref.</b>
<b>N/A</b>	Income and Expenditure	Balanced year end position	<b>Green</b>	2.1 – 2.4
<b>N/A</b>	Capital Programme	Remain within overall resources	<b>Green</b>	3.2

**1.2 Performance Indicators – Current status: (see section 4)**

<b>Monthly Indicators</b>	<b>Red</b>	<b>Amber</b>	<b>Green</b>	<b>Total</b>
May (Number of indicators)	1	3	8	12

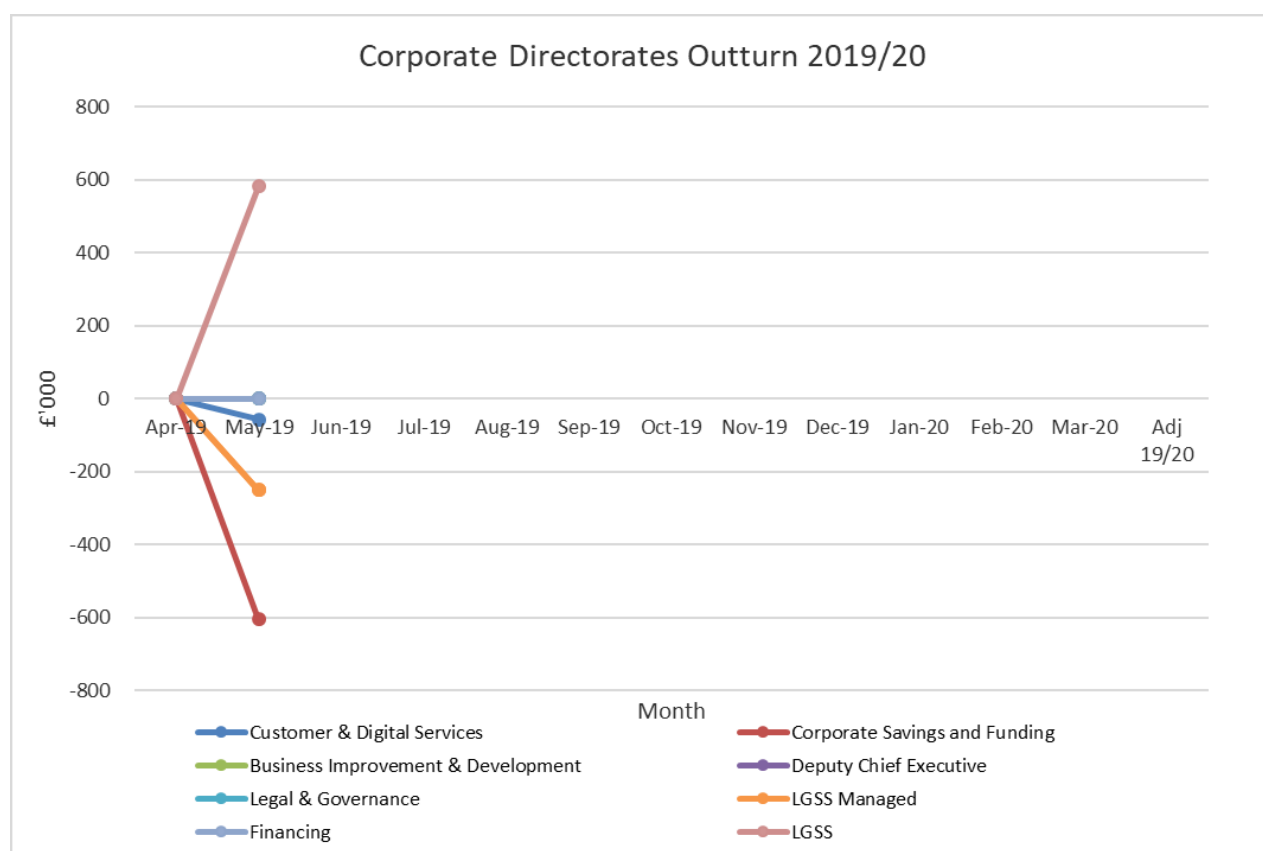
**2. INCOME AND EXPENDITURE****2.1 Overall Position**

<b>Directorate</b>	<b>Budget £'000</b>	<b>Actual £'000</b>	<b>Outturn Variance £'000</b>	<b>Outturn Variance %</b>	<b>Status</b>
Customer & Digital Services	7,023	1,262	-57	-0.8%	<b>Green</b>
Corporate Savings & Funding	969	0	-604	-62.3%	<b>Green</b>
Business Improvement & Development	936	862	-0	0.0%	<b>Green</b>
Deputy Chief Executive	340	-125	-0	0.0%	<b>Green</b>
Legal & Governance	102	28	0	0.0%	<b>Green</b>
Financing Costs	28,161	-2,628	0	0.0%	<b>Green</b>
LGSS Managed	14,457	2,194	-250	-1.7%	<b>Green</b>
<b>Total</b>	<b>51,988</b>	<b>1,593</b>	<b>-911</b>	<b>-1.8%</b>	

The service level budgetary control report for LGSS Cambridge Office for May 2019 can be found in [LGSS appendix 1](#). Pressures and deficits within LGSS Operational budgets are the responsibility of the Joint Committee. Formal risk sharing arrangements are in place such that changes in service or financing impacting one partner are isolated from impacting other partners. In practice, this means that where there is risk (or additional requirements for) in-year savings for back-office services shared with or facing Northamptonshire County Council, these do not impact on the service received by Cambridgeshire County Council (CCC) or impact any overspend to be handled by CCC.

Further analysis of the results can be found in [CS appendix 2](#) and [LGSS appendix 2](#)

*The appendices are published online only and not printed for Committee.*



### **2.1.1 Significant Issues – Customer & Digital Services**

Corporate and Customer Services budgets are currently predicting an underspend of £57k. This is mainly due to savings from vacancies in IT & Digital Services.

There are no exceptions to report this month.

### **2.1.2 Significant Issues – Corporate Savings and Funding**

Corporate Savings and Funding budgets are currently predicting an underspend of £604k. This is due to an underspend on Demography reserve and Central Services and Organisation-Wide Risks which is partially offset by an underachievement against the PCC Shared Services savings target.

The Demography Reserve budget is forecasting an underspend of £322k. This budget is expected to not be required in 2019/10 and is being reported as a mitigation to offset pressures.

On the Central Services and Organisation-Wide Risks budget, an underspend of £582k is reported to offset the £582k overspend on LGSS Cambridge Office.

PCC Shared Services has a savings target of £711k in 2019/20; of this £311k has already been identified and it is expected that a further £100k can be made in year. The remaining £300k saving target is not expected to be met in 2019/20.

### **2.1.3 Significant Issues – Business Improvement & Development**

Business Improvement & Development budgets are currently predicting a balanced position.

There are no exceptions to report this month.

### **2.1.4 Significant Issues – Deputy Chief Executive**

Deputy Chief Executive budgets are currently predicting a balanced position.

There are no exceptions to report this month.

### **2.1.5 Significance Issues- Legal and Governance**

The Legal and Governance budget is currently predicting a balanced position.

There are no exceptions to report this month.

### **2.1.6 Significant Issues – LGSS Managed**

LGSS Managed budgets are currently predicting an underspend on £250k. This is due to underspends on IT Managed.

The IT Managed budget is forecast to underspend by £250k. This is due to an in-year saving on laptop replacement, as some of the stock purchased using capital budget will be used in this year.

There are no exceptions to report this month.

### **2.1.7 Significant Issues – Financing Costs**

The Financing Costs budget is currently predicting a balanced position.

There are no exceptions to report this month.

### **2.1.8 Significant Issues – LGSS Cambridge Office**

LGSS Cambridge Office budgets are currently predicting an overspend of £582k.

Of the £582k overspend, £460k relates to a shortfall against the trading target for LGSS. Further trading is not currently being pursued whilst the review of the LGSS operating model is ongoing. In addition, CCC increased the savings target for LGSS by £300k for 2019/20. Savings of £178k have been identified to meet this additional savings target but a balance of £122k of savings remain to be agreed.

### **Additional Income and Grant Budgeted this Period**

**(De minimis reporting limit = £30,000)**

The following item below the de minimis reporting limit was recorded during May 2019.

#### **Customer & Digital Services:**

<b>Grant</b>	<b>Awarding Body</b>	<b>Amount £'000</b>
Non-material grants (+/- £30k)	Improvement & Development Agency for Local Government	22

A full list of additional grant income for Corporate Services and LGSS Managed can be found in [CS appendix 3](#).

A full list of additional grant income for LGSS Cambridge Office can be found in [LGSS appendix 3](#).



## **2.2 Virements and Transfers to / from Reserves (including Operational Savings Reserve)**

**(De minimis reporting limit = £30,000)**

A full list of Virement and Transfer for Corporate Services and LGSS Managed can be found in [CS appendix 4](#)

A full list of Virement and Transfers for LGSS Cambridge Office can be found in [LGSS appendix 4](#).

## **3. BALANCE SHEET**

### **3.1 Reserves**

A schedule of the Corporate Services and LGSS Managed reserves can be found in [CS appendix 5](#).

A schedule of the LGSS Cambridge Office Reserves can be found in [LGSS appendix 5](#).

### **3.2 Capital Expenditure and Funding**

#### Expenditure

- Corporate Services schemes had a capital budget of £5.7m in 2019/20 and there is expenditure of £0.5m to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

There are no exceptions to report this month.

- LGSS Managed had a capital budget of £2.3m in 2019/20 and there is expenditure of £0.2m to date. In-year a balanced position is forecast. The total scheme forecast is on budget.

There are no exceptions to report this month.

#### Funding

- Corporate Services schemes had capital funding of £5.7m in 2019/20. This includes £1.5m of funding carried forward from 2018/19, which has been reviewed by Capital Programme Board. The Corporate Services capital programme as a whole is forecasting a balanced position.

General Purposes Committee is asked to consider and approve the carry forward of funding from 2018/19 into 2019/20 for the following schemes:

<b>Scheme</b>	<b>Prudential Borrowing £'000</b>
Essential CCC Business Systems Upgrade	66
Mosaic	497
Children's Services IT System	895

In addition to this, £670k of the EastNet capital budget for 2019/20 has been reallocated to other projects, of which £150k has been allocated to Essential CCC Business Systems Upgrade and £520k has been allocated to Mosaic.

- LGSS Managed had capital funding of £2.3m in 2018/19. This includes £0.8m of funding carried forward from 2018/19, which has been reviewed by Capital Programme Board. The LGSS Managed capital programme as a whole is forecasting a balanced position.

<b>Scheme</b>	<b>Prudential Borrowing £'000</b>
Essential CCC Business Systems Upgrade	66
Mosaic	497
Children's Services IT System	895
EastNet (CPSN Replacement)	-820
Improved audio-visual capabilities for staff meetings	59
Disaster Recovery facility for critical business systems	353
Office 365	238
IT Infrastructure refresh	215
Replacement of office networking hardware	55
Laptop refresh	224
Libraries IT Network Refresh	443

As reported above, in addition to this, £670k of the EastNet capital budget for 2019/20 has been reallocated to Corporate Services projects.

- A detailed explanation of the position for Corporate Services and LGSS Managed can be found in [CS appendix 6](#).

#### **4. PERFORMANCE**

- 4.1** The key performance indicators for Corporate and Customer Services and LGSS Managed Services are set out in [CS Appendix 7](#). Key performance indicators for LGSS Cambridge Office are not reported here as the information for these is not yet available.

The appendices to this report can be viewed in the [online version](#) of the report.

**REVIEW OF 2019-20 BUDGET - RESPONDING TO DEMANDS AND DEVELOPMENTS  
SINCE BUDGET SETTING**

**To:** General Purposes Committee

**Meeting Date:** 16 July 2019

**From:** Chief Finance Officer \ Deputy Chief Executive

**Electoral division(s):** All

**Forward Plan ref:** 2019/010 **Key decision:** Yes

**Purpose:** For the Committee to consider the operation of the Council's financial strategy in-year during 2019-20; to receive and respond to new budgetary pressures, developments and mitigations; to approve redeployment of resources

**Recommendation:** The Committee is invited to

- a) Note the contents of this item as a companion to the 31 May 2019 Integrated Resources & Performance Report.
- b) Agree an increase in the income budget for 2019-20 (funding items) of £1.91m resulting from prior year surpluses across local taxation in four districts.
- c) Agree that the following budgets are therefore available for allocation in 2019/20 (as per section 4.3):

Funding items surplus	-£1.91m
Demography budget	-£0.32m
Laptop replacement	-£0.25m
<b>Subtotal</b>	<b>-£2.48m</b>

- d) Agree deployment of the available budget in 2019/20 to:

CYP: Exceptional secure accommodation (2.5)	£0.35m
CYP: SEND Investment (as per section 3)	£0.36m
CYP: Loss of grant (as per section 2.3.2)	£0.30m
ADULT: Partial impact price pressures (2.2)	£1.35m
C&I: Partial impact of income delays (2.7)	£0.12m
<b>Subtotal</b>	<b>£2.48m</b>

- e) Note that ongoing pressures and mitigations will be taken into account for Committees' consideration as part of Business Planning 2020-25.

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
Name:	Tom Kelly	Names:	Cllr S Count and Cllr R Hickford
Post:	Head of Finance	Post:	Chair / Vice-Chair
Email:	Tom.Kelly@cambridgeshire.gov.uk	Email:	<a href="mailto:Steve.Count@cambridgeshire.gov.uk">Steve.Count@cambridgeshire.gov.uk</a> <a href="mailto:Roger.Hickford@cambridgeshire.gov.uk">Roger.Hickford@cambridgeshire.gov.uk</a>
Tel:	01223 715333	Tel:	01223 706398

## 1. FINANCIAL STRATEGY

1.1 The County Council's Medium Term Financial Strategy (MTFS) sets out how the Council is ensuring effective financial management of:

- **Expenditure:** investing in transformation and reform to ensure service provision is cost effective, remaining amongst the lowest cost per capita compared to statistical neighbour Councils
- **Income:** increasing locally generated income streams: both from new commercial sources and taxation
- **Reserves:** sustaining its general reserve at the 3% level to provide protection against a financial shock

1.2 General Purposes Committee has a strong track record in delivering the MTFS, making dynamic and difficult budgetary decisions. Since 2017 this has included:

- Reviewing budget flexibilities each summer and deploying additional available resources to demand pressures that have emerged since the budget was set the previous spring
- Promoting accurate forecasting: across gross expenditure of £640m, outturn forecasts have consistently varied within a tight £1m range (adjusting for short-notice additional grants) for each of the last 23 months
- Delivering final outturn results at 1% or less of the net year-end revenue budget
- Replenishing the general fund reserve to not less than 3% of net spending each year

1.3 The MTFS, available at <https://www.cambridgeshire.gov.uk/council/finance-and-budget/business-plans>) positions the organisation to respond to three linked external issues:

- declining central government funding with an uncertain reform horizon
- rapid rises in demand for upper tier local government services, which are particularly pronounced in Cambridgeshire, the fastest growing county in England
- insufficient supply of services nationally and regionally to meet that demand (including rising labour costs), causing price escalation

1.4 This report focuses on the first full financial forecasts for 2019-20, drawing attention to areas where there are significant pressures, exceptions or possible mitigations compared to the budget set by Full Council in February.

1.5 The budget agreed in February is the result of analysis and incremental Committee agreement taking place over the preceding months and relies on a series of departmental planning assumptions. These largely remain static after submission and recommendation through Service Committees in November. The nature of the demand-led services that the Council provides, the extent of national cost pressures on local government, as well as Cambridgeshire specific circumstances, set out in the following sections, lead to the need to return to budget setting more regularly than on an annual basis.

1.6 As with the previous two financial years, it will be sensible for effective budgetary management in-year to agree some redeployment of resources at the July GPC meeting. The intention is that as with previous years, those updated budgetary estimates should then largely hold for the Council, within a tight forecasting range overall, until the end of the year.

## 2. UPDATED FORECAST BUDGETARY PRESSURES

2.1 The overall forecast outturn as reported in the Integrated Resources and Performance report is an overspend of £0.77m (0.2%) however this includes a series of pressures and offsetting mitigations. This section lists the pressures, which exceed £7.5m. The material pressures include:

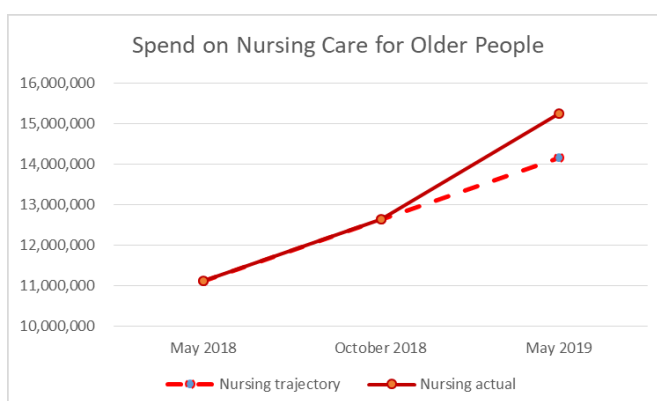
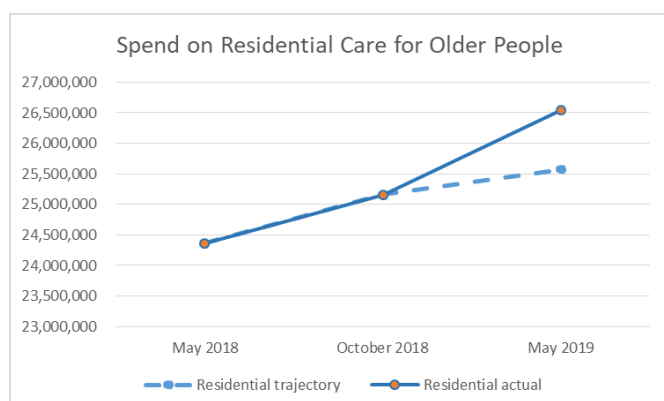
### 2.2 Adults Committee – Care Prices - Older People and Physical Disability: +£4.9m

2.2.1 The context of this pressure is set against unit costs for Adults Services in Cambridgeshire which are 'very low' compared to our statistical neighbours (a low baseline of spending has been held for several years) and a local health system reporting significant financial distress and relative underfunding compared to neighbouring areas of the NHS.

2.2.2 Further to risks signalled to the Adults Committee during 2018-19 and following a detailed review of care budgets for 2019/20 increases in unit cost have been confirmed.

Budget requirements for each year are broadly based on projections of year-end expenditure made over the Autumn of the previous year as the business planning process is undertaken by committees. Within Older People's services, the unit cost of residential and nursing care increased at a much greater rate in the last third of the year than expected – this had some impact on the position in 2018/19, but the annual effect into 2019/20 is greater:

	Numbers				Unit costs				Total impact
	Projected May 2019 Numbers	Actual May 2019 Numbers	Difference	Annual impact	Projected May 2019 Unit Cost	Actual May 2019 Unit Cost	Difference	Annual impact	
Residential	852	865	13	£399,006	£577	£590	£13	£585,068	£984,074
Nursing	416	418	2	£72,883	£654	£701	£46	£1,008,634	£1,081,517
				£471,889				£1,593,702	£2,065,591



*These graphs highlight the trajectory for expenditure on care homes when budget allocations for 2019/20 were being calculated in the Autumn, compared to the level of expenditure that actually resulted.*

2.2.3 The increase in unit costs of care has had the biggest impact, particularly in nursing care, with the main causes being:

- Increased demand for care resulting from high winter pressures (recognised by the Winter Pressures Grant), improving delayed discharge performance and increasingly complex levels of need
- Increasing competition for beds from people paying for their own care, and from the NHS who also commissioning nursing care
- Constrained supply in the market, partly as a result of increasing numbers of people in care homes commissioned by local authorities and the NHS, as well as paying for it themselves.

2.2.4 The higher than expected number of people in residential care is due to:

- Successful work, such as through the Adults Positive Challenge Programme (APCP) and establishment of Adult Early Help and other services intended to support people to live independently at home and reduce the number of people deteriorating from residential into nursing care
- An increase in referrals from acute hospitals to social care of patients with higher levels of need, complexity and multiple morbidity

2.2.5 As a result of the increasing unit costs of care, we have revised our in-year projections of prices upwards, resulting in an additional pressure. These projections are for the whole year, and are based on the levels of past increases, so work to manage price increases would reduce the forecast pressure. This is a continuation of the trajectories seen in the diagrams on the previous page, and, together with an anticipated contribution from grants mitigating the net position (see paragraph 4.3) explain a forecast of close to £5m compared to an opening position which is £2m worse than expected.

Projections around numbers of people in residential and nursing care have not been revised as we anticipate demand management work embodied in the Adults Positive Challenge programme will keep numbers within the expected number overall.

2.2.6 **Agreeing recommendation (d) would partially mitigate this pressure**, in recognition that work will also continue to manage the care spending position overall.

### 2.3 Children & Young People Committee – Grant related spending deficits: +£0.6m

2.3.1 Variances within two areas accountable to the Children's & Young People Committee are the result of unforeseen government funding decisions.

2.3.2 The *Special Educational Needs Reform Grant* has provided around £300k in funding annually for a number of years. This has funded additional capacity within Special Educational Needs and Disability (SEND) teams, especially supporting the statutory assessment process. At relatively short notice, the grant has not continued in 2019-20 however workload volumes in this area remain high (and indeed there is a request to actually increase funding below in section 3). The additional capacity has become part of the establishment and operationally it would not be possible to withdraw the capacity funded by the grant without significant disruption. **Agreeing recommendation (d) would fund this pressure in full in 2019/20.**

2.3.3 Although the government has announced additional funds for *unaccompanied asylum seeking children (UASC)*, the national review of funding levels for young people who were formally UASC but are now 18 or over and requiring support is ongoing. The

Council hopes that the pressure in this area could be abated if the additional costs are recognised nationally by a funding increase, in a similar way to under 18s.

## **2.4 Children & Young People Committee – Special Educational Needs & Disability: +£0.3m in addition to the DSG Deficit, see also section 3)**

- 2.4.1 During 2018-19 there was an 11% increase in the number of pupils attending special schools or other alternative settings as a result of an Education, Health and Care plan (EHCP). This is a higher level of growth than in previous years and has meant an increase in transport costs associated with higher volumes. The impacts of this trend lead to increase in transport costs as a result of transport:
- More pupils of all ages
  - Older young people, with training entitlements extended to 25
  - Longer distances to reach provision as places fill
  - Pupils with more complex need, requiring greater support to travel

While only statutory provision made in this area, and charging is in line with our statistical neighbours, if growth continues at the same rate as in 2018/19 then it is likely that the overspend will increase from this position. This will be clearer in September or October once routes have been finalised for the 19/20 academic year.

- 2.4.2 These underlying levels of demand on SEND are reflected in the County Council ending 2018/19 with a deficit of £7.1m in the high needs block of the dedicated schools grant (DSG). The services funded by the high needs block are overwhelmingly schools facing or delivered directly by schools; deficits are increasingly common across England. While CCC is accounting for the deficit within the dedicated schools grant ring-fence, and are accordingly not covered in depth in this paper, the position is particularly serious for Cambridgeshire relative to high needs block spending and the balance within general reserves. The Council has responded to a request from the Department for Education to set out a 3-year deficit recovery plan for this area: a combination of local actions overseen by Schools Forum to reduce expenditure as well as a revised approach to the funding of high needs nationally will be needed to improve the deficit position.

## **2.5 Children's Committee – Secure accommodation, exceptional events: +£0.35m**

- 2.5.1 The implications of our service of increasing incidents involving knife crime and drugs (County Lines) have been reported to recent Children and Young People's Committee. In May The All Party Parliamentary Group considered a growing incidence of reported knife crime in Cambridgeshire as a whole

Whereas in previous years the Committee has focused on a systemic increases in demand for Looked After Children's Services, there is a much smaller budget pressure reported this year, but an increase has occurred related to the need to provide secure accommodation following gang related crime. This was not foreseeable at budget setting but does cause a material budget variance: **recommendation (d) would fund this pressure in full.**

## **2.6 GPC/ Communities & Partnerships Committee – Shared Services Savings: +£0.9m**

- 2.6.1 *Sharing services with Peterborough City Council –*



Work with Peterborough City Council has improved the council's management capacity and added resilience to a number of specialist teams, enabling the sharing of good practice and reductions in external spend. Although some direct workforce savings have been achieved in corporate services we have identified some unforeseen deficits, which we are working to resolve however only partial delivery of the anticipated savings in 2019/20 are now expected.

- 2.6.2 *LGSS savings delivery risks* – as a result of the ongoing reviews of the LGSS operating model and the dependencies on partners, it had been foreseen that there was risk to savings and income delivery targets within LGSS. As a result the £582k pressure reported by LGSS is offset by a balancing amount allocated by the Council in budgeting, held by the CCC Deputy Chief Executive. As a result no budget transfer is proposed.

## **2.7 Commercial & Investment Committee – This Land (£0.4m)**

- 2.7.1 The Council has had substantial success over recent months in establishing new income streams.
- interest received from This Land on loans advanced for property purchased from the Council, enabling the delivery of new homes (such as at Milton Road Library).
  - reinvestment of those capital receipts received from This Land in new rental yielding assets.
- 2.7.2 Within 12 months these two funding streams are on course to exceed £10m.

During 2019/20 we expect a delayed delivery of new income from This Land loan interest, although on a much reduced scale compared to 2018/19.

Although £4m in income is secure and a further £1m is likely, the Council has had confirmation from This Land that loans yielding £0.5m in interest will no longer be advanced according to the original schedule principally as a result of planning outcomes, which impact land values via overage, and readiness to take out loans for commencing construction at sites.

**Recommendation (d) would partially fund this pressure**, in recognition of the ongoing work across a number of workstreams to maximise commercial income.

## **3. NEW INVESTMENT REQUEST: SPECIAL EDUCATIONAL NEEDS AND DISABILITY SERVICES**

- 3.1 The Strategic Management Team has agreed to support a case to General Purposes Committee for an ongoing additional investment of £500k into SEND Services (part year impact £360k in 2019/20). The ongoing rise in demand on SEND Services 0-25, outlined in section 2.4, means that the service requires urgent additional investment in order to comply with statutory duties and manage demand on the system.
- 3.2 In contrast to an overspending position on the DSG high needs block in total, CCC's expenditure of its general unringfenced resources on its local authority functions in this area (SEN administration, assessment and co-ordination) is amongst the lowest in the statistical neighbour group. As numbers of Education Health and Care Plans (EHCPs) have increased, compliance with statutory timescales for completion of casework has

declined and has required short-term injections of temporary staff. The service needs to move to a more sustainable funding position in order to improve service levels to students, schools and parents. Presently 50% of complaints received by CCC are registered with the SEND service.

- 3.3 The funding to permanently increase the establishment would :
- Improve compliance with statutory duties and positioning for an Ofsted inspection
  - Increase parental satisfaction and reduce outcomes that are contestable at tribunal
  - Improve data collection and analysis
  - Support transition of children and young people towards mainstream settings, and in preparation for adulthood.

- 3.4 There is a significant risk that where there are shortcomings in undertaking SEN administration, assessment and co-ordination functions these lead to ever rising pressures on the high needs block. The investment would increase capacity in the statutory assessment casework function in particular, and would lead to an increase in the employee establishment in this area. The service is confident that suitable recruitments can be made to fill these positions rapidly, following the agreement of funding.

#### **4 CONTINUOUS MONITORING AND REPLANNING: IDENTIFICATION OF MITIGATIONS**

- 4.1 As with previous years, Strategic Management Team has been tasked with identifying mitigating actions in order to manage the outturn back within the overall budget available.

Strategically the Council has positioned itself to invest in savings and transformation and utilise and acquire assets for a financial return (rather than selling off and weakening the balance sheet).

This ensures that we have a comprehensive view of the recurring costs of services, rather than masking these with one-offs such as capital receipts.

- 4.2 While there is no year-to-year reliance on one-off means, within year there is a track record of ensuring tight operational effectiveness to tactically manage vacancies, bring forward future savings initiatives and utilise one-off funds to enable more medium term re-planning
- 4.3 Departments have made a strong start in reporting mitigating measures and underspends to improve the Council's financial position in this way. The mitigating actions put forward by departments total £6,689k at this early stage of the financial year are:

P&C	Utilisation of grant: Social Care Support Grants	£2,475k	Planned deployment of additional grant to partially offset the pressures listed in paragraph 2.2
P&E	Bus Lane Enforcement	£650k	Income is in excess of planned level for 2019-20
P&E	Development Management	£500k	Income is in excess of planned level for 2019-20
Corp	LGSS Risks Offset	£582k	Use of planned budget to offset risks to LGSS savings delivery, see paragraph 2.6.2

Corp	Council Tax and NNDR surpluses*	-£1,910k	Amounts confirmed by District Councils as collected through local taxation in excess of budgetary estimates prior to Apr 2019
Corp	Demography reserve*	-£322k	Amount unallocated by GPC following deployment and baselining in previous years
Corp	Laptops replacement*	-£250k	Underspend in revenue due to slower than anticipated use of remaining capital allocation
<b>Total</b>		<b>-£6,689k</b>	

**\*Amounts where it is considered sensible to re-allocate between departments, leading to recommendation c, are starred above.**

## **5. FUTURE YEAR IMPLICATIONS**

5.1 As with previous years it will be essential for the Council to incorporate the recurring impact of these new pressures and mitigations into the business planning process for 2020-25. Whereas around £3.3m of the mitigations are likely to be recurrent (or are assumed to be rolled-over if there are delays to fairer funding, see below), in the region of £7m of the new pressures will continue into 2020-21, meaning that the budget planning “gap” will widen significantly, requiring further savings. Section 4 is focused on the tactical approach to managing the overall budget in 2019-20, however implications across the MTFS period will be assessed and brought forward for consideration by Committees in agreeing the business plan for future years during the Autumn.

5.2 An additional uncertainty is any implications of a delay to, or shortening, of the comprehensive spending review and the knock on impact on local government funding reform. There is growing speculation in the sector that a single year spending review is now likely with some form of rollover of current funding levels continuing next year. Even within this scenario there is considerable uncertainty about which grants announced as one-off continue, which are indexed linked and/or redistributed.

Cambridgeshire has been calling for a fairer funding deal to urgently address funding inequities across the country and to ensure resources are prioritised to Councils with the fastest growth in demand-led services.

## **6. ALIGNMENT WITH CORPORATE PRIORITIES**

### **6.1 A good quality of life for everyone**

The Council considers its corporate priorities in its resource allocation decision-making

### **6.2 Thriving places for people to live**

The Council considers its corporate priorities in its resource allocation decision-making

### **6.3 The best start for Cambridgeshire’s children**

The Council considers its corporate priorities in its resource allocation decision-making

## **7. SIGNIFICANT IMPLICATIONS**

### **7.1 Resource Implications**

Resource deployment implications, and the financial impact and response to demand-led and service pressures are set out throughout this report.

**7.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

No significant implications

**7.3 Statutory, Legal and Risk Implications**

No significant implications

**7.4 Equality and Diversity Implications**

No significant implications

**7.5 Engagement and Communications Implications**

No significant implications

**7.6 Localism and Local Member Involvement**

No significant implications

**7.7 Public Health Implications**

No significant implications

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	T Kelly & C Malyon
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Not applicable
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	Not applicable
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Not applicable
<b>Have any engagement and communication implications been cleared by Communications?</b>	Not applicable
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	Not applicable

<b>Source Documents</b>	<b>Location</b>
Integrated Finance & Performance Report	General Purposes Committee Agenda, July 2019
Business Plan and Medium Term Financial Strategy	<a href="https://www.cambridgeshire.gov.uk/council/finance-and-budget/business-plans/">https://www.cambridgeshire.gov.uk/council/finance-and-budget/business-plans/</a>

**PERFORMANCE AND RESOURCES MONITORING REPORT FOR THE PERIOD ENDING  
31ST MAY 2019**

*To:* **General Purposes Committee**

*Date:* **16 July 2019**

*From:* **Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **2019/010** *Key decision:* **Yes**

*Purpose:* **To present financial and performance information to assess progress in delivering the Council's Business Plan.**

*Recommendations:*    **General Purposes Committee (GPC) is recommended to:**

- a) Approve the carry forward of £39.3m capital funding from 2018/19 to 2019/20 and beyond as set out in section 6.6 and Appendix 5.
- b) Approve -£37.0m revised phasing of capital funding for schemes as set out in section 6.6.
- c) Agree the additional capital grants and Section 106 funding of £1.7m as outlined in section 6.6.
- d) Note the reduction in Schools Condition Funding and approve additional prudential borrowing of £578,543 to offset the reduction, as set out in section 6.6.
- e) Note the £6.6m reduction in prudential borrowing in 2019/20 in relation to the capital schemes as set out in section 6.6, and the £1.6m reduction in prudential borrowing in 2020/21, as set out in section 6.7.
- f) Approve additional prudential borrowing of £3m in 2019/20 and future years for the Spring Common Academy scheme, as set out in section 6.8.
- g) Approve additional prudential borrowing of £295k in 2019/20 for the Meads Farm scheme, as set out in section 6.9.
- h) Note and comment on performance information as set out in section 8.
- i) Approve the proposed revised approach to performance reporting set out in section 8.
- j) Approve the continuous development of financial reporting to Committees, as detailed in section 9.
- k) Agree to earmark £297k within reserves for Records Management, for deployment as set out in Appendix 3.

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
Name:	Tom Kelly	Names:	Councillors Count & Hickford
Post:	Head of Finance	Post:	Chair/Vice-Chair
Email:	<a href="mailto:Tom.Kelly@cambridgeshire.gov.uk">Tom.Kelly@cambridgeshire.gov.uk</a>	Email:	<a href="mailto:Steve.Count@cambridgeshire.gov.uk">Steve.Count@cambridgeshire.gov.uk</a> <a href="mailto:Roger.Hickford@cambridgeshire.gov.uk">Roger.Hickford@cambridgeshire.gov.uk</a>
Tel:	01223 703599	Tel:	01223 706398

## **1. PURPOSE**

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

## **2. OVERVIEW**

- 2.1 The following summary provides a snapshot of the Authority's performance against its indicators around outcomes, its forecast financial position at year-end and its key activity data for care budgets. The presentation of performance information has been revised due to the Council's new priority outcomes – all existing Key Performance Indicators (KPIs) are still included. Section 8 sets out details of the new outcomes and proposes a revised approach to performance reporting at GPC and Service Committees.
- 2.2 The key issues included in the summary analysis are:
  - The overall revenue budget position is showing a forecast year-end pressure of +£0.8m (+0.2%); this is largely within People & Communities (P&C) (£3.7m pressure), Commercial & Investment (C&I) (£0.6m pressure) and LGSS Operational (£0.6m pressure), partially offset by forecast underspends of -£1.9m in Funding Items, -£1.3m in Place & Economy, -£0.7m in Corporate Services and -£0.25m in LGSS Managed. See section 3 for details.
  - The Capital Programme is forecasting a balanced budget at year-end. This includes use of the capital programme variations budget. See section 6 for details.

### 3. REVENUE BUDGET

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

#### Key to abbreviations

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

Original Budget as per Business Plan £000	Forecast Variance (April) £000	Service	Current Budget for 2019/20 £000	Actual (May) £000	Forecast Variance (May) £000	Forecast Variance (May) %	Overall Status	DoT
57,504	0	Place & Economy	52,783	821	-1,341	-2.5%	Green	↑
254,936	0	People & Communities	259,737	47,450	3,719	1.4%	Red	↓
390	0	Public Health	390	-6,925	0	-	Green	↔
10,221	0	Corporate Services	9,370	2,027	-661	-7.1%	Green	↑
14,048	0	LGSS Managed	14,457	2,194	-250	-1.7%	Green	↑
-9,502	0	Commercial & Investment	-9,493	373	626	-	Red	↓
28,161	0	CS Financing	28,161	-2,628	0	0.0%	Green	↔
<b>355,758</b>	<b>0</b>	<b>Service Net Spending</b>	<b>355,405</b>	<b>43,312</b>	<b>2,093</b>	<b>0.6%</b>	<b>Red</b>	<b>↓</b>
20,357	0	Funding Items	20,357	11,619	-1,910	-9.4%	Green	↑
<b>376,115</b>	<b>0</b>	<b>Subtotal Net Spending</b>	<b>375,762</b>	<b>54,931</b>	<b>183</b>	<b>0.0%</b>	<b>Red</b>	<b>↓</b>
		<b>Memorandum items:</b>						
8,161	0	LGSS Operational	8,112	4,275	582	7.2%	Amber	↓
	<b>0</b>	<b>Grand Total Net Spending</b>	<b>383,874</b>	<b>59,207</b>	<b>765</b>	<b>0.2%</b>	<b>Red</b>	<b>↓</b>
170,024		Schools	170,024					
<b>554,300</b>		<b>Total Spending 2019/20</b>	<b>553,898</b>					

<sup>1</sup> The budget figures in this table are net.

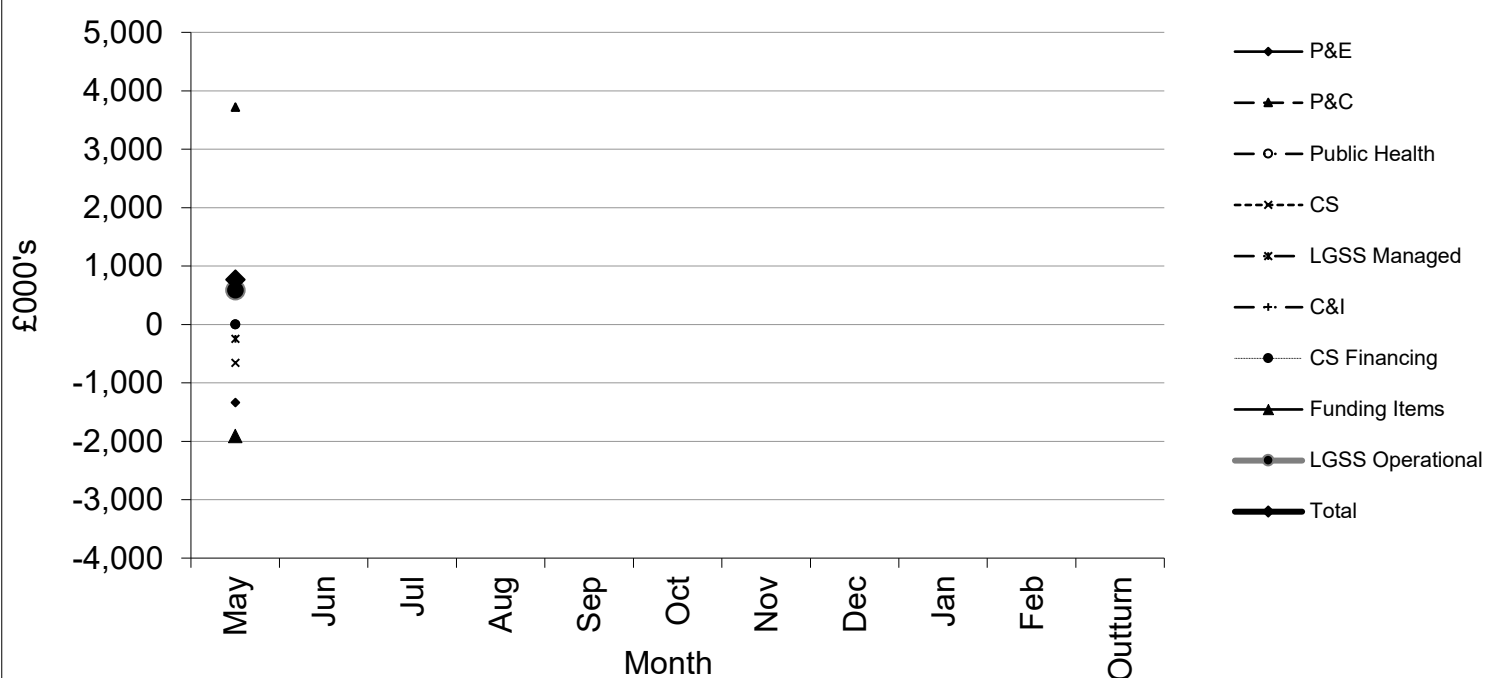
<sup>2</sup> For budget virements between Services throughout the year, please see [Appendix 1](#).

<sup>3</sup> The budget of £390k stated for Public Health is cash limit budget. In addition to this, Public Health has a budget of £24.7m from ring-fenced public health grant, which makes up its gross budget.

<sup>4</sup> The 'Funding Items' budget comprises the £8.7m Combined Authority Levy, the £407k Flood Authority Levy and £11.2m change in general and corporate reserves budget requirement. The forecast outturn on this line reflects any variance in the amount received from corporate grants and business rates from what was budgeted; a negative outturn indicates a favourable variance, i.e. more income received than budgeted.



## Forecast Outturn Position 2019/20



3.2 Key exceptions this month are identified below.

3.2.1 **Place & Economy:** -£1.341m (-2.5%) underspend is forecast at year-end.

- |   | £m     | %    |
|---|--------|------|
| <ul style="list-style-type: none"> <li>• <b>Parking Enforcement</b> – a -£0.650m underspend is forecast. Bus lane enforcement is providing additional income in excess of the budget set. This income is difficult to predict and therefore the budget holder will monitor the financial position on a regular basis, updating the forecast accordingly.</li> </ul>                                 | -0.650 | (-%) |
| <ul style="list-style-type: none"> <li>• <b>Highways Development Management</b> – a -£0.500m underspend is forecast. There is an expectation that Section 106 and Section 38 fees will come in higher than budgeted for new developments which will lead to an overachievement of income. However, this is an unpredictable income stream and the forecast outturn is updated regularly.</li> </ul> | -0.500 | (-%) |
| <ul style="list-style-type: none"> <li>• A combination of more minor variances sum with the above to lead to an overall outturn of -£1.341m. For full details see the <a href="https://tiny.cc/29na9y">P&amp;E Finance &amp; Performance Report</a>, (<a href="https://tiny.cc/29na9y">https://tiny.cc/29na9y</a>).</li> </ul>  |        |      |

3.2.2 **People & Communities:** +£3.719m (+1.4%) pressure is forecast at year-end.

- |  | £m     | %      |
|--|--------|--------|
| <ul style="list-style-type: none"> <li>• <b>Strategic Management - Adults</b> – a -£2.475m underspend is forecast. This is due to £2.475m of funding from the Social Care Support and Improved Better Care Fund (IBCF) grants being applied to partially mitigate opening pressures in Older People's and Physical Disabilities Services detailed in the next two notes below, in line with one of the specific purposes of those grants. The IBCF spending plan will need to be agreed by Health and Wellbeing Board as part of the annual Better Care Fund process.</li> </ul> | -2.475 | (-49%) |

- **Older People's Services** – a +£4.458m pressure is forecast. *Older People's and Physical Disability Services (OP/PD)* have experienced increases in the unit costs of, and the number of people in, the most expensive types of care since the start of the previous financial year (concentrated in the last five months). This has resulted in both an opening pressure, as costs by the start of 2019/20 were higher than assumed when budgets were set in the third quarter of 2018/19, and a projected increase in that pressure in-year as the unit cost trend is expected to continue.

Part of this pressure is as a result of a continuing focus on discharging people from hospitals as quickly as is appropriate, which can result in increasing numbers of people in expensive types of care, at least in the short-term. This has the further impact of increasing cost as supply in that sector is limited, exacerbated by competing in some areas with the NHS for similar types of high cost care placements. Improving discharge processes and integrated commissioning are key mitigations being worked on.

+4.458 (+8%)

The opening pressure is addressed partly through application of part of the Social Care Support and Improved Better Care Fund (IBCF) grants, shown against the *Strategic Management – Adults line* as noted above.

- **Physical Disabilities Services** – a +£0.436m pressure is forecast. This reflects the carried forward pressure from 2018/19. This was due to an increase in client numbers and the number of people with more complex needs requiring more expensive types of care going up. The total savings expectation in this service for 2019/20 is £269k, and this is expected to be delivered in full through the Adults Positive Challenge Programme of work, designed to reduce demand, for example through a reablement expansion and increasing technology enabled care to maintain service user independence.

+0.436 (+4%)

- **Home to School Transport - Special** – a +£0.300m pressure is forecast. We are continuing to see significant increases in pupils with Education Health Care Plans (EHCPs) and those attending special schools, leading to a corresponding increase in transport costs. Alongside this, we are seeing an increase in complexity of need resulting in assessments being made by the child/young person's Statutory Assessment Case Work Officer that they require individual transport, and, in many cases, a passenger assistant to accompany them. A strengthened governance system around requests for costly exceptional transport requests introduced in 2018/19 is resulting in the avoidance of some of the highest cost transports as is the use of personal transport budgets offered in place of costly individual taxis. The [P&C Finance & Performance Report](https://tiny.cc/8ioa9y), (<https://tiny.cc/8ioa9y>) outlines further actions being taken to mitigate the position.

+0.300 (+3%)

- **SEND Specialist Services** – a +£0.300m pressure is forecast within the Statutory Assessment Team due to the ceasing of a

+0.300 (+3%)

grant that has funded additional capacity in previous years, which is still required to meet demand for statutory deadlines for Education Health Care Plans (EHCP) assessments and reviews.

Whilst not currently included in the figures, a significant pressure is expected on the High Needs Block of the Dedicated Schools Grant (DSG). This is a ring-fenced grant and as such overspends do not affect the Council's bottom line but are carried forward as a deficit balance into the next year. In 2018/19 we saw a total DSG overspend across Special Educational Needs and Disability (SEND) services of £8.7m which, combined with underspends on other DSG budgets, led to a deficit of £7.2m carried forward into 2019/20. Given the ongoing increase in numbers of pupils with EHCPs it is likely that a similar overspend will occur in 2019/20, however this will become clearer as we move towards the start of the new academic year.

- Looked After Children Placements** – a +£0.350m pressure is forecast. Recent activity in relation to gang related crime has resulted in additional high cost secure placements being required. These are one off costs and we will be asking for reserves to fund this. In addition, we have not seen the numbers of children in care decrease yet; though this is still expected. We have seen a net increase in in house foster carers and the commissioning service has reduced some unit costs of placements.
 

+0.350	(+2%)
--------	-------
- Children in Care** – a +£0.350m pressure is forecast. A pressure of c£350k is anticipated across Staying Put (£125k) and Unaccompanied Asylum Seeking Children (Over 18) budgets (£225k). In both areas the central government grant does not match anticipated expenditure. Work is underway to further refine this forecast
 

+0.350	(+2%)
--------	-------
- A combination of more minor variances sum with the above to lead to an overall outturn of +£4.389m. For full details see the [P&C Finance & Performance Report](https://tiny.cc/8ioa9y), (<https://tiny.cc/8ioa9y>).

**3.2.3 Public Health:** a balanced budget is forecast for year-end. There are no exceptions to report this month; for full details see the [PH Finance & Performance Report](https://tiny.cc/ypoa9y), (<https://tiny.cc/ypoa9y>).

**3.2.4 Corporate Services:** -£0.661m (-7.1%) underspend is forecast.

- |  | £m     | %       |
|--|--------|---------|
| <ul style="list-style-type: none"> <li> <b>PCC Shared Services</b> – a +£0.300m pressure is forecast. PCC Shared Services has a savings target of £711k in 2019/20; of this £311k has already been identified and it is expected that a further £100k can be made in year. The remaining £300k saving target is not expected to be met in 2019/20.               </li> </ul> | +0.300 | (+56%)  |
| <ul style="list-style-type: none"> <li> <b>Central Services and Organisation-Wide Risks</b>– a -£0.582m underspend is forecast. This -£582k is being reported to offset the £582k overspend on LGSS Cambridge Office.               </li> </ul>  | -0.582 | (-42%)  |
| <ul style="list-style-type: none"> <li> <b>Demography Reserve</b>– a -£0.322m underspend is forecast. This -£322k is being reported as a mitigation to offset pressures.               </li> </ul>   | -0.322 | (-100%) |

- A combination of more minor variances sum with the above to lead to an overall outturn of +£0.661m. For full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).

3.2.5 **LGSS Managed:** -£0.250m (-1.7%) underspend is forecast.

- |   | £m     | %     |
|---|--------|-------|
| <ul style="list-style-type: none"> <li>• <b>IT Managed</b> – a -£0.250m underspend is forecast. This is due to an in-year saving on laptop replacement, as some of the stock purchased using capital budget will be used in this year.</li> </ul> | -0.250 | (-6%) |
| <ul style="list-style-type: none"> <li>• For full details see the <a href="https://tiny.cc/2uoa9y">CS &amp; LGSS Finance &amp; Performance Report</a>, (<a href="https://tiny.cc/2uoa9y">https://tiny.cc/2uoa9y</a>).</li> </ul>                  |        |       |

3.2.6 **CS Financing:** a balanced budget is forecast for year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).

3.2.7 **Commercial & Investment:** +£0.626m (-%) pressure is forecast at year-end.

- |  | £m     | %     |
|--|--------|-------|
| <ul style="list-style-type: none"> <li>• <b>Housing Investment (This Land Company)</b> – a +£0.475m pressure is forecast. This relates to interest received on loans made to This Land, and the underachievement is a result of land values (contingent on planning progress and independent valuation) and the company's readiness to receive construction loan financing.</li> </ul> | +0.475 | (+8%) |
| <ul style="list-style-type: none"> <li>• A combination of more minor variances sum with the above to lead to an overall outturn of +£0.684m. For full details see the <a href="https://tiny.cc/nzoa9y">C&amp;I Finance &amp; Performance Report</a>, (<a href="https://tiny.cc/nzoa9y">https://tiny.cc/nzoa9y</a>).</li> </ul>   |        |       |

3.2.8 **Funding Items:** a -£1.910m underspend is forecast at year-end. This is due to 2018/19 surplus Council Tax and NNDR surpluses as set out in section 5.2.

3.2.9 **LGSS Operational:** +£0.582m (+7.2%) pressure is forecast at year-end.

- |   | £m     | %     |
|---|--------|-------|
| <ul style="list-style-type: none"> <li>• <b>LGSS Cambridge Office</b> – a +£0.582m pressure is forecast. Of this £460k relates to a shortfall against the trading target for LGSS. Further trading is not currently being pursued whilst the review of the LGSS operating model is ongoing. This pressure is offset by funds held in corporate services as this risk had been anticipated at budget setting.</li> </ul> | +0.582 | (+7%) |
| <ul style="list-style-type: none"> <li>• For full details see the <a href="https://tiny.cc/2uoa9y">CS &amp; LGSS Finance &amp; Performance Report</a>, (<a href="https://tiny.cc/2uoa9y">https://tiny.cc/2uoa9y</a>).</li> </ul>  |        |       |

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

## 4. KEY ACTIVITY DATA

4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [P&C Finance & Performance Report](https://tiny.cc/8ioa9y), (<https://tiny.cc/8ioa9y>), (section 2.5).

## 5. FUNDING CHANGES

5.1 Where there has been a material change in 2019/20 grant allocations to that budgeted in the Business Plan (BP) i.e. +/- £175k, this will require Strategic Management Team (SMT) discussion in order to gain a clear and preferred view of how this additional/shortfall in funding should be treated. The agreed approach for each grant will then be presented to the GPC for approval.

### 5.2 Council Tax and NNDR Surpluses from 2018/19

Based upon the latest information on the 2018/19 Council Tax and NNDR surpluses declared by the Districts, and recent similar trends across four of the five districts, it is affordable for the Council to recognise £1.910m of this in revenue this year. Looking ahead, for 2019/20 onwards the Council is making greater use of district Council tax base growth estimates rather than relying on trend percentage uplifts.

It is therefore proposed that £1.910m Council Tax and NNDR surplus is recognised in revenue in 2019/20.

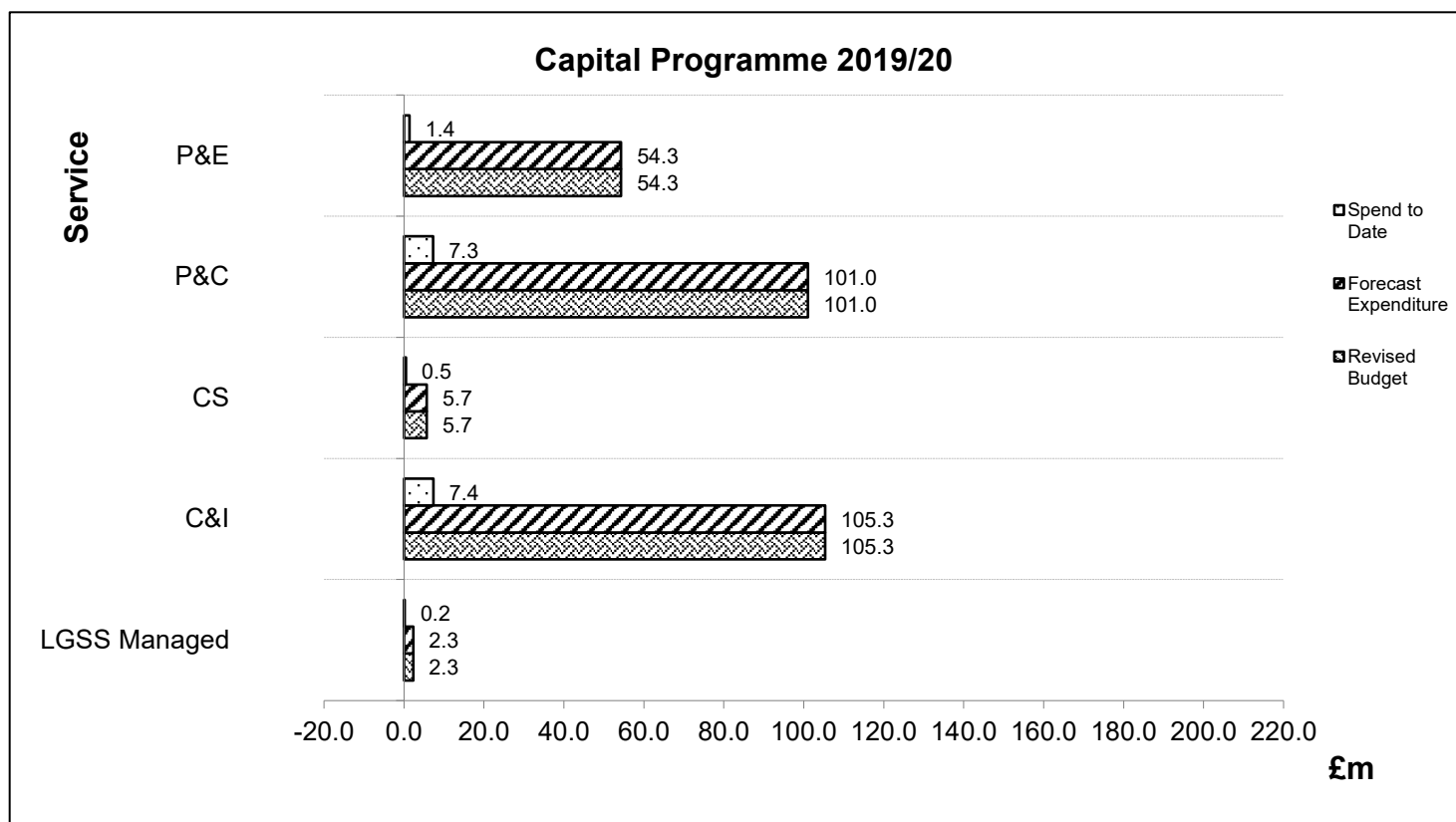
## 6. CAPITAL PROGRAMME

6.1 A summary of capital financial performance by service is shown below:

2019-20						TOTAL SCHEME	
Original 2019/20 Budget as per Business Plan £000	Service	Revised Budget for 2019/20 £000	Actual-Year to Date (May) £000	Forecast Variance - Outturn (May) £000	Forecast Variance - Outturn (May) %	Total Scheme Revised Budget (May) £000	Total Scheme Forecast Variance (May) £000
43,908	P&E	54,310	1,408	-	0.0%	410,592	-
129,267	P&C	101,001	7,284	-	0.0%	674,287	-
3,457	CS	5,725	478	-	0.0%	22,939	-
2,827	LGSS Managed	2,339	214	-	0.0%	6,688	-
90,443	C&I	105,330	7,401	-	0.0%	303,871	-
-	Outturn adjustment	-	-	-	-	-	-
<b>269,902</b>	<b>Total Spending</b>	<b>268,705</b>	<b>16,785</b>	<b>-</b>	<b>0.0%</b>	<b>1,418,377</b>	<b>-</b>

### Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2019/20 of £29.7m and is currently forecasting an in-year underspend of £11.0m at year-end.
3. The 'Total Scheme Forecast Variance' reflects the forecast variance against budget of the total expenditure for all active capital schemes across all financial years.



**Note:** The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

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

2019-20					
Service	Capital Programme Variations Budget	Forecast Variance - Outturn (May)	Capital Programme Variations Budget Used	Capital Programme Variations Budget Used	Revised Forecast Variance - Outturn (May)
	£000	£000	£000	%	£000
P&E	-13,505	0	0	0.00%	0
P&C	-13,399	0	0	0.00%	0
CS	-1,431	0	0	0.00%	0
LGSS Managed	-585	0	0	0.00%	0
C&I	-26,312	0	0	0.00%	0
Outturn adjustment	-	-	-	-	-
<b>Total Spending</b>	<b>-55,232</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>

- 6.3 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.25m or greater are identified below.
- 6.3.1 **Place & Economy:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [P&E Finance & Performance Report](https://tiny.cc/29na9y), (<https://tiny.cc/29na9y>).
- 6.3.2 **People & Communities:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [P&C Finance & Performance Report](https://tiny.cc/8ioa9y), (<https://tiny.cc/8ioa9y>).
- 6.3.3 **Corporate Services:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).
- 6.3.4 **LGSS Managed:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).
- 6.3.5 **Commercial & Investment:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [C&I Finance & Performance Report](https://tiny.cc/nzoa9y), (<https://tiny.cc/nzoa9y>).
- 6.4 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.25m or greater are identified below:
- 6.4.1 **Place & Economy:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [P&E Finance & Performance Report](https://tiny.cc/29na9y), (<https://tiny.cc/29na9y>).
- 6.4.2 **People & Communities:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [P&C Finance & Performance Report](https://tiny.cc/8ioa9y), (<https://tiny.cc/8ioa9y>).
- 6.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).
- 6.4.4 **LGSS Managed:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](https://tiny.cc/2uoa9y), (<https://tiny.cc/2uoa9y>).
- 6.4.5 **Commercial & Investment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [C&I Finance & Performance Report](https://tiny.cc/nzoa9y), (<https://tiny.cc/nzoa9y>).

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding <sup>1</sup> £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	16.0	0.5	-0.3	1.4	17.6	17.6	-
Basic Need Grant	6.9	-	-	-	6.9	6.9	-
Capital Maintenance Grant	4.7	-	-	-1.1	3.5	3.5	-
Devolved Formula Capital	1.0	2.0	-	-0.2	2.8	2.8	-
Specific Grants	8.4	0.0	-	0.7	9.1	9.1	-
S106 Contributions & Community Infrastructure Levy	19.4	3.3	-13.0	0.4	10.2	10.2	-
Capital Receipts	45.4	10.4	-10.5	-	45.3	45.3	-
Other Contributions	24.6	3.2	-	0.0	27.7	27.7	-
Revenue Contributions	10.1	-	-	-	10.1	10.1	-
Prudential Borrowing	133.4	20.0	-13.2	-4.7	135.4	135.4	0.0
<b>TOTAL</b>	<b>269.9</b>	<b>39.3</b>	<b>-37.0</b>	<b>-3.6</b>	<b>268.7</b>	<b>268.7</b>	<b>0.0</b>

<sup>1</sup> Reflects the difference between the anticipated 2018/19 year end position used at the time of building the initial Capital Programme budget, as incorporated within the 2019/20 Business Plan, and the actual 2018/19 year end position.



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

**2019/20 funding changes**

<b>Funding</b>	<b>Service</b>	<b>Amount (£m)</b>	<b>Reason for Change</b>
Rolled Forward Funding	All Services	+£39.3	<p>The Capital Programme Board has reviewed overspends and underspends at the end of 2018/19, and many of these are a result of changes to the timing of expenditure, rather than variations against total costs. As such, this funding is still required in 2019/20 to complete projects. Of the £39.3m funding to be carried forward, £20.0m relates to prudential borrowing, of which £13.8m relates to a rephasing of the Housing Schemes.</p> <p>Further details are available in Appendix 5, which shows capital roll-forwards.</p> <p><b>General Purposes Committee is asked to approve the carry forward of £39.3m capital funding from 2018/19 to 2019/20 and beyond.</b></p>
Revised Phasing	All Services	-£37.0	<p>There have been some changes to schemes since the 2019/20 Business Plan was finalised. The following schemes have been rephased resulting in the following changes to their 2019/20 funding requirement:</p> <p><b>P&amp;E, - £3.5m:</b></p> <ul style="list-style-type: none"> <li>• Waste – Household Recycling Centre (HRC) Improvements (-£3,266k)</li> <li>• Guided Busway (-2,960k)</li> <li>• Highways Maintenance (carriageways only from 2015/16 onwards) (+2,723k)</li> </ul> <p><b>P&amp;C, -£30.9m</b></p> <ul style="list-style-type: none"> <li>• Sawtry Infants (-2,254k)</li> <li>• Sawtry Junior (-2,325k)</li> <li>• Histon Additional Places (-6,588k)</li> <li>• Waterbeach Primary School (-293k)</li> <li>• WING Development – Cambridge (-6,304k)</li> <li>• Northstowe secondary (+£2,644k)</li> <li>• North West Fringe secondary (-2,618k)</li> <li>• Fenland Secondary, Wisbech (-9,125k)</li> <li>• Cambourne West secondary (-430k)</li> <li>• Samuel Pepys (-2,539k)</li> </ul> <p>Other schemes below the de minimis make up the difference.</p> <p><b>Capital programme variations budgets, -£2.6m:</b></p> <p>In 2016/17 the Capital Programme Board recommended that a 'Capital Programme Variations' line be included for each Service, which effectively reduces the capital programme</p>

			<p>budget. Capital programme variations budgets were included in the 2019/20 Business Plan, but these have been revised for 2019/20 as a result of the rolled forward and revised phasing exercise carried out in May 19 as above.</p> <p><b>General Purposes Committee is asked to approve the -£37.0m revised phasing of funding in relation to schemes as set out above.</b></p>
Additional/ Reduction in Funding (Specific Grants and Section 106 contributions)	P&E and P&C	+£1.7	<p><b><u>P&amp;E, +£1.8m:</u></b>  <b>Pothole Action Fund, +£0.8m:</b>  Cambridgeshire County Council has received £0.8m of additional grant funding from DfT for the purpose of repairing potholes and protecting local roads from future severe weather, either through permanent patching repairs or preventative resurfacing works.</p> <p><b>Highways England, +£0.56m:</b>  A new grant has been awarded in 2019/20 (£0.560m) via Highways England through the Department for Transport's (DfT) Designated Funds Programme, providing a contribution to the feasibility, design and delivery of the Northstowe Heritage Facility.</p> <p><b>Additional Section 106 contributions, +£0.4m:</b>  Additional Section 106 contributions of £0.400m are being made from developers in relation to the St Neots Northern Footway and Cycle Bridge.</p> <p><b><u>P&amp;C, -£0.1m:</u></b>  <b>Additional SEN grant, £0.5m:</b>  Additional SEN grant was announced by Central Government on 30th Jan 2019 (£524k).</p> <p><b>Reduction in Schools Condition Funding, -£0.6m:</b>  A reduction in Schools Condition Funding of £578,543 was announced by Central Government in March 2019 reflecting Academy converters.</p> <p><b>General Purposes Committee is asked to agree the additional capital grants and Section 106 funding of £1.7m as outlined above.</b></p>
Additional/ Reduction in Funding (Prudential borrowing)	P&C	+£0.6	<p>As noted above, a reduction on Schools Condition Funding of £578,543 was announced by Central Government in March 2019 reflecting Academy converters. This funding is still required for schools condition works; additional</p>

			<p>prudential borrowing is therefore requested to offset the reduction in grant funding.</p> <p><b>General Purposes Committee is asked to note the reduction in Schools Condition Funding and to approve additional prudential borrowing of £578,543 to offset the reduction.</b></p>
Additional/ Reduction in Funding (Prudential borrowing)	P&C	-£6.6	<p>A saving of £1m on the tender and overall scheme cost for Northstowe Secondary has resulted in a reduction in the required prudential borrowing of £1m in 2019/20.</p> <p>An overall cost reduction of the scheme to amalgamate Eastfield Infant and Westfield Junior School as requested by the Children and Young People's Committee of £7.2m is expected, with £5.585m of this being seen in 2019/20. This will result in a reduction in the required prudential borrowing of £5.6m in 2019/20.</p> <p><b>General Purposes Committee is asked to note this £6.6m reduction in prudential borrowing in 2019/20 in relation to the above schemes.</b></p>

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

#### Future years' funding changes to Total Schemes

Funding	Service	Amount (£m)	Reason for Change
Additional/Reduction in Funding (Prudential borrowing)	P&C	-£1.6m	<p>As outlined above, an overall cost reduction of the scheme to amalgamate Eastfield Infant and Westfield Junior School as requested by the Children and Young People's Committee of £7.2m is expected, of which £1.646m relates to future years (2020/21).</p> <p><b>General Purposes Committee is asked to note the £1.6m reduction in prudential borrowing in 2020/21 in relation to the St Ives, Eastfield / Westfield / Wheatfields scheme.</b></p>

6.8 At the July 2019 meeting of the Children and Young People (CYP) Committee, the committee was asked to recommend to General Purposes Committee the inclusion of the Spring Common Academy capital scheme in the 2019/20 capital programme. Further work has been undertaken in liaison with the school's Headteacher to identify the priorities for capital investment to address basic need and the suitability of accommodation at Spring Common Special School. The re-assessment of the school's current accommodation has identified the need to provide the school with spaces which are suitable for 175 children and young people aged 2–19 with complex special educational needs and disabilities (SEND). The original milestone 1 report produced July

2017 was costed at £7.2million. By appointing a project team, including a design and build contractor, to revisit the original report, the size and value of the scheme has been reduced. The estimated total cost for the new scheme is £3m. The report to CYP Committee can be found [here](#), with details in section 2.31 to 2.39. The scheme will be funded by borrowing; the annual cost of borrowing for this scheme will start in 2022/23 at £166k, and decreases each year thereafter.

**General Purposes Committee is asked to approve additional prudential borrowing of £3m in 2019/20 and future years for the Spring Common Academy scheme.**

- 6.9 Additional funding is £295k requested in 2019/20 for the Meads Farm project. This project is to demolish the existing house at Meads Farm and to replace it with a new dwelling. The purpose of the scheme is to comply with the Council's obligations as Landlord. To do this, we need a structurally safe and habitable dwelling, as now defined by the Homes (Fitness for Human Habitation) Act 2018. The current dwelling has significant structural issues and is beyond economic repair, as confirmed in the structural report and subsequent letter. Subsequently planning consent has been obtained for demolition of the existing dwelling and a new 3 bedroom detached dwelling to be built on the site. The scheme will be funded by borrowing; the annual cost of borrowing for this scheme will start in 2020/21 at £16k, and decreases each year thereafter.

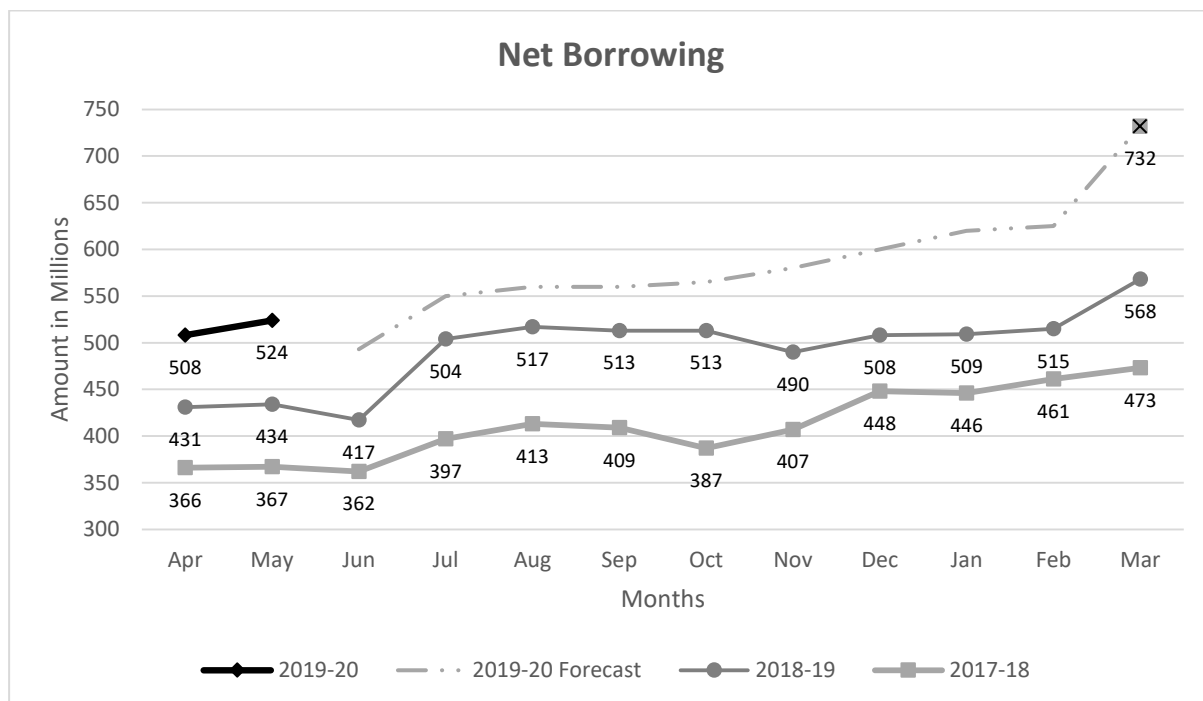
**General Purposes Committee is asked to approve additional prudential borrowing of £295k in 2019/20 for the Meads Farm scheme.**

## 7. BALANCE SHEET

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

Measure		Year End Target	Actual as at the end of May 2019
Level of debt outstanding (owed to the council) 91 days +, £m	Adult Social Care	£3.37m	£9.29m
	Sundry	£1.71m	£5.51m

- 7.2 The graph overleaf shows net borrowing (borrowings less investments) on a month by month basis and compares the position with the previous financial year. At the end of May 2019, investments held totalled £74m (excluding 3<sup>rd</sup> party loans) and gross borrowing totalled £598m, equating to a net borrowing position of £524m. Of the gross borrowing, it is estimated that £172m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to 3<sup>rd</sup> parties in order to receive a financial return.



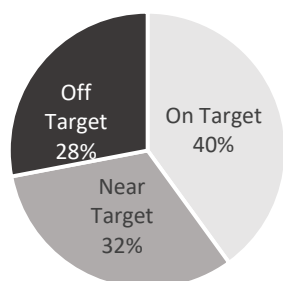
- 7.3 The Council's cash flow profile – which influences the net borrowing requirement - varies considerably during the year, due to the timing difference between outgoing payments (payroll, supplier payments etc) and income streams (grants, council tax etc.). As illustrated by the comparative 2017-18 and 2018-19 actual net borrowing positions, cash flows at the beginning of the year are typically stronger than at the end of the year, as many grant receipts are received in advance of spend. The 2019-20 net borrowing position is expected to take a similar path, rising more substantially towards the end of the financial year as capital projects are progressed to completion and financed.
- 7.4 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the forthcoming year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2019-20 TMSS was set in February 2019, it anticipated that net borrowing would reach £732.1m by the end of this financial year.
- 7.5 From a strategic perspective, the Council continues to temporarily utilise cash-backed resources in lieu of additional borrowing (known as internal borrowing) and where borrowing is undertaken loans are raised for shorter terms, both to generate net interest cost savings and consequently holding less investments reduces the Council's exposure to credit risk. However, this approach carries with it interest rate risk and officers continue to monitor options as to the timing of any potential longer term borrowing should underlying interest rates be forecast to rise in a sustained manner.
- 7.6 There is a link between the capital financing borrowing requirement, the net borrowing position and consequently net interest costs. However, the Debt Charges budget is prudently formulated with sensitivity to additional factors including projected levels of cash-backed reserves, forecast movements in interest rates, and the overall borrowing requirement for the Council over the life of the Business Plan and beyond.
- 7.7 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](https://tinyurl.com/y6t9eojk), (<https://tinyurl.com/y6t9eojk>).
- 7.8 The Council's reserves include various earmarked reserves (held for specific purposes), as well as provisions (held for potential liabilities) and capital funding. A schedule of the Council's reserves and provisions can be found in [Appendix 2](#).

## 8. PERFORMANCE

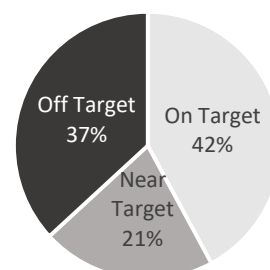
- 8.1 In February 2019 Full Council agreed a new corporate strategy, with 3 Council outcomes, instead of the previous 7. Existing KPIs have been reorganised into these three outcome areas, as follows:

	On Target	Near Target	Off Target	No Target	Total
The best start for Cambridgeshire's children	10	8	7	7	32
Thriving places for people to live	8	4	7	15	34
A good quality of life for everyone	16	2	9	2	29
<b>Total</b>	<b>34</b>	<b>14</b>	<b>23</b>	<b>24</b>	<b>95</b>

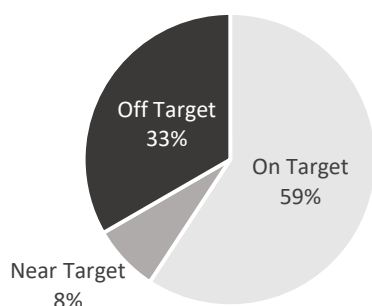
The best start for Cambridgeshire's children



Thriving places for people to live



A good quality of life for everyone



Direction of travel for the outcome areas is not available as the baskets of indicators are newly organised into these groups.

The master file of performance indicators and latest Corporate Risk Register are available at <https://tinyurl.com/yd96a2vw>. Commentary on the new outcome areas is as follows:

### 8.2 The best start for Cambridgeshire's children

Current performance shows 8 out of 10 primary-aged children and 9 out of 10 secondary-aged children attend schools judged 'good' or 'outstanding' by Ofsted. All children attending nurseries are attending 'good' or 'outstanding' settings. Nearly 9 out of 10 children attending special schools are attending 'good' or 'outstanding' schools.

In 2018, 61.4% of children taking end of Key Stage 2 tests achieved reading writing and maths combined at the expected standard, this was an improvement compared to previous year but below target and national average. At Key Stage 4, the average Attainment 8 score increased slightly in comparison to the previous year. It is slightly below target but above national average.

Performance in persistent absence from school and fixed term exclusions are both better than statistical neighbour and national averages.

In children's services caseloads are high which is reflected in rate of children with child protection plans and the number of looked after children. Work is underway to address this.

### **8.3 Thriving places for people to live**

Current performance figures show that more than 8 out of 10 adults in contact with secondary mental health services are living independently (better than target) and 15% of this client group are in employment (also better than target).

In the last biennial carers' survey, just over a third of carers supported by the local authority said they were satisfied or very satisfied with their support, which is just under target.

The proportion of learning disability service users in paid employment is low and there is an action plan to improve this.

Latest performance information shows that 99.8% of all streetlights are working, and the total energy use is within 1% of target (10.96 million KWh) and is currently 10.90 million KWh over the most recent 12 month period.

The provisional total for people killed or seriously injured on the roads to the end of February 2019 (381) is lower than the same period in the previous year (409) but has increased since December 2018 (354). However, the overall trend is downward and the Highways and Community Infrastructure Committee is monitoring a Road Safety Action Plan to reduce the number of people killed or seriously injured on the county's roads.

Current performance shows that 96.8% of premises in Cambridgeshire have access to at least superfast broadband, which is better than target.

The number of successful County Matter planning applications has increased since last quarter, with 100% of applications determined within 13 weeks or within a period agreed by the applicant up until March 2019, up from 90% at the end of December 2018.

The percentage of schemes delivered to the agreed programme dates has also increased from 88% to 93% since the last quarter and is close to the target of 95%.

### **8.4 A good quality of life for everyone:**

The year to date targets for the number of Personal Health Plans produced and number of healthy eating groups held are being exceeded month on month by 105% (147) and 106% (51) by the end of April 2019 respectively.

However, the year to date targets for Personal Health Plans completed by pre-existing GP based and extended services are not being met as of April 2019 with 56% (63) and 29% (17) of the targets being met respectively. Although it should be noted that new targets have been set for the next financial quarter when counts were reset.

Clients that completed weight loss courses and achieved a 5% weight loss has also increased from 27% in March 2019 to 36% in April 2019, exceeding the target of 30%. The number of children recruited for weight management programmes who maintained or reduced their BMI Z score has also increased from 67% in March 2019 to 100% in April 2019, also exceeding the target of 80%. However, the number of healthy eating groups held by pre-existing GP based services has declined slightly below target at 96% (43). The number of clients completing their PHPs is not meeting the target, currently at 75% (21) of the year to date target. Again, it should be noted that the counts and targets have been reset with the new financial year.

Current performance shows the number of new people entering long term care last year compared favourably to the Eastern region as a whole. 9 out of 10 people who were supported by the reablement service (a short term service which supports people to recover after crisis) did not subsequently need a long-term service. This is well above the national average. It is anticipated that performance in signposting to further info or advice only, rather than long term services, will improve also as Adult Early Help and Neighbourhood Cares teams employ community and voluntary resources.

Current performance figures show that in 95% of adult safeguarding enquiries outcomes were at least partially achieved (a nationally defined indicator) and more than 80% of people who have used these services say they have made them feel safer.

Performance in delayed transfers of care remains off-target. The Council is continuing to invest considerable amounts of staff and management time into improving processes, identifying clear performance targets and clarifying roles & responsibilities. We continue to work in collaboration with health colleagues to ensure correct and timely discharges from hospital. Delays in arranging residential, nursing and domiciliary care for patients being discharged from Addenbrooke's remain the key drivers of ASC bed-day delays.

## 8.5 **Proposal for revised approach to corporate performance reporting**

Recent reports have aggregated the status of indicators that are monitored by service committees into pie charts to give an overall view on whether the Council is on target for service delivery and outcomes for each area. This style was chosen in a workshop with GPC in order to balance the need to allow service committees to be responsible for the services they oversee, and to choose which indicators they are monitoring, but also to allow for a summary position to be shown so as to keep the IRPR focused on high level strategic issues. There has been feedback that this is not showing Members what they need. Issues include:

- It is not clear which specific indicators are red or green
- The pie charts show a snapshot value
- Sometimes the basket of indicators change, for example following a service committee review
- The commentary on each pie chart is so summarised that it does not offer enough detail for Members to engage with the detail of the issues
- The timelines for the report do not allow for fully integrated commentary to be prepared
- Performance indicators often lag significantly behind the time period the finance report refers to
- The detail of performance issues is often covered in service committees which can allow time for in depth discussion of the issues
- 

- 8.6 It is therefore proposed that General Purposes Committee receives a quarterly performance report, organised by outcome area, separate from the finance report, which features exceptions that are above a materiality threshold set by the number of people or



items affected by the performance indicator. Exceptions will be determined as 10% below target or 5% above target. The report will consist of the information relevant to the indicator from the Policy and Service Committee report, with the same information about history, commentary, and forecast performance. It will include a summary page showing the percentage of indicators at or off target by outcome area.

- 8.7 The purpose of the performance discussion at GPC is for Members to provide an update on key areas of high and low performance and explore whether by acting as a whole Council performance can be corrected or further improved (or shared across other areas). Members will have discussed the information at Policy and Service Committees in the fortnight prior to GPC so should be in a position to explain actions taken as a result of that discussion. The recommendation of the report is therefore proposed to remain 'to note and comment'.
- 8.8 Although the substantive proposal is to detached performance monitoring from financial monitoring at Committees, the activity data sections: metrics which link key areas of activity driving costs (e.g. LAC placements / Adults placements / SEND placements) will be retained within finance reports to inform the financial position.
- 8.9 Policy and Service Committees should receive a quarterly performance report, based on a set of KPIs determined by the Committee which relate to the areas the Committee is responsible for, and organised by outcome area. The performance report will provide an indicator to a page, with appropriate commentary, a chart of historical performance and a forecast of future performance; an example is shown in [Appendix 4](#).
- 8.10 It is proposed that the performance indicators do not change as a result of this format change and that review cycles continue as they would have done. Reports will be made in June, September, December and March, each providing information up to the end of the previous quarter. This will allow time for information collection, indicator calculation, and discussion by management teams, before entering the Committee report drafting and preparation cycle.
- 8.11 GPC also plays a general, strategic role in business planning. Information and insight about the needs of the county which do not specifically relate to the services the Council provides will help GPC to be aware of the world outside the direct services the Council provides. The Joint Strategic Needs Assessment core dataset is an excellent basis for this information, if supplemented by further datasets. This would cover (approximately – detailed specification subject to further discussion):
  - Population growth and characteristics (JSNA)
  - Drivers for change (JSNA)
  - New developments (JSNA)
  - Economy – deprivation (JSNA)
  - Economic activity and sectors (added)
  - Labour market (added)
  - Education, training and skills amongst adults (added)
  - Benefit and welfare claimants (JSNA)
  - Disease prevalence (JSNA)
  - Health and care use (JSNA)
  - Community safety (added)
  - Education, training and skills amongst young people (JSNA)

**General Purposes Committee is asked to approve the revised approach to performance reporting as set out above in section 8.**

## 9. FINANCE REPORTING

- 9.1 To coincide with the review of performance reporting outlined in the previous section, consideration has also been given to the financial elements of this report for the year ahead. Financial monitoring reports (management accounts) are produced on a monthly basis (between May and year-end) and considered by officers and lead members and then published in the public domain at:  
<https://www.cambridgeshire.gov.uk/council/finance-and-budget/finance-&-performance-reports/>, (<https://tinyurl.com/yd96a2vw>).
- 9.2 A review to standardise reporting formats across Committees was completed ahead of the 2018-19 financial year and to coincide with the introduction of the ERP Gold system which overhauled financial reporting to budget holders and budget reviewers that forms the basis of the consolidated information which is published. This has held through the 2018-19 financial year largely successfully, with queries and challenge in the Committee forums focused on the content of the financial monitoring rather than the format, and a reduced tendency to incrementally bespoke reports to different audiences to meet individual requests.
- 9.3 Regular and real-time financial monitoring is an essential component of the Council's budgetary control: a key focus for the LA given the constrained funding environment and a complex and volatile demand-led spending picture. A further recent development has been the regular incorporation of the savings tracker as part of the financial reporting provided to Committees. To sustain the strong governance "pyramid" that Committee oversight brings to financial monitoring and review at all levels of the organisation, the approach to periodic reporting is suggested as follows:
- a) Finance Reports – produced monthly and published online (May - Year End)
  - b) Reported to Committees – at all scheduled substantive Committee meetings (but not reserve dates, as this prompts uneven reporting instigated by other (often non-financial) business)
  - c) Tracker – 3 times per annum
- 9.4 At the beginning of 2019-20 the opportunity will also to be taken to re-prioritise the order of the service committee reports and streamline more technical sections, removing repetition, so that content is focused on concise accounts of the forecast position on an exception/recent change basis. Drawing on good practice at another county council, greater standardisation and summary will also be brought to the capital monitoring sections, in order to distinguish between changes in cost and slippage/accelerated spend.
- 9.5 Although the substantive proposal is to detached performance monitoring from financial monitoring at Committees, the activity data sections: metrics which link key areas of activity driving costs will be retained within finance reports to inform the financial position.

**General Purposes Committee is asked to approve the continuous development of financial reporting to Committees, as detailed above in section 9.**

## **10. ALIGNMENT WITH CORPORATE PRIORITIES**

### **10.1 A good quality of life for everyone**

There are no significant implications for this priority.

### **10.2 Thriving places for people to live**

There are no significant implications for this priority.

### **10.3 The best start for Cambridgeshire's children**

There are no significant implications for this priority.

## **11. SIGNIFICANT IMPLICATIONS**

### **11.1 Resource Implications**

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

### **11.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

There are no significant implications within this category.

### **11.3 Statutory, Legal and Risk Implications**

There are no significant implications within this category.

### **11.4 Equality and Diversity Implications**

There are no significant implications within this category.

### **11.5 Engagement and Consultation Implications**

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

### **11.6 Localism and Local Member Involvement**

There are no significant implications within this category.

### **11.7 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?</b>	No Name of Legal Officer: Not applicable
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No Name of Legal Officer: Not applicable
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	No Name of Officer: Not applicable
<b>Have any engagement and communication implications been cleared by Communications?</b>	No Name of Officer: Not applicable
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	No Name of Officer: Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer: Not applicable

<b>Source Documents</b>	<b>Location</b>
P&E Finance & Performance Report (May 19) P&C Finance & Performance Report (May 19) PH Finance & Performance Report (May 19) CS and LGSS Cambridge Office Finance & Performance Report (May 19) C&I Finance & Performance Report (May 19) Performance Management Report & Corporate Scorecard (May 19) Capital Monitoring Report (May 19) Report on Debt Outstanding (May 19)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge

**APPENDIX 1 – transfers between Services throughout the year** (only virements of £1k and above (total value) are shown below)

	<b>P&amp;C</b>	<b>Public Health</b>	<b>P&amp;E</b>	<b>CS Financing</b>	<b>Corporate Services</b>	<b>LGSS Managed</b>	<b>C&amp;I</b>	<b>LGSS Op</b>	<b>Financing Items</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Opening Cash Limits as per Business Plan	254,936	390	57,504	28,161	10,221	14,048	-9,502	8,161	20,357
Greater Cambridge Partnership budgets not reported in CCC budget					-602				
Transfer of LGSS Change Form Agreement for the Local Safeguarding Monies	50							-50	
Budget Build correction- Impact of Local Government Pay offer on CCC Employee Costs					-430	430			
External audit fees budget transfer					27	-27			
19/20 Council tax income generation proposal to precept income codes					200				
Transfer of Cultural & Community Services from P&E to P&C	4,721		-4,721						
Movement of Contract Efficiency saving target from Corporate Services					49		-49		
Inflation allocation adjustment for Children's Services Legal from CS	30				-30				
Remove Traded Services Central income target from Central Services Risks budget.					-58		58		
Correction of apprenticeship levy					-7	7			
<b>Current budget</b>	<b>259,737</b>	<b>390</b>	<b>52,783</b>	<b>28,161</b>	<b>9,370</b>	<b>14,458</b>	<b>-9,493</b>	<b>8,111</b>	<b>20,357</b>
Rounding	0	0	0	0	1	1	0	-1	0

## APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2019	2019-20		Forecast Balance 31 March 2020	Notes
		Movements in 2019-20	Balance at 31 May 2019		
	£000s	£000s	£000s	£000s	
<b><u>General Reserves</u></b>					
- County Fund Balance	12,850	4,699	17,549	16,784	
- Services					
1 P&C	0	0	0	0	
2 P&E	0	0	0	0	
3 CS	0	0	0	0	
4 LGSS Operational	112	0	112	0	
subtotal	12,962	4,699	17,661	16,784	
<b><u>Earmarked</u></b>					
- Specific Reserves					
5 Insurance	4,060	-31	4,029	4,029	
subtotal	4,060	-31	4,029	4,029	
- Equipment Reserves					
6 P&C	8	0	8	8	
7 P&E	0	0	0	0	
8 CS	3	0	3	3	
9 C&I	56	0	56	0	
subtotal	67	0	67	11	
<b><u>Other Earmarked Funds</u></b>					
10 P&C	286	0	286	286	
11 PH	2,886	0	2,886	2,586	
12 P&E	5,927	-100	5,827	6,162	Includes liquidated damages in respect of the Guided Busway
13 CS	3,193	0	3,193	3,358	
14 LGSS Managed	63	0	63	0	
15 C&I	684	0	684	679	
16 Transformation Fund	24,504	5,975	30,479	19,227	Savings realised through change in MRP policy.
17 Innovate & Cultivate Fund	1,561	0	1,561	1,127	
subtotal	39,104	5,875	44,979	33,426	
<b>SUB TOTAL</b>	<b>56,193</b>	<b>10,543</b>	<b>66,736</b>	<b>54,250</b>	
<b><u>Capital Reserves</u></b>					
- Services					
18 P&C	29,463	0	29,463	29,463	
19 P&E	6,069	113	6,182	1,000	
20 LGSS Managed	0	0	0	0	
21 C&I	20,415	13,200	33,615	0	
22 Corporate	54,694	8,138	62,832	53,224	Section 106 and Community Infrastructure Levy balances.
subtotal	110,641	21,451	132,092	83,687	
<b>GRAND TOTAL</b>	<b>166,834</b>	<b>31,994</b>	<b>198,828</b>	<b>137,937</b>	

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description	Balance at 31 March 2019	2019-20		Forecast Balance 31 March 2020	Notes
		Movements in 2019-20	Balance at 31 May 2019		
	£000s	£000s	£000s	£000s	
<b>- Short Term Provisions</b>					
1 P&E	0	0	0	0	
2 P&C	200	0	200	200	
3 CS	0	0	0	0	
4 LGSS Managed	3,460	0	3,460	3,460	
5 C&I	0	0	0	0	
subtotal	3,660	0	3,660	3,660	
<b>- Long Term Provisions</b>					
6 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
<b>GRAND TOTAL</b>	<b>7,273</b>	<b>0</b>	<b>7,273</b>	<b>7,273</b>	

## APPENDIX 3 - Records Management Option Appraisal

As part of the Council's Digital Information Strategy there is a commitment to move away from paper records to digital/electronic records as well as effectively and efficiently managing the paper files which need to be kept. CCC currently manages over 20,000 boxes of paper records, this options appraisal considers the different options to manage both Live and Archived (non-live) records.

### Evaluation Methodology

In ensuring an objective outcome is achieved for the option evaluation, the selected options have been examined against a set of evaluation criteria and the following process:

- Evaluation criteria is pre-defined and the same criteria is used for appraising all options.
- Individual options are given a score (1-3 with 1 being the lowest and 3 the highest) to indicate how well they can fulfil each evaluation criterion with a positive outcome.
- Finance/Cost is an important area and therefore this has been scored from 2-10 (2 - most expensive option to 10 - least expensive option).
- The 'recommended' option is determined based on an overall balanced score being achieved by the selected option.

### Option Evaluation Criteria

The evaluation criteria focuses on the following areas:

- **Design, Scope and Efficiency:** How each option meets the Organisation's strategic objectives and demonstrates flexibility to meet current and future needs:
  - a) To provide alternative and effective ways to deliver services, currently hosted in Shire Hall and across the County
  - b) To redesign the way in which we work as an organisation, supporting and embracing flexible ways of working which can support the modern workforce
  - c) Moving to more efficient methods of managing records, ensuring consistency, reliability and security
- **Financial:** Assessment of the costs and affordability
- **Risk Assessment:** Understand the scope of risk, potential impacts and mitigations. This will include assessing the length of time implementing the option and its potential impacts.

### OPTIONS EXAMINED

Five options were examined in this evaluation exercise:

- **Option 1** – Do Nothing (on site storage) – leave records in paper format and store onsite as required.
- **Option 2** – Outsource Full Storage – send all paper records to store offsite then to scan on demand (digitise) those records which need to be recalled.
- **Option 3** – Self Digitise all paper records over 7.5 - 8 years
- **Option 3A** – Self Digitise all paper records over 4 years
- **Option 4** – Outsource Digitisation of paper files with lifespan >10 years.

### Evaluation Outcome

The following are the scores of each option against the evaluation criteria. A high score indicates the option is capable of meeting the majority of the requirements or delivering the best possible outcome. Scoring from 1-3 (1=does not meet, 2=meets and 3=exceeds), with the exception of Financial which is scored on a scale from 2 – 10 with 10 being the most cost effective.

Evaluation Criterion	Option 1	Option 2	Option 3	Option 3A	Option 4
Design, Scope and Efficiency	1	2	3	3	3
Financial (see Appendix C)	4	10	6	8	2
Risk Assessment	1	2	1	1	2
<b>Total Score</b>	<b>6</b>	<b>14</b>	<b>10</b>	<b>12</b>	<b>7</b>



**Option 2** – Offsite storage is the preferred option.

### **Approach to the rationalisation of Live (open) files**

The Council's Digital Information Strategy states that services should be moving towards managing electronic files, likewise through physical office moves every team needs to review the documents they hold with the overall aim for services to reduce and digitise their records.

With the support of JMT (Joint Management Team) - Change Champions, Service staff and Project team members are identifying assets held, their location, format and status. This information will be used to update the corporate information asset register.

The approach to rationalisation is:

1. Challenge the physical storage of services by meeting with representatives (Change champions for the service). Mapping out each building and reviewing physical storage. Identifying the following:
  - Out of date information that is no longer required/outside retention.
  - Highlight where the information is held elsewhere physically and / or digitally.
  - Confirm what legislation covers the retention.
  - Where there is scope to reduce space used to store stationery and other consumables.
2. Services to pare down and destroy those documents which are not needed.
3. Of that which remains, determine what records need to be :
  - Stored off site
  - Stored on site
  - Scanned

Some very limited scanning can take place for paper records held by services, however there will not be any wide scale scanning of paper records.

### **TOTAL COSTS – REQUEST FOR EARMARKED FUNDS**

#### *Planned deployment*

	Records Manager	Support Staff	Scanning
2019/2020	£51K	£45K	£50K
2020/2021	£51K	£100K	
Total	£102K	£145K	£50K

Total = £297K

**General Purposes Committee is requested to agree to earmark £297k within reserves for Records Management, for deployment as above.**

## APPENDIX 4 – Performance New Indicator Per Page Report

### Indicator 50: GUM ACCESS - % seen within 48 hours ( % of those offered an appointment)

May-19

Target	Current Month	Previous Month	Direction for Improvement	Change in Performance
80.00%	87.00%	89.00%	↑	↓
Statistical Neighbours Mean (2017/18)	England Mean (2017/18)	RAG rating		
N/A	N/A	G		

#### Indicator Description

Description + Rationale of Indicator

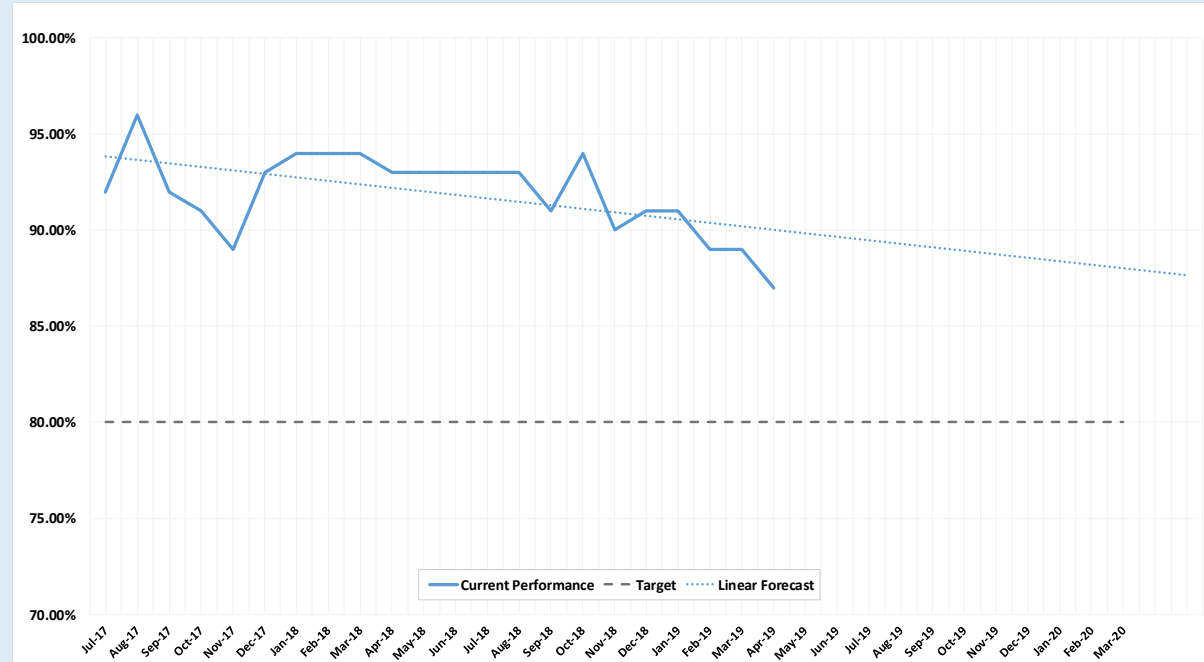
#### Useful Links

Local Authority Interactive Tool (LAIT):

<https://www.gov.uk/government/publications/local-authority-interactive-tool-lait>

LG Inform:

<https://lginform.local.gov.uk/>



#### Commentary

Page #

CHANGE IN FIGURES

Offsets Partial offsets

COMPLETE WHITE FIELDS - COLUMNS P AND Q

Scheme Ref.	Scheme Name	EXPENDITURE							TOTAL (£k)	FUNDING					Reason for Change in Spend / Rephasing	Is there a detailed plan for spend in place? Y/N
		Up to 2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	2022-23 (£k)	2023-24 (£k)	Later Yrs (£k)		Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)		
A/C.01.018	Pathfinder Primary, Northstowe	-197	197	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.020	Godmanchester Bridge, (Bearscroft Development)	-181	181	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.021	North West Cambridge (NIAB site) primary	-40	50	-10	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19 and slight slippage	
A/C.01.024	Clay Farm / Showground primary, Cambridge	-89	89	-	-	-	-	-	-0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.027	Ramnoth Primary, Wisbech	-181	181	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.028	Fulbourn Phase 2	357	-257	-100	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.029	Sawtry Infants	171	-2,425	2,254	-	-	-	-	-	-	-	-	-	-	- Scheme currently being rescoped	
A/C.01.030	Sawtry Junior	-300	-2,025	2,325	-	-	-	-	-	-	-	-	-	-	- Scheme currently being rescoped	
A/C.01.032	Meldreth	-113	63	50	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19, rephasing £50k into 2020/21	
A/C.01.034	St Neots, Winttringham Park	30	-0	-30	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.037	Chatteris New School	-243	0	243	-	-	-	-	-0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.038	Westwood Primary, March, Phase 2	-20	20	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.039	Wyton Primary	-42	-	42	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.040	Ermine Street, Alconbury, Phase 2	2	-100	98	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.041	Barrington	-128	-	128	-	-	-	-	-0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.043	Littleport 3rd primary	-	-130	130	-	-	-	-	-	-	-	-	-	-	- Small amount of slippage expected, work has not yet commenced	
A/C.01.044	Loves Farm primary, St Neots	-5	-50	55	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.045	Melbourn Primary	0	-0	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19 with small saving expected on overall project	
A/C.01.046	Sawston Primary	-104	-100	204	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.048	Histon Additional Places	-129	-6,459	3,688	2,630	270	-	-	-	-	-	-	-	-	- The Planning application for the relocation of Histon & Impington Infant School to the Buxhall Farm site and its corresponding change in age range to become an all-through primary school providing 420 places has been deferred until July 2019 on the advice of colleagues in Planning. This is to allow more time to prepare the case as it needs to meet higher tests than usual as Buxhall Farm is in the Green Belt.	
A/C.01.061	Gamlingay Primary School	-250	250	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.062	Waterbeach Primary School	-93	-200	293	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.063	St Neots Eastern Expansion	-84	84	-	-	-	-	-	-	-	-	-	-	-	- Saving made on contingency and risk	
A/C.01.065	New Road Primary	-245	100	145	-	-	-	-	-0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.01.066	Bassingbourn Primary School	49	-49	-	-	-	-	-	-	-	-	-	-	-	- Project tender was lower than anticipated resulting in a saving on this project	
A/C.01.067	WING Development - Cambridge	-24	-6,280	3,504	2,550	250	-	-	-	-	-	-	-	-	- Housing delays have resulted in this project being delayed by a year	
A/C.01.068	St Philips Primary School	7	10	1,620	-855	-732	-50	-	-	-	-	-	-	-	- This project has been brought forward a year, with savings made on the overall propject	
A/C.01.069	Caldecote Primary	10	-	-	-10	-	-	-	-	-	-	-	-	-	- Rephasing	
A/C.02.003	Littleport secondary and special	-52	52	-	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.02.004	Bottisham Village College	-126	160	-34	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.02.006	Northstowe secondary	2,644	-1,000	-2,644	-	-	-	-	-1,000	-	-	-	-	-1,000	- Savings of £1m made on tender. In-year spend lower than anticipated due to higher than budgeted spend in 2018/19	
A/C.02.007	North West Fringe secondary	-0	-2,618	-10,082	8,000	4,318	382	-	-	-	-	-	-	-	- Housing delays have resulted in this project being delayed by at least a year	
A/C.02.008	Cambridge City secondary	-535	400	135	-	-	-	-	0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.02.009	Alconbury Weald secondary and Special	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A/C.02.010	Cambourne Village College	873	-705	-18	-	-	-	-	150	-	-	-	-	-	- 150 Roll backward adjustment of -£873k. Also +£150k additional funding by prudential borrowing for temp accommodation approved by GPC at the 26th March 2019 meeting (Jan 19 IRPR )	
A/C.02.011	New secondary capacity to serve Wisbech	-25	-9,100	-12,875	20,500	1,000	500	-	-	-	-	-	-	-	- Slippage from September 2019 to January 2020 start date on site. Delays cause by a combination of delays linked to Highways and a need to rescope from an 8FE build to a 4FE build	
A/C.02.012	Cromwell Community College	148	-	-148	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.02.015	Sir Harry Smith	-1	-150	-1,649	-100	1,765	135	-	-	-	-	-	-	-	- Completion now not anticipated until 2023	
A/C.02.016	Cambourne West secondary	-160	-270	430	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.03.003	LA maintained Early Years Provision	-2,073	2,073	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.04.004	Morley Memorial Primary	-2	2	-	-	-	-	-	-0	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.04.006	Sawtry Village Academy	711	-711	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.04.007	William Westley	-1	1	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.04.008	St Ives, Eastfield / Westfield / Wheatfields	-55	-5,530	-1,646	-	-	-	-	-7,231	-	-	-	-	-7,231	- The Children and Young People's Committee requested a review of the capital scheme for the amalgamation of Eastfield Infant and Westfield Junior schools in St Ives with the target of reducing the cost to the original £7m identified in the Capital Programme plus any receipts to accrue from sale of part of the school sites. In the intervening period, a review of the latest demographic forecasts indicates that the demand for places is lower than previously expected, resulting in a requirement for a 420 place primary school rather than the 630 places originally anticipated. Further consultation is required with the schools and their community to determine whether the two governing bodies wish to proceed with the amalgamation proposals.	
A/C.05.001	School Condition, Maintenance & Suitability	-	1,123	-	-	-	-	-	1,123	-55	-	-	-	1,178	- Additional prudential borrowing request for £599k re Abbey Meadows approved by GPC at meeting 28th May 2019 (Outturn 1819 IRPR). Also a reduction on Schools Condition funding announced March 2019 (reflects Academy converters) which will be offset by a request for additional borrowing (£578,543). Plus additional SEN Funding 2019-20 announced Jan 2019	

CHANGE IN FIGURES

Offsets Partial offsets

COMPLETE WHITE FIELDS - COLUMNS P AND Q

COMPLETE WHITE FIELDS - COLUMNS P AND Q		EXPENDITURE								FUNDING						Reason for Change in Spend / Rephasing	Is there a detailed plan for spend in place? Y/N
Scheme Ref.	Scheme Name	Up to 2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	2022-23 (£k)	2023-24 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)			
A/C.07.001	School Devolved Formula Capital	-1,983	1,791	-	-	-	-	-	-192	-192	-	-	-	-	-	- Rolled forward £1983k carried forward from 2018/19. This is partially offset by a reduction in School Devolved Formula Capital announced in March 2019 of £191,617 reflecting academy converters. Anticipated expenditure reduced to offset reduction.	
A/C.08.001	Trinity School Hartford, Huntingdon	-53	53	-	-	-	-	-	0	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.08.006	Highfields Phase 2	-44	-	44	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
A/C.08.007	Samuel Pepys	11	-2,550	2,539	-	-	-	-	-	-	-	-	-	-	-	- Samuel Pepys is operating at capacity and a detailed feasibility study of the site has established that either additional site area needs to be acquired or the school needs to be relocated to a new site in order to enable the school to expand to meet the increased demand for places for children and young people with complex SEND in the local area. The associated costs of these options need to be reviewed to inform a decision on next steps in liaison with the Head teacher and governing body.	
C/C.1.005	Children's Services IT System	-895	895	-	-	-	-	-	-	-	-	-	-	-	-	- Staff time and consultants' time on the project that was planned for 18/19 will now take place in 19/20	
C/C.2.006	CPSN Replacement	-1,341	-1,490	-	-	-	-	-	-2,831	-	-	-	-	-	-2,831	- Revised timescale due to previous contract having been extended. An overall underspend is expected of which £450k has been reallocated to Essential Business Systems Upgrade and £520k reallocated to Mosaic.	
C/C.2.010	IT Infrastructure Refresh	-215	215	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
C/C.2.011	Replacement of office networking	-55	55	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
B/C.1.009	Major Scheme Development & Delivery	-	175	-	-	-	-	-	175	175	-	-	-	-	-	- Approved virement of £175k from Delivering the Transport Strategy Aims as Stunteny Cycle route already set up	
B/C.1.019	Delivering the Transport Strategy Aims	-1,711	1,546	-	-	-	-	-	-165	-175	-	10	-	-	-	- Rephasing of schemes into 2019/20 (£1711k). Also approved virement of £175k to Major Schme Development & Delivery as Stunteny Cycle route already set up. Plus £10k additional funding: Parish Fenstanton £5k Dry Drayton £5k.	Y
B/C.2.001	Carriageway & Footway Maintenance including Cycle Paths	-457	457	-	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
B/C.2.005	Traffic Signal Replacement	-1,070	1,070	-	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	
B/C.3.001	Highways Maintenance (carriageways only from 2015/16 onwards)	2,723	-	-	-1,577	-1,146	-	-	-	-	-	-	-	-	-	- Cambridgeshire Highways contract efficiency savings not able to realise in 18/19, therefore taken from future years. LTP underspends were utilised in 18/19 to reduce borrowing.	
B/C.4.001	Ely Bypass	-469	469	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of costs into 2019/20 - Outstanding land costs	Y
B/C.4.006	Guided Busway	-	-2,960	2,960	-	-	-	-	-	-	-	-	-	-	-	- To match likely spend for Busway for which land costs are still outstanding.	
B/C.4.021	Abbey - Chesterton Bridge	-1,325	1,325	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	Y
B/C.4.023	King's Dyke	-3,124	3,124	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
B/C.4.028	A14	-	150	-	-	-	-	-	150	150	-	-	-	-	-	- Additional funding - Cycling schemes £150k HE Grant	
B/C.5.012	Waste – Household Recycling Centre (HRC) Improvements	-164	-3,102	1,659	3,245	-1,638	-	-	-	-	-	-	-	-	-	- Rephasing of spend	Y
B/C.5.029	Energy Efficiency Fund	-151	151	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	Y
B/C.6.101	Development of Archives Centre premises	-397	397	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20 - will complete in 2019/20	Y
B/C.6.108	New Community Hub / Library Service Provision Darwin Green	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B/C.6.111	Community Hubs - Sawston	-689	689	-	-	-	-	-	-	-	-	-	-	-	-	- Delays due to legal issues re land	Y
B/C.7.002	Investment in Connecting Cambridgeshire	-5,633	5,633	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of BT payments	
F/C.1.117	Commercial Investments	-537	537	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend - more investments expected in 2019/20	
F/C.1.118	Smart Energy Grid Demonstrator scheme at the St Ives Park and Ride	-98	98	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.119	Babraham Smart Energy Grid	-69	69	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.120	Trumpington Smart Energy Grid	-22	22	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.121	Stanground Closed Landfill Energy Project	-57	57	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.122	Woodston Closed Landfill Energy Project	-39	39	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.123	Renewable Energy - Mere Farm, Soham	-23	23	-	-	-	-	-	-	-	-	-	-	-	-	- Rephasing of spend into 2019/20	
F/C.1.240	Housing schemes	-13,780	13,780	-	-	-	-	-	-	-	-	-	-	-	-	- Loans to This Land that were due to be issued in 2018/19 are now expected to be made in 2019/20	
F/C.2.112	Building Maintenance	-738	738	-	-	-	-	-	-	-	-	-	-	-	-	- Schemes not completed in 2018/19 due to delays in the tendering process will be completed in 2019/20	
F/C.3.109	Community Hubs - East Barnwell	-131	131	-	-	-	-	-	-	-	-	-	-	-	-	- Expenditure will take place once planning permission has been granted, which is expected to happen in 2019/20	
F/C.3.114	MAC Joint Highways Depot	-582	582	-	-	-	-	-	-	-	-	-	-	-	-	- Work to start once agreement with partners is in place, which is expected in 2019/20	
F/C.3.116	Shire Hall Relocation	-2,338	2,338	-	-	-	-	-	-	-	-	-	-	-	-	- Negotiations related to land purchase caused delays in the transactions for land - a deposit will be paid in May 2019 and the remainder paid when planning permission is granted in the autumn.	
***NEW SCHEMES***		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B/C.6.106	New Community Hub / Library Provision Cambourne	-190	190	-	-	-	-	-	-	-	-	-	-	-	-	- Work part of a bigger programme not just the Library	
B/C.6.107	New Community Hub / Library Provision Clay Farm	-42	42	-	-	-	-	-	-	-	-	-	-	-	-	- Work complete, awaiting invoicing and costs from City Council	
B/C.6.110	Milton Road Library	-431	431	-	-	-	-	-	-	-	-	-	-	-	-	- Work to be undertaken this year	Y
0	Cambridge Central BIPC	-51	51	-	-	-	-	-	-	-	-	-	-	-	-	- Work to be completed this year	
0	Replace two existing Mobile Libraries	-275	275	-	-	-	-	-	-	-	-	-	-	-	-	- Long procurement process to be completed this year	
B/C.4.017	Cambridge Cycling Infrastructure	-766	766	-	-	-	-	-	-	-	-	-	-	-	-	- Rolled forward funding from 2018/19	Y

CHANGE IN FIGURES

OffsetsPartial offsets

COMPLETE WHITE FIELDS - COLUMNS P AND Q

COMPLETE WHITE FIELDS - COLUMNS P AND Q		EXPENDITURE								FUNDING						Reason for Change in Spend / Rephasing	Is there a detailed plan for spend in place? Y/N
Scheme Ref.	Scheme Name	Up to 2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	2022-23 (£k)	2023-24 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)			
B/C.4.022	Cycling City Ambition Grant	-34	34	-	-	-	-	-	-	-	-	-	-	-	-	Rolled forward funding from 2018/19	Y
A/C.01.013	Fourfields, Yaxley	-59	59	-	-	-	-	-	-	-	-	-	-	-	-	Rolled forward funding from 2018/19	
C/C.1.001	Essential CCC Business Systems	-66	216	150	150	-	-	-	450	-	-	-	-	-	450	Some underspend from CPSN Replacement reallocated to this project for minor IT work	
C/C.1.004	Mosaic	-497	1,017	-	-	-	-	-	520	-	-	-	-	-	520	Some underspend from CPSN Replacement reallocated to this project to cover additional Mosaic costs	
C/C.2.008	Disaster Recovery facility for critical business systems	-353	353	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
C/C.2.009	Pro-active upgrade to Exchange email systems	-238	238	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
C/C.2.012	Laptop refresh	-224	224	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
	0 Libraries PNET Refresh	-443	443	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
	0 Improved Audio-Visual and Skype	-59	59	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
F/C.2.111	Shire Hall	-81	81	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
	0 Marwick Centre Roof Repairs	-113	113	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing of spend into 2019/20	
potholes	Pothole Action Fund	-	802	-	-	-	-	-	802	802	-	-	-	-	-	Additional funding - Paid from CA with main LTP funding	
	0 St Neots Northern Footway and Cycle Bridge	-	400	-	-	-	-	-	400	-	400	-	-	-	-	Additional funding	
Challenge	Challenge Fund	-708	708	-	-	-	-	-	-	-	-	-	-	-	-	Rolled forward funding from 2018/19	
Safer Roads	Safer Roads Fund	-146	146	-	-	-	-	-	-	-	-	-	-	-	-	Rolled forward funding from 2018/19	
Exacom	S106 monitoring database Exacom	-22	22	-	-	-	-	-	-	-	-	-	-	-	-	Rephased into 2019/20	
	0 Northstowe Heritage Centre	-	560	120	-	-	-	-	680	680	-	-	-	-	-	Funding for Northstowe Heritage Facility, funded by Highways England via DfT Designated Funds Programme	
B/C.4.032	Scheme Development for Highways Initiatives	-748	748	-	-	-	-	-	-	-	-	-	-	-	-	Rephased into 2019/20	
	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Rephasing into 2019-20	
	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		-41,498	1,362	-6,421	34,533	4,087	967	-	-6,969	1,386	400	10	-	-8,764			





**IT AND DIGITAL STRATEGY FOR CAMBRIDGESHIRE COUNTY COUNCIL & PETERBOROUGH CITY COUNCIL**

*To:* **General Purposes Committee**

*Meeting Date:* **16 July 2019**

*From:* **Sue Grace: Director of Customer & Digital Services**

*Electoral division(s):* **All**

*Forward Plan ref:* **2019/048** *Key decision:* **Yes**

*Purpose:* **To advise the Committee of:**

- **The proposed IT & Digital Strategy for Cambridgeshire and Peterborough**
- **The cost and resource implications of the IT and Digital Strategy**

*Recommendation:* **General Purposes Committee is requested to:**

- a) **Approve the IT and Digital Strategy;**
- b) **Agree the funding for this strategy as set out in Section 5 of this document.**

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
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Tel:	07565 009838	Tel:	01223 706398

## **1. BACKGROUND**

- 1.1 In 2015 Cambridgeshire County Council took the decision to investigate sharing services with Peterborough City Council. This started with the appointment of a shared Chief Executive post October 2015, followed by other shared senior management posts including, as of January 2019, the appointment of Sue Grace as Director of Customer & Digital Services for both authorities.
- 1.2 Some shared teams and front line services have been in place since 2017 and it is increasingly evident that there is a need for an IT and Digital Strategy to support these shared services and to progress the transformation of both councils.
- 1.3 With the appointment of Sue Grace, and Sam Smith as the shared Strategic lead for IT for Cambridgeshire County Council and Peterborough City Council, it is possible to create strategy to do that.
- 1.4 The County Council's IT has been provided through LGSS since 2011 prior to that it was, with the exception of network services, an in-house IT service. Although LGSS is a shared service the majority of staff providing IT to Cambridgeshire County Council are employed by and based in Cambridgeshire. LGSS is governed through the LGSS Management Board and Joint Committee. LGSS, including IT, is currently undergoing a Chartered Institute of Public Finance and Accountancy (CIPFA) review, the results of which are expected to be presented and then approved by the Joint Committee by early Autumn 2019.
- 1.5 On 28th May General Purposes Committee approved a report regarding the move of IT systems from Shire Hall, some of the content in this IT and Digital Strategy was contained in that paper. The 'Move of IT systems from Shire Hall' is a key aspect of the IT and Digital Strategy. This strategy provides a robust strategic context for this and other critical decisions regarding the future of our IT and Digital estate.

## **2.0 SUMMARY OF THE IT AND DIGITAL STRATEGY**

- 2.1 The existing and planned convergence of services across Cambridgeshire and Peterborough requires a step change in delivery of IT for both councils. The current arrangements have been ad-hoc and localised and are therefore, not as effective as they could be and in some cases are more expensive than they need to be.
- 2.2 This vision for future IT that has been articulated is for staff in shared services to be able to work effectively with colleagues across both organisations and be able to deliver more effective services to our citizens. Staff should have access to IT that supports this and enables secure, easy and robust sharing with collaboration tools delivered on a cost effective basis, with the minimum level of duplicate costs for equipment and licences.
- 2.3 In short converged IT systems supporting converged teams that can work seamlessly across the two organisations.
- 2.4 To deliver the vision articulated above a clear IT and Digital Strategy for Cambridgeshire and Peterborough is proposed. This is summarised below:



- Office 365 – more than just email;
- Shared IT Infrastructure;
- Converged Business Systems;
- Shared Digital approach;
- Shared Data to inform decision making;
- An organisational Structure for 2020 + beyond.

2.5 The full strategy is available as a separate document.

2.6 To ensure that the areas of work that provide the biggest benefit are implemented first certain activity has been prioritised and grouped into phase one of the strategy, these are listed below:

- Adult Services social care system, completing the implementation of Mosaic finance and implementing a mobile working solution that links to Mosaic;
- The implementation of the new, cross-organisational Children's social care system, LiquidLogic;
- Office 365'
- Shared web and digital platform, including a shared Customer Relationship Management system;
- Software to support business intelligence (Power BI)

It is anticipated that this activity will take 18 months to complete. During that time work will begin to look at what areas will be part of further phases.

### 3.0 STRATEGIC PRINCIPLES

In formulating the IT Strategy the following principles have been applied.

#### 3.1 Convergence

Strategically the principle is to *converge the IT systems and the supporting infrastructure* that is used by both authorities to reduce costs and to support the wider sharing of services across both.

#### 3.2 People

Supporting the converging of systems is the *ambition* of staff working together to support a single connected infrastructure and converged systems. This *ambition* is already informing the ways of working across the two authorities, with cross council teams allocated to key projects delivering to a clear set of objectives.

#### 3.3 Technical

In line with the strategic advice from LGSS, Serco and central government guidance, the IT and Digital Strategy for Cambridgeshire and Peterborough is based on a '*Cloud First*' approach.

### 3.4 Financial

At all points the IT and Digital Strategy will be focused on achieving *best value for money* for each and both councils. Business cases for each element of the strategy will be produced to support the draw-down of capital budget.

### 3.5 Data

The *data to enable strategic and operational decision making* should be accurate, available to decision makers as required and not duplicated.

## 4.0 CONSIDERATIONS/INTERDEPENDANCIES

4.1 The proposed IT and Digital Strategy is a wide ranging, cross cutting programme of work. What also needs to be acknowledged is that this programme does not exist in a vacuum and there are multiple interfaces and interdependencies. Where there are inter-dependencies this will be our approach.

### 4.2 Peterborough City Council Cabinet approval

4.2.1 The IT and Digital Strategy is one that supports the convergence and sharing of services with Peterborough City Council and proposes a shared and convergence set of IT Services. As such it needs to be approved by both councils and this is being co-ordinated. Peterborough City Council will consider the IT and Digital Strategy at its Cabinet meeting on 15th July 2019. The funding and staffing implications of the strategy will be considered in the early autumn.

### 4.3 LGSS

4.3.1 Concerning IT staff and proposed organisational change the LGSS Joint Committee will be considering options, and making a recommendation, on the future of the Cambridgeshire LGSS IT team at its Joint Committee meetings between July and September 2019.

### 4.4 ERP Gold

4.4.1 This system is primarily hosted in Northamptonshire (with resilience/back up in Cambridgeshire). The suggested approach is for this to be retained whilst recognising that the review of LGSS and the move to two unitary authorities in Northamptonshire does represent a risk. This requires further consideration, in particular to see if this could be hosted in the cloud.

### 4.5 Eastnet

4.5.1 The current network contract in Cambridgeshire (CPSN) will cease at the end of 2019 and will be replaced by Eastnet. In addition to being a significant programme of work on its own, there is a supplementary impact as CPSN is the primary source of networking skills for Cambridgeshire (supplemented by LGSS staff based in Northampton). These skills will need to be replaced (or staff TUPED) irrespective of the approach taken to overall IT staff provision in Cambridgeshire.

#### 4.6 Disposal of Shire Hall (Cambs 2020 Project)

- 4.6.1 As part of Cambs 2020 staff currently based in Shire Hall will move to work from other locations and the Cambridgeshire Data Centre will also be disposed of. The former will have an impact on the delivery of the strategy set out in this paper as the current LGSS Service is one of those located in Shire Hall. There needs to be careful consideration of where and how this team will work. Alongside this there is also a significant amount of work required from IT to support the overall change programme in the County Council.
- 4.6.2 The move of the Data Centre formed a separate bid for funding, approved by General Purposes Committee on 28th May 2019. The project planning for this significant 18 month programme of work is now underway.

### 5.0 COSTS

- 5.1 The strategic approach outlined in IT and Digital Strategy cannot be delivered without a significant programme of structured work across both councils. It is envisioned that this will be a 3-5 year programme. This programme will be part of the overall emerging project and programme governance structure across Cambridgeshire and Peterborough.
- 5.2 As mentioned in 2.7 a set of projects that make up the initial phase of the strategy have been identified. Some of these are already partially or completely funded, others will require additional funding as will the programme resource to ensure the IT Strategy is delivered. The areas that require additional funding are shown below.
- Office 365 for Cambridgeshire – the initial phase of this project (configuration, setup and migration of email and calendar) has been funded through a previous capital bid. Ongoing revenue costs and capital costs for further phases are included in this investment bid;
  - Shared web and digital platform, including a shared Customer Relationship Management system for Cambridgeshire and Peterborough;
  - Software to support business intelligence (Power BI) for Cambridgeshire and Peterborough
- 5.3 The indicative costs of this phase of work are summarised in the table below. It should be noted that these will be refined through the next stages of work. Costs that need to be shared across the two authorities will be done so in accordance with the Financial Protocol which is part of the Joint Working Agreement between Cambridgeshire and Peterborough approved by General Purposes Committee on 20 September 2018 and subsequently by Full Council on 16 October 2018. The draw-down of each tranche of funding will be accompanied by a business case for each project to ensure that suitable rigour has been applied in accordance with the agreed Financial Protocol.

Capital expenditure	2019-2020	2020-21	Total
Costs shared with Peterborough (Cambridgeshire share)	985,867	949,333	1,935,200
Costs specific to Cambridgeshire	352,607	414,425	777,639
Total budget	1,338,474	1,363,758	2,712,839

Revenue impact	Ongoing from 2021-2022
Costs shared with Peterborough (Cambridgeshire share)	20,000
Costs specific to Cambridgeshire	180,607
<b>Net revenue cost</b>	<b>200,607</b>

- 5.4 Phase one will also include investigation into how IT can be used in front line and back office services to provide further savings.
- 5.5 Some case studies have been identified illustrating areas where the IT & Digital Strategy will provide a return on investment, these are listed below and included as **Appendix 2**.
- Liquid Logic, shared Children's system
  - Business Intelligence for Peterborough and Cambridgeshire
  - Mobile working for Adults, Cambridgeshire case study

## 6.0 ALIGNMENT WITH CORPORATE PRIORITIES

### 6.1 A good quality of life for everyone

The following bullet points set out details of implications identified by officers:

- IT underpins almost all the services that the council provides to the citizens of Cambridgeshire and the IT and Digital Strategy is fundamental to the transformation of those services.
- Services will be designed with the citizens needs first & foremost.

### 6.2 Thriving places for people to live

The following bullet points set out details of implications identified by officers:

- IT underpins almost all the services that the council provides to the citizens of Cambridgeshire and the IT Strategy is fundamental to the transformation of those services.
- Services will be designed with the citizens needs first & foremost.

### 6.3 The best start for Cambridgeshire's children

The following bullet points set out details of implications identified by officers:

The IT and Digital Strategy will incorporate and underpin critical services and projects such as:

- The implementation of the new, cross-organisational Children's social care system, LiquidLogic.

## **7. SIGNIFICANT IMPLICATIONS**

### **7.1 Resource Implications**

- The IT and Digital Strategy responds to the increasing sharing of services between Cambridgeshire and Peterborough as well as the transformational activity required by the County Council.
- The costs detailed in Section 5 include the staff resource implications of the proposal for which additional funding is being requested.

### **7.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

The suggested approach will require the procurement of a number of items including software, hardware and professional services. The Council Contract Procedure Rules and Public Contract Regulations 2014 will be adhered to in all instances.

### **7.3 Statutory, Legal and Risk Implications**

There are no significant implications within this category.

### **7.4 Equality and Diversity Implications**

There are no significant implications within this category.

### **7.5 Engagement and Communications Implications**

There are no significant implications within this category.

### **7.6 Localism and Local Member Involvement**

There are no significant implications within this category.

### **7.7 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Yes Name of Procurement Officer: Gus de Silva
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	N/A
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	N/A
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Christine Birchall
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	N/A
<b>Have any Public Health implications been cleared by Public Health</b>	N/A

<b>Source Documents</b>	<b>Location</b>
General Purposes Committee – 28 May 2019	<a href="https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/917/Committee/2/Default.aspx">https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/917/Committee/2/Default.aspx</a>

## Appendix 1 IT Strategy to support sharing of services across CCC & PCC

### 1.0 Summary

1.1 This is the proposed IT Strategy to support the sharing of services between Cambridgeshire County Council (CCC) and Peterborough City Council (PCC). It sets out the following:

- Vision and Strategy for sharing services
- Approach to achieving the strategy and interdependencies with other projects/programmes
- Current & proposed IT structures
- Programme requirements

### 2.0 Vision

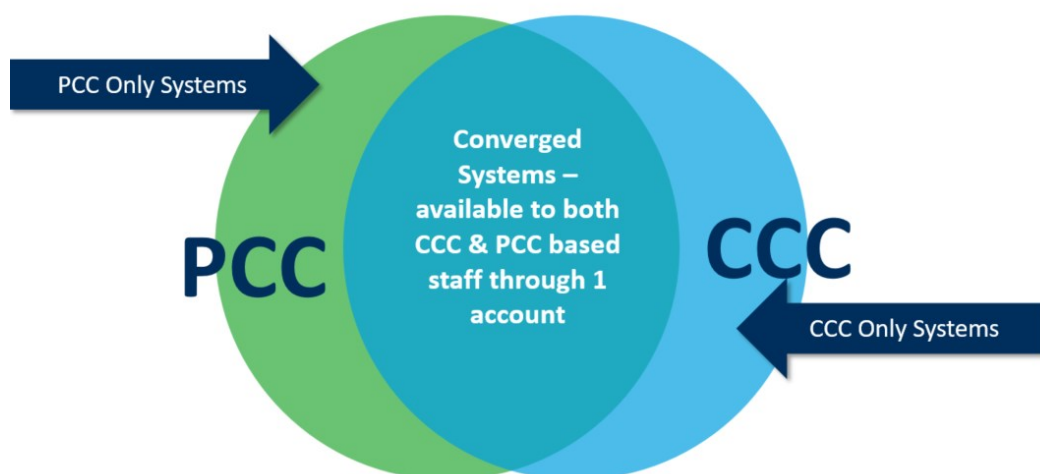
2.1 The Vision for shared IT services for PCC & CCC has been defined as the below.

**“Simplify, Standardise and Share”**

**Shared IT infrastructure** delivered by a single provider

Alignment/convergence of key **business systems** –

Shared **web and digital platform** between both authorities



2.2 This vision has been articulated in response to the existing and planned convergence of services across both CCC & PCC. For staff in converged services to be able to work effectively with colleagues from both organisations, and therefore to deliver effective services to citizens, it is essential that the IT provision supports and enables secure, easy and robust sharing and collaboration. It is important that this is done on a cost effective basis with the minimum level of duplicate costs for equipment and licences.

2.3 Currently some tactical arrangements are in place for some services, such as the Multi Agency Safeguarding Hub, but these are localised, require two logins for staff and rekeying of data between systems. As such, although functional, they are far from ideal and have resulted in the requirement for additional licences at additional cost. The shared services programme team are already seeing multiple requests from staff to have both CCC & PCC equipment in order to have access to systems and data across both authorities.

2.4 As more and more people require access to both PCC & CCC systems and data, without a comprehensive and strategic approach these tactical and costly solutions will proliferate.

### **3.0 IT Strategy – Cloud first**

3.1 To achieve the vision of converged IT systems supporting converged teams that can work seamlessly across the two organisations a cloud first strategy is proposed. This strategy follows the approach advised by central government and strategic work produced by both LGSS & Serco IT.

3.2 LGSS IT has produced a comprehensive strategy which has been reviewed and approved by Gartner<sup>1</sup> and can be applied to CCC & PCC. This strategy sets out a Cloud first converged approach for both traditional IT services and for digital services. But, why choose a Cloud first strategy at all?

3.3 One reason is the ‘push and pull’ effect; there is both a technical push from suppliers to host their systems in the Cloud and a pull resulting from the multiple benefits that Cloud hosting realises, such as:

- Innovation
- Security and governance
- Citizen self-service
- Flexible and collaborative working
- Access to a far greater range of digital services
- Automation of services where possible
- Rationalisation of business systems
- Integration of IT systems

3.4 An extract from the LGSS IT strategy states:

*“As local government authorities seek to do more with less, hybrid clouds seem like a natural fit. They allow IT to shift workloads between internal datacentres and a public cloud provider during peak periods. Cloud computing can reduce costs while boosting project flexibility. Digital transformation is a key driver for Local Authorities to allow citizens to interact and complete tasks effortlessly. Cloud technologies are more than often enablers of Digital Services”*

3.5 It goes on to describe how a well-developed, centralised cloud strategy which is informed by business strategy, provides strong foundations for governing the use of cloud services and that there are tangible service and cost benefits if it is carried out correctly.

3.6 Conversely, where a centralised cloud/cloud first approach is not adopted, organisations risk a piecemeal cloud migration resulting in issues around compliance and security, and significantly higher costs. More information on Cloud First approach as well as some common terms and concepts is available in Appendix 3

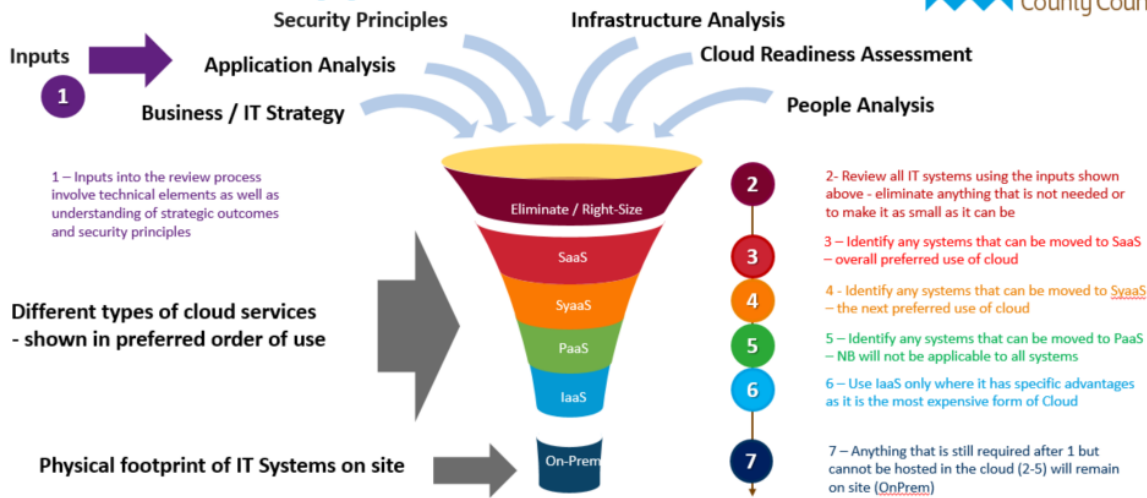
3.7 The best practice approach to migrating to cloud based services is shown below.

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<sup>1</sup> Global research and advisory firm providing insights, advice and tools for leaders in IT.



# Cloud first approach



7

## 3.8 Terms and concepts:

- Inputs include:
  - Application Analysis - review of applications in use across the Council
  - Infrastructure Analysis - review of infrastructure in use across the Council
  - People Analysis – profile of staff to understand requirements for systems
  - Business Strategy – strategic objectives of the Council
- Eliminate/Right size – Cease using applications that are not required or where functionality is available in other products. Or reduce the ‘footprint’ of others by scaling down capacity.
- Software as a Service (SaaS) - we ‘consume’ products that have been developed by the cloud providers (e.g. Microsoft Office).
- System as a Service (SyaaS) – Typically large Line of Business systems (e.g. Liquid Logic) hosted with providers but we are responsible for the system configuration to ensure they conform to and support our business processes. Note this is not an industry standard term but is used to identify large vendor hosted systems which require significant local configuration.
- Platform as a Service (PaaS) – these are a variety of software ‘tools’ or building blocks used to create other (typically Digital) products used in services such as Blue Badge.
- Infrastructure as a Service (IaaS) – Servers and other infrastructure that works the same and is configured in the same way as servers in the Octagon but hosted by Microsoft (Azure), Amazon (AWS) or other provider. Best used for services that can be switched off when not needed or need to scale up or down quickly.
- On Premise (On Prem) – Physical servers, storage (SAN), networking located on a site such as the Octagon data centre providing IT systems and services.
- Infrastructure/Application Analyst

## 3.9 The IT Strategy to support shared services across both organisations breaks down into the following areas.

- Office 365 – more than just email!
- Shared IT Infrastructure
- Converged Business Systems

- Shared Digital approach
- Shared Data to inform decision making
- An organisational Structure for 2020 + beyond

#### 4.0 Office 365 – more than just email!

##### 4.1 *Current situation*

4.2 Currently PCC use Google cloud software for web based email and calendar for almost all staff and Google Docs for many others. Conversely CCC have entirely Microsoft Office products services but these are On-Prem (physically located in the Octagon Data Centre) rather than cloud based. PCC by default use Chromebooks for mobile devices and CCC use Windows laptops. Therefore the starting positions of each authority are technically very different and this compounds the issues experienced by staff in shared teams.

##### 4.3 *Strategic approach*

4.4 From two very different starting points PCC & CCC are both moving to use Office 365 software. The Office 365 suite includes many new features and software tools/options which are part of the overall licence and therefore represent a sunk cost to each council. Most people will be familiar with Office 365 for email and calendar as well as Onedrive but there are many more modules including the following (not definitive list):

- **SharePoint/Teams** for collaboration
- **Flow** for workflow between applications
- **Stream** to share video of presentations, training sessions etc.
- **Forms & Planner** for surveys and planning team work
- **Sway** for interactive reports

4.5 In addition to the applications above Office 365 provides additional and constantly evolving functionality that can be utilised to ensure a more secure and compliant organisation, including the following areas:

- **Electronic discovery, (eDiscovery)**, additional tools to identify electronic information that can be used as evidence in legal cases as well as with Subject Access requests from members of the public
- **Access controls** (the selective restriction of access to information (e.g. documents))

##### 4.6 *Considerations*

4.7 Office 365 software is more expensive than previous version of Office and is a subscription service, which means it is an annual cost. This additional cost represents good value only if it is used and exploited effectively through changes in how staff interact with their IT and by IT supporting business change through use of the new features. It will also be important to move away from any other systems where functionality is duplicated in order to minimise expenditure. The collaborative capability of O365 means staff can stop using other tools such as Huddle. As each licence has a monthly and annual cost it will be necessary to review starters and leavers processes to ensure that these licences are only provided to those that need them and crucially not duplicated across PCC & CCC for staff working in shared teams.

#### 5.0 Converged Business Systems

##### 5.1 *Current situation*

5.2 Office 365 provides collaboration and efficiency options for staff and its importance to the IT Strategy can't be overstated, but what it won't do is provide any changes to the line of

business systems that are fundamental to service delivery for both PCC & CCC. Currently there are two separate sets of systems for each authority for each area of business and staff in directorates such as People & Communities are already faced with dual keying of information into some of these systems as well as having to use two logins and two devices. As well as being inefficient dual keying of data is notoriously prone to error and in front line services this could be potentially catastrophic. In addition to that reporting against two sets of separate systems has to be duplicated at every level, hindering the production of business insight and preventing sharing of key business intelligence services.

### 5.3 *Strategic approach*

5.4 CCC & PCC will align business systems, initially by using the same supplier and versions and then converging to a single version. The functional requirements for systems across the two councils have been mapped into a business systems map (Appendix 2). The majority of areas, Tier 1, have shared functions and therefore can be considered for shared systems. The exception being the Tier 2 Unitary functions of PCC which are not shared by CCC.

### 5.5 *Tier 1 functions and systems*

5.6 To address the needs of already converged teams across CCC & PCC the strategic approach is to converge business systems for certain services into a single version. This is an approach that will take some significant time (1-3 years) as these systems have underpinning contracts and dependencies that make any change a long process. Projects in this area include:

### 5.7 *Adults' Social Care*

5.8 Both CCC & PCC use products from the same vendor with CCC being on a later version (Mosaic) and PCC on an earlier one (Frameworki). A project is in flight to upgrade and convert the PCC version so it is aligned with that in use in CCC as an initial stage by the end of March 2020 and then for both organisations to move to a shared, single version of the system.

### 5.9 *Childrens' Social Care & Early Help*

5.10 Whilst CCC are implementing LiquidLogic, due to go live in October 2019, PCC are already using that system and are making some significant changes to improve its functionality and drive business process change. The changes will be mirrored in CCC's system when it goes live, enabling both authorities to converge in 2020.

### 5.11 *Education (Capita One & others)*

5.12 Work has commenced looking at what a converged option would be for this area.

### 5.13 *Highways – system to be confirmed*

### 5.14 *Tier 2 functions and systems*

5.15 For Tier 2 functions, that PCC do not share with CCC, the strategic approach is to look at convergence with district councils within the overall CCC/PCC boundary, in particular with the 3 councils that share the 3C ICT service. These councils have a clear strategic roadmap for systems and the Head of IT & Digital for 3C ICT is shared with the Programme Lead for the IT Strategy for CCC & PCC. This represents an opportunity to look at longer term convergence of systems and in the short term a single approach to procurement of these large and expensive systems.

### 5.16 *Other functions and systems*

- 5.17 Outside of the Tier 1 & Tier 2 systems there are other functions within PCC & CCC where convergence of business systems presents an opportunity. These include:
- Property Services – system to be confirmed
  - ERP - CCC currently use the LGSS provided ERP Gold system for integrated HR, payroll and finance. PCC do not have an integrated system and have separate solutions for each function. More and more staff in the shared services are working in roles that cut across both organisations and also work in or manage teams that do the same. ERP Gold is capable of being configured to support shared services across multiple organisations and is already doing so for LGSS. The knowledge and expertise to implement and support that also exists within LGSS. Consideration should be given to whether CCC & PCC both utilise the ERP Gold system.

## **6.0 Shared Infrastructure**

### *6.1 Current situation*

6.2 CCC & PCC currently have entirely separate IT infrastructures, housed in separate physical datacentres (Octagon in Cambridge & Sand Martin House in Peterborough). PCC have a large amount of IaaS (Infrastructure as a Service). Because of this complete physical separation there are almost no points of convergence or sharing across these infrastructures. As stated in section 5 CCC & PCC will be converging and sharing business systems and the majority of those systems will require a shared infrastructure to support that convergence.

### *6.3 The problems*

6.4 In addition to the physical separation of existing infrastructures, each authority faces a problem with their current IT Infrastructure.

- For PCC this is the ongoing and increasing cost of the Infrastructure as a Service (800k per annum)
- For CCC this is the upcoming disposal of Shire Hall and the DataCentre in 2020.

### *6.5 Strategic Approach*

6.6 In order to address the problems above, support converged business systems and to further the strategic aims of the councils this strategy includes a specific workstream to identify and design the optimum and most cost effective shared infrastructure to support convergence of people, teams, systems and data.

### *6.7 Options*

6.8 There are several options to be considered to achieve this strategy – summarised below:

1. One organisation hosts all the systems and the other accesses them from their home network using existing or expanded equipment
2. Both organisations purchase new infrastructure in the same physical space and share this between them
3. One organisation hosts all the systems and the other accesses them from a cloud network
4. Both organisations create a shared infrastructure in a cloud network and share this between them

Options 2 & 4 are both being progressed to assess technical feasibility, cost and fit with other work (Office 365 and Converged business systems).

### *6.9 Considerations*

6.10 A shared infrastructure is an important part of the overall IT Strategy and a fundamental building block for convergence of systems, data and process. It is important to note that it is not in itself a solution. We need to understand what it will and won't deliver and see it in the context of the overall IT Strategy.

6.11 Shared infrastructure will:

- Support the move to converged systems
- Allow for secure and easy sharing of information across all services
- Support collaborative working across all services
- Allow standard business processes to be implemented quickly and consistently
- Reduce capital costs of system upgrades (upgrading one system not two)
- Enable services to take out cost through process change and integration of teams

6.12 Shared Infrastructure will not:

- Be achieved without investment
- Work without commitment to the shared vision from right across the two councils so the benefits of the systems' change can be realised in services

## **7.0 Shared Digital approach**

7.1 *Current situation*

7.2 As with other areas covered in this document the digital approaches of the two councils have up to this point been quite divergent with different systems and support models.

7.3 *Strategic approach*

7.4 The strategic approach to a shared digital solution has two key elements, shared systems and shared content/usage.

7.5 *Shared Systems*

Opportunities include:

- Re-procuring a web Content Management System
- Re-procuring the Customer Relationship Management system to strengthen links between the web and our contact centres
- Working together on use of other digital tools – Directories, Forms packages, Mobile working

7.6 *Shared Content/Usage*

- Write once use often
- Supported by a shared Communications team delivering standard communications using a shared language and tone

## **8.0 Data to inform decision making**

8.1 *Current situation*

8.2 There is a pressing need for improved business intelligence to inform both CCC & PCC in their own strategic and operational decision making, in particular supporting planning to identify where there are areas of potentially avoidable spend. As the management and approaches to shared services align between the two authorities, following the fact that the people we support do not necessarily see the administrative boundary between Cambridgeshire and Peterborough, the need for analysis and intelligence to be consistent is increasing also.

- 8.3 This intelligence is needed by officers and members to support initiatives such as Think Communities, with its ambition for data and intelligence to be shared between public sector organisations and the public leading to effective and integrated service delivery. This intelligence needs to be informed by and shared with other organisations to gain the full picture of need and spend across the geography.
- 8.4 There is a single Business Intelligence service across CCC & PCC but the data is stored separately and the tools used for extraction and reporting are different. As a result, although effective at reporting in their individual organisations, the teams are unable to provide joined up intelligence in the way described above. This also impacts our attempts to share and join data with other organisations' business intelligence teams.
- 8.5 *Strategic approach*
- 8.6 The strategy in this area is to implement software to enable staff at operational and strategic levels in CCC & PCC to intuitively interrogate and explore data, so as to make data driven decisions, with full integration to Office 365 as well as publication and collaboration options. This would be based on a Power BI platform, which presents data interactively and fully integrates with other features of Office 365 and the user desktop. Power BI can be connected to a variety of existing data sources (such as case management systems in social care), but a cloud based solution providing a data 'lake', an automated multi source data loading, single view of the truth, master data management and advanced analytics is the strategic goal. What this means is summarised below:
- We would have the infrastructure to combine and connect different data sources (such as local authority case management systems, but could also include information from partners too, such as health data)
  - We would have the software to help us to visualise the data in an attractive and accessible way
  - The software allows managers and staff to explore pathways through their own data, so they can discover the most important factors driving trends
  - The integration and collaboration features allow our staff to share what we discover with the right people easily & quickly
  - The infrastructure allows us to automatically update dashboards and analytics, so that we have the most up-to-date picture of what is going on as possible without the need for labour intensive manual work to update a report
- 8.7 Some other local authorities are moving to using this model and others are considering it, which would present an opportunity to share knowledge and expertise in setting up the platform as well as data and intelligence when it is up and running. Local authorities have the scope, scale and expertise to be leaders in partnerships in this area to combine different data sources.

## **9.0 Organisational Structure for 2020 + beyond**

### *9.1 Current situation*

- 9.2 In Peterborough IT is outsourced via a managed service contract to Serco and in Cambridgeshire it is part of the overall LGSS shared service. A recent restructure has resulted in a single IT & Digital Service for Cambridgeshire & Peterborough reporting to Sue Grace as Director. This marks the beginning of a real opportunity to converge not just the IT systems but the IT services and provision to support the wider sharing of services across the front line directorates. This service includes client teams as well as service delivery teams across both authorities.

#### 9.10 *Strategic approach*

9.11 Cross team working is already in place to support discrete projects across both authorities and this will continue. To support the convergence of front line services, business systems and infrastructure the strategic approach is to have a single organisational model of IT staff.

### **10.0 Implementation Approach**

- 10.1 In order to deliver the significant change that has been outlined above, a structured programme of work is required. The joint ICT strategy programme will operate collectively between PCC and CCC and both councils will adopt a standard operating model that will determine the governance arrangements and controls, with clear lines of roles and responsibilities, to deliver successfully the strategy.
- 10.2 Central to the approach will be the co-design of change between the ICT service, operational teams that are impacted and service users, as appropriate. This will ensure that any changes required to achieve the strategy will be aligned to business needs.
- 10.3 A stage gate approach will be followed that will use milestone quality criteria as a means of controlling delivery of activities to time, cost and quality. This will ensure that the Councils are able to balance the need to deliver at pace, whilst introducing change incrementally.
- 10.4 This approach will:
- Ensure that each project is supported by a robust business case
  - Ensure sufficient design is carried out before implementing change
  - Ensure third party providers are given comprehensive requirements to hold them to account
  - Deliver the change within agreed timescales
  - Provide clarity on decision-making during the project lifecycle
  - Enable both Councils to plan staff involvement to minimise the impact on daily operations
  - Provide rigor around delivery but flexibility to respond to change

### **11.0 Programme Plan**

The programme is expected to run for at least three years and phase one will incorporate current work already underway, such as introducing Office 365 and merging both Adult & Children's Social Care systems.

The projects will be structured across six workstreams:

- Office 365 – more than just email!
- Shared IT Infrastructure
- Converged Business Systems
- Shared Digital approach
- Shared Data to inform decision making
- An organisational Structure for 2020 + beyond

## **Appendix 2 – Cloud First**

### **Extract from Government Cloud First policy**

#### **“Consider cloud solutions before alternatives**

When procuring new or existing services, public sector organisations should consider and fully evaluate potential cloud solutions first before considering any other option. This approach is mandatory for central government and strongly recommended to the wider public sector.”

#### **“Public cloud first**

By Cloud First, we mean the public cloud rather than a community, hybrid or private deployment model. There are circumstances where the other deployment models are appropriate but the primary benefits for government come when we embrace the public cloud. Departments are encouraged to initially consider Software as a Service models, particularly for their enterprise IT and back office functions.”

Extract from LGSS IT Strategy



## **Appendix 3 – IT & Digital Strategy: Case studies**

### **Case Study1 - Liquid Logic, shared Children's system**

#### **Introduction**

The Business Systems workstream in the IT and Digital Strategy is centred around the principle of bringing together systems across Cambridgeshire and Peterborough wherever we have shared teams delivering a service across the two councils.

For these services to work effectively we need to take out the inefficiency of shared teams having to record and look up information in two completely different systems, a different one for each Council. Working in this way inevitably slows down the whole process, which could pose a risk to those we are supporting.

Given the critical nature of the work we do in Children's Services this is one of the areas we prioritised for streamlining business systems across the two Councils.

#### **Children's Services' Systems change**

A system called Liquid Logic was already in use in Peterborough and in 2018 the decision was taken for this system to be procured and rolled out in Cambridgeshire as well. A project is now well underway upgrading and carrying out improvements to the system in Peterborough so that this system can then be mirrored across into Cambridgeshire. The go-live date for Liquid Logic in Cambridgeshire is October 2019.

The effectiveness of Children's Services is intrinsically linked to the effectiveness of the business system that supports the service. In this case study we identify two key areas where having Liquid Logic operating across both Councils will represent a significant improvement on the current way of working. We also summarise some of the other benefits of working in this way.

#### **Multi-Agency Safeguarding Hub**

Cambridgeshire and Peterborough have developed a joint Multi-Agency Safeguarding Hub [MASH]. This is a critical element of safeguarding children and young people and is always a key focus of any OFSTED inspection. Liquid Logic offers a MASH Module which is tried and tested. It supports robust inter-agency decision making about children and young people and because it shares the same database between Social Care and Early Help services this enables the MASH to step children down from Social Care to Early Help seamlessly. Having a single, shared system will enable managers to track the journeys of children to see any anomalies that may point to problems with the operation of the overall child protection system.

#### **Family Safeguarding**

Family safeguarding is an approach whereby multidisciplinary teams work with families with the most complex needs – those where adults have mental health issues, substance or alcohol misuse issues, or are affected by domestic abuse – and often a combination of two or all of these factors.

Family Safeguarding brings adult mental health, substance misuse and domestic abuse workers into children's teams; these work to a single family plan, supported through group supervision. Developed in Hertfordshire, this model has seen a reduction of 20% in numbers on child protection plans and 7% in numbers in care.

The Department for Education [DfE] has issued guidance to all local authorities that they should adopt this model of intervention. Peterborough has been piloting the model and now

Cambridgeshire has been awarded between £3.5M and £4.0M by the DfE [the amount is yet to be confirmed] to develop this approach across the county.

Liquid Logic has worked closely with Hertfordshire and has developed a family work book that enables all those working with the family to record information in the same case file. Hertfordshire has negotiated with the local judiciary that the workbook replaces the need for separate statements in care proceedings. This means the process is more seamless for the family, and for those professionals supporting the family. Liquid Logic is unique in having this workbook. This demonstrates how a fit for purpose business system can have a direct impact on helping us to improve the lives of those we are here to support.

## **Summary of Operational Benefits**

Other operational benefits of having an aligned IT system for Children's Services across Peterborough and Cambridgeshire are:

- *Improved case management* – a common system and common processes give visibility of case status across Peterborough and Cambridgeshire ensuring that initial contacts are routed correctly reducing the risks involved, for the Police and other agencies, of contacting the wrong authority.
- *Better data quality* – given the complexity and sensitivity of this area of work, combined with the need for prompt action, having a single system means we can have a single dedicated team of staff supporting children's activity in the contact centre and the MASH who are able to process contacts more quickly.
- *Simplified structures* – there will be a number of teams that will need to operate across both local authorities who will need to use the relevant system in each authority. One system makes this so much easier.
- *Background checks* – are required for Children's enquiries, having fewer systems where information needs to be reviewed and then having a common system where subsequently information has to be recorded will improve the accuracy of findings and recordings.
- *Transitions* – i.e. people who move across the Peterborough /Cambridgeshire border, here having one system will support the continuity of record keeping. One record per customer on one system.
- *Shared costs* – future IT development costs can be shared with Peterborough, likewise training costs/ packages and reporting systems/capabilities.
- *Shared expertise and resilience* – having a single team, made possible by having a single system, improves resilience and provides a better basis for expertise to be shared and developed. Induction for new staff into the service is quicker with only one system to learn, leading to a better user experience.
- *Partners* – as the model develops with other agencies, we would want our respective systems to 'talk' to each other. Integration costs increase in accordance with the number of systems used. The complexity of such integrations can have an impact on system reliability. A number of partner agencies operate across the Cambridgeshire / Peterborough boundary in future they will only have to deal with one system not two.
- *Web service and other line of business integrations* – would be more costly with two systems e.g. we will be able to develop a customer online offering which integrates with this one system.

- *Supporting the delivery of savings* – in Cambridgeshire there are significant potential savings and cost avoidance opportunities. These arise from sharing of infrastructure costs across the two authorities and, more significantly, from demand management opportunities. Family Safeguarding is associated with reductions in numbers of children in need, in need of protection and children in care. Hertfordshire achieved reductions of around 7% in demand. Peterborough has significantly fewer children in care per 10,000 than statistical neighbours with Family Safeguarding in place for the last 18 months. Cambridgeshire has a higher number of children in care per 10,000 than statistical neighbours, illustrating the potential for demand management.

### **Future Developments**

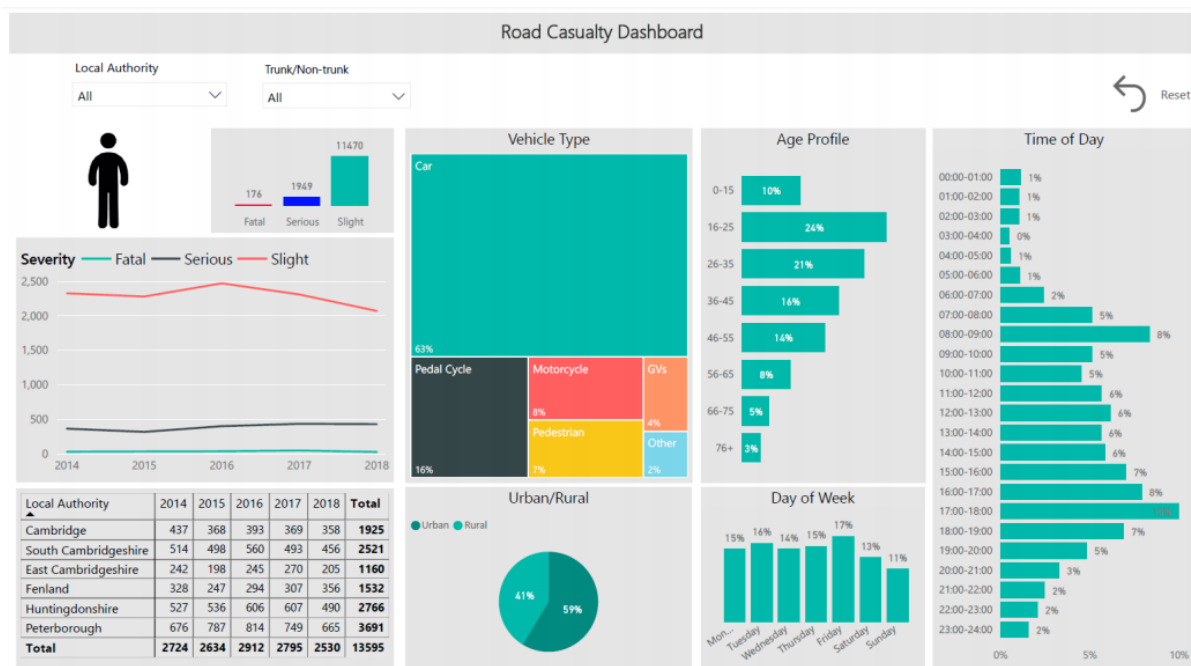
At the moment we are working to align the Liquid Logic systems between the two Councils however, we are looking at whether we should move to a fully converged, single IT system for both Councils. Understanding where this would be beneficial from an operational perspective, how this could be done and whether it would enable us to reduce the costs of the system will all be investigated in the coming months.

Liquid Logic also offers modules supporting SEND [Special Educational Needs] processes, as well as broader education functions. If we could adopt these modules they too would share the same database with Children's Social Care and Early Help. Reducing the number of separate databases that store the details of individual children and young people will improve our ability to support these children and young people. For example, we could monitor children missing education with those who are flagged as at risk to exploitation all within the same system. Such developments would strengthen our ability to support children, young people and their families; again this is something we will be investigating in the coming months.

### **Case Study2 - Business Intelligence for Peterborough and Cambridgeshire**

#### **Power BI dashboards**

Power BI provides powerful analytical functions, that allow repeatable analysis of datasets along many dimensions. We are already making use of Power BI Desktop to produce dashboards such as the recently completed Road Casualty Dashboard. This dashboard takes 5 years of road accident data and allows analysis by type of road, vehicle type, severity of accident, location, day of the week, age, time of day. This has two benefits, firstly that staff looking at ways to reduce accidents can immediately see and investigate patterns in the dataset – for example to look at whether accidents involving a particular type of vehicle happen at particular times of the day or week, and who those accidents happen to most often. The second benefit is that this speeds up the production of analysis, as the dataset simply has to be refreshed rather than re-running the whole analysis by hand.



Power BI Premium increases the publishing and security options available to us. For example, it allows us to publish dashboards so that they can be accessed via a web browser when logged in to the Council network. This means that we do not have to install software on staff laptops (which makes access much more straightforward and reliable), and allows us to integrate access permissions so they are appropriate for each staff member. Individual staff members can interact with their data much more easily – for example, they could set an alert on a measure so if it increases above a certain level they receive a notification.

For more information see

[https://cambridgeshire.cmis.uk.com/ccs\\_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1142/Committee/7/Default.aspx](https://cambridgeshire.cmis.uk.com/ccs_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1142/Committee/7/Default.aspx)

## Integrated data layers – the Kent Integrated Dataset

Currently, across the health and social care system in Cambridgeshire and Peterborough, providers such as Councils and NHS agencies have access to datasets about service user or patient needs and service activity. We also individually have access to other datasets about place, such as deprivation, the economy, and consumer preferences. Joining these datasets together is done on a one-off basis as we do not have the infrastructure for doing this routinely.

Kent County Council has developed an integrated health and social care dataset called the 'Kent Integrated Dataset'. It combines GP practice, community health, mental health, out of hours, acute hospital, public health, adult social care and hospice data into one dataset. The dataset provides person level administrative activity and cost data, linked through NHS number, but anonymised so individuals cannot be identified (names are removed, dates of birth become age, and address becomes Lower Layer Super Output Area). This allows the pathways people take to be traced through the system so we can understand their needs, what they accessed when and how much it cost, linked to some demographic details about them. By including other datasets (e.g. segmentation data about consumer preferences) we can build up a rich picture of who is accessing which services when and why.

This can be used for

- Estimating the return on investment of commissioning decisions
- Determining the impact of different services, including non-NHS services, on well-being
- Evidence led service design

- Developing new payment models
- Advanced public health intelligence, to support effective targeting of prevention and population budgeting

#### Doing this requires

- Resourcing a development project
- Substantial computing power to match up records from multiple providers and manage the pseudonymisation process
- Commitment from partners across the system to the project, to manage their data well, and provide technical support to the development and maintenance of the dataset as required
- A full and comprehensive information governance framework which allows all providers to fully satisfy their obligations as data controllers

Doing this ‘in the cloud’ simplifies the network connections that need to run between partners and the central database, and allows for the deployment of variable amounts of computing power as necessary to do the matching, pseudonymisation and integration of the dataset. It also allows the use of features such as machine learning which rely upon significant computer power which is more easily available from a cloud-computing provider.

For more information see [https://www.kpho.org.uk/data/assets/pdf\\_file/0004/74146/Kent-Integrated-Dataset-August-2017.pdf](https://www.kpho.org.uk/data/assets/pdf_file/0004/74146/Kent-Integrated-Dataset-August-2017.pdf)

### Case Study3: Mobile working for Adults, Cambridgeshire case study

#### Introduction

Mosaic, the social care management system, was implemented in Cambridgeshire in October 2018, with the finance module being fully deployed across all types of payments by October 2019. Work is now underway to upgrade the current Adult social care management system in Peterborough, called Frameworki, so this system can be converted to Mosaic by March 2020. At this time both councils will be working to the same, fully aligned IT system. This will facilitate the sharing of this service across the two councils.

Mosaic enables social workers, and other Adult services’ practitioners, to share best practice and to simplify the recording and monitoring of support pathways to better manage our community’s social care needs.

#### Impact of Mosaic Implementation

Mosaic is already making a difference to our frontline workers. They are inspired and excited by the breadth of its capabilities and the time it’s saving them; time that can be re-invested in supporting those who need our help. Examples of recent feedback:

“I feel that the Mosaic System has provided a streamlined system to record information on the people we support, the steps will ensure the same information is being asked of individuals..... It’s clear on the history to show who has worked on what piece of work”. *Adult Support Worker, Learning Disability Partnership*

“In Customer Services we have a clearer picture of the care pathway and the majority of the time can easily track and progress service users, carers, professionals and members of the public contacts onwards for resolution to relevant teams”. *Customer Service Advisor, Customer and Digital Services*

“There are quite a few worksteps where information pulls through from preceding worksteps (eg from the last assessment into the next one) or is pre-populated from core data (eg GP details)

which reduces the need to re-enter the same information each time. The system prompts you as to what you actions you might need to do next (& sometime prevents you from proceeding if you haven't done them or have selected an inappropriate action)". *Social Worker, Hospital Discharge Planning Team*

### Implementation of Mosaic Mobile

We want to build on the implementation of this case management system so we can exploit the opportunities of this new system.

Mosaic Mobile, or TotalMobile, is a mobile 'app' which integrates with the Mosaic case management system. This will mean front line workers' appointments, key summary information, progress notes and assessment forms will be available on their mobile device. Any assessment forms or other data entered via the mobile device will be synchronised into Mosaic whenever the device is within range of WiFi or a mobile signal.

Modelling has been carried out that indicates that use of this mobile working system will lead to a 16% increase in efficiency (25 calls per week, up to 31 calls per week). This will be monitored post implementation to ensure the system is delivering the required results.

Assuming Totalmobile delivers the expected 16% efficiency, potential savings arising from the increase in efficiency of the service could be realised in three ways:

- Option One – maintaining staffing levels in the service and delivering demand management / cost avoidance savings through increased Reablement activity;
- Option Two – maintaining current Reablement activity, but doing this with fewer staff;
- Option Three – a mix of Options One and Two.

The service will decide how it wants to realise the savings. The potential savings represented by these three options are:

- Option One – demand management = £1.6m per year or,
- Option Two – staffing reduction = £0.8m per year or,
- Option Three – mixed (50% of each) = £1.2m per year

Using the mixed approach as an example, to manage demand and reduce staff, this would represent a return on investment as set out below:

Blended Version	2019/20	2020/21	2021/22	2022/23	Total
Assumes 50:50 on Savings	£000	£000	£000	£000	£000
Implementation cost	368	0	0	0	368
Increase in running costs	70	139	139	139	487
Demand Management	0	-811	-811	-811	-2,433

Establishment Reduction	0	-413	-413	-413	-1,239
<b>Net Total</b>	<b>438</b>	<b>-1,085</b>	<b>-1,085</b>	<b>-1,085</b>	<b>-2,818</b>

One Mosaic is fully operational in Peterborough we will look to replace the current mobile working 'app' for the Reablement team, which does not link back to the case management system, with TotalMobile so these benefits can be delivered in Peterborough as well as Cambridgeshire.

1. Demand Management = £1.6m per year
2. Staffing reduction = £0.8m per year
3. Mixed (50% of each) = £1.2m per year

Benefits include:

- Improved productivity by providing more services to more people
- Improved morale and social work practice in front line teams
- Use of a dynamic scheduling system to:
  - Allocate resources more effectively to meet current and future demands
  - Improve customer expectations and experience of services
  - Reduce the risks associated with lone working and personal safety
  - Improve the quality of life and wellbeing of workers and customers





**COMMENCEMENT OF THE TENDERING PROCESS FOR BANKING SERVICES**

**To:** General Purposes Committee

**Meeting Date:** 16 July 2019

**From:** Deputy Chief Executive and Chief Finance Officer

**Electoral division(s):** All

**Forward Plan ref:** 2019/051 **Key decision:** Yes

**Purpose:** The Council's existing banking services with Barclays will come to an end in February 2020.

There is a need to procure replacement banking services in order for the Council to be able to manage its financial operations and to have proper financial arrangements in place.

This report provides an overview of the current banking arrangements and outlines the process and timelines proposed to procure a new banking services contract.

**Recommendation:** The Committee is asked to:

- 1** Approve the commencement of the procurement process for the Council's banking services from March 2020; and
- 2** Delegate authority to the Deputy Chief Executive (S151 Officer) in consultation with the Chairman of the Committee to award the contract following the procurement process.

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## **1. BACKGROUND**

- 1.1 In 2012 the Council entered into a three way contract for banking services with Northamptonshire County Council (NCC) and Hertfordshire County Council (HCC). The contract lead for the procurement and the ongoing relationship was HCC. Barclays Bank were awarded the contract in May 2012 for a period of 5 years plus a 2 year extension. At the time of implementing the contract there was a dedicated project manager and project team with representatives from relevant parts of the organisation such as finance, schools finance, business systems and treasury amongst others.
- 1.2 The existing bank contract with Barclays expired in May 2019 however it was agreed by all 3 authorities to extend the contract for a further period of 9 months to February 2020 on the existing tariffs. Annual costs for the existing contract with Barclays are in the region of £50k but are dependent on volumes and types of transactions incurred.
- 1.3 The three authorities no longer wish to maintain the joint procurement approach meaning that the Council must put in place alternative arrangements when the current extension ends in February 2020. This report seeks approval from the Committee to commence the procurement process to put in place a new contract for banking services.

## **2. MAIN ISSUES**

- 2.1 The banking services are critical to the proper financial management arrangements of the Council which the Section 151 Officer must ensure are in place. The banking services contract whilst not a substantial annual sum (c£50k dependent on transaction volumes) is a significant amount over the life of the contract. It is a major undertaking to change the banking arrangements, which include maintained schools. Typically contracts for banking services by other local authorities tend to be procured over a period of 5 to 10 years with appropriate break points in the contract. The proposal is therefore to tender for a 5 year contract with extensions of 2 years, plus 2 years, plus 1 year giving an overall contract period of 10 years.
- 2.2 Based on an estimated annual value of £50k and a proposed contract life of 10 years the overall contract value is expected to be £500k. This makes it a key decision for the Council and also means that an Official Journal of the European Union (OJEU) procurement process is required.
- 2.3 The following are the stages and considerations in the procurement timetable, process and implementation:
  - a) Relevant approvals sought to proceed to procurement – this report.
  - b) Early engagement of all stakeholders to support the development of the specification and ensure the business needs are understood and factored in. This work has started with relevant LGSS services (accounts payable, accounts receivable, business systems, schools finance, pensions and so on) in readiness that the approval is given.

- c) Drafting of the specification, questions and pricing criteria completed. This may have a greater weighting to social value than has been the case in the past and enhanced digital services. The Section 151 Officer has approved the use of a specialist consultancy firm to support the development of the specification given the complexity of banking contracts and associated terms and conditions and to bring in the skills required to do this which are not available within the organisation itself. This consultancy firm will deliver key outcomes for a fixed price which include supporting the development of the specification, and if the procurement is approved, support Officers in responding to bidder clarification questions and finally support the pricing evaluation once bids are received.
- d) Undertake the OJEU procurement process based on a planned timetable as follows:

Stage	Length (Days)	Start Date	End Date
Post OJEU Notice	0	1 Aug 2019	1 Aug 2019
Issue Invitation to Tender and Receive Bids	40	2 Aug 2019	11 Sep 2019
Bid Evaluation	45	12 Sep 2019	27 Oct 2019
Notification of Intention to Award (minimum)	10	28 Oct 2019	6 Nov 2019
Contract Award	0	7 Nov 2019	7 Nov 2019
Implementation	100	8 Nov 2019	26 Feb 2020

- e) The cost to change from one banking provider to another are expected to be between £50k and £100k. This would cover project management of the procurement process, potential business system reconfiguration and testing, process reengineering where needed, management and migration of maintained schools to a new provider, coordination and setting up of training with end users and process owners, and customer management / communications amongst other activities. Work is ongoing to identify these costs and consideration will be given to the support provided (financial or otherwise) by potential bidders in the tender specification.

2.3 Procurement colleagues and LGSS Law have been engaged in the planning discussions to date with finance staff to ensure appropriate consideration and due process is followed. The input of these services, if the procurement is approved, will be crucial to ensure a fully compliant procurement process that achieves a successful outcome.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 A good quality of life for everyone**

There are no significant implications for this priority.

#### **3.2 Thriving places for people to live**

There are no significant implications for this priority.

#### **3.3 The best start for Cambridgeshire's children**

There are no significant implications for this priority.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

The resource implications are covered in Section 2.

#### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

The procurement implications are covered in Section 2.

#### **4.3 Statutory, Legal and Risk Implications**

The statutory, legal and risk implications are covered in Section 2.

#### **4.4 Equality and Diversity Implications**

There are not considered to be any significant implications relating to equality and diversity.

#### **4.5 Engagement and Communications Implications**

There are not considered to be any significant implications relating to engagement and communications.

#### **4.6 Localism and Local Member Involvement**

There are not considered to be any significant implications relating to localism and local member involvement.

#### **4.7 Public Health Implications**

There are not considered to be any significant implications relating to public health.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Tom Kelly
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Yes Name of Officer: Gus de Silva
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	Yes Name of Legal Officer: Fiona McMillan
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Yes Name of Officer: Tom Kelly
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Christine Birchall
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Yes Name of Officer: Tom Kelly
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Name of Officer: Tess Campbell

<b>Source Documents</b>	<b>Location</b>
None	Not applicable



**DEVELOPMENT OF THE COUNCIL'S INVESTMENT PORTFOLIO**

**To:** General Purposes Committee

**Meeting Date:** 16th July 2019

**From:** James Gemmell, Transformation Manager

**Electoral division(s):** All

**Forward Plan ref:** Not applicable      **Key decision:** No

**Purpose:** The Committee is asked to consider the proposed request to drawdown transformation funds to support the development of the Council's investment portfolio.

**Recommendation:** General Purposes Committee is requested to approve the drawdown of £147,000 to support the development of the acquisitions and investment activities outlined within the Commercial Strategy 2019-21.

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
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Tel:	01223 699067	Tel:	01223 706398

## **1. BACKGROUND**

- 1.1 On 22nd January 2019, General Purposes Committee (GPC) agreed an outline investment of £3million of revenue to support the delivery of transformation and savings within the Council's business plan for 2019/20 to 2023/24. The Committee asked that individual business cases against this funding be brought to GPC when ready.
- 1.2 A business case was developed and agreed during the 2019/20 business planning cycle, relating to developing strength and depth in our commercial investment activity. The business case contained a proposal to obtain external expertise, not only support in achieving the financial targets contained within the strategy but to support the skilling up of officers and members in this area.
- 1.3 This request is to draw down £147,000 of the agreed funding to facilitate the work of Redington Ltd, an external investment adviser, to support the development of our acquisitions and investment strategy / portfolio.

## **2. ACQUISITIONS AND INVESTMENTS**

- 2.1 The Council's Commercial Strategy was agreed by the Commercial and Investment (C&I) Committee on 26th April 2019 and reiterates the objective of the Council's Corporate Strategy to increase the level of return from our commercial activity and developing a wider range of investments.
- 2.2 The objective of our investment portfolio is to acquire / manage investments that make a secure and increasing contribution to the Council's revenue streams in order to support the delivery of frontline services to our communities. This will be done through:
  - Acquiring investments that provide long term returns to support the delivery of the Council's desired outcomes;
  - Creating a portfolio that balances risk and rewards that are aligned to the Council's risk appetite; ensuring the portfolio is diverse through avoiding sector and geographical concentration risks
  - Developing a portfolio that yields a stable income stream for the Council;
  - Making investments in assets that seek to protect the capital invested;
  - Establishing a diverse portfolio that spreads risk by avoiding sector and geographical concentration risks
- 2.3 Work has progressed in this area through the development of our direct property investments (two completed acquisitions) and also investing c£10m into the Local Authorities Property Fund (pooled fund).
- 2.3.1 However, the Commercial Strategy represents a desire to significantly grow our current operations which means there is a need to explore the art of the possible and consider not only our existing portfolio but to consider investment in non-property assets. Whilst discussions are ongoing around the development of a dedicated commercial team to oversee this work, it was felt that progressing beyond our direct property investments is a specialist area of activity in which the Council has limited previous experience, skills or access to market opportunities and as such there would be significant risk of (initially) attempting to do this using only 'in-house' resources.



### **3.0 INVESTMENT ADVICE**

- 3.1 In acknowledging these challenges, we have over the last two years, undertaken market testing and sought advice on the different routes to market and opportunities to invest which could be available to us. In addition, significant attention has, and continues to be, paid to the changing context and environment (at a national level) which could have an impact in this area e.g. borrowing powers and governance arrangements.
- 3.2 Following discussions at the Council's Commercial Board, a working group of Commercial and Investment (C&I) and at C&I Committee (through the business planning process) it was agreed that we should progress with obtaining specialist support in this area. A procurement exercise for an external investment adviser began in September 2018 and a twelve month contract for support was awarded to Redington Ltd in May 2019. The first phase of work of this work is scheduled for completion in July 2019 which will set out advice on the preferred routes to market (based on our objectives), likely return, and internal governance arrangements.

### **4.0 FUNDING**

- 4.1 This is a one-off request for the drawdown of transformation funding as an element of the overarching funding request made to GPC in January 2019. A Transformation Fund Bid is attached in **Appendix A**.

### **5. RETURN ON INVESTMENT**

- 5.1 The benefits of external advice provided to the Council by Redington Ltd include:
- Access to knowledge: As outlined above, we need access to up-to-date specialist knowledge of the market, strategic thinking, process tools and support. We would benefit from broader business perspectives gained from experience with other clients, markets and sectors to support the de-risking of our investments. Advice will be provided on the illiquid asset opportunity set, based on risk, return and investment horizon and liquid asset opportunities, measured on contractual / non-contractual return and volatility
  - Objectivity: independent assessment and evaluation of different views and benchmarking of performance
  - Transfer insights and practices: Support can be provided to upskill both officers and member's knowledge of the market / process.
  - Management support: this process will require a large quantity of resource (human capital and specific expertise) and a clear governance process, therefore capacity to drive this work forward is required
- 5.1.1 The level of complexity and monitoring and choosing where to invest our funds requires more skill and knowledge than that required for investing the Local Authority Investment fund – and it is not something we could currently manage internally. Therefore it is likely that we will need to procure a Fund Manager(s) to manage a particular element of the portfolio. However, there was concern that the same lack of knowledge which prevents us from currently expanding the portfolio ourselves could restrict our ability to undertake a robust procurement process. Redington Ltd will be able to provide support to us in this area by;
- Developing the correct specification and mandate

- Effectively assessing the Fund Managers
- Ensuring the process is not just a 'beauty parade' and the Council is able to understand and justify the award

5.1.2 There has, rightly, been increasing scrutiny on the investment practices of local authorities with concerns raised over the sustainability of investments and whether appropriate governance arrangements were in place to make investment decisions. Redington Ltd are an independent advisor and will therefore be able to offer us impartial advice not only on the market but will help us develop appropriate internal governance arrangements ensuring that we make appropriate decisions.

5.2 The direct financial benefits will be predicated on the level of funding available to implement the investment strategy together with the level of risk appetite from the Council. To date the investments made could generally be described as illiquid and within the Council's stated criteria for the medium-term investment horizon of 10 years. Redington Ltd will help the Council focus on the art of the possible by focussing on a wide range of asset classes, being both liquid and illiquid, offering a wider range of investment strategies than we have considered to date. By combining liquid and illiquid assets it's possible to improve overall investment returns and can assist in the overall management of the strategy.

5.2.1 This will be supplemented by a detailed training offer to members and officers enabling investment decisions to be appropriately analysed and challenged.

5.3 Subject to the above, and speed in which we are able to implement the investment strategy, we would expect to see initial returns during the 2019/20 financial year. Such returns will be in the region of 5% (net) of the amount invested.

## **6. ALIGNMENT WITH CORPORATE PRIORITIES**

**6.1 A good quality of life for everyone**

**6.2 Thriving places for people to live**

**6.3 The best start for Cambridgeshire's children**

The Council's Corporate Strategy, with these priorities at its core, identifies a number of key objectives that are directly linked to commercial activity, with this proposal supporting the implementation of that strategy.

## **7. SIGNIFICANT IMPLICATIONS**

### **7.1 Resource Implications**

The ability to achieve our commercial goals will be dependent on having the right skills within the organisation as well as the funding to implement our investment strategy.

### **7.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

Procurement guidelines have been followed in appointing Redington.

### 7.3 Statutory, Legal and Risk implications

Our ability to achieve our investment goals will depend on a number of factors including how well we use our legal powers and delegations and the political appetite to accept new risk. Full business cases, which consider legal implications and clearly articulate risk and reward, will be developed for all investment proposals.

### 7.4 Equality and Diversity Implications

There are no significant implications in this area for the appointment of an external investment adviser.

### 7.5 Engagement and Consultation Implications

There are no significant implications in this area for the appointment of an external investment adviser.

### 7.6 Localism and Local Member Involvement

Environmental, social and governance (ESG) factors will be used in measuring the sustainability and ethical impact of an investment proposals.

Members will be supported in understanding the opportunities, risks and benefits of different investment opportunities.

### 7.7 Public Health Implications

There are no significant implications in this area for the appointment of an external investment adviser.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Not applicable
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	n/a
Have the equality and diversity implications been cleared by your Service Contact?	n/a

<b>Have any engagement and communication implications been cleared by Communications?</b>	n/a
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	n/a
<b>Have any Public Health implications been cleared by Public Health</b>	n/a

<b>Source Documents</b>	<b>Location</b>
<b>Business Planning Papers to December Service Committees</b>	<a href="https://cmis.cambridgeshire.gov.uk/ccclive/Committees.aspx">https://cmis.cambridgeshire.gov.uk/ccclive/Committees.aspx</a>
<b>Commercial Strategy</b>	<a href="https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/775/Committee/31/Default.aspx">https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/775/Committee/31/Default.aspx</a>

## Appendix A

### Investment Proposal Supporting Information / Transformation Fund Bid

<b>Bid Title</b>	<b>Strategic Investment Adviser</b>
<b>Service Area / Directorate</b>	<b>Business Improvement and Development</b>
<b>Sponsoring Director</b>	<b>Amanda Askham</b>

<b>Brief Description of Bid</b>	<p>On 22nd January 2019, General Purposes Committee (GPC) agreed an outline investment of £3million of revenue to support the delivery of transformation and savings within the Council's business plan for 2019/20 to 2023/24. The Committee asked that individual business cases against this funding were brought to GPC when ready.</p> <p>A business case was developed and agreed during the 2019/20 business planning cycle, relating to developing strength and depth in our commercial investment activity. The business case contained a proposal to obtain external expertise, not only support in achieving the financial targets contained within the strategy but to support the skilling up of officers and members in this area.</p> <p>This request is to draw down £147,000 of the agreed funding to facilitate the work of Redington Ltd, an external investment adviser, to support the development of our acquisitions and investment strategy / portfolio.</p> <p>This work will provide;</p> <ul style="list-style-type: none"> <li>• Access to knowledge: access to up-to-date specialist knowledge of the market, strategic thinking, process tools and support. We would benefit from broader business perspectives gained from experience with other clients, markets and sectors to support the de-risking of our investments. Advice will be provided on the illiquid asset opportunity set, based on risk, return and investment horizon and liquid asset opportunities, measured on contractual / non-contractual return and volatility</li> <li>• Objectivity: independent assessment and evaluation of different views and benchmarking of performance</li> <li>• Transfer insights and practices: Support provided to upskill both officers and member's knowledge of the market / process.</li> <li>• Management support: this process will require a large quantity of resource (human capital and specific expertise) and a clear governance process, therefore capacity to drive this work forward is required</li> </ul>
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<b>Type of Bid</b>	Request for one-off funding for the appointment of the Strategic Investment Advisor using the Transformation Fund
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<b>Strategic Links</b>	<p><b>Developing the local economy for the benefit of all</b>  <b>Helping people live healthy and independent lives</b>  <b>Supporting and protecting vulnerable people</b></p> <p>The Council's Corporate Strategy, with these priorities at its core, identifies a number of key objectives that are directly linked to commercial investment activity, with this proposal supporting the implementation of that strategy.</p>
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<b>Cash Flow</b>	<b>19/20 £000</b>	<b>20/21 £000</b>	<b>21/22 £000</b>	<b>22/23 £000</b>	<b>23/24 £000</b>	<b>24/25 £000</b>
<b>Revenue Advance</b>	<b>147</b>					
<b>Capital Advance</b>						
<b>Savings/ Income</b>	<b>-5,000 (see below)</b>					

<b>Pay Back Period in Years</b>	<b>1</b>
<b>Savings/Investment Ratio over 10 Years</b>	<b>34:1</b>

<b>Measure of Performance Improvement</b>	<b>Baseline</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>

<b>Risks and Contingencies</b>	<p>The income generated through this proposal is predicated on the availability of funding to use for our investment proposals. Therefore there is likely to be some variation in this figure. It is anticipated the returns will equate to approx. 5% of the amount invested.</p> <p>There is a continued risk that further advice from Central Government will increase the scrutiny and difficulty in obtaining funding for investment activities.</p>
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<b>Decision and Date</b>	
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**RESILIENCE & INDEPENDENCE IN SPECIAL EDUCATIONAL NEEDS AND  
DISABILITY (SEND) ENVIRONMENT (RAISE)**

**To:** General Purposes Committee

**Meeting Date:** 16 July 2019

**From:** Executive Director – People & Communities

**Electoral division(s):** All

**Forward Plan ref:** Not applicable      **Key decision:** No

**Purpose:** To consider a Transformation Fund bid to support Resilience and Independence in SEND Environment (RAISE).

**Recommendation:** The Committee is asked to approve the Transformation Bid proposal of £274k for RAISE.

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
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Tel:	01480 379722	Tel:	01223 706398

## **1. BACKGROUND**

- 1.1 Cambridgeshire County Council supports provision for children and young people with specialist educational needs and disabilities (SEND) from their early years to age 25, and to support good quality Alternative Provision for pre-16 pupils who cannot receive education in schools.

## **2. MAIN ISSUES**

- 2.1 There are a range of legacy arrangements with AP (Alternative Provision) providers ranging from small numbers of spot placements for individual children and young people to those involving block purchases of places to which individual spot purchases of placements have been added, the number of the latter often exceeding the original block commitment. The lack of any review has meant that opportunities to maximise on our buying power or achieving economies of scale, exploiting commercial opportunities or introducing alternative commissioning/contracting models have been missed.

There are significant pressures on the SEN Placements Budget due to increased demand for specialist places, a lack of suitable local provision and the High Needs Block is already in deficit to an extent that a long term recovery plan will be required. Whilst this is being developed it is essential that every opportunity is taken to ensure that we are utilising budgets in the most effective way possible, maximising what we can deliver from within those budgets, whilst ensuring that we are continuing to enable young people to live as independently as possible and that their support is sustainable and as least restrictive as possible in their adult lives.

The work required has been formalised through the creation of the RAISE project which is being led by the SEND Service supported by the Children's Commissioning and Transformation Services.

This Transformation Fund bid is being made to fund the temporary resource which will be necessary to release expertise from these teams as well as some additional specialist commercial support.

- 2.2 The work will aim to achieve the following objectives:
- 2.2.1 To generate savings against current planned expenditure primarily in financial years 2019-20 and 2020-21.
  - 2.2.2 To raise provision resilience and budget resilience – new arrangements are likely to remain in place for 2-3 years.
  - 2.2.3 To raise the Council's ability to respond to and engage in a commercial market and maximises on the economic benefits of operating in a commercial environment.
- 2.3 The project will:
- review the needs of individual young people in placement



- review the commercial arrangements between the Authority and Providers
- test our provider market, its stability and its financial position
- provide a holistic, multidisciplinary approach to practice

2.4 Resourcing – the resource required will comprise:

- Interim commercial manager on temporary secondment from Adults Social Care;
- External interim commissioner specialising in achieving savings and improved terms from independent providers;
- An Assistant SEND Commissioner for day to day project management and for whom the role will be developmental (being mentored by the external experts)
- A SEND case worker assigned from Cambridgeshire County Council (CCC) Send Service;
- The funding being sought will be used to directly recruit fund 'a' and 'b' and to fund the 'backfilling' of the internal secondments ('c' & 'd') in order to ensure service continuity;
- The temporary resource will be required until December 2019.
- Personnel for 'a' and 'b' are already identified. For 'c' a candidate has been identified via a pre-arranged recruitment exercise and appointment is pending approval of funding. For 'd', an agency worker would be procured once funding is approved;
- This has been reviewed by the Chairman of Children and Young People Committee who is supportive of this proposal.

2.5 The discussions being held with providers with whom we have block placements will not lead to an increase in demand. For example, a current arrangement may involve a 20 place block with 40 places spot purchased – the aim of our negotiations is firstly to reverse this situation, setting up a new agreement for a 50 place block and up to 10 places on an as required basis (e.g. date of referral uncertain) and secondly to agree lower rates for all 60 places.

2.6 The project requires £274k of Transformation Funding for one financial year to resource the additional capacity for the team as detailed in the table below:

<b>Recurring Cash Flow</b>	<b>19/20 £000</b>	<b>20/21 £000</b>	<b>21/22 £000</b>	<b>22/23 £000</b>	<b>23/24 £000</b>	<b>24/25 £000</b>
<b>Revenue Advance</b>	274	-274	0	0	0	0
<b>Capital Advance</b>	0	0	0	0	0	0
<b>Saving / Income</b>	-225	-725	-100			

<b>Pay Back Period in Years</b>	Year 2
<b>Savings/Investment Ratio over 10 Years</b>	1:4

Whilst most direct savings from this work will accrue to the High Needs Block within the Dedicated Schools Grant rather than the General Fund, the broader financial context for support to this transformation fund bid is as follows:

- The proposals will reduce the recurring deficit within the High Needs Block. The Council is due to submit a recovery plan to the Department for Education to address the deficit (£7.1m as at 31 March 2019): the RAISE project is one of the key management actions. Given the scale of the high needs block deficit there is potentially a risk to the general fund position: some local authorities have opted to utilise the general fund to meet the cost of deficits within the dedicated schools grant
- The additional capacity funded (commercial negotiation, commissioning, SEND casework and project management) are local authority functions and cannot be charged to the dedicated schools grant in any case
- There will be longer term and indirect benefits to the general fund: potentially reduced transport costs and lower costs of services for young adults leaving SEND services and entering Adult Social Care

## 2.7 Risks and Contingencies

<b>Risk</b>	<b>Contingency</b>
We may find it difficult to recruit to the team	We have good relationships with agencies and providers who are offering a range of well qualified staff
The recruited team members may leave during the project	As the project will work within existing teams, we will be able to provide consistent leadership and handover in the event of staff being replaced.

## 3. ALIGNMENT WITH CORPORATE PRIORITIES

### 3.1 A good quality of life for everyone

The report above sets out the implication for this priority in paragraph 2.2

### 3.2 Thriving places for people to live

There are no significant implications for this priority.

### 3.3 The best start for Cambridgeshire's children

The report above sets out the implication for this priority in paragraph 2.2

## 4. SIGNIFICANT IMPLICATIONS

### 4.1 Resource Implications

Resource implication are identified in section 2.6.

### 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.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Stephen Howarth
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Not applicable
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	Not applicable
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Not applicable
<b>Have any engagement and communication implications been cleared by Communications?</b>	Not applicable
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	Not applicable

<b>Source Documents</b>	<b>Location</b>
None	Not applicable

**DRAFT UPDATED CORPORATE ENERGY STRATEGY AND ACTION PLAN**

*To:* **General Purposes Committee**

*Meeting Date:* **16th July 2019**

*From:* **Gillian Beasley, Chief Executive**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To share an updated draft Corporate Energy Strategy and Action Plan for the Council.**

*Recommendation:* **The Committee is asked to comment on and approve:**

- a) Appendix A, the updated Corporate Energy Strategy;**
- b) Appendix B, a dynamic action plan that supports the delivery of the Energy Strategy; and**
- c) Proposals for coordinating action plan delivery and progress reporting as set out in paragraph 2.5 and 2.6**

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
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Tel:	01223 728552	Tel:	01223 706398

## 1. BACKGROUND

- 1.1 In March 2017, the Council adopted its Corporate Energy Strategy with the ambition to develop an action plan to implement and monitor the delivery of the strategy. The action plan was to be developed with inputs from across the Council ensuring the strategy was embedded in a number of key programmes including Greater Cambridge City Deal; Connecting Cambridgeshire; Farm Estate Strategy; transport planning as well as contracts including waste, highways and lighting.

## 2. MAIN ISSUES

- 2.1. Since the Council adopted its Corporate Energy Strategy in March 2017, Government has published its Industrial and Clean Growth Strategies, both of which promote cutting greenhouse gas (GHG) emissions whilst recognising a successful economy requires a transformation of the UK's energy system.
- 2.2 Critically, three of the four grand challenges in the Industrial Strategy rely on changes to the UK's energy system to deliver:
- Clean power to support growth in artificial intelligence and data revolution capabilities
  - Clean power to shape electrification of transport and become world leading in mobility services
  - Smart energy system changes that balance supply and demand of electricity whilst at the same time reducing energy demand in our buildings and services
- 2.3 The March 2017 Strategy has been updated in collaboration with Peterborough City Council to reflect Government's policy ambitions. The resulting strategy is shared across both Councils and will provide a mutual platform for learning together and collaborating on projects. Please see **Appendix A**.
- 2.4 The Action Plan is attached as **Appendix B**. This identifies potential projects from across the Council and in Peterborough to deliver the ambitions of the strategy. It has been developed in collaboration with Council services during 2018 and Peterborough added their actions during 2019. It demonstrates some aspirational longer-term projects alongside more achievable short-term projects. The idea is to develop and scope projects to identify business cases for discussion and agreement with committees. Some projects may look to access transformation funding whilst others may require investment or grants. There will be some projects that are not feasible in the short term owing to cost or policy barriers and there is the possibility that new projects could emerge for inclusion in the action plan. It is important that the plan is dynamic and able to flex and respond to new project ideas, policy and other drivers.
- 2.5 The Energy Strategy is a mechanism to deliver transformation and change. It will be important for individual services to develop energy projects within their service expertise as this will offer learning opportunities and build awareness around energy and carbon management. The Council's Energy Manager will look to support services, and encourage teams to develop projects. This can be coordinated through

the establishment of a cross-service project board.

- 2.6 In the short term, it is proposed that the Council's Energy Manager reports progress on the action plan every six months to Committee. In the longer term, the intention will be for the Energy Strategy and Action plan to sit within the Climate Change and Environment Strategy (CCE), which is currently being developed. A baseline for energy and carbon emissions for the Council's consumption across its buildings, service delivery and transport mileage is under development by the Energy Investment Unit to inform both strategies.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 A good quality of life for everyone**

The strategy should contribute towards improved local energy security and contribute to clean growth and low carbon economy. Benefits to the local economy will come through the design and delivery of new and innovative projects on the Council's assets; generating local renewable energy and potentially reducing the Council's costs for landfilling waste.

#### **3.2 Thriving places for people to live**

The strategy will look to its assets to support communities to reduce their dependency on fossil fuels. The Council will look to reduce energy consumption to save money and generate energy to sell for income to support front line services needed by its communities. In addition, schemes for collective buying of energy help residents and businesses reduce energy bills and manage energy costs.

#### **3.3 The best start for Cambridgeshire's children**

The resulting projects when they come forward could have a beneficial impact on health through improving air quality, and reducing fossil fuel emissions.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

The implementation of the Action Plan has implications including:

- *Making better use of our assets.* Investment in energy projects, particularly on county owned land, has the potential to provide a financial return.
- *Development costs.* The Council will be taking the up-front development risk on larger projects. If a project is successful, development costs are repaid. However, some projects may not be delivered for technical or other reasons despite costs being incurred. However, the assumption will be that revenue generating schemes will need to cover all development costs.

- *Public Works Loan Board (PWLB) borrowing.* Financing new energy schemes may require the Council to continue to provide funding, e.g. by borrowing from the Public Works Loan Board. The Council will continue to carefully manage risks to projects.
- *Property implications.* There is a range of opportunities to explore for the Council's property and land assets. It is important for close collaboration to ensure projects are not competing or compromised by different agendas.
- *Staff resources:* Support from the Energy Manager can be provided to teams but services will need to provide capacity to develop new projects. This resourcing could be covered by savings from the implementation of a project within a service, or applications to the transformation fund may be appropriate where service changes and improvements are identified.

#### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

The Council has procured an Energy Services Company called Bouygues Energies and Services Ltd to provide engineering expertise and capacity for development of larger projects. Within Facilities Management, Imtech are procured for routine maintenance. Additional procurements may be required if specialist technical or consultancy advice is needed.

#### **4.3 Statutory, Legal and Risk Implications**

Investment decisions will be made on a project-by-project basis, based on a sound business case with relevant committees.

#### **4.4 Equality and Diversity Implications**

The Energy Strategy does not have significant implications relating to equality and diversity, and no foreseeable potential negative impacts. The Strategic Focus Areas and intended Outcomes in the Strategy will have potential positive impact for some protected groups e.g. for older people through greater energy efficiency to keep warm, for children and older people through improved air quality. When individual projects are developed and brought forward for investment decision, equality/ community impact assessments will be required for eligible projects. Strong engagement with services and protected groups will be needed at early stages of project design.

#### **4.5 Engagement and Communications Implications**

Individual energy projects will need to undertake community engagement and public consultation to secure local benefits. In addition, compliance with national and local planning policies will be required.

#### **4.6 Localism and Local Member Involvement**

There are no significant implications within this category.



## 4.7 Public Health Implications

There are no significant adverse impacts from the Strategy and Action only positive air pollution and climate change benefits that support health.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	<b>Yes</b> <b>Name of Financial Officer: Sarah Heywood</b>
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	<b>Yes</b> <b>Name of Officer: Gus De Silva</b>
<b>Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?</b>	<b>Yes</b> <b>Name of Legal Officer: Fiona McMillan</b>
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	<b>Yes</b> <b>Name of Officer: Elsa Evans</b>
<b>Have any engagement and communication implications been cleared by Communications?</b>	<b>Yes</b> <b>Name of Officer: Joanna Shilton</b>
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	<b>Yes</b> <b>Name of Officer: Emma Fitch</b>
<b>Have any Public Health implications been cleared by Public Health</b>	<b>Yes</b> <b>Name of Officer: Stuart Keeble</b>

## SOURCE DOCUMENTS

<b>Source Documents</b>	<b>Location</b>
General Purposes Committee – 21 March 2017	<a href="https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/187/Committee/2/Default.aspx">https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/187/Committee/2/Default.aspx</a>



# Cambridgeshire and Peterborough **Corporate Energy Strategy**

June 2019



# Foreword

As a society we need to move towards energy sustainability and zero carbon emissions by 2050 to help tackle climate change but also if we wish to remain a competitive economy. It will require ambition and imagination so that our children can have a safe and secure future and we must take responsibility and work with Government and our communities to bring forward the changes. We have signed up to support UK100's pledge to deliver 100% clean energy before 2050, in line with the commitments made nationally and internationally at the Paris Summit. We want to lead all our communities through the changes ahead but in particular we must support our rural communities to find ways to benefit and contribute to a new energy system as it decarbonises. Crucially we must prevent our rural communities getting left behind.

Much has been achieved in recent years to decarbonise power infrastructure and produce energy locally from renewables but more work is still required. We need to work with our communities and businesses to support them to change the way they use and think about energy and to become part of an exciting smart new energy system. Energy must be supplied and used more efficiently and more renewable energy and battery storage integrated into our energy system to support the shift towards the electrification of transport and heat.

Cambridgeshire County Council has more than two hundred public buildings, over 250 schools and manages significant farm estates and over 2,700 road assets. We also run significant services across Cambridgeshire including transport, waste, street lighting, education, adult and family services and employ thousands of staff. Changing how we use, run and manage our services and assets can make a difference. For example, we can reduce energy demand in our buildings through insulation and better energy management, we can redesign services to reduce energy consumption and we can deliver low carbon energy generation on our land and other assets.

We are proud to have invested in developing staff skills across finance, legal, project development and contracts to have the confidence to develop and deliver energy projects that bring new innovations. Currently we have invested £19million into energy projects including 51 schools and a solar park and have an investment programme of a further £55million to deliver during the next few years which we hope will help towards the new energy system our future needs.

Cllr Steve Count and Cllr Josh Schumann  
Cambridgeshire County Council

<PCC foreword to be inserted>

Cllr John Holdich OBE  
Peterborough City Council

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# 1. Introduction and Context

## Our Vision

Our vision is to secure **renewable** and **resilient** energy supplies and infrastructure that can support **local** needs. We will do this whilst maximising commercial benefit for the Councils and our communities and making best use of our combined assets to reduce carbon emissions and environmental impacts.



## Why do we need a Corporate Energy Strategy?

Together, our two Councils paid electricity bills of in excess of **£9.5million** in 2017/18. This covers the costs of energy to heat and light our buildings and power the delivery of our services. But energy is an expensive resource and we need to manage our energy costs by reducing energy consumption, design out energy waste and maximise the use of our assets to generate low carbon supplies for us to use or sell.

The energy system in the UK is going through a significant transformation. Local Authorities are encouraged to support this transformation and benefit from the changes. For example, local energy generated on our assets can be sold and distributed on the local network. This can provide income to support Council services. Renewable energy and low carbon supplies generated on our buildings, farm estate and from waste collected from our communities can reduce our dependency on fossil fuels and build our community resilience.

The energy system transformation is bigger than both Councils. But we must play our part in supporting the changes by using our assets and services. Importantly we must collaborate with public and private sector stakeholders to ensure our Cambridgeshire and Peterborough growth agenda facilitates the changes to our energy system and recognises energy infrastructure as a key strategic priority for growth.

Innovation and new technologies are key to the Councils' investments into energy generation and energy efficiency. Battery storage, smart controls, data and digital infrastructure are driving the energy system changes and bringing new business models. The Councils must learn, share knowledge and support our communities to be engaged in the new energy system to help reduce costs and benefit from these innovations.

## Aims and Objectives

The aim of this strategy is to improve the efficiency and maximise the use of our assets, reduce energy consumption of its services and produce low carbon energy for local consumption. By doing this, we can bring greater policy and other benefits for our businesses and communities.

### The objectives of the strategy are to:

- Provide a joined up, corporate approach to energy investment on our assets to generate income and make savings for the Councils;
- Identify how we can reduce energy consumption through service delivery redesign and policy development;
- Attract investment into energy infrastructure on the Councils' assets which can benefit the Councils and the broader communities;
- Identify how the Councils' assets can facilitate the development of low carbon energy infrastructure to support transport, housing, waste management and smart community projects;
- Work with partners ( public and private sector) and local communities to identify and facilitate low carbon energy projects using the Councils' assets that bring benefits to all.

## Priority outcomes for Cambridgeshire and Peterborough citizens

### A good quality of life for everyone

- Using our public assets wisely and raising money in a fair and business like way to generate **social return** for all citizens of Cambridgeshire and Peterborough Thriving places for people to live

### Thriving places for people to live

- Continuing to invest in the environment, infrastructure and services that are a vital part of everyday life for everyone in the county and for a thriving local Economy

## The National Perspective

### Security of supply

The UK is increasingly dependent on imported energy, such as oil and gas. This is at a time when global demand for energy and prices are increasing, the UK is leaving the European Union and many of our coal and nuclear power stations are coming to the end of their useful lives. Without action to ensure reliable supplies to replace power plants, there will be a dramatic shortfall in our energy capacity and risks to our energy security.

### A changing market

There is also significant change taking place across the energy market, with decentralised and decarbonised energy, emerging technologies and the convergence of Smart City and Circular Economy thinking bringing change. Advances in battery storage, blockchain, internet of things and data analytics alongside smart meters and smart grids will help facilitate greater diversity of energy supply, better local balancing of supply and demand and create opportunities for consumers to participate in and benefit from both the buying and selling of energy.

### Policy and legislation

Through the UK Energy Efficiency Strategy, Industrial Strategy, and the BEIS Clean Growth Strategy, the Government is keen to promote clean, low carbon energy and sustainable growth. Government published the Energy Bill 2012 to deliver electricity market reform (EMR) and attract £110 billion investment to replace current generating capacity, upgrade the grid and cope with the rising demand for electricity.

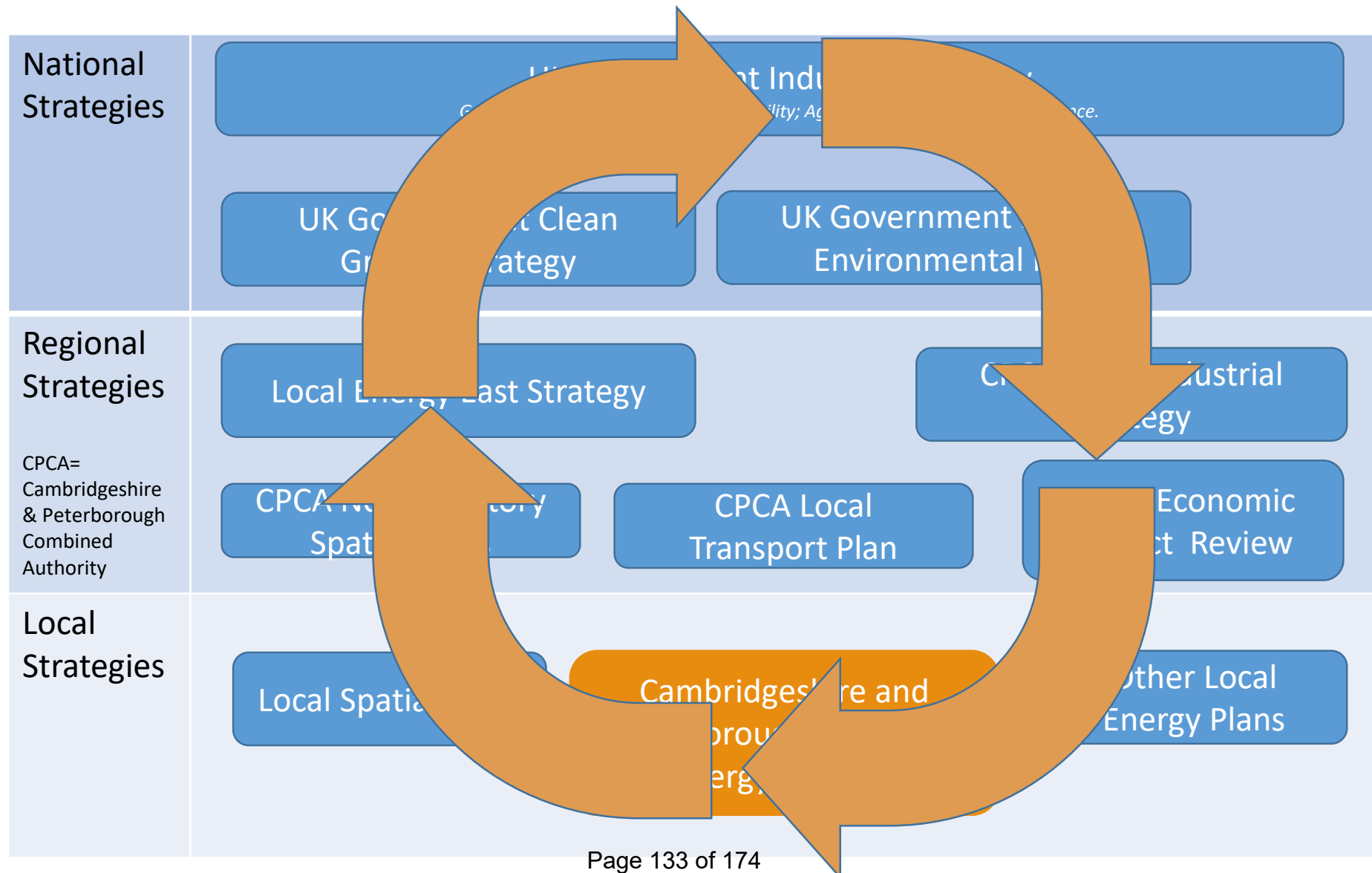
The Climate Change Act places legally binding obligations on the UK to reduce its CO2 emissions by 80% by 2050. The UK has also signed up to delivering 15% of its primary energy from renewable energy sources by 2020 and a series of market mechanisms have been introduced to stimulate investment into clean energy to meet these targets, including Contracts for Difference and the Renewable Heat Incentive. Current legislation also allows Local Authorities to sell electricity generated from renewable sources, so councils can gain financially (as well as environmentally) from developing local renewable energy projects, either on their own or in partnership.



The impacts of recent policy on the electrification of transport are still being worked through, but future energy demand is likely to rise significantly with the growth of electric vehicles. We need to plan carefully and manage this transition alongside the upgrade to our energy networks.



## Policy Context: Connected Strategies



## The Local Context



### A growing population

847,151 people live in Cambridgeshire and Peterborough<sup>(1)</sup>, and this is rising. Cambridgeshire County Council and Peterborough City Council have responsibilities to deliver a full range of services including transport, education, street lighting and waste, have over 4,500 miles of roads and employ over 5,000 people. As the population grows, energy demands also grow.

### Financial challenges

Financial conditions are currently very challenging for local authorities, making the need to generate income and make savings even more pressing. Costs of energy are rising so even if energy use stayed the same, expenditure would increase. Managing energy costs, driving efficiency and long term planning are therefore crucial to help save money as well as deliver sustainable growth.

### A new Smart Energy System

Our energy system is changing to include more renewables and battery storage and our transport is changing from fossil fuels to electricity. Our homes will be heated from electricity too. Work with the Greater Cambridge Partnership identified a tripling in network capacity was needed by 2030 in Greater Cambridge to accommodate growth.

Cambridgeshire and Peterborough have one of the largest Cleantech sectors in the Country to help support the changes in our smart energy system. Being at the cutting edge of clean technology makes our local area ideally placed to develop innovative solutions to energy challenges.

### Local opportunities

The Peterborough Energy Recovery Facility generates 55.5 GWh of electricity, providing the potential to power 12,000 homes or all Council buildings and services<sup>(2)</sup>. Cambridgeshire's Solar Farm is generating around £1million per annum income to help support frontline services. Cambridgeshire has the technical potential to deliver 28% of its energy needs (for buildings and services but excluding transport) through opportunities including solar, wind, micro-renewables and biomass via schools, offices, non-domestic buildings and land developments as well as through its obligations to manage waste, transport planning, street lighting and other services.

1. ONS 2017
2. Based on the average usage of 4,648 kWh per year
3. Cambridgeshire Local Authorities adopted the Cambridgeshire Renewables Infrastructure Framework (CRIF) in 2012 as an evidence base for local plan and policy development.

## Facts and Figures

### Energy used

Peterborough:

**16 GWh**

In 2017-18.  
Includes gas and electricity.  
Includes buildings and street lighting  
etc. Excludes schools.

Cambridgeshire:

**29 GWh**

In 2018-19.  
Includes gas, electricity and oil.  
Includes buildings and street lighting  
etc. Excludes schools.

The two Councils together  
use about the same amount  
of energy as 3,000 homes!

### Energy generated

Peterborough:

**56 GWh**

In 2017-18.  
From Energy from Waste plant.

Cambridgeshire:

**13 GWh**

In 2018-19.  
From Solar farm and solar on buildings.

### Spend

Peterborough:

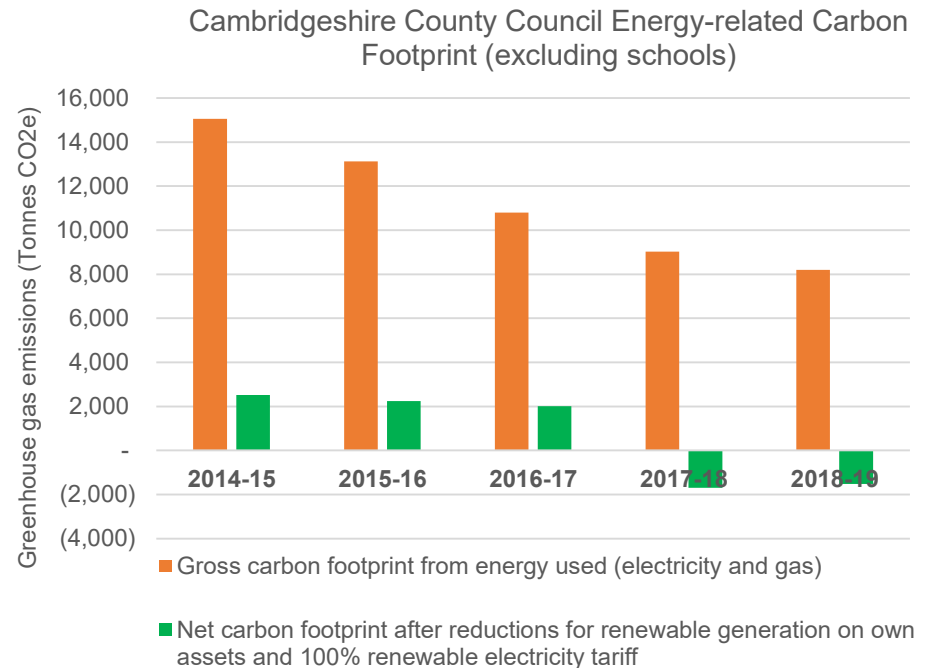
**£3.1m**

In 2017-18.  
Includes gas and electricity.  
Includes buildings and street lighting  
etc. Excludes schools.

Cambridgeshire:

**£3.7m**

In 2018-19.  
Includes gas, electricity and oil.  
Includes buildings and street lighting  
etc. Excludes schools.

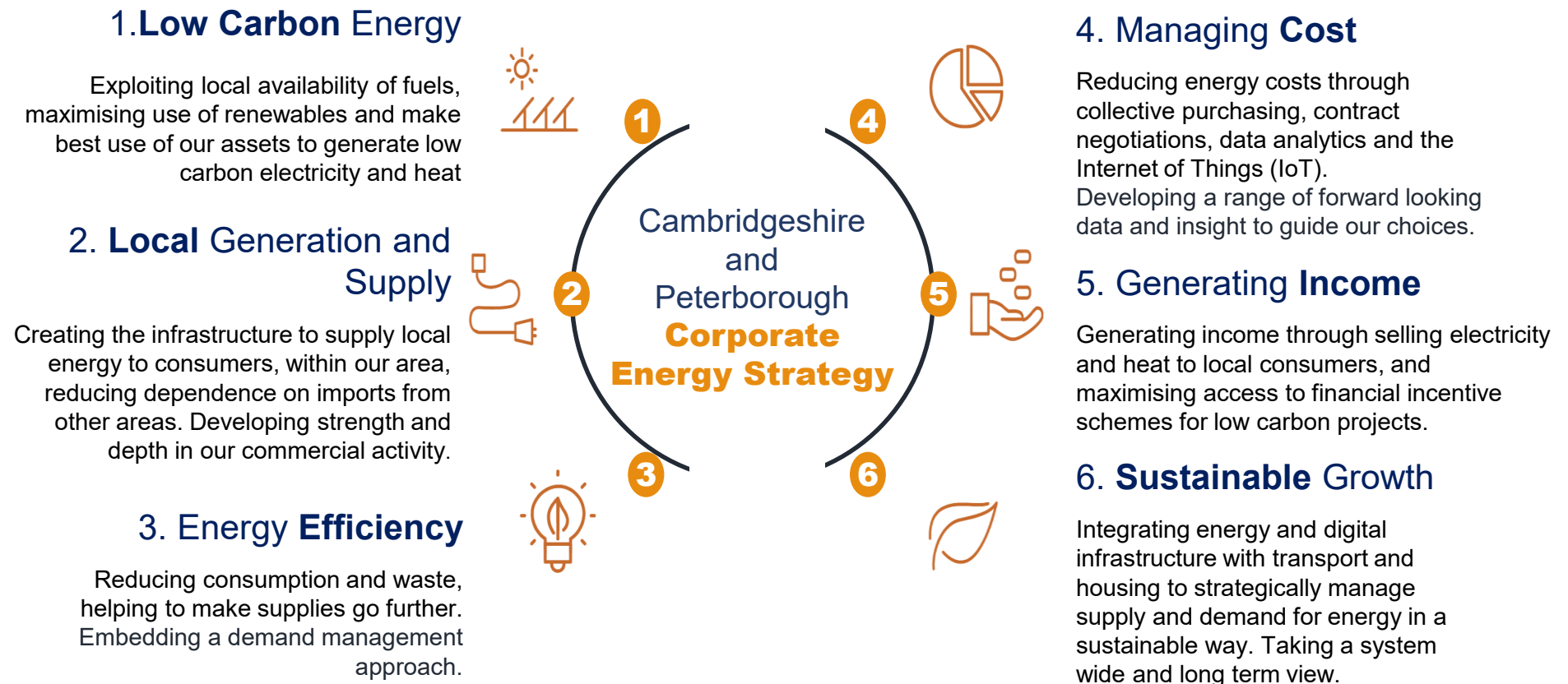


Cambridgeshire County Council has **saved over 52,000 tonnes of greenhouse gases** in the 5 years since 2014. That's the same amount as emitted from driving an average car over 184 million miles!

## 2. Strategy

The core of Cambridgeshire and Peterborough's Energy Strategy is to focus on these six areas. In addressing these focus areas, we will deliver several outcomes set out on the following page, recognising that each area is mutually supportive with many interdependencies.

### Our Six Strategic Focus Areas



# What this means in practice

Focus

Workstreams and Outcomes



## Low Carbon Energy

**Make best use of our assets** through energy generation on our schools, offices, non-domestic buildings and land assets to reduce energy bills and generate income

Attract investment to help **upgrade local energy infrastructure**

**Developing the Low carbon** economy by using local renewable and waste fuels to shift from dependence on fossil fuels

**Improve air quality** for new developments through access to local clean energy supplies for transport and housing.



## Local Generation and Supply

**Build resilient communities** through developing local energy supplies outside of the influence of global market changes

**Supporting vulnerable people** through continuity of local energy supplies to support critical local services

**Supporting a prosperous economy** by creating local energy related jobs and sharing our learning

Supporting local ownership and investment in energy infrastructure to keep financial returns local benefitting our local **economy**.



## Energy Efficiency

**Reducing costs and waste** by reducing energy consumption

**Supporting vulnerable people** to keep warm, improve health and reduce costs

**Reduce energy consumption** through service redesign and policy development

**Making best use of our assets** by reducing energy consumption and bringing down service costs



## Managing Costs

**Supporting vulnerable people** by collective purchasing and negotiation on energy to reduce bills

**Working in partnership** to procure low carbon energy and reduce costs

**Amend contracts** such as Street Lighting, Waste and Highways to include new technologies to save or generate low carbon energy

**Attracting investment** by equipping councillors and officers with the skills and knowledge to negotiate and attract energy investments



## Generating Income

**Make best use of our assets** by integrating energy schemes into what we already do, for example electric vehicle charging for park and ride, and then sell energy to customers.

**Create a sustainable and prosperous local economy** through selling locally produced energy to **generate income**.

**Exploiting digital infrastructure** to meter, control and sell energy to local customers

**Generating income** through attracting finance incentives and selling energy to cover costs.



## Sustainable Growth

Manage energy supply and demand by integrating new technologies to **create smart energy** communities.

Collect and **analyse data** to improve decision making on life cycle carbon emissions and energy projects.

**Supporting growth** of new technologies and integrated design for communities to balance energy demand and supply more efficiently

## Supporting our Local Economy

In 2017, the energy Industry contributed 2.9% of GDP, created 83.7bn in economic activity, with 181,000 directly employed (6.3% of all industrial employment) nationally and supported a total of 682,000 jobs across the UK (equivalent to 1 in every 51 jobs), showing growth of 2.8% on the previous year.

Peterborough has the largest Environmental Cluster in the UK and Cambridge has a small but growing clean tech sector and an enviable reputation in academic research. The convergence of industrial segments, coupled with the development of research and the emergence of technologies, provides a unique opportunity for innovation and growth within the energy sector.

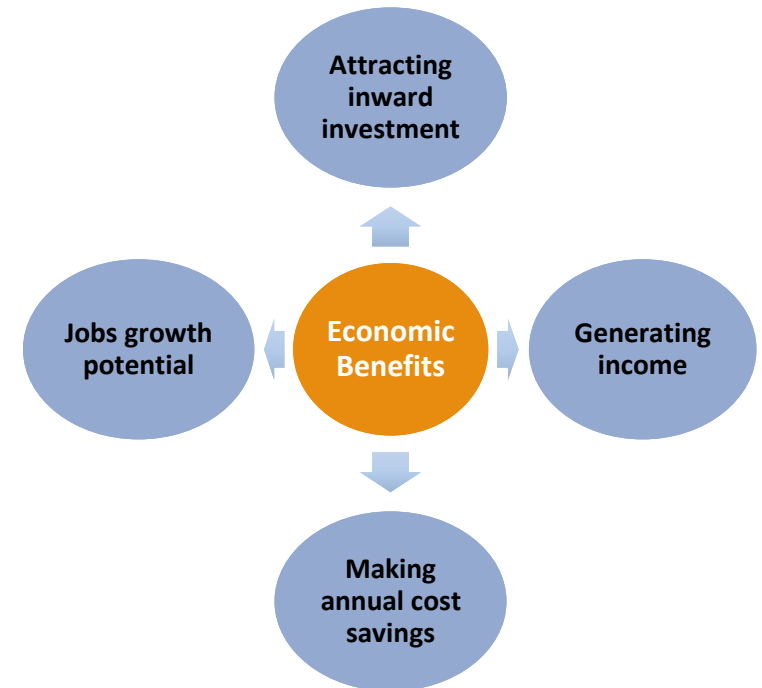
The energy sector plays an important role in our local economy with an estimated 7,700 people employed in the energy sector across the East of England generating GVA of nearly £1bn. It is also one of the most productive, with GVA per job averaging £129,000.

Through the Devolution Deal, the Cambridge and Peterborough Combined Authority is committed to doubling the area's economic output by 2030. It is the strongly held view, supported by the Cambridge and Peterborough Independent Economic Review (CPIER), that energy infrastructure is a key strategic priority for growth. Aside from clear environmental and community benefits, energy infrastructure is required to support the growing population, new housing developments, business growth and to provide high quality jobs for the region.

This Strategy is focused on supporting and delivering economic benefits through the use of its assets to realise commercialisation for the region.

*"We believe the government should recognise that energy infrastructure in high-growth regions qualifies as "strategic", and that key upgrades required to allow growth to continue should not be viewed as "speculative", even if the particular development they are tied to may be... We urge local government, Ofgem, and UKPN to start seriously planning for the new energy future, where individuals will buy and sell energy from one another in local grid systems independent of the main grid."*

CPIER – Final Report





## Two of Our Successes

Peterborough

The Energy Recovery Facility is located on the Eastern edge of the Fengate Resource Recovery Park in Peterborough. Viridor runs the facility and handles approximately 80,000 tonnes of waste per annum. In 2017/18, 79,768 ton was processed and enabled the Council to create 55.5GWh of electricity.

The scheme makes a significant contribution to both waste policy and to energy policy.



A £10million investment by the Authority and a 'Contract for Difference' with the Low Carbon Contracts finance company generating income for the Authority.

Soham Solar Park generates 12 MW of electricity, enough to power the equivalent of 3000 homes whilst also providing an income to Cambridgeshire County Council, which benefits the community.

Cambridgeshire

# 3. Collaboration

## Working with partners and stakeholders

Delivery of the strategy requires strong collaboration across a range of professional disciplines, services and stakeholders.

Early engagement with government is needed to understand and guide their plans for supporting local energy schemes. In particular we need to provide Government with the evidence from our experience developing and delivering energy projects to help to new powers, responsibilities and funding.

Our area has a significant challenge with the local grid network having reached its capacity in many parts of Cambridgeshire and Peterborough. Connections to the grid to export electricity or to expand demand can be difficult to obtain and costly. It will be important to work closely with Ofgem, (the regulator), the network operator (UK Power Networks) and National Grid to work through new opportunities to connect and export electricity or to establish new partnerships, projects or models where supply and demand for decentralised energy can be facilitated in other ways such as smart grids, private wire, energy storage or other new innovations. We need to lead by example.

Our public sector partners, including The Business Board of the Cambridgeshire and Peterborough Combined Authority, the Greater Cambridge Partnership and its City Deal and individual authorities are key collaborators on the big picture of energy system changes. We must work together to deliver this change. Colleagues in Cambridgeshire Local Authorities and Peterborough City Council are also key to our success. We will draw on the skills and experiences across organisations to identify and deliver projects as well as ensuring a joined-up approach to delivery and resource sharing to bring benefits to the communities we serve.



### Stakeholders and our community

Fundamental to the successful delivery of the strategy will be strong engagement with the community. Cambridgeshire and Peterborough will look to collaborate with its communities to achieve sustainable energy schemes on its assets that generate income for the Council or that help our communities to shift from fossil fuels onto renewables or clean energy.

Through early engagement with communities we hope to influence design and thinking on a project and bring additional benefits for the community where possible. Engagement plans will need to facilitate constructive dialogue with different sectors in a community to seek views on how best to mitigate any issues or challenges. We will need to explore a range of communication techniques, including social media, to secure as broad a range of engagement as possible.



## How Will Our Communities Benefit?

The UK Climate Change Act 2008 along with global agreements to reduce carbon emissions means that investors such as university pension funds are increasingly moving away from investing in fossil fuels and supporting low carbon investments. Energy bills have more than doubled in the last 10 years and further price increases are expected. More than 40% of the UK's energy is imported and global demand for energy continues to grow.

Buying energy on the global market is competitive. Becoming more energy **self-sufficient** through generating local energy on buildings, car parks and other land assets reduces the amount of energy we have to import and provides **greater certainty** around energy bills whilst also helping the local economy. Building our community energy **resilience** is important should global energy supplies become restricted due to rising demand. Energy pricing will direct how our communities, businesses and households use energy in the future. It is important that we help equip our communities with the opportunities and knowledge to interact in the future energy market in a way that can benefit our communities.

**Key benefits to Cambridgeshire and Peterborough communities** will include:

- Improved air quality
- Reduced cost of energy
- Reduced consumption of energy
- Increased security of energy supply
- Greater resilience
- Reduction in carbon footprint
- Investment in the local economy

### Sustainable

- Helping to secure renewable and low carbon energy supplies and infrastructure to help support the needs of our communities

### Resilient

- Building energy resilient communities through aligning assets and potential generation with local needs

### Smart

- Exploiting new and emerging technologies and advances in data analytics to make better use of resources

### Economic

- Attracting inward investment from third parties to upgrade energy infrastructure assets for the benefit of the wider community

### Commercial

- Maximising commercialism, income generation and making best use of assets to reduce carbon emissions and environmental impacts

### Innovative

- Integrating energy solutions with work on waste, transport, housing and digital infrastructure to bring new solutions to the growth agenda

# 4. Funding and Resources

## Finance incentives and grant funding

Government has implemented a range of financial incentives to support delivery of renewable energy projects. These incentives are subject to regular change as the energy market evolves. Cambridgeshire and Peterborough have successfully accessed some of these incentives and are exploring new opportunities as they emerge.

### Feed in Tariff (FiT)

This scheme has provided good returns for renewable energy investments but ended for new installations on 31 March 2019.

### Renewable Heat Incentive (RHI)

The Renewable Heat Incentive (RHI) is available for biomass, ground source heat pumps and combined heat and power. Some Cambridgeshire schools are already accessing RHI through the installation of biomass boilers.

### Contracts for Difference (CFD)

The Government runs annual auctions to apply for 'Contracts for Difference'. This is aimed at larger projects and is an opportunity for projects to compete for finance incentive ensuring that competition drives down prices. Cambridgeshire County Council has signed a Contract for Difference for its 12MW solar park.

### Capacity Market (CM)

The Capacity Market is designed to ensure sufficient reliable capacity is available on the grid by providing payments to encourage investment in new capacity or for existing capacity to remain open. This mechanism is subject to review.

### Balancing Mechanism

The balancing mechanism is used to balance supply and demand in each half hour trading period of every day. Electricity cannot currently be stored at scale and must be manufactured at the time of demand. Where National Grid predicts a discrepancy between electricity production and demand payments are offered.

### Government Grants & Competitions

Government is keen to incentivise heat networks, electric vehicles, smart meters and other technologies. There are also opportunities to apply for government grants to support projects and schemes to apply for support for change or innovation, such as through Innovate UK.

## Investments

### Cambridgeshire County Council Energy Investment Fund

Cambridgeshire has invested directly in projects through borrowing from Public Works Loan Board (PWLb). A set of investment principles has been agreed by Cambridgeshire County Council Members to guide the development of business cases.

### Co-investment

Cambridgeshire and Peterborough are supportive of co-investment into projects, for example, Peterborough's Energy Recovery Facility. At a small scale, co-investment has worked through schools and academies contributing funds towards energy performance contracting and attracting other grants such as Salix Finance.

## Resources

### Energy Management in Cambridgeshire

Cambridgeshire County Council formed the Energy Investment Unit to develop and deliver energy projects that save money for the public sector and generate income for the authority. The unit is funded through income generated by projects and it works with asset managers and service managers to identify potential projects, access existing and new procurements, and brings forward the engineering, financial and legal skills to deliver projects on the ground. Working closely with finance and legal colleagues over the last three years, the unit has built a solid base of skills and knowledge to bring forward energy projects, assess complex business cases, identify benefit share arrangements and advise on contracting arrangements.

### Energy Management in Peterborough

Peterborough City Council does not currently have a single Energy Unit. Energy Procurement, Carbon Management, Smart City Development, Energy projects and Energy From Waste management are spread across the organisation or with separate organisations such as Opportunity Peterborough and Peterborough Environment City Trust (PECT).

### Collaboration

This strategy is a first step to exploring a holistic approach to our Corporate Energy across Cambridgeshire and Peterborough. It will provide a co-ordinated approach as well as the ability to share skills, knowledge and resources to benefit of both Cambridgeshire and Peterborough's communities and future needs.

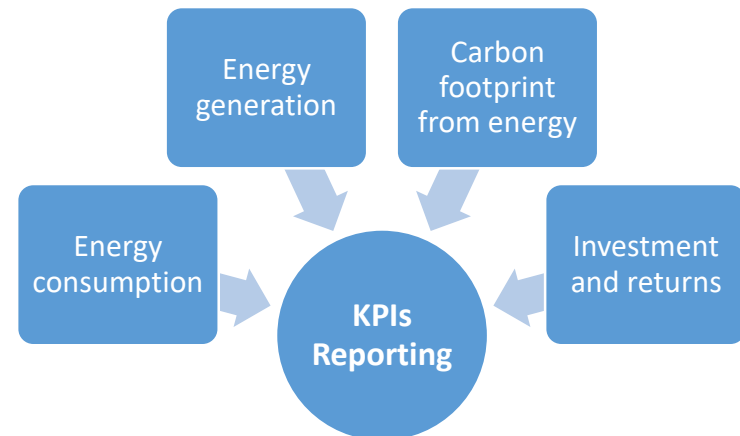
## Data collection and analysis

Data is key for managing energy demand and how to make efficiencies. It is critical to ensure that data collection is in place and that it is analysed to inform decisions to aid projects and manage costs. There are two data platforms in place. Systems Link - an energy management system and K2 -an asset management system. Both important tools to inform our work.

## Approval and Monitoring

The strategy and accompanying Action Plan will be approved by Cambridgeshire and Peterborough Councils. This strategy and action plan will be one of the mechanisms that can support transformation of our councils' services.

Annual monitoring reports will inform progress on the delivery of the Action Plan, which will be a dynamic document and will have the ability to add or delete projects dependent on deliverability. Key Performance Indicators (KPIs) will be reported to monitor progress.



## Summary of Local Renewable Energy Opportunities

Here is a summary of the main renewable energy opportunities and how they might be applied in Cambridgeshire and Peterborough.

Technology	Main Opportunities	Main Challenges	Income potential
Solar PV	Renewable electricity generation. Panel prices have fallen in principle solar farms can be delivered subsidy free. Electricity can be sold to the grid or local consumers through private wire or Power Purchase Agreements. Local planning policy generally supportive.	The costs connecting to a constrained distribution network can significantly impact business cases. Closure of the FIT March 2019 and Solar PV is not eligible for future CfD. but panels costs have substantially reduced.	Contracts for Difference price was £79 / MWh in 2015. Triangle Farm generates £350k net revenue per annum.
Bioenergy / biomass	Low carbon heat and electricity. Wood can be sourced locally. Household green waste can be used for larger schemes.	Planning permission. Design and delivery challenges. Local air quality and smells.	Renewable Heat Incentive, 2.14-3.05p/ kWth (Jan 2019). School projects access RHI approximately £23-£25k per annum.
Biomethane / biogas / anaerobic digestion	Farm estates e.g. energy beet crops.	Planning permission. Some land not suitable. Sourcing sufficient organic material. Transportation impacts on local communities.	Attracts Renewable Heat Incentive for smaller schemes at 1.16-4.76p/kWth. Larger schemes can attract Contracts for Difference. Max strike price was £75/MWh in 2017 CfD auction for biomass with CHP.
Waste	Organic and black bin waste can produce both heat and electricity.	Planning permission. Local perception of air quality / health impacts. Environmental permit required. Grid reinforcement costs.	Combined Heat and Power and district heating networks. RHI. CfD max strike price estimated £80 / MWh 2017-18. Cost savings on waste disposal via landfill.
Wind	Cheap form of renewable electricity generation. Significant land development opportunities e.g. guided busway.	Planning permission. National and local planning policy less supportive. Local perception can be negative. Grid connection barriers.	Good commercial returns. CfD Strike price was £82/MWh in 2015 but onshore wind not currently eligible for CfD in 2017 or 2019. Debate nationally on whether energy bills increase if the UK continues to prevent onshore wind farms.

## Summary of Local Renewable Energy Opportunities - continued

Technology	Main Opportunities	Main Challenges	Income potential
Hydro electricity	Small opportunities on the river and canal systems could be developed.	Low lying, flat geography. Economics of scale still to be tested.	Unknown.
Geothermal / heat pumps	Ground source or air source pumps. Low level heat for building and communities.	Ground source pumps can have archaeological consequences, which can be costly if applies.	CfD max strike price estimated £140 / MWh. RHI 5.38-9.36p/ kWth.
Energy storage	Store excess energy produced when renewables working, to supply when needed. Helps balance supply and demand.	Min 3MW needed for National Grid's STOR programme.	Capacity Market, Balancing Mechanism, Firm Frequency Response (FFOR) or Power Purchase Agreements.
Demand response	IT control systems. Smart meters. Smart grid development. DC micro grids.	Empowering individuals to become active energy consumers to manage energy better.	Greater efficiency and reduced costs.
Nuclear	None at present.	Not in line with UK planning policy. Large scale investment would be required. Unlikely to be suitable for this region.	Unknown.
Fracking	None at present.	Very limited geographical locations. Not suitable for this region. NB. Fracking is not a renewable energy source.	Unknown.

## Further Information

If you would like to discuss the contents of the strategy or you have an idea for a project, please contact:

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Project No.	Council Area	Project	Strategic Focus Area(s)	Lead service, Decision Committee & key stakeholders	Investment Scale	Procurement Bracket	Risk impact (1 low-5 high)	Risk likelihood (1 low -5 high)	Risk Score (IxL)	Risk rating	Risk notes	Priority (1=high, 2=med, 3= low)	KPIs	Year 1	Medium-term (2-3 years)	Long-term (3+ years)	Actions 2018	Actions 2019	Status	Lead name	Updated by	Date Updated	
7	Cambridgeshire	Generation of heat (kWh) and power (kWh) for local communities using Cambridgeshire's waste  Number of tonnes of waste diverted into Energy from Waste (£ savings on landfill tax)	1. Low Carbon Energy ; 2. Local Generation and Supply	Adam Smith, Waste EIU to support	≤£5m	>£500k	4	4	16	High	High Risk a) Planning Risk b) Agreement needs to be reached with Amey or other party to provide EfW services. c) Risk that facility cannot attract funding or is not constructed. d) risk that project is delayed by objections, judicial review, call in by SOS etc. e) Risk that distribution network restricts/prevents local energy use. f) Risk that use of EfW is not cost effective g) PPA cannot be agreed to allow sleeving of energy for CCC's use h)Lack of uses for heat in the vicinity of EfW facility(s) i) Public perception of health risks Dependency - Amey or other Energy from	2	Tonnes of waste diverted from landfill should be convertible into cost saving too.	(i) Identify policy position for Waterbeach new development to off-take heat and power (ii) Identify opportunities to collaborate with Amey and others on the waste PFI	(i) Identify other waste streams that could support heat and power (ii) Explore the potential to get more waste into the Amey contract to generate more power					Not started			
8	Peterborough	Maximisation of the Energy from Waste plant Peterborough	1. Low Carbon Energy ; 2. Local Generation and Supply	PCC, EIU and Opportunity Peterborough		Unknown	4	3	12	Medium	Medium a) Planning Risk - disruption b) Agreement may need to be reached with UKPN. c) Risk that cost of connection or private wire may not provide a return. d) risk that project is delayed by objections, judicial review, call in etc. e) Risk that distribution network restricts/prevents local energy use.	1	Income generated/savings realised.	(i) Identify opportunities and further collaboration potential (ii) feasibility study (iii) funding opportunities	(i) Private wire arrangements or connections to UK Power Networks (ii) District Heat Networks	Potential to trade energy locally and/or power Council owned buildings							
9	Peterborough	Opportunities for Localised battery and cryogenic Storage	2. Local Generation and Supply	Fengate/ Green Energy Barns/ Opportunity Peterborough		Unknown	3	3	9	Medium	Medium risk (a) cost			(i) Procure consultants to review feasibility (ii) Identify revenue opportunities	(i) Develop outline business cases for two sites					Not started			
10	Both	Pilot the idea of energy centres at large existing schools to generate and supply renewable energy (kWh) to local customers	2. Local Generation and Supply	Schools, EIU, PCC	≤£2m	>£500k	4	3	12	Medium	Medium Risk-uncertainty on viability, regulatory barriers and local energy market development	2	kWh generated, CO2 savings and potentially income above costs.	(i) Develop an indicative business case with a pilot school (ii) Test the business case with the Pilot school, local community and large local energy users (iii) Identify regulatory barriers	(iv) Explore joint venture opportunities (v) Identify PPA opportunities (vi) Work with schools to identify if existing schools have extra land not required for educational purposes but which could be used for local energy projects and buying and selling energy locally.					Not started			
11	Peterborough	Circular by Design - a Circular Economy project based on Pyrolysis technology	2. Local Generation and Supply	Opportunity Peterborough and PCC, with a wide consortia		Unknown	3	3	9	Medium	MEDIUM risk	2		(i) Develop the business Case (ii) secure funding (iii) Develop feasibility study	(i) Deployment and testing (ii) Education and dissemination					Not started			



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12	Both	Identify energy infrastructure supply models for new schools	2. Local Generation and Supply	CCC schools capital programme, PCC, EIU	≥£100K	£100k-£500k	3	3	9	Medium	Medium risk - identification of appropriate legal mechanisms Impact on appointment of Academy sponsor.	2	Outcome not KPI	(i) Explore how the schools capital programme and energy programme can collaborate on energy projects for new schools. (ii) Run a workshop with the Multi- Academy Trusts to share this idea and get buy-in to the idea (iii) Develop a Committee paper to agree energy infrastructure funding arrangements for new schools (iiii) Establish and "opt-in" programme for schools to manage their energy procurement	(iii) Identify the legal mechanisms to facilitate selling energy to new schools (iv) Develop and agree Investment Grade proposal for new school energy infrastructure (v) Identify risks to the Schools Capital programme including principal design and contractor role when more than one contractor on site			(i) Establish planning process for new schools - and identify interventions to the process. (ii) Facilitate a discussion / workshop to shape process. (iii) Committee paper required to recommend model.	In progress	Claire Julian-Smith	Claire Julian-Smith	12/02/2019
13	Both	Work with partners to assess the benefit of a utility infrastructure company to support growth aspirations. The Utility Infrastructure Company would look to invest in utility infrastructure upfront on new development sites.	2. Local Generation and Supply	EIU, PCC, Opportunity Peterborough, PECT, Farm Estate, Finance, Legal, CPCA, Las	≥£50K	£25k-£100k	2	2	4	Low	Low risk	2	Outcome not KPI	Work with Partners to discuss the benefits of a Utility Infrastructure Company, the most appropriate scale and how to progress this for new housing growth.	Assess the value of a multi-partner public sector MUSCO (proposed by GCGP LEP)			Presentation to CPCA and development of an Innovate UK bid to include the development of this concept.				
14	Both	Identify new ownership and income models for street lighting for new growth sites	3. Energy Efficiency	PCC, Opportunity Peterborough, CCC Street lighting, EIU	TBC	Unknown	3	3	9	Medium	Medium risk - development of a new business model brings uncertainty including: costs to developers for lamppost infrastructure and operation arrangements for new lampposts	2	£ revenue saving on energy CO2 reductions £'s Income generation		(i) Scope the opportunity for including EV charging or smart sensors for air quality on lampposts for new growth sites (ii) identify the arrangements for new lamp poststo be delivered outside the Lighting PFI (iii) develop a committee paper to set up policy arrangements for smart lampposts	(iv) Identify the regulatory and other barriers to taking ownership of street lighting for new developments (v) Develop an outline business case for a pilot growth site on new delivery and ownership models for street lighting (vi) Develop Committee paper on key principles for smart lampposts			Not started			
15	Cambridgeshire	Pilot Retrofit EV chargers into residential streets with no off road parking	6. Sustainable Growth	Gary BaldwinTraffic Policy and Regulation, Highways and EIU	≥£1m	>£500k	3	2	6	Medium	Medium risk -	1			Scope the business case for retrofitting 15 EV chargers and apply to OLEV for grant funding.				Investigating options			
16	Both	Reduce energy consumption on Council buildings	3. Energy Efficiency	PCC, CCC, Opportunity Peterborough, PECT, Energy Management, EIU	≥£1m	>£500k	1	2	2	Low	Low risk	1	£ revenue saving on energy CO2 savings		(i) Agree governance of £1million Energy Efficiency Fund (ii) Develop the pipeline of buildings for energy efficiency improvements	(iii) develop business cases for approval	Deliver reduced energy consumption	Second set of LED Lighting project sites. Create further pipeline of works. Request extension to fund.	In progress	Sarah Wilkinson	Sarah Wilkinson	13/02/2019
17	Both	For service process redesigns identify energy reductions (e.g. new transport arrangements, equipment specifications, IT requirements )	3. Energy Efficiency	Transformation team in collaboration with IT, facilities management, procurements	≥£5K	£2k-£25k	2	2	4	Low	Low risk	3			(i) Scope how procurement can encourage the low carbon and energy agenda (II) update procurement policy to help differentiate proposals on the basis of sustainable energy policies	(iii) Develop standard templates to include sustainable energy criteria (iv) develop cross cutting OCR reviews on energy			Not started			

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18	Both	Identify energy reduction as a priority in all new relevant procurement specifications for Council products and services	3. Energy Efficiency	Procurement, legal	0	<£2k	2	1	2	Low	Low risk	2				Include standard wording for new tenders to include energy reductions and energy generation where this is relevant.			Not started			
19	Both	Upgrade all pool cars to electric vehicles and provide electric vehicle charging on site	6. Sustainable Growth	Facilities management? Travel for Work?	≥£200K	£100k-£500k	2	2	4	Low	Low risk	2	£ revenue saving on energy/petrol costs (can we measure total miles driven?) CO2 reductions.		Scope electric vehicles and best practice with other authorities	Develop the business case for electricpool cars and the provision of EV charging on site for decision			Not started			
20	Peterborough	Reduce number of illuminated Highways Assets	3. Energy Efficiency	PCC		Unknown	2	3	6	Medium	Medium Risk	2							Not started			
21	Both	Energy Performance Contracting to support existing schools	3. Energy Efficiency	EIU	≤£5m	>£500k	2	1	2	Low	Low risk - tried and tested business model	1	Feed into KPIs as individual projects come through.m Perhaps consider number of schools engaged?		(i) Manage the existing energy performance contracts with schools (ii) Build the pipeline for further schools to engage in EPC	(iii) Develop business cases for approval and investment (iv) Implement energy measures and monitor performance of energy measures	with existing programme. Development of pipeline of schools participating in Energy Performance Contracting in 2019/20.	In progress	Chris Parkin	Claire Julian-Smith	12/02/2019	
22	Both	Reduce overall cost of residents bills through Collective Switching	4. Managing Cost	EIU Lead with support from Communications Team for Cambridgeshire, PCC for Peterborough	≥£5k	£2k-£25k	1	1	1	Low	Low risk	2			Deliver Collective Switch auctions to help residents lower their energy bills	Deliver further Collective Switch auctions in 2019/20	Collective switching launch comms twice a year.	In progress	Emily Bolton	Sarah Wilkinson	13/02/2019	
23	Cambridgeshire	Reduce energy costs (£) and (kWh) through evolving the current traffic signals platform.	4. Managing Cost	Signals team and transport	TBC	Unknown	2	1	2	Low	Low risk - current contract arrangements will need to be understood to identify opportunities for change	3	Reduce consumption kWh kWh would be a better measure as the cashable saving depends on cost of energy which we can't control but I'm sure Memebers would rather see the savings directly		Communicate with peer authorities to share ideas and identify best practice.  Influence existing contractors to identify potential cost saving ideas.  Continue to ensure use of LED technology throughout the asset.	Identify grants to support the change process  Continue to ensure use of the most efficient technology throughout the County.			Not started			
24	Both	Review electricity and heat supply tariffs for Council buildings and contracts	4. Managing Cost	Energy Management Team, Opportunity Peterborough, PCCand CCC	0	<£2k	2	1	2	Low	Low / medium risk	1	Tonnes of CO2 'saved'		(i) Identify opportunities to source local low carbon energy and renewable energy supplies for public sector buildings (ii) Identify energy from waste opportunities related to the Waste PFI	(iii) Review energy procurement processes (currently through ESPO) in line with supply requirements.			In progress		Sarah Wilkinson	13/02/2019

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25	Cambridgeshire	Identify income generation (£) opportunities from using existing IT assets as battery storage	5. Generating Income	EIU to discuss with Amanda Askham (Beth Isaacs), transformation team, IT services (Chris Stromberg)	≥£30K	£25k-£100k	3	2	6	Medium	Medium risk - identify how this impacts IT services	3	Income generated above capital costs of infrastructure		Scope 'demand response' opportunities using cloud based software and the internet of things to identify Virtual Energy Storage (VES) options that help balance the national grid earning revenue for the authority through the use of existing batteries on computers and other devices.				Not started			
26	Both	Data Analytics	4. Managing Cost	Opportunity Peterborough, PCC, CCC, EIU		<£2k	1	1	1	Low	Low Risk	1			Developing energy intelligence to reduce costs and maximise income	(i) Existing Assets review			Not started			
27	Both	Digital Energy	4. Managing Cost	Opportunity Peterborough, PCC, CCC, EIU		Unknown	1	1	1	Low	Low Risk				Exploring the opportunities provided by technology in the energy market (for example IoT)				Not started			
28	Peterborough	Energy efficiency and cost reduction for individuals and businesses	4. Managing Cost	PECT, Opportunity Peterborough		Unknown	2	1	2	Low	Low Risk				Ongoing work							
29	Both	Sharing Services & Collaboration	4. Managing Cost	PCC, CCC		Unknown	2	1	2	Low	Low Risk				Identify opportunities to share skills and develop projects. Assess which other organisations can offer capacity and skills for large projects.				Investigating options			
30	Both	Procure energy service skills to develop engineering designs, build and construct schemes	4. Managing Cost	EIU, LGSS procurement	≥£40K	£25k-£100k	2	2	4	Low	Low risk	1	Project development - no KPI		(i) Develop specification for post 2020 energy services	(ii) Run a procurement to secure a service provider for minor energy works on schools and other buildings (ii) Procure additional partners for bespoke energy projects where appropriate		Project Initiation Document written, other LA procurement approaches reviewed and potential partners invited to participate in procurement of a post April 2020 contractor.	In progress	Chris Parkin	Chris Parkin	11/02/2019
31	Cambridgeshire	Scope the options for the setup of an energy company that facilitates the generation, selling and buying of electricity locally	5. Generating Income	Lead: Finance and legal Support from the EIU and Farm Estate	≥£50K	£25k-£100k	4	1	4	Low	Low Risk -	2	No KPI, outcomes to ID more projects		(i) Assess corporate structure options and the conditions under which this is best pursued (ii) identify licensing arrangements and the thresholds that apply at different levels of energy generation and selling (iii) open discussions with ESPO to identify any potential collaboration opportunities	(iii) Take options paper to Committee for next steps			Investigating options			

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32	Cambridgeshire	Pilot the selling of local renewable energy generated on St Ives Park and Ride via a Smart Energy Grid Project	5. Generating Income	EIU lead with support from Finance and legal	£3.6m	>£500k	3	2	6	Medium	Medium risk - customers do not agree the price of electricity	1	Income generated above capital costs of infrastructure		(i) Identify customer for the local renewable energy (ii) Draft a Power Purchase Agreement for selling renewable energy to local customers (iii) Identify the licensing arrangements for selling energy to more than one customer and the thresholds that trigger requiring a license	(iii) Conclude negotiations with customers on PPA			In progress	Emily Bolton		
33	Peterborough	Maximisation of the EFW plant - DHN	5. Generating Income	Opportunity Peterborough and PCC		Unknown	3	2	6	Medium	Medium risk - would be a funded project, but funding must be secured	2			(i) 2 Calls for District Heat Networks - feasibility and development				Not started			
34	Cambridgeshire	Develop a network of Smart Energy Grids on park and ride sites	5. Generating Income; 5. Sustainable Growth	EIU lead with support from Finance and legal and connecting Cambridgeshire	>£5m	>£500k	3	2	6	Medium	Medium risk	1			(i) Seek in principle support for a network of Smart Energy Grids from CCC, GCP and CA	(ii) Scope individual projects and develop business cases for approval	Identify and narrow down potential sites to Babraham Rd and Trumpington. Develop outline business cases, liaise with C&I Committee, P&R team, expand internal resources, secure development budget	Apply for planning permission and grid connection, develop Investment Grade Proposal	In progress	Cherie Gregoire	Cherie Gregoire	11/02/2019
35	Cambridgeshire	Identify energy projects on the One Public Estate Programme	6. Sustainable Growth	Paul Welbourn	0	Unknown	2	2	4	Low	Low risk	2	Project development - no KPI		Scope the opportunities for including energy measures into Community Hubs, Children Centres and the new district delivery model for educational facilities				Not started			
36	Cambridgeshire	Identify which Greater Cambridge Partnership, City Deal, transport projects can include energy generation and selling of renewable energy	6. Sustainable Growth	Tanya Pascual, MID	0	Unknown	3	2	6	Medium	Medium risk -	2	Project development - no KPI		(i) Review the list of transport projects to identify which projects have potential for energy generation (ii) Identify the mechanisms for agreeing scope for energy projects	(iii) Review Park and Ride schemes on A1307 and Western Orbital J11/12 for Smart Energy grid potential		Initial discussions held with GCP about timing of new park and rides.	In progress	Cherie Gregoire		11/02/2019
37	Peterborough	Scope potential for Electric Waste Vehicles	6. Sustainable Growth	PCC, CCC		Unknown	3	2	6	Medium	Medium Risk	1			(i) Identify the scope for electric vehicles and how these can be supported via grants or other funding (ii) Identify how the EFW or other generation methods could accommodate the charging of electric vehicles				Not started			

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38	Cambridgeshire	Scope the potential for the provision of electric buses on the Guided Bus route using the Smart Energy Grid at the St Ives park and ride to host the bus charging infrastructure and energy supply	6. Sustainable Growth	CPCA, EIU and Greater Cambridge Partnership	≥£5k	£2k-£25k	2	3	6	Medium	Medium risk - the details for running and operating an electric bus scheme on the guided busway need to be developed.	1	Project development - no KPI		(i) Identify the scope for electric buses along the guided busway and how these can be supported via grants, City Deal or other funding (ii) Identify how the Smart Energy Grid could accommodate the charging of electric buses from its Smart Energy Grid and the costs for a PPA	(iii) Scope interest of bus operators to lease and operate electric bus services on the guided busway (iv) Secure the PPA to supply the electric buses	Participate in development of Project Brief GCP drafted for study of electric bus roll-out across C'shire and review drafts of study. Study and subsequent discussions revealed that bus companies, when they convert buses to electric, would prefer to add their own electric charging infrastructure to the depots than use opportunity charging at the park and rides.		No further work	Cherie Gregoire	11/02/2019	
39	Peterborough	Fengate and Redbrick Farm - Energy innovation zone	6. Sustainable Growth	Opportunity Peterborough and PCC		Unknown	3	3	9	Medium	Medium risk	1			(i) Bid submitted for funding and awaiting response				Stalled			
40	Both	Unlock the market barriers to local energy generation connecting to the distribution network - Grid capacity constraints restrict the ability to access distribution networks and effects growth and productivity.	6. Sustainable Growth	EIU, Opportunity Peterborough, PCC, GCGP LEP, Greater Cambridge Partnership, Combined Authority, Local Authorities	≥£5k	£2k-£25k	4	1	4	Low	Low risk	1	Project development - no KPI		(i) Work with the GCGP LEP and Cambridgeshire Local Authorities to influence the Local Energy Investment Strategy for BEIS	(ii) Work with the Combined Authority to identify strategic priorities for energy infrastructure for inclusion in the Non Statutory Spatial Plan	GCP and CCC procurend consultatnts to analyse the local electricity network. Results identify that a tripling of capacity on the network is needed.	Investigating options				
41	Both	Sign up to UK100 and commit to 100% clean energy for our communities by 2050	6 Sustainable growth	EIU + Opportunity P'boro		Unknown	1	1	1	Low	low risk	1			Work with UK100 to idnetify the key steps to signing up to work towards 100% clean energy				In progress			
42	Both	Provide advice and guidance on energy via Libraries	3. Energy Efficiency; 4. Managing Cost; 6. Sustainable Growth	Library services	£500	<£2k	1	1	1	Low	Low risk	1							Not started			
43	Both	Use gamification on facebook to communicate messages about local buying and selling of energy	3. Energy Efficiency; 4. Managing Cost; 6. Sustainable Growth		£2K	£2k-£25k	1	1	1	Low	Low risk	2							Not started			
44	Both	Support communities to develop sustainable energy projects for their towns and villages	6. Sustainable Growth	EIU, Rural Estates team, Greater Cambridge Partnership, Combined Authority, Local Authorities, Parish Councils	>£5m	>£500k	2	3	6	Medium	Medium risk	1	No of communities supported		(i) Support one community to access BEIS/HNDU funding for local heat network infrastructure (ii) develop case studies with parish councils to show how to develop community energy projects (iii) signpost government funding for community eenrgy schemes	(i)Work with Swaffham Prior community to develop a community heat project that is replicable for other communities and reduces carbon emissions	Swaffham Prior Community heat scheme has accessed BEIS HNDU funding to develop a water source heat pump and community heat network.	Drilling of a test borehole to identify water flow rates and work with the community to build buyin to the proejct.	Investigating options			
45	Both	Planning Policy Changes for sustainable development (roof direction, local generation for shared use such as lighting etc)	6. Sustainable Growth			Unknown	2	2	4	Low	Low risk	2	0		Implementation of Near Zero Energy Building Regulations for Public Buildings january 2019	Support LPAs in their development of near zero energy standards for local plans		Workshop held with Officers and members 24/05/19 and paper to C+I Committee	In progress			

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46	Both	PECT offers various services to residents and businesses including an environment management services which includes resource auditing and behaviour programmes, Investors in the Environment accreditation, environment education in schools and Local projects	3. Energy Efficiency; 4. Managing Cost; 6. Sustainable Growth			Unknown	2	1	2	Low	Low risk	2								Not started		
		Dependent upon the individual business case and appetite for risk; there are three options available for taking opportunities forward on rural estates:																				
		a) lease only (with the Councils acting as the Landlord), b) Joint Venture arrangement or c) self-development of the scheme																				

**TRANSFORMATION FUND MONITORING REPORT QUARTER 4 2018-19**

**To:** General Purposes Committee

**Meeting Date:** 16 July 2019

**From:** Julia Turner, Interim Head of Transformation

**Electoral division(s):** All

**Forward Plan ref:** Not applicable      **Key decision:** No

**Purpose:** To outline progress in delivery of the projects for which transformation funding has been approved at the end of the fourth quarter of the 2018/19 financial year.

**Recommendation:** It is recommended that the Committee note and comment on the report and the impact of transformation fund investment across the Council.

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## 1. BACKGROUND

- 1.1 General Purposes Committee (GPC) has responsibility for the stewardship of the Transformation Fund, approving business cases for new proposals and reviewing progress of the existing projects.
- 1.2 The Transformation Fund provides one off funding to encourage projects where an invest to save, invest to improve, or invest to innovate bid can underpin service improvements and deliver improved outcomes and future efficiencies.
- 1.3 This report provides GPC with an overview of how the current proposals are delivering improved outcomes as well as financial objectives. Service Committees continue to review relevant projects in detail as appropriate.
- 1.4 The Transformation Fund bids that support the 2019-2024 Business Plan are being presented at the relevant service committee as the investments are required to be drawn down. The areas approved at January GPC are:
- Embedding a demand management approach across the business
  - Developing a range of forward looking data and insight to guide our choices
  - Developing a place based model of practice across all services
  - Developing strength and depth in our commercial activity

## 2.0 OUTCOMES FOR CURRENT PROJECTS

- 2.1 The table below gives an overview of the current projects including their financial RAG rating. It also outlines the non-financial outcomes and benefits anticipated from each scheme.

Project	Brief description of project	Outcomes and benefits
<b>Total Transport</b> <b>C/R.5.102</b> <b>GREEN</b>	Scrutinising contract services to ensure the Council delivers the most efficient mainstream school transport services whilst ensuring all eligible pupils receive free transport in line with the Council's policy on journey times.	<ul style="list-style-type: none"><li>• More effective and co-ordinated Home to School Transport service</li><li>• Improved experience for service users</li></ul>
<b>External Funding</b> <b>C/R.5.011</b> <b>AMBER</b>	Fund the Advertising and Sponsorship Coordinator capacity to develop the council-wide structures and processes to identify and lever in new external funding opportunities.	<ul style="list-style-type: none"><li>• Advertising and sponsorship skills within the organisation</li><li>• CCC initiatives can be financially supported</li></ul>



<b>Support Investment in modernising social care payments</b> <b>C/R.5.002</b> <b>GREEN</b>	Investing in modern payment mechanisms in social care; including payment cards and establishing a direct debit system	<ul style="list-style-type: none"> <li>• Provide an efficient and easy to engage with system for service users</li> </ul>
<b>Dedicated Social Work &amp; Commissioning capacity Learning Disability (LD)</b> <b>C/R.5.003</b> <b>RED</b>	Dedicated social work, commissioning and specialist assistive technology capacity to deliver the ongoing programme of service user reassessments, service re-design and provider negotiation work in learning disability services	<ul style="list-style-type: none"> <li>• Promoting independence through use of technology</li> </ul>
<b>Additional capacity to conduct financial assessments in Adults</b> <b>C/R.5.004</b> <b>GREEN</b>	Additional capacity to ensure that the correct client contribution is being charged in line with updated Care Act guidance.	<ul style="list-style-type: none"> <li>• Service users will be paying the correct client contribution amount</li> </ul>
<b>Investment in upstream MH social work</b> <b>C/R.5.005</b> <b>GREEN</b>	Investment in additional capacity as part of the integrated care model for people with mental health needs through the Cambridgeshire and Peterborough NHS Foundation Trust.	<ul style="list-style-type: none"> <li>• Reducing need by ensuring social care support is in place through early intervention, working closely with primary care, adult early help teams and within communities</li> </ul>
<b>Housing Review</b> <b>C/R.5.006</b> <b>RED</b>	To carry out a review of the initiatives funded by Housing Related Support and inform recommendations, ensuring that any impacts of the proposed savings are understood and taken into account. Working with partners to identify innovative solutions to meet our housing needs.	<ul style="list-style-type: none"> <li>• Meeting accommodation needs for our most vulnerable clients</li> <li>• Working in partnership with District colleagues</li> </ul>

<b>Looked After Children (LAC) Placement budget savings</b> <b>C/R.5.007</b> <b>BLUE</b> (over achieving against expected financial savings)	Funded the campaign to recruit more in house foster carers (launched in September 2018) to reduce the reliance on independent fostering association (IFA) foster carers, a review of high cost placements and fee negotiations with IFA providers.	<ul style="list-style-type: none"> <li>Increased the number of in house foster carers to place children with</li> <li>LAC are placed in the most appropriate placement with the right level of care and support.</li> </ul>
<b>Learning Services Review</b> <b>C/R.5.008</b> <b>GREEN</b>	Investment in dedicated specialist skills required to support the Director of Learning in reviewing the current model, facilitating delivery of a new approach and the establishment of new partnerships across the education	
<b>Case reviews of specialist transport provisions</b> <b>C/R.5.009</b> <b>GREEN</b>	Provide additional capacity within the Social, Education Transport Team to review LAC Transport processes and provision	
<b>Social Work capacity to review out of area placements</b> <b>C/R.5.013</b> <b>GREEN</b>	To enable people with learning disabilities who have been placed out of county to move closer to their family by identifying an alternative placement which is closer to home	<ul style="list-style-type: none"> <li>People with learning disabilities who it is appropriate to move back into county will be closer to their existing support networks which is associated with better outcomes.</li> <li>Parents /carers will no longer need to travel significant distances to visit service users.</li> </ul>
<b>Library Service</b> <b>C/R.5.010</b> <b>GREEN</b>	To provide time limited business development capacity. Investment to also include budget for marketing, minor building works, and investments in new technology solutions	<ul style="list-style-type: none"> <li>Maximising the impact of libraries to communities</li> <li>Generating new income streams</li> </ul>

### 3.0 FINANCIAL OUTCOMES

3.1 The table below summarises the overall financial performance of the current Transformation Fund projects as at the end of the fourth quarter (Q4) of the 2018/19 financial year.

RAG (Red, Amber Green) Rating	No of current Schemes	Total Investment to Q4 (£000)	Total Investment Committed for the project (£000)	Savings / income for the project to Q4 (£000)	Forecast savings / income up to end of 2018/19 for the project (£000)	Budgeted future years savings for projects (as per 2018/19 Business Plan, (£000)
Blue	1	92	705	-2,318	-2,318	0
Green	8	498	1,334	-3,254	-3,254	0
Amber	1	4	40	-150	-150	0
Red	2	786	1,036	-2,843	-2,843	-3,730
<b>Total</b>	<b>12</b>	<b>1,446</b>	<b>3,231</b>	<b>-8,565</b>	<b>-8,565</b>	<b>-3,730</b>

3.2 The tables below show the details of the schemes which are rated as RED at the end of Q4 2018/19.

<b>PROJECT:</b> Dedicated social work and commissioning capacity - Learning Disability			<b>RED</b>
<b>Investment to date</b>	<b>Total project Investment Committed</b>	<b>Savings to date</b>	<b>Total scheme savings anticipated</b>
£786,000	£1,864,000	-£2,018,000 -800,000	-£3,100,000
<p>This project is rated as RED, however, additional savings were made by utilising some of the resource funded by the Transformation Fund to carry out a programme of work to scrutinise requests for annual uplifts for care packages, this has made additional savings of c£800k.</p> <p>With the addition of this amount, the overall saving that the investment has produced would no longer be rated as red.</p>			

<b>PROJECT:</b> Housing Review			<b>RED</b>
<b>Investment to date</b>	<b>Total project Investment Committed</b>	<b>Savings to date</b>	<b>Total scheme savings anticipated</b>
£0	£250,000	-£100,000	-£1,000,000
This project remains rated as RED as there has been no change since the end of Q3. No investment has been drawn down for this project yet, therefore, the status is due to phasing as expected savings are delayed.			

#### 4.0 SUMMARY OF 2018/19 FINANCIAL YEAR ACTIVITY

4.1 The table below summarise the overall investment amount savings for all projects within the 2019/20 financial year.

<b>Total number of Schemes during 2018/19</b>	<b>Investment to Q4 (£000)</b>	<b>Savings / income for the project to Q4 (£000)</b>	<b>Return on investment</b>
16	1,632	-7,223	-6,600

4.2 Overall, there have been 20 additional temporary staff employed for these 16 projects. All of these were to provide dedicated capacity and skills to accelerate the savings.

4.3 The redundancies figures over the last 3 years are:

2016 – 2017	133
2017 – 2018	76
2018 – 2019	113

#### 5.0 ALIGNMENT WITH CORPORATE PRIORITIES

##### 5.1 A good quality of life for everyone

The individual Transformation Fund bids identify where the specific project supports this outcome.

##### 5.2 Thriving places for people to live

There are no significant implications for this priority.

### **5.3 The best start for Cambridgeshire's children**

The individual Transformation Fund bids identify where the specific project supports this outcome.

## **6.0 SIGNIFICANT IMPLICATIONS**

### **6.1 Resource Implications**

The resource implications are captured on the savings tracker showing expenditure from the transformation fund and the actual and anticipated return on investment.

6.1.1 Transformation team resource as at 31<sup>st</sup> March 2019 = 35.19 FTEs

### **6.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

No significant implications – in some instances the procurement process has taken longer than anticipated creating some delay in the expenditure and impact of the transformation investments – these are described within the commentary for each project.

### **6.3 Statutory, Legal and Risk Implications**

There are no significant impacts for this category.

### **6.4 Equality and Diversity Implications**

There are no significant implications within this category from this report – individual community impact assessments were completed for all projects as part of the original business case.

### **6.5 Engagement and Communications Implications**

There are no significant impacts for this category.

### **6.6 Localism and Local Member Involvement**

There are no significant impacts for this category.

### **6.7 Public Health Implications**

There are no significant impacts for this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes – Chris Malyon and Tom Kelly
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	N/A
<b>Has the impact on statutory, legal and risk implications been cleared by LGSS Law?</b>	N/A
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	N/A
<b>Have any engagement and communication implications been cleared by Communications?</b>	N/A
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	N/A
<b>Have any Public Health implications been cleared by Public Health</b>	N/A

<b>Source Documents</b>	<b>Location</b>
None	Not applicable

# GENERAL PURPOSES COMMITTEE AGENDA PLAN

Published on 1st July 2019

Agenda Item No.11(a)



Cambridgeshire  
County Council

## Notes

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

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.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.

The agenda dispatch date is six clear working days before the meeting.

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
<b>16/07/19</b>	1. Minutes – 26/03/19	M Rowe		<b>03/07/19</b>	<b>08/07/19</b>
	2. Resources and Performance Report (May) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (May)	R Barnes	2019/010		
	4. Transformation Fund Monitoring Report Quarter 4 2018/19	A Askham	Not applicable		
	5. Shared Services: IT Strategy for Cambridgeshire and Peterborough	C Stromberg S Smith	2019/048		
	6. Updated Corporate Energy Strategy and Action Plan	S French	Not applicable		
	7. Commercial property acquisition proposal – property located in Cambridge (CB5)+	T Kelly	2019/050		
	8. Commencement of tendering process for banking services	J Lee	2019/051		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	9. Waste Private Finance Initiative+	A Smith	2019/055		
	10. Transformation Funding <ul style="list-style-type: none"> <li>- Development of the Council's Investment Portfolio</li> <li>- Resilience and Independence in Special Educational Needs and Disability (SEND) Environment</li> </ul>	S Howarth J Turner	2019/044		
<i>[20/08/19] Provisional Meeting</i>					
<b>26/09/19</b>	1. Minutes – 16/07/19	M Rowe		<b>13/09/19</b>	<b>18/09/19</b>
	2. Resources and Performance Report (July) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (July)	R Barnes	2019/011		
	4. Medium Term Financial Strategy	C Malyon	Not applicable		
	5. Capital Strategy	C Malyon	Not applicable		
	6. Transformation Fund Monitoring Report Quarter 1 2019/20	A Askham	Not applicable		
	7. Treasury Management Report – Quarter 1 2019-20	C Oliver/ J Lee	Not applicable		
	8. The Commercial Team	A Askham/ C Sutton	2019/046		
	9. Final Report on Total Transport Project	P Nelson	Not applicable		
	10. Laptop Refresh procurement	K Halls	2019/045		



<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
	11. Cambridge University Science and Policy Exchange  a) What actions must Cambridgeshire county council take today to meet the government pledge of 80% carbon emission reduction by 2050?  b) How can we design the future of local government today?	S French  A Askham	Not applicable		
<b>22/10/19</b>	1. Minutes – 26/09/19	M Rowe		<b>09/10/19</b>	<b>14/10/19</b>
	2. Resources and Performance Report (July) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (August)	R Barnes	2019/012		
<b>26/11/19</b>	1. Minutes – 22/10/19	M Rowe		<b>13/11/19</b>	<b>18/11/19</b>
	2. Resources and Performance Report (September) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (September)	R Barnes	2019/013		
	4. Treasury Management Report – Quarter 2*	C Oliver/ J Lee	Not applicable		
	5. Draft 2019/20 Capital Programme and Capital Prioritisation	C Malyon	Not applicable		
	6. Business Planning 2019-20 to 2023-24 – update	C Malyon	Not applicable		
	7. Transformation Fund Monitoring Report Quarter 2 2019-20	A Askham	Not applicable		
<b>17/12/19</b>	1. Minutes – 26/11/19	M Rowe		<b>04/12/19</b>	<b>09/12/19</b>

<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
	2. Resources and Performance Report (October) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report – (October)	R Barnes	2019/014		
	4. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable		
	5. Draft Revenue and Capital Business Planning Proposals for 2020-21 to 2024-2025 (whole Council)	C Malyon	Not applicable		
	6. Treasury Management Strategy	C Oliver/ J Lee	Not applicable		
<b>28/01/20</b>	1. Minutes – 17/12/19	M Rowe		<b>15/01/20</b>	<b>20/01/20</b>
	2. Resources and Performance Report (November) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report – (November)	R Barnes	2020/001		
	4. Local Government Finance Settlement	C Malyon	Not applicable		
	5. Business Plan*	C Malyon	Not applicable		
	6. Consultation Report	S Grace	Not applicable		
<i>[25/02/20] Provisional Meeting</i>					
<b>24/03/20</b>	1. Minutes – 28/01/20	M Rowe		<b>11/03/20</b>	<b>16/03/20</b>
	2. Resources and Performance Report (January) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (January)	R Barnes	2020/002		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	4. Transformation Fund Monitoring Report Quarter 3 2019/20	A Askham	Not applicable		
	5. Treasury Management Report – Quarter 3	C Oliver/ J Lee	Not applicable		
<i>[28/04/20] Provisional Meeting</i>					
<b>02/06/20</b>	1. Minutes – 24/03/20	M Rowe		<b>19/05/20</b>	<b>22/05/20</b>
	2. Resources and Performance Report (March) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (March)	R Barnes	2020/003		
	4. Treasury Management Report – Quarter 4 and Outturn Report*	C Oliver/ J Lee	Not applicable		



**INTERNAL MEMBER ADVISORY GROUP FOR THE CLIMATE CHANGE AND ENVIRONMENT STRATEGY**

*To:* **General Purposes Committee**

*Meeting Date:* **16 July 2019**

*From:* **Gillian Beasley, Chief Executive**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To appoint Members to a cross party Internal Advisory Group for the development of the Council's Climate Change and Environment Strategy.**

*Recommendation:* **The Committee is asked to:**

- **Note and comment on Appendix A: the Draft Terms of Reference for the Internal Advisory Group;**
- **Note and comment on Appendix B: the draft Vision and Objectives of the Strategy; and**
- **Nominate Members to the Climate Change and Environment Strategy Internal Advisory Group.**

<b><i>Officer contact:</i></b>		<b><i>Member contacts:</i></b>	
Name:	Sheryl French	Names:	Councillors Count & Hickford
Post:	Project Director, Energy Investment Unit	Post:	Chair/Vice-Chair
Email:	<a href="mailto:sheryl.french@cambridgeshire.gov.uk">sheryl.french@cambridgeshire.gov.uk</a>	Email:	<a href="mailto:Steve.Count@cambridgeshire.gov.uk">Steve.Count@cambridgeshire.gov.uk</a> <a href="mailto:Roger.Hickford@cambridgeshire.gov.uk">Roger.Hickford@cambridgeshire.gov.uk</a>
Tel:	01223 728552	Tel:	01223 706398

## **1. BACKGROUND**

- 1.1 In May 2019, Full Council supported Cllr Count's environment motion. This recognised that man-made climate change poses significant risk to our health, our economy, our environment, and endangers the wellbeing of future generations. As a result Full Council declared a climate emergency and supported the bringing together of existing work on the environment to form a Climate Change and Environment Strategy (CCES).

## **2. MAIN ISSUES**

- 2.1 As part of the governance process for the development of the CCES, it is recommended that a cross party, internal Advisory Group is set up to guide the Officer Steering Group in the development of the CCES. A draft terms of reference is attached as **Appendix A** identifying the potential purpose and role of the Group and where this sits in the internal governance for the Strategy. The details of the Terms of Reference can be finalised with the Advisory Group when it is appointed and first meets. **Appendix B** highlights the draft strategy vision and objectives.

## **3. ALIGNMENT WITH CORPORATE PRIORITIES**

### **3.1 A good quality of life for everyone**

Paragraph 1.1 describes the risk of climate change and the development of the CCES to support future quality of life for our communities.

### **3.2 Thriving places for people to live**

As above.

### **3.3 The best start for Cambridgeshire's children**

Of particular concern for young people is the impact of air pollution on children's developing lungs. An action plan to mitigate air pollution on young people was agreed as part of Cllr Hudson's motion to Full Council in May 2019. This work can be included in the CCES.

## **4. SIGNIFICANT IMPLICATIONS**

### **4.1 Resource Implications**

The cross- party, internal Member Advisory group will need to dedicate time to meetings and talking to key stakeholders to advise the Officer Steering Group.

### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

There are no significant implications.

### **4.3 Statutory, Legal and Risk Implications**

There are no significant implications

#### 4.4 Equality and Diversity Implications

There are no significant implications

#### 4.5 Engagement and Communications Implications

There are no significant implications for this report but more broadly, the development of the CCES will look to engage with partners, the community and young people.

#### 4.6 Localism and Local Member Involvement

There are no significant implications

#### 4.7 Public Health Implications

There are no significant implications for this report but more broadly, the development of the CCES will look to address paragraph 3.3 above.

Implications	Officer Clearance
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 LGSS Head of Procurement?	Yes Name of Officer: Gus de Silva
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Debbie Carter-Hughes
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Elsa Evans
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Sarah Silk
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Emma Fitch
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Stuart Keeble

Source Documents	Location
<p>Agenda, papers and minutes from 14<sup>th</sup> May 2019, Full Council meeting including Cllr Steve Count's environment motion and Cllr Hudson's air pollution motion.</p>	<p><a href="http://www.cambridgeshire.gov.uk">www.cambridgeshire.gov.uk</a></p>



## Appendix A: Draft Terms of Reference

### Internal Advisory Board for the development of a Climate Change and Environment Strategy- Terms of reference V 0.1 DRAFT

#### **1.0 Purpose of the Group**

The group will advise on the development of the Climate Change and Environment Strategy (CCES) recognising the challenging financial pressures the Council faces and the potential of the strategy to help shape societal change through setting a roadmap to net zero carbon emissions by 2050. It will advise on the setting of targets to reduce carbon emissions, pollution and the protection of bio-diversity and the mechanisms for engaging with partners, the community and our young people.

#### **2.0 Role of Group Members:**

To advise on the vision, strategic objectives and engagement processes to deliver the Strategy, Members will need to consult and take soundings from the following stakeholders: County Council Members, Cambridgeshire and Peterborough Combined Authority, Greater Cambridge Partnership, Local Authorities, Local Government Association and other relevant bodies to be identified.

#### **3.0 Frequency of meetings:**

Monthly, or as determined by the Board to deliver the Strategy.

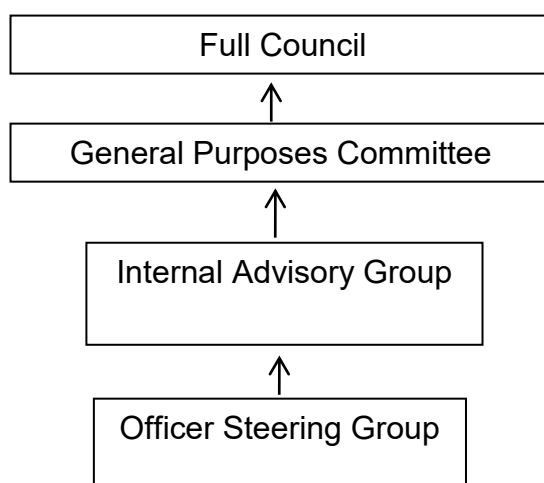
#### **4.0 Timeline for developing the Strategy**

It is hoped to approve the Strategy by March 2020. An interim target will be to approve a draft Strategy for engagement with the community by November 2019.

#### **5.0 Details of the Advisory Group Members**

It is proposed 5 members are appointed to the Advisory Group reflecting the political makeup of the Council (3:1:1, Conservatives, Lib Dems and Labour).

#### **6.0 Governance of the CCES**



## **Appendix B: The draft Vision and Objectives for the Strategy (subject to discussion and agreement)**

### **1.0 Draft Strategy Vision**

To deliver net zero carbon emissions for Cambridgeshire (and Peterborough) by 2050 in partnership with all stakeholders, whilst supporting our communities and Cambridgeshire's biodiversity to adapt and flourish as our climate changes.

### **2.0 Draft Objectives**

- Reduce greenhouse gas emissions to mitigate the impacts of man-made climate change
- Support our communities and biodiversity to adapt to a changing climate
- Improve Cambridgeshire and Peterborough's Natural Capital for future generations
- Empower Cambridgeshire communities and businesses to buy-into and deliver the Strategy vision
- To agree the carbon footprint for Cambridgeshire and Peterborough and an action plan to track carbon emissions reductions

### **3.0 Key mechanisms for the development of the strategy**

- 3.1 Engagement of partners and the community in the development of the strategy is important and can include:
- Setting up a representative group of partners, stakeholders and the community to engage in the strategy as it develops.
  - Engaging with Eco-School Councils across Cambridgeshire to involve young people
  - Identifying local community groups to consult on the detail in the strategy and engage in the strategy development
  - Working with Cambridgeshire Cleantech and its membership to mobilise business innovation
- 3.2 Cambridge University Science and Policy Exchange (CUSPE) is developing a carbon footprint for Cambridgeshire and Peterborough which will form an evidence base for the strategy. The carbon footprint can then be analysed to determine what elements are under the direct control of the County Council and which can be influenced. This will lead to the setting of a baseline and key performance indicators for the strategy.
- 3.3 An action plan will be developed reflecting existing commitments already agreed by the Council such as the energy, flood and water management and plastics strategies, plus cover additional actions that support the delivery of the strategy.