

## Integrated Finance Monitoring Report for the period ending 31 July 2021

To: Strategy & Resources Committee

Meeting Date: 21 September 2021

From: Chief Finance Officer

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2021/022

Outcome: The Committee will have received information setting out the current financial position of the Council, enabling it to assess delivery of the Council's business plan. It will also have made decisions around the allocation of resources. Overall, this will contribute to good financial management and stewardship of public funds.

Recommendation: Strategy & Resources Committee (S&R) is recommended to:

- a) Note the additional £292k extended rights to free home to school travel grant for 2021-22, as set out in section 6.1;
- b) Note the allocation by CCC of £109k for biodiversity activities as set out in section 6.2;
- c) Approve the debt write-offs of £71,737 and £27,253 relating to the estates of service users where there is now no prospect of debts being recovered, as set out in section 7.2;
- d) Approve the -£4.2m revised phasing of the capital programme variations budgets as set out in section 8.6;
- e) Note the additional £0.4m grant funding awarded for the Papworth to Cambourne cycling scheme as set out in section 8.6;
- f) Note the receipt of £21.955m as the local transport capital grant allocation for 2021/22 and its application towards the spending plans set for the 2021/22 budget, as set out in section 8.7;
- g) Approve additional prudential borrowing of £432k in 2021/22 for the Building Maintenance scheme as set out in section 8.8;
- h) Note and comment on the Transformation Fund Monitoring Report as set out in Appendix 4;

- i) Note and comment on the Finance Monitoring Report for Corporate Services (appendix 5);
- j) Delegate authority to the Chief Finance Officer, in consultation with the Chair and Vice-Chair, to progress and/or settle litigation in relation to a property in Fenland, as set out in confidential Appendix 6, including a potential debt write-off exceeding the normal officer threshold.
- k) Approve additional prudential borrowing in 2021/22 for the Waterbeach Waste Treatment Facilities scheme as set out in confidential Appendix 7.

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# 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 the Authority's forecast financial position at year-end and its key activity data for care budgets.

## Finance and Key Activity

|   |   |   |
|---|---|---|
| <b>Revenue budget forecast outturn</b><br><br>-£0.930m (0.2%) forecast year end variance, however there continues to be uncertainty about the pandemic impact in the coming months<br><br>Green | This is a £0.923m increase in the forecast revenue underspend compared to last month.<br><br>There is a £1.0m decrease in the forecast capital year-end expenditure compared to last month. | <b>Capital programme forecast outturn</b><br><br>-£1.0m (-0.6%) forecast year end variance<br><br>Green |
|---|---|---|

## Number of service users supported by key care budgets

| <b>Older people aged 65+ receiving long term services</b> | <b>July 21</b> | <b>May 21</b> | <b>Trend since May 21</b> |
|---|----------------|---------------|---------------------------|
| Nursing   | 508            | 492           | Increasing                |
| Residential   | 876            | 864           | Increasing                |
| Community   | 1,981          | 1,932         | Increasing                |

| <b>Working Age Adults receiving long term services</b> | <b>July 21</b> | <b>May 21</b> | <b>Trend since May 21</b> |
|--|----------------|---------------|---------------------------|
| Nursing  | 72             | 69            | Stayed the same           |
| Residential  | 359            | 358           | Stayed the same           |
| Community  | 2,900          | 2,868         | Increasing                |

| <b>Children open to social care</b> | <b>July 21</b> | <b>Apr 21</b> | <b>Trend since Apr 21</b> |
|-------------------------------------|----------------|---------------|---------------------------|
| Children in Care                    | 647            | 660           | Decreasing                |
| Child Protection                    | 429            | 443           | Decreasing                |

Further details can be found in the quarterly service committee performance reports.

2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end underspend of -£0.930m. The forecast pressures are largely within Corporate Services (CS) (+£1.1m). These are offset by forecast underspends in Funding Items (-£1.4m), People & Communities (P&C) (-£0.4m) and Place & Economy (P&E) (-£0.2m). See section 3 for details.

- The Capital Programme is forecasting a year-end underspend of -£1.0m at year-end. This includes use of the capital programme variations budget. See section 8 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 (June) £000 | Service                         | Current Budget for 2021/22 £000 | Actual (July) £000 | Forecast Variance (July) £000 | Forecast Variance (July) % | Overall Status | DoT |
|---|-------------------------------|---------------------------------|---------------------------------|--------------------|-------------------------------|----------------------------|----------------|-----|
| 64,317                                    | -200                          | Place & Economy                 | 64,266                          | 9,587              | -205                          | -0.3%                      | Green          | ↑   |
| 302,530                                   | 469                           | People & Communities            | 300,076                         | 69,465             | -426                          | -0.1%                      | Green          | ↑   |
| 0   | 0                             | Public Health                   | 0                               | -28,386            | 0                             | -                          | Green          | ↑   |
| 25,489                                    | 795                           | Corporate Services              | 26,300                          | 9,476              | 1,064                         | 4.0%                       | Amber          | ↓   |
| 31,295                                    | 0                             | CS Financing                    | 31,295                          | 2,628              | 0                             | 0.0%                       | Green          | ↔   |
| <b>423,632</b>                            | <b>1,064</b>                  | <b>Service Net Spending</b>     | <b>421,938</b>                  | <b>62,771</b>      | <b>433</b>                    | <b>0.1%</b>                | Green          | ↑   |
| 11,745                                    | -1,070                        | Funding Items                   | 13,440                          | 13,440             | -1,362                        | -                          | Green          | ↑   |
| <b>435,377</b>                            | <b>-6</b>                     | <b>Grand Total Net Spending</b> | <b>435,378</b>                  | <b>76,211</b>      | <b>-930</b>                   | <b>-0.2%</b>               | Green          | ↑   |
| 155,583                                   |                               | Schools                         | 155,583                         |                    |                               |                            |                |     |
| <b>590,960</b>                            |                               | <b>Total Spending 2021/22</b>   | <b>590,961</b>                  |                    |                               |                            |                |     |

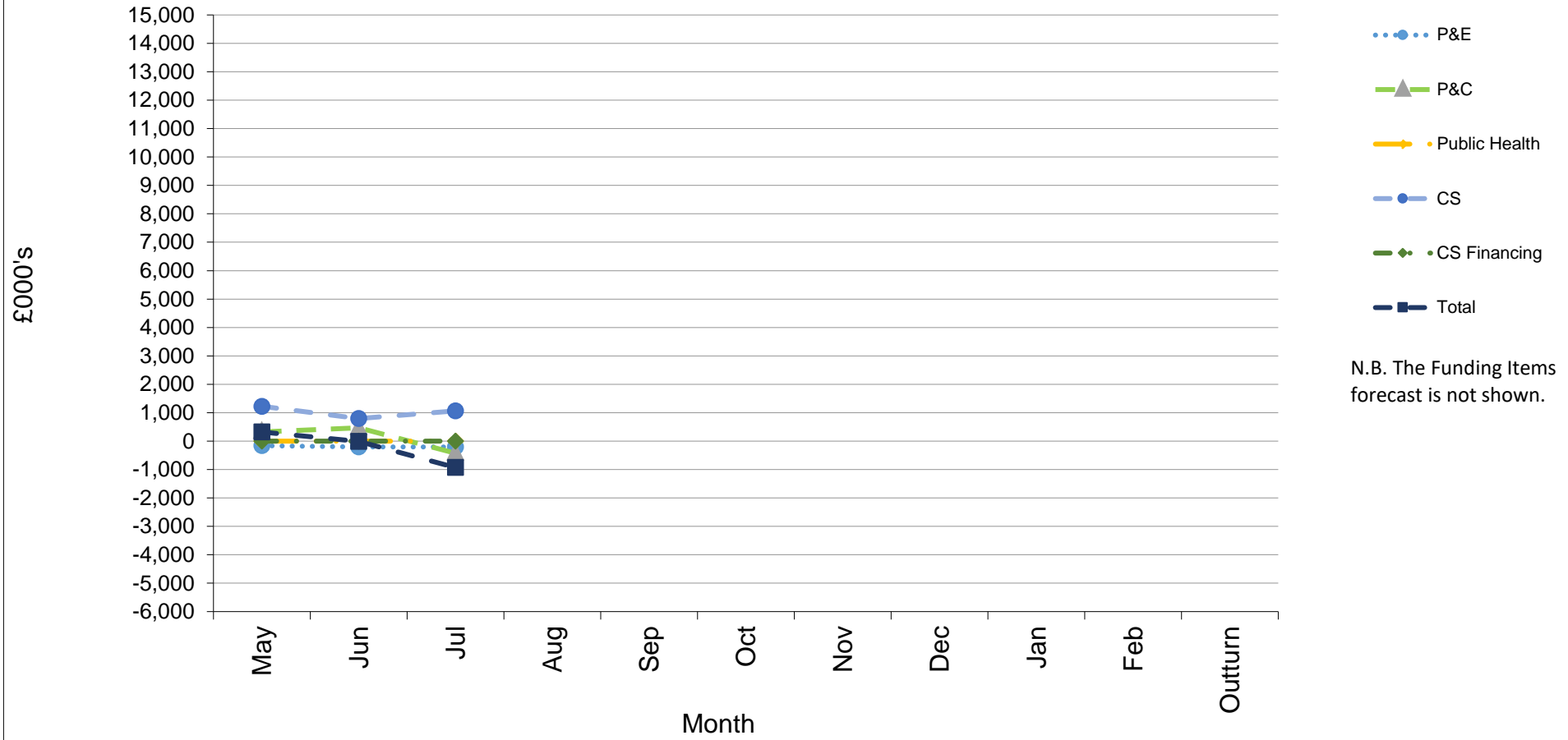
<sup>1</sup> The budget figures in this table are net.

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

<sup>3</sup> The budget of £0k stated for Public Health is its cash limit budget. In addition to this, Public Health has a budget of £26.8m from ring-fenced public health grant, £15.6m from the Contain Outbreak Management Fund, £2.6m from the Enduring Transmission Grant, £1.8m from the Community Testing Grant, £1.1m from Test and Trace Support Grant and £0.5m from other grants which make up its gross budget.

<sup>4</sup> The 'Funding Items' budget comprises the £9.2m Combined Authority Levy, the £424k Flood Authority Levy and £3.8m 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 2021/22



N.B. The Funding Items forecast is not shown.

### 3.2 Summary of Forecast Covid-19 Related Costs by Directorate for 2021/22

| Directorate          | Net Covid-19 Pressure |
|----------------------|-----------------------|
|                      | £000                  |
| Place & Economy      | 2,538                 |
| People & Communities | 13,379                |
| Public Health        | 130                   |
| Corporate Services   | 2,545                 |
| <b>Total</b>         | <b>18,592</b>         |

These Covid-19 related costs are a mixture of additional expenditure, reduced income, and savings not delivered as a result of the pandemic. They are also net of any external funding received to cover specific functions and pressures (such as the Contain Outbreak Management Fund). Increasingly, some of these additional costs have been included within initial budgets and as such do not impact on the services' forecast outturns reported elsewhere within this report. However, the overall costs related to Covid-19 are still required to be categorized and reported to central government.

### 3.3 Key exceptions this month are identified below.

#### 3.3.1 Place & Economy:

-£0.205m (-0.3%) underspend is forecast.

- Lost Sales, Fees & Charges Compensation

| Outturn Variance<br>£m | Outturn Variance<br>% |
|------------------------|-----------------------|
| -1.414                 | (-45%)                |

-£1.414m compensation is forecast. This is a decrease of £1.378m on the underspend position previously reported last month. Budget has been set aside to cover expected shortfalls in income due to COVID. The budget has been built on assumptions on the level of income and these will be closely monitored during the year. The level of income is currently greater than the initial assumptions and so budget that is no longer required will be handed back to the corporate centre.

- Traffic Management

| Outturn Variance<br>£m | Outturn Variance<br>% |
|------------------------|-----------------------|
| +0.052                 | N/A                   |

A +£0.052m pressure is forecast. This is a decrease of £0.552m on the position previously reported in May, of which £0.549m relates to a change since last month. Income from permitting is projected to be lower than the budget set due to COVID. This is currently projected on certain assumptions and these assumptions will be closely monitored during the year. Income to date is higher than expected and this is shown in the reduction in the outturn forecast since last month. Budget to cover this shortfall is held within 'Lost Sales, Fees & Charges Compensation' line above.

- Bus Operations including Park & Ride

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| +0.200                         | N/A                           |

A +£0.200m pressure is forecast. This is a decrease of £0.500m on the position previously reported in May, which relates in full to a change since last month. Income is projected to be lower than the budget set due to COVID. This is currently projected on certain assumptions and these assumptions will be closely monitored during the year. Currently income is ahead of the initial assumptions but not yet at pre-Covid levels. Budget to cover this shortfall is held within 'Lost Sales, Fees & Charges Compensation' line.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of -£0.205m. For full and previously reported details, see the [P&E Finance Monitoring Report](#).

### 3.3.2 People & Communities:

-£0.426m (-0.1%) underspend is forecast at year-end.

- Strategic Management - Adults

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -0.471                         | (-8%)                         |

A -£0.471m underspend is forecast. Funding from government grants for Adult Social Care is held centrally and is offsetting increased pressures in Learning Disabilities which have emerged this month, as reported below.

- Learning Disabilities

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| +0.927                         | (+1%)                         |

A +£0.927m pressure is forecast. This is an increase of £0.517m on the pressure previously reported in May, of which £0.514m relates to an increase since last month. Levels of need have risen greatly over the last year, and this is exacerbated by several new LD care packages with very complex health needs that cost much more than we budget for an average new care package. Additionally, one of our providers who offers specialist placements to service users who cannot easily be placed elsewhere has substantially increased their rates on care packages for our existing service users placed with them. This latter pressure has caused the majority of the increase in forecast outturn since June. LD services in Cambridgeshire work in a pooled budget with the NHS, so any increase in cost in-year is shared.



- Physical Disabilities

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -0.300                         | (-2%)                         |

A -£0.300m underspend is forecast. Previously identified pressures resulting from increased demand for community-based care have been recognised through the business planning process and are manageable within current budget. A peak in demand for bed-based care in the last quarter of 2020/21 has now reversed, resulting in the reported underspend, in conjunction with an increase in income due from clients contributing towards the cost of their care.

- Older People's Services

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -2.000                         | (-3%)                         |

A -£2.000m underspend is forecast. This is an increase of £1m on the underspend position previously reported in May. As was reported throughout 2020/21, the impact of the pandemic has led to a notable reduction in the number of people having their care and support needs met in care homes, and this short-term impact has carried forward into early forecasting for 2021/22. As a result, spend today is below the level budgeted for, even after factoring in expected growth through the rest of the year. This is causing the forecasted underspend on the Older People's budget, but the financial position of this service is considerably uncertain. There is likely to be an increase in need for care services as Covid restrictions ease, and as NHS discharge funding ends in the middle of the year, as well as evidence of a rising complexity of need which will increase costs. Care provider support may also be required if government funding is not aligned to how long infection control requirements last. The forecast underspend assumes a lot of growth in cost from this month to the end of the year.

We will review in detail on a quarterly basis the activity information and other cost drivers to validate this forecast position, and so this remains subject to variation as circumstances change. In particular, a budget rebaselining exercise will be undertaken at the mid-year point to assess the full impact of Covid on the numbers of older people being supported.

- Mental Health Services

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| +0.867                         | (+6%)                         |

A +£0.867m pressure is forecast. This is an increase of £0.567m on the pressure position previously reported in May, of which £0.418m relates to a change since last month. It was reported last year that the Covid pandemic had a significant impact on elderly clients with the most acute needs in the short-term. However, there was a significant increase in placements into care homes over the final quarter of 2020/21, and this is continuing into 2021/22 with current placement numbers close to pre-pandemic levels. Similar to Older People's Services, there is considerable uncertainty around impact of the pandemic on longer-term demand

for services, and so it is not yet clear whether the increase in placements is indicative of an emerging trend or a short-term outcome of the second wave.

In addition, pressure is emerging in community based-care with a number of high-cost supported living placements being made by Adult Mental Health services since the start of the year. It has previously been reported that Mental Health care teams are experiencing a significant increase in demand for Approved Mental Health Professional (AMHP) services, and the anticipated increase in the provision of packages for working age adults with mental health needs may now be manifesting in reported commitment.

We will continue to review in detail the activity information and other cost drivers to validate this forecast position. This remains subject to variation as circumstances change and more data comes through the system.

- Children in Care Placements

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| +1.250                         | (+6%)                         |

A +£1.250m pressure is forecast. Despite a relatively stable position in the number of Children in Care (CiC) we are seeing increasing cost pressures due to changes in complexity of need, and continuing cost inflation within the sector. Since April we have seen a rise of 7 young people in residential homes, representing a 20% increase in numbers, and a 33% increase in overall financial commitment. Weekly cost for this type of provision is significantly higher than foster care, so any shift towards residential will have significant impact on the budgetary position. Higher cost placements are reviewed regularly to ensure they are the correct level and step downs can be initiated appropriately; however, we are continuing to see an increase in demand for this placement type. We are also seeing the impact of Tier 4 step-downs which can lead to high placement costs, and demand for this placement type is also expected to rise.

- Fostering and Supervised Contact Services

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -0.884                         | (-9%)                         |

A -£0.884m underspend is forecast. The Foster Carer budget is underspending by £802k, this is due to the budget being built for a higher number of placements (236) than the service currently holds (208) and also a lower average cost than budgeted. Associated Foster Carer mileage claims are also down, mainly impacted by Covid. There is a further £82k underspend across the Link Carers, Supported Lodgings and Staying Put budget lines.

- Corporate Parenting

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -0.400                         | (-5%)                         |

A -£0.400m underspend is forecast. In the Unaccompanied Asylum Seeker Children (UASC)/Leaving Care budgets activity undertaken in the service to support moves for unaccompanied young people to lower cost but appropriate

accommodation and the decision by the Home Office to increase grant allowances from 1 April 2020 has contributed to an improved budget position.

- **Children’s Disability Service**

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| +0.400                         | (+6%)                         |

A +£0.400m pressure is forecast. This is due to the in-sourcing of Children’s Homes which was taken on with a known £300k pressure from the previous provider. In addition to this, staff who TUPE over on the previous provider’s Terms and Conditions, are opting to apply for new vacancies which are being advertised under CCC Terms and Conditions causing additional budget pressures. Furthermore, under CCC Terms and Conditions certain posts (e.g. night support staff) are entitled to ‘enhancements’ at an additional cost to the service. The position remains under review and future funding requirements are being explored.

- **Adoption**

| <b>Outturn Variance<br/>£m</b> | <b>Outturn Variance<br/>%</b> |
|--------------------------------|-------------------------------|
| -0.375                         | (-7%)                         |

A -£0.375m underspend is forecast. During this reporting year the service has, and will continue to have, a number of young people in care turning 18 years old and for the majority of children this will see the special guardianship allowances paid to their carers ceasing. The Council also introduced a new allowance policy in April 2020 which clearly set out the parameters for new allowances and introduced a new means test in line with Department for Education (DfE) recommendations that is broadly lower than the previous means test utilised by the Council. We are however recently starting to see more challenge in the court process with regard to allowances post order so will continue to focus on this area of activity to ensure allowances received by carers are in line with children’s needs and family circumstances.

- A combination of more minor variances sum with the above to lead to an overall forecast outturn of -£0.426m. For full and previously reported details, see the [P&C and PH Finance Monitoring Report](#).

### 3.3.3 Public Health:

A balanced budget is forecast for year-end. The -£1,027k underspend being reported in the Public Health directorate will be transferred to the Public Health ring-fenced grant reserve at year-end, leading to a balanced budget overall. There are no exceptions to report this month; for full and previously reported details, see the [P&C and PH Finance Monitoring Report](#).

### 3.3.4 Corporate Services:

+£1.064m (4.0%) pressure is forecast for year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS Finance Monitoring Report](#).

### 3.3.5 CS Financing:

A balanced budget is forecast for year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS Finance Monitoring Report](#).

### 3.3.6 Funding Items:

£1.362m underspend is forecast for year-end. This is an increase of £292k on the position previously reported in May and relates in full to a change since last month. This is due to an additional £292k due this year for extended rights to free home to school travel for 2021-22 as reported in section 6.1.

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

## 4. Savings Tracker

4.1 The “Savings Tracker” report is a tool for summarising delivery of savings. Within the tracker the forecast is shown against the original saving approved as part of the 2021-22 Business Planning process. Currently, the Council is on track to deliver £8.6m of savings against its original plan. Green rated savings total £6.7m. The Savings Tracker as at the end of quarter 1 is included as [Appendix 3](#) to this report. It is also important to note the relationship with the reported position within this report. As pressures arise in-year, further mitigation and/or additional savings will be required to deliver a balanced position.

A summary of Business Plan savings achieved in previous years as per the savings tracker is shown below for comparison:

| Financial Year | Business Plan Original Savings £m | Savings Delivered £m | Total Variance £m |
|----------------|-----------------------------------|----------------------|-------------------|
| 2016-17        | 43.4                              | 35.5                 | 7.9               |
| 2017-18        | 33.4                              | 27.1                 | 6.3               |
| 2018-19        | 38.3                              | 27.8                 | 10.5              |
| 2019-20        | 15.8                              | 13.2                 | 2.6               |
| 2020-21        | 15.9                              | 8.9                  | 7.1               |
| TOTAL          | 146.8                             | 112.5                | 34.3              |

4.2 A summary of 2021-22 Business Plan savings by RAG rating is shown below:

| RAG Status | Number of Savings | Total Original Savings £000 | Total Variance £000 | RAG Status | Number of Savings | Total Original Savings £000 | Total Variance £000 | RAG Status | Number of Savings | Total Original Savings £000 | Total Variance £000 | RAG Status | Number of Savings | Total Original Savings £000 | Total Variance £000 | RAG Status | Number of Savings | Total Original Savings £000 | Total Variance £000 | Total Original Savings | Total Variance |
|------------|-------------------|-----------------------------|---------------------|------------|-------------------|-----------------------------|---------------------|------------|-------------------|-----------------------------|---------------------|------------|-------------------|-----------------------------|---------------------|------------|-------------------|-----------------------------|---------------------|------------------------|----------------|
| Blue       | 0                 | 0                           | 0                   | Green      | 30                | -6,650                      | 0                   | Amber      | 1                 | -200                        | 100                 | Red        | 1                 | -2,339                      | 460                 | Black      | 6                 | -2,185                      | -2,185              | -11,374                | 2,745          |

## 5. Key Activity Data

- 5.1 The latest key activity data for: Children in Care Placements; Special Educational Needs (SEN) Placements; Adults & Safeguarding; Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [P&C and PH Finance Monitoring Report](#) (section 5).

## 6. Funding Changes

- 6.1 Local authority grant allocations for extended rights to free home to school travel for 2021-22

The Council is due to receive an additional £292k this financial year from the Department for Education (DfE) for extended rights to free home to school travel for 2021-22. Local authorities' allocations have been calculated using estimates of the number of pupils eligible for extended rights transport using data collected in the January 2020 census. DfE have also taken account of whether each local authority is classified as rural, urban or London. This funding is not ring-fenced, but local authorities must meet the statutory duty in respect of extended rights to home to school transport set out in section 508B and schedule 35B of the Education Act 1996, which CCC does through the budget allocation (increasing year on year) of the transport service. The total grant allocated to Cambridgeshire County Council is £816,800 which is £292k higher than budgeted.

Strategy & Resources Committee is asked to note the additional £292k extended rights to free home to school travel grant for 2021-22

- 6.2 Biodiversity Activities

The Chair and Vice Chair of the Strategy & Resources Committee have received a request from the Chair & Vice Chair of the Environment & Green Investment Committee to make available additional funds for investment in biodiversity activities during 2021/22. The need for expedited resources during the current financial year has been identified as a result of: increased use of public open spaces (including several council owned scheduled monuments), the doubling nature agenda and the commitment to 20% biodiversity net gain (and the need to undertake an audit of these across the CCC estate) and the objectives under the Climate Change & Environment Strategy. Allocation of £109k during the current financial year towards staff capacity, a biodiversity audit and site repairs enables earlier progress on these priorities, mindful of a seasonal dependency to much of this work.

The funds have been made available by way of a re-allocation of reserves from the transformation fund and fall within the delegation limit for officers. An ongoing allocation for biodiversity will be considered as part of business planning for 2022-27.

Strategy & Resources Committee is asked to note the allocation of £109k for biodiversity activities.

## 7. Debt Write-Offs

7.1 As per the Scheme of Financial Management, debts over £25,000 recommended to be written off will be reported to the Strategy & Resources Committee to seek authorisation to write off.

### 7.2 Request to write-off debts owed by estates of two service-users

There are two debts of over £25,000 relating to the estates of service users in receipt of council arranged adult social care who have died and where we believe there is no prospect of recovering debts. One of these debts is £72k in total, and the other £27k. Write-offs of this scale require approval by Strategy & Resources Committee.

In the case of the larger debt, invoices for residential care contributions between 2017 and the service-user's death in 2020 went unpaid. Care was arranged and paid by CCC, but the service-user owed the full cost of their care. This was to ensure the placement did not collapse due to previous non-payment of invoices to the care provider by the service-user's son (who was named as official deputy, managing his parent's finances, before the Council was involved). The Council assessed it to be in the best interests of the service-user that the placement continue and that we pursue the deputy for payment, despite the clear risk of non-payment. The deputy is now suspected to have unlawfully depleted his mother's assets prior to Council involvement and so was never going to be able to reimburse us. This case has been referred to the police and the Office of the Public Guardian, but realistically the Council cannot presume that this debt will be paid.

In the smaller case, any assets held by the service-user are after investigation thought to be overseas and unable to be secured against the Council's debt.

We believe that some gaps in communications within the Council inhibited the collection of these debts, as formal debt recovery was not proceeded with until late in the process. There is now much improved communications between the Council's debt recovery team and its social work teams, including monthly meetings to review cases causing concern, which should flag complex cases much earlier. Care teams have received updated guidance around dealing with concerns of financial abuse or mismanagement of funds.

It should be emphasised that debt write offs are used exceptionally, and social care contributions are collected successfully from thousands of clients and their estates each month. Updates on the Council's debt position and recovery processes have been provided to Audit and Account Committee.

Strategy & Resources Committee is asked to approve debt write-offs of £71,737 and £27,253 relating to the estates of these service users, where there is now no prospect of debts being recovered.

## 8. Capital Programme

### 8.1 Capital financial performance

A summary of capital financial performance is shown below:

| Original 2021/22 Budget as per Business Plan £000 | Forecast Variance - Outturn (June) £000 | Service               | Revised Budget for 2021/22 £000 | Actual-Year to Date (July) £000 | Forecast Variance - Outturn (July) £000 | Forecast Variance - Outturn (July) % | Total Scheme Revised Budget (July) £000 | Total Scheme Forecast Variance (July) £000 |
|---|---|-----------------------|---------------------------------|---------------------------------|---|--------------------------------------|---|--|
| 96,983  | -                                       | P&E                   | 101,932                         | 8,495                           | -                                       | 0.0%                                 | 545,839                                 | -  |
| 44,588  | -                                       | P&C                   | 43,473                          | 4,316                           | 0                                       | 0.0%                                 | 534,966                                 | -651                                       |
| 10,261  | -                                       | Corporate Services    | 23,266                          | 4,957                           | -1,004                                  | -4.3%                                | 191,143                                 | -  |
| -   | -                                       | Outturn adjustment    | -                               | -                               | -                                       | -                                    | -                                       | -  |
| <b>151,832</b>                                    | <b>-</b>                                | <b>Total Spending</b> | <b>168,671</b>                  | <b>17,768</b>                   | <b>-1,004</b>                           | <b>-0.6%</b>                         | <b>1,271,948</b>                        | <b>-651</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 8.2.
2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2021/22 of £40.0m and is currently forecasting a balanced budget 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.



## 8.2 2021-22 capital programme variations budgets

8.2.1 A summary of the use of the 2021-22 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 rephasing exceeds this budget.

| Service               | Capital Programme Variations Budget £000 | Forecast Variance - Outturn (July) £000 | Capital Programme Variations Budget Used £000 | Capital Programme Variations Budget Used % | Revised Forecast Variance - Outturn (July) £000 |
|-----------------------|--|---|---|--|---|
| P&E                   | -25,237                                  | -517                                    | 517   | 2.05%                                      | 0   |
| P&C                   | -5,805                                   | -3,492                                  | 3,492   | 60.15%                                     | 0   |
| CS                    | -5,620                                   | -6,624                                  | 5,620   | 100.00%                                    | -1,004  |
| Outturn adjustment    | -  | -                                       | -   | -  | -   |
| <b>Total Spending</b> | <b>-36,662</b>                           | <b>-10,633</b>                          | <b>9,629</b>                                  | <b>26.26%</b>                              | <b>-1,004</b>                                   |

8.2.2 As at the end of July, Corporate Services schemes have exceeded the capital variations budget allocated to them, forecasting an in-year underspend of -£1.0m. The current overall forecast position is therefore a -£1.0m underspend; the forecast will be updated as the year progresses.

## 8.3 Capital Current Year Key Exceptions

A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.25m or greater is identified below.

### 8.3.1 Place & Economy:

A balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details, see the [P&E Finance Monitoring Report](#).

### 8.3.2 People & Communities:

A balanced budget is forecast at year-end.

- Basic Need- Early Years

| Revised Budget for 2021/22 £'000 | Forecast Spend - Outturn (July) £'000 | Forecast Spend - Outturn Variance (July) £'000 | Variance Last Month (June) £'000 | Movement £'000 | Breakdown of Variance: Underspend/pressure £'000 | Breakdown of Variance: Rephasing £'000 |
|----------------------------------|---------------------------------------|--|----------------------------------|----------------|--|--|
| 1,578                            | 598                                   | -980   | -1,265                           | 285            | -300   | -680                                   |

- An in-year underspend of -£1.0m is forecast across Basic Need- Early Years schemes. This is a decrease of £0.285m on the position previously reported last month. The change relates to the scheme overleaf:

○ Meldreth Caretaker House

| Revised Budget for 2021/22 £'000 | Forecast Spend - Outturn (July) £'000 | Forecast Spend - Outturn Variance (July) £'000 | Variance Last Month (June) £'000 | Movement £'000 | Breakdown of Variance: Underspend/pressure £'000 | Breakdown of Variance: Rephasing £'000 |
|----------------------------------|---------------------------------------|--|----------------------------------|----------------|--|--|
| 15                               | 300                                   | 285  | 0                                | 285            | 0  | 285                                    |

Rephasing has taken place in the scheme as work is expected to progress and complete earlier than anticipated. The total scheme forecast is unaffected.

• P&C Capital Variation

| Revised Budget for 2021/22 £'000 | Forecast Spend - Outturn (July) £'000 | Forecast Spend - Outturn Variance (July) £'000 | Variance Last Month (June) £'000 | Movement £'000 | Breakdown of Variance: Underspend/pressure £'000 | Breakdown of Variance: Rephasing £'000 |
|----------------------------------|---------------------------------------|--|----------------------------------|----------------|--|--|
| -5,805                           | -2,313                                | 3,492  | 3,887                            | -395           | 0  | 3,492                                  |

- As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when rephasing exceeds this budget. Therefore, the net £3.5m underspend is balanced by use of the capital variations budget, which is a change of £0.4m since last month. This relates primarily to the accelerated spend on the Meldreth Caretaker House scheme as reported above, together with more minor variances.
- For full and previously reported details, see the [P&C and PH Finance Monitoring Report](#).

8.3.3 Corporate Services:

A -£1.004m (-4.3%) underspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details, see the [CS Finance Monitoring Report](#).

8.4 Capital Total Scheme Key Exceptions

A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.25m or greater is identified below:

8.4.1 Place & Economy:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details, see the [P&E Finance Monitoring Report](#).

8.4.2 People & Communities:

A -£0.7m (-0.1%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details, see the P&C Finance Monitoring Report.

### 8.4.3 Corporate Services:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details, see the [CS Finance Monitoring Report](#).

## 8.5 Capital Funding Changes

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               | 16.1                  | 3.5                                    | -2.0               | 4.0                                | <b>21.6</b>       | 21.6               | -                   |
| Basic Need Grant                                   | -                     | 1.0                                    | -                  | -                                  | <b>1.0</b>        | 1.0                | -                   |
| Capital Maintenance Grant                          | 3.1                   | 2.2                                    | -                  | 0.7                                | <b>6.1</b>        | 6.1                | -                   |
| Devolved Formula Capital                           | 0.8                   | 1.3                                    | -                  | -0.0                               | <b>2.0</b>        | 2.0                | -                   |
| Specific Grants                                    | 20.3                  | 4.0                                    | -2.4               | 5.0                                | <b>26.9</b>       | 23.9               | -2.9                |
| S106 Contributions & Community Infrastructure Levy | 23.5                  | -0.3                                   | -3.8               | 0.5                                | <b>19.8</b>       | 19.9               | 0.1                 |
| Capital Receipts                                   | 1.6                   | -                                      | 0.0                | -0.3                               | <b>1.3</b>        | 1.7                | 0.3                 |
| Other Contributions                                | 16.0                  | 0.6                                    | -2.8               | 6.7                                | <b>20.5</b>       | 18.9               | -1.6                |
| Revenue Contributions                              | -                     | -                                      | -                  | -                                  | -                 | -                  | -                   |
| Prudential Borrowing                               | 70.4                  | 21.6                                   | -18.6              | -3.9                               | <b>69.5</b>       | 72.6               | 3.1                 |
| <b>TOTAL</b>                                       | <b>151.8</b>          | <b>33.8</b>                            | <b>-29.6</b>       | <b>12.6</b>                        | <b>168.7</b>      | <b>167.7</b>       | <b>-1.0</b>         |

<sup>1</sup> Reflects the difference between the anticipated 2020/21 year-end position used at the time of building the initial Capital Programme budget, as incorporated within the 2021/22 Business Plan, and the actual 2020/21 year-end position.

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

| Funding   | Service      | Amount (£m) | Reason for Change   |
|---|--------------|-------------|---|
| Revised Phasing   | All Services | -£4.2       | <p>Capital programme variations budgets, -£4.2m:<br/>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 budget. Capital programme variations budgets were included in the 2021/22 Business Plan, but these have been revised for 2021/22 as a result of the rolled forward and revised phasing exercise carried out in May 2021.</p> <p>Strategy &amp; Resources Committee is asked to approve the -£4.2m revised phasing of the capital programme variations budgets.</p> |
| Additional/<br>Reduction in<br>Funding (Specific<br>Grants) | P&E          | +£0.4       | <p>Additional grant funding of £0.4m has been awarded by Highways England for the Papworth to Cambourne cycling scheme.</p> <p>Strategy &amp; Resources Committee is asked to note the additional £0.4m grant funding awarded for the Papworth to Cambourne cycling scheme as above.</p>  |

## 8.7 Local Transport Capital Grant allocation

On the 8 July 2021, the County Council received formal notification of its Local Transport Capital Grant Allocation 2021/22 from the Combined Authority. This was £21.955m comprising of the elements set out below. This is in alignment with the expectations derived from the detailed announcement by the Department for Transport in February 2021. The grant will be used for intended purposes and applied to spending plans set in the budget agreed by Full Council in 2021. The amount of prudential borrowing required alongside the grant, in 2021/22, to deliver the agreed plans is £1.68m, within the authorisation set by Council. The full budget and forecast for 2021/22 is reported through the Place & Economy Finance Monitoring Report.

| Funding                                      | CCC, £            |
|--|-------------------|
| Integrated Transport Block                   | 3,215,000         |
| Highways Maintenance Block Needs element     | 8,329,000         |
| Highways Maintenance Block Incentive element | 2,082,000         |
| Pothole Funding                              | 8,329,000         |
| <b>Total</b>                                 | <b>21,955,000</b> |

## 8.8 Building Maintenance

Capital Programme Board has supported an additional funding of up to £432k in 2021/22 for Building Maintenance. This request is in order to undertake statutory works across 15 CCC buildings, highlighted in condition surveys. The request relates to works such as heating and ventilation, fire alarm upgrades and accessible toilet compliance. The scheme will be funded by borrowing; the estimated annual cost of borrowing for this scheme will start in 2022/23 at £48k, and decreases each year thereafter.

Where works have an environmental benefit as a result of improved insulation, consideration will be given to whether these are eligible for funding from the existing Environment Fund within the capital budget. Property services has recently undergone a CIPFA Asset Management review. Through an increased focus on the corporate landlord approach, resourcing of the property service improvement plan and forward planning of maintenance requirements through pro-active condition surveys more accurate budgeting for this area will be achieved in future.

Strategy & Resources Committee is asked to approve additional prudential borrowing of up to £432k in 2021/22 for the Building Maintenance scheme.

## 8.9 Shire Hall Campus Future Options NPV – Discount Rate

This note is provided under action number 7 arising from the Future of Shire Hall Campus item at the July Committee.

The report to that meeting compared the 50% and 61.5% rent cover options for Shire Hall using a discount rate (for the analysis of present values of future cashflows) of 5%. Presented below is the NPV results from the same analysis with discount rates of 3.5% (being the standard green book discount rate) of 4.27% (which is a proxy for the Council's cost of additional borrowing today, based on a 40 year loan and asset life, the length of the income strip), completed as part of the sensitivity analysis.

| <b>Option</b>    | <b>NPV</b> | <b>3.5% discount rate</b> | <b>4.27% discount rate</b> | <b>5% discount rate</b> |
|------------------|------------|---------------------------|----------------------------|-------------------------|
| 61.5% rent cover |            | £93.61m                   | £78.25m                    | £66.83m                 |
| 50% rent cover   |            | £95.70m                   | £80.20m                    | £68.63m                 |

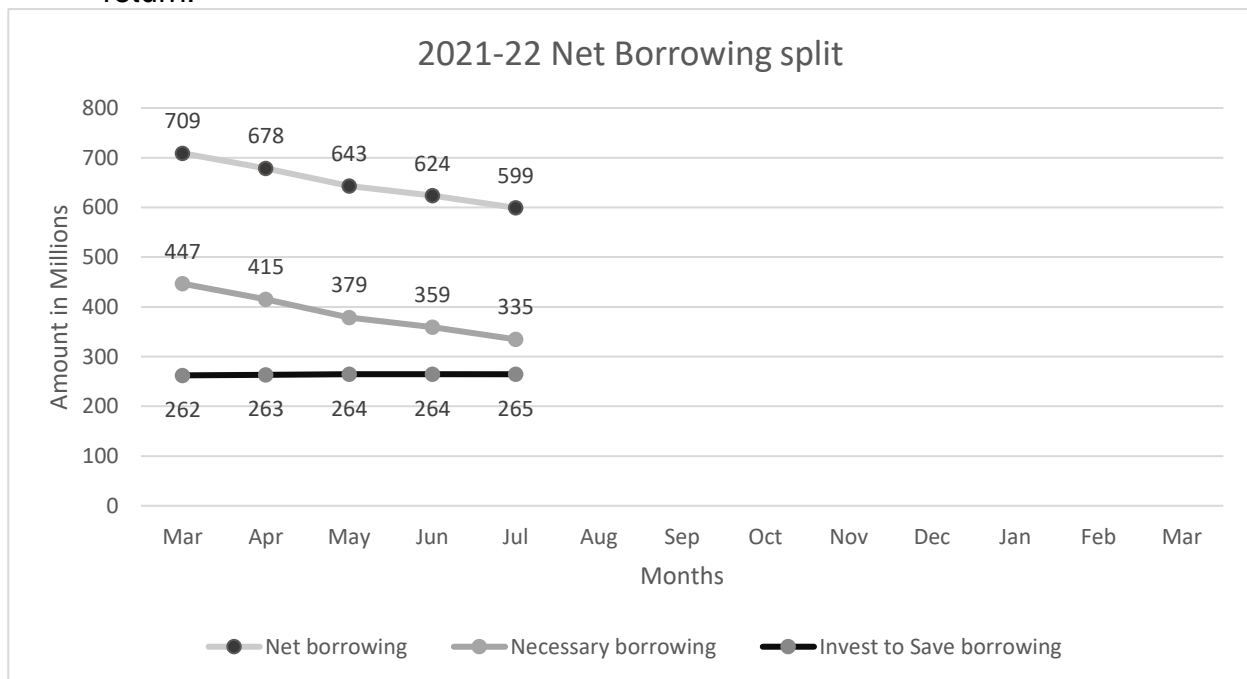
The 50% rent cover option is preferable using all three discount rates, improving marginally relative to the 61.5% rent cover option as the discount rate decreases. The Committee selected the 50% rent cover option at its meeting in July.

## 9. Balance Sheet

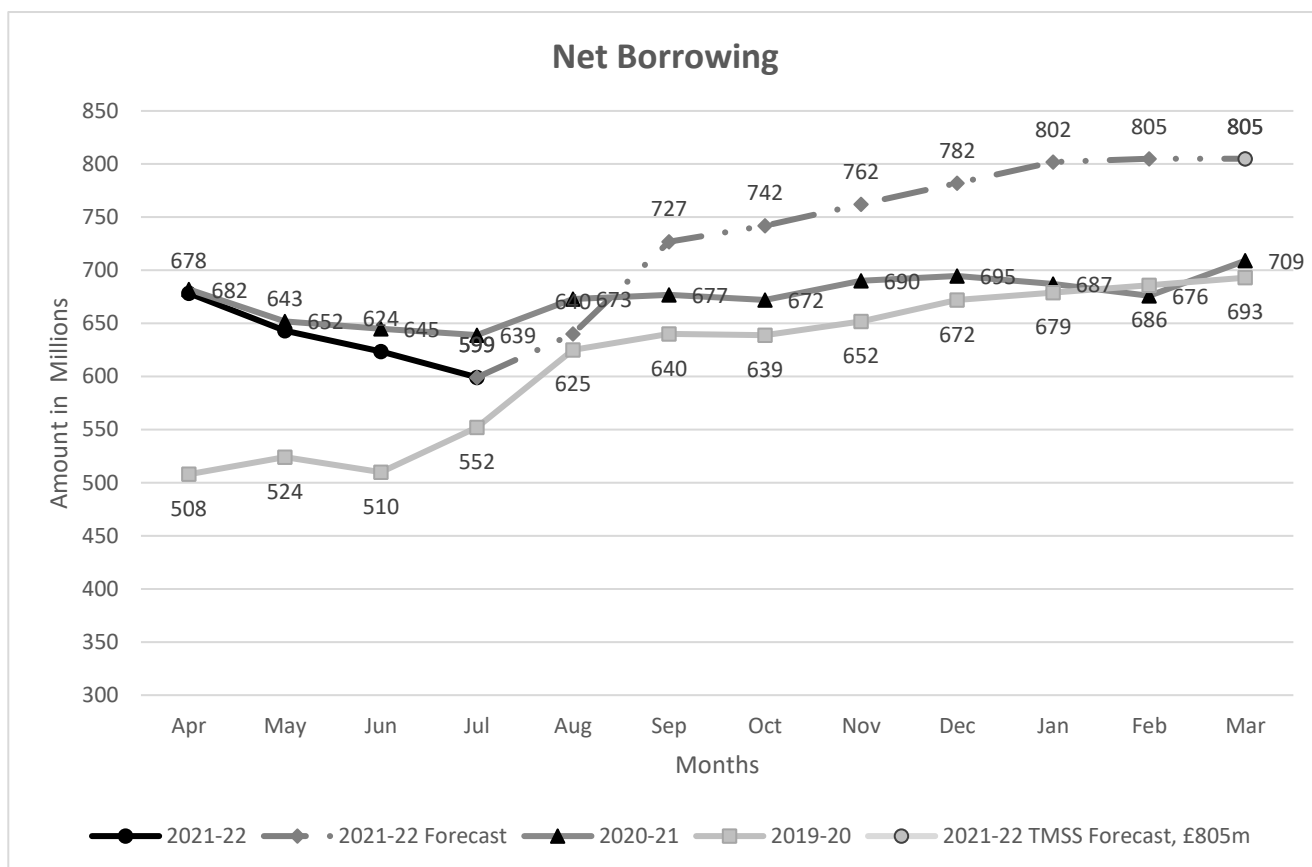
9.1 A more detailed analysis of balance sheet health issues is included below:

| Measure   | Year End Target | Actual as at the end of July 2021 |
|---|-----------------|-----------------------------------|
| % of income collected (owed to the council) within 90 days: Adult Social Care | 85%             | 54%                               |
| % of income collected (owed to the council) within 90 days: Sundry            | 90%             | 65%                               |
| % of Undisputed Commercial Supplier Invoices Paid Within 30 Days              | 95.0%           | 94.6%                             |
| % of Undisputed Commercial Supplier Invoices Paid Within Terms                | 85.0%           | 77.0%                             |

9.2 The graph below shows the estimated split of the net borrowing between necessary borrowing and Invest to Save borrowing. Of the gross borrowing in 2021-22, it is estimated that £265m 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.



9.3 The graph below shows net borrowing (borrowings less investments) on a month-by-month basis and compares the position with previous financial years. At the end of July 2021, investments held totalled £187.4m (excluding all 3<sup>rd</sup> party loans, Equity and This Land) and gross borrowing totalled £786.6m, equating to a net borrowing position of £599.2m.



9.4 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 2020-21 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 (and due to the current Covid-19 pandemic the Council is in receipt of further grants compared to before the pandemic). The 2021-22 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.

9.5 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 2021-22 TMSS was set in February 2021, it anticipated that net borrowing would reach £805.0m by the end of this financial year.

9.6 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.

- 9.7 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.
- 9.8 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).
- 9.9 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](#).

## 10. Alignment with corporate priorities

### 10.1 Communities at the heart of everything we do

There are no significant implications for this priority.

### 10.2 A good quality of life for everyone

There are no significant implications for this priority.

### 10.3 Helping our children learn, develop and live life to the full

There are no significant implications for this priority.

### 10.4 Cambridgeshire: a well-connected, safe, clean, green environment

There are no significant implications for this priority.

### 10.5 Protecting and caring for those who need us

There are no significant implications for this priority.

## 11. Significant Implications

### 11.1 Resource Implications

This report provides the latest resources 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.

#### 11.8 Environment and Climate Change Implications on Priority Areas

##### 11.8.1 Implication 1: Energy efficient, low carbon buildings.

Status: Neutral

Explanation: While this paper proposes no significant implications within this category, it should be noted that section 8.8 under Building Maintenance, where works have an environmental benefit as a result of improved insulation, consideration will be given to whether these are eligible for funding from the existing Environment Fund within the capital budget.

##### 11.8.2 Implication 2: Low carbon transport.

Status: Positive

Explanation: In section 8.6 additional grant funding of £0.4m has been awarded by Highways England for the Papworth to Cambourne cycling scheme. The delivery of cycle-way related projects will assist in modal shift towards low carbon options.

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

Status: Positive

Explanation: In section 6.2 £109k is being allocated to biodiversity activities.

##### 11.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Status: Positive

Explanation: In confidential Appendix 6 prudential borrowing is being requested for the Waterbeach Waste Treatment Facilities scheme.

##### 11.8.5 Implication 5: Water use, availability and management:

Status: Neutral

Explanation: There are no significant implications within this category

#### 11.8.6 Implication 6: Air Pollution.

Status: Positive

Explanation: In section 8.6 additional grant funding of £0.4m has been awarded by Highways England for the Papworth to Cambourne cycling scheme. The delivery of cycle-way related projects will assist in modal shift towards non-polluting transport options.

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

Status: Neutral

Explanation: There are no significant implications within this category

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Tom Kelly

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement? No

Name of Officer: Not applicable

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? No

Name of Legal Officer: Not applicable

Have the equality and diversity implications been cleared by your Service Contact? No

Name of Officer: Not applicable

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

Name of Officer: Not applicable

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

Name of Officer: Not applicable

Have any Public Health implications been cleared by Public Health? No

Name of Officer: Not applicable

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

Name of Officer: Emily Bolton

## 12. Source documents

### 12.1 Source documents

P&E Finance Monitoring Report (July 21)

P&C and PH Finance Monitoring Report (July 21)

CS Finance Monitoring Report (July 21)

Capital Monitoring Report (July 21)

CCC Debt Reporting Pack (July 2021)  
CCC Prompt Payment Report (July 2021)

## Appendix 1 – transfers between Services throughout the year

(Only virements of £1k and above (total value) are shown below)

| <b>Budgets and Movements</b>                                  | <b>P&amp;C<br/>£'000</b> | <b>P&amp;E<br/>£'000</b> | <b>CS<br/>Financing<br/>£'000</b> | <b>Corporate<br/>Services<br/>£'000</b> | <b>Financing<br/>Items<br/>£'000</b> |
|---|--------------------------|--------------------------|-----------------------------------|---|--------------------------------------|
| <b>Opening Cash Limits as per Business Plan</b>               | 302,530                  | 64,317                   | 31,295                            | 25,489                                  | 11,745                               |
| Adult's and Children's Recruitment transfer to HR             | -177                     |                          |                                   | 177                                     |                                      |
| Permanent element of 2021-26 BP mileage saving C/R.6.104      | -164                     | -5                       |                                   | 169                                     |                                      |
| Centralisation of postage budget                              | -93                      | -40                      |                                   | 133                                     |                                      |
| Redundancy and Pensions Corporate Services budget move to P&C | 846                      |                          |                                   | -846                                    |                                      |
| ICT Service (Education) transfer from CS to P&C               | -200                     |                          |                                   | 200                                     |                                      |
| Communications transfer                                       | -21                      |                          |                                   | 21                                      |                                      |
| Budget rebaselining as approved by S&R, 6th July              | -2,411                   |                          |                                   | 716                                     | 1,695                                |
| Transfer of Qtr 1 Mileage Savings                             | -234                     | -7                       |                                   | 240                                     |                                      |
| <b>Current budget</b>   | <b>300,076</b>           | <b>64,266</b>            | <b>31,295</b>                     | <b>26,299</b>                           | <b>13,440</b>                        |
| Rounding  | 0                        | 0                        | 0                                 | 0                                       | 0                                    |

## Appendix 2 – Reserves and Provisions

| Fund Description                                     | Balance at 31 March 2021<br>£000s | Movements in 2021-22<br>£000s | Balance at 31 July 2021<br>£000s | Forecast Balance at 31 March 2022<br>£000s | Notes   |
|--|-----------------------------------|-------------------------------|----------------------------------|--|---|
| <b>- County Fund Balance</b>                         | 26,094                            | 1,619                         | 27,713                           | 28,643                                     |   |
| 1 P&C  | 0                                 | 0                             | 0                                | 0  |   |
| 2 P&E  | 0                                 | 0                             | 0                                | 0  |   |
| 3 CS (LGSS Cambridge & Shared Services)              | 925                               | 0                             | 925                              | 925  |   |
| <b>General Reserves subtotal</b>                     | 27,019                            | 1,619                         | 28,638                           | 29,568                                     |   |
| 4 Insurance  | 4,830                             | 5                             | 4,835                            | 4,835                                      |   |
| <b>Specific Earmarked Reserves subtotal</b>          | 4,830                             | 5                             | 4,835                            | 4,835                                      |   |
| 5 P&C  | 0                                 | 0                             | 0                                | 0  |   |
| 6 P&E  | 0                                 | 0                             | 0                                | 0  |   |
| 7 Corporate Services                                 | 0                                 | 0                             | 0                                | 0  |   |
| <b>Equipment Earmarked Reserves subtotal</b>         | 0                                 | 0                             | 0                                | 0  |   |
| 8 P&C  | 8,540                             | 168                           | 8,708                            | 3,434                                      |   |
| 9 PH   | 2,801                             | 0                             | 2,801                            | 2,513                                      |   |
| 10 P&E   | 5,184                             | 18                            | 5,202                            | 3,626                                      |   |
| 11 Corporate Services                                | 3,867                             | -20                           | 3,847                            | 2,818                                      |   |
| 12 Transformation Fund                               | 30,653                            | -4,063                        | 26,590                           | 22,694                                     | Savings realised through change in MRP policy.  |
| 13 Innovate & Cultivate Fund                         | 687                               | 300                           | 987                              | 383  |   |
| 14 Corporate- COVID                                  | 26,987                            | 0                             | 26,987                           | 26,987                                     | Includes remainder of COVID-19 Support Grant 1st, 2nd, 3rd and 4th tranches   |
| 15 Specific Risks Reserve                            | 2,140                             | 0                             | 2,140                            | 2,140                                      |   |
| 16 This Land Credit Loss & Equity Offset             | 5,850                             | 0                             | 5,850                            | 5,850                                      |   |
| 17 Revaluation & Repair Usable (Commercial Property) | 2,940                             | 0                             | 2,940                            | 2,940                                      |   |
| 18 Collection Fund Volatility & Appeals Account      | 3,690                             | 0                             | 3,690                            | 3,690                                      |   |
| 19 Grant carry forwards                              | 20,332                            | -20,332                       | 0                                | 0  | Carry forward of grant to spend in accordance with set purposes. At 2020-21 year-end £14.6m related to specific Covid related grants. |
| <b>Other Earmarked Funds subtotal</b>                | 113,671                           | -23,929                       | 89,741                           | 77,075                                     |   |
| <b>SUBTOTAL</b>                                      | <b>145,520</b>                    | <b>-22,305</b>                | <b>123,215</b>                   | <b>111,478</b>                             |   |
| 20 P&C   | 3,592                             | 0                             | 3,592                            | 0  |   |
| 21 P&E   | 7,315                             | 1,276                         | 8,591                            | 0  |   |
| 22 Corporate Services                                | 10,861                            | 1,151                         | 12,012                           | 0  |   |
| 23 Corporate   | 49,816                            | 15,537                        | 65,353                           | 53,478                                     | Section 106 and Community Infrastructure Levy balances.   |
| <b>Capital Reserves subtotal</b>                     | 71,584                            | 17,964                        | 89,548                           | 53,478                                     |   |
| <b>GRAND TOTAL</b>                                   | <b>217,105</b>                    | <b>-4,342</b>                 | <b>212,763</b>                   | <b>164,956</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:

| <b>Fund Description</b>               | <b>Balance at<br/>31 March<br/>2021<br/>£000s</b> | <b>Movements<br/>in 2021-22<br/>£000s</b> | <b>Balance at<br/>31 July<br/>2021<br/>£000s</b> | <b>Forecast<br/>Balance at<br/>31 March<br/>2022<br/>£000s</b> | <b>Notes</b> |
|---------------------------------------|---|---|--|--|--------------|
| 1 P&E                                 | 0   | 0   | 0  | 0  |              |
| 2 P&C                                 | 1,955   | 0   | 1,955  | 1,955  |              |
| 3 Corporate Services                  | 2,093   | 0   | 2,093  | 2,093  |              |
| <b>Short Term Provisions subtotal</b> | <b>4,048</b>                                      | <b>0</b>                                  | <b>4,048</b>                                     | <b>4,048</b>   |              |
| 4 Corporate Services                  | 3,613   | 0   | 3,613  | 3,613  |              |
| <b>Long Term Provisions subtotal</b>  | <b>3,613</b>                                      | <b>0</b>                                  | <b>3,613</b>                                     | <b>3,613</b>   |              |
| <b>GRAND TOTAL</b>                    | <b>7,661</b>                                      | <b>0</b>                                  | <b>7,661</b>                                     | <b>7,661</b>   |              |

# Appendix 3 - Savings Tracker 2021-22 Quarter 1

| RAG   | Reference | Title  | Description   | Budgeted Investment - Prior Years £000 | Actual Investment - Prior Years £000 | Budgeted Investment - 20-21 £000 | Actual Investment - 20-21 £000 | Original Saving - Prior Years | Original Phasing - Q1 | Original Phasing - Q2 | Original Phasing - Q3 | Original Phasing - Q4 | Original Saving 20-21 | Savings Achieved - Prior Years | Current Forecast Phasing - Q1 | Current Forecast Phasing - Q2 | Current Forecast Phasing - Q3 | Current Forecast Phasing - Q4 | Forecast Saving 20-21 | Variance from Plan £000 | Saving complete ? | % Variance | Direction of travel | Forecast Commentary   |
|-------|-----------|--|---|--|--------------------------------------|----------------------------------|--------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|-------------------------|-------------------|------------|---------------------|---|
| Green | A/R.6.114 | Learning Disabilities Commissioning                      | A programme of work commenced in Learning Disability Services in 2016/17 to ensure service-users had the appropriate level of care; some additional work remains, particularly focussing on high cost placements outside of Cambridgeshire and commissioning approaches, as well as the remaining part-year impact of savings made part-way through 2019/20.  | 1,536                                  | 1,520                                |                                  |                                |                               | -62                   | -63                   | -62                   | -63                   | -250                  |                                | 0                             | -62                           | -62                           | -126                          | -250                  | 0                       | No                | 0.00       | ↔                   | On track  |
| Red   | A/R.6.176 | Adults Positive Challenge Programme - demand management  | New Saving 21/22 £100k<br>Carry-forward saving 20/21 £2,239k<br><br>Through the Adults Positive Challenge Programme, the County Council has set out to design a new service model for Adult Social Care, which will continue to improve outcomes whilst also being economically sustainable in the face of the huge pressure on the sector. This is the second year of saving through demand management, building on work undertaken through 2019/20, focussing on promoting independence and changing the conversation with staff and service-users to enable people to stay independent for longer. The programme also has a focus of working collaboratively with partner organisations in 2020/21. In later years, the effect of the Preparing for Adulthood workstream will continue to have an effect by reducing the level of demand on services from young people transitioning into adulthood. | 2,000                                  | 2,213                                |                                  |                                |                               | -825                  | -675                  | -475                  | -364                  | -2,339                |                                |                               |                               |                               |                               | -1,879                | 460                     | No                | 19.67      | ↓                   | The pandemic continues to impact on the delivery of this demand management saving, particularly in the Reablement workstream as that service continues to support the NHS |
| Green | A/R.6.179 | Mental Health Commissioning                              | A retender of supported living contracts gives an opportunity to increase capacity and prevent escalation to higher cost services, over several years. In addition, a number of contract changes have taken place in 2019/20 that have enabled a saving to be taken.  |  |                                      |                                  |                                | -144                          | -6                    | -6                    | -6                    | -6                    | -24                   |                                | -6                            | -6                            | -6                            | -6                            | -24                   | 0                       | No                | 0.00       | ↔                   | On track.   |
| Green | A/R.6.185 | Additional block beds - inflation saving                 | Through commissioning additional block beds, referred to in A/R.5.005, we can reduce the amount of inflation funding needed for residential and nursing care. Block contracts have set uplifts each year, rather than seeing inflationary increases each time new spot places are commissioned.   |  |                                      |                                  |                                |                               | -152                  | -151                  | -152                  | -151                  | -606                  |                                | -152                          | -151                          | -152                          | -151                          | -606                  | 0                       | No                | 0.00       | ↔                   | On track.   |
| Green | A/R.6.186 | Adult Social Care Transport                              | Savings can be made in transport costs through a project to review commissioning arrangements, best value, route optimisation and demand management opportunities. This may require transformation funded resource to achieve fully.  |  |                                      | 70                               | 70                             |                               | 0                     | -63                   | -63                   | -124                  | -250                  |                                | 0                             | -100                          | -100                          | -50                           | -250                  | 0                       | No                | 0.00       | ↔                   | On track  |
| Green | A/R.6.187 | Additional vacancy factor                                | Whilst effort is made to ensure all critical posts are filled within People and Communities, slippage in staffing spend always occurs. For many years, a vacancy factor has existed in P&C budgets to account for this; following a review of the level of vacancy savings achieved in recent years we are able to increase that vacancy factor.  |  |                                      |                                  |                                |                               | -38                   | -37                   | -38                   | -37                   | -150                  |                                | -40                           | -40                           | -40                           | -30                           | -150                  | 0                       | No                | 0.00       | ↔                   | On track.   |
| Green | A/R.6.188 | Micro-enterprises Support                                | Transformation funding has been agreed for new approach to supporting the care market, focussing on using micro-enterprises to enable a more local approach to domiciliary care and personal assistants. As well as benefits to an increased local approach and competition, this work should result in a lower cost of care overall.   |  |                                      | 60                               |                                |                               | -8                    | -8                    | -8                    | -8                    | -30                   |                                | 0                             | 0                             | -15                           | -15                           | -30                   | 0                       | No                | 0.00       | ↔                   | On track  |
| Green | A/R.6.210 | Unaccompanied Asylum Seeking Young People: Support Costs | During 2020/21, the Government increased the weekly amount it provides to local authorities to support unaccompanied asylum seeking young people. This means that the grant now covers more of the costs of meeting the accommodation and support needs of unaccompanied asylum seeking young people and care leavers. Accordingly, it is possible to make a saving in the contribution to these costs that the Council has historically made from core budgets of  |  |                                      |                                  |                                |                               | -75                   | -75                   | -75                   | -75                   | -300                  |                                | -75                           | -75                           | -75                           | -75                           | -300                  | 0                       | No                | 0.00       | ↔                   | On track  |

| RAG   | Reference | Title  | Description  | Budgeted Investment - Prior Years £000 | Actual Investment - Prior Years £000 | Budgeted Investment - 20-21 £000 | Actual Investment - 20-21 £000 | Original Saving - Prior Years | Original Phasing - Q1 | Original Phasing - Q2 | Original Phasing - Q3 | Original Phasing - Q4 | Original Saving 20-21 | Savings Achieved - Prior Years | Current Forecast Phasing - Q1 | Current Forecast Phasing - Q2 | Current Forecast Phasing - Q3 | Current Forecast Phasing - Q4 | Forecast Saving 20-21 | Variance from Plan £000 | Saving complete ? | % Variance | Direction of travel | Forecast Commentary  |
|-------|-----------|--|--|--|--------------------------------------|----------------------------------|--------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|-------------------------|-------------------|------------|---------------------|--|
|       |           |  | £300k per annum. Also the service has worked to ensure that placement costs are kept a minimum, without compromising quality, and that young people move from their 'care' placement promptly at age 18 to appropriately supported housing provision.  |  |                                      |                                  |                                |                               |                       |                       |                       |                       |                       |                                |                               |                               |                               |                               |                       |                         |                   |            |                     |  |
| Green | A/R.6.211 | Adoption and Special Guardianship Order Allowances                     | A reduction in the number of children coming into care, due to implementation of the Family Safeguarding model and less active care proceedings, means that there are fewer children progressing to adoption or to permanent arrangements with relatives under Special Guardianship Orders. This in turn means that there are fewer carers who require and/or are entitled to receiving financial support in the form of adoption and Special Guardianship Order allowances.   |  |                                      |                                  |                                |                               | -125                  | -125                  | -125                  | -125                  | -500                  |                                | -125                          | -125                          | -125                          | -125                          | -500                  | 0                       | No                | 0.00       | ↔                   | On track   |
| Green | A/R.6.212 | Clinical Services; Children and young people                           | Changes to the clinical offer will include a reduction in clinical staff input in the Family Safeguarding Service (previously social work Units) due to changes resulting from the implementation of the Family Safeguarding model, including the introduction of non-case holding Team Managers and Adult practitioners. Additional investment is to be made in developing a shared clinical service for Cambridgeshire and Peterborough for corporate parenting, however a residual saving of £250k can be released. In 2022-23 this will be re-invested in the Family Group Conferencing Service (see proposal A/R.5.008) |  |                                      |                                  |                                |                               | -63                   | -63                   | -63                   | -63                   | -250                  |                                | -62                           | -62                           | -62                           | -64                           | -250                  | 0                       | No                | 0.00       | ↔                   | On track   |
| Black | A/R.6.255 | Children in Care - Placement composition and reduction in numbers      | Through a mixture of continued recruitment of our own foster carers (thus reducing our use of Independent Foster Agencies) and a reduction in overall numbers of children in care, overall costs of looking after children and young people can be reduced in 2021/22.   | 2,271                                  | 1,367                                |                                  |                                | -4,445                        | -62                   | -61                   | -62                   | -61                   | -246                  |                                | 0                             | 0                             | 0                             | 0                             | 0                     | 246                     | No                | 100.00     | ↔                   | Due to increasing pressure around placement mix and complexity of need, we do not anticipate meeting this saving target.           |
| Black | A/R.6.266 | Children in Care Stretch Target - Demand Management                    | Please see A/R.6.255 above.  | 2,271                                  | 1,367                                |                                  |                                | -1,500                        | -250                  | -250                  | -250                  | -250                  | -1,000                |                                | 0                             | 0                             | 0                             | 0                             | 0                     | 1,000                   | No                | 100.00     | ↓                   | Due to increasing pressure around changes in placement mix and complexity of need, we do not anticipate meeting this saving target |
| Green | A/R.6.267 | Children's Disability: Reduce overprescribing                          | The Children's Disability 0-25 service has been restructured into teams (from units) to align with the structure in the rest of children's social care. This has released a £50k saving on staffing budgets. In future years, ways to reduce expenditure on providing services to children will be explored in order to bring our costs down to a level closer to that of our statistical neighbours.  |  |                                      |                                  |                                | -50                           | -50                   |                       |                       |                       | -50                   |                                | -50                           |                               |                               |                               | -50                   | 0                       | Yes               | 0.00       | ↑                   | On track   |
| Green | A/R.6.268 | Transport - Children in Care   | The impact of ongoing process improvements in the commissioning of transport for children in care.   |  |                                      |                                  |                                |                               | -75                   | -75                   | -75                   | -75                   | -300                  |                                | -75                           | -75                           | -75                           | -75                           | -300                  | 0                       | No                | 0.00       | ↔                   | On track   |
| Amber | A/R.6.269 | Communities and Partnership Review                                     | A review of services within C&P where efficiencies, or increased income, can be found.   |  |                                      |                                  |                                |                               | -50                   | -50                   | -50                   | -50                   | -200                  |                                | -25                           | -25                           | -25                           | -25                           | -100                  | 100                     | No                | 50.00      | ↓                   | Under review   |
| Green | A/R.7.105 | Income from utilisation of vacant block care provision by self-funders | Carry-forward saving - incomplete in 20/21.<br>We currently have some vacancies in block purchased provision in care homes. Income can be generated to offset the vacancy cost by allowing people who pay for their own care to use these beds   |  |                                      |                                  |                                | -150                          | -37                   | -38                   | -37                   | -38                   | -150                  | -12                            | -37                           | -38                           | -37                           | -38                           | -150                  | 0                       | No                | 0.00       | ↔                   | Annual in-year savings target of £150k on track.   |
| Green | A/R.7.106 | Client Contributions Policy Change                                     | Carry-forward saving - incomplete in 20/21<br>In January 2020, Adults Committee agreed a set of changes to the charging policy for adult social care service-user contributions. We expect this to generate new income of around £1.4m in 2020/21, and are modelling the full-year impact into 2021/22.  | 153                                    |                                      |                                  |                                | -1,400                        | -298                  | -298                  | -298                  | -298                  | -1,192                | -208                           | -298                          | -298                          | -298                          | -298                          | -1,192                | 0                       | No                | 0.00       | ↔                   | On track   |
| Green | B/R.6.201 | Review Winter Operations   |  |  |                                      |                                  |                                |                               | -4                    | -4                    | -4                    | -4                    | -17                   |                                | 0                             | 0                             | -17                           | 0                             | -17                   | 0                       | No                | 0.00       | ↔                   |  |



| RAG   | Reference | Title  | Description   | Budgeted Investment - Prior Years £000 | Actual Investment - Prior Years £000 | Budgeted Investment - 20-21 £000 | Actual Investment - 20-21 £000 | Original Saving - Prior Years | Original Phasing - Q1 | Original Phasing - Q2 | Original Phasing - Q3 | Original Phasing - Q4 | Original Saving 20-21 | Savings Achieved - Prior Years | Current Forecast Phasing - Q1 | Current Forecast Phasing - Q2 | Current Forecast Phasing - Q3 | Current Forecast Phasing - Q4 | Forecast Saving 20-21 | Variance from Plan £000 | Saving complete ? | % Variance | Direction of travel | Forecast Commentary   |
|-------|-----------|--|---|--|--------------------------------------|----------------------------------|--------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|-------------------------|-------------------|------------|---------------------|---|
|       |           |  | Review winter operations – increase number of weather domains from 3 to 5   |  |                                      |                                  |                                |                               |                       |                       |                       |                       |                       |                                |                               |                               |                               |                               |                       |                         |                   |            |                     |   |
| Green | B/R.6.202 | Highways: Removal of Old VAS Signs   | Removal of old VAS signs  |  |                                      |                                  |                                |                               | -1                    | -1                    | -1                    | -1                    | -4                    |                                | -4                            |                               |                               |                               | -4                    | 0                       | No                | 0.00       | ↔                   |   |
| Green | B/R.7.119 | Income from Bus Lane Enforcement   | Carry-forward saving - unachieved in 20/21. Due to COVID, existing income target not met in 20/21<br>Utilising additional bus lane enforcement income to fund highways and transport works, as allowed by current legislation.  |  |                                      |                                  |                                |                               | -163                  | -162                  | -163                  | -162                  | -650                  | 0                              | -163                          | -162                          | -163                          | -162                          | -650                  | 0                       | No                | 0.00       | ↔                   |   |
| Green | B/R.7.120 | Deployment of current surpluses in civil parking enforcement to transport activities | Carry-forward saving - unachieved in 20/21. Due to COVID, existing income target not met in 20/21.<br>Deployment of current surpluses in civil parking enforcement to transport activities, including a contribution to Park & Ride, as allowed by current legislation.   |  |                                      |                                  |                                | -340                          | -85                   | -85                   | -85                   | -85                   | -340                  | 0                              | -85                           | -85                           | -85                           | -85                           | -340                  | 0                       | No                | 0.00       | ↔                   |   |
| Green | C/R.6.103 | External Auditor fee   | Carry-forward saving - not achieved in 20/21<br>Saving to be achieved from reduction in expenditure on External Audit, as per fees set by Public Sector Audit Appointments  |  |                                      |                                  |                                | -15                           | -3                    | -4                    | -4                    | -4                    | -15                   | 0                              | -3                            | -4                            | -4                            | -4                            | -15                   | 0                       | No                | 0.00       | ↔                   |   |
| Green | C/R.6.104 | Reduction in staff mileage   | A reduction in staff travel is expected to continue.  |  |                                      |                                  |                                |                               | -141                  | -141                  | -141                  | -141                  | -564                  |                                | -300                          | -264                          |                               |                               | -564                  | 0                       | No                | 0.00       | ↔                   |   |
| Green | C/R.6.105 | Customer Services  | Customer Services have scrutinised their budget, and trends over recent years, and have determined a reduction of £85k is achievable from their base revenue. This is the equivalent to 3 full-time Customer Service Advisors. This reduction will be delivered by removing vacant posts.   |  |                                      |                                  |                                |                               | -21                   | -21                   | -21                   | -22                   | -85                   |                                | -20                           | -20                           | -20                           | -25                           | -85                   | 0                       | No                | 0.00       | ↔                   |   |
| Green | E/R.6.033 | Drug & Alcohol service - funding reduction built into new service contract           | This saving has been built into the contract for Adult Drug and Alcohol Treatment Services which was awarded to Change Grow Live (CGL) and implemented in October 2018. The savings are being achieved through a new service model with strengthened recovery services using cost effective peer support models to avoid readmission, different staffing models, and a mobile outreach service. |  |                                      |                                  |                                | -289                          | -16                   | -16                   | -16                   | -16                   | -63                   |                                | -16                           | -16                           | -16                           | -16                           | -63                   | 0                       | No                | 0.00       | ↔                   | On track  |
| Green | E/R.6.043 | Joint re-procurement of Integrated Lifestyle Services                                | Carry-forward saving - incomplete in 20/21<br>Delivery of this saving has been delayed due to Covid-19<br>Re-commissioning of the integrated lifestyle services as one service across Cambridgeshire and Peterborough. Peterborough City Council will delegate authority to Cambridgeshire County Council to commission, contract and performance manage the new provider.                      |  |                                      |                                  |                                | -50                           | -4                    | -4                    | -4                    | -4                    | -17                   | -33                            | -4                            | -4                            | -4                            | -4                            | -17                   | 0                       | No                | 0.00       | ↔                   | On track  |
| Green | F/R.6.003 | Babbage House closure  | The lease on Babbage House is due to end in 2020-21, and will not be renewed.   | 369                                    | 239                                  |                                  |                                | -397                          | -50                   | -50                   | -50                   | -48                   | -198                  |                                | -198                          |                               |                               |                               | -198                  | 0                       | No                | 0.00       | ↔                   |   |
| Black | F/R.6.109 | Cams 2020 Operational Savings  | Savings to the running costs of corporate buildings as a result of the Cams 2020 programme.   |  |                                      |                                  |                                |                               | -151                  | -151                  | -151                  | -152                  | -605                  |                                | 0                             | 0                             | 0                             | 0                             | 0                     | 605                     | No                | 100.00     | ↓                   | The savings from Shire Hall will not be achieved until such time as the sale is complete. |
| Black | F/R.7.106 | Utilisation/commercialisation of physical assets                                     | Carry-forward saving - unachieved in 20/21.<br>One Public Estate  |  |                                      |                                  |                                | -57                           | -9                    | -9                    | -9                    | -9                    | -36                   | -21                            | 0                             | 0                             | 0                             | 0                             | 0                     | 36                      | No                | 100.00     | ↔                   | There has been no development in this area.   |

| RAG   | Reference | Title   | Description  | Budgeted Investment - Prior Years £000 | Actual Investment - Prior Years £000 | Budgeted Investment - 20-21 £000 | Actual Investment - 20-21 £000 | Original Saving - Prior Years | Original Phasing - Q1 | Original Phasing - Q2 | Original Phasing - Q3 | Original Phasing - Q4 | Original Saving 20-21 | Savings Achieved - Prior Years | Current Forecast Phasing - Q1 | Current Forecast Phasing - Q2 | Current Forecast Phasing - Q3 | Current Forecast Phasing - Q4 | Forecast Saving 20-21 | Variance from Plan £000 | Saving complete ? | % Variance | Direction of travel | Forecast Commentary  |
|-------|-----------|---|--|--|--------------------------------------|----------------------------------|--------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|-------------------------|-------------------|------------|---------------------|--|
| Green | F/R.7.110 | Return on Commercial Property Investments       | Carry-forward saving - unachieved in 20/21<br>The Council is developing a portfolio of commercial property investments. This is the rental income generated from the leases of these properties.   |  |                                      |                                  |                                | -4,805                        | -26                   | -26                   | -26                   | -27                   | -105                  | -2,600                         | -26                           | -26                           | -26                           | -27                           | -105                  | 0                       | No                | 0.00       | ↔                   |  |
| Green | F/R.7.127 | County Farms - Commercial uses                  | Conversion of barns on the County Farms Estate for non-agricultural commercial uses, including storage and distribution.   |  |                                      |                                  |                                |                               | -11                   | -11                   | -11                   | -12                   | -45                   |                                | -11                           | -11                           | -11                           | -12                           | -45                   | 0                       | No                | 0.00       | ↔                   |  |
| Black | F/R.7.131 | Commercial Income                               | Commercial return from the Council's Commercial Strategy, to be generated by the newly developed Commercial Team.  |  |                                      |                                  |                                |                               | -58                   | -58                   | -58                   | -58                   | -232                  |                                | 0                             | 0                             | 0                             | 0                             | 0                     | 232                     | No                | 100.00     | ↔                   | Saving not achieved. However, as part of the budget rebaselining exercise approved by S&R at the July 2021 meeting this pressure is now removed. |
| Green | F/R.7.140 | Tesco - Income Generation                       | Estimated annual rent increase.  |  |                                      |                                  |                                |                               | -19                   | -19                   | -19                   | -20                   | -77                   |                                | 0                             | 0                             | 0                             | -77                           | -77                   | 0                       | No                | 0.00       | ↔                   |  |
| Green | F/R.7.141 | Evolution Business Park - Income Generation     | Estimated annual rent increase.  |  |                                      |                                  |                                |                               | -3                    | -3                    | -3                    | -3                    | -12                   |                                | -3                            | -3                            | -3                            | -3                            | -12                   | 0                       | No                | 0.00       | ↔                   |  |
| Green | F/R.7.142 | Kingsbridge - Income Generation                 | Estimated annual rent increase.  |  |                                      |                                  |                                |                               | -3                    | -3                    | -3                    | -2                    | -11                   |                                | -3                            | -3                            | -3                            | -2                            | -11                   | 0                       | No                | 0.00       | ↔                   |  |
| Black | F/R.7.143 | Brunswick House - Income Generation             | Estimated annual rent increase.  |  |                                      |                                  |                                |                               | -16                   | -17                   | -16                   | -17                   | -66                   |                                | 0                             | 0                             | 0                             | 0                             | 0                     | 66                      | No                | 100.00     | ↓                   |  |
| Green | F/R.7.144 | County Farms                                    | Increase in rental income for the county farms estate.   |  |                                      |                                  |                                |                               | -10                   | -10                   | -10                   | -10                   | -40                   |                                | 0                             | 0                             | -20                           | -20                           | -40                   | 0                       | No                | 0.00       | ↔                   |  |
| Green | G/R.6.003 | MRP: Accountable Body (effect of capital swaps) | As Accountable Body the Council incurs certain administrative costs in undertaking this role. However it also holds the cash on an interim basis pending utilisation by those parties. The Council maximises the use of these resources whilst not detrimentally affecting those resources. This is only possible where the body or partnership does not use the funds that have been awarded in the financial year in which they are provided. This is an adverse effect, it is the reversal of savings made in previous years as the cash received in prior years is utilised by the parties for whom we hold the funds and can no longer be used to offset borrowing requirements |  |                                      |                                  |                                |                               | -88                   | -89                   | -89                   | -89                   | -355                  |                                | -88                           | -89                           | -89                           | -89                           | -355                  | 0                       | No                | 0.00       | ↔                   |  |

Key to RAG ratings

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

# Appendix 4 – Transformation Fund Monitoring Report Quarter 1 2021/22

## 1. Background

- 1.1 Strategy and Resources Committee (S&R) has responsibility for the stewardship of the Transformation Fund, approving business cases for new proposals and reviewing progress of the existing projects. This role was previously held by General Purposes Committee (GPC).
- 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 the Strategy and Resources Committee with a broad overview of the performance of the Transformation Fund to date together with details of how the proposals which are currently drawing down funding are performing. The Service Committees continue to review their relevant projects in detail as appropriate.

## 2. Current Projects

- 2.1 The table below gives an overview of all the current projects linked to Business Plan savings, outlines their non-financial outcomes and anticipated benefits.

| Project   | Brief description of project  | Outcomes and benefits  |
|---|---|--|
| <b>Support Investment in modernising Social Care Payments</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>Housing Review</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>• To re-design the service in order to meet the changing pattern of demand and need</li> <li>• To be able to respond more effectively to client need in a more systematic way and deliver better outcomes for clients.</li> </ul> |
| <b>LAC Placement Budget Savings</b>                           | Campaign to recruit more in house foster carers 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>                               | Investment in specialist programme management to review the current model, facilitating delivery of a new approach and the establishment of new partnerships across the education sector.   | <ul style="list-style-type: none"> <li>• Better outcomes for customers</li> <li>• Providing a more effective and flexible service</li> </ul>   |

| Project   | Brief description of project  | Outcomes and benefits  |
|---|---|--|
| <b>Case reviews of specialist transport provision</b> | Provide additional capacity within the Social, Education Transport Team to review LAC Transport processes and provision   | <ul style="list-style-type: none"> <li>To ensure that all placements are offering value for money and to deliver savings</li> </ul>        |
| <b>Library Service</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> |

2.2 This table shows the trend in financial RAG rating over the previous four quarters for these projects.

| Project  | Financial RAG |            |            |            |            |
|--|---------------|------------|------------|------------|------------|
|  | Q1 2020-21    | Q2 2020-21 | Q3 2020-21 | Q4 2020-21 | Q1 2021-22 |
| Support Investment in modernising Social Care Payments | Green         | Green      | Green      | Green      | Green      |
| Housing Review   | Red           | Red        | Red        | Red        | Red        |
| LAC Placement Budget Savings                           | Blue          | Blue       | Blue       | Blue       | Blue       |
| Learning services review                               | Green         | Green      | Green      | Green      | Green      |
| Case reviews of specialist transport provision         | Green         | Green      | Green      | Green      | Green      |
| Library Service  | Green         | Green      | Green      | Green      | Green      |

2.3 This table summarises the overall financial performance of the current projects.

| RAG Rating (lifetime of saving) | No. of Schemes | Investment to Q1 (including prior years) (£000) | Total Investment Committed (including approved future years allocation) (£000) | Forecast savings / income to Q1 (including previous years' savings achieved) (£000) | Forecast savings / income up to end of 2021/22 (including previous years' savings achieved) (£000) | Budgeted future years savings (as per 2021/22 Business Plan, 2022/23 onwards) (£000) |
|---------------------------------|----------------|---|--|---|--|--|
| Blue                            | 1              | 499   | 705  | -2,818  | -2,818   | 0  |
| Green                           | 4              | 156   | 348  | -1,886  | -1,886   | 0  |
| Amber                           | 0              | 0   | 0  | 0   | 0  | 0  |
| Red                             | 1              | 44  | 250  | -325  | -325   | 0  |
| <b>Total</b>                    | <b>6</b>       | <b>699</b>                                      | <b>1,303</b>   | <b>-5,029</b>   | <b>-5,029</b>  | <b>0</b>   |

2.4 In addition to the projects directly linked to the business plan, the following projects with Transformation Funding continue to be monitored through their relevant Service Committee:

| <b>Project</b>                                  | <b>Money drawn down in Q1</b> | <b>Total spent to date</b> | <b>Total approved</b> |
|---|-------------------------------|----------------------------|-----------------------|
| Positive Behaviour Support                      | 33,733                        | 292,967                    | 490,000               |
| Cambs 2020 Programme                            | 10,701                        | 463,731                    | 645,667               |
| Think Communities – Creating a unified approach | 201,770                       | 707,165                    | 1,686,000             |

It is recommended that Strategy & Resources Committee note and comment on this Transformation Fund Monitoring Report