

Finance Monitoring Report – November 2021

To: Environment and Green Investment Committee

Meeting Date: 20th January 2022

From: Steve Cox – Executive Director, Place & Economy
Tom Kelly – Chief Finance Officer

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Outcome: The report is presented to provide Committee with an opportunity to note and comment on the forecast position for 2021/2022.

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

Officer contact:

Name: Sarah Heywood
Post: Strategic Finance Manager
Email: sarah.heywood@cambridgeshire.gov.uk
Tel: 01223 699 714

Member contacts:

Names: Councillors Lorna Dupré and Nick Gay
Post: Chair/Vice-Chair
Email: lorna.dupre@cambridgeshire.gov.uk / nick.gay@cambridgeshire.gov.uk
Tel: 01223 706398

1. Background

- 1.1 The appendix attached provides the financial position for the whole of Place & Economy Services, and as such, not all of the budgets contained within it are the responsibility of this Committee. To aid Member reading of the finance monitoring report, budget lines that relate to the Highways and Transport Committee are unshaded and those that relate to the Environment and Green Investment Committee are shaded. Members are requested to restrict their questions to the lines for which this Committee is responsible.

2. Main Issues

- 2.1 Revenue: The report attached as Appendix A is the Place & Economy Finance Monitoring Report as at the end of November 2021. Place and Economy is currently forecasting a £52K overspend for year end. There are no significant issues to update Committee on.

- 2.4 Capital: The capital position is detailed in Appendix 6 and the significant changes are described below:-

- Swaffham Prior Community Heat Scheme – Covid 19 has impacted the construction industry through delays to materials and build programmes. The energy centre build has been delayed due to difficulty getting hold of cladding materials. This has meant that £2.4m of expenditure has been reprofiled into next year.
- Environment Fund: This is the £16million capital fund supporting the implementation of the Climate change and Environment Strategy (May 2020) priorities including:
 - Decarbonisation of heat for Council and maintained school buildings
 - EV charging for Council assets
 - Supporting Oil Dependent communities
 - Climate Action Fund

Progress implementing projects is underway with the key focus on the decarbonisation of Council and maintained school buildings. Government published the Public Sector Decarbonisation Scheme for Council's to apply for grant towards decarbonisation of buildings and maximising the draw down of grant to match fund projects has been a priority. However, Government has recently published its Heat and Building Strategy and is now consulting on measures to shift oil dependent communities onto low carbon solutions. This means a greater focus on developing actions to support oil dependent communities can now come forward. In addition, the Environment Bill has also been approved and projects to support nature based climate action can start progressing. It is also important to note that the Climate Change and Environment Strategy has been reviewed during August-December 2021 and is being considered by Full Council in February 2022. The revised strategy will direct how the remaining funding will be spent.
- School Ground Source Heat Pump Projects – Confirmation of the Public Sector Decarbonisation grant funding came forward in May 2021 and the priority is to spend the grant by the end of the financial year. The remainder of the budget will be spent next financial year.

- The Connecting Cambridgeshire spend for this year has been reprofiled and some spend will now be in next year, as the SFBB Phase 4, Contract 2 is now not expected to be completed until mid-2022. There will be a total scheme underspend of £900k from saving from the Openreach SFBB contract 1, Phases 1-3, reducing the original £20m (£16.515m from prudential borrowing, £3.485m from LPSA grant) to £19.1m.

3. Alignment with corporate priorities

3.1 Communities at the heart of everything we do

There are no significant implications for this priority.

3.2 A good quality of life for everyone

There are no significant implications for this priority.

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

There are no significant implications for this priority.

3.4 Cambridgeshire: a well-connected, safe, clean, green environment

There are no significant implications for this priority.

3.5 Protecting and caring for those who need us

There are no significant implications for this priority.

5. Source documents guidance

5.1 Source documents

None