Agenda Item No.5

INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST JANUARY 2019

To:	**General Purposes Committee**		
Date:	**26 March 2019**		
From:	**Chief Finance Officer**		
Electoral division(s):	**All**		
Forward Plan ref:	**2019/002**	*Key decision:*	**Yes**
Purpose:	**To present financial and performance information to assess progress in delivering the Council's Business Plan.**		

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

a) Approve the allocation of the Brexit Funding for Local Government grant (£87,500) to the corporate grants account within Funding Items as set out in section 5.2;

b) Approve accounting for a write-off of £85k: Thoughts of Others Ltd overpayment invoice following the liquidation of that company as set out in section 6.2;

c) Approve -£2.0m revised phasing of prudential borrowing from 2018/19 to 2019/20 for the £90m Highways Maintenance schemes as set out in section 7.7;

d) Note the +£1.348m additional Devolved Formula Capital funding to be received by People and Communities (P&C) from the Education and Skills Funding Agency (ESFA) as set out in section 7.7;

e) Note the reduction in total required prudential borrowing of £3m in relation to the EastNet scheme as set out in section 7.8.1;

f) Approve prudential borrowing of £620,000 in 2019/20 for the Mosaic IT Infrastructure scheme, as set out in section 7.8.2;

g) Approve prudential borrowing of £150,000 in 2019/20 and a further £150k for each of the next 2 financial years for the Essential Cambridgeshire County Council (CCC) Business Systems Upgrades project, as set out in section 7.8.3;

h) Approve additional prudential borrowing of £95,700 in 2019/20 for the Swaffham Prior Community Heat Scheme as set out in section 7.9;

i) Approve additional prudential borrowing of £150,000 in 2019/20 for the Cambourne Village College Scheme as set out in section 7.10; and

j) Approve a revision in the agreed level of loan permitted to Viva, to up to £450k, for capital expenditure on the Soham Mill project, delegating agreement of final terms to the Chief Finance Officer in consultation with the Chairman of GPC (see section 8.10).

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1. PURPOSE

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

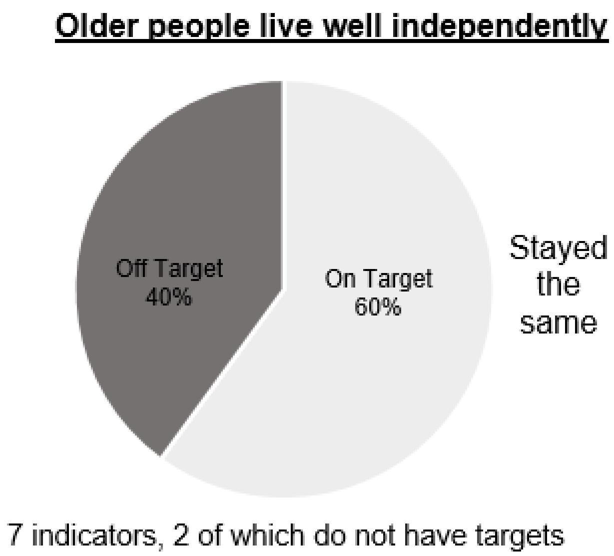
2. OVERVIEW

2.1 The following summary provides a snapshot of the Authority's performance against its indicators around outcomes, its forecast financial position at year-end and its key activity data for care budgets.

2.2 **Change in indicators:**

Data available as at: 31/01/2019

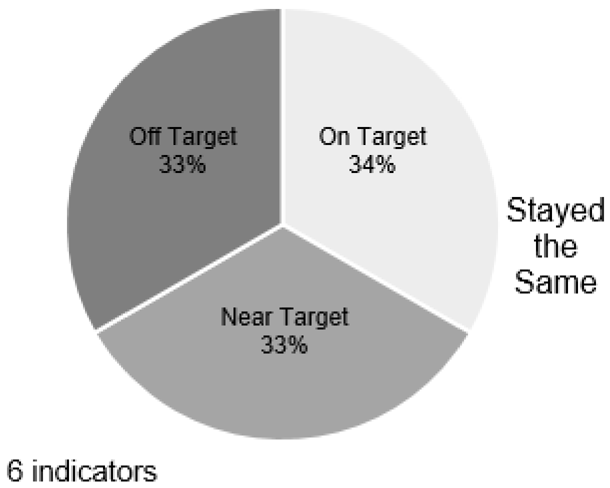
Outcomes: **95 indicators** about outcomes are monitored by service committees. These have been grouped by outcome area and their status is shown below.



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

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

People with disabilities live well independently

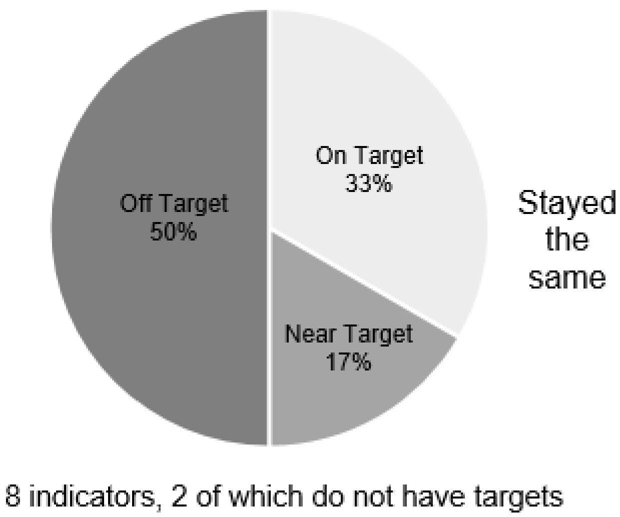


Current performance figures show that more than 8 out of 10 adults in contact with secondary mental health services are living independently (better than target) and 14% of this client group are in employment (also better than target).

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

The proportion of learning disability service users in paid employment is low and there is an action plan to improve this. The proportion of adults receiving direct payments has been falling recently and investigation around the causes is underway.

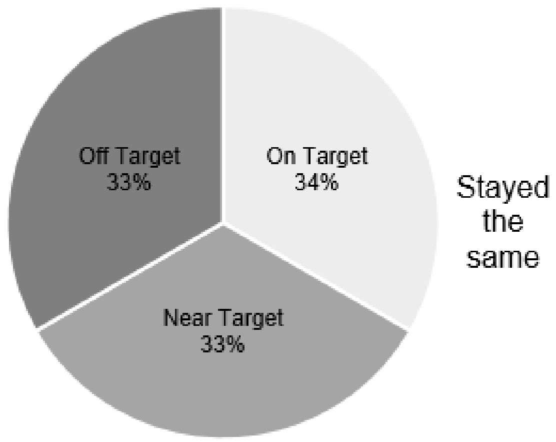
Adults and children are kept safe



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

In children's services, re-referrals to children's social care within 12 months of a previous referral is at the current appropriate target level. Caseloads are high which is reflected in rate of children with child protection plans and the number of looked after children. Work is underway to address this.

People live in a safe environment

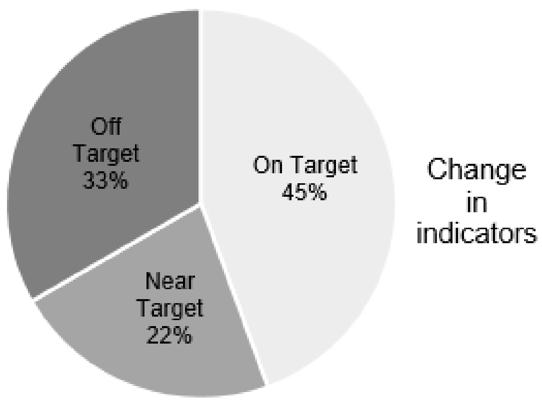


6 indicators, 3 of which do not have targets

Latest performance information shows that 99.5% of all streetlights are working, and the total energy use is within 3% of target (currently 11.32 million KwH over the most recent 12 month period).

The provisional total for people killed or seriously injured on the roads to the end of September 2018 is lower than the same period of the previous year and the overall trend is downwards. However it is still above target and the Highways and Community Infrastructure Committee is monitoring a Road Safety Action Plan to reduce the number of people killed or seriously injured on the county's roads.

The Cambridgeshire economy prospers to the benefit of all residents



18 indicators, 9 of which do not have targets

Current performance shows that 96.7% of premises in Cambridgeshire have access to at least superfast broadband, which is better than target.

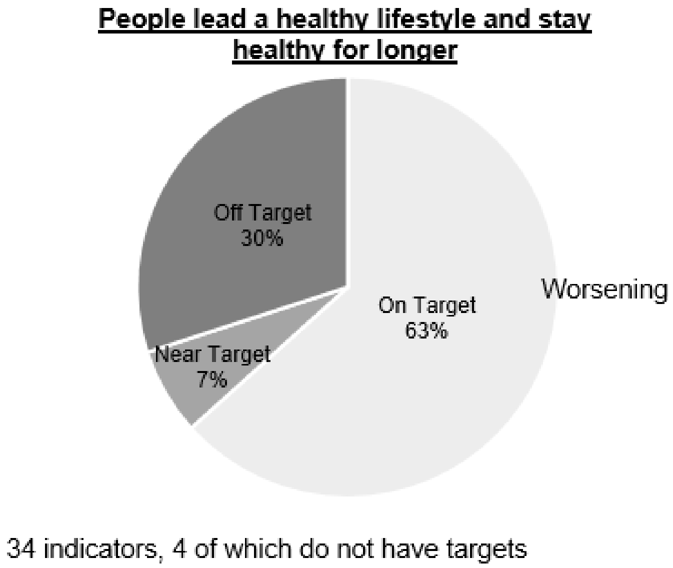
Annual road condition surveys show that maintenance should be considered on 2.7% of our principal road network and 6% of our non-principal road network; both of these are better than target. More of the classified roads in Fenland require maintenance than in other parts of the county; although significant investment has recently been carried out in the Fenland area associated with the Department for Transport (DfT) Challenge Fund bid, and the effects of some of these works will not have been included in this year's survey. Inspections of the quality of workmanship of highways defects did not show any repairs as defective in the past month.

There is a national decline in bus passenger journeys and the 2018 figure for Cambridgeshire is below target. Moving forward the trend may be helped by the removal of parking charges at Park and Ride sites and through the introduction of Greater Cambridge Partnership schemes, although these are not planned until 2019/20 at the earliest.

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

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

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



Cycle journeys in 2018 showed a growth of 71% compared to a 2004/05 baseline, which is above target.

Performance of sexual health and contraception services is good. Performance of lifestyle services including personal health trainers and weight loss services is good. Health visiting and school nursing performance is generally good.

There was an improvement in 2018 in the percentage of children with excess unhealthy weight to 17.5% of children aged 4-5. However there was a slight increase amongst children aged 10-11 to 28.4%. Both of these figures are better than the national average.

The smoking cessation programme is currently off target but performance is on an upward trajectory.

Health checks programmes are off target in terms of volume. However, GP health checks is comparable to last year and outreach health checks have increased across the county except in Fenland. Further events have been booked and a mobile service has been introduced.

Key Pressures
- Nursing placements for older people are increasing against the April 18 baseline. - The number of children in care has significantly increased this financial year. - The number of children on a child protection plan has increased this financial year. See following page for details.

2.3 The master file of performance indicators and latest Corporate Risk Register are available here, (https://tinyurl.com/yd96a2vw).

Finance and Risk

Revenue budget forecast		Capital programme forecast
+£3.4m (0.9%) variance at end of year RED	This is a £0.084m decrease in the revenue forecast pressure since last month. This is a +£3.185m increase in the forecast in-year capital expenditure compared to last month.	-£14.3m (-4.8%) variance at end of year GREEN

Residual risk score	Green	Amber	Red
Number of risks	0	8	2

*Latest Review: January 2019

Transformation Programme	Transformation Fund
43 Early ideas ↓ 196 Business cases in development ↓ 23 Projects being implemented ↔	13 projects rated Green ↑ 1 rated Amber (reflecting some need to re-phase savings) ↔ 2 rated Red (risk of non-delivery of savings or benefits) ↔

Number of service users supported by key care budgets

Older people aged 65+ receiving long term services

	Jan-19	Apr-18	Trend since Apr-18
Nursing	448	410	Increasing
Residential	841	847	Stayed the same
Community	2,099	2,023	Increasing

Adults aged 18+ receiving long term services

	Jan-19	Apr-18	Trend since Apr-18
Nursing	30	26	Increasing
Residential	315	309	Stayed the same
Community	1,924	1,933	Stayed the Same

Children open to social care

	Jan-19	Apr-18	Trend since Apr-18
Looked after children	759	715	Increasing
Child protection	499	483	Increasing
Children in need*	2,358	2,225	Increasing

*Number of open cases in Children's Social Care (minus looked after children and child protection)

Public Engagement

	Jan-19	Apr-18	Trend since Apr-18
Contact Centre Engagement	15,920 Phone Calls	12,763	Increasing
	7,402 Other	5,316	Increasing
Website Engagement (cambridgeshire.gov.uk)	218,547 Users	154,319	Increasing
	319,396 Sessions	229,409	Increasing

The number of service users is a key indicator of the demand for care budgets in social care, inforamtion about the contacts with the public across web and phone channels is a key indicator of both service delivery and transformation.

2.4 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end pressure of +£3.4m (+0.9%); a decrease of £0.084m on the forecast pressure reported in December . There have been increases in People & Communities (P&C) offset by decreases in Commercial & Investment (C&I), Corporate Services (CS) and Place & Economy (P&E). The LGSS Operational forecast is a £48k pressure. See section 3 for details.

- The Capital Programme is forecasting a year-end underspend of -£14.3m. This includes use of the capital programme variations budget. See section 7 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)

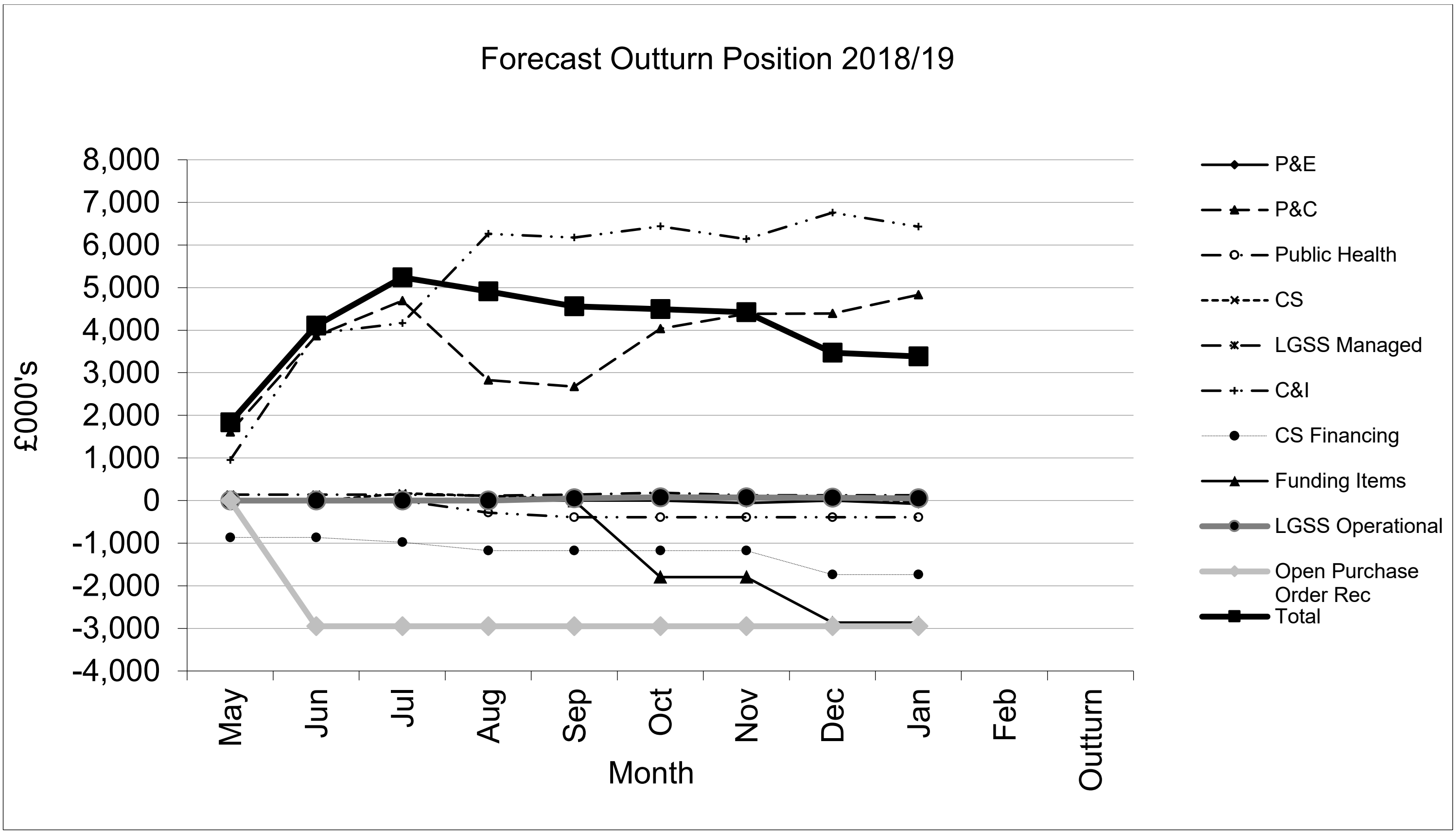
Forecast Variance (Dec) £000	Service	Current Budget for 2018/19 £000	Actual (Jan) £000	Forecast Variance (Jan) £000	Forecast Variance (Jan) %	Overall Status	DoT
0	Place & Economy	55,356	45,311	-78	-0.1%	Green	↑
4,388	People & Communities	243,175	187,236	4,830	2.0%	Red	↓
-391	Public Health	629	-6,631	-391	-	Green	↔
74	Corporate Services	6,958	7,445	-28	-0.4%	Amber	↑
126	LGSS Managed	11,186	10,128	126	1.1%	Amber	↔
6,758	Commercial & Investment	-8,797	3,006	6,428	-	Red	↑
-1,738	CS Financing	25,983	10,074	-1,738	-6.7%	Green	↔
9,217	**Service Net Spending**	**334,490**	**256,569**	**9,149**	**2.7%**	**Red**	↑
-2,864	Funding Items	15,677	6,638	-2,864	-18.3%	Green	↔
-2,950	Open Purchase Order Reconciliation	0	-2,950	-2,950	-	Green	↔
3,403	**Subtotal Net Spending**	**350,167**	**260,257**	**3,335**	**1.0%**	**Red**	↑
	Memorandum items:						
64	LGSS Operational	8,835	6,173	48	0.5%	Amber	↑
3,467	**Grand Total Net Spending**	**359,002**	**266,430**	**3,383**	**0.9%**	**Red**	↑
	Schools	198,140					
	Total Spending 2018/19	**557,142**					

1 The budget figures in this table are net.

2 For budget virements between Services throughout the year, please see Appendix 1.

3 The budget of £629k stated for Public Health consists of £391k cash limit and £238k funded from the carried forward Public Health reserve. In addition to this, Public Health has a budget of £25.4m from ring-fenced public health grant, which makes up its gross budget.

4 The 'Funding Items' budget comprises the £9.0m Combined Authority Levy, the £392k Flood Authority Levy and £6.2m change in general and corporate reserves budget requirement. The forecast outturn on this line reflects any variance in the amount received from corporate grants and business rates from what was budgeted; a negative outturn indicates a favourable variance, i.e. more income received than budgeted.



3.2 Key exceptions this month are identified below.

3.2.1 **Place & Economy:** -£0.078m (-%) underspend is forecast at year-end.

	£m	%
• **Parking Enforcement** – a -£425k underspend is forecast. This relates in full to a change since last month. Whilst we have seen slight declines in the enforcement of established bus gates and bus lanes (with two at very high compliance levels) the introduction of new cameras did produce substantially more Penalty Charge Notices (PCNs) than expected. Although it is expected behaviours will improve there is still a continued expectation, especially with the introduction of further new enforcement cameras, the income will continue at a similar level this financial year.	-0.425	(-%)

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall outturn of -£0.078m. For full and previously reported details see the P&E Finance & Performance Report, (http://tinyurl.com/y58fsreg).

3.2.2 **People & Communities:** +£4.830m (+2.0%) pressure is forecast at year-end.

	£m	%
• **Special Educational Needs and Disability (SEND) Specialist Services** – a +£9.231m pressure is forecast. This is an increase of £1.865m on the position previously reported in October, of which £1.787m relates to a change since last month. Pressures on SEND Specialist Services (0-25yrs) continue to increase reflecting the system wide pressures on SEND due to a continuing rise in overall numbers and complexity of need. There was a net increase of 500 Education, Health and Care Plans (EHCPs) over the course of the 2017/18 academic year (13%) and an average of	+9.231	(+18%)

10 additional EHCPs a week throughout the 2018/19 academic year to date. Despite additional funding of £1.4m from the DfE, announced in December, approximately £8m of this pressure relates to the Dedicated Schools Grant (DSG) and will be carried forward as part of the overall DSG deficit into 2019/20. Work is ongoing with Schools Forum to develop options to reduce expenditure and produce a sustainable system within the available High Needs Block. £1.2m of the pressure within this area is base budget and therefore impacts on the Council's bottom line. The significant changes are outlined below:

- **High Needs Top- Up Funding** – a +£4.457m pressure is forecast. This is an increase of £0.957m on the position previously reported in October (and relates in full to a change since last month). As well as the overall increases in EHCP numbers creating a pressure on the Top-Up budget, the number of young people with EHCPs in Post-16 Further Education is continuing to increase significantly as a result of the provisions laid out in the 2014 Children and Families Act. This element of provision is causing the majority of the forecast overspend on the High Needs Top-Up budget.

- **Funding to Special Schools and Units** – a +£2.586m pressure is forecast. This is an increase of £0.633m on the position previously reported in October (and relates in full to a change since last month). As the number of children and young people with an EHCP increase, along with the complexity of need, we see additional demand for places at Special Schools and High Needs Units. The extent of this is such that a significant number of spot places have been agreed and the majority of our Special Schools are now full.

- **SEN Placements** – a +£0.250m pressure is forecast. This is a decrease of £0.268m on the position previously reported in May (and relates in full to a change since last month). The majority of this decrease is due to increased contributions from partners.

- **Out of School Tuition** – a +£0.791m pressure is forecast. This is an increase of £0.500am on the position previously reported in May (and relates in full to a change since last month). This is due to a combination of extended provision and also new tuition packages being put in place due to placement breakdowns. This is a continuation of the current theme experienced to date this financial year, resulting in a higher number of children accessing tuition packages than the budget can accommodate.

- **Older People's and Physical Disabilities Services** – a +£1.274m pressure is forecast across Older People's and Physical Disabilities Services. This is a £0.351m increase in the pressure previously reported in November, of which £0.316m relates to a change since last month. Unit costs of care continue to increase, as have numbers of people in receipt of some of the most

+1.274 (+2%)

expensive types of care. This is partly to be expected over winter, but this has started from a position that is over the budgeted activity levels, and is exacerbated by work ongoing to accelerate discharges from hospitals as well as constraints in the domiciliary care market. In addition to the work embodied in the Adults Positive Challenge Programme to intervene at an earlier stage so the need for care is reduced or avoided, work is ongoing within the Council to bolster the domiciliary care market, and the broader care market in general.

- **Strategic Management - Children & Safeguarding**– a +£0.500m pressure is forecast, which relates in full to a change since last month. This is as a result of under-achievement of vacancy savings. Given the pressures across the service the level of realised vacancies has not been as high as in the previous year and in the Safeguarding teams, agency use has been necessary to fulfil statutory safeguarding responsibilities by covering vacant posts. In the recent Ofsted inspection, inspectors said that one of the most important issues for us to tackle was that of caseloads which are too high in some parts of the service. High caseloads is partly the result of vacancies. We therefore need to assess the extent to which vacancy savings are realistic within children's services. +0.500 (+13%)

- **Adoption**– a +£0.373m pressure is forecast, of which £0.125m relates to a change since last month. This change is due to a rise in the Adoption/ Special Guardianship Order (SGO) allowances and provision of a further two external inter agency placements. In 2018/19 additional demand is forecast on our need for adoptive placements. We have re-negotiated our contract with Coram Cambridgeshire Adoption (CCA) based on an equal share of the extra costs needed to cover those additional placements. The increase in Adoption placements is a reflection of the good practice in making permanency plans for children outside of the looked after system and results in reduced costs in the placement budgets. +0.373 (+7%)

- **Home to School / College Transport – Mainstream** – a +£0.300m pressure is forecast, of which £0.100m relates to a change since last month. This is primarily as a result of quotes being received at a higher cost than that expected based on previous years' costs. In addition, there has been a higher than usual number of in-year admissions requests where the local school is full. These situations require us to provide transport to schools further away, outside statutory walking distance. +0.300 (+3%)

- **Looked After Children (LAC) Transport**– a balanced budget is now forecast. This is a +£0.300m decrease in the pressure previously reported in November and relates in full to a change since last month. This follows a detailed review of current commitments and significant reductions in costs due to the introduction of more efficient routes, including the utilisation of existing services wherever possible. +0.0 (0%)

- **Financing DSG** – a -£8.038m required contribution from DSG is forecast. This is a -£1.473m increase in the required contribution -8.038 (-13%)

previously reported in October, of which £1.395m relates to a change since last month. This represents the amount that will be drawn down from the DSG reserve in excess of what was budgeted to cover pressures in DSG-funded areas. These pressures are primarily High Needs Top Up Funding (£4.457m), Funding to Special Schools and Units (£2.586m), Out of School Tuition (£0.791m) and SEN Placements (£0.250m) as described above, as well as Early Years Specialist Support (£0.130m), 0-19 Organisation & Planning (-£0.05m) and SEND Specialist Services (-£0.126m).

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall outturn of +£4.830m. For full and previously reported details see the P&C Finance & Performance Report, (http://tinyurl.com/yxt3ajpr).

3.2.3 **Public Health:** -£0.391m (-%) underspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the PH Finance & Performance Report, (http://tinyurl.com/y2wkbc5v).

3.2.4 **Corporate Services:** -£0.028m (-0.4%) underspend is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

3.2.5 **LGSS Managed:** +£0.126m (+1.1%) pressure is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

3.2.6 **CS Financing:** -£1.738m (-6.7%) underspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

3.2.7 **Commercial & Investment**: +£6.428m (-%) pressure is forecast at year-end.

	£m	%
• **Shareholder Company Dividends**– a -£341k underspend is forecast, of which -£172k relates to a change since last month. A total rebate of £631k is due to be received from ESPO, which exceeds the £200k budgeted for income from ESPO. This is partially offset by the budget for a dividend from LGSS Law which will not be received.	-0.341	(-%)

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall outturn of +£6.428m. For full and previously reported details see the C&I Finance & Performance Report, (http://tinyurl.com/y4mayj4l).

3.2.8 **Open Purchase Order Reconciliation:** -£2.950m underspend is forecast. There are no exceptions to report this month.

3.2.9 **LGSS Operational:** +£0.048m (+0.5%) pressure is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

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

4. KEY ACTIVITY DATA

4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest P&C Finance & Performance Report, (http://tinyurl.com/yxt3ajpr) (section 2.5).

5. FUNDING CHANGES

5.1 Where there has been a material change in 2018/19 grant allocations to that budgeted in the Business Plan (BP) i.e. +/- £160k, this will require Strategic Management Team (SMT) discussion in order to gain a clear and preferred view of how this additional/shortfall in funding should be treated. The agreed approach for each grant will then be presented to the GPC for approval.

5.2 Brexit Funding for Local Government

On 27th January 2019 the Secretary of State for Housing, Communities and Local Government announced that Government is allocating £56.5m of new funding to support local authorities as they make preparations for Brexit. Across 2018/19 and 2019/20 all county councils will receive £175,000 unringfenced funding with the expectation that this will be used to fund preparatory work for Brexit-related activities. This funding is being distributed directly to local authorities under Section 31, Local Government Act 2003. Cambridgeshire County Council's allocation for 2018/19 is £87.5k (with another £87.5k due in 2019/20).

It is proposed that this additional income is held in the corporate grants section of Funding items, and transferred to corporate reserves at year end, subject to General Purposes Committee (GPC) approval.

General Purposes Committee is asked to approve the allocation of the Brexit Funding for Local Government grant (£87,500) to the corporate grants account within Funding Items. This will offset pressures across the Council, reducing the transfer from the general fund reserve at year-end.

6. DEBT WRITE-OFFS

6.1 As per the Scheme of Financial Management, debts over £25,000 recommended to be written off will be reported to the General Purposes Committee to seek authorisation to write off.

6.2 Thoughts of Others Ltd debt write-off request

Thoughts of Others Ltd has gone into liquidation prior to CCC receiving payment of an invoice for £85,193.57 (including VAT).

A Young Person (YP) was placed at Thoughts of Others as a 16 year old with a Deprivation of Liberty Safeguards (DoLS) in place. Thoughts of Others was considered the only suitable provision identified as able to meet the YP's needs at that time, particularly given that the YP was subject to DoLS, effectively requiring the provider to prevent the YP from leaving the property alone.

The provider also had a school located nearby, which the YP attended. The Council ordinarily pays for goods and services after receipt. In this instance, this was not an option given the placement was deemed necessary: the provider terms were 3 months payment in advance, CCC agreed.

All pre-placement checks were carried out and this included a financial referencing check which advised a risk score of 2, representing a lower than average risk of business failure.

The decision to pay 3 months in advance and meet supplier terms was one taken due to the high risks around the placement and the need to secure a provision that could meet the YP's needs given the YP had a DoLS in place. This was an isolated case and the service is clear that payment in advance should not be agreed for future placements.

All payments to the provider were stopped as soon as we were made aware of the business failure and an invoice for a period of 9.5 weeks of pre-paid service which could not now be utilised was raised.

The Council is in contact with the liquidator, K J Watkin & Co, and has registered its debt under the Insolvency Rules 2016. Once the remaining assets of the company have been realised there is the possibility of some further rebate which the Council will continue to pursue. However, the liquidator has outlined that local authority funders are not a priority creditor (unpaid staff wages take precedence for instance) and there is no realistic prospect of collecting the majority of the funds owed back. In these circumstances the Council is advised to account for a write-off.

General Purposes Committee is asked to approve the debt write-off of the £85,193.57 Thoughts of Others overpayment invoice (including VAT) following the liquidation of the company.

7. CAPITAL PROGRAMME

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

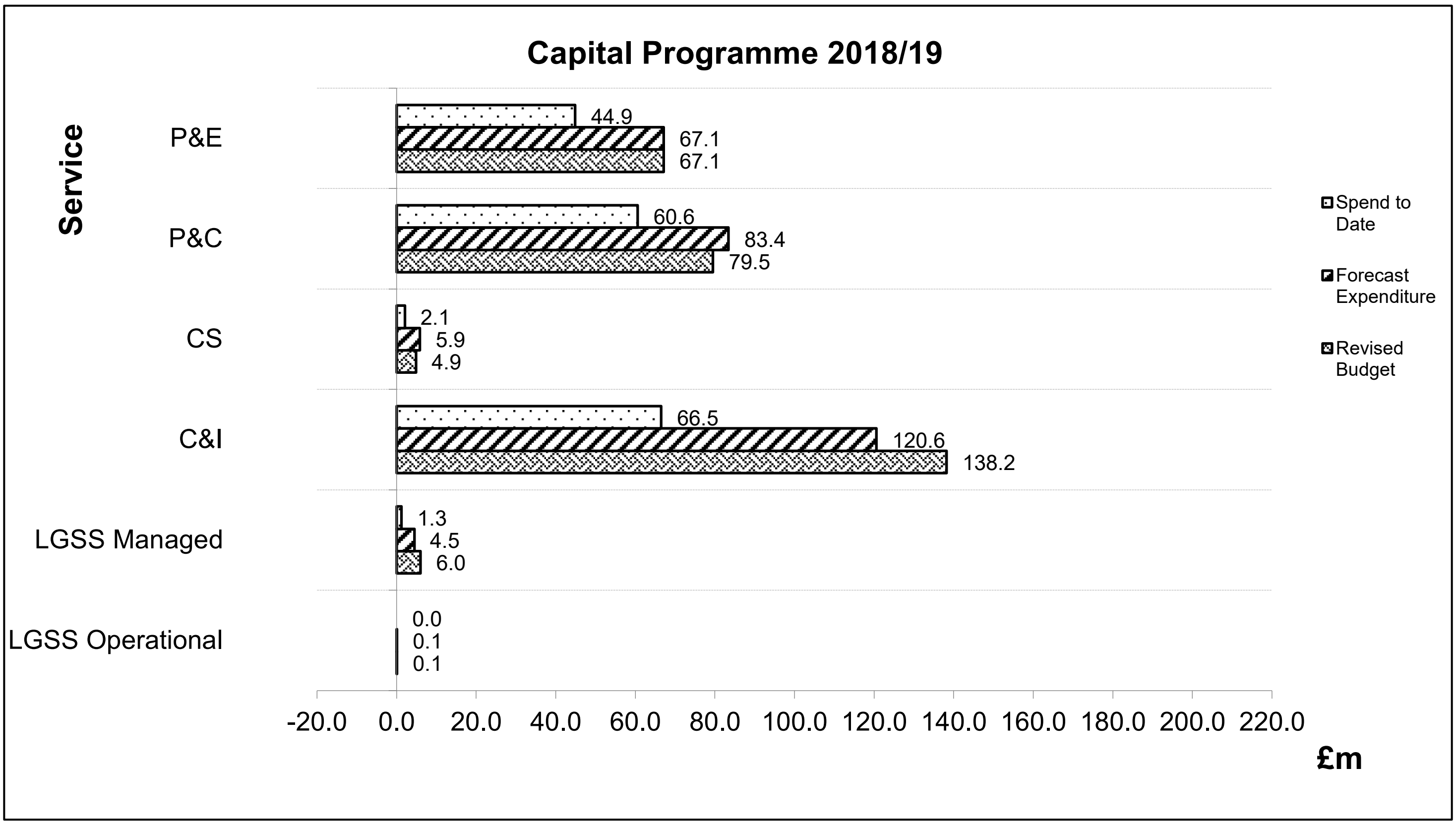
2018-19							TOTAL SCHEME	
Original 2018/19 Budget as per Business Plan £000	Forecast Variance - Outturn (Dec) £000	Service	Revised Budget for 2018/19 £000	Actual-Year to Date (Jan) £000	Forecast Variance - Outturn (Jan) £000	Forecast Variance - Outturn (Jan) %	Total Scheme Revised Budget (Jan) £000	Total Scheme Forecast Variance (Jan) £000
35,956	-	P&E	67,115	44,902	-	0.0%	444,549	-
87,820	-0	P&C	79,505	60,587	3,908	4.9%	670,781	15,874
2,038	1,014	CS	4,865	2,078	1,014	20.8%	19,041	-
6,415	-1,556	LGSS Managed	6,013	1,257	-1,556	-25.9%	6,963	-172
123,274	-16,929	C&I	138,217	66,509	-17,651	-12.8%	266,164	-147
-	-	LGSS Operational	134	-	-	0.0%	2,025	-
-	-	Outturn adjustment	-	-	-	-	-	-
255,503	**-17,471**	**Total Spending**	**295,849**	**175,333**	**-14,286**	**-4.8%**	**1,409,523**	**15,555**

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 7.2.

2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2018/19 of £26.1m and is currently forecasting an in-year underspend of £6.3m at year-end.

3. The 'Total Scheme Forecast Variance' reflects the forecast variance against budget of the total expenditure for all active capital schemes across all financial years.



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

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

2018/19					
Service	**Capital Programme Variations Budget £000**	**Forecast Variance - Outturn (Jan) £000**	**Capital Programme Variations Budget Used £000**	**Capital Programme Variations Budget Used %**	**Revised Forecast Variance - Outturn (Jan) £000**
P&E	-14,931	-11,594	11,594	77.65%	0
P&C	-10,469	-6,561	6,561	62.68%	3,908
CS	-951	1,014	0	0.00%	1,014
LGSS Managed	-1,479	-3,035	1,479	100.00%	-1,556
C&I	-33,805	-51,456	33,805	100.00%	-17,651
LGSS Operational	0	0	0	-	0
Outturn adjustment	-	-	-	-	-
Total Spending	**-61,635**	**-71,633**	**53,439**	**86.70%**	**-14,286**

7.3 As at the end of January 2019, People & Communities (P&C) is forecasting an overall utilisation of -£6.6m of the -£10.5m capital programme variations budget originally allocated to P&C. At this stage of the financial year it is forecast that P&C will not require any further capital programme variations budget. LGSS Managed and Commercial and Investment schemes have exceeded the capital variations budget allocated to them, forecasting in-year underspends of -£1.6m and -£17.7m respectively. Taking these forecasts altogether gives an overall forecast underspend of -£14.3m across the capital programme.

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

7.4.1 **Place & Economy:** a balanced budget is forecast at year-end.

	£m	**%**
£90m Highways Maintenance schemes – an in-year pressure of +£1.3m is forecast. This is a change of +£1.8m on the -£0.6m in-year underspend position previously reported in December, however this reverts the forecast back to that reported in November. This is due to the timing of reporting both the additional change in Local Highways Maintenance funding and then the decision to rephase £2m of prudential borrowing budget into 2019-20 as a result. (See section 7.7 for further details of the rephasing request.)	+1.3	(+41%)
King's Dyke– an in-year underspend of -£0.6m is forecast. This is a change of -£0.6m on the +£0.002m in-year pressure previously reported in September and relates in full to a change since last month. The revised forecast spend for 2018/19 has been revised down from £6m to £5.4m to reflect the fact that we are expecting to be in contract with Kier slightly later than previously anticipated although initial enabling works from the main contract are intended to commence under a Letter of Intent and the overall programme should not be affected.	-0.6	(-9%)
Cycling Schemes – an in-year underspend of -£1.5m is forecast across Cycling Schemes. This is an increase of -£0.5m on the underspend previously reported in November and relates in full to a change since last month. This is due to rephasing on the following scheme: o Abbey-Chesterton Bridge: an in-year underspend of £1.5m is forecast. This is due to delays in finalising land deals; the budget will be carried forward into 2019/20.	-1.5	(-47%)
Libraries– an in-year underspend -£2.6m is forecast across library schemes. This is an increase of -£1.4m on the underspend previously reported in August and relates in full to a change since last month. This is due to rephasing on the following schemes: o Milton Road Library: An in-year underspend of -£0.4m is forecast as the expenditure on the refit of the new library is now unlikely to take place until the new financial year. o Replacement of two Library mobiles: An in-year underspend of -£0.3m is forecast. Due to the long procurement process, expenditure for these vehicles will now not take place until next financial year.	-2.6	(-92%)

- Sawston Community Hub: An in-year underspend of -£1.4m is forecast, which is an increase of -£0.7m on the underspend previously reported in August. Due to legal and land issues this scheme has been delayed. The scheme is now projected to be completed in 2019-20.

• **P&E Capital Variation** – 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. Therefore the net £11.6m underspend is balanced by use of the capital variations budget; this is an increase of £0.9m on the use of variations budget reported last month and relates primarily to the underspends on King's Dyke, Cycling Schemes and Libraries, offset by the revised phasing on the £90m Highways Maintenance schemes as reported above.	+11.6	(+78%)

- For full and previously reported details see the P&E Finance & Performance Report, (http://tinyurl.com/y58fsreg).

7.4.2 **People & Communities:** +£3.9m (+4.9%) accelerated spend is forecast after utilising -£6.6m of the -£10.5m capital programme variations budget allocated to P&C.

	£m	%
• **Basic Need – Secondary –** an in-year underspend of -£6.5m is forecast. This is a decrease of £1.1m on the underspend previously reported in November, of which £0.9m relates to a change since last month. This is mainly due to rephasing on the following schemes: ○ Northstowe Secondary & Special has experienced reduced rephasing of £1.5m from £5.7m to £4.2m since last month. The overall £4.2m rephasing in 2018/19 is due to a requirement for piling foundations on the site, which will lead to an increase in total scheme cost and also extend the build time; however £1.5m of the initial £5.7m rephasing has been regained due to full works being able to commence on site. ○ North West Fringe School; This scheme has slipped by a further £50k to £350k since November as the scheme has not yet progressed. ○ Wisbech Secondary scheme has experienced £100k of accelerated expenditure as works were expected to commence ahead of the anticipated schedule, however there has been a further delay due to potential revised scope.	-6.5	(-18%)
• **P&C Capital Variation –** 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. Therefore the net £6.6m underspend is balanced by use of the capital variations budget; this is a decrease of -£1.1m on the use of variations budget reported last month and primarily relates to the change in Basic Need- Secondary as reported above, together with more minor variances. As at January 2019, £6.6m of the £10.5m Capital Variation budget has	+3.9	(+37%)

been utilised and this is unlikely to change in the remainder of the financial year.

- For full and previously reported details see the P&C Finance & Performance Report, (http://tinyurl.com/yxt3ajpr).

7.4.3 **Corporate Services:** a +£1.0m (+20.8%) in-year pressure is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

7.4.4 **LGSS Managed:** a -£1.6m (-25.9%) in-year underspend is forecast after the capital programme variations budget has been utilised in full. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

7.4.5 **Commercial & Investment**: a -£17.7m (-12.8%) in-year underspend is forecast after the capital programme variations budget has been utilised in full.

	£m	%
• **Commercial Investments** – an in-year underspend of -£36.5m is forecast. This is an increase of -£0.5m on the underspend position previously reported in August and relates in full to a change since last month. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. The commercial acquisitions strategy is under review, taking account of latest government guidance. It is advantageous to the Council to coincide commercial investments with capital receipts, which are predominantly related to land values for sites transferred to This Land.	-36.5	(-48%)

- For full and previously reported details see the C&I Finance & Performance Report, (http://tinyurl.com/y4mayj4l).

7.4.6 **LGSS Operational:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

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

7.5.1 **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 & Performance Report, (http://tinyurl.com/y58fsreg).

7.5.2 **People & Communities:** a +£15.9m (+2%) total scheme overspend is forecast. There are no exceptions to report this month; for full and previously reported details see the P&C Finance & Performance Report, (http://tinyurl.com/yxt3ajpr).

7.5.3 **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 & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

7.5.4 **LGSS Managed:** a -£0.2m (-3%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

7.5.5 **Commercial & Investment**: a -£0.1m (-0%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details see the C&I Finance & Performance Report, (http://tinyurl.com/y4mayj4l).

7.5.6 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, (https://tinyurl.com/yy9urvvg).

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding1 £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	17.5	4.1	-0.4	9.1	**30.3**	30.3	-0.0
Basic Need Grant	24.9	-	-	-	**24.9**	24.9	-
Capital Maintenance Grant	4.0	-	0.2	-	**4.2**	4.2	-
Devolved Formula Capital	1.0	0.7	-	1.2	**2.9**	2.9	-0.0
Specific Grants	6.5	4.4	-1.0	-	**9.9**	8.2	-1.8
S106 Contributions & Community Infrastructure Levy	11.0	3.0	-0.5	-0.5	**12.9**	10.7	-2.2
Capital Receipts	81.1	-	-15.9	-	**65.2**	47.1	-18.2
Other Contributions	12.1	-	-3.6	5.9	**14.3**	14.3	-
Revenue Contributions	-	-	-	-	**-**	-	-
Prudential Borrowing	97.3	92.4	-72.9	14.3	**131.1**	139.0	7.9
TOTAL	**255.5**	**104.6**	**-94.2**	**30.0**	**295.8**	**281.6**	**-14.3**

1 Reflects the difference between the anticipated 2017/18 year end position used at the time of building the initial Capital Programme budget, as incorporated within the 2018/19 Business Plan, and the actual 2017/18 year end position.

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

Funding	Service	Amount (£m)	Reason for Change
Revised Phasing (£90m Highways Maintenance schemes)	P&E	-£2.0	Following the additional £6.653m of Local Highways Maintenance funding reported in the December report, £2m worth of schemes which previously formed part of the £90m Highways Maintenance schemes are now being funded by this additional funding. Consequently £2m of prudential borrowing on the £90m Highways Maintenance schemes is requested to be rephased into 2019-20. **General Purposes Committee is asked to approve -£2.0m revised phasing of prudential borrowing from 2018/19 to 2019/20 for the £90m Highways Maintenance schemes.**
Addition/Reduction in Funding – Devolved Formula Capital	P&C	+£1.3	In January 2019 the Education and Skills Funding Agency (ESFA) announced an additional £1.348m of Devolved Formula Capital funding to be given to Cambridgeshire Maintained Schools for 2018/19. **General Purposes Committee is asked to note the additional 2018/19 +£1.348m Devolved Formula Capital funding to be received by P&C from the Education and Skills Funding Agency (ESFA).**

7.8 Corporate Services and LGSS Managed IT scheme requests.

7.8.1 In 2017-18, the EastNet project had an allocated capital budget of £5.5m funded from prudential borrowing. Due to an extremely diligent and successful procurement process for the new Public Service Network contract, called EastNet, we can now reduce the original capital requirement by £1.9m. The estimated cost is now £3.6m, of which £2.5m will be funded by prudential borrowing and £1.1m from other contributions (this is a new funding stream).

General Purposes Committee is asked to note the reduction in total required prudential borrowing of £3m in relation to the EastNet scheme.

7.8.2 Request for *additional 2019/20 funding:*
Another critical IT project has been the Mosaic project, the replacement Adult Services' case and financial management system. The complexity of this project, and the link between this project and the new Enterprise Resource Planning (ERP) system, has meant that the Mosaic project has taken longer to implement than originally anticipated. The case management part of Mosaic went live in October 2018 whereas the migration of the finance element is being done incrementally, given the risk associated with the high volume and high total value of the transactions in Adult Services. We expect the finance part of Mosaic to be fully implemented by June 2019. As members of GPC are aware, from the report that went to committee on 29 May 2018, whilst we removed Children's

services from the Mosaic project the core product is still fully required for the Adult Services work so the removal of Children's Services did not mean we had a reduction in the costs of Mosaic. As a result of this longer implementation we expect the Mosaic project to overspend against the revised budget by £620k, increasing the budget from £2.5m to £3.12m. Additional total scheme funding of £620k is therefore requested for 2019/20 for the Mosaic IT Infrastructure scheme. The annual cost of borrowing for this scheme (total borrowing £3.12m) will start in 2020/21 at £366k, and decreases each year thereafter.

General Purposes Committee is asked to approve reapportioned prudential borrowing of £620,000 in 2019/20 for the Mosaic IT Infrastructure scheme.

7.8.3 Request for *additional 2019/20 and future years funding:*

Alongside the above described IT projects we have a constant programme of replacing smaller scale but essential business systems and infrastructure. We currently have a capital fund for this work of £150k per annum for Essential CCC Business Systems Upgrades schemes. Current projects include replacing the fobs for remote access, upgrading the hardware used by the highways line of business system and network traffic monitoring. We are looking to have this capital fund replenished on an annual basis to ensure we are able to meet the demands of the services and continue to support our flexible working. Larger scale projects will continue to be supported through individual capital bids. Additional funding of £150k is therefore requested for each of the next 3 financial years 2019/20 to 2021/22 for the Essential CCC Business Systems Upgrades schemes

The annual cost of borrowing for this scheme (total borrowing £750k) will start in 2022/23 at £258k, and decreases each year thereafter.

General Purposes Committee is asked to approve reapportioned prudential borrowing of £150,000 in 2019/20 and a further £150k for each of the next 2 financial years for the Essential CCC Business Systems Upgrades schemes.

7.9 Request for additional 2019/20 funding:

At the November 2018 meeting, the Commercial & Investment (C&I) Committee supported the proposal to submit an application to Government for a total project development grant of £290,000 to bring forward a detailed business case and implementation plan for a low carbon community heat scheme for Swaffham Prior. The outcome of the grant application is scheduled for 15th February 2019. This project would be to install a district heat network with an energy centre in Swaffham Prior, removing the village from a reliance on oil for heating and hot water needs and onto a renewable and sustainable heat system. The report to C&I Committee can be found here.
The initial grant application is for a feasibility study for which additional prudential borrowing of £95.7k is requested in 2019/20, constituting a match-funding contribution of 33% to draw down the £194.3k government grant. The scheme will be funded by the match-funded borrowing and the government grant; the annual cost of borrowing for this scheme will start in 2020/21 at £6k, and decreases each year thereafter.

General Purposes Committee is asked to approve additional prudential borrowing of £95,700 in 2019/20 for the Swaffham Prior Community Heat Scheme.

7.10 Request for additional 2019/20 funding:

Additional funding of £150k is requested in 2019/20 for the Cambourne Village College scheme. This is an existing scheme in the 2019-20 Business Plan, reference A/C.02.010. The current scheme provides for the expansion of Cambourne Village College by a further two forms of entry, taking the school from its present capacity of 1,050 places for 11-16 year olds to provide 1,350 places from September 2019. Required survey work has confirmed the presence of Great Crested Newts. This will require considerable mitigation working alongside Natural England. The work required will delay practical completion of the project until December 2019; as such the new school buildings will not be available until January 2020 (the Spring Term).

However, the additional school places are required in September 2019. A formal increase to the school's admission number has already been agreed and applications for places based on the increased capacity have been received. There is now an obligation to place these children on the roll of Cambourne Village College.

This can be achieved by providing four teaching spaces in temporary accommodation until the capital project completes. The mobiles will be leased/rented for this period. The total cost of rental and work to prepare the ground and provide utilities for this amount of time is estimated at £150,000. The additional £150k will be funded by borrowing; the annual cost of borrowing will start in 2023/24 at approximately £8k, and decreases each year thereafter.

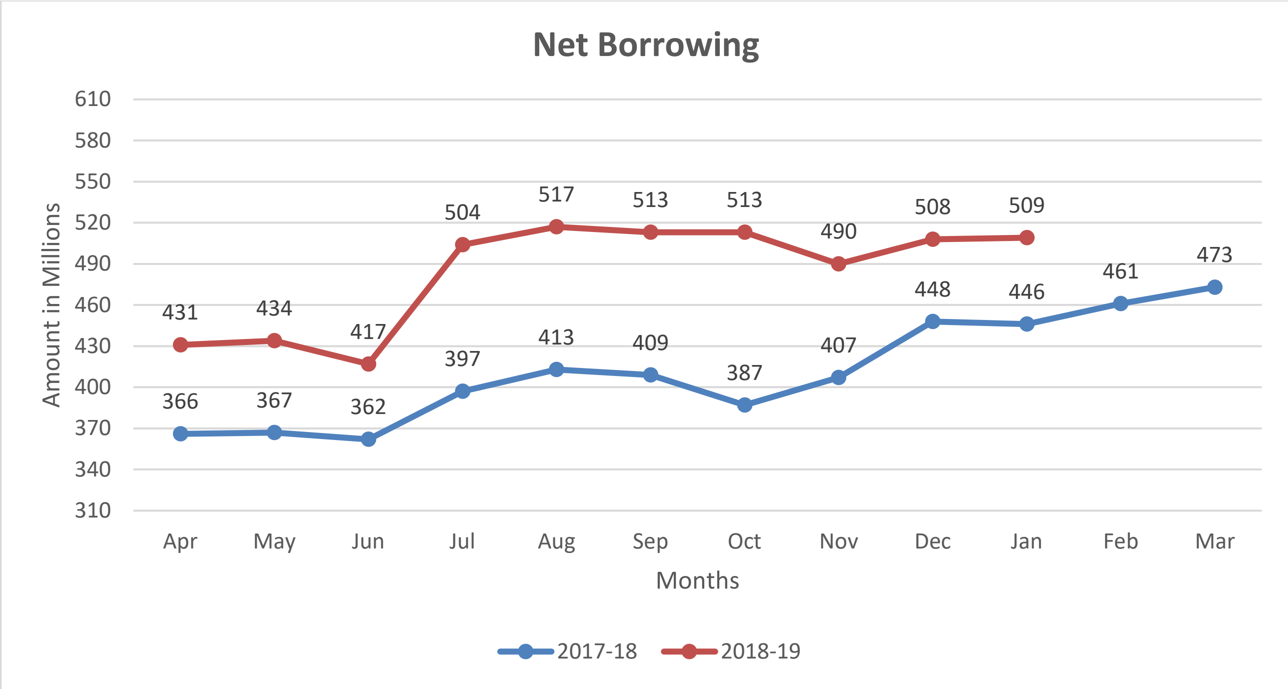
General Purposes Committee is asked to approve additional prudential borrowing of £150,000 in 2019/20 for the temporary accommodation for the Cambourne Village College Scheme.

8. BALANCE SHEET

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

Measure		Year End Target	Actual as at the end of Jan 2019
Level of debt outstanding (owed to the council) 91 days +, £m	Adult Social Care	£3.37m	£5.34m
	Sundry	£1.71m	£3.97m

8.2 The graph below shows net borrowing (borrowings less investments) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of January 2019 were £107m (excluding 3rd party loans) and gross borrowing was £616m, equating to a net borrowing position of £509m. Of the gross borrowing, it is estimated that £125m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to 3rd parties in order to receive a financial return.



8.3 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 2018-19 TMSS was set in February 2018, it was anticipated that net borrowing would reach £683m at the end of this financial year. Based upon latest projections of Balance Sheet cash-backed reserves and the Capital Programme borrowing requirements, this is now forecast to be lower at £620m. This position will be monitored as the year progresses to establish the full year final position.

8.4 In addition to the £616m gross borrowing position at January 2019, a further £27m of loans with start dates in February 2019 have been secured to bring in the additional finance required to replace £45m of loans due to mature before the financial year end (a net reduction in gross borrowing of £18m). Investment balances (excluding 3rd party loans) will be run down and applied to fund expenditure demands which will converge the gross and net borrowing positions. This leaves a further borrowing requirement of £22m still to secure later this financial year, but this will be kept under review subject to delivery of the capital programme.

8.5 From a strategic perspective, the Council is currently utilising cash backed balances and undertaking shorter term borrowing to generate net interest savings. This approach carries with it interest rate risk, and officers are monitoring options as to the timing of any potential longer term borrowing should underlying rates be forecast to rise in a sustained manner.

8.6 There is a link between the annual capital programme borrowing requirement, the net borrowing position and consequently net interest charges. However, the Debt Charges budget is formulated in the context of 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.

8.7 The Council's cash flow profile varies considerably during the year, due to the timing difference between outgoing payments (payroll, supplier payments etc.) and income streams (grants, Council tax etc.). 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.

8.8 Further detail around the Treasury Management activities can be found in the latest Treasury Management Report, (https://tinyurl.com/y84h4899).

8.9 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.

8.10 Proposed revision to loan to VIVA Arts & Community Group (Soham Mill)
At the 29 May 2018 meeting, General Purposes Committee approved a loan to a local organisation (Viva) for £150k (repayable over 25 years) for capital expenditure on the Soham Mill project. The County Council was approached by Viva with a business case and request for loan financing to enable development of Spencer Mill, Soham. The capital loan requested was originally for £150k, repayable over 25 years; following further consideration by Viva across its business plan and funding streams, the request has now been increased. The requested loan is now for up to £450k, which would entail repayment of a predecessor loan and consolidation into a single arrangement with the County Council.

Legislation and the Council's Treasury Management Strategy permit the Authority to make loans to third parties for the purpose of capital expenditure. The CCC Third Party Loans Policy states that this will be undertaken when it supports the delivery of improved outcomes for the residents of Cambridgeshire.

Viva propose redevelopment of the Mill as a social and cultural hub for Soham, as well as the charity's headquarters. The project will regenerate the area, Viva has demonstrated strong local support - there is no large community facilities in Soham and no purpose-built theatre or arts centre in East Cambridgeshire. Advance of a loan by the County Council will also enable significant Heritage Lottery Funding towards the project.

The Chief Finance Officer has reviewed the information supplied by Viva, and advises that the charity reports a sound financial position and robust plans to repay the loan to schedule or earlier. The project is recommended as enabling economic development within Soham, as well as producing a financial return on the loan for the County Council.

A financial referencing has been carried out on the Viva Arts and Community Group Ltd., the linked trading company, which has shown a minimum risk of business failure. The loan will be secured against the value of assets held by Viva. At the date of publication of this report, the Council is clarifying the security/collateral with Viva and its other funders. Confirmations will be secured in accordance with the third party loan policy before entering into an agreement and confirming the amount to be loaned (up to £450k).

The overall return on investment for the County Council on the new element of the loan is calculated to be approximately £66k (return on investment of approximately £97k for the full £450k loan).

General Purposes Committee is invited to approve a revision in the agreed level of loan to Viva, to £450k, and associated amendments required to the capital programme and treasury monitoring.

9. ALIGNMENT WITH CORPORATE PRIORITIES

9.1 A good quality of life for everyone

There are no significant implications for this priority.

9.2 **Thriving places for people to live**

There are no significant implications for this priority.

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

There are no significant implications for this priority.

10. SIGNIFICANT IMPLICATIONS

10.1 **Resource Implications**

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

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

There are no significant implications within this category.

10.3 **Statutory, Legal and Risk Implications**

There are no significant implications within this category.

10.4 **Equality and Diversity Implications**

There are no significant implications within this category.

10.5 **Engagement and Consultation Implications**

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

10.6 **Localism and Local Member Involvement**

There are no significant implications within this category.

10.7 **Public Health Implications**

There are no significant implications within this category.

Implications	**Officer Clearance**
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	No Name of Legal Officer: Not applicable
Has the impact on Statutory, Legal and Risk implications been cleared by 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

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

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

	P&C	Public Health	P&E	CS Financing	Corporate Services	LGSS Managed	C&I	LGSS Op	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	239,124	629	41,428	25,983	7,207	11,126	-8,188	8,871	33,685
Post BP adjustments	208				203	58	-433	-36	
Greater Cambridge Partnership budgets not reported in CCC budget					-863				
Use of earmarked reserves for Community Transport			84						-84
Cleaning contract savings transfer					36		-36		
Organisational structure review	-70				70				
Use of earmarked reserves for Community Transport			211						-211
Funding from General Reserves for Children's services reduced grant income expectation as approved by GPC	295								-295
Funding from General Reserves for New Duties – Leaving Care as approved by GPC	390								-390
Savings forthcoming from change in LEP governance arrangements applied to corporate savings target			-43		43				
Grand Arcade shop rental income transfer from Libraries to Property Services			50				-50		
Use of Smoothing Fund Reserve for P&C	3,413								-3,413
Transfer of advocacy budget to Corporate Services	-95				95				
Transfer of LGSS Law dividend target to C&I							-90	90	
Transfer of Monitoring Officer budget to Corporate services					90			-90	
Transfer of Bookstart contribution from Children's centres to Library services	-12		12						
Technical adjustment re Combined Authority Levy			13,615						-13,615
Children's Commissioning contribution towards Shared Services savings target	-14				14				
Transfer from Multi-Agency Safeguarding Hub to Contact Centre	-62				62				
Current budget	**243,176**	**629**	**55,357**	**25,983**	**6,957**	**11,184**	**-8,797**	**8,835**	**15,677**
Rounding	1	0	1	0	-1	-1	1	0	0

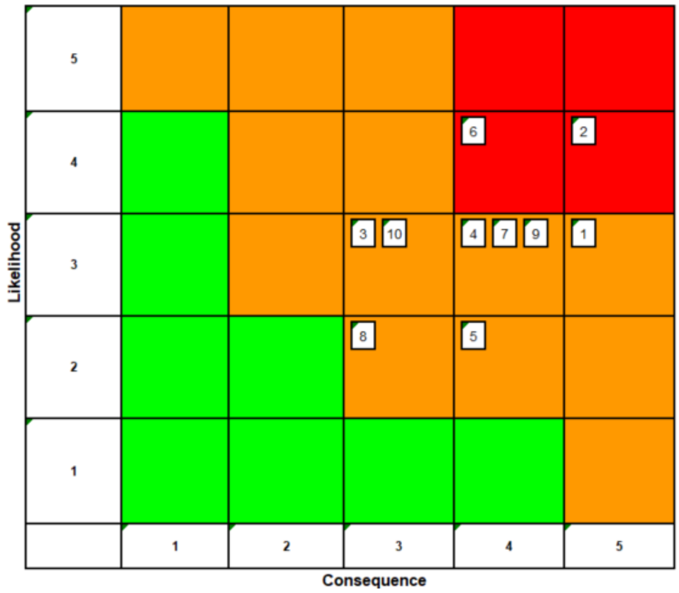
APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2018	2018-19		Forecast Balance 31 March 2019	Notes
		Movements in 2018-19	Balance at 31 January 2019		
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	13,392	2,568	15,960	12,522	
- Services					Service reserve balances transferred to General Fund after review
1 P&C	0	0	0	0	
2 P&E	0	0	0	0	
3 CS	0	0	0	0	
4 LGSS Operational	0	0	0	0	
subtotal	13,392	2,568	15,960	12,522	
Earmarked					
- Specific Reserves					
5 Insurance	3,175	-1,008	2,168	2,168	
subtotal	3,175	-1,008	2,168	2,168	
- Equipment Reserves					
6 P&C	64	0	64	0	
7 P&E	30	-30	0	0	
8 CS	30	-27	3	3	
9 C&I	680	-654	26	0	
subtotal	804	-711	93	3	
Other Earmarked Funds					
10 P&C	464	-80	384	151	
11 PH	2,567	0	2,567	1,899	
12 P&E	5,382	183	5,565	3,780	Includes liquidated damages in respect of the Guided Busway
13 CS	2,677	-191	2,486	2,909	
14 LGSS Managed	63	0	63	0	
15 C&I	552	106	658	573	
16 Transformation Fund	21,877	4,984	26,861	22,528	Savings realised through change in MRP policy.
17 Innovate & Cultivate Fund	844	852	1,696	1,453	Includes £1m transfer from Transformation Fund approved by GPC 22nd Jan 2019.
18 Smoothing Fund	0	0	0	0	This table has been presented on the basis of the £3.413m draw down approved in the August IR&PR section 6.2.
subtotal	34,426	5,854	40,280	33,293	
SUB TOTAL	**51,798**	**6,703**	**58,501**	**47,986**	
Capital Reserves					
- Services					
18 P&C	778	32,932	33,710	27,532	
19 P&E	10,200	-1,455	8,745	1,000	
20 LGSS Managed	0	0	0	0	
21 C&I	0	36,379	36,379	52,590	
22 Corporate	43,561	17,903	61,463	50,682	Section 106 and Community Infrastructure Levy balances.
subtotal	54,539	85,759	140,297	131,804	
GRAND TOTAL	**106,337**	**92,462**	**198,799**	**179,790**	

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

Fund Description	**Balance at 31 March 2018**	**2018-19**		**Forecast Balance 31 March 2019**	**Notes**
		Movements in 2018-19	**Balance at 31 January 2019**		
	£000s	**£000s**	**£000s**	**£000s**	
- Short Term Provisions					
1 P&E	55	0	55	0	
2 P&C	200	0	200	200	
3 CS	0	0	0	0	
4 LGSS Managed	3,460	0	3,460	3,460	
5 C&I	0	0	0	0	
subtotal	3,715	0	3,715	3,660	
- Long Term Provisions					
6 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
GRAND TOTAL	**7,328**	**0**	**7,328**	**7,273**	

APPENDIX 3 – Corporate Risk Register Summary



Risk #	Risk	Risk Owner	Residual Risk Level	Review Date
1	01. Vulnerable children or adults are harmed	Wendi Ogle-Welbourn	15	31/03/2019
2	02. The Business Plan (including budget and services) is not delivered	Chris Malyon	20	31/03/2019
3	03. Personal data is inappropriately accessed or shared	Sue Grace	9	31/03/2019
4	04. A serious incident occurs, preventing services from operating and / or requiring a major incident response	Sue Grace	12	31/03/2019
5	05. The Council does not deliver its statutory or legislative obligations	Fiona McMillan	8	31/03/2019
6	06. Our resources (human resources and business systems, CCC and providers) are not sufficient to meet business need	Gillian Beasley	16	31/03/2019
7	07. The infrastructure and services (e.g. transport, education, services for children, families and adults) required to meet the current and future needs of a population is not provided at the right time	Graham Hughes	12	31/03/2019
8	08. The Council is a victim of major fraud or corruption	Gillian Beasley	6	31/03/2019
9	09. Inequalities in the county continue	Gillian Beasley	12	31/03/2019
10	10. Change and transformation of services is not successful	Chris Malyon	9	31/03/2019

The residual risk levels are the same as the last summary reported in October 18.