

STRATEGY, RESOURCES AND PERFORMANCE COMMITTEE



Tuesday, 09 July 2024

Democratic and Members' Services
Emma Duncan
Service Director: Legal and Governance

10:00

New Shire Hall
Alconbury Weald
Huntingdon
PE28 4YE

Red Kite Room
New Shire Hall, Alconbury Weald, Huntingdon, PE28 4YE

AGENDA

Open to Public and Press

CONSTITUTIONAL MATTERS

- 1. Notification of Chair and Vice-Chair (oral)**
- 2. Apologies for absence and declarations of interest**
Guidance on declaring interests is available in [Chapter 6 of the Council's Constitution \(Members' Code of Conduct\)](#)
- 3. Minutes - 26th March 2024 and Action Log**
- 4. Petitions and Public Questions**

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KEY DECISIONS

- 5. Integrated Finance Monitoring Report for the year ending 31 March 2024**

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6. **Integrated Finance Monitoring Report for the period ending 31st May 2024** 105 - 152

There is a confidential Appendix 6, as part of Annex A, for this report, if Members wish to discuss this it will be necessary to exclude the press and public

7. **Productivity Plans** 153 - 172

OTHER DECISIONS

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There is a confidential Appendix, as part of Annex A, for this report, if Members wish to discuss this it will be necessary to exclude the press and public

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11. **Treasury Management Quarter Four Update and Annual Report 2023-24** 287 - 308

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13. **Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels** 337 - 354

14. **Exclusion of Press and Public**

To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed information relating to the financial or business affairs of any particular person (including the authority holding that information)

15. **This Land - Monitoring and Financing (circulated separately)**

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The Strategy, Resources and Performance Committee comprises the following members:

Councillor Lucy Nethsingha (Chair) Councillor Elisa Meschini (Vice-Chair) Councillor David Ambrose Smith Councillor Chris Boden Councillor Steve Corney Councillor Steve Count Councillor Lorna Dupre Councillor Mark Goldsack Councillor Richard Howitt Councillor Peter McDonald Councillor Edna Murphy Councillor Tom Sanderson Councillor Alan Sharp Councillor Alison Whelan and Councillor Graham Wilson

Clerk Name:	Michelle Rowe
Clerk Telephone:	01223 699180
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STRATEGY, RESOURCES AND PERFORMANCE COMMITTEE: MINUTES

Date: 26th March 2024

Time: 10.02a.m. to 12.01p.m.

Venue: Red Kite Room, New Shire Hall, Alconbury Weald

Present: Councillors Boden, Corney, Count, Criswell, Goldsack, Howitt, McDonald, Meschini, Murphy, Nethsingha (Chair), Sharp, Sanderson, Whelan and Wilson

194. Apologies for Absence and Declarations of Interest

Apologies were received from Councillors Ambrose Smith and Dupré.
There were no declarations of interest.

195. Minutes – 30th January 2024 and Action Log

The minutes of the meeting held on 30th January 2024 were agreed unanimously as a correct record and signed by the Chair. The action log was noted.

196. Petitions and Public Questions

No petitions or public questions were received.

197. Integrated Finance Monitoring Report for the period ending 31 January 2024

The Committee was informed that there was a forecast overspend of £1.8m in the revenue budget which was a £2m improvement over the previously reported position. The improved position reflected the cross council approach to financial control, and management to reduce non-essential spend, control recruitment to non-essential posts, and reduce the use of agency staff. Members were reminded of the pressures relating to renewables, income, the cost of care placements in Children's Services, staffing and workforce. Adult social care budgets were now reporting a projected underspend due to the utilisation of grant income but this masked the continuing underlying pressures. Members were also advised that there was a £10.2m underspend in the capital budget primarily due to in year slippage.

Attention was drawn to the ringfenced high needs block of the Dedicated Schools Grant (DSG) which had seen a £1.2m increase in pressure. The reported net DSG forecast to the end of January was a £12m in-year overspend, which was £8m off track compared to the agreed position in the safety valve deal. The Department for Education (DfE) had annotated the published safety valve deal to reflect the latest position. It was noted that the Council had a number of work strands in place to get the programme back on track.

One Member queried what would happen after the end of the six-month extension to the Household Support Fund (HSF). It was noted that the Government had informally notified authorities that this extension should be considered as part of the tapering off process. The terms and conditions to be applied to the HSF were still awaited.

Members were reminded that the business plan included provision to fund holiday food vouchers and support anti-poverty measures such as the work being undertaken by Citizens Advice relating to income maximisation and the Local Assistance Scheme. Another Member expressed disappointment that the Council had not taken advantage of the informal advice provided by government when setting the budget. The Chair commented that late grants from government made budgeting very difficult.

One Member expressed concern that the safety valve deal was £8m off track, which at the last meeting had been attributed to the DfE not meeting its commitments. However, there was concern that the Council was also not meeting its commitments set out in the deal. It was therefore suggested that the programme should be added to the savings tracker given that it was essentially a savings plan. There was also a request for a briefing note detailing the action being taken to address this issue.

The Executive Director of Finance and Resources reported that there were 38 authorities taking part in the safety valve programme with 12, of which the Council was aware of, in enhanced monitoring. The main issues were the increase in demand, inflation, and for Cambridgeshire provision of additional specialist places/placements and capacities. The Council was looking to reset the position with the DfE and would report back to committee. Members were reminded that the position relating to reserves had been set out in the Section 151 Officer's assessment to the last meeting. The Chair asked officers to check if an in depth report had been presented to Children and Young People (CYP) Committee and for any reports to be circulated, and if that was not the case for a detailed briefing note to be circulated. The Chair also agreed to consider whether the programme should be added to the savings tracker but stressed that it was important it remained within the purview of CYP Committee. Action Required.

The same Member expressed concern that so many energy projects were off track. It was requested that the deep dive analysis of the reasons for the delays and the action being taken be circulated in a briefing note. The Chair commented that this issue had been examined in detail at the Environment and Green Investment Committee. The Executive Director of Finance and Resources agreed to investigate and circulate the reports and other briefing notes to the committee. Action Required. The Chair highlighted that there had been an over estimation of the rates of income which could come in for some of the investment projects.

Another Member drew attention to the state of the access road at North Angle Solar Farm which also served other local businesses and queried whether the £1.8m capital pressure included the cost of repairing the road. It was also queried why the Council was waiting for the new financial year before making the repairs. The Service Director: Finance and Procurement reported that the £1.8m capital pressure related to works on the private wire. The funds for the repair of the road were included in the business plan approved in February and there was no time restriction causing a delay.

A Member requested information on how the "Upper limit of fixed interest rates based on net debt" in the Treasury Management Strategy could be 150%. The Service

Director: Finance and Procurement agreed to provide a written answer. Action Required.

The Chair of Adults and Health Committee acknowledged that the underspend in Adults and Health was a source of concern as some of it related to very high levels of vacancies. Members were reminded of efforts taking place corporately to boost recruitment. The Executive Director for Adults, Health and Commissioning had also been asked to report back to the Adults and Health Committee. The Chief Executive clarified that this issue related to qualified social workers and was not a universal problem for the Directorate as the high performing Reablement Team was oversubscribed with applicants.

Another Member drew attention to the comparison data on vacancies recorded by the Office for Local Government (Oflog) who had identified that the turnover in adult social care in Cambridgeshire was much higher than elsewhere. There was a need to provide factual data if staff shortages were identified as national issue. The Chair reported that the Council was taking all available action to fill vacancies.

It was resolved unanimously to:

- a) note the report.
- b) allocate £0.76m from the Specific Contract Risks Reserve to the waste disposal and treatment project, as set out in section 3.1 of Annex A, and to delegate authority to the Environment and Green Investment Committee to approve expenditure for the project during 2024-25.
- c) note the Government's announcement of the six-month extension of the Household Support Fund, authorise the modification of spending plans in accordance with section 3.2 of Annex A and delegate authority to the Executive Director of Finance and Resources to make resulting budgetary updates, in consultation with the Chair and Vice Chair of SR&P Committee.
- d) approve additional prudential borrowing of £1.8m for the North Angle Solar Farm scheme for 2024-25.
- e) approve an additional £0.5m of Communities Capital Fund for 2024/25 from the slippage in the Communities Capital Fund.
- f) note performance against the prudential indicators for quarter 3 as set out in Annex A appendix 6.

198. Corporate Risk Register

The Committee received the full updated Corporate Risk Register. Attention was drawn to Table 1 detailing an overview of the corporate risks showing the static direction of travel since October 2023 for all risks. The Corporate Leadership Team (CLT) Risk Assurance Group had met on 1 March 2024 to review the way Directorate Risk Registers were reported to committee and suggested changes were set out in Section

4.1.2 of the report. The report also included an update on the implementation of the Risk Strategy.

Attention was also drawn to Risk 8 – “The Council is a victim of cyber-crime”, the residual risk score of 15 was calculated as a likelihood of 5 and an impact of 3. Whilst it was highly likely the Council would be a victim of cyber-crime, the impact score reflected the work undertaken by IT to ensure staff were fully trained to identify phishing e-mails for example. It was noted that this score was within the risk appetite.

Individual members welcomed the following:

- the improvements to the Risk Register but suggested that changes should be considered to show whether the direction of travel was towards the Council's accepted level of risk. Another Member suggested the need for arrows to indicate the direction of change. The Chair agreed to discuss this issue in a risk workshop with the committee. Action Required.
- the positive scores in the report which provided a degree of optimism.

Individual members then raised the following issues in relation to the report:

Risk 3 – The Council does not have enough budget to deliver agreed short and medium term corporate objectives

- queried the need for the likelihood score of 3 for Risk 3 to increase to 4 given the impact of demand and inflation, and the Chancellor's approach to public spending. The Executive Director of Finance and Resources reminded Members of his assessment of reserves presented to the last meeting and the Medium Term Financial Strategy presented to Council. Whilst the budget gap was significant, officers were seeking to address it as part of the business planning cycle which had already started for 2025/26 and beyond. The risk had been assessed as 3 because at the moment there was not a risk around reserves and there was a strong legacy and structure to business and financial planning. Whilst options might be unpalatable in the future, there were always opportunities to take decisions to manage the overall budget in the short and medium term.
- highlighted the need to send a message to government that the Council and other authorities should not have to make unpalatable decisions. The Executive Director of Finance and Resources reported that the Department for Levelling Up, Housing and Communities (DLUHC) had published on 25 March 2024 its response to the Select Committee inquiry on financial distress in local authorities. The responses were that the DLUHC had listened and provided additional grant or this would be determined for the next funding settlement. The Chief Executive added that the government had indicated its intention to move to multi-year settlements in the next parliament when circumstances allowed. It would expect the Council to look at a range of issues including productivity, which would be considered as part of its Productivity Plan. There was continued scope for the Council to lobby in its own right and via the Local Government Association and County Councils Network. Another Member commented that the Corporate Risk Register, which was a management tool, was not the appropriate place to send messages to government.

- reiterated that this risk was about the Council not meeting its corporate objectives rather than setting a balanced budget.

Risk 7 – Failure to Deliver Key Council Services

- acknowledged that this risk was often a secondary risk which could be triggered by something else crystallising on the Risk Register. It was therefore queried whether it should be attached to other risks rather than included on its own. The vulnerability factors were all external and live so the score should be higher. The Chief Executive acknowledged the challenges associated with this risk but it was important to include it as a catchall to make sure all issues were covered. CLT would consider it again as part of its quarterly review.

Risk 8 – The Council is a victim of cyber crime

- welcomed the focus on Risk 8. However, there was concern that the potential consequences of a deliberate denial of service had been understated in the report. Government had singled out local government as having a particular risk due to its individuality. A Russian hacker had recently obtained the names, addresses and bank details of residents of Gloucester resulting in significant reputational damage to the City Council. The Council depended so much on its IT systems particularly to support vulnerable residents so it was therefore felt that the impact should score higher than a 3.
- suggested that detail in relation to Risk 8 should be limited given the nature and sensitivity of the risk. It was also important to avoid using IT jargon.
- expressed concern about the poor completion of Cyber Security E-learning set out in Control 5. This was exemplified by Control 1 where a simulation phishing exercise in May 2022 had resulted in 178 users entering their passwords/credentials. It was therefore important that this exercise was repeated to identify whether individuals were still falling for phishing attacks.
- expressed concern that the last Data Recovery test had been held in November 2021 as it was important it was repeated regularly. It was noted that an exercise had taken place in the last six months.
- highlighted the lack of assurances mechanisms for Control 15.
- queried whether the actions plans which had a completion date of the end of March had been completed. The Executive Director of Finance and Resources reported that nearly all actions had been completed to timetable. He agreed to provide a written response in relation to all the actions set out on page 132 and to provide a response to some of the comments raised above. Action Required.
- suggested that Audit and Accounts Committee be asked to undertake a “deep dive”, in exempt session, given the consequences and dangers to the Council. It was noted that the Committee had considered the internal audit report relating to IT systems and some of the actions in that report covered the issues raised. The Chair agreed to hold a private in person briefing on Risk 8 after the next meeting of

Strategy, Resources and Performance Committee open to all Members. Action Required.

Risk 10 – Failure of key contracts

- highlighted that the adequacy of the control for business continuity planning processes was poor and there were no critical success or assurance factors. There was one action plan but no assurances. The Chief Executive suggested the need to make reference to work underway by the Assets and Procurement Committee in order to make sure the risk was properly articulated. Action Required.

Risk 12 – Risk of Climate Change

- queried whether the actions within the Council's control were recognised as a separate risk in the Environment and Green Investment Committee Risk Register. It was noted that within that committee's risk register there were separate risks which focused on the non-delivery of the Climate Change and Environment Programme.
- highlighted the need for the title of this risk and the actual risk to reflect the impact of climate change such as flooding. It was noted that the Place and Sustainability Directorate would be undertaking a wholesale review of Risk 12. It would be considered by the CLT Risk and Assurance Group in June and then the Strategy, Resources and Performance Committee. The Head of Internal Audit and Risk Management agreed to feedback any comments to the review.

The Chair agreed to hold a separate workshop for the committee on risk which would cover all the issues raised at the meeting. Action Required.

It was resolved unanimously to note the Corporate Risk Register.

199. Corporate Performance Report

The Committee received an update on the performance monitoring information for the 2023/24 quarter 3 period, to 31st December. There were currently no Key Performance Indicators (KPIs) ranked as red. Indicator 183: Percentage of Subject Access Requests completed within statutory timescales (Year to Date) had moved from Red to Amber. Attention was drawn to the two higher performing indicators relating to IT & Digital Services Customer Perception, and Proportion of information enquiries resolved at first point of contact. The report recommended a number of changes to indicators, which would assist benchmarking and improve clarity of understanding.

One Member highlighted that there had been a 54% response rate to the Employment Engagement Survey in 2023, which was not statistically significant as these employees had not been selected at random. Of the 54% who had responded, there was an overall engagement rating of 55% resulting in a negative engagement rating of 45%. The total number who had not responded or who had not engaged after responding was 70.3%, which was 7 out of 10 employees. This was therefore a problem in relation to staff retention, which needed investigating. A breakdown of responses by Directorate was requested in order to identify the challenges.

The Executive Director: Strategy and Partnerships reported that Ipsos MORI had informed the Council that it could have a degree of confidence in a response rate of 54%. She offered to provide Members with information from Ipsos MORI on confidence factors. In acknowledging the proportion of staff who had not responded, the Council had delayed producing an action plan, and on the advice of Ipsos MORI had followed up the survey with a series of focus groups across each Directorate to enable actions to be identified from those who had not completed the survey. Executive Directors had been provided with the data at Directorate level to inform Directorate listening sessions leading to each one producing an individual action plan. There would be a Council wide action plan which would look at the aggregated survey and the conversations CLT had undertaken with staff. The Council was learning from the process to make sure it was conducted effectively.

The same Member asked for the information from Ipsos MORI, and to receive the information at Directorate level. It was suggested that Indicator 187 should be broken down to Directorate level. Another Member suggested that all Policy and Service Committees should review the action plans for their areas. The Chief Executive reminded Members that a breakdown of this information had already been shared with cross party members in a number of fora, and was also available on the Council's Intranet. It was suggested that the Committee might wish to receive a separate briefing on this issue in order to consider the action plans. Members were informed that the 54% response rate was significantly above the rate for other public sector organisations. Action Required.

Another Member acknowledged the usefulness of the above comments in relation to Indicator 214: Staff turnover. There was disappointment that the Council had moved from valued to engaged as the former was more important in relation to turnover. However, the rationale for changing was acknowledged in order to achieve benchmarking. The same Member stressed the importance of action plans to reduce staff turnover, and highlighted the role of Human Resources in supporting their production. It was suggested that the Council should aim to exceed its statistical neighbours and the national average.

Members were informed that the People Strategy had identified how critical turnover was to recruitment and retention. There had already been a focus on Children's Services which had led to positive results. The Chief Executive reported that the Oflog turnover figures reflected all social care providers in Cambridgeshire and not just Council employees. The Adults and Health Committee had been looking at this for some time and had approved a plan which involved the establishment of a Care Academy for the adult care workforce. The Council had not been complacent and was also taking measures to reduce turnover in the broader markets it commissioned from. The Chair asked for a briefing on staff engagement and turnover. It was suggested that not all staff turnover was bad as it was important that staff had a sense of career progression.

Attention was drawn to Indicator 213: Full Time Equivalent days lost to anxiety, mental health, depression and stress absence. The reduction in days lost in the last calendar year was welcomed. One Member requested data on the number of days lost to sickness in general. It was noted that the different types of absence would be categorised beneath this indicator for the Council's own employees.

It was resolved unanimously:

- a) note performance information outlined in this paper.
- b) approve the recommendations highlighted in section 4 of this paper.

200. Strategy, Resources and Performance Committee Agenda Plan, Training Plan, Appointments to Outside Bodies and Internal Advisory Groups

The Committee resolved unanimously to note the agenda plan and training plan including the addition of the Local Productivity Plan to the July meeting.

Chair

STRATEGY, RESOURCES AND PERFORMANCE COMMITTEE MINUTES-ACTION LOG

This is the updated action log as of 1st July 2024 and captures the actions arising from the most recent Strategy, Resources and Performance Committee meeting and updates Members on the progress on compliance in delivering the necessary actions.

Minutes of 26th March 2024					
Minute number	Item title	Responsible officer(s)	Action	Comments	Status
197.	Integrated Finance Monitoring Report for the period ending 31 January 2024	M Hudson M Purbrick	The Chair asked officers to check if an in depth report on the Safety Valve Programme had been presented to Children and Young People Committee and for any reports to be circulated, and if that was not the case for a detailed briefing note to be circulated.	The Department for Education has agreed that the County Council can resubmit its forecast in the Autumn. Once this revised position has been agreed a full update report will be shared with the Children and Young People Committee. An update will also be provided to the Strategy, Resources and Performance Committee via the Integrated Financial Management Report at the same point in the committee cycle.	Ongoing
		Cllr Nethsingha M Hudson	The Chair also agreed to consider whether the programme should be added to the savings tracker but stressed that it was important it remained within the purview of CYP Committee.	<p>The position on Dedicated Schools Grant and Safety Valve agreement is, and remains, to be reported within the Integrated Finance Monitoring Report presented to Strategy, Resources and Performance Committee.</p> <p>The Savings Tracker reflects the revenue account and as such sufficient reporting is underway. Separate reporting will also be made to the Children and Young People Committee.</p>	Complete

		M Hudson S French	The Executive Director of Finance and Resources agreed to investigate whether the deep dive analysis of the energy projects had been considered by E&GI Committee and to circulate the reports and other briefing notes to the committee.	<p>A detailed overview of the energy projects (Report) was discussed at the Assets and Procurement Committee in November 2023 - Minutes</p> <p>This report covers the operational status and financial metrics for the completed, in construction and in development energy schemes, as well as commentary on governance, performance, procurement and key learning points. The report also references individual committee reports concerning the projects. Subsequent specific updates to project financials have continued to be received at Environment and Green Investment Committee and Strategy, Resources and Performance Committee, as appropriate.</p> <p>The report and information relating to actions arising was e-mailed to the committee on 24 June 2024.</p>	Complete
		T Kelly	A Member requested information on how the “Upper limit of fixed interest rates based on net debt” in the Treasury Management Strategy could be 150%. The Service Director; Finance and Procurement agreed to provide a written answer.	The calculation methodology for this indicator is included in section 2 of Appendix 1 to the Treasury Management Quarter 4 report in the Agenda for this meeting. It will be seen that the indicator depends on the ratio of fixed/variable borrowings and investment to each other. In a scenario where fixed borrowings were a very high proportion of total borrowings and fixed investments were a very low proportion of total investments, the indicator would generate a percentage greater than 100%.	Complete

		M Hudson	Note the Government's announcement of the six-month extension of the Household Support Fund, authorise the modification of spending plans in accordance with section 3.2 of Annex A and delegate authority to the Executive Director of Finance and Resources to make resulting budgetary updates, in consultation with the Chair and Vice Chair of SR&P Committee.	The amount of funding received in the six month extension matches with the estimate provided in the March 2024 report to Committee (£3.581m) and budgets were therefore set on the planned basis for the period up to 30 Sept 2024. Expenditure is on 1) Free School Meal holiday food vouchers and 2) Direct Award scheme through our Household Advice and Support Team and Trusted Partners. There is more information in reports to service Committees. Children and Young People Committee Communities and Social Inclusion Committee	Complete
198.	Corporate Risk Register	M Claydon	The Chair agreed to discuss Table 1 detailing an overview of the corporate risks in a risk workshop with the committee.	To be considered as part of the Annual Risk Report to be presented at the meeting.	Complete
		M Hudson	Risk 8 – The Council is a victim of cyber-crime. The Executive Director of Finance and Resources agreed to provide a written response in relation to all the actions set out on page 132, and to provide written response to the comments raised at the meeting.	A number of these items will be addressed at the Risk Workshop with members, and following that any other matters raised at the workshop and previously will be responded to.	Ongoing
		M Hudson M Rowe	The Chair agreed to hold a private in person briefing on Risk 8 after the next meeting of Strategy, Resources and Performance Committee open to all Members.	Workshop arranged to take place after the meeting on 9 July 2024.	Complete

		M Claydon	The Chair agreed to hold a separate workshop for the committee on risk which would cover all the issues raised at the meeting.	To be considered as part of the Annual Risk Report to be presented at the meeting.	Complete
		M Hudson M Claydon	Risk 10 - Highlighted that the adequacy of the control for business continuity planning processes was poor but there were no critical success or assurance factors. There was one action plan but no assurances. The Chief Executive suggested the need to make reference to work underway by the Assets and Procurement Committee in order to make sure the risk was properly articulated.	To be considered as part of the Annual Risk Report to be presented at the meeting.	Complete
199.	Corporate Performance Report	S Grace	Send to Members the information from Ipsos MORI setting out the statistical parameters for the Employment Engagement Survey and the response levels at Directorate level.		Complete
		S Grace	The Chair asked for a briefing on staff engagement and turnover.	A briefing note was circulated by e-mail on 23 May 2024.	

Minutes of 30th January 2024

Minute number	Item title	Responsible officer(s)	Action	Comments	Status
191.	2024-29 Financial Sustainability Assessment	M Hudson	The Executive Director of Finance and Resources to provide comparators through the Society of County Treasurers to show the impact of assets held by authorities on risk.	Data has been requested but as yet no responses received. The Executive Director will chase a number of authorities to see if further information can be shared, otherwise officers will need to take an assessment of publicly held data in accounts to make an estimate of this proportion and report back to the Committee.	Ongoing
		M Hudson	Delegate authority to the Executive Director of Finance and Resources, in consultation with the Chair and Vice-Chair of this committee, to earmark the tranches received this year of legal settlement funds received in relation to the Cambridgeshire guided busway, to cover future costs associated with the guided busway, and to reimburse reserves that supported the legal dispute.	The Executive Director of Finance and Resources exercised this delegation, in consultation with the Chair and Vice-Chair in March 2024, the decision notice is available at Delegation Notices	Complete

Minutes of 31st October 2023

Minute number	Item title	Responsible officer(s)	Action	Comments	Status
172.	Integrated Finance Monitoring Report for the Period Ending 31 August 2023	Martin Purbrick	The Chair proposed that a briefing note be prepared detailing the pressures on Children's Social Care and that a possible letter be discussed with Strategy, Resources and Performance Spokes.	<p>The Council's Business Plan and Budget for 2024/25, as approved at Full Council in February 2024, highlighted the various pressures due to demand and inflation across Children, Education and Families.</p> <p>The updated Integrated Finance Management Report (IFMR) is reported to the Children and Young People's Committee, where these pressures are highlighted and are also reported regularly within the Council IFMR to this Committee.</p> <p>As a part of the "Manifesto for Counties" published by the County Councils Network, the pressures on Children's Social Care have also been shared with national politicians and senior civil servants.</p> <p>Subject to the outcome of the General Election, the Executive Director for Children, Education and Families will discuss this further with Strategy, Resources and Performance Spokes to assess if a direct Cambridgeshire letter would be advisable.</p>	Ongoing

Integrated Finance Monitoring Report for the year ending 31 March 2024

To: Strategy, Resources and Performance Committee

Meeting Date: 9 July 2024

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/025

Executive Summary: This report presents the management accounts of the council for the 2023-24 financial year. The report covers revenue and capital budgets, and balance sheet items including borrowing and reserves.

Recommendation: Strategy, Resources and Performance Committee is recommended to approve the transfers from earmarked reserves listed in section 5.2 of Annex A, totalling £3.173m.

Officer contact:

Name: Stephen Howarth

Post: Head of Finance

Email: stephen.howarth@cambridgehsire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This regular financial monitoring report provides the consolidated management accounts of the whole council, enabling members to be aware of, and to scrutinise, the delivery of the business plan for 2023-24.

2. Background

- 2.1 This integrated report consolidates the individual Finance Monitoring Reports (FMR) that are prepared for each council directorate, and for corporate items. On a quarterly basis, those individual FMRs are reviewed by policy and service committees. The integrated report provides actual and forecast information for our revenue and capital budgets and balance sheet.
- 2.2 As a policy and service committee itself, this report item also provides the individual FMR covering the enabling services that are within this committee's remit.

3. Main Issues

- 3.1 The detailed Integrated Finance Monitoring Report for the year ending 31 March 2024 is at Annex A. The Finance and Resources and Strategy and Partnerships Finance Monitoring Report for the period ending 31 May 2024 is at Annex B.
- 3.2 The report records that the year-end revenue outturn for the council was an overspend of £1.2m, which was an improved position compared to forecasts in the middle of the year. This outturn reflects management action to mitigate pressures, as well as the result of uncertain levels of demand for some services and lower than expected capital financing costs. The report provides more context for the financial position of the council and individual directorates.
- 3.3 As well as noting the general report, there are specific recommendations in section 5.2 regarding allocations from reserves at year end totalling £3.2m. These allocations were only determined and fully quantified during year-end processes and so could not be brought before committee earlier.

4. Alternative Options Considered

- 4.1 The report sets out the reasons for the recommendations. Alternative action would result in an amended outturn figure with consequent impacts on our statement of accounts and resources available for 2024-25.

5. Conclusion and reasons for recommendations

- 5.1 The report sets out the reasons for the recommendations. These are to ensure that the council is using latest estimates for budgeting and proactively responding to latest information.

6. Significant Implications

6.1 Finance Implications

This report provides the latest financial information for the Council and so has a direct impact on scrutiny and on wider decision making.

6.2 Legal Implications

There are no significant implications within this category.

6.3 Risk Implications

There are no significant implications within this category.

6.4 Equality and Diversity Implications

There are no significant implications within this category.

6.5 Climate Change and Environment Implications (Key decisions only)

There are no significant implications within this category.

7. Source Documents

Place & Sustainability Finance Monitoring Report (March 2024)

Children, Education & Families FMR (March 2024)

Adults & Public Health FMR (March 2024)

Finance & Resources and Strategy & Partnerships FMR (March 2024)

Annex A

Integrated Finance Monitoring Report Outturn 2023-24

Contents

Section	Item	Description
1	Executive Summary	<p>A high-level summary of key information covering both revenue and capital.</p> <p>Narrative on key issues in affecting the financial position, both corporately and across the directorates.</p>
2	Revenue Budget	<p>Provides a more detailed summary of the revenue position by directorate, as well as additional information on:</p> <ul style="list-style-type: none"> • The position of our Dedicated Schools Grant • The Savings Tracker
3	Revenue Funding Changes	<p>This section highlights any new in-year changes to revenue budgets or funding that have taken place or that are proposed for agreement by Committee.</p>
4	Capital Programme	<p>Provides a detailed summary of the capital position by directorate, as well as capital variations budgets and capital funding changes.</p> <p>Any changes to funding or budgets for the capital programme that are proposed for noting or agreement by Committee will be reported here.</p>
5	Balance Sheet	<p>Key information about the Council's balance sheet, including reserves, borrowing and debt.</p>
6	Treasury Management	<p>Update on the Council's treasury management position. At the end of Q2 and Q4 this will form a separate report as it requires consideration by Full Council.</p>
Appx 1	Revenue – commentaries on exceptions	<p>Detailed commentaries on forecast revenue variances by exception</p>
Appx 2	Capital – commentaries on exceptions	<p>Detailed commentaries on forecast capital variances by exception</p>
Appx 3	Budget transfers between directorates / areas	<p>Breakdown of movements between directorates /areas in 2023-24</p>
Appx 4	Reserves & provisions	<p>Schedule of reserves held</p>
Appx 5	Savings Tracker 2023/24	<p>Each quarter, the Council's savings tracker is produced to give an update of the position of savings agreed in the Business Plan.</p>
Appx 6	Revenue summary comparison to last year's outturn position	<p>A revenue budget summary table that compares the current position to last year's net budget and outturn variance</p>

1. Executive Summary

- 1.1 This report presents financial information to assess progress in delivering the Council's Business Plan.

The Council's financial accounts are produced annually and are available on our [website](#).

The Council's total service budgets for 2023-24 are:

- Revenue: £501m net budget
- Capital: £198m (with a total programme of over £1bn)

As well as this, the Council has a Dedicated Schools Grant (DSG) funded budget of £114m, which mainly relates to High Needs spend.

The table below shows the key information by directorate:

Directorate/Area	Revenue Budget Variance £000	Revenue Budget Variance %	Net Capital Budget Variance £000	Net Capital Budget Variance %
Children, Education & Families – non-DSG	11,349	9%	721	+1%
Adults, Health & Commissioning	-3,871	-2%	-425	-7%
Place & Sustainability	4,072	6%	-13,192	-17%
Strategy & Partnerships	393	2%	-2,723	-84%
Finance & Resources	-1,113	-7%	-6,163	-53%
Public Health	0	0%	-	-
Capital Financing	-3,499	-9%	-	-
Corporate & Funding Items	-6,094	-53%	-	-
Net Spending Total (+ overspend / - underspend)	1,236	0%	-21,782	-11.0%
Children, Education & Families – DSG	14,560	-	-	-

Detailed financial information about each service area is contained in the relevant Finance Monitoring Report. These can be found published at each scheduled [committee meeting](#). Summary financial information in this report is presented with the assumption that any accompanying recommendations to committees will be agreed.

1.2 Key Issues

The Council overspent by a £1.2m on its £501m net revenue budget in 2023-24, slightly lower than the level forecast in January.

This report sets out in detail the key pressure areas of:

- income generation from renewable energy schemes
- looked after children placement and staffing costs
- waste disposal costs

It also describes mitigations that have materialised in year from additional grant funding in adult social care budgets. Despite the close to balanced position for the year, ongoing budgetary pressures remain and cause a risk to our long-term financial picture.

The overspend position in the Children, Education and Families directorate remains concerning and a matter for action looking into 2024-25. National issues around the cost of placements for looked after children with the highest needs are impacting us, with constrained supply of places driving costs up. As well as this, we are engaging a large number of agency social workers covering vacant posts, which costs more than the staffing budget available. We are also seeing an overspend expected on home to school transport services. This likewise links to constrained supply and increased needs, particularly linked to the increasing number and complexity of children with special educational needs and disabilities.

Energy generation schemes are expected to deliver income later than forecast, that is now suggested in summer 2024 and so is a one-off, in-year pressure but also a risk for the budget in 2024-25.

We remain in a position where our waste disposal budget is significantly overspent due to the need to landfill additional waste following the closure last year of the waste management plant at Waterbeach due to odour regulations. We are considering the options available to us regarding the long-term arrangement, but in the meantime additional costs of at least £100k per week are faced. These are mitigated in year by the planned use of reserves, the specific value of which will be confirmed at the end of the year, but at the same time some previously capital costs have been charged instead to revenue.

Adult social care budgets have underspent for the year. Much of this relates to the utilisation of grant income to fund costs that had initially been expected to fall on general council resources, as well as additional income. There remains a general upward trend in cost despite these mitigations, with implications on budgets for next year.

The impact of a concerted approach to identifying mitigations to improve the initial large forecast overspend has resulted in the much closer to balanced outturn position. These mitigations have included constraining expenditure on non-essential items and recruitment to non-essential posts, continuing review of spend considered to be essential, a sustained reduction in the use of agency staff and reviewing local schemes of delegation for spending decisions. We have also maximised, where possible, the use of grant funding to substitute existing budgeted spend where allowable by grant conditions. Many of these mitigations are one off, however, and so the forecast overspend still has implications for 2025-26, many of which were addressed in the business plan.

1.3 Key Issues by Directorate Area

1.3.1 Adults, Health & Commissioning

The overall position for Adults, Health and Commissioning at the end of the 2023-24 financial year was an underspend of £3,871k (1.8% of budget). This masked significant underlying pressures on care and support costs, but in year this was more than offset by grant funding, increased client contributions and underspends elsewhere.

Going forward into 2024-25 the Adults, Health and Commissioning Directorate has a challenging set of savings targets to deliver against whilst still managing growing demand and pressures with the provider market, particularly related to increasing staffing costs along with higher acuity of those people who use services. As a result, close attention will continue to be paid to changes in demand and costs and income as the 2024-25 financial year progresses and forecasts will be adjusted accordingly.

The legacy of Covid is still being felt. Adult Social Care continues to feel the consequences of paused work and backlog on teams, and of reviews and assessments, changing demographics projections and the demand for services. The care market also manages the impact with both resident population and staff recruitment and retention a factor.

Whilst there has been significant investment into the care sector, primarily through Adult Social Care Market Sustainability and Improvement Fund, the whole adult social care market remains fragile to other factors that may impact on it. Care providers are continuing to report cost pressures related to both workforce issues and the current cost of living crisis. The position of the care market, particularly around specific types of provision and location, is making some placements more difficult to source, particularly at the more complex end of provision.

Hospital Discharge systems continue to be pressured to manage flows and demand on their services, with a subsequent focus on timely, safe and effective discharges into the correct pathways; although additional funding has been provided to both the Council and wider partners to help address these issues. The long-term legacy of the impact of the pandemic remains unclear and the implications this has on future demand for services, greater need for community support due to backlogs in elective surgery, and the availability of a skilled and experienced workforce and the wider health inequalities on our communities.

The budget for 2022-23 assumed an increased contribution from the NHS towards Learning Disability packages reflecting a shift in the percentage of packages that should be funded from Health budgets. For the current financial year this planned increased contribution has been offset by underspends elsewhere. However, the joint project between the NHS Integrated Care Board and CCC to review those packages required to agree a revised split of costs going forwards for the pool did not proceed as expected. The Council has now served notice to end the cost sharing arrangements of the pooled budget, during 2024/25. There is a risk of short term financial pressures from this decoupling as we move to separate budgets for health and social care.

Adult social care debt (excluding debt with the NHS Integrated Care Board) stood at £19.3m at the end of March, down from £20.0m at the end of February. Actions continue following a recent deep dive into some of the factors resulting in the levels of debt, along with additional resources to work on backlogs of financial assessments. Debt over 90 days old was £16.0m at the end of March also down from £16.1m at the end of February. The level of aged debt has a knock-on impact on the bad debt provision and likelihood of write offs and the in year position for the AHC Directorate reflects a contribution to the bad debt provision of £1,161k.

1.3.2 Children, Education & Families

The overall position for Children, Education and Families non-DSG budgets to the end of March 2024 is an overspend of £11.349m.

The outturn variance for Children in Care Placements is £7.7m. It is widely recognised that Councils are facing escalating placement costs due to inflation and a lack of provider market capacity, which has resulted in higher fees for services. These challenges have significantly impacted the financial planning of all upper tier councils, necessitating careful consideration and strategic adjustments moving forward. This position is being carefully monitored and the directorate is working hard to control cost where possible, including tracking of all packages at the weekly external placement review panel, implementation of monthly sufficiency board and the ongoing development of the Sufficiency Strategy. We are committed to ensuring all agencies are working towards more suitable, stable and cost-effective placements. We are also continuing our market engagement with providers to develop more robust partnership working for current and future children needing placements.

A final overspend of £1,074k is now being reported across Education (excluding Home to School Transport). As a result of delays in implementing a new ICT system, the proposed efficiency savings of £223k were not delivered in-year and have been reflected in the 2024-25 budget setting process. The Education ICT Service and Outdoor Education services ended the year with overspends primarily as a result of additional costs and reduced income. SEND Specialist Services is reporting a year-end overspend as a result of pressures on the Education Psychology (EP) service and SEND Head of Service. The EP service is experiencing a continuing increase in demand for Education Health and Care Needs Assessments (EHCNA) which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. We have seen a 24% increase in the number of requests for assessments for SEND. The SEND Head of Service pressure is a result of additional speech and language therapy costs and back care training costs. Both service areas are in discussion with relevant health organisations around performance and responsibility for payment. The overspends across Education have been offset in part by an increased final underspend on respect of teachers pensions as a result of a reduction in annual payments.

Home to School Transport – A final revised outturn of £3.538m is being reported across the Home to School Transport budget lines. Concerns around the home to school transport budget areas continued post the summer procurement rounds, with the lack of supply in the market seeing 7-8% uplifts on the same route previously. In addition, admissions data showed a growth of children and young people with SEND continued to rise above what we

forecasted, therefore creating ongoing demand for more complex routes, such as solo travel. This is a trend we can expect to continue in 2024-25.

Work will continue to determine In-Year applications into the county to assist with forecasting. The impact of this will continue to put pressure on secondary school places and consequently more young people could be placed in schools over 3 miles from their home address and eligible for transport.

A range of cost saving exercises are currently taking place, optimising the use of our fleet and looking at the use of electric vehicles to replace existing vehicles. Working with our suppliers and testing the market for 'whole school' approach in an attempt to reduce the pressure in 2024-25.

1.3.3 Place & Sustainability

Place & Sustainability overspent by £4m in 2024-25, consisting of pressures previously reported on energy scheme income and waste management, partly offset by over-achievement of income for Highways Development and Traffic Management.

Pressures from energy scheme income resulted from delays in the completion of works on solar energy generation schemes, pushing back the point at which income is received for electricity. These schemes are still expected to produce a positive return on investment in 2024-25.

The closure of the waste plant at Waterbeach while works are ongoing to address the implementation of national odour regulations has caused a pressure due to the need to landfill more waste.

1.3.4 Finance & Resources, and Strategy & Partnerships

The national and local pay awards were set within budget for this financial year, alleviating a key risk to our forecast position. We have seen increased income from our treasury investments, and IT and Digital Services have delivered some scheduled 2024-25 savings early, and only Property Services reporting a material pressure this year as farms income is lower than the challenging target set.

Within Strategy & Partnerships, there is a pressure due to an inability to fully capitalise staff time to the budgeted degree due to insufficient specific funding. We are able to capitalise relevant staff time if funded by capital receipts, but this year there was not sufficient capital receipts remaining to fully fund to the budgeted level. This is partly mitigated by underspends on staffing across other services within the directorate.

1.3.5 Public Health

At the end of 2023-24, Public Health had a year end underspend of £126k (0.3%).

Public Health is funded wholly by ringfenced grants, mainly the Public Health Grant. The work of the Directorate was severely impacted by the pandemic, as capacity was re-directed to outbreak management, testing, and infection control work. The service has now

returned to business as usual following the pandemic but there are ongoing issues that continue to impact on activity and spend:

- i) much of the service's spend is contracts with, or payments to Primary Care (GP practices and community pharmacies) for specific work. Primary Care was under pressure following the COVID-19 pandemic and has recovered in some areas. However, spend against areas especially smoking has been re-purposed to ensure that those within groups that still have high smoking rates can access services.
- ii) the unprecedented demand for Public Health staff across the country meant recruitment became very difficult through the pandemic resulting in underspends on staffing budgets. The position within the Public Health team has improved with recruitment becoming easier, but recruitment challenges continue to be reflected in our provider services which has affected their ability to deliver consistently.

2 Revenue Budget

2.1.1 This table shows summary information for the Council's 2023-24 revenue budgets at the end of March 2024 (key variances are reported in appendix 1). The outturn position is shown both gross and following mitigations (planned or unplanned); mitigations are listed in the tables at 2.1.2:

Line	Previous Forecast Variance £000	Directorate/Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Unmitigated Outturn Variance £000	Outturn Variance £000	Outturn Variance %	Movement from Forecast £000s
1	11,849	Children, Education & Families (non DSG)	167,153	-35,058	132,095	143,444	11,982	11,349	9%	-500
2	-3,806	Adults, Health & Commissioning	345,480	-130,217	215,263	211,392	-1,554	-3,871	-2%	-65
3	1,816	Place & Sustainability	105,587	-36,630	68,957	73,029	6,110	4,072	6%	2,255
4	860	Strategy & Partnerships	27,637	-7,535	20,102	20,495	393	393	2%	-467
5	-924	Finance & Resources	48,749	-33,620	15,129	14,017	-1,113	-1,113	-7%	-189
6	-1,586	Capital Financing	58,884	-20,742	38,141	34,642	-3,499	-3,499	-9%	-1,913
7	-6,399	Corporate and Funding Items	12,214	-710	11,503	5,409	-3,769	-6,094	-53%	305
	1,810	CCC Core Spending Total	765,702	-264,511	501,191	502,427	8,550	1,236	0%	-574
8	12,202	Children, Education & Families (DSG)	154,852	-154,852	0	14,560	14,560	14,560	-	2,358
9	-255	Public Health	40,088	-40,087	0	-126	-126	-126	-	129
	13,758	Total including ring-fenced budgets	960,642	-459,451	501,191	516,862	22,984	15,670	3%	1,912
		Funding delegated to maintained schools	131,786	-131,786	0					
		Total Budget	1,092,428	-591,237	501,191					

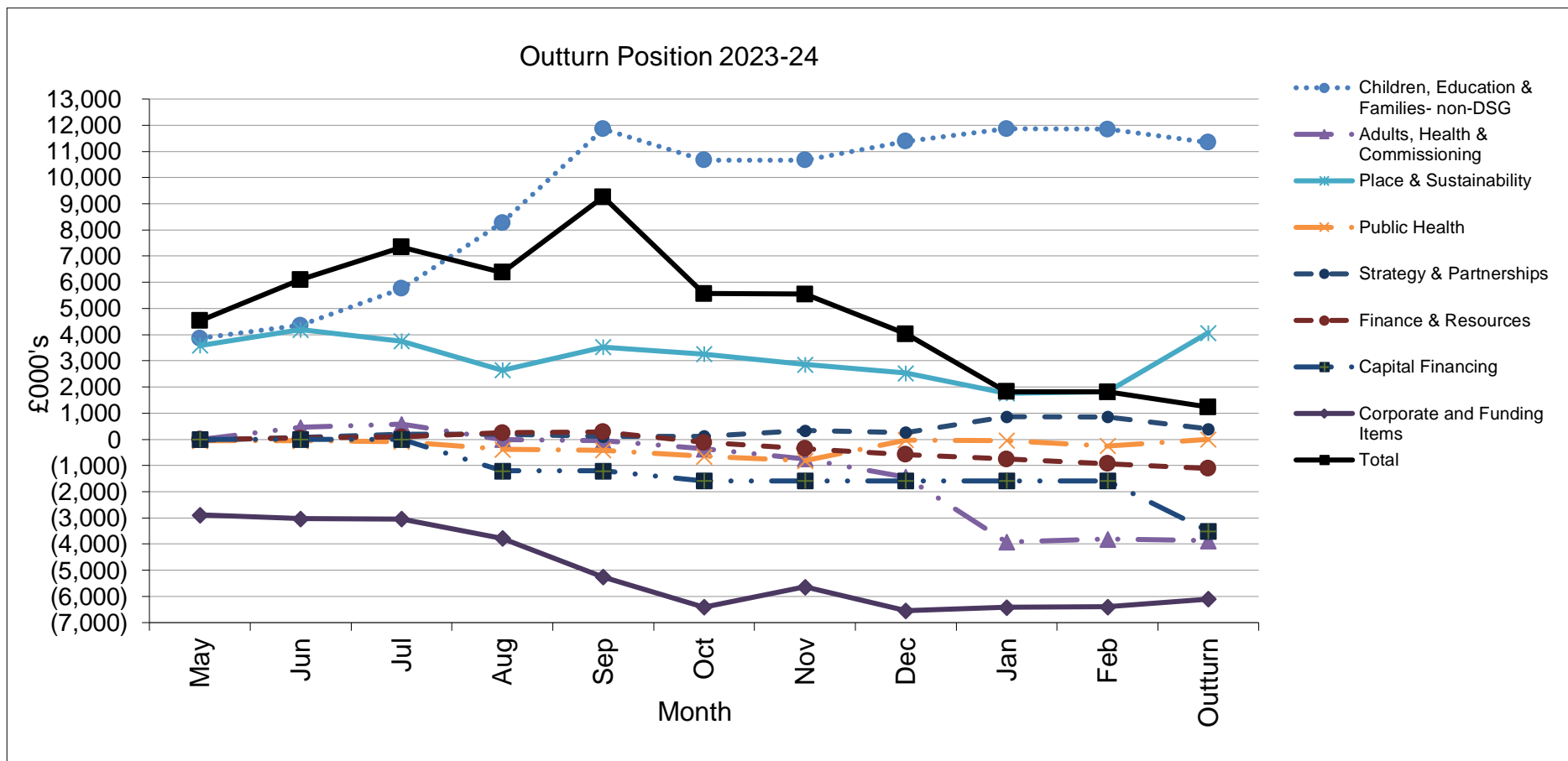
Notes on this table:

1. The actuals figures are net.
2. Numbers are presented based on current information, with adjustments for any recommendations proposed for Committee in this report.
3. Lines 8 and 9 show ring-fenced budgets, with any outturn variance treated separately to core council budgets. Any variance on Public Health goes to the PH grant reserve, and the balance for DSG is subject to separate accounting requirements. More information can be found on the DSG in section 2.2.

2.1.2 The tables below show the types of mitigations applied to service outturns above, and the nature of those mitigations:

Directorate/Area	Unmitigated Outturn Variance £000	Reserves Use £000	Use of Grant Funding £000	Mitigated Outturn Variance £000
Children, Education & Families- non-DSG	11,982		-633	11,349
Adults, Health & Commissioning	-1,554		-2,317	-3,871
Place & Sustainability	6,110	-2,039		4,072
Strategy & Partnerships	393			393
Finance & Resources	-1,113			-1,113
Capital Financing	-3,499			-3,499
Corporate and funding items	-3,769		-2,325	-6,094
Total	8,550	-2,039	-5,275	1,236

Directorate/Area and assumed mitigation	Reserves Use £000	Use of Grant Funding £000
CEF: use of grant funding to mitigate service pressures in line with grant conditions		-633
AHC: use of grant funding to mitigate service pressures in line with grant conditions		-2,317
P&S: use of service and corporate reserve to offset Waste pressure	-1,845	
P&S: use of service reserve to offset Registration & Citizenship Services pressure	-194	
Corporate: core budget available following use of grant funding across the council on eligible services		-2,325



2.2 Dedicated Schools Grant

2.2.1 The below table summarises the overall DSG position in terms of overall funding for Cambridgeshire schools, funding that flows through the council, and funding that forms part of our budget:

	£000
Gross DSG Income to be received	602,122
Less Academy Recoupment	-314,806
DSG within CCC's gross budget	287,316
<i>of which spent or commissioned by CCC</i>	<i>155,530</i>
<i>of which delegated to maintained schools</i>	<i>131,786</i>
Less High Needs Place Recoupment	-16,614
Total DSG to be Received in 23-24	270,702

2.2.2 Within the DSG budgets spent and commissioned directly by the council, there is significant pressure particularly on high needs spend. This table shows a summary of the position of the Council's Dedicated Schools Grant position before further action:

Opening Deficit Balance 2023-24	£29m
In-year movement (Excluding 2023-24 DfE Safety Valve payment and LA contribution)	£14.6m
Local Authority Contribution for 2023-24	(£1.8m)
DfE Contribution for 2023-24	(£1.8m)
Closing Deficit Balance 2023-24	£40m

2.2.3 A cumulative DSG deficit of £29.2m was carried forward into 2023-24.

2.2.4 In 2020-21 the Department for Education (DfE) introduced the safety valve intervention programme in recognition of the increasing pressures on high needs.

2.2.5 As a result of the Safety valve agreement with the Secretary of State for Education the local authority received an initial payment of £19.6m in March 2023 to reduce the overall DSG deficit. Alongside this, a local authority contribution of £2.5m has been applied, resulting in the cumulative deficit of £29.2m carried forward into 2023-24.

2.2.6 To the end of March the reported net DSG outturn is £14.6m in-year overspend, which is £10m off track of the agreed safety valve position. The challenges around the funding gap include the level of capacity in the system which is being hampered by the delay arising from the DfE in building two new special schools at Gamlingay and March which form part of our Safety Valve agreed recovery plan with DfE. In addition, and in line with national trends, there has been a significant growth in demand as well as inflation on placements, alongside this the complexity of needs continue to increase. These factors have moved the recovery period we had originally agreed with

the DfE to return to a balanced in year position as part of our Safety Valve agreement, and we are aware DfE is facing this challenge from many other Safety Valve authorities. We have also faced challenges around our data as we have changed systems. As a result of these challenges, the DfE have written to the County Council outlining that we will be part of the Enhanced Monitoring and Support Programme with a view to submitting an updated Safety Value plan which is rebased to allow for these challenges. Officers are working on remodelling our demand and developing new approaches to manage costs whilst meeting the increase level of need. An update report will be brought to the 8 October 2024 CYP committee noting progress for on discussions with the DfE.

- 2.2.7 Being off track risks the safety valve funding committed by central government and increases the risk that council resources will be required to meet the high needs deficit.

2.3 Savings Tracker

2.3.1 The Savings Tracker is a reporting tool for summarising delivery of planned revenue savings. Within the Tracker, the forecast delivery of savings is shown against the original saving approved in the 2023-28 Business Plan. The Tracker is completed at the end of each quarter and reported in the next IFMR going to committee. It is important to note the relationship between the reported savings projections and the overall revenue financial position reported in this report. As pressures arise in-year, further mitigation and/or additional savings will be required to deliver a balanced position.

2.3.2 Currently, the Council is on track to deliver £10.5m of savings against its original plan. Blue rated savings (savings that will overachieve) total £4.1m. Green rated savings total £4.4m. Black savings (ones that will not achieve any of the original target) total £7.9m and require mitigations by relevant directorates. The Savings Tracker as at the end of quarter 3 is included as [Appendix 5](#) to this report.

2.3.3 A summary of 2023-24 Business Plan savings by RAG rating is shown below:

RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	RAG Status	Total Original Savings £000	Total Forecast Variance £000	Total Original Savings £000	Total Forecast Variance £000
Blue	-1,984	-2,109	Green	-4,528	24	Amber	-2,735	738	Red	-572	527	Black	-7,776	7,776	--17,595	6,956

2.3.4 The full description of each RAG status is included in the detailed appendix 5 – in summary, blue savings are forecast to over-achieve, green are forecast to fully achieve, amber and red are forecast to not fully achieve, and black are expected to not achieve at all.

3 Revenue Funding Changes

There are no funding changes to report on this month.

4 Capital Programme

4.1 Capital programme financial position

Previous Forecast Variance £000	Directorate	Gross 2023-24 Budget £000	Capital Programme Variations 2023-24 Budget £000	Net 2023-24 Budget £000	Actuals £000	Actual Outturn Variance £000	Actual Outturn Variance %	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
-3,043	Place & Sustainability	101,850	-24,489	77,361	64,169	-13,192	-17.1%	659,859	200
0	Children, Education & Families	118,352	-17,826	100,526	101,247	721	0.7%	407,514	-2,280
-685	Adults, Health & Commissioning	6,032	-57	5,975	5,550	-425	-7.1%	114,008	0
-1,600	Strategy & Partnerships	4,918	-1,677	3,241	517	-2,723	-84.0%	18,194	-2,205
-4,691	Finance & Resources	16,361	-4,689	11,672	5,510	-6,163	-52.8%	55,008	-4,696
-10,019	Total	247,513	-48,738	198,775	176,993	-21,782	-11.0%	1,254,583	-8,981

Notes on this table:

1. The Budget column incorporates any changes in the funding available to what was originally budgeted in the Business Plan. A breakdown of the budget changes made in-year can be found in 4.4.
2. The Budget column also includes an assumed level of variations, called the 'capital variations budget' which is shown in section 4.2.
3. The reported Place & Sustainability capital figures do not include the Greater Cambridge Partnership, which has a budget for 2023-24 of £44.4m.
4. The columns setting out budgets and forecast variances for total schemes show financial information for all schemes in a service block across all financial years.

4.2 Capital variations budgets

4.2.1 A summary of the use of the 2023-24 capital programme variations budgets by services is shown below. These variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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.

4.2.2 Capital variations summary

Directorate	Capital Variations Budget £000	Actual Outturn Variance £000	Capital Variations Budget Used £000	Capital Variations Budget Used %	Net Actual Outturn Variance £000
Place & Sustainability	-24,489	-37,681	-24,489	100.0%	-13,192
Children, Education & Families	-17,826	-17,105	-17,105	96.0%	721
Adults, Health & Commissioning	-57	-482	-57	100.0%	-425
Strategy & Partnerships	-1,677	-4,400	-1,677	100.0%	-2,723
Finance & Resources	-4,689	-10,852	-4,689	100.0%	-6,163
Outturn adjustment	-	-	-721	-	-
Total	-48,738	-70,520	-48,738	100.0%	-21,782

4.2.3 As at year-end, Place & Sustainability, Adults, Health & Commissioning, Strategy & Partnerships and Finance & Resources have exceeded the capital variations budgets allocated to them, reporting in-year underspends of -£13.2m, -£0.4m, -£2.7m and £6.2m respectively. Overall expenditure on the 2023-24 capital programme is therefore underspent by -£21.8m compared to the position originally anticipated when the capital variations budget was set. By comparison, the underspend in 2022-23 was £27.0m.

4.3 Key capital budget variances are identified by exception and commented upon in appendix 2.

Key variances are those forecast to be in excess of +/-£250k

4.4 Capital Funding

4.4.1 This table sets out changes to funding for capital schemes in-year.

Funding Source	Business Plan Budget £m	Rolled Forward Funding £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Forecast Outturn Funding £m	Funding Variance £m	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
Department for Transport (DfT) Grant	26.3	0.1	2.8	5.8	35.0	27.6	-7.4	239.6	0.0
Basic Need Grant	2.3	2.6	0.0	0.0	4.9	4.9	0.0	39.2	0.0
Capital Maintenance Grant	3.8	0.8	0.0	0.1	4.7	2.4	-2.3	26.9	0.0
Devolved Formula Capital	0.8	2.5	0.0	-0.0	3.2	1.5	-1.8	7.8	0.0
Specific Grants	30.7	-0.3	-2.9	5.3	32.8	24.4	-8.4	144.3	0.0
S106 Contributions & Community Infrastructure Levy	66.7	0.9	-15.5	0.7	52.7	22.9	-29.8	157.6	-0.1
Capital Receipts	1.3	0.0	-0.3	0.0	1.1	0.4	-0.7	11.7	-1.3
Other Contributions	9.8	1.5	-8.5	7.1	9.9	36.3	26.4	65.3	0.0
Revenue Contributions	0.0	0.0	0.0	0.0	0.0	1.9	1.9	0.0	0.0
Prudential Borrowing	117.8	24.5	-89.2	1.4	54.5	54.9	0.3	562.2	-7.6
TOTAL	259.4	32.7	-113.6	20.3	198.8	177.0	-21.8	1,254.6	-9.0

Notes: The 'rolled forward funding' column reflects the difference between the anticipated 2022-23 year-end position used at the time of building the initial Capital Programme budget, as incorporated within the 2023-24 Business Plan, and the actual 2022-23 year-end position.

4.5 Capital Funding Changes

4.5.1 The table below details changes (where the change is greater than £250k).

Funding	Directorate	Amount £m	Reason for Change
Additional/ Reduction in Funding (Grant)	AHC	0.4	The Department for Levelling Up and Communities awarded an additional £50m Disabled Facilities Grant to Local Authorities in 2023-24. Cambridgeshire's allocation of this was £442k. It was transferred to District Councils in line with grant conditions.
Additional/ Reduction in Funding (Other contributions)	P&S	0.4	A total of £392k contributions have been received for Local Highways Improvements schemes during 2023-24.
Additional / Reduction in Funding (Other Contributions and Prudential Borrowing)	All	+£20.7 (Other contributions) -£20.7 (Prudential Borrowing)	For accounting reasons, the Council recognises income against the capital programme at the earliest opportunity: Funds received in 2022-23 from National Highways for A14 detrunking (£14.0m) and in 2023-24 from BT Open Reach for Connecting Cambridgeshire (£6.7m) have been accounted for in place of borrowing to fund other schemes across the capital programme. For the A14 detrunking, the funding has not yet been required in cash flow terms and for the Connecting Cambridgeshire scheme the funding is for repaying previous borrowing incurred. The reduction in 2023-24 prudential borrowing will reduce the MRP charge that will be payable for 2024/25. When these funds are needed in the future for the specific schemes that they relate to, the Council will account for the borrowing to repay them. This process, called 'internal borrowing' is an accounting treatment only and has no impact on the actual funds for the schemes.
Additional / Reduction in Funding (S106 contributions and Prudential Borrowing)	CEF	+£1.93 (S106 contributions) -£1.93 (Prudential Borrowing)	A range of S106 contributions applicable to projects which have already completed in prior years (£1.93m) due to a timing issue between expenditure and receipt of funding have been allocated to those projects in 2023-24. This has the effect of reducing prudential borrowing across other projects in 2023-24 (as the completed projects were funded by £1.93m prudential borrowing in prior years).

5 Balance Sheet

5.1 Reserves

At the end of March, the Council has revenue earmarked reserves totalling £160m. These reserves are earmarked for specific purposes, and the breakdown of these can be seen in appendix 4. We retain a general fund reserve as our principal un-ringfenced reserve, which is held at a target balance of 4% of gross non-school expenditure.

The medium-term financial strategy assumes a gradual reduction in the overall level of reserves as earmarked funds are spent, which is planned into medium-term budgets.

5.2 Approval of Earmarked Reserve Movements

5.2.1 Approval is requested for the following transfers from earmarked reserves as part of year-end processes.

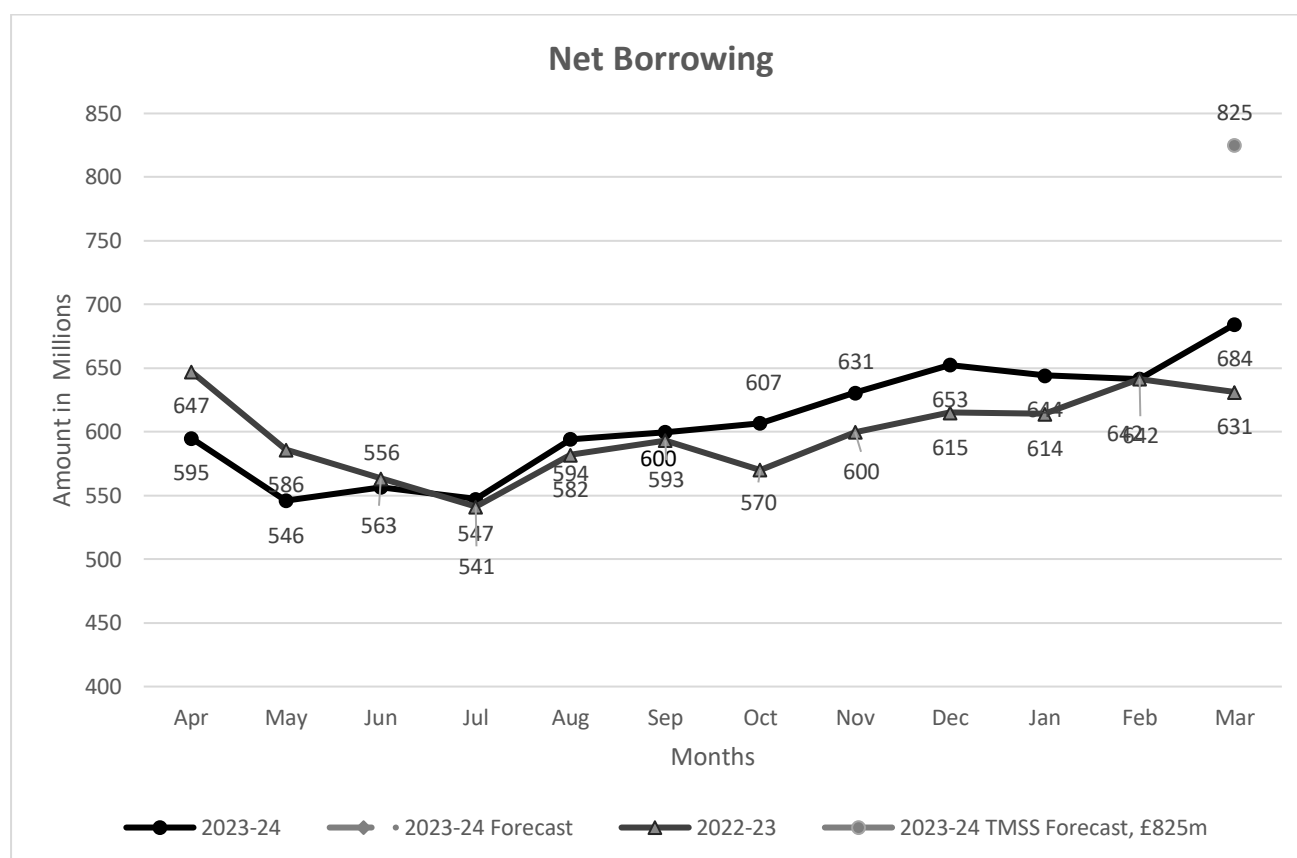
Fund Description	Transfer from reserves £000s	Notes and rationale
Per business plan assumptions:		
Specific risks / major infrastructure	-2,689	Draw-down of part of the reserves set aside for the busway to fund certain capital works and legal costs associated with the settlement.
Other:		
Director of Children & Safeguarding	-290	Carried forward reserve funded by a previous year's Social Care Grant budget allocation. Proposed to allocate to mitigate children's pressures following year-end review of reserves.
Registrars General	-194	A historic reserve identified as not required during the year-end review of reserves, proposed to part-mitigate the Place & Sustainability position.
Total	-3,173	

Recommendation A: to approve the transfers from earmarked reserves listed above, totalling a net -£3,173k.

5.3 Borrowing

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 March 2024, investments held totalled £94.4m (excluding all 3rd party loans, Equity

and This Land) and gross borrowing totalled £778.7m, equating to a net borrowing position of £684.3m.



Borrowing for the year was lower than anticipated in the business plan, due to a combination of having a higher level of cash following front-loaded government grant payments and lower than expected use of reserves, and a profile of capital spend that was more towards the second half of the year. The council uses internal borrowing (using surplus cash on hand from grants, reserves and working capital above a minimum cash balance) to minimise the level of external borrowing required.

5.4 General Balance Sheet

An overview of other key balance sheet health issues is shown below. This highlights a key focus is the recovery of Adult Social Care Debt, a position that is reflected nationally.

	Measure	Target	Year to date at the end of Mar 2024	March 2024 Actuals
1	% of income collected (owed to the council) within 90 days on rolling 12 month basis: Adult Social Care	85%	84%	-
2	Level of debt outstanding (owed to the council) 91 days +, £m: Adult Social Care	£9.96m	£16.01m	-

	Measure	Target	Year to date at the end of Mar 2024	March 2024 Actuals
3	Level of debt outstanding (owed to the council) 91 days +, £m: Sundry	£2.89m	£7.04m	-
4	% of invoices registered on ERP within 2 working days	98.0%	99.8%	99.9%
5	% of Undisputed Commercial Supplier Invoices Paid Within 30 Days	95.0%	98.7%	99.0%
6	% of Undisputed Commercial Supplier Invoices Paid Within Terms	95.0%	94.6%	97.7%

Some additional information for items that are behind target:

- 1&2. Adult social debt and collection –indicator 2, the level of debt – this target will be reset in the new financial year to reflect that the levels of income now billed by Adult Social Care have increased. Improved performance in this area was the subject of a business plan proposal: project management governance and support has been put in place and additional managerial and operational capacity has been recruited to the CCC Debt Management team. Focused diagnostic work has progressed in key debt categories: court of protection and deceased cases, leading to process and practice revisions. Revised and enhanced approaches to training and operating procedures are being implemented. Issues with a waiting list/backlog of financial assessments to be undertaken by Adult Social Care are also recording progress.
5. Payment within terms – substantial improvement has been made over recent months; supplier terms of immediate payment/”zero days” are now only permitted in exceptional circumstances.

5.5 Schools

- 5.5.1 Funding for schools is received from the Department for Education (DfE) via the Dedicated Schools Grant (DSG). As well as funding individual school budgets, the DSG also funds a range of central support services for schools. The council spends some DSG directly, but the majority is delegated to our maintained schools. Despite having delegated budgets, maintained schools are part of the council’s accounting group and sit on our balance sheet.
- 5.5.2 The schools sector as a whole is under increasing financial strain as a result of several years of inflation that has not been fully met by additional funding from government. In addition, school funding is pupil based, and so schools with reducing numbers of pupils face reducing funding. Overall, the financial position of our maintained schools as a whole is worsening.

- 5.5.3 Total schools balances as at 31st March 2024 are as follows:

	31st March 2023 £m	31st March 2024 £m	Change £m
Nursery Schools	0.67	0.43	0.45
Primary Schools	12.52	10.14	-2.37
Secondary Schools	0.00	0.00	0.00
Special Schools	0.96	0.32	-0.64
Pupil Referral Units (PRUs)	0.38	0.36	-0.02
Total	14.53	11.24	-2.58

Note: the 2023 figure in the table above is adjusted for in-year academy conversions

Further to the DSG and standard grants such as Pupil Premium, and Universal Infant Free School Meals this year schools' budgets also include additional grants from the Education & Skills Funding Agency (ESFA). Schools that converted to Academy status prior to 31 March are no longer reported by the Local Authority and therefore are not included within the figures.

5.5.4 Analysis is currently being undertaken to look at the individual changes in balances, and appropriate challenge given to both schools in a deficit position, and schools with excessive balances. School budget submissions are also currently being scrutinised to identify instances where schools are either planning to use a high proportion of their carry-forward to balance in-year or where already holding excessive balances where these are forecast to increase further. Notwithstanding individual reasons that balances have accumulated over time, balances are now reducing overall and the centrally held deficit on the high needs block has increased (see section 2.2 above)

5.5.4 A more detailed report on financial health of individual schools, including surplus and deficit balances and a school-by-school breakdown will be submitted to Schools Forum for consideration in July.

The balances can be further analysed in the tables below:

Sector	Schools with Reported Deficit Balances as at 31st March 2023	Schools with Reported Deficit Balances as at 31st March 2024	Change from 22/23 restated
Nursery	2	3	1
Primary	12	27	15
Secondary	0	0	0
Special	0	1	1
Total Schools	14	31	17

5.5.5 Value of revenue deficits at 31st March 2024:

Deficit	Nursery	Primary	Special	Total	Change from 2022-23
£100k+	2	3	1	6	2
£60k - £100k	0	3	0	3	0
£20k - £60k	1	11	0	12	9
£10k - £20k	0	3	0	3	0
£1k - £10k	0	7	0	7	6
Total	3	27	1	31	17

5.5.6 Value of surplus revenue balances held by schools at 31st March 2024:

Surplus	Nursery	Primary	Special	Total	Change from 2022-23
£0k - £10k	0	5	0	5	-2
£10k - £20k	0	5	0	5	-1
£20k - £60k	0	19	0	19	-9
£60k - £100k	0	17	0	17	0
£100k - £150k	2	16	0	18	-1
£150k - £200k	1	8	1	10	-1
£200k - £300k	0	10	0	10	-3
£300k - £400k	0	3	1	4	2
£400k+	1	4	0	5	-3
Total	4	87	2	93	-18

5.5.7 Following further validation of the Consistent Financial Reporting (CFR) returns the final information on Schools balances published by the Department for Education may differ slightly.

6 Treasury Management Activity

6.1 This section summarises the expenditure and income for debt financing, which is reported as a separate line centrally in the management accounts, and complies with the reporting requirements in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management.

	Budget £m	Outturn £m	Variance £m
Interest payable	24,975	20,590	-4,385
Interest charged to Other Funds	-6,852	-6,477	375
Interest receivable	-3,013	-6,638	-3,626
Interest charged from Other Funds	2,262	7,170	4,908
Capitalisation of interest cost	-2,370	-2,103	267
Technical & Other	200	104	-96
Minimum revenue provision	22,940	21,997	-943
Total	38,142	34,642	-3,500

- 6.2 A full update on the outturn treasury management position is subject to a separate report to Strategy, Resources & Performance Committee in July 2024, with subsequent consideration required by Full Council.

Appendix 1 – Revenue – commentaries on exceptions

Key variances are those in excess of +/-£250k.

1. Children, Education & Families – non-DSG

Previously reported commentaries, updated since last month:

1a Children in Care Placements

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+7.7			+29%

The final overspend of £7.7m is primarily due to a small number of young people in very high-cost placements, coupled with escalating placement cost due to inflation and a lack of provider capacity.

1b Adoption

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.5			-9%

We have delivered an under spend of £520k against adoption allowances and Special Guardianship Order allowances, this is due to a lower number of children in these placement types than anticipated at the time the budget was set. This is offset by therapeutic support for a child that was placed prior to the Regional Adoption Agency board.

1c Integrated Front Door

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+2.1			+44%

The Integrated Front Door and Assessment service ended the year with an overspend of £2.1m as additional staffing was required to manage demand. The recruitment of 7 AYSE's (Assessed and Supported Year in Employment) into Assessment will ultimately reduce the agency commitment, however there will be a need to continue to recruit agency social workers in the interim period. The previous Assessments structure was not sufficient to meet the demand, and in January 2023, the assessment service had over 270 out of date assessments, and caseloads over 35. To address these issues 2 project teams were agreed for 26 weeks to support the service to address the backlog. The additional capacity provided by the project teams, (at enhanced rates), ceased in August and September 2023. Additional agency staff have been recruited at normal rates within East, Fenland and Hunts team whilst the current service structure is reviewed. This has reduced the number of out of date assessments down to 96 as of April 2024. The volume of work within MASH continues to be high and further solutions are being considered to manage demand as we move into 2024-25.

1d Strategic Management - Children & Safeguarding

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.7			-21%

£716k underspend due to unallocated budget in the Strategic Management budget, and unused Social Care Grant reserves from previous financial years.

1e Children's Disability Service

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+0.3			+4%

The Disability Social Care 0-25 Service has had a year-end overspend of £340k. This has been caused by an accumulation of factors, including a significant increase in new demand, and a continued increase in behavioural complexity. In addition, we have brought the terms and conditions of our Community Support Service in line with other council services which has increased our salary costs. The service has also taken steps which, whilst preventing costs to the Children's Placement Budget, have increased the Disability Social Care in-year pressure, such as by utilising the third unfunded bed at our residential children's home (London Road) and funding the Disabled Facilities Grant (DFG) top-ups to enable children and young people with complex needs to remain living within their family homes. These actions have significantly improved outcomes for the complex children and young people we support, whilst maintaining their right to family life.

1f SEND Specialist Services

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+0.7			+14%

Across SEND Specialist Services, we have seen an over spend of £653k. The Education Psychology service has ended the year with an over spend of £308k. The service is experiencing increasing demand which cannot be met from within the substantive team and is therefore being met through use of locum Education Psychologists. This pressure is due to the significant increase in requests for Education Health and Care Needs Assessments (EHCNA) that is impacting SEND services generally. The SEND Head of Service budget is also reporting a forecast pressure as a result of additional speech and language therapy, and back care training costs, further exacerbated by a shortfall in income from the training offer to schools. In addition to this, the service has seen significant staff absence which has resulted in the need to bring in agency staff to ensure statutory functions continue to be delivered, which has further worsened the position.

1g Home to School Transport - Special

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+2.2			+11%

Please see 1i below.

1h Children in Care Transport

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		0.3			14%

Please see 1i below.

1i Home to School Transport - Mainstream

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+1.1			+9%

Concerns around the home to school transport budget areas continued post the summer procurement rounds, most notably increases in demand negatively impacting costs. In addition, admissions data showed a growth of children and young people with SEND continued to rise above what we forecasted, therefore creating ongoing demand for more complex routes, such as solo travel. This is a trend we can expect to continue in 24/25. Work will continue to determine In-Year applications into the county to assist with forecasting. The impact of this will continue to put pressure on secondary school places and consequently more young people could be placed in schools over 3 miles from their home address and eligible for transport.

A range of cost saving exercises are currently taking place, optimising the use of our fleet and looking at the use of electric vehicles to replace existing vehicles. Working with our suppliers and testing the market for 'whole school' approach in an attempt to reduce the pressure in 2024-25.

1j Legal Proceedings

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		0.3			14%

The Legal Proceedings budget has overspent by £289k. A review of the spend within the Adolescent Service identified a higher than usual legal spend on children with very complex needs requiring deprivation of liberty safeguarding orders requiring court approval for every placement move (complicated by securing appropriate accommodation) and repeated moves in unregistered provisions. The Safeguarding legal spend showed that there was an increase in the number of children we are issuing on from the previous quarter. 30 cases were issued, twice as many as the previous quarter, 24 cases concluded with 19 concluding over 26 weeks meaning additional legal costs. Delays were due to court timetabling, submission of expert reports in complex matters, assessment of late requests from families, rehabilitation

plans to families and tests of Special Guardianships. High turn of staff and high caseloads added to this delay.

1k Targeted Support Service

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.4			-5%

For 2023-24, the Targeted Support Service had an underspend of £418k. £250k of this is the Supporting Families grant underspend that can be taken as a one off. The remaining £168k is due to an underspend within Child and Family Centres (CFC's) where services have exceeded their income target (income target to be increased through budget build for 2024-25 as a result), underspend due to Children's Centre Strategy funding and underspend for the Barnardo's contract which was less than anticipated.

An underspend for the next financial year 24-25 isn't anticipated due to an uplift to the Barnardo's contract of approximately 4% and factoring in unplanned building repair expenses in March, Chatteris and Whittlesey Child & Family Centre buildings and purchasing Outcomes Star evidenced based tool for supporting and measuring change.

1l Mitigations

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.6			-%

Additional Social Care Grant transferred from Adults.

New commentaries:

1m Corporate Parenting

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.8			-23%

Corporate Parenting service is reporting a final underspend of £790k. This is as a result of revised estimates of additional UASC grant funding to be received. However, due to Home Office delay's, the final grant amount from September to March 2024 has not been confirmed, and therefore assumptions have been made regarding the amount based on previous grant return feedback.

1n Education Capital

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		0.5			237%

The education capital team ended 2023-24 with a £450k overspend. £395k relates to abortive costs incurred on a historical capital scheme, which were required to be transferred to revenue. The remaining overspend resulted in additional tree works that have been required across the county school estates to ensure they remain safe.

1o Executive Director

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.4			-31%

Vacancy Factor for Children Education Families (CEF) has been overachieved by £793k. Some of this has been used to offset the £350k staffing overspend due to the decoupling from Peterborough City Council.

2. Children, Education & Families - DSG

Previously reported commentaries, updated since last month:

2a SEND Financing - DSG

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+16.7			+15%

Please refer to section 2.2 [Dedicated Schools Grant](#)

2b Schools Financing

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-2.0			-79%

This reflects the original budgeted underspend as per the Safety Valve management plan, as well as in-year underspends due to vacancies on DSG funded posts.

3. Adults, Health & Commissioning

Previously reported commentaries, updated since last month:

3a Prevention and Early Intervention

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.4	-4%

Prevention and Early Intervention services ended the year with an underspend of £445k. There was a significant underspend on equipment budgets, unbudgeted income from providing end of life care within a prison setting and a small budgetary surplus following an in-year restructure. In addition, there was a substantial underspend relating to lifeline services because, as the council moved away from a direct provision model, services were maintained for current clients, but costs reduced accordingly, creating an underspend.

3b Adults Commissioning - Contracts

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.7	-12%

Adults Commissioning – Contracts has ended 2023-24 with an underspend of -£694k. This is mostly due to savings made through the decommissioning of a number of local authority funded rapid discharge and transition cars as part of the wider homecare commissioning model and a recharge to Learning Disability to reflect redirecting resource to support In House Provider Services in the short-term. The long-term strategy is to decommission all the local authority funded cars, meeting the need for domiciliary care through other, more cost-effective means, such as:

- A sliding scale of rates with enhanced rates to support rural and hard to reach areas.
- Providers covering specific areas or zones of the county, including rural areas.
- Supporting the market in building capacity through recruitment and retention, as well as better rates of pay for care staff.

3c Executive Director - Adults, Health & Commissioning

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.7	-6%

There are a number of variances impacting the forecast for the Executive Director – Adults, Health & Commissioning line including:

- i) underspends from vacant posts were larger than assumed in the budget and contributed £2.2m to the Directorate's overall financial position by year end;
- ii) a historic provision for aged credits on the system was used to clear aged credits in year and released a balance of £762k;

- iii) there was an underspend of £397k on the Council's Learning Disability budget held outside of the Learning Disability Partnership which is partially offsetting the forecast overspend reported on the pooled budget in note 2 below. This largely relates to grants applied to meet LD spend;
- iv) the planned capital contribution to the community equipment budget of £400k was not drawn down given the revenue position of the Directorate and was funded from revenue instead; and
- v) a contribution of £1,161k was made to the Council's bad debt provision reflecting the increased level of ASC aged debt.

3d Learning Disability Services

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+2.9			+3%

The Learning Disability Partnership (LDP) is a pooled budget between the council and the NHS, with shares of 77% and 23% respectively. The budget covers the care costs of people with very complex needs, which can be very hard for the care market to meet. This is the area of adult social care where we have been experiencing the most difficulty in finding placements, particularly at higher levels of need. The LDP ended the financial year £2.85m overspent, £2.25m for the council and £600k for the NHS. This was driven by significantly higher costs coming through than budgeted for, primarily due to the increase in complexity of need in younger adults and a larger than expected increase in rates in the South of the county. The number of people receiving support this year has decreased, this has contained the costs slightly.

Over the past three years we have seen cost pressures faced by providers, particularly relating to staffing shortages and price inflation. The cost pressures faced by the provider market have also created a risk around the budget for uplifts paid on current placements. This is a significant risk, with some of our providers requesting uplifts far exceeding the budget available. Uplift negotiations have been managed with these providers on an individual basis.

Adults Commissioning are developing an LD Accommodation Strategy that will enable them to work with the provider market to develop the provision needed for people with learning disabilities. This should lead to more choice when placing people with complex needs and consequently reduce costs in this area. However, this is a longer-term programme and has not delivered any improvements in the market this past financial year. The LDP social work teams and Adults Commissioning are also working on strategies to increase the uptake of direct payments, to deliver more choice for service users and decrease reliance on the existing care market. And a further strategy is in development to help people with learning disabilities develop their independence so they can remain living in community-based settings for longer.

The budget for 2022-23 assumed an increased contribution from the NHS reflecting a shift in the percentage of packages that should be funded from Health budgets. For the past financial year we made provision for this increased contribution, but the joint project between the ICB and CCC to review those packages required to agree a revised split of costs going forwards for the pool did not proceed as expected. The

Council has now served notice to end the cost sharing arrangements of the pooled budget and is continuing to work with the ICB to explore opportunities to agree new arrangements to meet the needs of service users whilst delivering revised cost shares for the future. There is a risk of short term financial pressures from this decoupling as we move to separate budgets for health and social care.

3e Older People's and Physical Disabilities Services

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-1.6			-2%

Older People's and Physical Disabilities Services ended the year with an underspend of -£1.609m. Demand patterns have changed significantly in recent years, particularly in relation to Older People's care home placements which experienced no overall growth, as previously reported. This resulted in a significant underspend in 2022-23, with the change in activity being factored into business planning assumptions for 2023-24 budgets. In addition, £0.75m from this budget for 2023-24 was redistributed to offset pressures elsewhere in Adults, Health, and Commissioning whilst recognising the potential risk of an emerging pressure within this budget area should activity increase.

Subsequently, Older People's care home demand returned in 2023-24 with increases in placement numbers similar to pre-pandemic levels. The cost of new placements continued to rise despite additional investment from the Adult Social Care Market Sustainability and Improvement Fund, and the closure of a number of care homes added additional pressure to the budget. In addition to the significant overspend on care home placements, demand for domiciliary care rose steadily after a period of stability between January and May 2023.

Income from clients contributing to the cost of their care rose across the year. Services worked to streamline processes and improve the client's journey through the financial assessments process so that their assessment could be completed in a timelier manner and have successfully reduced the backlog of historic outstanding cases. These improvements, in conjunction with rising demand for services, increased the level of income from clients contributing towards the cost of their care. This increased income aligns with the increased income assumed in the Business Plan for 2024-25.

The Older People's and Physical Disabilities services were allocated additional grant funding above the budgeted level to support provider uplifts in extra care. At the end of the year, a significant underspend on the additional hours element of the extra care block contracts was identified and was the main factor in the movement from February forecast.

3f Mitigations

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-2.3			-%

Given the pressures on care budgets for users of Older People, Mental Health and Learning Disabilities services, priorities around the use of grant funding were

revisited. This identified additional spend that could be funded from external grant, freeing up £2.3m of grant monies to contribute to the identified pressures.

New commentaries:

3g Mental Health

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.4	2%

Mental Health Services ended the year with an overspend of £431k (an increase of £289k from last month). There were significant demand pressures across both community and bed-based care for both Adult and Older People's Mental Health. This trend continued throughout the year, with further increases in commitment coming through in March. The underlying demand pressures were mitigated by increased income from people contributing towards the cost of their care. However, a number of material invoice cancellations following reassessment significantly worsened the financial position at year-end.

4. Place and Sustainability

Previously reported commentaries, updated since last month:

4a Executive Director

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.8	-157%

The Executive Director budget includes various P&S-wide budgets, and the £816K underspend mainly reflects the over-achievement of vacancy savings and the overhead recovery and risk factors when P&S Services undertakes work for other agencies.

4b Highways Development Management

Forecast Outturn Variance £m	Forecast Outturn Variance %
-2.1	-%

The Highways Development Management fee income changed to collection in advance, creating a one-off benefit this year, and in addition, there were some one-off payments relating to activity in previous years, creating a total over-achievement of income of £2.1m.

4c Traffic Management

Forecast Outturn Variance £m	Forecast Outturn Variance %
-1.4	-443%

Traffic Management and Streetworks over-achieved on income by £1.4m due to additional income from Section 74 charges (both an increase in the number applications and for prolonged periods of occupation of the road), additional income from scaffolding and skips, and an underspend on energy costs for signals.

4d Park & Ride

Forecast Outturn Variance £m	Forecast Outturn Variance %
+0.9	+309%

The closure of the southern section of the guided bus way has resulted in a loss of income and together with a pressure due to essential maintenance work on the busway the outturn position is an overspend of £923K.

4e Parking Enforcement

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.9	-%

At year-end there is an under-achievement of income of £935K because Penalty Charge Notice income from bus lanes was lower than budgeted, which was partly due to the closure of Station Road, Cambridge. £100K is due to one-off costs to assist with the implementation of civil parking enforcement in Huntingdonshire District Council and Fenland District Council areas.

4f Planning and Sustainable Growth

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.3	+30%

The slowing down of the housing market and lower development rates led to a pressure for Planning and Sustainable Growth, particularly as fewer pre-application planning requests and planning applications with maximum fees were submitted, and in addition there was a pressure due to a planning appeal where the appellant requested a public inquiry, creating a total year-end pressure for the service of £335K.

4g Waste Management

Forecast Outturn Variance £m	Forecast Outturn Variance %
+4.1	+9%

The waste service year-end position reflects the additional disposal costs for waste due to the cessation of waste processing operations at the waste plants and diversion to landfill/third parties for processing, and as planned, the £1.845m transfer of reserves (shown in Mitigations) offsets this pressure. Some of these additional costs have been partly offset by the Waste Private Finance Initiative (PFI) contract cost reductions which were agreed with Thalia through a commercial agreement. However, additional operational savings were anticipated and forecast for when the

detailed financial model was shared and evaluated, but because the priority is now finalising a new operational model it has been decided that the calculation of these operational savings will be wrapped up with the contractual change negotiations and on this basis it was considered prudent not to accrue for them at year-end, creating an additional variance of £800K. In addition, a review of the BATc expenditure charged to both capital and revenue was undertaken, and some additional costs were charged direct to revenue (£0.2m) and £1.2m of costs expected to be charged to capital were instead charged to revenue. The impact of these two changes in approach creates a new pressure of £2.2m compared to previous forecasts, and the Waste outturn position is a £4.1m overspend offset by the £1.845m mitigation.

4h Energy Services

Forecast Outturn Variance £m	Forecast Outturn Variance %
+4.7	+123%

Across all the energy schemes, there was an outturn variance of £4.453m. The majority of the variance was due to delays to project start dates, with most of the reprofiling relating to **North Angle Solar Farm** due to delays with the construction of the CPEN cable, to connect the solar farm to the grid and Swaffham Prior Heat Network. It was anticipated that construction would start following planning permission being granted in April. However, there were concurrent delays with our contractors and the easement process until August. The easement process took until January to conclude to enable construction to start.

The **St. Ives Smart Energy Grid** had been due to be completed by September, but this was also delayed. This was due to issues with a key sub-contractor for the project and reviews of the installation by the main contractor needing to be undertaken.

At the second micro-grid under construction at **Babraham Park and Ride**, this was also delayed due to very similar issues with the same key sub-contractor. In addition to this, issues were identified with the existing infrastructure on the site that were needing further investigation.

Swaffham Prior Community Heat Network became operational and supplied decarbonised heat and hot water to 64 customers for its first winter with a significant load on the system. The first ground source heat pump was switched on and started generating income from the Renewable Heat Incentive (RHI) approved by Ofgem.

The **Stanground Solar and Battery Project** was put on hold during the year due to grid connection issues, despite the project having the benefit of a grid connection offer. This was pushed back to 2030, due to essential upgrades being required. In order to retain the planning permission, minor works were carried out on site whilst further news on a revised connection date is awaited from UKPN and National Grid.

4i Winter Maintenance

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.3	-11%

The outturn position for winter maintenance is a £334K underspend, reflecting the mild and wet winter and the relatively low number of gritting runs required.

4j Transfer from Earmarked reserves

Forecast Outturn Variance £m	Forecast Outturn Variance %
-2	-%

As forecast during the year, two earmarked reserves were applied to the P&S bottom line position to mitigate specific known pressures. These were £1,845k from the waste reserve and £194k from the registrations reserve.

New commentaries:

4k Street Lighting

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.3	-3%

The £284K underspend reflects (1) a pressure related to historic elements of the Street Lighting PFI contract between years 2011-12, where the baseline set in the contract needed adjustment, (2) an underspend as the annual energy price increase was lower than had been estimated in the budget (the energy rate in October changed from 35.89p/KwH to 39.8p/kWh), and (3) a staff underspend in Highway Contracts and Commissioning, due to vacancies remaining unfilled.

4l Road Safety

Forecast Outturn Variance £m	Forecast Outturn Variance %
0.4	97%

The overspend relates to an under-recovery of road safety audit costs, an overspend on Bikeability Level 3 grant funded expenditure, and additional maintenance costs for safety camera.

5. Strategy & Partnerships

Previously reported commentaries, updated since last month:

5a Executive Director: Strategy & Partnerships

Forecast Outturn Variance £m	Forecast Outturn Variance %
-0.6	-58%

The final position for the S&P vacancy saving budget is an overachievement of the budget saving of £600k. The savings have come from vacancies within the following services: Data Protection, Emergency Management, H&S, Executive and Personal Assistants, HR, Communications, Internal Audit, Policy, Insight & Programmes and Change Portfolio.

5b Policy, Insight & Programme

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+1.3			+89%

The final position for the Policy, Insight & Programmes budget is an overspend of £1.28m. This variance reflects the more limited extent to which we are able to apply capital receipts to cover revenue spend this year under the national flexible use of capital receipts guidance, due to lower than expected capital receipts and lower than anticipated chargeable time. The Policy, Insight and Programmes service is operating within its budget allocation; this variance relates to how we expected to be able to fund this budget and the extent of chargeable time during a period of change within this team.

6. Finance & Resources

Previously reported commentaries, unchanged since last month:

6a IT Services

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.7			-6%

The final position for the IT Services budget is an underspend of £727k.

Corporate Office IT Assets budget is underspent by £296k; part of this underspend includes the new budget for the secure web gateway system not being fully incurred until next financial year, and some additional elements that managed to be decommissioned earlier than previously forecasted.

The staffing budget is £156k underspent, due to additional income from Pathfinder SLA and more staff time being charged to capital and the share with PCC.

The re-procurement of the new Microsoft contract has resulted in a £112k saving this year and since re-procuring the telephony contract there is a saving of £67k.

The projects and programme budget is underspent by £100k due to not progressing with various planned projects in this financial year.

6b County Farms

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		+0.4			+8%

The final position for the County Farms budget is an overspend of £415k in 2023-24.

The County Farms budget is £65k overspent due to pressures for the cost of water £74k, professional fees £23k and £69k pressure on the income budget. Lower spending on maintenance of £100k has helped offset some of the pressures.

The Biodiversity Net Gain budget is overspent by £349k, due to delays in sales. Income received this year is for the first agreement with Network Rail for BNG Credits related to the new Cambridge South Station. There are several other smaller transactions with other developers in the pipeline. The Council's marketing agent Bidwell's will launch a high-profile marketing programme to sell more BNG credits which will also tie in with the Government's legislation to require developers to deliver BNG effective from January 2024.

6c Collective Investment Funds

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.5			-47%

The final position of the treasury investments is additional income of £508k. Despite a challenging economic position dividends from the funds remain strong. Performance of the investments is monitored regularly by officers. We're confident this will continue; therefore additional income target was agreed in the 2024-25 business plan.

6d Executive Director

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-0.4			-66%

The final position of the F&R vacancy saving budget is an overachievement of the budget saving of £428k. The savings have come from vacancies within the following services: Customer Service, IT Service, Procurement, Estates, Finance Office and H&S.

New Commentaries:

6e Property Investments

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		0.5			9%

The final position of the Property Investments budget is a pressure of £455k. We have seen continued pressure on the budget due to vacant units and time taken for reletting of units, as well as higher maintenance costs as some properties to deal with a backlog of work. Additional income revisions which are included in the Business plan figures have also not been achieved.

7. Capital Financing

Previously reported commentaries updated since last month:

7a Financing Costs

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-3.5			-9%

The final position for the Financing Costs budget is an underspend of £3,499k, due to higher than expected cash balances, and the phasing of capital spend, have reduced the need to borrow this year. In the final quarter of last year, additional government funding was received, and capital spend reduced, resulting in more cash being held at year end compared to when budgets were set. This trend has continued into the current financial year. As well as this, we are seeing higher than expected interest on the cash that we are holding.

8. Corporate and funding Items

Previously reported commentaries updated since last month:

8a Business Rates

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-2.3			-3%

The final position for Business Rates is an underspend of £2,287k. This consists primarily of a projected £830k additional 2023-24 Business Rates Pool dividend above the amount budgeted based on the latest projection received, £667k additional 2022-23 Business Rates Pool dividend above the amount accrued at last year-end following the final confirmation, and an additional £526k of general Business Rates funding upside that was confirmed by district councils (who collect rates) after the 2023-24 Business Plan was finalised.

8b Corporate Grants

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-2.7			-5%

The final position for the Corporate grants budget is an underspend of £2,722k, maximising use of grants to fund existing planned spend where eligible. This is a combination of in-year and carried-forward grants.

8c Central holding and miscellaneous accounts

Forecast	Outturn	Variance £m	Forecast	Outturn	Variance %
		-1.1			-174%

The final position for the Central holding and miscellaneous budget is an underspend of £1,089k. Part of this is the result of an exercise to match accruals with actual costs over recent financial years, identifying provisions for costs that were legitimately expected and correctly accounted for, but that now are not expected to be required. A previously forecast increase in the bad debt provision against this line will instead be charged to Adults, Health & Commissioning, reflecting the drivers of the provision increase.

Appendix 2 – Capital – commentaries on exceptions

Key variances are those forecast to be in excess of +/-£250k

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1a	P&S	New	Local Infrastructure Improvements	4.409	1.463	-0.351	Phasing	The budget covers many relatively small schemes which need to be reprofiled due to the time taken in collaborating between the many organisations involved in each scheme and the respective local circumstances of each scheme. The underspend is rolled forward to the new financial year along with the respective commitments and a large number of recharges to applicants were raised at year end, now showing as income against the budget (-£350k).
1b	P&S	New	£90m Highways Maintenance schemes	78.700	0.492	-0.512	Phasing	This budget is the residual amount remaining once the identified schemes have been completed and will be rolled forward into 2024/25 and added to the new investment funds.
1c	P&S	New	Pothole grant funding	36.656	10.544	-1.492	Phasing	The pothole grant capital budgets should be considered together - the Pothole Grant Funding and the Additional Highways Maintenance (HS2 allocation). There is a £3m in-year underspend across the two which is due to the late announcement (in November 2023) by the Department of Transport of the new HS2 reallocated funds. The unused budget will be carried forward to 2024/25.
1d	P&S	Updated	Additional highways maintenance (HS2 allocation)	4.728	2.364	-1.489	Phasing	The pothole grant capital budgets should be considered together - the Pothole Grant Funding and the Additional Highways Maintenance (HS2 allocation). There is a £3m in-year underspend across the two which is due to the late announcement (in November 2023) by the Department of Transport of the new HS2 reallocated funds. The unused budget will be carried forward to 2024/25.
1e	P&S	New	Footways	28.000	4.165	-0.430	Phasing	The footway slurry seal schemes spent to budget but there was £434K slippage in other footway works. There was an underspend of -£180k on the structural footway programme due to projected staff costs being less than anticipated and some smaller scheme savings (-£140k), and one project (-£40k) slipping into 24/25 due to roadspace issues. The money will roll into 24/25.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1f	P&S	New	Waterbeach Waste Treatment Facilities	20.367	0.500	-1.578	Phasing	As detailed in the revenue section of the outturn report (see 4g) a review of expenditures was undertaken resulting in £1.2m of capital expenditure being transferred to revenue, creating an in-year variance on the capital budget. It is anticipated that in May 2024, when all the capital budgets are reviewed and re-profiled as part of the 2023/24 carry-forward process, the remaining scheme budget will be transferred into 2025/26 pending the outcome of the decision over the new operational model.
1g	P&S	New	Swaffham Prior Community Heat Scheme	14.170	3.395	-1.676	Phasing	During the course of 2023/24, 64 homes were connected to the heat network during the first major phase of connections. The costs for connecting each home were higher than had been anticipated so additional capital borrowing for the project was sought and approved. It is anticipated this will be spent over the remaining 4 years of the anticipated construction programme and the unused capital allocation will be reprofiled into 2024/25.
1h	P&S	New	Connecting Cambridgeshire	20.072	2.353	+0.875	Phasing	The in-year overspend reflects the fact that the estimated profiling of spend across years will be updated and adjusted in the carry-forward process.
1i	P&S	New	Capitalisation of Interest	4.915	1.331	-0.316	Phasing	Level of interest charges to be capitalised on 2023-24 lower than originally planned due to slippage of scheme expenditure.
1j	P&S	Updated	Safety Schemes	3.000	1.780	-1.597	Phasing	Reprofiling of the Safety Schemes relates to the following schemes: - <ul style="list-style-type: none"> • Puddock Road - A range of options were considered and presented to H&T Committee in March 2024, which required a review of the approach proposed. A speed reduction has been approved and works are being moved forward swiftly to deliver supporting measures in 2024-25. • Swaffham Heath Crossroads, this scheme has been delayed due to an issue with the land acquisition beyond the project team's control. These have now been resolved and work is expected to commence in September 2024.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								<ul style="list-style-type: none"> Wimblington / Doddington A141 safety scheme – There were delays in the commissioning of a topographical survey due to a lack of interest from suppliers. The survey has now been commissioned and a report from the contractors will be provided in May 2024.
1k	P&S	Updated	Delivering the Transport Strategy Aims (DTSA)	7.050	2.362	-1.573	Phasing	<p>The in-year underspend on the DTSA programme is due to the following:-</p> <ul style="list-style-type: none"> Several projects from this programme were re-profiled in-year to be delivered in 24-25. Several schemes were also withdrawn from the programme in July with new ones being added in their place amounting to c.£900k. These were withdrawn as external grant funding became available. Of these new schemes, most are due to be delivered by end of Q3 of 24-25 including the parish driven 20mph programme (-£200k) and B1049 (-£190k) project. There was also a delay in the delivery of the 20mph projects due to resources to progress the legal orders, and extended response times from some of the applicants, which will be rolled forward into 24/25, (-£100k). Other schemes in the programme in Fenland and Huntingdonshire were withdrawn following further engagement with locally elected members and councils (-£150k). Similar development projects Eastgate, Camborne (zebra crossing), Fordham – Soham (NMU route), A505 at Duxford (NMU crossing), A605 at Elton, Cambridge East Road have been difficult to progress due others including developers and SusTrans who have been undertaking similar work and we are trying to tie our work into this, (-£310k). Likewise (-£115k) worth of funding for the Ely 20mph zone is now being covered by a grant from the CPCA.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								<ul style="list-style-type: none"> Broadway St Ives is now being funded via a grant from the CPCA, which means the allocation from DTSA is no longer required (-£100k). A proportion of this underspend (-£150k) is linked to contributions to other projects in the Active Travel 4 programme and the Soham – Wicken NMU route, see 1aa & 1z. All underspends due to projects being withdrawn and funded by the CPCA has been reallocated to new projects which are now in the 24/25 programme. A risk pot held at programme level for 23/24 was not required (-£165k) this will remain in place going forward as schemes progress to construction.
1l	P&S	Updated	Bar Hill to Northstowe Cycle Route	1.279	1.042	-1.042	Phasing	Following legal and land purchasing issues it is now planned for most of the work (and spend) to take place in Q2 of 24-25 if the issues can be overcome. This funding is all Section 106, still with the developers and reliant on certain legal requirements being met / not guaranteed.
1m	P&S	Updated	Carriageway & Footway Maintenance incl Cycle Paths	37.650	10.200	-0.434	Phasing	There is a £434K in-year underspend which reflects several schemes which have slipped by a few days into the new financial year and the residual scheme costs will transfer over to 2024/25.
1n	P&S	Updated	Bridge Strengthening	11.735	2.347	-0.785	Phasing	<p>There are delays in 4 schemes which have contributed to the in-year underspend of £785K. The unused budget will be carried forward to support the completion of the schemes in the new financial year.</p> <ul style="list-style-type: none"> Milton Road Culvert Cambridge had site access issues for the sheet piling and lead in time to move a lamp column and isolate supply. Coldhams Lane cycleway bridge required Geotech investigation to determine subsidence but access was not agreed and talks are ongoing with the tenant and landowner to resolve.

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								<ul style="list-style-type: none"> Barnwell Railway bridge went out to tender with supply chain partners but there was no response so will re tender to find 3 new companies wishing to price. St Ives Flood Arches was still under water when due to commence in March so waiting for the ground to dry to enable scaffold working platforms to be built for the brick repairs.
1o	P&S	Updated	A14 De-trunking	24.750	4.750	-4.683	Phasing	Responsibility for the road transferred to the Council on 7 th Feb 2024 and due to adoption of the road happening so late in the year, minimal work has taken place in 23-24.
1p	P&S	Updated	Highways materials recycling	2.500	0.500	-0.453	Phasing	The project is being reviewed to test the viability of the business case and the potential risks and practical site issues.
1q	P&S	Updated	Guided Busway	149.791	3.890	-3.861	Phasing	This budget had been forecasting the underspend during the year and will be reviewed as part of the carry-forward process to identify the profile of any retention still outstanding and its inter-relationship with the other Guided Busway capital schemes.
1r	P&S	Updated	Cambridge Cycling Infrastructure	0.487	0.487	-0.417	Phasing	A significant proportion of this is for the Ring Fort Path scheme, the construction of which is subject to completion of a land agreement. Construction is now expected to fall in 2024-25 subject to securing the necessary land agreements.
1s	P&S	Updated	King's Dyke	33.500	-2.550	3.348	Phasing	The final account for the scheme is now expected to be settled in 2024-25 following completion of the works and ongoing discussion with the contractor, this is not expected to affect the overall scheme cost.
1t	P&S	Updated	March Future High Street	6.853	5.116	-1.480	Phasing	The in-year underspend was due to a number of factors including reprofiling of work following the appointment of the construction contractor, internal staff costs substantially lower than budgeted and lower than expected inflation costs due to early procurement of some materials. Work was reprofiled across 2023-24 and 2024-25 and is continuing onsite, with completion expected October 2024.
1u	P&S	Updated	St Ives local Improvements	2.420	1.920	-1.358	Phasing	Following the detailed assessment of the schemes, two packages of work were withdrawn from the St Ives Local Improvements programme following further detailed assessment which demonstrated they would not deliver the

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								anticipated benefits. Alternative schemes were proposed to utilise the available funding which are expected to be delivered in 2024-25 subject to DfT approval for an extension to the funding deadline.
1v	P&S	Updated	A141 and St Ives Improvement	5.805	1.754	-1.068	Phasing	The delivery programme for 2023-24 was amended to allow time to further develop options considering the balance of active travel and public travel improvements alongside a road-based scheme, project was reprofiled with further work to continue in 2024-25.
1w	P&S	Updated	A10 Ely to A14 Improvements	3.803	2.378	-1.086	Phasing	The programme for the Strategic Outline Business Case was extended into 2023-24, which delayed the start of the Outline Business Case (OBC) Programme. The OBC programme has been further developed to consider the consultation period and discussions on governance, leading to the scheme programme being reprofiled with further work to continue in 2024-25.
1x	P&S	Updated	Transforming Cities Fund	2.860	2.347	-0.829	Phasing	The programme has been reprofiled with some schemes within the programme expected to be completed in 2024-25 for a variety of reasons including additional consultation on 20mph schemes, availability of road space and an ongoing court hearing for Mill Road.
1y	P&S	Updated	Guided Busway - Widening of footpath	2.891	2.891	-2.350	Phasing	The scheme is in the design stage and works is expected to commence in 2024 and the budget will be rolled forward to 2024/25. A proportion of the budget has been used to fund installation of safety fencing along a section of the route, which has now been completed. Further work is ongoing to test the deliverability of widening the footpath.
1z	P&S	Updated	Soham Wicken Non Motorised Users (NMU)	1.230	0.430	-0.377	Phasing	The funding allocation was tested against the programme and adjusted to allow for an extended period of consultation and completion of the grant funding agreement in 2023-24, with the construction period to commence in 2024-25 following discussion with funders.
1aa	P&S	Updated	Active Travel 4	1.192	1.192	-0.531	Phasing	Elements of the programme were reprofiled to allow completion and grant of required planning approval for the Eddington to Girton Scheme, completion is expected in 2024-25 following discussion and agreement with the funders.

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1ab	P&S	Updated	CaPCAM	1.665	1.665	-0.353	Phasing	The scheme has been reprofiled to reflect that the final elements of the work will now take place 24-25.
1ac	P&S	Updated	Wheatsheaf Crossroads	6.795	1.535	-1.028	Phasing	The start of construction for the Wheatsheaf Crossroads has been delayed pending the conclusion of the required land acquisition. The land acquisition has been impacted by unforeseen circumstances beyond the control of the County Council.
1ad	P&S	Updated	Waste Infrastructure	7.424	1.500	-1.478	Phasing	As forecast during the financial year, a minimal amount of spend occurred against the £1.5m budget for March HRC as procurement is just starting using the education service Construction Consultancy framework contract. The budget will be re-profiled in 2024/25 to reflect the updated timeline.
1ae	P&S	Updated	Reallocation and funding of cost cap for Northstowe phase 1	0.834	0.834	-0.833	Phasing	The expenditure will now take place in 2024/25 and the funding will be rolled forward to address the costs as confirmed in the Business Plan.
1af	P&S	Updated	Babraham Smart Energy Grid	8.595	5.040	-2.621	Phasing	The scheme was delayed due to very similar issues to St Ives Smart Energy Grid with the same key sub-contractor. In addition to this, issues were identified with the existing infrastructure on the site that were needing further investigation.
1ag	P&S	Updated	Stanground Closed Landfill Energy Project	8.267	0.550	-0.449	Phasing	The scheme was put on hold in 2023/24 due to grid connection issues that arose in September, due to transmission capacity constraints. Expenditure on the project was therefore paused, with the exception of necessary, minor works to retain the planning permission
1ah	P&S	Updated	Environment Fund - Decarbonisation Fund - Council building Low Carbon Heating	10.518	2.463	1.364	Phasing	Phase 4 project development costs were removed from the project as the aim was to do this work mostly in-house. Also, there was a slight rephasing as the work for phase 4 is now planned for 2024-25.
1ai	P&S	Unchanged	Scheme Development for Highways Initiatives	1.000	0.424	-0.424	Phasing	There were no new planned financial obligations from this fund as scheme development is now picked up within the cost of individual projects.

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
1aj	P&S	Unchanged	Fordham Renewable Energy Network Demonstrator	0.635	0.450	-0.450	Phasing	The scheme remained on hold during 2023/24 pending completion of some of the existing portfolio of projects to have capacity to develop it further.
1ak	P&S	Unchanged	Capital variations budget- P&S	-66.696	-24.489	24.489	Phasing	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 £24.489m of the overall £37.681m P&S underspend is balanced by use of the capital variations budget.
2a	CEF	New	School Devolved Formula Capital	7.793	3.247	-1.793	Phasing	Schools devolved formula capital is a 3-year rolling balance and incurred £1.79m slippage which will be rolled into 2024-25.
2b	CEF	New	School Managed Capital	0	0	2.357	Overspend	Schools managed capital is a combination of capitalised revenue and externally funded capital spend which is not forecast during the year.
2c	CEF	New	Acquisition of LNCH	0.900	0.900	-0.900	Underspend	Land is not required, scheme to be removed and reviewed in future
2d	CEF	New	Soham. Plot B purchase	0.150	0.150	0.605	Overspend	Land requirement to safeguard future school development in Soham
2e	CEF	New	Capitalised Interest	6.958	1.243	-0.277	Underspend	Level of interest charges to be capitalised on 2023-24 lower than originally planned.
2f	CEF	Updated	Ermine Street Primary, Alconbury, Phase 2	4.080	1.500	-0.741	Phasing (-0.741m) Overall Scheme Variance (-0.780m)	Project will now be a steel frame rather than CLT (cross laminated timber panels). Steel has a longer construction period resulting in reduced costs incurred this financial year.
2g	CEF	Updated	Kennett Primary School	10.123	5.800	-1.182	Phasing	Later start on site than expected due to skylarks still nesting and inclement weather while substructure being constructed resulted in slippage during 2023-24 financial year.
2h	CEF	Updated	Waterbeach New Town Primary	19.521	0.500	-0.312	Phasing	Slippage in 2023-24 financial year as only minimal spend incurred on design fees, surveys, and consultants. Slippage occurred due to planning objection by public health and subsequent requirement for further surveys.
2i	CEF	Updated	St. Philip's	0.000	0.000	0.519	Phasing	The original St Philips scheme was removed from the Business Plan due to scope not being agreed with school. Continued

Ref	Directorate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								discussions saw agreement in 2023-24 on a school delivered scheme funded through S106 contributions that had been received.
2j	CEF	Updated	Darwin Green (North West Fringe) secondary	34.680	0.332	-0.332	Phasing	Slippage during 2023-24 due to planning application appeal for the housing on phase 2 and 3 of the development and works not able to progress as expected.
2k	CEF	Updated	Alconbury Weald secondary and Special	74.827	29.000	-2.368	Phasing	2023-24 has seen slippage on the Secondary school element. Alternative design solutions and options explored to ensure scheme could be delivered within budget. Project is due to recommence at the beginning of May 24 with an intense 12-week design process leading to a Fixed Price Contract sum. Contractors spend profile for delivery of the SEN school element was over optimistic.
2l	CEF	Updated	Northstowe secondary, phase 2	53.450	22.500	-5.296	Phasing (-5.3m) Overall Scheme Variance (-1.5m)	Underspend of £1.5m realised in 2023-24 from receipt of milestone 4 report due to risk contingencies including those built in for price volatility not being required. Slippage as groundworks and superstructure works slower than originally anticipated due to over optimistic forecast of planned delivery of the works in advance of contractors spend profile based on contractors agreed contract sum and construction programme, adverse weather, and asbestos pipework in ground.
2m	CEF	Updated	Cambourne Village College Phase 3b	35.820	23.300	-1.520	Phasing	2023-24 slippage incurred due to delayed development of sports pitch works during summer 23 due to expiration of licences: having to use of alternate M&E sub-contractors and lack of permanent power on site by the developer.
2n	CEF	Updated	Witchford Village College	1.380	1.332	-1.308	Phasing	Slippage in 2023-24 financial year due to planning application progressing slower than anticipated and works not starting until 2024-25.
2o	CEF	Updated	Adaptations-Townley Primary Permanent Accommodation	1.600	0.600	-0.488	Phasing	Slippage incurred in 2023-24 due to planning approval delays. Work to start on site May 2024.
2p	CEF	Updated	Conditions Maintenance	27.334	4.139	-1.863	Phasing	Number of schemes delayed due to contractors being not available, and discussion on scope of work needed. £500k committed to energy schemes and heat decarbonisation plans will not be taken forward this year.

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
2q	CEF	Updated	Samuel Pepys Special School	10.720	5.000	0.647	Phasing	Slippage of £700k incurred due to land purchase, furniture and fittings and IT expenditure occurring ahead of original schedule.
2r	CEF	Updated	New SEMH Provision Wisbech	17.786	4.800	0.397	Phasing	Additional works being undertaken this financial year for highways works outside the main contract for construction of the school. These are to be undertaken during the next available school summer holiday period to minimise disruption (Summer 2024).
2s	CEF	Updated	Highfields Littleport - Expansion	8.000	0.500	-0.422	Phasing	Delay in appointing contractor means only design work undertaken in 2023-24
2t	CEF	Updated	Swavesey VC site - Martin Bacon satellite	1.000	0.590	0.479	Phasing/ Overspend	Project ahead of expected schedule and small overspend on initial costings.
2u	CEF	Updated	Enhanced Resources Bases	2.290	0.675	-0.653	Phasing	Initial progress on suitable schemes slower than originally expected in 2023-24 resulting in slippage.
2v	CEF	Updated	Capital variations budget- CEF	-54.565	-17.826	17.826	Phasing	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 £17.104m CEF in-year underspend is balanced by use of the capital variations budget, resulting in a net £0.722m year-end pressure.
2w	CEF	Unchanged	Swavesey Village College S106 scheme	0.628	0.628	-0.628	Phasing	The project will not commence until 2024-25 financial year resulting in slippage for 2023-24.
2x	CEF	Unchanged	Adaptations- William Westley Primary	0.353	0.338	-0.338	Phasing	This project is being reviewed and revised to meet the need for places across the wider area, including planned capital projects in the wider Sawston, Duxford and Hinxtton (Genome Campus) area. Revised delivery expected to be 2027.
3a	AHC	New	Disabled Facilities Grant	50.700	5.070	0.442	Additional government grant received	The Department for Levelling Up and Communities awarded an additional £50m Disabled Facilities Grant to Local Authorities in 2023-24. Cambridgeshire's allocation of this was £442k. It was transferred to District Councils in line with grant conditions.
3b	AHC	Updated	Independent Living Service: East Cambridgeshire	19.035	0.380	-0.355	Phasing	It was expected that there would be expenditure on a substation in 23-24. However, this has now been linked to the Heads of Terms and will only be paid at acquisition of the land.

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
								Additionally, the timing of overall forecast spend for the scheme has been pushed back from assumptions in the Business Plan due to delays in the land acquisition.
3c	AHC	Unchanged	Integrated Community Equipment Service	4.000	0.400	-0.400	Phasing	Given the forecast revenue position for the Adults, Health and Commissioning Directorate, capital funding is no longer required as a contribution to the costs of community equipment.
4a	S&P	Updated	Capitalisation of Policy, Design and Delivery Team	12.612	1.682	-1.336	Overall scheme variance	This is the cost that has been capitalised this year; there has been less allowable time that can be charged.
4b	S&P	Updated	Community Fund	5.000	1.641	-1.641	Phasing	Fund now fully committed following agreement of new schemes at CSMI Committee in March 2024. Grant payments to be made during 2024-25.
4c	S&P	Updated	Libraries - Open access & touchdown facilities	1.172	0.875	-0.816	Overall scheme variance	Being replaced by the 'Libraries Plus' project to be funded from Just Transition Fund, as agreed in the 2024-25 Business Plan. This will be used to create suitable spaces to deliver a broader range of services from our libraries to meet the needs of our communities and employees.
4d	S&P	Updated	EverySpace - Library Improvement Fund	0.389	0.310	-0.298	Phasing	The project is running 9 months behind to meet the procurement exercise and compliance commitments.
4e	S&P	Unchanged	Capital variations budget- S&P	-2.016	-1.677	1.677	Phasing	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 £1.677m of the overall - £4.400m S&P underspend is balanced by use of the capital variations budget.
5a	F&R	New	IT Infrastructure refresh	0.674	0.325	-0.325	Phasing	To be earmarked for the Eastnet infrastructure in 2024-25
5b	F&R	New	Mill Farmhouse	0.563	0.556	-0.258	Phasing	The farmhouse has suffered a delay with the electricity installation and will now be completed early 2024-25.
5c	F&R	Updated	Data Centre Relocation	4.339	0.872	-0.792	Overall scheme variance	The programme has come to an end, with a saving on the total scheme.

Ref	Direct- orate	Commentary Status	Scheme	Scheme Budget £m	2023-24 Budget £m	Forecast Variance £m	Type	Commentary
5d	F&R	Updated	IT Strategy	5.939	2.169	-1.364	Phasing -1.174, Overall scheme variance -0.190	The following schemes (Childrens, Dynamics, Wisdom Highways, Planning) will be completed in 2024-25.
5e	F&R	Updated	IT Education System Replacement	2.921	2.535	-1.845	Phasing	The Education programme has been delayed. The selection process for the new system provider went through a rigorous process to ensure the selected system is fit for purpose. The implementation of the system will take place over the next 12 months and will include fundamental changes and improvements to the way the service is able to deliver efficient services by using technology in the most appropriate way.
5f	F&R	Updated	Condition Survey Works	2.836	2.298	-1.041	Phasing	Hereward Hall Heating, & Air handling, March Community Centre Roof & Heating and Speke House Heating, ventilation work to take place next year.
5g	F&R	Updated	Hawthorns - Intensive Therapeutic Support Hub	3.544	3.477	-3.316	Overall scheme variance	The scheme will no longer go ahead as planned.
5h	F&R	Updated	Wisbech Adventure Playground (The Spinney)	0.915	0.915	-0.904	Phasing	The project has been delayed due to initial tender submissions being over budget; DCMS have agreed that on receipt of a revised tender will review again. A building contractor will subsequently be appointed, and work is expected to start in June 2024, with an estimated completion date of end October 2024.
5i	F&R	Unchanged	Capital variations budget- F&R	-9.474	-4.689	4.689	Phasing	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 £4.689m of the overall £10.852m F&R underspend is balanced by use of the capital variations budget.

Appendix 3 – Budget transfers between directorates / areas in 2023-24

This table shows budget movements of at least £1k between service blocks in 2023-24, subject to rounding errors:

Line	Budgets and Movements	CEF £000	AHC £000	P&S £000	PH £000	S&P £000	F&R £000	Capital Financing £000	Corporate & Funding Items £000	Total £000
	Opening Net Budgets as per Business Plan	129,279	215,038	71,326	0	16,270	19,325	38,263	11,690	501,191
1	Service management change		-300			300				0
2	Post business plan, pre initial budget load adjustments	-915		-42		-203	1,160			0
3	Postage budget centralisation	-20				20				0
4	Transfer of post	-26				26				0
5	Insurance budget centralisation			-22		-21	43			0
6	Pay award element correction	12		-12						0
7	Allocation of centrally held funding for former People Services restructuring	449	351				-800			0
8	Budget resetting movements as outlined in May IFMR	801	506	-728			2,456		-3,035	0
9	Correction virements to replace expenditure budgets with reserve draw down lines	-285	-1,621				-155		2,061	0
10	Adjust PH income budget to match amounts to be transferred under PH MoU	-254	-53	-31	0	78	260			0
11	Staffing inflation correction			-55			55			0
12	Coding of treasury management team						121	-121		0
13	Staffing budget corrections - Adults and Childrens Transport	4	-4							0
14	Time credits contract transfer from Adults to S&P		-34			34				0
15	Transfer of Domestic Abuse and Sexual Violence service budgets			-2,032		2,032				0
16	Transfer Association of subscription budget	-15	15							0

Line	Budgets and Movements	CEF £000	AHC £000	P&S £000	PH £000	S&P £000	F&R £000	Capital Financing £000	Corporate & Funding Items £000	Total £000
17	Transfer property maintenance budget					-20	20			0
18	Residual budget transfer linked to regulatory services moving			12		-12				0
19	Executive Assistant and Personal Assistant centralisation	-185	-198	-91		470	4			0
20	Transfer Deprivation of Liberty Safeguards signatory training		-5			5				0
21	Reporting line change of cross-council items from F&R to Corporate & Funding Items						-8,304		8,304	0
22	Transfer of post			-50		50				0
23	Matching public health grant budgets to spend plan	-115	-340						455	0
24	Budget allocations for Pay Award 2023/24	2,706	2,643	683		1,075	866		-7,973	0
25	Transfer social care grant from Adults to Children's as agreed by SR&P	633	-633							0
26	Contract saving taken to central saving target		-78				78			0
27	Transfer of post	26	-26							0
	Closing budget	132,095	215,263	68,957	0	20,103	15,130	38,142	11,503	501,191

Appendix 4 – Reserves and provisions

This section shows the reserves available to the Council:

Fund Description	Balance at 1 April 2023 £000s	Movements in 2023-24 £000s	Balance at 31 Mar 2024 £000s	Notes
General Reserves				
- County Fund Balance	30,661	-1,236	29,425	
General Reserves subtotal	30,661	-1,236	29,425	
1 Insurance	5,018	192	5,210	Original starting balance of £14m, with allocations made totalling £9.9m across medium-term
2 Adults, Health and Commissioning	7,564	-53	7,511	
3 Children, Education and Families	15,863	15,863	5,319	
4 PH	7,854	-2,942	4,912	
5 Place & Sustainability	13,370	-2,195	11,175	Balance for legacy Transformation projects
6 Strategy & Partnerships	1,581	-252	1,328	
7 Finance & Resources	2,935	-963	1,972	Allocated over medium-term.
8 Just Transition Fund	12,526	-1,953	10,573	
9 High Needs Block Offset Reserve	9,935	-1,750	8,185	Applying the temporary elements of the 2023/24 finance settlement over multiple years
10 Transformation Fund	1,762	-331	1,432	
11 Cultivate Cambs Fund	347	-270	77	
12 Corporate- COVID	15,972	-672	15,300	
13 Specific Risks Reserve	12,772	2,821	15,593	
14 This Land Credit Loss & Equity Offset	5,850	0	5,850	
15 Revaluation & Repair Usable (Commercial Property)	2,940	0	2,940	
16 Local taxation volatility & appeals account	8,514	0	8,514	
17 Local Government Settlement phasing reserve	4,076	0	4,076	
18 Post-pandemic recovery and budgeting account	2,431	0	2,431	
19 Business change reserve	3,054	-467	2,587	
20 Financing items	2,704	12,209	14,913	
21 Winter Risk Reserve	600	0	600	
22 Levy Account Surplus Grant	0	548	548	
23 Major Infrastructure Cost Reserve	0	15,227	15,227	
24 Grant carry forwards	29,246	-15,506	13,740	
Earmarked Funds subtotal	166,915	19,506	160,014	
SUBTOTAL	197,576	18,270	189,439	
25 Children, Education and Families	28,290	-12,463	15,827	Section 106 funding is applied to applicable capital schemes at year-end.
26 Adults, Health and Commissioning	33	0	33	
27 Place & Sustainability	36,230	-10,035	26,194	
28 Finance and Resources	556	334	890	
29 Corporate	46,342	-12,961	33,380	
Capital Useable Reserves subtotal	111,451	-35,125	76,325	
GRAND TOTAL	309,027	-16,855	265,764	

Provisions on the balance sheet are:

Department	Balance at 1 April 2023 £000s	Movements in 2023-24 £000s	Balance at 31 Mar 2024 £000s	Notes
1 Adults, Health and Commissioning	141	-141	0	
2 Finance & Resources	2,093	0	2,093	Insurance short term provision
Short Term Provisions subtotal	2,234	-141	2,093	
3 Finance & Resources	4,746	0	4,746	Insurance long term provision
Long Term Provisions subtotal	4,746	0	4,746	
GRAND TOTAL	6,980	-141	6,839	

Appendix 5 – Savings Tracker 2023-24 Quarter 4

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
Green	Adults	A&H	A/R.6.176	Adults Positive Challenge Programme	-154	-154	0	0	Achieved.
Green	Adults	A&H	A/R.6.185	Additional block beds - inflation saving	-263	-263	0	0%	Achieved.
Black	Adults	A&H	A/R.6.200	Expansion of Direct Payments	-133	0	133	100%	Delivery of savings has been delayed, as has investment. This is a four year programme and cashable savings are only expected in towards the end of Year 2 (24/25)
Green	Adults	A&H	A/R.6.202	Adults & MH employment support	-40	-40	0	0%	Achieved.
Blue	Adults	A&H	A/R.6.203	Decommissioning of block contracts for Car rounds providing homecare	-1,111	-1,497	-386	-35%	Over-achieved.
Blue	Adults	A&H	A/R.6.204	Post hospital discharge reviews	-310	-347	-37	-12%	Over-achieved.
Amber	Adults	A&H	A/R.6.205	Mental Health s75 vacancy factor	-150	-120	30	20%	Partially unachieved due to staffing reorganisation and high-cost interim appointments in CPFT.
Amber	Adults	A&H	A/R.6.206	LD mid-cost range placement review (links to A/R.5.025)	-203	-150	53	26%	Project started September which led to a 3-6 month delay to benefits realisation.
Green	Adults	A&H	A/R.6.208	Integration with the Integrated Care System on	-61	-61	0	0%	Achieved.

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
				digital social prescribing					
Black	Childrens	C&YP	A/R.6.250	Efficiencies resulting from implementation of new IT system	-223	0	223	100%	Delay in the implementation of new IT systems has meant this saving has not been achieved and been subsequently rephased for future years.
Green	Childrens	C&YP	A/R.6.252	Teachers Pensions	-150	-150	0	0%	This saving has been delivered.
Green	Childrens	C&YP	A/R.6.253	Realign schools partnership and improvement service	-85	-85	0	0%	This saving has been delivered.
Black	Childrens	C&YP	A/R.6.254	Children in Care Placements	-1,000	0	1,000	100%	Increasing demand and cost pressures have left the service unable to deliver this saving in-year
Black	Childrens	C&YP	A/R.6.255	Careers Education Information Advice and Guidance	-75	0	75	100%	Delay in the process resulted in savings not being implemented until April 2024.
Green	Childrens	C&YP	A/R.6.256	Family Safeguarding Team restructure	-352	-352	0	0%	This saving has been delivered.
Green	Childrens	C&YP	A/R.6.257	Special Guardianship Orders	-150	-150	0	0%	This saving has been delivered.
Amber	Childrens	C&YP	A/R.6.268	Transport - Home to School	-401	-321	80	20%	Delay in projects to deliver savings, the intention is that these will now be implemented in 2024/25.
Green	Childrens	C&YP	A/R.6.274	Outdoors Centres	-134	-134	0	0%	This saving has been delivered.
Black	Childrens	C&YP	A/R.7.110	Cambridgeshire ICT	-100	0	100	100%	The challenging financial position within schools has reduced spending directly impacting on ICT services traded position. As a result the saving was not delivered in-year.

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
Green	Childrens	C&YP	A/R.7.111	Cambridgeshire Music	-25	-25	0	0%	This saving has been delivered.
Green	P&S	H&T	B/R.6.215	Recycle asphalt, aggregates and gully waste	-20	-20	0	0%	Achieved.
Blue	P&S	H&T	B/R.6.217	Vacancy factor	-112	-646	-534	-477%	There have been higher levels of vacancy than originally anticipated.
Green	P&S	H&T	B/R.6.218	Stop Weedkilling of Footways and Road Edges	-125	-125	0	0%	Delivered
Black	P&S	H&T	B/R.6.220	Highways Materials Recycling	-100	0	100	100%	This has not been met & is expected to roll forward to 2024/25
Black	P&S	EG&I	C/R.7.106	St Ives Smart Energy Grid - Income Generation	-177	0	177	100%	The project is not live for the end of FY 23/24. As such, forecasting saving is nil.
Black	P&S	EG&I	C/R.7.107	Babraham Smart Energy Grid - Income Generation	-383	0	383	100%	The project is not live for the end of FY 23/24. As such, forecasting saving is nil.
Black	P&S	EG&I	C/R.7.109	North Angle Solar Farm, Soham - Income Generation	-4,535	0	4,535	100%	The project is not live for the end of FY 23/24. As such, forecasting saving is nil.
Red	P&S	EG&I	C/R.7.110	Swaffham Prior Community Heat Scheme - Income Generation	-572	-45	527	92%	RHI income is due in FY 24/25 to cover the period 22/23 and 23/24. Smaller numbers of customer connections than originally forecast have also contributed to the reduction in income achieved.
Green	P&S	H&T	B/R.7.134	Light blue fibre income	-11	-11	0	0%	No change to planned saving balance.
Black	F&R	SRP	C/R.6.108	New IT System	-70	0	70	100%	This will not be met until the capital project is complete.

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
Green	F&R	SRP	C/R.6.109	Council Wide Mileage	-500	-500	0	0%	This saving has been met
Blue	F&R	SRP	C/R.6.110	Corporate Vacancy Factor (F&R & S&P)	-400	-1,360	-960	-240%	£360k F&R and £600k S&P overachievement
Green	F&R	SRP	C/R.6.111	PH grant contribution to overheads	-61	-61	0	0%	This saving has been met
Green	F&R	SRP	C/R.6.113	Insurance re-procurement	-405	-405	0	0%	This saving has been met
Amber	F&R	SRP	C/R.6.115	Lead Authority Services - Governance	-25	-8	17	68%	Costs of change during 2023-24 have meant there was a delay to achievement of this
Green	F&R	SRP	C/R.6.116	Payment Card Compliance	-19	-19	0	0%	This saving has been met
Blue	F&R	EG&I	C/R.7.105	Renewable Energy Soham - Income Generation	-14	-176	-162	-1157%	Under the new contract, this saving has overachieved.
Green	F&R	SRP	C/R.7.111	Commercial Income	-900	-900	0	0%	This saving has been met, new tenant in place.
Green	F&R	SRP	C/R.7.115	Brunswick House - Income Generation	-70	-70	0	0%	Income increased for room rents.
Black	F&R	SRP	C/R.7.116	Cromwell Leisure - Income Generation	-84	0	84	100%	This saving won't be met until the two vacant units are filled.
Amber	F&R	SRP	C/R.7.117	Tesco - Income Generation	-150	-117	33	22%	The increase did not meet the budget in full.
Black	F&R	SRP	C/R.7.120	County Farms - Agricultural Rent	-46	0	46	100%	The rent review has now been calculated and this additional rental figure will not be met.

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
Amber	F&R	SRP	C/R.7.156	Biodiversity Net Gain Offset	-487	-138	349	72%	Current investment only. The profile has been revised in the business plan.
Green	S&P	CSMI	D/R.6.001	Communities Saving - S&P	-380	-380	0	0%	This saving has been delivered.
Green	PH	A&H	E/R.6.002	Vacancy factor for Public Health staffing	-80	-80	0	0%	Delivered in full
Green	PH	A&H	E/R.6.003	Public Health savings	-201	-201	0	0%	Delivered in full
Green	Adults	A&H	A/R.6.195	Increased support for carers	-129	-105	24	19%	Carers Strategy approved and action plan developed. Savings now being delivered.
Amber	Adults	A&H	A/R.6.186	Adult Social Care Transport	-91	-12	79	87%	All routes retendered in 22/23. Saving achieved was lower than expected due to the inflationary pressures on transport. Further savings have been delivered for 24/25 meaning this saving will have been achieved in full from April 24.
Amber	Adults	A&H	A/R.6.188	Micro-enterprises Support	-103	-6	97	94%	Not fully delivered due to low number of people with a Direct Payment (DP) and Individual Service Fund (ISF) utilising capacity already created by CMEs. The Self Directed Support programme will increase uptake of DPs and ISFs and improve the pathway to Micro-enterprise provision.
Amber	Adults	A&H	A/R.7.113	Learning Disability Partnership Pooled Budget Rebase lining	-1,125	-1,125	0	0%	A one off additional contribution was received pending detailed work with ICB to review the pool position. However, savings built into the Business Plan for future years remain at risk until the review work is completed.
Black	P&S	CSMI	A/R.6.213	Registrars	-200	0	200	100%	The budgeted additional income has not been achieved and this pressure has been addressed in the 24/25 Business Plan.
Green	F&R	SRP	C/R.6.106	Contract Efficiencies	-200	-200	0	0%	This saving has been met due to IT procurements.

RAG	Directorate	Committee	BP Ref	Title	Planned Savings £000	Outturn Savings £000	Variance from Plan £000	% Variance	Outturn Commentary
Blue	F&R	SRP	B/R.7.127	Alconbury Solar Carport	-37	-67	-30	-81%	This saving has overachieved this year.
Green	F&R	SRP	C/R.7.105	Renewable Energy Soham - Income Generation	-13	-13	0	0%	This saving has been met this year.
Black	F&R	SRP	C/R.7.120	County Farms - Agricultural Rent	-45	0	45	100%	Rent charged in 2023-24 was lower than the budget.
Black	F&R	SRP	F/R.6.109	Cambs 2020 Operational Savings	-605	0	605	100%	Shire Hall, mostly business rates & security costs continue until the site is handed over

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 6 - Revenue summary comparison to last year's outturn position

2022-23 Net Budget £000	Actual Outturn Variance £000	Actual Outturn Variance %	Directorate/Area	2023-24 Net Budget £000	Actual Outturn Variance £000	Actual Outturn Variance %
86,875	2,399	2.8%	Children, Education & Families- non-DSG	132,095	11,349	9%
224,975	-58	0.0%	Adults, Health & Commissioning	215,263	-3,871	-2%
72,175	415	0.6%	Place & Sustainability	68,957	4,072	6%
15,557	-81	-0.5%	Strategy & Partnerships	20,102	393	2%
11,950	2,837	23.7%	Finance & Resources	15,129	-1,113	-7%
33,275	-2,377	-7.1%	Capital Financing	38,141	-3,499	-9%
11,047	-2,388	-21.6%	Corporate and funding items	11,503	-6,094	-53%
455,854	748	0.2%	Net Spending Total	501,191	1,236	0%

Annex B

Directorate: Finance & Resources and Strategy & Partnerships
Subject: Finance Monitoring Report – Year End Outturn Report

Contents

Section	Item	Description
1	Revenue Executive Summary	High level summary of information and narrative on key issues in revenue financial position
2	Capital Executive Summary	Summary of the position of the Capital programme within Finance & Resources and Strategy & Partnerships
3	Savings Tracker Summary	Summary of the position on delivery of savings
Appx 1a	Service Level Financial Information	Detailed financial tables for Finance and Resources main budget headings
Appx 1b	Service Level Financial Information	Detailed financial tables for Strategy and Partnerships main budget headings
Appx 1c	Service Level Financial Information	Detailed financial tables for Corporate, Funding & Capital Financing main budget headings
Appx 2	Service Commentaries	Detailed notes on revenue financial position of services that have a significant variance against budget
Appx 3	Capital Appendix	This contains more detailed information about the capital programme, including funding sources and variances from planned spend.

1. Revenue Executive Summary

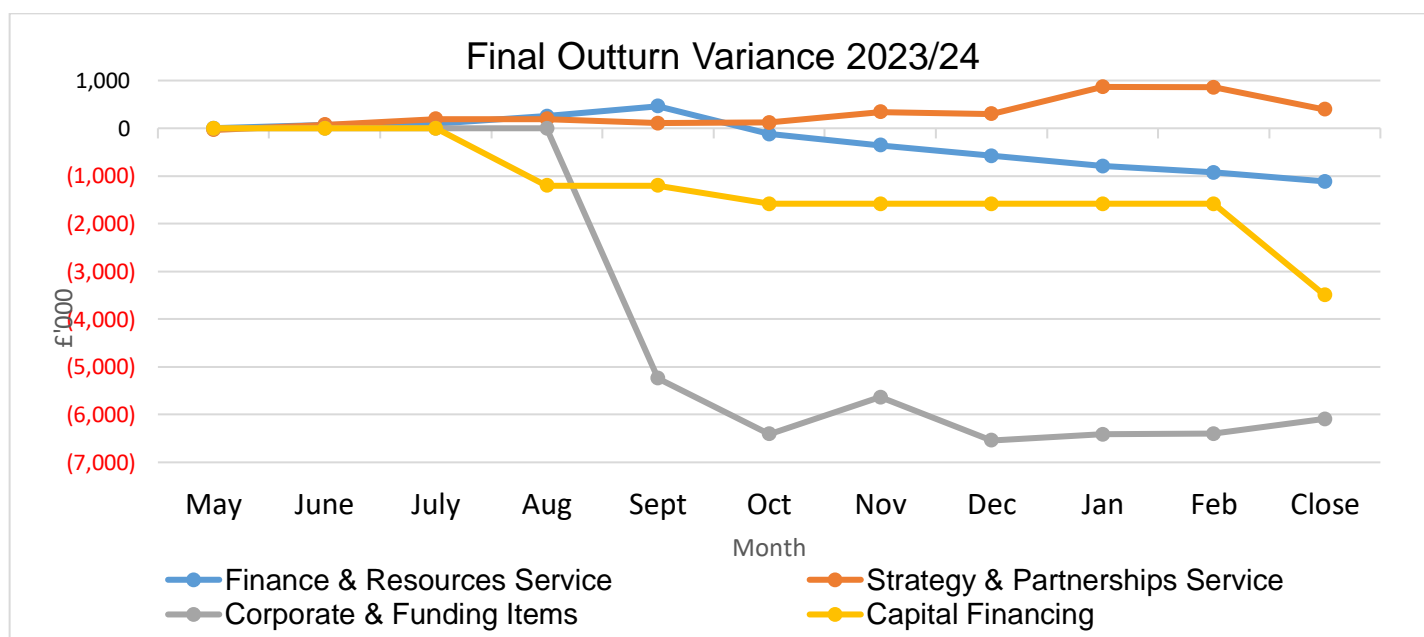
1.1 Overall Position

The final position for Finance & Resources Directorate is a total underspend of £1,113k.

The final position for Strategy & Partnerships Directorate is a total overspend of £393k.

The final position for Corporate, Funding & Capital Financing is a total underspend of £9,594k.

1.2 Summary of Revenue position by Directorate



1.2.1 Finance and Resources

Forecast Outturn Variance (Previous)	Finance and Resources Directorate	Gross Budget	Income Budget	Net Budget	Actual	Outturn Variance	Outturn Variance
£000		£000	£000	£000	£000	£000	%
-253	Executive Director	808	0	808	480	-328	-40.6%
-386	Customer & Digital Services	15,441	-1,502	13,940	13,105	-835	-6%
33	Finance & Procurement	11,646	-2,954	8,692	8,575	-117	-1.4%
501	Property Services	12,978	-8,424	4,553	5,185	632	13.9%
-819	Investment Activity	7,876	-20,740	-12,864	-13,328	-464	3.6%
-924	Total	48,749	-33,620	15,129	14,017	-1,113	-7.4%

1.2.2 Strategy and Partnerships

Forecast Outturn Variance (Previous) £000	Strategy and Partnerships Directorate	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
-539	Executive Director	7,942	-1,151	6,791	5,969	-822	-12.1%
21	Legal & Governance	3,980	-278	3,701	3,688	-13	-0.4%
1,377	Policy & Communities	15,715	-6,106	9,610	10,837	1,228	12.8%
860	Total Expenditure	27,637	-7,535	20,102	20,495	393	2.0%

1.2.3 Corporate, Funding & Capital Financing

Forecast Outturn Variance (Previous) £000	Corporate, Funding & Capital Financing	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
-1,586	Capital Financing	58,884	-20,742	38,141	34,642	-3,499	-9.1%
-936	Corporate Items	12,053	-710	11,342	10,256	-1,086	-10.6%
-5,464	General funding sources	161	-501,191	-501,030	-506,038	-5,008	-1.0%

The service level budgetary control report for the year 2023-24 can be found in [Appendix 1](#).

1.3 Significant Issues

The details of new and updated significant variances can be found in [Appendix 2](#).

2. Capital Executive Summary

The revised capital budget for 2023-24 is £14,913k with expenditure of £6,027k.

Directorate	Scheme Budget	Scheme Variance	2023-24 Budget	2023-24 Actuals	2023-24 Variance
	£000	£000	£000	£000	£000
Finance & Resources	55,008	-2,205	11,672	5,509	-6,163
Strategy & Partnerships	18,194	-4,696	3,241	518	-2,723

There are two new significant issue to report this month.

The Mill Farmhouse scheme has an underspend of £258k in 2023-24. The project has taken longer than the initial schedule due to an issue with the installation of the electricity cable, with it being underground instead of overground. The scheme is expected to complete early in 2024-25. This has reduced the borrowing requirement by £258k in 2023-24 and to complete the work the budget will be rephased into 2024-25.

The IT Infrastructure scheme has an underspend of £325k in 2023-24. The budget is earmarked for the Eastnet upgrade, which is currently being proposed with a report to committee to follow. This has reduced the borrowing requirement by £325k in 2023-24 and a request for rephasing in 2024-25 will be required.

The details of previous schemes with significant variances can be found in [Appendix 3](#).

3. Savings Tracker Summary

The savings trackers are produced quarterly to monitor delivery of savings against agreed plans. The final savings tracker can be found in the outturn integrated finance monitoring report.

Appendix 1a – Detailed Financial Information – Finance & Resources

Forecast Outturn Variance (Previous) £000	Committee	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
Executive Director of Finance & Resources								
-333	SRP	Executive Director	635	0	635	213	-422	-66%
80	SRP	Finance & Resources Miscellaneous	173	0	173	267	94	54%
-253		Executive Director of Finance & Resources Total	808	0	808	480	-328	-41%
Customer & Digital Services								
-84	SRP	Customer Services	2,359	-359	2,001	1,893	-108	-5%
-302	SRP	IT Services	13,082	-1,143	11,939	11,212	-727	-6%
-386		Customer & Digital Services Total	15,441	-1,502	13,940	13,105	-835	-6%
Finance & Procurement								
1	SRP	Service Director of Finance & Procurement	351	0	351	328	-24	-7%
-21	SRP	Professional Finance	2,971	-525	2,446	2,415	-31	-1%
-8	SRP	Procurement	939	-41	898	886	-12	-1%
-1	SRP	CCC Finance Operations	177	-101	76	88	12	16%
0	SRP	Insurance Fund	2,488	-67	2,421	2,423	2	0%
-18	SRP	Lead Authority Services	4,519	-2,220	2,299	2,124	-174	-8%
80	SRP	External Audit	202	0	202	311	109	54%
33		Finance & Procurement Total	11,646	-2,954	8,692	8,575	-117	-1%
Property Services								
59	SRP	Facilities Management	9,920	-2,641	7,279	7,366	87	1%
17	SRP	Property Services	1,053	0	1,053	1,100	46	4%
12	SRP	Property Compliance	381	-33	348	418	69	20%
367	SRP	County Farms	723	-5,733	-5,010	-4,595	415	-8%
46	SRP	Strategic Assets	900	-18	883	897	14	2%
501		Property Services Total	12,978	-8,424	4,553	5,185	632	14%

Forecast Outturn Variance (Previous)	Committee	Budget Line	Gross Budget	Income Budget	Net Budget	Actual	Outturn Variance	Outturn Variance
£000			£000	£000	£000	£000	£000	%
		Investment Activity						
0	SRP	Property Investments	4,550	-9,376	-4,825	-4,370	455	-9%
-68	SRP	Company Dividends & Fee	0	-574	-574	-642	-68	12%
-157	SRP	This Land	2,437	-8,570	-6,133	-6,292	-159	3%
14	SRP	Contract Efficiencies & Other Income	-15	0	-15	0	15	100%
-512	SRP	Collective Investment Funds	9	-1,087	-1,078	-1,586	-508	47%
-95	SRP	Renewable Energy Investments	895	-1,134	-239	-439	-200	84%
-819		Investment Activity Total	7,876	-20,740	-12,864	-13,328	-464	4%
-924		Overall Total	48,749	-33,620	15,129	14,017	-1,113	-7%

Appendix 1b – Detailed Financial Information – Strategy & Partnerships

Forecast Outturn Variance (Previous) £000	Committee	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
-430	SRP	Executive Director: Strategy & Partnerships	1,035	0	1,035	432	-602	-58%
-3	SRP	Chief Executive's Office	250	-3	247	238	-9	-4%
0	SRP	Communications	933	-103	831	752	-78	-9%
0	SRP	Elections	190	0	190	190	0	0%
-20	SRP	Human Resources	2,275	-210	2,065	1,965	-99	-5%
-87	SRP	Learning & Development	2,958	-835	2,124	2,091	-33	-2%
0	CSMI	Local Assistance Scheme	300	0	300	300	0	0%
Legal & Governance								
0	SRP	Internal Audit	594	-149	446	425	-21	-5%
-5	SRP	Legal & Governance Services	789	0	789	801	12	2%
0	SRP	Information Management	1,056	-78	978	948	-30	-3%
-17	SRP	Democratic & Member Services	490	-37	453	436	-18	-4%
44	SRP	Members' Allowances	1,050	-15	1,035	1,078	43	4%
21		Legal & Governance Total	3,980	-278	3,701	3,688	-13	0%
Policy & Communities								
1,381	SRP	Policy, Insight & Programmes	1,685	-246	1,439	2,720	1,281	89%
9	SRP	Emergency Planning	201	-68	134	132	-2	-1%
Communities, Libraries & Skills								
0	CSMI	Strategic Management – C, L&S	160	-106	54	40	-14	-27%
0	CSMI	Public Library Services	4,947	-816	4,131	4,134	3	0%
0	CSMI	Cambridgeshire Skills	2,300	-2,300	0	0	0	0%
0	CSMI	Archives	451	-31	421	415	-5	-1%
-12	CSMI	Cultural Services	359	-233	126	113	-13	-10%
0	CSMI	Communities Service	1,323	-55	1,268	1,246	-23	-2%

Forecast Outturn Variance (Previous) £000	Committee	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual £000	Outturn Variance £000	Outturn Variance %
0	CSMI	Changing Futures	1,091	-1,023	68	68	-0	0%
0	CSMI	Domestic Abuse and Sexual Violence Service	3,198	-1,228	1,970	1,970	-0	0%
-12		Communities, Libraries & Skills Total	13,829	-5,792	8,037	7,985	-52	-1%
1,377		Policy & Communities Total	15,715	-6,106	9,610	10,837	1,228	13%
860		Overall Total	27,637	-7,535	20,102	20,495	393	2%

Appendix 1c – Detailed Financial Information – Corporate, Funding & Capital Financing

Forecast Outturn Variance (Previous) £000	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual 2023-24 £000	Outturn Variance £000	Outturn Variance %
	Capital Financing						
-1,586	Capital financing costs and minimum revenue provision	58,884	-20,742	38,141	34,642	-3,499	-9%
-1,586	Capital Financing Total	58,884	-20,742	38,141	34,642	-3,499	-9%
	Corporate Items						
0	Cambridgeshire and Peterborough Combined Authority levy	9,879	0	9,879	9,879	0	0%
3	Environment Agency levy	442	0	442	445	3	1%
0	Corporate reserves contributions	396	0	396	396	0	0%
-938	Central holding and miscellaneous accounts	1,336	-710	626	-464	-1,089	-174%
-936	Corporate and Funding Items Total	12,053	-710	11,342	10,256	-1,086	-10%
	General funding sources						
0	Council Tax Precept	0	-373,261	-373,261	-373,261	0	0%
-2,437	Business Rates	0	-72,335	-72,335	-74,622	-2,287	-3%
-3,027	Corporate grants	161	-55,568	-55,408	-58,129	-2,722	-5%
0	Revenue support grant	0	-27	-27	-27	0	2%
-5,464	Total general funding for net budget	161	-501,191	-501,030	-506,038	-5,008	-1%

Appendix 2 – Service Commentaries on Outturn Position

Narrative is given below where there is an adverse/positive variance greater than £100,000

1) Lead Authority

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
4,519	-2,220	2,299	2,124	-174	-8%

The final position for the Lead Authority budgets is a saving of £174k, the change is mostly due to the staff salary sacrifice budget saving of £101k (lease car additional income from the NI/pension contributions) and the final position of the Programme Team is underspent due to reduced staffing costs towards AP automation and the IMS system.

2) County Farms

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
723	-5,733	-5,010	-4,595	415	8%

The final position for the County Farms budget is an overspend of £415k in 2023-24.

The general County Farms budget is £65k overspent due to pressures for the cost of water £74k, professional fees £23k and £69k pressure on the income budget. Lower spending on maintenance of £100k has helped offset some of the pressures.

The Biodiversity Net Gain (BNG) budget is overspent by £349k, due to delays in sales. Income received this year is for the first agreement with Network Rail for BNG Credits related to the new Cambridge South Station. There are several other smaller transactions with other developers in the pipeline. The Council's marketing agent Bidwell's will launch a high-profile marketing programme to sell more BNG credits which will also tie in with the Government's legislation to require developers to deliver BNG effective from January 2024.

3) Collective Investment Funds

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
9	-1,087	-1,078	-1,586	-508	-47%

The final position of the treasury investments is additional income of £508k. Despite a challenging economic position dividends from the funds remain strong. Performance of the investments is monitored regularly by officers. We're confident this will continue; therefore additional income target was agreed in the 2024-25 business plan.

4) This Land

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
2,437	-8,570	-6,133	-6,292	-159	-3%

The final position of the This Land budget is an underspend of £159k, due to lower than budgeted spend on ancillary services such as surveying and professional advice.

5) Renewable Energy Investment

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
895	-1,134	-239	-439	-200	-84%

The final position for the Renewable Energy Investment budget is additional income of £200k. This is due to the recent renewal of the Power Purchase Agreement (PPA), including Renewable Energy Guarantees of Origin (REGOs) for Triangle Solar Farm. This is a 1-year PPA contract. There is also less expenditure on maintenance this year. The new income expected under the new contract has been included in the 2024-25 business plan.

6) IT Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
13,082	-1,143	11,939	11,212	-727	-6%

The final position for the IT Services budget is an underspend of £727k.

Corporate Office IT Assets budget is underspent by £296k; part of this underspend includes the new budget for the secure web gateway system not being fully incurred until next financial year, and some additional elements that managed to be decommissioned earlier than previously forecasted.

The staffing budget is £156k underspent, due to additional income from Pathfinder SLA and more staff time being charged to capital and the share with PCC.

The re-procurement of the new Microsoft contract has resulted in a £112k saving this year and since re-procuring the telephony contract there is a saving of £67k.

The projects and programme budget is underspent by £100k due to not progressing with various planned projects in this financial year.

7) Central holding and miscellaneous accounts

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
1,336	-710	626	-464	-1,089	-174%

The final position for the Central holding and miscellaneous budget is an underspend of £1,089k. Part of this is the result of an exercise to match accruals with actual costs over recent financial years, identifying provisions for costs that were legitimately expected and correctly accounted for, but that now are not expected to be required. A previously forecast increase in the bad debt provision against this line will instead be charged to Adults, Health & Commissioning, reflecting the drivers of the provision increase.

8) Business Rates

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
0	-72,335	-72,335	-74,622	-2,287	-3%

The final position for Business Rates is an underspend of £2,287k. This consists primarily of a projected £830k additional 2023-24 Business Rates Pool dividend above the amount budgeted based on the latest projection received, £667k additional 2022-23 Business Rates Pool dividend above the amount accrued at last year-end following the final confirmation, and an additional £526k of general Business Rates

funding upside that was confirmed by district councils (who collect rates) after the 2023-24 Business Plan was finalised.

9) Corporate grants

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
161	-55,568	-55,408	-58,129	-2,722	-5%

The final position for the Corporate grants budget is an underspend of £2,722k, maximising use of grants to fund existing planned spend where eligible. This is a combination of in-year and carried-forward grants.

10) Policy, Insight & Programmes

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
1,685	-246	1,439	2,720	1,281	89%

The final position for the Policy, Insight & Programmes budget is an overspend of £1.28m. This variance reflects the more limited extent to which we are able to apply capital receipts to cover revenue spend this year under the national flexible use of capital receipts guidance, due to lower than expected capital receipts and lower than anticipated chargeable time. The Policy, Insight and Programmes service is operating within its budget allocation; this variance relates to how we expected to be able to fund this budget and the extent of chargeable time during a period of change within this team.

11) F&R vacancy factor

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
428	0	428	0	-428	-100%

The final position of the F&R vacancy saving budget is an overachievement of the budget saving of £428k. The savings have come from vacancies within the following services: Customer Service, IT Service, Procurement, Estates, Finance Office and H&S.

12) S&P vacancy factor

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
600	0	600	0	-600	-100%

The final position for the S&P vacancy saving budget is an overachievement of the budget saving of £600k. The savings have come from vacancies within the following services: Data Protection, Emergency Management, H&S, Executive and Personal Assistants, HR, Communications, Internal Audit, Policy, Insight & Programmes and Change Portfolio.

25) Customer Services

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
2,359	-359	2,001	1,893	-108	-5%

The final position of the Customer Services budget is an underspend of £108k, the majority of this is due to unbudgeted income from Peterborough City Council of £98k.

27) External Audit

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
202	0	202	311	109	54%

The final position of the External Audit budget is a pressure of £109k. Some of the historical costs related to the Value for Money audits and objections are now estimated to require £110k more costs than previously accrued for. Also, undertaking the Teacher Pension audits has created a pressure of £24k due to carrying out audits back-dated to 2020-21. The costs of the 2023-24 external audit are now known to cost £145k more than original budgeted; however this is largely off set by an expectation of reduced fees for 2022-23. We have drawn down £50k of reserve set aside to fund some of these previously known but unquantified pressures.

30) Property Investments

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
4,550	-9,376	-4,825	-4,370	455	9%

The final position of the Property Investments budget is a pressure of £455k. We have seen continued pressure on the budget due to vacant units and time taken for reletting of units, as well as higher maintenance costs as some properties to deal with a backlog of work. Additional income revisions which are included in the Business plan figures have also not been achieved.

31) Capital financing costs & minimum revenue provision

Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Variance £000	Variance %
58,884	-20,742	38,141	34,642	-3,499	-9%

Capital financing costs and minimum revenue provision has an underspend of £3.5m, an increase of 1.9m since the previous forecast. This is due to the following reasons:

- Tight control of cashflow to minimise the need to take out new borrowing as much as possible, reducing interest payable by a further £723k.
- Supported by a reduction in the level of capital expenditure forecast for the final quarter of the year and some un-forecast inflows of cash in the last few weeks of the financial year.
- Continued high rates on deposits for a longer period than expected, resulting in an additional £797k of interest.
- A higher than forecast capitalisation of interest position (additional £574k over the forecast of £1.5m); this budget is difficult to forecast as it depends on a variety of factors, such as average interest payable rates, levels of capital spend, sources of available income to fund spend and which projects these funds will be applied to, the availability of cashflow to facilitate funding swaps, and a prediction of which schemes are going to become operational during the year. Some of these variables are difficult to forecast; in particular this year there has been expenditure slippage, delayed completions and some unexpected borrowing required on some large on-going schemes that were anticipated to be funded by S106 contributions, however those triggers have not yet been met.

Appendix 3 – Capital Position

4.1 Capital Expenditure

Scheme	Total Scheme Revised Budget £000	Total Scheme Variance £000	Revised Budget 2023-24 £000	Actual Spend 2023-24 £000	Outturn Variance 2023-24 £000
Finance & Resources					
Data Centre Relocation	4,339	-792	872	80	-792
IT Strategy	5,939	-190	2,169	805	-1,364
IT Education System Replacement	2,921		2,535	690	-1,845
IT Infrastructure refresh	674		325	0	-325
Development Funding	987	-28	50	22	-28
Building Maintenance	6,395		658	590	-68
Condition Survey Works	2,861		2,323	1,282	-1,041
Investment in the CCC asset portfolio	5,398		140	69	-71
Hawthorns - Intensive Therapeutic Support Hub	3,519	-3,316	3,452	136	-3,316
Woodland Lodge Children's Home Essential Work	256	7	112	119	7
Haviland Way	285	5	285	290	5
March Highways depo	274	-34	274	240	-34
Asbestos Management Surveys (Schools)	135	-17	135	109	-26
Wisbech Adventure Playground	915		915	11	-904
Local Plans Representations	1,170	-151	270	119	-151
County Farms Investment	3,330		630	520	-110
Community Hubs - East Barnwell	1,259		198	2	-196
Shire Hall Relocation	18,185	-38	60	22	-38
Mill Farmhouse	563		556	298	-258
Lower Portland Farm	3,741		128	0	-128
Farms- Confidential Scheme	450		20	0	-20
Farms- Confidential Scheme	563		7	0	-7
Capital Programme Variations	-9,474		-4,689	0	4,689
Capitalisation of Interest	323	-143	247	104	-143
Finance & Resources Total	55,008	-4,696	11,672	5,509	-6,163

Scheme	Total Scheme Revised Budget £000	Total Scheme Variance £000	Revised Budget 2023-24 £000	Actual Spend 2023-24 £000	Outturn Variance 2023-24 £000
Strategy & Partnerships					
Capitalisation of Policy, Insight & Programmes	12,612	-1,336	1,648	312	-1,336
Capitalisation of Redundancies	0	7	34	41	7
Community Fund	5,000		1,641	0	-1,641
Histon Library Rebuild	97		5	5	
Libraries - Open access & touchdown facilities	1,172	-816	875	59	-816
Library Minor Works	85		71	2	-69
EverySpace - Library Improvement Fund	389		310	12	-298
Darwin Green Library	152		152	1	-151
Cherry Hinton Library	55		55	5	-50
Sackville House Library	582		61	24	-37
Sawston Comm Hub	0		0	51	51
Capital Programme Variations	-2,016		-1,677	0	1,677
Capitalisation of Interest	66	-60	66	6	-60
Strategy & Partnerships Total	18,194	-2,205	3,241	518	-2,723

The schemes with significant variances (>£250k) either due to changes in phasing or changes in overall scheme costs can be found below:

Ref	Directorate / Committee	Commentary vs previous report	Scheme	Scheme Budget £m	Budget for 2023-24 £m	Outturn Variance £m	Cause	Commentary
1a	S&P CSMI	Updated	Libraries: Open Access & Touchdown	1,172	875	-816	Underspend	Being replaced by the 'Libraries Plus' project to be funded from Just Transition Fund, as agreed in the 2024-25 Business Plan. This will be used to create suitable spaces to deliver a broader range of services from our libraries to meet the needs of our communities and employees.
2a	F&R SR&P	Updated	Hawthorns Therapeutic Hub	3,519	3,452	-3,316	Underspend	The scheme will no longer go ahead as planned.
3a	F&R SR&P	Updated	Condition Survey Works	2,861	2,323	-1,041	Phasing	Hereward Hall Heating, & Air handling, March & Huntingdon Community Centre Roof & Heating and Speke House Heating, ventilation work to take place next year.
4a	F&R SR&P	Updated	Wisbech Adventure Playground	915	915	-904	Phasing	The project has been delayed due to initial tender submissions being over budget; DCMS have agreed that on receipt of a revised tender will review again. A building contractor will subsequently be appointed, and work is expected to start in June 2024, with an estimated completion date of end October 2024.
5a	S&P SR&P	Updated	Capitalisation of Policy, Design and Delivery Team	12,612	1,648	-1,336	Underspend	This is the cost that has been capitalised this year; there has been less allowable time that can be charged.
6a	S&P CoSMIC	Updated	Community Fund	5,000	1,641	-1,641	Phasing	Fund now fully committed following agreement of new schemes at CSMI Committee in March 2024. Grant payments to be made during 2024-25.
7a	F&R SR&P	Updated	Data centre Relocation	4,339	872	-792	Underspend	The programme has come to an end, with a saving on the total scheme.
8a	F&R SR&P	Updated	IT Strategy Programme	5,939	2,169	-1,364	Underspend (190) Phasing (1,174)	The following schemes (Childrens, Dynamics, Wisdom Highways, Planning) will be completed in 2024-25.
9a	F&R SR&P	Updated	Education System	2,921	2,535	-1,845	Phasing	The Education programme has been delayed. The selection process for the new system provider went through a rigorous process to ensure the selected system is fit for purpose. The implementation of the system will take place over the next 12 months and will include fundamental changes and improvements to the way the service is able to deliver efficient services by using technology in the most appropriate way.
10a	S&P CoSMIC	Updated	EverySpace - Library Improvement Fund	389	310	-298	Phasing	The project is running 9 months behind to meet the procurement exercise and compliance commitments.

Ref	Directorate / Committee	Commentary vs previous report	Scheme	Scheme Budget £m	Budget for 2023-24 £m	Outturn Variance £m	Cause	Commentary
11a	F&R SR&P	New	Mill Farmhouse	563	556	-258	Phasing	The farmhouse has suffered a delay with the electricity installation and will now be completed early 2024-25.
12a	F&R SR&P	New	IT Infrastructure refresh	674	325	-325	Phasing	To be earmarked for the Eastnet infrastructure in 2024-25

4.2 Capital Variations Budget

Variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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. The capital variations budget is -£4,689k for Finance & Resources and -£1,677k for Strategy & Partnerships.

4.3 Capital Funding

Original 2023-24 Funding Allocation as per Business Plan £000	Source of Funding	Revised Funding for 2023-24 £000	Actual Funding 2023-24 £000	Variance – Outturn 2023-24 £000
-	Finance & Resources			
	Grant Funding	150	11	-139
	Other Contributions	-	33	33
7,348	Prudential Borrowing	11,522	5,465	-6,057
7,348	Finance & Resources Total	11,672	5,509	-6,163
	Strategy & Partnerships			
1,343	Capital Receipts	1,343	353	-990
127	Grant Funding	127	-	-127
-	Other Contributions	-	12	12
229	Developer Contributions	129	32	-97
2,214	Prudential Borrowing	1,642	121	-1,521
3,913	Strategy & Partnerships Total	3,241	518	-2,723

Integrated Finance Monitoring Report for the period ending 31 May 2024

To: Strategy, Resources and Performance Committee

Meeting Date: 9 July 2024

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/024

Executive Summary: This report presents financial information setting out the current financial position of the council and projections for year end. The report covers revenue and capital budgets, and balance sheet items including borrowing and reserves.

Recommendation: Strategy, Resources and Performance Committee is recommended to:

- a) earmark the third busway settlement tranche to reserves, to cover future costs associated with the guided busway, per section 3.1 of Annex A.
- b) agree a budget virement of £200k from the public health grant uplift to support the recommissioning of sexual and reproductive health services, per section 3.2 of Annex A.
- c) note changes in grants and contributions, and to approve the budget movements reflecting the annual roll-forward and re-phasing process, per section 4.5.1 and appendix 6 of Annex A.
- d) note changes in grants and contributions, and to agree capital budget changes including funding from prudential borrowing where appropriate, per section 4.5.2 of Annex A.
- e) delegate authority to the Executive Director of Finance and Resources, in consultation with the Chair and Vice-Chair of this committee, to agree where appropriate deficit budgets for the schools listed in 5.4.3 of Annex A.

Officer contact:

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This regular financial monitoring report provides the consolidated management accounts of the whole council, enabling members to be aware of, and to scrutinise, the delivery of the business plan for 2024-25.

2. Background

- 2.1 This integrated report consolidates the individual Finance Monitoring Reports (FMR) that are prepared for each council directorate, and for corporate items. On a quarterly basis, those individual FMRs are reviewed by policy and service committees. The integrated report provides actual and forecast information for our revenue and capital budgets and balance sheet.
- 2.2 As a policy and service committee itself, this report item also provides the individual FMR covering the enabling services that are within this committee's remit.

3. Main Issues

- 3.1 The detailed Integrated Finance Monitoring Report for the period ending 31 May 2024 is at Annex A. The Finance & Resources and Strategy & Partnerships Finance Monitoring Report for the period ending 31 May 2024 is at Annex B.
- 3.2 The report records that there has been an improvement in the Council's revenue forecast, with the forecast year-end pressure of £6m. The report includes the results of the annual capital roll-forward and re-phasing review, and several capital scheme additions for review. Finally, an update on school budgets is provided. Additional context on the financial position of the council and individual directorates is in the main report.
- 3.3 As well as noting the general report, there are specific recommendations in sections 3, 4 and section 4. These relate to the allocation of funding to reserves, revenue and capital budget virements, and a delegation relating to agreeing budgets for schools in deficit.

4. Alternative Options Considered

- 4.1 The report sets out the alternatives to the recommendations; the budget changes requested are required to continue or advance the projects referred to.

5. Conclusion and reasons for recommendations

- 5.1 The report sets out the reasons for the recommendations. These are to ensure that the Council is using latest estimates for budgeting and proactively responding to latest information.

6. Significant Implications

6.1 Finance Implications

This report provides the latest financial information for the council and so has a direct impact on scrutiny and on wider decision making.

6.2 Legal Implications

There are no significant implications within this category.

6.3 Risk Implications

There are no significant implications within this category.

6.4 Equality and Diversity Implications

There are no significant implications within this category.

6.5 Climate Change and Environment Implications

There are no significant implications within this category.

7. Source Documents

Place & Sustainability Finance Monitoring Report (May 2024)

Children, Education & Families FMR (May 2024)

Adults & Public Health FMR (May 2024)

Finance & Resources and Strategy & Partnerships FMR (May 2024)

Integrated Finance Monitoring Report 2024-25 Period 2, May 2024

Contents

Section	Item	Description
1	Executive Summary	A high-level summary of key information covering both revenue and capital. Narrative on key issues in affecting the financial position, both corporately and across the directorates.
2	Revenue Budget	Provides a more detailed summary of the revenue position by directorate, and updates on certain key revenue items.
3	Revenue Funding Changes	This section highlights any new in-year changes to revenue budgets or funding that have taken place or that are proposed for agreement by committee.
4	Capital Programme	Provides a detailed summary of the capital position by directorate, as well as capital variations budgets and capital funding changes. Any changes to funding or budgets for the capital programme that are proposed for noting or agreement by Committee will be reported here.
5	Balance Sheet	Key information about the Council's balance sheet, including reserves, borrowing and debt.
6	Treasury Management	Update on the Council's treasury management position. At the end of Q2 and Q4 this will form a separate report as it requires consideration by Full Council.
Appx 1	Revenue – commentaries on exceptions	Detailed commentaries on forecast revenue variances by exception
Appx 2	Capital – commentaries on exceptions	Detailed commentaries on forecast capital variances by exception
Appx 3	Budget transfers between directorates / areas	Breakdown of movements between directorates /areas in 2023-24
Appx 4	Reserves & provisions	Schedule of reserves held
Appx 5	Revenue summary comparison to last year's outturn position	A revenue budget summary table that compares the current position to last year's net budget and outturn variance
Appx 6	Capital Rephasing	Schedule detailing rephasing of capital programme compared to the 2024-29 business plan

1. Executive Summary

- 1.1 This report is the consolidated management accounts for the council, and presents financial information to assess progress in delivering the Council's business plan.

The Council's financial accounts are produced annually and are available on our [website](#).

The Council's total service budgets for 2024-25 are:

- Revenue: £539m net budget
- Capital: £159m (with a total programme of over £1bn)

As well as this, the Council has a Dedicated Schools Grant (DSG) funded budget of £183m, which mainly relates to High Needs spend.

The table below shows the key forecast information by directorate:

Directorate/Area	Forecast Revenue Budget Variance £000	Forecast Revenue Budget Variance %	Forecast Net Capital Budget Variance £000	Forecast Net Capital Budget Variance %
Children, Education & Families – non-DSG	2,623	2%	-	-%
Adults, Health & Commissioning	-	-%	-	-%
Place & Sustainability	3,378	5%	-	-%
Finance & Resources	1,280	9%	-	-%
Strategy & Partnerships	12	-%	-	-%
Capital Financing	-	-%	-	-%
Corporate & Funding Items	-1,301	-19%	-	-%
Net Spending Total (+ overspend / - underspend)	5,992	1%	-	-%
Children, Education & Families – DSG	11,730	-	-	-

Detailed financial information about each service area is contained in the relevant Finance Monitoring Report. These can be found published quarterly at [committee meetings](#). Summary financial information in this report is presented with the assumption that any accompanying recommendations to committees will be agreed.

1.2 Key Issues

- 1.2.1 The Council overspent by a £1.2m on its £501m net revenue budget in 2023-24. In the context of substantial pressures in children's social care, waste disposal and the achievement of income generation targets, this was a positive year-end position, resulting in a lower draw-down from reserves than expected. Nevertheless, like many councils nationally we are reporting pressures in the budget for 2024-25.
- 1.2.2 This report sets out in detail the key pressure areas of:
- looked after children placement costs
 - waste disposal costs
 - income generation from renewable energy schemes and investments
- 1.2.3 It also sets out some mitigations that have been factored in already from government funding sources, constraining spend on some budget lines and reduced electricity prices.
- 1.2.4 The overspend position in the Children, Education and Families directorate continues to be concerning. National issues around the cost of placements for looked after children with the highest needs are impacting us, with constrained supply of places driving costs up. As well as this, we are engaging a large number of agency social workers in excess of staffing budgets to ensure that the required level of service provision can be maintained. Trends also suggest there are likely pressures on home to school transport, though no variance is yet forecast as it is too early to quantify. This would mirror the experience in recent years, with rising numbers of children being transported to special schools, and re-tenders resulting in above inflation price rises.
- 1.2.5 Adults, Health & Commissioning is currently forecasting a balanced position, with a number of factors that will potentially impact on the financial position but that cannot yet be fully quantified. These factors include the challenging set of savings 2024-25, difficult to predict trends in demand for services, and pressures in the care provider market. Recruitment to some roles in the directorate remains challenging and, in the short-term, there are increased staffing risks as the Public Health service fully separates from Peterborough City Council. Close attention is therefore being paid to changes in demand, cost and income, and savings delivery, in the directorate, and forecasts will be updated accordingly. The directorate is also focussing on the position with adult social care debt, both with service users and with the NHS. Actions to address this continue following a recent deep dive into causes, and additional resource has been put into financial assessments. The level of aged debt has a knock-on impact on the bad debt provision and the likelihood of write-offs.
- 1.2.6 The forecast overspend in Place & Sustainability is driven by two key causes. Firstly, waste management costs are higher as a result of the treatment facilities at Waterbeach being non-operational as a result of currently not being in compliance with some government regulations and therefore waste needing to be diverted through more costly routes. Strategic options to address this issue have been assessed and an overall strategy will be recommended to members to consider this year. Secondly, energy scheme income is forecast to be lower than budgeted. In part this is due to delays with some schemes, but predominantly is due to a reduced

expectation of energy prices for electricity sold following recent changes in the energy market. These same changes do result in some partial mitigations in the cost of energy used in our buildings and to power our streetlights. The directorate is also expecting to overachieve on income budgets relating to highways development control and street-works, which can be used to fund certain services.

- 1.2.7 The Finance and Resources pressures are being driven by the ongoing national economic stagnation leading to challenges to maintain the commercial portfolio income forecast. However, savings around our asset improvement programme continue to remain on track to deliver over £1.8m of savings over the next two years through more effective use of our office estate. Following detailed scoping and options appraisal, £100k has been released from the change & digital reserve to enable expenditure on rationalisation to commence, ahead of a larger capital resource request and an update to Asset & Procurement Committee in September.
- 1.2.8 Finally, this report presents a series of proposed budget virements in section 4 and appendix 6 relating to an annual review to roll-forward and re-phase the capital programme. Following the end of the previous year, any unspent budget allocations for that year that are still expected to be needed (usually due to phasing of when works take place) are proposed to roll-forward into this or a later year, and then every capital scheme is reviewed to update the phasing of its spend.

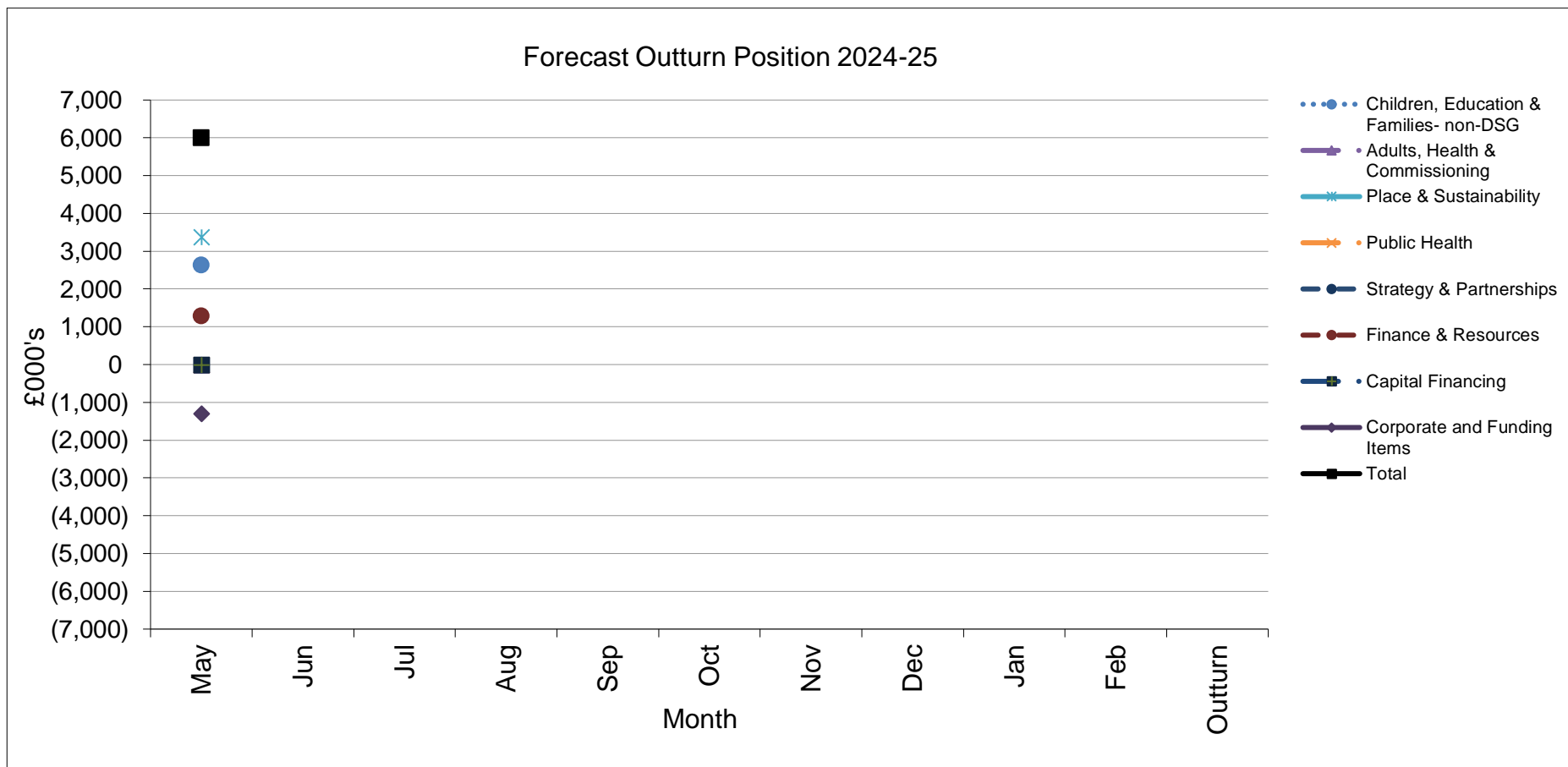
2 Revenue Budget

2.1.1 This table shows summary information for the Council's 2024-25 revenue budgets at the end of May 2024 (key variances are reported in appendix 1).

Line	Previous Forecast Variance £000	Directorate/Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actuals £000	Forecast Variance £000	Forecast Variance %
1	0	Children, Education & Families (non DSG)	187,612	-38,631	148,981	17,268	2,623	2%
2	0	Adults, Health & Commissioning	375,993	-144,969	231,024	34,895	0	0%
3	0	Place & Sustainability	110,506	-37,707	72,799	6,877	3,378	4%
4	0	Finance & Resources	49,113	-34,474	14,639	8,046	1,280	9%
5	0	Strategy & Partnerships	32,054	-7,985	24,070	3,917	12	0%
6	0	Capital Financing	66,233	-25,162	41,071	-6,661	0	0%
7	0	Corporate and Funding Items	7,618	-939	6,679	5,561	-1,301	-19%
	0	CCC Core Spending Total	829,130	-289,866	539,264	69,904	5,992	1%
8	0	Children, Education & Families (DSG)	183,393	-183,393	0	-8,282	11,730	-
9	0	Adults, Health & Commissioning (Public Health)	38,070	-38,070	0	-7,694	0	-
	0	Total including ring-fenced budgets	1,050,593	-511,328	539,264	53,928	17,722	3%
		Funding delegated to maintained schools	133,941	133,941	0			
		Total Budget	1,184,534	-645,270	539,264			

Notes on this table:

1. The actuals figures are net.
2. Numbers are presented based on current information, with adjustments for any recommendations proposed for Committee in this report.
3. Lines 8 and 9 show ring-fenced budgets, with any outturn variance treated separately to core council budgets. Any variance on Public Health goes to the PH grant reserve, and the balance for DSG is subject to separate accounting requirements. More information can be found on the DSG in section 2.2.
4. Negative actuals in line 6 relates to accruals, and lines 8 and 9 relate to grants and other income being received in advance of spend taking place, which helps the council's cashflow and reduces the need for borrowing



2.2 Dedicated Schools Grant

2.2.1 The below table summarises the overall DSG position in terms of overall funding for Cambridgeshire schools, funding that flows through the council, and funding that forms part of our budget:

	£000
Gross DSG Income to be received	655,573
Less Academy Recoupment	0
DSG within CCC's gross budget	655,573
<i>of which spent or commissioned by CCC</i>	<i>181,788</i>
<i>of which delegated to maintained schools</i>	<i>473,785</i>
Less High Needs Place Recoupment	0
Total DSG estimated to be Received in 24-25	655,573

2.2.2 Within the DSG budgets spent and commissioned directly by the council, there is significant pressure particularly on high needs spend. This table shows a summary of the position of the Council's Dedicated Schools Grant position before further action:

Opening Deficit Balance 2024-25	£40.0m
Forecast in-year movement (Excluding 2024-25 DfE Safety Valve payment and LA contribution)	£11.7m
Forecast Closing Deficit Balance 2024-25 (Excluding 2024-25 DfE Safety Valve payment and LA contribution)	£52.7m

2.2.3 A cumulative DSG deficit of £40.0m was carried forward into 2024-25.

2.2.4 In 2020-21 the Department for Education (DfE) introduced the safety valve intervention programme in recognition of the increasing pressures on high needs.

2.2.5 To the end of May the reported net DSG forecast is £11.7m in-year overspend. The challenges around the funding gap include increase growth and demand, inflation on placements, complexity of needs continue to increase, delays in opening new provision (including DfE initiated) and challenges around our data systems. As a result of these challenges, the DfE have written to the County Council outlining that we will be part of the Enhanced Monitoring and Support Programme with a view to submitting an updated Safety Value plan which is rebased to allow for these challenges. Officers are working on remodelling our demand and developing new approaches to manage costs whilst meeting the increase level of need. An update report will be brought to the CYP committee in October on progress for the discussion with the DfE.

2.2.6 This continues to be off track from the Safety Valve agreement with government, and work is being done with the Department for Education to refresh the plan to bring these budgets back into balance.

3 Revenue Funding Changes

This section highlights any new in-year changes to revenue budgets or funding that have taken place or that are proposed for agreement by Committee.

3.1 Cambridgeshire Guided Busway

- 3.1.1 In January 2024, the committee was informed that a settlement had been agreed regarding a legal dispute with the busway construction contractor. Committee agreed that settlement monies received in 2023-24 should be transferred to earmarked reserves, to reimburse for legal costs incurred and to cover future costs associated with the busway.
- 3.1.2 The third and final instalment of the settlement was received in June 2024, in the 2024-25 financial year. It is expected that, through Business Planning, this funding will be required to meet costs associated with the busway. As such, committee is recommended to earmark this tranche of the settlement to reserves as well.

Recommendation A: To earmark the third busway settlement tranche to reserves, to cover future costs associated with the guided busway.

3.2 Adults, Health and Commissioning

- 3.2.1 The Public Health grant for 2024/25 was assumed to rise in the business plan for this year. However, when the final grant was announced it exceeded the assumed level by £301k. A separate paper to Adults & Health Committee agreed the recommissioning of sexual and reproductive health services subject to the allocation of budget from this element of the grant uplift (totalling £200k).

Recommendation B: To agree a budget virement of £200k from the public health grant uplift to support the recommissioning of sexual and reproductive health services.

4 Capital Programme

4.1 Capital programme financial position

Previous Forecast Variance £000	Directorate	Gross 2024-25 Budget £000	Capital Variations 2024-25 Budget £000	Net 2024-25 Budget £000	Actuals £000	Net Forecast Outturn Variance £000	Forecast Outturn Variance %	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
0	Place & Sustainability	99,725	-30,605	69,120	813	0	0.0%	590,340	0
0	Children, Education & Families	83,535	-12,348	71,187	11,689	0	0.0%	402,354	0
0	Adults, Health & Commissioning	6,615	-75	6,540	-4	0	0.0%	116,040	0
0	Strategy & Partnerships	4,378	-1,532	2,846	274	0	0.0%	16,675	0
0	Finance & Resources	11,785	-3,275	8,510	724	0	0.0%	36,050	0
0	Total	206,038	-47,835	158,203	13,497	0	0.0%	1,161,459	0

Notes on this table:

1. The Budget column incorporates any changes in the funding available to what was originally budgeted in the Business Plan. A breakdown of the budget changes made in-year can be found in 4.4.
2. The Budget column also includes an assumed level of variations, called the 'capital variations budget' which is shown in section 4.2.
3. The reported Place & Sustainability capital figures do not include the Greater Cambridge Partnership.
4. The columns setting out budgets and forecast variances for total schemes show financial information for all schemes in a service block across all financial years.

4.2 Capital variations budgets

4.2.1 A summary of the use of the 2024-25 capital programme variations budgets by services is shown below. These variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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.

4.2.2 Capital variations summary

Directorate	Capital Variations Budget £000	Forecast Outturn Variance £000	Capital Variations Budget Used £000	Capital Variations Budget Used %	Net Forecast Outturn Variance £000
Place & Sustainability	-30,605	0	0	0.0%	0
Children, Education & Families	-12,348	0	0	0.0%	0
Adults, Health & Commissioning	-75	0	0	0.0%	0
Strategy & Partnerships	-1,532	0	0	0.0%	0
Finance & Resources	-3,275	0	0	0.0%	0
Total	-47,835	0	0	0.0%	0

4.3 Key capital budget variances are identified by exception and commented upon in appendix 2.

Key variances are those forecast to be in excess of +/-£500k

4.4 Capital Funding

4.4.1 This table sets out changes to funding for capital schemes in-year.

Funding Source	Business Plan Budget £m	Rolled Forward Funding £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Forecast Outturn Funding £m	Funding Variance £m	Total Scheme Budget £000	Total Scheme Forecast Outturn Variance £000
Department for Transport (DfT) Grant	28.4	7.2	-1.0	-0.2	34.4	34.4	0.0	231.4	0.0
Basic Need Grant	12.5	0.0	0.0	0.0	12.5	12.5	0.0	42.5	0.0
Capital Maintenance Grant	3.5	2.1	0.0	0.4	5.9	5.9	0.0	26.2	0.0
Devolved Formula Capital	0.8	2.1	0.0	-0.0	2.8	2.8	0.0	7.0	0.0
Specific Grants	26.2	1.9	-5.1	-6.1	16.9	16.9	0.0	148.5	0.0
S106 Contributions & Community Infrastructure Levy	25.4	21.9	-17.1	-0.5	29.7	29.7	0.0	146.4	0.0
Capital Receipts	1.1	0.0	0.0	0.0	1.1	1.1	0.0	11.3	0.0
Other Contributions	7.6	3.6	-13.7	10.3	7.8	7.8	0.0	83.7	0.0
Revenue Contributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prudential Borrowing	93.2	0.0	-45.9	-0.2	47.1	47.1	0.0	464.4	0.0
TOTAL	198.6	38.8	-82.8	3.6	158.2	158.2	0.0	1,161.5	0.0

Notes: The 'rolled forward funding' column reflects the difference between the anticipated 2023-24 year-end position used at the time of building the initial Capital Programme budget, as incorporated within the 2024-25 Business Plan, and the actual 2023-24 year-end position.

4.5 Capital Funding Changes

4.5.1 The table below details changes (where the change is greater than £250k).

Funding	Service	Amount £m	Reason for Change
Rolled Forward Funding	All services	+38.8	<p>Following analysis of overspends and underspends at the end of 2023-24, many of these are confirmed to be as a result of slippage in or changes to the timing of expenditure, rather than variations against total costs. As such, this funding is still required in 2024-25 or later years to complete projects. Of the £38.8m funding to be carried forward, a net £0.05m relates to prudential borrowing with the remainder relating to adjustments to other funding sources.</p> <p>Further details are available in Appendix 6, which shows capital roll-forwards.</p>
Revised Phasing	All services	-86.9	<p>There have been some changes to schemes since the 2024-25 Business Plan was finalised. The following schemes have been reviewed and it is recommended that budget is rephased, resulting in the following changes to their 2024-25 funding requirement:</p> <p>Place & Sustainability, -£50.9m:</p> <ul style="list-style-type: none"> • Delivering the Transport Strategy Aims (-£1,120k) • Bar Hill to Northstowe cycle route (-£400k) • Carriageway & Footway Maintenance including Cycle Paths (-£434k) • Wheatsheaf Crossroads (-£5,646k) • St Neots Future High Street Fund (-£2,840k) • March Future High Street Fund (-£816k) • St Ives local improvements (-£1,243k) • A141 and St Ives Improvements Scheme (-£3,482k) • A10 Ely to A14 Improvement Scheme (-£1,242k) • A14 De-trunking (+£3,878k) • Street Lighting LED (-£2,869k) • Highways materials recycling (-£2,378k) • Southern Busway Widening (-£1,649k) • Additional highways maintenance allocation (-£1,200k) • Waste – Household Recycling Centre (HRC) Improvements (-£3,022k) • Waterbeach Waste Treatment Facilities (-£19,916k) • Swaffham Prior Community Heat Scheme (-£3,206k) • Babraham Smart Energy Grid (-£280k) • North Angle Solar Farm (-£816k) • Stanground Closed Landfill Energy Project (-£409k)

Funding	Service	Amount £m	Reason for Change
			<ul style="list-style-type: none"> Fordham Renewable Energy Network Demonstrator (-£450k) <p>Children, Education & Families, -£24.7m</p> <ul style="list-style-type: none"> Northstowe Secondary, phase 2 (-£2,396k) Cambourne Village College Phase 3b (-£638k) Confidential schemes (-£21,626k) <p>Adults, Health & Commissioning, -£10.2m</p> <ul style="list-style-type: none"> Independent Living Service: East Cambridgeshire (-10,238k) <p>Finance & Resources, -£1.0m</p> <ul style="list-style-type: none"> Community Hubs - East Barnwell (-698k) <p>The impact of the rephasing on later years can be seen in appendix 6.</p>
Revised Phasing	All services	+4.1	<p>Capital programme variations budgets</p> <p>Since 2016-17, we have factored in a 'Capital Programme Variations' line for each Service, which effectively reduces the gross capital programme budget to reflect a certain level of variation that is anticipated but that cannot at the outset be predicted to fall on a specific scheme(s). Capital programme variations budgets were included in the 2024-25 business plan and have now been revised for 2024-25 as a result of the rolled forward and revised phasing exercise carried out as noted above.</p>

This information is set out more fully for lines requiring committee approval due to size in appendix 6.

Recommendation C: To note changes in grants and contributions, and to approve the budget movements reflecting the annual roll-forward and re-phasing process set out in appendix 6

4.5.2 The table below sets out funding change requests for capital schemes following review and refresh of project business cases:

Scheme	Directorate	Funding Change Amount £m	Reason for Change
March Future High Street Fund	P&S	£1.048m Other contributions	Adjustment to business plan to align funding allocation with grant funding agreement
Waste – Household Recycling Centre (HRC) Improvements	P&S	£0.576m for 2025-26 Prudential borrowing	Additional prudential borrowing of £0.576m is requested for the March Household Recycling Centre for 2025-26; the increase is mainly due to commodity prices increase. The request is being made now for 2025-26 to allow the contract to be awarded in July. The

Scheme	Directorate	Funding Change Amount £m	Reason for Change
			annual cost of the additional borrowing is estimated at £42k starting in 2026-27, decreasing each year thereafter. Future year updates to the Milton Household Recycling Centre will be reviewed as part of the 2025-26 business planning process.
Babraham Smart Energy Grid	P&S	£0.463m of which £0.183m for 2024-25 and £0.280m for 2025-26 Prudential borrowing	Additional prudential borrowing of £0.463m is requested for the Babraham Smart Energy Grid scheme across 2024-25 and 2025-26 in order to complete the scheme. The annual cost of the additional borrowing is estimated at £34k starting in 2026-27, decreasing each year thereafter.
Witchford A10 Non-motorised Users (NMU)	P&S	£0.550m of which £0.230m for 2024-25 Other contributions	Additional contributions are anticipated from the Cambridgeshire & Peterborough Combined Authority for the new Witchford A10 NMU scheme. £230k is expected in 2024-25 and £320k in 2025-26.
March Area Transport Study Phase 2	P&S	£7.000m of which £0.400m for 2024-25 Other contributions	Additional contributions are anticipated from the Cambridgeshire & Peterborough Combined Authority for the new March Area Transport Study Phase 2 scheme. £400k is expected in 2024-25 and £6,600k in 2025-26.
Active Travel 4 Plus	P&S	£1.100m Other contributions	Additional contributions are anticipated from the Cambridgeshire & Peterborough Combined Authority for the new Active Travel 4 Plus scheme.
School Condition, Maintenance & Suitability	CEF	£0.375m Grant	Additional School Conditions Allocation compared to business plan.
Samuel Pepys Special School	CEF	£0.416m Prudential borrowing	Additional prudential borrowing of £0.416m is requested for roof replacement costs on the Samuel Pepys Special School following the results of a roof survey. The annual cost of the additional borrowing is estimated at £30k starting in 2025-26, decreasing each year thereafter.
Disabled Facilities Grant	AHC	£9.670m of which £0.460m for 2024-25 Grant	Additional Disabled Facilities Grant awarded by Central Government.

Scheme	Directorate	Funding Change Amount £m	Reason for Change
Condition Survey Works	F&R	£1.472m of which £1.338m for 2024-25 and £0.134m for prior years	Additional prudential borrowing of £1.472m is requested for Condition Survey works. Surveys are reviewed to determine the priority and criticality of works to corporate buildings. The scheme intends to make the necessary repairs to bring buildings back to a decent standard, taking into account statutory requirements, property health & safety and compliance. The annual cost of the additional borrowing is estimated at £214k starting in 2025-26, decreasing each year thereafter.

Recommendation D: To note changes in grants and contributions, and to agree capital budget changes including funding from prudential borrowing where appropriate.

5 Balance Sheet

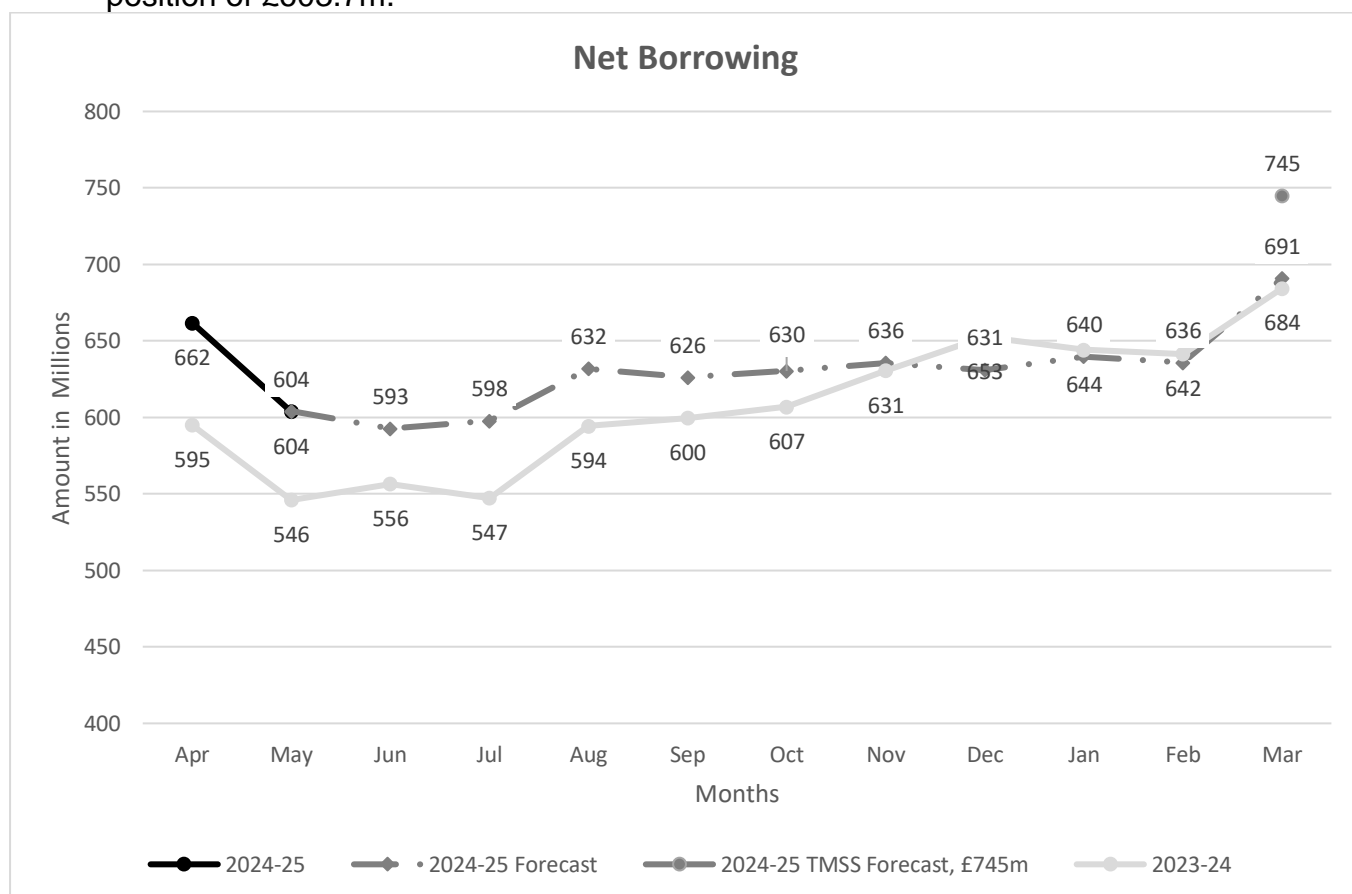
5.1 Reserves

At the end of May, the Council has revenue reserves totalling £177m, of which £30m is the general reserve. Other than the general reserve, these reserves are earmarked for specific purposes, and the breakdown of these can be seen in appendix 4.

The medium-term financial strategy assumes a gradual reduction in the overall level of reserves as earmarked funds are spent, which is planned into medium-term budgets.

5.2 Borrowing

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 May 2024, investments held totalled £164.9m (excluding all 3rd party loans, Equity and This Land) and gross borrowing totalled £768.7m, equating to a net borrowing position of £603.7m.



5.3 General Balance Sheet

5.3.1 An overview of other key balance sheet health issues is shown below. This highlights a key focus is the recovery of Adult Social Care Debt, a position that is reflected nationally. The debt indicators have been refreshed, as they are nationally, to reflect decisions taken in the business plan around the provision for bad debt.

	Measure	Target	Year to date at the end of May 2024	May 2024 Actuals
1	% of income collected (owed to the council) within 90 days on rolling 12 month basis: Adult Social Care	80%	77%	-
2	Level of debt outstanding (owed to the council) 91 days +, £m: Adult Social Care	£16.1m	£16.32m	-
3	Level of debt outstanding (owed to the council) 91 days +, £m: Sundry	£7.1m	£15.74m	-
4	% of invoices registered on ERP within 2 working days	98.0%	99.7%	99.6%
5	% of Undisputed Commercial Supplier Invoices Paid Within 30 Days	95.0%	99.5%	99.4%
6	% of Undisputed Commercial Supplier Invoices Paid Within Terms	95.0%	99.0%	99.0%

5.3.2 Some additional information for items that are behind target:

Indicators 1 and 2: Improved performance in this area was the subject of a business plan proposal, with project management governance and support has been put in place and additional managerial and operational capacity has been recruited to the CCC Debt Management team. Focused diagnostic work has progressed in key debt categories: court of protection and deceased cases, leading to process and practice revisions. Revised and enhanced approaches to training and operating procedures are being implemented. Issues with a waiting list/backlog of financial assessments to be undertaken by Adult Social Care are also recording progress.

Indicator 3: Several large invoices are the driver of this indicator being off-target, each of which is the subject of detailed work with the relevant service area. In some cases payment has since been made or committed to.

5.4 School Budgets

5.4.1 There are 123 maintained primary, nursery and special schools in Cambridgeshire. While these schools have delegated budgets where governors are responsible for financial decision making in accordance with national legislation, they also form part of the Council's overall corporate entity. Ultimately the Council has a responsibility for financial management and value for money in maintained schools.

5.4.2 The update provided on school budgets in the Outturn 2023-24 report showed that an increasing number of schools had an overall deficit by the end of that year.

Schools are required by regulations (locally this is the Scheme for Financing Maintained Schools) to set a balanced budget and failing that to request a licensed deficit with a recovery plan to bring the school budget back to balance over the medium-term. Licensing school deficits, and working with them to balance budgets, is the responsibility of officers provided the deficit budget does not total over £500k or 5% as set out in the local scheme. Previously, school deficit budgets have not exceeded that level of deficit on an ongoing basis. Although national regulations do not specify that decisions about school deficits should be reserved to Members or require political involvement, given the increasing risk in this area and to clarify the governance position in Cambridgeshire, we are reporting the position to Strategy, Resources and Performance Committee are requesting a delegation to the section 151 officer to agree deficit and financial turnaround plans in these cases.

- 5.4.3 Schools are facing increasing financial pressures, however, alongside structural issues with funding. The structural funding issues are apparent in (some but not all) special schools, nursery schools, and smaller mainstream schools with falling rolls. There are also some local financial management issues in certain schools. As a result, for 2024-25 we have 13 schools at this stage indicating they need to set a deficit budget in excess of the £500k or 5% thresholds set out above. These are:

School Name	Forecast 24/25 Deficit (including Community Focussed Activities)	Planned Deficit as % of Budget
Colleges Nursery School	-£123,719	-23.2%
Huntingdon Nursery School	-£208,131	-37.0%
The Fields Early Years Centre	-£198,937	-45.9%
Gt & Lt Shelford Primary School	-£85,326	-8.8%
Hauxton Primary School	-£85,606	-15.8%
Linton Infant School	-£132,038	-17.4%
Lionel Walden Primary School	-£216,637	-21.3%
Meridian Primary School	-£73,609	-7.5%
Queen Emma Primary School	-£536,538	-29.0%
St Anne's Primary School	-£79,183	-8.1%
Wheatfields Primary School	-£212,358	-15.0%
Castle Special School	-£791,032	-14.9%
Samuel Pepys Special School	-£155,825	-5.7%

- 5.4.4 Where schools are struggling to set a balanced budget, support is provided through direct advice and scenario modelling from the council's finance team and, where appropriate, involvement of other council services such as place planning, school governance or SEND. The council has needed to issue financial notices of concern to some governing bodies, promoting adherence to the Scheme, and can escalate its involvement through intervention or a statutory warning notice. We are working to align our intervention approach for financial management so that this is aligned with the council's wider procedures for intervention in schools experiencing leadership challenges and requiring rapid improvement.

- 5.4.5 For larger potential deficits, the process of working through options for deficit recovery can take some time, and as such it is proposed that authority to agree deficit budgets, where appropriately supported by a recovery plan or other structural solution, is delegated to the Executive Director of Finance & Resources. The status of these budgets will be reported regularly through the management accounts to this committee and to Children & Young People Committee. Without this, schools will experience uncertainty of not having a budget agreed until a point at which it can be brought before the committee.
- 5.4.6 Work is ongoing with all of the schools listed above to continue to identify options for recovery in those individual schools. This will include reviewing class and staffing structures, efficiencies and income generation. In some case, particularly for nursery, special or small schools, structural issues with funding make recovery planning very challenging.

Recommendation E: to delegate authority to the Executive Director of Finance & Resources, in consultation with the Chair & Vice-Chair of Strategy, Resources & Performance Committee, to agree where appropriate deficit budgets for the schools listed in 5.4.3

6 Treasury Management

- 6.1 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 2023-24 actual net borrowing positions, cash flows at the beginning of the year are typically stronger than at the end of the year, as many grant receipts are received in advance of spend. The 2024-25 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.
- 6.2 The original forecast net borrowing position for 30th April 2024 set out in the approved Treasury Management Strategy Statement (TMSS) was £745.0m. The latest forecast based on the outturn position for 2024-25 and will include any subsequent revisions to the capital programme. This will continue be monitored throughout the year and could be subject to further change depending upon delivery of the capital programme and ability to utilise cash-backed resources in lieu of borrowing.
- 6.3 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.
- 6.4 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.

Appendix 1 – Revenue – commentaries on exceptions

Narrative is given below where there is a forecast variance greater than +/-£500k.

Note	Status	Directorate	Service Area / Budget Line	Net Budget £000	Forecast Outturn Variance £000	Forecast Outturn Variance %	Commentary
1	New	Children, Education & Families	Children in Care Placements	32,462	3,000	9%	The opening £3m overspend is primarily due to a small number of young people in very high-cost placements. If forecast to year-end, these placements would result in a more significant overspend position, however, the service is working hard with relevant agencies to secure placements at more manageable costs and therefore we do not expect these to continue for the full year.
2	New	Children, Education & Families	Integrated Front Door	4,984	1,310	26%	The Integrated Front Door and Assessment service is forecasted to overspend by £1.31m in 2024-25. Additional agency staff have been engaged in the Multi-Agency Safeguarding Hub (MASH) and Assessment service whilst the current structures are being reviewed.
3	New	Children, Education & Families	Executive Director CEF	-395	-750	-190%	The vacancy factor for Children Education Families (CEF) is currently forecast to overachieve by £750k.
4	New	Children, Education & Families (DSG)	SEND Financing – DSG	-5,621	14,000	249%	Opening forecast DSG deficit reflective of continuing pressures and increasing demand within the High Needs Block (HNB).
5	New	Children, Education & Families (DSG)	Schools Financing - DSG	2,907	-2,270	-78%	Budgeted underspend on the DSG Central Schools Services Block (CSSB) to mitigate HNB pressures.
6	New	Place & Sustainability	Highways Development Management (HDM)	0	-1,400	n/a	Forecast income for HDM team in 2024/25 is assessed based on income generated in 2023/24 and in first three months of 2024/25. Further: <ul style="list-style-type: none"> Bond rates (and by extension S.38 fees) increased (as of April 2024) by 15-20% dependent on nature of infrastructure. The increase in rates is

Note	Status	Directorate	Service Area / Budget Line	Net Budget £000	Forecast Outturn Variance £000	Forecast Outturn Variance %	Commentary
							<p>proportionate to inflation in construction costs as benchmarked by Milestone.</p> <ul style="list-style-type: none"> • More robust planning of pre-application fee recovery to take place. • More robust fee recovery for developer temporary directional signs to take place. • Potential S.184 income to facilitate new S01/S02 roles. • Gradual realisation of the commuted sum policy of April 2023 as sites come through the development pipeline. <p>Interim / consultant fees should drop by around ~£200,000 in 2024/25.</p>
7	New	Place & Sustainability	Waste Management	46,127	1,842	4%	<p>The forecast pressure is due to two main factors, (1) The waste plants will not become operational near the end of the financial year. This was previously assumed but the options assessment exercise highlights that this may not be in the best interest of the council in the long term and therefore a revised strategy is being developed for members to consider, and (2) no additional operational savings are assumed in excess of the commercial settlement and any additional operational savings will be wrapped up in the future contract costs.</p>
8	New	Place & Sustainability	Energy Services	-3,070	2,995	98%	<p>Across the energy schemes there is a forecast shortfall of £2,995k, and the explanations are below:-</p> <p>St Ives:- Delays to generating income are expected due to sub-contractor issues, which will result in the majority of the income for the year being lost (forecast shortfall of £113k). As generation is very seasonal, if delays are less severe than expected, then some income will be generated but this will be low due to the time of year (autumn/winter). Forecast is based on contractor's expected worst case scenario of mid January for start of generation. Note that there is also a debt charge saving due to the delay in the project of £294k, leaving a net saving overall of £181k on the project.</p> <p>Babraham: income generation is substantially delayed due to sub-contractor issues. Generation should start in line with their expected programme in</p>

Note	Status	Directorate	Service Area / Budget Line	Net Budget £000	Forecast Outturn Variance £000	Forecast Outturn Variance %	Commentary
							<p>February, therefore approx £55k of income is forecast (a forecast shortfall of £407k). There is also however a saving on debt charges of £233k to leave a net pressure of £174k on the scheme.</p> <p>North Angle: The wholesale electricity price forecasts for exporting electricity to the grid have fallen substantially in Q3 2023-24 . The forecast savings reflects scenario analysis undertaken on the potential value of the Power Purchase Agreement for Summer 24 and is a forecast shortfall of £1,971k. Importantly, this will also impact the import tariffs for the Council's electricity bill and reduce costs across our property and street lighting portfolios.</p> <p>Swaffham Prior: There is a forecast shortfall of £1,009k. 64/130 homes have been connected during 2023-24 bringing to noise issues limiting hours of operation of heat pumps. An assessment of the RHI income is very low and data and meter readings are being queried.</p>
9	New	Finance & Resources	Investment Activity	-13,804	1,169	-8%	Overall the council's income from investment activity is expected to be lower than budgeted.
10	New	Corporate & Funding Items	Corporate Grants	-16,656	-1,301	-0.2%	Business Rates Compensation grant confirmed value is higher than the figure in the final local government finance settlement – this is due to the final calculation of that grant being based on outturn business rates figures from billing authorities, while the amount announced in the settlement is based on projections.

Appendix 2 – Capital – commentaries on exceptions

Narrative is given below where there is a forecast variance greater than +/-£500k.

There are no exceptions to report this month.

Ref	Directorate/ Committee	Commentary vs previous month	Scheme	Scheme Budget £m	Budget for 2024-25 £m	Forecast Outturn Variance £m	Cause	Commentary

Appendix 3 – Budget transfers between directorates / areas in 2024-25

This table shows budget movements between service blocks in 2024-25, subject to rounding errors:

Line	Budgets and Movements	CEF £000	AHC/PH £000	P&S £000	S&P £000	F&R £000	Capital Financing £000	Corporate & Funding Items £000	Total £000
	Opening Net Budgets as per Business Plan	148,900	230,361	72,799	24,066	14,747	41,071	7,320	539,264
1	Adjustments during detailed budget build to reflect inputs made by budget managers	-186	930		4	-108		-641	0
2	Transfer of contract budget reporting line	194	-194						0
3	Post reporting line transfer	73	-73						0
	Current budget	148,981	231,024	72,799	24,070	14,639	41,071	6,679	539,264

Appendix 4 – Reserves and provisions

This section shows the reserves available to the Council:

Fund Description	Balance at 1 April 2024 £000	Movements in 2024-25 £000	Balance at 31 May 2024 £000	Notes
General Reserve	30,314	0	30,314	
Strategic Framework Priorities Reserves				
Improvement programme reserves				Committed over the medium-term
<i>Just Transition Fund</i>	10,573	0	10,573	
<i>Change & Digital Reserve</i>	3,556	0	3,556	
<i>Ukraine grant reserve</i>	4,912	0	4,912	
<i>Other service change reserves</i>	812	0	812	
Improvement programme subtotal	19,853	0	19,853	
Investment reserves	2,690	0	2,690	Reserves committed by business plan to support revenue position over medium-term
Invest to save reserves	537	0	537	
MTFS support	8,924	0	8,924	
Strategic Framework Priorities Reserves Total	32,005	0	32,005	
Risk Reserves				
Risk contingencies				Links to safety valve agreement
<i>This Land Credit Loss & Equity Offset</i>	8,600	0	8,600	
<i>This Land minimum revenue provision risk</i>	1,456	0	1,456	
<i>Revaluation & Repair (Buildings)</i>	2,940	0	2,940	
<i>Local taxation volatility & appeals account</i>	3,868	0	3,868	
<i>High Needs Block Offset</i>	8,185	0	8,185	
<i>Adults Risk Reserve</i>	7,011	0	7,011	
<i>Children's risk reserve</i>	3,263	0	3,263	
<i>Major infrastructure cost reserve</i>	15,227	0	15,227	
Risk contingencies subtotal	50,550	0	50,550	
Specific legal/contractual risks reserves	18,436	0	18,436	
Funding Review Shortfall Reserve	7,415	0	7,415	
Risk - Smoothing	3,328	0	3,328	
Insurance Reserve	5,210	0	5,210	
Risk Reserves Total	34,389	0	34,389	
Ringfenced Reserves				
Ringfenced contribution	32,855	-12,258	20,598	Movement is grant carry-forwards automatically transferring to revenue
Ringfenced - Unusable	0	0	0	
Ringfenced account	2,906	0	2,906	Segregated by regulations, eg parking
Ringfenced - Developer Fund / Commuted Sum	2,278	0	2,278	
Ringfenced Reserves Total	38,040	-12,258	25,783	

Fund Description	Balance at 1 April 2024 £000	Movements in 2024-25 £000	Balance at 31 May 2024 £000	Notes
Sinking Fund	3,819	0	3,819	Cyclical spend, eg elections
Unallocated	0	0	0	
Unusable	360	0	360	
Total Revenue Reserves	189,477	-12,258	177,219	
Children, Education and Families	15,827	0	15,827	Section 106 funding is applied to applicable capital schemes at year-end.
Adults, Health and Commissioning	33	0	33	
Place & Sustainability	26,194	-412	25,782	
Finance and Resources	894	0	895	
Corporate	33,380	0	33,380	
Capital Useable Reserves subtotal	76,330	-412	75,918	
Reserves Grand Total	265,806	-12,670	253,137	

Provisions on the balance sheet are:

Department	Balance at 1 April 2024 £000s	Movements in 2024-25 £000s	Balance at 31 May 2024 £000s	Forecast balance at 31 March 2025 £000s	Notes
Finance & Resources	2,093	0	2,093	2,093	Insurance short term provision
Short Term Provisions subtotal	2,093	0	2,093	2,093	
Finance & Resources	4,746	0	4,746	4,746	Insurance long term provision
Long Term Provisions subtotal	4,746	0	4,746	4,746	
GRAND TOTAL	6,839	0	6,839	6,839	

Appendix 5 - Revenue summary comparison to last year's outturn position

2023-24 Net Budget £000	Actual Outturn Variance £000	Actual Outturn Variance %	Directorate/Area	2024-25 Net Budget £000	Forecast Variance £000	Forecast Variance %
132,095	11,349	9%	Children, Education & Families- non-DSG	148,981	2,623	2%
215,263	-3,871	-2%	Adults, Health & Commissioning	231,024	-0	0%
68,957	4,072	6%	Place & Sustainability	72,799	3,378	5%
20,102	393	2%	Strategy & Partnerships	24,070	12	0%
15,129	-1,113	-7%	Finance & Resources	14,639	1,280	9%
38,141	-3,499	-9%	Capital Financing	41,071	0	0%
11,503	-6,094	-53%	Corporate and funding items	6,679	-1,301	-19%
501,191	1,236	0%	Net Spending Total	539,264	5,992	1%

Appendix 6 – Capital Rephasing compared to 2024-25 Business Plan Requiring Approval

		Expenditure		Budget	Changes					Funding		Budget	Changes		
Scheme Ref.	Scheme Name	Up to 2023-24 (£k)	2024-25 (£k)	2025-26 (£k)	2026-27 (£k)	2027-28 (£k)	2028-29 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipt (£k)	Borrow-ing (£k)	Remarks
A/C.01.043	Confidential Scheme	-227	1,203	-976	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.01.071	Kennett Primary School	-385	385	-	-	-	-	-	-	-328	-	-	-	328	Roll forward
A/C.01.077	Confidential Scheme	-312	-	312	-	-	-	-	-	-	-	-	-	-	Roll forward
A/C.01.081	Confidential Scheme	-30	-880	910	-	-	-	-	-	-	-	-	-	-	Rephasing
A/C.01.084	Confidential Scheme	-50	-550	600	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.02.007	Confidential Scheme	-332	-200	532	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.02.009	Confidential Scheme	-500	-13,500	14,000	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.02.014	Northstowe Secondary, phase 2	-5,296	2,900	2,396	-	-	-	-	-	-	-300	57	-	243	Roll forward & Rephasing
A/C.02.016	Cambourne Village College Phase 3b	-1,520	882	638	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.03.003	Local Authority Maintained Early Years Provision	-588	588	-	-	-	-	-	-	1,023	-	-	-	-1,023	Roll forward grant for childcare expansion - reducing prudential borrowing requirement
A/C.04.010	Townley Primary Permanent Accommodation	-488	488	-	-	-	-	-	-	708	-	-	-	-708	Roll forward of grant
A/C.04.012	Confidential Scheme	-	-400	400	-	-	-	-	-	-	-	-	-	-	Rephasing
A/C.04.013	Confidential Scheme	-70	-420	490	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.05.001	School Condition, Maintenance & Suitability	-507	882	-	-	-	-	-	375	375	-	-	-	-	Carry-forward of unspent grant 2023-24 and additional grant assumed
A/C.07.001	School Devolved Formula Capital	-2,079	2,058	-	-	-	-	-	-21	-21	-	-	-	-	Carry-forward of unspent grant 2023-24 and additional grant assumed
A/C.08.007	Samuel Pepys Special School	647	-94	-137	-	-	-	-	416	-	-	-	-	416	Additional project budget required - Business case March 24
A/C.08.011	New SEMH Provision Wisbech	398	-398	-	-	-	-	-	-	-	-	-	-	-	Roll back of budget to match phasing of spend
A/C.08.012	Confidential Scheme	-225	-2,000	2,225	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.08.013	Swavesey Village College - Martin Bacon Academy satellite	479	-479	-	-	-	-	-	-	-	-	-	-	-	Roll back of budget to match phasing of spend
A/C.08.014	Confidential Scheme	-278	-505	783	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.08.015	Confidential Scheme	-250	-2,100	2,350	-	-	-	-	-	-	-	-	-	-	Roll forward & Rephasing
A/C.08.016	Alconbury Weald Prestley Wood SEND	-1,368	1,368	-	-	-	-	-	-	-	90	-	-	-90	Roll forward
A/C.14.001	Variation Budget	-	4,359	-4,963	-1,308	-	-	-	-1,912	-	-4,999	-	-	3,087	Recalculation of capital variations budget in line with this rephasing exercise.
B/C.1.001	Disabled Facilities Grant	-	460	460	460	460	460	7,370	9,670	9,670	-	-	-	-	Additional Disabled Facilities Grant awarded by Central Government - passed to district councils
B/C.1.003	Independent Living Service : East Cambridgeshire	-354	-9,884	-762	11,000	-	-	-	-	-	-	-	-	-	Rephasing due to delays in land purchase
B/C.7.001	Variation Budget	-	1,483	114	-1,650	-	-	-	-53	-	-	-	-	-53	Recalculation of capital variations budget in line with this rephasing exercise.
C/C.1.011	Local Infrastructure improvements	-351	548	106	90	90	90	-	573	-	-	573	-	-	Carry forward and rephasing
C/C.1.012	Safety Schemes	-224	24	-	-	-	-	-	-200	-200	-	-	-	-	Carry forward and rephasing. 200k of new funding to Puddock Road.
C/C.1.019	Delivering the Transport Strategy Aims	-1,573	273	1,120	-	-	-	-	-180	-180	-	-	-	-	Carry forward and rephasing. Transfer of funding to other lines
C/C.1.020	Bar Hill to Northstowe cycle route	-75	-559	400	-	-	-	-	-234	47	-1,175	25	-	869	Rephasing, review of funding allocation, and review of overall cost
C/C.2.001	Carriageway & Footway Maintenance including Cycle Paths	-434	294	728	294	294	294	-	1,470	1,470	-	-	-	-	Rephased and balance of the pothole grant moved around between the Operating the Network lines (references C/C.2....)
C/C.2.004	Bridge strengthening	-685	476	-209	-209	-209	-209	-	-1,045	-1,045	-	-	-	-	Rephased and balance of the pothole grant moved around between the Operating the Network lines (references C/C.2....)

		Expenditure		Budget	Changes					Funding		Budget	Changes		
Scheme Ref.	Scheme Name	Up to 2023-24 (£k)	2024-25 (£k)	2025-26 (£k)	2026-27 (£k)	2027-28 (£k)	2028-29 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipt (£k)	Borrow- ing (£k)	Remarks
C/C.2.005	Traffic Signal Replacement	29	-98	-69	-69	-69	-69	-	-345	-345	-	-	-	-	Rephased and balance of the pothole grant moved around between the Operating the Network lines (references C/C.2....)
C/C.2.006	Smarter Travel Management - Integrated Highways Management Centre	-7	-9	-16	-16	-16	-16	-	-80	-80	-	-	-	-	Rephased and balance of the pothole grant moved around between the Operating the Network lines (references C/C.2....)
C/C.3.002	Footpaths and Pavements	-430	430	-	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.006	Guided Busway	-1,114	-2,747	-	-	-	-	-	-3,861	-	-	-	-	-3,861	Funding removed as original construction now completed (this line had historically been retained because final s106 funding still to be received, but that will be captured separately, removing the need for this legacy line to remain)
C/C.3.009	Wheatsheaf Crossroads	-1,028	-4,618	5,646	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.010	St Neots Future High Street Fund	-169	-2,671	2,840	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.011	March Future High Street Fund	-820	1,052	816	-	-	-	-	1,048	-	-	1,048	-	-	Carr-forward and review of scheme cost, to match level of funding agreed.
C/C.3.014	St Ives local improvements	-602	-201	1,243	-	-	-	-	440	150	170	120	-	-	Carry forward and rephasing. Scheme budget proposed for increase due to s106 contributions linked.
C/C.3.015	A141 and St Ives Improvements Scheme	-1,517	-1,770	3,482	-	-	-	-	195	-5,805	-	6,000	-	-	Carry forward, rephasing and additional contributions.
C/C.3.016	A10 Ely to A14 Improvement Scheme	-449	-708	1,242	-	-	-	-	197	-3,803	-	4,000	-	-	Carry forward, rephasing and additional contributions.
C/C.3.017	A14 De-trunking	-683	4,561	122	-	-	-	-4,000	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.018	Street Lighting LED	-47	-2,822	-100	2,969	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.019	Highways materials recycling	-253	-2,125	2,378	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.021	March Area Transport Study	58	-272	214	-	-	-	-	-	-3,329	-	3,329	-	-	Carry forward and rephasing
C/C.3.023	Southern Busway Widening	91	-1,740	1,649	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.3.026	Additional highways maintenance allocation	-1,489	289	1,200	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.4.002	Waste – Household Recycling Centre (HRC) Improvements	-303	-2,143	3,022	-	-	-	-	576	-	-	-	-	576	Carry forward, re-phasing and anticipated increased cost.
C/C.4.003	Waterbeach Waste Treatment Facilities	-1,578	-18,338	19,916	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.4.004	Reallocation and funding of cost cap for Northstowe Phase 1	1	-834	-	-	-	-	-	-833	-	-	-	-	-833	This is a funding line, rather than spend. The funding has been allocated, removing the need for this line.
C/C.5.013	Swaffham Prior Community Heat Scheme	-1,676	-1,530	1,803	1,403	-	-	-	-	-	-	-	-	-	Scheme costs spread across the next 3 years to reflect delayed customer connection profile.
C/C.5.015	Babraham Smart Energy Grid	-1,635	1,824	280	-	-	-	-	469	6	-	-	-	463	Roll-forward, rephasing and increased costs
C/C.5.019	North Angle Solar Farm	-	-816	816	-	-	-	-	-	-	-	-	-	-	Rephasing
C/C.5.021	Decarbonisation Fund	-521	410	-177	288	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.6.002	Investment in Connecting Cambridgeshire - Fixed Connectivity	475	-475	-	-	-	-	-	-	-	-	-	-	-	Rephasing of budget to match earlier spend
C/C.6.006	Investment in Connecting Cambridgeshire - Programme Delivery	400	-400	-	-	-	-	-	-	-	-	-	-	-	Rephasing of budget to match earlier spend
C/C.7.001	Variation Budget	-	205	-20,887	-1,646	-	-	-	-22,328	7,720	-2,190	-10,156	-	-17,702	Recalculation of capital variations budget in line with this rephasing exercise.
D/C.1.007	IT Strategy	-1,364	1,306	-	-	-	-	-	-58	-	-	-	-	-58	Re-phased based on profile of IT Assets
D/C.4.008	Community Hubs - East Barnwell	-18	-680	875	-	-	-	-	177	-	177	-	-	-	Rephasing of the scheme, and additional budget funded through s106
D/C.6.001	Variation Budget	-	-1,153	-298	-	-	-	-	-1,451	-	-47	-	-	-1,404	Recalculation of capital variations budget in line with this rephasing exercise.
E/C.6.001	Variation Budget	-	-759	-72	-	-	-	-	-831	-	-162	-	5	-674	Recalculation of capital variations budget in line with this rephasing exercise.
D/C.1.004	Cambridgeshire Community Capital Fund	-1,712	1,712	-	-	-	-	-	-	-	71	-	-	-71	Rephasing in line with the schemes this is committed to
D/C.4.011	Mill Farmhouse	-258	258	-	-	-	-	-	-	-	-	-	-	-	Roll-forward

Scheme Ref.	Scheme Name	Expenditure Budget Changes							TOTAL (£k)	Funding Budget Changes					Remarks
		Up to 2023-24 (£k)	2024-25 (£k)	2025-26 (£k)	2026-27 (£k)	2027-28 (£k)	2028-29 (£k)	Later Yrs (£k)		Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipt (£k)	Borrow- ing (£k)	
D/C.2.010	IT Infrastructure refresh	-325	325	-	-	-	-	-	-	-	-	-	-	-	Roll-forward
D/C.1.010	IT Education System Replacement	-1,845	1,205	-	-	-	-	-	-640	-	-	-	-	-640	Roll-forward to reflect updated phasing, and overall underspend expected
C/C.5.014	St Ives Smart Energy Grid Demonstrator scheme - P&R	-383	475	54	54	-	-	-	200	-4	-	-	-	204	Roll-forward, rephasing and increased costs
N/A	Swavesey Kitchen And Library	-628	628	-	-	-	-	-	-	-	-	-	-	-	S106 funded scheme, roll-forward
C/C.5.017	Stanground Closed Landfill Energy Project	-449	40	409	-	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.5.020	Fordham Renewable Energy Network Demonstrator	-450	-	18	432	-	-	-	-	-	-	-	-	-	Carry forward and rephasing
C/C.1.012b	Safety Schemes - Swaffham Heath Crossroads	-772	772	-	-	-	-	-	-	-	-	-	-	-	Roll-forward
C/C.1.012c	Safety Schemes - Puddock Road	-601	517	284	-	-	-	-	200	200	-	-	-	-	Roll-forward and addition of further grant funded spend
C/C.3.007	King's Dyke	3,348	-3,348	-	-	-	-	-	-	-	-	-	-	-	Budget is for cost recoupment; this line phases that recoupment back to 2024-25
N/A	CaPCAM and Electric Vehicles	-353	353	-	-	-	-	-	-	-	-	-	-	-	Roll-forward
N/A	Transforming Cities Fund	-829	829	-	-	-	-	-	-	-	-	-	-	-	Carry forward and rephase
N/A	Active Travel 4	-531	427	104	-	-	-	-	-	-	-	-	-	-	Carry forward and rephase
-	Total	-37,114	-45,937	48,311	12,092	550	550	3,370	-18,066	6,229	-8,365	4,996	5	-20,931	

Directorate: Finance & Resources and Strategy & Partnerships
 Subject: Finance Monitoring Report – May (period 2)

Contents

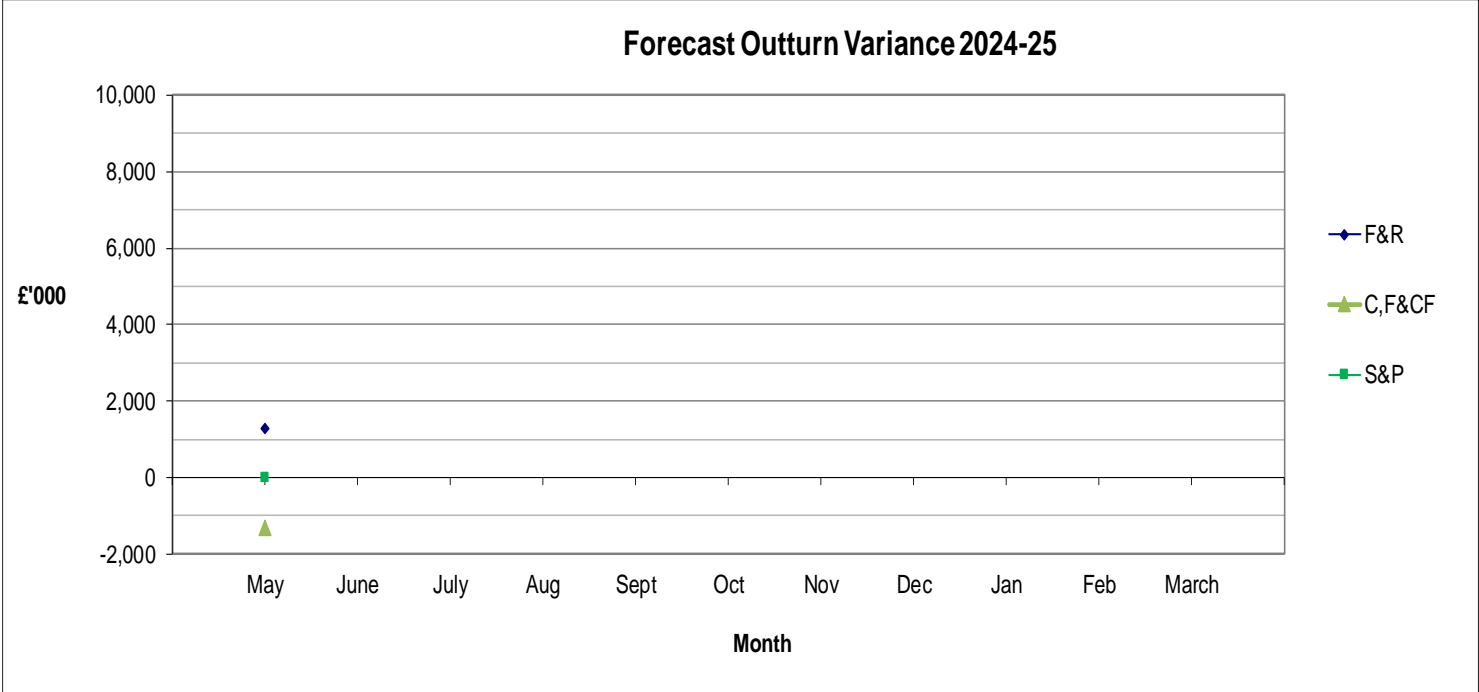
Section	Item	Description
1	Revenue Executive Summary	High level summary of information and narrative on key issues in revenue financial position
2	Capital Executive Summary	Summary of the position of the Capital programme within Finance & Resources and Strategy & Partnerships
3	Savings Tracker Summary	Summary of the latest position on delivery of savings
Appx 1a	Service Level Financial Information	Detailed financial tables for within Finance & Resources main budget headings
Appx 1b	Service Level Financial Information	Detailed financial tables for within Strategy & Partnerships main budget headings
Appx 1c	Service Level Financial Information	Detailed financial tables for within Corporate, Funding & Capital Financing main budget headings
Appx 2	Service Commentaries	Detailed notes on revenue financial position of services that have a significant variance against budget
Appx 3	Capital Appendix	This contains more detailed information about the capital programme, including funding sources and variances from planned spend.

1. Revenue Executive Summary

1.1 Overall Position

At the end of May 2024, Finance & Resources is projected to be £1.280m overspent; Strategy & Partnerships £12k overspent; and Corporate, Funding & Capital Financing £1.301m underspent.

1.2 Summary of Revenue position by Directorate



1.2.1 Finance and Resources

Forecast Outturn Variance (Previous) £000	Service Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	Executive Director of Finance & Resources	844	0	844	41	-95	-11.3%
0	Customer & Digital Services	15,482	-1,430	14,053	5,937	0	0.0%
0	Finance & Procurement	11,985	-2,795	9,190	1,192	3	0.0%
0	Property Services	12,941	-8,585	4,356	2,213	202	4.6%
0	Investment Activity	7,861	-21,665	-13,804	-1,338	1,169	-8.5%
0	Total	49,113	-34,474	14,639	8,046	1,280	8.7%

1.2.2 Strategy and Partnerships

Forecast Outturn Variance (Previous) £000	Service Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	Executive Director: Strategy & Partnerships	7,929	-821	7,108	1,244	12	0.2%
0	Legal & Governance	7,521	-207	7,314	711	0	0.0%
0	Policy & Communities	16,604	-6,956	9,648	1,962	0	0.0%
0	Total	32,054	-7,985	24,070	3,917	12	0.1%

1.2.3 Corporate, Funding & Capital Financing

Forecast Outturn Variance (Previous) £000	Service Area	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	Capital Financing	66,233	-25,162	41,071	-6,661	0	0.0%
0	Corporate Items	7,618	-939	6,679	5,561	0	0.0%
0	General funding sources	0	-539,264	-539,264	-99,832	-1,301	-0.2%
0	Total	73,851	-565,365	-491,514	-100,931	-1,301	-0.2%

1.3 Significant Issues

Within Finance & Resources, pressures exist within Property Services from rising costs of maintenance work and costs of buildings awaiting disposal. We are focusing effort on the asset improvement plan, to deliver savings through rationalizing the council's property estate. In addition, overall investment activity is expected to generate a lower return this year than budgeted.

Within Strategy & Partnerships, a balanced budget is currently forecast. Services in the directorate are looking to identify any cost reductions or in-year savings to offset pressures across the wider council.

Detailed financial table displaying the main revenue budget headings can be found in [Appendix 1](#).

2. Capital Executive Summary

At the end of May 2024, the capital programme forecast is expected to be as per the budget. The level of slippage and underspend in 2024-25 is currently anticipated to be £4.807m and as such has not yet exceeded the Capital Variation Budget. A forecast outturn will not be reported unless this happens.

Details of the currently forecasted capital variances can be found in [Appendix 3](#).

3. Savings Tracker Summary

The savings trackers are produced quarterly to monitor delivery of savings against agreed plans.

Appendix 1a – Finance & Resources Detailed Financial Information

Forecast Outturn Variance (Previous) £000	Committee	Note	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
Executive Director of Finance & Resources									
0	SRP		Executive Director	844	0	844	41	-95	-11%
0			Executive Director of Finance & Resources Total	844	0	844	41	-95	-11%
Customer & Digital Services									
0	SRP		Customer Services	2,642	-306	2,336	329	0	0%
0	SRP		IT Services	12,840	-1,124	11,717	5,608	0	0%
0			Customer & Digital Services Total	15,482	-1,430	14,053	5,937	0	0%
Finance & Procurement									
0	SRP		Service Director of Finance & Procurement	329	0	329	41	0	0%
0	SRP		Professional Finance	3,158	-562	2,596	539	0	0%
0	SRP		Procurement	1,050	-44	1,006	179	-0	0%
0	SRP		CCC Finance Operations	215	-145	70	25	3	5%
0	SRP		Insurance Fund	2,544	0	2,544	954	0	0%
0	SRP		Lead Authority Services	4,488	-2,045	2,444	-6	0	0%
0	SRP		External Audit	202	0	202	-540	0	0%
0			Finance & Procurement Total	11,985	-2,795	9,190	1,192	3	0%
Property Services									
0	SRP	2	Facilities Management	9,436	-2,762	6,673	1,684	202	3%
0	SRP		Property Services	1,061	0	1,061	222	-0	0%
0	SRP		Property Compliance	418	-38	380	-2	0	0%
0	SRP		County Farms	996	-5,759	-4,763	119	0	0%
0	SRP		Strategic Assets	1,031	-25	1,005	189	0	0%
0			Property Services Total	12,941	-8,585	4,356	2,213	202	5%
0		3	Investment Activity	7,861	-21,665	-13,804	-1,338	1,169	-8%
0			Overall Finance & Resources Total	15,354	-34,474	14,639	8,046	1,280	9%

Appendix 1b – Strategy & Partnerships Detailed Financial Information

Forecast Outturn Variance (Previous) £000	Committee	Note	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	SRP		Executive Director: Strategy & Partnerships	954	0	954	54	0	0%
0	SRP		Chief Executive's Office	255	-3	252	38	0	0%
0	SRP		Communications	810	-2	807	235	0	0%
0	SRP		Elections	190	0	190	0	0	0%
0	SRP		Human Resources	2,375	-295	2,080	304	0	0%
0	SRP		Learning & Development	3,045	-521	2,524	612	12	0%
0	CSMI		Local Assistance Scheme	300	0	300	0	0	0%
			Legal & Governance						
0	SRP		Internal Audit	687	-75	612	74	0	0%
0	SRP		Legal & Governance Services	4,009	0	4,009	214	0	0%
0	SRP		Information Management	1,166	-80	1,086	169	0	0%
0	SRP		Democratic & Member Services	494	-37	457	69	0	0%
0	SRP		Members' Allowances	1,165	-15	1,150	185	0	0%
0			Legal & Governance Total	7,521	-207	7,314	711	0	0%
			Policy & Communities						
0	SRP		Policy, Insight & Programmes	1,993	-293	1,701	687	0	0%
0	SRP		Emergency Planning	334	-72	262	51	0	0%
			Communities, Libraries & Skills						
0	CSMI		Strategic Management - C,L&S	-206	-116	-322	1,298	0	0%
0	CSMI		Public Library Services	4,897	-789	4,108	763	0	0%
0	CSMI		Cambridgeshire Skills	2,700	-2,700	0	-14	0	0%
0	CSMI		Archives	455	-49	406	83	0	0%
0	CSMI		Cultural Services	357	-231	126	-29	0	0%
0	CSMI		Communities Service	1,606	-372	1,233	-282	0	0%

Forecast Outturn Variance (Previous) £000	Committee	Note	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
0	CSMI		Changing Futures	1,079	-1,011	68	-501	0	0%
0	CSMI		Domestic Abuse and Sexual Violence Service	3,389	-1,323	2,066	-94	0	0%
0			Communities, Libraries & Skills Total	14,277	-6,592	7,685	1,223	0	0%
0			Policy & Communities Total	16,604	-6,956	9,648	1,962	0	0%
0			Overall Strategy & Partnerships Total	32,054	-7,985	24,070	3,917	12	0%

Appendix 1c – Corporate, Funding & Capital Financing Detailed Financial Information

Forecast Outturn Variance (Previous) £000	Committee	Note	Budget Line	Gross Budget £000	Income Budget £000	Net Budget £000	Actual to date £000	Forecast Outturn Variance £000	Forecast Outturn Variance %
Capital Financing									
0	SRP		Capital financing costs and minimum revenue provision	66,233	-25,162	41,071	-6,661	0	0%
0			Capital Financing Total	66,233	-25,162	41,071	-6,661	0	0%
Corporate Items									
0	SRP		Cambridgeshire and Peterborough Combined Authority levy	10,077	0	10,077	10,076	0	0%
0	SRP		Environment Agency levy	454	0	454	458	0	0%
0	SRP		Corporate reserves contributions	-4,674	-200	-4,874	-4,874	0	0%
0	SRP		Central holding and miscellaneous accounts	1,761	-739	1,022	-98	0	-0%
0			Corporate and Funding Items Total	7,618	-939	6,679	5,561	0	0%
General funding sources									
0	SRP		Council Tax Precept	0	-397,617	-397,617	-79,523	0	0%
0	SRP		Business Rates	0	-76,535	-76,535	-11,661	12	0%
0	SRP	4	Corporate grants	0	-65,084	-65,084	-8,619	-1,301	-0.2%
0	SRP		Revenue support grant	0	-28	-28	-28	0	0%
0			Total general funding for net budget	0	-539,264	-539,264	-99,832	-1,301	-0.2%
0			Overall Corporate, Funding & Capital Financing Total	73,851	-565,365	-491,514	-100,931	-1,301	-0.2%

Appendix 2 – Service Commentaries on Forecast Outturn Position

Narrative is given below where there is a forecast variance greater than £100,000

Note	Commentary vs previous month	Service Area / Budget Line	Net Budget £000	Forecast Outturn Variance £000	Forecast Outturn Variance %	Commentary
1.	New	Facilities Management	6,673	202	3%	A pressure for service charges of £98k which is a cost towards the use of external properties, the maintenance budget saving of £100k which was put into the business plan is forecast as non-achievable due to the new contract requirements expected later this year. A saving of £221k for electricity and gas is forecast based on the unit price reducing and current usage across April 2023-March 2024. Costs of £225k reported to date for business rates etc for old Shire Hall.
2.	New	Investment Activity	-13,804	1,169	-8%	Overall the council's income from commercial and loan activity is expected to be lower than budgeted..
3.	New	Corporate Grants	-16,656	-1,301	-0.2%	Corporate grants from DLUHC which we are due to receive during 2024/25 that are greater than budgeted for. £1.3m relates to Business Rates Compensation grant, which was unexpectedly higher than the figure in the final local government finance settlement.

Appendix 3 – Capital Position

3.1 Capital Expenditure

Original 2024-25 Budget as per Business Plan £000	Committee	Scheme Category	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Budget Carried- forward 2024-25 £000	Budget Re- phasing 2024-25 £000	Change in Funding 2024-25 £000	Revised Budget for 2024-25 £000	Actual Spend (May) £000	Forecast Outturn Variance (May) £000
Finance and Resources										
1,000	SRP	IT Strategy	5,881	-	1,364	-	-58	2,306	285	-
1,000	SRP	IT Digital Service	2,500	-				1,000	0	-
-	SRP	IT Education System Replacement	2,281	-	1,845	-	-640	1,205	167	-
-	SRP	IT Infrastructure refresh	674	-	325	-		325	5	-
450	SRP	Local Plans & Development Funding	3,137	-	-	-		450	18	-
600	SRP	Building Maintenance	6,000	-	68	-		668	41	-
1,150	SRP	Condition Survey Works	4,308	-	-	-134	1,472	2,488	51	-
-	SRP	Investment in the CCC asset portfolio	5,398	-	71	-		71	30	-
-	SRP	Asbestos Management Surveys (Schools)	135	-	26	-	-17	9	-12	-
765	SRP	Wisbech Adventure Playground (The Spinney)	915	-	139	-		904	0	-
500	SRP	County Farms Investment	5,000	-	110	-		610	25	-
778	SRP	Community Hubs - East Barnwell	1,436	-	18	-698		98	0	-
-	SRP	Mill Farmhouse	563	-	258	-		258	113	-
-	SRP	Lower Portland Farm	3,741	-	128	-		128	0	-
430	SRP	Farms- Confidential Scheme	450	-	20	-		450	0	-
350	SRP	Farms- Confidential Scheme	350	-	-	-		350	0	-
556	SRP	Farms- Confidential Scheme	563	-	7	-188		375	0	-
-2,122	SRP	Capital Programme Variations Budget	-7,394	-	-	-1,153	-	-3,275	0	-

Original 2024-25 Budget as per Business Plan £000	Committee	Scheme Category	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000	Budget Carried- forward 2024-25 £000	Budget Re- phasing 2024-25 £000	Change in Funding 2024-25 £000	Revised Budget for 2024-25 £000	Actual Spend (May) £000	Forecast Outturn Variance (May) £000
90		Capitalisation of Interest Budget	112	-	-	-		90	0	-
5,547			36,050	0	4,379	-2,173	757	8,510	725	-
Strategy and Partnerships										
1,682	CSMI	Capitalisation of Policy, Design and Delivery Team	12,612	-	-	-		1,682	0	-
-	CSMI	Community Fund	5,071	-	1,641	71		1,712	240	-
62	CSMI	Library Minor Works	85	-	0	-		62	1	-
173	CSMI	EverySpace - Library Improvement Fund	389	-	134	7		314	46	-
100	CSMI	Darwin Green Library	208	-	51	-207	56	0	0	-
45	CSMI	Cherry Hinton Library	55	-	5	-		50	1	-
521	CSMI	Sackville House Library	582	-	37	-		558	-14	-
-773	CSMI	Capital Programme Variations Budget	-1,604	-	-	-759		-1,532	0	-
1,810			17,398	0	1,868	-888	56	2,846	274	0

There are no schemes with significant variances (>£250k) either due to changes in phasing or changes in overall scheme costs to be reported this month.

3.2 Capital Variations Budget

Variation budgets are set annually and reflect an estimate of the average variation experienced across all capital schemes, and reduce the overall borrowing required to finance our capital programme. There are typically delays in some form across the capital programme due to unforeseen events, but we cannot project this for each individual scheme. We therefore budget centrally for some level of delay. Any known delays are budgeted for and reported at scheme level. If 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.

3.3 Capital Funding

Original 2024-25 Funding Allocation as per Business Plan £000	Source of Funding	Budget Carried- forward 2024-25 £000	Budget Revisions 2024-25 £000	Revised Budget for 2024-25 £000	Forecast Spend - Outturn (May) £000	Forecast Variance - Outturn (May) £000
Finance and Resources						
765	Grant Funding	139	-	904	904	-
4,782	Prudential Borrowing	4,240	-1,416	7,606	7,606	-
5,547		4,379	-1,416	8,510	8,510	-
Strategy and Partnerships						
1,095	Capital Receipts	-	5	1,100	1,100	-
173	Grant Funding	17	7	197	197	-
542	Developer Contributions	210	-195	557	557	-
-	Prudential Borrowing	1,641	-649	992	992	-
1,810		1,868	-832	2,846	2,846	-

Productivity Plans

To: Strategy, Resources and Performance Committee

Meeting Date: 9 July 2024

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/014

Executive Summary: Government requested that local authorities publish Productivity Plans by 19 July 2024 for both the Council and Pension Fund. This report contains the proposed submission for the County Council for comment, along with the Pension Fund submission to be discussed at the Pension Committee.

Recommendation: The Committee is asked to:

- a) consider the attached Productivity Plan submission to Government, noting any changes and agree to delegate to the Executive Director of Finance and Resources in consultation with the Chair and Vice Chair of this Committee, to submit before the 19 July deadline.
- b) note the submission relating to the Pension Fund's productivity plan that will be discussed and agreed at the 18 July Pension Committee.

Officer contact:

Name: Michael Hudson

Post: Executive Director of Finance and Resources

Email: Michael.hudson@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This report and the attachment relates to the overall organisation and processes within the Council in response to a request from the Department for Levelling Up, Housing and Communities (DLUHC). As such this reflects how the Council is structuring its services to enable the delivery of all of the Council's seven ambitions.

2. Background

- 2.1 On 6 March 2024 the Chancellor announced, as part of the Spring Budget, a Public Sector Productivity Plan which will reportedly invest £800m and deliver up to £1.8bn of benefits by 2029. As part of that there was a requirement for all local authorities to produce and publish their own Productivity Plans by 19th July 2024. On 16 April 2024, the Minister for Local Government, Simon Hoare MP, wrote to all local authority Chief Executives to set out further guidance (Appendix A). A similar request was made to pensions funds (Appendix B).

3. Main Issues

- 3.1 In response to the request, officers have provided a suggested response for publication at Appendix C. This highlights the key work the Council has been undertaking to continue to drive efficiency across the whole organisation, whilst at the same time invest in key areas such as equality, diversity and inclusion to retain, recruit and maintain a motivated and diverse workforce as well as their well-being, and one that is also able to recognise the impact on our communities.
- 3.2 A separate response for the Cambridgeshire Pension Fund is to be discussed at the next Pension Committee (18 July 2024) and the draft is attached at Appendix D for noting.

4. Conclusion and reasons for recommendations

- 4.1 The Council has set out responses to Government's requests and the attached Appendix C is submitted for Committee's consideration.

5. Significant Implications

5.1 Finance Implications

There are no finance implications.

5.2 Legal Implications

There are no legal implications.

5.3 Risk Implications

At this stage DLUHC have not identified how these Plans will be considered or any potential responses. As such this could include requests for further clarity or work. This will be managed as and when known.

5.4 Equality and Diversity Implications

The submission reflects the investment provided by the Council to maintain a strong equality, diversity and inclusion commitment and delivery.

5.5 Climate Change and Environment Implications

There are no climate change or environment implications.

6. Source Documents

6.1 All supporting documentation is referenced and linked in the attached submission.



Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

16

April 2024

Dear Chief Executive

Productivity in Local Government

As you know, the Government is reviewing productivity across all public services and local government is, of course, part of that exercise. The recent [Local Government Finance Settlement](#) announced that councils would be asked to produce productivity plans. This letter formally begins that process.

May I first thank you for your very helpful engagement with my officials. Your views and thoughts have been valuable in shaping this approach to make it as useful as possible for all of us.

Local government has already done a huge amount in recent years to improve productivity and efficiency. However, lockdown and post-lockdown has proved challenging, and you are looking for new ways to go further. These new plans will help us understand what is already working well across the whole country, what the common themes are, whether there are any gaps and what more we need to do to unlock future opportunities. We will share these important lessons across the sector.

Productivity is not one-dimensional, and I would encourage you to consider the various facets that encompass the drive for greater productivity. When developing your plans, please think broadly and include reference to not only how you run your organisation, but also how you run the public services you provide and how you provide place leadership. It is with this wide view that we can ensure we are providing value for money for residents.

I am not looking to impose excessive burdens. I am not issuing you with a formal template or a detailed list of criteria to meet. I expect your plans to be three to four pages in length, and to set out what you have done in recent years, alongside your current plans, to transform your organisation and services. I do not want to specify a list of metrics you must report, but I do want to understand how you will monitor and assess your plans to assure yourselves and your residents that they will be delivered.

The plans should consider the below themes and where appropriate, should reference the work your council undertakes alongside other public services, such as the NHS and police.

1. How you have transformed the way you design and deliver services to make better use of resources.

Questions to consider:

- how has the organisation changed in recent years to become more productive? You may wish to consider what you have done around staffing, structures, operating models etc;
- how do you measure productivity in your organisation?
- what changes have you made to improve services, and what effects have those had?
- what are your current plans for transformation over the next two years and how will you measure the effects of those changes?

- looking ahead, which service has greatest potential for savings if further productivity gains can be found? What do you estimate these savings to be?
- what role could capital spending play in transforming existing services or unlocking new opportunities? If you have already used capital spending to boost growth or improve services, we would be interested in learning more;
- what preventative approaches you have undertaken and can the value of these be quantified?
- are there wider locally-led reforms that could help deliver high quality public services and improve the sustainability and resilience of your authority?

2. How you plan to take advantage of technology and make better use of data to improve decision making, service design and use of resources.

Questions to consider:

- what are your existing plans to improve the quality of the data you collect; how do you use it and how do you make it available to residents?
- are there particular barriers from legacy systems?
- how often do you share data with other organisations, and do you find this useful?
- Are there opportunities to use new technology to improve workflows and systems, such as predictive analytics and AI?

3. Your plans to reduce wasteful spend within your organisation and systems.

I know we will share the aim to reduce waste wherever we can and, while you have all made huge strides in recent years, no organisation is ever 100% efficient. You should set out your plans to reduce wasteful or “gold-plated” spend.

Questions to consider:

- how do you approach identifying and reducing waste in the organisation? How do you monitor progress?
- where have you followed invest to save and what was the result?
- how much time and money do you spend on staff EDI training (internal and external), networks, and other programmes? How many EDI Champions do you have as an organisation? How do you log and report the time and money spent on EDI related activity? How do you assess the effectiveness of that training?
- what percentage of total staff budget is spent on a) agency and b) consultants? How do you assess value for money on agency & consultancy spend and what are your plans to reduce use / costs? How many of those consultants or agency staff have been in place for over a year?
- what governance structures do you use to ensure accountability of spend?
- do you share office functions with other councils and if so, how useful do you find this?
- if you share external training costs with neighbouring councils, how do you factor out duplications of service between your council and your upper-tier council (if you have one)?

- if you have one, what is your assessment and experience of working with an elected mayor, combined authority, or devolution deal?
- what proportion of your paybill is spent on trade union facility time?

4. The barriers preventing progress that the Government can help to reduce or remove.

There will be barriers preventing you from going as far or as fast as you would like to. I would like your plans to set those out, so that we can understand how government, or the market, can help you overcome these barriers to go even further.

Questions to consider:

- what are the barriers preventing you from improving productivity further within your organisation?
- what are the barriers preventing you from improving services further?
- are these barriers consistent across multiple services?
- what would you need to remove those barriers? What do you need from government, the market or elsewhere?

Your plans must be returned by 19 July 2024, by email to productivityplans@levellingup.gov.uk.

You must ensure that there is member oversight and endorsement of the plan before it is submitted, and the plan must also be uploaded to your website so that residents can see it. You should consider how you will update the plans and report on progress on a regular basis. The plans should also contain relevant metrics and key performance indicators to allow you and your residents to monitor progress.

Once received, we will review the plans to identify common themes and issues across the sector. We are keen to highlight best practice that others can learn from.

Individual plans will not be rated or scored, and we will not produce any kind of league tables. We are interested in understanding what is happening across the sector.

We are setting up a panel to consider the themes and evidence that comes from the plans. I will chair the panel and bring together experts from the sector and beyond, including Oflog and the LGA. They will consider the issues emerging from the plans, the implications for future national policy design, the role of government in supporting further change and the role of the sector in going further. The panel will advise national government and local government, and I believe this collaborative approach will ensure the most effective outcomes.

I look forward to updates on your publication and progress.



SIMON HOARE MP
Minister for Local Government



Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

Chief Executives and Section 151 Officers of
Administering Authorities in England

By email

15th May 2024

Dear Colleagues,

Efficiencies in local government and the management of Local Government Pension Scheme (LGPS) funds

I wrote to all chief executives on 16 April setting out my expectations for the productivity plans to be developed by each authority as announced at the local government finance settlement. In this, I asked for plans covering service transformation, better use of technology and data and reduction of wasteful spend as well as views on barriers which government could remove (letter at annex A).

I am now writing to you to ask you to set out your approach to efficiencies in the management, governance and administration of your LGPS fund and asset pool in a separate letter. I am interested in what is happening across local government to deliver efficiencies in the management of the £359 billion of pension assets you hold, and in your administration of pension benefits for the 6.6 million members.

Since taking on ministerial responsibility for the LGPS I have been grateful for the generous engagement I have received, and I have been struck by the generally strong financial position of the scheme, as well as the strong commitment to serving scheme members. However, it is clear that there is also a need for improvements, including to meet the expectations set out on asset pooling and investments set out at the [Autumn Statement](#). More efficiencies in fund administration and management should also be achieved: across the scheme in 2022-3 investment management costs were £1.7 billion and £280 million on administration and governance.

Your response should consider the following themes on pensions.

1. How your fund will complete the process of pension asset pooling to deliver the benefits of scale.


- What proportion of assets have been pooled in your chosen LGPS asset pool? Is your fund on track to pool all listed assets by March 2025, and if not, what are the barriers to this?
- Is there scope for minimising waste and duplication by making use of your LGPS asset pool's services and expertise in reporting and development of the pensions investment strategy? What is your expenditure on pensions investment consultancy?
- Does your LGPS asset pool have an effective, modern governance structure in place, which is able to deliver timely decisions and ensure proper oversight? If not, what steps are you taking to make your pool's governance more effective?

2. How you ensure your LGPS fund is efficiently run, including consideration of governance and the benefits of greater scale.

- Does your LGPS fund have effective and skilled governance in place, which is able to hold officers, service providers and the pool to account on performance and efficiency?
- Would you be likely to achieve long-term savings and efficiencies if your LGPS fund became part of a larger fund through merger or creation of a larger pensions authority?

As set out in my previous letter I do not wish to impose excessive burdens. I expect your letter to be no more than two pages in length. Your plans must be returned by 19 July 2024, by email to lgpensions@levellingup.gov.uk. We will review your responses and consider the issues emerging and the implications for future national policy.

I look forward to working with you to deliver the best outcomes.

With every good wish
Yours,

SIMON HOARE MP
Minister for Local Government

Cambridgeshire County Council

**Productivity Plan Submission to the
Department for Levelling Up, Housing and Communities July 2024****How the Council has transformed the way it designs and delivers services to make better use of resources:**

The Council has a clear vision and seven ambitions set out in its Strategic Framework ([CCC Strategic Framework 2023 to 2028](#)). It was updated and presented alongside a balanced budget for 2024/25 and the 2024-29 Medium Term Financial Plan in February 2024 ([2024/25 Balanced Budget Plan](#) / [Medium Term Financial Strategy](#)). The Council has consistently set and delivered balanced budgets, with strong financial and performance management through regular open reporting and monitoring to our Policy and Service Committees - [Strategy, Resources and Performance Committee March 2024](#).

The Council has undertaken proactive steps, over a number of years to make our data and performance available to residents through our [Cambridgeshire Insight Website](#).

In delivering on the ambitions over the last three years the Council has secured value for money, improvement and transformation, for example through delivering:

- adult reablement through redesigned locality based care teams and working with our partners in the NHS and across the voluntary sector to provide local support to help to our elderly residents live at home well and for longer - [Our Reablement Offer](#) / [Our Volunteering](#). This has helped manage demand pressure and keep costs down.
- a new Parent Champions pilot programme, based on evidence that when it comes to choosing childcare, parents are more likely to trust other parents than professionals. This was launched in partnership with the support of [Cambridgeshire Early Years and Childcare service](#). This is helping more children be ready for school and prevent future costs.
- 47% carbon reduction ([Council marks progress to Net Zero](#)) and renewable energy income generation via schemes such as [Swaffham Prior renewable heat network](#) which have been recognised nationally, set to raise £7 million additional funds.
- More flexible and multi-purpose buildings that include our partners, and community facilities such as libraries, safe, warm, welcoming spaces which have been recognised nationally ([Cambridgeshire Libraries of Sanctuary award](#)). This redesign across our estate will enable nearly £3 million to be saved in our building running costs.
- Shared or collaborated services with other councils, where these arrangements continue to deliver satisfactory performance and good value, in

areas such as: financial transactions, insurance, payroll and pensions, legal services, trading standards and income management.

- In-house procurement and commercial resources and practices to challenge our third party spend, realising £4.5 million of savings.
- New income through further commercial opportunities that has yielded £3 million to date.
- Over 13,000 streetlight bulb replacements with new energy efficient LED lighting that will save £1.7m per annum.
- More accessible customer services through our contact centre and website services - [Contact us - Cambridgeshire County Council](#)
- Establishing in county provision for two new special schools, as well as similar in-county additional capacity for children with learning disabilities and children's care to remove the high costs of out of county placements.

We have concluded the majority of previously shared arrangements with Peterborough City Council and created structures and operating models focused on Cambridgeshire to achieve improved outcomes for our residents. Starting with changes to the Council's Corporate Leadership Team and continuing into a range of services, in accordance with the Council's Strategic Framework and the 2021 LGA Peer Challenge recommendations. Aligned with our [People Strategy](#), the Council has reduced its consultancy spend by 55% (£2 million) since 2021 and has invested in the development of our employees, including our apprenticeships programme ([Cambridgeshire becomes first County Council to achieve Silver employers' award](#)) and launching our [Social Care Academy](#). The Council is continuing to 'grow our own' workforce to further reduce the need for high cost agency workers.

Looking forward, the Council is setting out an ambitious strategy to change the way it operates, to ensure that it remains within its financial envelope. This was highlighted in section 13.22 of the Business Plan to Council in February 2024 ([Business Plan](#)). The Change Strategy will focus the Council on redesigning service delivery to achieve the Council's Ambitions, particularly pivoting the organisation to be Closer to Communities. This strategy is underpinned by a number of enabling programmes, including digital, discussed in the next section of this plan. These changes will focus not only on savings but on managing demand and inflationary pressures through preventative measures such as stronger locality, partner-based working in services such as reablement, fostering and social care, and improved contract management. Strong project management of this change also includes benefit realisation and milestone management to monitor the implementation and measure the effects.

How the Council plans to take advantage of technology and make better use of data to improve decision making, service design and use of resources:

The Council's [Digital Strategies and action plans to deliver](#) were approved by Councillors in 2023 to enable and direct securing greater productivity from a [Data Strategy](#) a [Technology Roadmap 2023-28](#), whilst also ensuring a focus on [Cyber Security Strategy 2023-28](#).

The aim of these strategies at the heart of the Council's change strategy is to enable more user-friendly digital access to the council and to provide simple, automated first point of digital resolution, using artificial and robotic solutions and data warehousing to improve our continual learning, improvement and cost reduction. We will be developing our data warehouse over the next 12 to 24 months to draw data together to further improve decision making, planning and enable greater use of artificial intelligence. We are also working with our NHS partners over data integration around social care and are keen to continue this with other public sector partners.

How the Council plans to reduce wasteful spend within the organisation and systems

The Council has a strong business planning process which includes engagement and scrutiny through Policy and Service Committees. There are business partners across Corporate Services, such as Finance, HR and Procurement who regularly check and challenge service spending, as well as a workforce expenditure control panel covering the whole Council, led by the Chief Executive. All expenditure and procurement decisions above £0.5 million are for decision by our Policy and Service Committees and must include robust commentary to inform decision making on the financial consequences.

As part of our business planning the Council continually challenges the way it provides services, reviewing the opportunities to “build or buy” to meet its needs and, if the latter, how it manages both the procurement and resulting contract well. The Council has two transformation reserves (the Just Transition Fund and Digital and Change Reserve) totalling of £13.1 million ([Earmarked reserves statement as at February 2024](#)) specifically set aside to drive change and invest to save schemes, across the next four years. There are already plans in place to use these funds to drive out further savings and improvements.

A key ask from the Government has been for councils to examine and explain spending on Equality, Diversity and Inclusion. Cambridgeshire is proud to strive to be more equal, more diverse, and more inclusive as an employer, public policy maker, commissioner/buyer of supplies and services and as a direct provider of services. Our Vision to create a Fairer, Greener and More Caring Cambridgeshire is very much about addressing the deep-rooted inequalities that exist in the county and improving the quality of life, for everyone.

The Council recognises that we have statutory duties arising from the Equality Act and preceding legislation, as well as our Public Sector Equality Duty (which first came into force in 2011). Our approach is set out in our [Equality, Diversity and Inclusion Strategy](#). However, we do not focus on equality, diversity and inclusion

because of the law, we do it because it's the right thing to do. Right for our communities and right for our employees.

The level of spending on EDI is £150,000 which equates to 0.014% of our gross spend. The Council considers this investment is crucial for the recruitment and retention of a diverse and highly motivated workforce with lived experiences, such as disabilities, which enables us to shape continued improvement in our services and customer journeys. The Council has chosen to go further than the law requires, for example, following the unanimous decision of County Councillors last year to recognise care experience, at any age, as having the same status as a legally protected characteristic. We see our EDI work as intrinsic to all that we do, not as an additional function which is logged and reported on separately.

The Council also operates in a multi-tiered environment, working with the Cambridgeshire and Peterborough Combined Authority, City and District Councils as well as being accountable for the Greater Cambridge City Deal spend via the Greater Cambridge Partnership and associated Joint Committee arrangements. The Political and Officer Leadership from all of these bodies meets frequently to explore areas of improvement and value for money, such as digital connectivity, transport and waste. The County Council is also the lead body for a place based Anti-Poverty Commission, with coproduction and lived experience at its heart. This commission will bring together a group of independent commissioners to:

- review data and evidence relating to poverty in Cambridgeshire and how the system currently responds to this,
- engage with residents who have 'lived experience' of poverty,
- build a set of realistic and impactful recommendations for the local system to consider in tackling poverty.

In managing the organisation and leading change, the Council works in partnership with its recognised Trade Unions and 0.03% of the pay bill is spent on union official facilities time.

Finally, we note that there are several Government policies and practices which in themselves drive costs and inefficiencies which, if reviewed, would enable all councils to make significant improvement in productivity and value for money. These include:

- Provide a multiyear needs-based funding system and settlement that enables local authorities to plan for the longer term.
- Addressing the long standing financial inequality between different areas by implementing the Fair Funding Review for Local Government and ensuring that future funding is based on current and projected data sets, rather than historic information.
- DWP supporting enabling greater data integration to enable more automated processing in areas such as blue badge applications, benefit claims and court of protection cases.

- Co-ordinating the requirements of place shaping between the NHS and local councils to enable place preventative planning and shaping being prioritised alongside delivery such as acute services.
- Enabling greater freedoms over ring fenced grants to enable greater resource targeting. This includes the more flexible use of Public Health Grant monies for locally led, preventative activity, rather than nationally mandated universal programmes.
- Reducing the multi-layered and costly inspection and regulation burden applied to local authorities which requires bespoke reporting and a duplication of effort across multiple spending Departments.
- Reduce bureaucratic bidding processes for both revenue and capital funding that bear no relation to evaluation criteria and awards.
- Resolving the position on unregulated placements for children and young people and court award cases to enable greater management of the provider market or provide additional funding for greater local authority led provision.
- Create an environment of national development of single line of business application systems to secure economies of scale and greater potential for use of AI. This Productivity Plan will be monitored by Councillors, and we welcome feedback from Government to take into our future consideration and learning from this Plan.

Date:

Web: pensions.cambridgeshire.gov.uk

Email: Mark.whitby@westnorthants.gov.uk

LGF Pensions Team
Department for Levelling Up, Housing and
Communities
2nd Floor
Fry Building
2 Marsham Street
London
SW1P 4DF

Pensions Service
West Northamptonshire Council
One Angel Square
Angel Street
Northampton
NN1 1ED

Dear Sir/Madam,

Efficiencies in local government and the management of LGPS funds

Thank you for your letter of 15 May 2024 and for the opportunity for Cambridgeshire County Council to set out its approach to efficiencies in the management, governance and administration of the Cambridgeshire Pension Fund.

1. How the Cambridgeshire Fund will complete the process of pension asset pooling to deliver the benefits of scale.

The Cambridgeshire Fund, a member of the ACCESS asset pool, has already completed the pooling of 100% of its listed assets.

The Fund has also pooled or placed under pool governance certain non-listed assets including infrastructure and long-lease real estate. It has plans to transition its UK core real estate allocation to a UK direct real estate portfolio within ACCESS and will redirect new private equity commitments to the pool when this asset class is made available.

The total assets pooled or under pool governance as at 31st March 2024 is 74.8%.

The Fund has already/will shortly benefit from ACCESS reporting services including performance reporting for active listed sub-funds and passive mandates, performance reporting for pool aligned non-listed assets, ClearGlass cost savings analysis, and manager reporting and presentations. Responsible Investment reporting is under development alongside consideration of a Voting and Engagement adviser.

ACCESS does not advise the Fund on investment strategies, and such advice would raise concerns around conflicts of interest, priorities of advice and fiduciary responsibility. The Fund, like the majority of respondents to the 2023 consultation, opposed the proposal of Pools advising funds on investment strategies.

The Fund has spent £399.5k in 2023/24 on investment consultancy advice, representing under 1 bps of total Assets Under Management (AUM).

ACCESS has an effective, modern governance structure in place based around a third-party FCA regulated ACS operator at the heart of the pool, alongside a third-party Investment Manager for passive investments and a third-party implementation adviser for non-listed assets.

The use of third parties has distinct advantages over “built” pool models, including:

- The market can be retested at regular intervals ensuring service, performance, risk management, oversight etcetera remain best in class over time;
- This model avoids conflicts of interest inherent in the “built” pool model such as those related to the performance of in-house investment managers being assessed by the in-house operator function responsible for hiring and firing.

ACCESS has a cohesive structure for day-to-day activity with an efficient centralised support unit overseen by subject matter experts within an Officer Working Group, supplemented by a s151 Officers Group, and a Joint Committee who meet around six times a year or more frequently if required.

ACCESS has considered recommendations following an independent review of its governance arrangements and these recommendations are being implemented. The Fund expects this review exercise to be periodically repeated.

2. How you ensure your LGPS fund is efficiently run, including consideration of governance and the benefits of scale

The management and governance of the Cambridgeshire Fund is undertaken in partnership with West Northamptonshire Council (WNC), administering authority to the Northamptonshire Pension Fund, under a lead authority shared service model.

This arrangement has provided strong governance arrangements which have been mirrored across the two funds. These arrangements are scrutinised by the Fund’s governance bodies by regular reporting on matters such as administration effectiveness, governance and compliance, business plan progress, risk management, and investment performance.

The service has been able to consistently recruit and retain skilled staff to deliver business as usual as well as an increasing volume of large-scale projects, such as the McCloud age discrimination remedy and Pension Dashboards, as well as projects relating to asset pooling.

The Fund has a strong relationship with the ACCESS asset pool and has a representative sitting on the ACCESS Joint Committee, an appropriate avenue for holding the pool to account.

Voluntarily operating the management and administration of the Fund on a shared service basis in partnership with WNC has led to long-term savings and efficiencies that did not require merger.

The Fund has been able to align business processes, policies, and strategies and will often align the timing of critical decisions between the respective Pension Committees and Boards, for example bringing a newly developed strategy to the same Committee cycle for each fund.

Procurement activity has been undertaken to procure the same supplier for each fund, sometimes under a single contractual relationship. This has enabled the Fund to obtain both competitive fees due to scale and contractual fee reductions in situations where the same piece of work is undertaken for both funds at the same time.

However, there are limits to the impact of scale on supplier relationships, with local authority charges already significantly below that for the private sector in disciplines such as actuarial and investment consultancy, even prior to the reductions mentioned above. Development costs for the Fund’s pensions administration system are already shared across the wider LGPS community – if there were less funds, charges per fund would be expected to go up proportionately.

Furthermore, if there was fund merger this could lead to a less competitive supplier marketplace than exists presently and associated performance concerns; any short-term fee reductions could be reversed as

competitors fall away, with the Fund especially having concerns around the competitiveness of the critical administration software supplier marketplace.

Whilst operating a shared service model has enabled some efficiencies due to the removal of duplicate roles, on the administration side it remains the case, irrespective of scale, that you need a certain number of junior officers to administer each 1,000 scheme members.

The loss of the most experienced officers can also be harmful to the Fund and the LGPS community, with the latter being a particular strength of the LGPS. Any period of uncertainty in advance of mergers could prove devastating to fund administration scheme-wide, which would adversely affect the ability to pay pensions to members as they fall due.

Smaller teams can deliver excellent fund administration, and when larger funds fail the impacts can be devastating e.g. the failed implementation of a software system at a large fund or a cyber breach impacting a large pension provider.

The main costs in the LGPS relate to investments, and these are already being materially reduced through the Government's existing asset pooling agenda, which the Cambridgeshire Fund has evidentially supported.

Yours sincerely,

Annual Risk Report

To:	Strategy, Resources & Performance Committee
Meeting Date:	9th July 2024
From:	Head of Internal Audit & Risk Management
Electoral division(s):	Not applicable
Key decision:	No
Forward Plan ref:	Not Applicable
Executive Summary:	The purpose of the report is to provide an update to Strategy, Resources and Performance Committee on the main areas of risk management activity in 2023/4.
Recommendation:	<p>The Committee is recommended to:</p> <ul style="list-style-type: none">- Note and comment on the Annual Risk Management Report (Appendix 1) and Corporate Risk Register (Annex A);- Endorse the Risk Management Policy (Annex B), and updated Risk Strategy (Annex C).- Suggest any specific areas that the Committee would like to be covered at the upcoming Risk Workshop (see Section 3.4, below).

Officer contact:

Name: Mairead Claydon
Post: Head of Internal Audit & Risk Management
Email: Mairead.claydon@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 Risk Management is the process by which the Council understands and proactively considers the principal uncertainties and overall risks facing the organisation. The objective is to ensure that risks which might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner. As such, effective risk management contributes to the achievement of all seven of the Council's ambitions.

2. Background

- 2.1 Risk Management is the process by which the Council understands and proactively considers the principal uncertainties and overall risks facing the organisation. Through effective risk management, we aim to optimise success by minimising threats. The objective is to ensure that risks that might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner. The Accounts and Audit (England) Regulations 2015 require the authority to have a sound system of internal control which includes effective arrangements for the management of risk.
- 2.2 Under the Council's constitution, the Strategy, Resources and Performance Committee is responsible for the development and oversight of the Council's risk management and strategy. The Audit and Accounts Committee also has important functions in relation to risk, including considering the effectiveness of the risk management arrangements and associated control environment, and to seek assurances that appropriate action is being taken in response to risk.
- 2.3 Risk is inherent in our delivery of high-quality public services. The volatility, complexity and ambiguity of the Council's operating environment continues to increase, and taxpayers rightly expect transparency and accountability from the Council in managing the impacts of risk. We are committed to managing risk so that we enhance strategic planning and prioritisation and achieve our objectives with agility. The benefits of risk management include:
- Taking timely and proportionate action to prevent risks occurring or to manage effectively
 - Development and delivery of robust and effective action plans and enhancements to the governance of the organisation
 - Ensuring that decision makers are fully aware of any key risk issues associated with proposals being considered at the point of decision making
 - Demonstrating openness and accountability
- 2.4 The Annual Risk Management Report summarises the risk management activity undertaken during 2023 - 2024 at Cambridgeshire County Council, and supports the Committees in discharging their respective responsibilities around risk management and control.

3. Main Issues

- 3.1 This covering report is provided to the Annual Risk Management Report attached at Appendix 1 and the Corporate Risk Register (CRR) attached at Annex A.

- 3.2 The corporate Risk Management Policy is attached at Annex B, reflecting the Council's current framework for managing risk.
- 3.3 It is considered best practice to prepare a plan that outlines activity to continuously improve risk management. This plan is outlined in the updated Risk Strategy document attached at Annex C. This document also reflects the work undertaken in-year to improve the Council's risk management arrangements and culture.
- 3.4 The Strategy, Resources & Performance Committee previously requested a risk workshop be held for the Committee, which was originally scheduled to take place on 11th June. This date was cancelled due to low uptake and conflicting time pressures and will be rescheduled. The Committee is requested to consider whether there are any specific areas they would like to be covered as part of the workshop.

4. Significant Implications

4.1 Finance Implications

Not applicable.

4.2 Legal Implications

The Accounts and Audit (England) Regulations 2015 require the authority to have a sound system of internal control, which includes effective arrangements for the management of risk.

4.3 Risk Implications

This report gives an overview of the Council's risk management arrangements in 2023/24 and the forward plan for development of risk management systems and processes in 2043/25. The objective is to ensure that risks that might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner.

4.4 Equality and Diversity Implications

Not applicable.

5. Source Documents

- 5.1 Corporate Risk Register (copy provided as Annex A to this document)
- 5.2 Annual Governance Statement
[Statement of accounts - Cambridgeshire County Council](#)

Annual Risk Management Report

Cambridgeshire County Council
2023/24

1. Background:

- 1.1 Risk Management is the process by which the Council understands and proactively considers the principal uncertainties and overall risks facing the organisation. Through effective risk management, we aim to optimise success by minimising threats. The objective is to ensure that risks that might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner.
- 1.2 The Accounts & Audit (England) Regulations 2015 require the authority to have a sound system of internal control, which includes effective arrangements for the management of risk. Robust risk management is an essential element of good organisational governance and a sound internal control system.
- 1.3 This Annual Risk Management Report provides an overview of key risk management processes and developments at Cambridgeshire County Council over the past 12 months. It supports the authority's Annual Governance Statement and the Code of Corporate Governance, as well as detailing the future areas of focus for further developing and enhancing risk management systems at the Council.

2. Risk Management Policy

- 2.1 In 2023, the Council's Risk Management Policy and supporting guidance including the Risk Management Procedures and Risk Management Short Guide document were subject to a comprehensive review by the Internal Audit & Risk Management team. The Risk Management Policy was refreshed, and the other guidance has been combined into a single Risk Management Toolkit.
- 2.2 The core risk management systems, processes, and risk appetite in place at Cambridgeshire did not change significantly as a result of this review. Instead the aim was to streamline and clarify existing guidance and make the Council's risk policies and procedures more accessible for officers. The updated Risk Management Policy was reviewed and approved by the Strategy, Resources & Performance Committee on 11th July 2023.
- 2.3 The Risk Management Policy is attached to this report as Annex B.

3. Risk Management Strategy

- 3.1 Following an assessment of the Council's risk maturity against an established risk maturity model published by the Institute of Internal Auditors (IIA), the Council's Internal Audit & Risk Management team developed a Risk Strategy 2023 – 6. This Strategy outlined key actions to be taken to address areas where the Council's risk management should be further developed.
- 3.2 The Strategy was reviewed and approved by Strategy, Resources & Performance Committee on 11th July 2023.
- 3.3 The Risk Strategy has been refreshed and updated for 2024/5, noting the actions which have been completed and adding in some new actions to be completed in year. This reflects the service's intentions to keep the Strategy as a live document and to regularly review and update the document.
- 3.4 Throughout the 2023/4 financial year, the Internal Audit & Risk Management team has been co-ordinating the implementation of actions within the Strategy. Some of the key actions completed in 2023/4 include:
- The Corporate Risk Group was reestablished in November 2023. This group comprises risk champions from various directorate and serves as platform for sharing diverse perspectives, challenging risk assessments, and ensuring consistency in the Council's response to risks. The Corporate Risk Group meets roughly quarterly, with meetings held in November 2023 and February and May 2024.
 - To enhance the consideration of risk in decision making processes, the Service Director of Legal and Governance conducted a comprehensive review of the Committee report template and associated guidance. The revised template, launched in November 2023, places a greater emphasis on providing sufficient information on risk management in all reports presented to committees.
 - The Internal Audit & Risk Management team have worked with colleagues in Strategy and Partnerships to provide input on the new Project Management Framework and Partnerships Governance Guidance, with a particular focus on ensuring that these documents support robust risk management in all the Council's projects and partnerships.
- 3.5 Full detail of completed actions and updates to the Risk Strategy can be found at Annex C to this report.

4. Cambridgeshire County Council Corporate Risk Register

- 4.1 The Corporate Risk Register has been updated throughout the year and presented to CLT, the Strategy and Resources Committee and Audit & Accounts Committee at regular intervals.
- 4.2 There were no new risks added to the Corporate Risk Register in 2023/4, and no risks were removed.
- 4.3 A copy of the current Corporate Risk Register is attached to this report at Annex A, with the exception of Risk 8 'Risk that the Council is a victim of Cyber Crime', which is attached as a separate confidential annex.
- 4.4 Please note, on the risk matrices, "RA" denotes the Council's maximum risk appetite of 15, which is a set maximum appetite for all risks. Where risk owners have identified a target risk below this risk appetite level, this is denoted with a "T".
- 4.5 Corporate Risk Register Overview
- 4.5.1 The following table gives an overview of the current status of the risks on the corporate risk register, including information on the current risk scoring compared to the scores at the previous report to Committee, and the direction of travel for each risk.
- 4.5.2 Please note that as discussed at the October meeting of Strategy, Resources and Performance Committee, the direction of travel for each risk is now shown as a RAG rating: red indicating that the risk has increased; amber indicating no change; and green indicating that the risk has decreased.

Table 1: Corporate Risk Register Overview, June 2024

Risk	Residual Risk Score March 24	Residual Risk Score June 24	Direction of Travel (RAG)	Last Reviewed
1. Risk that the Council's arrangements for safeguarding vulnerable adults fail.	15	15	A	17/06/24
2. Risk of failure of the Council's arrangements to safeguard vulnerable children and young people.	15	15	A	20/06/24
3. Risk that the Council does not have enough budget to deliver agreed short and medium term corporate	12	12	A	18/06/24

objectives.				
4. Risk that a serious incident occurs, preventing services from operating and /or requiring a major/critical incident response.	12	12	A	18/06/24
5. Risk of failure of corporate governance.	10	10	A	17/06/24
6. Risk that the Council's workforce is not able to meet business need.	15	15	A	11/06/24
7. Risk of failure to deliver key Council services.	10	10	A	17/06/24
8. Risk that the Council is a victim of cyber crime.	15	15	A	26/06/24
9. Risk that the Council fails to comply with Information Governance legislation and industry standards	12	12	A	10/05/24
10. Risk of failure of key contracts.	12	12	A	12/06/24
11. Risk of failure of collaborative working.	12	12	A	31/05/24
12. Risk of Climate Change.	16	16	A	25/06/24

4.5.3 Since the previous report to Strategy Resources & Performance Committee in March 2024, no risks have seen changes to their scores compared to the previous reporting period across all corporate risk register.

4.5.4 It should be noted that the lack of reduction in risk scores does not reflect a lack of activity to proactively manage and mitigate key corporate risks; rather, it reflects the current level of risk held by UK public authorities, including Cambridgeshire County Council. The Council continues to actively manage and mitigate risks, as evidenced by the ongoing efforts and initiatives outlined in this Annual Risk Management Report and the supporting Risk Strategy at Annex C.

4.6 Risk 12: Risk of Climate Change:

4.6.1 Corporate Risk 12 has been reviewed and the risk owner has proposed that this will be retitled and refocused on the risk that Climate Change presents to the Council, its resources, delivery of its services and statutory duties. The updated risk assessment has been updated to reflect the actions the Council is currently taking on the delivery of the Climate Change and Environment Strategy and how its implementation is being integrated within the Council's Business Planning, Service Planning and Performance frameworks.

- 4.6.2 Further risk assessment will be undertaken during 2024/25 in relation to future potential impact on the Council as well as the impact on the County and its communities. The result of this risk assessment will be used to update this Corporate Risk. This risk will continue to be monitored on a six-monthly basis by the Corporate Risk Group and the Climate Change and Environment Programme. This will support reports that will be provided to Committees in the future.

5. CLT Risk & Assurance Meetings

- 5.1 Cambridgeshire's Corporate Leadership Team carry out regular Risk & Assurance meetings. These formal meetings have a dedicated Terms of Reference intended to ensure regular detailed senior management oversight of the corporate and directorate risk registers, to reflect on feedback from Committee and to develop corporate oversight of risk and key independent assurances.
- 5.2 The CLT Risk & Assurance group met regularly throughout the 2023/4 financial year, with meetings in July, October, and March. Every meeting included detailed scrutiny of the Corporate Risk Register and escalation of any directorate risks, with a single Directorate Risk Register being submitted for a deep dive review at each meeting.
- 5.3 In both the October 2023 and March 2024 meetings, the CLT Risk & Assurance group undertook a comprehensive review of the risk scoring matrices used by the council. While considering alternative weighted approaches that placed greater emphasis on either the impact or likelihood scores, the group decided to retain the current 5x5 linear model. Those decision was based on the belief that changing the risk scoring methodology could potentially disrupt the ongoing effort to embedded and communicate the council's risk management approach consistently across the organisation.
- 5.4 At the June 2024 meeting of the CLT Risk & Assurance Group, CLT reviewed the Council's risk appetite and risk appetite statements, considering how the Council defines and communicates the level of risk it is prepared to tolerate or accept in the pursuit of its strategic objectives.
- 5.5 Risk is also considered at general CLT meetings. In line with the Risk Management Toolkit, escalation of urgent and emerging risks should not be delayed by the quarterly cycle of CLT Risk & Assurance meetings, and urgent items on risk can be taken at any regular meeting of CLT.

6. Directorate Risk Registers

- 6.1 Directorate Management Teams maintain their own risk registers and formally consider risk on a regular basis. Directorate risk registers are due to be reported to the relevant Committee on a routine basis, and are also scrutinised at CLT Risk & Assurance meetings.

- 6.2 To streamline the reporting process for directorate risk registers (DRRs), the Internal Audit & Risk Management team has developed a standardised template for presenting DRRs to the relevant committees. This template approved by the CLT Risk and Assurance group, aims to promote consistency in the information provided to Committees when DRRs are reported.
- 6.3 The CLT Risk & Assurance Group meeting in February 2024 also clarified the arrangements by which DRRs should be reported to Committee, particularly for Directorates whose activity does not align to the scope of a single Committee (e.g. Place & Sustainability).

7. Risk Management System

- 7.1 The Council's current corporate risk management system is GRACE (Governance, Risk & Control Evaluation), which is a system shared with Milton Keynes Council, formerly part of the shared LGSS Internal Audit & Risk Management service. GRACE is a specialist risk management and audit software which was developed for use within the UK public sector. As the system is shared between the two Councils, access to the system is relatively low cost, and the Council has a corporate license permitting unlimited number of user licenses for the system.
- 7.2 Cambridgeshire was given notice by Milton Keynes Council in May 2024 of their intention to terminate this shared system arrangement. As such, during the 2024/5 financial year the Council will need to assess its requirements for a risk management system and its options for re-procuring a stand-alone system.

8. Role of Internal Audit & Risk Management service

- 8.1 The Head of Internal Audit & Risk Management at Cambridgeshire County Council has a role encompassing both Internal Audit and Risk Management support. Responsibility and accountability for implementing risk management activity is retained by management at Cambridgeshire County Council, including the assessment, control and mitigation of risk. The role of the Internal Audit & Risk Management service is to provide advice, support and facilitation for this process, rather than to undertake risk management activity directly, in order to maintain its independence.
- 8.2 As such, throughout 2023/24 the Internal Audit & Risk Management service has provided advice and guidance to services across the organisation on risk management; supported the update and review of corporate and directorate risk registers; and has facilitated risk workshops and both the CLT Risk and Assurance meetings and the Corporate Risk Group.
- 8.3 To enhance risk awareness and understanding among Members, a dedicated risk management training session was organised on September 14th 2023 and led by the

Head of Internal Audit & Risk Management. This session covered the fundamental of risk management, the council's risk management policies and processes, and the role of Members in Overseeing risk management. A recording of the training is also available to all Members on an ongoing basis, via the Learning & Development portal.

- 8.4 The Internal Audit & Risk Management team is also developing eLearning on risk management. The initial draft of this training has now been provided to the Learning & Development team who will work with Risk Management to deliver a series of online learning modules which will be accessible to all staff, covering the following key areas:
- Introduction to risk management and risk management terminology
 - How to develop a risk register
 - Risk monitoring and the escalation and de-escalation of risks
 - Systems for risk management at Cambridgeshire
 - Case study looking at when risk management goes wrong
- 8.5 Recognising the need for dedicated resource to drive continuous improvement in risk management process, plans were put forward during the Business Planning process to introduce a designated Corporate Risk Manager position in the Internal Audit & Risk Management team for the 2024/25 financial year. This post went out to advert in May, with applications closing on the 23rd June.

9. Looking Forward and Next Steps:

- 9.1 The next steps for further developing and enhancing the effectiveness of risk management activity at Cambridgeshire County Council are set out in the updated Risk Management Strategy, which is attached at Annex C. The elements of Cambridgeshire County Council's Risk Strategy are aligned to the five key principles set out in the document *The Orange Book: Management of Risk – Principles & Concepts* (April 2023) published by the UK Government. These principles are: governance and leadership; integration; collaboration and best information; risk management process; and continuous improvement.
- 9.2 Some of the key actions for implementation in the 2024/25 year include:
- Implementing the new Corporate Risk Manager role to provide greater support and resilience for risk management activity, and using this role to re-implement a regular programme of risk assurance reviews within the Internal Audit & Risk Management service, to provide detailed assurance over the management of individual risks within the Corporate Risk Register.
 - Developing a template to support officers in self-assessing the strength of controls in place to manage risks.

- Delivering the e-learning module on risk management which can be made available to all staff. Once completed this will be publicised internally via the intranet and to targeted staff.
- Developing the links between risk management, performance management and financial management
- A full Internal Audit review of risk management to be undertaken.

9.3 Progress with implementation of the Risk Strategy will be reported to CLT Risk and Assurance meetings and on to Strategy & Resources and Audit & Accounts Committee. Implementation of the actions outlined in the Risk Strategy will support the Council in moving towards a consistently 'risk enabled' approach to risk management.

Risk		01. ASC - The Council's arrangements for safeguarding adults with care and support needs fail									
Likelihood	5						Risk Owners Patrick Warren-Higgs	Current Score 15 Risk Appetite 15 Previous Score 15	Last Review 17/06/2024 Next Review 15/09/2024		
	4										
	3					X/RA					
	2										
	1										
		1	2	3	4	5					
Consequence						Triggers 1. Inability to recruit, train and retain the level of skills required across the workforce to support safeguarding activity. 2. Governance arrangements for safeguarding are not robust or fail. 3. There is non-compliance within safeguarding practice guidance or processes. 4. Assurance measures fail or are not robust. 6. Internal organisational change impacts system safety. 7. External system/regulatory changes impact system safety. 8. Major incident results in spike in demand for services and/or inability to access Council systems, records, or buildings. 9. Commissioned Services fail placing increased demand on the system and safety is compromised	Likelihood Factors (Vulnerability) 1. Vacancy rates - Vacancy rates in Safeguarding and Operational teams impacting on capacity to undertake safeguarding activity. 2. Volume of safeguarding referrals - Increasing volume of safeguarding referrals, some of which are inappropriate, requiring triage and management		Potential Consequences 1. Negative consequences are experienced by those with care and support needs and unpaid carers. 2. People lose trust in Council services and/or commissioned services. 3. Council is deemed to have failed in statutory duties 4. CQC rating is impacted. 5. Decrease in government funding.		

		<p>all safeguarding. we have the thematic audit cycle completed by QSPT and reported to PGB, each team has service level improvement plans and we have monthly managerial audits with a quarterly report and action plan - all held by QSPT and team managers are accountable for these. These are reported to PGB.</p> <p>Adult Social Care Practice Update newsletter is circulated fortnightly and is sent out to all staff within the Adults, Health and Commissioning directorate, keeping staff up to date with relevant information to support them and those they work with.</p>
<p>2) Skilled ASC Workforce</p> <p>To ensure high quality safeguarding, staff receive comprehensive training, ongoing professional development opportunities, and regular supervisions that reinforce safeguarding procedures and best practices, enabling them to maintain professional registration.</p>	Good	<p>A dedicated safeguarding training resource, with robust training programmes, annually reviewed, available multi-agency policies, themed audits are undertaken, robust training programs available, and an adult practice governance board provide assurance and oversight.</p> <p>The CCC Safeguarding training strategy outlines the training offered along with safeguarding training that is essential to each role across adult social care. Work is being completed on monitoring training compliance rates, and teams are asked to complete a manual check of all MCA / Safeguarding training</p>
<p>3) Multi Agency Safeguarding</p> <p>Multi-agency Safeguarding Boards and Executive Boards provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity. Coordinated work between multi-agency partners. Police, County Council, Health and other agencies who are key members of the Board and subgroups</p>	Good	<p>Regular reports are submitted to the SAB Board including MASH Governance reports, QEG reports including a data set submitted every 3 months) and annual self-assessments and shared working outcomes</p>

4) Internal Quality Assurance Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.	Good	Regular auditing and reporting. Ability to highlight good practice and areas for improvement, robust service level improvement plans developed as needed. Annual safeguarding thematic audit, monthly managerial audits and quarterly reports to PGB. Team level action plans held by managers and meet with PSW to discuss on a
5) Commissioned Services Regular monitoring of social care providers and information sharing meetings with other local organisations, including the Care Quality Commission and ICB are in place. ASC have a structure in place to raise, discuss and address provider quality concerns across the health and social care system. If improvements are not made, escalation routes are in place and progress and risks are continually shared with the CQC regulator.	Good	Regular auditing and reporting. Ability to support providers at risk.
6) Coordinated work with system partners and agencies Coordinated work between multi-agency partners for both Adults and Children's. Police, County Council, and other agencies to identify child sexual exploitation, including supporting children and young people transitions to adulthood, with the oversight of the Safeguarding Boards.	Good	Effective and safe implementation; we have a number of task and finish groups - for example transitional safeguarding, MCA we have regular system wide groups - QEG.
7) Information Sharing with regulatory bodies. Continue to work with the CQC to share information.	Good	Regular reporting.
8) Manage demand Managing increasing demand and acuity to ensure adults receive right support at the right time. Regular DMT's to discuss and escalate issues.	Good	Daily monitoring of referrals and waiting time is in place to reduce waiting times and review priority levels to provide proportionate and time critical responses to those at risk.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		02. CSC - Failure of the council's arrangements to safeguard vulnerable children & young people									
Likelihood	5						Risk Owners Martin Purbrick	Current Score 15 Risk Appetite 15 Previous Score 15	Last Review 20/06/2024 Next Review 18/09/2024		
	4										
	3					X/RA					
	2										
	1										
		1	2	3	4	5					
Consequence											
						Triggers	Likelihood Factors (Vulnerability)	Potential Consequences			
						1. High caseloads in Children's Social Care. 2. Lack of financial resilience. 3. Non-compliance with safeguarding processes and procedures. 4. Inability to recruit and retain experienced Social Workers. 5. Lack of placement sufficiency to meet the needs of complex children and young people. 6. Major incident results in inability to access Council systems, records or buildings.	Each one below is linked to each of the triggers: 1. Children's social care caseloads are too high in some areas due to issues with recruitment and retention. (High likelihood) 2. Difficulty procuring affordable capacity for children's placements and Home to School Transport. (Medium) 3. Lack of robust assessments (undertaken in a timely way) of risk in relation to children & the family circumstances. Although recently launched revised practice standards, guidance and the focus on six key areas ('Big 6') has meant a focus on areas for improvement. (Medium) 4. Recruitment and retention has improved for those in management roles and more work is underway for recruitment of permanent social workers (Medium) 5. Difficulty procuring capacity for children's placements, although now working more closely with provider market and better recruitment of in-house foster carer placement underway. (High) 6. In terms of a major incident, there are business continuity plans (BCP's) in place whereby child protection lists would be obtainable if required. (Low)	1. Harm to child or young person awaiting or receiving services from the Council. 2. Reputational damage to the Council. 3. Financial impact. 4. Appointment of a Children's Commissioner and notice of statutory intervention issued by the Department for Education.			

Controls	Adequacy	Critical Success
1. Multi-agency Safeguarding Boards and Executive Boards. Provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity specific safeguarding situation between partners. The partnership has now requested a Cambridgeshire specific partnership Board (instead of one board across both Peterborough & Cambridgeshire). Work has started in developing this (May 2024)	Reasonable	The LA improvement board started in October 2023 and continues to provide independent scrutiny.
2. Information-sharing and coordinated work between multi-agency partners, providers, and regulators.	Reasonable	A review by Essex sector led improvement (SLI) partner to identify key areas of strengths

Action Plans	Responsibility	Target Date
1. Corporate response to Ofsted focused visit. Updated self-assessment completed and action plan has been drafted around the 7 recommendations made by ofsted. Previous outline of establishing a strengthening services board, however there was little appetite for this from partners. Therefore, the children's improvement board will be focused on the key areas for development.	Martin Purbrick	22/08/2024
1a. Workforce - building the right capacity within the workforce The action plan outlines activities within		31/03/2025

In particular Police, County Council and other agencies to identify child sexual exploitation, including supporting children and young people transitions to adulthood, with the oversight of the Safeguarding Boards. Regular monitoring of social care providers and information sharing meetings with other local organisations. An DfE advisor has recently started to develop some further work with the Board		and development. Recommendations are being added to the improvement plan along with other key areas.
3. Comprehensive and up-to-date Safeguarding Policies, Procedures and Practice Standards. Continuous process of updating practice and procedures, linking to local and national trends, including learning from local and national reviews such as Child Safeguarding Practice Reviews (SPR's).	Good	Several practice and processes have recently been reviewed and revised to ensure they are robust and includes; Our Practice Standards, Guidance and Toolkit (Big 6); Our Threshold document; MASH Manual and Guidance etc.
4. Safeguarding Training & Development Comprehensive and robust safeguarding training, ongoing development opportunities for staff, and regular supervisions monitor and instil safeguarding procedures and practice.	Good	Effective training and development ensures all staff understand and can implement key safeguarding processes. Social care academy launched on 20th November with new ASYE and International workers starting in January 2024.
5. Quality Assurance Framework. Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.	Good	Recently revised and implemented new practice governance ensuring performance information is more accessible and training has been provided to ensure performance is monitored more closely. In addition, an audit schedule has been reviewed, updated and is underway. QA framework that is understood by all that are using it; reflects the lived experience of children; and helps with practice improvement, whilst supporting practice standards.
6. Clear processes for reporting concerns.	Good	Effective processes for

Workforce and building the right capacity within the workforce to ensure consistency, quality and timeliness and developing the workforce framework		
1b. Placement Sufficiency - the residential strategy is within the approval process Placement Sufficiency - the residential strategy has been drafted and is going through the approval process. Additional work around emergency placements, increase of foster-carers is also underway		31/03/2025
1c. Assessments - additional capacity to improve the quality, consistency and timeliness of assessments		31/03/2025
1d. Achieving permanence - permanence protocol is being introduced and a clear tracking process is being developed		31/03/2025
1e. Care leavers - Improving the pathway plan and better preparation for independent support Improving the pathway plan and completion rate, redeveloping the Local Offer and better preparation for independent support to young people from 14 years in care is being developed. In addition, building partner relationships to ensure Care Leavers are able to access support more easily.		31/03/2025
1f. Out of hours support - a review of the out of hours services will be completed		31/12/2024
1g. Homelessness 16/17 year olds - review of this area is planned to ensure a more joined up approach		31/03/2025
2. Recruitment of a permanent workforce Successful recruitment within management areas with over 90% of permanent Directors, Heads of Services, Service Managers and Team Managers. Over 70% of Social Workers are now		30/09/2024

Whistleblowing policy, robust Local Authority Designated Officer (LADO) arrangements and complaints process inform practice.		reporting concerns ensure that the response to concerns is timely and effective, with the involvement of appropriate partners.
7. Strength based approaches review After a review of the family safeguarding approaches, Cambridgeshire is developing a systemic practice model using strength based approaches	Reasonable	
Full leadership team recruitment A permanent and stable leadership team is in place and established to provide crucial leadership across Children, Education and Families.	Good	Permanent team in place and established

<p>Manager. Other relevant social partners are not permanent.</p> <p>As part of the children's improvement work, there is a focus on ensuring the recruitment and support of children's workforce.</p> <p>3. Children's Placement Sufficiency.</p> <p>Market engagement happened during January 2024 and Social Care & Commissioning working more closely together as a strong focus on recruiting in-house foster, showing early signs of success, however, there are still a number of children in unregistered placements</p> <p>Work to manage the local market with support from Commissioning services is underway to support placement sufficiency for Cambridgeshire. This action is likely to remain ongoing.</p>	Martin Purbrick	30/09/2024
<p>4. Review of key areas of Children's, Education and Families services</p> <p>Essex diagnostics throughout 2023 has now been completed. CCC was successful in receiving additional Sector Led Improvement partner work and additional support throughout 2024 is planned.</p> <p>Essex is supporting Cambridgeshire with a sector led improvement review of key frontline services to help understand their strengths and key areas for development.</p>		30/09/2024

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		03. The Council does not have enough budget to deliver agreed short and medium term corporate objectives									
Likelihood	5						Risk Owners Michael Hudson	Current Score 12 Risk Appetite 15 Previous Score 12	Last Review 18/06/2024 Next Review 16/09/2024		
	4										
	3				X	RA					
	2										
	1										
		1	2	3	4	5					
Consequence						Triggers	Likelihood Factors (Vulnerability)	Potential Consequences			
1. The Council spends more resources than it has by the end of the year and does not have sufficient reserves to cover cumulative variances. 2. Policies, procedures or governance framework for budget setting and monitoring fail or are circumvented. 3. Demand management, prevention or service reform activity is insufficient. 4. Inflationary pressures and market failures / supply shortages lead to rising costs. 5. Staff without appropriate skills, knowledge, experience. Greater staff turnover. 6. The Council is a victim of major fraud, cyber crime or corruption. 7. Failure to meet Safety Valve agreed trajectory - Council has to fund DSG High Needs deficit or jeopardises DfE funds. 8. Lack of clarity regarding central government grant allocations. 9. Commercial failure											
						1. Increased demand for services remains a key risk in care, SEND and related transport services. 2. Economic/market conditions - continued impact on supply of services by providers and impact on commercial factors remain due to higher interest rates. 3. Changes to government funding; short term national planning - these are not a risk for the short term but the uncertainty of changes increases the likelihood of risk. 4. Legislative and regulatory changes could impact but none noted at this stage. 5. Partnership risks - additional costs or reduced funding in collaborations. Change programmes require additional short term risk. 6. Waste management reforms; Industrial Emissions Directive. 7. Home to School Transport and children's social care placements markets. 8. Credit loss on long term debtors.	1. Council issues a s114 report or requires capitalisation direction. 2. Breach of prudential code or capital strategy benchmark/indicators due to levels of borrowing. 3. The Council does not deliver its statutory responsibilities. 4. People do not receive the services to which they are entitled or require, and may be harmed as a result. 5. Reputational damage.				

		as savings required becomes harder with the funding uncertainty
04. Operational division Finance Monitoring Reports (accountable monthly to Service Committees), tracking budget, savings, activity and performance	Good	Finance reports produced on time, high accuracy, ownership by budget manager to forecast accurately and take actions as a result. Training continues to be provided to the budget managers.
05. Scheme of Financial Management, including Budget Control Report for the Council as a whole and operational divisions	Good	Clear budget process, effective engagement with it and compliance
06. Procurement processes and controls ensure that best value is achieved through procurement	Good	Realisation of procurement savings through competition. Basis for effective contract management and productivity. External Auditors have recognised the improvements in both procurement controls and operation.
07. Budget challenge and independent advisory: Finance and budget managers at all levels of the organisation to track exceptions and identify remedial actions	Good	Meeting of financial targets and deadlines. Political engagement and approval
08. Rigorous treasury management system plus tracking of national and international economic factors and Government policy	Good	Prudential Indicators met
09. Rigorous risk management discipline embedded in services and projects	Reasonable	Risk scoring
10. Adequate reserves	Good	Reserves held at recommended level as per section 25 statement
11. Integrated Financial Monitoring Report	Good	Received quarterly at S&R
12. Anti-fraud and corruption policy	Good	Organisational awareness campaigns
13. whistleblowing policy	Good	Organisational awareness campaigns

08. Review of Reserves	Michael Hudson	30/09/2024
09. Review of Commercial activities and risk	Michael Hudson	30/07/2024

14. Internal control framework	Good	Organisational awareness campaigns
15. Fraud detection work undertaken by IA, Counter Fraud	Good	Organisational awareness campaigns
16. Awareness Campaigns	Good	Organisational awareness campaigns
17. Anti money laundering policy	Good	Organisational awareness campaigns
18. Publication of transparency data	Good	Organisational awareness campaigns
19. Statutory Officer meetings	Good	The Statutory officers regularly review the financial standing as part of their set agenda and consider any actions for discussions with CLT, this included for example need for Vacancy Panel.
20. Safety Valve	Poor	The year end 23/24 position was significantly worse than forecast and base budget. The previous plan of action is being revised as is the service system and further discussions with DfE being held.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		04. A serious incident occurs, preventing services from operating and /or requiring a major/critical incident response.										
Likelihood	5						Risk Owners	Sue Grace	Current Score	12	Last Review	18/06/2024
	4								Risk Appetite	15	Next Review	16/09/2024
	3								Previous Score	12		
	2						Triggers		Likelihood Factors (Vulnerability)		Potential Consequences	
	1						1. Loss of large quantity of staff or key staff	1. Ongoing risk of environment hazards such as flooding and severe weather	1. Inability to deliver services to vulnerable people, resulting in harm to them			
		1	2	3	4	5	2. Loss of key premises (including temporary denial of access)	2. Pandemic	2. Inability to meet legislative and statutory requirements			
						3. Loss of IT, equipment or data	3. Cyber Attack / Cyber Crime (see Risk 09)	3. Increase in service demand				
						4. Loss of a key supplier	4. Possible power outages caused by gas shortages	4. Reputational damage				
						5. Loss of utilities or fuel	5. Resource issues due to shared service 'decoupling'					
						6. Decreasing resilience in CCC services due to ongoing financial constraints and cost reduction						
						7. Serious major external incident						
						8. Officer non-compliance with Business Continuity planning or processes						
						9. Co-operation and engagement of partners						
						10. An outbreak of infectious disease resulting in non BAU activity						
						11. A pandemic or localised outbreak resulting in non BAU activity						

Resilience Forum The LRF allows multi-agency collaboration regarding local resilience issues. The LRF follows a clear process to allow agencies across the region to share information, plan and prepare for major incidents, and maintains a tactical response process.		effectively with other agencies across Cambridgeshire & Peterborough in responding to a major/critical incident.
4. IT disaster recovery arrangements Up to date IT disaster recovery plans in place.	Reasonable	ICT downtime and disruption to front-line business is minimised in the event of an IT critical incident or loss of data.
5. Resilient Internet feed	Good	
6. Corporate Emergency Plan	Reasonable	
7. Internal Audit of Business Continuity In April 2024 an internal audit was completed of Business Continuity.	Good	
8. Improved resilience through a strengthened EP & BC team As of June 2024 the EP has been restructured and additional positions have been recruited for resulting in a strengthened team. This has subsequently improved resilience.	Good	

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		05. Failure of corporate governance									
Likelihood	5										
	4										
	3									RA	
	2									X	
	1										
		1	2	3	4	5					
		Consequence									
							Risk Owners		Emma Duncan		
							Current Score		10		
							Risk Appetite		15		
							Previous Score		10		
							Triggers		Likelihood Factors (Vulnerability)		Potential Consequences
							1. Major business disruption. 2. Lack of management oversight. 3. Negative inspection judgement . 4. Poor financial management. 5. Insufficient finance. 6. Personal Data is inappropriately accessed or shared. 7. Lack of awareness of or preparedness for legislative changes. 8. Lack of clear corporate policy framework. 9. Officer non-compliance with policy framework.		1. Current local financial pressures. 2. Ongoing national reduction in public sector funding. 3. Changes to statutory/Legislative duties. 4. Current major corporate restructures and service change. 5. Increasing instances of Councils not able to meet expenditure commitments due to pressures in the local government sector.		1. Harm to people as a result of them not getting services they need or are entitled to. 2. Criminal or civil action against the Council. 3. Negative impact on Council's reputation. 4. Lack of control over financial or operational delivery. 5. S114 Report or Public Interest Report. 6. S5 Report.

Controls	Adequacy	Critical Success
01. Monitoring Officer role.	Good	Lack of or reduced risk of successful legal challenge to decision making.
02. Annual Governance Statement (AGS).	Good	AGS process ensure that the Council reviews the effectiveness of its corporate governance arrangements and its compliance with the corporate governance framework.
03. Code of Corporate Governance (CoCG).	Good	Annual review of the Code of Corporate Governance provides assurance that the Council has a robust governance framework in place.
04. Business Planning process used to identify and address changes to legislative/regulatory requirements	Good	
05. The Council's Constitution, including Scheme of Financial Management, Contract Procedure Rules, Scheme of Delegation etc.	Good	Officers and Members comply with statutory obligations
06. Corporate Complaints procedure and response to Local Government & Social Care Ombudsman reviews.	Good	The Council can identify and respond to any breaches of legislative or statutory obligations.

Action Plans	Responsibility	Target Date
01. Corporate Response to the Covid Public Inquiry.		31/03/2023
02. Implement Action Plan from Annual	Emma Duncan	31/03/2025
03. CLT's commitment CLT to address audit action implementation in a timely manner and presenting their directorate assurance statements at Audit and Accounts Committee		01/09/2024
04. LGA Code of Conduct CCC to move to the LGA model of the Code of Conduct for Members		01/08/2024

07. Service managers kept up to date with changes by Monitoring Officer / Pathfinder, Government departments, professional bodies, involvement in regional and national networks	Good	Lack of or reduced risk of successful legal challenge to decision making
08. New Committee report template and process developed following the Governance Review. Key statutory and legislative considerations in Committee reports are highlighted in sufficient detail and signed off by key officers prior to submission to Committee.	Good	Committee papers and key decisions are scrutinised to identify any statutory/legislative impact.
09. Roles of Statutory Officers. inc. Head of Paid Service, Section 151 Officer, Director of Adult Social Services, Caldicott Guardian, etc.	Good	Active postholders for all statutory roles for the Council.
10. Statutory Officers Group Statutory Officers Group meetings to discuss corporate governance arrangements and issues, and to reflect on recurring themes relating to Council improvement.	Good	Regular scrutiny of corporate governance by senior officers.
11. Performance Management Framework Performance management is a tool that allows us to measure whether we are on track to achieve our corporate priorities. If we are off-track, we change our activities to improve service delivery, value for money and the outcomes people experience.	Reasonable	Clear information on organisational performance against objectives provided in a timely way to decision-makers.
12. Corporate Clearance Group The Corporate Clearance Group has been established to ensure draft reports receive sufficient corporate review prior to being submitted to Committee.	Good	All Committee reports are subject to corporate scrutiny and challenge to ensure that Committee decisions are taken on the basis of sufficient, robust information.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		06. The Council's workforce is not able to meet business need									
Likelihood	5						Risk Owners Janet Atkin	Current Score 15 Risk Appetite 15 Previous Score 15	Last Review 11/06/2024 Next Review 09/09/2024		
	4										
	3					X/RA					
	2										
	1										
		1	2	3	4	5					
Consequence						Triggers	Likelihood Factors (Vulnerability)	Potential Consequences			
						1. Skills shortage in key areas including partners. 2. Employee retention beneath optimal leading to unhealthy level of turnover. 3. Low levels of employee engagement. 4. Failure to achieve a healthy organisational culture and working environment. 5. Ineffective or inadequate workforce planning. 6. Financial pressures mean the Council is not able to offer pay in line with the market. 7. Decline in Council's reputation as an employer. 8. High absence levels. 9. Inability to recruit and develop staff 10. High volume of organisational change leading to loss of experience and knowledge 11. Working days lost to strike action/ industrial action 12. Competitive local labour market impacting recruitment locally.	1. Cost of living continues to be high, causing major concern for many of our workforce. 2. Acute skills shortage in key areas including partners. 3. Increased challenges across all areas of the council's functions in recruiting. 4. Changing expectations regarding how and where people want to work. 5. The extent and scale of change programmes being undertaken across the Council can heighten the likelihood of disruption and challenge with motivation and engagement. 6. Increasing demand in services. 7. Increased workplace expectations of employees.	1. The Council is unable to recruit & retain staff with the right skills and experience. 2. Failure to deliver effective services or meet commitments. 3. Reputational damage to the Council. 4. Low morale and negative impact on staff wellbeing. 5. Expenditure on costly interims or agency staff. 6. Workforce lacks relevant skills, knowledge and training and is not continually developed.			

C. 5 year People Strategy, endorsed by Members with accompanying action plan to ensure the right focus on recruitment, retention and talent management. New People Strategy has been launched and has a clear focus on the shifting employment market and employment challenges that the Council faces, to establish clear plans for the workforce.	Good	Clear workforce plan in place for the Council.
D. Dedicated Recruitment Team supporting the whole Council. Targeted recruitment campaigns and new e-recruitment system. The team engage with services to understand the specific and differing challenges that they face and target recruitment campaigns accordingly, as well as maximising usage of social media channels, and widely promoting initiatives such as the WeAreCams campaign to promote the Council as an employer of	Good	The Council is able to recruit staff with the right skills and experience.
E. Staff appraisal system linked to performance management Comprehensive framework is in place to provide a clear and structured means of ensuring that everyone has meaningful performance reviews and clear outcomes to work to, as well as a focus on wellbeing and career development.	Good	Staff performance is quantifiable across the Council services.
F. Role of HR Business Partners. HR Business Partners work with services to anticipate and meet demands within service areas. BPs attend management meetings and meet Service Directors regularly.	Good	Services are supported in successful recruitment, engagement, development and retention of staff.
G. Annual report to Staffing and Appeals Committee Reports are delivered to Staffing and Appeals Committee in February each year setting out a clear review of the workforce profile and activity during the year as well as key policy changes, employee engagement activity and an update around employee wellbeing	Good	Impact of workforce policies and engagement is measured and evaluated to inform future policy development.
Grow our own strategy	Good	Gold status in the 5% Club by

employee engagement survey results so that a comprehensive set of actions can be captured under the People Strategy Action Plan. A further engagement survey will run in September 2025.		
Strategic Workforce Plan for Adult Services Development of a clear plan to address the workforce challenges faced by adult social care has been carried out, led by the Service Director for Adult Services with engagement from corporate teams such as HR and Finance.		31/07/2024
The values and behaviours framework has been reviewed in line with the new People Strategy. The People Strategy was approved in 2023 and work is underway to develop an action plan for approval by Strategy, Resources and Performance Committee that incorporates the outputs from the recently held Directorate listening sessions	Janet Atkin	31/07/2024
Work with the service directors to create a comprehensive L&D framework to support the wider People Strategy. Can only be completed once People strategy in place and agreed therefore target date to be aligned –June 2024	Janet Atkin	30/09/2024

Organisation wide commitment to using the grow our own approach to recruitment and retention challenges using apprenticeship, graduate development schemes and work experience opportunities to attract candidates.		May 2025 demonstrating that 5% of our workforce or more are in earn as you learn roles. Full use of our apprenticeship levy without returning funds.
H. Report on quarterly basis to CLT and to management teams on workforce and performance. CLT received monthly reports on Health, Safety and Wellbeing. Quarterly dashboard reports on workforce matters including absence and turnover are provided to Directorate Management Teams for them to keep a focus on their workforce profile and any emerging or potential concerns.	Good	CLT and Directorate Management teams are able to identify and address any emerging or potential concerns.
I. Use of Consultants Policy and Interim & Agency Workers Policy. Clear policy is in place to guide managers through the process to ensure that Procurement Rules are adhered to and value for money is at the heart of decision making.	Reasonable	Hiring managers use appropriate and compliant routes to market to obtain interim, agency staff and consultants.
J. Agency Staff framework with Opus. The agency worker policy clearly stipulates that Opus Cambridgeshire should be the source of all agency workers unless they are unable to provide them in which case there is an option to source alternatively.	Good	Hiring managers use Opus as an accessible and cost-effective route to market for agency staff and as a provider of the skills and expertise we need to reach through our joint venture.
K. Well established consultative framework with trade unions. Meetings take place monthly, chaired by Service Director, HR. Chief Executive joins the meetings on a quarterly basis.	Good	Well established and positive relationships enable constructive discussions with trade union colleagues around any challenging workforce related matters, as well as an opportunity to gain valuable insights and contributions to help shape policy development.
L. Effective Learning & Development platform and work of the Learning & Development team. Comprehensive learning offer that covers a wide range of topics and is delivered in a variety of ways to maximise accessibility for people.	Good	Staff are able to access targeted learning and development opportunities and the Council can monitor training undertaken.
M. Equality Diversity & Inclusion Working Group.	Good	The Council has a strong culture of equality, diversity and

EDI Working Group meets monthly to discuss EDI issues and engage staff across the organisation.		inclusion which supports staff engagement and retention.
N. Employee Wellbeing offer Wellbeing is key to a healthy workforce as well as healthy levels of employee engagement. An Employee Engagement & Wellbeing Advisor post is now in place to maintain the ongoing development of resources to support the workforce.	Good	Staff are supported to maintain wellbeing, reducing absence and supporting employee engagement and retention.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		07. Failure to Deliver Key Council Services									
Likelihood	5										
	4										
	3										RA
	2										X
	1										
		1	2	3	4	5					
							Risk Owners		Stephen Moir		
							Current Score		10		
							Risk Appetite		15		
							Previous Score		10		
							Triggers		Likelihood Factors (Vulnerability)		Potential Consequences
							01. This risk may be triggered by the realisation of any of the other risks on the Corporate Risk Register:		01. Changes to legislation or Government policy having an adverse impact upon Council services and funding. 02. Local Government Financial reforms and funding reductions leading to direct upon Council budgets.		01. Harm or risk to vulnerable people.
							- Failure of safeguarding arrangements (Risks 1 and 2)		03. High levels of growth in Cambridgeshire outstripping forecasts and creating increased demand for key services.		02. Financial penalties
							- Failure of financial management (Risk 3)		04. Pandemic or other form of long running incident.		03. Reputational damage to the Council.
							- Impact of a major/critical incident (Risk 4), cyber attack (Risk 8) or climate change (Risk 12)		05. Organisational changes impacting service delivery.		04. Government or regulatory intervention/sanctions.
							- Failure of corporate governance (Risk 5), key contracts (Risk 10) or partnership and collaborative working (Risk 11)		06. Economic uncertainty due to national and international events		05. Statutory penalties or prosecution.
							- Insufficient workforce (Risk 6)		07. Political changes arising from General or Local Elections impacting upon service priorities.		
							- Failure to comply with Information Governance legislation (Risk 9)		08. Commissioned service providers unable to continue service (if not managed under Risk 10)		
							02. Changing county demography and high levels of growth create pressure on Council resources and increase the risk that funding does not match demand; this may also be exacerbated by weak demand management process within the Council.				
							03. Failure to identify changing policy or legislation, or an inability to respond to changes in policy or legislation.				
							04. Failure to develop, effectively communicate and implement clear Council strategies and service plans, including the Business Plan.				
							05. Insufficient corporate oversight of performance.				
							06. Non-compliance with corporate policies and procedures.				
							07. Failure of arrangements for health and safety.				

Controls	Adequacy	Critical Success
1. Role of the Corporate Leadership Team for the operational delivery of services CLT have a leading role in ensuring that the Council delivers key services and legislative requirements. Individual Executive Directors have Service Plans setting out the required delivery from their teams for the year ahead.	Good	The Corporate Leadership Team has clear terms of reference and regular reviews service performance dashboards, financial reporting, workforce information, contract/commissioning and audit and risk matters.
2. Policy and Budget Framework	Reasonable	The Council's Strategic

Action Plans	Responsibility	Target Date
1. Redevelopment of the Council's Performance Framework.	Sue Grace	09/07/2024
2.Preparation for Full Council Elections	Sue Grace Stephen Moir	31/12/2024

A clear, approved Policy and Budget Framework for the Council (including the Strategic Framework, Medium Term Financial Strategy, Capital Programme and Treasury Management Strategy).		Framework should set the high level Vision and Ambitions for the authority, from which individual service plans should be developed and delivered.
3. The role and responsibilities of Council and Committee for decision making and scrutiny Full Council and through Council Committees there is robust overview, scrutiny and challenge in respect of the delivery of key services, performance reporting and the development and approval of policy and strategy for the Council.	Good	Council and Committees have cleared, defined constitutional roles and terms of reference, with clear schemes of delegation. Each Service/Policy Committee has a clear agenda and training plan. Committee governance and effectiveness is the subject of review during each Council
4. Systems providing oversight of Council performance and service delivery. The Council's Performance Framework and Key Performance Indicators, along with associated systems for identifying performance issues such as the Complaints Procedure and Feedback Policy, provide corporate oversight of performance and delivery of key services	Reasonable	Councillors and the Corporate Leadership Team have a robust overview of service performance, delivery and risks to enable scrutiny, accountability and performance improvement activities.
5. Demand forecasting. The Council operates forecasting mechanisms to inform budget setting and long-term planning. This includes placement sufficiency processes to inform provision of school and early years places.	Good	The Council has an accurate view of likely demand for services, from both a demographic, inflationary and needs basis, in the short and long term to inform business planning.
6. Policy Horizon Scanning The Council operates an approach to policy and horizon scanning, to understand and assess the potential implications arising from policy, legislation and regulation that may impact the authority as a consequence of any change to Government due to the General Election.	Reasonable	The Council is aware off and able to inform, influence and respond to likely changes in policy from a new Government.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

05. A comprehensive set of information and security policies.	Good	Policies reviewed and refreshed annually with redundant documents removed.
06. Established procedure for notifying, handling and managing data breaches	Good	Compliance with policy and clear reporting on breaches.
07. Subject Access Requests responded to within the statutory timeframe.	Good	Targeting compliance rate of 90% SARs completed within statutory timeframe.
8. FOI responses issued within the statutory timeframe.	Good	Targeting compliance rate of 90% FOIs completed within statutory timeframe.

best practice shared		
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Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):



Risk		10. Failure of key contracts.										
Likelihood	5						Risk Owners Michael Hudson	Current Score 12 Risk Appetite 15 Previous Score 12	Last Review 12/06/2024 Next Review 10/09/2024	Triggers 01. Different partnership arrangements and/or contracts have conflicting aims or priorities. 02. Large scale handback / collapse of major suppliers for economic/profitability reasons 03. Supply chain failure and/or significant cost increases in supply chain or CPI. 04. The Council fails to identify key/business-critical contracts. 05. Lack of robust, formally agreed contract documents to set deliverables, performance and governance arrangements for all key contracts. 06. Failure to compliantly procure key contracts leads to legal challenge. 07. Contracts lack clear corporate owners; or contract owners have a conflict of interest between their CCC role and external interests. 08. Contracts fail to drive desired deliverables/outcomes through appropriate penalties/rewards. 09. Lack of in-house contract management expertise and/or capacity. 10. Third party fraud committed by or against suppliers and/or internal fraud or corruption in collusion with suppliers. 11. Relationship breakdown with key contractors, potentially leading to a legal dispute. 12. Heavy reliance on single suppliers leading to lack of a diversified supply chain.	Likelihood Factors (Vulnerability) 01. Uncertainty and major change programmes underway within the Council. 02. Significant economic and inflationary volatility. 03. Industrial Emissions Directive and the Best Available Techniques conclusions (BATc). 04. Capacity and experience to deliver robust contract and supplier relationship management for key contracts. 05. Understanding of market conditions for the specific markets in which the key contracts sit.	Potential Consequences 01. Financial impact of credit loss or default on monies owed. 02. Revenue impact of increased costs or reduced income returns. 03. Interruption to outcomes and service delivery. 04. Construction quality and health & safety matters. 05. Reputational damage. 06. Failure to fulfil statutory duties.
	4											
	3				X	RA						
	2											
	1											
		1	2	3	4	5						
Consequence												

03. Procurement Governance Board.	Good	Corporate oversight over the delivery of compliance with CPRs.
04. Business Continuity Planning processes.	Poor	
05. Head of Diligence & Best Value role.	Reasonable	Additional resource for deep dive scrutiny and challenge of contract management.
06. Corporate due diligence processes.	Good	Capability and capacity of suppliers is verified prior to entering into contracts valued over £100k, including checking e.g. insurance, accreditation, finance, health and safety etc.
07. Declarations of Interest processes within the Codes of Conduct for officers and members and within the Procurement Planning process.	Good	Responsible Officer and anyone involved in procurement evaluations has to sign a Declaration of Interest to ensure that any conflicts of interest are identified and
08. Corporate process for identifying key contracts and the use of the procurement pipeline.	Reasonable	Major procurements are planned well in advance and the risk of contracts is understood.
09. Budget monitoring and forecasting processes.	Reasonable	The risk of contract overspends is identified early and can be addressed effectively.
10. Contract Management Toolkit in place along with other supporting guidance. Contract management training is delivered to key contract managers via the Government Commercial Function.	Good	Officers know how to manage contracts effectively and use the Toolkit as part of their management processes.
Decision Making Framework for Joint Procurements A decision making framework has been agreed by CLT and will be used in all procurements valued over £100,000 where a joint procurement is being planned. This enables the risks of such a joint procurement to be identified and scored.	Good	The use of the decision making framework.

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		11. Failure of collaborative working.														
Likelihood	5															
	4															
	3															
	2															
	1															
		1	2	3	4	5										
	Consequence															
Risk Owners		Sue Grace					Current Score		12		Last Review		31/05/2024			
							Risk Appetite		15		Next Review		30/08/2024			
							Previous Score		12							
Triggers							Likelihood Factors (Vulnerability)					Potential Consequences				
01. Different partnership arrangements have conflicting aims or priorities. 02. The Council fails to identify and manage key/business-critical partnerships. 03. Lack of robust, formally agreed partnership agreements or equivalent to set scope, deliverables and governance arrangements for all key partnerships. 04. Partnerships lack clear corporate owners; or partnership owners have a conflict of interest between their CCC role and external interests. 05. Partnership agreements fail to drive desired deliverables/outcomes. 06. Relationship challenges and/or breakdown with key partners, potentially leading to a legal dispute and potential longer term impact on collaborative working. 07. Policy or leadership changes in central government or local partnership organisations. 08. Lack of transparency regarding the operation of key partnerships.							1. Uncertainty and major change programmes underway within CCC and partner organisations. 2. Restricted budgets across sector, coupled with significant economic and inflationary volatility. 3. Current negotiations regarding LD pooled budgets.					01. Financial impact of partnership failure particularly where budgets are pooled. 02. Revenue impact of increased costs or reduced income returns. 03. Interruption to outcomes and service delivery. 04. Reputational damage. 05. Failure to fulfil statutory duties.				

Controls	Adequacy	Critical Success
0.6 Alignment of Partnership Guidance with the Constitution Ensure continued alignment between Partnership Guidance for Officers and the Council's Constitution with its conditions for Members' and partnerships/outside bodies	Good	Partnership Guidance for Officers is reviewed whenever the Constitution is reviewed
01. Partnerships Advice & Guidance Document.	Reasonable	Clear guidance is available to Council officers and members on operating effectively in partnerships.
02. Grants to Voluntary Organisations Policy.	Good	Officers have clear guidance on how to manage award of grant monies effectively, to ensure that grants achieve best value and are awarded to partners who are able to deliver the

Action Plans	Responsibility	Target Date
01. Review and update Partnerships Advice & Guidance document linking in to the Appointments to Outside Bodies Process. Advice and Guidance document presented to CLT on 19/02/2024. Further amendments being made prior to publication on Camweb by end of July 2024. Toolkit and training will subsequently be developed with an anticipated launch by end of Q3	Sue Grace	31/07/2024
02. Conduct a fact-finding exercise to review our key partnerships, engagements and collaborative work. Initial findings were reported to CLT in March 2024. Self-assessment of key partnerships will be conducted over summer 2024 to develop evidence base with a report to the Risk & Assurance Group in September 2024.	Sue Grace	30/08/2024

		agreed objectives.
03. Appointments to Outside Bodies Process	Good	Officers and Members have guidance on the law around serving on external bodies, and Democratic Services maintain a record of Member appointments to outside bodies.
04. Council's Strategic Framework	Good	Clear statement of our Vision and Ambitions as a basis for our collaborative working.
05. Regular liaison with key partners ICS, CPCA, District & City Council, CAPALC (Cambs & Peterbr' Association of Local Councils), CPSB (Cambs & Peterbr' Strategic Board).	Good	Partners are clear about where they can work together for the benefits of the communities of Cambridgeshire

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

03. Identify opportunities for collaborative working around shared ambitions with our key partners	Sue Grace	31/12/2024
Opportunities for collaborative working around shared ambitions with our key partners will be identified following the completion of the above		

Risk		NEW 12. Cambridgeshire County Council is not adequately prepared for the impacts of the changing climate									
Likelihood	5										
	4										
	3										
	2										
	1										
		1	2	3	4	5					
							Risk Owners		Frank Jordan		
							Current Score		16		
							Target Score		8		
							Previous Score		16		
							Triggers		Likelihood Factors (Vulnerability)		Potential Consequences
							1.Local government is not adequately funded to address the issues relating to climate change and to deliver climate mitigation, adaptation and/or natural capital enhancement at the pace and scale required		1.Significant longer-term costs, impacts on assets and demand for services which impacts on the financial position of the County and the Council		1.Increased demand on council services and budgets limits capacity for investment into carbon, adaptation and nature related projects
							2.Lack of a clear regulatory environment to enable actions to manage climate change to be enforced.		2.Increased cost to council services to manage climate impacts on service delivery – e.g. highways pot holes, increased number of service users from flooding, or school closures from overheating; increasingly complex needs etc		2.Other priorities with short-term acute challenges are prioritised – financially and/or officer capacity/resource - ahead of carbon, adaptation and nature related projects
							3.Local strategic partnerships fail to align, deliver strategic coordinated action and clarify roles and responsibilities		3.Undermining of business continuity and deliverability of statutory functions and legislative requirements due to climate impacts impeding Officers and/or service users delivering or accessing services		3.national policy changes reduce the support for climate and/or nature action, undermining ability to prioritise projects, funding availability and/or ability for key partners to collaborate on coordinated action
							4.Key national and local partners make decisions that undermine action and progress to deliver climate mitigation and nature related action		4.Significant reputational damage associated with lack of action by the Council to support its communities to cope with increased extreme weather events – e.g. flooding, overheating		4.Carbon, climate resilience and nature enhancements are not sufficiently embedded into service planning.
							5.Internal skills, knowledge, resource and capacity do not keep pace with action delivery requirements		5.Significant political and reputational damage to the Council for not acting on the climate emergency that has been declared.		5.Inability to effectively quantify the cost impacts of the changing climate on council services and/or Cambridgeshire communities undermines ability to plan, fund and deliver resilience.
							6.Lack of awareness, skills, engagement and buy-in for climate and nature action within the Council at all levels and across all services		6.Raised political tensions with partner local authorities where CCC does not deliver actions due to budget constraints which then undermines partnership collaborations.		6.Existing culture – internal and external – regarding views on climate and nature issues and its relevant importance reduces deliverability of actions
							7.Council's Budget Position does not enable key projects to reduce carbon, enhance nature or provide mitigation are able to be taken forward (Please Note Link Risk 3)		7.Potential for community and business legal challenges on the Council's failure to deliver the		7.Forecast annual Carbon reductions within the Council and County are not realised
							8.Supply chain is insufficiently developed to deliver low carbon solutions, adaptation and/or biodiversity enhancements at required pace, scale and cost				8.New technologies and innovations are technically complex and/or challenging to implement

Controls	Adequacy	Critical Success
Climate Change & Environment Programme The programme is in place to manage and ensure delivery of the CCES and action plan (relates to 01 above)	Good	"Governance established feeding directly into Change Programme Board and Corporate Leadership Team (CLT). Recruitment underway to increase capacity. Phase 2 and Phase 3 mobilisation programmes developed"
Climate Change & Environment Strategy Council's Climate Change and Environment Strategy and Action Plan are in place to	Good	CCES approved, Phase 1 Enabling Net Zero Programme approved and mobilised.

Action Plans	Responsibility	Target Date
Annual review and update of the CCES Action Plan Annual review and update of actions within the CCES Action Plan to monitor progress towards targets. Remedial actions to service plans to update relevance of new and emerging technology, knowledge and political (local/national) ambition	Sheryl French	31/10/2024
Integration of climate into land Asset & Property Strategy CCES Programme Closure Plan	Sheryl French	30/06/2026

guide decarbonisation and nature recovery priorities.		
Climate Change and Environment Service The service supports, facilitates and delivers action across the Council including a watching brief on governmental policy, legislation and funding opportunities to enable pro-active responses to emerging changes.	Good	" Phase 2 JTF funding bid secured to support delivery of the CCES. Increase external funding success for climate/ decarbonisation/nature."
Community Flood Action Programme Programme in place to support communities to develop local flood action plans	Good	Growth in number of resilient communities and establishment of network of community flood action groups.
Embedding into council decision making processes Integration of climate and nature into Council decision making frameworks and processes	Reasonable	Committee reports include climate/ nature impacts. Net Zero design guide to support project management framework. Capital Programme Board carbon reporting.
Highways Impacts Programme Drainage systems management, Grip Cutting Programme, Peat Soil impacted roads action plan	Good	Cyclical gulley emptying is on track to complete the emptying of all known galleys within a two-year cycle. Assets have been plotted onto our Kaarbontech system. Drainage and Resilience Team have delivered programmed drainage repairs across the county"
Performance Management Reporting to monthly change Programme Board by the Executive Director Place & Sustainability	Reasonable	Unlocking organisational barriers for implementation.
Performance Management Annual monitoring of action plan and target delivery established	Reasonable	Baseline assessments in place for carbon and biodiversity.
Strategic CPCA Climate Action Delivery and Programme Management support to the CPCA Climate Change Action Plan.	Reasonable	CPCA pays for 3 days a week programme management support. Programme manager links into the Council climate work to feed through progress on CPCA funded projects.

Development of CCES Programme Closure Plan, embedding of the CCES Programme into "business as usual" and assurances for on-going monitoring of action delivery and targets		
Cleantech Sector Monitoring Collaboration and monitoring of the cleantech market to inform knowledge/skills/technology to support carbon emissions	Sheryl French	01/07/2025
Climate risk to council services Increase understanding of climate risk and its impacts on Council services including increased demand on services	Sheryl French	31/07/2025
Collaboration with Government On-going closer collaboration with government departments to share net zero and climate risk projects and programmes	Sheryl French	31/12/2024
Control effectiveness Undertake an assessment of the controls to understand the confidence in these controls to manage the corporate risk	Sheryl French	31/12/2024
Embedding climate and nature into council processess Further integration of climate and nature considerations into existing Council structures, frameworks and governance	Joe Lacey-Holland	30/12/2025
Engagement Development and commence delivery of an Engagement and awareness campaign: To deliver behavioural change and empower individuals, communities and businesses to act independently of the Council: a) internal and b) external	Andrew Hadfield-Ames	31/12/2024
Funding & Resource Long-term Funding and Resource Plan is developed and approved (via business planning and other mechanisms, e.g. grant, changes to business case methodology etc) to support on-going delivery of CCES.	Frank Jordan	31/03/2026
Inclusion of biodiversity	Emma Fitch	31/03/2025

Strategic Partnerships and collaborations Continued involvement in various strategic partnerships/collaborative spaces to feedback information and establish collaborative working approaches e.g. Local Climate Change Officers Group, UK100, ADEPT, UKPN Innovation Teams, Biodiversity Officers group, Fenland SOIL.	Good	Sharing best practice for policy and delivery improvements.

Further embedding of Biodiversity Strategy and nature into the Climate Change & Environment Programme		
Internal Audit recommendations from 2023 review of the Climate Change and Environment Strategy Implementation of Internal Audit recommendations from 2023/2024 audit of the Climate Change and Environment Strategy	Sheryl French	01/07/2025
Net Zero KPIs Establishment of Net Zero/Climate KPIs and their quarterly reporting	Rachel Hallam	31/12/2024
Procurement Further integration of climate and environment (esp biodiversity) into procurement strategy and frameworks e.g. Climate Change Charter, implementation of the Social Value toolkit, training and support for commissioning officers, standard specification text etc.	Clare Ellis	31/12/2024
Public Health Public Health messaging to communities on climate related health impacts and how to manage these e.g overheating	Val Thomas	31/12/2024

Risk Path: Cambridgeshire County Council CRR/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

CAMBRIDGESHIRE COUNTY COUNCIL

Risk Management Policy

The aims of this policy and the supporting Risk Management Toolkit are to:

- Outline Cambridgeshire County Council's approach to risk management, including the identification, assessment, monitoring and mitigation of risk.
- Ensure that good practice in risk management is embedded across the Council throughout 'business as usual' policies, processes and activity.
- Help Council staff understand the key principles of effective risk management and risk management roles and responsibilities across the organisation.
- Establish the Council's corporate risk appetite and guide staff in managing risk in a consistent and proportionate way.
- Outline a clear corporate escalation process for new and emerging risks.
- Signpost officers to further detailed guidance and support on risk management.

Policy Owner

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Version: 1.1 (reviewed June 2024, next review due June 2025)

1. BACKGROUND AND CONTEXT

- 1.1 There are many factors which might prevent Cambridgeshire County Council achieving its plans. We therefore adopt a risk management approach which is embedded throughout the entire organisation, with the aim of identifying, assessing and managing any key risks we might face. This approach is defined in this Risk Management Policy and the supporting Risk Management Toolkit.
- 1.2 Risk management is a fundamental element of the Council's Code of Corporate Governance, which enhances our organisation's strategic planning and prioritisation, supports us in achieving our objectives and strengthens our ability to be agile in response to challenges faced.
- 1.3 This Risk Management Policy is fully supported by the Council, the Chief Executive and the Corporate Leadership Team (CLT) who are accountable for the effective management of risk within the Council.
- 1.4 On a daily basis, all officers of the Council have a responsibility to recognise and manage risk in accordance with this Policy. Detailed information on roles and responsibilities for risk management is outlined in the Risk Management Toolkit (Section 3), along with in-depth guidance on how to implement this policy in practice.

2. WHAT IS RISK MANAGEMENT?

- 2.1 Risk can be defined as "an **uncertain** event which, should it occur, will have an effect on the achievement of objectives."
- 2.2 Risk management is the process by which the Council seeks to:
 - **Identify** possible risks it may face;
 - **Assess** the severity and likelihood of these risks, in order to **prioritise** them;
 - Identify proportionate actions to minimise, monitor and **control** possible risks (or to maximise possible opportunities).

3. RISK MANAGEMENT OBJECTIVE

- 3.1 The objective of this Policy is to define a systematic corporate approach to risk management, which ensures that risks which might impact upon the achievement of the Council's objectives are identified and managed on a timely basis and in a proportionate manner.

- 3.2 Along with the associated Risk Management Toolkit, this Policy clarifies risk management roles and responsibilities across the organisation and seeks to ensure that good practice on risk management is embedded in everyday policies, processes and activity.

4 RISK MANAGEMENT APPROACH

- 4.0.1 The risk management approach adopted by the Council is based on identifying, assessing, managing and monitoring risks at all levels across the Council.
- 4.0.2 Detailed guidance on the application of the risk management approach is set out in the Council's Risk Management Toolkit. The Toolkit document can also be located on the staff intranet by searching for 'Risk Management'.

4.1 Identifying Risks:

- 4.1.1 The first step of risk management is to identify risks, factors, events or circumstances which could impact on the organisation's ability to achieve its objectives. For example, the Council not having enough budget to achieve its objectives, or the Council being a victim of cyber crime are risks that we always face.
- 4.1.2 When risks are identified, the possible triggers of each risk should also be articulated. A trigger is an event or condition that causes a risk to occur; identifying triggers therefore assists in identifying any controls or mitigating actions necessary to prevent the risk occurring, or to recover quickly should a risk occur. Finally, the owner of each risk should be identified, preferably at an individual officer level (post title).
- 4.1.3 Section 4.1 of the Risk Management Toolkit provides additional guidance and prompts to support officers in identifying the types of risk they may be facing. Further guidance and support on the risk identification process, including facilitation of workshops, can be obtained from the Internal Audit & Risk Management service.

4.2 Assessing Risks:

- 4.2.1 The risk should next be assessed to identify the likelihood of the risk occurring as well as the potential consequences if the risk should occur. This is done by assigning a 'risk score' to each risk and identifying the arrangements in place to manage the risk or reduce the chance of it occurring.
- 4.2.2 The Council maintains a Risk Scoring Matrix ([Appendix A](#)) to ensure officers across the Council can take a consistent approach to assessing risks. Risk scores are calculated using the Matrix by scoring both the likelihood and potential impact of the risk on scales of 1-5, and multiplying those figures to get the risk score.

- 4.2.3 The risk should be initially scored, using the Risk Scoring Matrix, as if there were no arrangements in place to manage or mitigate the risk. This is known as the **inherent risk level**. Identifying inherent risk in this way benefits the organisation by providing a listing of all major risks faced, regardless of how well they are being managed in practice.
- 4.2.4 Next, officers should identify the key controls which are already in place to manage or mitigate against the risk. Risk can be managed or mitigated in the following ways:
- **Avoid:** The Council could decide not to start or continue with the activity which gives rise to the risk.
 - **Transfer:** The Council can seek to transfer the consequences of a risk occurrence (for example, via insurance).
 - **Reduction:** The likelihood of a risk occurring, or the impact if it does occur, could be reduced via policies and procedures in our everyday business processes. For example, our safeguarding policies and procedures seek to reduce the risk that a child or vulnerable adult comes to harm.
 - **Recovery:** The Council can seek to reduce the impact of risks when they do occur through effective business continuity planning.
- 4.2.5 The risk should then be re-scored using the Risk Assessment Matrix, taking account of the key controls which are in place. This is the **residual risk level**.
- 4.2.6 The outcomes of this process of identifying and assessing risk should be captured in a Risk Register (see also Section 4.4, below). By following these steps, the Council ensures that it has a documented control framework for the management of all major risks. Further guidance may be found in Section 4.2 of the Risk Management Toolkit.
- 4.3 Managing Risks and Risk Appetite:**
- 4.3.1 The residual risk score should be evaluated and an assessment made if this level of risk is appropriate, or if further action is required to reduce the risk in addition to the controls already in place.
- 4.3.2 The Council has defined its **maximum risk appetite** as not accepting a residual risk score of 16 or more unless actions are planned to reduce the score to below this level on a timely basis. In exceptional circumstances, the Strategy and Resources Committee can approve a residual risk in excess of the risk appetite if it is agreed that it is impractical or impossible to reduce the risk level below 16. Such risks should be escalated through the management reporting line to Corporate Leadership Team (CLT) before being presented to the Strategy and Resources Committee.

- 4.3.3 If the residual risk is too high, a documented action plan must be designed to reduce the risk to below the risk appetite in a timely way. Individual actions must be assigned to a named owner, and an achievable specified target date for completion set. It is not acceptable to set a target date of 'ongoing' for actions, as this does not facilitate the effective management of action delivery.
- 4.3.4 Further guidance on managing risks may be found in Section 4.3 of the Risk Management Toolkit. If officers feel they are not able to identify achievable actions to reduce the risk to an appropriate level in a timely way, this should be escalated through the management line.

4.4 Recording Risks:

- 4.4.1 Once identified, risks should be recorded in a Risk Register. Under this policy, as a minimum the Council is required to maintain:
- A **Corporate Risk Register** (CRR) capturing the organisation's key corporate risks that could threaten the Council's operations as a whole. The CRR is held on GRACE, the Council's corporate risk management system; is managed and overseen by the Corporate Leadership Team (CLT); and is reported to Strategy & Resources Committee.
 - **Directorate Risk Registers** (DRR) identifying risks that could threaten day-to-day operational activities within each Directorate. DRRs must be held on GRACE; managed and owned by Executive Directors; and are reported to the relevant Service Committee.
- 4.4.2 Individual services and sub-directorates should also consider their arrangements for identifying, recording and managing risks. Individual services, projects and programmes which manage significant risks on behalf of the Council as a whole should ensure that they maintain sufficient documented risk management records.
- 4.4.3 Below the Directorate level, there is no corporate requirement to use the GRACE risk management system for risk registers. Officers seeking to use the GRACE system should contact the Internal Audit & Risk Management team internal.audit@cambridgeshire.gov.uk to obtain system access and training.
- 4.4.4 Services/projects are able to use whatever risk register format suits their needs, provided it can be demonstrated that this facilitates effective risk management in line with the principles of this policy. Specific services or business areas (such as project management, contract management, etc.) may set their own requirements for risk management processes, and officers should consult the relevant policies/procedures to ensure they are familiar with any such requirements. Further guidance may be found in Section 4.4 of the Risk Management Toolkit.

4.5 Risk Monitoring & Reporting:

- 4.5.1 The frequency of risk monitoring should take into consideration the speed at which risks are emerging and the level of their materiality, rather than being determined by organisational administrative cycles. However, a full formal review of risk should be undertaken on at least a quarterly basis at all levels of management (i.e. CLT, directorate, service, etc.). Guidance on what these reviews should cover as a minimum is provided in the Risk Management Toolkit, Section 4.5.
- 4.5.2 Managers should have regard to potential risks at all times and should use the risk management approach to help them analyse and manage risks at the point they are identified. Officers should not wait for the next formal quarterly review to escalate concerns or serious emerging risks, but should escalate via normal management reporting lines (see also Section 5, below).
- 4.5.3 Directorate Risk Registers should be reported to the relevant Committee at least every six months, and more frequently if there is a significant change in risk profile. The Corporate Risk Register will be reported to Strategy & Resources Committee and Audit & Accounts Committee on at least a six monthly basis, or more frequently to reflect any significant changes in the corporate risk profile.

5. RISK ESCALATION PROCESS

- 5.0.1 A key principle is that risk should be managed at the lowest appropriate level of management. The risk management process should enable emerging or worsening risks to be escalated to more senior levels of management for awareness and effective action planning. Conversely, where risk levels are reducing, risks should be de-escalated accordingly.

5.1 Escalation to the Directorate Risk Register:

- 5.1.1 There may be times when a risk that has been identified/managed within a service, project or programme needs to be escalated to the Directorate Risk Register (DRR). This should be managed through Directorate Management Team (DMT) meetings. Risks with a score of 16 or higher must be escalated to the DRR and on to the Corporate Risk Register; but below this, it will also be appropriate to escalate risks based on the best judgement of officers rather than a specific risk score.
- 5.1.2 Examples of situations when it may be appropriate to escalate risks, and additional guidance on escalation processes, are set out in Section 5 of the Risk Management Toolkit.

5.2 Escalation to the Corporate Risk Register:

5.2.1 Identified risks within Directorate Risk Registers may need to be escalated for inclusion into the Corporate Risk Register. Risks will need to be escalated if:

- The risk remains red (above the agreed risk appetite) according to the Risk Scoring Matrix in [Appendix A](#) after all available mitigations have been implemented, and;
- The relevant director deems the risk to be a significant risk to the organisation as a whole.

5.2.2 To escalate a risk to the Cambridgeshire Corporate Risk Register: first the relevant Directorate Management Team must agree that the risk meets the escalation criteria above and recommend it goes forward to be included within the Cambridgeshire Corporate Risk Register. A paper outlining the risk should be taken to the next available CLT meeting and, if agreed, escalated from that meeting on to Strategy & Resources Committee.

6. PARTNERSHIPS AND CONTRACTS

6.1 This policy applies to all of the Council's core functions. Where Cambridgeshire County Council enters into joint working arrangements or partnerships, the principles of risk management established by this Policy and supporting guidance should be considered as best practice and applied where possible.

6.2 It is also expected that the Council's key contractors have risk management arrangements at a similar level, which should be established and monitored through commissioning processes and contract management arrangements.

6.3 Officers engaged in partnership working or contract management should ensure there are clear routes for risks to be communicated from partners/contractors to the Council and escalated onto Cambridgeshire risk registers where appropriate, in line with the principles set out at Section 5, above.

6.4 Further guidance on risk management within contracts, partnerships, projects and other business processes can be found in the Council's detailed Risk Management Toolkit, Section 3.2.

7. TRAINING and DEVELOPMENT

7.1 The Council recognises that the effectiveness of its risk management approach will be dependant upon the degree of knowledge of the approach and its application by officers and councillors. This will be supported through the delivery of formal training programmes, risk workshops, briefings and internal communication channels.

- 7.2 This Risk Management Policy will be subject to regular review, with updates to be approved by CLT and the Strategy & Resources Committee at least once every three years.

Appendix A

CAMBRIDGESHIRE COUNTY COUNCIL

RISK MANAGEMENT SCORING MATRIX

The Council's Risk Management Scoring Matrix and supporting guidance seeks to ensure that officers across the Council take a consistent approach to assessing risks as part of the risk management process. Risk scores are calculated using the Matrix below, by scoring both the likelihood and potential impact of the risk on scales of 1-5, and multiplying those figures to get the risk score.

In assessing the **impact score**, officers should consult the Risk Impact Descriptors table at [Appendix B](#) of this document. In assessing the **likelihood score**, officers should consult the Risk Likelihood Descriptors table at [Appendix C](#) of this document.

Officers are also encouraged to consult the Council's Risk Management Toolkit, Section 4.2, for detailed guidance on the application of the Risk Management Scoring Matrix.

VERY HIGH	5	10	15	20	25
HIGH	4	8	12	16	20
MEDIUM	3	6	9	12	15
LOW	2	4	6	8	10
NEGLIGIBLE	1	2	3	4	5
IMPACT LIKELIHOOD	VERY RARE	UNLIKELY	POSSIBLE	LIKELY	VERY LIKELY

Once **residual risk scores** have been agreed, they should be approached as follows:

Red: (scores 16 – 25) In excess of Council's risk appetite. Must be escalated to CLT (and on to Strategy & Resources Committee if CLT agree with the risk assessment). Officers must seek to manage the risk down to an acceptable level as a matter of urgency.

Amber: (scores 12 – 15) On the borders of the Council's risk appetite. Management should ensure that they are closely monitoring these risks and that they have arrangements in place to provide assurance over the effectiveness of the controls in place to manage these risks.

Yellow: (scores 5 – 10) Risks should be recorded and reviewed quarterly to assess any increases in the risk score.

Green: (scores 1 – 4) Minimal risk. Monitor as necessary. No actions required.

RISK IMPACT DESCRIPTORS TABLE

The following descriptors are designed to assist officers in scoring the impact of a risk, to ensure a consistent approach across the Council. The descriptions are a guide and there may be exceptions depending on the specific nature of the risk:

	Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Legal and Regulatory	Minor civil litigation or regulatory criticism.	Minor regulatory enforcement.	Major civil litigation and/or local public enquiry.	Major civil litigation setting precedent and/or national public enquiry.	Section 151 or government intervention or criminal charges.
Financial cost (per annum)	Less than £0.5m.	Less than £1 million.	Less than £5 million.	Less than £10 million.	More than £10 million.
Service provision	Insignificant disruption to service delivery.	Minor disruption to service delivery.	Moderate direct effect on service delivery.	Major disruption to service delivery.	Critical long term disruption to service delivery.
Safeguarding and Health & Safety	No injuries.	Low level of minor injuries.	Significant level of minor injuries of employees and/or instances of mistreatment or abuse of individuals for whom the Council has a responsibility.	Serious injury of an employee; and/or serious mistreatment or abuse of an individual for whom the Council has a responsibility.	Death of an employee or individual for whom the Council has a responsibility; and/or serious mistreatment or abuse resulting in criminal charges.
Reputation	No reputational impact.	Minimal negative local media reporting.	Significant negative front page reports/editorial comment in the local media.	Sustained negative coverage in local media or negative reporting in the national media.	Significant and sustained local opposition to the Council's policies and/or sustained negative media reporting in national media.
Environment	No or insignificant environmental damage.	Minor local environmental damage.	Moderate local environmental damage.	Major local environmental damage.	Major national or international environmental damage.

Appendix C

CAMBRIDGESHIRE COUNTY COUNCIL

RISK LIKELIHOOD DESCRIPTORS TABLE

The table below provides guidance to officers on scoring the likelihood of risk occurrences, to support a consistent approach across the Council:

Score	Description
5 Very High (90%+)	Without action, is highly likely to occur. Annual similar occurrences in local government/Council history.
4 Likely (60%-90%)	Strong possibility. Regular similar occurrences known in local government/Council history.
3 Possible (40%-60%)	Might occur. Similar occurrences known in local government/Council history.
2 Unlikely (10%-40%)	Not expected. Rare but not unheard-of occurrence in local government/Council history.
1 Very rare (0%-10%)	Very unlikely to occur. No recent similar instances in local government/Council history.

Risk Management Strategy 2024 – 26

1. Introduction:

- 1.1 Risk Management is the identification, assessment and prioritisation of risks followed by the coordinated and economical application of resources to minimise, monitor and control the probability or impact of unfortunate events/threats. Risk management can also play an important role in maximising the realisation of opportunities.
- 1.2 Cambridgeshire County Council does not seek to reduce all risk to the minimum possible level, as this would not be a proportionate use of scarce resources. Instead, our risk management processes aim to manage risk in a proportionate manner, relative to the severity of the risk.
- 1.3 Effective risk management is a critical part of good organisational governance, and as such the Council seeks to continually monitor, adapt and improve its risk management framework to address external and internal changes.
- 1.4 While the Council's Risk Management Policy and Toolkit documents define a clear and consistent approach to risk management across the organisation, this Strategy captures the development activity that the Council will undertake to ensure that its policy and procedures for risk management reflect best practice; are communicated effectively across the organisation; and are effectively complied with in practice.

2. Context:

- 2.1 This Strategy and Action Plan was originally developed following a Risk Maturity Assessment undertaken by the Cambridgeshire County Council Internal Audit & Risk Management service in April 2023, in line with Institute for Internal Auditors (IIA) guidance.

Risk Management Strategy 2024 - 2026

2.2 This assessment involved benchmarking the Council's risk management processes against a model framework, to identify any gaps in current arrangements as well as to help plan and prioritise actions to further enhance and embed effective risk management at Cambridgeshire.

2.3 The table below shows the maturity of risk management arrangements at Cambridgeshire County Council, as identified by the Risk Maturity Assessment in April 2023:

Risk Stages	Definition	No. areas at this level
1. Risk enabled	<i>Risk management and internal controls fully embedded into the operations.</i>	9 (56%)
2. Risk managed	<i>Enterprise approach to risk management developed and communicated.</i>	0
3. Risk defined	<i>Strategy and policies in place and communicated. Risk appetite defined.</i>	6 (38%)
4. Risk aware	<i>Scattered silo approach to risk management.</i>	1 (6%)
5. Risk naive	<i>No formal approach defined to risk management.</i>	0

2.4 The assessment identified that while 56% of areas reviewed at the Council were assessed as being 'risk enabled', the highest level of risk maturity in the framework, there was room for further development and improvement of some areas of the Council's risk management processes, particularly with regards to compliance with some areas of corporate risk management policy and the need for co-ordinated risk training for Council officers and members.

2.5 This Strategy was initially prepared in response to the findings of the risk maturity assessment, with reference to the updated guidance document *The Orange Book: Management of Risk – Principles & Concepts* (April 2023) published by the UK Government. The elements of Cambridgeshire County Council's risk strategy outlined below are aligned to the five key principles set out in the Orange Book.

2.6 The present version of the Strategy has been updated in June 2024 to reflect progress to date, rephrasing of planned activity, and to incorporate further actions that have been identified during the 2023/4 financial year.

3. Objectives:

- 3.1 The chief objective of this Risk Strategy is to outline the key actions that will be undertaken by Cambridgeshire County Council to move to a consistently 'risk enabled' level of risk management maturity, reflecting that 'risk management and internal controls are fully embedded into the organisation's operations'.
- 3.2 These actions are captured throughout the document and in the Risk Management Action Plan, below.

4. Risk Management Strategy

4.1 Key Principles

- 4.1.1 The elements of Cambridgeshire County Council's risk strategy are aligned to the five key principles set out in the Orange Book: governance and leadership; integration; collaboration and best information; risk management process; and continuous improvement.

4.2 Principle 1: Governance & Leadership

"Risk management shall be an essential part of governance and leadership, and fundamental to how the organisation is directed, managed and controlled at all levels."

- 4.2.1 At Cambridgeshire County Council, roles and responsibilities for risk management are set out in the Risk Management Policy & Toolkit. The CLT Risk & Assurance Group meets quarterly to scrutinise the Corporate Risk Register, and to consider reports on emerging risks and sources of assurance over risk. The Corporate and Directorate Risk Registers are regularly reported to Committee, and risk management activity is owned by management with guidance, advice and support provided by the Head of Internal Audit & Risk Management.
- 4.2.2 The Council has identified the following next steps to strengthen the leadership and governance around risk management:

Action:	Owner:	Due Date:
All Committees should receive a copy of the relevant Directorate Risk Register (DRR) in the first six months of 2023/24. [N.B. implementation of this action was delayed by the need to clarify which DRRs should be reported to which Committee where there is a non-linear relationship between directorate and Committee structures]	CLT	30 th September 2024 [previously 30/09/23]

Risk Management Strategy 2024 - 2026

Internal Audit & Risk Management will develop a risk management e-learning module that can be made available to all staff. This will particularly include guidance on how to escalate risks between different management levels/risk registers. Once this is completed, it will be publicised internally via the intranet and to targeted staff including budget managers. <i>[N.B. draft training has been developed and shared with the Learning & Development team to create the eLearning, but the team currently have a busy work schedule so it is hoped to launch the training later in the year. In the interim, training has been rolled out to the Corporate Risk Group who have undertaken a range of different training sessions including identifying risk, escalating and de-escalating risks, and how to use the corporate risk management system]</i>	Head of Internal Audit & Risk Management	31 st October 2024 <i>[previously 31/03/24]</i>
A risk management training session will be planned for Members, with all Members encouraged to attend.	Head of Internal Audit & Risk Management	COMPLETE
Internal Audit will review how the Corporate Risk Registers link into the new Strategic Framework and Performance Framework.	Head of Internal Audit & Risk Management	31 st March 2025
An annual communications plan will be developed for risk management, to raise awareness among staff of the existence of the Risk Management Policy and Toolkit via the staff intranet, Friday Focus and other internal communication channels	Head of Internal Audit & Risk Management	COMPLETE
Appoint to new Corporate Risk Manager role in 2024/5 to develop greater capacity and resilience in corporate risk management support.	Head of Internal Audit & Risk Management	31 st August 2024 [NEW]
Facilitate a Risk Management Workshop for members of the Strategy, Resources & Performance Committee.	Head of Internal Audit & Risk Management	12 th June 2024 [NEW]

4.3 Principle 2: Integration

“Risk management shall be an integral part of all organisational activities to support decision-making in achieving objectives.”

Risk Management Strategy 2024 - 2026

4.3.1 At Cambridgeshire County Council, the Risk Management Policy & Toolkit outline how risk management activity should be incorporated into all aspects of organisational decision-making.

4.3.2 The Council has identified the following next steps to strengthen the integration of risk management processes:

Action:	Owner:	Due Date:
The Council should review how risk information is presented as part of decision-making processes and identify any areas for improvement, as part of the development of decision-making guidance to improve quality of report writing.	Service Director: Legal & Governance	COMPLETE
New project management procedures to include guidance on the routine management of risk for corporate projects.	Assistant Director: Policy, Insight & Programmes	COMPLETE
A process should be put in place to ensure all significant new revenue and capital projects are routinely and consistently assessed for risk as part of new project management procedures.	Assistant Director: Policy, Insight & Programmes	COMPLETE
Internal Audit to re-introduce the Corporate Risk Group on a quarterly basis with Risk Champion from each Directorate. This should ensure a wider range of perspectives are brought to bear on the CRR and will re-establish compliance with the Risk Management Toolkit.	Head of Internal Audit & Risk Management	COMPLETE
The Council should consider integrating the Corporate Risk group with an equivalent network of Performance Champions or similar.	Executive Director: Strategy & Partnerships	31 st March 2025
The Council should consider integrating risk reporting alongside the performance/financial reporting received by Committees, to give a more holistic overview of the Council's performance.	Executive Director: Strategy & Partnerships	31 st March 2025

4.4 Principle 3: Collaboration and Best Information

Risk Management Strategy 2024 - 2026

“Risk management shall be collaborative and informed by the best available information and expertise.”

4.4.1 At Cambridgeshire County Council, the Risk Management Policy and Toolkit set out guidance on managing risk across partnerships, contracts and other relationships with third party organisations.

4.4.2 The Council has identified the following next steps to strengthen the risk management processes around collaborative, partnership and third party working and to ensure risk management is informed by the best available information:

Action:	Owner:	Due Date:
Review the guidance set out in the Risk Management Policy and Toolkit to update the guidance provided on managing risk across partnerships, contracts and other relationships with third party organisations.	Head of Internal Audit & Risk Management	COMPLETE
Corporate risk owners to review their risks to ensure all controls include details of the way(s) in which the risk owner obtains assurance that controls are a) in place and b) operating effectively. Where there are no assurances, these areas should be targeted for additional review to provide assurance that controls are indeed operating as expected.	CLT	COMPLETE
Risk management arrangements for partnerships and collaborative working arrangements to be set out in the updated Partnerships Advice & Guidance document following review.	Assistant Director: Policy, Insight & Programmes	COMPLETE
As notice has been given on the current shared iteration of the GRACE risk management system that Cambridgeshire shares with Milton Keynes, the Council will need to conduct a formal exercise to evaluate and procure a new risk management system.	Head of Internal Audit & Risk Management	31 st March 2025 [NEW]

4.5 Principle 4: Risk Management Processes

“Risk management processes shall be structured to include:

- a) risk identification and assessment to determine and prioritise how the risks should be managed;*

Risk Management Strategy 2024 - 2026

- b) the selection, design and implementation of risk treatment options that support achievement of intended outcomes and manage risks to an acceptable level;*
- c) the design and operation of integrated, insightful and informative risk monitoring; and*
- d) timely, accurate and useful risk reporting to enhance the quality of decision-making and to support management and oversight bodies in meeting their responsibilities.”*

4.5.1 At Cambridgeshire County Council, the Risk Management Policy and Toolkit set out a clear approach to identifying and assessing risk, treating risk, and risk monitoring and reporting. The Council has set a defined risk appetite and risk matrix to support a consistent approach to risk across the organisation. The Policy and Toolkit are reviewed regularly and approved by the Strategy & Resources Committee. Risk assurance reviews are conducted by staff from within the Internal Audit & Risk Management service.

4.5.2 The Council has identified the following next steps to further develop Cambridgeshire County Council's risk management processes:

Action:	Owner:	Due Date:
Risk Management Policy and Toolkit to be reviewed and updated. Specifically this will include: incorporating the role of the new CLT Risk and Assurance workshops, and including a copy of the Terms of Reference for the group; reducing the requirement for Directorate Risk Register reporting to Committee to six monthly; updating guidance on the use of a single corporate system for risk management; and updating documentation where job titles/organisational structures have changed.	Head of Internal Audit & Risk Management	COMPLETE
The Strategy and Resources Committee has previously suggested that there should be a mechanism outside the current system to differentiate the severity of risks ranked on the 5x5 risk matrix. The Head of Internal Audit and Risk Management in consultation with CLT to reconsider other matrices, which includes weighting and other factors to help assess severity and importance.	Head of Internal Audit & Risk Management	COMPLETE
Reimplement the Risk Assurance Review process in 2024/5 to provide assurance over the management of risks across the Corporate Risk Register.	Head of Internal Audit & Risk Management	31 st March 2025 [NEW]

Develop and share a template to allow risk owners to self-assess the effectiveness of the current control environment for their risks.	Head of Internal Audit & Risk Management	31 st March 2025 [NEW]
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4.6 Principle 5: Continual Improvement

“Risk management shall be continually improved through learning and experience.”

4.6.1 At Cambridgeshire County Council, the Head of Internal Audit & Risk Management prepares an annual report on risk management which is presented to CLT, Strategy and Resources Committee and the Audit & Accounts Committee. This considers the risk management environment at the Council and areas for further improvement and development.

4.6.2 This Risk Strategy document outlines the Council's planned approach to developing and improving its risk management framework over the next three years, and all the actions outlined in this Strategy support this principle. In particular, the following key actions are highlighted as supporting the principle of continuous improvement of risk management practice:

Action:	Owner:	Due Date:
A full audit of risk management will be undertaken in 2024/25. This will include a detailed review of Directorate Risk Registers (DRR); consideration of how risk management processes serve to communicate risks from partners and suppliers; looking at how risk management performance is assessed; and a staff survey to gain a deeper understanding of how embedded risk management is across the organisation. [N.B. This action was delayed to enable this work to be undertaken in conjunction with the new Corporate Risk Manager post which has been created for the 2024/5 financial year]	Head of Internal Audit & Risk Management	31 st March 2025 [previously 31 st March 2024]
Follow-up Risk Maturity Assessment to be conducted in Q4 2024/25, to assess the development of the organisation's risk maturity in light of the implementation of key actions from this Strategy.	Head of Internal Audit & Risk Management	31 st March 2025
Council to consider commissioning an external review of risk management arrangements.	CLT	31 st March 2026

Full review and refresh of the Risk Strategy to be undertaken.	Head of Internal Audit & Risk Management	COMPLETE
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5. Implementation of the Strategy

- 5.1 The implementation of the Action Plan outlined in this Strategy document will be reported by the Head of Internal Audit & Risk Management to Corporate Leadership Team Risk and Assurance meetings on a six-monthly basis. The implementation of actions will also be reflected in the Annual Risk Report to Strategy & Resources Committee and Audit & Accounts Committee.
- 5.2 The Risk Management Strategy is not intended to be a static document. The Strategy and Action Plan will be informally updated on an ongoing basis by the Head of Internal Audit & Risk Management, taking into account the findings of internal audit reviews, the developing risk environment, and feedback from management and Members.

Performance Management Framework Refresh

To: Strategy, Resources and Performance

Meeting Date: 9 July 2024

From: Executive Director of Strategy & Partnerships

Electoral division(s): All

Key decision: No

Forward Plan ref: Not Applicable

Executive Summary: The current Cambridgeshire County Council (CCC) Performance Management Framework was last updated in 2022/23. The refreshed framework looks to update the approach CCC will take to performance, at both a Directorate level as well as realigning Policy and Service Committees to report and scrutinise performance at a more strategic level.

Recommendation: The Strategy, Resources & Performance Committee is asked to approve the newly refreshed Performance Management Framework.

Officer contact:

Name: Richard Springbett

Post: Governance & Performance Manager

Email: Richard.Springbett@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

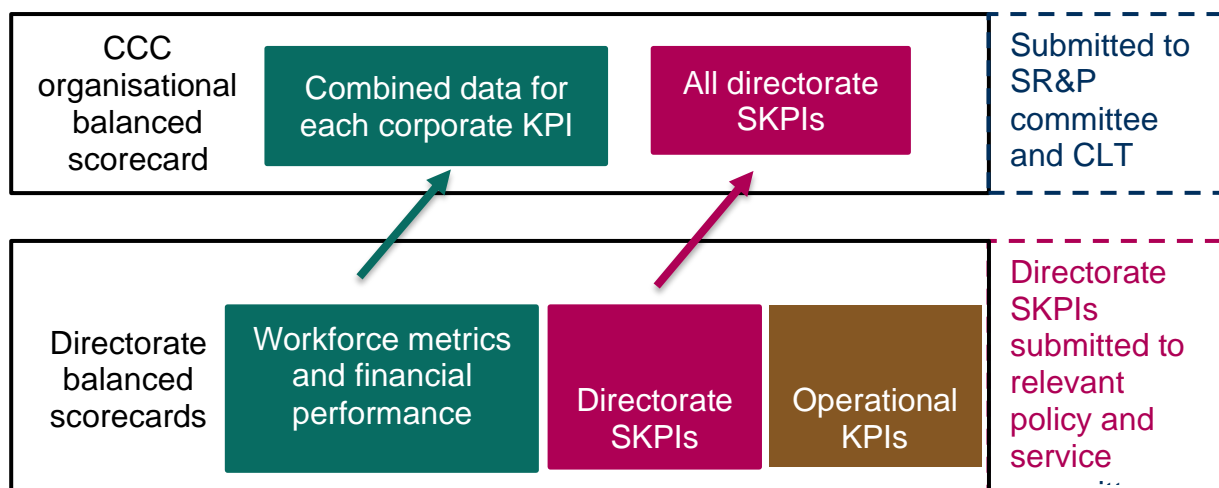
- 1.1 The Performance Management Framework (PMF) establishes the principles by which the Council develops, manages and reports on performance. The outcome of the framework is to ensure that performance is reported to appropriate stakeholders in a timely manner to enable scrutiny and drive continuous improvement in service delivery. Effective performance management is essential for delivering all seven of the council's Strategic Framework ambitions.

2. Background

- 2.1 Cambridgeshire County Council is dedicated to providing residents with the best services possible and driving continuous improvement. Doing so requires an effective performance management system and a strong performance management culture, which allow the council to measure whether it is on track to achieve its strategic ambitions and service requirements.
- 2.2 The council last updated the PMF for the 2022/23 financial year. Since the last framework was developed, the council has undergone considerable change and the strategic ambitions have been refined, meaning a refreshed performance management framework is essential.
- 2.3 Building on previous iterations of the framework, the refreshed framework looks to guide colleagues within the organisation on the best approach to developing, managing and reporting on performance, enabling a joined up, transparent and high performing performance culture within the council. Through effective performance management, the organisation has the tools and capability to make informed choices about how to respond to performance challenges when they arise.
- 2.4 A refreshed performance management framework will help the council to:
- Realise its vision for a greener, fairer and more caring Cambridgeshire.
 - Effectively deliver its Strategic Framework ambitions via measurement of progress towards our objectives and desired outcomes.
 - Drive continuous service improvement.
 - Promote good governance through accountability, transparency and scrutiny.
 - Instil confidence across the organisation, service-users and partners.
 - Protect and enhance the reputation of the council.

3. Main Issues

- 3.1 The current PMF was last refreshed in 2022/23 financial year. The document sets out the 'what' and 'how' Key Performance Indicators (KPI) are created and used. The refreshed framework looks to build on these foundations, including a clearer performance process that links from individual services' performance all the way through to strategic decision-making, supporting the council to embed performance at the heart of everything we do.



- 3.2 Creating a clearly defined hierarchy for performance allows the right stakeholders to see the right Information at the right time. Through having a clear golden thread for performance as well as consistency across the organisation in how performance is approached. Table 1 above illustrates how the Directorate level scorecards feed up into the organisation scorecard.
- 3.3 Having a consistent approach across the organisation not only provides structure to how we manage performance as an organisation, but it also provides transparency in how we work, and the results achieved across all services and directorates. The Operational KPI section of the scorecard will allow for each directorate to have KPIs across all their services in one place, this will allow performance to be scrutinised as well as linking performance across a whole directorate more effectively.
- 3.4 Through the directorate scorecards, directorates' Strategic Key Performance Indicators (SKPIs) will feed up to create an organisation-wide balanced scorecard. SKPIs link directly to our corporate ambitions set out within the Strategic Framework. They help our elected members and Corporate Leadership Team ('CLT') to understand performance across the entire council. SKPIs aim to tell the story of the council as well as giving a clear position on performance against the council's Strategic Ambitions.
- 3.5 The PMF has been designed to ensure that there is a consistent, streamlined and joined-up approach to performance. It is important that performance is not just looked at in isolation but also considered alongside other factors, such as finance, risk management and change management at both officer and member level. These elements are built into the directorate scorecard, providing a holistic and detailed picture for officers within each directorate. For members, the quarterly performance report will look to tie-in closer links with finance and risk reporting as well as change management performance in due course. Having a joined-up approach both at directorate and member level, will bring a fuller picture to decision making as well as a better ability to make evidence-based decisions.
- 3.6 The PMF sets out that the organisational-wide balanced scorecard will be presented in full each quarter to Strategy, Resources and Performance committee. This is to bring performance reporting in line with the Terms of Reference set out for this committee, ensuring oversight and scrutiny of performance across the whole organisation against the priorities laid out within the Strategic Framework. All other Policy & Service Committees will

then receive their applicable SKPIs alongside attached appendices for directorate risks and change management as and when appropriate.

- 3.7 Whilst for many committees this will be a refinement of indicators that are currently presented, the focus on SKPIs alongside risk, finance and change will result in an increased scrutiny of overall performance for their respective areas of responsibility. Furthermore, quarterly performance scorecards can be supplemented with reporting on specific areas of interest as and when required.
- 3.8 it is also recognised that how we communicate our performance is vital, promoting transparency and scrutiny. The PMF outlines that quarterly performance scorecards will be published on the external website as well committing to delivering an annual performance report for the council. These scorecards will be developed to be accessible to all and will ensure that all stakeholders have the opportunity to view the performance of the council against its strategic ambitions.

4. Conclusion and reasons for recommendations

- 4.1 It is important for the council to have an up-to-date PMF that demonstrates how performance is measured, reported and managed.
- 4.2 The refreshed framework has been carefully considered, with best practice incorporated from sources such as Local Government Association and the Centre for Governance and Scrutiny. Bringing these elements together and building on previous iterations of the PMF has established a way of working that allows for a more focussed and cohesive approach to performance as laid out in this paper.
- 4.3 It is recommended that the committee approves the refreshed PMF.

5. Significant Implications

5.1 Finance Implications

No significant implications

5.2 Legal Implications

No significant implications

5.3 Risk Implications

No significant implications

5.4 Equality and Diversity Implications

The refreshed performance management framework impacts all staff and service users. Highlighting performance through focus at committee level and directorate scorecards as laid out in the framework, means there is an increased likelihood of declining performance being

addressed earlier, services being improved and better outcomes for staff, residents and service users.

5.5 Climate Change and Environment Implications (Key decisions only)

No significant implications

6. Source Documents

6.1 Appendix 1 – Performance Management Framework

6.2 [EQIA – Performance Management Framework](#)



Performance Management Framework 2024-2025



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Introduction



The Cambridgeshire County Council way

Cambridgeshire County Council is dedicated to providing its residents with the best services and support possible. This requires an effective performance management system and a strong performance management culture.

Performance management is a tool that allows us to measure whether we are on track to achieve our corporate priorities (see Appendix B) and service needs.

Public services in Cambridgeshire are facing a range of challenges. Performance management helps us make informed choices about how to respond. If we are off-track, we change our activities to improve service delivery, value for money, and the outcomes people experience.

Performance management is the centre of everything we do. It links and drives change programmes, projects and service delivery, and the risks we face.

Good performance management provides the council with the following benefits:

- Supporting our vision for a greener, fairer and more caring Cambridgeshire.
- Helping us to meet our corporate ambitions.
- Driving continuous improvement.
- Helping measure progress towards our objectives and desired outcomes.
- Promoting accountability and transparency.
- Instilling confidence across our organisation, service-users, and partners.
- Protecting and enhancing the reputation of the council.

Good performance management also helps the council manage risk. By closely observing our services, we can notice when risks arise and can monitor and mitigate risks and issues. This ensures we keep providing high-quality and effective services.

This framework can be used as a guide for officers and members developing and improving performance measures and reports. As performance comes in many forms, this framework is unable to mention all of them. For example, annual financial performance can be found [here](#).

Auditing and reviewing the performance management framework

The Governance and Performance team will regularly review this framework, and through refinement and continual improvement, will ensure that it continues to meet the needs of Cambridgeshire County Council. The Governance and Performance team and the Strategy, Performance and Resources Committee will annually review and approve this framework and ensure it continues to be:

- Modern.
- Fit for purpose.
- Communicated effectively.
- Routinely complied with.
- And have previous recommendations implemented.



The Cambridgeshire way

Performance, risk mitigation, and change programmes

Our Vision

Performance management can often be reactive, using data collected months or years prior before changes are planned and improvements implemented. Cambridgeshire aims to move away from performance being restricted to hindsight. We will use data and insight to predict changes in performance and adapt our plans to prevent drops in our performance.

We understand that performance management cannot work in isolation. Our performance process has a holistic approach; it folds in project management, programmes of change, and risk management to better inform our decision-making.

In addition, Cambridgeshire has a clear performance process that links individual performance to strategic decision-making. We call this 'the golden thread' and it supports us to embed performance at the heart of everything we do.

We are invested in creating a culture that highlights good performance, sharing good

practice, and praising the work of our colleagues and teams.

Looking to the future

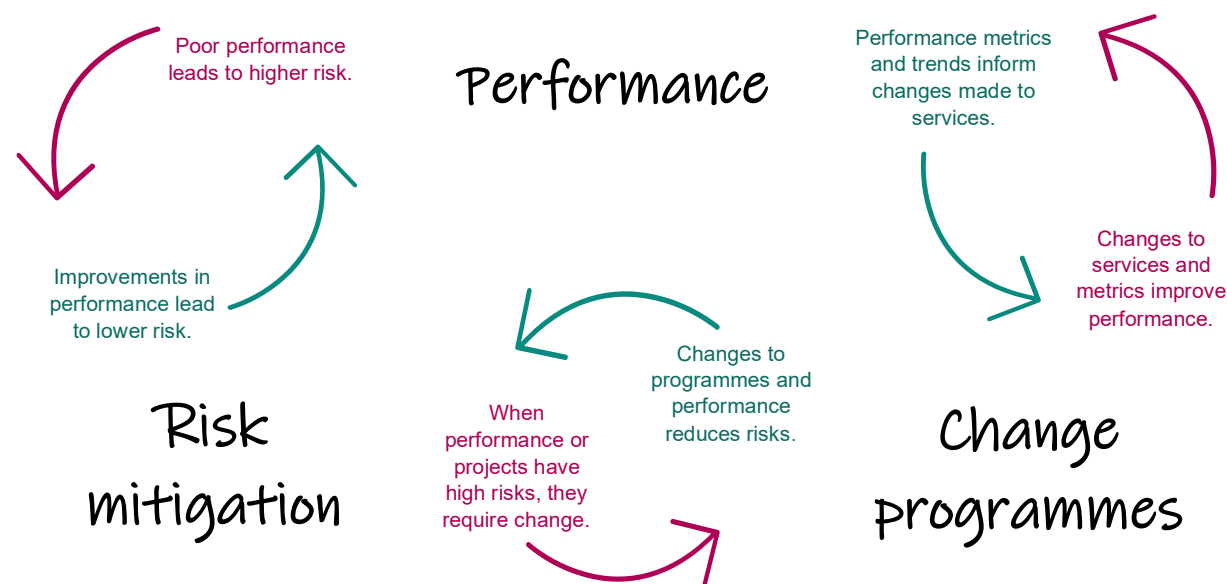
We understand that performance, risk, and change are interlinked. We will use **balanced scorecards** to bridge this gap between risk, change and performance.

In addition to holding data from the previous quarter, we will use balanced

scorecards to predict future performance and potential risks before they happen.

We will use the data and information they hold to ensure we have a mixture of **leading** and **lagging** indicators.

This will allow us to use formal change management methods or service improvement conventions to adapt services and budgets before data trends show falling performance.



The Cambridgeshire way



Reporting performance

How we do it

Cambridgeshire has a clear performance management process. We use strategic key performance indicators (SKPIs) to track and report our performance against our corporate priorities and around the needs of our residents and service demands.

These performance metrics are tailored to each directorate and are held on **balanced scorecards**.

What is a balanced scorecard?

A balanced scorecard is a performance management tool used to report and track the performance of the council's financial and service delivery. This is a new process that the Governance and Performance Team is supporting directorates to develop and implement.

CCC Organisational Scorecard

Our Corporate Leadership Team (CLT) scrutinise the performance of the organisation monthly. Metrics for this performance is held on the **Organisational Scorecard**, which includes:

- Corporate KPIs: The summation of key performance indicators from corporate services and internal processes, such as workforce metrics and financial performance.
- SKPIs: Strategic key performance indicators (SKPIs) from each directorate, these provide a holistic view of each directorate and align with the council's strategic ambitions.

This is also reported to the Strategy, Resource and Performance Committee (SR&P) quarterly for democratic scrutiny.

The holistic nature of the scorecard also allows for a triangulation of insight to be shared across change delivery, financial management, and risk control of projects and services.

CLT and elected members use this scorecard to make recommendations and plan directorate and organisational-wide improvements based on the data and trends shown in the scorecard.



The Cambridgeshire way



Balanced scorecards

Policy and Service Reports

Policy and Service Committees scrutinise the performance of SKPIs that are relevant to their committee's remit.

SKPIs held on **Directorate Scorecards** are compiled into quarterly performance reports which are sent to Policy and Service Committees for democratic scrutiny.

They use trends in data shown to offer recommendations and to hold officers to account.

Directorate Scorecards

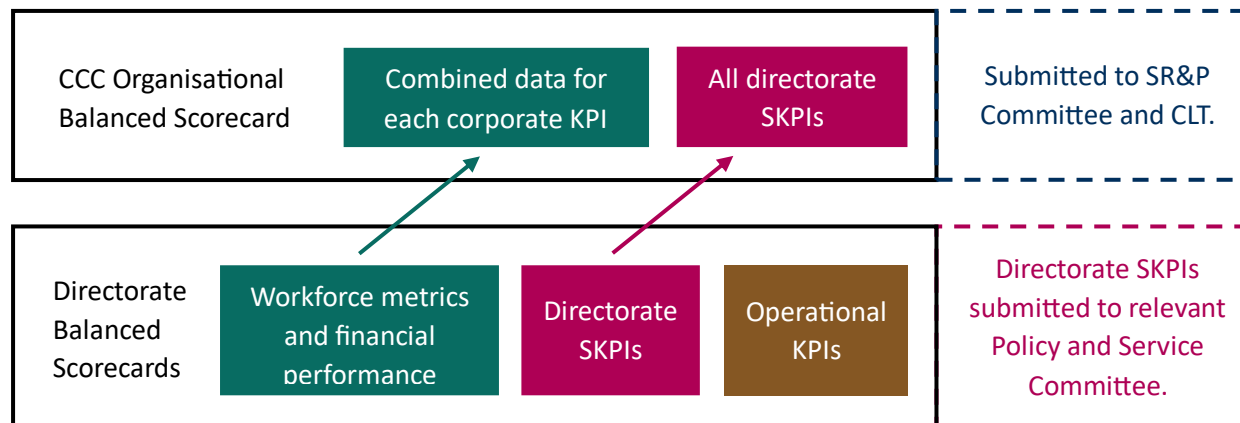
Each directorate in the council has a scorecard, which can be viewed by heads of service and management teams. These show a variety of indicators and data about each directorate and give managers the full picture of performance across their directorate. Indicators within these scorecards include:

- Corporate KPIs for their directorate.
- Strategic KPIs.
- Operational KPIs, which track the operational performance of services within the directorate.

Directorate scorecards are used by officers to report on overall performance so that officers can plan actions and create service-level changes to improve efficiency of our services and meet our residents' needs.

During the annual business planning cycle, directors and service managers will use information from the balanced scorecards to make decisions on what should be prioritised within the council and how funding should be decided.

More information on Policy and Service Committees and directorates can be found on page 12.



Reporting performance

Continuous Learning






Good performance management requires us to improve the performance metrics and carefully consider how we use the information they provide.

Cambridgeshire uses RAG ratings in our performance indicator reports. These are accessible and clearly highlight issues and successes within our performance.

We are cautious with how we use RAG ratings as measuring performance this way can sometimes hide nuances in performance. For example, green ratings can be used as an excuse not to provide proper scrutiny or improvement to a metric or service. RAG ratings can be useful, but targets should be regularly reviewed so that they reflect trends and benchmarked information.

Cambridgeshire does not just focus on improving our red-rated KPIs. We aim for continuous learning through the analysis of all our KPIs, including green and amber, to ensure that our services are up to a high standard and constantly evolving.

RAG Rating	Definition
 RED	Current performance is off target by more than 10%.
 AMBER	Current performance is off target by 10% or less.
 GREEN	Current performance is on or exceeding target.
Baseline	Indicates performance is currently being tracked in order to inform the target-setting process.
Contextual	These measures track key activities being undertaken, to present a rounded view of information relevant to the service area, without a performance target.
In Development	The measure has been agreed, but data collection and target setting are in development.

A focus on performance improvement requires the ability to make mistakes, acknowledge these and learn from them.

Performance improvement requires fostering trust and openness within the working culture of the organisation. People must be encouraged to give and receive feedback openly, to make and learn from mistakes, and to trust that they will not be blamed for 'poor' performance.

Training is a core part of Cambridgeshire's continuous improvement. The Governance and Performance Team provide training sessions for councillors and officers on performance management and how to develop effective KPIs.

We are aiming to embed continuous learning through having meetings with data holders and practitioners regularly, so that we can understand what is happening within service delivery and hold annual learning events with managers at directorate level.

Reporting performance



Improving performance

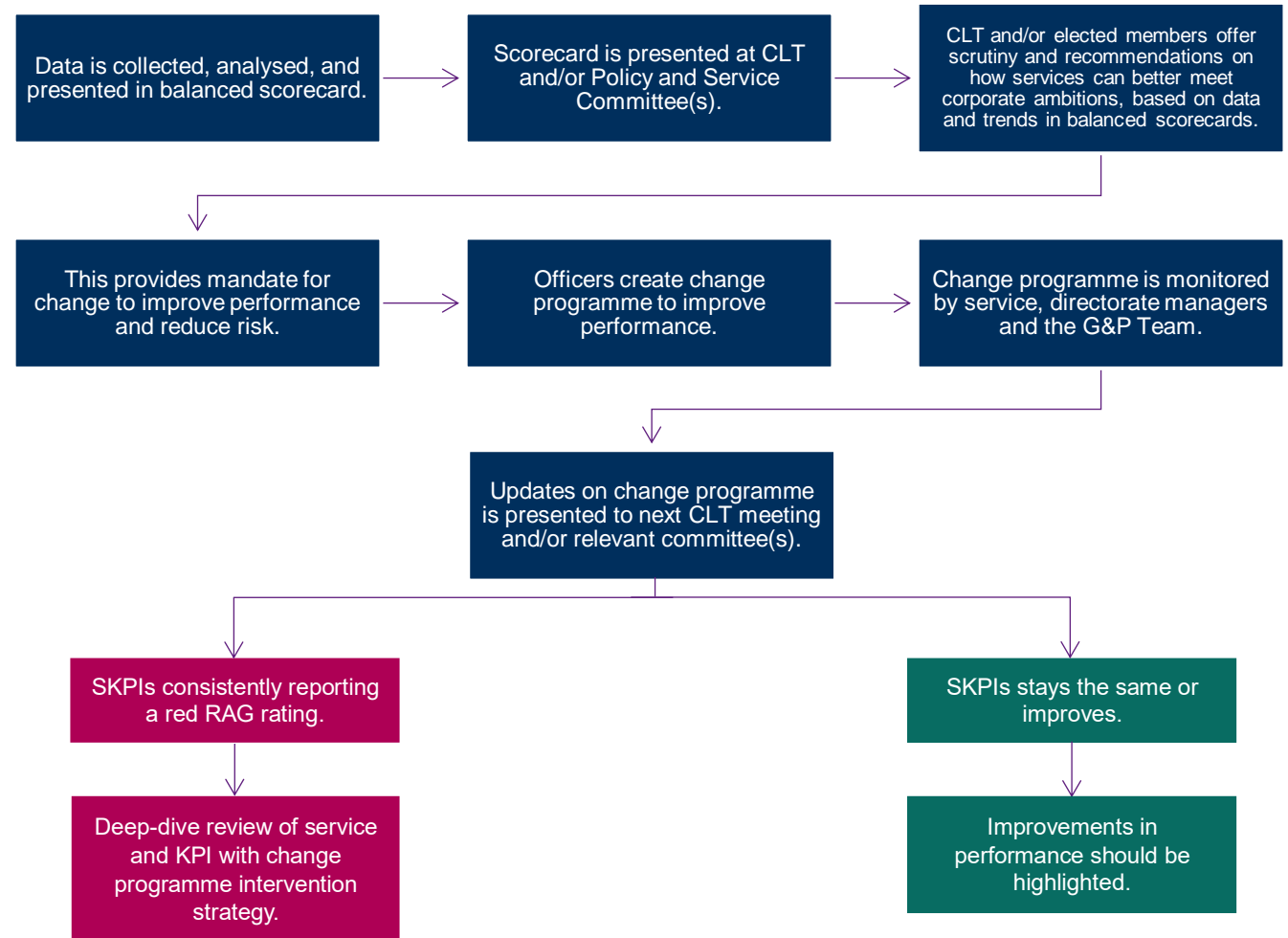
Underperforming KPIs

KPIs and SKPIs that have a red RAG rating are considered 'underperforming'.

Red RAG ratings present risks. CCC has a clear process to improve the performance of red KPIs through change programmes.

This involves services making action plans which are reported to the Performance Team in the commentary box of the balanced scorecard.

For S/KPIs that are underperforming, refer to the CCC [Risk Management Toolkit](#).



Reporting performance



Targets and benchmarking

It is essential that data is not manipulated and provides true and fair reflections of what has been collected. We use available, clean, and transparent data to drive a balanced view on performance.

Regardless of whether we report certain data to committees, we collect as much data and information about our services and Cambridgeshire as we can. This helps us set standards, targets, and benchmark our work. It is also useful to keep this as historic data, should we decide to change how and what we report on in future.

Benchmarking

Targets and benchmarking are useful to understand the standard of Cambridgeshire's performance. Each KPI that Cambridgeshire measures either has a target or provides contextual knowledge about a service or area. Benchmarking uses CIPFA comparison data (which compares counties to their closest statistical neighbour; this data is often found on external performance websites such as LG Inform), Office for Local Government (Oflog) metrics, government

guidelines, and data collected from internal reports.

Benchmarking encourages openness and transparency between local authority areas by learning from experiences and sharing best practice and solutions between organisations. This can be used to drive improvements in performance.

Targets

There can be apprehension around setting targets when they can seem to remove nuance. For example, a green indicator might be above its target but steadily declining in performance. If not scrutinised properly through regular monitoring, this could be ignored until it dips below standard. Regardless of an indicators' RAG status, dips in performance should be monitored and proper processes put in place.

It may also be tempting to avoid setting targets when a service is not hitting targets to avoid red ratings. However, there can be good reasons that a service is not meeting its targets. For example, some services performance dipped during the

COVID-19 pandemic as more essential services were prioritised.

Quantitative and qualitative data

To help with target-setting and understanding the context of the data we gather, it is important that KPIs include **quantitative** and **qualitative** data.

Quantitative data can clearly demonstrate trends, particularly when data is impacted by seasonal changes and other regular cycles. However, not all data we gather across our services can be easily explained and services can be unsure as to why quantitative data is showing the numbers and trends it is.

Qualitative data is needed to provide important commentary that may be missing. It can be used to explain confusing trends in quantitative data and give us better insight and understanding into how local and national issues affect the county.

Reporting performance



How we use data

Performance management is a continuous cycle. We take a comprehensive approach to performance, looking at our impact on society, our residents, our customers, and our people. We know that to achieve the best impact, we need the right leadership, strategy, planning, people, partnerships, resources, and processes.

Accurate and timely performance data at all levels is essential to our improvement journey.

This framework ensures:

- High standards of data quality.
- Information is gathered to track and report on performance and identify trends.
- Clarity in relation to roles and responsibilities.

The data we collect is held within services and by our insights team. You can find out more about how we collect and store data here:

<https://www.cambridgeshire.gov.uk/council/data-protection-and-foi/information-and-data-sharing/privacy-notice>

Data processes

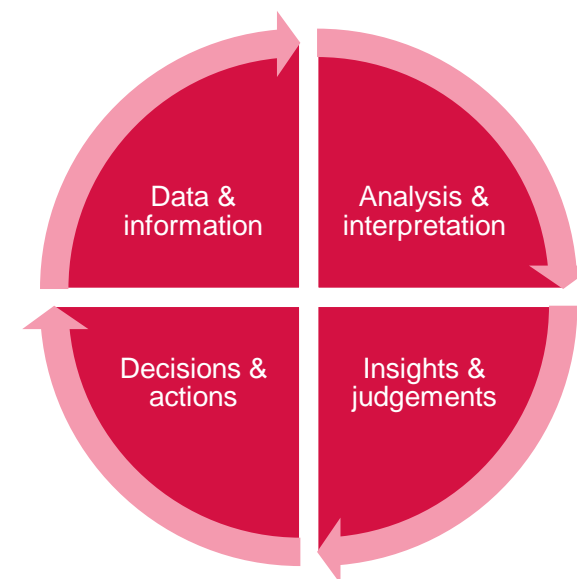
Our teams collect **data and information** from a variety of places. These include:

- Council services.
- National and government data.
- Services we commission and procure.
- Partner organisations.

These are **analysed and interpreted** by our Governance and Performance team, who then present the findings to our committees.

Cambridgeshire's **Insights** team, in collaboration with our services and the Governance and Performance team, consider whether the council are on track to meet targets and provide suggestions and **judgements** on how to improve performance.

Provided with these suggestions and data, our councillors and officers, in collaboration with residents, make **decisions** and outline **actions** to improve council services and performance.



Reporting performance



KPIs and levels of performance management

There are different levels to performance management within Cambridgeshire County Council. Our employees, teams, and senior leaders all check and report on performance.

A golden thread links performance management throughout the organisation at strategic, tactical, operational, and individual levels. It ensures that our outcomes, plans, and measures at all levels are in line with our corporate ambitions and with service needs.

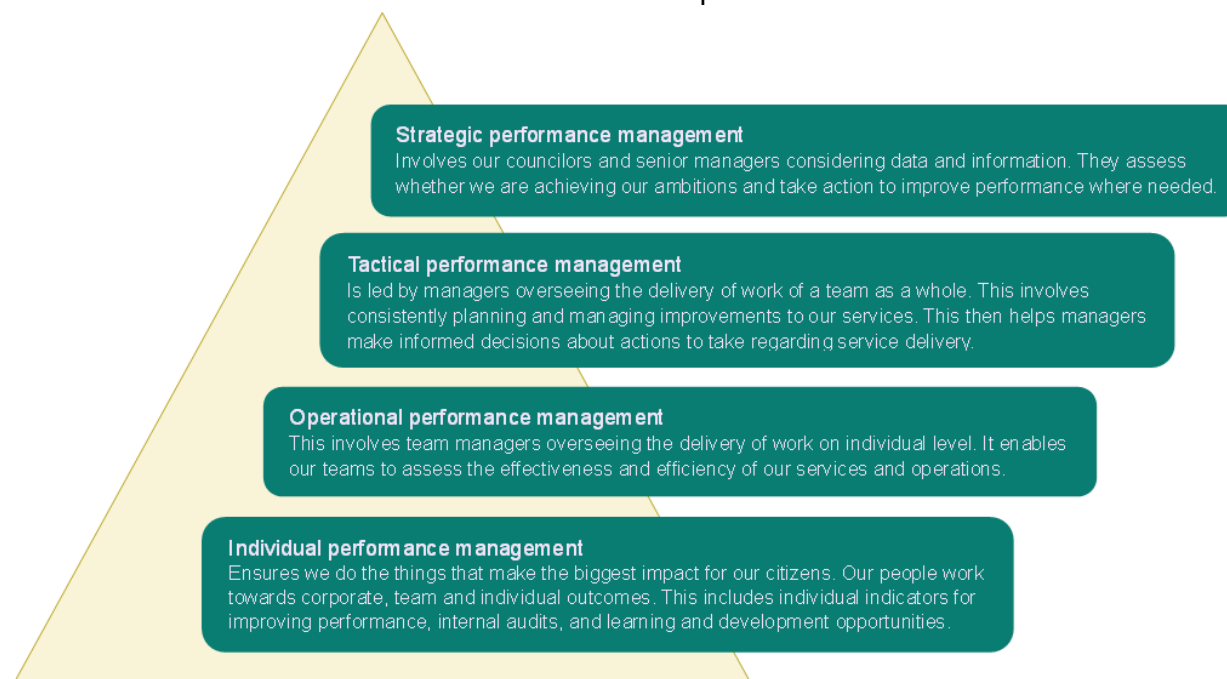
The type of KPI used depends on the level of performance management. For example, an **individual** KPI would be the 'number of cases Julie processed this month'. An **operational** KPI would be the 'percentage of new cases processed by the service this quarter'.

Strategic KPIs (SKPIs) link directly to our corporate ambitions. They help our elected members and Corporate Leadership Team ('CLT') to understand performance across the entire council. SKPIs aim to tell the story of the council and demonstrate where big changes need to be made in the

council's corporate governance, management, and aims.

It is important that KPIs are an effective indicator of performance. When developing or reviewing KPIs, we need to consider what KPIs are needed to show the state of services and information on our Cambridgeshire residents.

Good indicators are led by service need, following service demand and the aims and outcomes of the council. For example, KPIs that capture data on equalities and protected characteristics help us to understand what some of our most vulnerable residents need and ensure that our services take different needs into consideration when they are designed and adapted.



Levels of performance management



Strategic performance management

Strategic performance management

Strategic performance management is crucial to improving our services and providing good governance. It involves our reporting on and adapting how we collect, analyse, and interpret the data and information we gather on our services, and how we can use this to meet the council's targets and corporate ambitions.

Within Cambridgeshire County Council's strategic management, there are 5 directorates:

- Adults, Health, and Commissioning.
- Children, Education, and Families.
- Finance and Resources.
- Place and Sustainability.
- Strategy and Partnerships.

Each directorate will have around ten strategic key performance indicators (SKPIs). These provide a high-level overview of performance across all areas within the directorate and will link directly to one or more corporate ambitions.

As part of our monitoring and reviewing process, each directorate's SKPIs will be reported to the Strategy, Resources and

Performance Committee (SR&P) which scrutinises all SKPIs.

Each directorate's SKPIs are also reported quarterly to a Policy and Service Committee. The SKPIs chosen for each Policy and Service Committee is decided by our Corporate Leadership Team and relevant senior officers.

Cambridgeshire's Policy and Service Committees are:

- Adults and Health Committee.
- Assets and Procurement Committee.
- Children and Young People's Committee.
- Communities, Social Mobility, and Inclusion Committee.
- Energy and Green Investment Committee.
- Highways and Transport Committee.
- Strategy, Resources and Performance Committee.

You can find out more about what each of our committees do here:

<https://www.cambridgeshire.gov.uk/council/meetings-and-decisions/council-meetings>

Performance reports are created by the Governance and Performance Team with support from data owners in the Policy and Insight team and the wider organisation. They are reported to and scrutinized by councillors. They are used to monitor whether Cambridgeshire is on track to meet its performance targets and corporate ambitions.

Committee papers are published on the council's website a week before committee for the public's enquiry. We encourage you to read these papers, propose questions, and offer scrutiny ahead of the committee.

Reports are available to the public here:

https://cambridgeshire.cmis.uk.com/cc_c_live/Committees.aspx

Levels of performance management



Individual, operational, and tactical performance management

As the golden thread demonstrates, each level of performance management at the council feeds into the next. Individuals' performance management is directed by operational, tactical, and strategic needs, which are informed by the council's corporate ambitions. KPIs that are presented at service and committee level are guided by operational KPIs, which are led by the targets and achievements of individuals, teams, and officers.

It is important to Cambridgeshire County Council that we create a culture which highlights good performance and practice. We acknowledge good performance top-down, by managers having open and honest conversations with their teams and identifying where good work has been undertaken through regular reviews. Our People Strategy sets out how we focus on continually improving individual performance.

Tactical performance management

Each service has operational performance indicators which are led by team managers and heads of service. They are bespoke and tailored to individual teams.

Heads of service and team managers decide which performance indicators they use, using this document to guide the development, measurement, and reporting of KPIs.

As an example, in an adult's social care team this could include reviewing the number of new assessments that have been received within a month and assessing how this impacts capacity.

Operational performance management

Each service has operational performance indicators. They are bespoke and tailored to individual teams and individuals. Team managers decide which performance indicators they use, using this document to guide the development, measurement, and reporting of KPIs.

In an adult's social care team, this could involve the team manager reviewing the case loads of individual social workers.

Individuals' performance management

Individual performance management focuses on our staff and underpins our work towards targets. Outcomes for individuals use SMART goals and are set

by the individuals themselves and their managers. They are monitored through monthly reviews called 'Our Conversations'. More about individual performance management and policies can be found in [Our People Strategy](#).

There are many types of performance management that have been covered by other frameworks and teams within the council. The following policies can be found on Camweb:

- [Contracts Management](#)
- Partnership management
- Change portfolio
- [Our People Strategy](#)

Measuring and managing performance



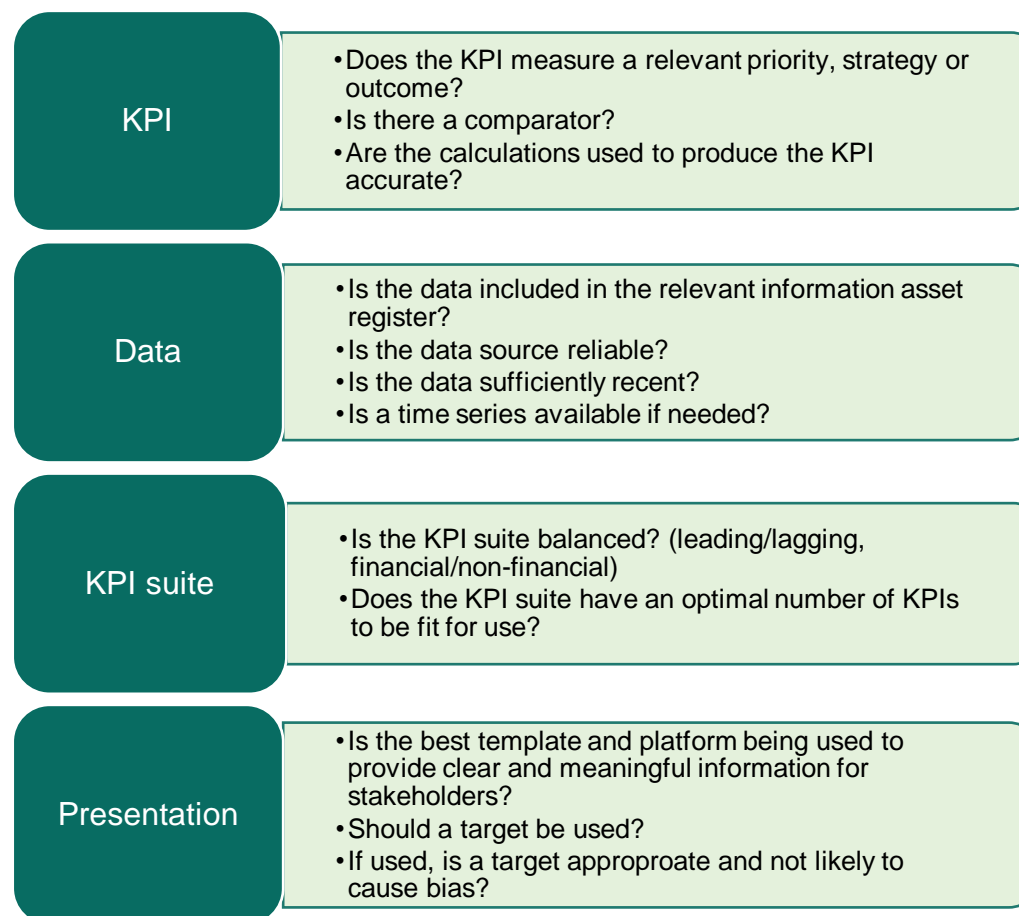
Developing key performance indicators

It's important that our KPIs have clear purpose and help us to improve our services and performance.

Effective performance management comes from a clear idea of where we want to get to, what impact we want to have, and how we will do that. The council has two core questions that managing our performance can answer:

- Have those aspects of people's lives which the council influences improved?
- Has there been an overall improvement in the quality of life for people who live in the area?

Cambridgeshire uses multiple methods to ensure our KPIs are relevant, effective, and efficient. This includes using SMART goals and a clear KPI cycle.



Measuring and managing performance



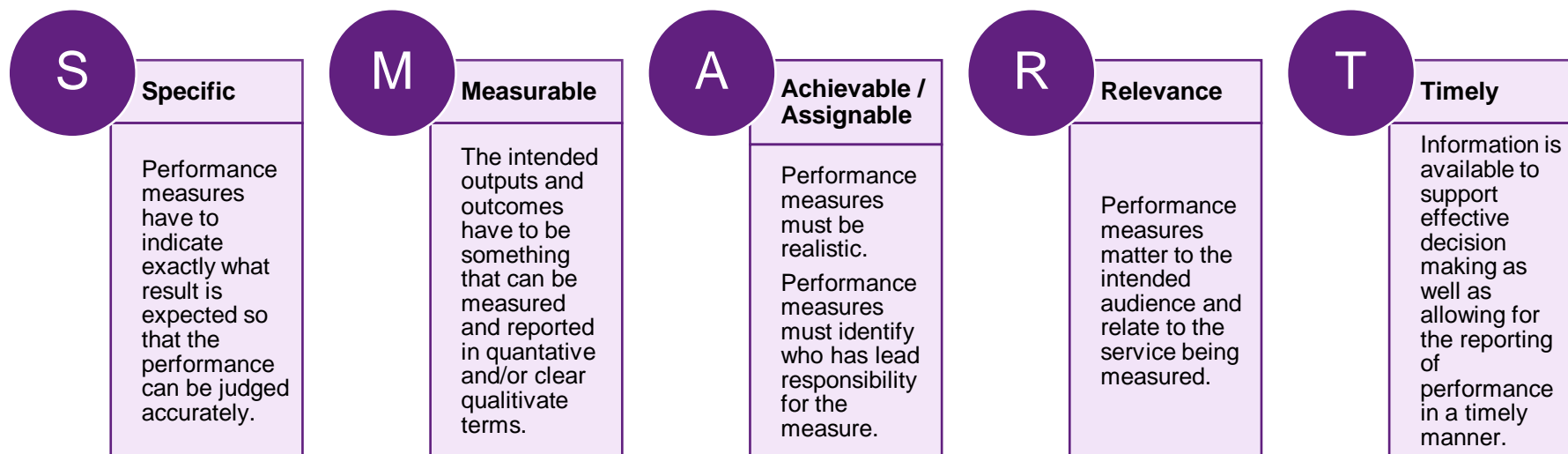
SMART objectives

Cambridgeshire uses SMART objectives to form goals, performance measures, and actions. All levels of performance should use SMART goals.

SMART objectives are useful at strategic level to ensure that SKPIs will have beneficial outcomes that align with corporate ambitions.

SMART objectives can be used at operational and tactical levels to create KPIs and plan team and service delivery.

Individuals should use SMART objectives to outline their development and individuals outcomes.



Measuring and managing performance

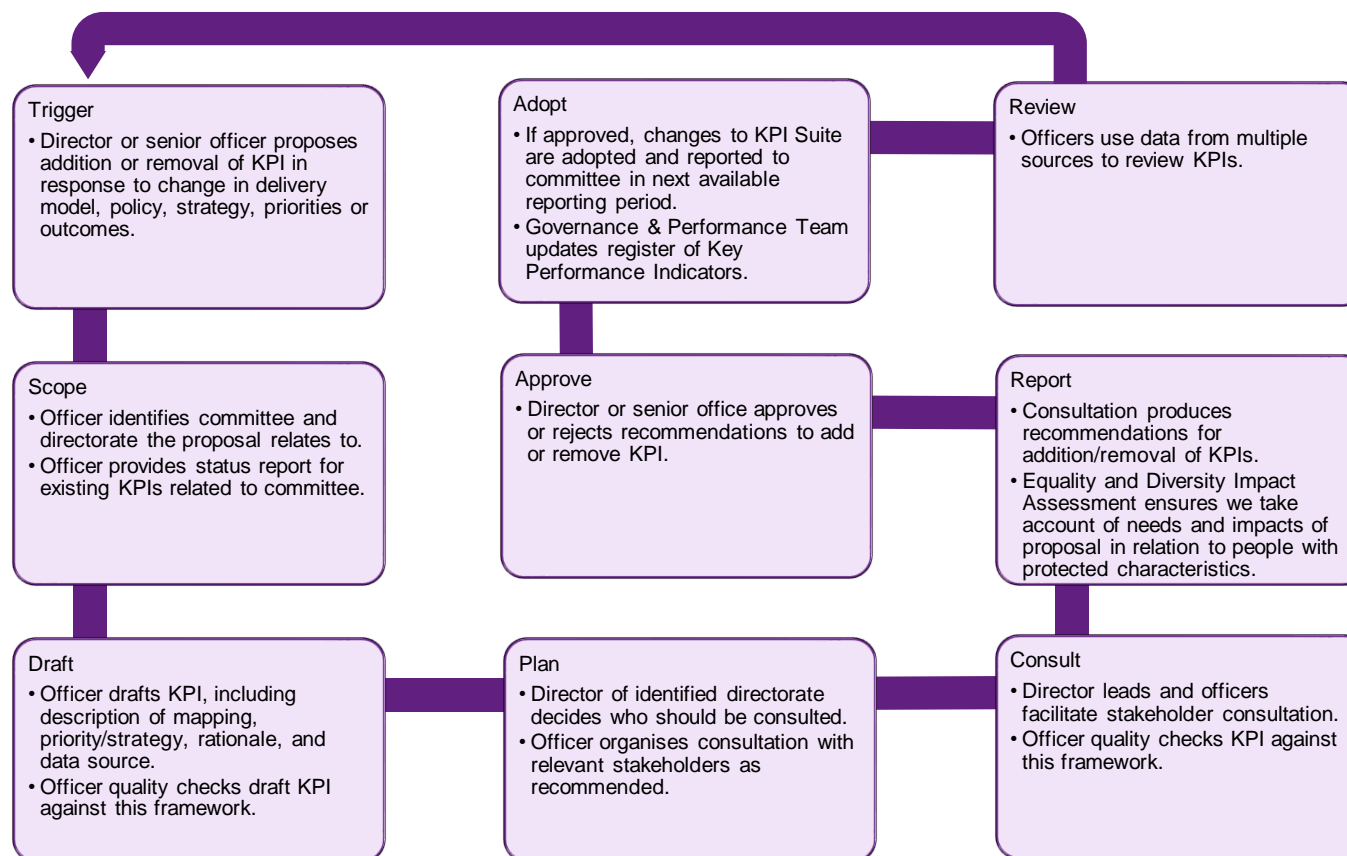


Cambridgeshire's KPI cycle

To use KPIs effectively, Cambridgeshire follows this cycle when developing and adapting KPIs for services and committees. It is recommended that operational KPIs follow a similar approach.

The KPI cycle is circular to encourage innovation through continuous testing and adapting of KPIs. Using this method, our KPIs will become more efficient and effective.

The Governance and Performance Team is available to support services and teams with the development of new KPIs.



Reporting performance



Audit and review

Officers

KPIs are developed by officers. Officers collect, analyse, and present data on KPIs, consider recommendations from members, and develop KPIs to improve efficiency based on trend data and analysis.

Corporate SKPIs will change with the council's corporate priorities. For one of these to change it needs to be approved by CLT and Service Directors.

Policy and Service Committees

The performance of SKPIs are scrutinised by our elected members in Policy and Service Committees. This can include highlighting issues and trends with the SKPIs presented.

Elected members can ask for further information on SKPIs presented to their committee. Directorates will then offer bespoke investigations into the performance of SKPIs, but it will not be possible to offer this level of detail for the same SKPIs each quarter.

Audits and Accounts Committee

The Audits and Accounts Committee provides independent scrutiny of the authority's financial and non-financial performance to the extent it affects the authority's exposure to risk and weakness of the control environment. This includes scrutinising KPIs and this framework.

Reviewing and auditing KPIs

In addition to the Audit and Accounts Committee's scrutiny, after each quarterly cycle the Governance and Performance Team choose a random selection of KPIs to audit the quality and accuracy of. This helps our monitoring and reporting by ensuring that our data is being correctly handled and used.

This includes testing samples of KPIs from each Policy and Service Committee to confirm that:

- KPIs are accurately calculated.
- KPIs are accurately and reliably reported to the relevant committee in line with the Performance Management Framework.

- Effective remedial action is taken where performance is lower than expected.
- KPIs are relevant, aligned to the council's Strategic Framework, and useful for decision makers.
- KPIs are being used effectively to inform on outputs and support strategic decisions.

Communication



Transparent communication

We are committed to being accountable to our residents. We publish our performance information on public websites and social media so that anyone can review our performance.

- Visit the council section of our website to read our [business plan](#) and performance reports. Performance reports are provided to committees and are published and discussed publicly. These are available on the council websites' 'Agenda and Minutes' [Committee pages](#).
- [LG inform](#) is the local area benchmarking tool from the Local Government Association. All English councils submit statutory data returns to the Government. This website draws together the data and statistics. This allows comparisons and benchmarking by region, county, or district.
- [Cambridgeshire Insight](#) is a shared knowledge base for Cambridgeshire and Peterborough.

It enables users to access and share information and research for deeper insights about their local area.

- We share information about our performance via social media. This includes our corporate Twitter/X feed and Facebook page. Councillors also share information on their own social media accounts.
- Service committee meetings are livestreamed on YouTube and are recorded and uploaded to [Cambridgeshire County Council's YouTube page](#).



Stakeholders

Many stakeholders have roles to play to ensure we are managing our performance. We work closely with our partners to collect data and share lessons learnt.

Cambridgeshire County Council is committed to being open and transparent about our services. We communicate our progress to everyone who has an interest in it. This includes residents, partners, contractors, councilors, and officers. In addition, we have a statutory responsibility to report to our funders and regulators.

Partners will be made aware of findings at relevant stages and will help to shape our reports through sharing of good news stories, data sharing, and key risks and issues. Lessons learnt will be captured through our internal software (Microsoft PowerApps) which captures all lessons learnt in the council. These are shared with partners to enable a community of learning and collaboration.

Appendix A – Glossary of Terms



Audits and Accounts Committee: Provides independent scrutiny of the authority's financial and non-financial performance to the extent it affects the authority's exposure to risk and weakness of the control environment.

Balanced scorecard: A performance management tool holding performance metrics and showing data trends.

Change programmes: Identifying, evaluating, and implementing changes to projects and programmes to improve outcomes.

Corporate Leadership Team (CLT): Council team consisting of heads of each directorate, HR, Communications, and the chief executive.

Key Performance Indicators (KPIs): Indicators used at all levels of performance management, from the performance of individual officers to service-wide reporting, to track performance.

Lagging: Data/KPIs collected and showing information from the past, for example, the year prior.

Leading: Data/KPIs that look ahead and attempt to predict future performance.

Performance management: Monitoring, reporting, and making recommendations based on performance data and metrics.

Qualitative: Non-numerical data.

Quantitative: Numerical data.

RAG rating: Red, Amber, Green rating system to show whether something is on track.

Risk mitigations: Identifying and evaluating risks to minimize, monitor, and control the probability of negative impacts.

Service improvement: The process of dissecting identified problems within a service or programme and developing potential solutions.

SMART objectives: A tool used to achieve goals - Specific, Measurable, Achievable, Relevant, and Timely.

Strategic Key Performance Indicators (SKPIs): High-level indicators that directly link to our corporate aims and tell the story and overview of all our services.

Strategy, Resource and Performance Committee: Scrutinises SKPI metrics, data, and commentary.

Appendix B – CCC's corporate ambitions



The Cambridgeshire County Council Vision

We will deliver this vision by being Closer to our Communities, taking a 'decentralised' approach to our relationships with our partners, communities and residents, so that Cambridgeshire can become greener, fairer and more caring in the ways that are most suitable to the variety of people and communities we serve.

To do this we have SEVEN ambitions:

Ambition 1

Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes



Ambition 2

Travel across the county is safer and more environmentally sustainable



Ambition 3

Health inequalities are reduced



Ambition 4

People enjoy healthy, safe and independent lives through timely support that is most suited to their needs



Ambition 5

People are helped out of poverty and income inequality



Ambition 6

Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised



Ambition 7

Children and young people have opportunities to thrive



Delivering these ambitions often involves us working with all our partners including the voluntary sector, businesses and communities to tailor services around people, families and the communities they live in.

Appendix C – CCC's balanced scorecard



Column	Description
Perspective	Who is this about? Corporate (staff) or residents.
KPI	List of indicators, around 10 for each section.
Metric Category	Where the metric is from e.g., central government, local authority.
Reporting Frequency	Monthly/Quarterly/etc.
Last Updated	Date or Quarter.
Target	End Year/ Quarter target/ Percentage/ Number/ Contextual.
Direction for Improvement	Whether a lower or higher performance from last period is better.
Performance (Current Period)	Statistical value for current period.
Performance (Previous Period)	Statistical value from previous period.
Change in Performance	Arrow demonstrating direction of improvement.
RAG Rating	Red/ Amber/ Green rating.
Trend Analysis	Arrow demonstrating direction of trend.
Comments/ Commentary	Any other relevant information.

The comments/commentary box will be used to provide updates, qualitative information, or context for the S/KPI and/or the trend seen. Where S/KPIs have red RAG ratings the commentary box will be reported on and used to provide updates on action plans created to mitigate the red risk

Appendix D – Officer roles and responsibilities



Performance is tracked and reported in different ways. These are the ways our officers track and report our strategic, operational, and individual performance.

Corporate Leadership Team

- Responsible for delivering our corporate priorities.
- Approve or reject new KPIs, recommend improvement or removal of existing KPIs.
- Tracks achievement of corporate priorities, focusing on SKPIs.
- Monitors and manages performance and challenges slippage.
- Agrees actions to overcome problems and changes to timescales.

Directorate Management Teams

- Manage performance of their Service as appropriate according to risk and priority.
- Approve or reject new KPIs, recommend improvement or removal of existing KPIs.
- Translate corporate priorities into team outcomes, strategies, and action plans.
- Develop milestones, targets, and responsibilities.
- Ensure staff have the right training and tools.
- Link team performance to individual performance.
- Quality assure data and KPIs produced by Directorate Management Teams and external contractors.
- Track progress against service plans.
- Assess and communicate the impact of services.
- Analyse and investigate issues, to understand them and identify appropriate remedial action.

Governance and Performance Team

- Audits the Performance Management Framework and KPI Suite annually, and communicates any revisions.
- Supports Directorate Management Teams to produce performance reports for committee, including technical commentary on suitable indicators and interpretation of trends.
- Undertakes sample tests of KPIs and maintains register of KPIs.
- Extracts and analyses data in response to performance issues and investigations requested by elected members.

Policy and Insights Team

- Extracts and processes information from data systems and other sources.
- Quality assures data provided by services which contributes to KPIs.
- Extracts and analyses data in response to performance issues and investigations.

All employees

- Identify and set the actions, measures, and targets to achieve priorities and objectives.
- Identify measures and set targets for achievement of desired outcomes.
- Identify risks to achieving good performance and manage them.
- Record data using business systems.

Appendix E – Councillor roles and responsibilities



Our councillors track, report on, and scrutinise our strategic, operational, and individual performance in different ways. Below are the different ways elected members do this.

Strategy, Resources and Performance Committee

This is the main committee SKPIs performance is reported to.

This committee:

- Defines corporate priorities and outcomes.
- Oversees performance management culture and system.
- Reviews and approves Performance Management Framework annually.
- Tracks progress against corporate priorities quarterly using SKPIs.
- Considers whether performance is at an acceptable level. Can request further information on different SKPIs each quarter to effectively assess performance.
- Seeks to understand the reasons behind the level of performance and identifies remedial action.

Policy and Service Committees

The performance of relevant SKPIs are reported to these committees.

These committees:

- Set outcomes and strategy in the areas they oversee.
- Track progress quarterly.
- Consider whether performance is at an acceptable level. Can request further information on different SKPIs each quarter to effectively assess performance.
- Seek to understand the reasons behind the level of performance and identifies remedial action.

All Councillors (Full Council)

- Set corporate priorities and outcomes when refreshing the strategic framework at Full Council.
- Contribute to the formation and challenge of policies, budget, strategies, and service delivery.

Corporate Performance Report

To:	Strategy, Resources and Performance Committee
Meeting Date:	9 July 2024
From:	Executive Director of Strategy and Partnerships
Electoral division(s):	All
Key decision:	No
Forward Plan ref:	Not Applicable
Executive Summary:	This report provides an update to the Strategy, Resources and Performance Committee on the performance monitoring information for the 2023/24 quarter 4 period, covering 1 January to 31 March.
Recommendation:	The Committee is asked to note performance information and act, as necessary.

Officer contact:

Name: Richard Springbett
Post: Governance and Performance Manager, Strategy and Partnerships
Email: Richard.Springbett@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This report analyses the key performance indicators (KPIs) which directly link to Ambition 6: Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised. Due to the complex nature of KPIs, some indicators may also impact other ambitions.

2. Background

- 2.1 The Performance Management Framework sets out that Policy and Service Committees should:
- Set outcomes and strategy in the areas they oversee.
 - Select and approve the addition and removal of Key Performance Indicators (KPIs) for the committee performance report.
 - Track progress quarterly.
 - Consider whether performance is at an acceptable level.
 - Seek to understand the reasons behind the level of performance.
 - Identify remedial action.
- 2.2 This report, delivered quarterly, continues to support the committee with its performance management role. It provides an update on the status of the selected Key Performance Indicators (KPIs) which track the performance of the services the committee oversees.
- 2.3 The report covers the period of quarter 4 2023/24, up to the end of March 2024.
- 2.4 The most recent data for indicators for this committee can be found in the dashboard at Appendix 1. The dashboard includes the following information for each KPI:
- Current and previous performance and the projected linear trend.
 - Current and previous targets. Please note that not all KPIs have targets, this may be because they are being developed or the indicator is being monitored for context.
 - Red / Amber / Green / Blue (RAGB) status.
 - Direction for improvement to show whether an increase or decrease is good.
 - Change in performance which shows whether performance is improving (up) or deteriorating (down).
 - The performance of our statistical neighbours. This is only available, and therefore included, where there is a standard national definition of the indicator.
 - KPI description.
 - Commentary on the KPI.
- 2.5 The following RAGB criteria are being used:
- Red – current performance is 10% or more from target.
 - Amber – current performance is off target by less than 10%.
 - Green – current performance is on target or better by up to 5%.
 - Blue – current performance is better than target by 5% or more.
 - Baseline – indicates performance is currently being tracked in order to inform the target setting process.
 - Contextual – these KPIs track key activity being undertaken, to present a rounded view of information relevant to the service area, without a performance target.

- In development - KPI has been agreed, but data collection and target setting are in development.

3. Main Issues

3.1 Current performance of available indicators monitored by the Committee is as follows:

Status	Number of KPIs	Percentage of KPIs*
Red	1	8%
Amber	2	15%
Green	6	46%
Blue	3	23%
Baseline	1	8%
Contextual	0	0%
In Development	0	0%
Suspended	0	0%

**Figures may not add to 100 due to rounding.*

3.2 Following the approval of the recommendations in Q3 Corporate Performance Report at the March 2024 Committee, 2 indicators have now been updated and targets added:

- Indicator 213 Average days lost per FTE to absence per year (rolling 12 months)
- Indicator 214: Staff turnover (rolling 12 month average)

Work has been undertaken since the previous report in March 2024 to update these indicators, they now provide performance data at directorate and organisational level, as well as showing performance in comparison to other Local Authorities with similar characteristics classed as statistical neighbours by CIPFA, and a national average for single tier and county authorities. Using all the above data as well as historical organisational performance over the last 12 months, a target range between 8 and 10 days for Indicator 213, and a target range of 10%-13% for Indicator 214 has been established, the objective being to maintain performance within these ranges.

3.3 There are 9 Green and Blue indicators this quarter. Below are some highlights.

Indicator 190: Proportion of information enquiries resolved at first point of contact

Over the period of January to March 2024, Customer Services achieved a First Contact Resolution percentage of around 82%, with this on an upward trend over this 3-month period.

This small increase can be attributed to an improvement in contacts for the Children's and Registrations' services. In addition, we also saw an improvement for other high-volume services such as Blue Badges where there was a 4% improvement between February and March. The Highways service also saw an improvement due to a decrease in the number of calls received chasing outstanding reports.

Indicator 195: Percentage of IT requests resolved at first line within expected timescales

The increasing percentage of service requests being resolved within SLA is reflective of the improved processes used to resolve requests and the standardisation of IT across the organisation.

- 3.4 There is 1 red indicator for commentary this quarter.

Indicator 182: Proportion of Freedom of Information requests responded to within statutory timescale

This quarter performance has dipped however there has been a significant increase in requests received at a point when the service began using a new system and a new manager joined the service. There were 425 FOI requests in Q4, which is a 34% increase on Q3 and overall, there was a 15% increase from the previous year. The service did issue 335 responses. There has been a significant increase in requests related to Highways matters alone with an almost 50% rise from the previous quarter - Place & Sustainability saw an overall increase of 44% in the number of requests. This increase in volume has significantly affected the Highways Service and had a knock-on effect to the FOI service. The FOI service is actively working with the directorate to support, guide and find ways of publishing data on our website on the most common requests to reduce the impact for all.

Detailed commentary and summary of each indicator can be found in Appendix 1.

4. Conclusion and recommendations

- 4.1 Of the indicators updated this quarter, 3 indicators saw an improvement in performance from the quarter 3 update, reported to the committee in March 2024:

- 1 indicator moved from **Amber to Green**: Indicator 195: Percentage of IT requests resolved at first line within expected timescales.
- 2 indicators moved from **Green to Blue**: Indicator 212: Number of staff who have completed Introduction to First Aid & Indicator 216: IT & Digital Services Customer Perception Rating.

1 indicator has seen a decline in performance from the quarter 3 update, reported to the committee in March 2024:

- 1 indicator moved from **Amber to Red**: Indicator 182: Proportion of Freedom of Information requests responded to within statutory timescale.

5 indicator's performance status has remained unchanged:

- Indicator 183: Percentage of Subject Access Requests completed within statutory timescales (Year to Date).
- Indicator 184: Statutory returns completed on time.
- Indicator 190: Proportion of information enquiries resolved at first point of contact.
- Indicator 215: IT & Digital Services Network Access Availability.
- Indicator 217: Website Quality Assurance Score.
- Indicator 218: Website Accessibility Score.

1 indicator continues to be classified as baseline:

- Indicator 187: Proportion of staff feeling engaged as demonstrated through employee engagement survey.

5. Significant Implications

- 5.1 This report monitors quarterly performance. There are no significant implications within this report.

6. Source Documents

- 6.1 Appendix 1: Strategy, Resources and Performance Corporate Performance Report Q4 2023-24

Produced on: 28 June 2024



Performance Report

Quarter 4

2023/24 financial year

Strategy and Resources Committee

Governance & Performance
Cambridgeshire County Council
governanceandperformance@cambridgeshire.gov.uk

Key



Data Item	Explanation
Target / Pro Rata Target	The target that has been set for the indicator, relevant for the reporting period
Current Month / Current Period	The latest performance figure relevant to the reporting period
Previous Month / previous period	The previously reported performance figure
Direction for Improvement	Indicates whether 'good' performance is a higher or a lower figure
Change in Performance	Indicates whether performance is 'improving' or 'declining' by comparing the latest performance figure with that of the previous reporting period
Statistical Neighbours Mean	Provided as a point of comparison, based on the most recently available data from identified statistical neighbours.
England Mean	Provided as a point of comparison, based on the most recent nationally available data
RAG Rating	<ul style="list-style-type: none"> • Red – current performance is off target by more than 10% • Amber – current performance is off target by 10% or less • Green – current performance is on target by up to 5% over target • Blue – current performance exceeds target by more than 5% • Baseline – indicates performance is currently being tracked in order to inform the target setting process • Contextual – these measures track key activity being undertaken, to present a rounded view of information relevant to the service area, without a performance target. • In Development - measure has been agreed, but data collection and target setting are in development
Indicator Description	Provides an overview of how a measure is calculated. Where possible, this is based on a nationally agreed definition to assist benchmarking with statistically comparable authorities
Commentary	Provides a narrative to explain the changes in performance within the reporting period
Actions	Actions undertaken to address under-performance. Populated for 'red' indicators only
Useful Links	Provides links to relevant documentation, such as nationally available data and definitions

Indicator 182: Proportion of Freedom of Information requests responded to within statutory timescale

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June 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
90.0%	↑	68.7%	82.3%	Declining

RAG Rating

Red

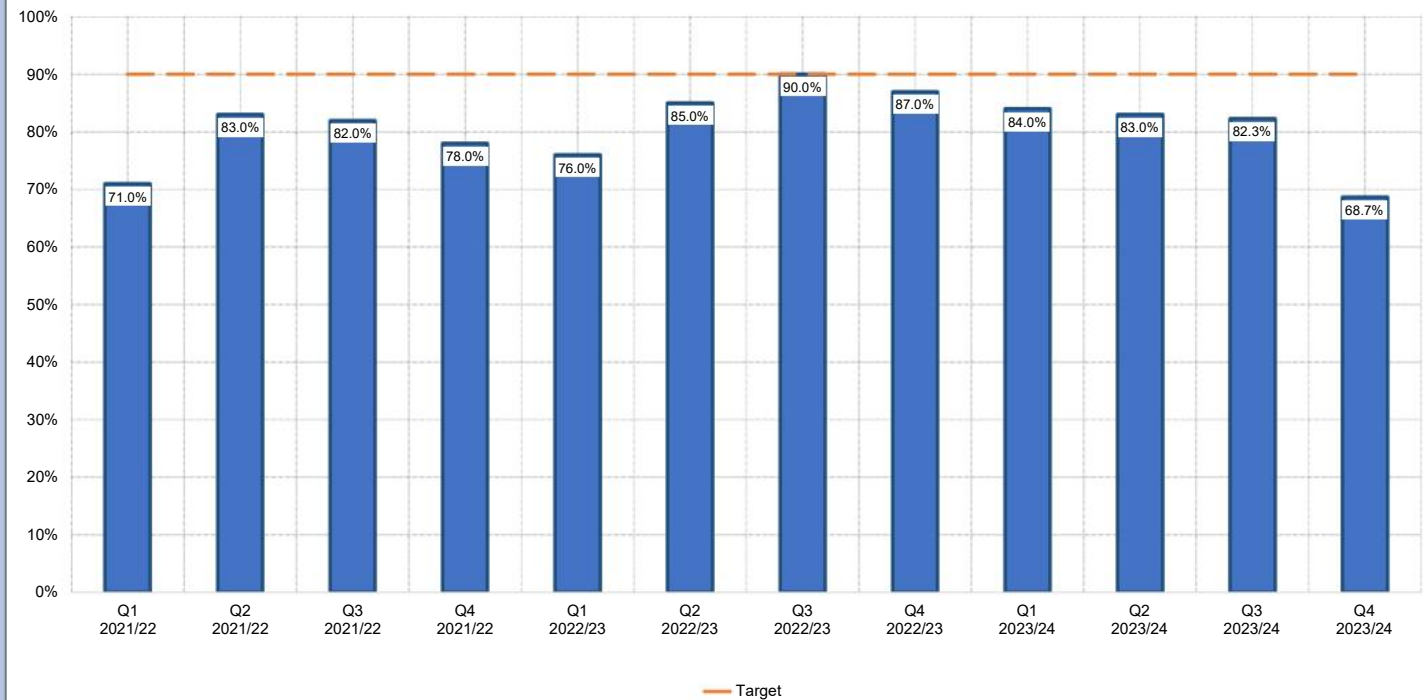
Indicator Description

The percentage of Freedom of Information (FOI) responses issued within statutory timescales of 20 working days as required by the Freedom of Information Act (2000) or if extended to 40 working days to consider the public interest test.

Useful Links

<https://ico.org.uk/for-the-public/>
<https://www.legislation.gov.uk/ukpga/2000/36/contents>

Cambridgeshire Performance



Commentary

This quarter performance has dipped, however, there has been a significant increase in requests received at a point when the service began using a new system and a new members of staff joining the service. There were 425 FOI requests in Q4, which is a 34% increase on Q3 and overall, there was a 15% increase from the previous year. The service did issue 335 responses. There has been a significant increase in requests related to Highways matters alone with an almost 50% rise from the previous quarter - Place & Sustainability saw an overall increase of 44% in the number of requests for that directorate. This increase in volume has significantly affected the Highways Service and had a knock on effect to the FOI service. The FOI service is actively working with the directorate to support, guide and find ways of publishing data on the most common requests to reduce the impact for all.

Actions

The FOI service is actively working with the directorates to support, guide and find ways of publishing data on the most common requests to reduce the impact for all.

The team have been provided with means to search past requests easily to identify similar requests which can support quicker completion of requests

Any responses reaching 10 day deadlines will be flagged to the manager and any reaching 15 day deadline will be escalated to head of service to chase with the relevant service/executive director.

The service are working with IT and Communications colleagues to utilise AI and a disclosure log on the website to direct requesters to self service

Indicator 183: Percentage of Subject Access Requests completed within statutory timescales (Year to Date)

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June 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
90.0%	↑	87.3%	88.7%	Declining

RAG Rating

Amber

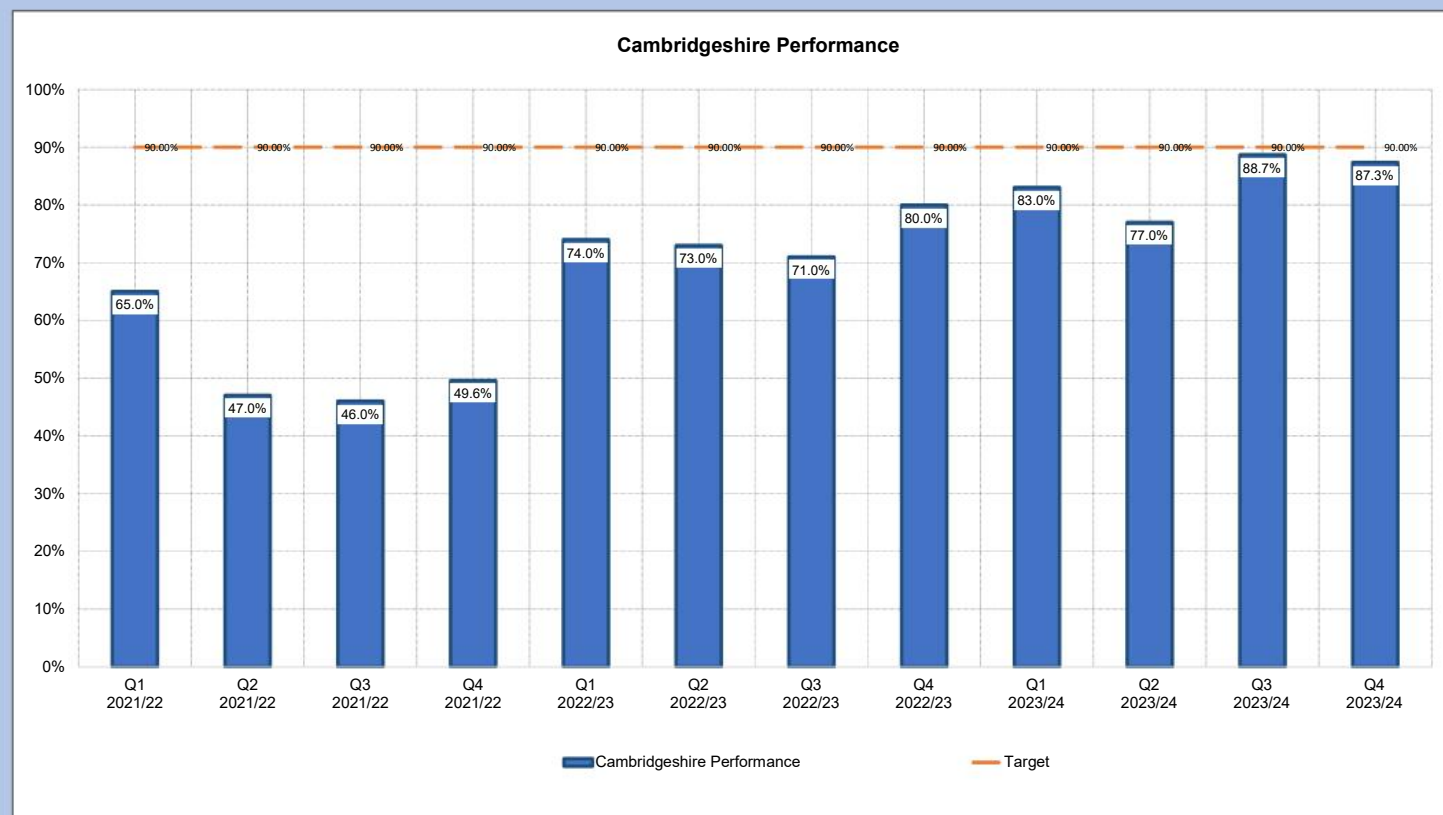
Indicator Description

Percentage of Subject Access Requests completed within statutory timescales of one calendar month or if extended to three calendar months as permitted.

Subject Access Requests (SARs) are requests to access and receive a copy of personal data and other supplementary information held by the council.

Useful Links

<https://ico.org.uk/for-the-public/>



Commentary

The team continues to make great progress, with continued improvement over the last three financial years to achieving 84% of responses issued on time for the year, up from 49% in 21/22 and 74% in 22/23. The team continue to make efforts to increase this response rate despite continued high volumes of requests received.

The team received 89 subject access requests in Q4 which means that there has been an increase of 8% in the number of requests received from the previous year.

The team closed 58 matters in Q4 with 49 responses issued. For the remaining 9, no response was received to the request for identification or clarification.

Actions

Indicator 184: Statutory returns completed on time

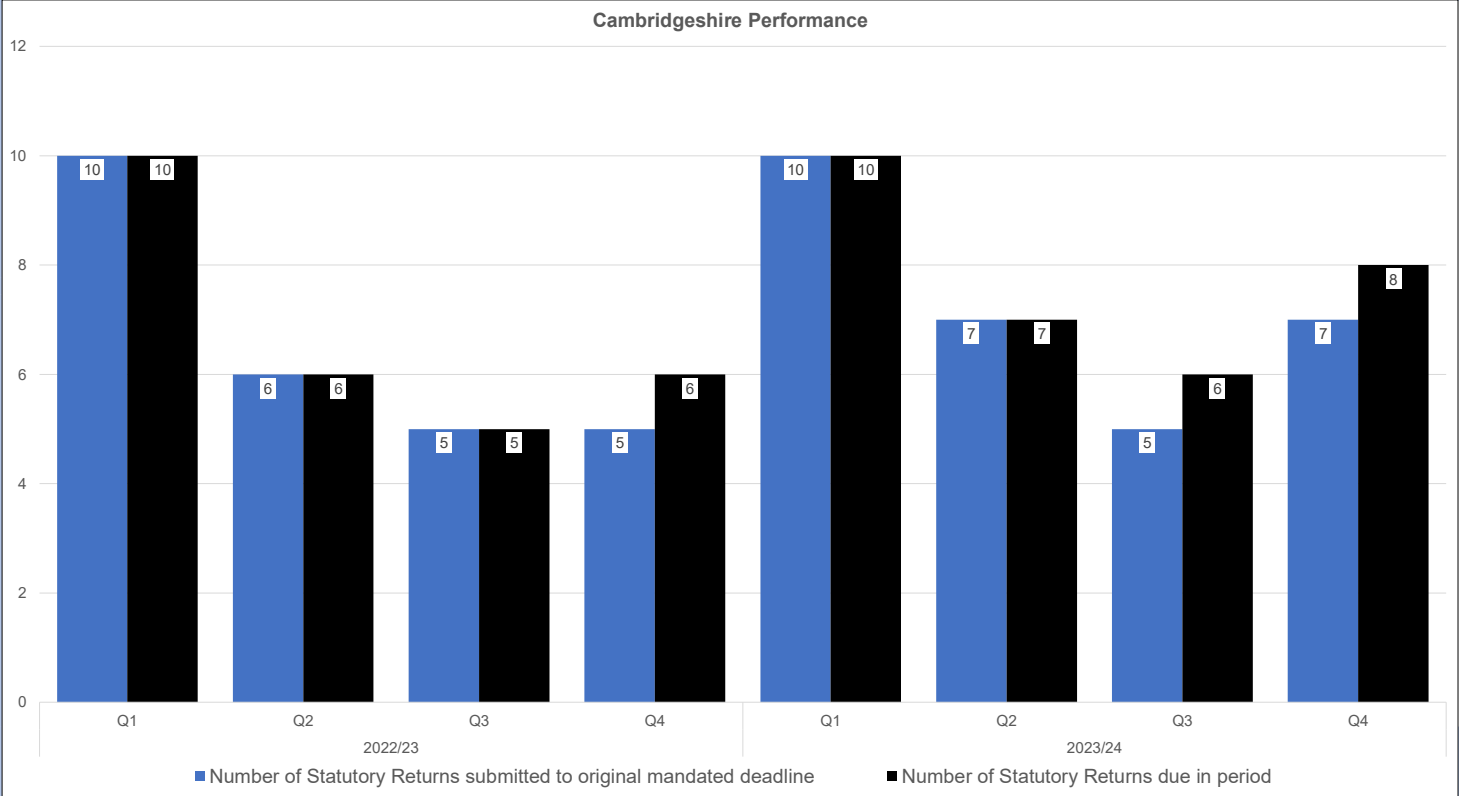
Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
100%	↑	93.55%	100%	Declining

RAG Rating

Amber

Indicator Description
The Council's Policy & Insight team leads on, and supports the submission of, a number of key statutory data returns to central government departments and regulatory bodies. A list is available on request.

Useful Links
[A list of all the datasets that local government must submit to central government.](#)



Commentary
As of the 31st March 2024, 29 of 31 returns met the mandated deadline. 7/8 returns were delivered to the original mandated deadlines in Q4 - 88% return rate. The exception was the SEN2 returns where the DfE agreed an extension as the return deadline coincided with the transition to the new case management system and much of the return work needed to be completed manually

Actions

Indicator 187: Proportion of staff feeling engaged as demonstrated through employee engagement survey[Return to Index](#)

June 2024

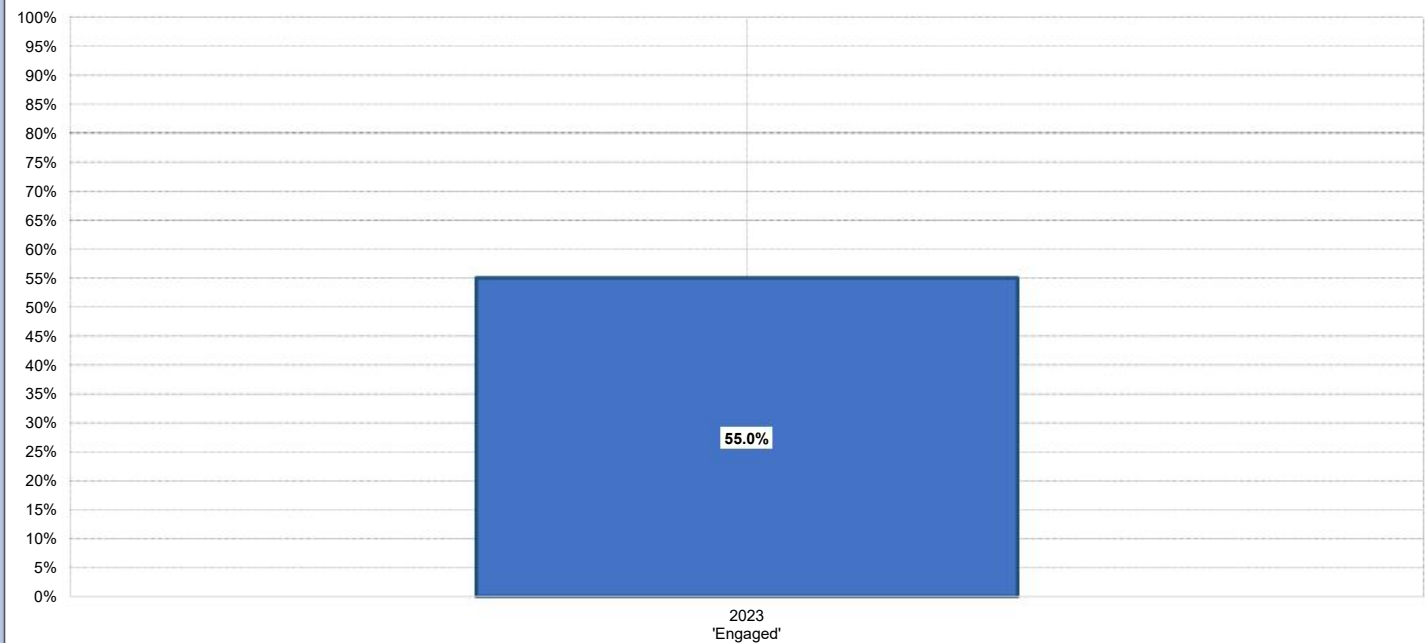
Target	Direction for Improvement	Current Year	Previous Year	Change in Performance
TBC	↑	55.0%	N/A	N/A

RAG Rating

Baseline

Indicator Description

A fully independent and externally validated Employee Engagement survey was carried out in September 2023 with the primary objective of measuring the levels of engagement of the workforce. 'Engagement' is measured by asking questions around pride, advocacy, motivation and belonging, and is considered to be the most effective measure of assessing overall how people feel about working for their employer. The engagement index score received for the County Council of 55% was 9 percentage points lower than the 2023 public sector benchmark provided by the Survey organisation. This will be used to set the target for improvement when the next full survey will take place in September 2025. Given that the engagement measure provided from the 2023 survey offers a more holistic and benchmarked result, there is no direct correlation between the internally conducted survey in 2021 and the 2023 results. Consequently, the 2021 results are not deemed relevant as a baseline for this indicator in the future

Cambridgeshire Performance

■ Indicator 187: Proportion of staff feeling valued by the Council as demonstrated through employee engagement survey

Commentary

The County Council's first, full and wholly independent Employee Engagement Survey for well over a decade was carried out by Ipsos Karian and Box in September 2023, and had an overall response rate of 54% of employees, which provides for a statistically significant data set for all questions. Engagement, as measured by Ipsos Karian and Box is made up from a number of individual scores relating to pride, advocacy, motivation and belonging, to provide an overall engagement rating, which in this case was 55%. Other questions covered in the survey focussed on factors such as their day to day experience of working for the Council, their confidence in the leadership of the organisation, whether they feel valued and recognised for the work that they do through to whether they receive constructive feedback on their performance. It also covered questions around any barriers to being able to work effectively and whether people have opportunities to learn and develop.

Actions

The Employee Engagement Survey results have been widely communicated and shared within the Council and employee listening sessions involving members of the Corporate Leadership Team have taken place during January – March to test the results with focus groups of employees and to inform the development of the Council's action plan in response to the survey. In addition, each of the Executive Directors has been holding listening sessions within their own directorates to inform local action plans. Actions in response to the survey will be developed and considered by Corporate Leadership Team in August 2024, with Directorate actions plans developed locally. Updates will be reported to Staffing and Appeals Committee as part of regular updates on the progress of the Council's People Strategy.

Indicator 190: Proportion of information enquiries resolved at first point of contact

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June 2024

Target	Direction for Improvement	Current Month	Previous Month	Change in Performance
80.0%	↑	82.43%	81.26%	Improving

RAG Rating

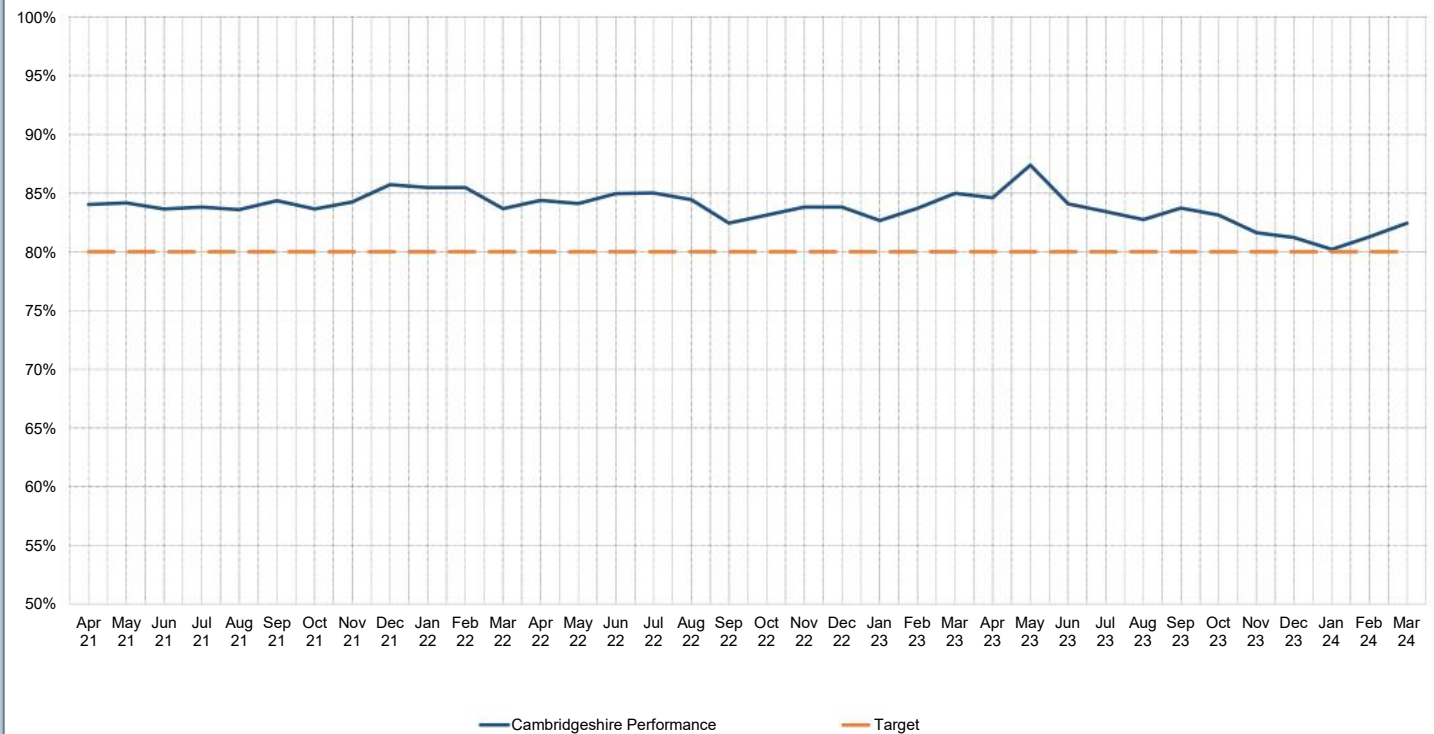
Green

Indicator Description

Percentage of cases Customer Services deal with that are marked as resolved or transferred, against total number of cases recorded. Resolved means we have dealt with a customer's enquiry to a full resolution. Customer Services also class transferred calls as resolved as the request would be to speak to another member of staff, therefore the enquiry is resolved. If Customer Services are unable to resolve an enquiry and need to pass it on to a service representative to deal with, this would be marked as unresolved. This measures how effectively Customer Services are able to meet the customer service standard of dealing with requests at first point of contact.

This is measured in different ways across the industry, but Customer Services feel this is the most accurate and meaningful way of measuring this to ensure we are delivering good customer service for our residents. Any unresolved contacts are reviewed to see if Customer Services can work with the service to increase knowledge in some areas to increase the resolution rate. The target is then adjusted in line with any amendments. It is envisioned that this target will reduce in the coming years as more contacts move to digital channels and Customer Services are left dealing with more complex enquiries. Customer Services have other internal service KPIs as well as a number of advisor KPIs which mitigates any risks of bias. Audits also take place regularly with all advisors to check accuracy of recording.

Cambridgeshire Performance



Commentary

Over the period of January to March 2024, Customer Services achieved a First Contact Resolution percentage of around 82%, with this on an upward trend over this 3 month period.

This small increase can be attributed to an improvement in contacts for the Children's and Registrations' services. In addition, there was improvements in other high volume services such as Blue Badges where there was a 4% improvement between February and March. The Highways service also saw an improvement while there was a decrease in the amount of calls received chasing outstanding reports.

Actions

Indicator 195: Percentage of IT requests resolved at first line within expected timescales

[Return to Index](#)

June 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
95.0%	↑	97.0%	89.3%	Improving

RAG Rating

Green

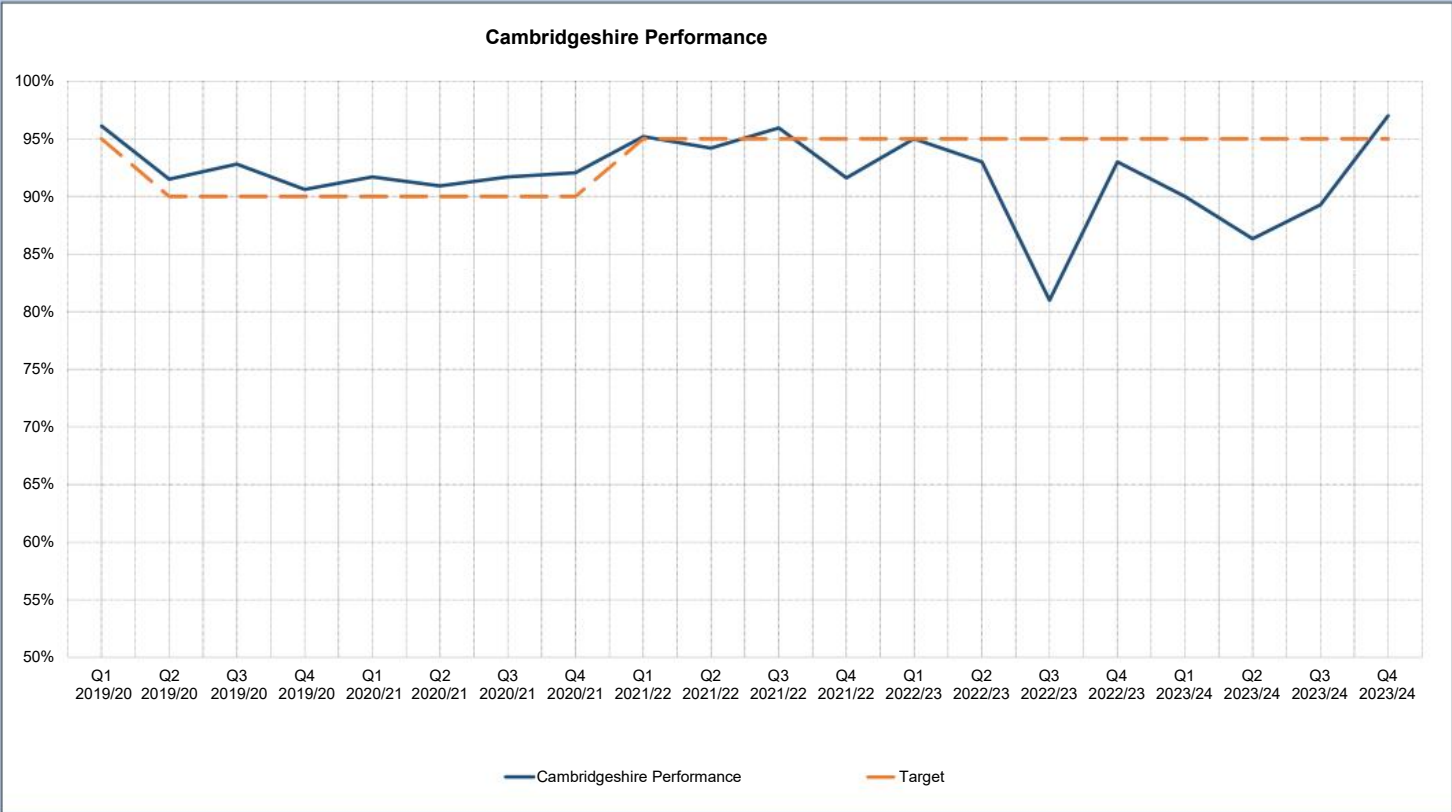
Indicator Description

For IT Support, a 'request' is defined as a call logged by a user asking for information, advice, a standard change or access to a service. They include system access requests, changes to IT profiles and laptop applications.

'First line' teams are those that take the calls directly from end users, in this case the IT Service Desk which includes the User Admin team.

'Requests resolved at first line', therefore means requests resolved by the Service Desk or User Admin, without being passed to any other IT team ('second line').

'Hornbill' is the IT system used internally by the council to raise, view and update IT requests and incidents.



Commentary

The increasing percentage of service requests being resolved within SLA is reflective of the improved processes used to resolve requests and the standardisation of IT across the business.

Actions

Indicator 212: Number of staff who have completed Introduction to First Aid

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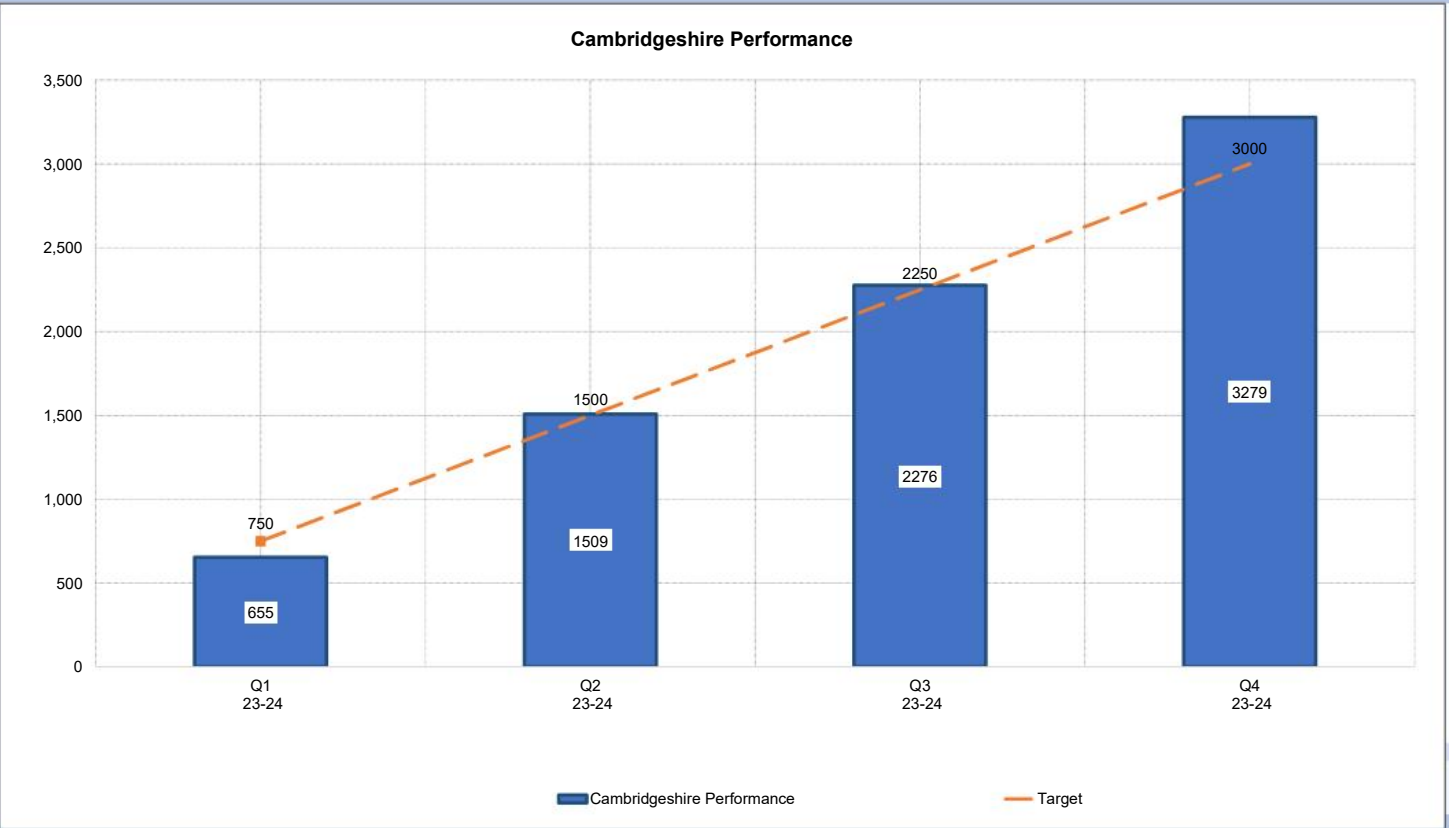
June 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
3,000	↑	3,279	2,276	Improving
RAG Rating				
Blue				

Indicator Description

This indicator measures how many staff have completed the 'Introduction to First Aid' & the 1 day Emergency First Aid course. These are mandatory courses which must be completed every year, that will enable staff to have a basic understanding of first aid requirements whilst working in an agile way.

Some staff do not need to complete the course as they may have already completed a more advanced course as part of their role within CCC (e.g. they may have a First Aid certificate acquired outside of work). This has informed the setting of a target of 3000 staff.



Commentary

The Introduction to First Aid course was launched in October 2021. During this financial year the target of 3000 employees completing the Introduction to First Aid has been exceeded by 9.3%. The target of 3000 completions was met during the last financial year (2022/2023).

This course has now been reconfirmed by CLT as essential learning for all colleagues that needs to be repeated annually. A new process has been implemented in January whereby people are asked by their manager during their annual ratings conversation whether they have completed their essential learning and this is expected to drive a significant improvement in compliance.

Actions

The Health & Safety team will continue to promote the course via the Corporate Leadership Team and the Service Health & Safety Meetings to ensure that the target of 3000 by the end of the next financial year is met.

Target	Direction for Improvement	Current Month	Previous Month	Change in Performance
8 - 10	Within Target Range	8.68	8.85	Improving

RAG Rating

Green

Indicator Description

Please note that the methodology for this indicator is provisional. We are investigating the underlying report that provides this data from our HR system (ERP gold) to confirm the methodology used to calculate this indicator. Subject to the outcome of this, there may be a slight amendment to the methodology for this indicator.

This indicator is the average days lost per FTE over a 12 month rolling period.

The calculation is as follows:

Total FTE days lost to sickness absence in last 12m

Average number of FTE (average taken from start and end of 12m period)

The cohort included in this calculation is all permanent employees. It excludes agency and relief staff and those who have been on zero hours contracts for under a year at time of reporting (casual employees). This definition is in line with how the benchmark indicators are calculated.

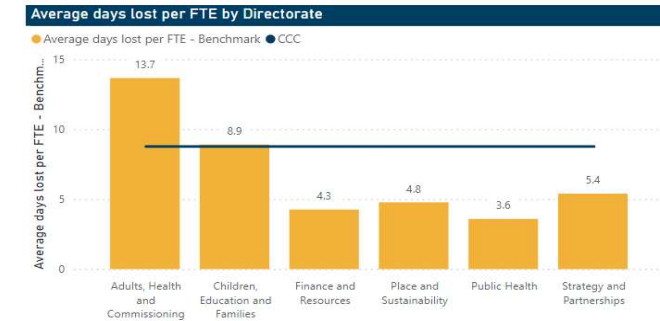
The National average refers to all English single tier and county authorities that submitted data to the LG inform workforce benchmarking club for the 2022/23 financial year (34 authorities). Statistical (CIPFA) neighbour average is the average of Cambridgeshire's CIPFA nearest neighbour authorities who submitted data to LG inform (4/15 neighbours). CIPFA nearest neighbours are calculated a broad range of social-economic indicators to define statistical similarities in authorities.

Directorate Comparison

The below graph shows the directorate comparison of average sickness days lost per FTE for the end of the latest quarter (Q4 2023/24).

The yellow bars are the average days lost per FTE for the 12m period up to the end of the quarter.

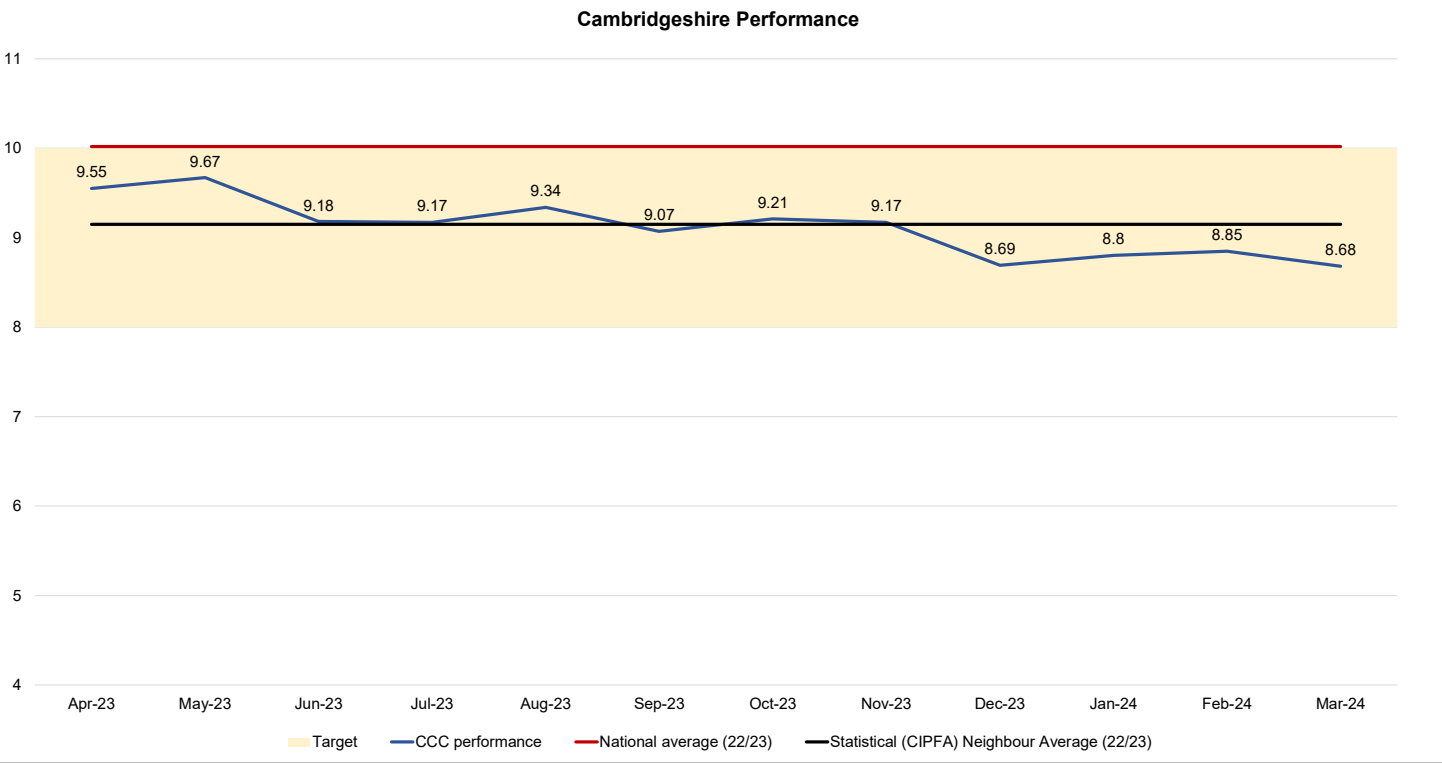
The blue line is the overall performance for CCC for that same period.



Wellbeing support

Support and interventions aimed at support for health and wellbeing include:

- Employee Assistance Programme (EAP)
- Occupational Health
- Access to Work and 1:1 Mental Health Support from Maximus
- Stress MOT
- Return to work meetings
- Wellbeing Conversations and Wellbeing Passport
- Reasonable Adjustments Toolkit
- Mental Health First Aiders
- Agile/flexible working options
- Mental Health Awareness Training (e-learning and workshops)
- Wellbeing Hours, blogs and promotion of resources
- Psychological support for social care teams via the ICS Hub
- Menopause Awareness Workshops
- Financial Wellbeing Workshops



Commentary

Employee mental health is supported by multiple interventions including the Employee Assistance Programme (EAP), which has a utilisation rate of c. 17% calculated as counselling and advice calls against our employee headcount in the year to May 2024. 87% of calls were for counselling, with 13% seeking support and advice for other reasons including legal, employment matters, and relationship concerns. The provider's benchmark for counselling calls is 74%. Counselling cases include a mixture of face-to-face, telephone, and online sessions, with online being by far the most used. Having accessed counselling, scores on measures for depression and anxiety improved by more than 50%, and the user self-assessment scores improved similarly, showing improvements in presenteeism, life satisfaction and workplace distress. We can see that colleagues are first contacting the service when their anxiety ratings across the 7 categories are 'moderate' (not 'severe' in any category) and after structured therapy those symptoms have all reduced to 'mild'.

We continue to promote health and wellbeing interventions and resources, with a focus on those supported by research and in line with our position as a public health authority. Recent interventions have included: The introduction of Schwartz Rounds to provide a safe, reflective space in which colleagues share the emotional impact of work; participation in the Pain at Work research study; the publication of results from the University of Cambridge SWELL study into work engagement and wellbeing; taking part in the free trial of the Government's Midlife MOT scheme.

We continue to offer a monthly wellbeing hour, with recent topics including endometriosis, keeping active at work, Samaritans, and volunteering. The wide range of topics and expert speakers raises awareness and provides useful resources and sources of expertise and these are regularly attended by 200-300 employees, with recordings available.

The Health and Safety Team is conducting an audit of risk assessments to ensure that teams have these up to date. These include risks for workplace stress. Overall absence has been steadily reducing, HR Advisory take a proactive role working closely with line managers to focus on ill health cases both short and long term and encourage returns to work where and when possible seeking appropriate advice from Occupational Health, Access at Work etc to enable people to stay in the workplace unless it is not appropriate.

Revisions to the absence policy have been made in response to feedback received from employees, managers, trade unions, and our IDEAL Network. We have also launched learning packages supporting managers to have effective and supportive Wellbeing Conversations.

Actions

We will be launching the revised Health and Attendance Policy by the end of June with the focus on supporting people to remain healthy in work and, when they have been absent from work, to achieve an effective and sustainable return to work. We will be procuring providers for both occupational health and employee assistance programme as these contracts are due to end in October. We are working on an application to become an accredited 'Menopause Friendly' employer.

Indicator 214: Staff turnover (rolling 12 month average)

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June 2024

Target	Direction for Improvement	Current Month	Previous Month	Change in Performance
10-13%	Within Target Range	12.7%	12.9%	Improving

RAG Rating

Green

Indicator Description

Staff turnover is the sum of employees who leave the organisation over a 12 month period expressed as a percentage of the average headcount over a 12 month period.

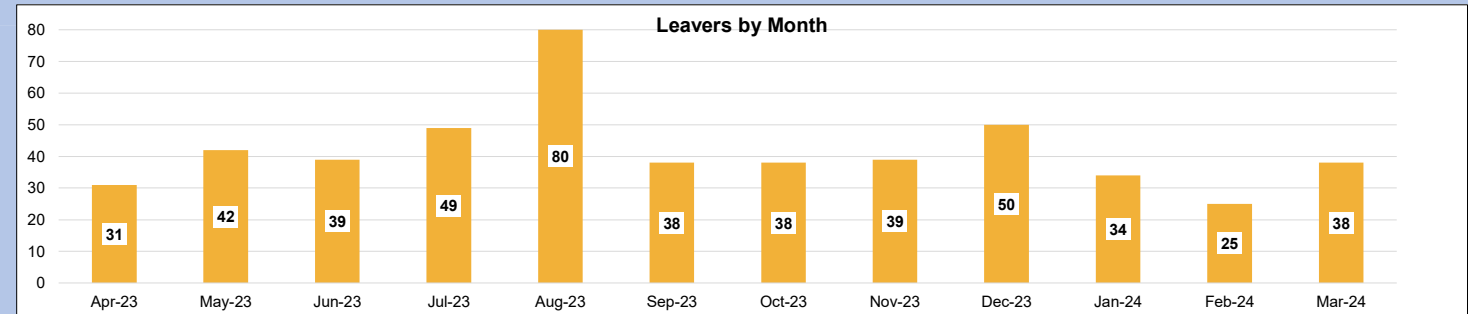
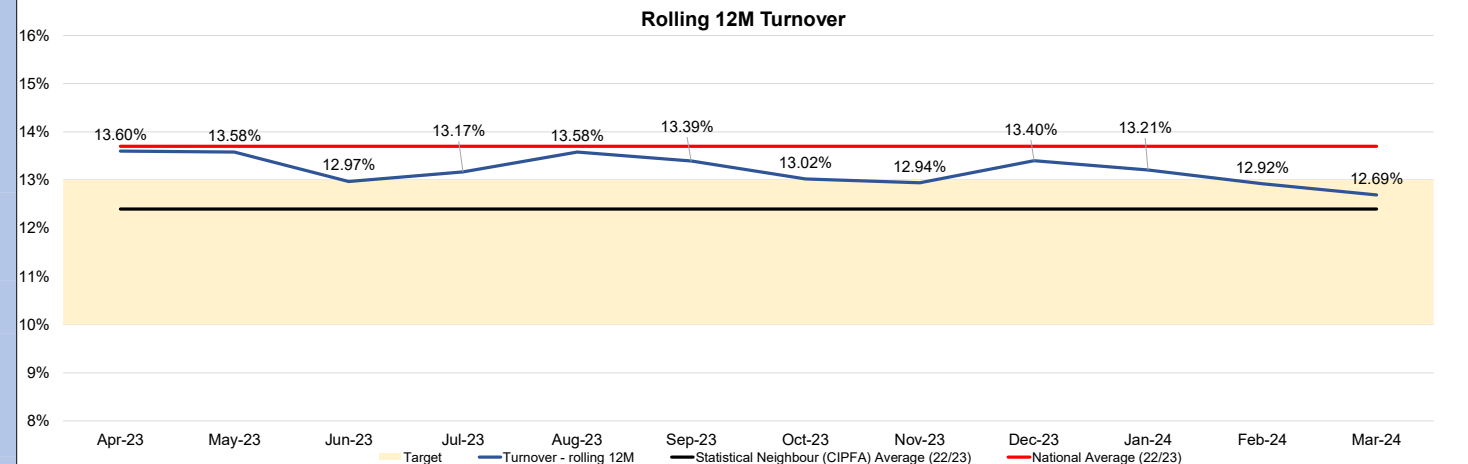
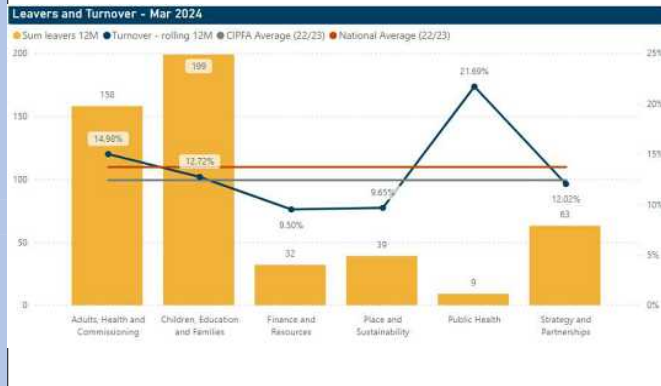
The blue line confirms the rolling 12 month average turnover which is calculated by number of voluntary and non-voluntary leavers / average headcount over a 12 month period. All permanent employees are included in the leavers and headcount figures used for the turnover calculation. This excludes agency and relief staff and those who have been on fixed term contracts for under a year at time of reporting (casual employees). This definition is in line with how the benchmark indicators are calculated.

The orange bars in the second graph show the number of leavers for each month. This is a count of voluntary and non-voluntary leavers (employees and FTCs over a year). If an employee leaves two positions, they are only counted once in this number. This is in-line with how the benchmark indicators are calculated. Please note: the data for number of leavers is correct at the time of reporting.

The National benchmark turnover figure for 2022 - 23 is 13.7%. National average refers to all English single tier and county authorities that submitted data to LG Inform for the 2022/23 financial year (34 authorities). The statistical (CIPFA) neighbour benchmark figure for 2022 - 23 is 12.4%. This is the average of Cambridgeshire's CIPFA nearest neighbour authorities who submitted data to LG Inform (5 out of the 15 authorities). CIPFA nearest neighbours are calculated by a broad range of social-economic indicators to define statistical similarities in

Directorate Comparison

The below graph shows the directorate comparison of turnover for the end of the latest quarter (Q4 2023/24). The orange bars show the sum of leavers over the past 12 months (Apr 23-Mar 24). The blue line shows the rolling 12M turnover at the end of the latest quarter for each directorate. The grey and red lines are the statistical neighbour (CIPFA) and national average benchmark figures (2022-23).



Commentary

Turnover had been reducing over the past 12 months which is positive. Exit interviews are now offered across the whole organisation and are being routinely carried out with all leavers who wish to take part. This ensures reasons for leaving are captured and improvements made where possible with the intelligence gathered being fed back into the services through the HR teams. Engagement sessions are held within social care supporting new starters in their first few weeks of employment.

A new Insight Analyst joined CCC in January 2024 and this has provided some much needed capacity to improve the suite of HR indicators and provide benchmarking data. This benchmarking data will help inform how CCC is performing in relation to targets, statistical neighbours and national information.

Exit interviews and engagement sessions continue to provide valuable insights and information on the experiences of new recruits and those leaving the organisation. This information is regularly provided back to services to enable improvements with an aim to prevent people leaving unnecessarily. Exit interviews can now be requested by individuals directly and on occasion employees who are considering leaving have requested a conversation which has been accommodated. Due to potential natural changes in the team the focus of this work will be kept as a central and vital aspect.

Actions

- Undertaking deeper listening activity with colleagues, via Directorate sessions, to explore the employee survey outcomes and how these insights can be used to drive employee engagement.
- Strengthening management skills in having effective Our Conversations, including a new learning intervention 'Wellbeing Conversations for Managers, which also covers support for managers own wellbeing.
- Responding to feedback from colleagues, managers and trade unions in relation to our approach to absence and attendance management, by developing and launching our refreshed Health and Attendance Policy.
- Developing targeted workforce plans with Adults' and Children's services to address specific needs that impact on recruitment and retention.

Indicator 215: IT & Digital Services Network Access Availability

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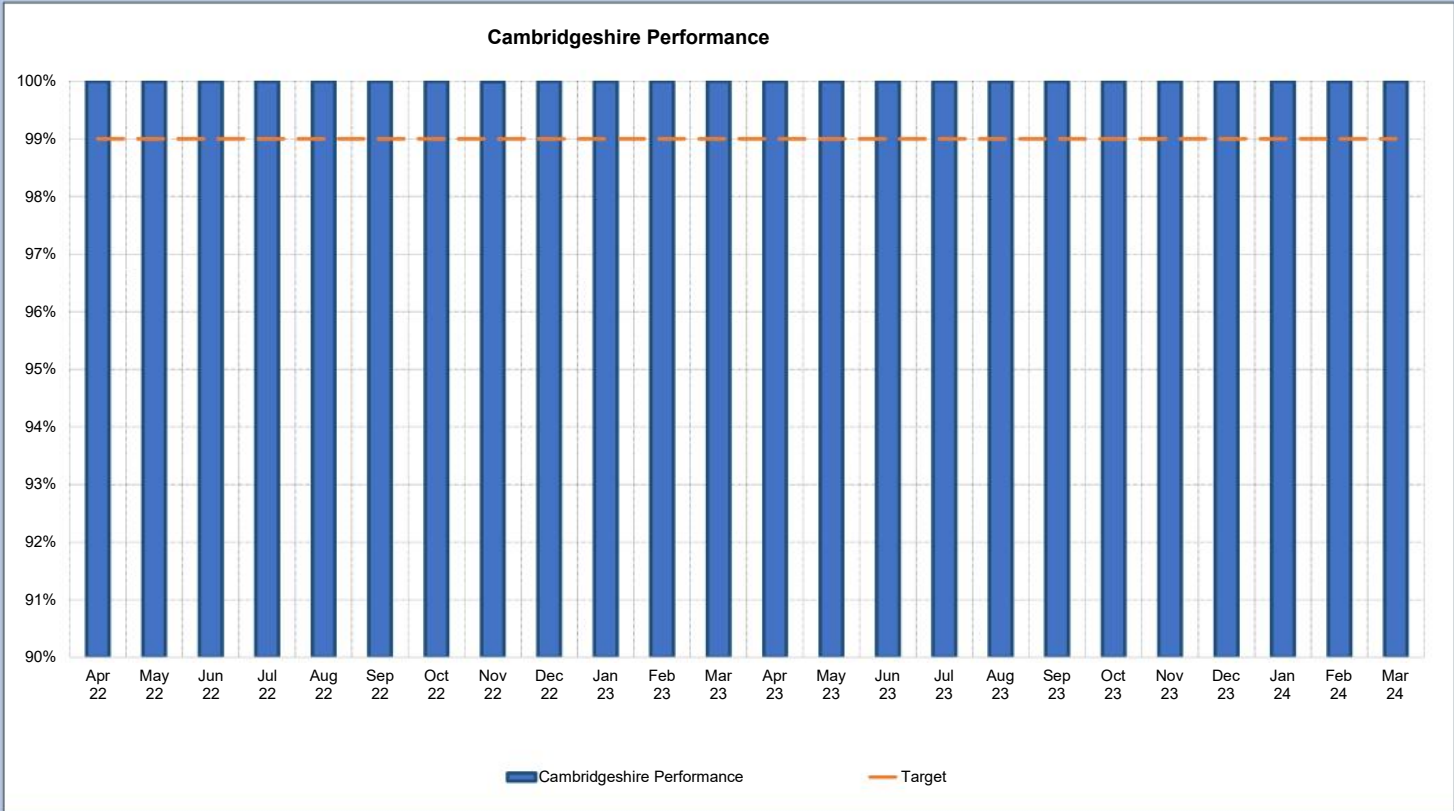
June 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
99.0%	↑	100.00%	100.00%	Unchanged
RAG Rating				
Green				

Indicator Description

This indicator measures the availability of access to the CCC IT network from a managed (CCC) computer, for staff and Members.

The measure excludes outages for scheduled maintenance.



Commentary

The figure relates to the PaloAlto Secure Web Gateway (SWG). It provides access to the network when using a CCC managed computer from any location, whether remote or a networked office.

There has been full SWG availability for the duration of Q4. However, the service is aware that there were some performance issues during February which were related to the core network, rather than the PaloAlto SWG.

Actions

Indicator 216: IT & Digital Services Customer Perception Rating

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June 2024

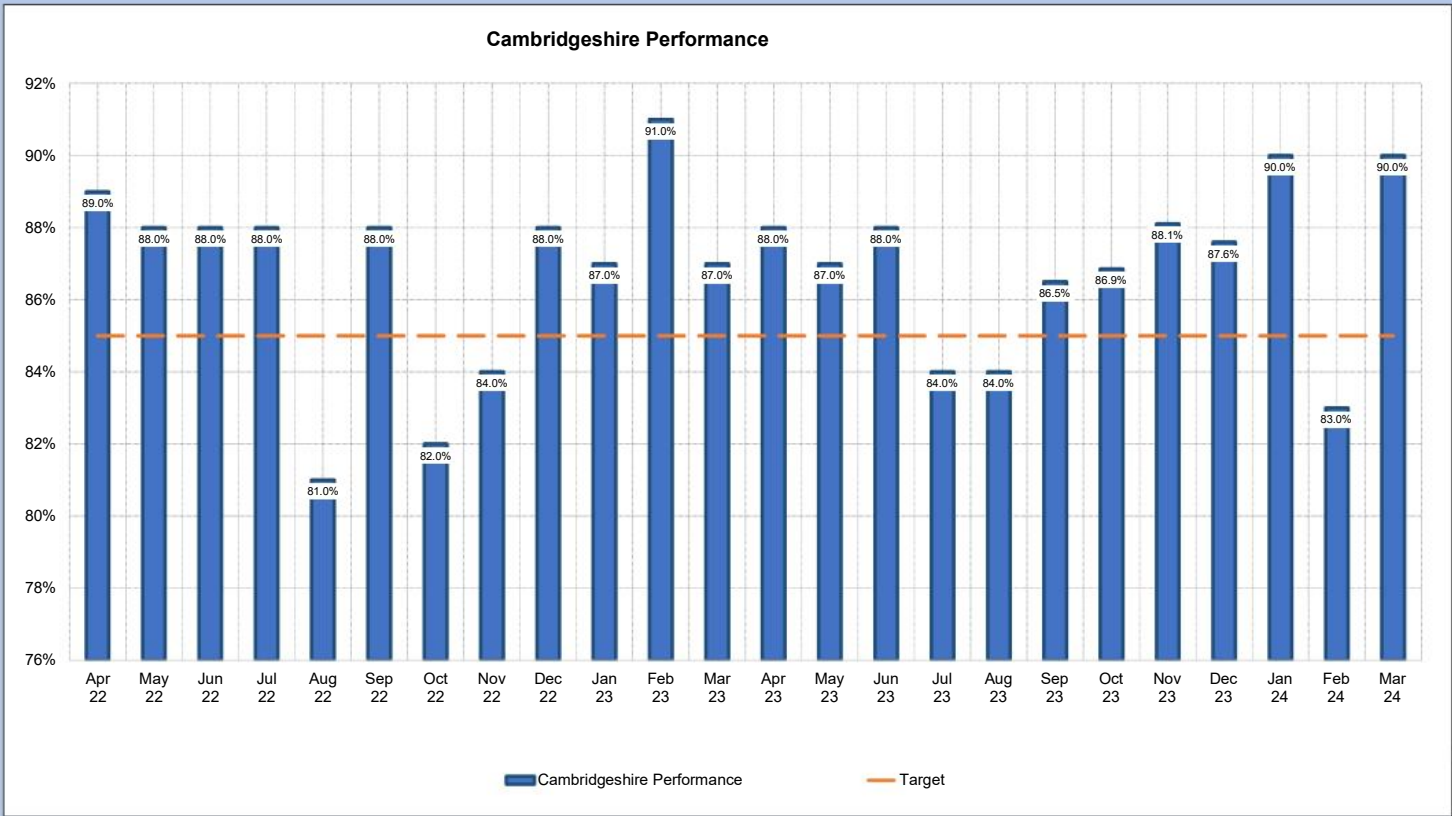
Target	Direction for Improvement	Current Month	Previous Month	Change in Performance
85.0%	↑	90.0%	83.0%	Improving
RAG Rating				
Blue				

Indicator Description

Once a call to the IT Service Desk is resolved, the requestor receives an email asking them to submit online feedback about the service they received. They can give a rating of one to five stars; the higher the star rating, the better the customer perception of service.

This measure takes the percentage of those submitting a five-star rating.

Useful Links



Commentary

Q4 starts and finishes well with 90% 5 star ratings for January and February. The dip to 83% in February matches a similar increase of 4* ratings for February when compared with January and March. It is not possible to identify a reason for this slight shift.

Actions

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
87.0%	↑	98.0%	95.0%	Improving

RAG Rating

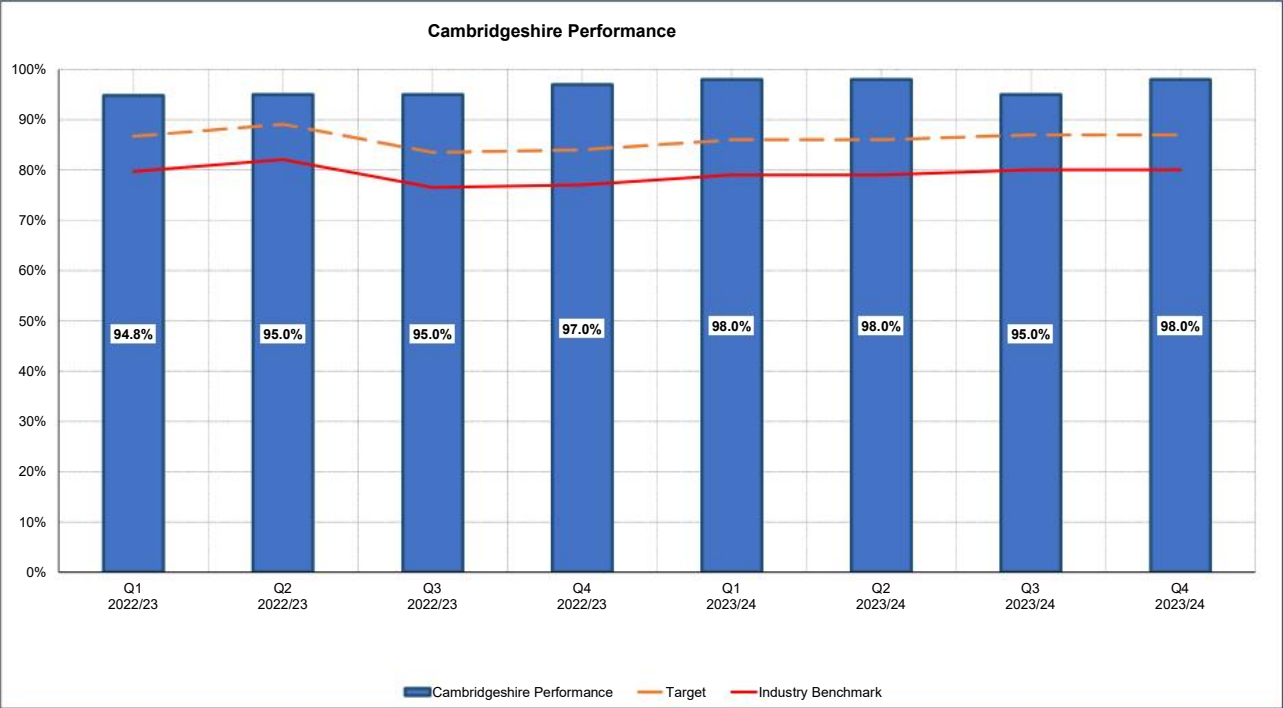
Blue

Indicator Description

The score is a measure of how well our website performs against the Site improve quality assurance checks. Site improve measures content quality, content freshness, security and user experience of CCC's main public website.

Reported data is an average of weekly scores for the last week in the reported month.

The target is set to track at 7% above the industry benchmark score for Government and this updates every quarter.



Commentary

The graph shows the quality assurance of the County Council website compared to the target score (7% above the industry standard).

The quality assurance score has risen by 3% this quarter. A number of broken links to The British Library (BL) Website have been resolved. The BL site had been offline and rebuilt following a security breach.

Actions

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
92.0%	↑	94.0%	94.0%	Unchanged

RAG Rating

Green

Indicator Description

The score is a measure of how well our website performs against the Site improve website accessibility checks, which are based on the Web Content Accessibility Guidelines (WCAG) success criteria. These checks cover common issues that affect a website's accessibility compliance.

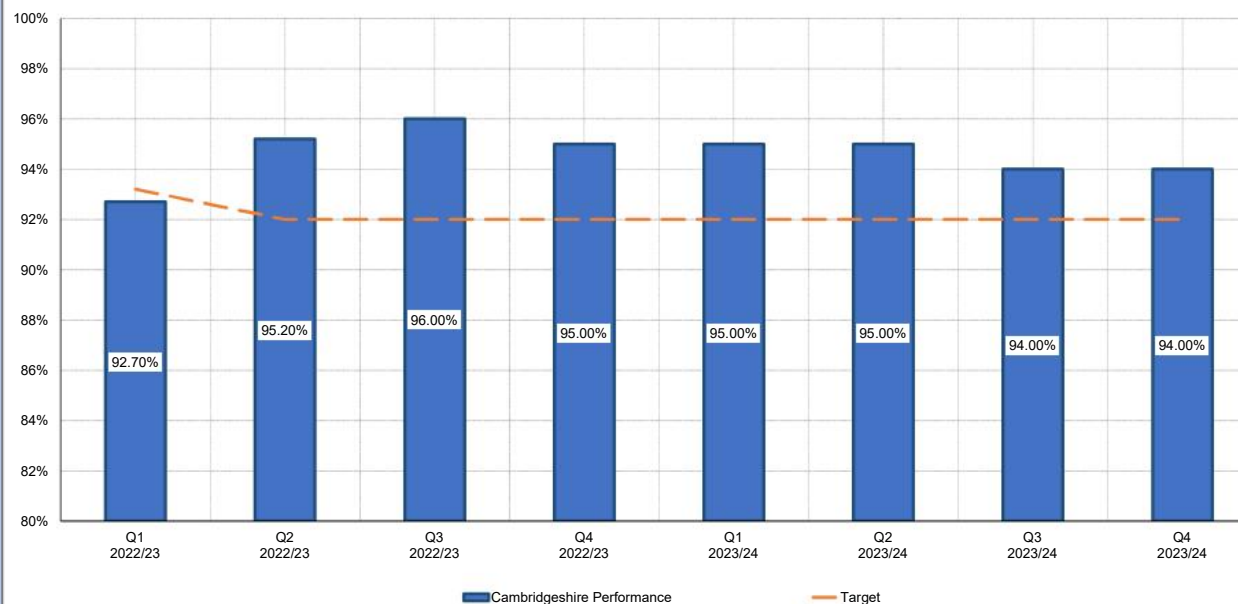
New regulations on accessibility came into force for public sector bodies in 2018 - <https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps>. We must make our website accessible by making it 'perceivable, operable, understandable and robust'.

The web team carryout weekly audits of the website to ensure the site is meeting the required accessibility standards. All new content is thoroughly checked to make sure it is accessible and we are currently updated all legacy documents (PDFs) to make sure they meet the new standards. The team uses a number of resources to do this including our Website Content Playbook - <https://www.cambridgeshire.gov.uk/website-content-playbook>

We have also developed an Accessibility E-Learning course to enable all staff to understand the accessibility regulations and make their own content accessible.

Reported data is an average of weekly scores in the reported time period.

The target changed to a fixed score of 92%, from a score that tracked at 7% above the industry standard in Q1 22/23.

Cambridgeshire Performance**Commentary**

The accessibility score has remained stable this quarter. It is 1% lower than Q1 & Q2, mainly due to the period over the festive period when staff were on holiday and some issues weren't addressed until the new year. The score remains above target.

Actions

Treasury Management Quarter Four Update and Annual Report 2023-24

To: Strategy, Resources & Performance Committee

Meeting Date: 9 July 2024

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: Through this report the committee supervises the council's treasury management, and ensures that public money across the council's cashflows, borrowing and investments is utilised and deployed effectively and in compliance with the Treasury Management Strategy. This fulfils the statutory requirement for Full Council to consider the treasury management position regularly.

Recommendation: Strategy, Resources and Performance Committee is recommended to note the Treasury Management Quarter Four Update and Annual Report for 2023-24 and endorse it for consideration at Full Council.

Officer contact:

Name: Stephen Howarth

Post: Head of Finance

Email: treasury@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This report sets out how the council is managing its treasury activity, including borrowing, lending and investments. This is a key enabling function that underpins all of the council's activities, with particular attention drawn to borrowing that funds the council's capital programme which delivers schools, highways maintenance, green energy schemes and other key projects.

2. Background

- 2.1 Treasury management is the management of the council's investments and cash flows, banking and deposits, and borrowings and money market transactions. The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code 2021 requires reporting on prudential indicators linked to treasury management activity quarterly as part of the authority's integrated revenue, capital and balance sheet monitoring, and consideration in more detail several times a year.
- 2.2 Updates on treasury management activities are provided quarterly to this committee, either through the Integrated Finance Monitoring Report (IFMR) or through this more detailed biannual report, and are necessarily retrospective in describing the position at the end of a quarter. However, changes to the UK economy and corresponding implications for our treasury management activity can sometimes be fast paced, therefore some of the information relevant to this biannual report may be partially out of date by the time it is reported. Any significant live treasury management information is therefore presented on a regular basis to committee as part of the Integrated Finance Monitoring Reports.
- 2.3 As part of the council's Treasury Management Strategy, implementing the requirements of the Prudential Code, the detailed treasury report needs to be considered by Full Council twice annually. The key prudential indicators against which our treasury management activity is assessed are reviewed quarterly by Strategy, Resources & Performance Committee through the IFMR and are set out in Appendix 1.
- 2.4 This report therefore forms the update on treasury management and is the second standalone report of 2023-24 for consideration by Council. The information presented is as at the end of the fourth quarter, so reflects a report made at a specific point in time. In the current environment where the economic context and loan rate projections move quickly, it is possible that some of the wider context has moved on by the time this report is reviewed.
- 2.5 This report covers the management of the council's cash, investments and borrowing. All three affect the general Council budget. This is principally through the level of capital financing costs that we pay as a Council when we need to borrow, but also in the returns we get on managing our cash balances and in returns from investments.
- 2.6 Treasury Management is a complex area of local authority financial management and governance. As such, the most recent revision of the Treasury Management Code has tightened its stipulations to require ongoing member training in this area, as well as the completion of self-assessments against the required competencies. Training for members of this committee with our external treasury management advisor was delivered in January; completion of self-assessments is being arranged.

3. Compliance with Treasury and Prudential Limits

3.1 The council's treasury and prudential indicators are summarised in Table 1 and Figure 1 and are provided in detail in Appendix 1.

3.2 It is a statutory duty for the council to determine and keep under review the affordable borrowing limits. During the quarter and year ended 31st March 2024, the council has operated in compliance with and within all of the treasury and prudential indicators agreed by Full Council in the Treasury Management Strategy (TMS) for 2023-24, as demonstrated below:

Table 1: Treasury and prudential indicators quarter 4 (see appendix 1 for more explanation of these indicators)

Prudential and Treasury Indicators	2023-24 Limit TMS	31 Mar 2023 Actual	Q1 30 Jun 2023 Estimate	Q2 30 Sep 2023 Estimate	Q3 31 Dec 2023 Estimate	Q4 31 Mar 2024 Actual
Annual capital expenditure	£257.6m	£140.2m	£200.1m	£192.4m	£196.0m	£177.0m
Annual capital financing	£140.9m	£101.9m	£138.1m	£134.6m	£133.4m	£122.1m
Annual MRP and other financing adjustments	£21.6m	£20.2m	£22.0m	£22.0m	£22.0m	£22.0m
In-year Capital Financing Requirement	£95.1m	£18.1m	£40.0m	£35.8m	£40.5m	£32.9m
Capital Financing Requirement (CFR) at 31 st March ¹	£1,031.7m	£940.3	£980.3m	£976.1m	£980.8m	£972.7m
Authorised limit for external debt, and quarterly estimates ¹	£1,170.0m	£737.8m	£716.8m	£719.4m	£761.8m	£778.7m
Operational boundary for external debt ¹	£1,140.0m	£737.8m	£716.8m	£719.4m	£761.8m	£778.7m
Ratio of financing costs to net revenue streams – yearly average	9.3%	8.2%	8.1%	7.0%	7.1%	7.2%
Ratio of net income from commercial and service investments to net revenue stream	4.8%	5.0%	5.6%	4.9%	5.0%	4.8%
Upper limit of fixed interest rates based on net debt ²	150%	80%	84%	67%	71%	79%
Upper limit of variable interest rates based on net debt ²	65%	20%	16%	33%	29%	21%
Principal sums invested over 365 days (excluding Third-Party Loans)	£50.0m	£34.2m	£33.5m	£32.7m	£33.2m	£32.3m
Maturity structure of borrowing limits:						
Under 12 months	Max. 80% Min. 0%	23.3%	24.5%	28.4%	27.5%	26.1%
12 months to 2 years	Max. 50%	10.9%	9.1%	5.6%	7.1%	10.3%

Prudential and Treasury Indicators	2023-24 Limit TMS	31 Mar 2023 Actual	Q1 30 Jun 2023 Estimate	Q2 30 Sep 2023 Estimate	Q3 31 Dec 2023 Estimate	Q4 31 Mar 2024 Actual
	Min. 0%					
2 years to 5 years	Max. 50% Min. 0%	7.3%	9.0%	9.0%	14.9%	14.3%
5 years to 10 years	Max. 50% Min. 0%	15.1%	14.3%	15.7%	13.5%	13.2%
10 years and above	Max. 100% Min. 0%	43.5%	43.1%	41.4%	37.0%	36.1%

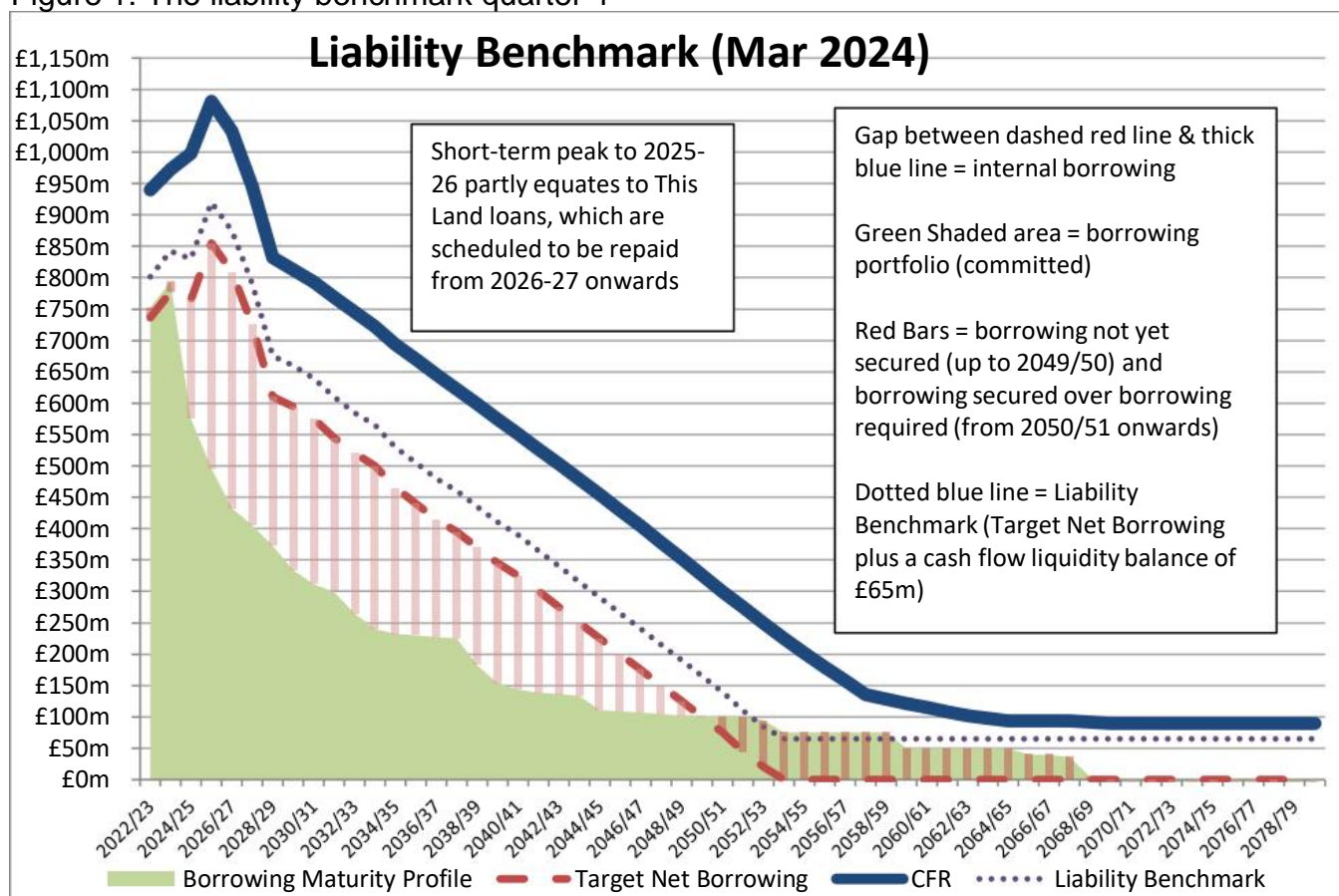
Note 1 - Excluding PFI and Finance Lease Liabilities but including loans raised to on-lend to This Land Ltd

Note 2 - The interest rate exposure is calculated as a percentage of net debt. Due to the mathematical calculation exposures could be greater than 100% or below zero (i.e., negative) depending on the component parts of the formula.

- 3.3 From the table above it is worth noting the increase in borrowing for under 12 months in term compared to last year. This is still well within the maximum limit for this category of debt set out in the TMS; the alternative to this is locking borrowing in for longer terms at currently high interest rates. However, national expectations are for rates to reduce to lower levels in the medium-term, therefore the current strategy is to take out shorter-term borrowing until those cuts materialise.
- 3.4 The liability benchmark is a new prudential indicator this year and is a projection of the amount of loan debt outstanding that an authority needs each year into the future to fund its existing debt liabilities, planned prudential borrowing and other cash flows.

The peak in the blue CFR line in 2025-26 is £10m higher than set out in the 2023-24 TMS due to updated capital expenditure plans, however the peak in the dotted red external borrowing line is £95m lower than the TMS, due to an expectation of higher cash balances and therefore lower external borrowing required.

Figure 1: The liability benchmark quarter 4



- 3.5 All treasury management operations have also been conducted in full compliance with the council's Treasury Management Practices.

4. Summary Treasury Management Position

- 4.1 The level of net debt borrowing (including third-party loans) expected to be required set in the Treasury Management Strategy (TMS) for 31st March 2024 was £825.0m. On 1 April 2023, net debt (excluding 3rd party loans and equity) was £737.8m; by 31 March 2024 this had increased to £778.7m. This reflects a small increase in borrowing during the year, albeit lower than forecast in the TMS due to slower spend on the council's capital programme than was forecast, continuing high levels of cash reserves in the early part of the year, plus tight management of cashflow as we approached the end of the financial year, both of which allowed the council to maintain high levels of internal borrowing.
- 4.2 Table 2 summarises the council's debt and investment position. For more in-depth information on investment and borrowing, please refer to sections 4 and 5.

Table 2: Net borrowing quarter 4

	Actual as at 1 Apr 2023 £m	Actual as at 30 Sep 2023 £m	Actual as at 31 Dec 2023 £m	Actual as at 31 Mar 2024 £m	Change 1 Apr 23 to 31 Mar 24 £m
Borrowing repayable in <12mth	171.7	204.5	209.5	203.2	31.5
Borrowing repayable in >12mth	566.1	514.9	552.3	575.4	9.3
Total Borrowings	737.8	719.4	761.8	778.7	40.9
Less Treasury Investment	-106.7	-119.7	-57.2	-93.9	12.8
Total Net Debt/Borrowings	631.1	599.7	704.6	684.7	53.6
Less Third-Party Loans and Equity	-124.3	-124.2	-124.2	-124.1	0.2
Total Net Debt/Borrowings (including 3rd party loans and equity)	506.8	475.4	580.5	560.6	53.8

- 4.3 The council also reviews its treasury performance alongside near neighbours using CIPFA's financial resilience index. While the information in this is lagging (most recent is 2021-22) the council's gross external debt (equivalent to the total borrowings line in table 2) was rated as higher risk relative to the benchmarking group. This is likely due to relatively high gross borrowing resulting from loans to This Land Ltd. However, we are relatively more average risk in respect of the 'interest payable divided by net revenue expenditure' indicator, showing that despite the high level of borrowing, we are in a relatively more sustainable position to service that debt.

5. Investments

- 5.1 The Treasury Management Strategy for 2023-24, including the Annual Investment Strategy for financial assets, was approved by Council in February 2023. It sets out the council's investment priorities as being:
1. Security of capital;
 2. Liquidity; and then
 3. Yield
- 5.2 The council will aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. Money Market Fund (MMF) and Call Account rates have continued to increase in line with Bank Rate increases, therefore the council has received a better return on short-term, ladder investment during the early parts of 2023-24. However, rates peaked in August and have remained static in the latter part of the year, suggesting consideration now needs to be given to lengthening the period of investment to secure higher rates into 2024-25, subject to the availability and need for cash.
- 5.3 At 31 March 2024, the council's investment balances totalled £93.9m; this is split between Money Market Funds, Call/Notice accounts, Collective Investment Funds and Deposit funds (see Table 3 below). This balance excludes Third-Party Loans and Share Capital (Equity) of £124.1m.

Collective Investment Funds

The revised Prudential Code 2021 states that authorities with an expected need to borrow must review any existing commercial investments annually and report the results of that review; this can be found in Appendix 2. The council concludes that there is currently no financial benefit from divesting in these funds and that this outweighs any risk from continuing to hold the investments. All four funds are continuing to struggle to maintain capital value in the current economic climate; however, the fund managers anticipate the values will recover in the medium-term. The drop in value, however, is tempered by a strong dividend position overall. The dividends delivered £1.591m in 2023-24, compared to a budget of £1.087m. The finance team and our external treasury management advisors keeps these funds under close review – the required annual review of these funds is in appendix 2.

- 5.4 **Property Fund:** The Property Fund's investment capital value in quarter 4 was £10.2m compared to the original investment of £12m. The portfolio is actively managed to achieve high income and long-term capital appreciation. The latest dividend rate of return for this fund was 4.38%, against a target of 4.35%. This is a longstanding investment fund with many local authorities as members and we would expect capital values and dividends to return to the level expected over the medium-term.
- 5.5 **Better World Cautious Fund:** This fund was previously called the Diversified Income Fund. In February 2024, the CCLA fund managers decided to merge the fund with the new Better World Cautious Fund in order to open the investment strategy to a wider customer base, as the new fund is available to smaller investors. The aim is to grow the fund more than was possible under the Diversified Income Fund, which could in turn reduce ongoing costs. At the end of quarter 4, the capital value of the investment was £2.3m compared to

an original investment value of £2.5m. The investment objective of the fund is to provide a total return (the combination of capital growth and income) after costs, of inflation plus 2% per annum over any rolling 5-year period. The fund invests in a broad range of assets including fixed/floating income securities (bonds) and global equities (shares of companies). The new fund is subject to an enhanced ethical investment policy, which is more transparent, wider reaching and has a more robust approach to ethical limitations. The latest dividend rate of return for this fund was 2.91%, which is higher than expected.

- 5.6 **Multi-Class Credit Fund:** In January 2024, the sub-fund Allianz Global Multi-Asset Credit Sustainable and Responsible Investment Strategy merged with the sub-fund Allianz Global Multi-Asset Credit. This was proposed as both sub-funds have the same investment strategy, regional scope, benchmark and pricing, therefore merging helps to streamline the product range and increase efficiency by benefiting from economies of scale. At the end of quarter 4, the valuation of the council's share of the fund stood at £14.1m compared to an original investment value of £14.5m. The fund aims remain to generate positive returns throughout the interest rate and economic cycles by allocating to different credit asset classes and through bottom-up security selection. The latest dividend rate of return for this fund was 4.17%, which is higher than expected.
- 5.7 **Infrastructure Income Fund:** At the end of quarter 4, the valuation of the council's share of the fund stood at £5.7m, compared to an original investment value of £8m. The fund's objective is to deliver a regular income, whilst preserving investor's capital throughout market cycles and with the potential for growth. The fund invests in a diversified portfolio of global listed securities and offers exposure to companies engaged in the provision, storage, supply and consumption of clean energy. The capital value of the fund has struggled over the last year, however, the Council receives monthly detailed updates from the fund managers and the performance of the fund (in terms of capital value) is expected to increase over the medium to long term once interest rates start to fall. The fund performance generally sits between the two sector benchmarks but is also less volatile. The latest dividend rate of return has held up well at 4.3%, against a target of 4.5%.
- 5.8 The average investment balance during quarter 4 (excluding Third-Party Loans and Equity) was £63.1m, which carried a weighted average rate of 5.06%; over the whole year, the average investment balance was £102.4m with a weighted average rate of 4.82%. The level of investment funds varies dependent on the timing of precept receipts, grants, the progress of the capital programme and decisions made about timing of borrowing. Table 3 below shows the investment by counterparty at 31st March 2024.

Table 3: Investments allocation by counterparty quarter 4

Counterparty as at 31 st Mar 2024	Liquidity	Principal £m	Principal %
Allianz Global Investors	Notice Period 14 days	14.1	15.0
Handelsbanken	Instant Access	12.6	13.4
Aberdeen Liquidity Fund - Sterling Fund Class L-1	Same-Day	11.7	12.5
Insight Liquidity Sterling C3	Same-Day	11.5	12.3

Counterparty as at 31 st Mar 2024	Liquidity	Principal £m	Principal %
Deutsche Managed Sterling Platinum	Same-Day	11.0	11.7
CCLA Local Authorities Property Fund	Notice Period 6 months	10.2	10.8
NatWest Markets Plc	Fixed (3-6 months)	10.0	10.6
Valu-Trac Administration Services	Same-Day	5.7	6.1
CCLA Better World Cautious Fund	Notice Period 6 months	2.3	2.5
Barclays Bank plc	Instant Access	2.0	2.1
National Westminster Bank plc	Instant Access	1.8	1.9
Santander UK plc	Instant Access	1.0	1.1
		93.9	100.0

5.9 The table below summarises the maturity profile of the council's investment portfolio at the end of quarter 4 (excluding Third-Party Loans and Equity):

Table 4: Investment maturity profile at end of quarter 4

Product	Access Type	Daily	0-3m	3-6m	~5yrs	Total	
		£m	£m	£m	£m	£m	
Money Market Funds	Same-Day	34.3				34.3	39.3
Bank Call Account	Instant Access	17.4				17.6	18.6
Fixed Deposit Account	3-6 Months			10.0		10.0	10.6
Pooled Property Fund	Redemption Period Applies				10.2	10.2	10.8
Pooled Diversified Income Fund	Redemption Period Applies				2.3	2.3	2.5
Pooled Multi-class credit Fund	Redemption Period Applies				14.1	14.1	15.0
Income Fund (Energy)	Same-Day				5.7	5.7	6.1
	Total	51.6	0.0	10	32.3	94.1	100.0
	%	54.9	0.0	10.6	34.3	100.0	

- 5.10 The tables below set out details of the amounts outstanding on loans and share capital investments classed as capital expenditure advanced to third-party organisations at the end of quarter 2. Unless otherwise stated, the original loan value is the outstanding amount. Where appropriate, the council holds security over these loans in the form of property charges (fixed and/or floating).

Table 5: Loans/equity holdings in This Land companies end of quarter 4

Loan Summary	Amount Outstanding (£m)	Repayment Year
Land, Construction & Development loans	113.851	2026/27, 2027/28 and 2028/29
Equity holding	5.851	N/A
Total Loans/Equity in This Land Ltd	119.702	

Note: £13.3m of individual loans to This Land Ltd in addition to the above have been repaid in full.

Table 6: Loans/equity holdings in Pathfinder Legal Services end of quarter 4

Loan Summary	Amount Outstanding (£m)	Repayment Year
Cashflow loan	0.325	2029/30
Equity holding	0.475	-
Total Loans/Equity in Pathfinder Legal Services	0.800	

Table 7: Other Third-Party Loans principal outstanding end of quarter 4

Loan Counterparty	Original Amount (£m)	Amount Outstanding (£m)	Repayment Year
Arthur Rank Hospice Charity	4.000	2.960	2042/43
Estover Playing Field 2015 Community Interest Company (Guaranteed by March Town Council)	0.350	0.042	2024/25
Wisbech Town Council	0.150	0.150	2043/44
VIVA Arts & Community Group	0.300	0.030	2031/32
Total Third-Party Loans	4.800	3.182	

- 5.11 Investment returns compared to benchmark returns are shown in Table 8 below. The preferred benchmark is SONIA (Sterling Overnight Index Average), which is the risk-free rate for sterling markets administered by the Bank of England. SONIA is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors. The council uses the 30-day backward looking rate on a SONIA basis, as this most accurately reflects the type and length of investments (excluding Collective Investment Funds) that the council

holds. The decision to use backward looking is because this reflects the rates at the time of decision-making, rather than forward looking rates at the time of reporting.

Table 8: Average benchmark versus Council performance for 2023-24 (excluding Collective Investment Funds) quarter 4

	Benchmark	Benchmark Return	Council Performance
Quarter 1	30-day backward SONIA	4.4%	4.2%
Quarters 1-2	30-day backward SONIA	4.6%	4.6%
Quarters 1-3	30-day backward SONIA	4.8%	5.2%
Quarters 1-4	30-day backward SONIA	4.9%	4.8%

5.12 Market conditions aside, the council's return on investments is influenced by several factors, the largest contributors being the duration of investments and the credit quality of the institution or instrument:

- Credit risk is the consideration of the likelihood of default and is controlled through the creditworthiness policy approved by Council.
- The duration of an investment introduces liquidity risk; the risk that funds cannot be accessed when required.
- Interest rate risk, arising from fluctuating market interest rates.

These factors and associated risks are actively managed by the council's finance team. Given the recent volatility of the financial markets, the finance team is keeping a close eye on the credit ratings of institutions we have deposits with, as well as looking to spread deposits across a range of institutions and is also considering the mix of type and duration of deposits.

6. Borrowing

6.1 The council can borrow money to fund its capital program to deliver on its strategic ambitions. The amount of borrowing required each year is based on plans for capital expenditures, projections of the Capital Financing Requirement, underlying borrowing requirements, forecasted cash reserves, and current and future economic conditions. The following table shows the highest, lowest (with dates) and average Public Works Loan Board (PWLB) rates for 2023-24:

Table 9: Highest / Lowest / Average PWLB Rates for 2023-24

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.54%	4.99%	4.97%	5.34%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

6.2 The council continues to utilise short to medium-term borrowing from other local authorities and authorised brokers, particularly in the current environment of higher interest rates which

we expect to reduce over the medium-term. However, during 2023-24 we found that these market loans were much less readily available than they previously had been, and as such, they were significantly less competitive compared to PWLB. Therefore the council has taken out significantly more PWLB than in recent years, compared to market loans. The council intends to continue with the strategy of keeping a reasonable proportion of the borrowing portfolio short-dated to avoid fixing in the current higher interest rates, and is able to do so having taken advantage of the low-interest rate environment of the last few years to previously extend the average duration of loans in the portfolio by fixing loans for extended maturities at historically low levels. This does present a risk that we will see higher costs over the medium-term if interest rates do not fall in line with current predictions. We take advice on our borrowing strategy from our external treasury management advisors. The council's average interest rate for borrowing was still relatively low at 3.33% at the end of quarter 4, despite facing higher rates on new loans due to Base Rate increases, as well as higher rates on a number of historic debts; the average for the year was 2.82%. This average will continue to rise, as we continue to have to refinance historic loans at higher rates.

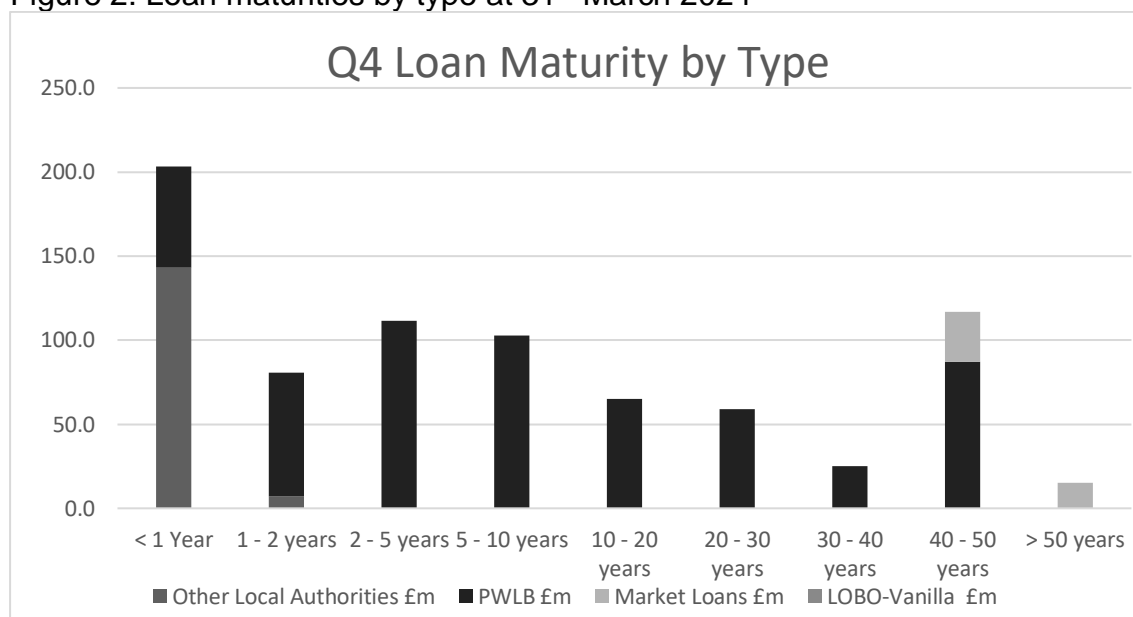
- 6.3 During the year, the council repaid a total of £197.2m upon maturity. Out of this amount, £61.0m was short-term loans from other local authorities and £117.5m longer-term loans, and £18.7m was longer-term PWLB. The council raised £238.0m in loans from during this period; £88.0m from other local authorities of which £83.0m was short-term borrowing and £5.0m was for longer-term loans, and £150.0m was longer-term borrowing from PWLB. The following table shows the movement in borrowing over the year:

Table 10: Movement in borrowing during 2023-24

Actual as at 1 Apr 2023 £m	Repaid During 2023-24 £m	Raised During 2023-24 £m	Actual as at 31 Mar 2024 £m
737.8	-197.2	238.0	778.7

- 6.4 At the end of quarter 4, the council held £778.7m in borrowing, with £203.2m maturing within a year. The council continues to be able to re-finance loans as required, albeit now at higher rates than the maturity loan in the case of some loans that were taken out during the period of historically low interest rates. Refinancing of maturing PWLB loans is also no longer possible at a lower rate in most cases, as current rates are now comparable to some of the older loans that were also fixed at a time of higher interest rates. Therefore, an increase in our revenue capital financing budget is built into the business plan.
- 6.5 Figure 2 below sets out the maturity profile of the council's borrowing portfolio at the end of quarter 4; £583.7m is held with PWLB, £150.0m from other local authorities and £45.0m in market loans.

Figure 2: Loan maturities by type at 31st March 2024



- 6.6 The council held one Lender-option/Buyer-option (LOBO) loan (a type of variable rate loan quite common in the past) at the start of 2023-24; we were notified by the lender that they intended to raise the loan's interest rate at the next call date in December 2023, triggering the council's option to repay the loan at par. The council gave notice to repay on the basis of the borrowing strategy set out above, which is to take the option of short-term borrowing in the expectation that rates will reduce over the medium-term. As such, there are no longer any LOBO loans included within these figures.
- 6.7 The council is in an internally borrowed cash position. This means that we are utilising cash balances held (for example from grants received in advance of linked expenditure) to defer the need to borrow. Balances will need to be replenished at some point in the future (subject to expenditure demands), which is in accordance with our Treasury Management Strategy. This strategy is prudent while investment returns are lower than the cost of servicing debt and serves to mitigate counterparty risk. The council therefore plans to maintain this internal borrowing position but will closely monitor those reserves, balances and cashflows supporting this approach.
- 6.8 No rescheduling of borrowing took place during 2023-24. The council's loan portfolio limits opportunities for rescheduling. In the case of PWLB loans, early redemption rates exceed the carrying rate of existing borrowing, resulting in substantial exit costs. Similarly, market borrowing lenders hedge against forecast interest rate movements using the loans cashflow profile, passing on the cost of unwinding these instruments as an exit premium to the council. Officers are closely monitoring the situation.

7. Capital Financing Budget

- 7.1 The capital financing budget is held as a central budget and complies with the reporting requirement in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Treasury Management Practice. The outturn position is an underspend of £3.5m.

Table 11: Debt financing budget quarter 4

	Budget (£m)	Outturn (£m)	Variance (£m)
Interest payable	25.0	20.6	-4.4
Interest charged to Other Funds	-6.9	-6.5	0.4
Interest receivable	-3.0	-6.6	-3.6
Interest receivable charged from Other Funds	2.3	7.2	4.9
Capitalisation of interest cost	-2.4	-2.1	0.3
Technical & Other	0.2	0.1	-0.1
Minimum Revenue Provision	22.9	22.0	-0.9
Total	38.1	34.6	-3.5

7.2 The underspend is comprised of the following elements:

- The council has continued to focus on maximising savings and efficiency in money management by using cash balances to undertake internal instead of external borrowing where possible, or to at least delay the taking out of those loans. This, combined with forecast lower capital expenditure than budgeted, has resulted in a fall in the borrowing required.
- Interest receivable also achieved additional income, through both higher cash balances, and more sustained higher rates than originally anticipated. This was then offset by a higher recharge out to other funds as a result of the higher rates.
- The council is required to repay an element of the capital spend funded by borrowing each year through a revenue charge (the Minimum Revenue Provision (MRP)), so that over the course of the usable life of the asset we have provided for enough funding to repay the associated borrowing. Following analysis of capital schemes completed in 2022-23 and how they were funded, the MRP payment for 2023-24 was recalculated and resulted in a charge that was -£0.9m lower than budgeted.

8. Economic Position for 2023-24 and Interest Rate Forecasts

8.1 The economic position for 2023-24 provides context for the monetary policy strategy of central banks, which in turn impacts on historic interest rate movements and forward-looking forecasts. The following summarises the key economic impacts of 2023-24:

- The Bank of England kept interest rates at 5.25%, consistent with the previous five meetings. Even though no MPC members are voting to raise interest rates now, the bank's guidance remains relatively hawkish.
- The MPC is becoming more confident that inflation will sustainably decrease to the 2.0% target.
- The Bank of England predicts that the UK economy will show some improvement in the first quarter of 2024, but it is still rebounding from a shallow recession in the

second half of 2023. In quarter 4 2023, there was a negative GDP growth of -0.3% and a negative year-on-year growth of -0.2%.

- The CPI measure of inflation was expected to fall below the 2% target rate in April due to falling gas and electricity price caps, and to remain below the Bank of England benchmark for the next couple of years. However, the Bank of England remains cautious. Core CPI was at 4.5% in February and ideally needs to decrease further.
- The retail sector, a key driver of the UK economy, is expected to see a boost in 2024. Rising real household incomes, despite the impact of higher interest rates on household interest payments, are projected to support retail activity. Additionally, cuts to the national insurance tax from April are expected to enhance real household disposable income by 0.5 - 1.0%. After a 1.9% rise in real household disposable income in 2023, a 1.7% rise is predicted to occur in 2024 and a 2.4% rise in 2025.

8.2 Due to the Monetary Policy Committee increasing the base rate further during 2023-24, this has led to a significant rise in borrowing rates compared with the previous decade. While it is anticipated that the peak has now been reached and that rates will start to gradually decrease from September onwards, there are numerous factors that influence this position and therefore caution should be exercised.

9. Significant Implications

9.1 Finance Implications

This report provides information on performance against the Treasury Management Strategy. Decisions on treasury management, which are driven by the capital programme and the council's overall financial position, will impact the capital financing budget and are also reported through the financial monitoring process.

9.2 Legal Implications

There are no significant implications for this category.

9.3 Risk Implications

The council continues to operate within the statutory requirements for borrowing and investments.

9.4 Equality and Diversity Implications

There are no significant implications for this category.

10. Source documents

10.1 The council's 2023-24 [Treasury Management Strategy](#)

Appendix 1 – Prudential and Treasury Indicators at 31 March 2024

In this section, we will monitor Prudential and Treasury Indicators to ensure they align with the indicators approved by the council in February 2023, as outlined in the Treasury Management Strategy.

Did the council adopt the CIPFA code of practice for Treasury Management in Public Services?

Yes, the council has adopted the CIPFA's Treasury Management in the Public Services: Code of Practices and Cross-sectoral Guidance Notes.

1. The capital prudential indicators

Capital expenditure.

	2023-24 TMS £m	Q1 23-24 £m	Q2 23-24 £m	Q3 23-24 £m	Q4 23-24 £m
Total Capital Expenditure	257.6	200.1	192.4	196.0	177.0
Capital Financing	-140.9	-138.1	-134.6	-133.4	-122.1
Net Capital Financing Need	116.8	62.0	57.8	62.5	54.9
MRP and other financing movements	-21.6	-22.0	-22.0	-22.0	-22.0
Capital Financing Requirement	95.1	40.0	35.8	40.5	32.9

For the detail of capital expenditure and funding please refer to the capital forecast outturn in the Integrated Finance Monitoring Report.

The council's borrowing need (The Capital Financing Requirement (CFR))

Capital Financing Requirement in 2023-24 TMS	Actual Borrowings (1 April 23)	Actual Gross Borrowings (31 Mar 24)	Increase in borrowing during 2023-24	Difference between CFR & Borrowings (31 Mar 24)
£m	£m	£m	£m	£m
1,031.7	737.8	778.7	40.9	-253.0

Liability benchmark

There are four components to the liability benchmark:

1. **Existing loan debt outstanding:** existing loans that are still outstanding in future years.
2. **Loans CFR:** calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP. Only approved borrowing should be included.

3. **Net loans requirement:** the council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on approved prudential borrowing, planned MRP and any other major cash flows forecast.

4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.

The authorised limit for external borrowing

2023-24 TMS Limit £m	Actual Borrowings 31 Mar 24 £m	Headroom compared to Authorised Limit £m
1,170.0	778.7	391.3

The Authorised Limit is the legal cap on the amount of debt the council can have, and it must not be exceeded. This means that the council cannot have more debt than this limit in any given year.

The operational boundary

2023-24 TMS Limit £m	Actual Borrowings March 31 24 £m	Headroom compared to Operational Boundary £m
1,140.0	778.7	361.3

The operational boundary serves as a warning that the debt is approaching the authorised limit and requires close monitoring.

2. Treasury management limits on activity

Interest rate exposure

	2023-24 TMS Limit	Q1 23-24	Q2 23-24	Q3 23-24	Q4 23-24
Fixed rate	150%	84%	67%	71%	79%
Variable rate	65%	16%	33%	29%	21%

The interest rate exposure is calculated as a percentage of net debt. Due to the mathematical calculation, exposures could be greater than 100% or below zero (i.e., negative) depending on the component parts of the formula. Where the indicator is negative, it is due to investment income of that category exceeding debt of that category. The formulas are shown below:

Fixed rate calculation:

$$\frac{\text{Fixed rate borrowing}^* - \text{fixed rate investments}}{\text{Total borrowing} - \text{total investments}}$$

Variable rate calculation:

$$\frac{\text{Variable rate borrowing}^{**} - \text{variable rate investments}}{\text{Total borrowing} - \text{total investments}}$$

* Defined as greater than 1 year to run

** Defined as less than 1 year to remaining to maturity or, in the case of LOBO borrowing, the next call date falling within 12 months – to reflect the risk of fluctuation of short-term borrowing costs

Maturity structure of borrowing

	2023-24 TMS Upper Limit	Q1 23-24	Q2 23-24	Q3 23-24	Q4 23-24
< 1 Year	80%	24.5%	28.4%	27.5%	26.1%
1 - 2 years	50%	9.1%	5.6%	7.1%	10.3%
2 - 5 years	50%	9.0%	9.0%	14.9%	14.3%
7.5 - 10 years	50%	14.3%	15.7%	13.5%	13.2%
>10 years	100%	43.1%	41.4%	37.0%	36.1%

Note: The guidance for calculation of this indicator requires that LOBO loans are shown as maturing at the next possible call date rather than at final maturity.

Total principal funds invested for the periods longer than 365 days

	2023-24 TMS Limit	Q1 23-24	Q2 23-24	Q3 23-24	Q4 22-23
Investment longer than 354 days to run*	£50.0m	£33.5m	£32.7m	£33.2m	£32.3m

*Treasury Management Investment only

3. Affordability Indicators

Ratio of financing costs to net revenue stream.

2023-24 TMS	Q1 23-24	Q2 23-24	Q3 23-24	Q4 23-24
9.3%	8.1%	7.0%	7.1%	7.2%

Ratio of net income from commercial and service investments to net revenue stream

2023-24 TMS	Q1 23-24	Q2 23-24	Q3 23-24	Q4 23-24
4.8%	5.6%	4.9%	5.0%	4.8%

Appendix 2: Collective Investment Funds Annual Review

Local Government Capital Finance Framework

The revised Prudential Code 2021 states that authorities with an expected need to borrow must review any existing commercial investments annually and report the results of that review. The relevant extract of the Code is as follows:

*Authorities with existing commercial investments (including property) are not required by this Code to sell these investments. Such authorities may carry out prudent active management and rebalancing of their portfolios. However, authorities that have an expected need to borrow should **review options for exiting their financial investments** for commercial purposes and summarise the review in their annual treasury management or investment strategies. The reviews should **evaluate whether to meet expected borrowing needs by taking new borrowing or by repaying investments, based on a financial appraisal that takes account of financial implications and risk reduction benefits**. Authorities with commercial land and property may also invest in maximising its value, including repair, renewal and updating of the properties.*

CCC Position on Commercial Financial Investments

The council currently holds four financial commercial investments, which we refer to as Collective Investment Funds. These were entered into over a period of time between 2019 and 2021 as a way of providing an ongoing yield from a diverse range of investment classes – this provided for an income stream to the council that reduced the need to make savings. Currently, we hold a reasonably diversified range of funds - property, diversified income, multi-class credit and infrastructure income and these have performed well.

These investments are monitored on a monthly basis by the Finance team, the income generated from them is monitored monthly through the Integrated Finance Monitoring Report and they are also reported to Strategy & Resources Committee and Full Council on a twice-yearly basis through the Treasury Management Reports.

A summary of the position as at 31 March 2024 is provided below:

Fund	Purchase date	Purchase Amount	Current Value	Net Yield	Budgeted Dividends	Actual Dividends
		£0	£0	%	2023-24 £0	2023-24 £0
Property Fund: CCLA	27/02/2019	11,000	10,173	4.38	-382	-518
	27/02/2020	1,000				
Better World Cautious Fund: CCLA	03/12/2019	1,500	2,337	2.91	-52	-74
	29/02/2020	600				
	06/09/2021	350				
Multi-Class Credit: Allianz	11/09/2020	14,000	14,126	4.17	-354	-621
	15/09/2020	500				
Infrastructure Income Fund: Valu-Trac Gravis	06/05/2021	4,000	5,701	4.30	-299	-377
	21/05/2021	4,000				
		36,950	32,337		-1,087	-1,591

Some of the factors that the team consider in assessing each of these funds are; the longevity of the fund, whether there are active managers in place, the types of asset class involved and the council's percentage holding of the fund.

CCC Position on Borrowing

The council has a revised capital financing requirement for 2024-25 of £48.4m, with a further £112.8m in the following two years; following this, some of the council's 3rd party loans are scheduled to be repaid which reduces the borrowing requirement from 2026-27 onwards. The detail of this can be found in the council's Treasury Management Strategy, published as part of the 2024-25 Business Plan; these figures have been updated to take into account the rebase lining exercise for the 2024-25 Capital Programme, and the final borrowing position of 2023-24.

Options for exiting financial investments.

The notice periods for exiting each of the four investments is provided below:

Fund	Notice Period
Property Fund: CCLA	6 months
Better World Cautious Fund: CCLA	6 months
Multi-Class Credit: Allianz	14 days
Infrastructure Income Fund: Valu-Trac Gravis	Same-Day

As at 31 March 2024, each of the four funds was valued below purchase price, therefore disinvestment at this point would result in a capital loss to the council of up to £4.6m. The council was aware on entering into these investments that they should be held for the medium to long term, precisely to mitigate against short-term fluctuations in value as determined by the state of the economic environment and market factors, which have been somewhat turbulent over the last two years. Approval to invest in these funds was given, taking into account a recommended minimum hold period for each fund, ranging between 3 and 5 years. The funds are at the following points in the minimum hold period:

Fund	Recommended Min. Hold Period	Duration Held to Date
Property Fund: CCLA	5 years	5 years
Better World Cautious Fund: CCLA	3-5 years	4.5years
Multi-Class Credit: Allianz	3-5 years	3.5 years
Infrastructure Income Fund: Valu-Trac Gravis	3-5 years	3 years

Options for repaying debt

If the council had divested of these funds as at 31 March 2024, £32.3m of cash would have been released that could have been used to internally borrow, avoiding the need to take out that amount of external borrowing. However, part of the reason for holding these investments is for treasury management purposes, as two of the four funds are very/reasonably liquid and all funds can be

accessed within 6 months. Therefore, full divestment from all of these funds would require an increase in the average deposit balance the council aims to hold by around £20m to top our liquid cash balances up to the level we aim to hold, actually only leaving £12.3m available for internal borrowing. The £20m additional deposit balance would then likely be invested in short-term money market funds (standard day to day treasury management activity to ensure a modest return on fully liquid funds) at a rate of around 5.2% currently. This would generate around £1m of interest per year.

In the current high-interest rate environment, the council is only taking out short-term (1-2 year) borrowing, most recently at a rate of 5.25%. Reducing external borrowing by £12.3m would therefore save the council around £650k per year.

The trade-off between the income currently generated by the funds, and saving the one-year cost of funding that borrowing/investing the remainder in liquid deposits is therefore currently as follows:

Income generated through CIF = £1.6m, versus:

Reduced cost of borrowing £12.3m @ 5.25% £m	Interest Receivable on £20m @ 5.2% £m	Total saved/additional income £m
0.6	1.0	1.7

However, due to the loss in capital value, we would also be required to recognise a one-off £4.6m loss on disinvestment (though due to a current statutory override on the relevant accounting requirement, this would not hit the council's revenue funds). At the above rates, it would take a very long time to recoup this loss (and these rates are very unlikely to remain at these levels).

Conclusions

Therefore, there is currently no financial benefit from divesting in these funds. In addition, the cost of borrowing is particularly high at the moment due to high interest rates; these are expected to have peaked, and to start to fall over the coming years. Likewise, the eventual reduction in interest rates will impact on the interest received from short-term liquid treasury management activity. Conversely, the dividend return received from these funds currently remains reasonably stable (and increasing), irrespective of the interest rate environment. Therefore, in the longer-term, the financial benefit is likely to continue to be higher from remaining invested in these funds.

The risk from continuing to hold these funds is further drops in capital value. However, taking into consideration the long-term nature of these investments and where we are in the recommended periods, combined with the assessment of other factors such as the longevity of the funds, having active fund managers in place, and given the types of asset class involved, the Treasury team are comfortable that the risks of holding do not outweigh the financial benefit from continuing to hold these investments and therefore at this point, the council should remain invested in these funds. The Treasury team will, however, continue to keep a close eye on the both the capital value and dividend performance of these funds.

People Strategy Update - Action Plan

To: Strategy, Resources and Performance Committee

Meeting Date: 9 July 2024

From: Executive Director of Strategy and Partnerships

Electoral division(s): Not applicable

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: To update Committee on the People Strategy, specifically:

- Engagement with internal colleagues and networks to create an action plan to support the Council's People Strategy.
- The action plan at Appendix 1.
- The contents of the action plan and the intention to provide regular updates on progress.

Recommendation: The Committee is recommended to note the contents of the action plan supporting the Council's People Strategy.

Officer contact:

Name: Anna Syson

Post: Head of Workforce Policy and Wellbeing

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1. Creating a greener, fairer, and more caring Cambridgeshire

- 1.1 The Council's People Strategy and the supporting action plan enable the achievement of all seven ambitions. A workforce that is appropriately attracted, supported, appreciated, developed, and included, is integral to the delivery of the Council's vision and ambitions for Cambridgeshire.

2. Background

- 2.1 The Council's People Strategy was approved by Full Council on 16th May 2023. It outlines how all colleagues will work together to achieve the ambitions of our Strategic Framework, describes the type of employer the Council wants to be in 2028, and sets out, through a series of commitments, a strategic approach to the attraction, retention, reward, development, and engagement, of an inclusive, diverse, valued, and supported workforce.
- 2.2 In this strategy, the Council committed that a supporting action plan would actively seek the insight, input, and thoughts from colleagues, including the IDEAL Network and our recognised trade unions, because we can only achieve our ambitions for the county if we work well together.
- 2.3 This paper details the engagement that has taken place to date to inform a meaningful action plan and sets out that plan, with the aim to ensure this is an effective means by which to deliver the vision of our council as an employer in 2028.
- 2.4 The delivery of this action plan is achievable through existing resources. The plan at this point is focused on the next 18 months, to the end of 2025. It is intended to evolve as activities are achieved and priorities emerge and are developed, with governance via the Council's Corporate Leadership Team and Corporate Change Board.

3. Design of action plan

- 3.1 Engagement to reach an action plan to deliver the People Strategy has taken place in multiple ways, engaging with a variety of internal stakeholders. This includes employee focus groups, employee networks, new starter and exit interviews, regular discussion with our recognised trade unions, and consideration of the outcomes of the 2023 IPSOS employee survey.
- 3.2 The length of time taken to get to this point has been influenced largely by the timing of the employee engagement survey in the autumn. It made sense to consider the outputs from that survey and the subsequent listening sessions that have been undertaken by each of the Executive Directors within their service areas before shaping the action plan.
- 3.3 Service planning within HR Services and more widely, including the development of both the Adults' and Children's Workforce Strategies, has ensured that the plan is realistic and delivers on the key requirements of the workforce in the next 12-18 months. This has resulted in a set of actions that deliver on the commitments made in the Strategy, reflect what we have heard from colleagues and trade unions, are rooted in best practice, and are deliverable in the next 12-18 months. The Council's Corporate Leadership Team approved this plan on 17th June 2024.

3.4 This plan is an evolving route by which the Council's strategic people aims are achieved by 2028, setting out first actions to be prioritised or started by the end of 2025. The approach recognises that priorities and workforce needs will, by their nature, require regular review, and as such engagement on these needs and priorities will continue during the life of the Strategy.

3.5 The action plan will be updated on a quarterly basis and further commitments will be added as emerging priorities are considered and agreed by the Council's Corporate Leadership Team in the future, with update briefings to Staffing and Appeals Committee biannually.

4. Conclusion and reasons for recommendations

4.1 Given extensive internal collaboration, and that Corporate Leadership Team has approved this plan as achievable within existing resource, it is recommended that the plan is noted and that Staffing and Appeals Committee review progress in March 2025 to seek assurance that the plan is on track.

5. Significant Implications

5.1 Finance Implications

There are no significant resources or financial implications arising from the proposals.

5.2 Legal Implications

There are no legal implications arising from the proposed recommendations in this report.

5.3 Risk Implications

This plan supports the workforce elements of the risk register, specifically (6.) The Council's human resources are not able to meet business need by ensuring we can deliver on our commitments to attract, support, develop and retain an appropriately skilled and qualified workforce. As such, there are no significant risks arising from the proposed recommendations in this report.

5.4 Equality and Diversity Implications

The People Strategy Action Plan supports and is supported by the Equality, Diversity and Inclusion Strategy Action Plan and those links are indicated clearly in the plan. Where specific actions are undertaken as part of this action plan, consideration will be given to whether an EqIA is appropriate in each case.

6. Source Documents

6.1 [Council - 16 May 2023](#)
[Staffing and Appeals Committee - 7 November 2023](#)

People Strategy Action Plan

This action plan supports our People Strategy. [Human Resources - Our People Strategy.pdf - All Documents \(sharepoint.com\)](#)

Directorate Management Teams will be instrumental in encouraging and supporting the delivery of this plan.

A key element of our People Strategy is our commitment to inclusion. Where workforce actions already form part of our Equality, Diversity, and Inclusion (EDI) Strategy Action Plan, that will be referenced and this document should be read in conjunction with that plan. [EDI strategy action plan CoSMIC final.docx \(sharepoint.com\)](#)

How have we listened to what colleagues need in creating this action plan?

There have been a number of listening opportunities that have informed the creation of this action plan. These include:

People Strategy Focus Groups – Summer of 2023

Colleagues were invited to register via Our Development to join a series of virtual focus groups to look at what they would like to see from a People Strategy Action plan, and to seek input on ideas on a refreshed set of values. 65 colleagues attended these.

IPSOS Employee Survey

This all-employee survey in September 2023 attracted a response rate of 54%, enabling the provider, IPSOS, to provide a greater than 95% confidence rating that the results were representative of within 1.3%.

Employee Survey Listening Sessions

Following the recommendations from the survey, we offered a range of listening sessions, focused specifically on key themes that emerged from the survey, inviting colleagues to share with us their thoughts and ideas on what they would like to see in response to the survey and to inform our People Strategy Action Plan. This included sessions on Cambridgeshire Conversations, each of which attracted between 300-400 colleagues, as well as in-person sessions around the county, and Directorate-specific virtual listening sessions, going into more depth the Tier 1 survey reports. The themes arising from these sessions have been considered in the production of this plan and more will be added as Directorate-specific action plans progress that require corporate input.

Employee Survey Listening Form

To support the listening sessions, an online form, accessible to colleagues via a link and a QR code, and which could be completed on work or personal devices, was offered to seek written submissions. This was created at the suggestion of our union colleagues, who represented views from their members that not everyone might be able to attend a listening session, and that some people would prefer to give their views anonymously. This form was shared at Cambridgeshire Conversations, on Camweb, and on posters shared with our Building Custodians for display in employee bases.

Links with service-level workforce planning

Needs identified in service-level programmes, including the Children's Workforce Programme, and the Adults, Health, and Commissioning (AHC) Strategic Workforce Plan, have been considered and where those require corporate activity, the main elements have been included here. As these other service-level plans progress, this action plan will be reviewed and update to incorporate activities identified as requiring corporate support and input.

Accommodation Improvement Programme

Once the Accommodation Improvement Programme has been fully scoped and the scale and people requirements are clear, actions from that will be mapped against this plan and updates made accordingly.



Attracting You

The Outcome

Your experience starts from the moment you are first interested in joining us, and from that point onwards, your employment journey is welcoming and engaging. Our inclusive, supportive, and safe working environment attracts and retains diverse people who want to come to work as part of our team.

Key metrics will include:

- Application and vacancy numbers
- Turnover figures
- Feedback from candidates and new starters

Relevant insights include:

- Data analysis of our workforce by protected characteristic and our local community, demonstrating we are attracting diverse people.
- Higher turnover and a need to fill vacancies and reduce reliance on agency workers in certain service areas, though we are within an overall benchmarked range.
- A changing labour market landscape in which increased flexibility of work location means increased competition for the best candidate.
- Effective workforce planning to meet projected increasing or changing need in services will require robust and efficient workforce data.

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
We use inclusive and creative recruitment to attract people who are committed to our vision and values	Fulfil commitments within the Equality, Diversity, and Inclusion (EDI) Strategy Action plan relating to attracting a diverse workforce (actions 1.1-1.5).	See EDI Action Plan	Equalities, Diversity & Inclusion Business Partner	<i>See EDI Action Plan</i>	<i>June 2026</i>	Including you Attracting you
	Use our new Values proposition to showcase how we work in our communities, what is important to us and what people can expect of our culture and what it is like to work here. This will include promoting the values in our	Candidates have a clear insight into what we do for our communities, and how it feels to work at the Council, and are able	Head of HR & Recruitment <i>With support from the</i>	Directorate Management Teams	<i>March 2025 based on launching</i>	Attracting you Including you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	recruitment material, giving insight to our unique range of roles and activities, through creative methods, embedding in job descriptions, and including in our selection process.	<p>to self-select accordingly. We are able to select candidates who are a good fit with our values and who will stay longer and be more engaged with our vision.</p> <p>Posts filled first time. Turnover figures are within range. Feedback from candidates.</p> <p>Engagement measures – pride and advocacy</p>	<i>Communications Team</i>		<i>values in July 2024</i>	
	<p>We will work hard to increase the recruitment of permanent social workers across all our social care teams.</p> <p>We will create and promote to services several routes to attract and recruit qualified social workers including grow our own, direct recruitment, international recruitment and in partnership with third party recruitment company.</p> <p>We will also monitor our salaries in comparison to the region on a regular basis</p>	<p>Increase of direct appointments</p> <p>Reduction in agency workers</p> <p>Reduction in vacancy rates</p> <p>Healthy turnover stats</p> <p>Improved retention rates</p> <p>Positive feedback from new starters and all</p>	Head of HR & Recruitment with leadership from Children, Education, and Families (CEF) and Adults, Health, and Commissioning (AHC) management teams.	<p>Directorate Management Teams</p> <p>Finance Teams</p>		

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	and review the pay model for social workers and above across both children's and adults' services.	colleagues including through the Social Work Health check				
Our pay and rewards are competitive, and our benefits package is attractive, offering a range of retail, lifestyle and wellbeing related offers and discounts	Review and re-tender our employee benefits contract to ensure we have good value for money and aiming to offer increased local discounts, which support our values.	Use of our employee benefits platform is optimised. Candidates and existing employees know what is available and provide positive feedback on this.	Head of Workforce Policy & Wellbeing		November 2024	Attracting you Appreciating you
	Use our improved benchmarking abilities to ensure that we have insight and analysis to effectively position the Council in the market. Using a range of tools to ensure we are an attractive employer.	Clear understanding and current data to measure and benchmark key and hard to fill roles.	Head of Workforce Policy & Wellbeing with support from: Head of HR & Recruitment Policy & Insights Team	Policy, Insights and Performance Service	March 2025	
Our commitment to wellbeing and the ways in which we actively support this are attractive to candidates in a competitive employment market, allowing us to differentiate ourselves through our focus on 'caring' and being a compassionate employer	Highlight in all recruitment material and training the focus we place on wellbeing and what this means for candidates.	Feedback from colleagues in their early employment demonstrates that they are aware of our wellbeing offer and that it is a factor in their decision to join.	Head of HR & Recruitment	Directorate Management Teams	March 2025	Attracting you Appreciating you
	Keep our wellbeing offer under regular review to ensure that we remain competitive and in line with our values.	Feedback from candidates indicates that they feel their wellbeing	Head of Workforce Policy and Wellbeing			
	Seek feedback on candidate experience in relation to perceptions about wellbeing offer and experience during early employment.					

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	This will include our flexible working offer.	is supported effectively during first 6 months.				
Our flexible approach to recruitment and our desire to help develop potential means we have increased our apprenticeship opportunities as well as recruited people who are not only 'day one ready' but have also started in a role with development needs. We have proven our ability to support those on their development journey.	<p>We will further develop our guidance to managers on how to offer apprenticeship opportunities in their recruitment campaigns and include this in recruitment training for managers.</p> <p>We will ensure that advice around job design and job descriptions offer a degree of flexibility that balances the need to demonstrate sufficient competence, with the opportunity to develop within role, and so diversifies the candidate pool.</p>	<p>Increased numbers of apprentices both externally and internally appointed.</p> <p>Employee Survey measure: I have sufficient opportunities to grow and develop in my role.</p> <p>Feedback from new starters indicates that they are being supported on their development in role</p>	<p>Head of HR & Recruitment</p> <p>Head of Learning and Development</p>		September 2024	Attracting you Developing you
We have clear and easy progression pathways, secondment opportunities and apprenticeships routes, opportunities for work experience and other supported placements, that are attractive both internally and externally	<p>We promote the roles and opportunities we have in the Council both internally and externally, enabling candidates in both spheres to see a route into a sustainable and rewarding career with us.</p> <p>We will co-produce career pathways in specific target areas to create attractive opportunities that are well supported in services/roles</p>	<p>Colleagues who join us through graduate and apprenticeship pathways, progress internally.</p> <p>Recruitment and turnover figures in these teams improve.</p>	<p>Head of HR & Recruitment</p> <p>Head of Learning & Development</p>	<p>Directorate Management Teams</p> <p>Communications Team</p>	Quarterly reporting to Corporate Leadership Team (CLT)	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	<p>where recruitment and retention are known challenges.</p> <p>This will also include the creation and development of employment schemes and opportunities intended to close the gap and overcome barriers for groups who may find the workplace less accessible. This is covered in more depth in the EDI Strategy Action Plan.</p> <p>Continue to monitor the diversity of our apprenticeships annually. Continue to publicise Apprenticeship opportunities. Showcase diverse profiles of completed apprenticeships (EDI Strategy Action Plan – action 2.3).</p>	<p>Qualitative feedback from colleagues new in post refers to opportunities to develop.</p> <p>Engagement scores in relation to pride and advocacy and relating to development opportunities improve at next survey point.</p> <p>Improved diversity in our workforce measured in our demography data</p>			September 2025	
We will strengthen our ability to use workforce data effectively to inform current and future workforce needs, increasing visibility and transparency of key employment metrics.	<p>Standardise our workforce key performance indicators (KPIs) to ensure that they can be benchmarked against relevant sector comparators.</p> <p>Understand what standard indicators could be made available to managers via interactive dashboards to enhance understanding of workforce metrics locally and aid service planning.</p>	<p>Revised KPIs are agreed and in place for Strategy, Resources and Performance Committee</p> <p>Dashboards are used by HR Advisory Team in sharing key indicators and metrics with management teams.</p> <p>Management teams use this information</p>	Head of Workforce Policy & Wellbeing	Policy, Insights and Performance Service	June 2024	

Appreciating You

The Outcome

Our culture of compassion and appreciation means that we really do all feel that we belong. We feel valued for the work that we do, the contribution that we make and the differences that we bring. People talk positively about working for Cambridgeshire and we are known to be a kind and compassionate employer.

Key metrics here will include:

- Engagement measures in our next employee survey (2025), specifically 'Pride, advocacy, motivation, belonging'
- Feedback from candidates, new starters, and leavers

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
Our commitment to people feeling cared for by their employer and able to care for themselves will allow people to feel appreciated as	Respond to what we have heard from our 2023 employee survey. This will include ensuring line managers are provided with the tools and learning needed to develop the skills and knowledge to effectively support wellbeing in their	Improvement in employee survey metrics: <i>I believe the council genuinely cares about my health and</i>	Extended Leadership Team (ELT) Head of Workforce Policy and Wellbeing		December 2025	Appreciating you Supporting you Developing you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
individuals and for what they need to be well.	teams; that colleagues feel supported to engage and manage their wellbeing at work, including having the time to do so; and ensuring our leaders role model ways of working that promote wellbeing.	<i>wellbeing (58% positive in 2023)</i> <i>I am supported to balance my work and my personal life in a way that works for me (69% positive 2023)</i>				
Our values and culture support an environment of appreciation, where colleagues regularly praise each other, feedback is well received and given and we all feel valued for the work that we do	We communicate our new Values effectively to drive a culture of feedback, which promotes feelings of appreciation and aids meaningful development. This will include embedding our values so that colleagues are referring to them regularly in all aspects of work, discussing in Our Conversations, using them in recognition and celebration, and sharing in teams to better understand how we deliver better outcomes for our community when we live our values. There will also be some skills development work to support effective feedback, as part of our corporate learning offer.	Improvement in employee survey metrics: <i>I am often recognised when I do a good job (66% positive 2023)</i> <i>Answers to culture questions are more closely aligned to our new values.</i>	Communications Team/Extended Leadership Team Head of Workforce Policy & Wellbeing Head of Learning & Development		Launch of Values July 2024 Review of progress at next employee survey December 2025	
Our ways of working enable us all to balance work with life	Respond to what we have heard from our 2023 employee survey and subsequent listening activity. This will include continuing to support	Improved engagement survey metrics:	Extended Leadership Team		December 2025	Appreciating you Supporting you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	flexibility in Our Ways of Working, as well as providing clarity and confidence from our leaders in ways to ensure time in the day is available for necessary rest, for example by protecting time without meetings in the middle of the day, and a practice of starting meetings 5 minutes after the hour to enable colleagues to have a comfort break.	<p><i>I am supported to balance my work and my personal life in a way that works for me (69% positive 2023)</i></p> <p><i>Reduction in turnover</i></p> <p><i>Feedback from new starters and leavers</i></p>				
We regularly celebrate our own successes and the successes of others	We effectively promote the ways we already have to celebrate successes, including Employee Recognition Awards, Apprenticeship Awards, appropriate use of our Pay Policy, and our Spotlight Awards, as well as encouraging informal celebrations and sharing of wins both big and small in ways that are visible and accessible across the organisation. This will include looking at ways to better acknowledge long service and make this more visible.	<p>Improved employee engagement metrics:</p> <p><i>I am often recognised when I do a good job (66% positive 2023)</i></p> <p><i>Increased take up of our various reward mechanisms</i></p>	<p>Head of Workforce Policy & Wellbeing</p> <p>Communications Team</p> <p>Head of Learning & Development</p>	Directorate Management Teams	December 2025	
Our inclusive policies, reward and recognition mechanisms support and enable our culture of appreciation and actively celebrate the	Our EDI Strategy Action plan sets out how we will ensure that our approach is inclusive and supports diversity in our workforce. (Actions 1.1 to 5.9 in EDI strategy action plan).	See EDI Action plan	<p>Equalities, Diversity & Inclusion Business Partner</p> <p>Head of Workforce Policy & Wellbeing</p>	Directorate Management Teams	June 2026	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
diversity of our colleagues						
The benefits available to us are wide ranging and provide attractive and useful benefits that are widely utilised.	<p>We actively review and develop our employee benefits approach, to ensure that it delivers the best range of benefits we can, provides value for money, connects with our ambitions.</p> <p>Our benefits are promoted as part of our wider approach to pay and reward so that people understand how they form part of our employer proposition, and can use this understanding to enhance their financial wellbeing as well as their sense of the council being a great place to work.</p>	<p>Improvement in employee engagement survey metrics:</p> <p><i>I would recommend the council as a great place to work (55% 2023)</i></p> <p><i>I believe the Council genuinely cares about my health and wellbeing (58% 2023)</i></p> <p><i>I feel I am fairly rewarded considering my duties and responsibilities at the council (44% 2023)</i></p> <p>Feedback from new starters and leavers</p>	Head of Workforce Policy & Wellbeing		Next employee survey December 2025	

Supporting You

The Outcome

Our commitment to considering wellbeing in all aspects of employment ensures that you feel supported at every stage of your life and time with Cambridgeshire. You have adequate resources and safe spaces to support you to do your job well, and you feel that you belong in your team and in the wider organisation.

Key metrics here will include:

- Engagement measures in our next employee survey (2025), particularly those focused on support for balancing work and home, perceptions of genuine caring, and behavioural observations of line managers.
- Feedback from candidates, new starters, and leavers
- Take up of and other metrics related to health and wellbeing interventions.

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
Our buildings provide you with safe working spaces and are equipped and developed to	We will create a specific project line within the Accommodation Improvement Programme bringing together colleagues with diverse experience and skills, which will focus specifically on ensuring that our key buildings deliver on this commitment.	Improved use of our buildings Reduction in reportable workplace incidents	Property Services with support from HR Services	Directorate Management Teams	Duration of property rationalisation programme	Appreciating you Including you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
complement the way we work	<p>Continue our Accessibility audit of all our buildings (including toilet facilities) considering the protected characteristics, including disability, gender identity, sex and gender reassignment. This includes evacuations and a review of meeting rooms (Action 3.6 in EDI Strategy Action Plan).</p> <p>Where people choose to work from home for some of the time, they complete a Display Screen Equipment (DSE) Assessment and are provided with the appropriate equipment to work safely.</p>	<p>Continued reduction in stress-related and Musculo skeletal-related absence</p> <p>Dip sample of risk assessments</p> <p>Improved engagement survey metrics:</p> <p><i>I would recommend the Council as a great place to work (55% 2023)</i></p> <p><i>I believe that the council genuinely cares about my health and wellbeing (58% 2023)</i></p> <p>Completion of DSE Assessments</p>	Strategic Health and Safety Manager		<p>Throughout 2024</p> <p>Next employee survey by December 2025</p>	
	We will move our trial of having emergency period products in employee toilets into business as usual in all main Council office/work buildings to ensure that colleagues experiencing the menopause and unpredictable menstrual conditions	<p>Period products available in all our main offices</p> <p>Monitoring use and update of this supply</p>	Property Services		<p>All relevant buildings supplied by July 2024</p> <p>Next employee</p>	Including you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	are supported to care for their own wellbeing when in the working environment. This will also incorporate provision of emergency products to support incontinence.	Improved employee survey metrics: <i>I believe that the council genuinely cares about my health and wellbeing (58% 2023)</i>			survey by December 2025	
	We will create a network of Health & Safety Champions by December 2024 who are appropriately skilled to support teams effectively in our work locations	Improvement in employee engagement survey metrics: <i>I believe that the council genuinely cares about my health and wellbeing (58% 2023)</i> Reduction in incidents arising in the workplace and associated absence levels.	Strategic Health & Safety Manager		Next employee survey by December 2025	
	We report and monitor incidents and relevant metrics to Corporate Leadership Team (CLT) monthly that enable insights into how safely people are working and where further action needs to be taken. This will include developing an improved incident	Monitored via the Health, Safety & Wellbeing Steering Group as well as monthly reporting to CLT	Strategic Health & Safety Manager	Directorate Management Teams	New incident reporting system by April 2025	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	reporting system and effectively promoting its use.					
Support networks and colleague forums operate formally and informally, providing you with safe spaces to share knowledge and experience, and learn from others.	<p>We will continue to promote and support the fora and networks that enable colleagues to share, learn and support one another. This will include continuing to prioritise resource to support these groups with clear links to ensure that barriers and feedback can be identified, communicated, and responded to. This includes our EDI Network and associated Peer Support Groups, our Communities of Practice, and our Mental Health First Aider (MHFA) Network.</p> <p>More detail on the EDI elements of this activity is detailed in the EDI Strategy Action plan</p>	<p>Engagement of colleagues in these groups and networks continues to grow.</p> <p>Support to Communities of Practice from Learning & Development Service is resourced.</p> <p>Support to MHFA network is resourced via Wellbeing Team</p> <p>Budget is allocated to provide appropriate refresher training for MHFAs and to train new MHFAs.</p> <p>Specific examples are shared that demonstrate the continuing feedback results in action from these spaces.</p>	<p>Equalities, Diversity & Inclusion Business Partner</p> <p>Head of Learning & Development</p> <p>Head of Workforce Policy and Wellbeing</p>	Directorate Management Teams		

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
		<p>We see increased internal promotions.</p> <p><i>The council provides opportunities for people from diverse background to succeed (62% 2023)</i></p>				
<p>We regularly ask you what you need from us as an employer to enable you to do your best in your role. We listen and act appropriately on all given feedback to create an enjoyable, sustainable, and supportive work environment with progression and learning opportunities</p>	<p>We will share actions based on feedback from our 2023 Employee Engagement Survey and provide regular updates on progress – these actions will be incorporated into the People Strategy and EDI Strategy Action plans where appropriate, and in Directorate-specific action plans.</p> <p>We will continue to seek new ways to listen and act on feedback and communicate how that is working and what we are doing.</p> <p>We will run a follow up engagement survey in 2025 and be transparent on the progress that has been made</p>	<p>Increased participation in the 2025 survey (54% in 2023)</p> <p>Increased participation in new listening events and opportunities</p> <p>Increased overall engagement score in that survey (55% in 2023)</p> <p><i>I believe action will be taken on the results of this survey (41% in 2023)</i></p>	Head of Workforce Policy & Wellbeing	Directorate Management Teams	December 2025	Appreciating you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
We all know where to go to feedback issues, and where to seek support for any concerns that we have – both work related and personal	<p>We will effectively promote and monitor relevant health, safety and wellbeing support mechanisms so that they are well known and used appropriately, and action taken on concerns raised.</p> <p>We will develop and launch an online disclosure tool for colleagues to report instances of unacceptable behaviours in the workplace (employee focussed) that can be triaged and managed appropriately.</p>	<p><i>Incident reporting figures will be shared with Service H&S Groups and posted on the H&S Camweb page.</i></p> <p><i>Employee Assistance Programme utilisation data</i></p> <p><i>Use of other support networks including Respect @ Work Contacts and Mental Health First Aiders</i></p> <p><i>Awareness of these routes as identified through new starter feedback.</i></p>	<p>Strategic Health & Safety Business Partner</p> <p>Head of Workforce Policy & Wellbeing</p> <p>Reporting to Corporate Leadership Team</p>	<p>Directorate Management Teams</p> <p>All colleagues to take an action role in ensuring own health and safety at work</p>	October 2024	
We are skilled in promoting early intervention and prevention measures to support our colleagues to improve their	<p>We identify appropriately researched and evidenced interventions that will support colleagues to be well at work and monitor the uptake and effectiveness of those interventions. This will include:</p> <p><i>Our wellbeing learning offer</i></p> <p><i>The introduction of Schwartz Rounds</i></p> <p><i>Our EAP offer.</i></p>	<p>Monthly Wellbeing Dashboards reported to CLT that monitor take up of interventions as well as feedback on improvements and key absence metrics. Participant numbers and feedback from this</p>	<p>Head of Workforce Policy & Wellbeing</p>	<p>Directorate Management Teams</p> <p>All colleagues in taking an active role in</p>	Review in March 2025	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
mental health and wellbeing	<p><i>Maximus 1:1 Mental Health Support Exploring the feasibility of introducing a trauma risk management (TRiM) model to ensure effective support for teams experiencing trauma exposure as part of their work.</i></p> <p>We will support managers with the knowledge and skills they need to signpost colleagues to these interventions at the right time via Manager Essentials training and Our Conversations learning.</p> <p>Everyone understands how to support their own wellbeing at work and makes use of the support and resources available</p>	new training offer for managers		own wellbeing at work		
	We will participate in appropriately and ethically approved research in the field of employee health and wellbeing to enable insights into leading innovation in effective interventions, provide opportunities for colleagues to be involved in new interventions, and to contribute to scientific understanding as to what supports health and wellbeing at work.	Participant numbers and research outcomes	Head of Workforce Policy & Wellbeing		As opportunities arise	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	We will set up 'break away' training by establishing a train the trainer delivery model that will support colleagues in relevant services to feel confident in working safely with members of our community who may present a physical risk	<p>Take up of this training offer.</p> <p>Improvement in engagement survey metrics:</p> <p><i>I believe that the council genuinely cares about my health and wellbeing (58% 2023)</i></p> <p>Reduced incidents relating to violence and aggression experienced in relevant services.</p>	Health & Safety Team & Learning and Development Team	Directorate Management Teams	<p>December 2024</p> <p>Engagement survey December 2025</p>	

Developing You

The Outcome

We work with you to enable you to manage your own development and careers, and our commitment to learning extends beyond skills and knowledge for your current role.

Key metrics here will include:

- Engagement measures in our next employee survey (2025), particularly those focused on feedback received in relation to performance, opportunities for growth and development, intention to stay, and equal provision of opportunities for people from diverse backgrounds to succeed.
- Feedback from new starters and leavers
- Follow up listening activity.
- Measurement of learning interventions, quantitative and qualitative
- Levels of internal progression, analysed by demographic factors.

Insights here include:

- The importance of the role of skilled line managers in how people feel about working for Cambridgeshire.
- The relevance of having the right skills and knowledge to support people to feel confident in responding to the demands of work and the relevance of the right learning and development to mitigating psychosocial risks.
- The rapidly evolving role of digitisation and AI in the work that we do and the need to ensure our workforce is appropriately skilled and confident in meeting the challenges of making best use of technology.

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
Our learning and development offer supports you with your personal development and you are encouraged to grow your potential and manage your career	We will take actions to ensure we can analyse and demonstrate the effectiveness of our learning interventions through measuring the knowledge acquired and the application of learning post-intervention. This will include managers and colleagues discussing impact and learning as part of Our Conversations.		Head of Learning & Development	Directorate Management Teams All managers and colleagues taking ownership of development in teams and of self	March 2025	Supporting You
	We will analyse the take up of learning and development opportunities to ensure equity across organisation and in terms of our workforce demography. We will be transparent in that analysis and seek feedback on what barriers to accessing opportunities are experienced, creating clear plans to remove those barriers.	Demographic breakdown of learners is representative of the workforce and barriers to access are identified and addressed. <i>Improvement in engagement survey metric: The council provides opportunities for people from diverse background to succeed (62% 2023)</i>	Head of Learning & Development	Directorate Management Teams to provide opportunities to feed back on any barriers experienced and take action to remove	March 2025	Including you

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
Managers think proactively about succession planning ensuring plans are in place for future workforce requirements.	We will support leaders and managers to be able to identify potential and have the tools and skills to nurture and develop individuals to meet future workforce requirements and future roles.	Directorates have clear succession routes for key roles and understand the potential within their current workforce.	Service Directors with support from Head of Learning & Development		March 2025	
Clear career pathways illustrate development routes to progress your skills and prepare for future roles.	<p>We will co-produce career pathways in specific target areas to create attractive opportunities that are well supported in services/roles where recruitment and retention are known challenges.</p> <p>Maximising opportunities for a 'grow your own' approach and enable increased internal mobility through development of transferable skills and increased visibility of opportunity.</p>	Increased retention evidenced through internal progression / mobility enabling CCC careers.	<p>Head of Learning & Development</p> <p>Head of HR Advisory and Recruitment</p>	Leadership from Directorate Management Teams	Ongoing	
Our commitment to growing our own provides opportunities for colleagues to be supported to gain the skills and knowledge needed for our roles	We will demonstrate our commitment to learning while working by achieving Gold in the 5% Club. This will mean that at least 5% of our workforce are engaged in recognised earn and learn long term development schemes	Achievement of Gold membership from the 2024 employer audit	Head of Learning & Development	Support from Directorate Management Teams	October 25	Developing You

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	We demonstrate our commitment to learning by creating a bespoke learning centre, offering opportunities for more in person learning	Increase of in person learning opportunities and a reduction in external venue hire charges	Head of Learning & Development	Property Services via the Accommodation Improvement Programme	March 2025	Developing You
	We support schemes like Think Ahead (in Adults Social Care) and social work apprenticeships, to grow our own workforce for critical roles.	Increased permanent workforce and reduced reliance on the use of agency workers	Head of Learning Development	Directorate Management Teams	Review March 2025	Developing You
We have taken the approach to focus less on role specific requirements and more on transferable skills – this makes it easier than ever to move and progress to roles across the Council.	Individuals will be supported to upskill beyond their current role and to access development that supports them to identify and utilise their transferable skills.	Increased retention evidenced through internal progression / mobility enabling council careers.	Head of Learning and Development	Directorate Management Teams Managers and colleagues	March 2025	
The 'Our Conversations' tool helps you to create a development plan to work towards your personal and professional development and signposts training, information and support that is available.	Commission an electronic system to record and report on Our Conversations across the Council, enabling the capture of learning needs to inform the Our Development offer.	Electronic system offers insights to shape the learning offer and form an annual plan.	Head of Learning & Development	IT Services	March 2026	

Our Commitment	Action required to achieve outcome	Success measures	Action owner(s)	Ownership required for delivery	Timescale	Linked People Strategy Themes
	We will enhance the professionalisation and importance of the line manager role by equipping all line managers with the right skills, knowledge, and behaviours to support and develop people in their teams. They will also have a clear picture of what they need to know to be an effective manager in this organisation and what their development pathway could look like.	<p>Confident and competent managers and leaders who have invested in their CPD through accessing the L&D offer / management pathways as appropriate to their current development and skills.</p> <p>Measured through employee engagement survey results, feedback, employee recognition and spotlight award nominations.</p>	Head of Learning & Development	<p>Directorate Management Teams</p> <p>Line managers</p>	December 2025	

Agenda Plan, Training Plan, Appointments to Outside Bodies and Internal Advisory Groups and Panels, and the Appointment of Member Champions

To: Strategy, Resources and Performance Committee

Meeting Date: 9 July 2024

From: Democratic Services Manager

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: To review the Committee's agenda plan and training plan, and appointments to Outside Bodies and Internal Advisory Groups and Panels, and the appointment of Member Champions to lead on specific subject areas.

It is important that the Council is represented on a wide range of outside bodies to enable it to provide clear leadership to the community in partnership with citizens, businesses and other organisations.

Recommendation: It is recommended that the Strategy, Resources and Performance Committee:

- (i) review its agenda plan attached at Appendix 1.
- (ii) review its training plan attached at Appendix 2.
- (iii) review the appointments to outside bodies as detailed in Appendix 3.
- (iv) review the appointments to Internal Advisory Groups and Panels as detailed in Appendix 4.
- (v) review the appointment of Member Champions as detailed in Appendix 5.

Officer contact:

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Post: Democratic Services Manager

Email: michelle.rowe@cambridgeshire.gov.uk

1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The annual review of appointments to Outside Bodies and Internal Advisory Groups and Panels, and the appointment of Member Champions enables Members to be aware of the groups which contribute to its seven ambitions.

2. Background

- 2.1 The Strategy, Resources and Performance Committee reviews its agenda plan at every meeting.
- 2.2 The training plan for the Committee has been updated to reflect recent training.
- 2.3 The County Council's Constitution states that the Strategy, Resources and Performance Committee has authority to nominate representatives to Outside Bodies other than the Combined Authority, Greater Cambridge Partnership, Cambridgeshire and Peterborough Fire Authority, the County Councils Network Council, and the Local Government Association.
- 2.4 Appointments to Outside Bodies and Internal Advisory Groups and Panels are agreed by the relevant Policy and Service Committee.
- 2.5 The Strategy and Resources Committee at its meeting on 6 July 2021 agreed to delegate, on a permanent basis between meetings, the appointment of representatives to any vacancies on outside bodies, groups, and panels, within the remit of the Strategy and Resources Committee, to the Chief Executive in consultation with the Chair and Vice-Chair of Strategy and Resources Committee.

3. Appointments

- 3.1 The Committee is invited to review its appointments to outside bodies where appointments are required as set out in Appendix 3.
- 3.2 The internal advisory groups and panels for review are set out in Appendix 4 to this report.
- 3.3 The appointment of Evidence-Informed Policy Member Champions is set out for review in Appendix 5.

4. Significant Implications

- 4.1 There are no significant implications within these categories: Finance; Legal; Risk; and Equality and Diversity.

5. Source documents

- 5.1 [Membership of Outside Bodies and Internal Advisory Groups and Panels](#)

Strategy, Resources and Performance Committee Agenda Plan

Notes

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public.

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Action Log
- Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels

Committee date	Agenda item	Lead officer	Reference if key decision
24/09/24 Reserve date	Corporate Policy Feedback	J Green	Not applicable
	Integrated Finance Management Report for the Period Ending 31st July 2024	S Howarth	2024/078
24/10/24	Integrated Finance Management Report for the Period Ending 31st August 2024	S Howarth	2024/026
	Corporate Services Performance Report Quarter 1	R Springbett	Not applicable
	Business Planning Update for 2025-30	T Kelly	Not applicable
	Corporate Risk Register	M Claydon	Not applicable

Committee date	Agenda item	Lead officer	Reference if key decision
17/12/24	Integrated Finance Management Report for the Period Ending 31st October 2024	S Howarth	2024/027
	Business Planning Proposals for 2025-30	T Kelly	Not applicable
	Corporate Services Performance Report Quarter 2	R Springbett	Not applicable
	Treasury Management Report – Quarter 2*	E Tod	Not applicable
28/01/25	Integrated Finance Management Report for the Period Ending 30th November 2024	S Howarth	2025/001
	Corporate Business Planning Strategies – Strategic Framework	S Grace	Not applicable
	Business Plan*	T Kelly	Not applicable
11/03/25	Integrated Finance Management Report for the Period Ending 31st January 2025	S Howarth	2025/002
	Corporate Services Performance Report Quarter 3	R Springbett	Not applicable
24/06/25	Integrated Finance Management Report for the Period Ending 31st March 2025	S Howarth	2025/003
	Corporate Services Performance Report Quarter 4	R Springbett	Not applicable

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STRATEGY, RESOURCES AND PERFORMANCE COMMITTEE TRAINING PLAN				The Training Plan below includes topic areas for S,R&P approval. Following sign-off by the details for training and development sessions will be worked up.					
Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
1.	Link Treasury Management	Local Government Finance – Third session as part of Members' Induction Programme		November 2021	Tom Kelly	Virtual	Cllrs Bulat, Corney, Coutts, Kindersley, S King, McDonald, Milnes, Murphy, Shailer, Sharp, Taylor, Thompson, van de Ven & Whelan	14	Not applicable
2.	Performance Management training and case study research	In response to recommendations from the Peer Review and an internal audit. Members will be involved in reviewing and revising Key Performance Indicators that will be reported to Policy and Service Committees.		3 February 2022	Tom Barden	One hour session with PowerPoint presentation and live polls	All Members	18	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
3.	Procurement Training for Members	To understand how procurement works		7 October 2022	T Kelly C Ellis	An hour on Teams	Cllrs Bulat, Costello, Cox-Condron, Dupré, Goodliffe, M King, McDonald, Rae, Shailer, Taylor and Whelan	11	Not applicable
4.	Strategic Framework Workshop	This will inform the business planning process		8 November 2022	S Grace T Kelly	Just over an hour on Teams	Cllrs Beckett, Costello, Count, Criswell, Dupré Gough, Howitt Murphy, Nethsingha, Rae, Sanderson Shailer, Sharp and Wilson	14	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
5.	The complaints process and how this can help Members manage their own in-boxes, including letters from MPs	To understand how the Council manages complaints.		21 February 2023	S Grace D Snowdon	Just over an hour on Teams	Batchelor, Bradnam, Cox Condron, Costello, Coutts, Daunton, Dew, Goodliffe, Gough, Hathorn, Hay, Kindersley, Meschini, Prentice, Sharp, Slatter, Taylor, Thompson, Wilson	19	Not applicable
6.	Digital Strategy is being prepared by the IT & Digital Service to support the vision and the ambitions of the Council over the next three years.	To input into the draft Digital Strategy		12 June 2023	S Smith J Patmore	An hour on Teams	Beckett Bulat, Costello, Hathorn, S King, Taylor, Thompson, Whelan, Wilson	9	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
7.	Risk Management Training	Overview of risk management		14 September 2023	M Hudson T Kelly M Claydon	An hour and a half on Teams	D Ambrose-Smith A Bradnam A Bulat P Coutts C Daunton L Dupré B Goodliffe R Hathorn A Hay S King E Murphy N Shailer A Sharp P Slatter S Taylor F Thompson A Whelan G Wilson	18	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
8.	Briefing on the impact of a cyber attack on Council services as part of its emergency planning arrangements.			7 November 2023	M Hudson S Grace K Foley C Stromberg S Thomas	An hour on Teams	A Beckett G Bird A Bradnam S Count L Dupré C Daunton B Goodliffe J Gowing R Hathorn S Kindersley G Seeff A Sharp A Whelan G Wilson	14	Not applicable
9.	Procurement Training for Members	Essentials on procurement governance, but also the legislative change coming forward and some of the specifics for the Council.		29 November 2023	M Hudson T Kelly C Ellis	An hour on Teams	D Ambrose Smith A Beckett M Black A Bradnam A Costello P Coutts L Dupré B Hunt S King C Rae P Slatter S van de Ven G Wilson	13	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
10.	Programme Management and measuring performance			17 January 2024	S Grace J Lacey-Holland J Roberts	An hour on Teams	A Bradman A Costello L Dupré C Dauntton R Hathorn G Seeff F Thompson A Whelan	8	Not applicable
11.	Treasury Management Training			24 January 2024	M Hudson S Howarth	One hour 45 minutes on Teams	D Ambrose-Smith M Black A Bulat A Costello P Coutts R Hathorn C Rae G Seeff S Taylor A Whelan	10	Not applicable

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
12.	Cambridgeshire Skills Briefing			27 February 2024	S Grace L Riddle T Malloy	An hour on Teams	D Ambrose Smith M Black M Bulat A Costello S Criswell C Daunton J French R Hathorn E Murphy L Nethsingha C Rae A Sharp P Slatter	13	Not applicable
13.	Member Briefing on Cambridge Biomedical Campus (confidential)			4 June 2024	M Hudson S Anderson J Macmillan	An hour on Teams	Strategy, Resources & Performance and Assets & Procurement Committee Members and Local Members	A Beckett S Count M Goldsack R Hathorn P McDonald B Milnes L Nethsingha C Rae A Sharp P Slatter	

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
14.	Performance Management			19 June 2024	Joe Lacey-Holland Richard Springbett	An hour on Teams	M Black A Costello P Coutts C Daunton S King B Milnes F Thompson A Whelan		
15.	Risk Management Workshop	Consideration of changes to show whether the direction of travel was towards the Council's accepted level of risk.		To be confirmed	M Hudson S Grace M Hudson	An hour on Teams	Strategy, Resources & Performance Committee		

Cambridgeshire County Council

Appointments to Outside Bodies: Policy and Service Committees

Name of Body	Meetings per Annum	Reps Appointed	Representative(s)	Guidance Classification	Committee to Approve
Cambridge BID Board A five-year initiative set up by Cambridge businesses/organisations to ensure continued investment in Cambridge City Centre	6	1	Councillor R Howitt (L)	Regulated Director	Strategy, Resources and Performance
Cambridge Growth Company Advisory Council To provide views and perspective to the Growth Company Board on a range of issues relevant to the activities of the Growth Company	Every six weeks	1	Councillor L Nethsingha (LD)	Other Public Body Representative	Appointment is by invitation to the Leader of the Council by the Chair of the Cambridge Delivery Group

Name of Body	Meetings per Annum	Reps Appointed	Representative(s)	Guidance Classification	Committee to Approve
ESPO Management Committee Purchasing and contracting service for 6 member Authorities.	4	2	1.Councillor N Shailer (L) 2.Councillor S Ferguson (Ind)	Other Public Body Representative	Strategy, Resources and Performance
ESPO Finance and Audit Sub Committee	2	1	Councillor N Shailer (L)	Other Public Body Representative	Strategy, Resources and Performance
ESPO Shareholder representative Representing Cambridgeshire's interests with respect to ESPO Trading Limited	-	1	Councillor N Shailer (L)	Other Public Body Representative (The Council partly owns ESPO Trading Limited (less than 20%) so Cllr Howell is the shareholder rep)	Strategy, Resources and Performance

Name of Body	Meetings per Annum	Reps Appointed	Representative(s)	Guidance Classification	Committee to Approve
Huntingdon BID Board BID is the town management vehicle for Huntingdon. It is an arrangement where businesses in a defined area agree improvements they want to make, over and above what the public agencies have to do. The fund is ring fenced and used solely to deliver the agreed set of projects and activities voted on by the businesses within the BID area.	10	1	Councillor T Sanderson (Ind)	Other Public Body representative	Strategy, Resources and Performance
Pathfinder Legal Services Limited Company jointly owned by Central Bedfordshire Council and Cambridgeshire County Council to provide legal services to the owner councils and to other organisations within the public sector and not for profit sector.	4	1	Councillor E Murphy (LD) Consultee Member	Other Public Body Representative [Council's representative on a company it part owns]	Strategy, Resources and Performance
Wisbech Town Board Terms of reference awaited	4	1	Councillor L Nethsingha (LD)	Other Public Body Representative	Strategy, Resources and Performance

Appointments to Internal Advisory Groups and Panels

Name of Body	Meetings per Annum	Representatives Appointed	Representative(s)	Contact Details	Committee to Approve
Member Development Panel Oversees training and development for Members.	As required	7	Councillor S Criswell (C) Councillor I Gardener (C) Councillor E Meschini (L) Councillor L Nethsingha (LD) Councillor T Sanderson (Ind) Councillor P Slatter (LD) Councillor M Smith (C)	Michelle Rowe Democratic Services Manager michelle.rowe@cambridgeshire.gov.uk	Strategy, Resources and Performance
Waste Member Steering Group To review and monitor a project relating to the Waste Private Finance Initiative Contract	As and when required	8	Environment and Green Investment Councillor A Bradnam (LD) Councillor S Corney (C) Councillor N Gay (L) Councillor S Ferguson (Ind) Strategy, Resources and Performance Councillor S Count (C) Councillor E Meschini (L) Councillor L Dupré (LD) Councillor T Sanderson (Ind)	Frank Jordan Frank.jordan@cambridgeshire.gov.uk	Environment and Green Investment Committee and Strategy, Resources and Performance Committee

Evidence-Informed Policy –
Councillors Lucy Nethsingha and Elisa Meschini

[appointed by Strategy, Resources and Performance Committee]

Responsible for promoting the use and presentation of evidence and creating opportunities for fellow Councillors and officers to use that evidence in the decisions they make.

