

Business Plan and Budget 2025/26 – 2029/30

To: Communities, Social Mobility and Inclusion Committee

Meeting Date: 16 January 2025

From: Executive Director of Strategy and Partnerships
Executive Director of Finance and Resources

Electoral division(s): All

Key decision: No

Executive Summary: This report summarises the draft 2025-30 Business Plan and Budget, as presented to the Strategy, Resources and Performance Committee on 17 December 2024, related to this committee including progress updates on the council's Strategic Framework and seven ambitions.

Recommendations: The Committee is asked to:

- a) Consider and scrutinise the proposals relevant to this Committee within the Business plan and Budget 2025-26 – 2029-30 put forward by the Strategy, Resources and Performance Committee, 17 December 2024;
- b) Recommend changes and/or actions for consideration by the Strategy, Resources and Performance Committee at its meeting on 28 January 2025 to enable a business plan and budget to be proposed to Full Council on 11 February 2025; and
- c) Receive the fees and charges schedule for this Committee included at Appendix 2.

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1. Creating a greener, fairer and more caring Cambridgeshire

1.1. The Strategic Framework 2023-28 sets out the Council's high-level approach for achieving the vision of a greener, fairer and more caring Cambridgeshire through 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.

1.2. As the primary statement of the Council's strategic direction, the Strategic Framework is the main reference point for everything the council plans and delivers for local communities. The refreshed Strategic Framework, approved at Strategy, Resources and Performance Committee in October 2024, sets out the progress the Council has made towards delivering the seven ambitions since they were launched in April 2023.

1.3. The Council aims to achieve these ambitions by becoming 'Closer to Communities', working with residents and partner organisations to make services more responsive to the diversity of people and places in Cambridgeshire. Doing this effectively requires the Council to be an evidence-led, listening organisation that is responsive to resident priorities. The annual Quality-of-Life Survey enables the Council to have an ongoing dialogue with residents so it can understand what matters most to Cambridgeshire's people and communities. The insights generated from this annual survey, together with resident feedback from the Council's budget engagement and consultation exercises, inform the development of Council's business planning priorities and allows it track delivery progress of the seven ambitions.

2. Background

2.1 The draft 2025-30 Business Plan and Budget presented at Strategy, Resources and Performance Committee at its meeting on 17 December 2024, details how the Council will continue delivering against its seven ambitions, respond to resident feedback and set a legal budget.

- 2.2 This committee, alongside other Policy and Service committees will consider the draft business plan and budget proposals, and any feedback will be presented to the Strategy, Resources and Performance Committee at its next meeting on 28 January 2025 for consideration of recommending budget proposals to Full Council on 11 February 2025.
- 2.3 At this stage, the Council is projecting to see a net increase of general funding of £32.8 million. This comprises a 4.99% increase in Council Tax, changes to the taxbase for Council Tax, increased business rates income and a net increase in general government grants.

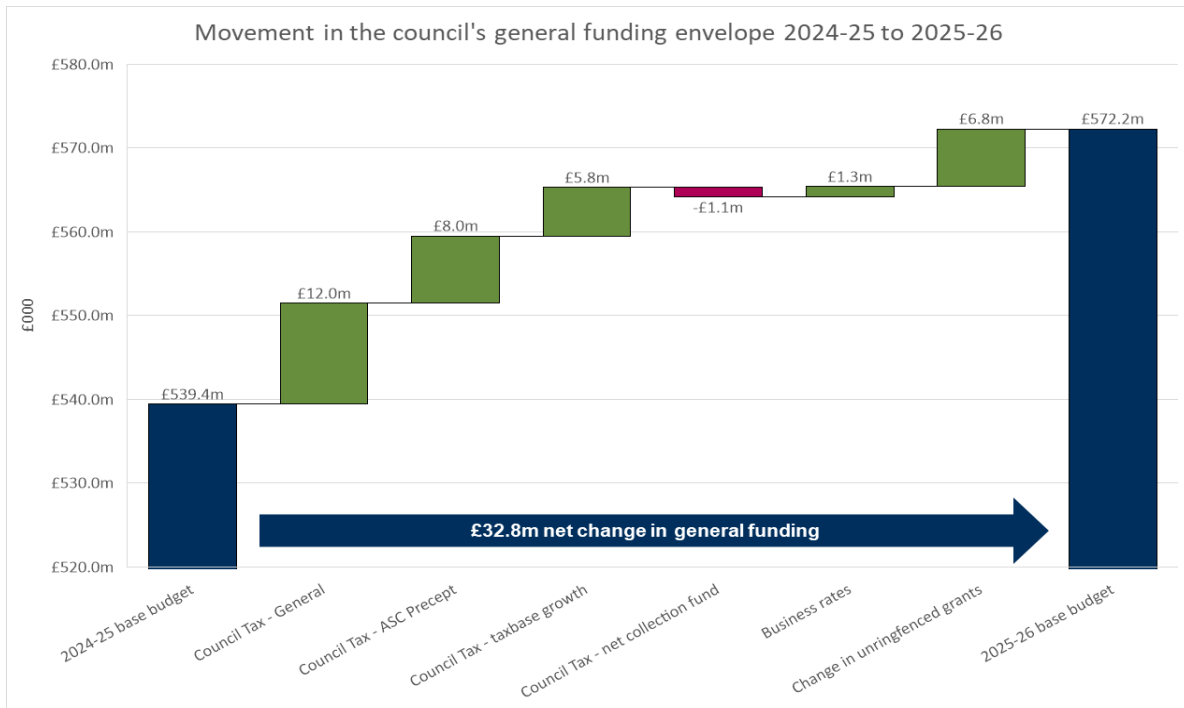


Chart 1 – Movement in funding envelope 2024-25 to 2025-26

- 2.4 Following updates to pressure projections, we reported a projected budget gap of £39 million for 2025-26 in an update to Strategy, Resources and Performance on 31 October 2024, an increase of £16 million from the previous business plan forecasts. Whilst the budget of the council is increasing year on year, allowing it to continue investing in important local services, the budget is not growing fast enough to keep pace with the pressures arising from the issues described at 2.7. Latest estimates now show over £75 million of cost pressures, offset by a £32.8 million increase in our general funding and £8.5 million increase in ring-fenced grants, giving a gap to find of £34.2 million for 2025-26.

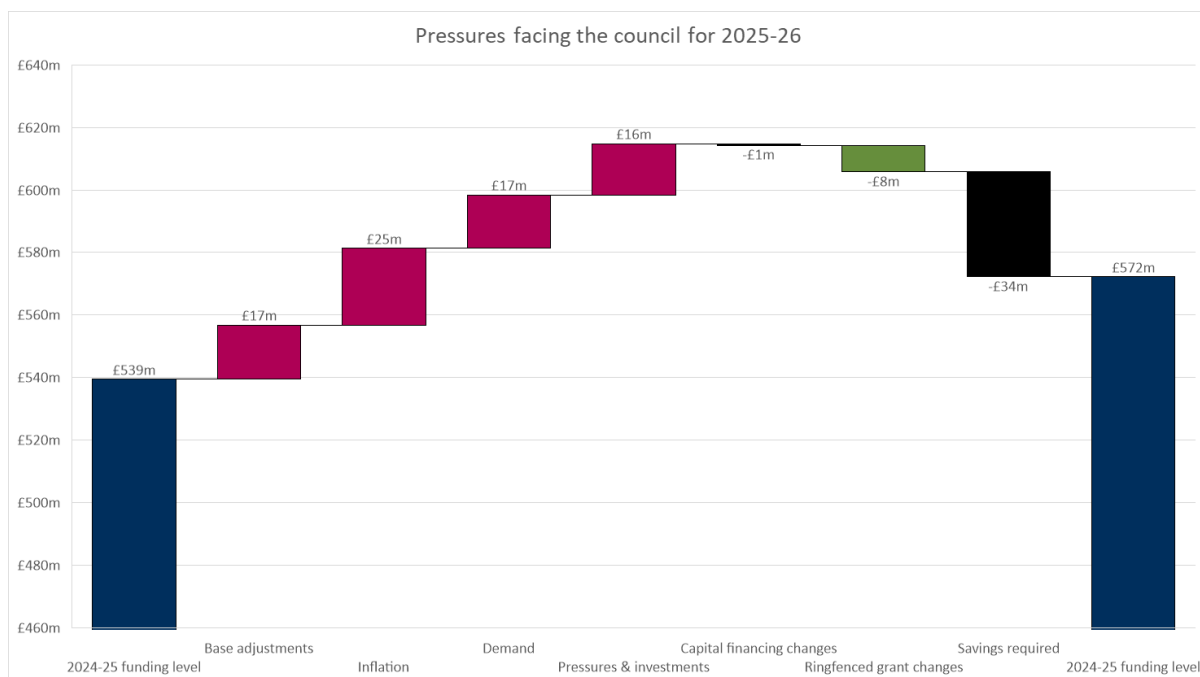


Chart 2 - Pressures facing the council for 2025-26

2.5 The overall impact of the additional investments the Council is making and the compound pressures set out in the table above, means that to secure a legal budget, the Council is required to find efficiencies/savings, or additional income, of £34 million for 2025-26.

2.6 To achieve this sustainably, the Council will need to change the way it operates at an organisation-wide level so that it can drive maximum economic, social and environmental value from the services it provides and commissions. 'Our Future Council' change strategy, approved at Strategy, Resources and Performance Committee in October 2024, sets out a long-term vision for reshaping the way the Council operates. The strategy will help enable the Council to remain financially sustainable over the medium to long term and retain the capability and capacity to deliver its ambitions. In addition, each of the Council's five directorates have developed proposals for the coming years that will allow the Council to continue investing in priorities that will deliver its ambitions, whilst making savings through careful recalibration of the way services are provided.

	£m	£m
Pressures, investments and adjustments	75.5	
Budget Changes		75.5
Less funding changes:		
Change in ringfenced grants		-8.5
Change in general grants	-6.8	
Proposed Council Tax increase	-20.1	
Council Tax taxbase and collection fund	-4.6	
Business rates income	-1.3	
General funding increase		-32.8
Funding envelope changes		-41.3
Total gap to find		34.2
Savings identified	-32.6	
Changes in income, excluding schools	-1.3	

	£m	£m
Add: reverse out previous year reserves budget	11.8	
Less: reserves use	-12.1	
Total Gap remaining		0.0

Table 1 - How the balanced budget is arrived at

2.7 Against that context, the report includes a further forecast for 2026-27 to 2029-30. This brings into focus key change programmes that have begun or will begin in 2025 to help determine the future shape and funding of the Council to achieve a balanced budget in each of the years remaining of the current Strategic Framework. Nevertheless, the Council continues to have a budget gap in the remaining years of the medium-term:

Year	2026-27	2027-28	2028-29	2029-30
Latest unidentified savings gap	£17.7 million	£10.2 million	£21.8 million	£23.6 million

Table 2 - Revised medium-term budget gaps

2.8 The Council is continuing to invest capital funding in the county's infrastructure, such as schools, roads and social care facilities. The full capital programme for 2025-30 (and onwards to 2035) is set out in tables 4 and 5 of appendix 1b, along with indicative sources of funding available. The programme for 2025-26 proposes a total budget of £140 million for capital expenditure, and a medium-term programme of £881 million.

	Prev Years £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	2029-30 £000	Later Yrs £000	Total £000
Children, Education and Families	168,424	44,495	85,083	40,072	16,076	9,644	11,487	375,281
Adults, Health and Commissioning	462	8,544	19,857	18,683	15,451	15,653	29,650	108,300
Place and Sustainability	153,188	73,215	44,486	20,949	19,367	1,592	12,460	339,257
Finance and Resources	13,813	11,768	6,874	3,411	3,432	2,643	9,288	51,229
Strategy and Partnerships	4,753	1,189	170	30	-	-	-	7,117
Total Budget	340,640	139,211	156,470	83,145	54,326	29,532	62,885	881,184

Table 3 - Capital Programme by Directorate 2025-30

2.9 The total programme for 2025-26 as it currently stands requires £139.2 million of funding which includes £56 million from borrowing. The cost of capital is expected to continue rising over the medium-term, exceeding £46 million by 2027-28. Although the capital programme has been prioritised to ensure that the expected cost of capital is within the prudential limit set by the capital strategy for 2025-26, we are very close to the limit in all years of the medium-term and so re-prioritisation may be required if there are any further capital spend requirements.

2.10 Subsequent to these projections made in early December 2024, the provisional local government finance settlement was announced on 18 December 2024. This confirmed

several grant allocations for the Council for 2025-26, with them broadly in line with our expectations. In particular, an increase in the social care grant of nearly £6.5 million (ringfenced to both children's and adults' care) provides funding to underpin our inflationary and demand pressures, and a new £1.5 million children's prevention grant is likely to fund commitments in the business plan. The provisional settlement had several gaps that are awaiting the final settlement in February 2025, particularly confirming how much funding councils would get to offset the increase in employers' national insurance, and ultimately it isn't until the final settlement that our funding numbers can be fully confirmed. Broadly speaking though, notwithstanding that, the provisional settlement was in line with expectations and estimates made in this draft business plan.

- 2.11 At the same time, we are receiving updated taxbase and business rates estimates from district councils, and therefore a full update of the draft business plan will be presented to Strategy, Resources and Performance Committee in January.

3. Communities, Social Mobility and Inclusion Committee - directorate overview

- 3.1 The services within the remit of this Committee span two separate service areas within the Council; Regulatory Services (Registration, Coroners and Trading Standards) sit within Place and Sustainability, whilst Communities, Libraries and Skills services and the Local Assistance Scheme are within Strategy and Partnerships.
- 3.2 Overall, it is proposed that Place and Sustainability will receive a £121m gross budget in 2025-26, including a growth of £7m. This budget will support continued investment in the services this directorate delivers that fall under the remit of the Communities, Social Mobility and Inclusion committee.
- 3.3 The implementation of death certification reforms in 2024/25 by both the Coroners and Registration services has changed their resourcing requirements. Consequently, a workforce realignment exercise will be undertaken during 2024/25 to ensure resources are utilised effectively, provide best value, and take advantage of synergies across both services. The Coroners service handles approximately 3200 case referrals annually. Registration services will in addition be exploring opportunities to improve both system efficiency and the customer experience when accessing services online through replacement of its current operating system. Over 2000 ceremonies are conducted annually by the service, along with approximately 1400 registrations.
- 3.4 Areas of focus for Trading Standards during 2025/26 include the safety of consumer products, food standards, animal welfare and biosecurity, fair trading, and underage and illicit sales. In 2025 the service will pick up enforcement responsibilities for the national ban on single use vapes and will be adopting a revised Food Standards Agency delivery model for food standards regulation.
- 3.5 Overall, it is proposed that Strategy and Partnerships will receive a £38.39 million gross budget in 2025-26, including total growth of £700k. This budget will support continued investment in services the directorate delivers and commissions that fall under the remit of the Communities, Social Mobility and Inclusion Committee. This includes a countywide network of 33 libraries and the 60-year-old mobile library offer, support for vulnerable

residents to maximise their income, seed funding for start-up groups and our domestic violence services.

- 3.6 The directorate also hosts services on behalf of the wider system to address systemic barriers and provide support to help people overcome complex issues, such as the High Intensity Users team, working with people who frequently access NHS Emergency Services for non-medical reasons, and Changing Futures, which works with people facing multiple disadvantage, such as homelessness. The directorate also delivers a grant-funded Adult Education and Skills service that supports more than 5,000 learners each year across 88 sites.
- 3.7 Recent years have seen an increase in the number of residents concerned about the cost of living, with many reporting they have changed their behaviours as a result. In response to this, the directorate will continue to commission support through the Household Support Fund during 2025-26 with an estimated investment of over £6 million in services that help people with direct support, with advice to maximise their income and gain access to household goods through the Local Assistance Scheme as well as support via Children's Education and Families for Holiday Food Vouchers for those in most need.
- 3.8 In addition, the Council has collaborated with partners to create an independently led Poverty Strategy Commission that is reviewing how the local system might work better to address the root causes of poverty and improve the support available to those affected by it. The Council will continue to support the commission to conclude its work and will respond to its recommendations with partners, drawing down from the £2.2 million budget made available during 2024/25 to back evidence led interventions into reducing the impact of poverty.
- 3.9 Many of the Council's resident-facing interactions take place through an extensive network of libraries. 24% of residents felt that improving libraries was a top priority for creating a fairer Cambridgeshire. In 2024/25 the libraries service was awarded Libraries of Sanctuary status in recognition of the work done to support asylum seekers and those seeking refuge in the county. In 2024-25 March Library was reconfigured to create a more flexible space for a range of cultural activities, with a grant from the Department for Culture, Media and Sport. Further improvements will be made through the £1.3 million which was made available in 2024/25 for the 'Libraries Plus' programme. During 2025-26, we will continue to draw down from this fund, building on the work already approved to be carried out in Yaxley, Cambridge and Ely libraries. All this investment will create more flexible spaces and expand the range of services available locally to our residents, so they are 'Closer to Communities'. Through 'Our Future Council' the role of libraries and community services will be further enhanced as the council continues to build more multi-disciplinary approaches to providing services around Cambridgeshire's distinctive places many of these services being delivered through our libraries.
- 3.10 The Domestic Violence service supports victims and survivors of abuse across the county. The ending of a time limited grant will allow this service to refocus on the core requirements of delivering the council's statutory duties as outlined in the Domestic Abuse Act 2021. Through its leadership of the Domestic Abuse and Sexual Violence Partnership, the directorate will embed the work previously funded by the grant into the wider service or through broader partnership activity, ensuring that all agencies are working together to identify and address issues of domestic abuse. The Strategy and Partnerships directorate

will continue to host discrete services on behalf of the wider public sector, including the High Intensity Users team, jointly funded by the NHS Integrated Care Board, and Changing Futures, which is jointly funded by several councils and the Combined Authority.

Budget Changes 2025-26

Heading	2025-26 £000	Comments
Inflation	41	Inflation on services generally linked to the consumer price index
Demography and Demand	47	Demand increase for coroners services
Pressures	246	The impact of the increase in employer national insurance.
Investments	-3,511	A range of proposals are set out in Table 3 at Appendix 1b, with a number highlighted in the table below. These include the continued funding to support the implementation of Anti-Poverty interventions and continued delivery of Library Plus improvements. The technical accounting for these over multiple years is set out in these two lines
Inflation	41	Inflation on services generally linked to the consumer price index
Savings	-443	A range of proposals are set out in Table 3 at Appendix 1b, with a number highlighted in the table below. These include a review of resourcing across Regulatory Services, and a review of Domestic Violence services to ensure they can effectively deliver their statutory duties following a reduction in grant income.
	-5,828	

Table 3.1 – Communities, Social Mobility and Inclusion Committee budget changes 2025-26

Investments and Savings

Proposal and Table reference number	2025-26 £000	2026-27 £000	2027-28 £000	Detail
Anti-Poverty Investment (Table 3 - E/R.5.006, E/R.6.007)	2,191			Concluding the independently led Poverty Strategy Commission, responding to its recommendations by drawing down from the £2.2 million investment to support evidence-based interventions to address the root causes of poverty – noting the commitment of £400k from this budget to the Citizens Advice contract as agreed by this committee at its meeting on 5 December 2024.
Household Support Fund grant extension (Table 3 - E/R.1.005)	6,163	-6,163		Continuing the Household Support Fund, extended by government to March 2026. This provides direct awards to residents and delivers income maximisation and holiday school food vouchers.
Just Transition Fund – Libraries Plus (Table 3 - E/R.5.008, E/R.6.009)	1,320			Improving library facilities via ‘Library Plus’ investment to create more flexible spaces for use by communities and residents.
Review of Domestic Violence Service (Table 3 - E/R.7.005)	-277			Re-focussing our Domestic Violence service to ensure it is effectively delivering for victims and survivors of abuse in line with statutory duties under the Domestic Abuse Act 2021 following the ending of this time limited grant.

Table 3.2 – Highlights of proposed Strategy and Partnerships investments and savings 2025/26 - 2027/28

The medium-term financial plan for the directorate is:

£000	2025-26 gross to net		Net budget				
	Spend	Income	2025-26	2026-27	2027-28	2028-29	2029-30
Communities, Libraries and Skills	19,243	-11,441	7,802	7,110	7,868	7,902	7,939
Regulatory Services	5,751	-3,531	2,221	2,221	2,221	2,221	2,221
Local Assistance Scheme	300	0	300	300	300	300	300
Total	25,295	-14,972	10,323	9,631	10,389	10,423	10,460

Table 3.3 – medium-term financial plan

4. Funding

- 4.1 The Council draws its funding from two main sources – government grants and locally generated revenue (predominantly council tax, as well as business rates, and then income from charging for council services).

Government Grants

- 4.1.1 Strategy and Partnerships receives a range of grants to deliver services across Cambridgeshire. The Safe Accommodation grant funds commissioned contracts and support from the Domestic Abuse and Sexual Violence service, ensuring the council meets its statutory duties in accordance with the Domestic Abuse Act 2021. Cambridgeshire Skills is a grant funded service, receiving money each academic year through the Cambridgeshire and Peterborough Combined Authority. Several services are also part funded by grants or through partnership arrangements, for example the Communities Service receives funding from the Integrated Care System to host the High Intensity Users team and Changing Futures receives its funding from district councils and the Combined Authority.

- 4.1.2 Subject to the Funding Review the expected grants overall are:

- Safe Accommodation for Victims of Domestic Abuse (Ministry of Housing, Communities and Local Government) £1,143,474 in 24/25 (anticipate a small uplift in 25/26).
- Adult Skill Fund (via the CPCA) £2m (funded on an academic year cycle).
- Free Courses for Jobs (via the CPCA) £200k (funded on an academic year cycle).
- Adult Skills Fund (Education and Skills Funding Agency) £150k.
- The Library Presents (Arts Council England) £176,942.

- Library Plus support (One Public Estate) £64k.
- EverySPACE (Arts Council Library Improvement Fund) final allocation £25k.
- Housing Related Support/Rough Sleeper Initiative £235k.
- Community Health Information Service (Public Health) £69k.
- Museum Partnership Support (Museum Development South East) £27k.
- Household Support Fund (DWP) estimated £6m.
- High Intensity Users (Integrated Care System) £600k.
- Youth project, Wisbech (Million Hours Fund) £25,746.

Fees and charges

- 4.2 Within services under the remit of this committee, there is a budget of £2.3m for fees and charges. Examples of these fees and charges are libraries income, registrations and ceremony income, and contributions from other local authorities for services.
- 4.3 In accordance with the council's scheme of financial management, Executive Directors are responsible for reviewing annually the levels of fees and charges, in consultation with the section 151 officer and presenting a schedule of fees and charges to the relevant service committee. The planned fees and charges within the remit of this committee are included as Appendix 2.

5. Capital

Capital Schemes

	Total Cost	Prev Years £m	2025-26 £m	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	Later Yrs £m	Total £m
Community Fund	5,071	4,251	740	40	40				
Darwin Green Library	208	1	207	-	-				
Sackville House Library Expansion	582	401	181	-	-				
Cherry Hinton Library	88	61	27	-	-				
Library Minor Works	81	39	42	-	-				
Archives - Camera replacement	45	-	-	45	-				

	Total Cost	Prev Years £m	2025-26 £m	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	Later Yrs £m	Total £m
Huntingdon Library Redesign	81	-	75	6	-				
Mobile Library Replacement	369	-	350	19	-				
Libraries - Self Service Replacement	200	-	200	-	-				
Whittlesey Library Refurbishment	166	-	8	152	6				
Total	6,891	4,753	1,830	262	46				

Table 5.1 – Communities, Social Mobility and Inclusion Committee capital schemes

Funding Sources

Funding	Total funding £000	Previous Years £000	2025-26 £000	2026-27 £000	2027-28 £000	2028-29 £000	2029-30 £000	Later Years £000
Government Approved Funding								
Basic Need	0							
Capital Maintenance	0							
Devolved Formula Capital	0							
Specific Grants	175		175					
Total – Government Approved Funding	175		175					
Locally Generated Funding								
Agreed Developer Contributions	739	172	403	158	6			
Anticipated Developer Contributions	582	401	181					
Prudential Borrowing	5,395	4,180	1,071	104	40			
Prudential Borrowing (Repayable)	0							
Other Contributions	0							
Total – Locally Generated Funding	6,716	4,753	1,655	262	46			
TOTAL FUNDING	6,891	4,753	1,830	262	46			

Table 5.2 – Funding Sources

5.3 The capital programme for this committee comprises £1.83m of expenditure in 2025-26 and a further £0.30m up to 2030. Full details are provided in tables 4 and 5 of Appendix 1 to this report. This includes the conclusion of the Cambridgeshire Priorities Capital Fund projects and a variety of projects within Libraries & Archives.

5. Significant Implications

- 5.1 Finance implications – these are set out in the body of the report and the associated appendices.
- 5.2 Legal implications – these are considered on a case by case basis for example, whenever we procure or commission a service.
- 5.3 Risk implications – the services within the remit of this committee provide an updated risk register to committee on a quarterly basis.
- 5.4 Equality and Diversity implications – given the range of services covered by this committee these are considered on a case-by-case basis.

6. Source Documents

- 6.1 [Our Future Council - Change Strategy \(October SR&P 2024\)](#)
- 6.2 [Business Planning and Budget Setting 2025-26 \(December SR&P 2024\)](#)