

Produced on:

08 July 2024



# Performance Report

## Quarter 4

### 2023/24 financial year

#### Assets and Procurement Committee

Governance & Performance  
Cambridgeshire County Council  
[governanceandperformance@cambridgeshire.gov.uk](mailto:governanceandperformance@cambridgeshire.gov.uk)

## Key



Data Item	Explanation
<b>Target / Pro Rata Target</b>	The target that has been set for the indicator, relevant for the reporting period
<b>Current Month / Current Period</b>	The latest performance figure relevant to the reporting period
<b>Previous Month / previous period</b>	The previously reported performance figure
<b>Direction for Improvement</b>	Indicates whether 'good' performance is a higher or a lower figure
<b>Change in Performance</b>	Indicates whether performance is 'improving' or 'declining' by comparing the latest performance figure with that of the previous reporting period
<b>Statistical Neighbours Mean</b>	Provided as a point of comparison, based on the most recently available data from identified statistical neighbours.
<b>England Mean</b>	Provided as a point of comparison, based on the most recent nationally available data
<b>RAG Rating</b>	<ul style="list-style-type: none"> <li>• <b>Red</b> – current performance is off target by more than 10%</li> <li>• <b>Amber</b> – current performance is off target by 10% or less</li> <li>• <b>Green</b> – current performance is on target by up to 5% over target</li> <li>• <b>Blue</b> – current performance exceeds target by more than 5%</li> <li>• <b>Baseline</b> – indicates performance is currently being tracked in order to inform the target setting process</li> <li>• <b>Contextual</b> – these measures track key activity being undertaken, to present a rounded view of information relevant to the service area, without a performance target.</li> <li>• <b>In Development</b> - measure has been agreed, but data collection and target setting are in development</li> </ul>
<b>Indicator Description</b>	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
<b>Commentary</b>	Provides a narrative to explain the changes in performance within the reporting period
<b>Actions</b>	Actions undertaken to address under-performance. Populated for 'red' indicators only
<b>Useful Links</b>	Provides links to relevant documentation, such as nationally available data and definitions

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
20.0%	↓	28.6%	48.6%	Improving

RAG Rating

Red

**Indicator Description**

Public Contract Regulations (2015) require all contracts valued over £25,000 to be advertised and to follow a competitive process. External audit findings mean that there is a cross Council drive to promote and enable effective and compliant procurement practice.

The Council's Contract Procedure Rules allow for exceptions/waivers to be applied for in specific circumstances where the contract is valued either below the relevant UK Procurement Threshold or below the Key Decision Threshold of £500,000. Waiver requests are submitted via the Council's online system and approval needs to be obtained from various officers dependent on the value of the waiver. There are occasions where, by their very nature, waivers will be requested with short timescales to the contract start date – for examples in cases of emergency or extreme urgency. However, it is important that apart from these circumstances, waiver submission leaves enough time for a procurement should a waiver request be denied.

Tracking this indicator allows the Council to identify the number, type and value of waivers being submitted in such a way as to prevent non-compliant procurement practice and so develop communications, training and other initiatives to reduce this risk to the Council.

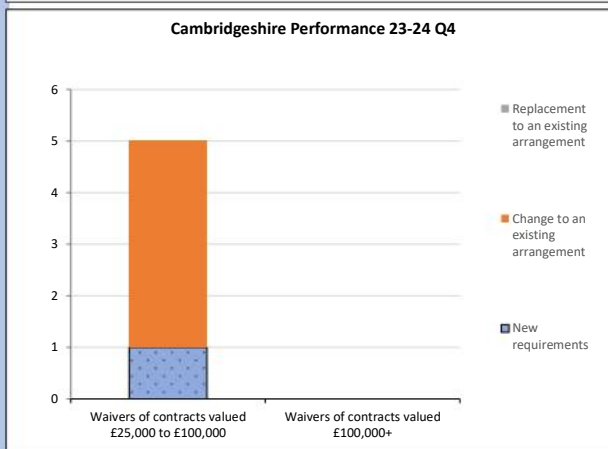
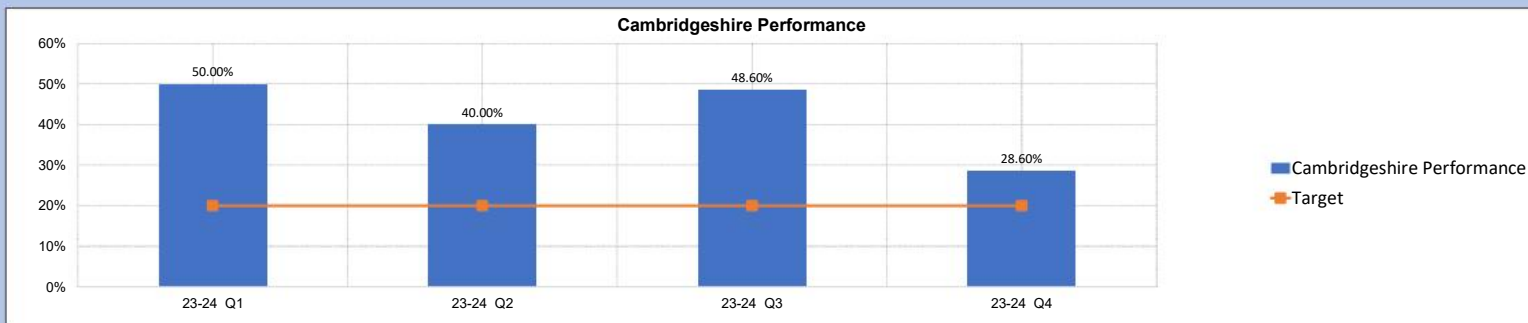
The KPI takes the date the waiver was submitted and the date the contract is due to start and calculates the time difference between the two dates. It is designed to provide an understanding of whether waivers are submitted in sufficient time to allow for alternative action should the waiver request be denied.

The target of 20% takes into account that valid reasons for waivers include emergencies and urgent situations whilst also anticipating that the majority of waivers should be applied for sufficiently early in the procurement planning process to allow for alternative courses of action.

**Useful Links**

[National TOMs Framework 2019 Guidance](#)

[Social Value Portal](#)



**Commentary**

Performance has improved this quarter with fewer waivers requested and no waivers being valued over £100,000. Late waivers represented 1.3% of the value added to the Contract Register in the same quarter.

**Actions**

An update has been applied to the waiver system which flags retrospective waivers to Chief Officers and reminds them of the limited circumstances in which such a waiver may be approved.

Target	Current Year	Previous Year	Direction for Improvement	Change in Performance
£94	£155	£146	↑	Improving

RAG Rating

**Blue**

**Indicator Description**

Data source:  
DEFRA data records market rent for East of England Region. Base data is tenancy agreements with new rents recorded by the parties (Landlord & Tenant) on a signed and dated rent memorandum attached to the agreement and recorded.

This KPI records annual change in rental income measured against the previous year's recorded rent. Reported as a % change on previous year for the total rural portfolio as rent (£) per acre for the agricultural tenancies. The rent per acre figure enables some comparison with regional market rents in the agricultural sector which are published annually by DEFRA and other commentators. For a new letting Market Rent is defined by The Royal Institution of Chartered Surveyors (RICS) as 'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion.' Rent Review (mid tenancy) of agricultural rent (per acre) is impacted by a number of complex factors - soil type, crop type, type of tenancy & external influences such as input costs and world commodity markets.

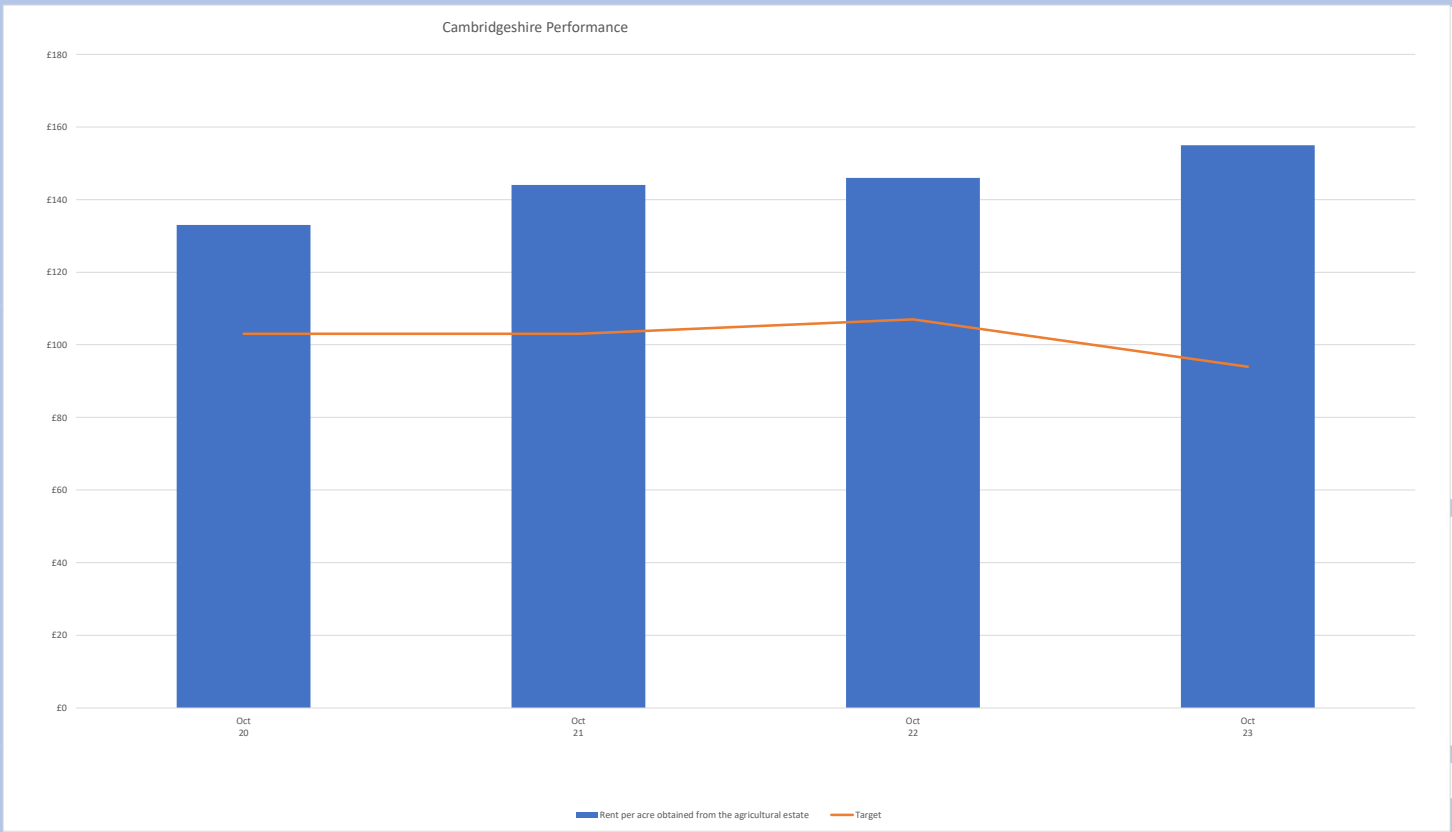
Comparator:  
Market Rents (£ per hectare/acre) for the East of England reported annually by DEFRA in January for the previous year. Most up to date figures are for 2023.

Target:  
Annual rent (£ per acre) achieved tracks defra rent per acre for East of England (variance +/- 10%).

**Useful Links**

[National TOMs Framework 2019 Guidance](#)

[Social Value Portal](#)



**Commentary**

Agricultural legislation enables review of rents every 3 years with 12 months notice required. 14 rent reviews on holdings were carried out in 2023 and Cambridgeshire County Council has increased the passing rent by 6% in October 2023. There were fewer big increases this year as most rents are at market value. Re-lets to existing tenants and new lettings have helped increase the total rent figure however these tendered rents are similar to the outgoing tenants rent, which shows that the rental levels are at market value. The rents achieved are good in the current climate of decreased Basic Payment Subsidy payments and uncertainty in the industry due to the slow release of the Sustainable Farming Incentive which was intended to balance the loss of BPS. The DEFRA benchmark is recognised as not being challenging but alternative comparable benchmarks are not readily available.

**Actions**

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
6.0%	↑	6.35%	6.52%	Declining

RAG Rating

**Green**

**Indicator Description**

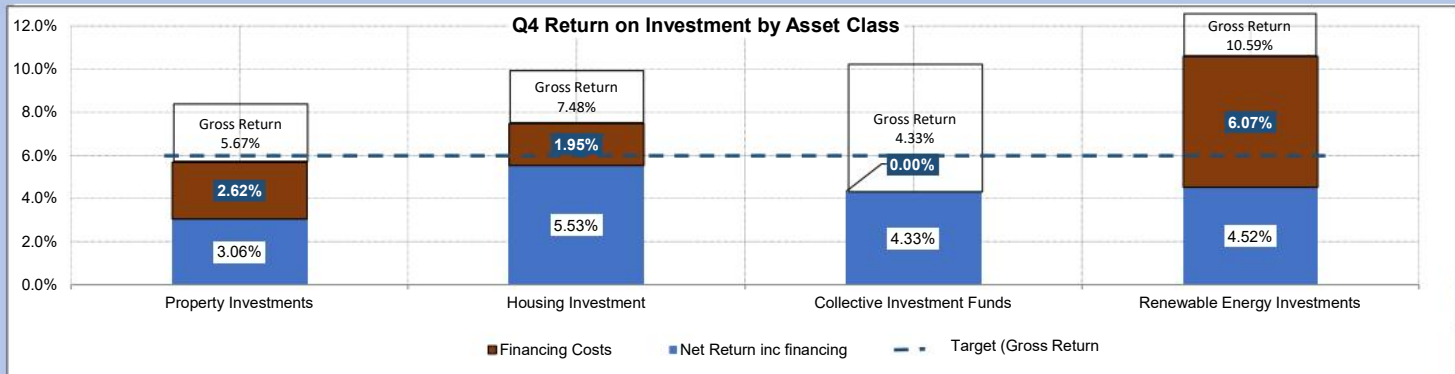
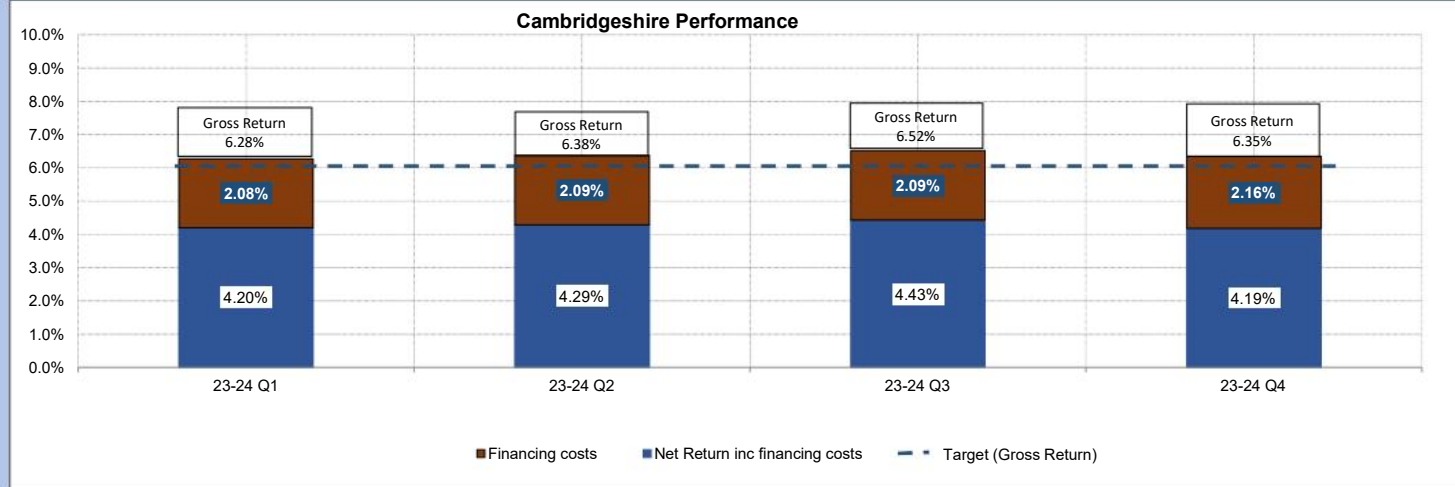
This indicator projects Cambridgeshire's expected gross income from the commercial investments that provide an income yield or interest receivable against a 6% target.

This indicator should be used to judge the performance of the council's commercial investment portfolio as a whole. It should not be used to predict any differences in actual income against budget. This is detailed within the Finance Monitoring Report.

The return figure includes investment that has already been made, as well as any additional investment expected within the financial year. The figures look at the full year effect, even where investments have not been held for the whole year.

The return is shown both gross (the total of the blue and orange blocks) and net (the blue blocks) of financing costs; the orange blocks therefore equate to the level of financing costs. The lower graph shows the return per asset class; different classes of asset are expected to deliver different levels of return.

This indicator reflects the income return from these assets, rather than the asset growth or total return (reflecting local government accounting regulations).



**Commentary**

The income received across the investments in 2023-24 is £19.2m with a net income of £12.7m after financing costs. Within this indicator, the Collective Investment Funds have performed well this year, with additional income of £507k. The 2024-25 BP has been adjusted to take into consideration that the investment is expected to overachieve. The This Land budget has a surplus of £159k which is made up of an unbudgeted income amount from last year and a reduction in the cost of professional fees required.

Triangle Solar Farm has overperformed in previous years, but price changes mean it did not achieve its target in 2022-23. However, in 2023-24, the solar farm has performed well under the new contract and overachieved by £200k. The 2024-25 BP has been updated to reflect the new income.

Regarding Property Investments, one of the Evolution Business park tenants moved out in August, but after quick negotiations a new tenant is now in place. The student accommodation levels recovered during the 2022-23 academic year, with 100% room bookings for the 2023-24 academic year. However, the contracts costs have increased, and more work has been carried out in 2023-24 to ensure the building is well maintained in order to protect future revenue and the asset value. Two units remain unlet at Cromwell Leisure Park; a revised marketing approach is underway and has attracted some new interest (one of the units has been empty since the investment was made). As a result of these issues, the overall position for Property Investments was a £455k pressure.

**Useful Links**

[National TOMs Framework 2019 Guidance](#)

[Social Value Portal](#)

**Actions**

Consider relative allocation between different collective investment funds and in view of the updated CIPFA prudential code and inflation risks.  
 Consider outcome of new tenant negotiations at Cromwell Leisure Park. Increase marketing for 2 vacant units.

Indicator 205: Amount of social value achieved

[Return to Index](#)

July 2024

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
£20,000	↑	£ 53,887.0	£ 46,009.0	Improving

RAG Rating

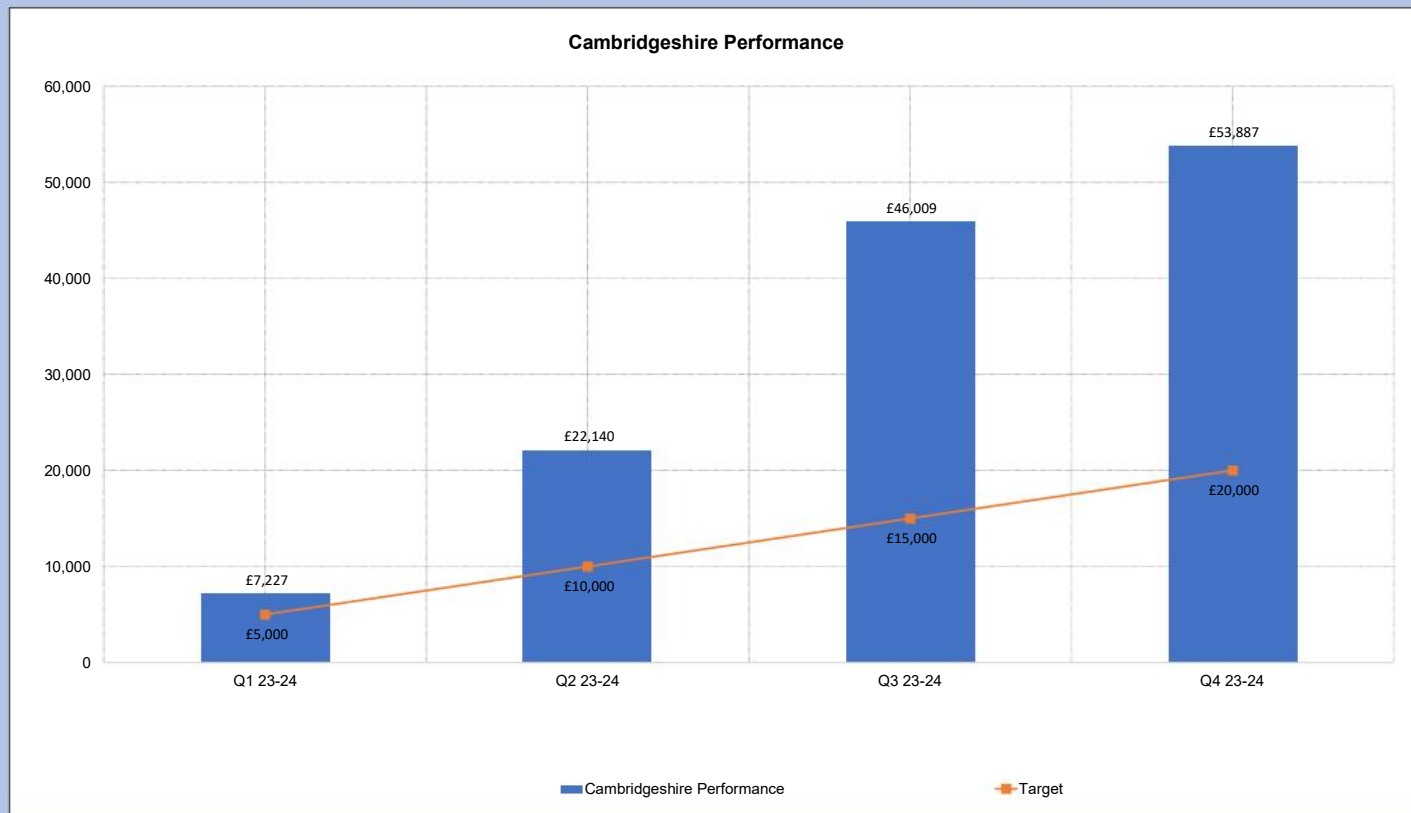
Blue

**Indicator Description**

Social value achieved via purchasing and contractual arrangements.

Data will be collated via the Social Value Portal and internal mechanisms.

Target of £20,000 to be delivered during 2023/24, with that target rising by £5,000 in each of 2024/25 and 2025/26.



**Commentary**

Social value is now being delivered across a number of contracts. A further £27,126 is pending verification.

**Useful Links**

[National TOMs Framework 2019 Guidance](#)

[Social Value Portal](#)

**Actions**

No actions required at this time.

Target	Direction for Improvement	Current Quarter	Previous Quarter	Change in Performance
45.00%	↑	58.00%	32.49%	Improving

RAG Rating

Blue

**Indicator Description**

% of overall contract value awarded to businesses and third sector organisations in the following areas:

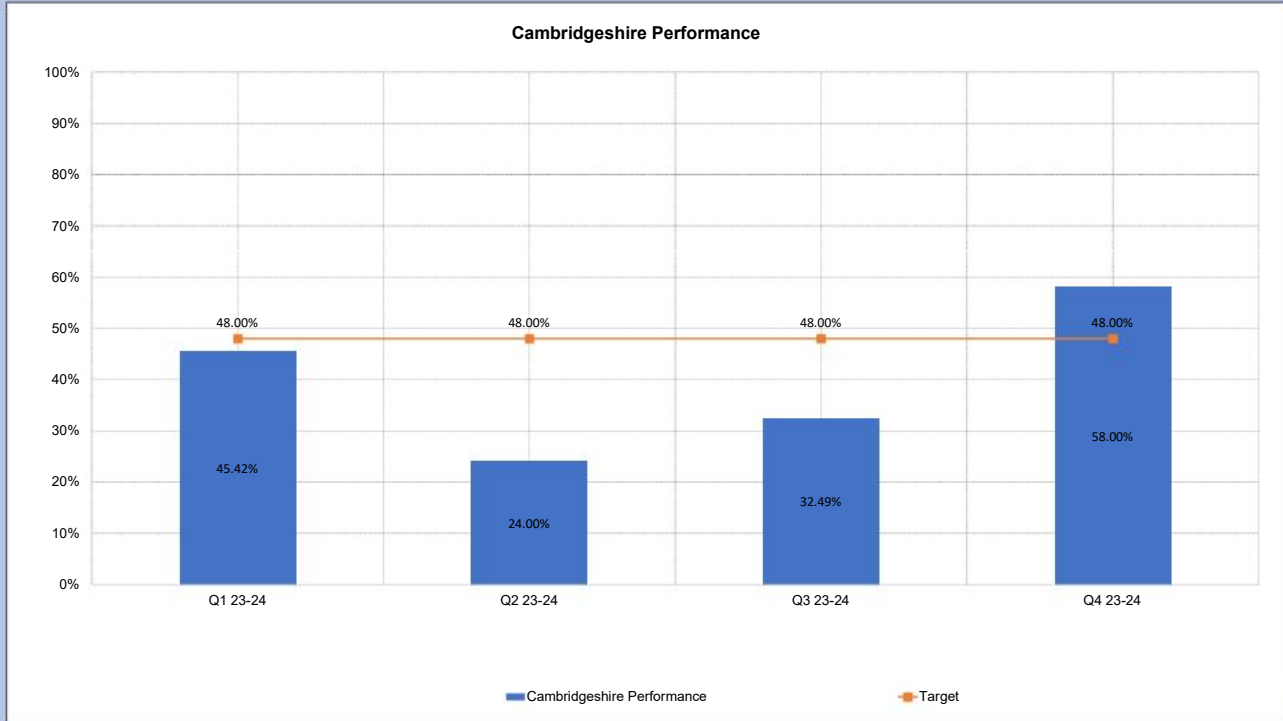
- CB Postcode Suppliers
- PE Postcode Suppliers
- Essex Postcodes (CM/CO)
- Hertfordshire Postcodes (AL/SG)
- Norfolk (NR)
- Suffolk(IP)
- Bedfordshire(LU/MK)

The Council cannot directly influence local spending due to procurement rules but is active in market engagement.

A baseline for this has been set using 2022/23 data and this has been used to establish a target for improvement.

The target of 48% was chosen as a realistic increase after analysing the last 3 years and seeing how much influence could be achieved over the spend.

Data will be captured from the Contract Register using the supplier's registered address.



**Commentary**

The spend data will not include individual spend under £5,000 (as this does not have to be attributed to a contract) or spend via systems other than ERP. It should be noted that the Council cannot reserve or in any other way favour local SMEs during procurement processes, building local spend will therefore be driven by market engagement and the willingness and ability of local suppliers to bid for the Council's requirements.

The indicator does not now include % of local businesses hiring local people as it would not be possible for the Council to collect that information from suppliers.

**Useful Links**

**Actions**

The Council is currently providing a quarterly webinar for SMEs and local businesses on how to access the Council's opportunities and how to use our e tendering system. The first webinar was fully booked (25 places) and the 2nd is selling out fast.