

## Integrated Finance Monitoring Report for the period ending 31 March 2021

To: Strategy & Resources Committee

Meeting Date: 6 July 2021

From: Chief Finance Officer

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2021/023

Outcome: This report:

- Details the performance of the Council for the 2020/21 financial year.
- Is a management report that precedes the production of the Council's formal Statement of Accounts. Although the Outturn Report and Statement of Accounts reconcile to one another, it is the statutory Statement of Accounts on which the audit opinion is formed.

Recommendation: Strategy & Resources Committee (S&R) is recommended to:

- a) Note the allocation of the accrued £1.47m Business Rates Retention 2020-21 Pool Dividend to the corporate grants account within Funding Items, as set out in section 6.1;
- b) Approve accounting for £17,914k Greater Cambridge Partnership funding in place of borrowing, to partially offset the additional borrowing required to repay the recognition in previous years of £19,963k Basic Need funding and £1,401k Combined Authority funding for the Wisbech Access Strategy, and also approve the resulting increase of £3,450k in the prudential borrowing requirement as set out in section 13.6;
- c) Note the use of £9,569k Section 106 contributions for applicable schemes where expenditure was incurred in prior years, and the resulting reduction of £9,569k in the prudential borrowing requirement for 2020/21 as set out in section 13.6;
- d) Approve the transfers to earmarked reserves totalling £7,323k as set out in section 14.1; and

- e) Note the additional funding for the Emergency Active Travel scheme, previously recommended in the February 2021 report, as set out in Appendix 3.

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## 1. Purpose

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

## 2. Overview

- 2.1 The following summary provides the Authority's forecast financial position at year-end and its key activity data for care budgets.

### Finance and Key Activity

<b>Revenue budget outturn</b>  -£6.3m (-1.5%) year-end variance  Green	This is a £0.892m increase in the revenue underspend since last month's forecast.  Use of grant for Covid-19 pressures has decreased by £1.4m compared to last month's forecast.  There is a £17.6m decrease in the in-year capital expenditure compared to last month's forecast.	<b>Capital programme outturn</b>  -£50.5m (-24.6%) year-end variance  Green
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### Number of service users supported by key care budgets

<b>Older people aged 65+ receiving long term services</b>	<b>Mar-21</b>	<b>May-20</b>	<b>Trend since May 20</b>
Nursing	530	472	Increasing
Residential	933	898	Increasing
Community	1,840	1,861	Decreasing

<b>Adults aged 18+ receiving long term services</b>	<b>Mar-21</b>	<b>May-20</b>	<b>Trend since May 20</b>
Nursing	73	72	Stayed the same
Residential	355	351	Stayed the same
Community	2,401	2,360	Increasing

<b>Children open to social care</b>	<b>Mar-21</b>	<b>Apr-20</b>	<b>Trend since Apr 20</b>
Children in Care	664	730	Decreasing
Child Protection	445	324	Increasing

Further details can be found in the quarterly service committee performance reports.

- 2.2 This report summarises the overall financial position for the 2020/21 financial year, whereas prior reports have focussed on the movements since the previous report. As is the case with every year-end report, there are a number of changes that result as balance sheet activities are reviewed. Key movements in operational expenditure are set out below in paragraph 3.3.

### 2.3 The key issues included in the summary analysis are:

- The overall revenue budget position was an underspend of -£6.3m at year-end. This is a movement of -£0.892m on the forecast reported as at the end of February with the majority of services reporting favourable movements on their February forecasts with the exception of CS and C&I. The pressures are largely within People & Communities (P&C) (+£3.0m) and Commercial & Investment (C&I) (+£3.2m). These are offset by underspends in Place & Economy (P&E) (-£0.9m), Corporate Services (-£1.0m), CS Financing (-£1.0m) and Funding Items (-£9.5m). Of the £9.5m Funding Items underspend, £7.9m relates to the usage of the unbudgeted Covid-19 support grant from MHCLG in relation to pressures as a result of the Covid-19 pandemic and £1.5m relates to the Business Rates Retention 20-21 Pool Dividend (as reported in section 6.1). See section 3 for details.
- The Capital Programme is reporting an underspend of -£50.5m compared to the position originally anticipated when the capital programme variations budget was set. This includes full utilisation of the £40.2m capital programme variations budget. See section 13 for details.

### 3. Revenue Budget

#### 3.1 A more detailed analysis of financial performance is included below:

Key to abbreviations

CS Financing – Corporate Services Financing

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Original Budget as per Business Plan £000	Service	Revised Budget £000	Additional Funding approved from General Reserves £000	Total Funds (3)+(4) £000	Actual Spending £000	Variation £000	Variation %	Transfer to (+) / from (-) Reserves £000
56,470	Place & Economy	58,067	0	58,067	57,186	-882	-1.5%	882
275,096	People & Communities	276,125	0	276,125	279,160	3,035	1.1%	-3,035
0	Public Health	0	0	0	0	0	-%	0
29,441	Corporate Services	32,577	0	32,577	31,566	-1,011	-3.1%	1,011
-9,277	Commercial & Investment	-9,113	0	-9,113	-5,952	3,161	-%	-3,161
29,570	CS Financing	29,570	0	29,570	28,558	-1,012	-3.4%	1,012
<b>381,300</b>	<b>Service Net Spending</b>	<b>387,226</b>	<b>0</b>	<b>387,226</b>	<b>390,517</b>	<b>3,291</b>	<b>0.8%</b>	<b>-3,291</b>
16,844	Funding Items	16,844	0	16,844	7,297	-9,548	-56.7%	9,548
<b>398,144</b>	<b>Net Spending</b>	<b>404,070</b>	<b>0</b>	<b>404,070</b>	<b>397,814</b>	<b>-6,257</b>	<b>-1.5%</b>	<b>6,257</b>
	<b>Memorandum Items:</b>							
6,286	LGSS Operational	87	0	87	87	0	0.0%	0
<b>404,430</b>	<b>Total Net Spending 2020/21</b>	<b>404,157</b>	<b>0</b>	<b>404,157</b>	<b>397,901</b>	<b>-6,257</b>	<b>-1.5%</b>	<b>6,257</b>

<sup>1</sup> The budget figures in this table are net, with the 'Original Budget as per Business Plan' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.

<sup>2</sup> The budget of £0k stated for Public Health is its cash limit budget. In addition to this, Public Health has a budget of £26.4m from ring-fenced public health grant, £0.7m from the Contain Outbreak Management Fund, £1.4m from Test and Trace Support Grant and £2.8m from the Lateral Flow Testing Grant which make up its gross budget.

<sup>3</sup> The 'Funding Items' budget comprises the £9.0m Combined Authority Levy, the £416k Flood Authority Levy and £7.4m change in general and corporate reserves budget requirement. The outturn on this line reflects the variance in the amount received from corporate grants and business rates from what was budgeted; a negative outturn indicates a favourable variance, i.e. more income received than budgeted.

<sup>4</sup> Key to column 7: + signifies pressure or reduced income, - signifies underspend or increased income.

<sup>5</sup> For budget virements between Services throughout the year, please see [Appendix 1](#).

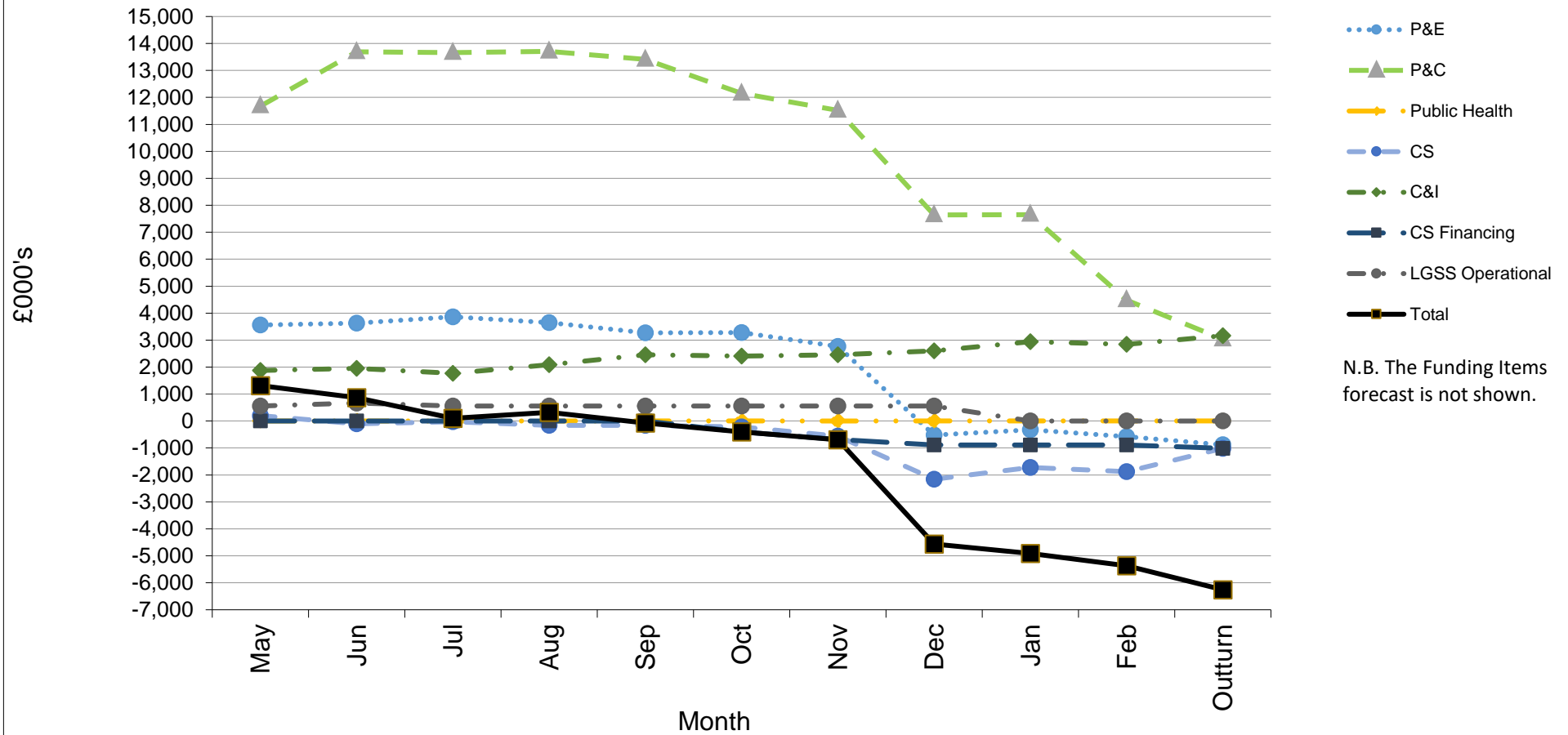
### 3.2 Summary of Outturn Variances showing split between Covid-19 pressures and Other Financial Impacts

Service	Outturn Variance £000	Covid-19 Pressure £000	Lost Sales, Fees & Charges Compensation	Other Financial Impact <sup>1</sup> £000
Place & Economy	-882	5,021	-3,168	-2,735
People & Communities	3,035	15,141	-3,226	-8,880
Public Health	0	180	0	-180
Corporate Services	-1,011	1,963	-12	-2,962
Commercial & Investment	3,161	2,935	-63	289
CS Financing	-1,012	0	0	-1,012
<b>Service Net Spending</b>	<b>3,291</b>	<b>25,240</b>	<b>-6,469</b>	<b>-15,480</b>
Funding Items	-9,548	-7,907	0	-1,640
<b>Subtotal Net Spending</b>	<b>-6,257</b>	<b>17,333</b>	<b>-6,469</b>	<b>-17,120</b>
<b>Memorandum items:</b>				
LGSS Operational	0	0	0	0
<b>Grand Total Net Spending</b>	<b>-6,257</b>	<b>17,333</b>	<b>-6,469</b>	<b>-17,120</b>

<sup>1</sup> Other Financial Impact includes underspends both Covid-19 related and non-Covid-19 related, as well as non-Covid-19 related pressures. The main items are shown below:

- P&E- Street Lighting underspend mainly due to a prior year contract adjustment (£1.2m)
- P&C- Reduced expenditure levels in Older People's Services & Physical Disabilities due to NHS funded hospital discharge (£2.1m), Mental Health (£1.1m), Children in Care (£1.9m), over-achievement of vacancy savings target and delayed service restructure Strategic Management- Children & Safeguarding (£1.2m) and directorate-wide staff travel savings due to Covid (£1.3m).
- Corporate Services- Reduced draw required on Investment in Social Care Capacity budget due to additional grant funding (£2.4m) (see also section 3.3.4)
- CS Financing- Debt charges underspend mainly on Interest Payable (see also section 3.3.5)

# Forecast Outturn Position 2020/21



### 3.3 Key exceptions this month are identified below.

#### 3.3.1 Place & Economy:

-£0.882m (-1.5%) underspend is being reported at year-end.

- Lost Sales, Fees & Charges Compensation

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-3.168	(-%)

-£3.168m in compensation has been received from MHCLG for lost sales fees and charges. This is an increase of £0.284m on the position previously reported in December and relates in full to a change since last month. There have been significant pressures within the service relating to the Covid-19 virus. The majority of these are for the loss of income which is used to fund existing services. Grant has been received for the loss of income, although not totally covering the shortfall.

- Traffic Management

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.326	(-175%)

A -£0.326m underspend is being reported at year-end. Income from road closures was significantly higher than budgeted due to an increase in the number of emergency road closures during the year.

- Community Transport

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.291	(-11%)

A -£0.291m underspend is being reported at year-end. This is due to a number of routes which were funded by S106 developer contributions.

- Waste Management

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+0.579	(+2%)

A +£0.579m pressure is being reported at year-end. This is a decrease of £0.391m on the position previously reported in August, of which £0.270m relates to a reduction since last month. Although COVID related impacts created an additional pressure on the service budget of £1.140m (due to additional Household Recycling Centre running costs, increased recycling credit payments to district and city councils and reduced trade waste collections), this additional pressure was partly offset by reduced contract costs due to an overall reduction in total waste collected, resulting in an outturn pressure of £0.579m.

- Major Infrastructure Delivery

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+0.453	(+23%)

A +£0.453m pressure is being reported at year-end. Funding was allocated to pay for work related to Guided Busway defects and legal work based on previous years' expenditure. The amount required in 2020/21 was higher than in previous years.

- A combination of more minor variances sums with the above to lead to an overall outturn of -£882k. For full and previously reported details, see the [P&E Finance Monitoring Report](#).

### 3.3.2 People & Communities:

+£3.035m (+1.1%) pressure is being reported at year-end.

- Strategic Management - Adults

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+7.045	(+125%)

A +£7.045m pressure is being reported at year-end. This is an increase of £0.253m on the position previously reported last month. This line contains the cost of the 10% resilience payment (£2.6m) made to most providers of adult social care for much of the first quarter of the year as well as some projected under-delivery of savings due Covid-19 that cannot be apportioned specifically to other budget (£1.8m). This line also contains a proposed £2.6m transfer to earmarked reserves to mitigate risks in 2021/22 of increased costs due to the pandemic (see also section 14).

- Learning Disability Partnership (LDP)

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+1.079	(+2%)

A £1.079m pressure is being reported at year-end. This is a decrease of £0.617m on the position previously reported in January and relates in full to a change since last month. The decrease is primarily due to the NHS agreeing to fund £798k of expenditure incurred by the LDP because of the Covid-19 pandemic.

- Physical Disabilities

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+1.285	(+10%)

A +£1.285m pressure is being reported at year-end. This is an increase of £0.485m on the position previously reported last month. The service has provided increased volumes of community-based support to clients since the start of the financial year which resulted in higher than budgeted spend. Further, the Council's response to the Covid pandemic included reprioritising the activities of preventative services and this contributed to the increase in demand in the first part of the year.

The year-end position also reflects an under-recovery of income due from clients contributing towards the cost of their care compared to budgeted assumptions at the start of the year, mainly due to financial reassessments under the new contributions policy being delayed during the pandemic period.

- Older People's Services

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-3.356	(-6%)

This budget area has seen particularly high levels of change due to the pandemic. In total the Council spent an extra 10% on Adults Services during the pandemic, however due to the ongoing care costs being lower than originally expected for people discharged from hospital during the pandemic, there has been a reduced expenditure level on the core budget of £3.356m. We do nevertheless predict a rising cost of care for older people over the medium-term linked to increased complexity of need and funding arrangements with the NHS returning to how they were pre-Covid. We are also anticipating some increased demand in the community as a result of restricted access to NHS services during the pandemic and increased frailty and reduced mobility as a result of lock downs as well as carers needing some respite.

- SEND Specialist Services (0 - 25 years)

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+12.397	(+19%)

A £12.397m pressure is being reported at year-end. This is a decrease of £0.417m on the position previously reported in January and relates in full to a change since last month. The pressure relates to an underlying pressure on the High Needs Block of the DSG. During 2020/21 there has been a continued increase in the number of pupils with Education, Health and Care Plans (EHCP), taking the total number of pupils above 5,500 (compared to just under 4,900 in April 2020). This continued growth, along with an increase in complexity of need, has resulted in a pressure on all demand-led elements of the service.

- Financing DSG

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-11.980	(-17%)

An -£11.980m required contribution from the Dedicated Schools Grant (DSG) is being reported at year-end. This is a decrease of £0.285m on the position previously reported in January and relates in full to a change since last month. This contribution represents the amount that will be added to the DSG deficit (negative reserve). Within P&C, spend of £69.6m is funded by the ring-fenced Dedicated Schools Grant. Net pressures on SEND services (as above) will be carried forward as a deficit on the DSG. The final DSG balance brought forward from 2019/20 was a deficit of £16.6m.

- Home to School Transport – Special

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+0.549	(+4%)

A +£0.549m pressure is being reported at year-end. This is a decrease of -£0.251m on the pressure position previously reported in May, of which -£0.151m relates to a change since last month. The year-end pressure is mainly due to the continued impact of the significant increase in transport costs in the latter part of 2019/20. While an increase in pupils receiving SEND Transport of 10% a year has been included within the budget, we have seen an increase in the average cost of transport per pupil more than available budget. This is because of price inflation as well as complexity of need meaning that more pupils require individual taxis, passenger assistants or a specialised vehicle. The service has also not been able to implement measures to reduce the spend due to the Covid-19 pandemic.

- Home to School Transport – Mainstream

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.261	(-3%)

A -£0.261m underspend is being reported at year-end. Following a review of the current commitments the requirement for additional routes in the last quarter of the year has been lower than previously anticipated.

- Executive Director- includes directorate-wide staff travel savings due to Covid

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.866	(-38%)

A -£0.866m underspend is being reported at year-end. This is a decrease of £0.404m on the underspend position previously reported in December, of which £0.311m relates to a change since last month. Mileage spend increased over quarter 4, so this line has a lower underspend than previously forecast.

- Lost Sales, Fees & Charges Compensation

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-3.226	(-%)

-£3.226m in compensation has been received from MHCLG for lost sales fees and charges. This is an increase of -£0.464m on the position previously reported in December and relates in full to a change since last month. In 2020/21 a grant was made available from the Ministry of Housing Communities and Local Government (MHCLG) to compensate for lost sales, fees and charges income relating to the pandemic. Local authorities were expected to absorb losses up to 5% of budgeted sales, fees, and charges income, after which the government reimbursed 75p in every pound of relevant losses. P&C have seen significant income losses, especially in certain Education services and the Registration service in Communities, and so has received £3.2m of funding.

- A combination of more minor variances sums with the above to lead to an overall outturn of +£3.035m. For full and previously reported details, see the [P&C Finance Monitoring Report](#).

### 3.3.3 Public Health:

A balanced budget is being reported at year-end.

- Children Health

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.321	(-3%)

A -£0.321m underspend is being reported at year-end. While activity levels on the core part of this service were as expected, this budget line has underspent due to grant funding previously agreed for additional work and transferred into the budget remaining unspent in 2020/21 as response to the pandemic took priority. This funding will transfer back to reserves but will be re-allocated to this service in 2021/22.

- A combination of more minor variances sums with the above to lead to an overall balanced budget outturn; -£1,686k underspend being reported in the Public Health directorate will be transferred to the Public Health ring-fenced grant reserve at year-end, leading to a balanced budget overall. For full and previously reported details, see the [PH Finance Monitoring Report](#).

### 3.3.4 Corporate Services:

-£1.011m (-3.1%) underspend is being reported at year-end.

- Transformation Team

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+0.672	(+436%)

A £0.672m pressure is being reported at year-end. This is an increase of £0.409m on the position previously reported in December, of which £0.322m relates to a change since last month.

Following a review of capital flexibility regulations, the Council's Section 151 Officer has determined that some staff costs which were forecast to be capitalised should be reallocated as revenue costs. This is the result of the need to focus more on policy and strategy issues this year due to the complex and new requirements on Local Authority, driven primarily by the impacts of the coronavirus pandemic. The total revenue staff cost impact was £370k.

The remaining pressure consists primarily of £5k for costs related to the Best Start in Life project, £27k on Ambition work, £6k pressure on SEND project, £180k of professional fees for strategic work and £20k spent on funding research carried out to understand the impact of COVID-19 on communities.

- Investment in Social Care Capacity

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-2.425	(-93%)

A -£2.425m underspend is being reported at year-end. This is an increase of 0.475m on the underspend position previously reported in December, which relates in full to a change since last month. At budget setting for 2020-21, Council agreed a social care capacity and investment sum to be held by GPC in case of demand pressures. As a result of the pandemic significant additional grant funding has been received and the impact of the restrictions on daily life is to initially decrease demand. This underspend reflects the very small amount required this year. This has been re-planned as part of business planning for 2021-26 with this budget permanently reduced and an additional investment made in the demand impact of the pandemic recovery.

- Authority-wide Miscellaneous

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+1.151	(+271%)

A £1.151m pressure is being reported at year-end. This is due to an adjustment made to the bad debt provision of £1.5m partially offset by a saving from September 2020 of £376k for the discontinuation of the New Homes Bonus contribution to the Greater Cambridge Partnership. The previously reported costs of an external independent investigation are also reported under this heading.

- A combination of more minor variances sums with the above to lead to an overall outturn of -£1.011m. For full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

### 3.3.5 CS Financing:

-£1.012m (-3.4%) underspend is being reported at year-end.

- Debt Charges

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-1.012	(-3.4%)

A -£1.012m underspend is being reported at year-end. This is an increase of £0.322m on the underspend position previously reported in November, of which £0.122m relates to a change since last month.

The Council is required to repay an element of the accumulated General Fund capital spend each year through a revenue charge (the MRP). Following analysis of capital schemes completed in 2019/20 and how they were funded, the MRP payment for 2020/21 has been recalculated and the year-end position is £370k higher than budgeted. The Interest Payable budget underspent by £2,464k; the final capital spend was significantly lower at year-end than previously forecast, and combined with lower interest rates, this resulted in a lower year-end interest payable final position. Whilst the cost of PWLB borrowing has been higher over the past 12 months, the Council has been able to take advantage of lower rates on Local Authority borrowing in refinancing some of its existing loans. The Interest Payable underspend was partially offset by a £1,223k overspend on the capitalisation of interest budget; as lower capital spend and

lower interest rates resulted in lower interest costs being charged to schemes; consequently there was a smaller recharge back to the financing costs budget. Finally, there was a net £159k underspend across brokerage fees.

- For full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

### 3.3.6 Commercial & Investment:

+£3.161m (-%) pressure is being reported at year-end.

- **Property Investments**

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
+1.291	(+35%)

A +£1.291m pressure is being reported at year-end. This is an increase of £0.363m on the position previously reported in October, of which £0.128m relates to a change since last month. This is due to increase in the loss from rental income for two of the Council's properties due to the impact of the Covid-19 pandemic.

- **County Farms**

<b>Outturn Variance £m</b>	<b>Outturn Variance %</b>
-0.517	(-12%)

A -£0.517m underspend is being reported at year-end. This is due to an increase in rental income for the second part of the year following rent reviews.

- A combination of more minor variances sums with the above to lead to an overall outturn of +£3.161m. For full and previously reported details, see the [C&I Finance Monitoring Report](#).

### 3.3.7 Funding Items:

A -£9.548m underspend is being reported at year-end. £7.907m relates to the usage of the unbudgeted Covid-19 support grant from MHCLG in relation to pressures as a result of the Covid-19 pandemic. The amount of Covid-19 grant identified as required this financial year has decreased by £1.4m since the previous report last month. General Purposes Committee earmarked the amounts for responding to the pandemic and unused amounts at year-end will remain earmarked for this purpose, taking account of the significant pressures included within the 2021-26 business plan. The £1.47m Business Rates Retention 20-21 Pool Dividend (as reported in section 6.1 below) and other more minor and previously reported corporate grants' variances make up the remainder of the -£9.548m underspend.

### 3.3.8 LGSS Operational:

A balanced budget is being reported at year-end. During 2020-21 the services previously delivered by LGSS either repatriated to the Council or are part of the new Lead Authority sharing arrangements with Milton Keynes Council and Northamptonshire County Council. On the transition of the final services and closure of LGSS budgets, an underspend for CCC for the 2020-21 financial year was reported of £22k. This has been transferred to the LGSS earmarked reserve for use in dealing with any issues arising from the move to the

new Lead Authority model. There are no exceptions to report this month; for full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

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

## 4. Savings Tracker

- 4.1 The “Savings Tracker” report is a tool for summarising delivery of savings. Within the tracker the forecast is shown against the original saving approved as part of the 2020-21 Business Planning process. For 2020/21, the Council has delivered £8.9m of savings against its original plan. Blue rated savings totalled £0.5m, exceeding the target on those initiatives. Green rated savings totalled £7.7m. The year-end Savings Tracker is included as [Appendix 4](#) to this report. It is also important to note the relationship with the reported position within this report. As pressures arose in-year, further mitigation and/or additional savings were required to deliver a balanced position.

A summary of Business Plan savings achieved in previous years as per the savings tracker is shown below for comparison:

Financial Year	Business Plan Original Savings £m	Savings Delivered £m	Total Variance £m
2016-17	43.4	35.5	7.9
2017-18	33.4	27.1	6.3
2018-19	38.3	27.8	10.5
2019-20	15.8	13.2	2.6
TOTAL	130.9	103.6	27.3

- 4.2 A summary of 2020-21 Business Plan savings by RAG rating is shown below:

RAG Status	Number of Savings	Total Original Savings £000	Total Variance £000	RAG Status	Number of Savings	Total Original Savings £000	Total Variance £000	RAG Status	Number of Savings	Total Original Savings £000	Total Variance £000	RAG Status	Number of Savings	Total Original Savings £000	Total Variance £000	RAG Status	Number of Savings	Total Original Savings £000	Total Variance £000	Total Original Savings	Total Variance
Blue	1	-250	-214	Green	27	-7,983	250	Amber	2	-200	155	Red	2	-5,200	4,577	Black	8	-2,296	2,296	-15,929	7,064

## 5. Key Activity Data

- 5.1 The latest key activity data for: Children in Care Placements; Special Educational Needs (SEN) Placements; Adults & Safeguarding; Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [P&C Finance Monitoring Report](#) (section 5).

## 6. Funding Changes

### 6.1 Business Rates Retention 2020-21 Pool Dividend

Since April 2020 Cambridgeshire has been a member of a Business Rates pool with district councils and Cambridgeshire Fire Authority, administered by South Cambridgeshire District Council. The pool operates on the principle that wherever possible no authority will be worse off than if they had not pooled, subject to sufficient funds being available. The pool dividend is defined as the additional money the pool receives over and above what each council would have received if there had not been a pool. The forecast 2020-21 pool dividend applicable to the Council is estimated to be £1.47m due to be paid in May/June 2021. An accrual has been made for this amount to apply the income to revenue in 2020-21. This has not been budgeted for and is shown as part of the underspend in the 'Funding Items' section of this report.

Strategy & Resources Committee is asked to note the allocation of the accrued £1.47m Business Rates Retention 2020-21 Pool Dividend to the corporate grants account within Funding Items. This has improved the outturn position and the overall underspend as a result.

## 7. Schools

- 7.1 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.

7.2 Total schools' balances as at 31<sup>st</sup> March 2021 are as follows:

	<b>31<sup>st</sup> March 2020 £m  (original published balances)</b>	<b>31<sup>st</sup> March 2020 £m  (amended for in-year academy conversions)</b>	<b>31<sup>st</sup> March 2021 £m</b>	<b>Change £m</b>
Nursery Schools	0.8	0.8	0.6	-0.2
Primary Schools	10.6	10.5	14.1	3.6
Special Schools	0.5	0.5	0.9	0.4
Pupil Referral Units (PRUs)	0.1	0.1	0.1	0
<b>Sub Total</b>	<b>12</b>	<b>11.9</b>	<b>15.7</b>	<b>3.8</b>
Other Revenue Balances (Community Focused)	1.1	1.1	1.1	0
<b>TOTAL</b>	<b>13.1</b>	<b>13</b>	<b>16.8</b>	<b>3.8</b>

It must be noted that further to the DSG and other grants such as Pupil Premium, this year schools' budgets also include additional Covid-19 related 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.

The change in individual school balances can be attributed to several reasons:

- Some schools will have delayed or cancelled spending decisions due to the uncertainty around future years funding amounts.
- Some schools have chosen to apply balances in 2021/22 to maintain current staffing levels and class structures.
- Due to Covid-19, schools have been unable to spend elements of some ring-fenced grants
- Pressures on capital funding have led some schools to reconsider and reprioritise revenue resources to allow for the possibility of capitalisation in future years.

7.3 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. Schools' 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, it is also notable that as the centrally held deficit on the high needs block has increased, the growth in individual school reserves stands in contrast.

- 7.4 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. This will include proposals to reconsider the levels of balances deemed as excessive and the appropriate measures to be put in place for those schools requiring improvement or judged inadequate by Ofsted.

The balances can be further analysed in the tables below:

<b>Sector</b>	<b>Schools with Reported Deficit Balances as at 31<sup>st</sup> March 2021</b>
Nursery	1
Primary	4
Special	0
<b>Total Schools</b>	<b>5</b>

Value of revenue deficits at 31<sup>st</sup> March 2021:

<b>Deficit</b>	<b>Nursery</b>	<b>Primary</b>	<b>Special</b>	<b>Total</b>
£100k+	0	0	0	<b>0</b>
£60k - £100k	0	0	0	<b>0</b>
£20k - £60k	1	4	0	<b>5</b>
£10k - £20k	0	0	0	<b>0</b>
£1k - £10k	0	0	0	<b>0</b>

Value of surplus revenue balances held by schools at 31<sup>st</sup> March 2021:

<b>Surplus</b>	<b>Nursery</b>	<b>Primary</b>	<b>Secondary</b>	<b>Special</b>	<b>Total</b>
£0k - £10k	0	0	0	0	<b>0</b>
£10k - £20k	0	3	0	0	<b>3</b>
£20k - £60k	2	26	0	0	<b>28</b>
£60k - £100k	1	35	0	0	<b>36</b>
£100k - £150k	1	24	0	0	<b>25</b>
£150k - £200k	2	9	0	0	<b>11</b>
£200k - £300k	0	12	0	2	<b>14</b>
£300k - £400k	0	3	0	0	<b>3</b>
£400k+	0	4	0	1	<b>5</b>

Please note: the figures in 7.2 and 7.4 are based on the year-end returns from schools. However, 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.

## 8. General Reserve Balances

8.1 Balances on the general reserve as at 31<sup>st</sup> March 2021 are £26.1m as set out below:

<b>General Reserve Balance</b>	<b>2020/21 Final Outturn £m</b>
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>17.658</b>
<b>Changes Arising:-</b>	
Planned Business Plan adjustments	1.829
Additional pensions contributions net underachievement	-0.185
Business Rates Retention 17/18 Growth pilot	0.351
Corporate Grants	9.733
Commercial & Investment	-3.161
People & Communities	-3.035
Debt Charges	1.012
Corporate Services	1.011
Public Health	0.000
Place & Economy	0.882
LGSS Operational	0.000
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>26.094</b>

8.2 As a minimum, it is proposed that the General Reserve should be no less than 3% of the gross expenditure of the Council (excluding schools' expenditure). At year-end, the General Reserve was 4.0% of budgeted 2021-22 gross non-school expenditure.

## 9. Review of Other Reserves

9.1 The Council reviews the level of its overall reserves at outturn each year, in addition to assessing the adequacy of reserves as part of the BP process. Reserves have long provided vital flexibility in the Council's financial management and no changes are proposed in the operation of these reserves going forward. Details of the Council's earmarked reserves are set out in [Appendix 2](#).

## 10. Treasury Management Activity

10.1 This section summarises the expenditure and income for debt financing, which is held as a central budget within Corporate Services and complies with the reporting requirements in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management.

	<b>Budget £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>
Interest payable on Borrowing	21.943	19.359	-2.584
Interest payable charged to/from Other Funds	-6.414	-6.294	0.120
Interest receivable	-0.462	-0.469	-0.007
Capitalisation of Interest Costs	-2.455	-1.232	1.223
Technical & Other	0.678	0.545	-0.134
MRP	16.279	16.649	0.370
<b>Total</b>	<b>29.570</b>	<b>28.558</b>	<b>-1.013</b>

10.2 The Interest Payable on Borrowing underspent by £2,584k. The overall interest rate on the market loans (from local authorities) was very low, driven by the pandemic (local authority cashflows were favourable during the year as well as the low price of gilts as a comparator); this was also the case for short-term loans. Due to the PWLB consultation outcome, PWLB lowered interest rates by 100 basis points on all new standard and certainty rate loan arrangements from 26 November 2020. These overall factors contributed to a lower interest rate on borrowings in 2020/21. Following analysis of capital schemes completed in 2019/20 and how they were funded, the MRP payment for 2020/21 has been recalculated and the year-end position is £370k higher than budgeted. The Interest Payable underspend was partially offset by a £1,223k overspend on the capitalisation of interest budget; as lower capital spend and lower interest rates resulted in lower interest costs being charged to schemes; consequently there was a smaller recharge back to the financing costs budget.

10.3 The change in the authority's loan debt over the year was as follows:

	<b>1<sup>st</sup> April 2020 £m</b>	<b>31<sup>st</sup> March 2021 £m</b>	<b>Difference</b>
Long Term Debt	526.7	561.3	<b>34.6</b>
Short Term Debt	237.2	251.3	<b>14.1</b>
	<b>763.9</b>	<b>812.6</b>	<b>48.7</b>
Less: Investments	65.8	98.3	<b>32.5</b>
Less: 3rd Party Loans & Share Capital	5.5	5.3	<b>-0.2</b>
<b>Net Debt</b>	<b>692.6</b>	<b>709.0</b>	<b>16.4</b>

10.4 Long-term debt consists of loans for periods exceeding one year (at either fixed or variable rates of interest) and the average rate of interest paid on this long-term debt was 2.91%. The average rate paid on short term debt was 1.44%. The overall average rate on total borrowing was 2.37% at 31.03.2021.

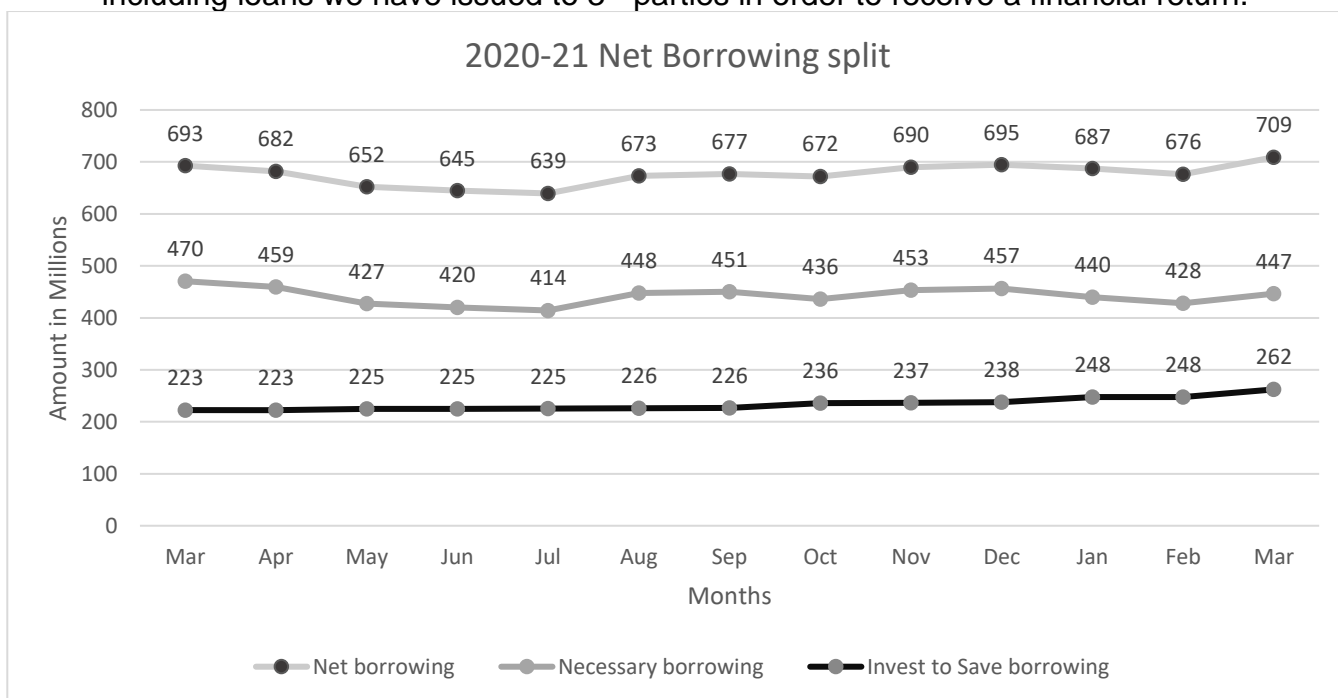
- 10.5 Each year the Council must approve limits known as Prudential Capital Indicators for the level of its external financing costs and the maximum limits on total debt. The outcome for 2020/21 compares with approved limits as follows:

	Approved	Actual
<b>Financing Costs</b>		
% of Net Revenue Stream	8.40%	3.47%
Authorised Limit for Debt	£1,093.0m	£812.6m
Operational Boundary for Debt	£1,063.0m	£812.6m
<b>Interest Rates Exposure (as % of total net debt)</b>		
Fixed Rate	150%	112%
Variable Rate	65%	-12%
<b>Debt Maturity Range (as % of total debt) *</b>		
Under 1 year	0 to 80%	30.76%
1 – 2 years	0 to 50%	12.03%
2 – 5 years	0 to 50%	8.19%
5 – 10 years	0 to 50%	12.42%
Over 10 years	0 to 100%	36.60%

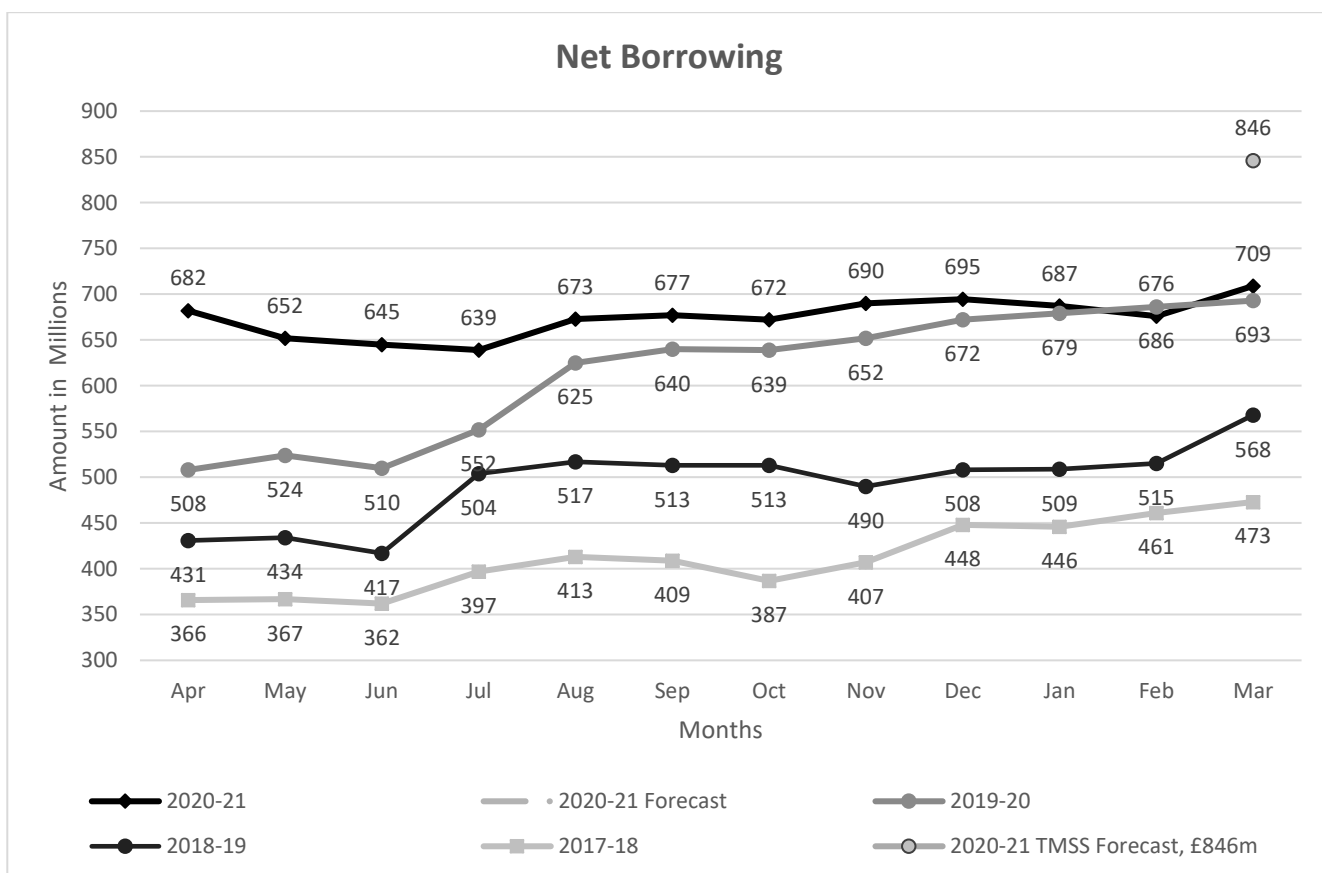
\* The guidance for this indicator required that LOBO loans are shown as maturing at the next possible call date rather than at final maturity, regardless of likelihood of this option being exercised.

## 11. Balance Sheet

- 11.1 The graph below shows the estimated split of the net borrowing between necessary borrowing and Invest to Save borrowing. Of the gross borrowing in 2020-21, it is estimated that £262m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to 3<sup>rd</sup> parties in order to receive a financial return.



- 11.2 The graph below shows net borrowing (borrowings less investments) on a month-by-month basis and compares the position with the previous financial year. At the end of March 2021, investments held totalled £103.6m (excluding all 3<sup>rd</sup> party loans) and gross borrowing totalled £812.6m, equating to a net borrowing position of £709.0m.



- 11.3 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 2019-20 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 2020-21 net borrowing position has taken a similar path, rising more substantially towards the end of the financial year as capital projects are progressed to completion and financed.
- 11.4 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the forthcoming year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2020-21 TMSS was set in February 2020, it anticipated that net borrowing would reach £846.0m by the end of this financial year. Based on the 2019-20 outturn position and subsequent revisions to the capital programme, and a further decrease in C&I and CS of £19.4m, the net borrowing was predicted to be below this, at £787.0m by the end of this financial year. The actual net borrowings at 31/03/2021 were £709.0m, £78m lower than previously forecast.
- 11.5 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.

- 11.6 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
- 11.7 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).
- 11.8 The Council's reserves include various earmarked reserves (held for specific purposes), as well as provisions (held for potential liabilities) and capital funding. A schedule of the Council's reserves and provisions can be found in [Appendix 2](#).

## 12. Debt Management & Prompt Payment

- 12.1 An overview of debt management and prompt payment outcomes is shown below:

Measure	Year End Target	Actual as at the end of Mar 2021 <sup>1</sup>
Level of debt outstanding (owed to the council) 91 days +, £m: Adult Social Care	£3.37m	£8.14m
Level of debt outstanding (owed to the council) 91 days +, £m: Sundry	£1.71m	£2.94m
% of Undisputed Commercial Supplier Invoices Paid Within 30 Days	95.0%	97.5%
% of Undisputed Commercial Supplier Invoices Paid Within Terms	85.0%	81.7%

<sup>1</sup> The debt figures exclude Cambridgeshire & Peterborough CCG debts as these are considered collectable and are subject to separate reconciliation. The amount of debt owed by Cambridgeshire & Peterborough CCG exceeding one year hold was £6.10m. The overdue amounts primarily relate to funding contributions to nursing care and for aftercare provided under section 117 of the Mental Health Act. The CCG now funds care homes for nursing care directly, rather than via the Council, so this issue relates to historic sums accrued between 2017 and 2019. Individual payments continue to be received and officers are working to reconcile these to payments owed and allocate against specific invoiced amounts. Both the Council and the CCG continue to work together to agree, expedite and reconcile payments for clients eligible for NHS funding.

### 12.2 Bad Debt Provision

As a result of the levels of debt at year end, assessed for security, the Council has increased the general provision it carries on its balance sheet for bad debt by £1.558m.

### 12.3 Summary Final Position:

Overall debt outstanding has decreased since February. Overdue debt (total less current) has decreased by £1m from £25m to £24m.

91 days + KPI debt balances have decreased by £0.80m since February. The target of £5.08m was not achieved, with the final balance being £11.08m.

## 12.4 Adults Social Care

Adult Social Care (ASC) and Older People– 91 days + debt has decreased by £395k since February. Final balances are £8.14m against a target of £3.37m. Audit & Accounts Committee members are receiving a detailed paper in July (by circulation) considering progress being made with the debt management position.

## 12.5 Sundry (non- Adult Social Care)

Overall sundry 91 days + debt has decreased by £400k since February. This consists primarily of debt decreases of £328k in Place & Economy. This has resulted in the final sundry 91 days + debt balance being £2.94m against a target of £1.71m.

# 13. Capital Programme

## 13.1 Capital financial performance

A summary of capital financial performance is shown below:

Original 2020/21 Budget as per Business Plan £000	Forecast Variance - Outturn (Feb) £000	Service	Revised Budget for 2020/21 £000	Actual- Year to Date (Outturn) £000	Actual Variance - Outturn 2020/21 £000	Actual Variance - Outturn 2020/21 %	Total Scheme Revised Budget (Outturn 2020/21) £000	Total Scheme Forecast Variance (Outturn 2020/21) £000
29,051	-1,817	P&E	61,197	52,851	-8,346	-13.6%	434,370	-
61,817	-2,804	P&C	50,754	43,623	-7,131	-14.1%	574,180	-2,428
11,006	-2,922	Corporate Services	16,134	12,528	-3,606	-22.4%	74,043	-1,363
74,569	-25,286	C&I	76,906	45,515	-31,392	-40.8%	434,146	-11,413
-	-	Outturn adjustment	-	-	-	-	-	-
<b>176,443</b>	<b>-32,830</b>	<b>Total Spending</b>	<b>204,992</b>	<b>154,517</b>	<b>-50,475</b>	<b>-24.6%</b>	<b>1,516,739</b>	<b>-15,204</b>

### Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted. A breakdown of the use of the capital programme variations budget by service is shown in section 13.2.
2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2020/21 of £38.0m and is reporting an in-year underspend of -£14.2m at year-end.
3. The 'Total Scheme Forecast Variance' reflects the forecast variance against budget of the total expenditure for all active capital schemes across all financial years.

## 13.2 2020-21 capital programme variations budgets

13.2.1 In light of the significant slippage experienced in recent years due to deliverability issues with the programme, and the impact this has on the revenue financing of the related debt for the programme, the Capital Programme Board recommended that a 'Capital Programme Variations' line be included for each Service which effectively reduced the programme budget for 2020/21. This was allocated service-wide rather than against individual schemes as it is not possible to identify in advance which particular schemes will be affected by land-purchase issues, environmental factors etc. which create the slippage.

A summary of the use of capital programme variations budgets by services is shown below.

Service	Capital Programme Variations Budget £000	Actual Variance - Outturn 2020/21 £000	Capital Programme Variations Budget Used £000	Capital Programme Variations Budget Used %	Actual Variance Against Revised Budget - Outturn 2020/21 £000
P&E	-12,043	-20,389	12,043	100.00%	-8,346
P&C	-6,523	-13,654	6,523	100.00%	-7,131
CS	-4,010	-7,616	4,010	100.00%	-3,606
C&I	-17,625	-49,017	17,625	100.00%	-31,392
Outturn adjustment	-	-	-	-	-
<b>Total Spending</b>	<b>-40,201</b>	<b>-90,676</b>	<b>40,201</b>	<b>100.00%</b>	<b>-50,475</b>

13.2.2 As at year-end, all services have exceeded the capital programme variations budget allocated to them. Place & Economy (P&E), People & Communities (P&C), Corporate Services and C&I schemes are reporting in-year underspends of -£8.3m, -£7.1m, -£3.6m, and -£31.4m respectively after full utilisation of the capital programme variations budget. Overall expenditure on the 2020/21 capital programme is therefore underspent by -£50.5m compared to the position originally anticipated when the capital variations budget was set. By comparison, the underspend in 2019-20 was £83.8m.

13.3.3 Although the outturn reflects improved capital delivery on the previous year, and the capital variations budget has been a helpful development to improve budgeting accuracy, it is acknowledged that further attention is required to this area. The Place & Economy directorate has commissioned a training programme for its management staff, including a focus on capital budgeting, and the capital programme board is reviewing the position Council wide to identify areas where delivery of forecasting needs to be accelerated.

13.3.4 The largest areas where spend varied from planned budgets were Housing Schemes (£12.5m), Commercial Investments (£11.3m) and Shire Hall relocation, asset review and data centre relocation (£13.7m).

The expenditure on Housing Schemes relates to the loans made to This Land, and this reduced level of lending reflects the level of progress through planning and construction undertaken by the Company, and that the company has access to its own cashflows. Plans for commercial investment were changed as a result of the economic conditions

and following the change in the PWLB stipulations announced in November 2020. The Shire Hall relocation and asset review schemes underspent in-year primarily due to the initial impact of Covid-19 on planned construction works and preparatory works; completion is now expected in late summer-early autumn 2021.

### 13.3 Capital Current Year Key Exceptions

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

#### 13.3.1 Place & Economy:

An -£8.3m (-13.6%) in-year underspend is being reported at year-end.

##### • Delivering the Transport Strategy Aims- Highway schemes

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,501	522	-1,979	-1,574	-405	0	-1,979

An in-year underspend of -£2.0m is being reported at year-end. This is an increase of £0.5m on the underspend position previously reported in January, of which £0.4m relates to a change since last month. A number of schemes within this area were delayed and will be completed in 2021/22.

The main schemes are:-

- Cambridge Victoria Ave/Maids Causeway – Pedestrian & Cycle Improvements – design and consultation difficulties have delayed delivery on site.
- Cambridge –Oxford Rd/Windsor Rd traffic calming – Consultation delays – revised plan upon public consultation comments. Further consultation to take place.
- Meldreth – Footpath 9 – work being done in conjunction greenway project and land purchase is required.
- Cambridge, new footpath Worts Causeway – delays due to Covid pressures.
- Cambridge, West Road traffic calming – delays due to Covid pressures.
- Godmanchester to Hinchbrook Park – cycle improvements – delays due to Covid pressures.
- Cambridge, Barton Rd/Grantchester St – crossing improvement – delays due to Covid pressures.
- Cambridge, Storeys Way – Traffic control measures and improve cycle route – work currently being done as part of the Emergency Active Travel fund.

##### • Girton to Oakington

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
450	194	-256	-50	-206	0	-256

An in-year underspend of -£0.3m is being reported at year-end. Work was delayed and only started in late March. The scheme will be completed in 2021/22.

- Carriageway Maintenance – Safety fencing renewals

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
740	10	-730	-351	-379	0	-730

An in-year underspend of -£0.7m is being reported at year-end. This is an increase of £0.4m on the underspend position previously reported in January, of which £0.379m relates to a change since last month. This is mainly due to the A505 Road Safety audits – the scheme was delayed as responses were required from the Road Safety Audit and the Street Lighting Audit before the project could proceed. Highways will then need to get road space approval from Highways England before the work can commence. This scheme will now take place in 2021/22.

- Carriageway Maintenance –Prep patching for Surface Dressing programme

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
992	915	-77	231	-308	0	-77

An in-year underspend of -£0.1m is being reported at year-end. This is a decrease of -£0.3m from the pressure position previously reported in January, of which -£0.308m relates to a change since last month. Less surface dressing took place in 2020/21 due to Covid restrictions; additional prep patching took place to ensure a full programme is carried out in 2021/22.

- Carriageway & Footway Maintenance schemes under £500k

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
3,882	3,176	-706	-59	-647	0	-706

An in-year underspend of £0.7m is being reported at year-end. This relates primarily to the following schemes:

- 3 schemes have been rescheduled to be delivered in 2021/22 £288k
  - Unc Huntingdon, Chequers Ct Footway resurfacing
  - Castle Camps
  - St Neots, Cambridge Street
- 2 schemes were delayed as they are awaiting full design and will be delivered in 2021/22, £236k
  - A1123 Haddenham, West End Footway Improvements
  - Unc March, Eastwood Ave Footway repairs
- March, Regent Avenue Footway – a consultation is required so the project will now be delivered in 2021/22 £112k
- There has also been some rephasing in the delivery of Countywide patching which will be delivered in 2021/22

- Bridge Strengthening – Schemes under £400k

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,769	2,642	-127	374	-501	0	-127

An in-year underspend of -£0.1m is being reported at year-end. This is a decrease of £0.5m from the pressure position previously reported in January and relates in full to a change since last month. The change relates primarily to:

- A -£270k in-year underspend on Gravel Head Bridge, Downham Common which has experienced delays due to the presence of water voles impacting the booking of road space.
- An -£80k in-year underspend on the replacement of the parapets on Stokes Bridge at Holme where the work didn't start until February 2021 and is not expected to complete until early 2021/22.
- The remainder relates to a reduction in the expenditure looking at design work for future schemes.

- Traffic Signal Replacement

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,736	1,186	-550	193	-693	0	-550

An in-year underspend of -£0.6m is being reported at year-end. This is due to the road space allocation being affected; work started in January 2021 but will be completed in quarter 1 2021/22.

- £90m Highway maintenance – B1050 Willingham, Shelford Road

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
839	76	-763	-322	-441	-250	-513

An in-year underspend of -£0.8m being reported at year-end. This is an increase of £0.4m on the position previously reported in January and relates in full to a change since last month. The scope of the work was reduced by £250k to compensate for funding required for the B1044 Huntingdon scheme (see below under £90m Highway Maintenance – Other schemes).

- £90m Highway maintenance – B198 Wisbech, Cromwell Road Carriageway

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
550	55	-495	95	-590	0	-550

An in-year underspend of -£0.5m is being reported at year-end. Additional issues arose regarding the drainage element of the scheme, requiring further design work prior to commencing on site. The work has been rescheduled for 2021/22.

- £90m Highway Maintenance – Other schemes

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
3,062	2,954	-108	410	-518	0	-108

An in-year underspend of -£0.1m is being reported at year-end. This is a decrease of -£0.5m on the pressure position previously reported in January, which relates in full to a change since last month. Underspends on other £90m schemes (e.g. the B1050 Willingham, Shelford Road scheme reported above) were used to fund pressures on these schemes. This includes the B1044 Huntingdon, Stukeley Road, Ermine Street scheme. Funding for other schemes will carry forward to 2021/22.

- Pothole Grant Funding- Additional Surface Treatments 2020/21

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
3,000	2,679	-321	-2	-319	0	-321

An in-year underspend of -£0.3m is being reported at year-end. Phase 2 of the scheme will be delivered in 2021/22 due to the delay in the availability of the new Eastern Highways Alliance Framework contract; this work will be delivered early 2021/22

- Pothole Grant Funding- Additional DfT Allocation (surface treatments)

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
4,201	2,043	-2,158	-1,822	-336	0	-2,158

An in-year underspend of -£2.2m is being reported at year-end. This is an increase of -£0.3m on the underspend position previously reported in January and relates in full to a change since last month. Three projects will now be delivered in 2021/22 due to the delay in the new Eastern Highways Alliance Framework contract being operational. The schemes are:  
C134 Ely - Branch Bank / Padnal Bank Carriageway overlay £550k.

B1093 Manea Wimblington Road Carriageway reconstruction £640k.

B1093 Manea, Fifty Road – carriageway shaping £390k

- Energy Efficiency Fund

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance: Rephasing £'000
422	116	-306	-52	-254	0	-306

An in-year underspend of -£0.3m is being reported at year-end. Funding was allocated to schemes which will now take place in 2021/22.

- Fendon Road Roundabout

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance: Rephasing £'000
996	721	-275	-1	-274	-1	-274

An in-year underspend of -£0.3m is being reported at year-end. The project has experienced some significant challenges with underground utility equipment and also been impacted by the Covid-19 pandemic. A specific report detailing how these issues and the budget now required to complete the project was presented to the Highways & Transport Committee on 7th July. On 16th June 2020, Highways & Transport Committee approved the transfer of £304k from Cherry Hinton Road (in South Cambs S106 budget) to Fendon Road roundabout.

- King's Dyke

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance: Rephasing £'000
10,400	9,789	-611	-1,038	427	0	-611

An in-year underspend of -£0.6m is being reported at year-end. This is a decrease of £0.4m on the underspend position previously reported last month. More work was able to be carried out in the last months of the financial year than previously anticipated.

The construction is due to complete by December 2022.

- Lancaster Way

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/pressure £'000	Breakdown of Variance: Rephasing £'000
2,307	1,797	-510	-218	-292	0	-510

An in-year underspend of -£0.5m is being reported at year-end. This is an increase of £0.3m on the underspend position previously reported last month. This scheme is still within the overall agreed budget of £2,589k, however the scheme is now expected to be completed in May 2021.

- A14

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
0	322	322	0	322	0	322

An in-year pressure of £0.3m is being reported at year-end. This is for work relating to the A14 that is fully re-imbursed by Highways England.

- For full and previously reported details, see the [P&E Finance Monitoring Report](#).

### 13.3.2 People & Communities:

A -£7.1m (-14.1%) in-year underspend is being reported at year-end.

- Basic Need- Primary

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
13,178	12,120	-1,058	-474	-584	232	-1,290

- An in-year underspend of -£1.1m is being reported at year-end across Basic Need- Primary schemes. This is an increase of £0.7m on the underspend position previously reported in January, of which £0.6m relates to a change since last month. This is primarily due to a change in the scheme below, together with other more minor variances below £250k:

- St Neots, Wintringham Park primary

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
3,900	4,098	198	450	-252	282	-84

There was a year-end pressure of £198k due to additional costs incurred by the contractor due to the Covid-19 pandemic. The 2021-22 Business plan has included additional budget of £282k as a result.

- Basic Need - Early Years

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,297	845	-452	0	-452	-0	-452

An in-year underspend of -£0.5m is being reported at year-end across Basic Need - Early Years Schemes. This is primarily due to changes on the schemes outlined below:

- LA Early Years Provision

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,000	535	-465	0	-465	0	-465

Rephasing has taken place due to delays in a small number of schemes; these will conclude in 2021-22.

- Condition & Maintenance

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
5,055	2,917	-2,138	-1,261	-877	-0	-2,138

An in-year underspend of -£2.1m is being reported at year-end across Condition & Maintenance Schemes. This is due to changes on the schemes outlined below:

- School Condition, Maintenance & Suitability

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
4,905	2,383	-2,522	-1,641	-881	-384	-2,138

A number of schemes expected to be completed this financial year were not completed by the end of the financial year. These are all funded by the school conditions funding which will carry forward into next year, 2021-22.

- Specialist Provision

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
2,951	2,497	-454	-268	-186	-0	-454

An in-year underspend of -£0.5m is being reported at year-end across Specialist Provision Schemes. This is primarily due to changes on the scheme outlined below:

- Spring Common Special School

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,500	1,205	-295	-200	-95	0	-295

The in-year underspend is due to a delay in the completion of phase 1 works by the contractor, causing rephasing and delay in phase 2 being progressed.

- Cultural & Community Services

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
7,909	3,058	-4,851	-3,580	-1,271	0	-4,851

An in-year underspend of -£4.9m is being reported at year-end across Cultural & Community Services Schemes. This is an increase of -£1.3m on the underspend position previously reported last month. This is primarily due to changes on the schemes outlined below:

- Libraries - Open access & touchdown facilities (hub libraries)

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
567	25	-542	0	-542	0	-542

The project has incurred £542k rephasing. A [report](#) was approved by the Communities and Partnerships Committee in October 2020 to expand the pilot with updated financial information. The project has moved forward and is currently in the process of awarding a tender for the full technology needed to facilitate the project. The scheme will progress in 2021-22.

- Libraries - Open access & touchdown facilities - further 22 Libraries

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
605	0	-605	0	-605	0	-605

This project has been amalgamated with the hub libraries open access & touchdown facilities scheme above and will be progressed in 2021-22.

- Capitalised Interest

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
1,513	479	-1,034	0	-1,034	-1,034	0

An in-year underspend of -£1.0m is being reported at year-end. This is due to lower capital spend than budgeted and lower interest rates in 2020/21 than anticipated at the time of budget setting, resulting in lower interest costs being charged to schemes.

- For full and previously reported details, see the [P&C Finance Monitoring Report](#).

### 13.3.3 Corporate Services:

A -£3.606m (-22.4%) underspend is being reported at year-end.

- Data Centre Relocation

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
5,204	2,295	-2,909	-2,440	-469	0	-2,909

An in-year underspend of -£2.9m is being reported at year-end. This is an increase of £0.5m on the underspend position previously reported in August and relates in full to a change since last month. Due to the impact of Covid-19 the requirement for connectivity within the Shire Hall campus has been extended which has also resulted in the final move date for the Data Centre being moved to June 2021. The programme and budget have therefore been re-profiled.

- Investment in Connecting Cambridgeshire

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
8,790	6,125	-2,665	-2,174	-491	0	-2,665

An in-year underspend of -£2.7m is being reported at year-end. This is an increase of £0.5m on the underspend position previously reported in December and relates in full to a change since last month. Due to the nature of the contract with BT, the majority of the costs are being extended with expenditure being incurred into 2021/22. The total scheme budget is currently committed.

- Capitalisation of interest

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
96	433	337	0	337	337	0

An in-year pressure of £0.3m is being reported at year-end. This is primarily due to a scheme being in the Place & Economy directorate at the time the capitalisation budget was calculated. There is a corresponding year-end underspend in the equivalent Place & Economy capitalisation of interest budget.

- For full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

### 13.3.4 Commercial & Investment:

A -£31.392m (-40.8%) underspend is being reported at year-end.

- Housing Schemes

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
42,300	29,798	-12,501	-12,886	385	0	-12,501

An in-year underspend of -£12.5m is being reported at year-end. This is a decrease of £0.4m on the underspend position previously reported in January and relates in full to a change since last month. As a result of positive cashflows into the company, lending to This Land has been lower than originally expected this year. Loans are released according to progress on works and review by the monitoring surveyor. This has reduced the borrowing requirement in year by £12.1m and the capital receipts requirement by £0.4m.

- Stanground Closed Landfill Energy Project

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
491	172	-319	-155	-164	0	-319

An in-year underspend of -£0.3m is being reported at year-end. In January 2021 the Stanground Project was placed on hold after securing planning consent. This decision was taken due to a combination of resourcing challenges for the Energy Investment Unit and the Council's Energy Performance Contractor and constraints due to Covid-19. Consequently, commencement of construction is expected to be delayed for a year from June 2021 to June 2022.

- North Angle Solar Farm

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
5,014	149	-4,865	-4,040	-825	0	-4,865

An in-year underspend of -£4.9m is being reported at year-end. This is an increase of £0.8m on the underspend position previously reported in January and relates in full to a change since last month. The planning timetable for the North Angle project has been revised due to additional planning requirements and the incorporation of some design changes which has resulted in a minor delay to the construction timetable. Pre-mobilisation works, including road reinforcement, were expected to take place during 2020/21 but will now occur in early 2021/22.

- Investment in the CCC asset portfolio

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
4,793	1,145	-3,648	-1,663	-1,985	0	-3,648

An in-year underspend of -£3.6m is being reported at year-end. This is an increase of £2.0m on the underspend position previously reported in November and relates in full to a change since last month. The underspend is due to delays, mainly due to the impact of Covid on planned construction works and preparatory works. The Spokes programme is well underway, and savings have been seen on existing projects. The Hawthorns budget of £771k is no longer required since it was agreed not to enhance this property for use as part of the Spokes programme. This has reduced the borrowing requirement in year by £3.6m and the budget available moved over to 2021-22, however a full update will be submitted to Commercial and Investments Committee in early 2021-22 outlining the savings/budget required for the remainder of the programme.

- Decarbonisation Fund

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
4,500	516	-3,984	-3,317	-667	0	-3,984

An in-year underspend of -£4.0m is being reported at year-end. This is an increase of £0.7m on the underspend position previously reported in January and relates in full to a change since last month. Several major projects have been delayed due to a combination of factors including practical issues onsite due to Covid-19, planning permission and supplier delays also linked to the pandemic. Some projects have also been cancelled due to uncertainty surrounding long term use of the sites. However, 20 projects totalling £4.4m in value are currently in progress and a further £2.4m of schemes are cleared to proceed.

- Shire Hall Relocation

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
14,076	6,950	-7,126	-6,076	-1,050	0	-7,126

An in-year underspend of -£7.1m is being reported at year-end. This is an increase of £1.1m on the underspend position previously reported in November and relates in full to a change since last month. The underspend is mainly due to the initial impact of Covid-19 on planned construction works. The building is now watertight with completion of the roof and glass façade, as well as the internal walls, allowing the first fix of electrical, plumbing, and mechanical installations to get underway. Completion is now expected in late summer-early autumn.

- Capitalisation of interest

Revised Budget for 2020/21 £'000	Actual Spend (Outturn 20-21) £'000	Actual Variance (Outturn 20-21) £'000	Variance Last Month (Feb) £'000	Movement £'000	Breakdown of Variance: Underspend/ pressure £'000	Breakdown of Variance: Rephasing £'000
603	306	-297	0	-297	-297	0

An in-year underspend of -£0.3m is being reported at year-end. This is due to lower capital spend than budgeted and lower interest rates in 2020/21 than anticipated at the time of budget setting, resulting in lower interest costs being charged to schemes.

- For full and previously reported details, see the [C&I Finance Monitoring Report](#).

### 13.4 Capital Total Scheme Key Exceptions

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

#### 13.4.1 Place & Economy:

A total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details, see the [P&E Finance Monitoring Report](#).

#### 13.4.2 People & Communities:

A -£2.4m (-0.4%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details, see the [P&C Finance Monitoring Report](#).

#### 13.4.3 Corporate Services:

A -£1.363m (-1.8%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details, see the [CS & LGSS Finance Monitoring Report](#).

#### 13.4.4 Commercial & Investment:

An -£11.413m (-2.6%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details, see the [C&I Finance Monitoring Report](#).

## 13.5 Capital Funding Changes

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

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding <sup>1</sup> £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	17.8	-	5.2	4.6	27.6	25.6	-2.0
Basic Need Grant	20.6	-	-	-	20.6	0.0	-20.6
Capital Maintenance Grant	3.9	-	-	1.2	5.1	2.8	-2.2
Devolved Formula Capital	0.8	1.4	-	-0.0	2.2	0.9	-1.3
Specific Grants	9.0	0.1	2.7	5.2	17.1	28.5	11.5
S106 Contributions & Community Infrastructure Levy	8.5	2.7	-2.9	7.0	15.4	23.2	7.8
Capital Receipts	7.3	11.3	0.0	-5.1	13.5	3.4	-10.1
Other Contributions	11.4	0.0	1.7	8.7	21.8	15.6	-6.3
Revenue Contributions	-	-	-	-	-	1.8	1.8
Prudential Borrowing	97.1	46.0	-59.7	-1.8	81.7	52.6	-29.1
<b>TOTAL</b>	<b>176.4</b>	<b>61.6</b>	<b>-52.9</b>	<b>19.9</b>	<b>205.0</b>	<b>154.5</b>	<b>-50.5</b>

<sup>1</sup> Reflects the difference between the anticipated 2019/20 year-end position used at the time of building the initial Capital Programme budget, as incorporated within the 2020/21 Business Plan, and the actual 2019/20 year end position.

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

Funding	Service	Amount (£m)	Reason for Change
Additional / Reduction in Funding (Specific Grants and Other Contributions, and Prudential Borrowing)	All	<p>-£3.5 (Grants &amp; Contributions)</p> <p>+£3.5 (Prudential Borrowing)</p>	<p>For accounting reasons, the Council recognises income against the capital programme at the earliest opportunity: Funds received in 2020/21 for the Greater Cambridge Partnership (£17.9m) which have not yet been required in cash flow terms for the specific schemes they relate to have initially been accounted for in place of borrowing to fund other schemes across the capital programme. This will reduce the MRP charge that will be payable for 2021/22. 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 is an accounting treatment only and has no impact on the actual funds available to the Greater Cambridge Partnership.</p> <p>Funds previously received for Basic Need (£20.0m) and from the Combined Authority for the Wisbech Access Strategy (£1.4m) that have already been initially accounted for in place of borrowing are now required to fund expenditure in 2020/21. The Council has therefore accounted for the borrowing to repay these funds in 2020/21. This £21.4m additional borrowing in 2020/21 has then been partially offset by the £17.9m Greater Cambridge Partnership funding accounted for in place of borrowing as described above.</p> <p>This results in a net funding swap for 2020/21 of £3.5m. (This is then offset by the use of £9.6m Section 106 contributions described in the next section below.) This does not affect the actual balances available and all funds are used for the original purpose as intended.</p> <p>Strategy &amp; Resources Committee is asked to approve the accounting of £17,914k Greater Cambridge Partnership funding in place of borrowing, to partially offset the additional borrowing required to repay the use in previous years of £19,963k Basic Need funding and £1,401k Combined Authority funding for the</p>

Funding	Service	Amount (£m)	Reason for Change
			Wisbech Access Strategy, and also approve the resulting increase of £3,450k in the prudential borrowing requirement.
Additional / Reduction in Funding (Section 106 contributions)	All	<p>+£9.6 (S106 contributions)</p> <p>-£9.6 (Prudential Borrowing)</p>	<p>Section 106 contributions applicable to projects which have already completed in prior years (£9.6m) due to a timing issue between expenditure and receipt of funding have been allocated to those projects in 2020/21. This has the effect of reducing prudential borrowing across other projects in 2020/21 (as the completed projects were funded by £9.6m prudential borrowing in prior years).</p> <p>Strategy &amp; Resources Committee is asked to note the use of £9,569k Section 106 contributions for applicable schemes where expenditure was incurred in prior years, and the resulting reduction of £9,569k in the prudential borrowing requirement for 2020/21.</p>

## 14. Approval of Earmarked Reserves Carry-forwards

14.1 Under the Scheme of Financial Management, approval is requested for the following transfers to earmarked reserves:

Fund Description	Transfer to reserves £000s	Notes
Director of Children & Safeguarding	200	Social Work Grant- to provide contingency in the event of increased costs in 2021-22 in Children's Social Care.
Coroners	375	Reserve for high cost inquests due to start 2021/22. A number of complex inquest cases are expected to be investigated in the coming financial year, which will entail higher costs through the need for specialist reports, witnesses or jury inquests. This is a one-off provision funded from a carry forward of underspend in 2021/22 put forward by the Communities directorate.
Service Director - Adults and Safeguarding	2,664	Mitigating risks in adult social care through 2021/22 as the effects of the pandemic on budgets are fully determined.  This reserve is funded by a carry forward of underspend from 2020/21. By making provision in this way it is anticipated that some of the permanent budget allocation made in 2021/22 can be released (see next report)
Adults and NHS debt	2,824	Related to payments made by the Clinical Commissioning Group ahead of a settlement of debt expected in 2021/22. The level of debt owed by the CCG is concerning and referred to in section 12 of this report. Negotiations with the NHS to settle the total sum and reduce the potential for reoccurrence in future are progressing, but in the meantime the NHS have paid an advanced sum to offset part of the debt. The Council is holding this amount in reserve, rather than applying this to the debt position until there is a wider settlement.
Cambridgeshire Skills	670	Consolidation of previous brought forward balances of external income, to continue a reserve to cover grant income risks plus specific provision for anticipated reductions to or claw backs of grant funding and planned spend in in 2021-22.
Shire Hall Relocation	590	Shire Hall Relocation – to mitigate against one-off revenue costs in Cambs 2020- further detail can be found in Appendix 3, section 2.4.3 of the May Integrated Finance Monitoring Report.
<b>Total</b>	<b>7,323</b>	

Strategy & Resources Committee is asked to approve the transfers to earmarked reserves listed above, totalling £7,323k.

## 15. External and Contextual Issues

- 15.1 The financial challenges facing the Council have increased during 2020/21 principally due to the unprecedented impact of the Covid-19 pandemic; the financial and human cost has been substantial. Every council department experienced disruption to its budgetary provision, and in some cases completely different patterns of service demand as well as wholly new activities and initiatives needed to be supported dynamically and at short notice. The scale of additional funding in response has also been significant. The major additional grants received by the Council include the following, totalling £63.6m:

<b>Grant</b>	<b>Awarding Body</b>	<b>Amount, £000</b>
Covid-19 Support Grant	Ministry of Housing, Communities & Local Government (MHCLG)	20,282 <sup>1</sup>
Contain Outbreak Management Fund	DHSC	15,311
Infection Control Grant	Department of Health and Social Care (DHSC)	11,577
Lost Sales, Fees & Charges Compensation	MHCLG	6,469
Test and Trace Support Grant	DHSC	2,493
Covid - rapid testing fund	DHSC	1,514
Covid Catch up premium	Department for Education (DFE)	1,416
Covid Winter Grant Scheme	Department for Work and Pensions (DWP)	1,286
Covid - workforce capacity grant	DHSC	1,162
Funding for support to Clinically Extremely Vulnerable (CEV) individuals	DWP	889
Lateral Flow Testing Grant	DHSC	656
COVID-19 Emergency Assistance Grant for Food and Essential Supplies	Department for Environment, Food & Rural Affairs (DEFRA)	541

<sup>1</sup> In addition to the £14.612m received in 2019-20.

- 15.2 Aside from the pandemic, the Council has remained vigilant to the enduring financial risks and uncertainties it faces throughout the year. CCC continues to face underlying increases in demand for its services, both as a result of population growth and changing demographics, particularly in relation to the ageing population and those with complex care needs. Altogether, these pressures, coupled with assumed levels of government grants, lead to a savings requirement of £66m from 2020/21 to 2024/25.
- 15.3 While numbers of Children in Care are continuing to decline, albeit more slowly, there has been a small increase in the number of young people in care with extremely complex needs. There is a shortage of placements for this group of young people, and placement costs have been increasing from an already very high unit cost. The Covid-19 pandemic has also affected the full implementation of Family Safeguarding, with a small number of adult practitioner posts remaining vacant. Family Safeguarding is associated with lower numbers of children in the care system; the full benefit of the model requires all posts to be recruited, and it is therefore possible that overall numbers in care may reduce more slowly than anticipated over coming months.
- 15.4 Similarly to councils nationally, cost pressures have been faced by Adult Services in Cambridgeshire for a number of years, in particular the rising cost of care homes and home care provision due in part to the requirement to ensure compliance with the national

living wage, as well as the increasing complexity of needs of people in receipt of care. Adult services generally benchmark as low cost and good outcomes. Despite this, for 2020/21, Adults Services had a balanced starting budget with no un-mitigated pressures carried-forward from the previous year. Revised arrangements during the first months of the pandemic for funding discharge from hospital initially led to a significant drop in weekly expenditure on Adult Social Care. This re-bounded somewhat later in the year although the longer-term impacts on demand in Adults Services and the care market are yet to be fully realised. As restrictions on daily activity persisted during the fourth quarter of the year, the anticipated increase in demand for long term Adult Social Care funded by the Council was not apparent by year end. We do expect significant increase in future, exceeding our pre-pandemic estimate.

- 15.5 Serious pressures have continued to grow on Special Education Needs and High Needs block of the dedicated schools grant, leading to the carried forward deficit reported in section 3.3.2. Although that deficit is ring-fenced (at least for until 2023) the increase this year is particularly concerning given it now exceeds the balances held elsewhere within dedicated schools grant by individual schools (see section 7) and the limited measures the Council can take to control expenditure in this area. Work continues to mitigate and understand these risks. A small number of authorities have now received a “safety valve” package of additional funding from Department for Education alongside agreeing to mitigating actions locally. CCC is keen to explore this and is in touch with DfE about the local deficit.
- 15.6 Despite the scale of the challenge the Council has faced this year, the 2020-21 year-end outturn position was a £6.3m underspend. This means that the Council’s non-earmarked reserves were topped up by £6.3m, which given the scale of the risks and potential pressures the Council has faced, is a favourable outcome enabling some flexibility in the face of the still very considerable uncertainties and risks looking forward. It is also pleasing that despite the disruption and difficulties with forecasting throughout the year, overall the financial position at outturn was close to expectations. Details of the pressures and underspends that have led to this year’s position can be found in previous [Finance Monitoring Reports](#).
- 15.7 The financial outlook for 2021/22 remains extremely constrained. The Coronavirus pandemic has transformed the environment in which local authorities operate with wide ranging repercussions for service provision and the financial resources required to deliver services. The longer-term impacts of COVID are expected to extend considerably into the Medium Term Financial Strategy period. Some of the specific challenges that the Council expects to face over the next five years are:
- Potential for growing regional and more local inequalities as a result of the economic fallout from the pandemic
  - Significant losses of fees and charges and precept income are anticipated due to suppressed demand for some services and increases in Council Tax Support
  - A number of new responsibilities for local authorities with significant resource implications, such as the provision of personal protective equipment, support to track and trace and outbreak management as well as infection control measures. As yet the extent of Government support for local authorities in funding these new burdens on an ongoing basis remains unclear.
  - Providing additional support for our local care markets to ensure sufficient appropriate care provision remains available

However, the shift in attitudes and behaviours resulting from the pandemic is also likely to provide a number of opportunities to adapt service delivery models to reduce costs;

- The introduction of Community Hubs to deliver targeted support for vulnerable people has led to increased collaboration across the wider public sector. The delivery mechanisms established during this period will be further developed through the Council's Think Communities Programme.
- A significant increase in agile working has yielded savings on overhead costs for the Council
- A shift towards providing services online, from social worker consultations to music lessons has helped the Council to reduce staff mileage, supporting both the Council's budget position but also our commitment to deliver net zero carbon emissions by 2050

15.8 Beyond the pandemic, there is also a great deal of uncertainty surrounding the UK's public finances. In December 2020 the UK secured a post-Brexit trade deal with the EU, however the impacts of the new trading arrangements on economic growth, labour availability, and the cost of goods and services are still unclear and may yet influence levels of resources available to local authorities. In addition to the international uncertainty, there are a number of Central Government consultations currently underway (or paused), most notably those on technical aspects of Fair Funding and the Business Rates Retention Scheme, which are expected to affect the Council's funding, as well as the green paper on the longer term funding of Adult Social Care. Local Authorities had expected these funding reforms to take effect from 2021-22 however Government has confirmed that these will now be deferred until 2022-23 at the earliest.

15.9 The Council expects to see an overall increase in funding (excluding schools grants) of 7.2% to 2025/26, primarily due to increases in Council tax assumed within the medium term financial strategy. Nevertheless, inflationary pressures, population growth and increased demand for services are expected to result in additional budget pressures of 19.9% of gross budget over the same period, resulting in a savings requirement of £81m over the next five years. In May 2021, a new joint administration took control of the Council and committed to a thoroughgoing financial review alongside its new policy priorities.

15.10 Looking ahead the Council faces a larger savings requirement for upcoming years than it has had to deal with for sometime. Although there is some additional short term flexibility resulting from the underspend in 2020-21 and carried forward grant balances mitigate the pandemic risk to some degree, the need to deal with financial challenges on a recurrent basis is the priority. There is more information contained with the Council's [Medium Term Financial Strategy](#) passed in February and pending the review and reset that the joint administration will herald.

## 16. Alignment with corporate priorities

16.1 Communities at the heart of everything we do

There are no significant implications for this priority.

16.2 A good quality of life for everyone

There are no significant implications for this priority.

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

There are no significant implications for this priority.

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

There are no significant implications for this priority.

16.5 Protecting and caring for those who need us

There are no significant implications for this priority.

## 17. Significant Implications

17.1 Resource Implications

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

17.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

17.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

17.4 Equality and Diversity Implications

There are no significant implications within this category.

17.5 Engagement and Consultation Implications

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

17.6 Localism and Local Member Involvement

There are no significant implications within this category.

17.7 Public Health Implications

There are no significant implications within this category.

17.8 Environment and Climate Change Implications on Priority Areas

17.8.1 Implication 1: Energy efficient, low carbon buildings.

Status: Neutral

Explanation: There are no significant implications within this category

17.8.2 Implication 2: Low carbon transport.

Status: Neutral

Explanation: There are no significant implications within this category

#### 17.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Status: Neutral

Explanation: There are no significant implications within this category

#### 17.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Status: Neutral

Explanation: There are no significant implications within this category

#### 17.8.5 Implication 5: Water use, availability and management:

Status: Neutral

Explanation: There are no significant implications within this category

#### 17.8.6 Implication 6: Air Pollution.

Status: Neutral

Explanation: There are no significant implications within this category

#### 17.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.

Status: Neutral

Explanation: There are no significant implications within this category

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Tom Kelly

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement? No

Name of Officer: Not applicable

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? No

Name of Legal Officer: Not applicable

Have the equality and diversity implications been cleared by your Service Contact? No

Name of Officer: Not applicable

Have any engagement and communication implications been cleared by Communications? No

Name of Officer: Not applicable

Have any localism and Local Member involvement issues been cleared by your Service Contact? No

Name of Officer: Not applicable

Have any Public Health implications been cleared by Public Health? No  
Name of Officer: Not applicable

If a Key decision, have any Environment and Climate Change implications been cleared by the  
Climate Change Officer? Yes  
Name of Officer: Emily Bolton

## 18. Source documents

### 18.1 Source documents

P&E Finance Monitoring Report (Outturn 2020-21)  
P&C Finance Monitoring Report (Outturn 2020-21)  
PH Finance Monitoring Report (Outturn 2020-21)  
CS and LGSS Cambridge Office Finance Monitoring Report (Outturn 2020-21)  
C&I Finance Monitoring Report (Outturn 2020-21)  
Capital Monitoring Report (Outturn 2020-21)  
Report on Debt Outstanding (March 2021)  
CCC Prompt Payment Report (March 2021)

### 18.2 Location

1<sup>st</sup> Floor,  
Octagon,  
Shire Hall,  
Cambridge

## Appendix 1 – transfers between Services throughout the year

(Only virements of £1k and above (total value) are shown below)

Budgets and Movements	P&C £'000	Public Health £'000	P&E £'000	CS Financing £'000	Corporate Services £'000	C&I £'000	LGSS Op £'000	Financing Items £'000
<b>Opening Cash Limits as per Business Plan</b>	275,096	0	56,470	29,570	29,441	-9,277	6,286	16,844
Greater Cambridge Partnership budgets not reported in CCC budget					-649			
Cambridgeshire Music and Outdoor Education - moving from C&I to P&C	-72					72		
Integrated Finance- moving from LGSS to Corporate Services					6		-6	
Transfer re Social Work recruitment	31				-31			
Transfer for temporary relocation of Babbage House staff					-15	15		
Transfer from Democratic Services to School Organisation and Planning Service	29				-29			
Transfer from Fostering to Communications	-34				34			
Transfer of IT trainer budgets from LGSS to Corporate Services IT & Digital Service					262		-262	
Transfer of IT CCC SLA, Customer Services, Desktop and laptop charges to LGSS to replace annual recharging	-20				-655		675	
Transfer of Ely Archives property costs from P&C to County Offices	-78					78		
County Offices and Early Help District Delivery Service adjustments	-5					5		
Transfer of Recruitment team from P&C to Corporately Managed	-212				212			
Transfer budget for additional Information Management storage					20	-20		
Transfer IT networks budget from IT Managed to IT Operations					-202		202	
Transfer Children's Centres CPSN and VOIP budgets	-9				9			
Transfer Desktop and Application support budgets to IT Operations					-175		175	
Centralisation of postage budgets	-93		-40		133	0		
Transfer of P&E Management restructure savings from PCC Shared Service			-22		22			
Transfer Non-Exec Director fees budget to C&I					35	-35		
Budget for New Homes Bonus contribution no longer required for Greater Cambridge Partnership					376			
Repatriation of Procurement from LGSS to Corporate Services					373		-373	
Repatriation of Finance Operations from LGSS to Corporate Services					45		-45	
Repatriation of Human Resources from LGSS to Corporate Services					1,340		-1,340	

Repatriation of Health, Safety & Wellbeing from LGSS to Corporate Services				182		-182	
Repatriation of Learning & Development from LGSS to Corporate Services				1,586		-1,586	
Repatriation of Finance Assessments from LGSS to P&C	569					-569	
Repatriation of IT & Digital Services from LGSS to Corporate Services				340		-340	
Repatriation of IT Managed from LGSS to Corporate Services				2,807		-2,807	
Budget allocation to cover extra 0.75% LGE pay increase	389	0	35	-440	4	12	
Allocation of Dec-Mar Lead Authority Service budgets for 20-21				172		-172	
Repatriation adjustments				-53		53	
Repatriation of Social Care Finance Operations from LGSS to Corporate Services				732		-732	
LGSS Transition project adjustments - Professional Finance				-531		531	
LGSS Transition project adjustments - Shared Services				-569		569	
Energy Efficiency Fund savings achieved by Cambridge Central Library			16		-16		
Transfer Insurance budgets in line with annual Insurance Fund processes	533		1,608	-2,203	62		
<b>Current budget</b>	<b>276,125</b>	<b>0</b>	<b>58,067</b>	<b>29,570</b>	<b>32,576</b>	<b>-9,112</b>	<b>88</b>
Rounding	0	0	0	0	0	0	1
							0

## Appendix 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2020 £000s	Movements in 2020-21 £000s	Balance at 31 March 2021 £000s	Notes
<b>- County Fund Balance</b>	17,658	8,436	26,094	
1 P&C	0	0	0	
2 P&E	0	0	0	
3 CS (LGSS Cambridge & Shared Services)	825	100	925	
<b>General Reserves subtotal</b>	18,483	8,536	27,019	
4 Insurance	4,165	665	4,830	
<b>Specific Earmarked Reserves subtotal</b>	4,165	665	4,830	
5 P&C	0	0	0	
6 P&E	0	0	0	
7 CS	3	-3	0	
8 C&I	0	0	0	
<b>Equipment Earmarked Reserves subtotal</b>	3	-3	0	
9 P&C	1,097	7,443	8,540	Savings realised through change in MRP policy.
10 PH	2,728	1,759	4,487	
11 P&E	4,669	515	5,184	Includes remainder of COVID-19 Support Grant 1st, 2nd, 3rd and 4th tranches
12 Corporate Services	5,423	-2,725	2,698	
13 C&I	709	464	1,173	Composite contingencies (row 21) divided between specific reserves
14 Transformation Fund	24,593	6,060	30,653	
15 Innovate & Cultivate Fund	972	-285	687	Composite contingencies (row 21) divided between specific reserves
16 Corporate- COVID	14,612	12,375	26,987	
17 Specific Risks Reserve		2,140	2,140	Composite contingencies (row 21) divided between specific reserves
18 This Land Credit Loss & Equity Offset		5,850	5,850	
19 Revaluation & Repair (Commercial Property)		2,940	2,940	Division to individual reserves set out above
20 Collection Fund Volatility & Appeals Account		3,690	3,690	
21 Composite contingencies	14,620	-14,620	0	Carry forward of unspent grant to spend in accordance with purposes for which the grant was given. £14.6m relates to specific Covid related grants.
22 Grant carry forwards	3,632	16,700	20,332	
<b>Other Earmarked Funds subtotal</b>	73,055	42,306	115,361	
<b>SUBTOTAL</b>	<b>95,706</b>	<b>51,504</b>	<b>147,210</b>	
23 P&C	2,518	1,074	3,592	Section 106 and Community Infrastructure Levy balances.
24 P&E	5,024	2,291	7,315	
25 C&I	11,632	-771	10,861	
26 Corporate	60,761	-10,945	49,816	
<b>Capital Reserves subtotal</b>	79,935	-8,351	71,584	
<b>GRAND TOTAL</b>	<b>175,641</b>	<b>43,154</b>	<b>218,795</b>	

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

<b>Fund Description</b>	<b>Balance at 31 March 2020 £000s</b>	<b>Movements in 2020-21 £000s</b>	<b>Balance at 31 March 2021 £000s</b>	<b>Notes</b>
1 P&E	0	0	0	
2 P&C	224	1,731	1,955	
3 Corporate Services	2,093	0	2,093	
4 C&I	0	0	0	
<b>Short Term Provisions subtotal</b>	<b>2,317</b>	<b>1,731</b>	<b>4,048</b>	
5 Corporate Services	3,613	0	3,613	
<b>Long Term Provisions subtotal</b>	<b>3,613</b>	<b>0</b>	<b>3,613</b>	
<b>GRAND TOTAL</b>	<b>5,930</b>	<b>1,731</b>	<b>7,661</b>	

## Appendix 3 – Recommendations from February 2021 report

The February Integrated Finance Monitoring Report included one recommendation to General Purposes Committee (GPC) that has not yet received approval, as the last Integrated Finance Monitoring Report to be presented at a meeting of GPC was the January report, on 23<sup>rd</sup> March 2021.

Strategy & Resources is asked to approve the recommendation from the February report.

### February 2021 Integrated Finance Monitoring Report

One recommendation concerning capital funding changes, found in section 5.6:

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

<b>Funding</b>	<b>Service</b>	<b>Amount (£m)</b>	<b>Reason for Change</b>
Additional/ Reduction in Funding (Specific Grants)	P&E	+£1.0	<p>A second tranche of Emergency Active Travel Funding has been awarded to CCC by the Department for Transport (DfT). The Government recently announced the Tranche 2 allocation of Emergency Active Travel Funding for Cambridgeshire and Peterborough. The Council is currently working with the Combined Authority to shape how this is allocated and spent and this will take account of the Government's guidance on the process to follow. We have now been notified the details of the funding split; the capital amount is £1,006k. This funding will be used this year and next financial year.</p> <p>Strategy &amp; Resources Committee is asked to note the additional funding for the Emergency Active Travel scheme as above.</p>

Appendix 4 – Savings Tracker 2020-21 Year-end

RAG	Reference	Title	Description	Budgeted Investment - Prior Years £000	Actual Investment - Prior Years £000	Budgeted Investment - 20-21 £000	Actual Investment - 20-21 £000	Original Saving - Prior Years	Original Phasing - Q1	Original Phasing - Q2	Original Phasing - Q3	Original Phasing - Q4	Original Saving 20-21	Savings Achieved - Prior Years	Current Forecast Phasing - Q1	Current Forecast Phasing - Q2	Current Forecast Phasing - Q3	Current Forecast Phasing - Q4	Forecast Saving 20-21	Variance from Plan £000	Saving complete ?	% Variance	Direction of travel	Forecast Commentary
Blue	A/R.6.114	Learning Disabilities Commissioning	A programme of work commenced in Learning Disability Services in 2016/17 to ensure service-users had the appropriate level of care; some additional work remains, particularly focussing on high cost placements outside of Cambridgeshire and commissioning approaches, as well as the remaining part-year impact of savings made part-way through 2019/20.	1,536	1,520	0	0	-5,681	-62	-63	-62	-63	-250	-4,558	-138	-77	-33	-216	-464	-214	No	-85.60	↑	Four high value out of area continuing healthcare cases were concluded in Q4.
Red	A/R.6.176	Adults Positive Challenge Programme	Through the Adults Positive Challenge Programme, the County Council has set out to design a new service model for Adult Social Care, which will continue to improve outcomes whilst also being economically sustainable in the face of the huge pressure on the sector. This is the second year of saving through demand management, building on work undertaken through 2019/20, focussing on promoting independence and changing the conversation with staff and service-users to enable people to stay independent for longer. The programme also has a focus of working collaboratively with partner organisations in 2020/21. In later years, the effect of the Preparing for Adulthood workstream will continue to have an effect by reducing the level of demand on services from young people transitioning into adulthood.	2,000	2,213	0	0	-3,800	-950	-950	-950	-950	-3,800	-3,102	-230	-47	-70	-48	-415	3,385	No	89.08	↔	Delivery of the APC demand management saving has been heavily impacted by Covid. The focus on hospital discharges and emergency work has resulted in saving delivery within assistive technology and reablement (two key areas) to be significantly below the pre-Covid profile. Work has been undertaken to evaluate what savings can still be delivered next year, and a portion has been removed in business planning. A key focus for delivering the remaining saving will be in reablement, as well as a cross-cutting workstream to ensure changing the conversation principles are being used in all parts of the service.
Green	A/R.6.179	Mental Health Commissioning	A retender of supported living contracts gives an opportunity to increase capacity and prevent escalation to higher cost services, over several years. In addition, a number of contract changes have taken place in 2019/20 that have enabled a saving to be taken.	0	0	0	0	0	-120	0	-12	-12	-144	0	-120	0	-12	-12	-144	0	Yes	0.00	↔	Complete
Black	A/R.6.181	Review of commissioned domiciliary care	A review will be undertaken to ensure that the hours of domiciliary care we provide are required to meet people's needs, particularly ensuring that care is tailored to individuals' lifestyles. This should allow fewer hours to be commissioned, for example, where there are care calls that are not needed, and release some capacity to use elsewhere. This is associated with a transformation fund investment, providing capacity to undertake this work.	0	0	0	0	0	-75	-75	-75	-75	-300	0	0	0	0	0	0	300	No	100.00	↔	Impaired due to Covid-19.
Green	A/R.6.182	Improved Better Care Fund	A review has been conducted of expenditure funded by ringfenced social care grants, particularly the IBCF. A number of areas of spend (those not achieving sufficient outcomes) are proposed to be discontinued, with funding redirected to meet demand pressures.	0	0	0	0	0	-170	0	0	0	-170	0	-170	0	0	0	-170	0	Yes	0.00	↔	Complete
Green	A/R.6.201	Cambridgeshire Skills	'Cambridgeshire Learning & Skills' is being transformed into 'Cambridgeshire Skills' a new stand-alone, self-financing service which aims to deliver more substantial, direct delivery of adult learning and skills, particularly targeted at those furthest away from learning and work to support their social and economic wellbeing.	0	0	0	0	0	-180	0	0	0	-180	0	-180	0	0	0	-180	0	Yes	0.00	↔	Saving complete
Green	A/R.6.202	Youth Justice / Youth Support	A reduction in staff capacity (£15k) and grants to external organisations (£15k) across the Youth Offending and Youth Support Services.	0	0	0	0	0	-30	0	0	0	-30	0	-30	0	0	0	-30	0	Yes	0.00	↔	Saving complete
Green	A/R.6.255	Children in Care - Placement composition and reduction in numbers	Through a mixture of continued recruitment of our own foster carers (thus reducing our use of Independent Foster Agencies) and a reduction in overall numbers of children in care, overall costs of looking after children and young people can be reduced in 2020/21.	2,271	1,367	0	0	-1,311	-783	-784	-783	-784	-3,134	-1,311	-783	-784	-783	-784	-3,134	0	No	0.00	↔	Complete
Green	A/R.6.257	Early Help offer within Children's services	This saving will be achieved by ensuring that early help services are targeted in as effective and efficient a way possible.	0	0	0	0	0	-187	-188	-187	-188	-750	0	-187	-188	-187	-188	-750	0	Yes	0.00	↔	Complete
Green	A/R.6.266	Children in Care Stretch Target - Demand Management	Please see A/R.6.255 above.	2,271	1,367	0	0	0	-375	-375	-375	-375	-1,500	0	-375	-375	-375	-166	-1,291	209	No	13.93	↔	Final CIC Placements overspend of £857k, offset by £648k underspend in-house. Increased pressures in the final quarter of the year.
Green	A/R.6.267	Children's Disability 0-25 Service	The Children's Disability 0-25 service has been restructured into teams (from units) to align with the structure in the rest of children's social care. This has released a £50k saving on staffing budgets. In future years, ways to reduce expenditure on providing services to children will be explored in order to bring our costs down to a level closer to that of our statistical neighbours.	0	0	0	0	0	-12	-13	-12	-13	-50	0	-12	-13	-12	-13	-50	0	Yes	0.00	↔	Complete
Green	A/R.6.268	Utilisation of Education Grants	Contribution from the LAC Pupil Premium Grant to fund work with children in care	0	0	0	0	0	-12	-13	-12	-13	-50	0	-12	-13	-12	-13	-50	0	Yes	0.00	↔	Saving complete
Green	A/R.6.269	Review of Education support functions	Review of Education support functions including business support.	0	0	0	0	0	-43	-43	-43	-42	-171	0	-43	-43	-43	-42	-171	0	Yes	0.00	↔	Saving complete
Black	A/R.6.270	Home to School Transport	Review of Home to School Transport processes and provision to include procurement, shared services, demand management and supporting independence	0	0	129	0	0	0	-200	-200	-200	-600	0	0	0	0	0	0	600	No	100.00	↓	Savings were due to be achieved through a number of workstreams including route reviews and independent travel training. Travel training requires pupils to be in school and to be trained on public buses which has not been possible for the majority of the year. A decision was also taken to delay tender rounds recognising the pressure on the transport sector, reducing available savings from route reviews.
Green	A/R.7.102	Registration Service - Certificate Income	An increase in statutory charges for certificates has resulted in an increase in income collected by the Registration Service.	0	0	0	0	0	-35	-35	-35	-35	-140	0	-35	-35	-35	-35	-140	0	Yes	0.00	↔	Saving complete
Amber	A/R.7.105	Income from utilisation of vacant block care	We currently have some vacancies in block purchased provision in care homes. Income can be generated to offset	0	0	0	0	0	-37	-38	-37	-38	-150	0	0	0	0	-12	-12	138	No	92.00	↓	This saving has been impaired by the change in the care home market as a result of covid 19. There are now more vacancies in care

RAG	Reference	Title	Description	Budgeted Investment - Prior Years £000	Actual Investment - Prior Years £000	Budgeted Investment - 20-21 £000	Actual Investment - 20-21 £000	Original Saving - Prior Years	Original Phasing - Q1	Original Phasing - Q2	Original Phasing - Q3	Original Phasing - Q4	Original Saving 20-21	Savings Achieved - Prior Years	Current Forecast Phasing - Q1	Current Forecast Phasing - Q2	Current Forecast Phasing - Q3	Current Forecast Phasing - Q4	Forecast Saving 20-21	Variance from Plan £000	Saving complete ?	% Variance	Direction of travel	Forecast Commentary
		provision by self-funders	the vacancy cost by allowing people who pay for their own care to use these beds																					home beds across the market than previously. This reduces the likelihood of being able to sell our vacant block beds to people who pay for their own care as there is more choice across the market and it is anticipated only minimal savings will be delivered this year.
Red	A/R.7.106	Client Contributions Policy Change	In January 2020, Adults Committee agreed a set of changes to the charging policy for adult social care service-user contributions. We expect this to generate new income of around £1.4m in 2020/21, and are modelling the full-year impact into 2021/22.	0	0	153	0	0	-350	-350	-350	-350	-1,400	0	0	0	-183	-25	-208	1,192	No	85.14	↑	Delivery of the saving in-year is expected to be significantly impaired. The impact of the pandemic in conjunction with resourcing issues has impacted on timescales for commencing the programme of reassessments following amendment of the contributions policy.
Green	B/R.6.102	Waste	Reduction in the amount of Waste being landfilled.	0	0	0	0	0	-100	-100	-100	-100	-400	0	-100	-100	-100	-100	-400	0	No	0.00	↔	
Green	B/R.6.204	Road Safety	H&CI committee members approved the implementation of a new transformative model for delivering all elements of road safety (education, engineering, school crossing patrols, safety cameras, audits etc). The approach is an integrated model with Peterborough, built around core and commercial activities. The £50k will be achieved through more efficient working practices (moving resource online and co-location)	0	0	0	0	0	-12	-13	-12	-13	-50	0	-12	-13	-12	-13	-50	0	No	0.00	↔	
Green	B/R.6.214	Street Lighting - contract synergies	Every year the budget is changed to reflect the level of synergy savings which will be achieved from the joint contract. This will not lead to any reduction in street lighting provision.	800	228	0	0	-216	5	5	5	6	21	-216	5	5	5	6	21	0	No	0.00	↔	
Black	B/R.7.119	Income from Bus Lane Enforcement	Utilising additional bus lane enforcement income to fund highways and transport works, as allowed by current legislation.	0	0	0	0	0	-162	-163	-162	-163	-650	0	0	0	0	0	0	650	No	100.00	↔	Due to COVID, existing income target not being met.
Black	B/R.7.120	Deployment of current surpluses in civil parking enforcement to transport activities	Deployment of current surpluses in civil parking enforcement to transport activities, including a contribution to Park & Ride, as allowed by current legislation.	0	0	0	0	0	-85	-85	-85	-85	-340	0	0	0	0	0	0	340	No	100.00	↔	Due to COVID, existing income target not being met.
Black	C/R.6.103	External Auditor fee	Saving to be achieved from reduction in expenditure on External Audit, as per fees set by Public Sector Audit Appointments	0	0	0	0	0	-3	-4	-4	-4	-15	0	0	0	0	0	0	15	No	100.00	↔	No further reduction this year, after a number of years of falling external audit prices for local government, the Redmond Review and auditor action is likely to lead to increases.
Green	C/R.6.106	Reduction in costs on Redundancy, Pensions & Injury budget	Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services.	0	0	0	0	-30	0	0	0	-10	-10	-20	0	0	0	-10	-10	0	Yes	0.00	↔	
Green	C/R.6.108	Democratic Services	Savings from efficiencies in the Democratic Services team and additional income from public sector partners.	0	0	0	0	0	0	0	0	-30	-30	0	-30	0	0	0	-30	0	Yes	0.00	↔	Long term increase in income
Green	C/R.7.102	Business rates income from Alconbury Enterprise Zone	Cambridgeshire County Council's shared of retained business rates income from the Alconbury Weald Enterprise Zone.	0	0	0	0	0	-22	-23	-22	-23	-90	0	-22	-23	-22	-23	-90	0	No	0.00	↔	Rates paid over 10 months of the year
Green	E/R.6.033	Drug & Alcohol service - funding reduction built in to new service contract	This saving has been built into the contract for Adult Drug and Alcohol Treatment Services which was awarded to Change Grow Live (CGL) and implemented in October 2018. The savings are being achieved through a new service model with strengthened recovery services using cost effective peer support models to avoid readmission, different staffing models, and a mobile outreach service.	0	0	0	0	-162	-32	-32	-32	-31	-127	-162	-32	-32	-32	-31	-127	0	No	0.00	↔	On track
Green	E/R.6.034	Recommissioning of the Integrated Contraception and Sexual Health (iCASH) Service contract	This saving has been deferred from 2019/20 into 2020/21 and refers to the recommissioning of integrated sexual and reproductive health services described under saving E/R.6.042	0	0	0	0	0	-4	-4	-4	-3	-15	0	-4	-4	-4	-3	-15	0	No	0.00	↔	On track
Green	E/R.6.042	Joint re-procurement of Sexual Health Services	The re-commissioning of Integrated Sexual and Reproductive Health Services (SRH) for one service across Cambridgeshire and Peterborough. Peterborough City Council will delegate authority to Cambridgeshire County Council to commission, contract and performance manage the successful bidder on its behalf. Service efficiencies and transformational changes will secure the planned savings.	0	0	0	0	0	-12	-12	-12	-14	-50	0	-12	-12	-12	-14	-50	0	No	0.00	↔	On track
Amber	E/R.6.043	Joint re-procurement of Integrated Lifestyle Services	Re-commissioning of the integrated lifestyle services as one service across Cambridgeshire and Peterborough. Peterborough City Council will delegate authority to Cambridgeshire County Council to commission, contract and performance manage the new provider.	0	0	0	0	0	-12	-12	-12	-14	-50	0	0	-7	-12	-14	-33	17	No	34.00	↓	Delivery of this saving has been delayed due to Covid-19
Green	F/R.6.003	Babbage House closure	The lease on Babbage House is due to end in 2020-21, and will not be renewed.	369	239	0	0	0	-99	-99	-99	-100	-397	0	0	0	-397	0	-397	0	Yes	0.00	↔	Babbage House is now closed.
Green	F/R.6.108	Energy Efficiency Fund - Repayment of Financing Costs	Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs. Links to capital proposal B/C.5.029	0	0	0	0	-58	0	0	0	-8	-8	-58	0	0	0	-8	-8	0	No	0.00	↔	Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs.
Green	F/R.7.105	Renewable Energy Soham - Income Generation	Income generation resulting from capital investment in solar farm at Soham. Links to capital proposal C/C.2.102 in BP 2016-17.	0	0	0	0	-282	-4	-5	-4	-5	-18	-282	-18	0	0	0	-18	0	Yes	0.00	↔	Increased income received
Black	F/R.7.106	Utilisation/commercialisation of physical assets	One Public Estate	0	0	0	0	-21	-9	-9	-9	-9	-36	21	0	0	0	0	0	36	No	100.00	↔	Income from parking – not met in 2020/21
Black	F/R.7.110	Return on Commercial Property Investments	The Council is developing a portfolio of commercial property investments. This is the rental income generated from the leases of these properties.	1,000	145	257	0	-4,700	-26	-26	-26	-27	-105	-2,600	0	0	0	0	0	105	No	100.00	↔	This was an extension of the current target, which has not been met due to delayed investment.
Green	F/R.7.113	Invest to Save Housing Schemes - Income Generation	The Council is a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will require CCC to move from being a seller of sites to being a developer of sites, through a Housing Company. In the future, CCC will operate to make best use of sites with development potential in a co-ordinated and	0	0	0	0	-8,406	0	0	0	54	54	-3,575	0	0	0	54	54	0	Yes	0.00	↔	Net reduction in income from loans from This Land expected in 20/21

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			planned manner to develop them for a range of development options, generating capital receipts to support site development and significant revenue and capital income to support services and communities.																					
Green	F/R.7.127	County Farms - Commercial uses	Conversion of barns on the County Farms Estate for non-agricultural commercial uses, including storage and distribution.	0	0	0	0	0	-18	-19	-19	-19	-75	0	-38	0	-37	0	-75	0	Yes	0.00	↔	Rental income increased, but not due to commercial investment
Green	F/R.7.129	Pooled Property Fund Investment (CCLA)	In accordance with the Council's treasury management strategy, the Commercial & Investment Committee has supported a pooled property fund investment. The Local Authorities' Pooled Property Fund, managed by CCLA, has over £1.1bn invested spread across property classes throughout the UK. The Council has funds available to invest with a long-term horizon and the expected net returns are shown on this line.	0	0	0	0	0	-105	-105	-105	-105	-420	0	-95	-80	-80	-124	-379	41	Yes	9.76	↑	The return from the CCLA fund improved later in the year, after initially granting rental breaks
Black	F/R.7.130	Increase in ESPO dividend	Increase in ESPO dividend						0	0	0	-250	-250		0	0	0	-250	0	250	No	100.00	↓	ESPO dividend saving is expected to be achieved; however, it was not declared in time..
Green	G/R.6.004	Capitalisation of interest on borrowing	Through a change in the Council's accounting policy in 2017-18, the cost of borrowing within all schemes will be capitalised. This will help to better reflect the cost of assets when they actually become operational.					-308	0	0	0	-49	-49	-319	0	0	0	-49	-49	0	Yes	0.00	↔	

### 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