

Overview of Directorate Budget 2025-26 and Outturn Position for 2024-25

To:	Environment and Green Investment Committee
Meeting Date:	12 June 2025
From:	Deputy Chief Executive and Executive Director of Place and Sustainability Executive Director of Finance and Resources
Electoral division(s):	All
Key decision:	No
Forward Plan ref:	Not applicable
Executive Summary:	This report provides an overview of the budget for the Place and Sustainability Directorate for 2025-26 and also provides the summary of the outturn position for the 2024-25.
Recommendation:	The Environment and Green Investment Committee is recommended to review and comment on the report.

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1. Creating a greener, fairer and more caring Cambridgeshire

1.1 This report provides the consolidated management accounts of the Place and Sustainability directorate, enabling Members to be aware of, and to scrutinise, the outturn position for 2024-25.

2. Background

2.1 The Place and Sustainability Directorate has been set a gross revenue budget of £121 million (£83 million net with the directorate generating £38 million in income) and a capital budget of £92m for 2025-26. Whilst there are some risks for some budget lines the directorate is planning to deliver a balanced budget within the financial year. This was approved by Full Council as part of the Business Plan which can be found here [Business Plan Paper](#) with the detail being available here [Detailed Breakdown](#).

2.2 The directorate revenue budget is broken down as follows

- £54m on Highways and Transport
- £57m on Waste
- £4m on Planning, Economic Strategy and Climate Change
- £6m on Regulatory Services

2.3 The directorate capital programme is planned to be spent on the following

- £82m for Highways and Transport
- £10m for Waste Management

2.3 The most significant environmental service the directorate manages and committee has oversight for is waste disposal. Each year the council manages the disposal of around 320,000 tonnes of household waste, which is around 420kg per person, and spends £57 million per annum on this single responsibility alone. Recycling, reuse, recovery and composting in the county is above average rates, currently sitting at 54%. However, the directorate is reviewing these services to ensure the best value for money for residents, whilst also improving the long-term environmental performance of our waste disposal arrangements. A strategic review of the current waste contract is currently being undertaken and a separate briefing note on the Review of the Waste PFI contract has been prepared.

2.4 Furthermore, the Council has a current ambition to reduce carbon emissions and to respond to climate change. To date the directorate has enabled the council to reduce its direct carbon emissions by 42% (compared to 2018-19 baseline) and has implemented several major energy projects that will provide income to the council.

2.5 The council also plans to deliver significant upgrades in the county's electric vehicle charging infrastructure over the coming three years through the deployment of a central government grant, and it is also investing £6 million in streetlighting to cut its own energy costs through the installation of LED bulbs.

- 2.6 Some of the services the directorate provides are regulatory in nature, supporting and protecting residents and the environment – for example, trading standards, planning, registration services, historic environment, the Lead Local Flood Authority and the coroner's service.
- 2.7 In relation to planning the directorate will seek to represent the needs of local people through its role as a statutory consultee.
- 2.8 For Nationally Significant Infrastructure Projects (NSIPs), this involves working with applicants to develop their proposals to ensure they come forward in the best ways possible for the local community, including through presenting Local Impact Reports (LIR), and negotiating Section 106 funding and community legacy funding through legal agreements.
- 2.9 The directorate will continue to strive to deliver effective customer services to those residents receiving these services and ensure it performs its regulatory function in line with the relevant
- 2.10 In 2024-25 an investment of £5.9m from reserves was agreed to support the additional costs associated with waste disposal whilst the Waste PFI review is undertaken. £4.6m of this remains to be used in 2025-26 and future years is necessary, Furthermore, an investment of £251k is also planned to support the ongoing delivery of the climate change and environment programme.
- 2.11 Finance Monitoring Reports are presented to the Policy and Service Committees on a quarterly basis.
- 2.12 The revenue and Capital Budgets for each directorate are set and agreed by Full Council in the business plan in February of each year. However, these can be amended in-year by budget virements that are agreed by the Strategy, Resources and Performance Committee.
- 2.13 The financial monitoring reports provide forecasts for the outturn for both the revenue and capital budget which highlight where directorates expect to be over or underspent at the end of the current financial year against those budgets. An outturn report is also produced at the end of the financial year. This report provides the confirmed outturn position for the place and sustainability directorate for 2024-25.
- 2.14 The financial information in the reports show both the gross and net position so that the details regarding the grant funding associated with each policy line, and to align with the presentation within in the business plan.
- 2.15 The Finance Monitoring Report attached provides the outturn position for the whole of the Place and Sustainability directorate, and as such, not all of the budgets contained within it are the responsibility of this Committee. Members are requested to restrict their questions to the lines for which this Committee is responsible.

3. Main Issues

- 3.1 **Revenue:** As at the end of 2024-25 the budgets within Place and Sustainability overspent by £1.43m. The key issues for this committee relate to the delivery of energy projects. A number of projects to create new renewable energy facilities on council owned land were commissioned in 2021. The Business Plan for 2023-24 and 2024-25 set budgets with an assumed level of income. However, these energy projects experienced delays in their delivery leading to a shortfall in income generated against budgeted targets. A full lessons-learned review was commissioned by the Executive Director in 2023-24 and significant changes have been made to improve the governance and delivery of projects such as these in the future.
- 3.2 The energy schemes ended 2024-25 with an overspend of £3.50m.
- 3.3 The most significant project, the North Angle Solar Farm is now fully connected, is generating income and is supplying energy to the Swaffham Prior Energy Centre. The District Heating Scheme at Swaffham Prior is also complete the required number of connections to the schemes for the business plan has now been achieved.
- 3.4 The car park at the St Ives Smart Energy Grid Project reopened at the start of October and the solar panels at this site have been successfully energised at the end of January and are now generating energy. The Smart Energy Grid Project at Babraham Road Park and Ride works are continuing to progress.
- 3.5 There are ongoing risks associated with the generation and selling of electricity and as such income levels may fluctuate in 2025-26 but this risk is currently mitigated within the directorate.
- 3.6 *Waste Management:* Following a mid-year review of waste tonnages and prevailing gate fees, the service has drawn down on reserves as planned to offset additional waste disposal costs and the year end position is a nil variance to budget.
- 3.6 Appendix 2 of the Finance Monitoring Report provides the service explanation for the revenue variances (both over- and under-spends).
- 3.7 **Capital:** across Place & Sustainability as a whole, the directorate delivered £87m of a £101m capital programme which was a significant improvement in the delivery of capital projects compared to previous years. For 2025-26 the target is to achieve a 90% delivery level which will reduce the need for the council to set a capital variations budget.
- 3.8 Appendix 3 of the Finance Monitoring Report provides the service explanation for the capital variances (both over- and under-spends).
- 3.9 The Savings Tracker and Technical Appendices as at the end of 2024-25 are included in the Finance Monitoring Report as Appendices 4 and 5 respectively. However, all savings have either been achieved or have been addressed in the Business Plan for 2025-26. The directorate is currently projecting a balanced position for the year, noting there are always risks associated with income delivery.

4. Significant Implications

4.1 Finance Implications

This report details the financial position across Place and Sustainability.

4.2 Legal Implications

There are no significant implications within this category.

4.3 Risk Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

5. Source documents

5.1 None