

Cambridge City Council

Strategy and Resources Scrutiny Committee

Date: Monday, 2 July 2018

Time: 5.00 pm

Venue: Committee Room 1 & 2, The Guildhall, Market Square, Cambridge, CB2 3QJ

Contact: democratic.services@cambridge.gov.uk, tel:01223 457013

Agenda

- 1 Apologies for Absence
- 2 Declarations of Interest
- 3 Minutes (Pages 3 - 10)
- 4 Public Questions

Decisions for the Executive Councillor for Strategy and External Partnerships

- 5 2017/18 Annual Report Against Corporate Plan (Pages 11 - 48)
- 6 Combined Authority Update (Pages 49 - 66)
- 7 2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances - S&EP (Pages 67 - 76)

Decisions for the Executive Councillor for Finance and Resources

- 8 Annual Treasury Management (Outturn) Report 2017/18 (Pages 77 - 96)
- 9 2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances - F&R (Pages 97 - 110)
- 10 2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances – All General Fund Portfolios (Pages 111 - 154)
- 11 Digital Transformation Strategy (Pages 155 - 186)
- 12 3Cs ICT and Legal Shared Services and Greater Cambridge Internal Audit Shared Service - 2017/18 Annual Reports (Pages 187 - 200)

Strategy and Resources Scrutiny Committee Members: Barnett (Chair), Baigent (Vice-Chair), Bick, Dalzell, Sargeant and Sinnott

Alternates: Cantrill, Massey and Thornburrow

Executive Councillors: Herbert (Executive Councillor for Strategy and External Partnerships) and Robertson (Executive Councillor for Finance and Resources)

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STRATEGY AND RESOURCES SCRUTINY COMMITTEE24 May 2018
1.15 - 1.20 pm

Present: Councillors Barnett (Chair), Baigent (Vice-Chair), Bick, Dalzell, Sinnott and Sargeant

Executive Councillors: Herbert (Leader of the Council) and Robertson (executive Councillor for Finance and Resources)

FOR THE INFORMATION OF THE COUNCIL**18/28/SR Appointment of Equalities Panel**

The Scrutiny Committee agreed the nominations below:

	Number of allocation
Equalities Panel	3 Labour 2 Liberal Democrat
Councillors – Massey, Sheil, Thittala, O’Connell, Holt	

18/29/SR Appointment of Joint Staff Employment Forum (JSEF)

The Scrutiny Committee agreed the Membership of the Joint Staff Employer Forum as below:

	Number of allocation
Joint Staff Employment Forum	3 Labour 2 Liberal Democrat 2 Alternates
Councillors – Bird (Chair), Moore, Johnson, Dalzell, TBC Lib Dem	
Robertson (Ex-Officio)	
Alternate Councillor – Blencowe, TBC Lib Dem	

18/30/SR Appointment to Outside Bodies

The Scrutiny Committee recommended appointment to the outside bodies listed below:

	Number of allocation
Greater Cambridge Partnership Executive Board	1 Labour 1 Labour Alternate
Councillor – Herbert Alternate Councillor - Blencowe	

	Number of allocation
Local Government Information Unit	1 Labour
Councillor – Herbert	

	Number of allocation
East of England Local Government Association	1 Labour
Councillor – Herbert	

	Number of allocation
LGA General Assembly	1 Labour – Leader
Councillor – Herbert	

	Number of allocation
Horizons Board	1 Labour – Leader
Councillor – Herbert	

	Number of allocation
Cambridge Investment Partnership	2 Labour
Councillor – Price, Robertson	

The Leader and the Executive Councillor for Finance and Resources agreed the appointments.

The meeting ended at 1.20 pm

CHAIR

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STRATEGY AND RESOURCES SCRUTINY COMMITTEE

24 May 2018
5.15 - 6.05 pm

Present: Councillors Barnett (Chair), Baigent (Vice-Chair), Bick, Dalzell, Sinnott and Sargeant

Executive Councillors: Herbert (Leader of the Council) and Robertson (Executive Councillor for Finance and Resources)

Officers:

Chief Executive: Antoinette Jackson

Head of Legal Practice: Tom Lewis

Committee Manager: Toni Birkin

FOR THE INFORMATION OF THE COUNCIL

18/31/SR Apologies for Absence

None.

18/32/SR Declarations of Interest

Name	Item	Interest
Cllr Dalzell	18/35/SR	Personal: Governor of Abbey Meadow School which would be subject to any business rate increase.
Cllr Barnett	18/35/SR	Personal: Employer would be subject to any business rate increase.

18/33/SR Minutes

The minutes of the meeting of the 19th March 2018 were agreed and signed as a correct record.

18/34/SR Public Questions

There were no public questions.

18/35/SR Constituent Council Consent for Business Rates Supplement Order, and Devolution of Adult Education Powers

Matter for Decision

The Cambridgeshire and Peterborough Combined Authority (CPCA) were required to acquire consent from constituent councils for various powers and duties. For the CPCA, the constituent councils are Cambridgeshire County Council and all the District Councils.

Consent was being sought in respect of the power to:

- i. Levy a Business Rates Supplement; and
- ii. Transfer the Adult Education Budget and associated powers for the delivery of adult education services

Both these powers were allowed by statute for an elected Mayor and the CPCA but there were strict controls around their implementation. It was noted that by the Council giving the aforementioned consent it does not in any way make the Council liable for any costs associated with these powers.

Decision of Executive Councillor for Strategy and External Partnerships

- i. Gave consent on behalf of the Council to the making of regulations under the Local Government Act 2003 Part 1 contained in the two 'Draft' Statutory Instruments attached (Appendix 2 and Appendix 4 of the Officers report).
- ii. Asked the Combined Authority to provide detailed background reports to member Councils in support of such decision requests in future, including the option of a Combined Authority Officer to attend committee meetings to explain future proposals where requested.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Head of Legal Practice.

The Head of Legal Practice said the following in response to Members' questions:

- i. A speedy decision was needed on these matters due to parliamentary timetabling.
- ii. Any additional costs incurred in collecting any additional business rates would be reimbursed.

Councillor Bick tabled a copy of the Cambridgeshire and Peterborough East Anglia Devolution Proposal of June 2016. He raised concerns that the way the Combined Authority was working was not in line with the original proposals.

The Committee discussed the need to maintain autonomy over local decisions while retaining a good working relationship with the Combined Authority. Members were unhappy that they were being asked to make quick decisions based on limited information.

Councillor Herbert stated that there was considerable cross party and cross authority agreement on the Greater Cambridgeshire Partnership approaches to transport, congestion and housing. Discussions were on-going with the Mayor to align approaches on these complex matters. Rejecting the decisions under consideration would be unhelpful to the longer term partnership approach. There were some anomalies in the current delegations of power to the Mayor and to other bodies. However, clear delegations to the Greater Cambridgeshire Partnership were in place and there was capacity to deliver a transport strategy.

Councillor Bick stated that the City needed to reinforce its position as a partner and not a subordinate. He proposed the following amendment to the recommendation (struck through words deleted and those in bold added):

To give consent on behalf of the Council to the making of regulations under the Local Government Act 2003 Part 1 contained in the ~~two~~ 'Draft' Statutory Instruments attached (~~Appendix 2 and Appendix 4 of the Officers report~~) in **Appendix 4.**

To give consent on behalf of the Council to the making of regulations under the Local Government Act 2003 Part 1 contained in the Draft Statutory Instrument attached in Appendix 2, conditional upon his satisfaction that the Mayor's Transport Statement has been withdrawn or rejected.

The amendment was lost by 2 votes 4.

The Committee agreed that Combined Authority should be asked to provide more information on any future decisions.

Councillor Herbert proposed an additional recommendation as follows:

To ask the Combined Authority to provide detailed background reports to member Councils in support of such decision requests in future, including the option of a Combined Authority Officer to attend committee meetings to explain future proposals where requested.

The Committee resolved by 4 votes to 0 to endorse the amended recommendations.

The Executive Councillor approved the recommendation.

The meeting ended at 6.05 pm

CHAIR



Item

ANNUAL REPORT 2017/18 ON THE CORPORATE PLAN 2016/19

To:

Councillor Lewis Herbert, Leader and Executive Councillor for Strategy and External Partnerships

Strategy & Resources Scrutiny Committee 02/07/2018

Report by:

Andrew Limb, Head of Corporate Strategy

Tel: 01223 - 457004 Email: Andrew.Limb@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey,

Not a Key Decision

1. Executive Summary

- 1.1 The report attached at appendix A provides an annual report on progress made during 2017/18 on implementing the objectives set out in the Corporate Plan 2016-19..

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 To note the annual report and agree to its publication on the City Council website.

3. Background

- 3.1 In 2016 the Council introduced its first Corporate Plan, covering the priority objectives that the Council was aiming to achieve over the period 2016-19. The plan was modelled on that used by our partners in South Cambridgeshire District Council, and covered a multi-year period

to align more closely with the Medium Term Financial Strategy. It was appended to the Budget Setting Report adopted by Council in February 2016.

- 3.4 At the time the Corporate Plan was introduced, it was envisaged as “simpler for councillors, residents and other stakeholders, and staff, to refer to. It translates the vision into strategic objectives, from which operational plans and personal objectives are derived.”
- 3.5 The Corporate Plan does not seek to cover all areas of activity, or go into excessive detail. It sets out to capture the higher level, strategic objectives, and the priority activities associated with those.
- 3.6 The annual report has been compiled by officers, and sets out what has been achieved against each area of activity (appendix A).

4. Implications

(a) Financial Implications

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n/a

(b) Staffing Implications

n/a

(c) Equality and Poverty Implications

An Equality Impact Assessment has not been produced as the decision recommended in this report is simply to note the annual report of past performance and agree to its publication, rather than to make any changes to services going forward.

(d) Environmental Implications

n/a

(e) Procurement Implications

n/a

(f) Community Safety Implications

n/a

5. Consultation and communication considerations

A version of the report has been produced using the exact same text contained at appendix A, but set out in a more engaging format. This will be published on the Council's website, and promoted through our social media channels, with the intention of aiding transparency and accountability over the Council's delivery against its priority objectives.

6. Background papers

Background papers used in the preparation of this report:
These background papers were used in the preparation of this report:

[Corporate Plan 2016-19](#)

[Report to Strategy & Resource Scrutiny Committee January 2016](#)

7. Appendices

Appendix A	Annual Report 2017/18
Appendix B	Corporate Plan KPI update 2017/18

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Andrew Limb, Head of Corporate Strategy, tel: 01223 - 457004, email: andrew.limb@cambridge.gov.uk.

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Corporate Plan Annual Report 2017/18



Cambridge City Council's Corporate Plan for 2016/19 sets out the key activities the Council will undertake over a three year period in order to achieve its strategic objectives and vision.

This annual report shows what was achieved during 2017/18 under the following priority headings:

- 1. Deliver sustainable prosperity for Cambridge and fair shares for all**
- 2. Tackle the city's housing crisis and delivering our planning objectives**
- 3. Make Cambridge safer and more inclusive**
- 4. Invest in improving transport**
- 5. Protect our City's unique quality of life**
- 6. Protect essential services and transforming council delivery**
- 7. Tackle climate change, and making Cambridge cleaner and greener**

1. Deliver sustainable prosperity for Cambridge and fair shares for all

We said that we would carry out the actions in our Anti-Poverty Strategy (APS) action plan including supporting and promoting the services offered by credit unions in Cambridge; and promoting the living wage to help people on low incomes maximise their income and minimise their costs.

During the year we continued to make progress in delivering the actions in our Anti-Poverty Strategy, spending just over £298,000 on 21 projects to help improve the lives of people living on low incomes in the city. These projects included

- increasing the number of local employers accredited by the national Living Wage Foundation (from 50 to 58 in the year),
- giving energy advice to 175 low income households in the city, resulting in savings of just over £100,000, and
- extending an outreach advice service into additional local settings so that nearly 350 additional people received specialist advice in the year, providing them with additional income of £533,000.

We said that we would support children and families who face greatest need in the city by providing opportunities to be included and engaged in the life of the city.

During the year we ran our holiday lunch programme in our community centres and other venues around the city and supported cookery classes to bring families living in disadvantaged areas together, reducing their isolation, providing a warm meal and skills to eat well.

We ran our SummerDaze programme to encourage families to get outside and play together and ran a varied programme of activities for families from our community centres.

Our Children and Young People's Participation Service provided just over 700 sessions, which were attended by 25,000 children, in the year.

We said that we would ensure the impacts of welfare reform are managed smoothly and effectively to include the Council's local council tax reduction scheme; and work with the DWP to support residents with the implementation of Universal Credit.

During the year we continued to support customers affected by

During the year:

£298,000 spent on anti-poverty projects to help people living on low incomes

8 additional local employers in the city accredited with the Living Wage Foundation

175 low income households given energy saving advice

3,000 free community lunches provided to low income families in school holidays

25,000 children and young people attended 700 ChYpPS sessions

110,00 visits made to our Community Centres

<p>recent national welfare reforms such as the benefit cap, employing a financial inclusion officer to help vulnerable households maximise their incomes and improve their long-term circumstances, and worked closely with Cambridge Jobcentre and Citizens' Advice Bureau to triage and help local people affected by Universal Credit.</p> <p>We also awarded 6,440 low income households in the city a council tax reduction as a part of our Council Tax Scheme. Discretionary housing payments were also awarded to 330 people with no other recourse to funds and supported a project to assist housing benefit claimants move from hostel accommodation in to their own private tenancy.</p> <p>We also entered in to a partnership with our local water provider that reduced water bills by more than £42,000 in the year for vulnerable claimants. We were in the top 25 councils in terms of speed of processing (housing benefit) in DWP's official statistics, which meant that residents of Cambridge continued to receive prompt payment of benefit in the year.</p> <p><i>We said we would review community-based activity and facilities, and work in partnership, to ensure that services support those in greatest need.</i></p> <p>During the year we consulted with local people on our proposed strategy for providing Community Centre services. There was wide spread support for the proposals for six of the centres and these were adopted. Proposals for two of the centres, The Meadows and Buchan Street, were modified taking into account what was said during the consultation, and these are now being examined in more detail before any decision about the future of the centres is taken.</p> <p>The council also approved a new approach to running its outreach community development work in the year, including funding for the Neighbourhood Community projects it supports, which will be based on criteria that includes better use of evidence of need to inform the use of resources and giving more of a priority to providing services than managing buildings.</p> <p><i>We said we would ensure through the planning process that new developments include community and other facilities that make them high quality places to live.</i></p> <p>During the year we continued to apply the Council's policies in respect of community facilities to ensure new provision and existing facilities meet community need. The North West Cambridge community building has been completed and will open shortly. The Clay Farm community building has been completed and opened in April 2018.</p>	<p><i>During the year:</i></p> <p>6,440 people awarded a Council Tax reduction by the council</p> <p>330 of the most vulnerable households received Discretionary Housing payments to help them stay in their homes</p> <p>£1m secured for community facilities through the planning process</p>
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We said we would work with partners to secure devolution of powers and funding from central Government, and expand joint delivery of public services.

The Cambridgeshire and Peterborough Devolution Deal secured with the Government will deliver substantial investment for the Combined Authority area of around £700m.

During the year the council supported Cambridge BID and Visit Cambridge in their commitment in BID term 2 to work more closely together to deliver a coordinated visitor welcome and experience “and to develop more value from our visitor economy” within a sustainable model of tourism.

We said we would work with digitally excluded tenants and residents to enable them to access online services that improve their life chances.

During the year we funded a number of projects that enabled just over 900 people to gain the digital skills to access online services. One of the projects trained 15 Digital Champions in the year who have then gone on to run their own training sessions, helping older people to understand and use technology.

We said we would continue to support vital citywide and local advice and support services for those most in need, provided by the Citizens Advice Bureau (CAB), our skilled council advisers and others. We will carefully target investments from our Sharing Prosperity Fund, and investigate expanding CAB outreach workers to other surgeries in communities of high need.

During the year

900 people gained basic digital skills

core grant + various project grants) to support the work Cambridge Citizens Advice Bureau in providing advice to vulnerable people from our community grants budget. In the year we utilised our Sharing Prosperity Fund to extend CAB outreach advice to a further two GP settings in disadvantaged communities and supported the employment of a Financial Inclusion Officer to work with our services that have contact with vulnerable people who may need specialist advice.	<p><i>During the year</i></p> <p>£330,000 total grant to Cambridge Citizens Advice Bureau</p>
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<h2>2. Tackle the city's housing crisis and delivering our planning objectives</h2> <p><i>We said we would work with partner local authorities, Registered Providers and developers to build new homes across all tenures in accordance with the local plan, with a particular focus on maximising delivery of social rent housing.</i></p> <p>During the year 431 new affordable homes, covering a mix of social housing for rent (282), shared ownership (139) and intermediate rent (10), were completed by the council and other registered providers. Both the council and other providers have continued to strive to ensure that rents are at or below Local Housing Allowance rates to keep them as affordable as possible.</p> <p><i>We said we would develop a "General Fund Development Programme" to make the most of the Council's land to provide new market, social rented and – potentially - intermediate housing, at a range of sites including, for example: Mill Road Depot; and Park Street Car Park.</i></p> <p>During the year we continued to develop and implement the General Fund Development Programme, including the Mill Road Depot site, for which planning permission was achieved to bring forward a scheme with 50% (91) new council homes, and to work with Cambridge Investment Partnership to bring forward further affordable housing.</p> <p><i>We said we would continue to provide council housing, focusing on those most in housing need.</i></p> <p>During the year we continued to manage and maintain just over 7,100 homes in the city. Despite changes to national social housing and welfare policy, which have had a significant impact on how we manage this service, we achieved a small net gain of 54 homes in the year. Many of our tenants are vulnerable and our Tenancy</p>	<p><i>During the year:</i></p> <p>431 affordable housing completions</p> <p>7,100 social and affordable and 1279 leasehold and shared ownership homes in council management</p> <p>98% of routine repairs to council homes completed on time</p> <p>98% of rent collected (rent arrears rose from £645,398 to £779,904)</p> <p>40 tenants with mental health problems were supported to maintain their accommodation</p> <p><i>During the year:</i></p>
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Sustainment Service continued to offer support to keep their tenancies, many of whose primary need was for mental ill health support, sustaining 40 tenancies that might otherwise have been lost.

We said we would provide housing advice to reduce, and help prevent, homelessness by offering early advice on alternative housing options.

During the year, in conjunction with partners, the council continued to work hard to prevent homelessness and handled just over 650 direct approaches from households requiring advice and referred people to the Single Homeless Service, which rehoused 108 people in the year and removed the risk of rough sleeping for these individuals.

In the year we put in place an Access Scheme that helped nearly 80 households with rent deposits for the private rented sector and our Town Hall Lettings service provided private landlords with a management services and matched some tenants with their requirements.

In total the number of households prevented or relieved from homelessness by the council and its partners was 1,240 in the year.

We said we would encourage private landlords to deliver good standard, energy-efficient housing and tackle those who do not.

During the year we investigated 297 complaints concerning housing standards and empty properties and served 39 enforcement notices. We also helped bring back into use 26 empty homes and trained 48 landlords in good housing management practice across 4 training sessions and set up a Landlord Steering Group.

We continued to monitor the Government's consultation about energy efficiency regulations, which may provide new opportunities to increase the efficiency of the private rented sector when implemented.

We said we would support health and social care partners to deliver effective community and home based support.

During the year we supported 229 over 65s as part of our community support service and a further 1,100 people were living within our sheltered housing schemes.

We have assisted older people in applying for the services and benefits they are entitled to in a pensioner poverty project and so far helped individuals claim an additional income of £92,000 as well as identifying other opportunities to reduce their social isolation and promote digital inclusion.

In our sheltered housing at Ditchburn Place we have continued to

1,240 households prevented or relieved from homelessness

193 new homes for rent and shared ownership were provided by the council

297 complaints about private sector housing standards investigated

26 empty homes brought back into use

229 older people supported by our community support service

1,100 people in our sheltered housing

During the year

provide care and support to tenants whilst a major refurbishment has been underway and we made available 3 intermediate care flats from the scheme to county social services to help the hospital discharge of older patients into the community.

We said we would seek to secure target of 40% affordable housing in new developments through the planning application process.

During the year the Council secured the following affordable housing provision through implementation of the 40% target Local Plan policy:

- Mixed use commercial/residential development including 84 dwellings at 64 Newmarket Road, approved Sep 2017, delivering 21 affordable units (25%). (This is 15% below target due to viability).
- Section 73 application at 149B Histon Road, approved November 2017, increasing numbers of affordable units from 9 to 21 (100%).
- Erection of 182 dwellings at Mill Road Depot, resolution to approve at March 2018 planning committee, delivering 91 affordable dwellings (50%).
- Mixed use commercial/residential development including 89 dwellings at Murdoch House 40 - 44 Station Road, approved March 2018, delivering an off-site financial contribution of up to £1.8m for affordable housing.

We said we would support the local plans through the examination process to adoption and then joint implementation with partners, particularly in partnership with South Cambridgeshire District Council.

During the year we continued to progress Local Plan through the Examination in public, working closely with South Cambridgeshire District Council. Hearing sessions were held covering the joint Omission Sites and consultation on the main modifications was undertaken on behalf of the Inspector.

We said we would ensure planning applications are dealt with within target timescales and resources.

During the year we exceeded the Government's target timescales for all planning application types and dealt with nearly 1,500 planning applications. 100% of major applications were decided within 13 weeks or the agreed time (against a Government target of 60%). 90% of minor applications and 94% of other applications were decided within 8 weeks or the agreed time (against a Government target of 70%).

We said we would develop further the Cambridge City Housing Company.

1,500 planning applications dealt with

3. Make Cambridge safer and more inclusive

We said we would work to make the city a safer, more inclusive and welcoming place by promoting equality and diversity advice and events.

During the year we continued to work in partnership to deliver a programme of free events to celebrate diversity, such as Black History Month and International Women's Day, in the city and developed a training programme to enable equalities organisations to learn from each other and to make links to current best practice. We also continued to fund and support free community events that promoted community pride and cohesion in the City, such as the Big Weekend (which again had an estimated attendance of around 30,000 people), Cherry Hinton Festival and Strawberry Fair.

We said we would work with County Council, Police and local residents and businesses to tackle anti-social behaviour issues, including littering, alcohol-related incidents, fly tipping and nuisance punt touts.

During the year we extended the duration of the Public Spaces Protection Order (PSPO) covering Mill Road cemetery, Petersfield Green and Ditchburn Place and issued 42 fixed penalties for breaching PPOs across the city out of a total 606 fixed penalty notices we issued. In the year we also dealt with 318 cases of antisocial behaviour, 119 of which involved intensive casework. Our Environmental Health department responded to 1,735 complaints about noise nuisance and served 29 abatement notices in more serious cases.

We said we would ensure that Council departments, and the partners who deliver services on our behalf, meet high standards in protecting children and adults through our safeguarding activity.

During the year we have continued to provide in-house basic awareness and refresher safeguarding training for those working with or providing services for children and young people as well as providing bespoke training for local partners. Our approach to safeguarding was viewed positively in an audit of our practice by the Local Safeguarding Board and we continued to monitor the safeguarding aspects of the community and voluntary organisations that we fund as part of our grants programme.

During the year:

30,000 people attended the Big Weekend event

606 fixed penalty notices issued

318 cases of anti-social behaviour dealt with

1,735 noise nuisance complaints investigated

78 fixed penalty notices issued to "Punt Touts" since PSP order put in place

We said we would fund overnight street lighting across Cambridge that would otherwise have been lost, to reduce the risk of crime, reduce the fear of crime, and contribute to the wider safety of people travelling during the night or starting their journeys early morning.

During the year the council continued to provide a grant to the county council to increase the brightness of street lighting in Cambridge between 10 pm and 2 am, in response to concerns about the safety of residents.

We said we would upgrade CCTV, including relocatable CCTV, to continue its vital contribution to making Cambridge safer. We will target areas of the city which experience most crime or anti-social behaviour.

During the year, we invested £60,000 in 6 new re-deployable CCTV cameras and secured a capital budget allocation of £600,000 to invest in replacing 60 public space and 43 public car park CCTV cameras and associated recording and software equipment in 2018/19.

We continued to administer the deployment of mobile CCTV (RCCTV) cameras in the city, working with local communities that experience high levels of crime and anti-social behaviour to ensure their appropriate deployment and that they are used effectively.

We said we would follow up the consultation on the proposed Public Spaces Protection Order to achieve effective measures to tackle anti-social behaviour from punt touts.

During the year we extended the duration of the Public Spaces Protection Order (Touting) 2016 that prohibits verbally advertising or soliciting for custom or otherwise touting for a punt tour or the hire or use of punt boats or similar craft on the River Cam.

Since the order was put in place 78 fixed penalty notices for breaching the PSPO have been issued, with a further 7 cases resulting in successful prosecution for repeat offences (within six months of previous fixed penalty notice). We continued to review the effectiveness of these measures.

We said we would implement the Mental Health Concordat in partnership with other organisations, refocusing council service delivery on the needs of residents experiencing mental health issues.

During the year:

25 rough sleepers helped to secure accommodation

decision-making meetings. We started streaming” live” major meetings of interest and so far this additional opportunity to view and listen to council meetings has been well received.

We said we would review the role of people under eighteen in decision making and having a say on the delivery of council services that affect them.

During the year we talked to young people through small group activities, online engagement and a “Take Over Day” we learnt that most young people are happy to engage with the council via social media but aren’t keen to attend formal meetings.

They expressed views and opinions about local provision and are interested in finding out more about topical issues like homelessness, housing, refugee provision and traffic. These views and opinions were reported to councillors in the year.

4. Invest in improving transport

We said we would work in partnership to deliver the City Deal infrastructure schemes and other transport measures that support the sustainable growth of Cambridge by reducing traffic congestion and increasing pedestrian, cycle and public transport use; and by securing additional investment from Government, transport operating companies and others.

During the year a number of priority infrastructure schemes continued to be progressed by the Greater Cambridge Partnership through various stages of the consultation and planning processes, including: Cambourne to Cambridge; The Chisholm Trail; Cross City Cycling; Milton Road; Histon Road; City Access; West of Cambridge Package; Cambridge South East Transport Study (formally A1307) and; other key transport projects.

We said we would manage off-street parking that supports business and residents’ needs, investing in modernised payment systems and improved energy efficiency and developing a partnership with the County Council’s parking and enforcement roles.

During the year we prepared to implement modernised and contactless payment systems at our car parks, with installation starting (later than originally intended) in April 2018. The Council spent on structural and equipment improvements in our multi-storey car parks, improving drainage and replacing deck coating, to make the customer experience better.

During the year:

2.3m visits to multi-storey car parks

<p>Parking enforcement continued and a joint parking enforcement contract involving the Council and Cambridgeshire County Council was put in place.</p> <p>Local retailers were consulted in joint forums and research was commissioned with partners to gain further insight into the reasons why people park in the city, their preferences for alternatives and how we might influence a modal shift in current arrangements without damaging the local retail sector.</p> <p><i>We said we would work with Cambridge Business Improvement District, local retailers and businesses and City Deal partners to develop a plan to reduce delivery vehicle movements in the city centre.</i></p> <p>During the year the Greater Cambridge Partnership provided additional resources to the City Access project, which is looking at ways to improve traffic movements within Cambridge and encourage a shift away from private car, to help progress the project.</p> <p>There was no specific action on delivery vehicle movements in 2017/18 – freight consolidation remains part of the wider access strategy which will be developed further, working with partners and stakeholders, during 2018/19.</p> <p><i>We said we would continue to deliver improved cycle routes, including the Chisholm Trail, other cross-city cycling initiatives and related cycling improvements.</i></p> <p>During the year we continued to work with the County Council and other stakeholders to deliver and improve cycling routes, including the Chisholm Trail project and other interrelated work.</p> <p>In the year the first phase of the Chisholm Trail project was progressed through further stages of the planning process and the cycling ‘Greenways’ project developed so they can be subject to public consultation in Autumn 2018. As part of the second phase, the City Council gained planning permission for part of the Chisholm Trail to be included across its Mill Road development.</p> <p><i>We said we would work with the County Council, Network Rail and private sector partners on proposals for an Addenbrookes’ Rail Station and for the May 2017 opening of Cambridge North station - projects requiring integration with improved bus and cycle options. We said we would also work to improve Cambridge rail station and to secure wider additional investments in the rail network benefitting Cambridge and Cambridgeshire.</i></p> <p>During the year the GCP agreed to part fund (£1.7m) with the Combined Authority and business, the development stage for a Cambridge South railway station.</p>	<p><i>During the year</i></p>
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5. Protect our City's unique quality of life

We said we would provide swimming, sport facilities and leisure services that are accessible to everyone, targeting our resources on promoting healthy lifestyles to address health inequalities.

During the year attendance at the Council's swimming pools remained strong with over 600,000 casual swims and 205,000 visits to our sports facilities recorded. The numbers of entries to Council-owned leisure facilities by people holding concession memberships was 31,000, and the number of children attending free swimming lessons was over 3,000.

In the year refurbishments and improvements to Cherry Hinton Recreation Ground Pavilion increased the size of the pavilion to help the local clubs using the recreation ground and improvements to Lammas Land tennis courts and partnership work with Park Tennis has extended provision of free tennis courses to three locations around the city.

This year the Street Games programme ran over 300 sessions with more than 6,000 attendances throughout the year and the free exercise referral scheme saw its highest attendance with over 120 individuals participating.

We said we would engage a greater proportion and diversity of residents in the arts and cultural life of Cambridge.

During the year the allocation of our grants for arts and cultural activity focused on increasing engagement and included support for Kettle's Yard work in North Cambridge, University of Cambridge Museum's activities with older people, and Cambridge Junction's programme of events presenting artists from diverse backgrounds.

The My Cambridge partnership continued its focus on engaging children and young people, with targeted work with young people attending Coleridge Community College through the ACTIVATE programme, and a project to engage children with arts and culture and the Arts Award programme, at St Luke's Primary, Shirley Primary, North Cambridge Academy and Netherhall School, which led to the participation of 1075 young people. Young people were also engaged in the first Trumpington Youth Festival.

We said we would provide funding and targeted advice to voluntary organisations, prioritising projects that tackle inequality.

During the year:

805,000 visits to our swimming and sports facilities

6,000 people attended our Street Games programme

1,075 additional young people participated in arts and cultural activities in the city

£700,000 spent on environmental improvements

27 public consultations run

<p>During the year we funded, to the value of £900,000, 114 voluntary and community groups who delivered over 150 services and activities to support vulnerable people living in Cambridge.</p> <p><i>We said we would deliver capital projects that will enhance community infrastructure and quality of life for city residents in new and existing communities.</i></p> <p>During the year we continued to deliver a programme of infrastructure, environmental and cultural improvements across our public streets and open spaces that enhanced community cohesion and quality of life for city residents and visitors, spending approximately £700,000 on these improvements.</p> <p><i>We said we would involve communities in the planning, development and management of community assets, including public land and buildings.</i></p> <p>During the year we continued to ask local people what they thought about changes and improvements to our services, including the way we develop and manage community assets. The Council continued to apply its Consultation Code of Best Practice to help ensure that our consultations focus on openness; accessibility and inclusiveness; and transparency and accountability. We ran 27 consultations in the year.</p> <p><i>We said we would maintain a high quality and accessible city centre environment by working with the County Council, Cambridge Business Improvement District and local retailers and businesses.</i></p> <p>During the year we continued to work closely with local retailers and businesses involved within the Cambridge Business Improvement District and other stakeholders with an interest in the City Centre to maintain a high quality and accessible City Centre environment. One initiative was the improvement of the Visual Messaging System to inform visitors about their parking options.</p> <p><i>We said that we would ensure that valuable green, natural and historic assets well-used by visitors and residents are protected and improved through the planning process.</i></p> <p>During the year we have continued to apply the Council's policies on protection and enhancement of the historic and natural environment. We have contributed to the management plan for Hobson's Conduit corridor.</p> <p>We undertook discussions with several Colleges backing the Cam to minimise impacts of development proposals visible across the Backs. We cooperated with measures to remove St Clements Church from the "Heritage at Risk" list.</p> <p>We have also prepared site specific supplementary planning documents for Land North of Cherry Hinton and the Grafton Area..</p>	<p><i>During the Year</i></p> <p>114 voluntary and community groups funded</p>
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We said we would ensure that growth that balances economic success with quality of life and place (including in the design of new buildings) is supported, as set out in the current and emerging local plan strategy.

During the year we have continued to take a balanced approach towards supporting the economy and protecting the quality of life through defending the Local Plan at examination and in determining planning applications. Consultants were appointed to help progress the preparation of a spaces and movement supplementary planning document.

We have continued to encourage the quality of the design of new buildings through the co-organising and sponsoring the Cambridge Design & Construction Awards. In recognition of our approach, schemes continue to be short-listed and awarded for the quality of development. This includes Nine Wells, the community building at North West Cambridge, Aura, Clay Farm and Lot M3 at North West Cambridge.

We said we would work with Cambridge Live, Cambridge BID and Visit Cambridge & Beyond to develop and deliver a programme of outdoor public events and activities and to maximise the economic benefits from visits and tourism.

During the year we supported Cambridge BID in their renewal ballot that resulted in securing a further five years of investment in the city centre focused on creating a world class experience for all who visit, live and work in Cambridge. We also continued to support the development and delivery of a number of public outdoor events and activities, including Mill Road Winter Fair, North Pole area and additional Market events.

We said we would implement the Council's new tree strategy and existing Council initiatives for improving tree numbers and quality, including increased promotion of the council's Trees for Babies scheme. We also said we would seek clarity and partnership working from the County Council in order to retain and improve roadside tree provision.

During the year we continued to put in place our Tree Strategy action plan to protect and manage our tree stock. We planted 283 new trees on our estate and our Trees for Babies scheme provided 170 trees to parents.

We continued to work in partnership with the County Council in managing its 10,000 street trees, undertaking inspections, commissioning works and planting replacements and proposed a service level agreement that clearly sets out levels of funding, responsibilities and liabilities for a range of City provided services to the County, including street tree management. We also processed 538 tree works applications for works to protected private trees and served 32 tree preservation orders.

During the Year

533 tree work applications processed

32 new tree preservation orders made

6. Protect essential services and transforming council delivery

We said we would develop, and start implementing, our Office Accommodation Strategy, working with shared service partners to achieve cost and carbon savings.

During the year building works to Mandela House, 130 Cowley Road and the former Park & Ride site were started to allow us to begin to vacate our staff from premises at Mill Road Depot and Hobson House.

Due to the complexity of the construction projects, the office moves were not completed by the end of March as originally planned, but are due to be completed by the end of June. These moves will help to reduce our costs and free up our Mill Road site for future redevelopment.

We said we would generate more income from the commercial property portfolio through investment in new and existing property.

During the year, we acquired six new commercial properties that will generate an additional income for the Council of c£1,050,000 a year.

We said we would implement, monitor and review shared ICT, Building Control and Legal Services.

During the year business plans setting out the key priorities, objectives, activities and measures of success for each of the shared services were provided as part of the development of the services in both meeting the needs of customers and running more efficiently.

A Shared Services Annual Report for 2017/18 will be presented later in the year.

We said we would review existing, and explore new, opportunities for shared services.

During the year we successfully appointed a Head of Service for the Shared Internal Audit Service with South Cambridgeshire District Council. We also started to put in place a shared planning service with South Cambridgeshire District Council, who will be the lead body. A new management structure was prepared and existing City Council planning staff transferred to it. The new shared service was launched on 1st April 2018.

We are at the stage where we are consolidating our existing shared services and need to agree with South Cambridgeshire district council whether we should share any further services.

During the year we agreed a single ICT strategy and technology road map, aligning back office systems across all three partners and

During the year:

£1.05m of additional income from new commercial property

88% of calls to our Customer Service Centre resolved at first point of contact

98% of Council Tax collected

99% of Business Rates collected

98% of invoices to council paid on time

established a virtual digital team to deliver partner authorities' digital strategies. Shared services also largely reduced the use of contracted and interim staff.

We said we would review current commercial activities and skills and invest in further developing them.

During the year we put in place a commercial strategy that helps guide our staff as we become more business-like and where appropriate more commercial in our approach.

We continued to develop our procurement skills and activity, delivering all work in-house where it had previously been outsourced, which shows indicative savings have been made to be in the region of £18,000 per procurement exercise.

We said we would develop new business models to deliver sustainable commercial revenue streams to support essential council services, using the Council's "invest for income" fund where appropriate.

During the year our Bereavement Services refurbished the chapel at Newmarket Rd, purchased a private ambulance to offer an alternative location for all services, partnered with a florist to deliver in-house floral tributes and redesigned and refurbished much of the open spaces at Huntingdon Road. A new process for structuring fees and charges was also put in place, which together with the improvements will maintain revenue despite increased competition and the disruption experienced during the A14 works.

During the year our garage established its presence at Waterbeach and grew its private business by nearly 25%, winning a new contract to supply the servicing needs of East Cambridgeshire's waste fleet, and developed a new vehicle rental service.

We said we would establish a new operational depot for our Streets & Open Spaces (S&OS) and Estates & Facilities.

During the year we secured planning consent for our new operational depot and office premises at Cowley Road. Works started on these premises, but was not completed to the original timetable. They are expected to be fully up and running by the end of June.

We also secured capital funding to enable us to bring our S&OS waste handling/ transport back in-house to make financial savings and increase commercial trading opportunities.

We said we would achieve service improvements and efficiencies by carrying out a comprehensive service review of Streets and Open Spaces.

During the year we completed our S&OS service review and used the results to develop a four year service development strategy and associated implementation plan that will allow the service to provide a better customer experience, be greener and more cost effective.

During the year:

Our strategy will also enable us to respond positively to the challenges and opportunities that the city faces, including significant housing and business growth and climate change.

We said we would ensure customer contacts and queries are managed in a prompt, efficient and responsive way, adopting new self-service technologies to enable customers to access services 24/7.

During the year we received just over 350,000 contacts at our Customer Service Centre. The new self-serve technologies continued to improve our performance with a call answer rate of 88% of calls answered and customer waiting times under our 10 minute target, at an average of 9 minutes 15 seconds in 2017-18. The number of transactions conducted through the internet has increased by over 70% over the past three years.

We said we would explore joined up working with neighbouring councils to deliver better services and results for Cambridge residents and businesses and deliver greater efficiencies.

During the year we put in place a new financial management system that will reduce our operational costs by replacing the three separate finance systems used by Cambridge City, South Cambridgeshire and Huntingdon District Councils.

We said we would seek to protect residents' services despite the expected loss of 100% of the Council's core grant by 2020. We will develop and implement our 'Plan for 2020', a four year plan linked to obtaining funding certainty from the Government.

During the year we followed our efficiency plan, which led the Government agreeing to provide the Council with certainty about the minimum grant and other support to be received over the next years to 2020. We plan to save £1.7m by 2022.

We said we would support the case for Cambridgeshire and Peterborough to jointly manage all the business rates generated in the county to tackle inequality across the county, and address the infrastructure and affordable housing deficit which is a risk to sustainable growth.

During the year uncertainty continued around business rates as the Government sought to develop the 100% business rates retention scheme. As a part of discussions with the Government about the powers and functions that could be devolved to a Combined Authority, the case for jointly managing all the business rates generated in the county was raised, however this was unsuccessful. Along with other councils in the area we will consider applying for inclusion within the 2019/20 scheme, if one is proposed.

During the year

350,000 contacts made with our Customer Service Centre

2,300 new followers to the Council's corporate Twitter account

We said we would press Government to retain the New Homes Bonus because providing additional new housing depletes council finances and the New Homes Bonus offers some compensation for these extra costs, ensuring that future growth is sustainable.

During the year we received £6.3m in New Homes Bonus from the Government. We responded to the Government's consultation on proposed reforms to the New Homes Bonus scheme asking that the scheme remain unchanged, to help the Council recover the extra costs in providing services to new communities, ensuring future growth is sustainable. No changes in NHB or its calculation were made in the 2018/19 local government finance settlement. However, there is no guarantee that current levels of NHB will be maintained for future years.

We said we would seek the best devolution settlement with Government, in partnership with other Cambridgeshire councils, the Greater Cambridge Greater Peterborough Enterprise Partnership and others.

During the year the first houses in the five year programme to deliver new council housing in Cambridge, worth £70m, were completed and planning permissions agreed for other key sites including Mill Road depot. The latest update on the programme was reported to the Combined Authority in March 2018 and the council's partnership agreement with the Combined Authority for this programme confirmed.

In the year the Combined Authority has also been developing its wider work programme and development work is underway on a number of joint strategies including the first phase of a Non-Statutory Spatial Plan, which has been led by the Leader of the Council in his role as Planning Portfolio holder for the Combined Authority.

The Government announced an additional Housing Investment Fund in 2107 for schemes supported by Combined Authorities. The CPCA supported the council's bid, in partnership with Anglian Water, for Cambridge Northern Fringe East. This project is seeking to develop a new mixed use residential and commercial district. The bid has passed the first stage of assessment and is through the stage 2 of the government's process. We expected a decision later in 2018.

We said we would explore opportunities to develop further the Council's investment strategy in property, housing, energy efficiency and renewable energy projects.

During the year we continued to deliver, as part of our Carbon Management Plan, an on-going programme to improve energy efficiency and reduce carbon emissions in our estate.

We also continued to support private landlords to deliver good standard, energy efficient housing, and to use our enforcement powers to tackle those who do not. In the year we prepared for the Adoption of the Private Rented Sector Housing Standard and have geared up to use powers under the Housing & Planning Act 2016 to use of Civil Penalty Notices, as an alternative to prosecution, where appropriate, in relation to Housing Act offences.

7. Tackle climate change, and making Cambridge cleaner and greener

We said we would implement the actions in our Climate Change Strategy, reducing emissions from our own estate and our property portfolio.

During the year we made improvements to the solar thermal system and hot water system at Abbey Leisure Complex to utilise more of the heat generated. The complex's air handling unit which supplies, extracts and circulates air around the building was replaced with a more energy efficient system that recycles and re-uses more of the heat than previously was extracted, reducing gas and electricity consumption.

In the year a number of carbon reduction projects were identified and undertaken at the Guildhall and Mandela House. We continue to purchase electricity for our buildings through a green energy tariff which comes from 100% renewable sources.

The Council's most recent Greenhouse Gas report (July 2017) showed that the Council's emissions had fallen by 4.6% from the previous year, to 7,234 tonnes of carbon dioxide equivalent (tCO₂e).

We said we would work with residents, businesses and other organisations to reduce emissions in the city; including working with coach, bus and taxi operators to reduce vehicle emissions harmful to public health.

During the year:

100% of the electricity used in our buildings was from renewable sources

4.6% reduction in Council CO₂ emissions

21 fast and rapid charge points for electric taxis to be installed by 2020

<p>During the year we published a 5 year Air Quality Action Plan setting out the key actions that we and our partners will take forward to ensure improvements to air quality in the city. Chief amongst these actions is work to move to a low emission taxi fleet using secured grants worth £628,000 in total to take forward the installation of 21 Fast and Rapid Charge Points for electric taxis by 2020.</p> <p>Following significant consultation, measures to change the licencing criteria for Private Hire and Hackney Carriages was also secured to encourage and then mandate the shift to Electric and Plug-in Hybrid taxis over the next 10 years. In addition, we also secured £175,000 in the year from the Greater Cambridge Partnership to ensure that transport investments proposed by the partnership will benefit air quality.</p> <p>The Council also secured a grant award of £428,000 from the Office for Low Emission Vehicles and £100,000 from the Greater Cambridge Partnership (GCP), coupled with £100,000 from the council's own capital programme to take forward the installation of 21 Fast and Rapid Charge Points for electric taxis by 2020.</p> <p><i>We said we would adapt further to the impacts of climate change to increase the city's ability to cope with extreme weather, particularly for the most vulnerable.</i></p> <p>During the year we worked on a climate change adaptation plan to address the risks identified in the UK Climate Change Risk Assessment 2017 and informed residents how to cope in a heat-wave through an article included in Cambridge Matters.</p> <p>We also worked with the Environment Agency to restore a fish passage at Sheep's Green Local Nature Reserve (LNR, which in addition to benefitting many species of plants and other wildlife as a result of the de-silted, faster flowing channel, the reserve will also play a role in lessening the effects of extreme weather, which will become more severe and frequent as a result of climate change, by providing areas for the run-off of water after heavy rainfall, reducing flooding.</p> <p><i>We said we would work with local residents and businesses with the aim of increasing waste recycling rates and reduce total waste generated per capita.</i></p> <p>During the year our shared waste service collected just over 50,000 tonnes of materials for recycling from the blue and green bins and</p>	<p><i>During the year</i></p> <p>50,000 tonnes of recycling materials collected across Cambridge and South Cambridgeshire</p>
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recycling points across Cambridge and South Cambridgeshire. The Shared service has continued to make adjustments to the recycling services to households and business to increase recycling.

This has included embedding a commingled recycling collection service across the service areas, which bring consistency for residents, and the development of new commercial waste service campaigns to increase engagement of existing customers in the recycling service and attract new customers.

Our recycling rate has risen from the previous year and continues to exceed the national performance, achieving a collection rate of just over 99%, and diverting nearly 50% of all household waste from landfill.

We said we would provide high quality Green Infrastructure that enhances residents' quality of life.

During the year we continued to apply the council's policies in respect of open space and recreation facilities to ensure new provision and the protection of existing green infrastructure. Large scale open spaces are currently being delivered on urban extensions.

As part of the development at Eddington, a new cricket pitch, tennis courts and open land for dog walking were open to the public at Storey's Field in July/August 2017.

We said we would ensure that new developments meet the council's policies for sustainable construction and energy and water efficiency.

During the year we continued to apply the Council's adopted policies and supplementary planning document on renewable energy to all major developments, with photovoltaic panels being the most commonly utilised technology being utilised for 27 schemes (out of a total of 41 schemes), followed by heat pumps and Combined Heat and Power systems. Developments with planning conditions related to the Code for Sustainable Homes such as the Clay Farm, Trumpington Meadows and North West Cambridge sites are still achieving certification to Code Levels 3, 4 and 5.

For non-residential schemes, six schemes were targeting the BREEAM excellent standard, with one scheme achieving BREEAM 'very good', despite the Council currently having no policy requirements for BREEAM certification. The outline application for the West Cambridge site proposed that all new development on the

<p><i>site would meet at least BREEAM excellent, with BREEAM outstanding, which is the highest possible target, being sought for two buildings on the site.</i></p> <p><i>One scheme for Graduate Accommodation proposed to utilise Passivhaus certification. Planning conditions are also being used to ensure housing schemes meet water efficiency requirements of no more than 110 litres / person per day, and to date have been recommended for 16 schemes.</i></p> <p><i>We said we would ensure that new developments provide the open space and recreational facilities that residents need.</i></p> <p><i>Work is continuing on Trumpington Meadows country park which is open to the public and other open space areas within Trumpington Meadows and Clay Farm continue to be provided. At the North West Cambridge (University) development the western edge with the strategic open space area continues to evolve.</i></p> <p><i>A range of open space areas and allotments are being completed on the Bell School (Nine Wells) development, which will be transferred to the Council in due course..</i></p> <p><i>We said we would implement and develop the shared waste service with South Cambridgeshire District Council.</i></p> <p><i>During the year the shared waste service continued to develop its operations, refining bin rounds and refuse vehicle movements across the local authority areas. There were initially some problems with missed bins arising from the change in bin collection day. However, over the course of the year these were ironed out and the bin collection rate returned to target levels.</i></p> <p><i>In the year a new In-Cab and IT system was procured to help improve efficiency, allowing services to operate from a common ICT system.</i></p> <p><i>The service was also short listed for two national awards for the North West Cambridge underground bins project and launched a “Metal Matters” campaign to increase the capture of metals for recycling.</i></p> <p><i>We said we would review and improve cleanliness of streets and public open spaces and provide greater opportunities for the public to influence decisions on cleansing and enforcement in order to target Cambridge's most challenging locations.</i></p>	<p><i>During the year</i></p> <p>99.3% collection rate for bins achieved (against target rate of 99.5%)</p>
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During the year we continued to target the areas identified in our Area Committee meetings as cleansing and enforcement priorities and reported on what was done through comprehensive Environmental Reports. In the year 422 Abandoned Vehicle investigations were carried out and the vast majority of these vehicles (263) were issued with a 7 day notice for removal and following this notice, most vehicles were immediately removed.

We also continued to collect waste from over 900 litter bins and more than 200 dog fouling bins in public open spaces across the city. We routinely maintained over 1million square meters of grass on parks and open spaces.

We said we would work with the police to identify the small number of people responsible for repeat graffiti around the city, and tackle this costly anti-social behaviour.

During the year we continued to investigate incidents of graffiti and responded to 543 reports of detrimental graffiti, cleaning the affected areas. We continued to identify graffiti “hot spots” and work with the Police to help identify the small number of people responsible for repeat graffiti around the city. In the year we also investigated 1,510 incidents of fly-tipping.

During the year

422 reports of abandoned cars investigated

900 litter bins were emptied in our parks and open spaces

543 incidents of graffiti were responded to

1,510 incidents of fly-tipping were investigated

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Cambridge City Council Corporate Plan 2016/19

Key Performance Indicator performance 2017/18 (compared to 2015/16 baseline)

Legend



An improvement in performance has been seen compared to baseline



Performance has stayed about the same compared to baseline































A drop in performance has been seen compared to baseline

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
The basket of indicators in our Anti-poverty Strategy, including Number of Housing Benefit and Council Tax Reduction claimants and their dependents	David Kidston + Naomi Armstrong	2,447 ¹ claims with dependent children	2,379 ² claims with dependent children 	Mapping Poverty review of administrative records is prepared bi-annually and so, not available this year
Council Tax in-year collection rates	Kevin Jay	97.6%	97.4% 	97.7%
Benefit speed of processing (target 16 days)	Naomi Armstrong	15 days	13 days 	14.4 days

¹ From Mapping Poverty 2015 report













² Extract from Mapping Poverty 2017 report, using February 2017 administrative records

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Housing rent collection rates (target 98%)	David Greening	98.5%	98.75% 	97.86% 
Numbers of people who meet one or more of the Digital Inclusion Outcomes Framework indicators as a result of the City Council's Digital Inclusion Strategy interventions	David Kidston	79	240 	908 
Number of visits to community centres from priority groups	Debbie Kaye	114,960	122,485 	110,068 
Percentage of households in Cambridge experiencing fuel poverty	Jo Dicks	12.1% (2013)	11.3% (2014) 	10.7% (2015) 
Total number of housing completions	Sara Saunders	715 (2014/15 AMR)	892 (2015/16 AMR) 	1,178 (2016/17 AMR) 
Awards for the quality of new developments	Jonathan Brookes	3 in 2014/15 0 in 2015/16	9 in 2016/17 	10 in 2017/18 
Number of Affordable Housing completions	Julian Adams	199	415, including growth sites, council land and other sites 	431, including growth sites, council land and other sites 












Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Number of new homes completed on City Council land	Helen Reed	62	75 for rent and shared ownership 	143 for rent and shared ownership 
Planning application performance targets	Sarah Dyer	(major) 97%	95% 	99% 
		(minor) 74%	86% 	88% 
		(other) 79%	91% 	94% 
Local Plan delivery timetable	Sara Saunders	Responding to Inspectors' letter, on track	In examination, on track	In examination, on track
Number of families helped to prevent homelessness	David Greening	787 ³	1,112 	1,240 
Numbers of Fixed Penalty Notices issued	Nick Kester	193 (litter) 289 (total)	374, 551 	472, 603 
Numbers of Anti-Social Behaviour incidents	Lynda Kilkelly	1,504 (279 featuring begging / homelessness)	1215 ⁴ (223 featuring begging/ homelessness) 	1,358 (643 featuring begging/ homelessness) 

³ All households counted (not just families)

⁴ Total up to Q3 – full year data not available as of June 2017

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Numbers walking, cycling or using public transport to get to work	Louisa Gostling, County Council	173,895 Vehicles 10,978 Cycles 3,764 Pedestrians 3.52m P&R 3.65m Busway	174,473 Vehicles 13,023 Cycles 4,169 Pedestrians 3.14m P&R 3.76m Busway 	171,309 ⁵ Vehicles 10,861 Cycles 3,428 Pedestrians 3.03m P&R 3.99m Busway 
Numbers using Council car parks (MSCPs)	Sean Cleary	2,438,741	2,412,751 	2,399,477 
Average journey & commute times	Louisa Gostling, County Council	5 minutes 51 seconds per mile i.e. an average speed of 10.3 mph	5 minutes 44 seconds per mile i.e. an average speed of 10.5 mph 	5 minutes 29 seconds per mile i.e. an average speed of 10.9 mph 
City Deal projects delivery programme – “on-track and on-budget”	Tanya Sheridan	On target	On target 	On target 
Total number of swimming and non-swimming visits to Council sports facilities	Ian Ross	532,892 222,869	595,306 194,839 	602,358 205,840 
Numbers of entries to Council-owned leisure facilities by people holding concession membership	Ian Ross	29,531	48,994 	31,422 









⁵ Numbers crossing the radial cordon

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Number of children attending free swimming lessons	Ian Ross	290	3,030 	3,100 ⁶ 
Operational property costs [OAS]	Philip Doggett	£1,439,140	£1,590m 	£1,780m 
Space per capita	Dave Prinsep	16.43m ²	16.43m ² 	Figure not yet available – waiting for consolidation of recent transition phase
Staff satisfaction with tools they need (accommodation, ICT and other support) to do their jobs efficiently, achieve better work/life balance	Deborah Simpson	48% (flexible working, from staff survey)	48% (flexible working, from staff survey ⁷) 	63% (support for flexible working, from Staff Survey 2017) 
Total income from commercial property	Philip Doggett	£7.871m	£8.946m 	£9.941m 
Net revenue savings [as per transformation business cases] ⁸	Paul Boucher	£155,984	There are no net revenue savings this year from transformation business cases and one-off costs amount to £216,000 	£620,000 the on-going net revenue savings achieved when implementation is substantially complete 

⁶ This is an approximation, exact figure being calculated by GLL as not part of routine submission





⁷ Staff Attitude Survey is a biannual survey, the most recent carried out in 2017

⁸ From 2016/17 the KPI net revenue savings delivered from transformation business cases will be reported as two items (a) the on-going net revenue savings achieved when implementation is substantially complete and (b) the one-off costs associated with the delivering the transformation business cases.

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Council's own emissions	David Kidston	7,584 tCO ₂ e ⁹	7,234 tCO ₂ e 	To be calculated for BEIS in July.
Per capita emissions in city	David Kidston	4.7 tonnes CO ₂ per capita (2014)	4.2 tonnes CO ₂ per capita (2015) 	Data for 2016 not yet published
Number of low emission vehicles	Dave Cox [fleet]	1	9 	10 
	Jo Dicks [citywide]	32	49 	53 
Waste volumes & recycling rates		43.3%	46.3% 	49.6% ¹⁰ 

⁹ Figure reported for 2015/16 was 7,371 tCO₂e, which was an estimate.

¹⁰ Is the combined rate for the Cambridge City and South Cambridgeshire area, provided by the shared service

Key Performance Indicator	Lead officer	Baseline 2015/16 figure	2016/17 figure	2017/18 figure
Hectares of green space/ numbers of trees/ metres of sustainable drainage	Joel Carre	Approx. 325 Ha parks & open spaces managed by city out of approx. 750 total in city and approx. 30,000 trees on land managed by Council tree team 100% planning apps have sustainable drainage ¹¹	Approx. 325 Ha parks & open spaces managed by city out of approx. 750 total in city and approx. 30,200 trees on land managed by Council tree team 100% planning apps have sustainable drainage 	Approx. 325 Ha parks & open spaces managed by city out of approx. 750 total in city and approx. 30,200 trees on land managed by Council tree team 100% planning apps have sustainable drainage 
Air quality at the city's main monitoring points (no of non-compliant monitoring locations NO2)	Jo Dicks	7/61	5/63 	1/63 ¹² 

¹¹ Metres not recorded; all planning apps have to have sustainable drainage schemes

¹² 1 monitoring station out of the 63 that are installed on the City was non-compliant for NO2

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Item

Cambridgeshire and Peterborough Combined Authority - Update

To:

Councillor Lewis Herbert, Leader and Executive Councillor for Strategy and Transformation

Strategy & Resources Scrutiny Committee 2 July 2018

Report by:

Antoinette Jackson, Chief Executive

Tel: 01223 457001 Email: antoinette.jackson@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey,

Not a Key Decision

1. Executive Summary

- 1.1 This report provides an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) since the 19 March meeting of Strategy & Resources Scrutiny Committee.

2. Recommendations

- 2.1 The Executive Councillor is recommended:

To provide an update on issues considered at the meetings of the Combined Authority held on 28 March 2018 and 30 May.

3. Background

- 3.1 Meetings of the Cambridgeshire and Peterborough Combined Authority were held on 28 March 2018 and 30 May. The decision sheets from the meetings are attached in the appendices for the committee's consideration.

4. Implications

(a) Financial Implications

There are no direct financial implications.

(b) Staffing Implications

There are no direct staffing implications from this update report.

(c) Equality and Poverty Implications

An EqlA has not been produced as there are no direct equality and poverty implications from this update report.

(d) Environmental Implications

There are no environmental implications from this update report.

(e) Procurement

There are no procurement implications from this update report.

(e) Consultation and communication

The Combined Authority will continue to issue communications about its activities and consult on its work.

(f) Community Safety

There are no community safety implications from this update report.

5. Background papers

5.1 The background papers used in the preparation of this report are listed in the appendices below.

6. Appendices

Appendix A Decision sheet for CPCA meeting 28.03.2018

Appendix B Decision sheet for CPCA meeting 30.05.2018 (to follow)

7. Inspection of papers

To inspect the background papers or if you have a query on the report, please contact Antoinette Jackson, Chief Executive. Tel: 01223 457001, email: antoinette.jackson@cambridge.gov.uk.



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Decision Statement

Meeting: 28th March 2018

Published: 29th March 2018

Decision review deadline: 5.00p.m. on 9th April 2018

Each decision set out below will come into force, and may then be implemented at 5.00pm on the fifth full working day after the publication date, unless it is subject of a decision review. [see note on call in below].

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Apologies and Declarations of Interest	<p>Apologies received from Councillor C Seaton (Councillor D Mason substituting), Councillor K Reynolds (Councillor J Peach substituting), and Jess Bawden (Dr G Howsam substituting)</p> <p>Councillor Roberts declared a non-statutory disclosable interest under the Code of Conduct in relation to Item 2.7, as a Director of the East Cambridgeshire Trading Company. He did not take part in the debate or vote.</p> <p>The Chief Executive also declared a non-statutory disclosable interest under the Code of Conduct in relation to Item 2.8, as a Director of Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership.</p>

Item	Topic	Decision
1.2	Minutes – 28 February 2018	It was resolved to: approve the minutes of the meeting of 28th February 2018 as a correct record.
1.3	Petitions	None received.
1.4	Public Questions	None received.
1.5	Forward Plan	It was resolved to: approve the Forward Plan of Executive Decisions dated to be published on 26 March 2018.
Page 54	Part 2 – Key Decisions	
	Cambridgeshire and Peterborough Strategic Spatial Framework (Non Statutory)	It was resolved to: (a) Approve this first phase of the Cambridgeshire and Peterborough Strategic Spatial Framework (Non Statutory). (b) Note the intention of the Portfolio Holder for Strategic Planning to bring a report to the Board in June scoping proposals for the status, approach and resources needed to deliver the next phase of the Framework to 2050. The Mayor agreed to (c) exercise his general power of competence to publish the Cambridgeshire and Peterborough Strategic Spatial Framework following a vote of unanimous consent subject to including the minor amendments raised at the meeting.
	2.2 Transport Delivery 2018/19	It was resolved to: a) Agree a total budget allocation of £18.305m, comprising £16.13m in 2018/19 and £2.18m in 2019/20 for the rolling programme of priority transport and infrastructure.

		<p>schemes.</p> <p>b) Note the £6.65m funding secured from the National Productivity Investment Funding for 2018/19 which was included within the total budget allocation.</p> <p>c) Agree the pipeline of projects set out in the multi-year transport programme.</p> <p>d) Authorise the Chief Executive to delegate responsibility and budget for the production of feasibility studies, business case or designs for each of the projects within the multi-year transport programme to a delivery partner, provided that all such studies, business cases and designs are to be reported back to the Combined Authority Board for approval.</p>
2.3	Digital Connectivity Infrastructure: Improving Mobile Coverage and increasing the full fibre footprint across Cambridgeshire and Peterborough	<p>It was resolved to:</p> <p>(a) Note the digital infrastructure and mobile coverage in Cambridgeshire and Peterborough and endorse the vision for the Mayoral Combined Authority to be a leading area for digital connectivity.</p> <p>(b) Approve in principle a budget of up to £5.66m to support the extension of the Connecting Cambridgeshire programme.</p> <p>(c) Authorise the Chief Executive, in consultation with the Mayor, to approve the business case and draw-down of funds in accordance with the approved business case relating to improvements to mobile coverage and the full fibre footprint for Cambridgeshire and Peterborough.</p> <p>(d) Delegate to the Director of Strategy and Planning authority to approve the programme reporting and delivery arrangements in partnership with Cambridgeshire County Council and the other Combined Authority Constituent Councils.</p>
2.4	University of Peterborough – Interim Accommodation Options	<p>It was resolved to approve:</p> <p>Option 3 (recommended option): Allocate a budget of £9.74m to base all facilities on the Embankment development site, subject to the Combined Authority</p>

		seeking security over the future assets of the University of Peterborough with a view to recycling funding. This is a single site solution.
2.5	£70M Cambridge City Devolution Housing Programme	<p>It was resolved to:</p> <ul style="list-style-type: none"> (a) Note the progress in year 1 of the programme and approve funding for the year 1 schemes of £971,216. (b) Note the forward pipeline. (c) Agree to receive further quarterly progress reports. (d) Note the arrangements for a Strategic Partnership Agreement with Cambridge City Council as the Combined Authority's delivery partner for the £70m programme.
2.6	£100M Affordable Housing Programme	<p>It was resolved to:</p> <ul style="list-style-type: none"> (a) Note the progress of the Phase 1 housing scheme approvals agreed by the Board in July 2017. (b) Note the forward pipeline of affordable housing schemes, including emerging strategic sites. (c) Commit grant funding of £3.66m for the next Phase 2 of affordable housing schemes subject to the terms of the grant agreement being agreed between the Section 151 officer and the Portfolio Holder for Fiscal Strategy. (d) Agree to receive further progress reports on a quarterly basis. (e) Agree that the grant conditions be reviewed generally by the Legal Counsel and Section 151 officer, in consultation with the Portfolio Holder for Fiscal Strategy.

2.7	East Cambridgeshire Strategic Community Land Trust (CLT) Programme – Provision of Loan Facility	<p>It was resolved to:</p> <p>(a) Approve the provision of a commercial loan facility capped at £6.5m from the £100m Housing Programme for a period of two years to East Cambs Trading Company Ltd for the CLT scheme at West End Gardens, Haddenham. Approval was subject to completion of the business case, due diligence and agreement of loan terms including security over the loan or assets, step in rights and/parent guarantee from East Cambs District Council to the satisfaction of the Chief Executive, Monitoring Officer and Section 151 Officer in consultation with the Mayor and the Portfolio Holder for Fiscal Strategy.</p> <p>(b) Authorise the Chief Executive to bring forward detailed proposals and the business case to the next Board meeting for the provision of a ten year £40m commercial loan facility capped at £40m to fund the East Cambs Strategic CLT Programme.</p>
Page 57 8	The Business Board and Business Transfer Agreement (from the Greater Cambridge Greater Peterborough Local Enterprise Partnership)	<p>It was resolved to:</p> <p>(a) Agree the vision of how the new Business Board would operate.</p> <p>(b) Agree in principle the Business Transfer Agreement between the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership to the Cambridgeshire and Peterborough Combined Authority.</p> <p>(c) Ratify the commitment of £400,000 in cash to the GCGP LEP which was made by the Mayor on the 20 March 2018 in order to ensure a successful winding up of the GCGP LEP company.</p> <p>(d) Agree the longer-term indemnity around the GCGP LEP liabilities as set out in the attached side letter.</p> <p>(e) Agree that Legal Counsel and the Section 151 Officer could make any required changes and sign-off on the final fund amount (Schedule 1) in the Accountable Body Transitional Agreement.</p> <p>(f) Agree that any final insubstantial amendments that were required prior to signing</p>

		<p>the Business Transfer Agreement, Deed of Indemnity and Authorised Body Transitional Agreement could be made by the Legal Counsel, in consultation with the Mayor as portfolio holder for governance.</p> <p>(g) Agree that the Legal Counsel be authorised to sign the Business Transfer Agreement, Deed of Indemnity and Authorised Body Transitional Agreement for and on behalf of the Combined Authority</p>
	Part 3 – Non Key Decision	
3.1	Market Town Masterplans for Growth	<p>It was resolved to:</p> <p>(a) Note the proposed principles and role of Market Town Masterplans for Growth as set out in this report</p> <p>(b) Approve the sum of £50,000 to develop a Masterplan for each of the nine market towns (total budget of £450,000)</p> <p>(c) Note that each Masterplan was to be reported to a subsequent Combined Authority Board for approval</p> <p>(d) Note the collaborative arrangements of a Partnership Team with the relevant District Council to develop and subsequently lead the Masterplans</p>
	Part 4 – Date of Next Meeting	
4.1	Date of Next Meeting	<p>It was resolved to note the date of the next meeting – Wednesday, 30 May 2018 Fenland District Council, Fenland Hall, County Road, March PE15 8NQ</p>

Notes:

- (a) Statements in bold type indicate additional resolutions made at the meeting.
- (b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer.

For more information contact: Michelle Rowe Telephone: 01223 699180 /e-mail: michelle.rowe@cambridgeshire.gov.uk



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

Decision Statement

Meeting: 30th May 2018

Published: 1 June 2018

Decision review deadline: 5.00p.m. on 8th June 2018

Each decision set out below will come into force, and may then be implemented at 5.00pm on the fifth full working day after the publication date, unless it is subject of a decision review. [see note on call in below].

Item	Topic	Decision
	Part 1 – Governance Items	
1.1	Membership of the Combined Authority	<p>It was resolved:</p> <ul style="list-style-type: none"> (a) to note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2018/2019 as set out in Appendix 1; (b) to note that the Business Board would nominate a Member and substitute Member to represent them on the Combined Authority for the municipal year 2018/2019 following the appointment of private sector members of the Board and the election of the Chair and Vice-Chair of the Business Board.

		<p>(c) that the following bodies be given co-opted member status for the municipal year 2018/19:</p> <ul style="list-style-type: none"> (i) The Police and Crime Commissioner for Cambridgeshire; (ii) Cambridgeshire and Peterborough Fire Authority representative; (iii) Clinical Commissioning Group representative. <p>(d) to note the named representative and substitute representative for each organisation as set out in the report.</p>
1.2	Deputy Mayors of the Combined Authority	<p>It was resolved to:</p> <p>appoint Councillor Holdich, as the Constitutional Deputy Mayor, and Councillor Roberts, as the Statutory Deputy Mayor of the Combined Authority.</p>
1.3	Announcements, Apologies and Declarations of Interest	<p>Noted announcements from the Mayor. Apologies for absence were received from Jessica Bawden who was substituted by Dr Gary Howsam.</p> <p>Councillor J Holdich OBE declared a non-statutory disclosable interest under the Code of Conduct in relation to Item 2.4: £100m Affordable Housing Programme in relation to Medesham Homes, a joint venture partnership between Peterborough City Council and Cross Keys Homes. Councillor Holdich had sought advice from the Monitoring Officer and confirmed that there was no reason he should not take part in and vote on this item.</p>
1.4	Minutes – 28 March 2018	<p>It was resolved to:</p> <p>approve the minutes of the meeting of 28th March 2018 as a correct record.</p>
1.5	Petitions	None received.
1.6	Public Questions	<p>Three questions were received. A summary of the questions and responses are published at the following link:</p> <p><u>Item 1.6 - Public Questions</u></p>

1.7	Forward Plan	<p>It was resolved to:</p> <p>approve the Forward Plan of Executive Decisions dated to be published on 25th May 2018.</p>
1.8	Appointment of the Overview and Scrutiny Committee	<p>It was resolved to:</p> <ul style="list-style-type: none"> (a) confirm that the size of the Overview and Scrutiny Committee should be 14 members; two members from each constituent council and two substitute members for the municipal year 2018/2019; (b) agree the political balance on the committee as set out in Appendix 1; (c) confirm the appointment of the Member and substitute Member nominated by constituent councils to the Overview and Scrutiny Committee for the municipal year 2018/2019 as set out in Appendix 2.
1.9	Appointment of the Audit and Governance Committee	<p>It was resolved to:</p> <ul style="list-style-type: none"> (a) confirm that the size of the Audit and Governance Committee should be 8 members; one member and one substitute from each Constituent Council and one independent person for the municipal year 2018/2019; (b) agree the political balance on the committee as set out in Appendix 1; (c) confirm the appointment of the Member and substitute Member nominated by Constituent Councils to the Committee for the municipal year 2018/2019 as set out in Appendix 2; (d) appoint a Chair of the Audit and Governance Committee for the municipal year 2018/2019 (e) agree that the Audit and Governance Committee appoint its Vice Chair for the municipal year 2018/19 in accordance with previous practice.

1.10	Review of Constitution	<p>It was resolved to:</p> <p>(a) approve the amendments to the constitution set out in Appendix 1, subject to consultation with the Overview and Scrutiny Committee on the scrutiny arrangements set out in chapter 8 of the constitution;</p> <p>(b) agree the Monitoring Officer be requested to report to the next meeting on any recommended changes proposed by the Overview and Scrutiny Committee.</p>
1.11	Calendar of Meetings	<p>It was resolved to:</p> <p>approve the Calendar of Meetings for 2018 / 2019 (Appendix 1).</p>
1.12	Reference from the Audit and Governance Committee	<p>It was resolved to:</p> <p>1. approve and adopt:</p> <p>(a) the code of corporate governance (Appendix 1)</p> <p>(b) the whistleblowing and confidential reporting of complaints policy (Appendices 2 and 3)</p> <p>(c) the anti-fraud, bribery and corruption policy and strategy (Appendix 4)</p> <p>(d) the Corporate Risk Strategy (Appendix 5)</p> <p>2. note the recommendation of the Audit and Governance Committee in relation to the Treasury Management Strategy that the Board should undertake an immediate review of its investment strategy and risk appetite to maximise the yield from funds held by the Combined Authority.</p>
1.13	Business Board – Decision Notice	<p>It was resolved to:</p> <p>ratify the decisions of the Business Board meeting held on 30 April 2018.</p>
	Part 2 – Key Decisions	
2.1	Cambridgeshire and Peterborough 2030 Prospectus	<p>It was resolved to:</p>

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(a) agree the overarching ambition and five core ambitions.

(b) note the intention to commence a programme of engagement with stakeholders across the area.

(c) note the Combined Authority’s Four Year Plan (Item 2.2) setting out the actions that would be taken to progress the 2030 ambitions in the period 2018/19 to 2021/22.

(d) agree a budget of up to £40k in 2018/19 from the revenue gainshare allocation to support the launch, promotion and conversation with residents across the region.

2.2

Cambridgeshire and Peterborough Four Year Plan 2018-19 – 2021-22

It was resolved to:

(a) approve this first Four Year Plan.

(b) note the intention to keep the Four Year Plan under review and to refresh it on an annual basis.

(c) approve the draft Medium Term Financial Plan.

(d) note the intention to present an updated draft of the Medium Term Financial Plan to the September Board meeting.

2.3

Local Transport Capital Grant Allocation 2018-19

a) The Combined Authority Board was consulted regarding the Mayor’s intention to allocate grants totalling £23,077,091 to Cambridgeshire County Council and Peterborough City Council in line with the Department for Transport formula as set out in the table below. Further details of this breakdown by funding stream were contained within the paper.

b) subject to a), the Mayor resolved to allocate the grants as set out in this paper

Constituent Council	Allocation /£
Peterborough City Council	4,863,357
Cambridgeshire County Council	18,213,734

			Total	£23,77,091	
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2.4	£100M Affordable Housing Programme	<p>It was resolved:</p> <ul style="list-style-type: none"> (a) to commit grant funding of £905,000 for the next Phase of affordable housing schemes. (b) to note that the next quarterly progress report will be to the Board in July 2018. (c) that any grant funding, for this and all other affordable housing schemes, must contain grant conditions as agreed by the Chief Finance Officer in consultation with the Portfolio Holder for Fiscal Strategy.
	Part 3 – Non Key Decision	
3.1	Cambridgeshire and Peterborough Independent Economic Review (CPIER)	<p>It was resolved to:</p> <ul style="list-style-type: none"> (a) Welcome the publication of the Interim CPIER. (b) Consider the headlines and key messages that had emerged from the Interim CPIER. (c) Consider the principles by which the Business Board should engage partners in the development of the Local Industrial Strategy, in response to the CPIER; and (d) Produce a formal response to (b) and (c) for the July meeting of the Combined Authority Board.
3.2	Mayoral Interim Transport Strategy Statement	<p>It was resolved to:</p> <ul style="list-style-type: none"> 1. approve the Mayoral Interim Transport Strategy Statement 2. note that a review of the features and timeframes for all transport corridors would be undertaken and completed in June and July 2018 3. note that a further report will be brought to the Combined Board on 25 July 2018.

<p>3.3</p>	<p>Consent to Business Rate Supplements Order</p>	<p>It was resolved to:</p> <ol style="list-style-type: none"> 1. Approve the transfer of functions to Cambridgeshire and Peterborough Combined Authority ("CPCA") conferred by the Business Rate Supplements Act 2009. 2. Give consent on behalf of the CPCA to the making of an Order giving effect to this transfer. 3. Give delegated authority to the Legal Counsel and Monitoring Officer in consultation with the Portfolio Holder and the Mayor to approve the final draft Order in order to meet the timetable for transfer of the powers. 4. Note that the constituent councils have been requested to give their consent to the making of an Order giving effect to this transfer including the necessary delegation to approve the final draft Order 5. Note that only the draft Order can be approved, as the Order cannot be deemed finalised until it has been presented to and approved by Parliament.
<p>3.4</p>	<p>Adult Education Budget (AEB) Devolution of Powers to Combined Authority</p>	<p>It was resolved to:</p> <ol style="list-style-type: none"> 1. Approve the transfer of functions to Cambridgeshire and Peterborough Combined Authority ("CPCA") to ensure the successful devolution of the Adult Education Budget ("AEB") in 2019. 2. Give consent on behalf of the CPCA to the making of an Order giving effect to this transfer. 3. Give delegated authority to the Legal Counsel and Monitoring Officer in consultation with the Portfolio Holder and the Mayor to approve the final draft Order in order to meet the timetable for transfer of the powers. 4. Note that the constituent councils had been requested to give their consent to the making of an Order giving effect to this transfer including the necessary delegation to approve the final draft Order

		5. Note that only the draft Order could be approved, as the Order cannot be deemed finalised until it had been presented to and approved by Parliament
	Part 4 – Finance	
4.1	Treasury Management Strategy	<p>It was resolved:</p> <ol style="list-style-type: none"> 1. to receive and adopt the Treasury Management Strategy for 2018/19. 2. to note the recommendation of the Audit and Governance Committee to undertake a review of the Combined Authority's investment strategy and risk appetite. 3. to approve funding of up to £20k to undertake the review. 4. that responsibility for any additional minor amendments required to the Treasury Management Strategy be delegated to the Chief Finance Officer in consultation with the Portfolio holder for Fiscal Strategy. All such amendments to be circulated to the Audit and Governance Committee and members of the Combined Authority Board.
	Part 5 – Date of Next Meeting	
5.1	Date of Next Meeting	It was resolved to note the date of the next meeting – Wednesday, 27 June 2018, Council Chamber, The Guildhall Market Square Cambridge CB2 3QJ

Notes:

- (a) Statements in bold type indicate additional resolutions made at the meeting.
- (b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer.

For more information contact: Richenda Greenhill Telephone: 01223 699171 /e-mail: richenda.greenhill@cambridgeshire.gov.uk

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Item

Strategy and Resources Scrutiny Committee

2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances – (the former) Strategy and Transformation Portfolio

To:

Councillor Herbert, Executive Councillor for Strategy and External Partnerships

Report by:

Chief Executive, Strategic Directors, Head of Finance

Date:

2 July 2018

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

1.1 This report presents, for the Strategy and Transformation Portfolio :

- a) A summary of actual income and expenditure compared to the final budget for 2017/18 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2018/19.

2. Recommendations

Members of the Scrutiny Committee are asked to consider and make known their views on the following proposals for consideration by the Executive Councillor for Finance and Resources at the Strategy and Resources Scrutiny Committee on 2 July 2018:

- a) Carry forward requests totalling £424k revenue funding from 2017/18 to 2018/19, as detailed in Appendix C.
- b) Carry forward requests of £1,043k capital resources from 2017/18 to 2018/19 to fund rephased net capital spending, as detailed in Appendix D.

3. Background

Revenue Outturn

- 3.1 The overall revenue budget outturn position for the Strategy and Transformation Portfolio is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

2016/17 £'000	Strategy and Transformation Portfolio Revenue Summary	2017/18 £'000	% Final Budget
3,938	Original Budget	4,466	62.7
158	Adjustment – Prior Year Carry Forwards	588	8.3
0	Adjustment – Service Restructure Costs	-	-
257	Adjustment – Earmarked Reserves (incl Greater Cambridge Partnership)	1,940	27.3
90	Adjustment – Capital Charges	73	1.0
263	Adjustment – Central & Support reallocations	-	-
0	Other Adjustments	52	0.7
0	Final Budget	7,119	100.0
4,706	Outturn	6,325	88.8
3,800	(Under) / Overspend for the year	(794)	11.2
(906)	Carry Forward Requests	424	6.0
562	Resulting Variance	(370)	5.2

- 3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for this Portfolio for 2017/18. The original revenue budget for 2017/18 was approved by the Executive Councillor for Strategy and Transformation on 23 January 2017.
- 3.3 **Appendix B** provides explanations of the main variances.
- 3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

- 3.5 The overall capital budget outturn position for the Strategy and Transformation Portfolio is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2016/17 £'000	Strategy and Transformation Portfolio Capital Summary	2017/18 £'000	% Final Budget
85	Final Budget	1,090	100.0
25	Outturn	47	4.3
(60)	Variation - (Under)/Overspend for the year	(1,043)	(95.7)
60	Rephasing Requests	1,043	95.7
0	Variance	0	0

- 3.6 The majority of the rephasing relates to the equity loan to CIP in relation to the Mill Road Development.

4. Implications

- 4.1 The net variance from the final budget (see above), would result in a decreased use of General Fund reserves of £370k, after carry forward requests.

- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.

(a) Financial Implications

Any financial implications are included in the Appendices.

(b) Staffing Implications

Any staffing implications are included in the Appendices.

(c) Equality and Poverty Implications

Any equality and poverty implications are included in the Appendices

(d) Environmental Implications

Any environmental implications are included in the Appendices.

(e) Procurement Implications

Any procurement implications are included in the Appendices.

(f) Community Safety Implications

Any community safety Implications are included in the Appendices.

5. Consultation and communication considerations

Public consultations are undertaken throughout the year and can be seen at:

cambridge.gov.uk/current-consultations

6. Background papers

These background papers were used in the preparation of this report:

- Closedown Working Files 2017/18
- Directors' Variance Explanations – March 2018
- Budgetary Control Reports to 31 March 2018
- Capital Monitoring Reports – March 2018

7. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Revenue Summary for this portfolio	✓
B	Revenue Major Variances for this portfolio	✓
C	Carry Forward Requests for this portfolio	✓
D	Capital Summary for this portfolio	✓

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Authors' Names: John Harvey
Authors' Phone Numbers: 01223 - 458143
Authors' Emails: john.harvey@cambridge.gov.uk

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Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Outturn

Service Grouping	Original Budget £	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Corporate Strategy	342,700	395,060	351,372	(43,688)	0	(43,688)
Democratic Services	208,770	208,770	186,008	(22,762)	0	(22,762)
CCTV	(62,770)	(79,730)	(141,677)	(61,947)	45,000	(16,947)
Community Safety	174,340	174,340	147,771	(26,569)	0	(26,569)
Corporate & Democratic Services	1,998,070	1,998,070	1,969,811	(28,259)	0	(28,259)
Central Provisions, Support Services and Centrally allocated costs	(423,490)	1,900,180	1,629,702	(270,478)	160,000	(110,478)
Pensions - Early Retirements and Past Deficit	1,834,910	1,834,910	1,785,960	(48,950)	0	(48,950)
Programme Office	393,000	687,600	396,062	(291,538)	219,000	(72,538)
Total Net Budget	4,465,530	7,119,200	6,325,009	(794,191)	424,000	(370,191)

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- via technical adjustments/virements throughout the year

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Corporate Strategy	Underspend is primarily due to salary costs (£33,000) due to a change in the working pattern for the Strategy and Partnerships Manager and vacancies in the Corporate Project manager and Corporate Strategy Officer posts plus a number of other smaller underspends across elements of the budget, including surveys (£3,000) corporate interpreting contract (£3,000) and consultants (£2,000)	(43,688)	Andrew Limb
Democratic Services	Electoral Registration and Elections: The variance occurs due to money recorded as expected to be received from the government to cover the expense of the 2017 elections. The cost of snap elections in 2017 exceeded the Council budget by £30k and to cover the balance as well as the base budget of £25k a debtor has been recorded for £63k, which should cover the total spend of £56k and all of the recharges. When the money is received, it will be re-allocated appropriately to account for the total costs of all the elections and this means the Elections account is expected to balance to Nil, with the overspend covered by the grant received.	(22,762)	Vicky Breeding
CCTV	An underspend in the year has been managed so that a carry forward request can be made for £45k (CCC's required share) to provide essential urgent maintenance of the CCTV system than followed on from a technical survey that was carried out.	(61,947)	Joel Carre
Community Safety	The variance reflects restricted grant funding which will be applied in 2018/19.	(26,569)	Lynda Kilkelly
Corporate & Democratic Services	Specific Corporate cost centres are cleared to this central code and the majority of this variance relates to Civic Affairs which had higher income this year as the cost centre holds income from lettings of civic rooms by Cambridge Live as well as underspends on both salaries (due to a 3 month's vacancy) and the Mayor's hospitality.	(28,259)	Gary Clift
Central Provisions and Centrally allocated costs	Variances on centrally budgeted items such as Youth Apprenticeship scheme £147k underspend and £77k overspend on Notional Discretionary Rate relief are offset by actual spend within services so are overall net nil to the Council. The remaining balance is mainly a net underspend of £160k cost of change (such as redundancies) and is requested to be carried forward to meet future costs of change. This is linked to the Programme Office work.	(270,478)	John Harvey
Pensions - Early Retirements and Past Deficit	Following the latest triennial review and negotiations for a 3 year up-front settlement, the anticipated contributions from the GF to meet the pension deficit are lower than previously budgeted.	(48,950)	John Harvey
Programme Office	Underspends across a range of projects due to profiling of spend, progress of delivery and delays in recruitment or awarding contracts. Significant underspend of (£40K) Shared Services programme office contribution. There is a request to carry forward £219k of this balance into 2018/19 as the 2018/19 budget was based upon a carry forward at year end.	(291,538)	Paul Boucher
Other		-	-
Total		(794,191)	

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
1	<p>CCTV An underspend in the year has been managed so that a carry forward request can be made for £45k (CCC's required share) to provide essential urgent maintenance of the CCTV system than followed on from a technical survey that was carried out.</p>	45,000	Joel Carre
2	<p>Provision for costs of change. The year end balance is required to be carried forward as potential costs arising from delivering transformation projects that are currently in progress or which will now be delivered later than originally planned. It also covers the provision for costs as a result of change.</p>	137,500	Paul Boucher
3	<p>Programme Office The programme is based on a forward look of 2 years. The year-end balance is required to be carried forward to provide the capacity for delivering transformation projects that are currently in progress or which will now be delivered later than originally planned. The transformation budget bid for 2018/19 was based on the assumption that the 2017/18 underspend would be carried forward.</p>	291,500	Paul Boucher
	Total Carry Forward Requests for Strategy & Transformation Portfolio	474,000	

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC614 - 100077 (38321)	100077 - Redeployable CCTV camera stock	J Carré	60	60	47	(13)	13	0	
SC658 - 100193 (38440)	100193 - Cambridge City CCTV infrastructure	J Carré	80	80	0	(80)	80	0	
SC671 - 100095 (38339)	Mill Road depot development - capital contribution	F Bryant	0	0	0	0	0	0	Budget in 2018/19.
SC659 - 100194 (38441)	My Cambridge City online customer portal	J James	0	0	0	0	0		Budget in 2018/19.
SC660 - 100195 (38442)	Council Anywhere - desktop transformation	J James	0	0	0	0	0		Budget in 2018/19.
SC672 - 100205 (38448)	Mill Road Redevelopment - Development Loan to CIP	F Bryant	0	0	0	0	0		Budget in 2018/19.
SC674 - 100206 (38450)	Mill Road Redevelopment - Equity Loan to CIP	F Bryant	950	950	0	(950)	950	0	Project due to start on site in June 2018 but still awaiting final project plan and payment schedules.
Total Projects			1,090	1,090	47	(1,043)	1,043	0	
Total for Strategy & Transformation Portfolio			1,090	1,090	47	(1,043)	1,043	0	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

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Item

ANNUAL TREASURY MANAGEMENT (OUTTURN) REPORT 2017/18

To:

The Executive Councillor for Finance & Resources:

Councillor Richard Robertson Strategy & Resources Scrutiny Committee
02/07/2018

Report by:

Caroline Ryba Head of Finance (The Council's Section 151 Officer) Tel:
01223 458134 Email: caroline.ryba@cambridge.gov.uk

Wards affected:

All Wards

Key Decision

1. Executive Summary

- 1.1 The Council is required by regulations issued under the Local Government Act 2003, to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year.
- 1.2 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) in respect of 2017/18. Both of these publications have been revised by CIPFA and references to these documents are specifically to the 2017 Editions.
- 1.3 During 2017/18 the minimum requirements were that Council should receive:-

- An annual strategy in advance of the year;
- A mid-year treasury update report; and;
- An annual review following the end of the year describing the activity compared to the strategy (this report)

1.4 In line with the above Code of Practice, all treasury management reports have been presented to both Strategy & Resources Scrutiny Committee and to full Council.

2. The Executive Councillor is asked to:

2.1 Recommend this report to Council, which includes the Council's actual Prudential and Treasury Indicators for 2017/18.

3. Background

3.1 This report summarises:

- Capital expenditure and financing activity during the year;
- The impact of capital spending on the Council's 'need to borrow';
- The Council's compliance with prudential & treasury indicators;
- Treasury Management Position as at 31st March 2018 (Appendix A);
- The Council's Treasury Management advisors (Link Asset Services Ltd) view on UK Interest & Investment rates (Appendix B);
- The actual prudential and treasury indicators (Appendix C);
- Counterparty List (Appendix D); and;
- A Glossary of Terms and Abbreviations (Appendix E)

3.2 The Council's Capital Expenditure and Financing 2017/18

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, developer contributions, revenue contributions, reserves etc.), which has no resultant impact on the Council's borrowing need; or;
- If insufficient financing is available, or a decision is taken not to apply other resources, the funding of capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2016/17 £'000 Actual	2017/18 £'000 Current Budget *	2017/18 £'000 Actual
General Fund capital expenditure	19,965	40,698	29,337
HRA capital expenditure	22,618	23,226	18,154
Total capital expenditure	42,583	63,924	47,491
Resourced by:			
• Capital receipts	-12,353	-4,130	-7,651
• Other contributions	-25,510	-40,714	-21,501
Total available resources for financing capital expenditure	-37,863	-44,844	-29,152
Un-financed capital expenditure	4,720	19,080	18,339

* Per Budget Setting Report (BSR) agreed by Council on 22nd February 2018

3.3 The Council's overall borrowing need

During 2017/18, there was no requirement for external borrowing. Un-financed capital expenditure of £18,339k shown in the above table was met from internal cash borrowing. This movement is comprised of £17,573k Commercial Property Investments, £620k expenditure on the construction of Clay Farm community centre and £146k capital expenditure on Clay Farm Land .

3.4 Current Debt as at 31st March 2018

The table below shows the Council's current outstanding debt and headroom (the amount of additional borrowing that is possible without breaching the Authorised Borrowing Limit):-

	Principal (£'000)
Authorised Borrowing Limit (A) – Agreed by Council on 20 th October 2011	250,000
HRA Debt Limit (B)	230,839
PWLB Borrowing (for HRA Self-Financing, C)	213,572
General Fund Headroom (A minus B)	19,161
HRA Headroom (B minus C)	17,267
2012/13, 2013/14, 2014/15, 2015/16, 2016/17 and 2017/18 External Borrowing	NIL
Total Current Headroom (A minus C)	36,428

At present the only debt held by the authority relates to the twenty loans from the PWLB for self-financing the HRA.

3.5 Treasury Position as at 31 March 2018

The Council's debt and deposit position is managed in order to ensure adequate liquidity for revenue and capital activities, security for deposits and to manage risk in relation to all treasury management activities. Procedures and controls to achieve these objectives are well established both through the application of approved Treasury Management Practices and regular reporting to Members.

All funds are internally managed.

The tables below provide a comparison of deposit activity and outturn for 2017/18 against 2016/17.

<u>Actual Returns</u>	2016/2017		2017/2018	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Short-Term (<365 days)	50.18	0.64%	52.15	0.48%
Call/Overnight Accounts	8.74	0.57%	4.72	0.33%
Enhanced Cash Funds	7.47	0.73%	10.00	0.56%
Fixed Long-Term (>365 days)	24.67	0.93%	27.33	0.84%
Money Market Funds	15.56	0.39%	11.64	0.28%
CCLA Local Authorities' Property Fund	11.68	4.84%	15.00	4.60%
<u>Overall Deposit Return</u>	118.30	1.09%	120.84	1.06%
<u>Benchmark Returns</u>	2016/2017		2017/2018	
	Offer (LIBOR)	Bid (LIBID)	Offer (LIBOR)	Bid (LIBID)
Average	0.47%	0.35%	0.45%	0.32%

Notes:

The 'Benchmark Return' figures are based upon Global Rates (national interest rate reporting web-site) average money market LIBOR and LIBID rates for periods between 1 night and 1 year as at 31st March 2018.

- 3.6 Total interest and dividends of £1,284,806 have been earned on the Council's deposits during 2017/18 at an average rate of 1.06%. This exceeded the budget of £1,244,000. The rate of return compares favourably with the average benchmark rates.
- 3.7 The interest earned for CCLA Local Authorities' Property Fund for 2017/18 amounted to £702,000 (included in paragraph 3.4) which equated to an annual yield of 4.60%.

3.8 A summary of deposits is shown at Appendix A.

4. Interest Rate Update

- 4.1 Link Asset Services is the Council's independent treasury advisor. In support of effective forecasting the Council needs to be aware of the potential influence of market interest and investment rates. Link's opinion is presented at Appendix B, and provides an overview as at 31st March 2018.
- 4.2 The Bank of England's May 2018 Inflation Report gives additional information on growth, inflation and interest rates. The Bank of England's Monetary Policy Committee (MPC) noted that the future outlook for growth remains reasonably solid. No changes to interest rates (0.50%, with 7 to 2 majority) or quantitative easing (£435bn) were made. Noticeable increases in employment were observed.
- 4.3 Growth did moderate, though, to around 1% during Qtr. 1 of 2018. The MPC sets monetary policy to meet the 2% inflation target, which helps to sustain growth and employment. However, CPI Inflation has risen above this target as the depreciation of sterling has begun to feed through to consumer prices.

5. Prudential and Treasury Indicators

- 5.1 During the financial year the Council operated within the 'authorised' and 'operational' borrowing limits contained within the Prudential Indicators set out in the Council's Treasury Management Strategy Statement. The outturn for Prudential and Treasury Indicators is shown in Appendix C.

6. Revisions to the Counterparty List

- 6.1 Following a review of rating agency methodology changes, Link continues to revise its recommendations on counterparties and appropriate durations. The Council follows Link's recommendations as reflected in the Current Counterparty List at Appendix D.

7. Markets in Financial Instruments Directive II (MiFID II)

- 7.1 This is to update Members since the last report (BSR on 22/02/2018), that registrations have now been completed, including Officers that deal with all our Financial Institutions (FIs).

7.2 Consequently, the Council has been successfully upgraded to Professional status, meaning our skills base is comprehensive enough to undertake investments in line with our current Investment Strategy.

8. Implications

(a) Financial Implications

Interest payable and receivable are reflected in the Council's existing budgets and reviewed appropriately.

(b) Staffing Implications

None.

(c) Equality and Poverty Implications

No negative impacts identified.

(d) Environmental Implications

None.

(e) Procurement Implications

None.

(f) Community Safety Implications

No community safety Implications.

9. Consultation and communication considerations

None required.

10. Background papers

No background papers were used in the preparation of this report.

11. Appendices

- 11.1 Appendix A – The Council's deposits as at 31st March 2018
- Appendix B – Link's opinion on UK interest rates
- Appendix C – Prudential Indicators – Outturn for 2017/18
- Appendix D – Current Counterparty List

Appendix E – Glossary of Terms and Abbreviations

12. Inspection of papers

12.1 To inspect the background papers or if you have a query on the report please contact:

Author's Name:

Stephen Bevis

Author's Tel. No.

01223 - 458153

Author's Email:

stephen.bevis@cambridge.gov.uk

TREASURY MANAGEMENT POSITION AS AT 31st March 2018

CURRENT DEPOSITS

The Council's deposits as at 31st March 2018 are shown in the table below:-

Counterparty	% Rate	Duration	Principal (£'000)
Fixed Term Deposits			
Blackpool Borough Council	0.75	6 months	5,000
Bank of Scotland Plc	0.60	6 months	2,000
Bank of Scotland Plc	0.60	6 months	2,000
Bank of Scotland Plc	0.60	6 months	3,000
Bank of Scotland Plc	0.36	6 months	3,000
Bank of Scotland Plc	0.65	6 months	3,000
Cambridgeshire County Council	1.30	2 years	5,000
Doncaster MBC	0.90	2 years	5,000
Liverpool City Council	0.70	2 years	5,000
Lloyds Bank Plc	0.36	6 months	2,500
Lloyds Bank Plc	0.60	6 months	7,500
Lloyds Bank Plc	0.65	6 months	5,000
Lloyds Bank Plc	0.60	6 months	5,000
Nationwide BS	0.48	6 months	2,000
North Lanarkshire Council	0.55	6 months	5,000
Rugby Borough Council	0.60	2 years	5,000
Salford City Council	0.42	3 months	3,000
West Dunbartonshire Council	0.90	6 months	5,000
Total Fixed Term Deposits			73,000
Variable Rate Notice Accounts			
Barclays Bank Plc	0.40	Same Day Notice	7,429
CCLA Local Authorities' Property Fund	4.53	5 years	15,000
SLI Sterling Liquidity Fund (Class 2)	0.46242	Same Day Notice	500
BNP Paribas Insticash Sterling (Institutional)	0.45596	Same Day Notice	1,000
Payden Sterling Reserve Fund	0.64272	4 Day	5,000
Royal London Cash Plus Fund Y (Gross Inc)	0.41697	3 Day	5,000
Total Variable Rate Notice Accounts			33,929
TOTAL	-	-	106,929

The above deposits include any forward-deals or forward-renewals that have been agreed (i.e. where the deposit/renewal will take place at a future date).

LINK'S OPINION ON UK INTEREST & INVESTMENT RATES AS AT 31ST MARCH 2018

During the calendar year of 2017, there was a major shift in expectations in financial markets in terms of how soon Bank Rate would start on a rising trend. After the UK economy surprised on the upside with strong growth in the second half of 2016, growth in 2017 was disappointingly weak in the first half of the year which meant that growth was the slowest for the first half of any year since 2012. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum, feeding increases into the cost of imports into the economy. This caused a reduction in consumer disposable income and spending power as inflation exceeded average wage increases. Consequently, the services sector of the economy, accounting for around 75% of GDP, saw weak growth as consumers responded by cutting back on their expenditure. However, growth did pick up modestly in the second half of 2017. Consequently, market expectations during the autumn, rose significantly that the MPC would be heading in the direction of imminently raising Bank Rate. The minutes of the MPC meeting of 14 September indicated that the MPC was likely to raise Bank Rate very soon. The 2 November MPC quarterly Inflation Report meeting duly delivered by raising Bank Rate from 0.25% to 0.50%.

The 8 February MPC meeting minutes then revealed another sharp hardening in MPC warnings on a more imminent and faster pace of increases in Bank Rate than had previously been expected.

Market expectations for increases in Bank Rate, therefore, shifted considerably during the second half of 2017-18 and resulted in **investment rates** from 3 – 12 months increasing sharply during the spring quarter.

PWLB borrowing rates increased correspondingly to the above developments with the shorter term rates increasing more sharply than longer term rates. In addition, UK gilts have moved in a relatively narrow band this year, (within 25 bps for much of the year), compared to **US treasuries**. During the second half of the year, there was a noticeable trend in treasury yields being on a rising trend with the Fed raising rates by 0.25% in June, December and March, making six increases in all from the floor. The effect of these three increases was greater in shorter terms around 5 year, rather than longer term yields.

The major UK landmark event of the year was the inconclusive result of the **general election** on 8 June. However, this had relatively little impact on financial markets.

Link's Prediction for Interest Rates

The following table shows when Link predict interest rates will rise, together with an estimate of other interest rates. Link estimate that the Bank Rate will rise from 0.50% to 0.75% in November 2018.

	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
BANK RATE	0.50%	0.50%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 month LIBID	0.60%	0.70%	0.90%	0.90%	0.90%	1.10%	1.20%	1.30%	1.40%	1.50%	1.60%	1.60%
6 month LIBID	0.70%	0.80%	1.00%	1.00%	1.00%	1.20%	1.20%	1.30%	1.00%	1.60%	1.70%	1.70%
12 month LIBID	0.80%	0.90%	1.10%	1.10%	1.20%	1.30%	1.40%	1.40%	1.60%	1.70%	1.80%	1.80%
5 yr PWLB	1.90%	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%
10 yr PWLB	2.40%	2.40%	2.00%	2.60%	2.60%	2.70%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%
25 yr PWLB	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%
50 yr PWLB	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10	3.10	3.20%	3.20%

Link's Issue Date:- 11th May 2018

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Actual 2016/17 £'000	Current Budget* 2017/18 £'000	Actual 2017/18 £'000
PRUDENTIAL INDICATORS			
Capital expenditure			
- General Fund	19,965	40,698	29,337
- HRA	22,618	23,226	18,154
Total	42,583	63,924	47,491
Capital Financing Requirement (CFR) as at 31 March			
- General Fund	10,697	29,483	26,273
- HRA	214,321	214,321	214,321
Total	225,018	243,804	240,594
Change in the CFR (Note 2)	4,585	18,786	15,576
Deposits at 31 March (Note 3)	110,635	100,713	106,929
External Gross Debt	213,572	213,572	213,572
Ratio of financing costs to net revenue stream			
-General Fund	-1.82%	-2.25%	-2.41%
-HRA	16.96%	15.41%	14.99%
Total	15.14%	13.16%	12.58%

*Note1: Refers to the Council's Budget Setting Report 2018/19 as agreed by Council on 22nd February 2018.

Note 2: Includes unfinanced capital expenditure of £15,870k & MRP of (-) £294k.

Note 3: As per the Council's Balance Sheet.

PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Actual 2016/17 £'000	Current Budget* 2017/18 £'000	Actual 2017/18 £'000
TREASURY INDICATORS			
Authorised limit			
for borrowing	250,000	250,000	250,000
for other long term liabilities	0	0	0
Total	250,000	250,000	250,000
HRA Debt Limit	230,839	230,839	230,839
Operational boundary			
for external borrowing	213,572	213,572	213,572
for other long term liabilities	0	0	0
For internal borrowing	11,446	29,938	27,022
Total	225,018	243,510	240,594
Upper limit for total principal sums deposited for over 364 days & up to 5 years	50,000	50,000	50,000
Upper limit for fixed & variable interest rate exposure			
Net interest on fixed rate borrowing/deposits	7,062	6,910	6,798
Net interest on variable rate borrowing/deposits	-27	-18	-18
Maturity structure of new fixed rate borrowing		Upper Limit	Lower Limit
10 years and above (PWL B borrowing for HRA Reform)		100%	100%

*Note1: Refers to the Council's Budget Setting Report 2017/18 as agreed by Council on 22nd February 2018.

Annual Treasury Management (Outturn) Report 2017/18

Current Counterparty List

The full listing of approved counterparties is shown below, showing the category under which the counterparty has been approved, the appropriate deposit limit and current duration limits. These counterparties have also been shown under Specified and Non-Specified Investments (in line with DCLG Guidance).

Name	Council's Current Deposit Period	Category	Limit (£)
Specified Investments:-			
All UK Local Authorities	N/A	Local Authority	20m
All UK Passenger Transport Authorities	N/A	Passenger Transport Authority	20m
All UK Police Authorities	N/A	Police Authority	20m
All UK Fire Authorities	N/A	Fire Authority	20m
Debt Management Account Deposit Facility	N/A	DMADF	Unlimited
Barclays Bank Plc	Using Link's Credit Criteria	UK Bank	25m
HSBC Bank Plc	Using Link's Credit Criteria	UK Bank	20m
Standard Chartered Bank	Using Link's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS)	Using Link's Credit Criteria	UK Bank	20m
Lloyds Bank Plc	Using Link's Credit Criteria	UK Bank	20m
National Westminster Bank Plc (NWB)	Using Link's Credit Criteria	UK Nationalised Bank	20m
Santander UK Plc	Using Link's Credit Criteria	UK Bank	5m
The Royal Bank of Scotland Plc (RBS)	Using Link's Credit Criteria	UK Nationalised Bank	20m

Name	Council's Current Deposit Period	Category	Limit (£)
Other UK Banks	Using Link's Credit Criteria	UK Banks	20m
Members of a Banking Group (BoS Group includes Lloyds, RBS Group includes NWB)	Using Link's Credit Criteria	UK Banks and UK Nationalised Banks	30m
Svenska Handelsbanken	Using Link's Credit Criteria	Non-UK Bank	5m
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/V1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Money Market Funds	Liquid Rolling Balance	Financial Instrument	15m (per fund)
Custodian of Funds	Requirement for Undertaking Financial Instruments	Fund Managers	Up to 15m (per single counterparty)
UK Government Treasury Bills	Up to 6 months	Financial Instrument	15m
Other Specified Investments - UK Building Societies:-			
Name	Council's Current Deposit Period	Society Asset Value (£'m) – as at 1st May 2018	Limit (£)
Nationwide Building Society	1 month or in line with Link's Credit Criteria, if longer	221,670	Assets greater than £100,000m - £20m
Yorkshire Building Society		42,047	
Coventry Building Society		42,573	
Skipton Building Society		21,024	Assets between £50,000m and £99,999m - £5m
Leeds Building Society		18,484	
Principality Building Society		9,263	Assets between £5,000m and £49,999m - £2m
West Bromwich Building Society		5,831	
Non-Specified Investments:-			

Name	Council's Current Deposit Period	Category	Limit (£)
Name	Council's Current Deposit Period	Category	Limit (£)
All UK Local Authorities – longer term limit	Over 1 year and up to 5 years	Local Authority	Up to 35m (in total)
Cambridge City council Housing Working Capital Loan Facility	Up to 1 year	Loan	200,000
CCLA Local Authorities' Property Fund	Minimum of 5 years	Pooled UK Property Fund	Up to 15m
Certificates of Deposit (with UK Banking Institutions)	Liquid Rolling Balance	Financial Instrument	15m (per single counterparty)
Certificates of Deposit (with UK Building Societies)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Certificates of Deposit (with Foreign Banking Institutions)	Liquid Rolling Balance	Financial Instrument	2m (per single counterparty)
Commercial Property Investments funded from cash balances	Over 1 year	Commercial Property	20m (in total)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/V1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Supranational Bonds – AAA	Using Link's Credit Criteria	Multi-lateral Development Bank Bond	15m
UK Government Gilts	Over 1 year & up to 30 Years	Financial Instrument	15m

Note: In addition to the limits above, the total non-specified items over 1 year will not exceed £50m.

Treasury Management – Glossary of Terms and Abbreviations

Term	Definition
Authorised Limit for External Borrowing	Represents a control on the maximum level of borrowing
Capital Expenditure	Expenditure capitalised in accordance with regulations i.e. material expenditure either by Government Directive or on capital assets, such as land and buildings, owned by the Council (as opposed to revenue expenditure which is on day to day items including employees' pay, premises costs and supplies and services)
Capital Financing Requirement	A measure of the Council's underlying borrowing need i.e. it represents the total historical outstanding capital expenditure which has not been paid for from either revenue or capital resources
Certificates of Deposit (CDs)	Low risk certificates issued by banks which offer a higher rate of return
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counter-parties	Financial Institutions with which funds may be placed
Credit Risk	Risk of borrower defaulting on any type of debt by failing to make payments which it is obligated to do
DCLG	Department for Communities & Local Government
Enhanced Cash Funds	Higher yielding funds typically for investments exceeding 3 months
Eurocurrency	Currency deposited by national governments or corporations in banks outside of their home market
External Gross Debt	Long-term liabilities including Private Finance Initiatives and Finance Leases

Term	Definition
HRA	Housing Revenue Account - a 'ring-fenced' account for local authority housing account where a council acts as landlord
HRA Self-Financing	A new funding regime for the HRA introduced in place of the previous annual subsidy system
London Interbank Offered rate (LIBOR)	A benchmark rate that some of the leading banks charge each other for short-term loans
London Interbank Bid Rate (LIBID)	The average interest rate which major banks London banks borrow Eurocurrency deposits from other banks
Liquidity	A measure of how readily available a deposit is
MPC	Monetary Policy Committee - The Bank of England Committee responsible for setting the UK's bank base rate
Minimum Revenue Provision (MRP)	Revenue charge to finance the repayment of debt
Non-Specified Investments	These are investments that do not meet the conditions laid down for Specified Investments and potentially carry additional risk, e.g. lending for periods beyond 1 year
Operational Boundary	Limit which external borrowing is not normally expected to exceed
Quantitative Easing (QE)	A financial mechanism whereby the Central Bank creates money to buy bonds from financial institutions, which reduces interest rates, leaving businesses and individuals to borrow more. This is intended to lead to an increase in spending, creating more jobs and boosting the economy
PWLB	Public Works Loans Board - an Executive Government Agency of HM Treasury from which local authorities & other prescribed bodies may borrow at favourable interest rates
Security	A measure of the creditworthiness of a counter-party

Term	Definition
Specified Investments	Those investments identified as offering high security and liquidity. They are also sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' credit rating criteria where applicable
Supranational Bonds	Multi-lateral Development Bank Bond
UK Government Gilts	Longer-term Government securities with maturities over 6 months and up to 30 years
UK Government Treasury Bills	Short-term securities with a maximum maturity of 6 months issued by HM Treasury
Yield	Interest, or rate of return, on an investment

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Item

Strategy and Resources Scrutiny Committee

2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Finance and Resources Portfolio

To:

Councillor Robertson, Executive Councillor for Finance and Resources

Report by:

Chief Executive, Strategic Directors, Head of Finance

Date:

2 July 2018

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

1.1 This report presents, for the Finance and Resources Portfolio :

- a) A summary of actual income and expenditure compared to the final budget for 2017/18 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2018/19.

2. Recommendations

Members of the Scrutiny Committee are asked to consider and make known their views on the following proposals for consideration by the Executive Councillor for Finance and Resources at the Strategy and Resources Scrutiny Committee on 2 July 2018:

a) Carry forward requests totalling £300k revenue funding from 2017/18 to 2018/19, as detailed in **Appendix C**.

b) Carry forward requests of £5,060k capital resources from 2017/18 to 2018/19 to fund rephased net capital spending, as detailed in **Appendix D**.

3. Background

Revenue Outturn

3.1 The overall revenue budget outturn position for the Finance and Resources Portfolio is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

2016/17 £'000	Finance and Resources Portfolio Revenue Summary	2017/18 £'000	% Final Budget
(6,341)	Original Budget	(5,112)	(107.6)
198	Adjustment – Prior Year Carry Forwards	197	4.1
13	Adjustment – Service Restructure Costs	-	-
244	Adjustment – Earmarked Reserves	180	3.8
438	Adjustment – Capital Charges	(21)	(0.3)
160	Adjustment – Central & Support reallocations	-	-
0	Other Adjustments	3	-
(5,288)	Final Budget	(4,753)	(100.0)
(5,944)	Outturn	(5,502)	(115.8)
(656)	(Under) / Overspend for the year	(749)	(15.8)
223	Carry Forward Requests	300	6.3
(433)	Resulting Variance	(449)	(9.5)

- 3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for this Portfolio for 2017/18. The original revenue budget for 2017/18 was approved by the Executive Councillor for Strategy and Resources on 23 January 2017.
- 3.3 **Appendix B** provides explanations of the main variances.
- 3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

- 3.5 The overall capital budget outturn position for the Finance and Resources Portfolio is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2016/17 £'000	Finance and Resources Portfolio Capital Summary	2017/18 £'000	% Final Budget
27,861	Final Budget	24,864	100.0
10,203	Outturn	19,619	78.9
(17,658)	Variation - (Under)/Overspend for the year	(5,245)	21.1
24,045	Rephasing Requests	5,060	20.4
6,387	Variance	(185)	0.7

- 3.6 The majority of the rephasing relates to Investment in Commercial Property Portfolio £2,427k and Building works at the Guildhall to reduce carbon emissions and improve energy efficiency £437k.

4. Implications

- 4.1 The net revenue variance from the final budget (see above), would result in a decreased use of General Fund reserves of £449k, after carry forward requests.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this

could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.

(a) Financial Implications

Any financial implications are included in the Appendices.

(b) Staffing Implications

Any staffing implications are included in the Appendices.

(c) Equality and Poverty Implications

Any equality and poverty implications are included in the Appendices.

(d) Environmental Implications

Any environmental implications are included in the Appendices.

(e) Procurement Implications

Any procurement implications are included in the Appendices.

(f) Community Safety Implications

Any community safety Implications are included in the Appendices.

5. Consultation and communication considerations

Public consultations are undertaken throughout the year and can be seen at:

cambridge.gov.uk/current-consultations

6. Background papers

These background papers were used in the preparation of this report:

- Closedown Working Files 2017/18
- Directors' Variance Explanations – March 2018
- Budgetary Control Reports to 31 March 2018
- Capital Monitoring Reports – March 2018

7. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Revenue Summary for this portfolio	✓
B	Revenue Major Variances for this portfolio	✓
C	Carry Forward Requests for this portfolio	✓
D	Capital Summary for this portfolio	✓

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Authors' Phone Numbers: 01223 - 458144, 01223 - 458143
Authors' Emails: linda.thompson@cambridge.gov.uk
john.harvey@cambridge.gov.uk

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Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Outturn

Service Grouping	Original Budget £	Final Budget £	Outturn £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Finance - General	(831,610)	(831,610)	(609,369)	222,241	0	222,241
General Properties and Grand Arcade	(6,136,130)	(6,123,770)	(6,731,249)	(607,479)	0	(607,479)
130 Cowley Road	0	67,970	67,971	1	0	1
Office Accommodation Strategy Phase 2 -	0	97,510	97,517	7	0	7
Revenue Set Up Costs	0	0	(526)	(526)	0	(526)
Procurement	0	0	(526)	(526)	0	(526)
	(6,967,740)	(6,789,900)	(7,175,656)	(385,756)	0	(385,756)
Human Resources						
Employee Travel Plan	0	0	(1,147)	(1,147)	0	(1,147)
Salary sacrifice scheme	0	0	(7,073)	(7,073)	0	(7,073)
GMB	0	0	(17,498)	(17,498)	0	(17,498)
Unison	0	0	(578)	(578)	0	(578)
	0	0	(26,296)	(26,296)	0	(26,296)
Sustainable City	129,650	129,650	100,928	(28,722)	0	(28,722)
	129,650	129,650	100,928	(28,722)	0	(28,722)
Revenues and Benefits	1,697,790	1,878,880	1,857,454	(21,426)	158,000	136,574
Customer Service Centre	0	0	2,413	2,413	0	2,413
Cashiers	0	0	3,365	3,365	0	3,365
Corporate Business Support	0	0	(69,284)	(69,284)	0	(69,284)
Corporate Business Processing	0	0	(55,426)	(55,426)	0	(55,426)
Business Support - Centralised Overheads	0	0	(10,792)	(10,792)	0	(10,792)
Land Charges and Searches	1,020	1,020	18,759	17,739	0	17,739
Quality/Health and Safety Management - Indirect	0	0	(5,684)	(5,684)	0	(5,684)
River Frontage Management	27,300	27,300	7,711	(19,589)	0	(19,589)
	1,726,110	1,907,200	1,748,516	(158,684)	158,000	(684)
Direct Services Total	(5,111,980)	(4,753,050)	(5,352,508)	(599,458)	158,000	(441,458)
Support Services (net costs recharged to Departments)						
Accountancy and Support Services	1,565,290	1,589,290	1,617,205	27,915	0	27,915
Other Support Services	190,550	190,550	217,067	26,517	0	26,517
Internal Audit (Shared with SCDC)	258,140	258,140	200,554	(57,586)	0	(57,586)
Human Resources	753,180	785,180	697,443	(87,737)	41,500	(46,237)
IT	3,571,020	3,568,850	3,715,731	146,881	0	146,881
Legal	689,030	689,030	666,442	(22,588)	0	(22,588)
Property Services	724,390	723,390	608,089	(115,301)	100,000	(15,301)
Admin Buildings (including Facilities Management)	2,245,550	2,357,310	2,289,838	(67,472)	0	(67,472)
Support Services Total	9,997,150	10,161,740	10,012,369	(149,371)	141,500	(7,871)
Recharged to Departments	(9,997,150)	(10,161,740)	(10,161,740)	0	0	0
Support Services (net)	0	0	(149,371)	(149,371)	141,500	(7,871)
Total Net Budget	(5,111,980)	(4,753,050)	(5,501,879)	(748,829)	299,500	(449,329)

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- via technical adjustments/virements throughout the year

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Finance - General	The variance is primarily due to: - Higher than budgeted MRP charges resulting from earlier than forecast acquisition of various commercial properties during the 2017/18 financial year - £170k. (The additional MRP charges are more than offset by additional commercial property rental income - (£472k) greater than budget.) - Higher than budgeted interest charge from the HRA - £178k. - Higher than budgeted interest received - (£117k).	222,241	Caroline Ryba
General Properties and Grand Arcade	This variance is primarily due to earlier than forecast completion of a number of Commercial Property acquisitions that took place during the 2017/18 financial year resulting in an over achievement of rental income compared to budget of £472k. The over achievement of income is partly offset by higher than budgeted MRP charges of £170k (charged to a Central Finance cost centre). The remaining variance is primarily due to an over achievement of rental income from geared ground rents where the Council receives a proportion of income generated by property but managed by others.	(607,479)	Dave Prinsep
Sustainable City	Underspend is mainly due to the Sustainable City Grants being undersubscribed (£22,000 awarded against £32,000 budget) and not paying two sustainability partnership grants (Travel to Work Partnership and Biodiversity Partnership), as these were no longer required.	(28,722)	David Kidston
Revenues and Benefits	The variance is primarily due to (a) unspent Homelessness Prevention Funding of (£158k) allocated to Discretionary Housing Payment use (top up funding) for which a carry forward of budget to the 2018/19 financial year was approved at the Strategy & Resources Scrutiny Committee meeting on 19 March 2018 (see Appendix C) and (b) net subsidy differences of £120k within overall expenditure of £38.4 million.	(21,426)	Alison Cole
Corporate Business Support	Underspend is due to difficulty in recruiting and vacant posts being held during the Business Support restructure. There is also an underspend in maintenance in tools and equipment. Mailing equipment is not being replaced as our requirements are likely to change as a result of the print to mail project.	(69,284)	Emma Farrington
Corporate Business Processing	Underspend is due to vacant posts being held during the transfer to the shared planning service, and reduced hours on a number of other posts.	(55,426)	Emma Linney
Support Services			
Accountancy & Support Services	The variance is primarily due to a later than originally forecast 'go live' date for the new Financial Management System. This led to increased costs with respect to the backfill of staff that are directly involved with the project and increased project management costs.	27,915	Caroline Ryba
Other Support Services	Overspend is primarily due to the cost of recruitment and interim cover with respect to the Strategic Director post.	26,517	Caroline Ryba
Internal Audit (Shared with SCDC)	The variance is due to two vacant posts in the establishment, which have not been recruited into (e.g. salary, NI and pension costs) partially offset by agency worker costs.	(57,586)	Jonathan Tully
Human Resources	Underspends of £6k on ICT maintenance and support, some pension and part year vacancies and various small underspends over a number of codes. In addition we have created budget provision of £40k for a management development programme by virement from service budgets into corporate HR learning and development budgets. This is profiled for 2018 and will appear as an underspend until the programme commences so will require carry forward to 2018/19.	(87,737)	Deborah Simpson
IT	The variance is primarily due to an overspend on ICT Shared Services costs - £80k (based on on-account charges for the 2017/18 financial year and a creditor adjustment for the 2016/17 financial year) and an overspend on development days/project costs - £76k.	146,881	Fiona Bryant

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

**Revenue Budget 2017/18 - Major Variances
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount £	Contact
Legal	The surplus of £22k demonstrates the Practice is in a stable position and starting to perform well against objectives. This is due to Improved performance in terms of hours recorded, improved efficiency and staff productivity.	(22,588)	Tom Lewis
Property Services	Variance is primarily due to focusing on delivery of Phase II of the Office Accommodation Strategy and reviewing how to develop the Phase III feasibility study. A carry forward request of £100,000 will be submitted to Strategy & Resources Scrutiny Committee in order that the feasibility study can be undertaken during the 2018/19 financial year (see Appendix C).	(115,301)	Dave Prinsep
Admin Buildings (including Facilities Management)	The underspend is primarily due to lower utility costs with respect to the Mandela House building which was only partly occupied during the 2017/18 financial year - £35k. The remaining variance is due to minor net positive variances on a range of premises, supplies and services and income budget headings.	(67,472)	Will Barfield
Other	Various	(39,362)	-
Total		(748,829)	

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for carry forward request	Amount £	Contact
1	Revenues and Benefits Request to carry forward unspent Homelessness Prevention funding of £158,000 to support Discretionary Housing Payments. (N.B. The above-mentioned carry forward request was approved at the Strategy & Resources Scrutiny Committee meeting on 19 March 2018).	158,000	Alison Cole
2	Human Resources - Organisational Development We made a budget provision of £41.5k for the management development programme by virement from service budgets and HR into corporate HR learning and development budgets. This was profiled for 2018 and will appear as an underspend until the programme commences.	41,500	Deborah Simpson
3	Property Services The focus for the 2017/18 financial year was on delivering Phase II of the Office Accommodation Strategy. A carry forward of budget of £100,000 is requested in order that the Office Accommodation Strategy Phase III feasibility study can be undertaken during the 2018/19 financial year.	100,000	Dave Prinsep
	Total Carry Forward Requests for Finance & Resources Portfolio	299,500	

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC604 - 100067	Replacement Financial Management System	C Ryba	160	160	110	(50)	50	0	Project completion and closure to follow.
SC605 - 100068	Replacement Building Access Control System	W Barfield	48	48	15	(33)	33	0	The remaining part of the access system installation at Mandela House is being co-ordinated with the refurbishment work at Mandela House.
SC608 - 100071	Improvements to Gwydir Enterprise Centre	D Prinsep	196	196	11	(185)	0	(185)	Prices exceed budget due to unforeseen costs relating to fire safety and other building control requirements. Abortive professional fees incurred to date. Further £1,200 outstanding fee to pay. Capital scheme to be cancelled in current format as agreed between Head of Property Services and Executive Councillor and future of property under review.
SC627 - 100109	Guildhall Large Hall Windows refurbishment	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
SC621 - 100117	20 Newmarket Road - commercial property	D Prinsep	73	73	70	(3)	3	0	Works completed, final invoice to be paid in 2018/19.
SC639 - 100149	Re-roofing the Guildhall	W Barfield	164	164	0	(164)	164	0	To be completed as part of Guildhall energy works contract.
SC601 - 100170	Replacement Telecommunications & Local Area Network	T Allen	187	187	153	(34)	34	0	Unify continue to make improvements to core service to bring to acceptable standard – next major change due June 2018.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC655 - 100190	Resealing the roof at Robert Davies Court	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
SC656 - 100191	Barnwell Business Park remedial works to the roofs	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
Total Projects			828	828	359	(469)	284	(185)	
PV192 - 100164 (382027)	Development Land on the North Side of Kings Hedges Road	P Doggett	2	2	0	(2)	2	0	This is a capital provision whereby we contribute an average of 7.56% of the Arbury Park Development collaboration agreement costs. A budget of £2k needs to be re-phased to the 2018/19 financial year in order to meet the final costs of the scheme.
PV554 - 100020 (38184)	Development of Land at Clay Farm	D Prinsep	471	471	146	(325)	325	0	This is a scheme whereby we contribute 7% of the net costs incurred in respect of the Collaboration Agreement with Countryside Properties. Rate of invoices from Countryside Properties relate directly to rate of house-building which is variable and beyond our control. Target completion date is long stop date in Development Agreement and equates to four years from estimated planning approval.
PV583 - 100030 (38242)	Clay Farm Commercial Property Construction Costs	D Prinsep	130	130	63	(67)	67	0	Construction work completed. Remaining budget allocation of £67k relates to bin store fit out and other costs.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
Total Provisions			603	603	209	(394)	394	0	
PR050a - 100142 (38388)	Relocation of Services to 130 Cowley Road (OAS)	W Barfield	479	479	392	(87)	87	0	Work started on site in February 2018 and was scheduled to be completed in 12 weeks.
PR050b - 100143 (38389)	Mandela House Refurbishment (OAS)	W Barfield	1,757	1,757	888	(869)	869	0	Project is in construction phase and estimated completion date is early May 2018.
PR050e - 100145 (38391)	Cowley Road Compound ex-Park and Ride Site (OAS)	W Barfield	566	566	138	(428)	428	0	Planning requirements had lead to delay in starting work. Work started on site in February 2018 and was scheduled to be completed in 12 weeks.
PR050f - 100201 (38445)	Guildhall Welfare Improvements (OAS)	W Barfield	40	40	5	(35)	35	0	Delays in works to 2nd and 3rd floor kitchens and new drying room, therefore the completion is now expected in 2018/19 along with the rest of the works.
PR050g - 100202	Office optimisation (OAS)	W Barfield	0	0	0	0	0	0	Budget in 2018/19.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR051 - 100155 (38401)	Building works at The Guildhall to reduce carbon emissions and improve energy efficiency	W Barfield	450	450	13	(437)	437	0	Contract signed in December 2017 to engage contractor Buoygues to work on the design. Work started on site in March 2018.
PR050 - 100139 (38385)	Office Accommodation Strategy Phase 2 (OAS)	L Barlow	0	0	0	0	0	0	This is an earmarked reserve (pool), which requires a business case to be submitted to the Capital Programme Board to start the process of allocating the funds to a specific scheme. Budget of £473k available in 2018/19.
PR050c - 100144 (38390)	Refurnishing Guildhall 4th Floor (OAS)	L Barlow	42	42	42	0	0	0	Scheme now completed.
PR050d - 100146 (38392)	Mobile Working (OAS Phase II)	L Barlow	99	99	0	(99)	99	0	
PR038 - 100141 (38387)	Investment in Commercial Property Portfolio	D Prinsep	20,000	20,000	17,573	(2,427)	2,427	0	Terms agreed for a further acquisition at ca. £1m but with completion due in June/July 2018. Leaves ca. £1.4m available for as yet unidentified investment.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
Total Programmes			23,433	23,433	19,051	(4,382)	4,382	0	
Total for Finance & Resources Portfolio			24,864	24,864	19,619	(5,245)	5,060	(185)	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)



Item

Strategy and Resources Scrutiny Committee

2017/18 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Overview

To:

Councillor Robertson, Executive Councillor for Finance and Resources

Report by:

Chief Executive, Strategic Directors, Head of Finance

Date:

2 July 2018

Wards affected:

(All) Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

Key Decision

1. Executive Summary

1.1 This report presents, for all Portfolios :

- a) A summary of actual income and expenditure compared to the final budget for 2017/18 (outturn position)
- b) Revenue and capital budget variances with explanations, as reported to individual Executive Councillors and Scrutiny Committees
- c) Specific requests to carry forward funding available from budget underspends into 2018/19.

1.2 The outturn reports presented in this Committee cycle reflect the Executive Portfolios for which budgets were originally approved (which may have changed since, for example for any changes in Portfolio responsibilities). Therefore members of all committees have been asked to consider proposals to carry forward budgets and make their views known to the Executive Councillor for Finance and Resources, for

consideration at Strategy and Resources Scrutiny Committee prior to recommendations to Council. As this report was published prior to completion of all the Scrutiny Committee meetings all comments will need to be taken on board.

- 1.3 The outturn position for the Housing Revenue Account (HRA) was reported to the Housing Scrutiny Committee and the Executive Councillor for Housing on 19 June 2018.

2. Recommendations

The Executive Councillor for Finance and Resources is recommended to seek approval from Council for:

- a) Carry forward requests totalling £1,330k General Fund revenue funding from 2017/18 to 2018/19, as detailed in Appendix C.
- b) Carry forward requests of £14,111k capital resources from 2017/18 to 2018/19 to fund rephased net capital spending, as detailed in Appendix D - Overview (including £10,313k General Fund and £3,798 relating to the Housing Capital Investment Plan).
- c) (Request from Communities Portfolio:) allocation of an additional £100,000 from General Fund reserves to be made available for the Community Grants budget in 2019/20 to help fund projects delivered by the voluntary and community sector which will reduce poverty.

3. Background

Revenue Outturn

- 3.1 The overall revenue budget outturn position for all Portfolios is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

2016/17 £'000	General Fund Revenue Summary	2017/18 £'000	% Final Budget
18,259	Original Budget	19,681	86.0
485	Adjustment – Prior Year Carry Forwards	914	4.0
-	Adjustment – BSR Feb 2017	-	-

	approvals		
-	Adjustment – Service Restructure Costs	-	-
-	Adjustment – Earmarked Reserves	2,317	10.1
-	Adjustment – Capital Charges	(60)	(0.2)
-	Adjustment – Central & Support reallocations	-	-
1,331	Other Adjustments	23	0.1
20,075	Final Budget	22,875	100.0
18,045	Outturn	20,903	91.4
(2,030)	(Under)/Overspend for the year on committees	(1,972)	(8.6)
914	Carry Forward Requests - revenue	1,330	5.8
(1,116)	Variation on committees	(642)	(2.8)
(1,139)	Other variances (mainly earmarked reserves and retained business rates)	(648)	(2.8)
466	Capital expenditure financed from revenue	298	1.3
(1,789)	Variance and reduced use of General Fund Reserves	(992)	(4.3)

3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for all Portfolios for 2017/18. The original revenue budget for 2017/18 was approved by Council on 23 February 2017.

3.3 **Appendix B** provides explanations of the main variances.

3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

- 3.5 The overall capital budget outturn position for all Portfolios is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2016/17 £'000	General Fund Capital Summary	2017/18 £'000	% Final Budget
17,860	Final Budget	39,843	100.0
27,498	Outturn	27,831	69.9
45,358	Variation - (Under)/Overspend for the year	(12,012)	(30.1)
19,903	Rephasing Requests	10,313	25.9
(25,455)	Variance	(1,699)	(4.3)

2016/17 £'000	HRA Capital Summary	2017/18 £'000	% Final Budget
37,271	Original Budget	47,263	196.7
2,171	Adjustments (Re-phasing -prior year)	2,668	11.1
(13,159)	Other Adjustments	(25,905)	(107.8)
26,283	Final Budget	24,026	100.0
23,373	Outturn	18,923	78.8
(2,910)	(Under)/Overspend for the year	(5,103)	(21.2)
2,896	Re-phasing Requests	3,798	15.8
(14)	(Under) / Overspend	(1,305)	(5.4)

General Fund

- 3.6 The major reasons for variances and rephasing includes **Environmental Services and City Centre** £690k for the vehicle replacement programme where there have been delays in deliveries, **Streets and Open Spaces** unspent budget for the Environmental Improvements Programme of £448k (plans are being developed for future use of this budget), **Planning Policy and Transport** transfer of budgets for the cycleways programme £358k (where the plan to spend is currently being developed) and the car parks sprinkler system £381k (which is due to be completed in June 2018), **Finance and Resources** Investment in Commercial Property Portfolio £2,427k and Building works at the Guildhall to reduce carbon emissions and improve energy efficiency £437k, **Strategy and Transformation** equity loan to CIP in relation to the Mill Road Development £950k.

HRA

- 3.7 Spending in the Housing Capital Investment Plan in 2017/18 was below that originally anticipated, with significant reduction in the budget, particularly for new build expenditure as part of the Medium Term Financial Strategy in September / October 2017.
- 3.8 At outturn, against the latest capital budget approved, underspending of £1,383,000 was evident in new build investment, with slippage of £1,094,000 identified. This related predominantly to delays at Anstey Way, Ventress Close and the 2015/16 garage sites, where obtaining vacant possession and planning permissions, selecting contractors, and for some sites agreeing new processes with the Cambridge Investment Partnership has introduced some delays.
- 3.9 Investment in the housing stock, in respect of decent homes and other capital activity was underspent by £2,088,000, with the need to defer £1,291,000 of investment into future years having been identified.
- 3.10 The capital expenditure relating to the re-acquisition of shared ownership dwellings was not as great as anticipated in 2017/18, and the allowance of £1,171,000 to meet inflation across all aspects of the programme was not allocated, as underspending across the programme meant that this was not necessary. It is requested that the inflation allowance is re-phased into 2018/19 to allow the authority to proceed and enter into the build contracts and affordable housing agreements that have been delayed.

- 3.11 Permission is sought to re-phase the use of £95,000 direct revenue financing of capital expenditure from the Housing Revenue Account into 2018/19, and to recognise the deferral of assumed capital receipts for the sale of shared ownership properties at Clay Farm (£2,199,000) and Devolution Grant (£668,000), where these will be used to finance the re-phased capital expenditure identified.
- 3.12 Recognition also needs to be given to a reduced use of major repairs reserve as a funding source in 2017/18 (£1,182,000), with the need to recognise the deferred use of this in 2018/19 to finance re-phased capital expenditure.

4. Implications

- 4.1 The net variance from the final budget (see above) on committees would result a decreased use of General Fund reserves of £1,972k. After revenue carry forwards of £1,330k this is £642k. After capital projects financed from revenue of £298k and net reductions (mainly for earmarked reserves and retained business rates) the overall variance and decreased use of General Fund Reserves is £992k.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have financial, staffing, equality and poverty, environmental, procurement or community safety implications.

(a) Financial Implications

Any financial implications are included in the Appendices.

(b) Staffing Implications

Any staffing implications are included in the Appendices.

(c) Equality and Poverty Implications

Any equality and poverty implications are included in the Appendices.

(d) Environmental Implications

Any environmental implications are included in the Appendices.

(e) Procurement Implications

Any procurement implications are included in the Appendices.

(f) Community Safety Implications

Any community safety Implications are included in the Appendices.

5. Consultation and communication considerations

Public consultations are undertaken throughout the year and can be seen at:

cambridge.gov.uk/current-consultations

6. Background papers

These background papers were used in the preparation of this report:

- Closedown Working Files 2017/18
- Directors' Variance Explanations – March 2018
- Budgetary Control Reports to 31 March 2018
- Capital Monitoring Reports – March 2018

7. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Revenue Summary for this portfolio	✓
B	Revenue Major Variances for this portfolio	✓
C	Carry Forward Requests for this portfolio	✓
D	Capital Summary for this portfolio	✓

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Authors' Names: John Harvey
Authors' Phone Numbers: 01223 - 458143
Authors' Emails: john.harvey@cambridge.gov.uk

O:\accounts\Committee Reports & Papers\Strategy & Resources from July 2007\2018
June\Overview\Final\S&R (Overview) - Committee Outturn Report Jun 2018 FINAL.docx

General Fund Overview / Strategy & Resources Scrutiny Committee

Revenue Budget - 2017/18 Outturn

Committee / Portfolio	Original Budget £000	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Environment & Community Services						
Communities	7,349	7,476	7,494	18	0	18
Environment Services & City Centre	4,287	4,188	4,462	274	33	307
Streets & Open Spaces	6,455	6,443	6,130	(313)	215	(98)
Total Environment & Community Services	18,091	18,107	18,086	(21)	248	227
Planning & Transport						
Planning Policy & Transport	(1,226)	(1,195)	(1,202)	(7)	10	3
Total Planning & Transport	(1,226)	(1,195)	(1,202)	(7)	10	3
Housing						
Housing GF	3,462	3,597	3,196	(401)	348	(53)
Strategy & Resources						
Finance & Resources	(5,112)	(4,753)	(5,501)	(748)	300	(448)
Strategy & Transformation	4,466	7,119	6,324	(795)	424	(371)
Total Strategy & Resources	(646)	2,366	823	(1,543)	724	(819)
Total Portfolios / Committees	19,681	22,875	20,903	(1,972)	1,330	(642)
Capital accounting adjustments	(6,155)	(6,099)	(6,101)	(2)		(2)
Capital expenditure financed from revenue	2,348	2,405	2,703	298		298
Contributions to earmarked funds	6,118	6,669	6,900	231		231
Contributions to/(from) Reserves	(2,330)	(4,355)	(2,033)	2,322	(1,330)	992
	(19)	(1,380)	1,469	2,849	(1,330)	1,519
Net spending requirement	19,662	21,495	22,372	877	0	877
Financed by:						
Settlement Funding Assessment	(5,138)	(5,137)	(5,901)	(764)		(764)
Locally Retained Business Rates - growth element				0		0
New Homes Bonus (NHB)	(5,962)	(5,962)	(5,972)	(10)		(10)
Other grants from central government:			(58)	(58)		(58)
Appropriations from earmarked funds	(755)	(2,589)	(2,634)	(45)		(45)
Council Tax	(7,839)	(7,839)	(7,839)	0		0
Collection Fund (Surplus)/Deficit	32	32	32	0		0
Total Financing	(19,662)	(21,495)	(22,372)	(877)	0	(877)
Net Total	0	0	0	0	0	0

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- via technical adjustments/virements throughout the year

Communities Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Community Centres	<p>£27k The Meadows: Non essential maintenance works have been put on hold due to the Community Facilities Review. We have also managed to achieve more income from room hire than anticipated.</p> <p>£101k Clay Farm: revenue spend up until 14.2.18 (handover) has been met from contractual compensation arising from construction delays - resulting in an anticipated underspend.</p> <p>£28k net overachievement of income at other centres</p>	(155,886)	Sally Roden
Community Services Admin	There has been a planned underspend against our facilities maintenance code in order to offset some of the additional costs relating to the Cambridge Live contract.	(27,676)	Cathy Heath
Cultural and Community	<p>There have been a range of additional costs in respect of the Corn Exchange or Cambridge Live contract, which can be itemised as follows:</p> <p>a) Maintenance (landlord responsibility) £44,000</p> <p>b) City Events - agreed additional costs due to new HSE guidance £48,000</p> <p>c) Funding agreed for legal advice in lieu of Retained Services Agreement (RSA) £5,000</p> <p>d) Funding agreed for financial support in lieu of RSA £5,000</p> <p>e) Business plan advice to the Council £30,000</p> <p>f) CL set up costs - loan provision £124,760</p>	267,774	Jane Wilson
Sport & Recreation	<p>The main underspends on the Leisure Management / Contract are due to:</p> <p>a) £8k Contract Variations – This is a sum allocated for any variation to the leisure contract from utility bill increases to major plant failure. This year we have managed a planned underspend to support additional costs relating to the Cambridge Live contract.</p> <p>b) £19k Discretionary Rate Relief: The pools have been revalued for Rates and they have come down and hence the under spend now showing against the DRR allocation within the budget based on previous years' DRR payments.</p> <p>c) £37k Contract Sums – The discrepancy has arrived from the compounded annual inflation added to the contract budget sum over the last 5 years. It is the difference from the CPI inflation rate that the contract sum is actually inflated by. The contract sum is inflated by September's CPI rate and over the previous three years this has been very low - hence the gap between the actual and budget allocation. This gap will close quite quickly if the CPI for September continues to exceed the 2.25% used to inflate the Council budget - this year CPI was 2.8% in Sept 2017.</p>	(61,164)	Ian Ross
Other	Grants, Children and Youth, Neighbourhood Community Development	(5,285)	-
Total		17,763	

Streets & Open Spaces Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Bereavement Services	City of Cambridge Cemetery - Various underspends and overachievements over a number of codes. Largely due to a reduction in burials and the grounds and building maintenance budgets being underspent.	(25,877)	Glyn Theobald
	Cambridge Crematorium - The A14 widening project continues to have a negative effect on revenue across the service and is adversely affecting peoples choice of location. The negative effect is likely to continue until the new road access is constructed in 2018/19 and beyond. We are however opening up Newmarket road chapel for services and this is expected to have a positive effect on funeral directors and members of the public who are avoiding the A14 works	138,603	Glyn Theobald
	Burials and Grounds - A post remains vacant within the burial and grounds team and the service will be looking to recruit in 18/19 for a multifunctional roll to cover the service resilience	(20,871)	Glyn Theobald
	Central Costs - £40k temporary agency staff budget remained for the service management cover which remained unused as bereavement service manager was in post in May 2017. The underspend on various codes enabled the service bottom line to be achieved despite the impact from the A14.	(97,366)	Glyn Theobald
Environmental Improvements	Project Delivery (Costs recovered) - Variance relates primarily to under-recovery of income (as a consequence of work on projects under development, and continuing high level of officer input needed on difficult, legacy, projects) allied with costs of staffing changes and temporary cover of vacant posts. Recharges under review with Finance.	85,456	John Richards
Open Space Management	Bill Posting & Distribution - There is an underlying budget issue which will need to be addressed for future budgets.	41,145	Anthony French

Streets & Open Spaces Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Open Space Management	Open Space Management - Overspend of £10,000 against budget, with additional income due to delays from the University Arms Hotel refurbishment and part use of Parkers Piece.	(112,582)	Alistair Wilson
	Closed Churchyards - Related to not being able to undertake a project at Mill Road on vegetation removal due to poor weather during first quarter of 2018	(29,040)	Anthony French
	Open Space Asset Management - Figure relates to income as per the original agreement regarding the University Arms Development.	(104,724)	Alistair Wilson
	Public Toilets - Most of this underspend relates to a bid of 48K for improvements - and this is requested to be carried forward	(42,945)	Anthony French
Streets & Open Spaces	Street Cleaning - Direct - Mainly due to underspends of 33k on basic pay and pensions, 38k on other premises related costs and 21k on use of subcontractors plus an over achievement in income of £37k which is offset by overspends of 10k in agency / temp staffing costs and 12k overspend on vehicle costs.	(124,090)	Don Blair
	Public Realm Enforcement - 10k underspend on basic pay and £24k over achievement in income(fixed penalty income).	(26,352)	Wendy Young
Other	Miscellaneous	4,913	-
Total		(313,730)	

Environmental Services & City Centre Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Cost Centre	Reason for Variance	Amount £	Contact
Environment - Environmental Health	Control of Disease - The most recent recruitment into Pest Control was a Pest Control Officer who replaced a Senior Pest Control Officer at a lower cost to the Service. Commercialisation of the Pest Control Service is under consideration for which underspend can be utilised in terms of recruitment in order to meet future service needs.	(20,316)	Karen O'Connor
	Cambridge University Contract: £62,257 of the variance is funded from monies paid by the University and held by Planning (see S&OS Portfolio) Since the contract terminated in Sep 2017 spend was incurred on an EHO which so was not met from the University and this remaining balance of £26,272 is the net actual overspend. The EHO post was secured as permanent base funding from 2018/19 onwards and will be paid from the Scientific Team cost centre. This cost centre is no longer required as there is no longer a funding arrangement in place with the University.	88,529	Jo Dicks
Environment - Licencing	Liquor Licensing - Due to maternity vacancy some staffing costs have not been spent. Due to self funding cost centre any deficit or credit needs to be carried forward to the 2018/19 budget	(33,327)	Karen O'Connor
Environment - Waste and Recycling	Waste Collection - On a net operational budget of £1258k there has been an overspend of £125k for the City's part of the shared waste service. A creditor raised in 16/17 was £14k more than the actual payment resulting in the net balance on operational spend for the waste service as a whole totalling £111k. The main reasons for the overspend on the waste collection budget was due to RECAP Recycling Contract and Market changes plus the hire of additional crews to support service changes. There has also been underspends on fuel.	138,171	Suzanne Hemingway
Environment - Garage and Fleet Services	Garage External Work - The negative budgetary pressure is primarily driven by key contracts not realising forecast budgets	219,531	David Cox
Environment - Tourism and City Centre Management	Chesterton Coordinator - This post was initially a 2 year contract. In December 2016 it was decided not to renew the contract and the contract ended in January 2017. Redundancy was paid to the employee from the 17-18 budget.	(23,924)	Daniel Ritchie
Other	Miscellaneous - Other cost centres where the variance is less than £20,000 each.	(94,018)	-
Total		274,646	

Planning Policy & Transport / Planning and Transport Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Environment - Parking Services	Car Parks - This represents the total over achievement of all car parks and is mainly due to increased tourism parking and sales of season tickets	(78,832)	Sean Cleary
	Shopmobility - small underspends within both cost centres	(22,660)	Sean Cleary
Environment - Planning	City Development - There has been a reduction in major fee income compared to projections. However, this is largely due to large scale major schemes being delayed and slower to come forward than originally programmed for. Darwin Green has been subject to delays as a result of Brexit and a reorganisation at Barratts but is now moving forward. Delays with the West Cambridge outline application which has been impacted by strategic transport issues has meant that reserved matters have not been submitted. Projects on Cambridge Biomedical Campus have also been delayed. Some PPA income is still being recovered against work streams from 2017-18. This has been due to the fact that these work streams ran very close to year end and some of the external partners require board approval for signing off the PPA expenditure. These outstanding payments will be made by the end of June and are in the region of £100,000 in total. This together with the delayed major application fee income would match the original income forecast.	472,557	Stephen Kelly
	Cambridge University Contract - This money funded other spend in other areas including £62,257 for the EHO post within the Environmental Services and City Centre portfolio. The contract has now expired and the outstanding funding up to the date of termination of the contract has been paid by Cambridge University.	(168,041)	Sharon Brown
	Urban Design & Conservation - The variance against the cost centre is mainly due to an underspend in the salary budget. The Urban Design & Conservation Manager post is vacant (post holder left in October 2016) and not being recruited into given the Shared Service processes. The Urban Designer Post was vacant from February 2017 until July 2017.	(92,545)	Jonathan Brookes
	Taxicard Service - Underuse of current Taxicard vouchers by eligible customers	(56,762)	Sara Saunders
Environment - Director & Business & Information Service (BIS)	Urban Growth Project Management - In 2017/18, the cost centre has included the budget for the Corporate Growth Programme Manager post, which has been vacant since 2015/16. The predicted underspend has been highlighted in monitoring returns throughout 2017/18. The post has been deleted and the funding reassigned to the new Senior Data Scientist post within the Corporate Policy cost centre.	(57,333)	Tim Wetherfield
Other	Miscellaneous	(2,856)	-
Total		(6,472)	

General Fund Housing Portfolio / Housing Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Housing Strategy, Home Aid, Housing Advice, General Fund and Other Housing			
Flexible Homeless Support Grant	Flexible Homeless Support Grant was awarded to the authority by Central Government to assist in meeting the increased statutory requirements of the new Homeless Reduction Act. As part of the budget process in January / February 2018 it was agreed that the resource would be utilised to fund additional staffing across a number of years to allow the authority to fulfil its obligations.	(323,869)	David Greening
Housing Strategy	Underspending in Housing Strategy was due to the Development Officer having been seconded to South Cambridgeshire District Council for the entire year, a 7 hour a week vacancy in the Housing Strategy Manager post, held for funding research and government grant for community housing projects, which was not required to be spent in-year. The grant is being used to fund CLT East to work with community groups and offer grants to groups. Request made to carry unspent community housing grant forward into 2018/19.	(102,596)	Helen Reed
125 / 451 Newmarket Road	Rent income under-achieved and significant maintenance works required in 2017/18, particularly at 451 Newmarket Road, where decoration and flat roofing works were required.	40,604	David Greening
Choice Based Lettings (Revenue Running Costs)	The revenue running costs for the Sub-Regional Choice Based Lettings system were less than anticipated in 2017/18, with the contribution to South Cambridgeshire District Council for administering the scheme and IT costs both less than budgeted.	(23,683)	David Greening
Contributions to / from the HRA	The recharge from the HRA to the General Fund for the cost of upkeep to shared amenities was greater than budgeted in 2017/18, due in part to the cost of amenity street lighting.	18,862	Julia Hovells
Housing Advice Service	Expenditure in the Housing Advice Service for 2017/18 exceeded the budget, predominantly due to the need to employ additional staff resource to respond to the requirements of the new Homeless Reduction Act. This expenditure was funded using Flexible Homeless Support Grant, with the balance of the grant to be carried forward into 2018/19.	17,614	David Greening

General Fund Housing Portfolio / Housing Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Other		11,121	
Total		(361,947)	
Environment - Environmental Health			
Energy Officer	The majority of the variance is due to Sharing Prosperity Activity that will continue in the new financial year. This funding will automatically be carried forward as per agreed process of the Sharing Prosperity Fund. The remaining variance is due to under activity as a result of priority given to other projects.	(38,075)	Jo Dicks
Other		(2,454)	
Total		(40,529)	
Total for Housing Portfolio		(402,476)	

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount	£	Contact
Finance - General	The variance is primarily due to: - Higher than budgeted MRP charges resulting from earlier than forecast acquisition of various commercial properties during the 2017/18 financial year - £170k. (The additional MRP charges are more than offset by additional commercial property rental income - (£472k) greater than budget.) - Higher than budgeted interest charge from the HRA - £178k. - Higher than budgeted interest received - (£117k).	222,241		Caroline Ryba
General Properties and Grand Arcade	This variance is primarily due to earlier than forecast completion of a number of Commercial Property acquisitions that took place during the 2017/18 financial year resulting in an over achievement of rental income compared to budget of £472k. The over achievement of income is partly offset by higher than budgeted MRP charges of £170k (charged to a Central Finance cost centre). The remaining variance is primarily due to an over achievement of rental income from geared ground rents where the Council receives a proportion of income generated by property but managed by others.	(607,479)		Dave Prinsep
Sustainable City	Underspend is mainly due to the Sustainable City Grants being undersubscribed (£22,000 awarded against £32,000 budget) and not paying two sustainability partnership grants (Travel to Work Partnership and Biodiversity Partnership), as these were no longer required.	(28,722)		David Kidston
Revenues and Benefits	The variance is primarily due to (a) unspent Homelessness Prevention Funding of (£158k) allocated to Discretionary Housing Payment use (top up funding) for which a carry forward of budget to the 2018/19 financial year was approved at the Strategy & Resources Scrutiny Committee meeting on 19 March 2018 (see Appendix C) and (b) net subsidy differences of £120k within overall expenditure of £38.4 million.	(21,426)		Alison Cole
Corporate Business Support	Underspend is due to difficulty in recruiting and vacant posts being held during the Business Support restructure. There is also an underspend in maintenance in tools and equipment. Mailing equipment is not being replaced as our requirements are likely to change as a result of the print to mail project.	(69,284)		Emma Farrington
Corporate Business Processing	Underspend is due to vacant posts being held during the transfer to the shared planning service, and reduced hours on a number of other posts.	(55,426)		Emma Linney
Support Services				
Accountancy & Support Services	The variance is primarily due to a later than originally forecast 'go live' date for the new Financial Management System. This led to increased costs with respect to the backfill of staff that are directly involved with the project and increased project management costs.	27,915		Caroline Ryba
Other Support Services	Overspend is primarily due to the cost of recruitment and interim cover with respect to the Strategic Director post.	26,517		Caroline Ryba
Internal Audit (Shared with SCDC)	The variance is due to two vacant posts in the establishment, which have not been recruited into (e.g. salary, NI and pension costs) partially offset by agency worker costs.	(57,586)		Jonathan Tully
Human Resources	Underspends of £6k on ICT maintenance and support, some pension and part year vacancies and various small underspends over a number of codes. In addition we have created budget provision of £40k for a management development programme by virement from service budgets into corporate HR learning and development budgets. This is profiled for 2018 and will appear as an underspend until the programme commences so will require carry forward to 2018/19.	(87,737)		Deborah Simpson
IT	The variance is primarily due to an overspend on ICT Shared Services costs - £80k (based on on-account charges for the 2017/18 financial year and a creditor adjustment for the 2016/17 financial year) and an overspend on development days/project costs - £76k.	146,881		Fiona Bryant

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

**Revenue Budget 2017/18 - Major Variances
from Final Revenue Budgets**

Service Grouping	Reason for Variance	Amount	£	Contact
Legal	The surplus of £22k demonstrates the Practice is in a stable position and starting to perform well against objectives. This is due to Improved performance in terms of hours recorded, improved efficiency and staff productivity.	(22,588)		Tom Lewis
Property Services	Variance is primarily due to focusing on delivery of Phase II of the Office Accommodation Strategy and reviewing how to develop the Phase III feasibility study. A carry forward request of £100,000 will be submitted to Strategy & Resources Scrutiny Committee in order that the feasibility study can be undertaken during the 2018/19 financial year (see Appendix C).	(115,301)		Dave Prinsep
Admin Buildings (including Facilities Management)	The underspend is primarily due to lower utility costs with respect to the Mandela House building which was only partly occupied during the 2017/18 financial year - £35k. The remaining variance is due to minor net positive variances on a range of premises, supplies and services and income budget headings.	(67,472)		Will Barfield
Other	Various	(39,362)		-
Total		(748,829)		

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Corporate Strategy	Underspend is primarily due to salary costs (£33,000) due to a change in the working pattern for the Strategy and Partnerships Manager and vacancies in the Corporate Project manager and Corporate Strategy Officer posts plus a number of other smaller underspends across elements of the budget, including surveys (£3,000) corporate interpreting contract (£3,000) and consultants (£2,000)	(43,688)	Andrew Limb
Democratic Services	Electoral Registration and Elections: The variance occurs due to money recorded as expected to be received from the government to cover the expense of the 2017 elections. The cost of snap elections in 2017 exceeded the Council budget by £30k and to cover the balance as well as the base budget of £25k a debtor has been recorded for £63k, which should cover the total spend of £56k and all of the recharges. When the money is received, it will be re-allocated appropriately to account for the total costs of all the elections and this means the Elections account is expected to balance to Nil, with the overspend covered by the grant received.	(22,762)	Vicky Breeding
CCTV	An underspend in the year has been managed so that a carry forward request can be made for £45k (CCC's required share) to provide essential urgent maintenance of the CCTV system than followed on from a technical survey that was carried out.	(61,947)	Joel Carre
Community Safety	The variance reflects restricted grant funding which will be applied in 2018/19.	(26,569)	Lynda Kilkelly
Corporate & Democratic Services	Specific Corporate cost centres are cleared to this central code and the majority of this variance relates to Civic Affairs which had higher income this year as the cost centre holds income from lettings of civic rooms by Cambridge Live as well as underspends on both salaries (due to a 3 month's vacancy) and the Mayor's hospitality.	(28,259)	Gary Clift
Central Provisions and Centrally allocated costs	Variances on centrally budgeted items such as Youth Apprenticeship scheme £147k underspend and £77k overspend on Notional Discretionary Rate relief are offset by actual spend within services so are overall net nil to the Council. The remaining balance is mainly a net underspend of £160k cost of change (such as redundancies) and is requested to be carried forward to meet future costs of change. This is linked to the Programme Office work.	(270,478)	John Harvey
Pensions - Early Retirements and Past Deficit	Following the latest triennial review and negotiations for a 3 year up-front settlement, the anticipated contributions from the GF to meet the pension deficit are lower than previously budgeted.	(48,950)	John Harvey
Programme Office	Underspends across a range of projects due to profiling of spend, progress of delivery and delays in recruitment or awarding contracts. Significant underspend of (£40K) Shared Services programme office contribution. There is a request to carry forward £219k of this balance into 2018/19 as the 2018/19 budget was based upon a carry forward at year end.	(291,538)	Paul Boucher
Other		-	-
Total		(794,191)	

Communities Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
	No carry forwards are requested for this portfolio		
	Total Carry Forward Requests for Communities Portfolio		

Streets & Open Spaces Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
1	Closed Churchyards Carry forward request is being made for the War Memorial Refurbishment which was planned for early part of 17/18. Although sufficient funds remained the poor weather in the first few months of 2018 meant unsuitable conditions for repair. A carry forward is requested to enable the work to be completed during summer 2018.	18,000	Anthony French
2	Open Space Management Carry forward request is being made for monies that have been received as a result of the University Arms development to be used for improvement works to Open Spaces Citywide in 2018/19.	112,500	Alistair Wilson
3	Open Space Asset Management Carry forward request is being made for monies that have been received as a result of the University Arms development to be used for improvement works to Parker's Piece Cricket Wickets in 2018/19.	60,000	Alistair Wilson
4	Public Toilets Carry forward request is being made for Jesus Green public toilets refurbishment	25,000	Anthony French
	Total Carry Forward Requests for Streets & Open Spaces Portfolio	215,500	

Environmental Services & City Centre Portfolio / Environment and Community Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
1	Liquor Licensing - This cost centre is self financing and the balance should be carried forward each year	33,330	Y O'Donnell
	Total Carry Forward Requests for Environmental Services & City Centre Portfolio	33,330	

Planning Policy & Transport / Planning and Transport Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
1	Right to Bid/Assets of Community Value - Held on behalf of Council Tax Payers wishing to seek professional advice	10,250	Stephen Kelly
	Total Carry Forward Requests for Planning Policy & Transport Portfolio	10,250	

General Fund Housing Portfolio / Housing Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19 and future years

Item		Request £	Contact
	Housing General Fund		
1	Community Housing Fund Grant awarded for promoting / developing community-led housing. A carry forward is requested to allow CLT East to work with community groups and to allow the award of grants to community groups to take projects forward.	41,920	Helen Reed
2	Flexible Homeless Grant and the Administrative Burden Grant are ring-fenced grants awarded to allow the authority to prepare for and meet the statutory demands resulting from the new Homeless Reduction Act. This funding will be required across a number of financial years to meet the requirements under the Act..	306,200	David Greening
	Environment - Environmental Health		
3	No carry forward requests	0	
	Total Carry Forward Requests for General Fund Housing Portfolio	348,120	

**Finance & Resources Portfolio /
Strategy & Resources Scrutiny Committee**

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for carry forward request	Amount £	Contact
1	Revenues and Benefits Request to carry forward unspent Homelessness Prevention funding of £158,000 to support Discretionary Housing Payments. (N.B. The above-mentioned carry forward request was approved at the Strategy & Resources Scrutiny Committee meeting on 19 March 2018).	158,000	Alison Cole
2	Human Resources - Organisational Development We made a budget provision of £41.5k for the management development programme by virement from service budgets and HR into corporate HR learning and development budgets. This was profiled for 2018 and will appear as an underspend until the programme commences.	41,500	Deborah Simpson
3	Property Services The focus for the 2017/18 financial year was on delivering Phase II of the Office Accommodation Strategy. A carry forward of budget of £100,000 is requested in order that the Office Accommodation Strategy Phase III feasibility study can be undertaken during the 2018/19 financial year.	100,000	Dave Prinsep
	Total Carry Forward Requests for Finance & Resources Portfolio	299,500	

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2017/18 - Carry Forward Requests

Request to Carry Forward Budgets from 2017/18 into 2018/19

Item	Reason for Carry Forward Request	Amount £	Contact
1	CCTV An underspend in the year has been managed so that a carry forward request can be made for £45k (CCC's required share) to provide essential urgent maintenance of the CCTV system than followed on from a technical survey that was carried out.	45,000	Joel Carre
2	Provision for costs of change. The year end balance is required to be carried forward as potential costs arising from delivering transformation projects that are currently in progress or which will now be delivered later than originally planned. It also covers the provision for costs as a result of change.	137,500	Paul Boucher
3	Programme Office The programme is based on a forward look of 2 years. The year-end balance is required to be carried forward to provide the capacity for delivering transformation projects that are currently in progress or which will now be delivered later than originally planned. The transformation budget bid for 2018/19 was based on the assumption that the 2017/18 underspend would be carried forward.	291,500	Paul Boucher
	Total Carry Forward Requests for Strategy & Transformation Portfolio	474,000	

Appendix D - Overview

Overview (Committees and Housing Capital Investment Plan) / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Committee	Original Budget £000	Final Budget £000	Outturn £000	Variance £000	Rephase £000	Over / (Under) Spend £000
Environment & Community Services:						
Communities	803	803	334	(469)	496	27
Environment Services & City Centre	3,025	3,025	1,941	(1,084)	1,065	(19)
Streets & Open Spaces	1,830	1,830	787	(1,043)	1,039	(4)
Total Environment & Community Services	5,658	5,658	3,062	(2,596)	2,600	4
Planning & Transport:						
Planning Policy & Transport	5,006	5,136	1,952	(3,184)	1,410	(1,774)
Total Planning & Transport	5,006	5,136	1,952	(3,184)	1,410	(1,774)
Housing						
Housing GF	3,095	3,095	3,151	56	200	256
Strategy & Resources:						
Finance & Resources	24,864	24,864	19,619	(5,245)	5,060	(185)
Strategy & Transformation	1,090	1,090	47	(1,043)	1,043	0
Total Strategy & Resources	25,954	25,954	19,666	(6,288)	6,103	(185)
Total Committees	39,713	39,843	27,831	(12,012)	10,313	(1,699)
Housing Revenue Account (HRA)	46,466	23,226	18,154	(5,072)	3,798	(1,274)
General Fund Housing	797	800	769	(31)	0	(31)
Total for Housing Capital Investment Programme	47,263	24,026	18,923	(5,103)	3,798	(1,305)
Total Capital Plan	86,976	63,869	46,754	(17,115)	14,111	(3,004)

Changes between original and final budgets may be made to reflect: and are detailed and approved:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFs)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

Communities Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18	Final Budget 2017/18	Outturn	Variance - Outturn compared to Final Budget	Rephase Spend	Over / (Under) Spend	Variance Explanation / Comments
UD034j - 100029	[Part A] Pavilion facilities at Jesus Green (S106)	I Ross	0	0	0	0	0	0	Ongoing - scoping works - Committee report coming in June 2018 to get direction of investment and secure feasibility study funds.
PR031g - (100039)	Milton Rd Library Community Meeting Space (S106)	J Hanson	50	50	0	(50)	50	0	Project delayed due to discovery of asbestos. Completion not expected until 2019.
PR032g - 100041	Cherry Hinton Rec Ground pavilion refurb. (S106)	I Ross	5	5	42	37	0	37	Project completed.
PR034p - 100053	Cambridge 99 Rowing Club: grant for kitchen facilities (S106)	I Ross	5	5	5	0	0	0	Project completed.
PR034n - 100062	Cambridge Gymnastics Academy: grant for warehouse conversion	I Ross	65	65	0	(65)	65	0	School and Camb Gymnastics club have taken 2 years to agree the lease. This feeds into the community Agreement which when signed releases the funds. Work is now ongoing to be able to sign Community Use Agreement in May/June 18
PR034r - 100064	Cambridge Rugby Club: grant for new changing rooms (S106)	I Ross	200	200	200	0	0	0	Project completed - Works still ongoing at the Club for some aspects of their wider development but facilities now open for public use
PR041a - 100090	Grant for refurbishment of Memorial Hall and church Hall (S106)	J Hanson	150	150	0	(150)	150	0	Contractor now appointed after some delay - works to commence on 21st May '18 with a completion date of 29th September '18
PR031n - 100099	Grant for 4 tennis courts at North Cambridge Academy (S106)	I Ross	125	125	0	(125)	125	0	Community Use Agreement currently being finalised and when signed will release the funds to the Academy. Expected in June 2018
PR031j - 100103	Tennis court upgrade on Lammas Land (S106)	I Ross	45	45	39	(6)	0	(6)	Project completed - Project delivered under budget mainly due to being able to use an existing stock of cycle racks.
PR041b - 100108	Grant to Cambridge Gymnastics Academy for trampoline and foam pit in gym (S106)	I Ross	75	75	0	(75)	75	0	School and Camb Gymnastics club have taken 2 years to agree the lease. This feeds into the community Agreement which when signed releases the funds. Work is now ongoing to be able to sign Community Use Agreement in May/June 18
PR032l - 100113	Grant to improve community facilities at Lutheran Church on Shaftesbury Road (S106)	J Hanson	10	10	10	0	0	0	Project completed April 2017.
PR041d - 100119	Grant to Camrowers and CRA Boathouse (S106)	I Ross	9	9	9	0	0	0	Project completed - Centre open and funds paid
PR033 - 100128	Improvements to Histon Road Rec Ground football area (S106)	I Ross	31	31	0	(31)	31	0	Procurement for works completed and final sign off from Area Committee Chairs and Spokes due on 08/05/2018 for release of Area funds and Approval for commencement of works.
SC630 - 100134	Abbey Pools solar thermal upgrade	I Ross	33	33	29	(4)	0	(4)	Project completed - came in under budget
Total Projects			803	803	334	(469)	496	27	
Total for Communities Portfolio			803	803	334	(469)	496	27	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFs)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

Streets & Opens Spaces Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR010a - 100001 (35523)	Environmental Improvements Programme - North Area	J Richards	127	127	37	(90)	90	0	Skanska £27k claim for completed verge strengthening works in Carlton Way under dispute. Delivery of past commitments progressing, with plan under development for future use of carried forward funds.
PR010b - 100002 (35524)	Environmental Improvements Programme - South Area	J Richards	126	126	5	(121)	121	0	Skanska £58k claim for completed verge strengthening works in Carlton Way under dispute. Delivery of past commitments progressing, with plan under development for future use of carried forward funds.
PR010c - 100003 (35525)	Environmental Improvements Programme - West/Central Area	J Richards	123	123	7	(116)	116	0	Delivery of past commitments progressing, with plan under development for future use of carried forward funds.
PR010d - 100004 (35526)	Environmental Improvements Programme - East Area	J Richards	148	148	27	(121)	121	0	Skanska £27k claim for completed verge strengthening works in Carlton Way under dispute. Delivery of past commitments progressing, with plan under development for future use of carried forward funds.
PR010e - 100033 (38252)	Local Centres Improvement Programme	J Richards	8	8	1	(7)	7	0	There is a commitment to fund the preparation work on the third scheme in the programme; improvement of Mitcham's Corner area.
Total Programmes			532	532	77	(455)	455	0	-
PR030e - 100036 (38258)	Cavendish Rd (Mill Rd end) improvements: seating & paving (S)	J Richards	16	16	3	(13)	13	0	Procurement underway with detailed implementation plan under development in conjunction with public art piece being introduced on same site.
PR030f - 100037 (38259)	Bath House Play Area Improvements (S106)	D O'Halloran	0	0	3	3	0	3	
PR030l - 100097 (38341)	Ditton Fields play area improvements (S106)	A Wilson	26	26	26	0	0	0	Project completed.
PR030r - 100214 (38420)	Brothers' Place landscaping & natural play improvements (S10)	A Wilson	8	8	0	(8)	8	0	
PR031q - 100218 (38412)	Bramblefields nature reserve: improve biodiversity & access	A Wilson	12	12	0	(12)	12	0	
PR031s - 100104 (38414)	Nun's Way Rec Ground - mini climbing dome (S106)	A Wilson	27	27	0	(27)	27	0	
PR032p - 100124 (38370)	Reilly Way play area improvements (S106)	A Wilson	5	5	0	(5)	5	0	
PR032q - 100123 (38369)	Upgrade Nightingale Avenue play area (S106)	A Wilson	60	60	36	(24)	24	0	

Streets & Opens Spaces Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR032r - 100125 (38371)	Install junior fit kit at Accordia development (S106)	A Wilson	14	14	0	(14)	0	(14)	Project abandoned and funding re-allocated by Urban Growth Manager.
PR032t - 100215 (38421)	Fulbourn Road open space improvements (S106)	A Wilson	10	10	0	(10)	10	0	
PR032w - 100216 (38424)	Accordia open space improvements (S106)	A Wilson	10	10	0	(10)	10	0	
PR033m - 100104 (38348)	Benches on Carisbrooke Road green and next to Coton footpath	A Wilson	3	3	2	(1)	1	0	
PR033q - 100107 (38352)	Additional play equipment, benches and landscaping at Christ	A Wilson	13	13	12	(1)	1	0	
PR033s - 100187 (38415)	Histon Rd Rec play area: paths, surfacing & landscaping (S10)	A Wilson	40	40	28	(12)	12	0	
PR033t - 100219 (38416)	St Clement's churchyard open space on Bridge Street (S106)	A Wilson	10	10	0	(10)	10	0	Mismatch between expectation and budget allocation. Project team endeavouring to unlock.
PR034d - 100028 (38227)	Public Art - 150th and 400th Anniversary (Cambridge Rules) (N Black	36	36	24	(12)	12	0	Ongoing. Artist has completed Cambridge installation. Project will complete by October 2018 with the legacy publication.
PR040g - 100078 (38322)	Public art grant - Chesterton mural (S106)	N Black	1	1	3	2	0	2	Project completed. Overspend due to artists underestimating the hours required when they applied.
PR040h - 100079 (38323)	[Completed] Public art grant - Growing spaces in King's Hedg	S Tovell	0	0	1	1	0	1	Completed. JD comment:Overspend potentially to be funded from underspend on other capital projects in the year.
PR040i - 100080 (38324)	Public art grant - History Trails (S106)	N Black	5	5	0	(5)	0	(5)	Project completed.
PR040l - 1000836 (38327)	Public art grant - Newnham Croft stained glass window (S106)	N Black	5	5	2	(3)	0	(3)	Project completed. Final payment issued in November 2017.
PR040n - 100085 (38329)	Public art grant - public art at Humberstone Road (S106)	N Black	1	1	1	0	0	0	Completed. Final payment issued in Jan 2018.
PR040o - 100086 (38330)	Public art grant - 'The place where we stand' (S106)	N Black	3	3	0	(3)	3	0	

Streets & Opens Spaces Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR040q - 100203 (38447)	To the River - artist in residence	C Littlechild	120	120	3	(117)	117	0	Artist will commence contract from 1st June 2018.
PR040r - 100181 (38402)	Public Art Grant Cambridge Junction Radio Local (S106)	N Black	15	15	15	0	0	0	Project completed.
PR040s - 100188 (38403)	Public art grant for Kettle's Yard - Antony Gormley Performa	N Black	15	15	5	(10)	10	0	Work in process. Due to complete this summer.
PR040t - 100188 (38407)	Public Art Grant for Cambridge Live - Colours in our Community	N Black	18	18	10	(8)	8	0	Work in progress. £8500 spent to date. Due to complete by Feb 2019.
PR040u - 100199 (38408)	Public art grant for University of Cambridge Primary School	N Black	16	16	11	(5)	5	0	Work in process. Due to complete by September.
PR040v - 100185 (38410)	Public Art Grant for Pink Festival Group - showcase of queer	N Black	5	5	8	3	0	3	Due to report to Capital Programme Board before any further work is undertaken.
PR040w - 100184 (38409)	Public Art Grant for Menagerie Theatre Company - Trumpington	N Black	17	17	10	(7)	7	0	In process due to complete July/August 2018. Mid point payment issued May 2018. £17k spent to date
PR040x - 100182 (38404)	Public Art Grant for Oblique Arts - Mitcham's Moving (s106)	N Black	13	13	10	(3)	0	(3)	Complete. Final payment issued in April 2018.
PR040y - 100183 (38405)	Public Art Grant - Rhyme, Rhythm & Railways (s106)	N Black	15	15	10	(5)	5	0	Complete. Awaiting final evaluation report before issuing final grant payment.
PR040z - 100217 (38406)	Public art grant for Historyworks - Michael Rosen Walking Tr	N Black	15	15	0	(15)	15	0	Work in progress.
PR041c - 100094 (38338)	Sheep's Green watercourse improvements and habitat creation	G Belcher	45	45	45	0	0	0	Project completed.
SC433 - 100222 (39125)	Snowy Farr Memorial Artwork	A Wilson	0	0	1	1	0	1	Completed. Additional spend to cover the installation of an explanatory plaque linking to Council's website.
SC548 - 100018 (38179)	Southern Connections Public Art Commission (S106)	A Wilson	13	13	17	4	0	4	Artist has agreed with the Council's proposed way forward. Preparing for planting in October season.
SC615 - 100088 (38133)	Cherry Hinton Grounds Improvements Phase 2 (S106)	A Wilson	239	239	79	(160)	160	0	Works continue on this project, Winter 18 saw delivery of major tree planting and meadow creations and pathway routing. Next works will follow on after the Folk Festival as some ground works proposed will disrupt the layout. Officer costs still to be drawn down.

Streets & Opens Spaces Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC648 - 100006 (37051)	Local Centres Improvement Programme - Arbury Court	J Richards	59	59	62	3	(3)	0	Construction work commenced during March 2018, with good progress made and anticipated completion mid June 2018. Funding spread over two financial years due to anticipated timing of construction works, with spend marginally ahead of profile.
SC654 - 100200 (38435)	Redevelopment of Silver Street Toilets	J Richards	48	48	16	(32)	32	0	Further contractual delays with chosen architect but pressing ahead with detailed development in order not to interrupt programme.
SC670 - 100147 (38393)	Lammas Land Car Parking Infrastructure	A French	0	0	3	3	(3)	0	£3k to be rephased from 18/19 to 17/18.
SC675 - 100223	Refurbishment of Jesus Green Public Convenience	A Wilson	25	25	0	(25)	25	0	Financed in 2018/19 from underspend on revenue carried forward from 2017/18.
SC644 - 100054	Acquisition of land adjacent to Huntingdon Road Crematorium	G Theobald	315	315	257	(58)	58	0	The land acquisition at the crematorium has completed and contracts exchanged, the planning application has been submitted and has been accepted with conditions which are currently being discharged the remaining budget will roll over to 18/19
US630h - 100035 (38255)	Romsey 'town square' public realm improvements (S10)	J Richards	0	0	5	5	0	5	There is £60,000 of s106 funding provisionally allocated, with spend to date covering development costs on this long running project thus far. Detailed local engagement resulting in a preferred layout is complete. The design and construction specification are being finalised with procurement and legal agreement with Co-op anticipated early Summer 2018, prior to CPB considering Part B detailed business case. Potential funding pressure flagged.
Total Projects			1,298	1,298	708	(590)	584	(6)	-
PV016 - 100157 39024	Public Conveniences	J Richards	0	0	2	2	0	2	Work in relation to refurbishment of the Lion Yard toilets.
Total Provisions			0	0	2	2	0	2	-
Total for Streets & Open Spaces Portfolio			1,830	1,830	787	(1,043)	1,039	(4)	-

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- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Environmental Services & City Centre Portfolio / Environment and Community Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC636 - 100152 (38398)	Management of waste compound - vehicle	D Blair	165	165	0	(165)	165	0	Project delayed due to H&S and re-location.
SC652 - 100198 (38433)	Modification to in-ground lift in Waterbeach	D Cox	18	18	18	0	0	0	Project completed.
SC653 - 100201 (38484)	Replacement heating system at the Waterbeach garage	D Cox	39	39	20	(19)	0	(19)	Project completed. Contribution from landlord 50% of project cost.
SC673 - 100297 (38449)	Roller Brake Tester for Waterbeach garage	D Cox	26	26	0	(26)	26	0	Project delayed due to supplier being unable to deliver in timescale. New supplier found but unit cost increased to £28,300
Total Projects			248	248	38	(210)	191	(19)	
PR017 - 100171 (43008)	Vehicle Replacement Programme	D Cox	2,546	2,546	1,856	(690)	690	0	8 vehicles for S&OS ordered and waiting delivery. One vehicle for Shared Waste still to order. This is a special build and delays have been encountered.
PR035 - 100023 (38203)	Waste & Recycling Bins - New Developments (S106)	T Nicholl	231	231	47	(184)	184	0	The provision of bins is at a lower level than that which was previously predicted based on the phasing of the new developments of housing.
Total Programmes			2,777	2,777	1,903	(874)	874	0	
								0	
Total for Environmental and Waste Services Portfolio			3,025	3,025	1,941	(1,084)	1,065	(19)	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR039 - 100050	Minor Highway Improvement Programme	J Richards	75	75	20	(55)	55	0	Match funding to support County Council of Local Highways Improvements for Cambridge. Contribution recharges to progress for close 2017-18 financial year, with new schemes now selected for year 2018-19. Plan under development for utilisation of further uncommitted funds.
Total Programmes			75	75	20	(55)	55	0	
SC570 - 100024 (38206)	Essential Structural/Holding Repairs - Park Street Multi-Storey car park	S Cleary	12	12	12	0	0	0	Funds were used for holding repairs to maintain the car park for a further year whilst awaiting decision on development.
SC571 - 100025 (38227)	Procurement of IT System to Manage Community Infrastructure Levy	S Saunders	20	20	0	(20)	20	0	Implementation contingent on adoption of Local Plan and subsequent adoption of Community Infrastructure Levy which process is separate from the Local Plan
SC590 - 100032 (38250)	Structural Holding Repairs & Lift Refurbishment - Queen Anne Terrace Car Park	S Cleary	248	248	75	(173)	173	0	2017/18 was year 4 of 5 year holding repair programme. Remaining budget to roll over into 18/19 for final year of repair project.
SC611 - 100074 (38318)	Grafton East car park essential roof repair	S Cleary	200	200	163	(37)	37	0	Work completed. Invoice for final retention due Sept 18. Require remaining budget to roll over into 18/19
SC612 - 100075 (38319)	Car Parking Control Equipment at multi storey car parks	S Cleary	570	715	727	12	0	12	Installation of new parking equipment. Due to be complete May 18. Retention due to be paid by the end of 2018. Purchase order raised for purchase of equipment. Invoices will not be paid until final install certificate has been approved and issued. Require balance to be rolled over into 18/19.
SC623 - 100120 (38366)	Environment and cycling improvements in Water Street and Fen Road	A Wilson	50	35	0	(35)	35	0	Project completed, with need for funding draw-down under review with County Council.
SC634 - 100150 (38396)	Grand Arcade and Queen Anne Terrace car parks sprinkler systems	S Cleary	399	399	18	(381)	381	0	Works started March 2018 and due to be completed in June 18. Require remaining budget to be rolled into 18/19 to make staged payments up until project completion. 12 month Retention period, fee will be due June 19
SC635 - 100151 (38397)	Grand Arcade car park deck coating and drainage	S Cleary	1,000	1,000	883	(117)	117	0	Work completed. Invoice for final retention due Sept 18. Require remaining budget to roll over into 18/19

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC645 - 100112 (38357)	Electric vehicle charging points	J Dicks	230	230	24	(206)	206	0	The project is underway with the first phase of charge points being installed. There is a commitment £179,556 of work with APT Controls Ltd. for this first phase which requires carry forward to this financial year. The capital accountant has been provided with details of the commitment. there is also a further £16000 to pay out for project management consultancy (stripe consulting .LTD.)on this project in the year 18/19 committed in 17/18
Total Projects			2,729	2,859	1,902	(957)	969	12	
PV007 - 100156 (39023)	Cycleways	J Richards	362	362	4	(358)	358	0	Detailed plan under development for utilisation of thus far financially un-committed funds. Progress on some minor cycleway spend elements during Spring/ early Summer 2018.
PV018 - 100158 (39070)	Bus Shelters	J Richards	5	5	0	(5)	5	0	Works substantially completed with handover and close of final account in progress.
PV033b 100000 (35517)	Street Lighting	J Richards	5	5	0	(5)	0	(5)	Project completed. Exec Cllr support for returning saving to Reserves.
PV549 - 100019 (38180)	City Centre Cycle Parking	J Richards	25	25	2	(23)	23	0	Procurement completed with detailed plans being made for implementation at five locations during May and June 2018.
PV594 - 100044 (38278)	Green Deal	J Dicks	547	547	24	(523)	0	(523)	Budget carried forward from 2016/17 in error. Project complete and settlement paid to central Government 15/03/17. Provision no longer required within the Council budget.
PV595 - 100045 (38279)	Green Deal - Private Rental Sector	J Dicks	1,258	1,258	0	(1,258)	0	(1,258)	Budget carried forward from 2016/17 in error. Project complete and settlement paid to central Government 15/03/17. Provision no longer required within the Council budget.
Total Provisions			2,202	2,202	30	(2,172)	386	(1,786)	
Total for Planning Policy & Transport Portfolio			5,006	5,136	1,952	(3,184)	1,410	(1,774)	

Changes between original and final budgets may be made to reflect:

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- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFs)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)

General Fund Housing Portfolio / Housing Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £000	Final Budget £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Re-phase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC597 - 100048 (38282)	Empty Homes Loans Fund	Y O'Donnell	200	200	0	(200)	200	0	This is a holding account which is recycleable where empty property home owners borrow the loan to bring the property into occupation and then and repay it back. There were no applications to borrow out of this fund in 2017/18.
PV564 - 100022 (38199)	Clay Farm Community Centre Phase 2 - Construction	D Kaye	2,895	2,895	3,151	256	0	256	The community centre project is now complete, has been handed over and is now operational. The scheme overspent in total at completion due to a number of contractual and technical issues experienced during the project.
Total Provisions			3,095	3,095	3,151	56	200	256	
Total for Housing			3,095	3,095	3,151	56	200	256	

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- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC604 - 100067	Replacement Financial Management System	C Ryba	160	160	110	(50)	50	0	Project completion and closure to follow.
SC605 - 100068	Replacement Building Access Control System	W Barfield	48	48	15	(33)	33	0	The remaining part of the access system installation at Mandela House is being co-ordinated with the refurbishment work at Mandela House.
SC608 - 100071	Improvements to Gwydir Enterprise Centre	D Prinsep	196	196	11	(185)	0	(185)	Prices exceed budget due to unforeseen costs relating to fire safety and other building control requirements. Abortive professional fees incurred to date. Further £1,200 outstanding fee to pay. Capital scheme to be cancelled in current format as agreed between Head of Property Services and Executive Councillor and future of property under review.
SC627 - 100109	Guildhall Large Hall Windows refurbishment	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
SC621 - 100117	20 Newmarket Road - commercial property	D Prinsep	73	73	70	(3)	3	0	Works completed, final invoice to be paid in 2018/19.
SC639 - 100149	Re-roofing the Guildhall	W Barfield	164	164	0	(164)	164	0	To be completed as part of Guildhall energy works contract.
SC601 - 100170	Replacement Telecommunications & Local Area Network	T Allen	187	187	153	(34)	34	0	Unify continue to make improvements to core service to bring to acceptable standard – next major change due June 2018.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC655 - 100190	Resealing the roof at Robert Davies Court	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
SC656 - 100191	Barnwell Business Park remedial works to the roofs	A Muggeridge	0	0	0	0	0	0	Budget in 2018/19.
Total Projects			828	828	359	(469)	284	(185)	
PV192 - 100164 (32027)	Development Land on the North Side of Kings Hedges Road	P Doggett	2	2	0	(2)	2	0	This is a capital provision whereby we contribute an average of 7.56% of the Arbury Park Development collaboration agreement costs. A budget of £2k needs to be re-phased to the 2018/19 financial year in order to meet the final costs of the scheme.
PV554 - 100020 (38184)	Development of Land at Clay Farm	D Prinsep	471	471	146	(325)	325	0	This is a scheme whereby we contribute 7% of the net costs incurred in respect of the Collaboration Agreement with Countryside Properties. Rate of invoices from Countryside Properties relate directly to rate of house-building which is variable and beyond our control. Target completion date is long stop date in Development Agreement and equates to four years from estimated planning approval.
PV583 - 100030 (38242)	Clay Farm Commercial Property Construction Costs	D Prinsep	130	130	63	(67)	67	0	Construction work completed. Remaining budget allocation of £67k relates to bin store fit out and other costs.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
Total Provisions			603	603	209	(394)	394	0	
PR050a - 100142 (38388)	Relocation of Services to 130 Cowley Road (OAS)	W Barfield	479	479	392	(87)	87	0	Work started on site in February 2018 and was scheduled to be completed in 12 weeks.
PR050b - 100143 (38389)	Mandela House Refurbishment (OAS)	W Barfield	1,757	1,757	888	(869)	869	0	Project is in construction phase and estimated completion date is early May 2018.
PR050e - 100145 (38391)	Cowley Road Compound ex-Park and Ride Site (OAS)	W Barfield	566	566	138	(428)	428	0	Planning requirements had lead to delay in starting work. Work started on site in February 2018 and was scheduled to be completed in 12 weeks.
PR050f - 100201 (38445)	Guildhall Welfare Improvements (OAS)	W Barfield	40	40	5	(35)	35	0	Delays in works to 2nd and 3rd floor kitchens and new drying room, therefore the completion is now expected in 2018/19 along with the rest of the works.
PR050g - 100202	Office optimisation (OAS)	W Barfield	0	0	0	0	0	0	Budget in 2018/19.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
PR051 - 100155 (38401)	Building works at The Guildhall to reduce carbon emissions and improve energy efficiency	W Barfield	450	450	13	(437)	437	0	Contract signed in December 2017 to engage contractor Buoygues to work on the design. Work started on site in March 2018.
PR050 - 100139 (38385)	Office Accommodation Strategy Phase 2 (OAS)	L Barlow	0	0	0	0	0	0	This is an earmarked reserve (pool), which requires a business case to be submitted to the Capital Programme Board to start the process of allocating the funds to a specific scheme. Budget of £473k available in 2018/19.
PR050c - 100144 (38390)	Refurnishing Guildhall 4th Floor (OAS)	L Barlow	42	42	42	0	0	0	Scheme now completed.
PR050d - 100146 (38392)	Mobile Working (OAS Phase II)	L Barlow	99	99	0	(99)	99	0	
PR038 - 100141 (38387)	Investment in Commercial Property Portfolio	D Prinsep	20,000	20,000	17,573	(2,427)	2,427	0	Terms agreed for a further acquisition at ca. £1m but with completion due in June/July 2018. Leaves ca. £1.4m available for as yet unidentified investment.

Finance & Resources Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
Total Programmes			23,433	23,433	19,051	(4,382)	4,382	0	
Total for Finance & Resources Portfolio			24,864	24,864	19,619	(5,245)	5,060	(185)	

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Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2017/18 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2017/18 £000	Final Budget 2017/18 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC614 - 100077 (38321)	100077 - Redeployable CCTV camera stock	J Carré	60	60	47	(13)	13	0	
SC658 - 100193 (38440)	100193 - Cambridge City CCTV infrastructure	J Carré	80	80	0	(80)	80	0	
SC671 - 100095 (38339)	Mill Road depot development - capital contribution	F Bryant	0	0	0	0	0	0	Budget in 2018/19.
SC659 - 100194 (38441)	My Cambridge City online customer portal	J James	0	0	0	0	0		Budget in 2018/19.
SC660 - 100195 (38442)	Council Anywhere - desktop transformation	J James	0	0	0	0	0		Budget in 2018/19.
SC672 - 100205 (38448)	Mill Road Redevelopment - Development Loan to CIP	F Bryant	0	0	0	0	0		Budget in 2018/19.
SC674 - 100206 (38450)	Mill Road Redevelopment - Equity Loan to CIP	F Bryant	950	950	0	(950)	950	0	Project due to start on site in June 2018 but still awaiting final project plan and payment schedules.
Total Projects			1,090	1,090	47	(1,043)	1,043	0	

Total for Strategy & Transformation Portfolio	1,090	1,090	47	(1,043)	1,043	0
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2017/18 Housing Capital Investment Plan - HRA & General Fund Housing

	Original Budget £000's	Current Budget £000's	Outhurn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2018/19 £000's	2019/20 £000's	2020/21 £000's	Post 2020/21 £000's	2018/19 £000's
General Fund Housing Capital Spend											
Investment in Non-HRA Affordable Housing	0	0	0	0			0	0	0	0	0
Other General Fund Housing	797	800	769	(31)		1	0	0	0	0	803
Total General Fund Housing Capital Spend	797	800	769	(31)	0		0	0	0	0	803
HRA Capital Spend											
Decent Homes Programme	6,170	4,530	3,271	(1,259)	1,056	2	357	0	0	699	6,374
Other Spend on HRA Stock	2,042	1,716	887	(829)	235	3	235	0	0	0	2,867
HRA New Build	34,457	7,545	6,162	(1,383)	1,094	4	1,094	0	0	0	26,742
HRA Acquisition	0	5,590	5,434	(156)	156	5	156	0	0	0	156
City Homes Estate Improvement Programme	0	21	21	0	0		0	0	0	0	0
Sheltered Housing Capital Investment	1,796	2,137	2,167	30	(30)	6	(30)	0	0	0	3,398
Other HRA Capital Spend	830	516	212	(304)	116	7	116	0	0	0	1,121
Inflation Allowance	1,171	1,171	0	(1,171)	1,171	8	1,171	0	0	0	2,743
Total HRA Capital Spend	46,466	23,226	18,154	(5,072)	3,798		3,099	0	0	699	43,401
Total Housing Capital Spend	47,263	24,026	18,923	(5,103)	3,798		3,099	0	0	699	44,204
Housing Capital Resources											
Right to Buy Receipts (General Use)	(305)	(527)	(285)	242	0	9	0	0	0	0	(532)
Right to Buy Receipts (Retained for New Build / Acquisition)	(8,464)	(3,220)	(6,723)	(3,503)	(287)	9	(287)	0	0	0	(5,355)
Right to Buy Receipts (Debt Set-Aside)	0	0	(1,419)	(1,419)	0	9	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	(1,085)	(1,085)	0	10	0	0	0	0	0
MRA / MRR	(18,551)	(8,293)	(7,111)	1,182	(1,182)	11	(1,182)	0	0	0	(18,245)
Client Contributions	0	0	(417)	(417)	0	12	0	0	0	0	0
Direct Revenue Financing of Capital	(926)	(4,614)	(4,519)	95	(95)	13	(95)	0	0	0	(598)
Other Capital Resources (Grants / Shared Ownership / Loan Repayments / PFI)	(18,145)	(5,974)	(4,022)	1,952	(2,867)	14	(2,867)	0	0	0	(15,601)
Prudential Borrowing	0	0	0	0	0		0	0	0	0	0
Total Housing Capital Resources	(46,391)	(22,628)	(25,581)	(2,953)	(4,431)		(4,431)	0	0	0	(40,331)
Net (Surplus) / Deficit of Resources	872	1,398	(6,658)	(8,056)			(1,332)	0	0	699	3,873
Capital Balances b/f	(29,165)	(29,165)	(29,165)								(11,142)
Use of / (Contribution to) Balances in Year	872	1,398	(6,658)				(1,332)	0	0	699	3,873
Set-aside for future Debt Redemption	8,411	8,411	8,296			8					
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	12,536	12,536	16,385			8					
Residual capital resources remaining to fund future Housing Investment Programme	(7,346)	(6,820)	(11,142)								(7,269)

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Notes to the Housing Capital Investment Plan

Note	Reason for Variance
1	Overspending of £92,000 in respect of Disabled Facilities Grants was predominantly due to an agreement with CLG to receive additional grant in the latter part of the year, but to pass it across to Huntingdonshire District Council as we did not have sufficient demand in Cambridge. £70,000 of the overspend is therefore related to this and is directly offset by grant received. The overspend in DFG's has been more than offset by underspending in Private Sector Grants and Loans of £126,000, where demand has significantly reduced in recent years.
2	A net underspend of £1,259,000 in decent homes expenditure during 2017/18 is a combination of under and overspending against the specific decent homes elements. Overspending in wall structure (£66,000), HHSRS (£29,000), and bathrooms (£8,000), is more than offset by underspending in kitchens (£15,000), roofing works (£71,000), roof structure (£175,000), re-wiring (£481,000), energy and insulation works (£52,000), central heating (£392,000), sulphate (£27,000), other health and safety (£45,000), decent homes work to new builds (£219,000) and external doors (£32,000). These variances are before accounting for leaseholder income, which is reported separately. Contractor overheads shows an apparent overspend of £72,000 against decent homes works, but is offset by an underspend in overheads against other HRA works of £159,000 and in capitalised officer fees with an apparent overspend of £73,000, offset by an underspend of £114,000 in other HRA works. Re-phasing of underspending in 2017/18 into 2018/19 is requested in respect of energy improvements (£9,000), roofing works (£71,000), other health and safety works (£45,000), central heating and boilers (£200,000) and external doors (£32,000) Re-phasing into 2022/23 is requested in respect of re-wiring (£480,000) and decent homes works to new build homes (£219,000) when the budget is expected to be required.
3	A net underspend of £829,000 was evident in 2017/18, combining underspending in a number of areas where work is still required and funds will need to be re-phased into 2018/19, including; disabled adaptations (£436,000, with £85,000 to be re-phased), asbestos removal works (£67,000, with £50,000 to be re-phased), communal area floor coverings (£42,000, with £40,000 to be re-phased), fire works (£62,000, with £60,000 to be re-phased) and hard-surfacing works (£15,000 with no re-phasing) Overspending in garages of £55,000, lifts of £4,000 and other communal area works of £7,000 was reported at year end.
4	The net underspend of £1,383,000 in the new build programme in 2017/18 relates to a number of delays in delivery in areas of the programme, coupled with spending ahead of profile in a few schemes. Net re-phasing of £1,094,000 is required. Re-phasing of budget for 2015/16 Garage Sites (£465,000) Anstey Way (£160,000), Akeman Street (£12,000), Ventress Close (£430,000), Queensmeadow (£7,000), Wulfstan Way (£21,000), Colville Garages (£22,000 and Gunhild Way (£11,000), is partially offset by negative re-phasing where spend is ahead of profile for Hills Avenue (£6,000), Kendal Way (£7,000) and Markham Close (£11,000). The profile of spending on all of these schemes will be reviewed again as part of the HRA Medium Term Financial Strategy. A key area of underspending in 2017/18 was the final position for the scheme at Clay Farm, which resulted in a saving of £397,000 at completion.
5	Under delegated authority, the Strategic Director approved a budget for the acquisition of homes on the open market for use within the HRA to enable utilisation of retained right to buy receipts in a timely manner. 21 homes were acquired in the year from a budget of £5,590,000, with £156,000 of this budget requested to be re-phased into 2018/19 to complete works to ensure that the 12 flats acquired at Tuscan Court receive the remedial works required to make them ready to let.
6	Spending in 2017/18 was £30,000 ahead of that profiled in respect of the budget for work to re-develop Ditchburn Place and as a result the budget in 2018/19 will be reduced accordingly. Phase I of the re-development of this schemes has now completed, with the ultimate result being the re-provision of flats for extra care housing for a minimum of 30 residents, but with the capacity for utilising all 50 units for this purpose in the future if required.

7	A net underspend of £304,000 in this area of the programme comprises a lower level of activity in respect of shared ownership re-purchase in 2017/18 (£119,000 under budget), and underspending due to delays in the project to re-locate Stores to Cowley Road (£123,000). Funding to upgrade aspects of housing IT system has not been utilised in 2017/18, due to the decision to re-procure the entire system, with a request to re-phase the underspend of £23,000 into 2018/19 to meet any required preliminary investment. The balance of funding for projects to introduce the Cambridge Public Sector IT Network (£6,000) will not now be required, nor will funding for works to HRA commercial premises (£32,000).
8	The allowance in the programme for inflation to costs was not required to be allocated across expenditure heads in 2017/18 as underspending across the decent homes, other investment in the housing stock and new build budgets meant that the additional funding was not required. It is proposed that this budget is re-phased into 2018/19 to ensure that sufficient budget is available in year to meet the costs of any deferred work, particularly in the new build area, where tender outcomes are awaited and CIP costs under new affordable housing agreements are still to be finalised following procurement by Hill Investment Partnership on a scheme specific basis.
9	47 properties were sold in total during 2017/18. £285,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £1,419,000 of the overall capital receipt is identified as set-aside to be offset against the debt associated with the unit no longer owned. A further £6,723,000 of right to buy receipts have been retained by the local authority in 2017/18, but must be re-invested in financing up to 30% of additional social housing units, provided this is done within a 3 year time frame. The authority is required to invest a significant sum during 2018/19 to ensure that it meets its responsibilities under the retention agreement, and this may mean the acquisition of further dwellings on the open market, if new build schemes or land acquisitions associated with new build schemes do not progress as anticipated, to avoid passing the receipts to central government.
10	Capital receipts totalling £1,085,000 in respect of the sale of property on the open market were accounted for in 2017/18. The receipts have been, or will be used to fund future investment in affordable housing.
11	The major repairs reserve was used to finance capital expenditure in the housing stock in 2017/18, including investment in decent homes work, other investment in the housing stock and investment in new homes, particularly where an element of re-provision is required. Where less of this funding was utilised in 2017/18 than anticipated, it will instead be utilised in 2018/19.
12	Income was recovered from leaseholders in 2017/18 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£369,000) and was also received from private residents in relation to contributions towards DFG's or private sector housing repair grants (£48,000).
13	Due to marginal slippage in the housing capital plan in 2017/18, the use of revenue funding for capital purposes was marginally less than anticipated. A request to adjust the use of revenue funding of capital expenditure in 2018/19, resulting in the deferred use of £95,000, will ensure that there is sufficient funding to meet the re-phased expenditure requested above.
14	Receipts from the re-sale of shared ownership dwellings in 2017/18 were considerably higher than estimated with 8 re-sales or staircasing payments received. Receipts from the sale of shared ownership units at Scholar's Court were also higher than estimated, with forecasts having been based upon the purchase of the smallest share possible until we had any evidence of the proportions being acquired for the first new scheme of this type. The Disabled Facilities Grant was higher than expected due to the award of £70,000 of additional grant which was passed on to Huntingdonshire District Council. These over-achievements in income were more than offset by recognition of no receipts against the expected £2,199,000 for shared ownership sales at Clay Farm, as no units were sold in 2017/18 and the ability to claim £387,000 less Devolution Grant than expected due to slippage in the New Build Programme.

Item

DIGITAL TRANSFORMATION STRATEGY

**To:**

Councillor Richard Robertson, Executive Councillor for Finance and Resources

Strategy & Resources Scrutiny Committee 02/07/18

Report by:

Andrew Limb, Head of Corporate Strategy

Tel: 01223 - 457004 Email: Andrew.Limb@cambridge.gov.uk

Wards affected:

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey,

Key Decision

1. Executive Summary

- 1.1 This report introduces a draft Digital Transformation Strategy for Cambridge City Council. The strategy sets out a vision and ambition for the Council to use new technologies to improve customer services, improve productivity, achieve efficiencies and open up possibilities for involving and engaging residents in new ways.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Agree the draft Digital Transformation Strategy attached at Appendix A.

3. Background

- 3.1. Digital technology has increasingly become all-pervasive in society. It offers new ways for organisations to understand their customers' needs, to design services around those customer needs, and to provide more flexible, targeted services, available at customers' convenience.

- 3.2 Councils, like all other organisations, have been embracing this technology at various speeds over the last twenty years. Cambridge City Council has made good use of a number of online services such as its website, social media, e-revenues & benefits, route optimization for waste collections, electoral registration and many more applications.
- 3.3 However, the Council has not had a digital strategy to date. Officers have produced the attached draft with the intention of bringing clarity to the council's vision and ambition, and bringing a greater degree of coherence to our plans and investments. Officers reviewed digital strategies from a number of councils believed to be at the forefront of digital local government, and have sought to incorporate best practice.
- 3.4 The draft strategy sets out the context of how the council has been using technology and how it could make further use of digital approaches in the future to achieve the Council's Vision, and to deliver some of the objectives set out in the Corporate Plan.
- 3.5 The strategy proposes a "digital by design" approach that will ensure our online processes are customer-centred, simple to use and the channel of choice for all customers who can use digital technologies. But reiterates that the Council will continue to provide non-digital means for those who cannot.
- 3.6 The Council will continue to invest, and to work with others, to reduce digital exclusion and empower as many of our residents as possible to take advantage of the opportunities digital and online services provide.
- 3.7 The strategy explains how the targeted implementation of new technologies might help achieve significant efficiencies for the Council. And it sets out how we might use digital under four themes:
- Digital Citizen Services
 - Connected Citizens, Smart City Collaborators
 - Future Council: Digital Teams, Smart City Innovators
 - Core ICT & Digital Strategy: Data, tools, systems, apps & processes

- 3.8 Finally, the strategy explains the governance, leadership and delivery arrangements that are in place to realise the vision.
- 3.9 In terms of Digital Citizen Services, the priority actions include plans to implement a new “customer portal” and associated digital forms. This will allow customers to sign into our online services once, to ensure all their interactions with the council integrate, and to allow them to track and monitor progress with their issues.
- 3.10 Allied to this, the Council is investing in new, modern systems for managing its major services as part of the “technology road map”. These are intended to deliver the following benefits:
- (1) Allow customers to self-serve, reduce needless contact, provide 24-7 access to council services (leading to higher customer satisfaction).
 - (2) Drive down cost providing greater value for money for residents by.
 - a. Reducing re-keying
 - b. Reducing the administrative overhead
 - (3) Provide modern services that customers expect today from modern digital organisations such as tracking progress with their issue.
 - (4) Increase officer efficiency allowing them to focus on value added services (such as complex cases) rather than lengthy processes.
- 3.11 Among the first, major new systems that we plan to implement are those for planning, housing and waste/streets & open spaces. They are intended to deliver the following benefits:

Planning System

This will allow residents to view applications online, including via tablets, allowing a deeper and more flexible engagement in planning applications, and reducing the need to print plans so frequently.

Housing System

This is ultimately intended to allow tenants to view their rent accounts online, as they might a bank account. In due course it may also be possible to view and print a rent statement, make a payment, request a direct debit to be set, report a repair, book a repair appointment, track their repair job, send a communication to the Council, receive a communication from the Council, log an ASB case and update their contact and personal details, online too –although some of those functions may be implemented in later phases.

Waste / Streets & Open Spaces system

- Will enable residents to self-serve at their convenience (e.g. requesting new or additional bins) and to receive two-way information when reporting missed bins, fly-tipping or overflowing litter bins.
- Ensure that information held by the Council can be used by staff so tasks are done correctly the first time and records can be kept and accessed easily, including access codes for bin stores or properties with accessed collections.
- Search when litter bin collections and street sweeping is scheduled.

3.12 We will review the impact of these new systems, as they are implemented and start to be used. And we will review the overall strategy, on a regular basis, to ensure we keep focused on our priorities and remain open to new possibilities as technologies evolve.

4. Implications

(a) Financial Implications

This report and decision to not have any direct financial implications. The Council has provided significant funds to invest in ICT infrastructure and digital technology through its budget setting process. The approach proposed in the draft strategy is expected to realise significant savings over time – the detail of these will be set out in the relevant business cases.

(b) Staffing Implications

The projects and initiatives described in the draft strategy will be carried out by various officers across the Council. Progress in implementing these will be monitored by the Council's Digital and Web manager. The Council is seeking to recruit a Data Scientist and a Digital Inclusion Projects Officer to support key aspects of this strategy.

(c) Equality and Poverty Implications

An Equalities Impact Assessment has been completed and is attached at Appendix B.

(d) Environmental Implications

No direct implications, although adopting more online processes and transactions, and better digital data management, will reduce the amount of paper documents that are printed out and distributed.

Better data analysis of customer needs should also allow the Council to target its resources more efficiently.

(e) Procurement Implications

No direct implications. For information, the Council's procurement activity is carried out through e-tendering, and the Council is in the process of rolling out online tender evaluation, too.

(f) Community Safety Implications

No direct implications.

5. Consultation and communication considerations

Officers across the Council have been involved in drafting the strategy, and a managers' briefing explained the vision to around 40 managers in April 2018.

6. Background papers

- (a) [Web Strategy](#)
- (b) [Digital Inclusion Strategy](#)
- (c) [Camden Digital Strategy](#)

7. Appendices

- (a) Draft Digital Transformation Strategy
- (b) Equality Impact Assessment

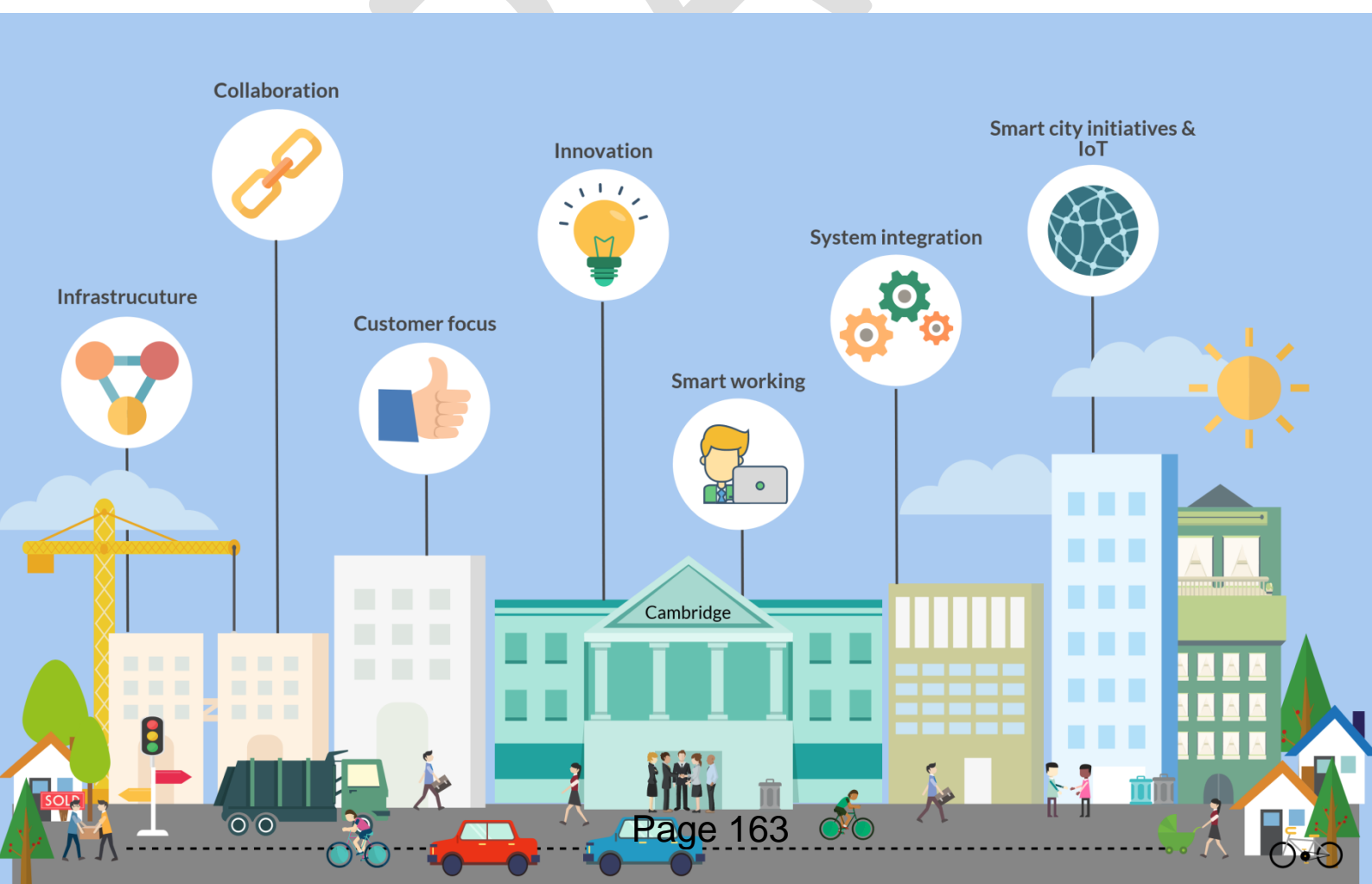
8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Andrew Limb, Head of Corporate Strategy, tel: 01223 - 457004, email: andrew.limb@cambridge.gov.uk.

Cambridge City Council

DRAFT Digital transformation strategy

Digital Council, Smart city



Foreword from the Leader of Cambridge City Council

Our Vision: Digital Council, Smart city

Cambridge is a city of considerable magic. It is a place with a history of discovery and innovation dating back hundreds of years. From Newton, Darwin, Alan Turing, Crick, Watson and Franklin to Stephen Hawking and many others, researchers at the University of Cambridge have been at the forefront of major breakthroughs in science.

In the past 60 years this research strength has facilitated the Cambridge Phenomenon, the growth of one of the pre-eminent science and tech industry clusters in the world, with global companies such as ARM, Amazon, Microsoft, Google and Raspberry Pi among over 1,500 others contributing to a uniquely creative innovation ecosystem.

World famous Cambridge



This spirit of innovation - and the application of data, technology, and a digital mind-set - can be at the heart of a transformation in the way that Cambridge City Council, its neighbours and partners provide information and services to, and engage with, those who live, work and study in the area.

If we are bold in our leadership, our investment and our ambition, our transformation journey could achieve our vision of an insight-driven and collaborative partnership between providers and users, and everyone who shares the council's vision of "One Cambridge, fair for all".

Councillor Lewis Herbert, Leader, Cambridge City Council

Context: Cambridge and its City Council: Past, present and future

PAST

Cambridge City Council traces its origins back even further than the University of Cambridge, to King John's charter of 1201. Since then, the Council has been playing a central role in safeguarding its citizens, their trade and their rights.

PRESENT

The Council of the early 21st century employs around 800 staff directly, and provides a wide range of services to a rapidly-growing and increasingly-diverse city. The population of the city has grown from around 109,000 in 2001 to around 132,500 in 2018.

The City Council provides planning, housing, waste collection, environmental health, street cleaning and many other services, in addition to managing and maintaining many of the city's open public spaces.



The City's economy, as described above, has been buoyant and successful, creating significant revenues for the UK government, and bringing great prosperity to those fortunate enough to be at the heart of the Cambridge Cluster. However, this wealth is in contrast to the poverty experienced by some in the city, leading to Cambridge being characterised as the most unequal city in the UK.

The Council is determined to play its part in addressing this inequality through an Anti-Poverty Strategy that includes a Digital Access Strategy, continued support for discretionary services that support the city's varied communities and most vulnerable residents, and a creative approach to addressing the city's chronic housing affordability crisis.

However, since 2010, in common with all other councils, Cambridge City Council's core funding from Government has been decreasing, and is expected to end completely by 2020.

This context, of a rapidly expanding population with complex and changing needs and shrinking Government funding, has meant the Council has had to embark on a process of service reviews, efficiency and transformation to maintain key service standards.

Technology has played a part in this, with the use of route-optimisation technology to make waste collection routes more efficient, online council tax applications and a range of other service-specific back office systems. But to date this has been implemented in a somewhat opportunistic fashion – going forward, we aspire to be more strategic in our approach.

FUTURE – the role of information technology & digital thinking

Going forward, with our ICT services delivered in partnership with our neighbouring councils in South Cambridgeshire and Huntingdonshire, we need to adopt a more strategic, co-ordinated approach. We need to invest, together wherever possible, in an ICT infrastructure that facilitates seamless and efficient customer journeys, and realises savings for the council.

We need to provide service channels and transaction options that reflect the online world our residents inhabit and expect when doing business with any large organisation. Our services need to be available as and when our customers need to engage with them, as far as our capacity & resources permit. They need to be designed in such a way that there are as few hand-off points and junctions as possible.

In this way, our customers will increasingly be able to choose the time, manner and nature of the key transactions they conduct with us. And the Council will be able to replace costly, labour-intensive tasks with automated and self-service options.

This channel shift is not a new or particularly innovative concept in itself. Nor will it happen overnight. But it will require a transformation in the way we think about our services holistically, with the customer's needs at the heart of everything we do, if we are to realise the full extent of the benefits available to us from these digital customer services.

More ambitiously, we need to look beyond this level of direct service provision to grasp the potential of digital thinking, big data and smart city concepts to create an environment in which services can be co-designed in an agile way for a variety of service-providers (including residents and communities themselves) to deliver the outcomes we are seeking to achieve.

A digital approach to deliver One Cambridge, Fair for All

Our Digital strategy will focus on achieving the council's vision and key objectives:

Cambridge City Council has a clear vision to lead a united city, in which a dynamic economy and prosperity are combined with social justice and equality.

The vision has three main aims: to make Cambridge "fair for all", to make it "a great place to live, learn and work", and "caring for the planet". Our annual statement and Corporate Plan outline how we will achieve our vision, under seven themes:

- **Delivering sustainable prosperity for Cambridge and fair shares for all**
- **Tackling the city's housing crisis and delivering our planning objectives**
- **Making Cambridge safer and more inclusive**
- **Investing in improving transport and tackling congestion**
- **Protecting our city's unique quality of life**
- **Tackling climate change, and making Cambridge cleaner and greener**
- **Protecting essential services and transforming council delivery**

Adopting a coherent, digital by design approach to our service transformation will enable us to achieve these objectives more efficiently and effectively. We will be able to improve our customers' experience and increase their opportunities for engagement.

For instance, we will be better equipped to deliver **sustainable prosperity and fair shares for all** when we are able to bring together the insights that emerge from analysing different data sets. This will help us and our partners to develop a more rounded picture of emerging needs and economic and demographic trends.

If we are able to join our data sets safely and securely with other public agencies (for instance through the ground-breaking *Culture Card* project) we will be able to develop a more comprehensive single view of our customers, and break down organisational silos and boundaries to provide genuinely customer-centred solutions and outcomes.

Our **digital access** strategy will also help ensure that a broader cross-section of the population are able to engage in the digital economy through giving people from our more deprived communities the confidence and capability to use digital channels to find work, training and better deals for their daily expenses. We also plan to deliver skills that our residents can bring into the workplace, potentially including coding.

Similarly, developing the skills, capability and connectedness of our tenants (and prospective tenants) will enable us to both understand current and evolving **housing** need, and respond more promptly and efficiently to service requests (e.g. for repairs and maintenance).

As we **plan** our new communities and neighbourhoods and business centres, we have the opportunity to design genuinely smart, and sustainable, communities, designed for the styles of connected living that residents will increasingly expect in the 21st century.

This may include not just working towards universal high speed broadband, wireless and mobile connectivity (with our partners in Connecting Cambridgeshire), but could also involve taking advantage of sensors, the Internet of Things and smart city thinking (with our Smart Cambridge partners and others) to create the possibility of low carbon communities where intelligent mobility and resource efficiency are designed in from the outset.

We have the opportunity to make Cambridge **safer and more inclusive** by ensuring that everyone has the capacity and capability to connect with their families, neighbours and communities of interest through digital channels; and by providing open data and forums that allow communities to co-design and collaborate in the provision of public goods, services and outcomes.

The City Council can facilitate, through this digital strategy, increased community capacity to maintain Cambridge as a world-class city, where caring for our people and our precious environment is a shared endeavour.

As partners in the Greater Cambridge Partnership and the Cambridgeshire and Peterborough Combined Authority, we will continue to invest in smart and sustainable **transport** solutions that allow people, goods and ideas to move more freely around the city region.

This will include smart and innovative approaches to tackling congestion, reducing pollution and connecting not just people with their places of work, but researchers, entrepreneurs and innovators with their partners and collaborators.

We will be better placed to protect the City's unique **quality of life**, and ensuring it is enjoyed by all, by sharing more data more openly on what matters to people, how they use cultural facilities and assets, and creating space for ideas to flourish. The city will become more open and readable to a wider cross-section of our communities as digital cultural projects bring the full range of the city's built, natural and cultural assets into view.

We will be able to manage **climate change** more effectively if it becomes possible to share better and more open data on energy use and emissions from across not only the City Council's estate, but the wider city. Where appropriate, we and our partners will explore opportunities to deploy smart and innovative low energy, carbon-reducing technologies, and monitor their impact.

We will be have the opportunity to work with partners to map the tree canopy as it evolves, and develop better, resident-centred systems for alerting people and agencies to changing risks from flooding, extreme temperatures and drought.

By providing online services that are available as and when customers need them, we will reduce the need for residents to travel to our offices to interact with us, achieving both convenient and sustainable services.

City Councillors will be able to carry out their duties more efficiently, at times of the day/week that suit their busy lives. They will be able to interact with residents and officers more reliably and quickly, potentially using a range of techniques and technology to manage committee agenda in a paperless way, to track their resident case load online or even take part in meetings remotely.

Finally, and perhaps most fundamentally, we will adopt a digital by design approach to our **transformation** agenda, one that drives costly, low value, slow, error-prone manual processes out of our systems; uses low cost, agile applications; and by putting the customer at the centre, provides a more cost-effective approach to seamless end-to-end service.

Priority actions to build a digital council and benefit residents

- Redesign website to further improve the customer experience
- Implement customer portal to provide a single sign-on and simplified user journey
- Implement new systems for waste collection, streets & open spaces and housing
- Recruit Digital Inclusion Projects Officer and continue funding digital inclusion projects to help disadvantaged residents get online
- Recruit a Data Scientist to build our capacity to analyse our data more effectively

Potential savings for the City Council

NESTA have estimated that by adopting a genuine, pan-council approach to digital by design, the average upper tier council could eliminate 40% of its 2015 budgets. For a district council such as Cambridge City, the scope for savings may be different, given that we do not have primary responsibility for providing the most costly personal services and social care. But we do expect to see significant potential for cost reduction from a strategic digital approach to service transformation.

Significant channel shift from more expensive channels to digital is possible when digital services are optimised. There is extensive literature about the potential for channel shift in local authorities (particularly from the Local Government Association in its '*Delivering Better Local Online Transactional Services*' report). The report suggests that financial benefits offered by channel shift to councils could be significant:

- Circa £100,000 if email transactions were shifted to digital
- Circa £800,000 if channel shift were implemented aggressively as per the approach taken by the London Borough of Newham.

The City Council's Digital Programme Board and Business Transformation Programme Board will ensure that projected savings and other benefits are detailed in business cases as far as possible, and that the realisation of benefits is tracked through the lifetime of projects by the Programme Office.

Four key themes of our digital strategy

We have structured our digital strategy around four themes:

Digital Citizen Services

Connected Citizens, Smart City Collaborators

Future Council: Digital Teams, Smart City Innovators

Core ICT & Digital Strategy: Data, tools, systems, applications & processes

Digital Customer Services

The relative costs of customer contacts via different channels are well-established. SOCITM estimated them as follows in 2011:



Re-engineering business processes to create lean, seamless customer journeys and automated back-office systems clearly allows the council to not only achieve significant savings but also to provide better, smoother, quicker customer service. Removing clunky manual processes and re-keying reduces the risk of error and increases the speed of processing.

Well-designed online processes that utilise customer insight (and ultimately are co-created with users in an agile, interactive process) provide the fast, trusted, reliable experience that customers expect, as well as reducing the need for them to travel to council offices for time-consuming face-to-face conversations. Our web strategy will help ensure a coherent, customer-focussed approach to this transformation.

By utilising open source, cloud-based applications the Council can increase its online security as well as reducing its costs.

By developing analytical skills and infrastructure in the council, we can use data to drive insight and then foresight about customer needs, so that we increasingly design services more efficiently to meet those needs. Thus digital customer services create a virtuous cycle of feedback, investment and continuous improvement. In time, advances in artificial intelligence and bots may take this process further.

We will aim to eliminate the significant proportion of current customer contacts that are generated by customers chasing up previous contacts and transactions. By adopting best practice in giving customers ability to track progress with their issue online, rather than having to phone to find out if a transaction has been completed or issue resolved, we will reduce the time and cost lost to this “failure demand”.

There are a small number of key customer transactions and services that currently create a high proportion of customer contacts with the Council, and which potentially lend themselves most immediately to digital transformation. These include housing advice, housing repairs, council tax, benefits and waste collection¹.

The 3C ICT Digital Customer Services strategy aims to provide “an approach that will

- Work for the benefit of all partners and end customers.
- Dovetail with the capabilities of the 3C service.
- Work with existing web technology platforms.
- Work at a pace that is not overly disruptive to the business.”

The long-term vision is the nirvana that our major customer-facing transactions are provided through intuitive and seamless digital solutions that are so easy to use that they are the preferred channel for everyone who can get online. We will, however, continue to meet the needs of those who are unable to engage with us digitally.

By adopting principles of “simplify, standardise, share”, and by focussing on outcomes rather than services, we will move to the structured, sequenced approach to transformation that delivers maximum benefit from our investment.

We will build and maintain a real-time understanding of the services our residents and customers most need, and will prioritise investment in the digitisation of those services that benefit the greatest numbers of residents, are most adaptable to digital delivery, and offer the greatest benefits. We will review our offering regularly as our customers’ needs, expectations and capabilities evolve.

This will ensure greater value for money from our investments, ensuring that we secure the full productivity gains that can flow from online services, enabling us to serve our growing population with lower per-head costs.

Next generation?

In the future, we will seek to take advantage of emerging digital trends and opportunities potentially including Artificial Intelligence, machine-readable and interactive application forms, bots, voice recognition customer contact systems, drones and automation to further reduce costs, eliminate low-value manual tasks, and provide better customer services.

¹ We have already implemented online systems for council tax and benefits, and many customers have been happy to use these. We will continue to explore ways to build on this progress to further reduce the need for more expensive forms of customer contact

The type of city we want to live, work & study in:

Connected Citizens, Smart City Collaborators

In the future, a more structured approach to creating a digital council will create new possibilities for digital engagement.

We have already started webcasting Council meetings, and will continue to explore ways to utilise new technology to ensure more residents are better informed about what the council is doing and proposing, and better able to engage in shaping and influencing council services and strategies through new forms of digital democracy.

We will also equip councillors with the tools to conduct their council business – and engage with constituents - at times/from locations that better fit with their multi-dimensional lives.

Developments such as crowd sourcing policies, and crowd-funding projects, create a vision of a 21st century community that is better connected, more resilient and more self-sufficient.

We plan to open up more of the data we hold, not least through partnership initiatives such as [Cambridgeshire Insight](#), to allow community-level uses of big data and open data to derive further insights and applications. The traffic survey by the Greater Cambridge Partnership in summer 2017, and release of the anonymised Automatic Number Plate Recognition (ANPR) data gathered from that survey, provides an example of this open data approach that we can build on.

By providing more of this data in open, usable formats and as-close-as-possible to real time, we will build accountability and trust in public services, both of which can sometimes be in short supply. This, again, will allow more informed and constructive debate and inputs by community groups, interest groups and residents.

In a similar way, by adopting digital by design and agile principles that put the customer first, we will be able to open up our policy development and service improvement processes so that increasingly our service users, residents and communities are co-designing services, using their unique customer insights to design and deliver better services. By being user-focussed they will be more efficient, create less waste and cost less.

As the city of Cambridge grows, while the Council's core Government funding vanishes, might this digital thinking enable the prosperous and less-prosperous parts of the city to cross the divide and build a united Cambridge, where prosperity is shared and the needs of all are better understood and better met?

Our Digital Inclusion Strategy sets out how we will continue to invest in projects to ensure that as many of our residents as possible are able to become connected citizens.

In the short term, the General Data Protection Regulations require us to identify our information assets. Our recruitment of a data scientist will help us to cleanse and share that data to allow the insights described above.

Big and Open: harnessing the power of data

By understanding, gathering, sharing and analysing data from across the full range of council services (and, in due course, our partners) we expect to derive new insights into what our customers really want, and how they want to engage with the council and use its services.

From this insight, we will begin to develop foresight, as we understand the trends in how people respond to services and interventions.

From foresight we will begin to be able to predict needs and responses.

And from prediction, we will ultimately be able to invest in a more surgical way in preventative services that ultimately reduce the cost of supporting the complex needs of our most vulnerable and troubled families and individuals.

Partnering for a seamless customer experience across the public service

In the same way that we will seek to collaborate internally and with our residents, we will also need to collaborate with the evolving landscape of partner councils and other agencies to further drive service improvements and cost reduction.

The [Connecting Cambridgeshire](#) partnership has been highly effective in bringing broadband connectivity to previously unconnected parts of the County, and we will continue to work with our partners to ensure the area benefits from the fastest and most widespread connectivity infrastructure possible within technical and financial limits.

Similarly we will continue to work as part of the [Smart Cambridge](#) group under the Greater Cambridge Partnership, aligning with business and academic experts to bring the best new smart solutions to Greater Cambridge.

In terms of partnership working, we need to think about outcomes, rather than services and institutions, as we develop virtual shared services with customers at their centre, and build the capacity of our communities themselves to self-serve. By working in this way and with our partners (including the new Cambridgeshire & Peterborough Combined Authority) we will be able to put the customer at the centre of our partnerships, break down silos and barriers, and create a seamless virtual public service.

Who are the council's main public sector partners?



Safety and security

Of course, new opportunities bring new risks and threats too – we will work closely with our ICT advisors and others to ensure we remain aware of such risks, to ensure our residents' data safety, and their security, is paramount.

The type of council we need to be in the future: Digital Teams, Smart City Innovators

Cambridge City Council has a strong track record and identity as both the democratic heart of the city for over eight hundred years, and a provider of crucial services for the city and its people. The digital transformation we are experiencing will enable us to continue to play both roles as we move forward into a world of increasing complexity and, at times, uncertainty.

As we build new service models, and new partnerships, to deliver better services more efficiently, we will embrace the potential that digital provides.

We have recognised in our Organisational Development strategy that we need to develop a more fluid, dynamic and vibrant culture which embraces and enables innovation. Nowhere is this truer than in the realm of digital transformation.

Skills, capacity & capability

We will need to invest in a broad-based digital skills development programme to utilise the infrastructure we are investing in and the opportunities it provides for delivering better customer services. And we will need to challenge ourselves to develop a culture which embraces and utilises all that is best in the digital sphere.

Our teams of staff and managers need to have the skills, capacity, capability and culture to consistently recognise the power of digital thinking, customer-centric process design and agile development, in order to achieve the vision set out above. We will need to recruit people with these skills, and train/develop the people already here who want to move forward on this journey. And we will need to evolve our management culture and processes to enable us to adapt to new, flexible and dynamic ways of working.

We need to raise the level of awareness and ability to utilise data more consistently, to understand customer and wider-world trends, to anticipate, plan for and deliver services that better meet changing needs. This will require a high degree of comfort with data analysis, customer focus and agile project management skills.

We need those managers and teams across the whole council to contribute to a road map of business process reviews and digitisation that reduce costs and deliver customer-centred services.

We know that good design of digital services encourages take-up, so we need to incorporate gamification, socialisation and loyalty into our online services. We need to make self-service so easy that is the most attractive option, thereby managing demand for more expensive forms of interaction.

Investment & transformation

Investment in strong core digital infrastructure will also enable greater flexibility for our people through the implementation of robust remote working systems (“Council Anywhere”), aligned to our Office Accommodation Strategy.

We need to ensure that digital is at the heart of our transformation programme, so that it enables a comprehensive alignment of customer benefits, process improvement and staff up-skilling.

Digital business processes

We need to apply the same thinking to our internal transactions and business processes that we do to our external customer-facing processes. Our new Financial Management System will take us further along a road we have started down with our ICT and Business Support portals. We will look to process re-engineer, and digitise, high volume internal transactions to achieve the same benefits of customer flexibility and cost efficiency.

Plan-Do-Check-Adjust

Crucially, with the pace of change in both what technology can do for us and our understanding of how to apply it, this strategy will evolve and iterate over time. We can have a reasonable degree of certainty over what we are planning to do in the short term.

But, in keeping with an agile approach, we will review the effectiveness of our initial investments on an annual basis to ensure we are learning lessons and keeping up to date with both our residents and our changing digital world.

Core ICT service strategy: Digital Council, data, systems, applications & tools

Core ICT strategy

This strategy builds on the ICT and Digital Strategy developed by our shared 3C ICT service. The core of that strategy explains the benefits from progressing through a shared “technology roadmap” to a “lean, always available, transparent and focussed ICT service that empowers everyone to get the most out of ICT.”

These benefits include:

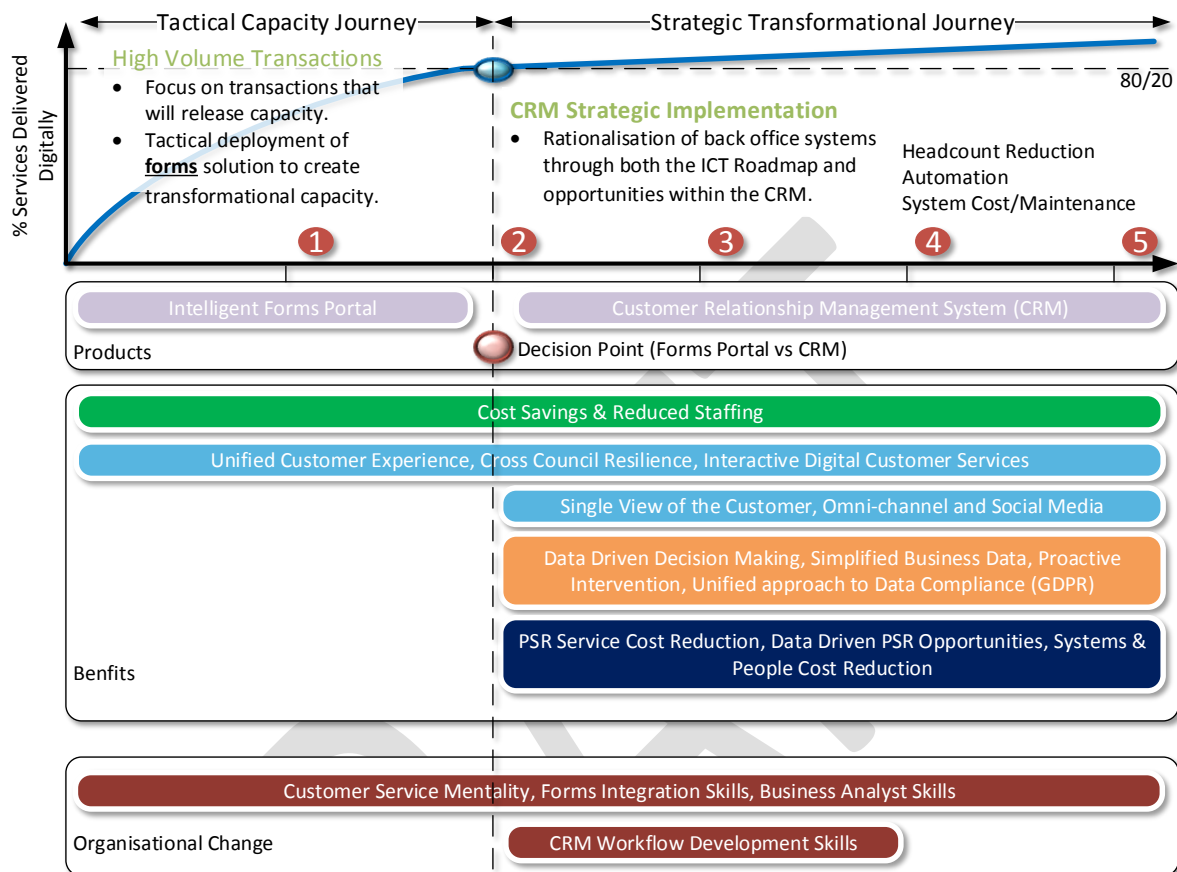
- Reduced IT support burden resulting in the ability to develop space for further improvement and system automation. By reducing our current support burden it will create opportunities to develop the service offering further improvements for our partners, customers and even potential partners.
- Reduced support issues due to system incompatibility, for the end customer this results in fewer support issues due to incompatible hardware and/or software.
- Improved system reliability resulting in reduced downtime for the end customer.
- Reduced staff/support operative training times and costs.
- Improved and more efficient inter-council, cross-council communication and collaboration.
- Lower support and maintenance costs.
- Simpler budgeting and cost management.
- Improved vendor bargaining power.
- Facilitates a single approach to IT governance, IT Security, Business Continuity support and Disaster Recovery operations.

In all of this, we will need to adopt an approach to technology based on “simplify, standardise, share”, rather than seeking to develop our own bespoke solutions or lock ourselves into expensive proprietary products.

In particular, we will need to engage effectively in the 3C ICT Technology Road Map to exploit the opportunities to do things at scale that may not be viable for us acting alone.

Releasing capacity to achieve strategic transformation

The chart below illustrates how deploying a tactical e-forms package to deliver a large number of services quickly could create capacity to implement the strategic vision.



Investment, governance, leadership and delivery

Cambridge City Council has invested, through its Budget Setting Report 2018, in the underpinning technology to move towards this vision. The Budget Setting Report also allocated additional funds to the Business Transformation Fund, to help fund business process reviews to inform new systems and approaches that will in turn deliver benefits.

The City Council has created governance structures, including a dedicated Digital Programme Board and an ICT Programme Board, sitting under the over-arching Business Transformation Programme Board supported by a Transformation Programme Office. These structures will be kept under review to ensure they provide most effective governance and oversight.

These structures and controls will develop and oversee implementation of a number of the projects associated with this digital transformation strategy and ensure this investment is coherent and co-ordinated, and is planned and managed to realise optimum benefits.

Political leadership will come from the Executive Councillor for Finance and Resources, who leads on digital transformation from within his portfolio, and the other Executive Councillors who will lead digital transformation within their own portfolios.

At officer level, the 3C ICT Service, the City Council's intelligent client, Heads of Service and managers across the Council, the Business Transformation Programme Office and the City Council's Digital & Web Manager will all have key roles to play in the different actions that will deliver the strategy.

In these ways the Council has made a leadership commitment, and put a governance arrangement in place that will help ensure sustained focus on delivering the benefits for Cambridge's residents, and the Council, that a digital approach offers.

Further detail on key aspects of our digital ambitions are contained in our Web Strategy and Digital Access Strategy.



Cambridge City Council Equality Impact Assessment (EqIA)

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:
Digital Transformation Strategy
2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)
A new page on digital strategy will be added linked from this one: https://www.cambridge.gov.uk/policies-plans-and-strategies
3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?
To set out in one place the City Council's ambitions and aspirations for using digital technologies and approaches to deliver customer benefits and efficiencies.
4. Responsible Service
Corporate Strategy has co-ordinated development of the strategy, with input from 3C ICT and other services. Delivery of the actions and projects that will realise the strategy's vision will be delivered by a combination of services.

<p>5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)</p> <p><input checked="" type="checkbox"/> Residents of Cambridge City</p> <p><input checked="" type="checkbox"/> Visitors to Cambridge City</p> <p><input checked="" type="checkbox"/> Staff</p> <p>Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):</p> <p>All of the above. The strategy covers a broad ambition to improve the way the council delivers and provides services to all service users.</p>
<p>6. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)</p> <p><input checked="" type="checkbox"/> New</p> <p><input type="checkbox"/> Major change</p> <p><input type="checkbox"/> Minor change</p>
<p>7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)</p> <p><input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes (Please provide details):</p> <p>3C ICT, Business Transformation, Customer Services and ultimately all other service areas, to varying degrees.</p>
<p>8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?</p> <p>Being submitted to Strategy & Resources Scrutiny Committee, 2nd July 2018</p>

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

Desk research drawing on a broad range of national and local survey research. The Council's Digital Access Strategy (which supports both this Digital Transformation Strategy and the Anti-Poverty Strategy) set out the evidence officers have gathered on the nature and level of digital exclusion in Cambridge and nationally.

10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

Research evidence including City Council surveys and ONS data suggests that older people (as well as some younger people) tend to be less digitally active, and potentially at risk of digital exclusion, although the picture is complex and social class / income can be a relevant factor too. For instance, digital exclusion may be a contributing factor to low educational attainment for low-income children: National research has found that children that have access to the internet at home gained ten GCSE points on average, but less than one-in-two participants from the poorest households have home internet access, compared to almost all participants from the richest families¹.

Older people are much less likely to use the internet than other age groups. In 2016, only 38.7% of adults in the UK aged 75 years or over had used the internet in the last 3 months, compared to 87.9% of all adults. The Council's 2016 Cambridge Residents Survey found that only 58% of respondents aged over 75 had access to the internet compared to 99% of adults aged up to 44

If the Council failed to provide non-digital means of engaging with it, that could be to the detriment of those older or younger people who do not have the skills or capabilities to engage online. The mitigation of this will include both projects delivered under the Digital Access Strategy, but also the retention/development of assisted digital approaches and, where necessary for those who cannot engage digitally, more traditional channels.

¹ Chowdry, H. et al (2010), 'The role of attitudes and behaviours in explaining socio-economic differences in attainment at age 16', Institute for Fiscal Studies:
<http://www.llcsjournal.org/index.php/llcs/article/viewFile/141/119>

(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities. (In this section please also include impacts of policies on carers.)

People with some types of disability may have difficulties using or making the most of digital technologies, which may not be adapted to their needs related to their specific disability. Such people might be disadvantaged if the Council failed to provide adequate/appropriate non-digital means of engaging with it.

Disabled people are less likely to use the internet than people without disabilities. In 2016, 25% of disabled adults in the UK had never used the internet. Disabled people are also less likely to continue using the internet after they have first accessed it. There were 0.5 million disabled adults in the UK who had last used the internet over 3 months ago, making up more than half of the 0.9 million lapsed internet users .

There are a number of tools (software and hardware) provided now to make that more possible, and the City Council has specifically funded digital skills training for sight-impaired people in the area through CamSight. The Council also plans to continue to provide assisted digital approaches and, where necessary for those who cannot engage digitally, more traditional channels or routes through which people with these characteristics can engage with us.

(c) Sex – A man or a woman.

Our research has not identified any particular negative impacts (or differential impacts) for people on the basis of being a man or a woman.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment - that is the process of transitioning from one gender to another)

Our research has not identified any particular negative impacts (or differential impacts) for people on the basis of gender reassignment, gender identity or being transgender.

(e) Pregnancy and maternity

Our research has not identified any particular negative impacts (or differential impacts) for people on the basis of pregnancy or maternity.

(f) Marriage and civil partnership

Our research has not identified any particular negative impacts (or differential impacts) on the basis of marriage or civil partnerships.

(g) Race - The protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Our research has not identified any particular negative impacts (or differential impacts) on the basis of race.

(h) Religion or belief

Our research has not identified any particular negative impacts (or differential impacts) on the basis of religion or belief.

(i) Sexual orientation

Our research has not identified any particular negative impacts (or differential impacts) on the basis of sexual orientation.

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty

Low income, social class and social housing tenancy have been identified in some research as indicators of whether someone is likely to have the competence, confidence and capability to make the most of digital technologies.

People living in social housing are less likely to access the internet than people living in other housing tenures. The Council's most recent Tenants Satisfaction Survey found that in 2014 39.2% of City Council tenants did not have access to the internet. For those who do not have access to the internet, the most common reason given (46.3%) was that they could not afford it. Other reasons included not being interested (45.8%) and not knowing how to use the internet (18.5%).

The evidence also suggests that people on low incomes are less likely to have digital access and basic digital skills. Nationally, 17% of people earning less than £20,000 never use the internet, as opposed to 2% of people earning more than £40,000. 44% of people without basic digital skills are on lower wages or are unemployed. The Council's 2016 Cambridge Residents Survey found that 76% of respondents who received state benefits and allowances had access to the internet, compared to 94% of all respondents.

People with any of the protected characteristics may be more vulnerable to poverty, and may therefore be at greater risk of digital exclusion, which may be exacerbated by inter-sectionality between their characteristics and their income.

If the Council failed to provide non-digital means of engaging with it, that could be to the detriment of people who do not have the skills or capabilities to engage online.

The mitigation of this will include both projects delivered under the Council's Digital Access Strategy (which supports both this Digital Transformation Strategy and the Anti-Poverty Strategy), but also the retention/development of assisted digital approaches and, where necessary for those who cannot engage digitally, more traditional channels.

The objectives for the Council's future work in 2018/19 and 2019/20 on digital access are:

1. Increasing access to the internet and digital skills for residents in Cambridge, with a particular focus on older people, people with disabilities, social housing tenants and residents on low incomes, who are more likely to be digitally excluded.
2. Ensuring that Council services are accessible to all residents, including those who are online and offline
3. Developing and strengthening partnerships with others organisations, including Cambridgeshire County Council, community and voluntary organisations, and businesses to ensure that services are co-ordinated and to maximise the collective impact of projects and resources.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqlA accordingly.)

The strategy sets out a high level of ambition, and some indicative potential benefits, rather than detailing specific projects and actions. The impacts of such projects that have major change for service users may need to be assessed separately.

The high level ambition will be reviewed periodically, and the range of projects and initiatives designed to implement the strategy will evolve over time as we learn more about the potential of digital technologies and approaches, as we build our skill sets, experience and analytical capabilities.

12. Do you have any additional comments?

As technology evolves, (and is adopted by different communities differentially) the ways in which people can be excluded or disadvantaged will change too – we will need to review our digital access strategy to identify these changes and adapt our mitigation strategy.

13. Sign off

Name and job title of lead officer for this equality impact assessment: Andrew Limb, Head of Corporate Strategy

Names and job titles of other assessment team members and people consulted: David Kidston, Strategy & Partnerships Manager. Also circulated to members of the City Council's Digital Programme Board.

Date of EqlA sign off: 15 June 2018

Date of next review of the equalities impact assessment: 31 July 2021

Sent to Helen Crowther, Equality and Anti-Poverty Officer?

☒ Yes

☐ No

Date to be published on Cambridge City Council website (if known): 20 June 2018, as part of Strategy & Resources Scrutiny Committee agenda.

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3Cs ICT AND LEGAL SHARED SERVICES AND GREATER CAMBRIDGE INTERNAL AUDIT SHARED SERVICE – 2017/18 ANNUAL REPORTS



To: Executive Councillor for Finance and Resources
Report by: Fiona Bryant, Strategic Director

Relevant scrutiny committee: Strategy and Resources Scrutiny Committee 2/07/2018

Wards affected: All

Non – Key Decision

3Cs ICT AND LEGAL SHARED SERVICES AND GREATER CAMBRIDGE INTERNAL AUDIT SHARED SERVICE – 2017/18 ANNUAL REPORTS

1. Executive summary

- 1.1 This report provides summarises the performance for the 3Cs ICT and Legal Shared Services, and the Greater Cambridge Shared Internal Audit Service during 2017/18.
- 1.2 The principle of producing a single annual report for both the 3Cs and greater Cambridge (2Cs) shared services was agreed at committee in July 2015.
- 1.3 The overarching annual report for the 3Cs Shared Services, submitted to South Cambs and Huntingdon District Council Committees for scrutiny, includes ICT, Legal and Building Control Shared Services. At the City Council, only the ICT and Legal services fall under the remit of this Committee, and therefore the annual reports are extracted from the overarching report and enclosed below.

- 1.4 Greater Cambridge Shared Services Annual Report covers the Waste, Planning and Internal Audit services, and is submitted to South Cambs District Council Committee for scrutiny but at the City Council, only the Internal Audit Shared Service falls under this Committee's remit and therefore the service report has been extracted and is included below.

2. Recommendations

- 2.1 The Executive Councillor is recommended to:

- Note the content of this report

3. Background

- 3.1 In July 2015, Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council each approved a model for sharing Legal, Building Control and ICT services. The three services went live within 3C Shared Services in October 2015 with a commitment to provide an Annual report.
- 3.2 The Shared Internal Audit Service forms part of the Greater Cambridge Shared Services (2Cs). The business case for a Shared Internal Audit Service (SIAS) between Cambridge City Council and South Cambridgeshire District Council was approved by both Councils in 2017. The service went live in December 2017.
- 3.3 The overarching Shared Service performance is monitored through the Greater Cambridge Shared Services Management Board (containing the lead directors from each authority), Greater Cambridge Chief Executives Board and 2C Joint Advisory Group (comprising of the leaders of Executive Councillors from each of the Councils).
- 3.4 The service business plans for the Shared ICT, Legal and Internal Audit services were approved by the City Council, Huntingdon District Council and South Cambs District Council committees in March 2018. The business plans provide information on the priorities, key performance indicators and budgetary profiles for 2018/19.
- 3.5 All the services now have Senior Managers who are embedded in the services and this has resulted in a number of strategies being produced and approved by all three partners ensuring that services have appropriate plans in place and these are suitably aligned with organisational priorities to deliver against the priorities of the three partners.
- 3.6 With many of the organisational changes within the Shared Services now delivered it provides the foundation to add further value, reduce operating costs, further improve service delivery as well as increasing resilience in the future.

3.7 The increased collaborative working between partners is assisting in delivering the benefits set out in the original business plans.

4. 3C Legal Service Annual Report 2017/18

4.1 Background

4.1.1 3C Legal Service known as 'The Practice' was set up in October 2015 with the following objectives:

- Protection of services which support the delivery of the wider policy objectives of each Council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in delivering the service.
- Opportunities to generate additional income, where appropriate.
- Procurement and purchasing efficiencies.
- Sharing of specialist roles.

4.1.2 Although there were differences in how each of the three Council's legal teams operated, they were facing similar challenges - namely, how to manage with fewer resources, yet provide the high quality and often specialised legal advice that Councils rely upon. Each Council also recognised the need for a change of culture in the commissioning and delivery of legal services.

4.1.3 At the time each council had an issue around the recruitment and retention of legal staff, and was increasingly reliant upon external providers to meet its needs, especially on major projects. Nationally, standalone legal services teams were facing challenges to maintain a staffing level that provides the specialists they need across a wide range of legal disciplines; this was becoming increasingly difficult as legal budgets reduced. A shared service solution to join forces and create a critical mass of capability, target efficiencies, and actively seek to take advantage of income generating opportunities was approved.

4.1.4 The combined budget of the legal services for the three partner authorities before setting up the Practice was £1,444,000 and a savings target of £179,000 was targeted for 16/17; the equivalent of a reduction of 15% of the net revenue budget after income has been applied.

4.2 General Progress to Date

4.2.1 The Practice has been through considerable change during 2017/18, this included:-

- A. Introduction of time recording software.
- B. The use of a consumption based model to assist with transparency.
- C. Revising the accommodation and operating arrangements.
- D. Decreased reliance on locum and agency staff.

4.2.2 With all these now in place the Practice is working flexibly from one main office location at Cambourne and two office hubs based at the Guildhall Hall and Pathfinder House. This has assisted the service in moving from a transition state to a stable shared service.

4.2.3 The Practice has made savings identified in the original business case. For the financial year 2017/18 the Practice has delivered a surplus of £39k which represents a significant improvement on 206/17.

4.2.4 With the Practice now operating from a stable platform in terms of location and budgetary position recruitment has been successfully undertaken to senior positions below the Principal Lawyers. Two appointments in litigation will directly replace the use of long term locums and interviews are scheduled over the coming weeks for a senior position in the Property Team. The introduction of IR35 for locum/temporary staff has helped to make in-house positions more attractive to the market which has allowed the Practice to attract the right type of candidate to make full time appointments to its structure. In overall terms this will boost stability and benefit the clients through improved performance.

4.2.5 Work has been completed to analyse demand from partner services on the legal service. With the use of IKEN case and time management software and a new recharging model based on consumption of resources by each partner authority. Work is being carried out with service departments to try and reduce demand where appropriate. In overall terms consumption figures are showing that budgetary contributions by all the partner authorities are close to equating to consumption. This will continue to be monitored as will any sectors where increased demand on legal may require additional resource.

4.2.6 The Practice has also added value to a variety of key projects for all partners during 2017/18, notably:

- Advising all the authorities on the Combined Authority including advice on consent for additional regulatory enablement.
- Involvement in work for Cambridge City Council on injunction relating to unauthorised punt operators using the council's riverside land, including land at Garret Hostel Lane.

- Advice has been provided to South Cambridgeshire District Council in relation to major land acquisitions.
- Legal advice has been provided to all partners in relation to unauthorised occupation of land by Travellers.
- Working with developers and shared ownership leases.

4.3 Finance

4.3.1 The Outturn for 2017/18 is as follows:

£	Budget	Actual	Variance/Outturn	%SPLITS
Legal	1,149,140	1,110,003	39,137 (surplus)	
CCC	623,000	601,843	21,156.61	0.5422
SCDC	313,080	302,365	10,715.30	0.2724
HDC	213,060	205,794	7,265.52	0.1854

4.3.2 The combined budget of the legal services for the three partner authorities before setting up the Practice was £1,444,000 and a savings target of £179,000 was targeted for 16/17; the equivalent of a reduction of 15% of the net revenue budget after income has been achieved.

4.3.3 The variance (surplus) will be returned to respective authorities as outlined in the table above. The costs are currently recorded and apportioned by usage but the assignment is still based at this stage on budgetary contribution. Moving forward, the plan is to investigate developing it further.

4.4 Customer Feedback

4.4.1 During 2017/18 work has been undertaken to develop the role of the Intelligent Client with regular meetings established with all partners. KPI's are positive with staff meeting and in the latter part of the year exceeding time recording hours' targets. Customer complaints remain below target.

4.4.2 Further work is required on measuring customer satisfaction in a meaningful manner and will be developed in 2018/19

5. 3Cs ICT Shared Service Annual Report

5.1 Background

5.1.1 3Cs ICT was set up in October 2015 with the following objectives:

- Create a shared IT Applications Systems and technical infrastructure to facilitate wider shared service delivery for all Council Services.

- Reduce overall IT costs.
- Provide a service that can proactively engage with users and has the “critical mass” to develop innovative and novel solutions to support the Councils in delivering services more efficiently.
- Provide increased resilience and capacity to enable the consistent and reliable service delivery required for digital service delivery to the public.

5.1.2 Although there were some differences in how each of the three Council’s ICT teams operated, they were facing similar challenges for the future - namely, how to manage with fewer resources, yet provide the high quality ICT support and development that Councils rely upon. Each Council also recognised the need for a change of culture in the commissioning and delivery of ICT services, particularly as regards the need to develop modern practices, processes and systems and to put in place the IT systems, that enable a more cost effective, flexible and customer focussed approach to service delivery.

5.1.3 The shared service was designed to provide a sustainable opportunity to stabilise and improve the ICT Service partner authorities already enjoyed. The proposal set out clear, specific and realistic measures by which participating authorities may achieve significant, recurring and long term efficiency gains. It also tackled the issue of lack of capacity in certain areas (for all three Councils) by creating a critical mass of staff that could be deployed more effectively. Another advantage of the proposal was that it would begin to address the issue of recruitment and retention in local authority ICT services by creating an organisation that offers greater opportunities for career progression.

5.2 General Progress to Date

5.2.1 The 3C ICT service has been through significant change during 2017/18:-

- A. Agreement on a Single Technology Roadmap, aligning back office systems across all 3 partners.
- B. Agreement on a Single ICT Strategy.
- C. Removal of contracted and interim staff.
- D. Integration of the services that were previously provided by NPS in Cambridge City.
- E. Establishing a single virtual digital team equipped to deliver the partner respective digital strategies.

5.2.2

There are on-going projects which will support the approach outlined above including:

- The Data Centre Consolidation Project (Final Stage)
 - Shared Planning ICT Solution (Implementation Stage)
 - Shared Waste Software (Implementation Stage)
 - Shared Housing Software (Procurement Stage)
- 5.2.3 One of the biggest opportunities identified for the service was to look at the digital offer across each authority and provide coordinated advice and support in shaping how digital services will be delivered in the future.
- 5.2.4 A single Technology and Digital Roadmap has been produced and agreed during 2017/18. This will assist with a variety of other operational saving opportunities as well as the obvious savings derived from the efficiencies of scale related to buying once and using three times.
- 5.2.5 The customer is at the centre of this work ranging from the customer interface and their 'on-line' experience, whether they get the outcome they need, system design right through to digitally enabled applications. This reflects the changes in society and although at an early stage has also recognised that not all people have access to or are confident using digital channels.
- 5.2.6 The ICT staff retention has now improved following the shared service creation, which in itself brought uncertainty. Staff are working flexibly, with many staff operating flexibly from all three locations. The reliance on contracted and interim staff has been removed during 2017/18.
- 5.2.7 A single Virtual Digital Team is now in place across all three partners working to improve the customer experience via the web. This will ensure that we are getting the economies of scale to deliver the efficiencies set out in the original business plan for the service.
- 5.2.8 3C ICT has added value to a variety of key projects for all partners during 2017/18, notably:
- The service has initiated a Shared Data Centre project which will save considerable cost for the 3 partners and improve the reliability, performance and availability of the server infrastructure. The project will also improve resilience in the event of a major disaster thus ensuring continuous uptime for IT systems and uninterrupted service to council staff and customers. This project is nearing completion with HDC on the new platform, SCDC 50% complete and efforts commencing in CCC. The project is planned to complete in the next few months. This is a challenging project for the partners which will effectively unpick and disentangle the incumbent data centres. This is a challenging project and highlights the need for participation to achieve the savings detailed in the business case. This project itself represents 4% of the overall annual savings targets for the service.
 - A project to review and overhaul the legacy infrastructure within CCC to provide an environment that will support future digital aspirations and provide greater resilience is 95% complete. The team has conducted an extensive

survey of the existing environment and suggested improvements that will allow staff to work more efficiently and effectively across all of the Cambridge City locations.

- 3C ICT has been providing desktop support services and supporting the Combined Authority with their move into new offices at Alconbury Weald.
- The project team within the service are supporting the project management of the shared planning service to provide a consolidated platform for the new shared initiative and to allow staff to work effectively supporting the service across South Cambridgeshire and Cambridge City.
- Cambridge City was awarded their Public Service Network Certificate of Compliance in September.
- 3C ICT have initiated the Council Anywhere project and are currently out to tender for the hardware and software element of this project. The project is a fresh look at the entire desktop environment and is aligned with a variety of existing Council strategies around space, working flexibly and a desire to collaborate more effectively and efficiently. The project will deliver significant people, member, process, shared service and organisational benefits. As well as these benefits the project represents a complete modernisation of the existing desktop environment with standardisation built in by default. Engagement with staff has started already and the project team is comprised of a partnership wide team all focussed on delivering maximum benefit to the partnership. The project will be run in phases and likely conclude sometime in 2019.
- 3C ICT have been working with the Car Park service and the supplier for the new solution. During the project 3C ICT have also spotted opportunities for improvement, for example providing a new network for Grafton Centre Shop Mobility office, protecting circuits by deploying UPS's and recommending the expansion of cabinets to deploy enable more equipment to be deployed. 3C ICT suggested an approach that will save the car park service over £360k over the next 5 years by adjusting the design of the solution to reduce the scope of Payment Card Industry (PCI) compliance.
- 3C ICT staff are actively involved in supporting the direction of emerging council digital strategies and a Virtual Digital team now exists across the partnership sharing innovation and development overhead within the team. This will in time support much greater online functionality, expanding the opportunities for the public to undertake business outside the standard working day.

5.3 Finance

5.3.1 The outturn for the 2017/18 year is provided below:

£	Budget	Actual	Variance/Outturn
CCC	3,102,395	3,042,903	(59,492)
SCDC	1,341,268	1,451,999	110,731
HDC	2,065,833	1,735,077	(330,756)
Total	6,509,496	6,229,979	(279,517)

The final outturn underspend is due to a one off payment for dual running of contracts as part of the Server Room Consolidation project which was not in the original budget. This resulted in a one off contribution from partners (as per the Project business case) of £299,000 in the year. With this extra ordinary element removed the total outturn against the revised business case is a positive £20,000.

5.3.2 A re-profiled business case was approved in February 2018 and a saving of £279,000 against the original base budgets was agreed. 3C ICT has saved an additional £45,000 above this during 2017/18 equating to a total saving of £328,000 against original baseline budgets. Whilst this is below the original business case target, it represents concrete progress, with a clear plan in place to achieve the original target of 15% saving on the starting budgets before the creation of 3C.

5.3.3 Partners are now paying 4% less for their ICT service under 3C ICT, a position that will improve as a number of cost consolidation projects are delivered in 2018 and beyond as part of the ICT Roadmap.

5.3.4 Moving forward 3C ICT are well placed for 2018/19. All posts in 2018/19 will be filled by permanent staff or interims within budget. This is forecast to yield circa £400,000 of staff savings against the original partner ICT running costs. Equally, specific projects to reduce costs and consolidate contracts will be realised in 2018 also resulting in circa £400,000 of service savings.

5.3.5 2018/19 budgets may further reduce through the Shared Planning project which will rationalise a number of core back office systems. The project is in an early planning phase making it difficult to predict which financial year savings will be realised.

5.3.6 There are on-going projects which will support the approach outlined above including:

- The Data Centre Consolidation Project (Final Stage)
- Shared Planning ICT Solution (Implementation Stage)
- Shared Waste Software (Implementation Stage)
- Shared Housing Software (Procurement Stage)

5.4 Customer Feedback

5.4.1 Delivering business as usual is a major function of the service and following the approval of the 3C ICT Business case in November a revised set of KPIs has been established for the service. Customer satisfaction has improved and these are verified through ongoing feedback monitoring and the recent bi-annual survey. This is reflected in a steady improvement in the day to day ICT operational service. Considering the amount of change in this year it is a considerable achievement for the service.

5.4.2 Data collection is largely automated and driven from the Service Desk software but a number of measures are still very manual. Historical data is not always available for some of the measures but will build up over time.

5.4.3 A summary of the entire suite of KPIs is as follows as measured over the last 6 month period is detailed below. There is steady improvement within the day to day service delivery and plans to improve further.

Reference	Description	RA G
KPI-1	Customer Satisfaction	●
KPI-2	Service Availability	●
KPI-3	Incident Performance	●
KPI-4	Service Desk Response	●
KPI-5	Service/Work Order Request Performance	●
KPI-6	Project Delivery Performance	●
KPI-7	Staff Budget Savings	●
KPI-8	Software and Services Savings	●

6. **Greater Cambridge Shared Internal Audit Service (SIAS) Annual Report 2017/18**

6.1 Background

6.1.1 There were two main drivers behind the decision to consider setting up the SIAS:

- CCC and SCDC desire to have a strong business focussed leadership model, in line with other shared services, to lead the shared Internal Audit Service across the two Councils.
- Bringing together the professional discipline of internal audit into one team, provides the opportunity to deliver a more resilient and responsive service that would allow internal audit work to be carried out seamlessly and without boundaries across the two Councils.

6.1.2 The rationale for the service establishment is to provide the opportunity to deliver a more resilient and responsive service resulting in:

- improved audit coverage that is of high quality;

- increased productivity; and
- potential for audit services to be offered commercially

6.2 General Progress to Date

6.2.1 The Shared Internal Audit Service has had a challenging year as there were significant staff changes within the team, leading to a reduction in resources. This was recognised as a potential risk in the business case, and has been managed by utilising agency workers. Consequently much of the year was devoted to maintaining “business as usual” in this challenging environment.

6.2.2 Despite the challenges there have been positive achievements over the last 12 months, including recruitment of the Head of Shared Internal Audit (HSIA) and the TUPE of the SCDC post into CCC. The team is currently recruiting to the vacant posts.

6.2.3 The service has delivered a variety of core work notably:

- Production of a risk based Internal Audit Plan, which includes joint working and compliments the needs of both Councils. These were approved, with an updated Charter and Code of Ethics, by both relevant audit committees.
- Providing assurance on the Council’s compliance with the Local Code of Governance through the production of Annual Governance Statement.
- Reporting on counter fraud and corruption arrangements, plus completion of data analytics to detect fraud and error.
- Supported the risk management and internal control framework through the delivery of audits and agreeing actions for improvement with management
- Providing support and assurance on key projects, and advice on effective controls, including systems, procurement, and governance

6.2.4 The team is required to comply with Public Sector Internal Audit Standards and the Local Government Application Note. The team complete an ongoing Quality Assurance and Improvement Programme which identifies opportunities for improvement. An external inspection, to validate this, must be completed once every five years. This is currently being prepared, and the validation by a CIPFA appointed assessor commenced in the first week of May. This process has been useful and has helped to inform and structure how we can improve the service. The service has already commenced some parts of our improvement programme, by introducing a new performance management system for the start of the 2018/19 financial year.

6.3 Finance

6.3.1 The outturn for the 2017/18 is recorded in the table below.

£	Budget	Actual	Variance/Outturn
CCC	258,140	200,554	(57,586)
SCDC	40,300	42,917	2,617
Total	298,440	243,471	(54,969)

6.3.2 The service underspent by £54,969 in 2017/18 against the planned annual budget of £298,440. This is mainly due to the employee vacancies within the service. Agency workers have been used to deliver core assurance work for both Councils, which is a higher cost, whilst substantive recruitment is in progress.

6.3.3 The service will continue to consolidate, with the target of establishing future income generating services. Market analysis will be completed, along with brand development, in years 2018 and 2019, which will enable income projections to be built into the financial overview. Costs will potentially increase with income generation, as the resource need will also increase. This will still provide improved resilience and efficiencies for the two Councils, as the team develops, and help to deliver the vision.

6.4 Customer Feedback

6.4.1 The new Head of Internal Audit, Jonathan Tully, joined in December 2017, towards the end of the 2017/18 year, and has been focussed on addressing staff vacancies and in delivering core business. In 2018, the plan is to develop the brand and customer marketing to increase awareness of the service. Customer feedback surveys and the Quality Assurance and Improvement Programme will be used to inform service delivery and improvement.

7. Conclusion

7.1 The Annual Report is for information.

7.2 2017/18 has been a more positive year generally regarding financial performance as the services work towards delivering the outcomes of the original business cases. Operationally the services are delivering a better service and the focus on performance management will ensure that the focus remains in this area.

7.3 Having a strong management team in place, detailed business plans, good governance and a variety of combined strategies in place the services are in apposite place to deliver further benefits set out in the original business plans.

8. Implications

a) Financial Implications

The financial implications have already been accounted for in the medium term financial planning for each of the authorities, and in the tables provided within the report.

b) Staffing Implications

There are no additional staffing implications, except those covered in the report

c) Equality and Poverty Implications

Not required for this report

d) Environmental Implications

None for this report

(e) Procurement

None specific related to this report

Any procurement relating to the service provision is carried out in line with Councils' policy

(f) Consultation and communication

As reported

(g) Community Safety

None.

9. Background papers

These background papers were used in the preparation of this report:

Shared Service Quarterly reports

10. Appendices

None

11. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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