

# Cambridge City Council

## Strategy and Resources Scrutiny Committee

**Date:** Monday, 6 July 2020

**Time:** 5.00 pm

**Venue:** This a virtual meeting

**Contact:** democratic.services@cambridge.gov.uk, tel:01223 457000

### Agenda

- 1 Apologies for Absence
- 2 Declarations of Interest
- 3 Minutes (Pages 5 - 24)
- 4 Public Questions

### **Decisions for the Executive Councillor for Strategy and External Partnerships**

- 5 Combined Authority Update (Pages 25 - 46)
- 6 Cambridge City Council Outline Coronavirus Recovery Plan (Pages 47 - 64)

### **Decisions for the Executive Councillor for Finance and Resources**

- 7 3Cs Legal and ICT Services and Greater Cambridge - Internal Audit Shared Service - 2019/20 Annual Reports and Partnership Agreement Review (Pages 65 - 82)
- 8 Cambridge City Council Apprenticeship Strategy 2020 (Pages 83 - 96)
- 9 Service Review: Revenues and Benefits (Pages 97 - 102)
- 10 Annual Treasury Management Outturn Report 2019/20 (Pages 103 - 122)
- 11 2019/20 General Fund Revenue and Capital Outturn, Carry Forwards and Significant Variances (Pages 123 - 166)
- 12 Interim Update to Medium Term Financial Strategy (Pages 167 - 184)
- 13 To Note Record of Urgent Decision Taken by the

## Executive Councillor for Finance and Resources

- 13a Business plans: ICT, Legal and Internal Audit (Pages 185 - 186)
- [The background briefing paper for this decision can be accessed here.](#)
- 13b Criteria and process for distribution of the Local Authority discretionary grant under section 31 of the Local Government Act 2003. (Pages 187 - 202)
- 14 To Note Record of Officer Urgent Decisions
- 14a Amendment of the City Council Tax aggregate amounts (Pages 203 - 206)
- 14b Cambridgeshire and Peterborough Combined Authority- Appointment of the Council's substitute member (Pages 207 - 208)
- 14c Powers of the Chief Executive, Cambridge City Council-delegation to the Strategic Directors (Pages 209 - 210)
- 14d Action to support commercial tenants (Pages 211 - 216)

The briefing paper to the record of decision contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**Strategy and Resources Scrutiny Committee Members:** Davey (Chair), Barnett (Vice-Chair), Bick, Davies, Dalzell and Green

**Alternates:** Cantrill, Collis, O'Reilly and Payne

**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 COMMITTEE** 3 February 2020  
5.02 - 8.05 pm

**Present:** Councillors Davey (Chair), Todd-Jones (Vice-Chair), Bick, Dalzell and Green

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

**Other Councillors present:** Executive Councillors: Johnson, Massey, Moore, Smith and Thornburrow Opposition Spokes: Cantrill, Martinelli, McGerty and Payne

**Officers:**

Chief Executive: Antoinette Jackson

Director of Planning and Economic Development: Stephen Kelly

Strategic Director: Fiona Bryant

Strategic Director: Suzanne Hemingway

Head of Corporate Strategy: Andrew Limb

Head of Finance: Caroline Ryba

Committee Manager: Sarah Steed

<b>FOR THE INFORMATION OF THE COUNCIL</b>
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**20/1/SR Apologies for Absence**

No apologies were received.

**20/2/SR Declarations of Interest**

No declarations of interest were made.

**20/3/SR Minutes**

The minutes of the meeting held on 7 October 2019 were approved as a correct record and signed by the Chair.

**20/4/SR Public Questions**

There were no public questions.

## **20/5/SR To Note Record of Urgent Decisions Taken by the Executive Councillors**

### **5a Cambridge Northern Fringe East Funding Agreement Approval**

The decision was noted.

### **5b Purchase of land**

The decision was noted.

## **20/6/SR Combined Authority Update**

### **Matter for Decision**

The report provided an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) since the 7 October meeting of Strategy & Resources Scrutiny Committee.

### **Decision of Executive Councillor for Strategy and External Partnerships**

- i. Noted the update on issues considered at the meetings of the Combined Authority held on 30 October 2019, 27 November 2019 and 29 January 2020.

### **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 Chief Executive and noted the decision notice of the Combined Authority Board meeting held on the 29 January 2020, which was circulated at the meeting.

The Committee made the following comments in response to the report:

- i. Asked why the lead members and chairs of committees in the Combined Authority structure did not have a representative from Cambridge City or South Cambridgeshire District Council.
- ii. Questioned the £100,000 homes business case.

- iii. Asked if the Local Transport Plan which had been approved at the most recent Combined Authority Board meeting had retained reference to the role about demand management and highway congestion.
- iv. Questioned what the impending Cam Metro consultation would be about as there seemed to be little or no information about it.

Councillor Herbert said the following in response to Members' questions:

- i. The Combined Authority Mayor appointed the Deputy Mayor and the lead members. Neither he nor the leader of South Cambridgeshire District Council had been appointed to chair any of the committees.
- ii. The committee model had improved representation on the Combined Authority and he noted that there had been a number of changes to various local authority leaders since the inception of the Combined Authority.
- iii. The homes business case was about trialling different types of development within the different Combined Authority areas. He hoped to see trials in Cambridge and South Cambridgeshire but this would depend on how the funding could be brought together.
- iv. He would follow up the Local Transport Plan query.
- v. He could not add anything further to the query regarding the Cam Metro consultation. He hoped as the authority most affected that the City Council would have had the opportunity to see the consultation before it went public however, he anticipated that the City Council would see the consultation at the same time as everyone else.

The Committee noted the report.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

## **20/7/SR Capital Strategy**

### **Matter for Decision**

The report outlined the capital strategy of the Council together with a summary capital programme for the General Fund (GF) and the Housing Revenue Account (HRA). The previous capital strategy was approved by Council on 21 February 2019 and the report update focused on providing a framework for delivery of the capital expenditure plans over a 10 – 30 year period.

### **Decision of Executive Councillor for Finance and Resources**

To recommend Council to

- i. Approve the capital strategy as set out in this report.
- ii. Note the summary Capital programme.

**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 Finance.

The Committee made the following comments in response to the report:

- i. Referred to paragraph 5.26 of the officer's report and asked what the implications would be regarding the removal of the debt cap.
- ii. Referred to paragraph 7.23 of the officer's report and asked whether the council worked to target parameters regarding the use of investment property income to support the costs of services.
- iii. Referred to section 7 of the officer's report and expressed concern regarding the liquidity of the council's assets as it invested in commercial property.

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

- i. The Housing Revenue Account (HRA) Budget Setting Report began to consider how the HRA might use debt in the future to fund development. At the moment the debt cap would not be exceeded.
- ii. The use of investment property income to support the council's activities had been established over many years, the council considered 50% to be the prudent maximum level of this indicator. This figure was likely to increase rather than reduce as a result of the council's plans for redevelopment.
- iii. The council had £170 million in commercial investments and over £100 million in cash so the council had significant liquidity. There were plans for investment and the Finance Team kept an eye on the liquidity of council assets daily.

The Committee resolved by 3 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

**20/8/SR Treasury Management Strategy Statement Report 2020/21 to 2022/23****Matter for Decision**

The Council is required to receive and approve as a minimum three main treasury management reports each year.

The first and most important is the Treasury Management Strategy, which covers:

- Capital plans (including prudential indicators)
- A Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- The Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- A Treasury Management Investment Strategy (the parameters on how investments are to be managed)

A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary and advise if any policies require revision.

The Outturn or Annual Report compares actual performance to the estimates in the Strategy.

The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:

- the Prudential Code (2017 edition) prepared by CIPFA;
- the Treasury Management Code (2017 edition) prepared by CIPFA;
- the Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG) (effective 1 April 2018); and

- the Statutory Guidance on Minimum Revenue Provision prepared by MHCLG (effective 1 April 2019).

It should be noted that the estimated Prudential & Treasury Indicators for 2019/20 to 2023/24 (inclusive), as set out in Appendix C to the officers report, include amounts for other long-term liabilities arising from the implementation of International Financial Reporting Standard (IFRS) 16 in April 2020. In previous years there were no long-term liabilities to be disclosed within these indicators.

### **Decision of Executive Councillor for Finance and Resources**

To recommend Council to

- i. Approve this report, including the estimated Prudential & Treasury Indicators for 2019/20 to 2023/24 (inclusive) as set out in Appendix C of the officer's report.

### **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 Finance. She referred members to page 72 of the agenda pack and asked members to note that the amount for treasury indicators for long term liabilities was extended at the last Strategy and Resources Scrutiny Committee in relation to borrowing for the Park Street development.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

**20/9/SR      General Fund Budget Setting Report 2020/21**

### **Matter for Decision**

The Budget-Setting Report (BSR) included the detailed revenue bids and savings and capital proposals and sets out the key parameters for the detailed recommendations and budget finalisation being considered at this meeting. The report reflects recommendations that will be made to The Executive on 3 February 2020 and then to Council, for consideration at its meeting on 13 February 2020.

### **Decision of Executive Councillor for Finance and Resources**

To recommend the Executive to:

- i. Approve Revenue Pressures shown in Appendix C (b) and Savings shown in Appendix C (c) of the officer's report.
- i. Approve Non-Cash Limit items as shown in Appendix C (d) of the officer's report.
- ii. Agree there are no bids to be funded from External or Earmarked Funds (which would be included as Appendix C (e) of the officer's report.
- iii. Agree any recommendation in respect of the proposals outlined in Appendix D(a) of the officer's report for inclusion in the Capital Plan including any additional use of revenue resources required.

To recommended Council to

- i. Approve delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) which will be set out in Appendix A (a) of the officer's report.
- ii. Approve the level of Council Tax for 2020/21 as set out in Appendix A (b) of the officer's report (*to follow for Council*) and Section 4 [page 17 refers of the BSR].

*Note that the Cambridgeshire Police and Crime Panel will meet by 6 February 2020 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority will meet on 5 February 2020 and Cambridgeshire County Council will meet on 11 or 14 February 2020 to consider the amounts in precepts to be issued to the City Council for the year 2020/21.*

- iii. Approve delegation to the Head of Finance to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
- iv. Approve the revised Capital Plan for the General Fund as set out in Appendix D (c) of the officer's report, and the Funding as set out in Section 6, page 25 of the BSR.
- v. Approve the updated Corporate Plan 2019-2022 attached as Appendix B to the officer's report.
- vi. Note the impact of revenue and capital budget approvals and approved the resulting level of reserves to be used to support the budget proposals as set out in the table in section 8, page 46 of the BSR.
- vii. Approve the creation of an earmarked reserves to be called the Transformation Fund and its associated remit on page 19 of the BSR.

**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 Finance, she also referred members to replacement page 92 of the agenda which had been corrected because of errors in the subtotals in the table.

Members of the Executive and Spokes Councillors who did not ordinarily attend the Strategy and Resources Scrutiny Committee joined the Committee for discussion on the budget.

**Fair Funding review**

In response to members' questions the Head of Finance confirmed:

- i. The Council took advice on the fair funding review from a consulting firm called PixaL. They gave advice on future funding projections. The New Homes Bonus balances and growth from business rates were removed as she expected the baseline to be re-set as part of the funding review. These figures were only estimates and could be better or worse in the future.



**URP4500 Impact of overhead recharge for shared services**

In response to members' questions the Head of Finance and the Chief Executive confirmed:

- i. It was originally intended that shared services would be cost neutral between the councils. We were now in the situation where considerably more services had been transferred to South Cambridgeshire District Council as lead authority so the neutrality between the councils had not come to pass. It made more sense to look at marginal costs as there were certain parts of services which could not be reduced even where services were shared. For example with financial services, both councils would still need to prepare a statement of accounts and the same Government returns, one set could not have been done for both councils.
- ii. Savings had been made to support services in previous years which offset some of this cost for example moving out of Mill Road Depot which had enabled the redevelopment of the site.

In response to Member's questions the Councillor Robertson responded:

- i. As far as he was aware the County Council would be moving on to considering the next batch of residents parking zones.

**URP4573 Proposal to balance partner contributions to 3C ICT Digital Team**

In response to members questions the Strategy Director (FB) confirmed:

- i. When the digital team was set up, specific additional contributions were made by CCC to gain additional resource from the Head of the Team. The additional contributions being made should ensure that the team is resourced and able to meet customer demand. Whilst the demands on the team are increasing, the shared service directors and Intelligent Clients are agreeing prioritised work packages for the team, to ensure fit with resources and efficient progress. South Cambridgeshire District Council would be making a higher financial contribution as the City Council had previously made additional financial contributions.

**B4663 Selective landlord licensing and I4671 Fees receivable for selective landlord licensing scheme.**

In response to members questions Councillor Johnson confirmed:

- i. Increasing numbers of local authorities were introducing a selective landlord licensing scheme.
- ii. A feasibility survey was being undertaken to see whether the scheme was required.

- iii. It was anticipated that the scheme would apply to the private rented sector particularly in the Romsey and Petersfield wards.
- iv. Discussions had taken place with Nottingham City Council who had introduced a similar scheme and had a similar demographic to Cambridge. Feedback was that the scheme was successful. He was also aware that similar schemes had been introduced by London authorities.
- v. He did not want to pre-judge any consultation exercise however he had met with tenants who had complained about the standards / suitability of their homes which were private rented homes. This scheme would enable the council to intervene if private rented accommodation was not being maintained to a suitable standard.
- vi. If following a consultation the evidence suggested a scheme would be viable then a scheme should be considered.

In response to members questions the Strategic Director (SH), Chief Executive and Head of Finance confirmed:

- vii. There needed to be an evidence based (feasibility) exercise to support the introduction of a selective landlord licensing scheme and a consultation exercise would be carried out after this. Depending on the scale of the scheme the council may need to seek approval from the Secretary of State before introducing a scheme.
- viii. It was often the case that provision would be made in the budget for policy led schemes that the administration wanted to introduce but at the time that the budget was being considered exact details/costings were not known. Once the feasibility survey had been completed there would be due officer diligence carried out to make sure that the scheme was sound.
- ix. For the scheme to be locally approved and adopted, it must not seek to apply designation to more than 20% of the local authority's geographical area (i.e. not more than 20% of the area of the city, many local authorities have adopted schemes only for specific estates in which they have a problem), and it must not affect more than 20% of privately rented homes in the area (some authorities have chosen to license only particular types of home).
- x. This budget item had been included within the s151 officer's s25 report because there was work still to be done. The two lines of the budget income and expenditure were effectively cancelling each other out and the impact on the budget was very small.

### **CAP4564 Vehicle fleet replacements 2020/2021**

In response to members questions Councillor Moore confirmed:

- i. A review of the fleet service was being carried out and the impacts of moving over to an electric fleet would be considered as part of the review. She believed that savings would be made but this may depend where the electric energy came from.

**B4630 Consultant to lead and implement installation of EV charging in our car parks [linked to CAP4631]**

In response to members questions Councillor Moore confirmed:

- i. External consultants were procured to carry out the implementation of the EV charging in car parks so that the project could be progressed as soon as possible.

**S4544 Dog Warden Service – service review**

In response to members questions Councillor Moore confirmed:

- i. Currently there was one member of staff who just focussed on dog warden work and others who focussed on general enforcement, the intention was to upskill the officers so that they could cover all enforcement work. The costs for training would be met from existing training budgets.

**URP4506 Rebasing of Shared Planning Service expenditure budgets**

In response to members questions the Director of Planning and Economic Development confirmed:

- i. A completed shared services agreement had been signed between Cambridge City Council and South Cambridgeshire District Council. The likely service costs were estimated. The planning service was a net budget but a view was taken based on assumptions. It was difficult to predict development activity in the context of changes to the planning system and the economic buoyancy of the area.

**B4665 Chalk stream project**

In response to members questions Councillor Thornburrow confirmed:

- i. The bid had been put forward by the Ecological Officer. She had been in contact with various local nature partnerships looking at water resources in the area to consider practical projects to improve chalk streams. The bid was an ecological proposal that could be run in this area.

**S4541 Restructure cycling and walking promotion grant in line with demand**

In response to members questions Councillor Massey confirmed:

- i. That the Pedestrian and Cycling Steering Group had not met for some time and this was why the service had been looked at.

- ii. The Council had considered a walking event in the city but also wanted to encourage many different sustainable forms of travel.
- iii. It was being considered whether to combine the grants process so that the pedestrian and cycling grants would be included in a single city council grants pot.

#### **S4543 Transfer 'Green Fingers' domestic gardening service to the Housing Revenue Account**

In response to members questions Councillor Johnson confirmed:

- i. The vast majority of people who had taken up the scheme had been council tenants. It was reasonable to assume that the housing revenue account should fund this to keep the service going for the vast majority of people who were council tenants.

#### **B4609 2 seas – nature Smart Cities – partnership project to enhance green infrastructure.**

In response to members questions Councillor Thornburrow confirmed:

- i. If every property in Cambridge planted one tree in their garden then Cambridge would increase its tree coverage by 5%.
- ii. Confirmed that the funding had been fully secured from the EU (post Brexit) and that it was part of a programme of working with other partners who had similar programmes.
- iii. The council retained a record of the number of trees which had been removed from the city versus those that had been planted. Reference to tree coverage was not to the number of trees but to the amount of tree cover. If young trees were planted then the tree cover may take 10-20 years to develop.

#### **S4531 Reduction of non-essential training and overtime budgets within Community Services**

In response to members questions Councillor Smith confirmed:

- i. The reduction in training was looking at whether training could be delivered in a different way for example training being delivered in-house rather than using external consultants.
- ii. The reference to reduction in overtime was to try and plan staff resource better so that staff did not unnecessarily work overtime.

#### **CAP4571 Replacement structure for pool plantroom at Jesus Green Outdoor Pool**

In response to members questions Councillor Smith confirmed:

- i. The Environment and Community Services Committee had agreed the replacement structure for the plant room at Jesus Green outdoor pool as

this was essential works which if were not carried out would mean that the outdoor pool would need to be closed.

- ii. Confirmed that if a bat survey was needed before works were undertaken then the council would ensure that a survey was undertaken.

#### **RI4504 Bereavement Services projected reduction in income and S4537 Bereavement Services – service review**

In response to members questions Councillor Smith confirmed:

- i. The service review was not designed to balance out the bereavement service, officers felt that they could deliver the service better. The loss in income should improve once the A14 was back in operation.

In response to members questions Strategic Director (FB) confirmed:

- ii. All teams had a specific training budget so if there were training requirements these should be met from existing budgets.

#### **B4618 Celebration of Women 2020**

In response to members questions Councillor Smith confirmed:

- i. The reason that this funding was not being aimed at university women was in order promote women in the civic sphere that not many people knew about. For example Clara Rackham who was a campaigner for workers' rights, and a Councillor and magistrate in Cambridge.
- ii. Confirmed she would work with Councillor Payne to see how residents and ward councillors could be involved with this project.

#### **URP4660 Increase in service charge for Grand Arcade car park**

In response to members questions the Head of Finance confirmed:

- i. When the budget setting report was completed inflation would be added to the majority of contracts. Cost centre managers from the car parks department were aware of the issue for future years.

#### **RI4505 Reduction in car parking income for all parking revenue**

In response to members questions Councillor Massey confirmed:

- i. The only data on footfall the council had was from the Lion Yard. When the Grand Arcade had the Midsummer Chronophage clock a spike in footfall was noted.

#### **B4619 Youth Liaison Officer – supporting partnership work on child criminal exploitation and serious violent crime**

In response to members questions the Strategic Director (SH) confirmed:

- i. Discussions were currently taking place regarding external support for funding.

Councillor Robertson made the following comments:

- i. There was even more uncertainty this year as to funding. The effects of the Fair Funding review were as yet unknown and it was uncertain whether anything would replace the New Homes Bonus, and this was why decisions on investments were being delayed. Income from business rates was an unknown quantity and this had amounted to a substantial figure. Reserves were higher than expected but there were proposals in the budget to spend some of this money.

The Committee resolved by 3 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

**20/10/SR Amendment to Budget Setting Report (General Fund) 2020/21 to 2023/24**

The purpose of the discussion was to ask questions of the Liberal Democrat Members on their group's budget amendment.

The Labour Members of the Committee and Executive Councillors asked the following questions. The answers provided by Liberal Democrat Members immediately follow.

- i. Reserves were proposed to be reduced – asked by how much and what the purpose was for.

The amendment proposes using a specified amount from reserves for investment in housing, rather than the illustrative amount set aside in the budget setting report. It shows that the council has the ability to generate income from an alternative housing model.

- ii. Asked what assurances there were that the amendment had taken account of risks with the economy and Brexit.

The amendment proposed would still meet with reserve requirements, the strategy could be phased if required.

- iii. Referred to the proposal to buy 40 houses and produce an income of £237,000 and questioned how long it would take to acquire the properties as this would need to be in place by 1 April.

Would look to phase the proposal over a period of time and would not want to disturb the Cambridge housing market.

- iv. Questioned if thought had been given to the requirement to upgrade the properties.

Had taken into account capital expenditure on the properties, this proposal had been presented in the past.

### **B0006 Air Quality - Engine Idling Education Campaign**

- v. Engine idling had been discussed previously by the committee; her recollection was that the enforcement would cost more than the revenue raised.
- vi. Asked if there was any evidence that an engine idling campaign had been proven to make a difference.

The engine idling budget amendment was not a revenue raising item, it was an educational health campaign. Councils who had run engine idling campaigns had noticed improvements to air quality.

### **B0014 Civic Beekeeper (grant to local group)**

- vii. She was aware of bee hives in Cambridge but questioned whether this budget amendment may be delivered better by the private sector. Honey production was a great business.

In relation to the Civic Beekeeper budget amendment, the Council had taken on the biodiversity challenge by declaring a Biodiversity Emergency at Full Council. The wildflower meadows which had been created were welcomed, but this amendment was a further action that the council could take to protect pollinators

### **B0020 Youth Liaison Officer – remit to include knife crime**

- viii. Violent crime included knife crime

County Lines was a critical area which needed to be looked at more. County lines did lead into violent crime. Proposed to extend the scope of the role to 3 years and knife crime was a component part.

### **B0021 Support for lone parents in / at risk of poverty**

- ix. Asked if there was a specific project identified and if any discussions with lone parents had taken place.

No specific project had been identified. Discussions with lone parents had taken place and free access to childcare was highlighted as an issue.

### **B0013 Enhanced leaf clearance**

- x. Leaf clearance on public footpaths was the responsibility of the County Council why should the City Council pick this issue up.

The public safety aspect of the amendment was clear; was keen for the City Council to take the lead because it was seen by the public as something which had degraded over the years. Could be replaced with funding from fixed penalty notices.

### **B0016 Reverse cuts to cycle and walking grants (B4541)**

- xi. Commented that this issue had been picked up earlier in the Budget Setting report discussion and that this grant could possibly be included with other grants so that there was a 'one stop shop' for people to contact the council about grants.

Expressed concerns that walking / cycling groups could find that the grant funding had already been spent if the grant funding was amalgamated within other grant funding.

### **II0002 Trade Waste Surplus**

- xii Questioned how the increased surplus from trade waste could be achieved.

Wanted businesses to produce less waste, but where they do for the Council's service to be as commercial as it can. Thought that the target was very achievable as there is already work underway in the service to deliver more.



**CAP0003 Housing company capital [linked with II0005, RI0004]**

- xii. Referred to discussions which had taken place on a similar amendment suggested last year. Asked how 'key workers' would be defined and asked if affordable housing should be promoted for everyone (and not just key workers).

The amendment was proposed as it was felt that key workers were an important segment of society, and which they felt had been neglected by the current administration.

- xiii. Referred to a report which had been undertaken by the Greater Cambridge Partnership (GCP) in 2018 which stated that the skills demand in the Cambridge area was for a greater proportion of lower skilled workers.

The current MP had referred to a current shortage of teachers. Without teachers children could not be educated. A report had been undertaken specifically in Cambridge about key workers.

- xiv. Referred to housing for single homeless people on town hall lettings and questioned whether there was a 'need' to be met for single homeless people.

Questioned if the level of need was understood by the Executive Councillor, single people who were homeless could not get private rented accommodation. He was aware of this issue last Friday, the 'need' did exist.

**CAP0012 Succession Tree Planting on Parkers Piece**

- xv. Noted that this budget amendment proposed tree planting but expressed concern that this was a knee jerk reaction to plant further trees on Parker's Piece. The quality of the area was open and flat. The history of the area should be considered, this was where the rules of football were developed and Parkside School used the area for sports lessons. Believed the area was in or close to a Conservation Area. Planting further trees may damage the character of the area.

The description of the amendment was clear that the proposal was only to replace and maintain trees along the perimeter of the area so that it did not impinge on the use of the open space for sports and events.

The Conservation Area Plan for Parkers Piece was agreed in 2001 and called for the provision of succession planting.

The meeting ended at 8.05 pm

**CHAIR**

**STRATEGY AND RESOURCES SCRUTINY COMMITTEE**

28 May 2020

1.15 - 1.20 pm

**Present:** Councillors Davey (Chair), Barnett (Vice-Chair), Bick, Davies, Dalzell and Green

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

**FOR THE INFORMATION OF THE COUNCIL****20/11/SR Appointment to Working Parties**

The Scrutiny Committee agreed the nominations below:

	Number of allocation
<b>Equalities Panel</b>	3 Labour 2 Liberal Democrat
Councillors – Smart, Collis, Thittala, Porrer, Page-Croft	

	Number of allocation
<b>Joint Staff Employment Forum</b>	3 Labour 2 Liberal Democrat 2 Alternates
Councillors – Bird (Chair), Moore (Vice-Chair), Johnson, Dalzell, Matthews  Robertson (Ex-Officio)  Alternate Councillor – Sargeant, Bick	

**20/12/SR Appointment to Outside Bodies**

The Scrutiny Committee recommended appointments to the outside bodies listed below as amended in the Full Council Information Pack:

	Number of allocation
<b>Greater Cambridge Partnership Executive Board</b>	1 Labour 1 Labour Alternate
Councillor – Herbert Alternate Councillor - Massey	

	Number of allocation
<b>Local Government Information Unit</b>	1 Labour
Councillor – Herbert	

	Number of allocation
<b>East of England Local Government Association</b>	1 Labour
Councillor – Price	

	Number of allocation
<b>LGA General Assembly</b>	1 Labour
Councillor – Herbert	

	Number of allocation
<b>Horizons Board</b>	1 Labour
Councillor – Sargeant	

	Number of allocation
<b>Cambridge Investment Partnership</b>	2 Labour
Councillor – Johnson, Robertson	

	Number of allocation
<b>District Councils Network</b>	1 Labour
Councillor – Herbert	

	Number of allocation
<b>Joint Economic Recovery Group with SCDC</b>	2 Labour 1 Lib Dem
Councillors – Robertson, Sargeant, Dalzell	

The meeting ended at 1.20 pm  
**CHAIR**



Item

## **Cambridgeshire and Peterborough Combined Authority - Update**

**To:**

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

Strategy & Resources Scrutiny Committee    6 July 2020

**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, Trumpington, West Chesterton

### **Not a Key Decision**

#### **1. Executive Summary**

- 1.1 This is a regular report to provide an update on the activities of the Cambridgeshire and Peterborough Combined Authority (CPCA) Board since the 3 February 2020 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 Board held on 25 March, 29 April and 3 June 2020.

### **3. Background**

3.1 Meetings of the Cambridgeshire and Peterborough Combined Authority Board were held on 25 March, 29 April and 3 June 2020. The decision sheets from the meetings are attached as Appendices A, B and C for the committee's consideration.

3.2 At its meeting held on 3 June 2020, the Combined Authority Board appointed members to its committees. The City Council's representatives are:

- Combined Authority Board – Cllr Lewis Herbert
- Audit & Governance Committee – Cllr Mike Davey
- Housing & Communities Committee – Cllr Mike Sargeant
- Overview & Scrutiny Committee – Cllr Kevin Price and Cllr Markus Gehring
- Skills Committee – Cllr Mike Davey
- Transport Committee – Cllr Nicky Massey

### **4. Implications**

(a) **Financial Implications**

(b) **Staffing Implications**

(c) **Environmental Implications**

(d) **Procurement**

(e) **Community Safety**

There are no implications from this update report in relation to any of the categories listed above

(f) **Equality and Poverty Implications**

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

(g) **Consultation and communication**

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

### **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 Board meeting 25.03.20

Appendix B Decision sheet for CPCA Board meeting 29.04.20

Appendix C Decision sheet for CPCA Board meeting 03.06.20

## **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](mailto:antoinette.jackson@cambridge.gov.uk).

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# **CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY MAYORAL DECISIONS FOLLOWING CONSULTATION WITH THE COMBINED AUTHORITY BOARD**

**Meeting: Wednesday 25 March 2020**

**Published: Monday 30 March 2020**

**Decision review deadline: Monday 6 April 2020**

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
<b>Part 1 – Governance Items</b>		
1.1	Announcements, Apologies and Declarations of Interest	<p><b>Apologies were received from Councillors S Count (substituted by Councillor R Hickford) and R Fuller (substituted by Councillor J Neish) and Jessica Bawden, Cambridgeshire and Peterborough Clinical Commissioning Group.</b></p> <p><b>No declarations of interest were made.</b></p>
1.2	Minutes – 29 January 2020	<b>Consideration of the minutes of the meeting on 29 January 2020 was deferred.</b>
1.3	Petitions	None received.

1.4	Public Questions	None received.
1.5	Forward Plan – March 2020	<b>Having consulted the Combined Authority Board, the Mayor resolved to:</b>  <b>Approve the Forward Plan</b>
1.6	Designation of Monitoring Officer and Director of Angle Holdings Ltd	Having consulted the Combined Authority Board, the Mayor resolved to:  a) Designate Robert Parkin as Monitoring Officer with effect from 26th March 2020  b) Consent to the appointment of Robert Parkin as a Director of Angle Holdings Limited
1.7	Designation of Scrutiny Officer	Having consulted the Combined Authority Board, the Mayor resolved to:  Designate Robert Fox as the interim Scrutiny Officer until the return of the permanent Scrutiny Officer.

Part 2 – Finance		
2.1	Budget Monitor Update – March 2020	<b>This report was deferred.</b>
2.2	Treasury Management Strategies 2020-21	<p>Having consulted the Combined Authority Board, the Mayor resolved to:</p> <p>a) Approve the following Treasury Strategies:</p> <ul style="list-style-type: none"> <li>i. The Capital Strategy 2020/21</li> <li>ii. The Treasury Management Strategy 2020/21</li> <li>iii. The Investment Strategy 2020/21</li> <li>iv. The Minimum Revenue Provision Statement 2020/21</li> </ul> <p>b) Approve the creation of a £40m ‘top up’ fund to extend the availability of recycled funding to bring additional affordable housing to the market.</p>
Part 3 - Combined Authority Decisions		
3.1	Market Towns Programme - Approval of Masterplans for Huntingdonshire	<p>Having consulted the Combined Authority Board, the Mayor resolved to:</p> <p>Approve the Huntingdonshire ‘Prospectus for Growth’ Market Town Masterplans produced for St Ives, Huntingdon and Ramsey.</p>

<b>By Recommendation to the Combined Authority:</b>		
<b>Part 4 – Transport &amp; Infrastructure Committee Recommendations to the Combined Authority</b>		
4.1	Lancaster Way A142/ A10 Roundabout Improvements	<b>This report was deferred.</b>
4.2	St Neots River Great Ouse Northern Crossing Cycle Bridge	<b>This report was deferred.</b>
<b>By Recommendation to the Combined Authority</b>		
<b>Part 5 – Housing and Communities Committee Recommendations to the Combined Authority</b>		
5.1	£100m Affordable Housing Programme (Non-Grant) - Cambridge City, Histon Road, Development Loan to Laragh Homes	<p>Having consulted the Combined Authority Board, the Mayor resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve the provision of a loan facility of £9.637m to Histon Road Developments LLP for a scheme of 27 units based on the heads of terms detailed in exempt Appendix 1.</li> <li>b) Delegate authority to the Director of Housing and Development, in consultation with the Lead Member for Housing, the Monitoring Officer and the Lead Member for Investment and Finance, to conclude any necessary legal documentation, including the determination of the interest rate to be charged and the security for the loan by way of a first charge upon the land.</li> </ul>
<b>By Recommendation to the Combined Authority</b>		
<b>Part 6 – Business Board Recommendations to the Combined Authority</b>		
6.1	Business Board Governance Review	<p>Having consulted the Combined Authority Board, the Mayor resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve the preliminary recommendations and next steps outlined in the Appendix.</li> <li>b) Delegate authority to the Monitoring Officer to amend the Assurance Framework and Constitution to reflect the recommendations outlined in the Appendix.</li> </ul>

6.2	Enterprise Zone Funding Utilisation	Having consulted the Combined Authority Board, the Mayor resolved to:  Approve the reallocation of £306,313 (representing 75% of all eligible costs) from Enterprise Zone National Non-Domestic Rates (NNDR) income to Local Growth Fund.
6.3	Advanced Materials and Manufacturing Sector Strategy	<b>This report was deferred.</b>
<b>Part 7 – Urgent Report</b>		
7.1	Combined Authority Response to Covid-19	Having consulted the Combined Authority Board, the Mayor resolved to:  a) <b>Note</b> the proposed Combined Authority response to COVID-19 set out in this report  b) <b>Note</b> the development of medium term business recovery support  c) <b>Note</b> the offer of interest accruing repayment holidays to companies in receipt of a Local Growth Fund loans covering repayments due between 24 <sup>th</sup> March 2020 and 31 <sup>st</sup> August 2020  d) <b>Note</b> the adjustment of the current Small Capital Grant Scheme criteria on Intervention rates, Jobs output value ratio to grant value, including safeguarded jobs in output measures for grants, subject to consultation with BEIS advice.

**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 at [Richenda.Greenhill@cambridgeshire.gov.uk](mailto:Richenda.Greenhill@cambridgeshire.gov.uk) or on 01223 699171.

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# CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

## Decision Statement

**Meeting: Wednesday 29 April 2020**

**Published: Monday 4 May 2020**

**Decision review deadline: Monday 11 May 2020**

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
<b>Part 1 – Governance Items</b>		
1.1	Announcements, Apologies and Declarations of Interest	<p><b>Apologies were received from Councillor Ray Bisby, Acting Police and Crime Commissioner for Cambridgeshire and Peterborough.</b></p> <p><b>A declaration of interest was made by Mayor James Palmer in Item 6.1: Consent to the Adoption of a Revised Business Plan for Angle Developments (East) Limited. The Mayor left the meeting for the duration of this item and the vote.</b></p>
1.2	Minutes of the Combined Authority Board meeting 29 January 2020	<b>The minutes of the meeting on 29 January 2020 were confirmed as an accurate record.</b>
1.3	Minutes of the Mayoral decision-making meeting 25 March 2020	<b>The minutes of the Mayoral decision making meeting on 25 March 2020 were confirmed as an accurate record.</b>
1.4	Petitions and public questions	None received

1.5	Forward Plan – 21 April 2020	<p><b>It was resolved to:</b></p> <p><b>Approve the Forward Plan</b></p>
<b>Part 2 – Finance</b>		
2.1	Budget Monitor Update – April 2020	<p>It was resolved to:</p> <p>Note the updated financial position of the Combined Authority for the year.</p>
<b>Part 3 - Combined Authority Decisions</b>		
3.1	Update on the Combined Authority's response to Covid-19 and Funding Decisions	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve the Combined Authority responses to COVID-19, as described in this report</li> <li>b) Approve the Recover Orient Adapt and Regrowth (ROAR) approach, set out in appendix A</li> <li>c) Approve the offer of interest-accruing repayment holidays to companies in receipt of a Local Growth Fund loans, covering repayments due between 24th March 2020 and 31st August 2020</li> <li>d) Approve the adjustment of the current Small Capital Grant Scheme eligibility criteria on Intervention rates, Jobs output-value ratio to grant-value, including safeguarded jobs in output measures for grants, subject to consultation with BEIS where appropriate</li> <li>e) Approve the allocation of £3million Local Growth Funding to the COVID-19 Capital Grant Scheme, from returned unallocated Local Growth Funding.</li> <li>f) Approve the creation of a £500,000 capital grant scheme aimed at supporting the smallest businesses in the Cambridgeshire and Peterborough Combined Authority area and delegate to the Director of Business and Skills, in consultation with the Mayor, the Section 73 and the Monitoring Officer, the setting of detailed parameters and criteria for the scheme.</li> </ul>



3.2	Sustainable Travel	<p>It was resolved to:</p> <p>Approve the release of £150,000 from the provisional allocation in the Medium-Term Financial Plan to continue with the sustainable travel project within Peterborough.</p>
3.3	Local Transport Plan Sub Strategy – Cambridgeshire Autonomous Metro	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note the draft Cambridgeshire Autonomous Metro (CAM) Local Transport Plan Sub Strategy that sets out the vision for the CAM metro as a whole, against which schemes contributing to the CAM will be considered; and</li> <li>b) Agree for a public consultation exercise to be conducted in relation to the proposed Sub Strategy with the results of that consultation being brought back to a further meeting of the Combined Authority Board.</li> </ul>
<p><b>By Recommendation to the Combined Authority:</b></p> <p><b>Part 4 – Transport &amp; Infrastructure Committee Recommendations to the Combined Authority</b></p>		
3.1	Lancaster Way A142 - A10 Roundabout Improvements	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve a new additional budget of £1,168,243.20 from the 2020/21 single pot allocation to reflect current cost estimate, including a 20% risk allowance.</li> <li>b) Grant the Director of Delivery and Strategy, in consultation with the Mayor, delegated authority to <b>either (i)</b> approve a reduction in the scope of the scheme to enable delivery of the BP Roundabout alone in the event of the risks set out at paragraph 2.7 of the report materialising <b>or (ii) to conduct a review of the budget and timetable for the project should there be any further costs arising and refer approval of any additional budget to the Transport Committee.</b></li> <li>c) <b>Delegate authority to an extraordinary Transport Committee to approve additional budget for the scheme subject to a full account from the Highways Authority of the reasons for the budget and an assessment of the risks for Covid.</b></li> </ul>

		<b>d) Agree that the Transport Committee are authorised to approve any additional budget and Covid risk subject to ratification of that budget at the next Board meeting.</b>
4.2	St Neots River Great Ouse Northern Crossing Cycle Bridge	It was resolved to: <ul style="list-style-type: none"> <li>a) Agree that work on the St Neots Foot and Cycle Bridge should cease and the project be removed from the Combined Authority's Business Plan; and</li> <li>b) Agree that the £3.1m CPCA funding allocated to the project be re-allocated to projects within the St Neots Masterplan.</li> </ul>
<b>By Recommendation to the Combined Authority</b>		
<b>Part 5 – Skills Committee Recommendations to the Combined Authority</b>		
Page 38 5.1	Adult Education Budget Innovation Fund	It was resolved to: <p>Approve the carry forward of 50% of the 2019-20 underspend on the “AEB Devolution Programme – ITP and grant ” funding lines and ring-fence this for the Innovation Fund in the 2020-21 Budget, up to a maximum of £500k.</p>
<b>By Recommendation to the Combined Authority</b>		
<b>Part 6 – Housing and Communities Recommendations to the Combined Authority</b>		
6.1	Consent to the Adoption of a Revised Business Plan for Angle Developments (East) Limited	It was resolved to: <p>Consent to the adoption of the revised business plan for Angle Development (East) Limited at Appendix 3.</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.



# CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

## Decision Statement

**Meeting: Wednesday 3 June 2020**

**Published: Monday 8 June 2020**

**Decision review deadline: Monday 15 June 2020**

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
<b>Part 1 – Governance Items</b>		
1.1	Announcements, Apologies and Declarations of Interest	<b>Apologies were received from Jessica Bawden, representing the Cambridgeshire and Peterborough Clinical Commissioning Group.</b>
1.2	Minutes of the Combined Authority Board meeting 29 April 2020	<b>The minutes of the meeting on 29 April 2020 were approved as an accurate record.</b>
1.3	Petitions	None received
1.4	Public Questions	None received
1.5	Forward Plan – 22 May 2020	It was resolved to:  Approve the Forward Plan

1.6	Membership of the Combined Authority	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2020/2021 (Appendix 1);</li> <li>b) Appoint the Business Board's nominations as Member and substitute Member to represent them on the Combined Authority for the municipal year 2020/21 (Appendix 1).</li> <li>c) Confirm that the following bodies be given co-opted member status for the municipal year 2020/21: <ul style="list-style-type: none"> <li>(i) The Police and Crime Commissioner for Cambridgeshire;</li> <li>(ii) Cambridgeshire and Peterborough Fire Authority;</li> <li>(iii) Cambridgeshire and Peterborough Clinical Commissioning Group.</li> </ul> </li> <li>d) Note the named representative and substitute representative for each organisation as set out in the report.</li> <li>e) Agree that any late notifications of appointments to the Monitoring Officer shall take immediate effect.</li> </ul>
1.7	Appointments to Executive Committees Appointment of Chairs and Lead Members	<p>It was resolved to:</p> <p>Note and agree the Mayor's nominations to Lead Member responsibilities and the membership of the committees including the Chairs of committees for 2020/21 as set out in Appendix 1.</p>

1.8	Appointment of Overview and Scrutiny Committee	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>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 2020/2021;</li> <li>b) Agree the political balance on the committee as set out in Appendix 1;</li> <li>c) Confirm the appointment of the Member and substitute Member nominated by constituent councils to the Overview and Scrutiny Committee for the municipal year 2020/21 as set out in Appendix 2.</li> <li>d) Request that the Overview and Scrutiny Committee consider the co-option of an independent member from a Constituent Council.</li> </ul>
1.9	Appointment of Audit and Governance Committee 2020-21	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Confirm that the size of the Audit and Governance Committee should be eight members; one member and one substitute from each Constituent Council and confirm the reappointment of the existing independent person for the municipal year 2020/2021;</li> <li>b) Agree the political balance on the committee as set out in Appendix 1;</li> <li>c) Confirm the appointment of the Member and substitute Member nominated by Constituent Councils to the Committee for the municipal year 2020/2021 as set out in Appendix 2</li> <li>d) Appoint a Chair and Vice Chair of the Audit and Governance Committee for the municipal year 2020/2021.</li> </ul>
1.10	Calendar of Meetings 2020-21	<p>It was resolved to:</p> <p>Approve the Calendar of Meetings for 2020/2021 (Appendix 1).</p>

1.11	Complaints Policy	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve and adopt the complaints procedures, subject to any amendments made by the Audit and Governance Committee <b>and to the Monitoring Officer refining the first paragraph of Section 5 regarding complainants' right to anonymity in consultation with the Mayor.</b></li> <li>b) Notify the Local Government and Social Care Ombudsman of its decision to approve and adopt the revised complaints procedures.</li> <li>c) Note that the Monitoring Officer has delegated authority to make any changes recommended by the Local Government and Social Care Ombudsmen or resulting from the Audit and Governance Committee's function to monitor the complaints procedures.</li> </ul>
1.12	Performance Report June 2020	<p>It was resolved to:</p> <p>Note the June Delivery Dashboard</p>
<b>Part 2 – Finance</b>		
2.1	Budget Monitor Report – June 2020	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note the provisional outturn position against budget for the year to 31 March 2020.</li> <li>b) Approve the carry forward of budget underspends to increase the 2020/21 budget to deliver the outcomes identified.</li> <li>c) Update the 2020/21 budget and Medium Term Financial Plan in accordance with the proposed changes made following the COVID-19 MTFP response review.</li> </ul>

Part 3 - Combined Authority Decisions		
3.1	Cambridge City Council £70m Affordable Housing Programme Forecast 2020-21	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note the revised expenditure profile in respect of the £70 million Affordable Housing Programme led by Cambridge City Council, as part of the £170 million Affordable Housing Programme</li> <li>b) Approve a carry forward of £5,266,287 from the approved 2019/20 budget into the 2020/21 financial year</li> <li>c) Approve a budget of £15,270,231 for 2020/21, giving a total budget of £20,536,518 for the year once the carry forward</li> </ul>
3.2	Wisbech Rail	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note the headline conclusions of the draft Full Business Case that restoring a heavy rail link between Wisbech and Cambridge would be practicable and provide value for money;</li> <li>b) Delegate authority to the Transport and Infrastructure Committee to approve the final version of the Full Business Case; and</li> <li>c) Approve continued engagement with the Department for Transport, and other central government departments to explore the future funding of this project through the Restoring Railways Fund.</li> </ul>
3.3	Peterborough - Transport Schemes, Studies and Monitoring	<p>It was resolved to:</p> <p>Approve the release of £100,000 from the provisional allocation in the Medium Term Financial Plan.</p>

3.4	Market Towns Programme Investment Prospectus 2020	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Agree the below scope of the Investment Prospectus to in delivery of Market Town Masterplans, and delegate authority to the Director of Business and Skills, in consultation with the Lead Member for Skills, to sign-off of the final version;</li> <li>b) Note that the Investment Prospectus will be launched to Market Town leads and partners in June 2020;</li> <li>c) Note that funding applications will be brought to the Combined Authority Board for approval from July 2020 onwards.</li> </ul>
3.5 Page 44	Combined Authority Retraining Scheme	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Approve the development and launch of the Cambridgeshire &amp; Peterborough Retraining Scheme Pilot.</li> <li>b) Give approval to spend the allocated budget of £80,100 from the Department for Education.</li> </ul>
3.6	Surrender of Lease - Alconbury	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Agree to the surrender of the Lease of the Alconbury site, and to approve the payment of £151,537.50 in respect of the cost of the surrender.</li> <li>b) Note the updates provided in this report relating to the work to engage with staff on approaches to agile working, and to identify possible alternative sites,</li> <li>c) Note that a further report will be brought back to the Combined Authority Board proposing a shortlist of locations for a permanent HQ for the Cambridgeshire and Peterborough Combined Authority.</li> </ul>



Part 4 – Mayoral Decision		
4.1	Local Highways Maintenance Capital Grant Allocation 2020-21	<p>a) The Combined Authority Board was consulted regarding the Mayor's intention to allocate grants totalling £22,554,000 to Cambridgeshire County Council (CCC) and Peterborough City Council (PCC) in line with the Department for Transport formula as set out below.</p> <p>b) <b>Having consulted the Board, the Mayor allocated</b> the grants as set below:</p> <p>CCC - £17,781,000 PCC - £ 4,773,000</p> <p>Total - £22,554,000</p>
By Recommendation to the Combined Authority		
Part 5 – Business Board Recommendations to the Combined Authority		
5.1	Local Growth Fund Programme Management June 2020	<p>It was resolved to:</p> <p>approve of an allocation of £320,000 returned Local Growth Funding into the new Adult Education Budget Innovation Fund as capital match to that fund to support the Further Education Sector plus Apprenticeships and Retraining.</p>
5.2	Business Board Constitution Review	<p>It was resolved to:</p> <p>Approve the amendments to the Constitution set out in Appendix 1, <b>subject to specifying that the Director of Business and Skills had delegated authority to approve small grants to small and medium sized enterprises (SMEs) of up to £150k.</b></p>

Part 6 - Additional report added to the agenda after publication under Special Urgency arrangements		
n/a	Emergency Active Travel: Advance Payments to Highways Authorities	<p>It was resolved to:</p> <ul style="list-style-type: none"> <li>a) Note and endorse the programme of work under way on temporary active travel measures;</li> <li>b) Agree payments of £2,093,346 to Cambridgeshire County Council and £781,654 to Peterborough City Council as local allocations under the Emergency Active Travel Fund;</li> <li>c) Agree that the payments can be made in advance of the Combined Authority receiving full payment from the Department for Transport.</li> </ul>

**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 at [Richenda.Greenhill@cambridgeshire.gov.uk](mailto:Richenda.Greenhill@cambridgeshire.gov.uk) or on 01223 699171.



Item

## **CAMBRIDGE CITY COUNCIL OUTLINE CORONAVIRUS RECOVERY PLAN**

**To:**

Councillor Lewis Herbert, Leader and Executive Councillor for Strategy and External Partnerships  
Strategy & Resources Scrutiny Committee 06/07/2020

**Report by:**

Antoinette Jackson, Chief Executive  
Tel: 01223 457001 Email: Antoinette.Jackson@cambridge.gov.uk

**Wards affected:**

All

Not a Key Decision

### **1. Executive Summary**

1.1 This report provides a brief summary of the actions taken by Cambridge City Council in response to the Coronavirus emergency in the Spring of 2020, and sets out the key areas of activity and emerging issues that the Council is working on as it develops its recovery plan.

1.2 The City Council put its business continuity arrangements and pandemic plan into operation in March 2020. The UK Government announced a “lockdown” approach to containing the pandemic on 23 March. Since that point, services across the Council have rapidly adapted to a very fast moving and dynamic context to:

- continue to provide essential services as far as it has been safe to do so;
- implement Government policy as it has evolved; and

- put in place new working arrangements and new models of service delivery to protect those residents and businesses most affected by the lockdown.

1.3 This type of long-term crisis management has been a new experience for the Council and has seen a huge effort from all staff and elected members to keep the city safe and functioning.

1.4 Key achievements have included:

- the payment of £21,295,000 business support grants
- facilitation and funding for 14 ward-based community led clusters providing support for vulnerable residents
- keeping 140 homeless people safe by finding temporary accommodation in hotels and other appropriate places
- keeping core council services working through out, although delivered in different ways in some cases.

1.5 As the peak of the health crisis appeared to pass in April, the Council's focus has moved onto planning for the recovery phase. The Council's priorities moving forward will be to support the economic, social and environmental recovery of the city. In doing so we aim to support the most vulnerable members of our communities and to build a more sustainable, inclusive and resilient Cambridge for the future.

1.6 Above all, the Council's over-arching priority is to ensure that Cambridge continues to be a safe place to live, work, study and visit.

1.7 We are in a very fluid situation and this report reflects Government advice and policy at the time of writing. There may well be changes in the intervening period before the committee meeting that impact on the report's content and, if so, these will be picked up verbally at the meeting.

## **2. Recommendations**

2.1 The Executive Councillor is recommended to:

- i. Note the Council's response to the Coronavirus emergency
- ii. Agree the priorities for recovery

### **3. Background**

3.1 The new Coronavirus-19 was identified to the World Health Organisation on 31 December 2019, following an outbreak in Wuhan, China. The first cases in the UK appeared in late January. On 3 March, the UK Government published its plan to contain, delay and mitigate any outbreak.

3.2 On 7 March, those with symptoms were asked to self-isolate for 7 days. On 16 March, the Government introduced shielding for the most vulnerable and called on the British public to cease non-essential contact and travel. On 18 March, the Government announced the closure of schools.

3.3 On 20 March, entertainment, hospitality and indoor leisure venues were closed. And on 23 March, the Government took the key decision to introduce the Stay at Home guidance, essentially putting the UK into “lockdown”.

### **4. The Emergency response**

4.1 Cambridge City Council made a number of rapid responses to the crisis, which have continued to evolve in the subsequent weeks and months.

#### **Cambridgeshire and Peterborough Local Resilience Forum**

4.2 The formal, multi-agency emergency response is co-ordinated through the Strategic Co-ordination Group, established through the Cambridgeshire and Peterborough Local Resilience Forum, in line with our statutory responsibilities under the Civil Contingencies Act. The Council is represented on both the tactical and strategic groups and contributed to a number of specific workstreams within the response phase.

#### **Impact on City Council services**

4.3 The lockdown meant that the Council needed to close those facilities and services that depend on public gatherings and face-to-face contact. This was to protect both the public users of such services and council staff. The Corn Exchange, community centres, swimming pools and the Arbury Road and Customer Service Centre receptions all closed, though face-to-face contact was still available for urgent issues via an appointments-based system.

4.4 From 24 March onwards, everyone who could do so began working from home, utilizing the potential for remote working made possible by the Council's investment in Council Anywhere technology. This enabled a number of office spaces to shut down completely including the Guildhall.

4.5 Some services were able to carry on working largely unchanged, either through staff working remotely (e.g. the Shared Planning Service) or by continuing to deliver essential services on the ground (e.g. Streets and Open Spaces and Estates and Facilities maintaining emergency housing repairs). Other services had to scale down dramatically or establish new ways of working and new models of delivery.

4.6 One service that needed to find new ways of working was the Shared Waste Service. The service moved to two crew members per vehicle rather than the usual three in response to both absence through self-isolation in the early weeks, and the need to keep crews safely distant. This meant fewer bins could be collected per round, so green waste collections were suspended in April. Green waste collections were re-started from 4 May, initially only guaranteeing one collection per four-week cycle but achieving full fortnightly collections in 85% of cases during in May.

4.7 Some services needed to provide more capacity because of the impact of the virus. The Bereavement service increased capacity to enable 33 cremations a day extending the working period to 16 hours through the use of shifts although, thankfully, to-date this extra capacity has not been needed. The Bereavement service has continued to deliver a safe, caring and compassionate service in a hugely uncertain environment, particularly supporting families to deal with the emotional stress of restricted attendance at funerals.

4.8 One service that has been able to expand parts of its business during the lockdown has been the Fleet Service. The service successfully maintained its support to the Shared Waste Service and East Cambs Waste fleet and other clients. As other private garages closed their doors, the resilience of the Council's service meant it also picked up an additional £63k of commercial fleet maintenance, which is helping to offset the loss of private and taxi work.

## **Community support**

4.9 The lockdown and shielding requirements created a new set of needs in the community for both practical and emotional support.

4.10 The County Council was responsible for providing support to the most clinically vulnerable “shielded” group, with district councils, including the City Council, co-ordinating support to other vulnerable people at a local level.

4.11 A countywide Community Resilience Group brought together public bodies and voluntary groups to help co-ordinate the complementary efforts.

4.12 In Cambridge, the Community Services team helped support a network of community-led organisations who have co-ordinated local ‘good neighbour’ support. Each ward had a ‘lead ward organisation’ and these were a mix of churches, community groups, mutual aid groups, and other local fora. As a cohort, they have worked successfully in their communities, with each other, and with the Council and other agencies.

4.13 The city also had its own local Community Resilience Group bringing partners together across agencies which responded to issues raised by the lead community organisations. This group either resolved issues locally or escalated them where necessary. A phone and web-based service was created as a referral point for more complex cases and a resource to support the lead organisations. The Council also made a contribution to the Cambridge Community Foundation’s Coronavirus Fund, to support community activities benefiting the most needy and vulnerable.

4.14 The Council did not just wait for referrals to be made to the Community Resilience Group. County and local datasets were used proactively to target categories of people who might have had vulnerabilities, to make sure they were aware of the support available and were able to access it.

4.15 The scale of community involvement has been inspiring. In some wards, there were strong existing partnerships but in others new community responses emerged. The Council funded each of these ward-based clusters, allocated a Community Development Officer and, in each ward, one of the three city councillors took a lead councillor role, working alongside their relevant County councillors.

4.16 The Food Poverty Alliance Partnership, particularly Cambridge Sustainable Food, have played a vital role cooking and distributing over 2 tonnes of food each week to individuals and families.

## **Business support**

4.17 The Council has also played a key role in disbursing Government business support grants totaling £21,295,000 in value to 1,400 businesses, as well as managing business rates relief and council tax support programmes. This mammoth logistical task required close co-operation with the Cambridge Business Improvement District and other business network groups. The Council managed to process the applications and grants at a pace that exceeded most other councils in the country.

4.18 The Local Authority Discretionary Grant scheme, launched in June, expanded grant funding to businesses, charities and not-for-profit organisations that have not previously received government support under the other Covid-19 measures. The Council has also provided support to market traders and our own commercial tenants.

4.19 We have sought to work collaboratively with our partners in South Cambridgeshire District Council on business support and economic recovery. A joint member task & finish group was established, supported by a joint officer working group, which brought in resources from the Greater Cambridge Partnership to provide additional capacity. The group informs, and is informed by, the business recovery sub-group and Mayoral business forum that form part of the wide Local Resilience Forum response. Aside from working with business network groups to identify business issues and solutions, the group has commissioned local economic analysis data as an evidence base for recovery solutions. It has also established weekly business newsletters bringing together information around current issues, solutions and funding support.

4.20 The Council's city centre car parks were largely empty during the first phase of lockdown and we were able to use this spare capacity to offer free parking for key workers.

## **Homelessness**

4.21 A third key area of new activity was the provision of temporary accommodation for all the city's homeless and rough-sleeping people. On



24 March, the Government set a target of getting all rough sleepers off the street by 27 March. This was partly in recognition of the underlying health needs of many rough sleepers who were particularly susceptible to the virus. The Government provided an initial funding commitment of £24,750 and using that funding, the Council's homelessness service worked tirelessly to find, engage with, and accommodate all those in need of accommodation. Those housed included individuals with no recourse to public funds, where the Council would not normally have a duty to accommodate them.

4.22 The first rough sleeper was accommodated on Friday, 20 March and since then 162 offers of accommodation have been made leading up to and including 29 May; 140 people were in accommodation on that date.

4.23 This process also provided the opportunity to engage with more rough sleepers across a multi-agency range of services, to help prepare them for a longer-term housing solution and support appropriate for each person.

### **Impacts on staff**

4.24 In the initial phase of the virus, we anticipated that more services might be more severely impacted by high numbers of staff members becoming ill or self-isolating because they or members of their household developed Covid-19 symptoms. As the emergency evolved, and lockdown appeared to be effective, the numbers of staff reporting illness or self-isolating dropped. At its peak, the number of staff reported off at one time was 108.

4.25 Some staff who were not fully occupied in their usual role, were redeployed into other services, particularly to help the efforts to support the community effort and work with rough sleepers.

4.26 For those services that could not continue while lockdown was in place, the Council made use of the Government's furloughing scheme (this included Cambridge Live, some areas within Community Services and the Estates and Facilities teams who carry out routine maintenance work). This has ensured that those staff have continued to receive full pay, while the Council will claim back 80% of those salary costs from the Government. In total, 131 staff were furloughed.

4.27 For those who have been able to work from home, homeworking on such a large scale presented a major change to ways of working for many

staff. Supportive HR policies and support and management arrangements were put in place to help staff adapt.

4.28 Without the ability to hold face-to-face meetings, extensive use has been made of the video-conferencing facilities in MS Teams, and this has become the norm for many.

## **Democratic processes**

4.29 One early casualty of the crisis was the planned election in May 2020 for all 42 council seats following a boundary review. This has meant that councillors' terms of office have been extended to May 2021 and there will be no by-elections before then (unless the government changes legislation in the autumn).

4.30 The government also introduced legislation to enable virtual committee and council meetings for the first time. Councillors have been supported to make use of MS Teams for both informal and formal meetings. From mid-May onwards, decision-making meetings of the Council and its committees have been held in public view using MS Teams. This has included the Annual Meeting of the Council on 28 May, this current cycle of scrutiny meetings, as well as regulatory committees including the Planning and Licensing committees. A number of Member briefings have also been held using MS Teams. These have been well attended, suggesting this may be a better format than face-to-face briefings for many Members who are juggling work and domestic commitments with being a councillor.

4.31 This major shift in how we manage meetings has presented both technical and cultural challenges to all concerned. It has been effectively implemented by the Democratic services and 3C ICT teams, with no major disruptions, thanks to careful planning, practice and learning.

## **5. Recovery planning**

5.1 Once the emergency response appeared to stabilise, the Council and its partners increasingly turned their thoughts to the recovery phase.

5.2 On 10 May, the Government announced a phased approach to lifting lockdown with a strategy which is dependent on the level of infection rates in the population.

5.3 The Council's recovery work is built around four recovery themes which are underpinned by detailed Council workstreams. The workstreams cover a mixture of short-term operational responses, managing a transition to a "new normal" and longer-term more strategic issues. Each of these specific workstreams is led by a member of the Senior Management Team.

5.4 The four recovery themes are:

- a) Economic recovery and support to business
- b) Social recovery and anti-poverty work
- c) Environmental recovery
- d) Council recovery

5.5 The first three themes include direct delivery by the Council but also significant delivery and joint work in a wide range of partnerships, building on the many contributions of other organisations during the epidemic response. It also assumes continued future Council input into that joint work, such as the Local Resilience Forum leadership and wider strategic thinking with partner agencies.

5.6 The themes are described in more detail below with their supporting workstreams.

## **6. Economic recovery and support to business**

6.1 Recent data showing a rise in Cambridge unemployment evidences the ongoing loss of jobs which it is feared will increase as furlough funding ends. Cambridge and Oxford, along with similar cities, have the bulk of local employment focused in a small number of sectors, several of which have been seriously impacted by the lockdown and which will take time to recover. Greater Cambridge is vital to the wider sub-regional economy. The numbers of people employed in the area is much greater than the number of residents in the two council areas.

6.2 Challenged sectors with significant employment in Cambridge include the city centre and retail, the visitor economy and hospitality, and education. Each have significant obstacles to full recovery and the continuing expansion of employment that had been the trend before the epidemic hit.

## **Workstream 1 - Support to business**

*Workstream lead: Fiona Bryant*

6.3 In the short term, this workstream has been focused on the administration of the various business grant schemes that the government has introduced. It has been also supporting the joint Member working group between the City and South Cambs councils which has focused on how the two councils can support economic recovery in the medium to long term.

6.4 This workstream will build on Cambridge employment sector analysis and responses to each of the sectors, work with business networks and the voluntary sector, and the role of the Council in direct investment in the city

6.5 Part of the objectives of this area of work will be to maximise the continuance of existing jobs and the creation of new ones, working with businesses to continue to employ furloughed staff as Government funding ends.

6.6 This area of work also feeds into the Combined Authority's Business Recovery Group with the aim of ensuring regional and national strategies are informed by the needs and issues of Cambridge businesses.

*See also Work stream 5 - Opening up the city centre below*

## **7. Social recovery**

7.1 The impact of Covid-19 has created new needs in the community and there are likely to be long term impacts on individuals and families given the core challenges that existed before the epidemic, and the expectation that economic and other impacts from the epidemic will continue long after it is over. As one example, since the start of the pandemic, the number of council tax reduction claims has increased significantly. Beforehand, we received approximately 30 claims a month but this increased to 300 per month during April and May. The rate of increase fell in the second half of May but it is too early to understand what the long term trend will be.

7.2 The Council's has three specific workstreams focused on the issues around social recovery.

## **Work stream 2 - Welfare benefit issues and anti-poverty**

*Workstream Lead: Alison Cole*

7.3 This workstream is focused on how we support residents that may find themselves in increased financial hardship because of the impact of the virus on employment in the city. This will include tackling with others additional poverty impacts beyond the epidemic and reviewing our partnerships and funding for voluntary sector action

## **Works Stream 3 - Communities and neighbourhood working**

*Workstream Lead: Debbie Kaye*

7.4 At the appropriate time, this workstream will manage the transition away from organised support to those who are shielding or need to stay self-isolated.

7.5 Given the need and opportunity to review the Council's local relationships and service delivery, in the longer term the workstream will be focusing on how we can build on the wonderful examples of community spirit and self-organisation we have seen in our community aid groups and community food hubs and continue to build community capacity. We will review how we can maintain an ongoing dialogue and work with these groups and our approach to neighborhood working. This will include how we work with others in the voluntary sector and other agencies, such as the County Council, as they make changes to key services such as adult and social care.

## **Workstream 4 - Homelessness and rough sleeping**

*Workstream Lead: David Greening*

7.6 This workstream is focused on moving the rough sleepers we have in emergency accommodation into suitable accommodation for their needs with appropriate support and care packages. It will also inform our new Homelessness strategy. There is an initial report on progress going to Housing Scrutiny Committee this cycle.

## **8. Environmental recovery**

8.1 This is the third element of the city's future sustainability. The Council already has a core priority to address climate change; work towards net zero emissions and implement the Council's biodiversity strategy. This work will be informed by the need to support recovery and the opportunities this brings. This is a theme that also cuts across, each of the other workstreams.

8.2 The Council will work to support opportunities to promote non-car transport and aim to reduce the level of congestion and city centre air pollution as well as increase cycling and walking compared to pre-epidemic levels, working with the County Council and Greater Cambridge Partnership and others.

### ***Works Stream 5 - Opening up the city centre***

*Workstream Lead: Joel Carre*

8.3 This workstream has been focused initially on enabling the city centre to re-open in accordance with the Government's road map and guidance. It has focused in particular on the operational adjustments needed to minimise social contact, maintain social distancing and facilitate access and movement through the city centre safely.

8.4 As lockdown eases the Council's open spaces have also come under more pressure and there has been a need to consider how we best join up our licensing and enforcement powers to support social distancing and tackle anti-social behaviour. In the longer term, this workstream will be looking at supporting the role of our open spaces and local centres in the life of the city.

8.5 It will also look at the city centre's role in the social, economic and environmental recovery of the wider city and sub-region.

8.6 It also includes joining up with the County Council and Cambridgeshire & Peterborough Combined Authority (CPCA) on new sustainable travel choices.

## **9. Council recovery**

9.1 The Council will also need to respond to the major financial impacts and costs of the epidemic. The net negative financial impacts substantially exceed the funding allocation Government has provided, or is expected to provide, for district councils including Cambridge. There is a separate report on the financial impact on the agenda for this Strategy and Resources Scrutiny Committee.

9.2 Changes to delivery and practice during the epidemic offer the opportunity to start from a different base. We need to ensure that the positive impacts of the lockdown experience are retained or developed. In particular,

the new ways of working that our staff and residents have embraced; and the environmental and air quality improvements that life in lockdown has prompted.

9.3 We also need to recognise that we still do not know what the long-term impact of the virus will be and we will need to be prepared in case there is a second wave.

### ***Work stream 6 - What is the “new reality”/ “new normal”?***

*Workstream lead: Andrew Limb*

9.4 This workstream has been assessing local and national data, guidance and other insight to help inform other workstreams. This includes health, economic and social trends.

### ***Workstream 7 - Financial Impact***

*Workstream Lead: Caroline Ryba*

9.5 This workstream is focused on the immediate and longer-term financial impact of Covid 19 on the Council. There is a need to address both immediate in-year pressures and to assess longer term issues that will impact on our forward planning assumptions.

9.6 As noted above, there is a separate report on the financial impact on the agenda for this Strategy and Resources Scrutiny Committee. The longer-term issues will be picked up through the MTFS and budget setting reports.

### ***Workstream 8 - Coming back into the workplace***

*Workstream Lead: Dave Prinsep*

9.7 This work stream is addressing the practical accommodation needs of staff and Members in the short, medium, and long term.

9.8 In the short term, the work is focusing on a phased opening of buildings and the measures needed to keep them safe and hygienic.

9.9 The underlying assumption of this workstream is that working from home will become the default for many staff and this will inform a longer-term office accommodation strategy.

### ***Workstream 9 - Issues impacting on Staff***

*Workstream Lead: Deborah Simpson*

9.10 This workstream is focusing particularly on the issues affecting staff. In the short term, this has included the temporary redeployment and furloughing of some teams.

9.11 It has also focused on the practical and emotional support needs of staff to cope with the impact of the virus and new ways of working.

### ***Workstream 10 - Customer contact***

*Workstream Lead: Elissa Rospigliosi*

9.12 This workstream is focused on the way we deliver customer services to residents and build on our digital strategy, maximising the opportunities of digital by default.

### ***Workstream 11 - Working with the wider Local Resilience Forum's recovery work***

9.13 In addition to our own recovery plans, the Council will continue to work with partners in the academic, business and community sectors to promote practices, policies and projects that strengthen our cohesiveness as a community, and our safety and resilience to this and future threats.

9.14 At the countywide level, the Local Resilience Forum has established a Recovery Co-ordination Group and this in turn has set up sub-groups on:

- Business and Economic Recovery
- Criminal Justice
- Vulnerable People
- Environment
- Community
- Finance
- Health
- Public Health

9.15 All of these groups are seeking to support Cambridgeshire's communities in recovering well from the impacts of lockdown and our own recovery planning will dovetail with them.



9.16 The Council's Environmental Health service is also playing a role in the local response to the national Test, Track and Trace programme.

## **10. Impact on Future service delivery**

10.1 Alongside the thematic workstreams outlined above, we will also be evaluating on a service-by-service basis what the impact of Covid 19 will be on future service delivery. At the time of writing, there are also some unresolved issues about the timing of the opening of some services such as community centres, as we await government guidance on the future easing of lockdown.

10.2 Changes in the external environment and customer and community behaviour will influence how we may need to deliver services in future. Those services which rely on external income will also need to review their planning assumptions to make sure their business cases are still viable.

10.3 The Covid crisis has meant that we have continued to provide many services but delivered them in different ways. We will need to consider what changes have been successful and we would want to keep in place; what we may need to do differently or stop; and what might be unsustainable in its traditional form.

10.4 We will also be assessing whether there are new demands emerging, for example, if we see higher rates of unemployment in the city.

10.5 All these issues may not all be clear immediately and will need to feed these considerations into future budget and service planning.

## **11. Implications**

### **a) Financial Implications**

These are set out in a separate paper on this agenda presented by the Head of Finance.

### **b) Staffing Implications**

As outlined in the report. The Chief Executive and Head of HR have met regularly with the Trade Unions during the period of lockdown and they have been involved in risk assessments of new ways of working and the future arrangements for office accommodation.

### **c) Equality and Poverty Implications**

Social recovery is a key theme in this report.

The economic impact of lockdown has been severe. There is some evidence (anecdotal to-date) that those likely to be most severely adversely affected are those in the lowest-paid, most-insecure employment, notably in the hospitality and leisure sector. There will also be people who fall into economic hardship for the first time as a result of business closures and uncertainty.

The Council's new Anti-Poverty Strategy identifies these groups as likely to need particular support from the Council and its partners in the months and years ahead.

**d) Environmental Implications**

Environmental recovery is a key theme in this report.

Data from the Council's air quality sensors, and the County Council's traffic monitoring service, saw significant environmental improvements during lockdown, primarily due to the reduction in vehicular movements. The challenge will be to retain these improvements as lockdown eases, particularly with the public discouraged from using public transport due to the strictures of social distancing. It is hoped that many more people will more routinely work from home (having experienced the benefits of such practices during lockdown), reducing the number who routinely commute into the city.

**e) Procurement Implications**

Economic recovery is a key theme of this report.

The Council has sought to support suppliers who may have been facing particular hardship during lockdown.

**f) Community Safety Implications**

The Council has continued to monitor community safety issues. While there was a drop in all reported crime in the initial phases of lockdown, there was an increased risk of domestic violence and, as lockdown has eased, we have worked closely with our partners to monitor and respond to changing community safety pressures.

**12. Consultation and communication considerations**

n/a

**13. Background papers**

[OUR PLAN TO REBUILD](#): The UK Government's COVID-19 recovery strategy

## **14. 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](mailto:antoinette.jackson@cambridge.gov.uk) .

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Item:

## **3Cs LEGAL AND ICT SERVICES AND GREATER CAMBRIDGE- INTERNAL AUDIT SHARED SERVICE - 2019/20 ANNUAL REPORTS AND PARTNERSHIP AGREEMENT REVIEW**

**To: Executive Councillor for Finance and Resources**

**Strategy & Resources Scrutiny Committee [01/07/2019]**

**Report by: Fiona Bryant, Strategic Director Tel: 01223 - 457325  
Email: [fiona.bryant@cambridge.gov.uk](mailto:fiona.bryant@cambridge.gov.uk)**

**Wards Affected**

**ALL**

**Not a Key Decision**

### **1. Executive Summary**

- 1.1 This report summarises the performance of the 3Cs Legal, ICT Shared Services and the Greater Cambridge Shared Internal Audit Service during 2019/20.
- 1.2 The principle of producing a single annual report for both the 3C 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 Cambridgeshire and Huntingdonshire District Councils' Committees for scrutiny, includes Legal, ICT and Building Control Shared Services. At the City Council, only the Legal and ICT services fall under the remit of this Committee and, therefore, the annual reports are extracted from the overarching report and enclosed below. The 3Cs Building Control Service

Annual Report was approved by Executive Councillor following discussion at Planning and Transport Scrutiny Committee on 30<sup>th</sup> June 2020.

- 1.4 The Greater Cambridge Shared Services Annual Report covers the Waste, Planning and Internal Audit services. It is submitted to the South Cambridgeshire 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. The Greater Cambridge Planning Service Annual Report was approved by executive Councillor following Planning and Transport Scrutiny Committee on 30<sup>th</sup> June 2020. The Greater Cambridge Waste Service Annual Report was approved by Executive Councillor following Environment and Communities Scrutiny Committee on xx June 2020.
- 1.5 The Shared Services Agreement for the 3Cs services has been in place since 2015 and lasts until 30th September 2020. The renewal process offers the opportunity to significantly enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements. Section of this report outlines the key variations proposed for the new agreement

## **2. Recommendations**

- 2.1 The Executive Councillor is recommended to:
  - 2.1.1 Note the content of the annual reports
  - 2.1.2 Note the requirement for renewal of the 3Cs services partnership agreement the principle variations planned
  - 2.1.2 Delegate authority to the Chief Executive and Strategic Director to finalise and agree the renewed partnership agreement by September 2020, in consultation with Exec Cllr, Chair and Spokes.

## **3. Background**

- 3.1 In July 2015, Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils 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 Member Steering Group for the shared services, which include the Executive Councillors from each partner Authority, alongside the Directors and Service leads. Strategic discussions for the services are held with the Chief Executives and Leaders of the partner Local Authorities.
- 3.4 The service business plans for the Shared Legal, ICT and Internal Audit services were approved by Executive Councillor following consultation with Committee Members in March 2018. The approval process was carried out remotely, following the outbreak of Covid-19.

## **4. 3Cs Partnership Agreement Renewal**

- 4.1 Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then and lasts until 30th September 2020. The renewal process offers the opportunity to significantly enhance the services' strategic vision, to ensure they each fulfill the three councils' requirements of them and are resilient, and to streamline their governance arrangements.
- 4.2 The proposed changes cover the following areas of the agreement:
- 4.2.1 The current agreement expiry date of 30<sup>th</sup> September 2020 will be amended to 30<sup>th</sup> September 2025
- 4.2.2 References to the Data Protection Act are updated in line with current legislation. Clause 17.2 is amended to read as follows:
- 4.2.3 The Agreement contains the original Principles of Collaboration and these are considered still to be sound. However, it was felt that the services required a stronger strategic vision. The general objectives of the Shared Services will therefore be updated as the following:
- To operate in partnership and support the objectives of the 3 Councils.
  - To inform the strategic direction of the authorities through the provision of guidance and advice.
  - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
  - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
  - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
  - Ongoing delivery of services that are genuinely shared, where appropriate, 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.

- To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
- To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
- Increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.
- Minimise the bureaucracy involved in operating and interacting with the shared service.
- Pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
- To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
- Sharing of specialist roles which individually, are not viable in the long-term.
- To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart
- To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting. To work towards harmonised arrangements in these respects during the life of the Agreement.
- To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.

4.2.4 The Governance arrangements are being updated to ensure the services each fulfill the three councils' requirements of them and are resilient, the remits of the various aspects of the Shared Services governance structure have been reviewed. There is clear responsibility for:

- considering and making recommendations on strategic direction.
- recommending early decisions on strategic matters.
- having advance sight of materials to be submitted to Council Executives and formal meetings.
- identifying recommendations for the three authorities when additional resources are required, and
- reviewing performance and operational matters in relation to any of the services.

4.2.5 The three services are now operating on a Business as Usual basis, so it is safe to streamline the governance arrangements to an appropriate level. To this end, the remits of the various aspects of the Shared Services governance structure have been amended to ensure they are efficient and effective going forward. The revised remits appear in the Schedules to the new Agreement.



Within this arrangement the Joint Shared Services Group has political oversight of the Shared Services and will be responsible for receiving the individual services' Business Plans and Annual Reports. This will obviate the need to subject these documents to the three councils' formal decision-making processes.

- 4.2.6 Schedule 5 references to Cost Share calculations are updated in line with S151 Officer agreement
- 4.2.7 New Exit Provisions will be added to the Agreement
- 4.2.8 Schedules 6 and 7 referring to issues such as the post establishment restructure and the list of staff originally transferred into the 3Cs services under TUPE will be deleted.

## **5. 3C Legal Shared Service Annual Report 2019/20**

### **5.1 General Information**

- 5.1.1 Significant changes have been made in operations over the past year, including finalisation of the consumption-based model which was formally implemented on 1<sup>st</sup> April 2020.
- 5.1.2 The Practice has developed access to a greater range of preferential rates to achieve better value for partners where external specialist support is required, for example in new commercial projects.
- 5.1.3 The Practice has also developed its role in provision of advice at earlier stages in development through groups such as the City Council's Quality Assurance Group, SCDC's Investment Governing Board and Investment Selection Team, and 3Cs Information Security Group. This has proven more efficient in identification of pragmatic solutions to issues at the earliest possible stages.
- 5.1.4 The Practice has continued to develop the role of the intelligent client across the partner authorities to deliver effective legal services and add value. Where it has been necessary to procure external expertise to provide legal support on matters, the intelligent client role is one where the Practice will work with the client to understand that need and source the most appropriate and cost-effective advice from the marketplace.
- 5.1.5 As a national issue public sector legal recruitment remains generally challenging. Work to increase the attractiveness of the package and use of underpinning technology and flexibility through Council Anywhere has led to increased number of interest in vacant posts and careful management of resources and activity has kept the service within the planned budget parameters.

## 5.2 Financial Performance

5.2.1 The Outturn for 2019/20 is as follows:

	budget	actual	variance	
Expenditure	1,391,090	1,385,358	5,732	underspent
External Income	280,760	242,058	(38,702)	under achieved
Net	1,110,330	1,143,300	(32,970)	deficit

Council	Budget £	Hours Consumed	Actual £
CCC	601,911	8868 (45.98%)	525,689
HDC	205,855	4630 (24.00%)	274,392
SCDC	302,564	5790 (30.02%)	343,219
Total			1,143,300

5.2.2 The outturn for 2019/20 is £1,143,300 against a budget of £1,110,300 as shown in the first table. The overall 2019/20 3C shared legal budget includes a savings target of £119,100. The total savings target was formed by rationalising resources and supplies by £40,750 and increasing the income target by £78,350

5.2.3 The second table above shows each Councils budgetary contribution together with hours consumed and the actual value of those hours (income) as against that overall budget.

5.2.4 Performance against the income target of £280,760 for 2019/20 has seen income of £242,058 delivered. The deficit is as a result of a fall in external income in February and March 2020 due to a decrease in mainly planning and court fees relating to the impact of Covid-19. This has contributed to the overall deficit £32,970 which is shared between partners in accordance with partnership agreement.

## 5.3 Service Performance

5.3.1 Staff productivity achieved 94% on a target of 90%. The target hours for the Practice have been exceeded by 898 hours in simple terms. This has continued to build on the upward progression made last year.

- 5.3.2 The success rate in litigation was 83% on a target of 80%. The figures remain extremely encouraging and work currently underway with the client (developing the intelligent client role) will seek to build on this. HDC has a comparatively high number of cases in relation to debt recovery and parking prosecutions. Work is well underway to seek to enable the client to process more routine paperwork /activity on these matters which is a more effective mechanism for interfacing with court/public.

## **5.4 Customer Feedback**

- 5.4.1 Client Satisfaction for the year is 97% satisfaction. This is based on feedback from 174 responses received. Feedback forms are sent to each client at the end of every matter. It does remain the case that the response rate of 37% is not as high as we would like. With ongoing liaison with audit the Practice will look at ways of improving on the return figure and targeting specific client feedback in a more focused manner.
- 5.4.2 Working with clients through regular liaison meetings encourages feedback and interaction in addition to the client satisfaction surveys. These are available to clients at every level of the Practice and regular meetings are something which have been increasingly developed across the Practice over the last 12 months. By listening to clients concerns and feeding back any areas where they can assist the Practice (through improved instructions/processes for example) the work of the Practice has become much more client focused.
- 5.4.3 Working closely with the client in relation to commissioning of external work and the way instructions are provided to the Practice has been extremely positive in improving efficiency and reducing costs. Regular meetings now take place with the client at all levels of the Practice. Examples would include participation in the Property Selection Team at SCDC whereby input is provided at the outset in relation to potential acquisitions. In this way when it does move to the stage of the Practice taking forward any property work a focused and considered set of instructions can be provided by the client already assisted by legal input to enable matters to be progressed at speed. Legal involvement in the Quality Assurance Group at CCC similarly enables legal input at the outset of projects making any legal involvement later on more efficient and focused. The quarterly intelligent client meetings held between the Head of Practice and other senior officers provide a similar function.

## **5.5 Looking Forward**

- 5.5.1 In terms of the year ahead the Practice recognises the challenge posed by the CV19 pandemic. The response of the Practice to the changed working

conditions has been excellent. The flexibility of working arrangements already in place for the Practice and built upon by the roll out of Council Anywhere has allowed the continued performance of the Practice against its KPI's. The reinforcement provided to the opportunities afforded for client and internal interaction via the Teams facility has been enormously positive.

- 5.5.2 For client interaction the ability to share and work on documentation on screen while video calling on Teams enhances the effectiveness of meetings. It is also far more efficient in removing travelling time, focusing meetings and even allowing additional input from staff not present at the outset of a meeting as required.
- 5.5.3 There is currently underway a review of the Practice by the Shared Internal Audit Service. This is part of ordinary business but will be extremely helpful in informing any changes to process/systems that the Practice needs to make. The consideration by audit will be used to inform a wider consideration of the Practice and its future direction during the year.

## **6. 3C ICT Shared Service Annual Report 2019/20**

### **6.1 General Information**

6.1.1 2018/19 has been a year where the focus has been on delivery of key projects, including the rollout of Council Anywhere, completion of the Server Room Consolidation, migration to an entirely new network (Eastnet) as well as the implementation of the new Orchard and Yotta Alloy systems. The impact of the Covid 19 crisis in March 2020 forced the Councils and 3C ICT to work in an entirely new way in a very short space of time. The fact that this was possible and has been as successful as it has been is in large part due to the work of the various projects in this and previous years that have provided new infrastructure for the Councils at almost every level, from Network, San, Server and Application.

6.1.2 Financial targets for the year have broadly been achieved with underspends in most areas. Some exceptional events, including the migration to Eastnet and the Covid 19 crisis have impacted on service levels at particular points in the year but overall delivery has been maintained in line with agreed SLA's. The mid-year improvements and gains made with Service desk and Service request backlogs could not quite be maintained due to the exceptional events, but it has proven that process improvements can deliver the expected outcomes.

6.1.3 The number of applications supported by 3CIC across the councils has reduced to 130 from a starting point of 284 reducing both duplication and overheads. 3C ICT to work with the Intelligent Clients of the three councils to ensure there are formal agreed priorities in place to ensure there is clarity on all sides on how the finite 3C ICT resource is being tasked.

6.1.4 All three Councils achieved Public Services Network compliance at various times during the year and work is underway to repeat this process on an annual cycle. As the Councils now share an infrastructure and key applications such as Office 365 3C ICT will work with the Cabinet Office to understand what is necessary in order to allow for a joint PSN submission in the future as this will streamline the testing and submission process and lead to further efficiencies.

6.1.5 Following a period of challenging recruitment for a new Information governance Manager, the decision was made to re-evaluate the IG Manager role. Following the completion of that process an external recruitment campaign was successful and a permanent appointment made. Further recruitment of the one remaining vacancy will bring the team up to strength for the first time and enable them to fully engage with services with regard to all areas of information management and governance.

#### **6.1.6 In summary the service has:**

- Delivered agreed savings over the pre-shared service position.
- Delivered Council Anywhere to all staff across three Councils including 1429 new devices which is greater than the scope that was agreed at the beginning of the project.

- Migrated 50 sites and 5 firewalls to the new Eastnet network
- Implemented shared systems for planning and for Waste as well as many Digital improvements including new online payments systems, updated the web sites to conform to the latest accessibility standards and new cookie management system to ensure compliance to GDPR.

## 6.2 Financial Performance

The provisional outturn position for 2019/20 is recorded in the table below:

	BUDGET	FORECAST OUTTURN	VARIANCE
CCC	3,044,586	3,007,092	- 37,494
HDC	2,176,223	2,189,141	12,918
SCDC	1,429,986	1,365,549	- 64,437
	6,650,795*	6,561,782	- 89,013

\*These figures includes an overspend agreed by the board to meet the Council Anywhere contract requirements

6.2.2 The overall provisional financial outturn demonstrates a saving over the budget. The financial reporting is based on re-profiled business case approved in February 2018. Partners are paying less for their ICT service under 3C ICT overall there has been an underspend against the baseline. This is despite a number of challenges throughout the year, particularly in relation to staffing.

6.2.3 In 2019/20 bids were approved in City & SCDC to 'level-up' the funding for the 3C ICT Digital Team to equivalence with HDC. This additional funding will put the digital team on a sustainable footing in order to ensure it can support the transformational work being organised by the respective transformation programmes and prioritised by the 3C Digital Steering group, and to ensure the growing remit of the 3C Digital Team is adequately resourced.

## 6.3 Service Performance

6.3.1 In terms of KPIs (Key Performance Indicators) – of the 8 official 3C ICT KPIs, 6 are performing at or above agreed targets, one is within 8% (KPI5 Service Requests) and the last one (projects) whilst it hasn't been met it has been reviewed thoroughly to ensure resources are aligned to the priorities of the Councils. The KPI was missed due to project request response times not being met. This is separate to actual delivery of the projects themselves. The role of the Intelligent Client's has been crucial to this work and we are already seeing improvements in terms of feedback and engagement at the project request stages.

- 6.3.2 Challenge has remained in the form of the technical issues causing unwelcome and significant disruption to the Councils at key times. This balanced with the drive to deliver across a wide range of projects has stretched the service significantly, however there is now stable management in place with the full time Deputy Head of IT for Operations providing the day to day leadership of the service and supplementing the strategic leadership of the Head of IT in her shared role with County & Peterborough. It should be noted that there has been some turnover of other roles in the Council with the long-time Development Manager leaving the service. That change has led to a review of the function with the service and the post has been reviewed and re-evaluated as a Strategic Portfolio Manager which will ensure that needs and requirements of the Councils are understood and managed effectively through to delivery against agreed priorities.
- 6.3.3 3C ICT remain committed to working closely with the authorities both individually and collectively to managed those priorities and also to identify risk, and to support the authorities' overall risk appetite by providing options around effective management of risk and realigning risk from more physical ways of working. This is particularly relevant given that all three councils are pursuing a technology forward strategy, which will continue to increase their reliance on technology.
- 6.3.4 A review of key processes has been undertaken including the way in which Priority 1 incidents are handled, investigation of root causes of incidents that have high impact and urgency. This has changed the way in which Incidents are escalated to management and more appropriate responses for faults that are affecting key services.
- 6.3.5 All three authorities rely on all the services and systems being operational virtually 24/7. In the past twelve months there have been some specific times when service availability has fallen below what the ICT service aspires to achieve however overall availability is above target and showing the improvements from the various infrastructure projects. Frequency and duration of service interruptions have declined markedly alongside the introduction of new services such as Council Anywhere, revised infrastructure and further adoption of cloud services e.g. office 365. There have been on occasion incidents that have occurred where the improved resilience has been 'used in anger' This provides assurance at a technical and business level that the time and investments made are justified.

## **6.4 Customer Feedback**

- 6.4.1 KPI 1 Customer Satisfaction with 3C ICT as measured by receipt of both unsolicited (complements, complaints and comments) and solicited feedback (feedback requests for all resolved calls and quarterly surveys), has remained about target throughout the year, averaging just over 90% satisfaction despite some service outages.

## **6.5 Project Performance**



- 6.5.1 Council Anywhere** - The Council Anywhere project, now fully rolled out, was the largest area of work and focus during 2019/20 with a dedicated delivery team managing the rollout of mobile devices to staff across all three Councils as well as the migration of all email and calendar to Office 365. The project included training and user awareness session to ensure that the end user of the devices had the skills and confidence to utilise the technology that is now available to them. This project has driven not only technology changes but also organisational change and streamlined ways of working. The Eastnet and Server Room Consolidation projects removed some of the last remaining areas of legacy technology within the Infrastructure and the implementation of new business systems allowed the Councils to move away from legacy systems that had proved problematic and provided a set of technology components that allow the Councils to work in a completely different way, which has been vital in their response to the Covid 19 crisis.
- 6.5.2 Eastnet** - Without question this is the most complex and wide-ranging infrastructure project undertaken by 3C ICT with touchpoints of every physical building, user device and applications. The most significant and impactful part of this project was the firewall migration in December which was implemented against a backdrop of an impending election and a drop-dead date for termination of service at the end of the calendar year. As has been well documented, this migration was extremely problematic and issues during and after the cutover had a detrimental effect of service availability for all three Councils that required extensive remedial work in the aftermath, which has been the subject of a lessons learnt exercise incorporating feedback from services across all three Councils as well as 3C ICT. Other work in the project has included migrating of almost all physical buildings to the new network with <5 remaining at the end of year.
- 6.5.3 Consolidated Server Room & Shire Hall Data Centre Move** – The former project was completed within 2019/20 with all major services migrated to the new environment. Small areas of work remain which, with agreement from the Councils are being picked up as separate items. The new environment is split across two data centres, with one in Pathfinder House in Huntingdon and the other in Shire Hall in Cambridge. The move of the County Council from the Shire Hall site in 2020 has necessitated the move of that Data Centre which will be relocated to purpose-built space in Peterborough City Councils HQ Sand Martin House. A project has been initiated for that and planning for the move is well underway.
- 6.5.4 Service Systems** – A number of systems have been worked on during the year including:
- **Waste Services Implementation** – Shared Waste services went live with Yotta Alloy with the project now putting the resources to the planned HDC implementation.
  - **Environmental Health System** – Procurement process was completed after an extended and sometimes difficult process with the supplier. Discovery, design and implementation is now underway. ICT worked closely with the IC's to ensure clarity and agreement around the requirements and scope of the implementation which mitigated further delays.

- **Shared Planning** – This Complex project completed in 2019/20 and also was the first big test of the underlying application delivery technology developed as part of Council Anywhere. This enabled the simultaneous delivery of software to 100+ devices avoiding the need for individual installation and set-up. This is technology that will be able to be re-used many more times going forward.

#### **6.5.5 Digital Platform**

The 3C ICT digital team have continued to deliver across multiple streams of work guided by the Intelligent clients and digital steering groups. This includes work for all three councils, such as the implementation of cookie management, as well as work for individual councils such as integrations between the Digital Portal and systems such for Waste and Revs and Bens, updates and migration of websites

- 6.5.6 The long awaited Unify upgrade at City was completed in Q3** – Issues with the suppliers understanding of their own solution and the technical complexity of the system required several attempts on the part of the supplier with extensive support from 3C ICT and the service area. This also had a negative impact on the rollout of CA at City. Notable that the Unify Telephony system has also been problematic for several key stages of the migration to Eastnet, adding cost and risk as well as delaying delivery of the new and improved services from MLL.

### **6.6 Looking Forward**

- 6.6.1 Alongside ongoing delivery of the agreed roadmap, new service system implementation and further rationalisation of systems, the team is also focussing on how the 3C ICT Service can support the Councils in further harmonisation and on prioritisation of different IT categories with partner councils to help underpin future efficient delivery. In the short to medium term this will be greatly influenced by the impact of Covid-19 which started to be felt by 3C ICT in Jan when the global supply chain for hardware was severely impacted. As we moved through Feb, March and in to the new financial year, supporting Business Continuity plans for service areas became the priority. In the short to medium term we expect the initial demand helping service areas move their working practices to working remotely to subside, with the priority and emphasis shifting towards wider transformation initiatives and projects to support new ways of conducting business against the backdrop of Covid-19 recovery work. The last few months has shown by adjusting the risk appetite how quickly technology can be adjusted, introduced and adopted- which 3C ICT aim to repeat in the coming months and beyond.

## **7. Greater Cambridge Shared Audit (2C) Annual Report 2019/20**

### **7.1 General Information**

- 7.1.1 The role of internal audit is to provide independent assurance that an organisation's risk management, governance and internal control processes are operating effectively. The detailed role of Internal Audit is set out in the Internal Audit Charter, which is approved annually by the partners' relevant Audit Committee. To act successfully as a key business partner, internal audit teams need to be fit for purpose and provide assurance of the necessary quality, depth and coverage. The key service objective is to provide assurance on each Council's control environment.
- 7.1.3 A risk-based plan is completed at least annually, in consultation with management, to help ensure that work reflects both corporate priorities and corporate risks. The details of the plan are then presented to each Council's relevant audit committee for approval. The plan is designed to be flexible, so that work can be re-prioritised in response to the continually changing risk environment. This approach helps to ensure that the scarce resources are allocated in such a way that they add the most value to the Council.

### **7.2 Financial Performance**

- 7.2.1 The outturn for 2019/20 is as follows:

£	Budget	Actual	Variance/Outturn
Audit	341,440	328,572	12,868 (surplus)

The breakdown between the partner authorities is as follows:

Council	Cost £	% split
Cambridge City Council	215,960	63
South Cambridgeshire District Council	125,480	37

- 7.2.2 The underspend is mostly attributable to staff vacancies, partially offset by the increased Agency Worker costs. In addition, the team maintains its professional expertise through training and the purchase of professional publications and guidance. There has also contributed to the saving as training has been delivered in house, agency workers have not required training and development, and it has not been necessary to purchase any professional publications this year.
- 7.2.3 The team has also made some operational savings by reviewing its ways of working. A number of joint audit reviews is enabling us to work smarter by

reducing the number of days required to complete each activity, as well as sharing good practice.

## **7.3 Service Performance**

7.3.1 The service has performed well against its performance indicators.

- The team has maintained accreditation with the professional quality standards for PSIAS (Public Sector Internal Audit Standards) and the LGAN (Local Government Application Note).
- Under our effectiveness indicator, the key documents (Annual Head of Audit Opinion and the draft Annual Governance Statement) were completed to statutory deadlines at both Councils.
- A new indicator for 2019/20 was a measure of our productive use of resources. We set a target of 80% and achieved 73%. The team had unplanned long-term sickness absence in the period and, once this is taken into account the target has been achieved.
- A new indicator for 2019/20 was customer satisfaction. We set a target of 80% and achieved 97% in the period.

7.3.2 The team has been making good progress with delivering a joint co-ordinated audit plan for both Councils and has also undertaken a number of pieces of responsive work following customer requests and our dynamic risk-based appraisal. We have also provided assurance to the South Cambs Trading Ltd company – Ermine Street Homes – across a range of services.

7.3.3 We have developed a risk-based embedded assurance process for ISO14001 and ISO9001 standards. The Greater Cambridge Shared (Trade) Waste team aim to maintain compliance with the standards, which requires input and regular review from Internal Audit. These standards are common with trading entities, and not typically used in Local Government. Maintaining and promoting compliance provides assurance to customers, which can help attract future business and income for the Council. Developing this process in-house has helped maintain compliance with positive feedback from the ISO assessor.

## **7.4 Project Performance**

- 7.4.1 The service has undertaken one project during the year, which supports the maintenance of PSIAS compliance, and helps us identify continuous improvement.

## **7.5 Looking Forward**

- 7.5.1 The team has been developing a dynamic risk-based methodology for internal audit work over the past year and will continue to do this for 2020/21. This enables us to quickly prioritise our resources to areas which add the most value to our customers. This approach is especially relevant given the current context of pressures from Covid-19. Consequently, our plans can quickly adapt to the rapidly changing governance, risk and control environment.
- 7.5.2 The team was an early adopter of the new ICT technology delivered through the Council Anywhere project, and we have already adapted a number of internal processes to work smarter. Our focus going forwards is to develop self-service continuous auditing solutions now that other Council services are using the software. This should help us to become more efficient, will help to reduce the burden on teams being reviewed, and will be particularly beneficial in the current remote work-based environment.

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Item

## Revised Cambridge City Council Apprenticeship Strategy

**To:**

Executive Councillor for Finance and Resources  
Strategy and Resources 06 July 2020

**Report by:**

Vince Webb, Organisational Development Manager  
Tel: 01223 458108 Email: Vince.webb@cambridge.gov.uk

**Wards affected:**

All Wards

### Key Decision

#### 1. Executive Summary

This paper proposes a new revised Cambridge City Council 'Apprenticeship Strategy 2020' to replace the existing Apprenticeship Strategy approved at the Strategy and Resources Scrutiny Committee and published in March 2017 as a response to the introduction of the apprenticeship levy.

The proposed Cambridge City Council Apprenticeship Strategy 2020 maintains the same overall aims and principles as the current strategy of; providing quality apprenticeships; optimising the Council's Apprenticeship levy payments; and meeting our public sector target for 2.3% of the workforce.

The report proposes new provision to utilise the levy to run a pilot programme beginning in 2020/21 which would see the transference of up to 10% p.a. (approx. £12,000) of the Council's apprenticeship levy to local businesses, charitable and not for profit organisations.

The paper identifies a set of recommended measures designed to strengthen and build on the current successes of the Council's Apprenticeship Scheme. These include a move

away from management apprenticeships for existing employees as our main core corporate apprenticeship programme to measures which include broadening the types of apprenticeships available to existing employees and new apprentice recruits. To utilise apprenticeships more to support succession planning, filling hard to fill vacancies, and attracting more younger people to the work for the Council.

The report also recommends measures to set out more clearly the role and responsibilities of line managers when procuring apprenticeship training and employing apprentices.

## **2. Recommendations**

To consider the proposed measures for a revised Cambridge City Council Apprenticeship Strategy 2020 as set out in this report.

To consider a new provision for the transference of up to 10% p.a. (approx. £12,000) says £12k above in 1.3 of the Council's apprenticeship levy to local SMEs, charitable and not for profit organisations as a pilot during 2020/21. This can be achieved by either working directly with external organisations or through the exiting schemes such as the Cambridge & Peterborough's Apprenticeship Levy Pooling Service which supports local business to take on apprentices.

## **3. Background**

### **National Context**

At the time of writing this report COVID-19 is having a significant impact upon apprenticeships and apprenticeship provision across the UK. While we have supported many apprentices to continue with their learning online, those apprentices taking management apprenticeships have been put on a 'break in learning' and will resume once Government relaxes social distancing regulations. When apprentices are put onto a 'break in learning' funding ceases to training providers.

As many training providers are not able to offer training because of COVID-19 restrictions, employers are unable to spend their levy with them. Government has not confirmed whether it will extend the expiry date for apprenticeship levy contributions beyond the current 24months. The long-term implications for apprenticeship training providers remain unclear, however the economic fall-out from COVID-19 will have a detrimental economic impact for training providers and end point assessment organisations. Designed to put employers at the heart of apprenticeships Government launched the apprenticeship levy funding model in May 2017. Three years after introducing the apprenticeship levy Government announced that they will look at how to improve the working of the Apprenticeship Levy, to support large and small employers in meeting the long-term skills needs of the economy.

The majority of levy paying employers across the country are unable to fully utilise their levy funds. 2018/19 levy paying employers spent around 30 per cent of what was in their account. The £2.5 billion budget for 2019-20 and "final end-of-year out-turns will be published in the 2019-20 annual report and accounts", says the DfE (Department for Education). Skills Minister, Anne Milton said, "We do not anticipate that all employers who pay the levy will need or want to use all the funds in their accounts, however they are able to do this." Over £37m of employers' levy funds expired in May/June 2019, these were the



first 2 months that Government were able to clawback funds from employers. ONS data highlights in 2018/19 there were 393,575 apprenticeship enrolments approximately 100,00 down on 2016/17 enrolment figures of 494,822.

DfE analysts' description of the first quarter of this year: "Starts by under 19s have seen a fall of 11.2 per cent from 2018/19. In contrast, starts by those age 19 and over fell by just 1.3 per cent and there has been a small rise for those aged 25 and over of 1.2 per cent. Since 2017/18, starts by adults (19+) have grown by over a quarter (25.6 per cent), while those for under 19s have fallen by 12.8 per cent. The 25 and over group have seen an increase of 44.8 per cent over this period."

Government has acknowledged the number of employers engaged in higher level apprenticeships has exceeded their initial estimations. Government are now considering stopping the use of some higher-level apprenticeships for over 25-year olds. If this happens it will restrict employers from using apprenticeships to upskill many of their existing employees.

## **Proposed Cambridge City Council Apprenticeship Strategy 2020**

### **The overall aims of the proposed Apprenticeship Strategy**

- Optimise the Council's levy contributions
- Provide a high quality 'Cambridge City Apprenticeship Scheme' for existing employees and new recruits
- Achieve our public sector target of 2.3% apprentices within the Workforce (approx. 19 apprentices based on council head count)
- To trail a pilot scheme involving the transference of up to 10% p.a. (approx. £12,000) of the Council's apprenticeship levy to charitable or non-profit making organisations.

### **Proposed revised measures for the Council's Apprenticeship Strategy 2020**

To broaden the scope and level of apprenticeships offered for both existing employees new apprentice recruits. Less emphasis on corporately led management apprenticeships as there are now fewer people in the Council requiring these apprenticeships and potential changes to apprenticeship funding rules could restrict management apprenticeships to those under 25 years old.

Each Council service to identify where vacant roles, including hard to fill vacancies which could be converted into apprenticeship roles, where this is appropriate and there is an approved apprenticeship standard published. As with the Council's existing Apprenticeship Strategy 2017, the Council should only recruit new apprentices if there is an identified business case to do so.

Services to budget for new apprentice salaries in keeping with their plans, ensuring the full costs of salary can be covered for the duration of the apprenticeship programme. Each Council service to identify appropriate apprenticeship opportunities for existing members of staff, for skills, career and professional development. We will welcome interest from existing staff employed on part-time contracts to take apprenticeships. Recognising that a significant number of staff are employed on part time hours within the Council.

Estates and Facilities have a strategy in place to employ 6 new apprentices in areas such as Plumbing, Plastering, Carpentry and Business Administration in 2020/21. Environmental Services are looking to see how they can support and develop Apprenticeships within their Streets and Open Spaces teams. Commercial Services are looking to take on a new apprentice Vehicle Maintenance Engineer in the Garage at Waterbeach and a Horticulturalist with the Bereavement Service. There is also potential for growth within Housing Service where there is scope to develop apprenticeship opportunities in HRA funded roles such as Assessment & Support Officer, Assistant Housing Officer and Housing Officer roles.

Corporately there is scope to develop council wide Project Management apprenticeships with existing employees.

The Council would welcome more candidates from under-represented groups including BAME candidates and those with disabilities to apply.

We will continue to use our existing criteria for making a business case:

- Suitable Government approved apprenticeship framework or standard exists and is available
- Apprenticeship framework or standard must meet needs of Service
- Be affordable within overall apprenticeship budget
- Be able to recruit suitable apprentices
- Have competent managers to supervise the apprentice with the appropriate skills to work with and support young people in the workplace
- A real opportunity exists for the apprentice where the apprentice can undertake meaningful work leading to the attainment of their apprenticeship
- The apprentice is provided with appropriate time to attend their minimum requirement of 20% off the job training and study for their apprenticeship.

In keeping with the current annual cycle of performance management it is recommended that Managers continue to use the performance management process to discuss apprenticeship opportunities with their staff. This will provide Managers with an opportunity to identify those staff interested in taking an apprenticeship. In recognition of the Council's ageing workforce profile, Human Resources will actively work with Services to promote the Council's apprenticeship opportunities for younger people. Where applicable there will be selection assessments for new apprentice recruit applicants commensurate with the level of apprenticeship role applied for. This provision will support both the Council and the apprentices to make better informed recruitment decisions when employing apprentices.

Where the Council does not hold a current contract with an apprenticeship training provider which is required to deliver an apprenticeship the recruiting manager from the service to take the lead to procure an appropriate apprenticeship training provider. Human Resources and Procurement teams to provide advice and guidance. The Organisational Development Manager to lead on the procurement of larger corporate council wide apprenticeship programmes.

Where a manager recruits an apprentice, they will be required to identify a suitable workplace mentor the apprentice can contact for support and guidance during their

apprenticeship. This should not be viewed as the same as the role of the apprentice's line manager. Line managers to agree a workplace plan for their apprentices to support the learning they receive from their apprenticeship training provider. Ensuring they can accommodate the 20% off the job apprenticeship learning requirement.

Line managers to be responsible for the ongoing performance management, including holding regular 'one to one' meetings with their apprentices and their annual performance review. Line managers to ensure that probationary meetings are conducted to ensure that the apprentice is settling in to working life at the Council and to listen to feedback from the apprentice as to highlight any performance or punctuality issues or concerns.

We will continue to work closely with our neighbouring local authorities on our apprenticeship scheme to find economies of scale and value when procuring and purchasing and training provision.

### **Proposed provision to transfer apprenticeship levy funding**

A new provision for a pilot to trial the transference of up to 10% p.a. (approx. £12,000) of the Council's apprenticeship levy to local businesses, charitable and not for profit organisations. This can be achieved by either via application from interested external organisations or handled through exiting schemes such as the Cambridge & Peterborough's Apprenticeship Levy Pooling Service which supports local business to take on apprentices.

This cannot be used to cover salaries for apprentices.

The Levy Pooling Service is a service offered by the Cambridgeshire and Peterborough Combined Authority and endorsed by the Mayor, James Palmer. The aim of the Levy Pooling Service is to support levy employers to utilise their Apprenticeship levy and to enable non-levy paying employers to recruit apprentices. Large employers who pay the Apprenticeship levy can pledge to share their surplus funds with other organisations in the area to access Apprenticeship training.

Non-levy employers or Apprenticeship providers can use this service to register their interest in receiving funding. Impartial support will be provided by the CPCA to match funds, calculate the levy pot, support in administering the digital account, help with sending or receiving a transfer and identifying an Apprenticeship Provider.

Employers receiving transferred funds will only be able to use them to pay for training and assessment of apprenticeship standards, not frameworks and can only be used for new starts. Transfers can be made to any employer. Except where the employer transferring funds is also the training provider. The employer transferring funds and the employer in receipt of funds will agree the specific apprenticeship standard to be funded. Transfers cannot fund employers eligible for full government funding (less than 50 employees 16-18-year olds or 19-24-year olds with a care package). Employers receiving funding from a transfer need to create an account on the apprenticeship service to receive the transfer and pay for apprenticeship training.

They will need to sign an agreement with the Education and Skills Funding Agency.

Transfer payments will be made monthly from the sending employer to the receiving employer apprenticeship account. If the apprenticeship stops then the funding will stop too. They would not be required to pay any funds back to the sending employer.

Human Resources will continue to take the lead to initiate the Council wide approach to apprenticeship and overseeing any transfer of funds to external organisations.

## **4. Implications**

### **a) Financial Implications**

Page: 6

The Council will be expected to contribute 0.5% of its annual salary bill, minus a £15,000 Government allowance into the apprenticeship levy p.a. This equates to approx. £120,000 annual levy contribution p.a.

The apprenticeship levy cannot be used to pay for apprentices' salaries. Any salaries will need to be paid for by the apprentice's Service.

A proposed transfer to up to 10% of the Council's apprenticeship levy p.a. to charities, and non-profit making organisations looking to employ apprentices.

### **b) Staffing Implications**

No additional staffing resource will be required to implement and manage the Apprenticeship Scheme.

The Organisational Development Manager will be responsible for managing Cambridge City Council's Apprenticeship Scheme, the Learning and Development section will oversee the day to day operation of the scheme.

If Council Services would like to employ an apprentice, they will be required to make a business case to HR to review and make a decision on the case.

### **c) Equality and Poverty Implications**

An Equality Impact Assessment was undertaken for the existing apprenticeship programme. This new apprenticeship strategy expands on the current programme and we will keep the EQIA under review.

We welcome interest from existing members of staff including those staff on part-time contracts. For new apprentice recruits, we will continue to adhere to the Council's employment and recruitment policies.

### **d) Environmental Implications**

The Apprenticeship Scheme cannot be seen to have any direct or detrimental indirect impact on the environment, waste, or energy use.

### **e) Procurement Implications**

If a Council Service would like to employ an apprentice on an apprenticeship for which the Council does not have a contract with an apprenticeship training provider, the recruiting manager from the service will lead on the procurement exercise, supported by Procurement & Human resources. The Organisational Development Manager will lead on the procurement of corporate apprenticeship initiatives, such as Management development Community Safety Implications

## **5. Consultation and communication considerations**

There has been consultation with Heads of Service and East of England Local Government Association, as part of the council's wider workforce planning exercise and specifically for the revised Apprenticeship Strategy 2020.

## **6. Background papers**

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

## **7. Appendices**

Appendix 1. Apprenticeship Summary of Accounts from 2017/18 to 2019/21

Appendix 2. Update of Cambridge City Council's Apprenticeship Scheme

Appendix 3. Summary of the Apprenticeship Levy

## **8. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Vince Webb, Organisational Development Manager, email: [Vince.Webb@cambridge.gov.uk](mailto:Vince.Webb@cambridge.gov.uk).



## Appendix 1. Apprenticeship Summary of Accounts from 2017/18 to 2019/21

### Year 1: Apprenticeship Levy 2017/18

<b>Opening Balance</b>		<b>£0</b>
<i>Income:</i>		
Council's levy contribution	£107,202	
Government top-up	£10,380	
<b>Total Income</b>		<b>£117,582</b>
<i>Outgoings:</i>		
Training/Assessment	£0	
<b>Total Expenditure</b>		<b>£0</b>
<b>Closing Balance March 2018</b>	<hr/>	
<b><u>£117,582</u></b>		

### Year 2: Apprenticeship Levy 2018/19

<b>Opening Balance</b>		<b>£117,582</b>
<i>Income to levy balance:</i>		
Council's levy contribution	£114,828	
Government top up	£12,759	
<b>Total Income</b>		<b>£ 127, 587</b>
<i>Outgoings:</i>		
Management Apprenticeships	£ 6, 720	
Business Administration Apps	£ 571	
Property Maintenance Apps	£19,384	
<b>Total Expenditure:</b>		<b>£ 26, 675</b>
<b>Closing Balance March 2019</b>	<hr/>	
<b><u>218,494</u></b>		

### Year 3: Apprenticeship Levy 2019/20

<b>Opening Balance</b>		<b>£ 218, 494</b>
<i>Income to levy balance:</i>		
Council's levy contribution	£ 125, 930	
Government top-up	£ 12, 582	
<b>Total Income</b>	<b>£ 138, 512</b>	

*Outgoings:*

Apprenticeship expenditure	£ 55, 956
Expired funds for the financial year were	£ 35, 134
Total Expenditure:	£ 91, 093

<b>Closing levy balance March 2020</b>	<b>£ 265, 916</b>
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**916**

**\*Apprenticeship levy projection 2020/21**

<b>Opening Balance</b>	<b>£265, 916</b>
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*Income to levy balance:*

Total Incoming funds	£129,998
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*Outgoings:*

Commitments for existing apprentices	£ 55, 776
Additional forecast expenditure	£ 30, 000
Total Forecast Expenditure:	£ 85, 776

Current forecast expired funds	£ 30, 000
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<b>Forecast closing levy balance March 2021</b>	<b>£</b>
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**280,138**

\*This projected forecast does not take into account potential government measures or implications as a result of Covid-19 on employers or training providers.



## Appendix 2. Update of Cambridge City Council's Apprenticeship Scheme

### Progress Since May 2017

The Council has made significant progress against our Apprenticeship Strategy 2017, which aims to optimise use of the Council's levy contributions whilst providing a high quality 'Cambridge City Apprenticeship Scheme'.

At end of financial year 2020/21, the Council had a total of 38 people engaged in a range of apprenticeships including Management, Building Control, Building Surveying, Property Maintenance and Customer Service. These apprenticeships span from level 2 apprenticeships to level 7 Masters.

In line with our Apprenticeship Strategy 2017, apprenticeship growth in the Council has predominately been driven by existing members of staff undertaking ILM Management Apprenticeships Programmes as a response to identified gaps in management and supervisory skills within the council.

**Table 1: Apprenticeship Growth March 2020.**

Year	At Start of Year		*Enrolments in Year	At End of year			
	Non-levy Apprentices	Levy Apprentices	Levy Apprentices	Non-Levy Apprentices	Levy Apprentices	Completions & Leavers	Total
<b>2017/18</b>	10	0	0	7	0	3	7
<b>2018/19</b>	7	0	19	3	19	4	22
<b>2019/20</b>	3	19	19	0	38	3	38

*\* Since April 2017 all apprenticeship enrolments were required to be levy funded*

5.1 The Council has achieved its public sector apprenticeship target of 2.3% of apprentices in the workforce in both 2018/19 and 2019/20, with 19 apprenticeship enrolments in each of these years.

5.2 All our apprentices are now funded from the levy payments, with the final 3 legacy apprentices funded from the Anti-Poverty budget and Service's own budgets have now all completed their apprenticeships during 2019/20. Two of whom are now in full-time employment with the Council in Building Control and Estates & Facilities.

**Table 2: Cambridge City Council Apprenticeship Scheme March 2020.**

<b>TITLE OF APPRENTICESHIP STANDARD</b>	<b>APPRENTICESHIP LEVEL</b>	<b>NUMBER ON PROGRAMME</b>
TEAM LEADER (MANAGEMENT)	3	15
DEPARTMENTAL MANAGER (MANAGEMENT)	5	11
PROPERTY MAINTENANCE	2	5
CUSTOMER SERVICE	3	1
BUSINESS ADMINISTRATION	3	1
BUILDING CONTROL SURVEYOR DEGREE	6	3
BUILDING SURVEYOR DEGREE	6	1
LEADERSHIP IN PUBLIC SECTOR MASTERS (LEADERSHIP)	7	1
<b>TOTAL APPRENTICES</b>		<b>38</b>

There are now 27 members of staff enrolled and benefiting from both leadership and management apprenticeships as part their career development (levels 3 to 7). Management development has been further supported by a corporate management development programme delivered during 2019/20 within the council, currently being evaluated.

Furthermore, in October 2019, we have enrolled 3 Building Control Surveyors onto the new Building Control Surveying Degree apprenticeship with the University of Wolverhampton. This supports the development of talent within the Building Control team and is key part of strategy for the Building Control team as it has become increasing difficult to recruit qualified Building Control Surveyors.

In other areas we have enrolled an existing member of the Customer Service team on to a level 3 in Customer Service, supporting their development.

We also have apprentices nearing the end of their apprenticeships. This includes the five existing members of staff taking the Level 2 Property Maintenance apprenticeship within Estates & Facilities. Unfortunately, their training provider has withdrawn from delivering apprenticeship programmes. Human Resources is supporting Estates & Facilities to contract a new training provider and end point assessment organisation to complete their apprenticeships.

Finally, our Level 3 Business Administration apprentice working as with the Fraud team within Revenues and Benefits is due to complete in July 2020.

At the time of writing this report the Coronavirus is having a significant impact on all face to face training and assessment, where possible training providers are providing online support for apprentices.

### **5.3 Summary of accounts for 2019/20\***

• <i>Opening levy balance</i>	£ 218, 494
• <i>Total Council levy contribution</i>	£ 125, 930
• <i>Government top-up</i>	£ 12, 582
• <i>Apprenticeship expenditure</i>	£ 55, 956
• <i>Expired funds for the financial year were</i>	£ 35, 134
• <i>Closing levy balance</i>	£ 265, 916

*\*Subject to final adjustments*

### **Appendix 3. Summary of the Apprenticeship Levy**

Designed to put employers at the heart of apprenticeships Government launched the apprenticeship levy funding model in May 2017.

The apprenticeship levy is applicable for employers with a wage bill of over £3m.

Employers pay the levy monthly to HMRC. The amount is based on their entire pay bill at a rate of 0.5% (minus £15,000 allowance). Government contributes an additional monthly 10% top-up to employers' levy accounts. For every £1 that enters an employer's digital account to spend on apprenticeship training and assessment government pays £0.10.

Payment to training providers for the training and assessment of apprentices is made monthly via the Digital Apprenticeship Service online platform.

If not spent on apprenticeship training and or assessment an employer's monthly levy contributions and the Government's 10% top-up payments will expire after 24 months. Government claws-back the money to support (smaller) non-levy paying employers.

Apprenticeship levy funding can only be used to purchase the training and or assessment of apprenticeships and cannot be used to pay the wages of apprentices.

Levy funds can only be spent with Government approved and registered training providers and end point assessment organisations, able to draw down funding from employer's levy accounts.

Apprenticeship levy can be used to purchase apprenticeship training for existing members of staff as well as newly recruited apprentices.

The cost of apprenticeships is highly regulated by Government, which sets maximum funding caps for each apprenticeship standard based on the average cost of delivery. This had developed a quality-led, rather than a price-led market for apprenticeships.

Levy paying employers are now permitted to transfer up to 25% of their levy payments per annum to external organisations to support with funding training and assessment of apprenticeships.



## Service Review: Revenues and Benefits

**To:**

Strategy and Resources Scrutiny Committee – 6 July 2020

**Report by:**

Suzanne Hemingway, Strategic Director

Tel: 01223 457461

Email: [Suzanne.Hemingway@cambridge.gov.uk](mailto:Suzanne.Hemingway@cambridge.gov.uk)

**Wards affected:**

All

### 1. Introduction / Executive Summary

The introduction of Universal Credit meant that new working-age claimants, or claimants who have certain specified changes in circumstances, no longer claim Housing Benefit from the Council, but claim Universal Credit (UC) from the Department for Work and Pensions (DWP), which includes an amount for housing costs.

As a consequence of the introduction of UC, a review of the Revenues and Benefits service has been completed.

This report brings forward the recommendations.

### 2. Recommendations

2.1 To approve restructuring of the Revenues and Benefits service, as detailed in the body of the report.

2.2 The details of the restructure are subject to consultation with staff and unions, continued working with Human Resources, and the final business case will be signed off by the Leader in accordance with the Council's Organisational Change policy.

### **3. Background**

3.1 The introduction of Universal Credit has led to migration of a significant amount of work from the Council to DWP, in relation to Housing Benefit.

3.2 In response to the reducing caseload and to assist with transparency and efficiencies, the Council designed a simpler Council Tax Reduction (CTR) scheme for UC claimants, which was implemented in April 2020. This scheme is more transparent for these customers and has been designed to be less onerous to administer. The predicted workload reductions are dependent on automation of data transfer from DWP in relation to UC. The implementation of this is still in progress and needs to be effectively established ahead of major service change.

3.3 The simplification of the UC CTR scheme and the declining HB workload mean that in future we will need a smaller team to administer both areas of work.

3.4 The Cambridge UC rollout started in October 2018 and at that point, HB caseload was 6,846 (4,888 working age and 1,958 pensioners).

3.5 As at the end of May 2020, the total caseload has dropped to 5,280 (3,483 working age and 1,797 pensioners).

3.6 This represents a drop of approximately 30% in the working age caseload and approximately 8% drop in pensioners.

3.7 Nationally, the total HB caseload has dropped from 3,927,728 to 3,217,576 (February 2020), with working age dropping from 2,688,153 to 2,003,073 (a drop of approximately 25% nationally).

3.8 Due to the caseload composition in Cambridge, where several changes can lead to a natural migration to UC, we are experiencing an above average natural migration to UC.

3.9 Since the start of the Coronavirus pandemic, the number of CTR claims has increased substantially. The previous monthly number of claims of circa 30 claims has increased to 300 per month during April and May, but the increases have been falling in the second half of May.

3.10 The review will need to take into consideration Covid-19 impact, but an outcome of the simplified scheme is that there have been few queries received from customers regarding the new CTR scheme, either from new claimants or those migrating to UC.

3.11 Officers have been engaged in delivery of the Government's response to the Covid-19 pandemic including business grants, extended retail relief and council tax hardship payments. The skills and commitment of staff during this has been exceptional, and the team achieved a more than 80% business grant payment rate within three weeks. Moving forward, it is important that the new structure and management of the team can deliver flexibly in response to future demands.

#### **4. Service Review**

4.1 A consequential service review of Revenues and Benefits has been conducted. The principles adopted by the review were:

- I. Delivering a service to the customer in a cost efficient and effective way must continue to be the driving force behind the future structure.
- II. The Council would act to protect staff roles where possible: to this end, the service has been employing staff on fixed term contracts and making use of agency staff for some years in an attempt to limit the full-time equivalent permanent resource without the need for redundancies.

4.2 Officers have been modelling the rate at which cases would migrate to Universal Credit. Based on this, it is expected the transition will largely be completed autumn 2021, by which time the anticipated Housing Benefit caseload will be made up of pensioners (1,700) and Supported Exempt Accommodation cases (500).

4.3 A draft new structure has been designed, and we are now ready to consult with staff on the proposals. As we consult, we will continue to

review workloads in respect of the predicted changes. The impact of Covid-19 may accelerate the rate of transfer to Universal Credit, but we anticipate an increase in CTR requests. The final version of the structure and the rate at which changes are implemented will take account of these, but we expect to implement the main changes by April 2021.

4.4 It was determined by the DWP that the principles of TUPE do not apply to staff working on Housing Benefit in local authorities, hence HB staff have remained with local authorities. However, DWP has agreed to provide financial assistance to LAs who, as a last resort, are obliged to make compulsory redundancies from their Housing Benefit service as a direct result of the transfer of this work into Universal Credit. Such assistance would only be available to meet the costs of compulsory redundancies, once the local authority shows that all redeployment and reassignment activity has been undertaken. The draft restructure anticipates reducing the full-time equivalent staffing of the service by around one third.

4.5 Key questions arising for the Council include where teams should be located within the Council, following the restructure:

- a. The restructured Revenues and Benefits teams could be located together under Finance, in a similar way to that adopted in many other local authorities. Another option could be split the two teams to place Benefits closer to customer contact or housing.
- b. The Customer Service Centre (currently managed by the Head of Revenues and Benefits) will be subject to separate review as part of the Digital and Customers Transformation work. During staff consultation, work will be done to align the timescales of the two reviews, but it may be necessary to identify at least a temporary management structure for this important area. CSC could report to the Head of Transformation, reflecting the importance of the customer journey in our transformation work, or it could link into a customer facing service, such as housing.



## **5. Implications**

### **a) Financial Implications**

The restructure is expected to deliver an ongoing annual saving in the region of £350 - £500,000 per annum, from the start of the financial year 2021/22, with a payback period for the one-off redundancy costs of up to 1.6 years, depending on the final structure adopted, and potentially reduced by any DWP contribution towards redundancy costs payments.

There may be changes in government grant to the authority which reduce the net gain achieved by this.

### **b) Staffing Implications**

Staff consultation will begin in Summer 2020, with full engagement of staff working the service, and in related areas, to ensure the new service design will meet the Council's needs, and that issues affecting staff have been considered in accordance with the Council's Organisational Change Policy.

It is anticipated that some staff will be subject to redeployment or compulsory redundancy, as the team is expected to reduce by up to one third (there are currently 46 FTE posts). Final numbers will be determined after the consultation.

### **c) Equality and Poverty Implications**

*EQIA not yet completed in detail – to be done before final version.*

EQIA for new CTR scheme completed – service review not expected to impact on customers – but we need to ensure staff are treated fairly as part of restructure

### **d) Environmental Implications**

No immediate environmental implications. Reduced numbers of staff can reduce the Council's carbon footprint relating to travel; continued use of home working following the Covid-19 outbreak would also reduce travel related energy use and emissions.

### **e) Procurement Implications: None**

### **f) Community Safety Implications: None**

### **g) Consultation and communication considerations**

Staff and union consultation to commence Summer 2020, with a detailed consultation paper/ draft structure, engagement opportunities for all staff, and careful consideration of responses prior to an implementation report. DWP will also be consulted/ engaged with during the process.

## **6. Background papers**

Council - Thursday, 17th October, 2019  
Pages 119 to 156

<https://democracy.cambridge.gov.uk/documents/g3601/Public%20reports%20pack%2017th-Oct-2019%2018.00%20Council.pdf?T=10>

## **7. Inspection of papers**

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

Suzanne Hemingway, Strategic Director, 01223 457461,  
[Suzanne.Hemingway@cambridge.gov.uk](mailto:Suzanne.Hemingway@cambridge.gov.uk)



## Item

### **ANNUAL TREASURY MANAGEMENT (OUTTURN) REPORT**

**2019/20**

**To:**

The Executive Councillor for Finance & Resources:

Councillor Richard Robertson Strategy & Resources Scrutiny Committee

06/07/2020

**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

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## **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 2018/19. Both of these publications have been revised by CIPFA and references to these documents are specifically to the 2017 Editions.
- 1.3 During 2019/20 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 2019/20.

## **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 2020 (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 2019/20**

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.

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

The figures quoted in last year's Treasury Management Outturn Report for 2018/19, were at the pre-external audit stage. The Statement of Accounts audit for that year has recently been concluded. Following from this audit, some financing will now take place in subsequent years, with a Technical Adjustment in 2018/19 of £35,206k, applied, to reflect this. A break-down of this figure is shown as a footnote at the bottom of the table, below.

	<b>2018/19 £'000 Actual*</b>	<b>2019/20 £'000 Current Budget **</b>	<b>2019/20 £'000 Actual</b>
General Fund capital expenditure	29,112	44,893	19,455
HRA capital expenditure	30,902	44,825	37,741
<b>Total capital expenditure</b>	<b>60,014</b>	<b>89,718</b>	<b>57,196</b>
<b>Resourced by:</b>			
• Capital receipts	-25,895	-11,716	-10,796
• Other contributions	-34,119	-53,356	-46,163
<b>Total available resources for financing capital expenditure</b>	<b>-60,014</b>	<b>-65,072</b>	<b>-56,959</b>
<b>Technical Adjustment</b>	<b>35,206</b>	<b>-</b>	<b>-</b>
<b>Financed from/(to) cash balances</b>	<b>35,206</b>	<b>24,646</b>	<b>237</b>

\* 2018/19 Technical Adjustment comprises of Unfinanced Capital Expenditure as follows:- Commercial Properties, £1,230k, Clay Farm Community Centre (prior years financing), (-) £74k, Allia Bond, £2,200k, Loan to CIP for Cromwell Road, £27,000k and Loan to CIP for Mill Road, £4,850k.

\*\* Per Annual Treasury Management Strategy Report agreed by Council on 21<sup>st</sup> February 2019.

### 3.3 The Council's overall borrowing need & Minimum Revenue Provision Statement (MRP)

During 2019/20, there was no requirement for external borrowing. Financing of capital expenditure from cash balances of £237k shown in the above table, was met using internal borrowing.

The total voluntary MRP overpaid and applied for 2019/20 was £13,032,500, not £12,545,000, as estimated in the Annual Treasury Management Strategy Report that went to Council on 25<sup>th</sup> February 2020. The reason for the difference was accelerated capital receipts for K1 (Orchard Park).

### 3.4 Current Debt as at 31<sup>st</sup> March 2020

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 17 <sup>th</sup> October 2019	400,000
PWLB Borrowing (for HRA Self-Financing, B)	213,572
Headroom (A minus B)	186,428
2012/13, 2013/14, 2014/15, 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 External Borrowing	NIL
Total Current Headroom (A minus B)	186,428

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 2020

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 2019/20 against 2018/19.

<b><u>Actual Returns</u></b>	2018/2019		2019/2020	
	Average Deposits (£m)	Average Rate of Return	Average Deposits (£m)	Average Rate of Return
Fixed Short-Term (<365 days)	51.96	0.87%	58.42	1.09%
Call/Overnight Accounts	3.12	0.55%	2.21	0.62%
Enhanced Cash Funds	10.00	0.67%	13.51	0.94%
Fixed Long-Term (>365 days)	21.53	0.97%	20.30	1.33%
Money Market Funds	13.16	0.62%	14.77	0.74%
CCLA Local Authorities' Property Fund	15.00	4.39%	15.00	4.30%
<b><u>Overall Deposit Return</u></b>	<b>114.77</b>	<b>1.29%</b>	<b>124.21</b>	<b>1.45%</b>
<b><u>Benchmark Returns</u></b>	2018/2019		2019/2020	
	Offer (LIBOR)	Bid (LIBID)	Offer (LIBOR)	Bid (LIBID)
<b>Average</b>	<b>0.78%</b>	<b>0.65%</b>	<b>0.75%</b>	<b>0.63%</b>

**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 31<sup>st</sup> March 2020.

- 3.6 Total interest and dividends of £1,839,333 have been earned on the Council's deposits during 2019/20 at an average rate of 1.45% (1.29% in 2018/19). This has resulted in an overall over-achievement on the interest and dividends income budget of £49k.
- 3.7 The interest earned for CCLA Local Authorities' Property Fund for 2019/20 amounted to £678,662 (which is included in paragraph 3.6, above) which equated to an annual yield of 4.30% (4.39% in 2018/19).
- 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 31<sup>st</sup> March 2020.
- 4.2 The Bank of England's May 2020 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 unhealthy following the COVID 19 Pandemic. The Bank of England's Base Rate was therefore cut to 0.10% (previously 0.25%, with 9 to 0 majority) and quantitative easing to £645bn were made. Noticeable decreases in employment were observed with around 8m employees being 'furloughed' using Government initiatives, such as the Job Retention Scheme.
- 4.3 CPI inflation did reduce, though, during March 2020 to around 1.5%. The MPC sets monetary policy to meet the 2% inflation target, which helps to sustain growth and employment. This is close to the current CPI Inflation rate. Growth forecasts are also expected to fall significantly.

#### **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. 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.

## **8. Consultation and communication considerations**

None required.

## **9. Background papers**

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

## **10. Appendices**

- 10.1 Appendix A – The Council’s deposits as at 31<sup>st</sup> March 2020
- Appendix B – Link’s opinion on UK interest rates
- Appendix C – Prudential Indicators – Outturn for 2019/20
- Appendix D – Current Counterparty List
- Appendix E – Glossary of Terms and Abbreviations

## **11. Inspection of papers**

- 11.1 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:	<a href="mailto:stephen.bevis@cambridge.gov.uk">stephen.bevis@cambridge.gov.uk</a>

## TREASURY MANAGEMENT POSITION AS AT 31<sup>st</sup> March 2020

### CURRENT DEPOSITS

The Council's deposits as at 31<sup>st</sup> March 2020 are shown in the table below:-

Counterparty	% Rate	Duration	Principal (£'000)
<b>Fixed Term Deposits</b>			
Lloyds Bank Plc (RFB)	1.25	1 year	5,000
Bank of Scotland PLC (RFB)	1.25	1 year	5,000
Bank of Scotland PLC (RFB)	1.25	1 year	2,000
Bank of Scotland PLC (RFB)	1.25	1 year	5,000
Bank of Scotland PLC (RFB)	1.25	1 year	4,000
Guildford Borough Council	0.95	1 year	3,000
Thurrock Borough Council	0.85	9 months	2,000
Lloyds Bank Plc (RFB)	1.25	1 year	3,000
HSBC UK Bank PLC (RFB)	1.01	1 year	5,000
Bank of Scotland PLC (RFB)	1.10	1 year	1,000
Lloyds Bank Plc (RFB)	1.10	1 year	1,000
London Borough of Croydon	0.87	1 year	3,000
Lloyds Bank Plc (RFB)	1.10	1 year	5,000
Lloyds Bank Plc (RFB)	1.10	1 year	6,000
Warrington Borough Council	1.25	8 months	5,000
Rugby Borough Council	1.60	2 years	5,000
Rugby Borough Council	1.60	2 years	5,000
Allia Ltd	2.40	5 years	2,200
<b>Total Fixed Term Deposits</b>			<b>67,200</b>
<b>Variable Rate Notice Accounts</b>			
Barclays Bank Plc	0.00	Same Day	1,446
CCLA Local Authorities' Property Fund	4.36	5 years	15,000
Aberdeen Liquidity Fund (Lux) – Sterling Fund (Class L1)	0.48311	Same Day	11,000
Payden Sterling Reserve Fund	0.96035	4 Day	5,000
Royal London Cash Plus Fund Y (Gross Inc)	0.97105	3 Day	5,000
JP Morgan Managed Reserves Fund	1.10000	2 Day	5,000
<b>Total Variable Rate Notice Accounts</b>			<b>42,446</b>
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>109,646</b>

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 31<sup>ST</sup> MARCH 2020

**Economic growth** in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 dire at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the **coronavirus outbreak**. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

After the Monetary Policy Committee raised **Bank Rate** from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in **quantitative easing (QE)**, essentially the purchases of gilts (mainly) by the Bank of England of £200bn. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. However, at the time of writing, this leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services. At the time of writing, this is a rapidly evolving situation so there may be further measures to come from the Bank and the Government in April and beyond. The measures to support jobs and businesses already taken by the Government will result in a huge increase in the annual budget deficit in 2020/21 from 2%, to nearly 11%. The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the Budget in March, the Government also announced a large increase in spending on infrastructure; this will also help the economy to recover once the lock down is ended. Provided the coronavirus outbreak is brought under control relatively swiftly, and the lock down is eased, then it is hoped that there would be a sharp recovery, but one that would take a prolonged time to fully recover previous lost momentum.

**Inflation** has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

**Employment** had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.

## 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 for the foreseeable future.

	<b>Jun-20</b>	<b>Sep-20</b>	<b>Dec-20</b>	<b>Mar-21</b>	<b>Jun-21</b>	<b>Sep-21</b>	<b>Dec-21</b>	<b>Mar-22</b>
<b>BANK RATE</b>	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
<b>3 month LIBID</b>	0.45%	0.40%	0.35%	0.30%	0.30%	0.30%	0.30%	0.30%
<b>6 month LIBID</b>	0.60%	0.55%	0.50%	0.45%	0.40%	0.40%	0.40%	0.40%
<b>12 month LIBID</b>	0.75%	0.70%	0.65%	0.60%	0.55%	0.55%	0.55%	0.55%

  

<b>5yr PWLB</b>	1.90%	1.90%	1.90%	2.00%	2.00%	2.00%	2.10%	2.10%
<b>10yr PWLB</b>	2.10%	2.10%	2.10%	2.20%	2.20%	2.20%	2.30%	2.30%
<b>25yr PWLB</b>	2.50%	2.50%	2.50%	2.60%	2.60%	2.60%	2.70%	2.70%
<b>50yr PWLB</b>	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%

**Link's Issue Date:- 31st March 2020**

## PRUDENTIAL &amp; TREASURY MANAGEMENT INDICATORS

	Actual 2018/19 £'000	Current Budget* 2019/20 £'000	Actual 2019/20 £'000
<b>PRUDENTIAL INDICATORS</b>			
Capital expenditure			
- General Fund	29,112	44,893	19,455
- HRA	30,902	44,825	37,741
<b>Total</b>	<b>60,014</b>	<b>89,718</b>	<b>57,196</b>
<b>Capital Financing Requirement (CFR) as at 31 March</b>			
- General Fund	71,652	42,883	69,533
- HRA	203,692	214,321	205,835
<b>Total</b>	<b>275,344</b>	<b>257,204</b>	<b>275,368</b>
<b>Change in the CFR (Note 2)</b>	<b>34,752</b>	<b>24,197</b>	<b>24</b>
<b>Deposits at 31 March (Note 3)</b>	104,377	105,000	109,646
<b>External Gross Debt</b>	213,572	213,572	213,572
<b>Ratio of financing costs to net revenue stream</b>			
-General Fund	-2.66%	-8.08%	-6.94%
-HRA	16.28%	16.63%	16.64%
<b>Total</b>	<b>13.62%</b>	<b>8.55%</b>	<b>9.70%</b>

\*Note1: Refers to the Council's Annual Treasury Management Strategy Report as agreed by Council on 25<sup>th</sup> February 2020.

\*Note 2: 2018/19 includes the Technical Adjustment discussed in paragraph 3.2 and includes additional financing of capital expenditure of £237k & MRP of (-) 213k for 2019/20.

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

## PRUDENTIAL & TREASURY MANAGEMENT INDICATORS

	Actual 2018/19 £'000	Current Budget* 2019/20 £'000	Actual 2019/20 £'000
<b>TREASURY INDICATORS</b>			
<b>Authorised limit</b>			
for borrowing	250,000	400,000	400,000
for other long term liabilities	0	0	0
<b>Total</b>	<b>250,000</b>	<b>400,000</b>	<b>400,000</b>
<b>Operational boundary</b>			
for external borrowing	280,344	262,204	280,368
for other long term liabilities	0	0	0
<b>Total</b>	<b>280,344</b>	<b>262,204</b>	<b>280,368</b>
<b>Upper limit for total principal sums deposited for over 364 days &amp; up to 5 years</b>	50,000	50,000	50,000
<b>Upper limit for fixed &amp; variable interest rate exposure</b>			
Net interest on fixed rate borrowing/deposits	6,141	5,442	5,655
Net interest on variable rate borrowing/deposits	-15	-15	-15
<b>Maturity structure of new fixed rate borrowing</b>		Upper Limit	Lower Limit
10 years and above (PWLB borrowing for HRA Reform)		100%	100%

\*Note1: Refers to the Council's Annual Treasury Management Strategy Report as agreed by Council on 25<sup>th</sup> February 2020.

## Annual Treasury Management (Outturn) Report 2019/20

### 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 (\*references have now been made to RFB & NRFB for UK Banks, with explanations within the Glossary at Appendix E).

Name	Council's Current Deposit Period	Category	Limit (£)
<b>Specified Investments:-</b>			
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 – NRFB*	Using Link's Credit Criteria	UK Bank	35m
HSBC Bank Plc – NRFB*	Using Link's Credit Criteria	UK Bank	20m
HSBC UK Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m
Standard Chartered Bank	Using Link's Credit Criteria	UK Bank	20m
Bank of Scotland Plc (BoS) – RFB*	Using Link's Credit Criteria	UK Bank	20m
Lloyds Bank Plc – RFB*	Using Link's Credit Criteria	UK Bank	20m
National Westminster Bank Plc (NWB) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m



Name	Council's Current Deposit Period	Category	Limit (£)
Santander UK Plc	Using Link's Credit Criteria	UK Bank	5m
The Royal Bank of Scotland Plc (RBS) – RFB*	Using Link's Credit Criteria	UK Nationalised Bank	20m
Other UK Banks	Using Link's Credit Criteria	UK Banks	20m
Members of a Banking Group	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/S1)	Over 3 months and up to 1 year	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 3 months and up to 1 year	Financial Instrument	5m (per fund)
Money Market Funds (AAf) – CNAV, VNAV & LVNAV	Liquid Rolling Balance	Financial Instrument	15m (per fund) With no maximum limit overall
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
<b>Other Specified Investments - UK Building Societies:-</b>			
Name	Council's Current Deposit Period	Society Asset Value (£'m) – as at 17 <sup>th</sup> April 2020	Limit (£)
Nationwide Building Society	1 month or in line with Link's Credit Criteria, if longer	236,035	Assets greater than £100,000m - £20m
Yorkshire Building Society		52,815	
Coventry Building Society		48,771	Assets between £50,000m and £99,999m - £5m
Skipton Building Society		23,648	
Leeds Building Society		21,162	

Name	Council's Current Deposit Period	Category	Limit (£)
Principality Building Society		10,483	Assets between £5,000m and £49,999m - £2m
West Bromwich Building Society		5,552	
Non-Specified Investments:-			
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
CCHC Investment	Rolling Balance	Loan (Asset Security)	7,500,000
Cambridge Investment Partnership (Mill Road)	Rolling Balance	Loan (Asset Security)	17,800,000
Cambridge Investment Partnership (Cromwell Road)	Rolling Balance	Loan (Asset Security)	48,300,000
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	25m (in total)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond in Local Businesses – Using Allia Limited	N/A	Local Business Bond	Up to £5m in total

<b>Name</b>	<b>Council's Current Deposit Period</b>	<b>Category</b>	<b>Limit (£)</b>
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch: AAA/S1)	Over 1 year and up to 5 years	Financial Instrument	10m (per single counterparty)
Enhanced Money Market Funds (not below AAf) - VNAV	Over 1 year and up to 5 years	Financial Instrument	5m (per fund)
Municipal Bonds Agency	N/A	Pooled Financial Instrument Facility	50,000
Secured Local Bond in Local Businesses – Using Allia Limited	N/A	Local Business Bond	Up to £5m in total
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
CIP	Cambridge Investment Partnership
CIPFA	Chartered Institute of Public Finance and Accountancy
Corporate Bonds	Financial instruments issued by corporations
Counterparties	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
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
Government CNAV	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)

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
Low Volatility Net asset Value (LVNAV)	Highly liquid sovereign stock based on a Constant Net Asset Value (CNAV)
MHCLG	Ministry for Housing, Department for Communities & Local Government (formerly the Department for Communities & Local Government, DCLG)
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
NHBC	National House Building Council
Non Ring Fenced Bank (NRFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 <sup>st</sup> January 2019 deadline
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

Term	Definition
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
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
Ring Fenced Bank (RFB)	Government & Bank of England rules will apply to all UK Banks which have to split their business into 'core' retail and investment units known as Ring and Non Ring Fenced Banks for the 1 <sup>st</sup> January 2019 deadline
Security	A measure of the creditworthiness of a counter-party
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
Variable Net Asset Value	MMFs values based on daily market fluctuations to 2 decimal places known as mark-to-market prices
Weighted Average Life (WAL)	Weighted average length of time of unpaid principal
Weighted Average Maturity (WAM)	Weighted average amount of time to maturity
Yield	Interest, or rate of return, on an investment



Item

## Strategy & Resources Scrutiny Committee

### 2019/20 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Overview

**To:**

Councillor Robertson, Executive Councillor for Finance & Resources

**Report by:**

Chief Executive, Strategic Directors, Head of Finance

**Date:**

6 July 2020

**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 2019/20 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2019/20.

1.2 This year is the first year that one combined General Fund outturn report covering all portfolios will be produced for scrutiny at Strategy and Resources Scrutiny Committee.

- 1.3 The outturn report presented reflects 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 are 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.

## **2. Recommendations**

The Executive Councillor for Finance and Resources recommends to Council:

- a) To carry forward requests totalling £1,070,060 revenue funding from 2019/20 to 2020/21, as detailed in **Appendix C**.
- b) To carry forward requests of £27,634k capital resources from 2019/20 to 2020/21 to fund rephased net capital spending, as detailed in **Appendix D**.
- c) To fund the overspend of two capital schemes – Lammas Land Car Parking and Barnwell Business Park remedial projects totalling £29,757 from reserves. Further information in 3.7 below.
- d) To transfer the Bateman Street tree replacement underspend of £17k to the Environmental Improvements programme – South.
- e) To transfer the underspend of £24k on Grafton East car park essential roof repair project to Structural Holding Repairs & Lift Refurbishment - Queen Anne project which is renamed Car Park Structural Holding Repairs.

## **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**.



<b>2018/19 £'000</b>	<b>General Fund Revenue Summary</b>	<b>2019/20 £'000</b>	<b>% Final Budget</b>
19,943	Original Budget	19,651	92.0
952	Adjustment – Prior Year Carry Forwards	923	4.3
2,123	Adjustment – Earmarked Reserves	1,263	5.9
253	Adjustment – Capital Charges	388	1.8
86	Adjustment – Central & Support reallocations	(649)	(3.0)
(508)	Other Adjustments	(209)	(1.0)
22,849	Final Budget	21,367	(100.0)
21,555	Outturn	20,375	95.4
<b>(1,294)</b>	<b>(Under) / Overspend for the year</b>	<b>(992)</b>	<b>(4.6)</b>
923	Carry Forward Requests	990	4.6
<b>(371)</b>	<b>Variation on committees</b>	<b>(2)</b>	<b>0</b>
2,061	Other variances	(997)	(4.7)
0	Carry forward requests – Feasibility Fund	80	0.4
(476)	Capital expenditure financed from revenue	(609)	(2.9)
<b>1,214</b>	<b>Variance and decreased use of General Fund Reserves</b>	<b>(1,528)</b>	<b>(7.2)</b>

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 2019/20. The original revenue budget for 2019/20 was approved by the Council on 21 February 2019.

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.

<b>2018/19 £'000</b>	<b>General Fund Portfolio Capital Summary</b>	<b>2019/20 £'000</b>	<b>% Final Budget</b>
43,211	Final Budget	44,357	100.0
28,325	Outturn	18,833	42.5
<b>(14,886)</b>	<b>Variation - (Under)/Overspend for the year</b>	<b>(25,524)</b>	<b>(57.5)</b>
14,518	Rephasing Requests	27,634	62.3
<b>(368)</b>	<b>Variance</b>	<b>2,110</b>	<b>4.8</b>
<b>0</b>	<b>Less Cromwell road adjustment *</b>	<b>(2,142)</b>	<b>(4.8)</b>
<b>(368)</b>	<b>Net variance</b>	<b>(32)</b>	<b>0</b>

\*See paragraph 3.6 below

<b>2018/19 £'000</b>	<b>HRA Capital Summary</b>	<b>2019/20 £'000</b>	<b>% Final Budget</b>
41,105	Original Budget	52,825	115.4
3,099	Adjustments (Re-phasing -prior year)	5,256	11.5
(7,205)	Other Adjustments	(12,310)	(26.9)
36,999	Final Budget	45,774	100.0
31,687	Outturn	38,360	83.8
<b>(5,312)</b>	<b>(Under)/Overspend for the year</b>	<b>(7,414)</b>	<b>(16.2)</b>
5,256	Re-phasing Requests	6,560	14.3
<b>(56)</b>	<b>(Under) / Overspend</b>	<b>(854)</b>	<b>(1.9)</b>

## General Fund

- 3.6 The major reasons for the end of year capital outturn is a technical accounting adjustment due to the reallocation of resources between the HRA and the GF of the Cromwell Road Redevelopment. This has resulted in an adjustment of £2,142k.
- 3.7 Lammas Land Car Parking and Barnwell Business Park remedial projects have overspent by £29,757 which represents current spend in 19/20 plus a retention fee. Lammas Land overspend was as a result of additional works to surfacing required over and above original estimates and the Barnwell project overspend was due to tenders being returned at higher than expected estimates plus on site design changes that added cost. Also, an external project manager had to be appointed due to staff absence. It is requested that this is funded from reserves and a recommendation is included above.
- 3.8 The main requests for rephasing of budgets are as follows
- Climate Change, Environment and City Centre Portfolio – Electric Vehicle Charging points £336k due to delays in completion of the installations, Vehicle replacement programme £495k for vehicles on order but not delivered, Redevelopment of Silver Street toilets due to design modification work and delays in the completion of the purchase and the installation of the Shared Waste IT system
  - Communities Portfolio – Delays in the progression of pre planning of the Café and Car Park at the Crematorium £646k, the Junction project has been delayed due to Covid-19 £250k, extension to cherry Hinton Library £766k also delayed due to covid-19, and Wilberforce Road artificial pitches £250k.
  - Housing General Fund - Meadows Community Hub and Buchan St retail outlet delay £426k.
  - Planning Policy and Open Spaces Portfolio - Environmental Improvements rolling programme £332k is requested to be rephased
  - Transport and Community Safety Portfolio – Cycleways £387k due to delays outside of council control

- Finance & Resources Portfolio – Mill road and Cromwell road development and equity loan projects £12,974k due to the slower progress on site, Lion Yard shopping centre investment £4,200k due to delay on progress, Local Investment Bond £2,800k which is expected to be drawn down in 20/21.

3.9 It is also requested, in the recommendations, that underspend of Grafton East car park essential roof repair project totalling £24k is transferred to Structural Holding Repairs & Lift Refurbishment - Queen Anne project which is renamed Car Park Structural Holding Repairs to cover all car parks.

## **HRA**

- 3.10 Spending in the Housing Capital Investment Plan in 2019/20 was below that originally anticipated, with reduction in the budget, particularly for new build expenditure as part of the Medium Term Financial Strategy in September / October 2019 and the Budget Setting Report in January / February 2020.
- 3.11 At outturn, against the latest capital budget approved, underspending of £2,225,000 was evident in new build investment, with slippage of £1,930,000 identified. This related predominantly to delays in respect of re-development schemes at Colville Road, Campkin Road and Kingsway, all of which are now moving forward. There are however a number of schemes on site, with affordable housing agreements now in place, and in some cases, payments were made ahead of where was previously anticipated. Handover of the 2015/16 garage sites took place in 2019/20, as did the majority of units on the site at Anstey Way, with the balance anticipated in the first quarter of 2020/21.
- 3.12 Investment in the housing stock, in respect of decent homes and other capital activity was underspent by £3,168,000, with the need to defer £2,927,000 of investment into future years having been identified.
- 3.13 The capital expenditure relating to the acquisition of land and dwellings was less than anticipated in 2019/20, with several land parcels progressing during 2019/20, but none reaching completion stage.
- 3.14 The project to replace the Housing Management Information System will span multiple years and the balance of funding to deliver this project will require re-phasing into 2020/21, when the project is expected to conclude.

- 3.15 Permission was requested at Housing Scrutiny committee to re-phase the use of £284,000 of Disabled Facilities Grant, £11,543,000 of Devolution Grant and £896,000 of DRF (direct revenue financing) into 2020/21, where these will be used to finance capital expenditure identified.
- 3.16 Recognition also needs to be given to a reduced use of major repairs reserve as a funding source in 2019/20 (£4,807,000), with the need to recognise the deferred use of this in 2020/21 and 2022/23 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 £992k. After revenue carry forwards of £990k for committees this is £2k. After capital projects financed from revenue of (£609k) and net variances the overall variance and decreased use of General Fund Reserves is £1,528k.
- 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:

<https://www.cambridge.gov.uk/consultations>

## **6. Background papers**

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

- Closedown Working Files 2019/20
- Directors' Variance Explanations – March 2020
- Budgetary Control Reports to 31 March 2020
- Capital Monitoring Reports – March 2020

## **7. Appendices**

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

<b>Appendix</b>	<b>Proposal Type</b>	<b>Included</b>
<b>A</b>	General Fund Revenue Summary plus individual portfolio summaries	✓
<b>B</b>	General Fund Revenue Major Variances for all portfolios	✓
<b>C</b>	General Fund Carry Forward Requests for all portfolios	✓
<b>D</b>	Capital Summary plus individual portfolio summaries	✓

## 8. Inspection of papers

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

Authors' Names:	Karen Whyatt
Authors' Phone Numbers:	01223 - 458145
Authors' Emails:	<a href="mailto:karen.whyatt@cambridge.gov.uk">karen.whyatt@cambridge.gov.uk</a>

O:\accounts\Committee Reports & Papers\Strategy & Resources from July 2007\2020 July\Final\GF Overall Outturn Report 19-20\01 Committee Report 18-19 Overview FINAL.docx

## Revenue Budget - 2019/20 Outturn

Committee / Portfolio	Original Budget 19/20 £000	Final Budget 19/20 £000	Outturn 19/20 £000	Variation Increase / (Decrease) £000	Carry Forward Requests - See Appendix C £000	Net Variance £000
<b>Environment &amp; Community Committee</b>						
Climate Change, Environment and City Centre Portfolio	8,579	6,544	6,405	(139)	99	(40)
Communities Portfolio	6,810	6,722	6,885	163	143	306
<b>Total Environment &amp; Community Committee</b>	<b>15,389</b>	<b>13,266</b>	<b>13,290</b>	<b>24</b>	<b>242</b>	<b>266</b>
<b>Housing Committee</b>						
Housing (GF) Portfolio	3,360	2,201	2,303	102	0	102
<b>Total Housing Committee</b>	<b>3,360</b>	<b>2,201</b>	<b>2,303</b>	<b>102</b>	<b>0</b>	<b>102</b>
<b>Planning &amp; Transport Committee</b>						
Planning Policy and Open Spaces Portfolio	5,267	7,101	7,134	33	65	98
Transport and Community Safety Portfolio	(3,305)	(3,066)	(3,240)	(174)	16	(158)
<b>Total Planning &amp; Transport Committee</b>	<b>1,962</b>	<b>4,035</b>	<b>3,894</b>	<b>(141)</b>	<b>81</b>	<b>(60)</b>
<b>Strategy &amp; Resources Committee</b>						
Finance & Resources Portfolio	(4,782)	(4,977)	(5,968)	(991)	290	(701)
Strategy and External Partnerships Portfolio	3,722	6,842	6,856	14	377	391
<b>Total Strategy &amp; Resources Committee</b>	<b>(1,060)</b>	<b>1,865</b>	<b>888</b>	<b>(977)</b>	<b>667</b>	<b>(310)</b>
<b>Total Portfolios / Committees</b>	<b>19,651</b>	<b>21,367</b>	<b>20,375</b>	<b>(992)</b>	<b>990</b>	<b>(2)</b>
Capital Accounting Adjustments	(6,353)	(6,353)	(6,630)	(277)	0	(277)
Capital Expenditure Financed from Revenue	3,060	3,126	2,517	(609)	80	(529)
Contributions to Earmarked Funds	4,397	5,028	4,688	(340)	0	(340)
Contributions to/(from) Reserves	(286)	(1,245)	1,353	2,598	(1,070)	1,528
	<b>818</b>	<b>556</b>	<b>1,928</b>	<b>1,372</b>	<b>(990)</b>	<b>382</b>
<b>Net Spending Requirement</b>	<b>20,469</b>	<b>21,923</b>	<b>22,303</b>	<b>380</b>	<b>0</b>	<b>380</b>
<b>Financed By:</b>						
Settlement Funding Assessment	(4,979)	(5,440)	(5,995)	(555)	0	(555)
New Homes Bonus	(5,504)	(5,504)	(5,504)	0	0	0
Other Grants from Central Government	0	(32)	(32)	0	0	0
Appropriations from Earmarked Reserves	(1,359)	(2,320)	(2,138)	182	0	182
Council Tax	(8,627)	(8,627)	(8,634)	(7)	0	(7)
<b>Total Financing</b>	<b>(20,469)</b>	<b>(21,923)</b>	<b>(22,303)</b>	<b>(380)</b>	<b>0</b>	<b>(380)</b>
<b>Net Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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- 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

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



## Climate Change, Environment and City Centre Portfolio / Environment &amp; Community Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Environmental Health</b>						
Control of Disease	106,970	123,060	119,268	(3,792)	0	(3,792)
Out of Hours	154,540	122,120	99,129	(22,991)	0	(22,991)
Scientific Team	596,760	524,220	530,519	6,299	0	6,299
Food and Occupational Safety	488,530	424,020	419,172	(4,848)	0	(4,848)
Enforcement	224,380	191,500	187,844	(3,656)	0	(3,656)
Residential Statutory Nuisance	97,790	129,460	128,641	(819)	0	(819)
Environmental Health Operational Support	342,610	380,090	330,910	(49,180)	38,000	(11,180)
Environmental Health Salaries	0	156,610	2,021	(154,589)	6,200	(148,389)
	2,011,580	2,051,080	1,817,504	(233,576)	44,200	(189,376)
<b>Garage Services</b>						
Fleet Management - Operational	0	0	(33,941)	(33,941)	0	(33,941)
Garage- External Work	106,340	111,130	197,279	86,149	0	86,149
	106,340	111,130	163,338	52,208	0	52,208
<b>Licensing</b>						
All Licensing cost centres	0	0	0	0	0	0
	0	0	0	0	0	0
<b>Open Space Management</b>						
Bill Posting & Distribution	15,660	17,720	22,196	4,476	0	4,476
Public Toilets	683,710	696,690	813,348	116,658	0	116,658
	699,370	714,410	835,544	121,134	0	121,134
<b>Streets and Open Spaces</b>						
Control of Dogs	(10)	0	0	0	0	0
Street Cleaning - Old	2,318,690	0	67	67	0	67
Streets & Open Spaces (Operations) - Indirect Costs	0	0	43,414	43,414	0	43,414
Public Realm Enforcement	496,640	498,690	507,432	8,742	0	8,742
S&OS Community Engagement	353,200	375,410	360,818	(14,592)	0	(14,592)
	3,168,520	874,100	911,731	37,631	0	37,631
<b>Tourism &amp; City Centre Management</b>						
Market Square Project	0	79,530	46,729	(32,801)	32,800	(1)
Tourism	262,740	339,940	318,048	(21,892)	21,800	(92)
Markets	(379,920)	(380,470)	(373,272)	7,198	0	7,198
Control of Street Trading	0	0	0	0	0	0
Package Tour Scheme	77,200	0	0	0	0	0
	(39,980)	39,000	(8,495)	(47,495)	54,600	7,105
<b>Waste &amp; Recycling</b>						
Waste Collection	3,090,000	3,303,200	3,233,962	(69,238)	0	(69,238)
Waste Policy	201,630	103,880	103,876	(4)	0	(4)
Commercial Waste	(658,720)	(652,860)	(652,860)	0	0	0
	2,632,910	2,754,220	2,684,978	(69,242)	0	(69,242)
<b>Total Net Budget</b>	<b>8,578,740</b>	<b>6,543,940</b>	<b>6,404,600</b>	<b>(139,340)</b>	<b>98,800</b>	<b>(40,540)</b>

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## Communities Portfolio / Environment &amp; Community Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Bereavement Services</b>						
City Cambridge Cemeteries	0	(92,270)	(139,988)	(47,718)	0	(47,718)
Cambridge Crematorium	0	(1,392,380)	(975,153)	417,227	0	417,227
Bereavement Services - Burials & Grounds	187,200	258,260	244,907	(13,353)	0	(13,353)
Bereavement Services Central Costs	381,760	791,200	750,046	(41,154)	0	(41,154)
Commemoration	0	(113,960)	(105,157)	8,803	0	8,803
Bereavement Services	(1,105,100)	0	0	0	0	0
Transfer to earmarked reserves	0	0	(323,805)	(323,805)	0	(323,805)
	(536,140)	(549,150)	(549,150)	(0)	0	(0)
<b>Children and Youth</b>						
Children & Young People's Service	585,210	524,210	536,805	12,595	0	12,595
	585,210	524,210	536,805	12,595	0	12,595
<b>Community Centres</b>						
Community Facilities (formerly St Lukes Community School)	66,120	66,120	54,459	(11,661)	0	(11,661)
Lawrence Way Community Facility	20,810	16,110	15,261	(849)	0	(849)
Buchan Street Community Facility	197,050	194,510	197,617	3,107	0	3,107
The Meadows Community Centre	430,300	430,530	424,835	(5,695)	0	(5,695)
Akeman Street Community House	33,990	32,660	25,393	(7,267)	0	(7,267)
Brown's Field Youth and Community Centre	0	73,860	83,700	9,840	0	9,840
Clay Farm Community Centre	(10,340)	(58,340)	206,307	264,647	0	264,647
Storey's Field Community Centre	10	0	0	0	0	0
	737,940	755,450	1,007,572	252,122	0	252,122
<b>Community Development</b>						
Credit Union	0	10,000	0	(10,000)	0	(10,000)
Community Development - Admin	529,250	536,350	509,680	(26,670)	0	(26,670)
	529,250	546,350	509,680	(36,670)	0	(36,670)
<b>Culture &amp; Community</b>						
Cultural Facilities Administration	528,920	284,100	311,663	27,563	0	27,563
Culture and Community	181,710	124,640	107,742	(16,898)	12,450	(4,448)
Cambridge Junction	339,430	358,450	359,240	790	0	790
Corn Exchange and Guildhalls	0	(123,400)	(125,795)	(2,395)	0	(2,395)
City Events	0	185,000	220,542	35,542	0	35,542
Folk Festival	0	(289,040)	(169,633)	119,407	0	119,407
Cambridge Live - Central	0	368,260	340,397	(27,863)	0	(27,863)
	1,050,060	908,010	1,044,156	136,146	12,450	148,596
<b>Neighbourhood Community</b>						
North Cambridge Community (ex Kings Hedges Nhd) Partnership	120,830	121,610	104,303	(17,307)	0	(17,307)
Abbey People	26,190	23,390	17,000	(6,390)	0	(6,390)
Engagement and Inclusion (previously Community Projects now	136,950	0	0	0	0	0
Neighbourhood Community Development	200,630	258,370	255,260	(3,110)	0	(3,110)
Southern Fringe Posts funded from Developers Contributions	(10)	0	2	2	0	2
Mill Road Depot CDO	0	(51,750)	(51,750)	0	0	0
	484,590	351,620	324,815	(26,805)	0	(26,805)
<b>Sport &amp; Recreation</b>						
Sport & Recreation Administration	550,350	533,940	574,543	40,603	0	40,603
Leisure Contract Management Fees	602,430	604,520	560,314	(44,206)	0	(44,206)
Leisure Contract Client Costs	1,543,030	1,603,220	1,447,874	(155,346)	131,000	(24,346)
Active Lifestyles - Communities (ex Sports Development)	23,090	23,000	22,507	(493)	0	(493)
Sport - Ex Ref	22,370	42,990	41,849	(1,141)	0	(1,141)
Sport - Street Games	0	(11,010)	(11,002)	8	0	8
Active Lifestyles - Projects	8,140	8,140	5,353	(2,787)	0	(2,787)
	2,749,410	2,804,800	2,641,438	(163,362)	131,000	(32,362)
<b>Streets and Open Spaces</b>						
Employment Foundation - Green Fingers	58,900	0	0	0	0	0
	58,900	0	0	0	0	0
<b>Voluntary Sector</b>						
Community Development Voluntary Support	1,150,530	1,380,920	1,370,163	(10,757)	0	(10,757)
	1,150,530	1,380,920	1,370,163	(10,757)	0	(10,757)
<b>Total Net Budget</b>	<b>6,809,750</b>	<b>6,722,210</b>	<b>6,885,479</b>	<b>163,269</b>	<b>143,450</b>	<b>306,719</b>

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**Housing (GF) Portfolio / Housing Committee**  
**Revenue Budget 2019/20 - Outturn**

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Community Safety</b>						
Racial Harassment	(50,770)	(50,000)	(50,000)	0	0	0
	(50,770)	(50,000)	(50,000)	0	0	0
<b>Contributions to/from reserves</b>						
Contributions to/from HRA	517,600	384,640	368,016	(16,624)	0	(16,624)
	517,600	384,640	368,016	(16,624)	0	(16,624)
<b>Environmental Health</b>						
Housing Standards	482,790	400,350	408,085	7,735	0	7,735
Property Accreditation	(1,110)	0	0	0	0	0
Energy Officer	132,110	146,200	122,446	(23,754)	0	(23,754)
	613,790	546,550	530,531	(16,019)	0	(16,019)
<b>Head of Housing Services</b>						
Reducing Pensioner Poverty	(20,000)	6,010	5,415	(595)	0	(595)
	(20,000)	6,010	5,415	(595)	0	(595)
<b>Home Improvement Agency</b>						
Shared Home Improvement Agency	0	0	0	0	0	0
Recharges - Strategic Housing Services (GF)	(18,790)	(18,790)	(18,790)	0	0	0
	(18,790)	(18,790)	(18,790)	0	0	0
<b>Homelessness</b>						
Homelessness Costs	193,670	193,670	380,103	186,433	0	186,433
Grants to Housing Agencies	765,180	751,180	746,207	(4,973)	0	(4,973)
125 / 451 Newmarket Road - Revenue Costs	(21,670)	(21,670)	(20,617)	1,053	0	1,053
CLG Supplementary Homelessness Grants	30	0	0	0	0	0
Flexible Homelessness Support Grant	(215,010)	(214,900)	(214,900)	0	0	0
Dual Diagnosis Street Team - Closed	260	0	0	0	0	0
COVID-19 Rough Sleepers Services	0	0	10,592	10,592	0	10,592
	722,460	708,280	901,385	193,105	0	193,105
<b>Housing Advice</b>						
CCC Choice Based Lettings (Revenue)	23,470	19,880	11,291	(8,589)	0	(8,589)
Housing Advice Service	1,082,560	1,092,610	1,138,573	45,963	0	45,963
	1,106,030	1,112,490	1,149,864	37,374	0	37,374
<b>Housing Development</b>						
Housing Development Agency	20	(240)	0	240	0	240
	20	(240)	0	240	0	240
<b>Housing Improvement Grants</b>						
Home Improvement Grants	33,550	35,270	25,885	(9,385)	0	(9,385)
	33,550	35,270	25,885	(9,385)	0	(9,385)
<b>Housing Strategy</b>						
Bermuda Road Garages	(6,290)	(6,290)	(7,604)	(1,314)	0	(1,314)
Housing Strategy	139,570	141,300	110,184	(31,116)	0	(31,116)
Growth - Community Services	64,620	67,680	67,712	32	0	32
Sub-Regional Housing Strategy Co-ordinator	13,740	13,740	13,740	0	0	0
Supporting People - Block Gross & Fixed Price	0	3,000	0	(3,000)	0	(3,000)
Departmental Overheads - General Fund Housing - Closed	1,020	0	0	0	0	0
	212,660	219,430	184,032	(35,398)	0	(35,398)
<b>Syrian Resettlement</b>						
Syrian Resettlement	99,100	(888,930)	(888,932)	(2)	0	(2)
	99,100	(888,930)	(888,932)	(2)	0	(2)
<b>Town Hall Lettings</b>						
Town Hall Lettings	144,310	146,230	95,599	(50,631)	0	(50,631)
	144,310	146,230	95,599	(50,631)	0	(50,631)
<b>Total Net Budget</b>	<b>3,359,960</b>	<b>2,200,940</b>	<b>2,303,005</b>	<b>102,065</b>	<b>0</b>	<b>102,065</b>

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## Planning Policy and Open Spaces Portfolio / Planning &amp; Transport Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Building Control</b>						
Building Control Other	222,170	191,550	123,705	(67,845)	0	(67,845)
3C Building Control	(30,060)	0	(0)	(0)	0	(0)
	192,110	191,550	123,705	(67,845)	0	(67,845)
<b>Environmental Improvements</b>						
Project Delivery	692,140	528,830	631,073	102,243	0	102,243
	692,140	528,830	631,073	102,243	0	102,243
<b>Open Space Management</b>						
Refreshment Kiosks	(55,280)	(50,070)	(49,948)	122	0	122
Open Space Asset Management	1,200,240	951,620	978,151	26,531	0	26,531
Seasonal Bedding	30,480	(16,710)	(19,435)	(2,725)	0	(2,725)
Closed Churchyards	42,570	46,840	20,231	(26,609)	0	(26,609)
Lettings & Events on Open Spaces	(137,790)	(63,410)	(66,630)	(3,220)	0	(3,220)
Open Space Asset Maintenance	187,930	253,680	271,676	17,996	0	17,996
Grazing Management	(6,840)	(1,290)	(2,350)	(1,060)	0	(1,060)
Play Maintenance	164,200	186,790	217,228	30,438	0	30,438
Cherry Hinton Hall	(99,250)	(101,070)	(99,561)	1,509	0	1,509
Allotments	13,560	26,960	25,852	(1,108)	0	(1,108)
Histon Road Cemetery	0	0	(200)	(200)	0	(200)
Arboriculture	353,370	382,530	337,397	(45,133)	30,000	(15,133)
Local Nature Reserves	46,670	64,700	73,542	8,842	0	8,842
Open Space Mgt Salaries	0	97,610	32,854	(64,756)	0	(64,756)
	1,739,860	1,778,180	1,718,807	(59,373)	30,000	(29,373)
<b>Planning</b>						
City Development	613,780	727,440	727,440	0	0	0
Right to Bid/Assets of Community Value	(10,250)	10,250	10,250	0	0	0
Planning Policy	732,210	156,940	156,940	0	0	0
Shared Director of Planning and Economic Development	0	0	0	0	0	0
Urban Design & Conservation	194,880	189,220	189,220	0	0	0
Greater Cambridge Planning Service	192,660	266,330	340,222	73,892	0	73,892
	1,723,280	1,350,180	1,424,072	73,892	0	73,892
<b>Streets and Open Spaces</b>						
Grounds Maintenance & Street Cleaning	645,420	2,940,280	2,973,665	33,385	0	33,385
Head of Streets & Open Spaces	0	0	1,322	1,322	0	1,322
Flood Risk Management	151,860	212,890	160,318	(52,572)	35,000	(17,572)
	797,280	3,153,170	3,135,305	(17,865)	35,000	17,135
<b>Urban Growth Project Manager</b>						
Urban Growth Project Management	122,240	99,430	101,181	1,751	0	1,751
	122,240	99,430	101,181	1,751	0	1,751
<b>Total Net Budget</b>	<b>5,266,910</b>	<b>7,101,340</b>	<b>7,134,143</b>	<b>32,803</b>	<b>65,000</b>	<b>97,803</b>

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## Transport and Community Safety Portfolio / Planning &amp; Transport Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Community Safety</b>						
CCTV	(89,320)	4,460	(62,325)	(66,785)	7,500	(59,285)
Community Safety	421,850	439,960	372,717	(67,243)	8,500	(58,743)
Street Aid	0	(6,490)	(6,487)	3	0	3
	332,530	437,930	303,905	(134,025)	16,000	(118,025)
<b>Parking Services</b>						
Grand Arcade Car Park	(2,068,140)	(2,151,130)	(1,890,809)	260,321	0	260,321
Park Street Car Park	(326,080)	(307,730)	(393,547)	(85,817)	0	(85,817)
Grafton Centre West Car Park	(502,540)	(496,810)	(502,820)	(6,010)	0	(6,010)
Grafton Centre East Car Park	(948,290)	(789,000)	(832,860)	(43,860)	0	(43,860)
Queen Anne Terrace Car Park	(526,600)	(513,970)	(540,553)	(26,583)	0	(26,583)
Adam & Eve Street Car Park	18,700	6,470	22,292	15,822	0	15,822
Castle Hill Car Park	39,960	33,570	76,246	42,676	0	42,676
Gwydir Street Car Park	79,860	74,840	68,799	(6,041)	0	(6,041)
Riverside Car Park	3,060	3,060	(1,327)	(4,387)	0	(4,387)
Other Car Parks	35,870	37,870	32,588	(5,282)	0	(5,282)
Parking Administration	0	0	(46,415)	(46,415)	0	(46,415)
Shopmobility-Grand Arcade	123,690	95,150	75,871	(19,279)	0	(19,279)
Shopmobility-Grafton	19,520	36,960	27,849	(9,111)	0	(9,111)
	(4,050,990)	(3,970,720)	(3,904,686)	66,034	0	66,034
<b>Streets and Open Spaces</b>						
Highway Schemes General	101,360	101,360	98,330	(3,030)	0	(3,030)
Reverse Agency (formerly Unclassified Routine)	0	0	0	0	0	0
Operations Salaries	0	53,290	13,900	(39,390)	0	(39,390)
	101,360	154,650	112,230	(42,420)	0	(42,420)
<b>Transport Services</b>						
Public Transport Subsidy	141,280	141,280	141,090	(190)	0	(190)
Taxicard Service	124,090	124,090	63,328	(60,762)	0	(60,762)
Transport Initiatives for Disabled	46,880	46,880	44,405	(2,475)	0	(2,475)
	312,250	312,250	248,823	(63,427)	0	(63,427)
<b>Total Net Budget</b>	<b>(3,304,850)</b>	<b>(3,065,890)</b>	<b>(3,239,728)</b>	<b>(173,838)</b>	<b>16,000</b>	<b>(157,838)</b>

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## Finance &amp; Resources Portfolio / Strategy &amp; Resources Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Accountancy &amp; Support Services</b>						
Accountancy and Support Services	0	0	(36,582)	(36,582)	0	(36,582)
	0	0	(36,582)	(36,582)	0	(36,582)
<b>Admin Buildings</b>						
Depot Management - Indirect	0	0	3,922	3,922	0	3,922
Guildhall	403,030	411,870	455,693	43,823	0	43,823
Hobson House	(3,600)	0	1,480	1,480	0	1,480
Mandela House	1,022,580	944,570	860,436	(84,134)	0	(84,134)
Admin Building Allocation	(1,340,690)	(1,832,100)	(1,825,099)	7,001	0	7,001
Parsons Court	15,080	15,080	25,282	10,202	0	10,202
130 Cowley Road	(46,540)	280,350	240,474	(39,876)	0	(39,876)
Cowley Road Compound	(49,860)	179,270	163,802	(15,468)	0	(15,468)
Llandaff Chambers	0	960	4,080	3,120	0	3,120
	0	0	(69,930)	(69,930)	0	(69,930)
<b>Corporate Business</b>						
Corporate Business Support	0	0	(90,452)	(90,452)	0	(90,452)
Business Support - Centralised Overheads	0	0	(21,978)	(21,978)	0	(21,978)
	0	0	(112,430)	(112,430)	0	(112,430)
<b>Customer Service Centre</b>						
Customer Access Strategy - Customer Service Centre	0	0	(64,190)	(64,190)	16,000	(48,190)
Cashiers	0	0	(16,729)	(16,729)	0	(16,729)
	0	0	(80,919)	(80,919)	16,000	(64,919)
<b>Facilities &amp; Other Management</b>						
Quality/Health & Safety Management - Indirect	0	0	5,763	5,763	0	5,763
Facilities Management	0	0	(6,139)	(6,139)	0	(6,139)
	0	0	(376)	(376)	0	(376)
<b>Finance General</b>						
Finance General Recharges	0	0	44,677	44,677	0	44,677
Finance General	(669,470)	(669,470)	(527,199)	142,271	0	142,271
	(669,470)	(669,470)	(482,522)	186,948	0	186,948
<b>Head of Finance - Holding/Suspense Accounts</b>						
Shared Payroll Service	0	0	(66,699)	(66,699)	26,000	(40,699)
Pensions Costs Recharged	0	0	(23,978)	(23,978)	0	(23,978)
	0	0	(90,677)	(90,677)	26,000	(64,677)
<b>Human Resources</b>						
Employee Travel Plan	0	0	(985)	(985)	0	(985)
Salary Sacrifice Schemes	0	0	(2,590)	(2,590)	0	(2,590)
GMB	0	0	(16,927)	(16,927)	0	(16,927)
Unison	0	0	168	168	0	168
Human Resources - Business Support	0	0	(5,946)	(5,946)	0	(5,946)
Human Resources Operations (Staff-General)	0	0	(15,497)	(15,497)	0	(15,497)
Human Resources - Recruitment	0	0	16,264	16,264	0	16,264
Human Resources - Organisational Development	0	0	(15,143)	(15,143)	0	(15,143)
	0	0	(40,656)	(40,656)	0	(40,656)
<b>Internal Audit</b>						
Audit	0	0	(74,319)	(74,319)	0	(74,319)
	0	0	(74,319)	(74,319)	0	(74,319)
<b>IT Contract Management</b>						
IT Contract Costs	0	0	(147,215)	(147,215)	0	(147,215)
	0	0	(147,215)	(147,215)	0	(147,215)
<b>Land Charges</b>						
Land Charges and Searches	112,320	112,320	112,320	0	0	0
	112,320	112,320	112,320	0	0	0
<b>Legal Services</b>						
Legal	0	0	22,987	22,987	0	22,987
3C Legal Practice	0	0	(0)	(0)	0	(0)
	0	0	22,987	22,987	0	22,987

<b>Service Grouping / Cost Centre</b>	<b>Original Budget 19/20 £</b>	<b>Final Budget 19/20 £</b>	<b>Outturn 19/20 £</b>	<b>Variation - Increase / (Decrease) £</b>	<b>Carry Forward Requests - see Appendix C £</b>	<b>Net Variance £</b>
<b>Open Space Management</b>						
River Frontage Management	(4,180)	17,470	17,432	(38)	0	(38)
	(4,180)	17,470	17,432	(38)	0	(38)
<b>Procurement</b>						
Procurement	0	0	(66,644)	(66,644)	0	(66,644)
	0	0	(66,644)	(66,644)	0	(66,644)
<b>Property Services</b>						
Dales Brewery	(130,250)	(130,250)	(142,864)	(12,614)	0	(12,614)
The Lion Yard	(1,124,970)	(1,114,970)	(1,104,741)	10,229	0	10,229
Barnwell House Offices	(72,670)	(66,830)	(59,352)	7,478	0	7,478
Lion Yard - South End	(212,610)	(209,240)	(209,240)	0	0	0
Buchan Street Shops	(19,130)	(19,130)	(19,831)	(701)	0	(701)
Jedburgh Court (ex K H Depot)	(31,820)	(31,820)	(38,148)	(6,328)	0	(6,328)
Other Commercial Properties	(1,308,330)	(1,316,170)	(1,328,222)	(12,052)	0	(12,052)
Gwydir St Workshops/Offices	(77,960)	(77,960)	(92,284)	(14,324)	0	(14,324)
Robert Davies Court	(124,310)	(124,310)	(127,982)	(3,672)	0	(3,672)
Ronald Rolph Court	(175,490)	(175,490)	(178,308)	(2,818)	0	(2,818)
Barnwell Drive-excl Barnwell House	(198,060)	(218,060)	(225,657)	(7,597)	0	(7,597)
Cheddars Lane	(28,790)	(28,790)	(30,488)	(1,698)	0	(1,698)
Ditton Lane Shops	(58,960)	(58,960)	(58,588)	372	0	372
Cowley Road Enterprise Plots	(72,780)	(60,780)	(52,711)	8,069	0	8,069
Orwell House Offices-Internal	(106,580)	(106,580)	(98,234)	8,346	0	8,346
Orwell Furlong	(112,220)	(112,220)	(121,166)	(8,946)	0	(8,946)
Other Industrial Properties	(1,565,660)	(1,572,400)	(1,844,499)	(272,099)	0	(272,099)
St Anthony/Eligius Almshouse	670	670	370	(300)	0	(300)
Other Domestic Properties	(13,560)	(10,890)	(20,624)	(9,734)	0	(9,734)
Hooper Street Garages	(5,910)	(5,910)	(6,610)	(700)	0	(700)
Other - Land	(146,450)	(145,750)	(146,181)	(431)	0	(431)
Orchard Park Local Centre	(152,970)	(152,970)	(159,531)	(6,561)	0	(6,561)
Cambridge Road Retail Park, Haverhill	(457,370)	(457,370)	(459,366)	(1,996)	0	(1,996)
Henderson House, 4 Lancaster Way, Huntingdon	(325,000)	(325,000)	(326,496)	(1,496)	0	(1,496)
4 Cyrus Way, Cygnet Park, Peterborough	(148,500)	(148,500)	(149,231)	(731)	0	(731)
11, 13 & 17 York Way, Royston	(450,000)	(450,000)	(452,101)	(2,101)	0	(2,101)
The Global Centre, Swanns Road, Cambridge	(69,350)	(69,350)	(70,343)	(993)	0	(993)
	(7,189,030)	(7,189,030)	(7,522,428)	(333,398)	0	(333,398)
<b>Property Services - Other</b>						
Property Services	0	0	(2,694)	(2,694)	0	(2,694)
Commercial Property Additional Maintenance	117,000	117,000	0	(117,000)	117,000	0
	117,000	117,000	(2,694)	(119,694)	117,000	(2,694)
<b>Revenues and Benefits</b>						
Rent Allowances & Rent Rebates	(307,980)	(271,830)	(109,440)	162,390	0	162,390
Local Taxation	863,690	858,600	844,001	(14,599)	0	(14,599)
Housing Benefits	1,356,120	1,347,920	1,333,407	(14,513)	0	(14,513)
Revenue Overheads	0	0	(36,931)	(36,931)	0	(36,931)
	1,911,830	1,934,690	2,031,037	96,347	0	96,347
<b>Strategic Director 1</b>						
Business Transformation Departmental Management	0	0	(770)	(770)	0	(770)
	0	0	(770)	(770)	0	(770)
<b>Sustainable City</b>						
Sustainable City	73,610	88,430	103,350	14,920	0	14,920
Sustainability Grants	45,800	30,980	26,980	(4,000)	0	(4,000)
	119,410	119,410	130,330	10,920	0	10,920
<b>Transformation Programme</b>						
Programme Office	819,970	580,990	446,116	(134,874)	131,000	(3,874)
	819,970	580,990	446,116	(134,874)	131,000	(3,874)
<b>Total Net Budget</b>	<b>(4,782,150)</b>	<b>(4,976,620)</b>	<b>(5,967,940)</b>	<b>(991,320)</b>	<b>290,000</b>	<b>(701,320)</b>

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## Strategy and External Partnerships Portfolio / Strategy &amp; Resources Committee

## Revenue Budget 2019/20 - Outturn

Service Grouping / Cost Centre	Original Budget 19/20 £	Final Budget 19/20 £	Outturn 19/20 £	Variation - Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
<b>Central Costs</b>						
Central Provisions to be Allocated	(884,310)	1,639,490	2,003,078	363,588	0	363,588
Support Services Trading Balances	(672,470)	(447,480)	(394,440)	53,040	0	53,040
Pensions - Early retirements and Past Deficit	2,082,980	2,082,980	2,046,720	(36,260)	0	(36,260)
	526,200	3,274,990	3,655,358	380,368	0	380,368
<b>Chief Executives</b>						
Corporate Management	0	0	385	385	0	385
	0	0	385	385	0	385
<b>Corporate &amp; Democratic Core</b>						
Corporate & Democratic Core - Corporate Management	1,844,930	1,844,930	1,844,860	(70)	0	(70)
Corporate & Democratic Core - Democratic Representation &	266,870	266,870	266,562	(308)	0	(308)
	2,111,800	2,111,800	2,111,422	(378)	0	(378)
<b>Corporate Strategy</b>						
Corporate Marketing	0	0	(4,867)	(4,867)	0	(4,867)
Corporate Policy	414,540	438,050	342,094	(95,956)	27,000	(68,956)
	414,540	438,050	337,227	(100,823)	27,000	(73,823)
<b>Democratic Services</b>						
Civic Affairs and Twinning	0	0	(5,825)	(5,825)	0	(5,825)
Members Support	0	0	(8,881)	(8,881)	0	(8,881)
Electoral Registration	192,320	192,720	191,120	(1,600)	0	(1,600)
Elections	149,970	149,970	184,349	34,379	0	34,379
Committee Management	0	0	(4,756)	(4,756)	0	(4,756)
	342,290	342,690	356,007	13,317	0	13,317
<b>Facilities &amp; Other Management</b>						
Emergency Planning	0	0	(18,493)	(18,493)	0	(18,493)
	0	0	(18,493)	(18,493)	0	(18,493)
<b>Strategic Director 1</b>						
Cambridge Northern Fringe East (CNFE)	327,370	574,080	224,140	(349,940)	349,940	0
Park Street Car Park Development	0	100,000	173,717	73,717	0	73,717
	327,370	674,080	397,857	(276,223)	349,940	73,717
<b>Strategic Director 2</b>						
Strategic Director #2	0	0	16,043	16,043	0	16,043
	0	0	16,043	16,043	0	16,043
<b>Total Net Budget</b>	<b>3,722,200</b>	<b>6,841,610</b>	<b>6,855,806</b>	<b>14,196</b>	<b>376,940</b>	<b>391,136</b>

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## Climate Change, Environment and City Centre Portfolio / Environment &amp; Community Committee

Service Grouping	Reason for variance	Amount £	Contact
Environmental Health	Out of Hours - The majority of the variance has been caused by a £19k underspend in staffing expenses for the out of hours service and associated £3k underspend re staffing transport costs. The Out of Hours Service operating hours has been reduced during 2019 to account for staffing vacancies & pending outcome of CCC Out of Hours Review.	(22,991)	Claire Adelizzi
Environmental Health	Environmental Health Operational Support - A carry forward of £38K for the licenses for the new Environmental Health Management System Tascomi which should have been implemented in 2019/20 has been requested. However due to the delays in signing the contract, this project has been delayed by about 9 months and therefore the licences will be required in 2020/21	(49,180)	Yvonne O'Donnell
Environmental Health	Environmental Health Salaries - Underspend on salaries due to 4 vacancies, 2 vacancies wont be filled until completion of Out of Hours review. 2 EHO vacancies unable to fill with first round of recruitment.	(154,589)	Yvonne O'Donnell
Garage Services	Fleet Management - Operational - Employee costs remain high with agency staff and overtime requirement to cover for long-term sickness and one vacancy. Also there has been additional costs of agency staff to cover for those members of staff affected by Covid-19. Training costs high due to technical training on vehicles. This has been more than compensated for by additional income from servicing internal vehicles.	(33,941)	David Cox
Garage Services	Garage- External Work - The reason for the variance of £86K is partly due to unachieved income of £30K and partly due to additional spend on materials of £56K.	86,149	David Cox
Open Space Management	Public Toilets - Overspend on maintenance budget owing to a large repair job at Lion Yard toilets which accounts for the overspend on maintenance in its entirety.	116,658	Anthony French
Streets & Open Spaces	Streets & Open Spaces (Operations) - Indirect Costs - A £41K variance on Supplies and Services relate to the purchase of power tools to replace items that were taken during break in/ thefts from Cowley Road Depot.	43,414	Don Blair
Tourism & City Centre Management	Market Square Project - A carry forward request has been submitted for the £32,800 underspend, from the original £100K project budget allocation in 2018/19 to cover cost of delivering RIBA Stage 1 (Feasibility Assessment) and Stage 2 (Concept Design). Stage 1 delivery was completed summer 2019; and Stage 2 delivery commenced in January 2020, with the bulk of the delivery and associated costs extending into 2020/21. Given the anticipated budget requirements in 2020/21, as well as the carry forward request, a revenue bid was submitted and approved for £30k in 2020/21.	(32,801)	Joel Carre
Tourism & City Centre Management	Tourism - There is a £21,800 underspend in this budget, which relates to the annual set up support budget line, which ceased 2018/19 with an allocation of c£30,000; and was replaced with annual Visit Cambridge and Beyond (VCB) strategic member fee of £10,000; but the associated budget variance was retained as contingency in response to anticipated additional VCB financial support needs. A carry forward request has been submitted for the full £21,800 to support further VCB financial assistance in 2020/21, due to the impact of Covid-19.	(21,892)	Joel Carre
Waste & Recycling	Waste Collection - This variance comprises smaller variances over all the waste cost centres	(69,238)	Suzanne Hemingway
Other minor variances		(929)	
Total variance for portfolio		(139,340)	

## Communities Portfolio / Environment &amp; Community Committee

Service Grouping	Reason for variance	Amount £	Contact
Bereavement Services	City Cambridge Cemeteries - The A14 work is continuing to affect the services held at Huntingdon road. Whilst Burial numbers are down by 14%, income is up on last year by 19% and together with additional grave pre-purchase income this has resulted in an overachievement of income on this cost centre.	(47,718)	Glyn Theobald
Bereavement Services	Cambridge Crematorium - The A14 roadworks will continue to exert downward pressure on the income until at least the Highways England date of completion of Dec 2020 combined with competition from Crematorium at Cam Valley which opened in Jan 2018. Careful budget monitoring and only essential spend on maintenance have helped to limit the underachievement at year end.	417,227	Glyn Theobald
Bereavement Services	Bereavement Services Central Costs - The service has operated with vacant positions across 2 teams in 19/20. The operational review will see this normalise against budget in 20/21 returning an operating saving of £30k annually. Essential spend only and careful budget monitoring has resulted in an underspend on this cost centre.	(41,154)	Glyn Theobald
Bereavement Services	Bereavement Services Cost centres overall year end deficit transferred to the earmarked reserve	(323,805)	Glyn Theobald
Community Centres	Clay Farm Community Centre - £200k commercial rent to be transferred to income (accountancy adjustment). In addition there is a variance of approximately £65k. Medical Centre move was delayed until March 20 and therefore service charge income was severely reduced (approx. £33k). Electricity tariff charges led to overspend - tariff now amended. Over spend on maintenance due to essential expenditure on air con units and additional testing. Testing requirements will be reviewed for coming year. Income from Café concession expected during 19/20 did not happen due to Medical centre delay and impact on running costs.	264,647	Sally Roden
Community Development	Community Development - Admin - There has been a planned underspend within this cost centre to offset the expected overspend within other areas of the Service - i.e. Cambridge Live additional legal/building maintenance costs	(26,670)	Cathy Heath
Culture & Community	Cultural Facilities Administration - The overspends in this budget are for legal costs relating to the transition of Cambridge Live into CCC and the still live PI claim. There are also unavoidable premises costs relating to Guildhall, Corn Ex and Parsons Court	27,563	Jane Wilson
Culture & Community	City Events - The budget was estimated prior to the transfer of Cambridge Live services to Cambridge City Council, using the best available data.	35,542	Jane Wilson
Culture & Community	Folk Festival - Budget was best estimate before transfer of services. It became clear after the transfer that ticket sales were not going to achieve target.	119,407	Jane Wilson
Culture & Community	Cambridge Live - Central - This figure includes transition costs for Cambridge Live charity - in particular fees relating to audit and accountancy for the two years accounts that needed completing. This is a net 46k currently included within the cost of supplies and services and should be covered under the fund set up to manage the transition. Other variances (in both directions) are due to the complexities of setting up a budget with minimal data, the grants amount should be allocated to City Events and would reduce the loss in that cost centre	(27,863)	Jane Wilson
Sport & Recreation	Sport & Recreation Administration - Cost centre is overspent due to miscoding's of utility costs which have been identified (resulting in a reciprocal underspend on Client Contract cost centre).	40,603	Ian Ross
Sport & Recreation	Leisure Contract Management Fees - The variance is due to how interest on the contract fee is calculated in respect of CPI against the amount allocated within the budget. There is a budget saving identified for this reason from 20/21 onward	(44,206)	Ian Ross
Sport & Recreation	Leisure Contract Client Costs - No large scale maintenance works have been necessary. Rates underspend of approx. £25K also included in this cost centre. A carry forward has been requested from various budget headings to meet commitments for the Refit 3 carbon reduction projects.	(155,346)	Ian Ross
Other minor variances		(74,958)	
Total variance for portfolio		163,269	

## Housing (GF) Portfolio / Housing Committee

Service Grouping	Reason for variance	Variance	Cost Centre Manager
<b>Environmental Health</b>	Energy Officer - Less demand on budget this year as utilised existing resources to support residents. Also increase in more in-depth cases that has increased time demand on staff.	(23,754)	Justin Smith
<b>Homelessness</b>	Homelessness Costs - This year's overspend principally relates to higher bed and breakfast costs arising from increased temporary accommodation demand as a consequence of the Homelessness Reduction Act. Legal fees are also higher this year following a number of customer challenges. Only a small increase in these can cause a significant spike in costs.	186,433	James McWilliams
<b>Housing Advice Service</b>	Housing Advice Service - Staff cost reflect maternity leave cover costs. Recovery of customer recharges is better than anticipated following more efficient chasing. Higher transport costs reflects more home visits and staff training.	45,963	James McWilliams
<b>Housing Strategy</b>	Housing Strategy - Overspend on supplies and services due mainly to: contribution to shared service Housing Development Officer hosted by South Cambs DC - offset by some of the underspend on employee costs; consultancy fees for research, being claimed back from Greater Cambridge Planning Service (invoices raised 2019/20); and expenditure of government grant for community led housing - offset by centrally held grant pot. Underspend due mainly to 0.5 FTE Housing Enabling post currently vacant. Also professional training budget for whole housing service sitting in this cost centre and not spent.	(31,116)	Helen Reed
<b>Town Hall Lettings</b>	Town Hall Lettings - Customer and client receipts greater due to more effective chasing by additional staff.	(50,631)	James McWilliams
<b>Other minor variances</b>		<b>(24,830)</b>	
<b>Total variance for portfolio</b>		<b>102,065</b>	

## Planning Policy and Open Spaces Portfolio / Planning &amp; Transport Committee

Service Grouping	Reason for variance	Variance	Cost Centre Manager
Building Control	Building Control Other - There is a underspend on the budget this year due to the apportionment of the fee earning to non fee earning elements of building control. This has been adjusted for next financial year and the contribution required from the City Council for the non fee earning element has been reduced.	(67,845)	Heather Jones
Environmental Improvements	Project Delivery - The variance is mainly due to a recharge income for officer time totalling £96k for the year against a budget of £204k, the latter of which needs reviewing as part of the forthcoming budget cycle as is set higher than the level of potential income.	102,243	John Richards
Open Space Management	Open Space Asset Management - Lammas Land Car Park underachievement of income approximately £24k	26,531	Alistair Wilson
Open Space Management	Closed Churchyards - Anticipated large wall repair job towards year end did not take place or get committed owing to contractor lockdown.	(26,609)	Anthony French
Open Space Management	Play Maintenance - This overspend is largely due to additional spend on the provision of play equipment and safety features	30,438	Anthony French
Open Space Management	Arboriculture – The variance is mainly due to £44k overachievement in Fees & Charges Income, £36k overspend in consultancy to cover our statutory functions and a £30k underspend in Planting Programme – to be carried forward – this includes 1 Works are being done on behalf of County and paid for separately for a 2 year watering programme. 2. Works committed and started but not yet finished. Delays to completion of tree works schedules caused by February / March storm clear-ups / COVID19 leading to changing priorities and contractor capacity.	(45,133)	Matthew Magrath
Open Space Management	Open Space Mgt Salaries - Vacant post including Cycling & Walking Officer, Drainage Engineer, and maternity lag. 2 Seas budgeted for but paid for by grant settlement.	(64,756)	Alistair Wilson
Planning	Greater Cambridge Planning Service - The overall variance across Land charges, City Development and Greater Cambridge Planning is predominantly due to the miscoding of 18/19 creditors and 19/20 partner recharge overspend. The budget levels were set at the formation of the shared planning service. The anticipated recharge for the service was higher than anticipated in 19/20. This budget pressure has been addressed in the 20/21 budget with a budget bid that has been approved. This would contain the spend within budget in the future.	73,892	Stephen Kelly
Street & Open Spaces	Grounds Maintenance & Street Cleaning - The variance is mainly due to a £55K overspend on additional vehicle repair costs. Operations has 51 vehicles, a number of which are specialist vehicles, including Refuse vehicle, Grab Vehicle, Ride On Mowers, Tractors and Pressure Washing vehicle. These have needed work carried out on them to keep them on the road.	33,385	Don Blair
Street & Open Spaces	Flood Risk Management - there has been an underspend on the cleaning service budget of which £35k has been requested to be carried forward for work at Cherry Hinton and Brook £25k and a contribution to desilt of Hobson Brook opp Botanic Gardens.	(52,572)	John Richards
Other minor variances		23,229	
Total variance for portfolio		32,803	

## Transport and Community Safety Portfolio / Planning &amp; Transport Committee

Service Grouping	Reason for variance	Variance	Cost Centre Manager
Community Safety	CCTV - There is an overall variance of £67k which mainly relates to CCTV staff vacancy salary savings arising from recruitment freeze while HDC negotiated revised pay and conditions terms with HDC contracted CCTV employees; and awaited outcome of service review. A carry forward request is made for £7.5k for this cost centre.	(66,785)	Joel Carre
Community Safety	Community Safety - Externally funded County post for Street Life Working Group was vacant for a period, therefore no invoices submitted from County Council. Safer City funding which was intended to deliver on issues raised during Environmental Visual Audits connected to Operation Carmel (police operation on drug dealing and use in streets and open spaces) could not be utilized due to lack of staffing resource due to vacancies within the Community Safety Team. A carry forward of £8,500 is requested to complete a two year project and is included in appendix C	(67,243)	Lynda Kilkelly
Parking Services	Grand Arcade Car Park - The variance is mainly due to under achievement against income. Covid-19 lock down and restrictions on movement has heavily affected the revenue for the best part of March 2020. Prior to this the peak time 8am-10am congestion tariff has seen a movement in demand from those peak hours and into the less congested hours. The reduction in usage continues to follow the forecasted pattern and supports the use of demand management to incentivise modal change to enter the city. This reduction is exacerbated by increasingly bold environmental demonstrations, road closures/works and low consumer confidence, with footfall at the Grand Arcade shopping centre reducing. This has been partly compensated by underspend on expenditure for maintenance, insurance and bank charges for card handling.	260,321	Sean Cleary
Parking Services	Park Street Car Park - There has been an additional 3 month of income and expenditure that was un budgeted for due to the delay in the Park Street development project.	(85,817)	Sean Cleary
Parking Services	Grafton Centre East Car Park - The Covid-19 restrictions in March 2020 resulted in under achievement against income. However, there has been saving made against expenditure budgets that has resulted in a positive bottom line figure.	(43,860)	Sean Cleary
Parking Services	Queen Anne Terrace Car Park -The variance is due to over achievement of income (season tickets) and underspend against some of the expenditure budgets such as bank card charges and maintenance.	(26,583)	Sean Cleary
Parking Services	Castle Hill Car Park - £50k underachievement of income but savings on expenditure giving a final bottom line figure of £42.6k overspend. This is due to Cambridgeshire County Council have introduced lower parking charges on their site causing Castle Hill to see a large decrease in usage.	42,676	Sean Cleary
Parking Services	Parking Administration - Previously, as a result of the service review £80k staff costs were saved. Further underspend of £46k against various expenditure budgets such as consultancy and cash collections.	(46,415)	Sean Cleary
Streets and Open Spaces	Operations Salaries - We have had 5 grade 3 vacancies within operations, these posts have been advertised but response has been very poor. Posts to be advertised as soon as pandemic has subsided, we have used agency staff to maintain resource numbers.	(39,390)	Don Blair
Transport Services	Taxicard Service - The variance is an underspend due to reduced use of the Taxicard scheme and associated admin costs. A review of this service is currently underway.	(60,762)	Sharon Line
Other minor variances		(39,980)	
Total variance for portfolio		(173,838)	

## Finance &amp; Resources Portfolio / Strategy &amp; Resources Committee

Service Grouping	Reason for variance	Variance	Cost Centre Manager
Accountancy & Support Services	Accountancy and Support Services - An overall underspend of £94k on employee costs reflects a number of longer term vacancies balanced against costs of agency staff. Additional spending has been recorded on advice / consultancy and subscriptions in response to an increasing complex financial and regulatory environment. Income of approximately £40k has been lost due to the cessation of sharing the head of Finance post with SCDC.	(36,582)	Caroline Ryba
Admin Buildings	Guildhall - there have been additional maintenance costs, particularly works to the heating plant and boilers which were essential	43,823	Will Barfield
Admin Buildings	Mandela House - Savings on gas and electric budgets totalled £48k plus there was increased commercial rent income of £22k for a new letting plus minor underspends of £14k	(84,134)	Will Barfield
Admin Buildings	130 Cowley Road - Savings against the forecasted electricity and cleaning budget account for the majority of the underspend with smaller savings against a number of other budgets.	(39,876)	Will Barfield
Corporate Business	Corporate Business Support - Variances relate to a vacant post which has been offered up as a saving following a review of the service area and a further vacant post now deleted £69.5K and various underspends across the service of £20.5k.	(90,452)	Sharon Line
Corporate Business	Business Support - Centralised Overheads - The variance on this centralised overhead code is due to underspends across various budget codes.	(21,978)	Sharon Line
Customer Service Centre	Customer Access Strategy - Customer Service Centre - Customer Services 19-20 budget for ICT included two revenue bids, one for Cyber Security (£30,000) for CCC's share of vulnerability assessment and remedial solutions, and one to implement the Secure phone payment solution (£16,000). 3C's ICT are managing the project to implement the Secure Phone Payment, however the project has only recently started, therefore this revenue (£16,000) was not spent in 2019-2020. The Cyber Security budget sat with the intelligent client for CCC who at the start of 2019-2020 was the Customer Services HOS, however 3C's have not utilised this budget in 2019-2020 which has resulted in an underspend.	(64,190)	Clarissa Norman
Finance General	Finance General Recharges - The overspend is partly due to additional bank charges. There has been an increase in the number of transactions processed through Capita and Cambridge Live which are incurring bank charges for the card payments processed at the Box office and the bar. The cost centre also includes an estimated creditor for audit fees which are expected to be more than budgeted due to the additional hours spent on the 18/19 audit work	44,677	Karen Whyatt
Finance General	Finance General - The overspend is partly due to a £676k negative variance on fair value adjustments to financial instruments (now taken through GF rather than unusable reserves as a result of IFRS 9 implementation) plus a £173k positive variance on MRP due to application of capital financing (mainly Invest for Income reserve and K1 receipts) to reduce future MRP charges. In addition there is a £189k negative variance for increase to bad debt provision and a £603k positive variance on interest income (of which £112k relates to loans to CIP and CCHC, remainder is treasury management) plus other minor variances.	142,271	Jody Etherington
Head of Finance - Holding/Suspense Accounts	Shared Payroll Service - Shared Payroll underspend due to underspend in staff due to vacancies (£12k), increased fees and charges due to additional work carried out for SCDC (£24k), correction of a creditor put through relating to 2018/19 (£27k) and various other minor variances totalling £4k. A carry forward request of £26k of this underspend is requested for work on the new HRIS project.	(66,699)	Mike Scott
Head of Finance - Holding/Suspense Accounts	Pensions Costs Recharged - The cost centre includes all relevant expenditure. The variance is merely due to the expenditure being less than the previously anticipated	(23,978)	Karen Whyatt
Internal Audit	Audit - Underspend is mainly due to staff vacancies.	(74,319)	Jonathan Tully
IT Contract Management	IT Contract Costs - The underspend is based on a less than budgeted partner recharge from 3C ICT. Please note that there is an approved savings target of £109k included in the 2020/21 3C ICT budget to take into account the ongoing reduced level of recharge.	(147,215)	Fiona Bryant
Legal Services	Legal - The overspend (City share) is due to a fall in income in Feb/March 2020. Work (mainly planning and court-work) due to the impact of Covid-19 has reduced resulting in reduced income.	22,987	Tom Lewis
Procurement	Procurement - There has been additional employee spend due to agency costs being greater than anticipated but this is more than offset by additional income for work done for the combined authority. Due to the current situation this additional income is not anticipated to continue into 20/21.	(66,644)	Heidi Parker
Property Services	Other Industrial Properties - the variance is primarily due to the receipt of additional income following the acquisition of the long leasehold for Units 1-10 Nuffield Close and 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. Please note that an increased income bid for the 2020/21 financial year and future years has been approved.	(272,099)	Philip Doggett

Service Grouping	Reason for variance	Variance	Cost Centre Manager
<b>Property Services - Other</b>	Commercial Property Additional Maintenance - The variance is due to two one-off cyclical maintenance projects which were delayed due to capacity issues within Estates and Facilities' building surveying team. Carry forward requests for £117k have been submitted for approval in order that the work can be progressed.	(117,000)	Will Barfield
<b>Revenues and Benefits</b>	Rent Allowances & Rent Rebates - The variance is primarily due to net subsidy differences of £232k (following submission of the final subsidy claim to the DWP) within overall expenditure of £32.2 million. The variance is partly offset by a positive variance of -£69k with respect to the recovery of Benefit Overpayments from claimants that are no longer claiming benefit.	162,390	Naomi Armstrong
<b>Revenues and Benefits</b>	Revenue Overheads - The variance is primarily due to full-time cover not being engaged during a Training & Policy Officer's maternity leave. In addition, the Training & Policy Officer post has been vacant since January 2020.	(36,931)	Alison Cole
<b>Transformation Programme</b>	Programme Office - Transformation Programme projects work in progress, where delivery schedule have slipped or been rebaselined during 2019/20 or where work cannot be delivered by suppliers in the original planned timescales. This includes the Council Anywhere transformation programme and the Environmental Health system implementation/transformation project, both major pieces of work originally planned for delivery in 2019/20 and now taking place in 2020/21, £72k - Council Anywhere Transformation Project (£52K of Project Management costs to supplement resource in Transformation team for work reprofiled into 2020/21 and £20K for training some of which is currently underway and some has been rephased into 2020/21 (Enabling workshops). £4k - Corporate Project Management Training - Some planned training has yet to be commissioned due to unplanned absence in the transformation team. £6K - Miscellaneous Projects - where work is in progress and has not been completed in year due to slippage/resource pressures. £12.5K - Implementation of EPMS (Project Management System) - Base System live from April 2019, there are some remaining modules that have yet to be implemented due to competing priorities in the CPO and waiting on new releases by supplier. Work to be programmed in for 2020/21 £37K - Reduce call upon Redundancy provision in 2019/20 as staff we are able to be redeployed or reductions were covered by vacant posts. A carry forward is requested to supplement provision for Service reviews planned for 2020/21	(134,874)	Paul Boucher
<b>Other minor variances</b>		<b>(130,497)</b>	
<b>Total variance for portfolio</b>		<b>(991,320)</b>	

## Strategy and External Partnerships Portfolio / Strategy &amp; Resources Committee

Service Grouping	Reason for variance	Variance	Cost Centre Manager
Central Costs	Central Provisions to be Allocated - The variance is largely due to budgets being held centrally and where the corresponding underspends are in budgets elsewhere	363,588	Karen Whyatt
Central Costs	Support Services Trading Balances - The cost centre variance is prior to the transfer of individual support service year-end balances, which are reported elsewhere at this stage of the closedown process.	53,040	Richard Wesbroom
Central Costs	Pensions - Early retirements and Past Deficit - The anticipated contributions from the GF to meet the pension deficit is lower than previously budgeted.	(36,260)	Karen Whyatt
Corporate Strategy	Corporate Policy - There is a total underspend on the Corporate Policy cost centre of £96k. This is comprised mainly of: • £32,000 underspend on the digital inclusion budget. This is a cumulative underspend from a 3-year programme of activity. The outputs from the programme have been delivered, but the costs were reduced by a change in delivery model from paying private providers to provide costly digital inclusion training courses for residents, to working in partnership on projects with local community groups and businesses. • £15,000 underspend on marketing and publicity. This includes an £11k cumulative underspend on a 6-year programme of activity to promote the Real Living Wage. Costs have been lower than expected, as it has proved more effective to engage employers through networking and business events rather than costly advertising activities. • £10,000 underspend on the anti-poverty strategy responsive budget • £5,000 underspend on consultancy fees, resulting from a reduction in rates for the Independent Complaints Inspector, following a change in contractor Carry forward requests are included totalling £27k for this cost centre.	(95,956)	David Kidston
Democratic Services	Elections - The full cost of the stand-alone City election in 2019 and the by-election was borne by the Council. Poll staff payments, postage and printing have also increased, further creating an enhanced overspend.	34,379	Vicky Breeding
Strategic Director 1	Cambridge Northern Fringe East (CNFE) - Owing to the previously planned all-out elections in May and the timing of the Local Plan consultations, alongside the continued negotiations on the HIF Funding agreement, it was agreed to defer the AAP presentation to Scrutiny committee from January 2020 until June 2020. Many of the costs associated with the AAP topic papers are still required but therefore deferred, as are the project costs pending engrossment of the HIF agreement. It is expected that these will be completed in 2020/2021. A carry forward request has been submitted so that the work can be carried out in 2020/21	(349,940)	Fiona Bryant
Strategic Director 1	Park Street Car Park Development - The transactions on this cost centre are being reviewed and may be capitalised as a result. This would be an additional adjustment following this report.	73,717	Fiona Bryant
Other minor variances		(28,372)	
Total variance for portfolio		14,196	



Reference	Description	Carry Forward Budget £	Contact
<b>Climate Change, Environment and City Centre/Environment and Community</b>			
1	<b>Environmental Health Operational Support</b> - Revenue costs for the new EH software (bid made in 2019) that is now being implemented in 2020/21 rather than 2019/20 due to delays in completing the contract.	38,000	Yvonne O'Donnell
2	<b>Environmental Health System capital scheme</b> - Additional funds towards capital scheme 100252 (£40K originally approved) due to the supplier prices being higher than first anticipated	6,200	Yvonne O'Donnell
3	<p><b>Market Square Project</b> - The carry forward request represents the balance remaining on the original 2018/19 budget allocation for delivering the Market Square project in accordance with Royal Institute of British Architects (RIBA) Stages 1 and 2. RIBA Stage 1 was completed summer 2019 and work on Stage 2 didn't commence until January 2020; and, subject to securing necessary available budget and Covid impacts, the delivery timetable is scheduled to complete March, 2021.</p> <p>Mace was appointed under Crown Commercial Services framework in March to procure specialist design and market consultants to deliver Stage 2 on direct award basis. Mace have assessed tender submissions and recommended team of shortlisted consultants. We have fed back to Mace on the shortlisted tender submissions and Mace is now in negotiation with consultants over resource allocation detail and associated fees and charges. Based on prices submitted to date, in addition to the requested carry forward and £30K budget allocation in 2020/21, the project has an expected budget shortfall of c£30K. A Feasibility Fund bid has been submitted for Place Board consideration on 11th March.</p> <p>Provided sufficient budget is secured and approval from Executive to proceed with completing Stage 2 of the project, next steps will be to hold inception meetings and agree a detailed forward delivery plan and timetable.</p>	32,800	Sarah French
4	<b>Tourism</b> - Following a detailed review of the Tourism cost centre, we have identified a £21K budget surplus, which we would like to carry forward to 2020/21 to be used to provide financial support to VCB, as a result of the Covid pandemic impact. The Council's Tourism service transferred to VCB in 2016, but without any reserve fund/ contingency budget provision; and, due to annual losses since, VCB has been unable to develop such a fund. Now, with the visitor market 'crash' associated with Covid travel restrictions, VCB is facing a critical short-term cash flow issue, while it reviews the future strategic options for the business, including closure. The Council has provided VCB with £43K grant (and 3 month rent holiday: April-June) to support short-term cash flow and on condition that the Board identifies and implements an agreed strategic option for the business by end June, 2020. The carry forward request will be used towards the £43K grant and any other financial support the Council is willing to offer VCB associated with the outcome of the strategic options review, including pension and redundancy costs.	21,800	Joel Carre
<b>Total Climate Change, Environment and City Centre</b>		98,800	
<b>Communities/Environment and Community</b>			
5	<b>SPF fund Activate</b> - To allow completion of SPF funded project	9,250	Debbie Kaye
6	<b>SPF fund Act Up</b> - To allow completion of SPF funded project	3,200	Debbie Kaye
7	<b>Leisure Contract Client Costs</b> - Revenue contribution towards Abbey Pool Improvements capital project (c/fwd. from 2018/19)	56,000	Debbie Kaye
8	<b>Leisure Contract Charges/cyclical/planned maintenance/consultancy/DRR</b> - Carry forward requested for Refit 3 Carbon Reduction projects 20/21	75,000	Debbie Kaye
<b>Total Communities</b>		143,450	
<b>Planning Policy and Open Spaces/Planning and Transport</b>			
9	<b>Arboriculture</b> - Work is being done on behalf of County and paid for separately, for a 2-year watering programme. Works committed and started and not yet finished. Delays to completion of tree works schedules caused by February / March storm clear ups leading to changing priorities and contractor capacity.	30,000	Matthew Magrath
10	<b>Flood Risk</b> - Contribution to de-silting activities along Botanic Gardens. These works are to be carried out by the University and are imminent but are likely to be delay due to the unprecedented situation of the COVID-19. Awaiting information from Lead local Flood authority to potentially carry out works or contribution to works on FPDE Rebuilding fallen wall and surrounding walls at bend- £10,000	10,000	Luisa Nunes
11	<b>Flood Risk</b> - Due to the presence of swan's nest (biodiversity) in the pond the desilting works were not possible to be carried out at Cherry Hinton Hall Pond. These works would need to be postpone to September (after nesting season) – value of request £10,000	10,000	Luisa Nunes
12	<b>Flood Risk</b> - Due to the wet weather between January and February – Only part of the Cherry Hinton brook desilting works were planned to be carried out in March. Other enhancements to be carried out in September after the nesting season - £15,000	15,000	Luisa Nunes
<b>Total Planning Policy and Open Spaces</b>		65,000	

Reference	Description	Carry Forward Budget £	Contact
<b>Transport and Community Safety/Planning and Transport</b>			
13	<b>CCTV</b> - To complete a full technical survey and audit of the £650K investment at City and the £600K at HDC by QSG of the cameras and networks and software, recording and hardware etc. The quote for this specialist highly technical work including a cyber/IT network security audit as £15K to complete for both councils' systems so is £7,500 each. The audit is carried out currently but the work may not be completed until the next financial year.	7,500	Eddy Gardner
14	<b>Community Safety</b> - Asylum Seekers Advice - To complete two-year project that ends in 2020.	8,500	Debbie Kaye
<b>Total Transport and Community Safety</b>		16,000	
<b>Finance and Resources/Strategy &amp; Resources</b>			
15	<b>Customer Access Strategy - Customer Service Centre</b> - 3C's ICT are managing the project to implement the Secure Phone Payment, however the project has not started, a PM has only recently been appointed, therefore this revenue (£16,000) needs to be carried forward into 2020-2021 budget as the costs associated with overlapping licences remains.	16,000	Clarissa Norman
16	<b>Shared Payroll</b> - Additional resource is required to implement the new HR and payroll software system. The implementation of HRIS system to a functioning level would take 4 to 5 months and would require a resource to work solely on the project 3 days per week to carry out data conversion, uploading and testing. It is requested that the underspend on the IT budget in 19-20 is carried forward for this purpose.	26,000	Mike Scott
17	<b>Commercial Property Additional Maintenance</b> - Gwydir Enterprise Centre- One-off Additional Maintenance budget. The commencement of the above-mentioned project has been delayed primarily due to capacity issues within the Estates and Facilities' building surveying team. The budget for the one-off additional maintenance budget will need to be carried forward to the 2020/21 financial year in order that the work can be progressed.	27,000	Phil Doggett
18	<b>Commercial Property Additional Maintenance</b> - 69-71 Lensfield Road The commencement of the above-mentioned project has been delayed primarily due to capacity issues within the Estates and Facilities' building surveying team. The budget for the one-off additional maintenance budget will need to be carried forward to the 2020/21 financial year in order that the work can be progressed.	90,000	Phil Doggett
19	<b>Programme Office</b> - Transformation Programme projects work in progress, where delivery schedule have slipped or been rebaselined during 2019/20 or where work cannot be delivered by suppliers in the original planned timescales. This includes the Council Anywhere transformation programme and the Environmental Health system implementation/transformation project, both major pieces of work originally planned for delivery in 2019/20 and now taking place in 2020/21. £72k - Council Anywhere Transformation Project (£52K of Project Management costs to supplement resource in Transformation team for work reprofiled into 2020/21 and £20K for training some of which is currently underway and some has been rephased into 2020/21 (Enabling workshops). £4k – Corporate Project Management Training – Some planned training has yet to be commissioned due to unplanned absence in the transformation team. £12.5K – Implementation of EPMS (Project Management System) – Base System live from April 2019, there are some remaining modules that have yet to be implemented due to competing priorities in the CPO and waiting on new releases by supplier. Work to be programmed in for 2020/21. £37K – Reduce call upon Redundancy provision in 2019/20 as staff we are able to be redeployed or reductions were covered by vacant posts. C/F into 2020/21 to supplement provision for Service reviews planned for 2020/21	131,000	Paul Boucher
<b>Total Finance and Resources</b>		290,000	
<b>Strategy and External Partnerships/Strategy &amp; Resources</b>			
20	<b>Corporate Policy</b> - Digital Access Programme - To provide a small budget to continue the project that was originally planned within the Digital access programme for the remaining 6 months that the Digital Inclusion Project Officer will be in post	5,000	David Kidston
21	<b>Corporate Policy</b> - Original SPF money to fund a post that carries over to 20/21	22,000	David Kidston
22	<b>Cambridge North Fringe East</b> - Owing to the previously planned all-out elections in May and the timing of the Local Plan consultations, alongside the continued negotiations on the HIF Funding agreement, it was agreed to defer the AAP presentation to Scrutiny committee from January 2020 until June 2020. Many of the costs associated with the AAP topic papers are still required but therefore deferred, as are the project costs pending engrossment of the HIF agreement. It is expected that these will be completed in 2020/2021.	349,940	Fiona Bryant
<b>Total Strategy and External Partnerships</b>		376,940	
<b>Central Budgets</b>			
23	<b>Project Plan Expenditure Charged to Revenue</b> - Feasibility Study Project Work - Funds provisionally assigned	79,870	Various
<b>Total Central Budgets</b>		79,870	
<b>Total All Portfolios</b>		1,070,060	

## Overview Capital Budget Outturn 2019/2020

## Appendix D

<i>Committee</i>	<i>Original Budget £000</i>	<i>Final Budget £000</i>	<i>Outturn £000</i>	<i>Variance £000</i>	<i>Rephase £000</i>	<i>Over / (Under) Spend £000</i>
<b>Environment &amp; Community Committee</b>						
Climate Change, Environment and City Centre Portfolio	1,205	2,404	625	(1,779)	1,778	(1)
Communities Portfolio	1,427	2,777	803	(1,974)	2,127	153
<b>Environment &amp; Community Committee Total</b>	<b>2,632</b>	<b>5,181</b>	<b>1,428</b>	<b>(3,753)</b>	<b>3,905</b>	<b>152</b>
<b>Housing Committee</b>						
Housing (GF) Portfolio	554	754	128	(626)	426	(200)
<b>Housing Committee Total</b>	<b>554</b>	<b>754</b>	<b>128</b>	<b>(626)</b>	<b>426</b>	<b>(200)</b>
<b>Planning &amp; Transport Committee</b>						
Planning Policy and Open Spaces Portfolio	52	1,226	515	(711)	656	(55)
Transport and Community Safety Portfolio	38	995	387	(608)	636	28
<b>Planning &amp; Transport Committee Total</b>	<b>90</b>	<b>2,221</b>	<b>902</b>	<b>(1,319)</b>	<b>1,292</b>	<b>(27)</b>
<b>Strategy &amp; Resources Committee</b>						
Finance & Resources Portfolio	17,835	36,201	16,375	(19,826)	22,011	2,185
<b>Strategy &amp; Resources Committee Total</b>	<b>17,835</b>	<b>36,201</b>	<b>16,375</b>	<b>(19,826)</b>	<b>22,011</b>	<b>2,185</b>
<b>Total Committees</b>	<b>21,111</b>	<b>44,357</b>	<b>18,833</b>	<b>(25,524)</b>	<b>27,634</b>	<b>2,110</b>
Housing (GF) Portfolio	848	949	619	(330)	284	(46)
Housing (HRA) Portfolio	51,977	44,825	37,741	(7,084)	6,276	(808)
<b>Total for Housing Capital Investment Programme</b>	<b>52,825</b>	<b>45,774</b>	<b>38,360</b>	<b>(7,414)</b>	<b>6,560</b>	<b>(854)</b>
<b>Total Capital Plan</b>	<b>73,936</b>	<b>90,131</b>	<b>57,193</b>	<b>(32,938)</b>	<b>34,194</b>	<b>1,256</b>

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

## Capital Budget 2019/20 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £'000's	Final Budget £'000s	Outturn £'000s	Variance - Outturn to Final Budget £'000s	Rephase Spend £'000s	Over / (Under) Spend £'000s	Variance Explanation
100023 - PR035	Waste & Recycling Bins - New Developments (S106)	Trevor Nicoll	0	165	22	(143)	143	0	The bins purchased for the new developments at Darwin Green and Clay Farm total £22k. The remaining budget is requested to be rephased to 20/21
100112 - SC645	Electric vehicle charging points	Jo Dicks	176	415	79	(336)	336	0	Of all 21 installations 8 are complete, 4 partially complete and the remaining 9 installations sites have been identified and installations costed and scheduled. Some delays due to UKPN prior to Covid and some Covid 19 related delays. UKPN cancelled all connections during lockdown and contractors not doing site work during lock down. UKPN have now begun discussion to resume connections next month - Potential 6month delay to end of project.
100171 - PR017	Vehicle Replacement Programme	David Cox	682	850	355	(495)	495	0	All of the vehicles that are due to be replaced this year have either been received/ are on order or waiting for availability. The underspend will need to be carried forward to cover the cost of these vehicles in 20/21.
100200 - SC654	Redevelopment of Silver Street Toilets	Declan O'Halloran	283	559	83	(476)	476	(0)	Project going through design modifications for re-presentation at next available planning committee after deferment in March. At the same time a short briefing report is being prepared for the Sponsor and Exec Cllr in light of Covid implications on the project.
100220 - SC651	Shared ICT waste management software - Alloy	Joel Carre	0	351	54	(297)	297	0	Project budget allocation is for the delivery of new digital operational management system in S&OS street cleansing (1st phase) and S&OS grounds maintenance and assets (2nd phase). Phase 1 delivery was completed in March 2020 and associated milestone payment made against budget. The 2nd phase started in March 2020 and will not be completed until December 2020.
100249 - SC685	Mobile column lifts at Waterbeach garage	David Cox	24	24	23	(1)	0	(1)	Project completed
100252 - SC688	Environmental Health software	Joel Carre	40	40	0	(40)	40	0	Procurement of this 3C project was completed in March 2020 with award of contract to Tascomi. 3C project board established with each council having its own local project manager and associated delivery team. City project team established and gathering data. City Project Initiation Document to be submitted to Digital Board May 2020 for approval. Anticipate completing delivery of project by March 2021
100289 - SC722	Purchase of link tip bodies	Trevor Nicoll	0	0	9	9	(9)	(0)	This is a 20/21 budget however there has been some spend in the current year by the Shared Waste service. This is funded from the vehicles earmarked reserve at the City.
Total Projects			1,205	2,404	625	(1,779)	1,778	(1)	

## Capital Budget 2019/20 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £'000's	Final Budget £'000s	Outturn £'000s	Variance - Outturn to Final Budget £'000s	Rephase Spend £'000s	Over / (Under) Spend £'000s	Variance Explanation
100018 - SC548	\$106 Southern Connections Public Art Commission	Alistair Wilson	0	13	0	(13)	13	0	This project has had to be rescoped and therefore has not progressed. The intention is to link the project completion to the 2 Seas Nature Smart Cities Project
100022 - PV564	Clay Farm Community Centre -Phase 2	Ian Ross	0	0	144	144	0	144	Project completed. The £144k represents the final invoice from the contractor
100028 - PR034d	\$106 Public art 150th and 400th Anniversary Cambridge Rules	Nadine Black	0	0	6	6	0	6	Elements of the project are still taking place involving sculptures being located around the world
100029 - UD034j	Pavilion facilities at Jesus Green (\$106)	Ian Ross	0	0	(1)	(1)	0	(1)	Project now withdrawn
100039 - PR031g	\$106 Milton Rd Library community meeting space	Jackie Hanson	0	100	100	0	0	0	Project complete
100063 - PR041g	\$106 Netherhall School: supplementary grant for gym	Ian Ross	0	101	99	(2)	0	(2)	Project complete
100069 - PR030j	\$106 Public art grant - The Mill Road Railway Legacy	Alistair Wilson	0	0	6	6	0	6	Project substantially completed end 2018/ 19 with some minor spend in 2019/ 20 on ancillaries including improvements to surrounding public realm, construction retention costs etc. No further spend anticipated.
100128 - PR033r	\$106 Improvements to Histon Road Rec Ground football area	Ian Ross	0	0	1	1	0	1	Project complete
100131 - PR030p	Outdoor fitness equipment near astroturf pitch	Ian Ross	0	1	0	(1)	0	(1)	Project complete
100154 - SC644	Acquisition of land adjacent to Huntingdon Road Crematorium	Glyn Theobald	0	46	4	(42)	42	(0)	Although the land acquisition is complete the remaining capital will be used in 20/21 for the completion of the access road landscaping.
100185 - PR040v	\$106 Public art grant for Pink Festival Group	Nadine Black	0	0	17	17	0	17	Project complete
100188 - PR040s	\$106 Public art grant for Kettle's Yard - Antony Gormley	Nadine Black	0	5	5	0	0	0	Project complete
100203 - PR042g	\$106 To the River - artist in residence	Nadine Black	0	85	25	(60)	60	(0)	Project has been delayed due to internal processes and Covid. A budget review will be required due to the delay.
100208 - PR040t	Public Art Grant for Cambridge Live - Colours in our	Nadine Black	0	3	0	(3)	0	(3)	Project complete
100217 - PR040z	\$106 Public art: Historyworks: Michael Rosen Walking Trail 2	Nadine Black	0	10	0	(10)	10	0	Still awaiting paperwork from applicant. Budget to be rephased
100228 - PR042j	\$106 Public art - NIE Theatre, tales from the Edge of Town	Nadine Black	0	9	10	1	0	1	Project complete
100229 - PR042h	\$106 Public art grant - Cambridge Junction: News News News	Nadine Black	0	5	5	0	0	0	Project complete
100231 - PR042k	\$106 Public art grant - Rowan Humberstone: Ecology sculpture	Nadine Black	0	15	14	(1)	0	(1)	Project complete
100232 - PR042m	Public art grant - Chesterton village sign (\$106)	Nadine Black	0	10	0	(10)	10	0	Resources have not allowed project to move forward plus community involvement has not been progressed due to Covid
100233 - PR042n	Public art grant - HistoryWorks: Travellers and Outsiders	Nadine Black	0	15	0	(15)	15	0	Applicant has not engaged with the Council to date. Budget to be rephased.
100234 - PR042l	\$106 Public art grant - Faith and Hope	Nadine Black	0	33	18	(15)	0	(15)	Project complete
100236 - SC678	Crematorium - additional car park	Glyn Theobald	325	348	9	(339)	339	(0)	There has been delays in pre-planning from the LPA. We are 95% complete to go for full planning awaiting further ecological appraisals. The remaining budget will be required to be rephased to 20/21 for the completion of the project.

<i>Capital Ref</i>	<i>Description</i>	<i>Lead Officer</i>	<i>Original Budget £'000's</i>	<i>Final Budget £'000s</i>	<i>Outturn £'000s</i>	<i>Variance - Outturn to Final Budget £'000s</i>	<i>Rephase Spend £'000s</i>	<i>Over / (Under) Spend £'000s</i>	<i>Variance Explanation</i>
100237 - SC679	Crematorium - cafe facilities	Glyn Theobald	310	323	16	(307)	307	(0)	There has been delays in pre-planning from the LPA. We are 95% complete to go for full planning awaiting further ecological appraisals. The remaining budget will be required to be rephased to 20/21 for the completion of the project.
100241 - SC646	Redevelopment of Cambridge Junction	Jane Wilson	0	250	0	(250)	250	0	Delayed due to Covid 19
100244 - PR042a	S106 St Clement's Church community grant	Jackie Hanson	0	30	30	0	0	0	Project complete
100245 - PR042b	S106 Museum of Technology meeting space community grant	Jackie Hanson	0	2	2	(0)	0	(0)	Project complete
100246 - PR042c	S106 grant for Netherhall School meeting space	Jackie Hanson	0	24	24	0	0	0	Project complete
100247 - PR042d	Romsey Mill community facility grant (S106)	Jackie Hanson	0	21	0	(21)	21	0	Delayed due to Covid 19
100248	Grant for Arbury Community Centre:	Jackie Hanson	25	0	0	0	0	0	Project complete
100256 - SC692	CHUB - community extension to Cherry Hinton library	Jackie Hanson	767	767	1	(766)	766	(0)	Delayed due to Covid 19. EHO recommendation at pre-app - commissioning acoustic report. Looking to proceed to approval with condition as alternative. Funding with RBL still to be negotiated. Local community fundraising commitment. Underwritten by £750k general reserves
100262 - SC697	S106 Grant for St John's Church improvement	Jackie Hanson	0	100	100	0	0	0	Project complete
100264 - SC699	Corn Exchange fire doors	Jane Wilson	0	37	38	1	0	1	Project complete
100265 - SC700	S106 Nightingale community garden hut	Guy Belcher	0	15	4	(11)	11	(0)	The project is complete, subject to snagging. Further costs are expected in 20/21 - the charge in 19/20 is based on 95% of the total estimated cost.
100269 - SC704	S106 grant for community facility improvement at Brownsfield	Jackie Hanson	0	15	15	0	0	0	Project complete
100271 - SC706	S106 Chesterton sports centre - grant for outdoor courts	Ian Ross	0	65	65	0	0	0	Project complete
100272 - SC707	Cambridge Rugby Club - grant for floodlights (S106)	Ian Ross	0	45	45	0	0	0	Project complete
100302 - SC734	Grant for Arbury Court meeting room - voluntary services	Jackie Hanson	0	3	0	(3)	3	0	Project completed but grant not yet awarded
100303 - SC735	Grant for Chesterton Methodist Church improvements (S106)	Jackie Hanson	0	15	0	(15)	15	0	Grant agreement signed. Delayed due to Covid 19
100304 - SC736	Grant for St George's Church improvements (S106)	Jackie Hanson	0	15	0	(15)	15	0	Grant agreement signed. Project delayed due to Covid 19
100305 - SC737	S106 Grant for Nun's Way pavilion storage space	Jackie Hanson	0	1	1	(0)	0	(0)	Project complete
100306 - SC738	Wilberforce Road artificial pitches (S106)	Ian Ross	0	250	0	(250)	250	0	CUA in progress to be agreed and sums Paid. Astroturf open for hire - Additional changing room works underway to be completed April 2020 - may be postponed to Sept - Post Covid
<b>Total Projects</b>			<b>1,427</b>	<b>2,777</b>	<b>803</b>	<b>(1,974)</b>	<b>2,127</b>	<b>153</b>	

## Capital Budget 2019/20 - Outturn

<i>Capital Ref</i>	<i>Description</i>	<i>Lead Officer</i>	<i>Original Budget £'000's</i>	<i>Final Budget £'000s</i>	<i>Outturn £'000s</i>	<i>Variance - Outturn to Final Budget £'000s</i>	<i>Rephase Spend £'000s</i>	<i>Over / (Under) Spend £'000s</i>	<i>Variance Explanation</i>
100048 - SC597	Empty Homes Loan Fund	Yvonne O'Donnell	0	200	0	(200)	0	(200)	This is a recyclable fund to support empty home owners bring their property back into use. The loan would be returned once the property became occupied. However there has been no take up of the scheme since it started in 2016 and therefore it is proposed to delete this fund as part of the Interim MTFS.
100258 - SC694	Meadows Community Hub and Buchan St retail outlet	Claire Flowers	554	554	128	(426)	426	0	Spend related to design work Split between HRA and GF agreed. Potential delay due to Covid 19
<b>Total Projects</b>			<b>554</b>	<b>754</b>	<b>128</b>	<b>(626)</b>	<b>426</b>	<b>(200)</b>	

## Capital Budget 2019/20 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £'000's	Final Budget £'000s	Outturn £'000s	Variance - Outturn to Final Budget £'000s	Rephase Spend £'000s	Over / (Under) Spend £'000s	Variance Explanation
100001 - PR010a	Environmental Improvements Programme - North Area	John Richards	0	69	28	(41)	41	0	Delivery of rolling programme has slipped due to need to prioritise other areas of work; including development of new 2 year programme. Several projects completed in recent months and others nearing completion. Delivery expected to continue through 2020 into 2021/ 22.
100002 - PR010b	Environmental Improvements Programme - South Area	John Richards	0	77	10	(67)	67	0	Delivery of rolling programme has slipped due to need to prioritise other areas of work; including development of new 2 year programme. Delivery expected to continue through 2020 into 2021/ 22.
100003 - PR010c	Environmental Improvements Programme - West/Central Area	John Richards	0	127	5	(122)	122	0	Delivery of rolling programme has slipped due to need to prioritise other areas of work; including development of new 2 year programme. Delivery expected to continue through 2020 into 2021/ 22.
100004 - PR010d	Environmental Improvements Programme - East Area	John Richards	0	110	8	(102)	102	0	Delivery of rolling programme has slipped due to need to prioritise other areas of work; including development of new 2 year programme. Delivery expected to continue through 2020 into 2021/ 22.
100006 - SC648	Local Centres Improvement Programme	John Richards	0	0	4	4	0	4	Minor spend in 2019/ 20 to close down retention on the Arbury Court improvement work. No further spend on scheme anticipated. Further (third) local centre improvement will be Mitcham's Corner, if an appropriate way forward can be found.
100025	Procurement of IT System to Manage Community Infrastructure	Stephen Kelly	0	20	0	(20)	20	0	Delay in progress of scheme. Rephasing of budget is requested
100033 - PR037	Local Centres Improvement Programme	John Richards	0	7	0	(7)	7	0	Rolling programme of agreed schemes; with 2 of 3 now completed (Cherry Hinton High St. and Arbury Court). Third priority, Mitcham's Corner, dependent on Urban Design team lead and other inputs including Spaces & Movement SPD. Progress during 2020/ 21 hoped for.
100035 - PR030h	S106 Romsey 'town square' public realm improvements	John Richards	0	49	7	(42)	7	(35)	Project substantially completed with decorative element to conclude during 2020/21 following Covid-19 lockdown. This is anticipated to require c£7k, with remaining funds able to be returned to s106 budgets.
100088 - SC615	S106 Cherry Hinton Grounds improvements Phase 2	Alistair Wilson	0	49	52	3	0	3	This project is now complete
100093 - PR042b	S106 Mill Road cemetery access and main footpath improvement	Alistair Wilson	0	20	3	(17)	0	(17)	Project substantially completed end 2018/ 19 with some minor spend in 2019/ 20 on final close-down arrangements, construction retention payments etc. No further costs anticipated. Scheme has been delivered to good quality and with savings on financial allocations.
100105 - SC633	S106 Reinforcing grass edges along paths across Parker's	Alistair Wilson	0	135	58	(77)	77	0	Project substantially completed with some finishing and snagging to address post Covid-19 restrictions. Further spend therefore envisaged during 2020/21, but expectation that out-turn will deliver savings against budget provision.
100122 - PR032s	S106 Footbridge across Hobson's Brook (Accordia development)	John Richards	52	52	52	0	0	0	Project substantially completed with just construction retention cost to finalise and pay during 2020/21. 2019/20 officer costs to be recharged.
100187 - PR033s	S106 Histon Rd Rec play area: paths, surfacing & landscaping	Alistair Wilson	0	1	0	(1)	0	(1)	Project complete
100196 - SC661	Adaptions to Riverside Railings	Alistair Wilson	0	37	45	8	0	8	Project substantially completed during 2019/ 20 with defects now addressed and new mooring pontoons being brought into use. Additional costs arising from unforeseen river bank conditions. Further costs to accrue which will increase out-turn; including for officer time and securing the fourth mooring position. Further funding therefore needed with budget of remaining allocated monies during 2020/ 21.
100197	Shared Planning Service software and implementation	Stephen Kelly	0	59	0	(59)	59	0	Delay in progress of scheme. Rephasing of budget is requested



<i>Capital Ref</i>	<i>Description</i>	<i>Lead Officer</i>	<i>Original Budget £'000's</i>	<i>Final Budget £'000s</i>	<i>Outturn £'000s</i>	<i>Variance - Outturn to Final Budget £'000s</i>	<i>Rephase Spend £'000s</i>	<i>Over / (Under) Spend £'000s</i>	<i>Variance Explanation</i>
100209 - SC675	Bateman Street tree replacement	John Richards	0	17	0	(17)	17	0	Project approved as part of EIP South area programme; set up as a separate capital cost centre. Project now completed with substantial savings against earlier expectations, with savings returned to cost centre 100002.
100215 - PR032t	S106 Fulbourn Road open space improvements	Alistair Wilson	0	10	9	(1)	0	(1)	Project complete. No further spend
100216 - PR032w	S106 Accordia open space improvements	Alistair Wilson	0	6	1	(5)	5	0	There is a commitment to deliver 2 on site information boards, for the tree trail, at an estimated 5k
100218 - PR031q	S106 Bramblefields nature reserve: to improve biodiversity	Alistair Wilson	0	5	3	(2)	2	0	Further spend on interpretation signage planned
100219 - PR033t	S106 St Clement's churchyard open space on Bridge Street	Alistair Wilson	0	9	(1)	(10)		(10)	Project has proven not deliverable in 2019/ 20; with primary stakeholder unable to commit to requirements of s106 open spaces financial allocation. It is therefore proposed it be abandoned; with guidance from Urban Growth Manager. Nevertheless, significant officer time has been accrued working on the project to this point (with costs in 2019/ 20 still to be recharged) - with a means of covering these needed.
100224 - PR032z	S106 Trumpington Rec Ground trim trail and climbing frame	Alistair Wilson	0	12	5	(7)	7	0	Project delivered during 2019/ 20 with savings against budget. Officer costs still to be recharged, with rephasing of budget requested to enable payment of construction retention during 2020/ 21.
100226 - PR032y	S106 Trumpington Rec Ground skate park	John Richards	0	78	75	(3)	3	0	Project completed with minor costs around construction retention etc to conclude during 2020/ 21. Officer costs incurred during 2019/ 20 still to be recharged.
100227 - PR031r	S106 Chesterton Rec Ground skate and scooter park	John Richards	0	48	(2)	(50)	50	0	Project development deferred from 2019/20 to 2020/21.
100259 - PR010	Environmental Improvements Programme	Alistair Wilson	0	70	0	(70)	70	0	First year of two year programme 2019-21, with projects now identified between Exec Cllr and Area Committees and a start made on development and delivery.
100267 - SC702	S106 Jesus Green - perennial meadow	Guy Belcher	0	18	12	(6)	0	(6)	Project complete
100270 - SC705	S106 Redevelopment of Alexandra Gardens play area	John Parrott	0	35	35	0	0	0	Project complete
100274 - SC709	S106 Redevelopment of St Matthew's Piece play area	John Parrott	0	35	35	0	0	0	Project complete
100310 - SC742	S106 Newnham residents' parking scheme	Tim Wetherfield	0	70	70	0	0	0	CCC historic S106 contributions towards the completed County Council Newnham residents' parking scheme in West Cambridge
100311 - SC743	S106 Grant for Nightingale Garden polytunnel	Guy Belcher	0	1	1	0	0	0	Polytunnel purchased, awaits installation by supervised volunteer group post Covid lockdown
<b>Total Projects</b>			<b>52</b>	<b>1,226</b>	<b>515</b>	<b>(711)</b>	<b>656</b>	<b>(55)</b>	

## Capital Budget 2019/20 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £'000's	Final Budget £'000s	Outturn £'000s	Variance - Outturn to Final Budget £'000s	Rephase Spend £'000s	Over / (Under) Spend £'000s	Variance Explanation
100019 - PV549	City Centre Cycle Parking	John Richards	0	2	2	(0)	0	(0)	Agreed improvements largely completed but some minor finishing off to conclude.
100032 - SC590	Structural Holding Repairs & Lift Refurbishment - Queen Anne	Sean Cleary	0	193	17	(176)	176	0	Grafton East MSCP capital repair funds were amalgamated into the QAT 5 year repair project. This allowed the remaining capital funds to allow repairs across the whole parking portfolio therefore preventing any further capital bids.
100050 - PR039	Minor Highway Improvement Programme	John Richards	0	40	22	(18)	18	(0)	Rolling programme predominantly delivered by County Council with City making financial contribution towards agreed schemes. County Council invoices for contribution at year end.
100074 - SC611	Grafton East car park essential roof repair	Sean Cleary	0	33	9	(24)	24	(0)	Main works were completed in 2017. There was a retention for a further 1 year period. Remaining residual works planned following recent structural survey (£10k). Though project is closed as of March 2020 remaining budget is being transferred to both Grafton East and QAT holding repair budget that covers works over next 4 years.
100147 - SC670	Lammas Land car parking infrastructure	Anthony French	0	27	33	6	0	6	Slightly outside project owing to unanticipated element of work to remedy uneven car park surfaces, in interests of public safety. First year income pre-Covid achieving budget projections. A recommendation is included to request funding for this overspend.
100150 - SC634	Grand Arcade and Queen Anne Terrace car parks sprinkler	Sean Cleary	0	8	0	(8)	0	(8)	Project complete
100156 - PV007	Cycleways	John Richards	0	397	10	(387)	387	0	Rolling programme with significant underspend against aspirations during 2019/ 20, due to dependencies outside of Council control.
100158 - PV018	Bus Shelters	John Richards	0	4	3	(1)	1	(0)	Slight understand on budget in 2019/ 20 with some minor finishing off to complete during 2020/ 21.
100193 - SC658	Cambridge City CCTV infrastructure	Joel Carre	0	188	203	15	0	15	Variance relates to costs associated with outstanding project delivery work to connect the remainder (x7) of the new cameras via new network 'node' sites on Microsoft and DWP buildings in city centre. Programme on completing these has slipped into 2020/21, due to protracted legal wayleave agreement negotiations with two property owners for the installation of the required network 'node' equipment on the roof space.
100238 - SC680	CCTV equipment upgrade	Joel Carre	0	30	0	(30)	30	0	QSG have now completed all the practical equipment replacement of all cameras and new radio network and control room equipment etc that is functioning now and is deemed ready to be signed off. There are several areas of installation that QSG cannot install due to permissions and access and although we have got the equipment in storage they will be completed once City has arranged legal access and this is protracted and unknown as to when it will be completed.
100240 - SC682	Pay and display equipment upgrade	Sean Cleary	18	18	11	(7)	0	(7)	Project complete
100250 - SC686	Car park server replacement (LAPE)	Sean Cleary	20	20	20	0	0	0	Replacement of old centralised servers at the Grand Arcade. Project complete.
100268 - SC703	King's Parade - temporary barriers	John Richards	0	35	57	22	0	22	Initial phase of project substantially completed with some additional costs anticipated during 2020/ 21 to deal with issues arising from experimental aspects. Officer costs for 2019/ 20 to be recharged. Invoice request for £35k contribution from GCP raised, with payment awaited. Funding plan for permanent solution to be developed.
<b>Total Projects</b>			<b>38</b>	<b>995</b>	<b>387</b>	<b>(608)</b>	<b>636</b>	<b>28</b>	

## Capital Budget 2019/20 - Outturn

Capital Ref	Description	Lead Officer	Original Budget £'000's	Final Budget £'000s	Outturn £'000s	Variance - Outturn to Final Budget £'000s	Rephase Spend £'000s	Over / (Under) Spend £'000s	Variance Explanation
100020 - PV554	Development Of land at Clay Farm	Dave Prinsep	96	393	69	(324)	324	(0)	A contractual agreement is in place 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. Forecast end date for the scheme is currently December 2024. Budget of £324k to be carried forward to the 2020/21 financial year.
100030 - PV583	Clay Farm Commercial Property Construction Costs	Dave Prinsep	0	20	(0)	(20)	20	(0)	Enabling works to facilitate tenants' fit out are scheduled to take place during the 2020/21 financial year.
100068 - SC605	Replacement Building Access Control System	Will Barfield	0	8	8	(0)	0	(0)	Project complete
100095 - PR052	RE:FIT 3 Energy performance improvement	Will Barfield	0	294	307	13	0	13	Suppliers' price resulted in the project overspend. This is to be funded from Climate Change fund as are all works for the solar PV and LED refits across various council buildings, and were costs that were identified as part of the project. There was additional work covered for the customer service centre LED upgrade to the lighting behind the centre rooms going up to the training room and back corridors.
100109 - SC627	Guildhall Large Hall Windows refurbishment	Will Barfield	0	101	0	(101)	101	0	Project not delivered due to long term staff absence
100139 - PR050	Office Accommodation Strategy Phase 2 (OAS)	Dave Prinsep	0	473	0	(473)	473	0	Investigating opportunities to inform the office accommodation strategy and some short term decisions that may be required.
100141 - PR038	Investment in commercial property portfolio	Dave Prinsep	0	5,279	5,277	(2)	0	(2)	Following the acquisition of the long leasehold for Units 1-10 Nuffield Close, the scheme has now been completed.
100142 - PR050a	Relocation of services to 130 Cowley Road (OAS)	Will Barfield	0	20	37	17	0	17	Some additional works and services resulted in overspend
100143 - PR050b	Mandela House refurbishment (OAS)	Will Barfield	0	0	29	29	0	29	A budget should have been set up to pay for main contractor retention payment that was due.
100145 - PR050e	Cowley Road Compound ex-Park and Ride site (OAS)	Will Barfield	0	27	27	(0)	0	(0)	Project complete
100146 - PR050d	Mobile working (OAS)	Dave Prinsep	0	52	37	(15)	15	0	Final moves to be concluded and possible additional work as a result.
100149 - SC639	Re-roofing the Guildhall	Will Barfield	0	164	164	0	0	0	Project complete
100155 - PR051	Building works at the Guildhall to reduce carbon emissions	Will Barfield	0	228	170	(58)	58	0	£58k required to pay for main contractor retention payment and contractual "measurement and verification" stage
100170 - SC601	Replacement Telecommunications & Local Area Network	Tony Allen	0	21	0	(21)	14	(7)	The final payment for the implementation milestone is outstanding circa £14k.
100190 - SC655	Resealing the roof at Robert Davies Court	Will Barfield	0	177	0	(177)	177	0	This work was put on hold due to long term review of the site. Roofing work is still required including fascia and gutter replacement work.
100191 - SC656	Barnwell Business Park remedial works to the roofs	Will Barfield	0	90	111	21	0	21	Roofing work is completed. Tenders were above budget and some additional unforeseen work on site increased costs further. A recommendation is included to request funding for this overspend and the expected retention fee of £2,756.86.
100194 - SC659	My Cambridge City online customer portal	Elissa Rospigliosi	76	154	108	(46)	46	0	The original completion date shows completion of the software installation. However, the programme has been rebaselined to take into account the requirement to integrate the portal with other systems and the transformation activity which accompanies this. The remaining budget will be carried forward for spend in 2020/21.
100195 - SC660	Council Anywhere - desktop transformation	Fiona Bryant	211	329	143	(186)	186	(0)	Project is in closedown phase.
100201 - PR050f	Guildhall Welfare Improvements (OAS)	Will Barfield	0	189	35	(154)	154	0	1st phase of work completed on site but remainder of work has not been completed as it requires tendering, and this has been delayed due to long term staff absence.

<i>Capital Ref</i>	<i>Description</i>	<i>Lead Officer</i>	<i>Original Budget £'000's</i>	<i>Final Budget £'000s</i>	<i>Outturn £'000s</i>	<i>Variance - Outturn to Final Budget £'000s</i>	<i>Rephase Spend £'000s</i>	<i>Over / (Under) Spend £'000s</i>	<i>Variance Explanation</i>
100202 - PR050g	Office optimisation (OAS)	Will Barfield	0	275	0	(275)	275	0	Budget was allocated to make alterations to office spaces in admin buildings as part of office accommodation strategy. this work has not taken place in 19/20 but may be required in 20/21 as part of ongoing OAS review and coronavirus impacts
100205 - SC672	Mill Road Redevelopment - Development Loan to CIP	Caroline Ryba	7,947	9,446	4,900	(4,546)	4,546	0	CIP loan drawdown dependent on progress on site and overall cash balances. The structure of the cash flows associated with the Affordable Housing Agreement has allowed CIP to delay drawdowns.
100206 - SC674	Mill Road Redevelopment - Equity Loan to CIP	Caroline Ryba	2,774	4,265	0	(4,265)	4,265	0	At present, all drawings have been taken under the development loan facility, there have been no requests for an equity contribution and none are currently expected.
100225 - SC692	Cromwell Road Redevelopment (GF)	Claire Flowers	0	0	2,142	2,142	0	2,142	This is an technical accounting adjustment due to a reallocation of resources between HRA and GF. Project in delay- but not stopped due to Covid 19
100235 - SC677	AV equipment upgrade for Committee Rooms	Gary Clift	125	125	126	1	0	1	Project complete
100243 - SC684	Property Management software	Philip Doggett	100	100	4	(96)	96	0	The tender has been issued. Supplier to be awarded the contract in June 2020 and anticipated go live date of August 2020. The underspend at the end of the 2019/20 financial year to be requested to be carried forward for completion of the project in the 2020/21 financial year.
100251 - SC687	Customer Service Centre improvements	Clarissa Norman	61	61	9	(52)	26	(26)	An underspend of £26,000 has been highlighted for this capital budget reducing the variance to £26,000. Budget is still required. Opportunity to progress procurements has been delayed because of COVID19 but will resume, and be reviewed, once the new model of working post lockdown is known.
100253 - SC689	Income management software	Clarissa Norman	47	47	0	(47)	47	0	3c's submitted a 3LA bid for capital funds to re-procure an income management system. The bid was successful and funds were made available in 2019. 3C's have not yet progressed the project and therefore the capital budget has not been spent. The priority of the project is increasing and is due to start in 2020-2021.
100254 - SC690	Secure phone payments	Clarissa Norman	24	24	0	(24)	24	0	PM has been appointed and solutions are being investigated by 3C's ICT.
100255 - SC691	HRIS new system	Deborah Simpson	0	20	21	1	(1)	(0)	Project on target for completion in 20/21
100257 - SC693	Lion Yard shopping centre investment	Dave Prinsep	4,200	4,200	0	(4,200)	4,200	0	In discussion with long leasehold tenant about commencement date for works.
100260 - SC695	Cromwell Road Redevelopment - equity loan to CIP	Caroline Ryba	850	1,963	0	(1,963)	1,963	0	To date, all drawings have been made under the development loan facility.
100261 - SC696	Cromwell Road Redevelopment - development loan to CIP	Caroline Ryba	1,324	3,700	1,500	(2,200)	2,200	0	Draw downs from this loan facility have been lower than originally expected, due to payments to CIP under the Affordable Housing Agreement providing the cash flow requirements of the project.
100266 - SC701	Dales Brewery fire alarm system	Clare Mitchell	0	24	22	(2)	2	0	Work substantially completed but delayed due to Coronavirus lockdown. Once interior construction work is able to resume there is some final connection work required and the upgraded system will then be able to go live.
100290 - PV682	Local investment bond	Caroline Ryba	0	2,800	0	(2,800)	2,800	0	The remaining balance of the investment bond is expected to be drawn down by the end of the calendar year, reflecting the construction plans of the borrower.
100301 - SC733	Loan to CIP for the purchase of land at L2 Orchard Park	Caroline Ryba	0	1,132	1,129	(3)	0	(3)	Project complete
<b>Total Projects</b>			<b>17,835</b>	<b>36,201</b>	<b>16,375</b>	<b>(19,826)</b>	<b>22,011</b>	<b>2,185</b>	

## 2019/20 Housing Capital Investment Plan - HRA &amp; General Fund Housing

	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2020/21 £000's	2021/22 £000's	2022/23 £000's	Post 2022/23 £000's	2019/20 £000's
<b>General Fund Housing Capital Spend</b>											
Investment in Non-HRA Affordable Housing	0	0	0	0			0	0	0	0	0
Other General Fund Housing	848	949	619	(330)	284	1	284	0	0	0	1,161
<b>Total General Fund Housing Capital Spend</b>	<b>848</b>	<b>949</b>	<b>619</b>	<b>(330)</b>	<b>284</b>		<b>284</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,161</b>
<b>HRA Capital Spend</b>											
Decent Homes Programme	7,134	8,897	7,039	(1,858)	1,825	2	628	0	0	1,197	14,766
Other Spend on HRA Stock	3,467	4,089	2,779	(1,310)	1,102	3	1,102	0	0	0	4,864
HRA New Build	37,863	28,996	26,771	(2,225)	1,930	4	1,930	0	0	0	42,052
HRA Acquisition	0	1,000	18	(982)	982	5	982	0	0	0	2,482
Sheltered Housing Capital Investment	936	915	810	(105)	15	6	15	0	0	0	15
Other HRA Capital Spend	630	928	324	(604)	422	7	422	0	0	0	752
Inflation Allowance	1,947	0	0	0	0		0	0	0	0	266
<b>Total HRA Capital Spend</b>	<b>51,977</b>	<b>44,825</b>	<b>37,741</b>	<b>(7,084)</b>	<b>6,276</b>		<b>5,079</b>	<b>0</b>	<b>0</b>	<b>1,197</b>	<b>65,197</b>
<b>Total Housing Capital Spend</b>	<b>52,825</b>	<b>45,774</b>	<b>38,360</b>	<b>(7,414)</b>	<b>6,560</b>		<b>5,363</b>	<b>0</b>	<b>0</b>	<b>1,197</b>	<b>66,358</b>
<b>Housing Capital Resources</b>											
Right to Buy Receipts (General Use)	(411)	(474)	(358)	116	0	8	0	0	0	0	(478)
Right to Buy Receipts (Retained for New Build / Acquisition)	(8,775)	(6,545)	(3,346)	3,199	0	8	0	0	0	0	(10,217)
Right to Buy Receipts (Debt Set-Aside)	0	0	(834)	(834)	0	8	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	(97)	(97)	0	9	0	0	0	0	0
Other Capital Receipts (Shared Ownership)	(1,588)	(936)	(416)	520	0	9	0	0	0	0	(300)
MRA / MRR	(20,750)	(16,943)	(12,136)	4,807	(4,807)	10	(4,467)	0	0	(340)	(10,345)
Client Contributions	0	0	(436)	(436)	0	11	0	0	0	0	0
Direct Revenue Financing of Capital (Including R&R)	0	(2,568)	(1,672)	896	(896)	12	(896)	0	0	0	(15,078)
Other Capital Resources (Grants /Loan Repayments)	(21,127)	(15,615)	(27,682)	(12,067)	11,827	13	11,827	0	0	0	(11,641)
Prudential Borrowing	0	0	0	0	0		0	0	0	0	0
<b>Total Housing Capital Resources</b>	<b>(52,651)</b>	<b>(43,081)</b>	<b>(46,977)</b>	<b>(3,896)</b>	<b>6,124</b>		<b>6,464</b>	<b>0</b>	<b>0</b>	<b>(340)</b>	<b>(48,059)</b>
<b>Net (Surplus) / Deficit of Resources</b>	<b>174</b>	<b>2,693</b>	<b>(8,617)</b>	<b>(11,310)</b>			<b>11,827</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>18,299</b>
<b>Capital Balances b/f</b>	<b>(33,708)</b>	<b>(33,708)</b>	<b>(33,708)</b>								<b>(21,834)</b>
<b>Use of / (Contribution to) Balances in Year</b>	<b>174</b>	<b>2,693</b>	<b>(8,617)</b>				<b>11,827</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>18,299</b>
Set-aside for future Debt Redemption	9,031	9,031	9,856			8					
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	13,932	13,932	10,635			8					
<b>Residual capital resources remaining to fund future Housing Investment Programme</b>	<b>(10,571)</b>	<b>(8,052)</b>	<b>(21,834)</b>								<b>(3,535)</b>

## Notes to the Housing Capital Investment Plan

Note	Reason for Variance
1	Disabled Facilities Grants were underspent by £272,000 due to a combination of reduced demand for the service coupled with a vacancy in the Grants Officer role for part of the year, which delayed the approval process. When grossed up for the income received from clients, £284,000 will require re-phasing into 2020/21 to ensure that we can comply with the grant conditions under which we received the funding. Private Sector Grants and Loans also reported an underspent (£58,000), where demand has reduced in recent years.
2	A net underspend of £1,858,000 in decent homes expenditure during 2019/20 is a combination of under and overspending against the specific decent homes elements. Overspending in wall structure (£81,000) and roof structure (£70,000) is more than offset by underspending in bathrooms (£24,000), kitchens (£139,000), re-wiring (£49,000), energy and insulation works (£115,000), central heating (£465,000), sulphate (£102,000), other health and safety (£40,000), roof coverings (£181,000) decent homes work to new builds (£467,000), HHSRS (£168,000), capitalised officer fees (£19,000), contractor overheads (£222,000) and external doors (£18,000). These variances are before accounting for leaseholder income, which is reported separately. Re-phasing of underspending in 2019/20 into 2020/21 is requested in respect of energy improvements (£40,000), roofing works (£181,000), HHSRS (£168,000), other health and safety works (£40,000), contractor overheads (£181,000) and external doors (£18,000) Re-phasing of the budget for sulphate works is requested to be re-allocated to 2028/29 to the end of the existing sulphate programme, whilst re-phasing to the end of the 10 year investment programme is requested in respect of decent homes works to new build homes (£467,000), central heating and boilers (£465,000), kitchens (£139,000) and bathrooms (£24,000), when the budget is now expected to be required.
3	A net underspend of £1,310,000 was evident in 2019/20. Fire prevention works were underspent (£704,000), with the need to carry this forward into 2020/21, works to communal areas was underspent by £321,000, but with the need to carry this resource forward to specifically meet the cost of external wall structure works to flats. Underspending of £163,000 in respect of contractor overheads combines some slippage with the impact of underspending in other areas and £109,000 is requested to be re-phased. Underspending in Disabled Adaptations (£206,000), garage improvements (£27,000), lifts (£20,000) and capitalised officer fees (£7,000) do not require re-phasing. Overspending in asbestos removal of £20,000 and hard-surfacing works (£92,000) was also reported at year end. The capital funding for Estate Investment works, which was re-profiled in January 2020, spent marginally ahead of the profile, with the need to bring forward £32,000 of the budget allocated in 2020/21 to meet the 2019/20 expenditure.
4	The net underspend of £2,225,000 in the new build programme in 2019/20 relates predominantly to delays in 3 schemes. Securing vacant possession of the sites at both Colville Road and Campkin Road is taking longer than anticipated, with underspending of £508,000 and £2,127,000 respectively. Delays have also been experienced in the project at Kingsway, which is being delivered in-house by Maintenance and Assets, with an underspend of £331,000 reported for 2019/20. Spending ahead of profile has also occurred in respect of a few schemes and costs have also been incurred in respect of schemes that are complete and occupied, but where there are now some quality issues that are being addressed. Net re-phasing of £1,930,000 is required. Re-phasing of budget for Colville Road (£508,000), Campkin Road (£2,127,000), Kingsway (£331,000), Queensmeadow (£4,000), Colville Road Garages (£17,000), Kendal Way (£45,000), Gunhild Way (£7,000) and Teddar Way (£9,000), is partially offset by negative re-phasing where spend is ahead of profile for Wulfstan Way (£153,000), Cromwell Road (£39,000), Mill Road (£714,000) Meadows and Buchan (£256,000), and Markham Close (£6,000). The profile of spending on all of these schemes will be reviewed again as part of the HRA Medium Term Financial Strategy.

5	Budget of £1,000,000 was approved in January / February 2020 to allow the strategic acquisition of a number of small land parcels for potential development. The acquisitions all progressed during 2019/20, but none completed by 31 March, and as such the resource will require re-phasing into 2020/21 to allow this to take place.
6	Spending in respect of the refurbishment of Ditchburn Place has now concluded, with the site handed back in the autumn of 2019. An underspend of £105,000 is reported, with £15,000 of this requested as a carry forward to meet the costs of final employer's agent fees and any costs incurred during the retention period.
7	A net underspend of £604,000 in this area of the programme comprises reduced activity in respect of shared ownership re-purchase in 2019/20, giving rise to a £112,000 underspend, and underspending due to the need to recognise the revised timeframe required to implement the new Housing Management Information System (£422,000), with the latter requiring re-phasing into 2020/21. The balance of funding for the project to relocate stores (£40,000) will not now be required, nor will funding for works to HRA commercial premises (£29,000).
8	29 properties were sold in total during 2019/20. £358,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £834,000 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 £3,346,000 of right to buy receipts have been retained by the local authority in 2019/20, 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 again required to invest a significant sum during 2020/21 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 do not progress as anticipated, to avoid passing the receipts to central government. With the number of schemes on site, and subject to their ability to proceed in the current climate, it is anticipated that market acquisitions can be avoided in 2020/21.
9	Capital receipts totalling £97,000 in respect of funds due for Hundred Houses under the terms of a lease agreement were accounted for in 2019/20. The receipts were used to finance investment in affordable housing in 2019/20. The 4 remaining shared ownership homes on the Virido, Clay Farm site were sold in 2019/20, alongside one re-cycled older shared ownership dwelling. The net receipt was lower than anticipated as a result of less re-cycling activity than estimated coupled with the need to account for receipts from some sales as retained right to buy receipts due to the level of share sold.
10	The major repairs reserve was used to finance capital expenditure in the housing stock in 2019/20, 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 2019/20 than anticipated, it will instead be utilised in 2020/21 and beyond.
11	Income was recovered from leaseholders in 2019/20 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£405,000) and was also received from private residents in relation to contributions towards DFG's or private sector housing repair grants (£31,000).
12	The use of revenue funding for capital purposes was less than anticipated, due to underspending across the capital programme. This resource will instead be required in 2020/21 to meet the cost of the re-phased capital expenditure.
13	Devolution Grant received in 2019/20 was significantly greater than anticipated as a direct result of MHCLG making a payment of £17,000,000 to the Council directly, as opposed to paying via the Combined Authority. Funds were received from the Combined Authority for the first 3 quarters, and then from MHCLG in quarter 4. The grant received in advance of incurring expenditure (£11,543,000 after financing quarter 4 expenditure) will be used in 2020/21, with a reduced amount being claimed from the Combined Authority until this resource has been exhausted. The use of £284,000 of the DFG grant will also need to be re-phased into 2020/21 to ensure that grant can be invested appropriately (see note 1).

The capital underspend in respect of decent homes and other investment in the housing stock for 2019/20 can be summarised as follows, with more in depth explanations provided in the tables below:

Slippage – works ordered to be delivered in 2020/21	(£1,762,000)
Refusals / No access / No requirement - boilers, kitchens and bathrooms, sulphate	(£730,000)
Savings (from energy works, re-wiring, disability adaptations, garages, lifts, fees and overheads)	(£504,000)
Overspending (wall and roof structures, asbestos, hard-surfacing works, estate investment)	£295,000
"New build allocation" – a capital allocation to allow for future works to new build property	(£467,000)
	(£3,168,000)

#### Decent Homes expenditure

A net underspend of £1,858,000 in decent homes expenditure during 2019/20 is a combination of under and overspending against the specific decent homes elements.

	Value	Rephasing to 20/21	Rephasing to 29/30	Explanation
<b>Overspending</b>				
Wall structure	£81,000			Additional high level concrete and brickwork repairs at Hanover Court and Princess Court were completed in 2019/20.
Roof structure	£70,000			The extent of structural roofing repair work at Carlow, Donegal and Brooks Road flats cost more than the allocated budget.
<b>Underspending</b>				
Bathrooms	(£24,000)		£24,000	There were 23 bathrooms ordered where there was no access or response. The work will still be required at some point in the future, or when the property becomes void. We have already planned our programme of work for 2020/21 so we propose to move the underspend to later years in the capital programme.
Kitchens	(£139,000)		£139,000	There were 29 kitchens ordered where there was no access or response. The work will still be required at some point in the future, or when the property becomes void. We have already planned our programme of work for 2020/21 so we propose to move the underspend to later years in the capital programme. If tenants subsequently change their mind and want their kitchen replaced the work will be added into the next years programme.
Re-wiring	(£49,000)			Over 280 planned installations were completed. The cost of the work carried out was less than the budget.
Energy and insulation works	(£115,000)	£40,000		The planned loft insulation programme in 2019/20 was reviewed to ensure data was correct. This has now been ordered as part of a larger programme of loft insulation in 20/21.
Central heating	(£465,000)		£465,000	There were 448 boilers / heating installations ordered where there was no access or response. The work will still be required at some point in the future, when the heating fails, or when the property becomes void. The 2019/20 heating programme was a very large programme and over 900 boiler / central heating replacements were successfully completed. The level of no access / refusals was unusually high.
Sulphate attack	(£102,000)		£102,000	This work is undertaken when a property becomes void - no affected property became void in 2019/20 so the budget is requested to be moved to later in the capital programme.
Balconies (Other health and safety)	(£40,000)	£40,000		This underspend relates to unfinished structural work and associated repairs at Albemarle Way flats. Work is 90% complete, but has been on hold due to coronavirus.
Roof coverings	(£181,000)	£181,000		Work is on site at Brooks Road flats. This is a large project and is programmed to complete in September 2020.
Decent homes work to new builds	(£467,000)		£467,000	This is not actually an "underspend." When new build properties are added to our stock an allowance is made for planned maintenance work that will be required over the next 30 years. This is then profiled in the 30 year plan once a stock survey is completed. This budget will be re-profiled as part of the HRA Medium Term Financial Strategy.
HHSRS	(£168,000)	£168,000		This budget was set aside from the HHSRS budget predominantly to install fire doors at Hanover Court and Princess Court flats. There were unavoidable delays in the authority's ability to order this work as a result of national debate about the standard of fire doors which would be subject to certification following the Grenfell fire. Following issue of the new standards, surveys / investigations were conducted from Autumn 2019. This work was ordered and commenced in 2019/20 and will be completed in 2020/21, although it should be noted that the current pandemic may result in supply chain issues in respect of the manufacture of these doors. All remaining previously identified HHSRS failures within individual properties are programmed to be delivered in 2020/21, subject to property access. In some cases these works have been timetabled to coincide with the delivery of other structural work to specific blocks.
External doors	(£18,000)	£18,000		Some of the 2019/20 external doors replacement programme was not completed and these will be completed when coronavirus restrictions are lifted. Some of these doors are fire doors and there were delays in fire door installation following the Grenfell fire. It was not clear which manufacturers' fire doors had been tested and fully met the fire safety standards.
Capitalised officer fees	(£19,000)			The value of officer time that can be capitalised each year depends upon the nature of work that is carried out by each member of the team. In 2019/20 there was an increase in the level of officer time spent on revenue activity, resulting in an underspend against the capital allocation.
Contractor overheads	(£222,000)	£181,000		Underspending in specific decent homes elements results in a corresponding underspend in contractor overheads.
<b>Total</b>	<b>(£1,858,000)</b>	<b>£628,000</b>	<b>£1,197,000</b>	

#### Other Investment in the Housing Stock

A net underspend of £1,310,000 in other capital expenditure was evident in 2019/20.



	Value	Rephasing to 20/21	Rephasing to 29/30	Explanation
<b>Overspending</b>				
Asbestos removal	£20,000			There is an annual budget of £50,000 for asbestos removal. It is difficult to predict exactly how much the cost of asbestos removal will be due to the nature of refurbishment work carried out. In 2019/20 the cost of asbestos removal projects exceeded the budget.
Hard-surfacing works	£92,000			Additional works were carried out at Hazelwood and Molewood Close drying areas where there were trip hazards. Also the extent of work at Tuscan Court was greater than expected.
Estate investment programme	£32,000	(£32,000)		The capital funding for Estate Investment works, which was re-profiled in January 2020, spent marginally ahead of the profile, with the need to bring forward £32,000 of the budget allocated in 2020/21 to meet the 2019/20 expenditure.
<b>Underspending</b>				
Fire prevention works were underspent, with the need to carry this forward into 2020/21	(£704,000)	£704,000		The fire safety / prevention works programme contained a number of different elements in 2019/20. Some of these were delayed and this is why the request is made to carry the budget forward to 2020/21.
				Emergency lighting (£78,000) - the planned programmed works are at the Hawkins Road estate. These are going to be designed and delivered by the contractor carrying out the planned structural works. This is being tendered and the work completed in 2020.
				Non-compliant fire doors replacement (£223,000). This programme to replace 300+ non-compliant Manse fire doors started at end of September 2019 but is now on hold due to coronavirus. The money needs to be carried forward to complete the work. There was a delay starting this work following the Grenfell fire. It was not clear which manufacturers' fire doors had been tested and fully met the fire safety standards.
				Fire escape from maisonettes 4.5m above ground level. (£339,000). This is a large programme of work to fit internal fire doors and additional fire protection in 188 maisonettes. The project was designed and tendered in 2019/20. Pilot installations were halted by coronavirus. The money needs to be carried forward to complete the work.
				Vents and glazing improvements (£28,000). Fire risk assessments have identified works to vents and windows that open on to fire escape routes. Some more survey work is required and this was not completed in 2019/20.
				Fire compartment improvements (£36,000) - This is work that is required to improve fire compartments in five houses that have been converted into flats. There have been delays caused by assess and lease issues. The money needs to be carried forward to complete the work.
Works to communal areas was underspent, but with the need to carry this forward to specifically meet the cost of external wall structure works to flats.	(£321,000)	£321,000		This budget was allocated to structural works in communal areas. The Council is currently tendering structural works and associated repairs at Ekin Road flats, Hawkins Road maisonettes and Colville Road shops / flats. Work was planned to start in February 2020 but there was some additional survey work to complete that delayed the tender. Work is expected to start late summer.
Contractor overheads - combines some slippage with the impact of underspending in other areas and £109,000 is requested to be re-phased.	(£163,000)	£109,000		Underspending in specific investment elements results in a corresponding underspend in contractor overheads.
Disabled Adaptations	(£206,000)			This work is based on the number and type of Occupational Therapist referrals received. 120 orders were issued to contractors in 19/20 and just 11 are being carried forward to 20/21.
Garage improvements	(£27,000)			Planned work at East Road garages was postponed mid-year; seven new sites were ordered and completed and costs were below the £195,000 budget.
Lifts	(£20,000)			The budget was allocated for lift replacements at Ditchburn Place and the actual cost of the work (£118,000) was less than the budget.
Other	(£6,000)			
Capitalised officer fees	(£7,000)			The value of officer time that can be capitalised each year depends upon the nature of work that is carried out by each member of the team. In 2019/20 there was an increase in the level of officer time spent on revenue activity, resulting in an underspend against the capital allocation.
<b>Total</b>	<b>(£1,310,000)</b>	<b>£1,102,000</b>	<b>£0</b>	

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Item

## **INTERIM UPDATE TO THE MEDIUM TERM FINANCIAL STRATEGY (MTFS)**

**To:**

Councillor Richard Robertson, Executive Councillor for Finance and Resources

Strategy & Resources Scrutiny Committee 06/07/2020

**Report by:**

Caroline Ryba, Head of Finance

Tel: 01223 - 458134 Email: Caroline.Ryba@cambridge.gov.uk

**Wards affected:**

All

Key Decision

### **1. Executive Summary**

- 1.1. This report presents an overview of the impact of the Coronavirus emergency in the Spring of 2020 on Cambridge City Council's budget for 2020/21. It sets out how estimates have been made and the uncertainties within those estimates. It lists the financial support that central government has provided to the council and proposes a number of actions that the council can take to balance its budget in 2020/21.

### **2. Recommendations**

2.1. The Executive Councillor is asked to recommend that Council:

- Note the forecast impact of the Covid-19 crisis on the council's finances

- Approve changes to the 2020/21 GF revenue and capital budgets as set out in Section 7 and Appendices 1 and 2
- Approve the use of earmarked reserves, as set out in Section 7 and Appendix 3
- Note the revised savings requirements identified in Section 8.

### **3. Background**

- 3.1. The Covid-19 pandemic has had profound effects on daily life in the UK and worldwide. Travel bans, social distancing and self-isolation have substantially reduced economic activity. Whilst the government has sought to soften the financial impact on individuals and businesses to support the lock-down, there are major financial consequences for councils arising from reduced income, service pressures and additional responsibilities. Whilst some additional funding has been made available to support additional expenditure, the level of funding provided does not meet the majority of budgetary pressures, many of which arise from reductions in income.
- 3.2. Only minor revenue impacts were seen in 2019/20, as restrictions on social interaction came into force during March 2020. The current situation will give rise to significant challenges in closing the council's 2019/20 accounts, particularly in the valuation of property, pension fund assets and external debtors, as well as the external auditor's evaluation of the financial resilience of the council. However, it is the actions that the council takes to manage its finances and the success of these actions that will underpin its financial resilience through 2020/21 and beyond.
- 3.3. The government is now easing the lockdown. The estimated impacts presented here are mainly based on a three-month lockdown followed by a recovery period. Where Heads of Service have been able to make more informed estimates for their services, these have been used in this analysis. However, there is still considerable uncertainty in these estimates, as the timing and trajectory of the recovery in each service is largely unknown and the risk of a second peak in infections and the re-imposition of the lockdown remains.

### **4. Financial context**

- 4.1. The Bank of England published a Monetary Policy Report on 7 May 2020. The summary provides an outline of the current national financial situation:
- The spread of Covid-19 and the measures to contain it are having a significant impact on the United Kingdom and many countries around the world. Activity has fallen sharply since the beginning of the year and unemployment has risen markedly.

- Payments data point to a reduction in the level of household consumption of around 30%. Consumer confidence has declined markedly and housing market activity has practically ceased.
- Companies' sales are expected to be around 45% lower than normal in 2020 Q2 and business investment 50% lower.
- CPI inflation declined to 1.5% in March and is likely to fall below 1% in the next few months, in large part reflecting developments in energy prices.
- The Monetary Policy Committee reduced the Bank Rate from 0.75% to 0.25% on 10 March 2020 and approved a further reduction to 0.1% on 19 March 2020
- Further quantitative easing has been undertaken, increasing the Bank of England's holdings of UK government bonds and sterling non-financial investment-grade corporate bonds by £200 billion to a total of £645 billion.

## **5. Resources**

### **Government financial support to local authorities**

- 5.1. To date, the council has received £1.314m Covid-19 Emergency Funding in two tranches. No further emergency funding has been announced at the time of writing this report so no allowance for further funding has been included within this MTFS update. The council has also received £25k towards temporary accommodation costs for rough sleepers.
- 5.2. Cash payments of some s31 grants to local authorities have been brought forward and payments of the central share of business rates to government have been deferred until later in the year. These changes have been made to address cashflow concerns arising from reduced collections rates on Council Tax, Business Rates, fees, charges and commercial income. The council has significant cash balances and so does not have any concerns over cashflow at present
- 5.3. The council has furloughed staff where appropriate, claiming £148k in relation to GF employees up to 31 May 2020.

## **Future funding**

- 5.4. As outlined in the Budget Setting Report 2020, two major reviews of local government funding, the Fair Funding Review and a review of the Business Rates Retention System were expected to report in 2020 and to be implemented for 2021/22. Due to the crisis, reporting and implementation of both reviews have been delayed for a year, extending the period of uncertainty in relation to the council's funding until 2022/23.
- 5.5. The Chancellor announced a three-year Comprehensive Spending Review (CSR 2020) in his Spring Budget, with a reporting date of July 2020. This would have provided some clarity as to the quantum of funding available for local government as a whole for the three years from 2021/22 to 2023/24, however the CSR has also been delayed.
- 5.6. As a result of the above, no changes are proposed to the funding included within the MTFS in October 2019. Assumptions made at that time are considered to be prudent, but the overall impact of the pandemic on the funding available to local government is unknown at present.

## **6. 2020/21 revenue forecasts**

- 6.1. The impact on income and costs based on a three-month lockdown and subsequent recovery has been forecast based on the best information available in mid-May when the forecasts presented here were made. Where services cover a number of discrete areas, these have been forecast separately. Where lockdown and recovery periods are expected to be longer due to the nature of the service, for example Cambridge-Live, this has been allowed for in the estimates presented.
- 6.2. Although best efforts have been made in a short timescale, it should be noted that the current situation is unprecedented and the resulting forecasts should be considered in this context.
- 6.3. The forecasts indicate a net overspend of £9.8m before any mitigating factors, with the major services impacted as follows:

Service	2020/21 Expenditure Increase / (Decrease) £'000	2020/21 Income (Increase) / Decrease £'000	2020/21 Net Impact £'000
Parking Services	0	2,651	2,651
Corn Exchange/Cambridge Live area	0	1,890	1,890
Housing General Fund, including homelessness	1,125	55	1,180
Property Services	0	724	724
Shared Waste	0	450	450
Other services	156	2,757	2,913
<b>Total</b>	<b>1,281</b>	<b>8,527</b>	<b>9,808</b>

6.4. No further work has been done on potential impacts for 2021/22 due to the high level of uncertainty surrounding recovery trajectories. Initially the financial impact of the crisis was not expected to extend into 2021/22, but this will be kept under review.

## 7. Mitigation proposals

7.1. The council has undertaken a review of all revenue budget proposals approved at budget-setting in February 2020 with a view to deleting or deferring as many as possible whilst having regard to its key priorities of:

- Delivering sustainable prosperity for Cambridge and fair shares for all
- Tackling the city's housing crisis and delivering our planning objectives
- Tackling climate change, and making Cambridge cleaner and greener

As a result, £472k savings are proposed in 2020/21, as outlined in Appendix 1.



- 7.2. The Budget Setting Report (BSR) included non-pay inflation at 1.8%. However, as inflation predictions are now decreasing it is proposed to remove all non-pay inflation from budgets except where contractually-determined, providing a saving of £325k.
- 7.3. The council has also reviewed all capital programme schemes with funding in place for 2019/20 and 2020/21, see Appendix 2. Total savings of £1,745k are available from stopping or reducing schemes and a further £1,487k of capital spending can be deferred to 2021/22. This provides a total benefit of £3,232k in 2020/21. A further £17k underspend can be released from completed schemes.
- 7.4. A saving of £482k is to be found by reducing the contribution to the Greater Cambridgeshire Partnership (GCP) from 30% to 10% for the final 6 months of the year.
- 7.5. An initial review of earmarked reserves has identified £892k that can be released to support the budget in 2020/21, see Appendix 3 for details. The outcome of a more detailed review will be presented with MTFS in October 2020.
- 7.6. Finally, work on the closedown of the 2019/20 accounts has identified a further three technical adjustments, totalling £620k in 2020/21, that mitigate the financial impact forecast in that year

## **8. Revised savings requirement and projected reserve balances.**

- 8.1. The effect of the mitigation proposals listed in Section 7 is shown in the table below. The table assumes that the remaining 2020/21 budget gap of £2.6m is closed in the year using one-off sources of funding, such as additional Covid-19 emergency funding from government or use of GF reserves.
- 8.2. On-going net savings of £5.2m will then be required over the next five years, based on current assumptions
- 8.3. The key assumptions and uncertainties are:
- No Covid-19 financial impacts extend into 2021/22: if they do, one-off savings or use of reserves will be required to balance the budget in that year. If, for example, the impact in 2021/22 is 25% of that in the current year, a further £2.5m would be required. A range of assumptions is illustrated in section 9.

- Estimates of additional expenditure and loss of income are inherently uncertain: the nature of the crisis is unprecedented and estimates will be impacted by how the lockdown is eased, the timescale of that easing and the course of the pandemic going forward. Moreover, the overall estimated impact of £9.8m is made up of many individual estimates that will be affected in different ways.
- No additional funding from central government: for prudence, none has been assumed, except for further amounts from the Coronavirus Job Retention Scheme, which have been based on a steady reduction in the number of staff furloughed until the end of the scheme. However, it would seem likely that further support will be forthcoming.
- Collection of Business Rates and Council Tax: Whilst central government has provided some protection through the provision of the Council Tax Hardship Fund and the expanded Retail, Hospital Leisure Discount, collection of billed amounts remain uncertain. Collection rates may continue to decline if economic recovery is slow and residents and businesses come under more financial pressure. Due to the operation of the Collection Fund, the main impact on the council will be delayed to 2021/22.
- The BSR assumed a pay increase of 2.5%. An offer of 2.75% has been made but there has been no agreement. As the offer pre-dates the crisis, the likely outcome is unclear. A change of 1% has an effect of about £280k.

<b>Savings Targets</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>Total £000</b>
<b>BSR 2020 Current savings target (new savings each year)</b>	<b>0</b>	<b>1,815</b>	<b>772</b>	<b>1,906</b>	<b>677</b>	<b>600</b>	<b>5,770</b>
Covid-19 net pressures - May estimate	9,808						
Additional funding - Covid-19 emergency funding	(1,314)	0	0	0	0	0	
Additional funding - Covid-19 homelessness contingency funding	(25)						
Additional funding - Coronavirus job retention scheme - claim to 31 May 2020	(148)	0	0	0	0	0	
Additional funding - Coronavirus job retention scheme - estimates to end of scheme at 31 October 2020	(230)	0	0	0	0	0	
Remove general inflation uplift	(325)	(325)	(325)	(325)	(325)	(325)	
Review of BSR 2020 approved revenue proposals	(472)	(201)	(120)	(154)	(204)	(204)	
Review of BSR 2020 approved capital proposals - revenue funding released / rephased	(2,111)	1,168	0	0	0	0	
Review of BSR 2020 approved capital proposals - earmarked reserves funding released / rephased	(1,009)	227	0	0	0	0	
Review of BSR 2020 approved capital proposals - capital receipts available to substitute for revenue funding	(112)	92	0	0	0	0	
Review of BSR 2020 approved capital proposals - unused funding released from completed schemes	(17)	0	0	0	0	0	
Release earmarked reserves	(892)	0	0	0	0	0	
Reduce contribution from NHB to GCP from 30% to 20% (6 months at each of 30% and 10%)	(482)	0	0	0	0	0	
Interest income on Cromwell Road land purchase loan to CIP	(324)	(324)	(81)				
Reduction in Minimum Revenue Provision	(97)	(97)	(97)	(97)	(97)	(97)	
Unwinding of discount on Mill Road Land loan	(199)						
Budget gap - met from further government funding and/or GF reserves	(2,051)						
<b>Net changes to funding and approved budget proposals</b>	<b>0</b>	<b>541</b>	<b>(623)</b>	<b>(576)</b>	<b>(626)</b>	<b>(626)</b>	
<b>Revised savings targets (new savings each year)</b>	<b>0</b>	<b>2,356</b>	<b>(392)</b>	<b>1,953</b>	<b>627</b>	<b>600</b>	<b>5,144</b>

8.4. On the basis that the budget gap is met from GF reserves, projected GF reserves balances are set out in the table below. It should be noted that the balance brought forward into 2020/21 has not been finalised, therefore cannot be guaranteed. In particular, the Business Rates surplus shown below was estimated in December 2019 by collections and changes in the ratings list up to 31 March 2020.

Description	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Balance at 1 April per BSR 2020 b/fwd (subject to year end procedures)	(16,053)	(19,778)	(19,392)	(19,106)	(18,820)	(18,534)
Contribution (to)/from reserves per BSR 2020	328	386	286	286	286	286
Business rates surplus per BSR 2020	(6,104)	0	0	0	0	0
Use of reserves to support remaining Covid-19 budget gap	2,051	0	0	0	0	0
Balance at 31 March (c/fwd)	(19,778)	(19,392)	(19,106)	(18,820)	(18,534)	(18,248)
Target GF reserves level per BSR 2020	(6,610)	(6,610)	(6,610)	(6,610)	(6,610)	(6,610)

## 9. Recovery scenarios

9.1. The timing and extent of the recovery is unknown at this point. Therefore, there may be unavoidable additional expenditure and/or loss of income in future years as a result of the pandemic. The following table illustrates how different scenarios would impact on the future savings requirements of the council.

<b>Savings Targets</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>Total £000</b>
<b>BSR 2020 Current savings target (new savings each year)</b>	<b>0</b>	<b>1,815</b>	<b>772</b>	<b>1,906</b>	<b>677</b>	<b>600</b>	<b>5,770</b>
Covid-19 net pressures - 2020/21 impact only - as above	9,808						
<b>Revised savings targets (new savings each year)</b>	<b>0</b>	<b>2,356</b>	<b>(392)</b>	<b>1,953</b>	<b>627</b>	<b>600</b>	<b>5,144</b>
Covid-19 net pressures - permanent loss of revenue / additional costs of £1m p.a.	9,808	1,000	1,000	1,000	1,000	1,000	
<b>Revised savings targets (new savings each year)</b>	<b>0</b>	<b>3,356</b>	<b>(392)</b>	<b>1,953</b>	<b>627</b>	<b>600</b>	<b>6,144</b>
Covid-19 net pressures - 25% impact in 2021/22 only	9,808	2,452					
<b>Revised savings targets (new savings each year)</b>	<b>0</b>	<b>4,808</b>	<b>(2,844)</b>	<b>1,953</b>	<b>627</b>	<b>600</b>	<b>5,144</b>
Covid-19 net pressures - slow recovery over 3 years - 50%, 25%, 10%	9,808	4,904	2,452	981			
<b>Revised savings targets (new savings each year)</b>	<b>0</b>	<b>7,260</b>	<b>(2,844)</b>	<b>482</b>	<b>(354)</b>	<b>600</b>	<b>5,144</b>

## 10. Next steps

- 10.1. The council will continue to monitor the financial impact of the Coronavirus emergency, both actual and forecasts for the year, through its regular monthly financial management processes. It will continue to respond to data requests from MHCLG and others to ensure that these impacts are understood by government.
- 10.2. The council will update its MTFS fully in autumn 2020, taking into account the developing situation and up-to-date estimates using information available at that time.

## 11. Implications

### a) Financial Implications

These are set out in this paper.

**b) Staffing Implications**

Some proposed budget changes may have staffing implications, as identified in the narrative.

**c) Equality and Poverty Implications**

Whilst the council must work towards a balanced budget, proposed changes to the budget have been made with consideration of the council's priorities, including that relating to anti-poverty.

**d) Environmental Implications**

Whilst the council must work towards a balanced budget, proposed changes to the budget have been made with consideration of the council's priorities, including that relating to climate changes and the environment.

**e) Procurement Implications**

The Council has sought to support suppliers who may have been facing particular hardship during lockdown.

**f) Community Safety Implications**

N/A.

**12. Consultation and communication considerations**

N/A

**13. Background papers**

Budget Setting Report (BSR) 2020

<https://democracy.cambridge.gov.uk/ieListDocuments.aspx?CId=116&MIId=3896&Ver=4>

**14. Appendices**

Appendix 1 – Revenue savings proposed

Appendix 2 – Proposals for deleting and deferring capital schemes

Appendix 3 – Proposed use of earmarked reserves

**15. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Caroline Ryba, Head of Finance, tel: 01223 - 458134, email: [caroline.ryba@cambridge.gov.uk](mailto:caroline.ryba@cambridge.gov.uk) .

## Appendix 1 – Revenue savings proposed

Change to proposal approved in BSR 2020/21	Outline of proposal approved in BSR	Saving or Pressure 20/21 £	Saving or Pressure 21/22 £	Saving or Pressure 22/23 £	Saving or Pressure 23/24 £	Saving or Pressure 24/25 £	Saving or Pressure 25/26 £	Total £
Impact of Overhead recharges for shared services - reduction against budgeted charge (URP4500)	Where other councils run shared services, we are required to contribute to those councils' overheads. This £400k is currently only an estimate of the net contribution we need to make. Work is underway to finalise these figures.	(231,000)	(231,000)	(231,000)	(231,000)	(231,000)	(231,000)	(1,386,000)
Shortfall in savings this year due to the delay in the launch of the Customer Portal - avoided (B4507)	The development of the iEG4 customer portal in 2019/2020 is expected to reduce customer contacts and facilitate a reduction in staffing to offset the iEG4 licence fee of £76,000 in 2020/21. Due to delays in the project the full savings of cannot be achieved in 2020/2021, but £40,000 is achievable. This bid is to cover the balance of Customer Service Centre staffing reduction to offset the licence costs for 2020/2021.	(36,000)	0	0	0	0	0	(36,000)
Street Aid - Safer Communities - continue volunteer coordinator - not taken forward (B4513)	This bid is to extend the contract of the Cambridge Street Aid Co-ordinator post for two further years. Currently it is a fixed term contract to November this year paid from Sharing Prosperity Fund £14,500 It is a part time role for 20 hours a week. The postholder has recruited several Champions for the campaign from the general public and the universities and the campaign has surpassed the targets set in donations, grants and events to raise awareness. We will continue to look for match funding from the businesses.	(14,500)	(14,500)	0	0	0	0	(29,000)
Review of Community Centres Phase 1 - Ongoing efficiencies in income and reduced overtime (£25k pa) - reduced by 50% in first year (S4527)	Offer saving of £25k arising from anticipated increased income at The Meadows Centre and reduction in overtime budgets.	12,500	0	0	0	0	0	12,500
Reduce Leisure Management Contract budget for contract variations - Sports & Recreation - saving unachievable, all years (S4528)	Remove budget for contract variation and utility variance adjustment from leisure management budget. This is not always 100% spent. The proposal is to remove it entirely. There is a risk unforeseen costs may result in overspend.	10,000	10,000	10,000	10,000	10,000	10,000	60,000
3C Building Control Review of Ratio of Non Fee Earning to Fee Earning Elements - full saving of £50k pa not achievable in first year (S4536)	Review of the ratio of non fee earning to fee earning element of Building Control.	30,000	0	0	0	0	0	30,000

Change to proposal approved in BSR 2020/21	Outline of proposal approved in BSR	Saving or Pressure 20/21 £	Saving or Pressure 21/22 £	Saving or Pressure 22/23 £	Saving or Pressure 23/24 £	Saving or Pressure 24/25 £	Saving or Pressure 25/26 £	Total £
Restructure Cycling and Walking Promotion Grant in line with demand - saving not taken following termination of CJAC (S4541)	Part of the council's promotion of cycling and walking is through providing grants to public, private and voluntary & community sector partners. Applications have consistently been limited and spending from this budget has been c£7k. Accordingly the budget will be reduced to that figure and promoted as 'active travel' for cyclists and walkers Also applicants seeking funding for cycling and walking projects will be able to apply to the Council's other existing grant funds, such as Environmental Improvement Projects and Communities	17,000	17,000	17,000	17,000	17,000	17,000	102,000
Dog Warden Service - service review - 50% of saving not achievable in first year (S4544)	The dog warden service is delivered by a dedicated part time dog warden post (0.5 FTE) and 0.5 FTE of a public realm enforcement officer post. The review will look at addressing the issue of single person dependency, operational resilience and service efficiency.	8,750						8,750
Local Taxation Fees Income (court costs collected) - 50% of income not achievable in first year (II4549)	Projected increase in Local Taxation fee income (court costs collected).	15,000	0	0	0	0	0	15,000
Potential additional income from letting Administrative Buildings - income not achievable in first year (II4552)	Free up space at the Guildhall and/or Mandela House to enable commercial letting of the space vacated to generate income streams. This may require some existing allocated capital to the Office Accommodation Strategy to be vired to undertake improvement works to the space to be let.	50,000	0	0	0	0	0	50,000
Increased surplus achieved by Trade Waste - additional surplus not achievable in first year (II5555)	Further development of commercial refuse services Work underway on figures?	25,000	0	0	0	0	0	25,000
North East Cambridge - part-time Community Development Officer to begin wider engagement - not yet required (B4572)	The planning service has started work to develop an Area Action Plan for North East Cambridge. The Council has found that community development outreach work in the area with local people and businesses in the two years leading up to commencement of work is invaluable in supporting local democracy and enabling local people to become involved and help shape the new area. This bid is for an 8 hour a week resource for a period of two years. After this, and once the s106 agreement is signed, it is then anticipated that as with other major developments such as North West Cambridge and the Southern Fringe, community development resource will be provided to support the new community and help integrate new and existing areas of the city and surrounding area.	(10,000)	(10,000)	0	0	0	0	(20,000)
Celebration of Women 2020 - defer 50% (B4618)	Celebration of Women 2020 Exhibition and community activities complementing the Vote#100 programme, to involve: (a) Print, frame and hang colourised pictures of some of the key early female civic figures at the Guildhall £500; (b) An event celebrating the contribution of women to city life up to £4.5k; (c) A history trail around the city, including the peripheries, focussing on similar women, with an emphasis on the city not the university and to include school outreach £15k	(10,000)	10,000	0	0	0	0	0
Youth Liaison Officer - supporting partnership work on Child Criminal Exploitation and serious violent crime - delay start and reprofile over 3 years (B4619)	Community Youth Liaison Officer - supporting statutory agency partnership work to address child criminal exploitation and serious violent crime. Funding for two years to employ an officer who will support work being undertaken by partner agencies to protect and support young people living in the city. Will involve gathering intelligence, considering of positive activities, raising awareness, facilitating good coordination between agencies and stakeholders and identifying sources of funding to enhance the work. Based in the community safety service with close links to ChYpPs. 2 years fixed term position with small project budget of £5k. Note: officers are seeking external funding to support this position - if successful, the bid may be withdrawn or amended.	(33,750)	0	33,750	0	0	0	0



Change to proposal approved in BSR 2020/21	Outline of proposal approved in BSR	Saving or Pressure 20/21 £	Saving or Pressure 21/22 £	Saving or Pressure 22/23 £	Saving or Pressure 23/24 £	Saving or Pressure 24/25 £	Saving or Pressure 25/26 £	Total £
Partnership work on climate change research and projects - defer half to following year (B4621)	This budget proposal will fund research and joint development projects targeted at the changes needed by Cambridge as a city to deliver on our objective of net zero carbon at the earliest practical opportunity, and will link to the work programme of the Cambridgeshire Climate Commission being funded by the Combined Authority	(12,500)	12,500	0	0	0	0	0
Improve visibility & accessibility of planning applications - stop project (B4625)	To allow research adaptation to enable information on planning applications to be shared with interested parties who could contribute to their evaluation and enable a positive impact on the quality of applications	(30,000)	0	0	0	0	0	(30,000)
Providing consultancy advice on Cutting Carbon Emissions in Current Building Stock - stop project (B4626)	3C Building Control Services to undertake research and training to enable the service to provide information on adapting homes and buildings for climate change for residents, and also architects/consultants, with focus on Cambridge's challenges (old housing stock, historic buildings). This will also enable the service to be ahead of the changes in building technology and the climate crisis, and lead to new income.	(44,000)	0	0	0	0	0	(44,000)
Community Clear Out Days, £25k pa recurring - - delay launch by 6 months (B4633)	Double the number of this year's Community Clear Out days across the city from 15 to 30	(12,500)	0	0	0	0	0	(12,500)
Climate Change communication and community engagement - defer half to following year (B4640)	Work to communicate and engage with residents on climate change mitigation and adaptation activity including the development of the next Climate Change Strategy	(10,000)	10,000	0	0	0	0	0
Double current wildflower meadows - delay one year (B4645)	To deliver on the Biodiversity Motion pledge to enhance our estate for biodiversity, double the current area of wildflower meadows across the city through a mix of formal pictorial meadows and native wildflower meadows on parks, open spaces and road verges. Work with communities, local groups and businesses to identify suitable locations to sow and manage more meadows to benefit pollinating insects and their predators.	(3,000)	3,000	0	0	0	0	0
Corporate Transformation Programme - reduce first year budget by 25% (PROG 4519)	The Council has an ambition, through its transformation programme, to deliver a range of strategic change activity in 2020/21 as well as implementing the outcomes of reviews and other major investment programmes delivered in 2019/20. While it is planned that the majority of transformation and change work will be resourced from within service areas or through the in-house transformation service, in some cases there will be a need for external support either to project manage an element of the programme or to provide specialist input and expertise in a particular business area.	(62,500)	0	0	0	0	0	(62,500)
Street trees fund - delay one year and spread total budget over 4 years (duration of tree canopy project) (B4662)	Establish a two year programme of strategic street tree planting (c20 trees per year, £100k per year), using engineered tree pits (average cost of £7k per tree pit) to maximise establishment rates and minimise root damage risk. This fund will complement the County's street tree replacement programme and the EU 2 Seas project (ref.B4609), where the associated planting budget is for trees in parks and green spaces, not streets.	(50,000)	(50,000)	50,000	50,000		0	0
Selective Landlord Licensing [Linked to I14671] - delay and reprofile (B4663)	A feasibility study is being carried out to determine if it is lawful to have a selective licensing scheme in Cambridge. This is being funded with in existing resources. If there is evidence to support such a scheme the scheme would in theory start with set up costs from September 2020. The costs outlined here would be the costs of running a scheme however it will be self funding through the licensing fees over a 5 year period.	(82,875)	(48,625)	0	0	0	0	(131,500)
Consultation on resident and business priorities for council services - stop (B4664)	To provide for in-depth community engagement with residents, businesses, staff and other stakeholders.	(30,000)	(20,000)	0	0	0	0	(50,000)
Fees receivable for Selective Landlord Licensing Scheme [Linked to B4663] - delay and reprofile (I14671)	Admin and licensing fees to be charged to cover cost of running the scheme	32,875	111,125	0	0	0	0	144,000
		(471,500)	(200,500)	(120,250)	(154,000)	(204,000)	(204,000)	(1,354,250)

## Appendix 2 – Proposals for deleting and deferring capital schemes

Capital Project Code	Scheme Name	2019/20 Budgeted expenditure £'000	2020/21 Budgeted expenditure £'000	Later years Budget expenditure £'000	Change in funding (Reduction) /Increase 2020/21 £'000	Change in funding (Reduction) /Increase 2021/22 £'000	Funding	Notes
PR010a	Environmental Improvements Programme - North Area	69	0	0	(27)	0	GF Reserves / Direct Revenue Funding	Reduce by 50%
PR010b	Environmental Improvements Programme - South Area	77	0	0	(36)	0	GF Reserves / Direct Revenue Funding	Reduce by 50%
PR010c	Environmental Improvements Programme - West/Central Area	127	0	0	(64)	0	GF Reserves / Direct Revenue Funding	Reduce by 50%
PR010d	Environmental Improvements Programme - East Area	110	0	0	(55)	0	GF Reserves / Direct Revenue Funding	Reduce by 50%
PR010	Environmental Improvements Programme	70	170	0	(60)	0	GF Reserves / Direct Revenue Funding	Reduce by 25%
SC720	Improving and consolidating corporate data management	0	20	0	(20)	0	GF Reserves / Direct Revenue Funding	Delete
SC717	3C ICT resource planning tool	0	7	0	(7)	0	GF Reserves / Direct Revenue Funding	Delete
SC662	Shared Planning Service software and implementation	59	0	0	(27)	0	GF Reserves / Direct Revenue Funding	Remove uncommitted funding
SC689	Income management software	47	0	0	(32)	32	GF Reserves / Direct Revenue Funding	Defer uncommitted portion
SC724	Provision of extra electric charging points	0	100	0	(50)	50	GF Reserves / Direct Revenue Funding	Defer 50%
SC710	Guildhall Small Hall wooden floor	0	45	0	(45)	45	GF Reserves / Direct Revenue Funding	Defer
SC627	Guildhall Large Hall Windows refurbishment	9	0	0	(9)	9	GF Reserves / Direct Revenue Funding	Defer scheme - see also Cap Rec funded amount
SC687	Customer Service Centre improvements	61	0	0	(26)	0	GF Reserves / Direct Revenue Funding	Remove uncommitted funding
PR054	Administrative buildings maintenance	0	188	714	(94)	0	GF Reserves / Direct Revenue Funding	Reduce 2020/21 by 50%
SC711	Guildhall PA system	0	25	0	(25)	25	GF Reserves / Direct Revenue Funding	Defer
SC654	Redevelopment of Silver Street Toilets	559	0	0	(494)	494	GF Reserves / Direct Revenue Funding	Defer uncommitted funding
SC739	Abbey Pool improvements (S106)	0	45	0	(45)	0	GF Reserves / Direct Revenue Funding	Restrict spend to S106 only
PR053	Commercial property repair and maintenance	0	300	1,200	(75)	0	GF Reserves / Direct Revenue Funding	Reduce 2020/21 by 50%
SC723	Upgrade Kings Hedges recreation areas	0	150	0	(150)	0	GF Reserves / Direct Revenue Funding	Delete
SC726	Jesus Green fish pass	0	0	50	(50)	0	GF Reserves / Direct Revenue Funding	Delete
SC646	Redevelopment of Cambridge Junction	250	0	0	(219)	219	GF Reserves / Direct Revenue Funding	Remove uncommitted funding

Capital Project Code	Scheme Name	2019/20 Budgeted expenditure £'000	2020/21 Budgeted expenditure £'000	Later years Budget expenditure £'000	Change in funding (Reduction) /Increase 2020/21 £'000	Change in funding (Reduction) /Increase 2021/22 £'000	Funding	Notes
PV007	Cycleways	294	0	0	(294)	294	GF Reserves / Direct Revenue Funding	Defer
PR037	Local Centres Improvement Programme	7	0	0	(7)	0	GF Reserves / Direct Revenue Funding	Remove uncommitted funding
SC597	Empty Homes Loan Fund	200	0	0	(200)	0	GF Reserves / Direct Revenue Funding	Delete
	<b>Total - GF Reserves / Direct Revenue Funding</b>				<b>(2,111)</b>	<b>1,168</b>		
PR050	Office Accommodation Strategy Phase 2 (OAS)	473	0	0	(403)	0	Earmarked Reserves	Delete scheme pending re-evaluation of office accommodations needs
PR050f	Guildhall Welfare Improvements (OAS)	189	0	0	(154)	0	Earmarked Reserves	Delete scheme pending re-evaluation of office accommodations needs
PR050g	Office optimisation (OAS)	275	0	0	(225)	0	Earmarked Reserves	Delete scheme pending re-evaluation of office accommodations needs
	<b>Total - Earmarked Reserves</b>				<b>(782)</b>	<b>0</b>		
PR017	Vehicle Replacement Programme	850	400	0	(200)	200	Earmarked Reserves (R&R)	Defer 50% to discuss
SC722	Purchase of link tip bodies	0	27	0	(27)	27	Earmarked Reserves (R&R)	
	<b>Total - Earmarked Reserves (R&amp;R)</b>				<b>(227)</b>	<b>227</b>		
PV583	Clay Farm Commercial Property Construction Costs	20	0	0	(20)	0	Capital Receipts	
SC627	Guildhall Large Hall Windows refurbishment	92	0	0	(92)	92	Capital Receipts	Defer - see also DRF funded amount
	<b>Total - Capital Receipts</b>				<b>(112)</b>	<b>92</b>		
					<b>(3,232)</b>	<b>1,487</b>		

## Appendix 3 – Proposed use of earmarked reserves

Earmarked Reserve	Closing Balance 31 March 2020 £	Comments
GF Earmarked - Property Improvement Fund	8,790	Fund no longer in use
GF Earmarked - Cambridge LSP Joint Funding	23,224	Fund no longer in use
GF Earmarked - Prince Chula Bequest	100	Requirements delivered, specific funding no longer required
GF Earmarked - Legacy R&R	199,996	Put aside as a contingency when most R&R funds were released, no longer required
GF Earmarked - Technology Investment Fund	126,745	Fund no longer in use
GF Earmarked - HPDG	3,076	Historic remaining balance, release
GF Earmarked - Extra Care Contract	529,756	Contract now ended, reserve no longer required
	<b>891,688</b>	

# Agenda Item 13a

## CAMBRIDGE CITY COUNCIL

### Record of Executive Decision

<b>3C ICT BUSINESS PLAN, 3C LEGAL BUSINESS PLAN &amp; SHARED INTERNAL AUDIT BUSINESS PLAN 2020/21</b>
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<b>Decision of:</b>	Councillor Robertson, Executive Councillor for Finance & Resources		
<b>Reference:</b>	20/URGENCY/S&R/6		
<b>Date of decision:</b>	6 April 2020	<b>Recorded on:</b>	7 April 2020
<b>Decision Type:</b>	Non Key		
<b>Matter for Decision:</b>	To approve the 3C ICT 2020/21 Business Plan, 3C Legal 2020/2021 Business Plan & Shared Internal Audit 2020/21 Business Plan		
<b>Why the decision had to be made (and any alternative options):</b>	In response to the Government’s announcement on limiting social contact due to the COVID-19 virus the decision was taken to cancel the Strategy and Resources Scrutiny Committee meeting on 30 March 2020.		
<b>The Executive Councillor’s decision(s):</b>	The Executive Councillor for Finance & Resources agrees to:  i. Approve the Business Plans for each of the Shared Services attached as an Appendix hereto; and  ii. Authorise the Shared Services Management Board to approve final amendments to the Business Plans in line with comments received from all three partner councils.		
<b>Reasons for the decision:</b>	An out of cycle decision is required to approve the plans for the start of the new financial year		
<b>Scrutiny consideration:</b>	The Chair and Spokesperson of Strategy & Resources were consulted prior to the action being authorised.		
<b>Report:</b>	The 3C ICT 2020/21 Business Plan, 3C Legal 2020/2021 Business Plan & Shared Internal Audit 2020/21 Business Plan and covering report are attached.		
<b>Conflicts of interest:</b>	None known.		
<b>Comments:</b>	Not applicable		

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## CAMBRIDGE CITY COUNCIL

### Record of Executive Decision

**RECORD OF URGENT DECISION ON CRITERIA AND PROCESS FOR DISTRIBUTION  
OF THE LOCAL AUTHORITY DISCRETIONARY GRANT UNDER SECTION 31 OF THE  
LOCAL GOVERNMENT ACT 2003**

**Decision of:** Councillor Robertson, Executive Councillor for Finance and Resources

**Reference:** 20/URGENCY/SR/9

**Date of decision:** 9.6.20

**Recorded on:**  
9.6.20

**Decision Type:** Key

**Matter for  
Decision:**

In the light of the Covid-19 pandemic, Government have provided Local Authorities with funds under section 1 of the Localism Act with the authority to distribute them to eligible organisations under Section 31 of the Local Government Act 2003.

The latest of these funds is referred to as the Local Authority Discretionary Fund and is for eligible organisations who, broadly, have not been eligible for other covid-19 grant funds in the current period.

Cambridge City Council has circa £1.1m to disburse under this grant. Government have set a range of criteria but have left discretion to the City Council to decide parameters around levels of funding to be disbursed to eligible applicants and any prioritisation they wish to make to meet local economic needs.

The Government is keen that these funds should be disbursed as quickly as Local Authorities can reasonably get arrangements for application and assessment processes in place, and would ideally like to see funding being issued in early June 2020. An urgent decision is therefore required in order to ensure that the criteria and funding level arrangements for disbursement of the fund within the City can be finalised and published on the website prior

to requesting applications.

The attached paper sets out the recommended proposals for the grant funding.

**Why the decision had to be made (and any alternative options):**

The Government announced the additional funding in May 2020, and the latest version of the guidance was issued on 22<sup>nd</sup> May. Payments are ideally expected by Government to be made in early June, so there is an urgent need for decision on the key criteria.

**The Executive Councillor's decision(s):**

Approved 3.6.2020

**Reasons for the decision:**

As detailed in the Officers report attached.

**Scrutiny consideration:**

The Chair and Spokesperson of the Strategy and Resources Committee were consulted prior to the action being authorised.

**Report:**

Attached

**Conflicts of interest:**

None

**Comments:**

The decision will be reported back to the Strategy and Resources Scrutiny Committee on 6<sup>th</sup> July 2020.



## **1. Executive Summary**

- 1.1. In the light of the Covid-19 pandemic, Government has established vires under section 1 of the Localism Act 2011 and agreed to distribute funds to Local Authorities. The funds are provided with the authority to distribute them as grant funds to eligible organisations under Section 31 of the Local Government Act 2003.
- 1.2 The latest of these funds is referred to as the Local Authority Discretionary Fund and is for eligible organisations who, broadly, have not been eligible for other covid-19 grant funds.
- 1.3 On the 13 May 2020, the government published the Local Authority Discretionary Grants Fund – Guidance for local authorities. This was replaced by v2 on 22<sup>nd</sup> May 2020. The link is provided at the end of the report.
- 1.4 The government has set national criteria on how the funds should be allocated, allowing local authorities some discretion to determine which cases to support and the value of payments. State Aid rules apply which will exclude any businesses that operate at a national level. The funding is targetted at small and micro enterprises. Those who are eligible for other Government based Covid-19 grant funds, including the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund, will NOT be eligible for this fund, with the exception of those eligible for the Job Retention Scheme and the Self Employed Support Scheme (SEISS)
- 1.5 This report sets out the businesses and other organisations that will be covered by this grant funding in Cambridge City, and how the funding will be locally set and targetted.
- 1.6 The purpose of the report is not to cover the detail of how the scheme will be administered, delivered, or the processes that will be applied. The focus is on which cases will be supported and the payment arrangements
- 1.7 The funding for this new scheme is capped at 5% of the grants allocation to the City Council and a letter was received from Government by the City Council in May confirming that amount as £1,119,000
- 1.8 The government has asked Local Authorities to prioritise four categories of business in their discretionary scheme. The business categories that have been selected do broadly align with the local economy in Cambridge. The Council therefore intends to target funds broadly in line with Government priorities. Feedback from local business network groups has also been sought. Inclusion of these categories of business in the discretionary scheme will therefore help some of the small businesses that play an important role

locally but to date have not been able to access the government grant schemes.

## 2.0 The Proposal

2.1 The proposal is that the Council makes a payment to each business that meet the criteria within each of the four categories as follows:

Category	Approach	Grant payment
<b>Small Businesses in Shared or Serviced Accommodation</b>  Small businesses, not paying business rates themselves but physically located in shared/serviced accommodation in Cambridge which are registered for business rates.	Annual rental payments:  Below £5,000	£2,500
	£5,000 or more but below £10,000	£5,000
	£10,000 or more but below £51,000	£10,000
<b>Market and Street Traders</b> Any Market Trader who has a signed license agreement with Cambridge City Council and any Street Trader who has signed consent with Cambridge City Council and were trading as such on or before March 11 <sup>th</sup> 2020.	Basic payment plus payment to account for variation in number of days and pitches etc.	£1,000 basic plus 10% of annual rent invoiced in 2019/20
<b>Bed and Breakfasts</b> Registered with Environmental Health at the City Council on or before 11 <sup>th</sup> March 2020, registered for Council Tax.	Applies to eligible B&Bs	£2,500
<b>Charities and other not-for-profit organisations</b>  EITHER paying business rates to the City Council (and they would otherwise meet the criteria to receive Small Business Rate Relief if they were an equivalent sized business.)  <u>OR</u> not paying business rates themselves but	<b>EITHER</b> in premises with a rateable value <b>OR</b> with annual rental payments of:  Below £5,000	£2,500
	£5,000 or more, but below £10,000	£5,000

physically located in shared/serviced accommodation in Cambridge which are registered for business rates.	£10,000 or more, but below £15,000	£10,000
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2.2 The government has set out specific criteria that would need to be met for each of these categories of business and some constraints that would apply. A few local checks will also be carried out.

2.3 The Local Authority Discretionary Grants Fund Scheme for Small Businesses will accept applications until the funding is all allocated. Once all the funding is exhausted the scheme will close to new applicants. Any assessed and approved but unpaid claims that are still in the system will be held on a reserve list in case additional funding is made available.

2.4 A delegation to the Strategic Director is also sought to develop and finalise the application and assessment process, approve updates where required by emerging government guidance, and implement and manage the scheme accordingly.

### **3. Recommendation:**

#### **3.1 The Executive Councillor**

- (a) Approve the framework for the City Council's Local Authority Discretionary Business Grant fund, as set out in this report.
- (b) Approves the payment levels for each of the priority groups, as set out in paragraph 2.1.
- (c) Delegates authority to the Strategic Director to develop and finalise the application and assessment process, and implement and manage the scheme accordingly, including the review process outlined in paragraph
- (d) 4.4.3 of this report.
- (e) If any changes to the scheme are required, these will be agreed with the Executive Councillor in consultation with Chair and Spokes.

#### **4.0 Priorities, funding structure and assumptions.**

##### **4.1 Government priorities**

4.1.1 The government set out four categories of businesses that they ask to be prioritised for grants from within this funding pot.

- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment.
- Regular market traders with fixed costs, such as rent, who do not have their own business rates assessment.
- Bed & Breakfasts which pay Council Tax instead of business rates; and
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

## 4.2 Cambridge City Priorities

4.2.1 **Shared/Serviced Accommodation** Discussions with Cambridge BID, the Chamber of Commerce and the Federation of Small Businesses have identified that they consider that this group is a priority for support within the city, as they have been ineligible for other grants . An estimate has been made based on shared information and discussions with the business rates team. In Cambridge, **this category will cover businesses that do not pay business rates themselves but are located in premises that are registered for business rates.**

4.2.2 **Market Traders** - Cambridge is proud of its markets and has nearly 200 market and street traders. **It is intended that the grant support would be available for market traders who have a signed license agreement with the City Council and street traders who have signed consent with the City Council and were trading as such on or before March 11<sup>th</sup> 2020.** We are proposing a refined payment structure to recognise the variation in pitch numbers, and days of week in Cambridge.

4.2.3 **Bed and Breakfasts** – It is recognised that these businesses have not benefitted from other Covid-19 grant funding. **It is intended that the grant support will be for those Bed and Breakfasts which were registered with the Council's Environmental Health on or before March 11<sup>th</sup> 2020 and registered for Council Tax.** Air BnBs will be excluded.

4.2.4 **Charities** – Many charities have made a significant contribution in supporting people at this current time. **The estimated number for eligible charities has**

**been based on businesses claiming charity relief which are held on the Council's revenues system. Not for profit organisations which carry out similar work to charities in the City, and whom occupy premises within shared accommodation/offices which pay business rates to the City Council may also be eligible.**

**4.2.5** Cambridge's three biggest employment sectors are education, health and tourism and hospitality. It is considered that the support provided for the key groups may pick up many of these.

**4.2.6** It is therefore recommended that the four categories of business set out by the government are included in the local scheme. The sources highlighted in bold are the local check that the council would undertake.

### **4.3 Funding structure and Levels**

**4.3.1** The Government's scheme allows the value of the payments to eligible applicants to be at the discretion of the local authority. The options considered have included:

**(a) Case by Case basis**

This was considered but the risk of the need for a more complex application and assessment process, delaying funding roll out and getting support to organisations meant that it was rejected.

**(b) A straight line payment level across the four groups**

This was considered but did not meet variation in needs and property cost levels across the groups

**(c) Banded levels (with or without minor variations)** . Different levels of payment for each group. A number of Local Authorities have chosen this option including South Cambs DC and Hunts DC. Within this there could also be minor variations for specific Cambridge circumstances.

**(d) Equal division of the funding between the groups.** Under this option total levels of funding would be equal between the groups but groups with the lowest numbers of applicants would get higher banded levels of funding. This option was therefore rejected.

**4.3.2** Following discussion, it has been concluded that option (c) is the preferred choice for the City Council, with some variation to recognise the appropriate RV or equivalent rents in the City. This would enable as many applicants as possible to benefit from the local grant scheme.

### **4.4 Current assumptions**

- 4.4.1 Assumptions and estimates have had to be made in determining the number of eligible businesses. Any incomplete applications will be rejected and effectively removed from the queue; the applicant would have to reapply and join the end of the queue.
- 4.4.2 Whilst payments will be made on a 'first come, first served' basis, care will be taken to ensure all of the priority groups receive a reasonable share of the overall discretionary business grant funding available. **Once the funding is all allocated, the discretionary business grant scheme will close.**
- 4.4.3 Unsuccessful applicants can make a complaint if they dispute the Council's assessment of their business grant application. The review will be undertaken by a senior manager not involved in the previous decision.
- 4.4.4 The distribution of payment will depend on the applications received, and the eligibility of applicants. Initial estimates of eligible applications are as follows:

Group	Estimated number applications
Small businesses, charities and not-for-profit organisations in shared/serviced accommodation	120
Market and Street Traders	180
B&Bs	50
Charities and not-for profit organisations	110

## 5.0 Risks

- 5.1 However, there are a number of risks associated with the Local Discretionary Grant Fund.
- 5.2 The actual number of small businesses and micro businesses is estimated. The Council has pooled a range of information resources to identify as closely as is possible at this time, the organisations who may be eligible.
- 5.3 The number of businesses that are eligible or have accessed other forms of grant funding and therefore are excluded from an application to this scheme is also unknown prior to any application submission.
- 5.4 The Council has scarce resources and needs to ensure that they are deployed efficiently to implement an application process which balances the need to get support to business with sufficient assurance that the funds have been rolled out to the right place, and to identify potential fraud as early as possible.

- 5.5 Local Authorities have discretion over levels of funding and prioritisation of key groups to meet local economic needs. We need to publish eligibility criteria online and work with partners to ensure that, where appropriate, we maintain consistency in process for the benefit of businesses.
- 5.6 In comparison to the earlier grants, we have a very limited pot of funding to disburse through this scheme. We will ensure that all four groups get access to the funding through prudent planning and management, but this will need to be run effectively as a first come first served scheme, to ensure the funds are rolled out as soon as possible to organisations in need and also to avoid peak assessment periods.
- 5.7 Based on the allocated amounts, estimates provided on the number of businesses and take up on the preferred option, it is unlikely that there will be enough money in the initial Fund to meet the predicted level of applications by eligible organisations. Scheme guidance indicates that Government is prepared to provide additional funds where this is the case, but the team will keep the figures under close review to ensure that we work with Government in advance of reaching the initial limits based on received applications.
- 5.8 Government permitted a maximum level of £25k per grant in this scheme, then a £10k level, giving Local Authorities discretion to apply those levels plus any under £10k through local application. The £25k and £10k payments match those applied through the earlier Small Business Grant and Retail, Hospitality and Leisure Grant. However, the very limited funds available for this scheme mean that the Council has limited the maximum grant to £10k in order to support more businesses.
- 5.9 Delivery of the scheme still needs to happen and a team is being put in place. The challenge to design, specify, build, test, train and launch a new scheme in a matter of weeks is significant. Whilst the individual sums granted compared to the first scheme are much lower, the volume of applications is forecast to be 350-400, and with a limited fund, applications are likely to be submitted in a significant peak. Appropriate resources to deal with this are being put in place, and the task has been given high priority by the senior leadership team.

## **6.0 Implications**

### **(a) Financial Modelling**

The funds for the scheme are provided by Government under section 1 of the Localism Act 2011 and agreed to distribute funds to Local Authorities. The funds are provided with the authority to distribute them as grant funds to eligible organisations under Section 31 of the Local Government Act 2003. The initial allocation provided to Cambridge City Council is £1,119,000

## **(b) Staffing Implications**

Delivering the scheme will require a dedicated team of individuals. The recommended option whilst still requiring a significant resource over several weeks will consume the least amount of resource.

The implementation is being led by the Strategic Director alongside a team comprising a project manager, plus colleagues from Revs and Bens, Internal Audit, Community Development, Finance, Digital and Communications. The fund is expected to be disbursed within 3 months.

The scheme has also been designed on the best estimates available at this time and once the funding has been consumed the Fund will close. It is likely that funds will be disbursed within under three months.

## **(c) Equality and Poverty Implications**

None for this report. The criteria set by Government are intended to meet key business and organisation needs.

## **(d) Environmental Implications**

None for this report. The scheme criteria are set by Government with discretion allowed to relate to local needs.

## **(e) Procurement Implications**

None for this report

## **(f) Consultation**

There has been no formal consultation on this scheme. Discussions have taken place with the BID, Chamber of Commerce and the Federation of Small Businesses, as well as other Local Authorities and the Combined Authority through the Economic Recovery Sub-Group.

## **(g) Legal Implications**

Government has established vires under section 1 of the Localism Act 2011 and agreed to distribute funds to Local Authorities. The funds are provided with the authority to distribute them as grant funds to eligible organisations under Section 31 of the Local Government Act 2003.

The criteria for the Local Authority Discretionary Fund Scheme have been set out by government and whilst much of this is guidance the Council has aligned the scheme with the published document. Local discretion will primarily be around the level of grant and categories of business to be supported. The Council's decision on eligibility and payment will be final.



## **(g) Management of Risk and Fraud**

The Council will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.

The government Grants Management Function and Counter Fraud Function have made their digital assurance tool, Spotlight, available to local authorities, and will offer support in using the tool and interpreting results. Alongside other checks conducted by local authorities, the tool will be used for both pre-payment and post-payment assurance. We will work with the government and other local authorities in identifying and sharing good practice, including protecting eligible businesses which may be targeted by fraudsters pretending to be central or local government or acting on their behalf.

Post payment, the government Grants Management Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments. The Cabinet Office is proposing to include Covid-19 Grants Payment data in the mandatory National Fraud Initiative, which is the biennial data matching exercise across the public sector.

## **(h) State Aid**

The United Kingdom left the EU on 31 January 2020, but nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The Council is required to be must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.

The Council has discretion to make payments to eligible recipients under either the De Minimis rules or the COVID-19 Temporary Framework for UK Authorities (provided all the relevant conditions are met).

Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three-year period.

## **(j)List of Appendices**

## Appendix 1 Eligibility Criteria

### 7. Background Papers

[Government Guidance on Discretionary Fund](#)

#### **CONTACT OFFICER**

Name/Job Title: Fiona Bryant, Strategic Director

Email: Fiona.bryant@cambridge.gov.uk

# Appendix A: Eligibility criteria for Cambridge's Discretionary Grant Fund

Applications are welcomed from small businesses, market and street traders, Bed & Breakfasts, charities and not-for-profit organisations **in Cambridge** who meet **all the relevant eligibility criteria**.

Criteria applying to ALL applicant categories	
1.	Ineligible for other current grant schemes relating to Covid-19, such as Retail, Hospitality and Leisure Grants or the Small Business Grants.
2.	Was operating on 11 March 2020 and intends to continue to operate. Businesses that are insolvent, in administration or subject to a striking-off notice are not eligible.
3.	Must not be a wholly owned subsidiary of another business or organisation or parts of a recognised group of companies or organisations in common ownership.
4.	<i>With the exceptions set out in criteria 10d and 10e on the next page:</i> Must have a rateable value or annual rent costs or annual mortgage payments of less than £51,000.
5.	Has an annual turnover of no more than £10.2 million.
6.	Has a balance sheet total of no more than £5.1 million a year.
7.	Has fewer than 50 employees.
8.	Has relatively high on-going fixed property related costs (this can include storage, pitch rental, mooring or marina fees, if applicable).
9	Able to demonstrate a significant fall in income as a result of the Covid-19 shutdown. (For charities and not-for-profit organisations, this might include a significant reduction in fund-raising opportunities).
Criteria applying to relevant applicant categories	
10a.	Market Traders must have been licensed with Cambridge City Council on 11 March 2020 and must continue to be licensed now.
10b.	Street Traders must have had signed consents with the City Council on 11 March 2020 and must continue to have such consents now.
10c.	Bed & Breakfasts must have been registered with the City Council's Environmental Health service on 11 March 2020 and must continue to be registered now.
10d.	Tenants in shared or serviced accommodation (whether small businesses or charities or not-for-profit organisations) do not have their own business rate account with the Cambridge City Council

10e.	The costs incurred by charities and not-for-profit organisations (either expressed as a rateable value for their premises or as an annual rental payment for shared/serviced accommodation) must be less than £15,000.
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## CAMBRIDGE CITY COUNCIL

### Officer Urgent Decision - Record

#### Amendment of the City Council Tax aggregate amounts

<b>Decision(s) taken:</b>	To amend the figures for the City Council aggregate amount in appendix A (b) of the Council's adopted resolution of 25 February 2020.
<b>Decision of:</b>	Strategic Director 1
<b>Date of decision:</b>	27 <sup>th</sup> February 2020
<b>Matter for Decision:</b>	To amend the Cambridge City Council council tax rates and aggregate amounts for bands A, B, C, E, F, G and H as in the attached revised Appendix A(b) – Council Tax Setting 2020/21.
<b>Any alternative options considered and rejected:</b>	Without making this administrative change, there is a possibility of the City Council's tax rates being challenged as the rates agreed by Full Council on 25 February 2020 are incorrect by 1p. A requirement to re-bill, if at any time in the 2020/21 year they were challenged, would be a significant additional cost and an inconvenience to residents, that is being prevented by the urgent action. By not making this change the City Council would see a small shortfall in its budget for 2020/21 of £444.
<b>Reason(s) for the decision including any background papers considered:</b>	An urgent decision under paragraph 2 of section 9, Council Procedure Rules was necessary to enable the printing and delivery of Council Tax bills for the Council's area within the statutory timescales. To delay the matter for a further decision by a meeting of the Full Council was not possible if the Council was to meet its statutory timescales for billing.
<b>Conflicts of interest and dispensations granted by the Chief Executive:</b>	None.
<b>Other Comments:</b>	The Chief Executive was unavailable and therefore not able to be consulted before the action was taken. The Head of Finance advised the Leader of the Council and the Executive Councillor for Finance and Resources prior to the action being taken.
<b>Reference:</b>	20/OfficerUrgent/SR/01
<b>Contact for further information:</b>	Caroline Ryba, Head of Finance, 01223 458134 <a href="mailto:caroline.ryba@cambridge.gov.uk">caroline.ryba@cambridge.gov.uk</a>

# Appendix A (b)

## Council Tax Setting 2020/21

1. The Council calculated its Council Tax Base 2019/20 for the whole Council area as **44,450.9** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
2. The Council calculates that the Council Tax requirement for the Council's own purposes for 2019/20 is **£9,001,310**
3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:

(a)	<b>£192,988,374</b>	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
(b)	<b>£183,987,064</b>	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
(c)	<b>£9,001,310</b>	being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act]
(d)	<b>£202.50</b>	being the amount at 3(c) above (Item R), all divided by the amount at 1 above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

4. To note that Cambridgeshire County Council, the Cambridgeshire Police & Crime Commissioner, Cambridgeshire & Peterborough Fire Authority have issued precepts to the Council (and nil for the Cambridgeshire & Peterborough Combined Authority) in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2019/20 for each of the categories of dwellings in the Council's area.



<b>Dwelling Band</b>	<b>City Council £</b>	<b>County Council £</b>	<b>Police &amp; Crime Commissioner £</b>	<b>Fire Authority £</b>	<b>Cambridgeshire &amp; Peterborough Combined Authority £</b>	<b>Aggregate Council Tax £</b>
A	135.00	906.12	155.10	48.06	-	1,244.28
B	157.50	1,057.14	180.95	56.07	-	1,451.66
C	180.00	1,208.16	206.80	64.08	-	1,659.04
<b>D</b>	<b>202.50</b>	<b>1,359.18</b>	<b>232.65</b>	<b>72.09</b>	-	<b>1,866.42</b>
E	247.50	1,661.22	284.35	88.11	-	2,281.18
F	292.50	1,963.26	336.05	104.13	-	2,695.94
G	337.50	2,265.30	387.75	120.15	-	3,110.70
H	405.00	2,718.36	465.30	144.18	-	3,732.84

6. The Council determines that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its council tax for 2020/21 is not excessive.

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## CAMBRIDGE CITY COUNCIL Officer Urgent Decision - Record

### Cambridgeshire and Peterborough Combined Authority- Appointment of the Council's substitute member

<b>Decision(s) taken:</b>	To appoint a replacement substitute member for the City Council on the Combined Authority.			
<b>Decision of:</b>	Chief Executive			
<b>Date of decision:</b>	9 March 2020			
<b>Matter for Decision:</b>	To appoint Councillor Mike Davey as the City Council's substitute member on the Cambridgeshire and Peterborough Combined Authority for the remainder of the 2020/21 Municipal Year			
<b>Any alternative options considered and rejected:</b>	-			
<b>Reason(s) for the decision including any background papers considered:</b>	An urgent decision under paragraph 2 of section 9, Council Procedure Rules was necessary to give the required 14 days' notice by the Combined Authority of a change to the city council's substitute member so that they can attend in the Leader of the Council's stead at 25 <sup>th</sup> March Combined Authority meeting.			
<b>Conflicts of interest and dispensations granted by the Chief Executive:</b>	None.			
<b>Other Comments:</b>	The nomination of Councillor Mike Davey was supported by the Leader of the Council.			
<b>Reference:</b>	20/OfficerUrgent/SR/02			
<b>Contact for further information:</b>	Antoinette Jackson	Chief Executive,	01223 457001	
	<a href="mailto:antoinette.jackson@cambridge.gov.uk">antoinette.jackson@cambridge.gov.uk</a>			

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## CAMBRIDGE CITY COUNCIL

### Officer Urgent Decision - Record

#### Powers of the Chief Executive, Cambridge City Council-delegation to the Strategic Directors

<b>Decision(s) taken:</b>	To delegate the direct powers and duties of the Chief Executive as set out in the Council's Constitution to Strategic Director 1 and 2 when the Chief Executive is indisposed for any reason and any decision cannot be unreasonably delayed.
<b>Decision of:</b>	Chief Executive
<b>Date of decision:</b>	25 March 2020
<b>Matter for Decision:</b>	It is important that the city council can continue to function in the absence of the Chief Executive and that the correct authority is in place to permit the Council's Strategic Directors to take action when and if required.
<b>Any alternative options considered and rejected:</b>	-
<b>Reason(s) for the decision including any background papers considered:</b>	An urgent decision under paragraph 2 of section 9, Council Procedure Rules was necessary as there are no meetings of the Council, Civic Affairs Committee or Strategy and Resources Scrutiny Committee within a reasonable timeframe and taking into account the current national situation it is unclear when this could be possible.
<b>Conflicts of interest and dispensations granted by the Chief Executive:</b>	None.
<b>Other Comments:</b>	The Council's scheme of delegation to officers is set out in section 9 of Part 3, Discharge of council functions. There are specific references in this and in other parts of the Council's Constitution where decision making power, authority or responsibility rests with the post of Chief Executive. For the avoidance of doubt, this decision confirms that if the Chief Executive is indisposed for any reason, and for a period that means a decision cannot be delayed, the City Council's Strategic Directors 1 and 2 are authorised to act. The Leader of the Council, the Leader of the Opposition Group, the Chair and spokesperson of the Civic Affairs Committee were all consulted and supported the proposed decision.
<b>Reference:</b>	2020/OfficerUrgent/SR/05
<b>Contact for further information:</b>	Antoinette Jackson Chief Executive, 01223 457001 <a href="mailto:antoinette.jackson@cambridge.gov.uk">antoinette.jackson@cambridge.gov.uk</a>

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## Cambridge City Council

### Officer Urgent Decision Record

<b>Decision(s) taken:</b>	To take various action to support commercial tenants.
<b>Decision of:</b>	Strategic Director 1
<b>Date of decision:</b>	23rd March 2020
<b>Matter for Decision:</b>	To agree some interim measures relating to commercial tenants as set out in detail in the briefing paper attached.
<b>Any alternative options considered and rejected:</b>	The decisions are taken based on the latest guidance and information at 20 <sup>th</sup> March and will be kept under review.
<b>Reason(s) for the decision including any background papers considered:</b>	An urgent decision under paragraph 2 of section 9, Council Procedure Rules was necessary to enable commercial tenants to be advised urgently of the Council's position regarding rent and fees. All decisions were based on the latest guidance and information resulting from the coronavirus situation.
<b>Conflicts of interest and dispensations granted by the Chief Executive:</b>	None.
<b>Other Comments:</b>	<p>The information relating to commercial tenants is exempt information under paragraph 3 of part 1 of schedule 12A of the Local Government Act 1972.</p> <p>The Chief Executive and Leader of the Council were consulted prior to the decisions taken. In addition, the Executive Councillors for (i) Climate change, Environment and City Centre, (ii) Finance and Resources (iii) Transport and Community Safety were all copied into the officer briefing paper. The spokes for Strategy and External Partnerships was advised.</p> <p>There will be budgetary implications of these decisions which will fall outside of the current budgetary framework. Some budget implications are given in the broadest terms in the officer briefing paper. When officers are in a position to report further on these, they will be reported to city councillors for decision at the earliest opportunity.</p>

**Reference:** 2020/OfficerURGENCY/Council/03

**Contact for further information:** Fiona Bryant, 01223 457325 [fiona.bryant@cambridge.gov.uk](mailto:fiona.bryant@cambridge.gov.uk)



By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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