

Cambridge City Council: Quarterly Performance Report January to March 2026

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Introduction

This report provides a quarterly snapshot of how well the Council is performing, the risks we are facing, and whether we are delivering within our agreed budget.

It covers the period from 1 January to 31 March 2026 (called quarter 4 as it is the fourth three-month period in the financial year) and provides a high-level overview, highlighting areas where there are major achievements or outstanding delivery, and areas that have significant risks, issues or challenges.

The report is split into two parts, the first covering our general responsibilities, the second our role as a residential social landlord. For each part there is an appendix with more detailed information.

For simplicity, central corporate services, which support both our general responsibilities and our social landlord function, are covered in part one of the report. Where there are specific issues affecting the landlord role they are highlighted in the landlord report.

Because this is the final quarter of the 2025/26 year, this report contains additional high level information about the year as a whole, with the Annual Customer Feedback Report included in full in appendix 4.

The Council is on track to publish its draft financial picture for the whole year by 30th June 2026. This is called the draft statement of accounts. An external checking process (audit) will take place, and the final, audited account will be published early in 2027 (by 31st January 2027).

Part One: Our General Responsibilities

The Council carries out a very broad range of activities as part of its general responsibilities. These range from activities relating to our environment, for example domestic waste collection, maintenance of parks and open spaces, air quality monitoring, the 'scores on the doors' food safety inspections; our communities, including community safety, leisure, culture and community facilities, and community engagement; and place making, including planning, inclusive growth, and responding to climate change.

Overview

Between January and March 2026 (**Quarter 4**) the Council:

- Delivered its full range of services (metrics for key services, including waste, planning, customer support, environmental health are included in appendix 1)
- Championed 'Option B' as part of the government's public consultation to shape the way local government is structured in Cambridgeshire and Peterborough from 2028. Option B would create one Council for North Cambridgeshire and Peterborough and another for Cambridge and South Cambridgeshire. The consultation closed on 26 March 2026.
- Received 3-year funding confirmation for Homelessness and Rough Sleeping from Ministry Housing, Communities and Local Government, with the Council awarded just over £2.1 million per year from 2026-2027.
- Secured £5 million to install water saving measures in council buildings across Cambridge and South Cambridgeshire.
- Awarded over £1 million to community and voluntary groups through its 2026/27 round of community grants.
- Funded construction on a renewable energy solar park to power electric bin lorries for Cambridge and South Cambridgeshire.
- Signed the Anti-Racism Charter reaffirming the Council's commitment to equality in the workforce.
- Unlocked £6.25 million to support local people facing poverty, homelessness, and inequality through the Greater Cambridge Impact initiative.
- Was selected as one of five local authorities to test "early voting" – giving voters the opportunity to cast their vote in person on additional days before polling day in May 2026.
- Planted 14 trees as part the city's growing urban forest, as part of the Council's 'Trees for Peace' project.

Agreed:

DRAFT

- The annual budget for 2026/27.
- Following public consultation, the Climate Change Strategy 2026-2031, the City Centre Heat Network Project, the Biodiversity Strategy 2026-2031 and Urban Forest Strategy 2026-2036.
- The response to the Ministry of Housing, Communities and Local Government (MHCLG) consultation on plans to establish a centrally led Development Corporation for Cambridge and South Cambridgeshire.
- A consultation to introduce a Public Spaces Protection Order (PSPO) at Babraham Road Park and Ride. The consultation ran from 27 February to 27 March.
- A public consultation on the draft CIL (Community Infrastructure Levy) Charging Schedule and associated documentation.
- The draft RECAP (Cambridge and Peterborough Waste Partnership) Resources and Waste Strategy 2026-2031 and draft Design-Guide Policy update and subsequent consultations in February 2026.
- The draft Greater Cambridge Planning Obligations Supplementary Planning Document adoption.
- To submit a bid to the Green Heat Network Fund (GHNF) in 2026 to bring forward a City Centre Heat Network.

Key achievements in the period include:

- Recognition as one of the 120 'A' list cities worldwide for the Council's work to mitigate and adapt to climate change.

Significant risks and issues that emerged during the quarter include:

- The impact of the 2026 Iran War. The Council's Business Continuity arrangements were reviewed to ensure the Council was able to continue to deliver essential services and mitigations put in place, including access to fuel to support its operational fleet. Impacts on the Council's budget and financial modelling are also being monitored.

Part Two: Residential Social Landlord

As well as our general responsibilities, Cambridge City Council is also a residential social landlord. The council owns and manages around 7,700 residential properties with an additional 1,250 leaseholders and is actively developing new social housing.

The performance and finances of our landlord function are managed and reported separately to our general responsibilities. Our finances as a landlord are separated out from our general finances and managed through what is called a Housing Revenue Account.

Overview

From January to March 2026 the council approved:

- The Tenant and Leaseholder Involvement Strategy. The strategy sets out how Cambridge City Council will involve tenants and leaseholders in shaping housing services. It explains how the Council will listen, act, and show the impact of resident views. It reflects feedback from residents, staff, and councillors, and aims to build a culture of trust, inclusion, and continuous improvement.
- The Housing Revenue Account budget for 2026-27. This set out a total budget of £41 million during 2026-2027 for the management, repair, maintenance and improvement of council homes to improve the condition and energy-efficiency of council homes. This amount includes:
 - £9.8 million for improving the Energy Performance Certificate (EPC) rating of council homes in the coming year
 - £750,000 this year (and for following years) to address damp, condensation and mould, supporting compliance with Awaab's Law, and
 - Funding for new technology and additional officer posts to improve the council's tenancy audit programme, its support for tenants, and to allow better management of rent arrears.
- As part of the budget setting process, it was agreed that rents would rise by 4.8%, in line with the new Rent Standard issued by the national Regulator of Social Housing this year.

The budget setting report also outlined the council's plans to bid for a Strategic Partnership with the government's Homes England Housing and Regeneration Agency, in order to secure long-term, flexible funding to support the council's target to build 1,300 new council homes by 2036, with a further 1,000 new homes for sale.

The Council continues to work through the refunds owed to tenants following the overcharging of rents and service charges. Due to the large number of refunds and complexity of some accounts this work will be ongoing into at least September 2026. The Regulator removed the Councils' Regulatory Notice for breaching the Rent Standard in October 2025, confirming the Council is now compliant with the Rent Standard.

Housing Improvement Action Plan


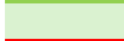


As reported in the previous quarter, the outcome of the Inspection by The Regulator for Social Housing was published in October 2025, and the Council received a consumer grading of C2 (grading run from C1 to C4, with C1 being the highest available grade). This is a compliant grade with areas for improvement, which the Council continues to work through as part of its Housing Improvement Action plan to complete the work on these areas. The Council reports to the Regulator every two months and also reports to the Housing Advisory Board on a quarterly basis.

House building developments

In relation to our house building activity, schemes on site at Fanshawe Road, East Barnwell, ATS Murketts, and Newbury Farm continued to be on budget and on schedule at the end of the quarter. Consultations were held for Davy Road and Stanton House with work progressing on design work and reviews with the planning team. In March, the North Cambridge Framework for Change was published and meetings held with tenants, leaseholders and freeholders.

Appendix 1: General Responsibilities: Performance, Finance, and Risk indicators

General Responsibilities: Quarterly Performance Indicators

Key Performance Indicators: General Responsibilities			
Link to Corporate Plan Objectives		Ratings Key	
Leading Cambridge's response to the climate and biodiversity emergencies and creating a net zero council by 2030	1	At or above stretch target	
Tackling poverty and inequality and helping people in the greatest need	2	At or above baseline target	
Building a new generation of council and affordable housing and reducing homelessness	3	Below baseline target/ Needs action	
Modernising the council to lead a greener city that is fair for all	4	No target for this measure	

Title & Description	Baseline target	Stretch target	2025/26				2024/25			
			Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Bins collected on schedule <i>This measures the effectiveness of our domestic waste collection service</i>	99.25%	99.70%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%	99.8%
Household waste sent for reduce, recycling, composting <i>This tracks the percentage of the City's domestic waste that is not going to landfill</i>	48%	50.00%	47.95%	47.92%	48.03%	48.88%				
Street Cleansing inspections of acceptable standard <i>Percentage of Spot inspections across Litter, Detritus, Graffiti & Fly Posting that meet agreed standard</i>	90%	95%	94.4%	92.4%	90.6%	96.0%		95.6%	95.5%	99.0%
% food businesses broadly compliant (rated 3 +) <i>This tracks food safety compliance in the city, as monitored by our environmental health team</i>	93%	97%	97.4%	97.6%	97.6%	98.2%	98.0%	97.8%	97.8%	97.7%
Average time to determine validated householder planning applications <i>This is the number of weeks Greater Cambridge Planning Service takes to determine applications</i>	12	10	7.37	7.92	7.07	7.93	8.03	7.22	7.61	7.69
First Point of Contact resolution <i>This is the percentage of contacts our customer support team is able to resolve without having to refer onwards</i>	86%	89%	89.5%	88.5%	90%	90%	90%	89%	91%	90%
Complaints resolved within target <i>We aim to resolve complaints within 10 working days</i>	70%	85%	75%	84%	72%	75%	83%	84%	81%	76%
Community centre programme balance <i>We aim for facility time to be apportioned to Community (40%), Cultural (30%), and Commercial (30%) activities</i>	10pp away	5pp away	60:22:18	51:30:19	46:28:26	45:30:24				
Private rented properties (inc. HMOs) in the city are made safe & suitable for occupancy <i>This is in line with Housing act 2004, associated regulations and the Councils Private Rented Sector Housing Standard</i>	200 - annual	250 - annual	135 (355)	110 (220)	55 (110)	55 (55)	89 (428)	87 (339)	122 (252)	130 (130)
Days to process benefit claims – Housing Benefits <i>This is a combined average of new and existing claims; new claims require longer to process, and cannot be done in the same speed</i>	9	7	1.5	2	2	3	2	2	3	3
Days to process benefit claims – Council Tax Reduction <i>These are the number of days taken to process claims for housing benefit and Council tax reduction- we are in the top decile nationally</i>		3	1.7	2	2	2	2	2	2	2

Title & Description	Baseline target	Stretch target	2025/26				2024/25			
			Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Change of applicants in housing need <i>This is ensuring the need for social housing is decreasing, or we are meeting their needs</i>	0	-2%	-5.05%	-8.44%	-4.30%	-9.29%	-5.45%	3.27%	4.79%	4.79%
Number of families with children in B&B over 6 weeks <i>The goal is to have no families with children in B&B accommodation for more than 6 weeks</i>	1	0	0	0	1	0	1	1	1	0
Homelessness prevention cases with a successful outcome <i>Of the homelessness prevention cases we undertake, the % that are successful as defined by law</i>	45%	60%	68.8%	55.7%	69.4%	54.3%	54.7%	59.7%	56.3%	54.2%
Repeat homelessness, or threat of homelessness, when previously resolved in last 2 years <i>Looking for effectiveness of past resolutions & reduction in repeat homelessness (past resolutions through housing advice or statutory duty) Note: due to concerns of accuracy, past quarters performance has been updated in this report</i>	TBC	TBC	3.2%	3.0%	4.38%					
Rough sleepers on a single night <i>Quarterly average of a monthly count of rough sleepers, Rating comes from improvement compared to previous years results</i>	Year on Year Improvement		26	28	35	37	23	26	27	26
Private homes retrofitted to Increase EPC rating <i>We are funded to lead this work across the County, city numbers are currently low because this phase is for homes without gas</i>	n/a		2	3	3	3	2	0	1	0
No of volunteer Hours <i>Volunteers worked hours logged</i>	n/a		35	154	83	123	27			
No of corporate groups worked with in volunteering	n/a		10	18	32	29	5			

These measures reflect the core services the Council delivers as part of our general responsibilities and show that services are being delivered within our baseline thresholds. They indicate that our core services are being delivered effectively, in the main meeting not only our baseline targets but their stretch targets as well.

The recycling rate has dropped marginally below its target. There are a number of factors that could be contributing to this, including seasonal fluctuation and changes to packaging which have reduced the overall weight of recyclable materials. The Council is expecting the recent roll out of the weekly food waste collection to have a positive impact on future performance and see this figure move back into green.

The balance of community centre bookings reflects an increase in County Council funded one-to-one tuition for those excluded from schools. This is recorded as a community booking but it is dominating the daytime bookings at our smallest centre (Darwin) which is impacting the overall figures. These bookings are a positive part of the overall provision and therefore we will review this measure to ensure that it better reflects the overall success of the community centres programme,

General Responsibilities: Annual Performance

As the final quarterly performance report for 2025/26, additional annual performance information is included here.

The following performance measures are tracked on an annual basis:

Title	Date of Latest Value	Baseline target	Stretch target	2026	2025	2024	2023
Progress towards achieving NO2 targets	31/03/2025	20	10		21	19	20
Progress towards achieving PM10 targets (Particulate matter above 10 microns)	31/03/2025	20	15		16	14	16
Progress towards achieving PM2.5 targets (Particulate matter above 2.5 microns)	31/03/2025	10	5		9	7	
Annual average concentrations across all council-owned monitoring sites. Targets based on WHO Air Quality Guideline value & the Council's interim Air Quality Strategy targets							
Public & Private county & city wildlife sites in positive management	05/11/2026	85%	90%		90.60%	90.60%	
CCC county & city wildlife sites in positive management	05/11/2026	50%	60%		61.10%	62.5	62.7
Positive conservation management refers to the practice of managing sites to conserve their nature conservation interest.							
Community Centre Occupancy rates	19/02/2026	40	80	58			
Council's electricity consumption (kWh)	31/03/2025	-	-		6,604,254	6,222,379	6,264,584
Council's gas consumption (kWh)	01/04/2025	-	-		8,741,805	10,051,645	11,596,294
Council's Overall / Total Greenhouse Gas Emissions (tCO2e)	02/04/2025	-	-		3,871	4,213	4,722
Greenhouse Gas Emissions from Council Buildings (tCO2e)	03/04/2025	-	-		3,087	3,239	3,437
Greenhouse Gas Emissions from Council Fleet (tCO2e)	04/04/2025	-	-		734	918	1,234

Pollutant levels can vary from year to year. In 2025 there was a small increase in NO₂ levels compared to 2024, likely due to weather conditions that were less favourable for dispersing pollution. However, the overall trend over time shows continued improvement

The Council's total gross greenhouse gas emissions were 8.1% lower in 2024/25 than in 2023/24 (emissions total was 4,213 tCO₂e) and 51.9% lower than the 2014/15 baseline (emissions total was 8,041 tCO₂e) and so the emissions total is lower over the period by 4,170 tCO₂e. The Annual figures for 2025/26 will be available in Sept/Oct 2027.

General Responsibilities: Annual Overview

Annual report	Overview
Customer Complaints	<ul style="list-style-type: none"> • In 2025-26, the total number of complaints received by the Council was 959, which is an increase of 104 cases (12%) from the previous year's total of 855. When put into context with the amount of service requests and contacts made to the Council, (225,000), this accounts for less than 0.1% of contacts received resulting in a formal complaint. • Of those 959 complaints, 86% (822) were resolved successfully at the first stage without need for escalation. This compares with 86% in 2024-25, and 90% in 2023-24. • 137 complaints were escalated to stage two, which is 19 more than in the previous year. • 24 complaints were made to the Local Government Ombudsman. Of these, two cases were progressed to be investigated by the LGSCO, and one was upheld. 11 cases were closed following initial enquiries, and a further 11 were outside of the Ombudsman's jurisdiction. • The Housing Ombudsman Service report for 2025-26 has not yet been distributed to the Council for inclusion in this report. • The full Customer Feedback Report is included at appendix 4
Annual Impacts for Resettlement and Community Equity (Apr 25 – Mar 26)	<ul style="list-style-type: none"> • Supported over 300 refugees to resettle and rebuild their lives in Cambridge and the surrounding areas. • Awarded £133,000 to voluntary and community groups supporting refugees • Provided free activities to 23,390 children and their family members through the Hello Summer Programme • Partnered with CPFT (Cambridge and Peterborough NHS Foundation Trust) to deliver Youth Leadership programmes • Facilitated youth involvement in the design of the Included programme, which aims to build pathways to fulfilling careers for young people from disadvantaged backgrounds, providing opportunities for skills development and career exploration. • Co-designed engagement with the voluntary sector as part of new Equity Strategy, which explains what the council will do to support diverse communities and groups of people. • Further improved the Inclusion and Equity Panel providing stronger governance on equalities • Council led multi-agency partnership to address bike theft has led to a 70% reduction in cycle crime since 2019
Annual Impacts from Housing Support (Jan –Dec 2025)	<ul style="list-style-type: none"> • 861 Clients supported • £430,889 total income maximised for residents • 100% of sheltered housing tenants surveyed say they feel safe and supported in their home

<p>Annual Impacts from Active Lifestyles (Apr 25 – Mar 26) include:</p>	<ul style="list-style-type: none">• Over 15,000 attendances across 1,613 hours of low-cost or free healthy lifestyle opportunities for City residents• 133 participation grants awarded to help young people, families and aspiring athletes access sport and activity• 16 organisations supported to deliver free summer activities• 9 community partners received kickstart funding• 24 different community-based events supported
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General Responsibilities: Finance

Finances for our general responsibilities are managed through our General Fund. Our detailed financial reports use our internal groups. These reflect the way we are organised internally, and all our financial reports use this structure, so you can compare our quarterly figures with our published accounts.

All of our reports show figures in a particular way:

- Expenditure is shown very simply as a number, i.e. 1,234.
- Income is shown in brackets, i.e. (1,234)

So, where a budget has spent more than planned it is shown as a simple number because this is an increased amount of expenditure, and where a budget has spent less than planned that is shown in brackets.

Revenue Budgets

The outturn shows that the council has spent £1.9 million less than planned by the end of the year (31 March 2026). At the end of the third quarter, we had forecast that we would spend £0.5 million more than we had budgeted, so the overall position has improved.

We budgeted to use £2.6 million from unallocated General Fund reserves this year. The underspend of £1.9 million means that we will only be required to use £0.7 million (after taking into account budgets carried forward to next year). Outturn by council group is set out in the table below:

Group	Current Budget	Outturn	Unspent budget carried forward	(Under budget)/ over budget
	£'000	£'000	£'000	£'000
Chief Executive Office	2,555	2,688	-	133
City Services	1,058	642	-	(416)
Communities	10,240	9,779	17	(444)
Corporate Hub	10,370	5,985	111	(4,274)
Economy and Place	(8,153)	(9,006)	214	(639)
Planning and Building Control	1,559	1,485	-	(74)
Non-service expenditure	14,157	15,202	1,767	2,812
Total net expenditure	31,786	26,775	2,109	(2,902)
Funded by:				
Business rates and council tax	(24,114)	(23,161)	-	953
Government grants	(4,374)	(4,355)	-	19
Use of earmarked reserves	(711)	(711)	-	-
Total funding	(29,199)	(28,227)	-	972
Total General Fund outturn	2,587	(1,452)	2,109	(1,930)

Note that the above figures take into account the proposed carry forward of specific unspent budgets, which is subject to approval by Full Council as part of the 2025/26 outturn report.

The forecast position has improved since Q3. The most notable changes are:

- Due to lower than budgeted spending on the capital programme, there has been no need to borrow externally this year, cash balances for investment have been higher and interest rates have stayed higher for longer. This has reduced capital financing costs (interest and Minimum Revenue Provision to repay loans) and increased investment income, with a total improvement of around £1.2 million
- Income from commercial property has been around £0.9 million higher than forecast at Q3.
- Revenue income from car parking was higher than anticipated in the final quarter of the year, meaning that the position improved by £0.7 million compared to Q3.
- Offset against the above, business rates income has underachieved by £1.0 million this year.

However, early work on budget setting for 2027/28 has identified some significant emerging pressures, including around asset compliance, and it is likely that a significant portion of the 2025/26 underspend will need to be earmarked to address these pressures. A proposal will be put to Full Council as part of the 2025/26 Outturn Report.

A more detailed breakdown to service level is shown below, followed by a table with explanations of the more significant variances.

Group / Service Grouping	Current Budget	Outturn	Unspent budget carried forward	(Under budget)/ over budget
	£'000	£'000	£'000	£'000
Chief Executive Office				
Chief Executive Office	1,022	1,025	-	3
Democratic Services	1,533	1,663	-	130
Total Chief Executive Office	2,555	2,688	-	133
City Services				
Bereavement Services	(734)	(872)	-	(138)
Car Parking	(6,558)	(8,173)	-	(1,615)
Community Safety	366	387	-	21
Garage Services	64	(47)	-	(111)
Management	379	464	-	85
Markets and Street Trading	(528)	(549)	-	(21)
Operational Buildings	526	534	-	8
Sport and Recreation	659	1,216	-	557
Streets and Open Spaces	4,433	5,218	-	785
Waste and Recycling	2,451	2,464	-	13
Total City Services	1,058	642	-	(416)

Group / Service Grouping	Current Budget	Outturn	Unspent budget carried forward	(Under budget)/ over budget
	£'000	£'000	£'000	£'000
Communities				
Community Centres	1,004	958	-	(46)
Community Development	1,765	1,734	-	(31)
Community Grants	1,443	1,437	-	(6)
Community Safety	764	717	-	(47)
Cultural Services	1,049	854	17	(178)
Environmental Health	1,353	1,350	-	(3)
Housing Strategy and Advice	2,124	1,964	-	(160)
Homelessness	535	548	-	13
Management	203	217	-	14
Total Communities	10,240	9,779	17	(444)
Corporate Hub				
Central Costs and Recharges	1,558	(66)	-	(1,624)
Customer Service Centre	2,162	2,007	-	(155)
Financial Services	1,998	1,864	111	(23)
Housing Benefit Expenditure	63	333	-	270
ICT	3,518	3,129	-	(389)
Insurance	1,186	1,613	-	427
Internal Audit	257	213	-	(44)
Investment interest and financing costs	(1,349)	(3,867)	-	(2,518)
Legal Services	872	740	-	(132)
Management	227	199	-	(28)
Office Buildings	1,323	1,206	-	(117)
People and Change	2,170	2,108	-	(62)
Procurement	291	301	-	10
Recharges to Housing Revenue Account	(4,915)	(4,839)	-	76
Revenues and Benefits Administration	1,009	1,044	-	35
Total Corporate Hub	10,370	5,985	111	(4,274)
Economy and Place				
Commercial Property Services	(9,967)	(10,292)	-	(325)
Development	375	259	100	(16)
Economy, Energy and Climate Change	1,104	690	114	(300)
Management	335	337	-	2
Total Economy and Place	(8,153)	(9,006)	214	(639)
Planning and Building Control				
Building Control	165	148	-	(17)
Greater Cambridge Planning Service	1,394	1,337	-	(57)
Total Planning and Building Control	1,559	1,485	-	(74)
Total for all Groups	17,629	11,573	342	(5,714)
Non-service expenditure				
Capital expenditure financed from revenue	7,982	6,342	1,767	127
Contributions to earmarked funds	6,175	8,860	-	2,685
Total non-service expenditure	14,157	15,202	1,767	2,812
Net spending requirement	31,786	26,775	2,109	(2,902)
Funded by:				
Business rates baseline	(4,750)	(4,750)	-	-
Accumulated business rates growth	(8,767)	(7,814)	-	953
Government grants (including NHB)	(4,374)	(4,355)	-	19
Council tax	(10,597)	(10,597)	-	-
Appropriations from earmarked funds	(711)	(711)	-	-
Total funding	(29,199)	(28,227)	-	972
Total General Fund outturn	2,587	(1,452)	2,109	(1,930)

Group	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Chief Executive Office	Democratic Services	Includes £116k net overspend due to changes in members basic and special responsibility allowances. This is slightly offset by an underspend of £29k in the events budget. There is a net overspend of £47k for electoral registration due largely to rising postage, courier, and printing costs and legislative limits on digital alternatives, and annual canvass costs including staff, tablets, and software.	130
City Services	Bereavement Services	Net underspend includes a credit of £227k in relation to the recovery of legal costs incurred in previous years on the A14 settlement – these costs have now been recovered. Without this the service would be showing a net overspend of £89k. This includes an overspend of £114k at the Crematorium reflecting wider national trends across the bereavement sector, with sustained growth in online-only providers offering direct cremation and more customers choosing this simpler, lower-cost option. The position is being actively managed through a review of service offer and pricing. Meanwhile, cemeteries are showing a net underspend of £75k due to increased income. This reflects targeted business improvement activity across the service. There is also a £20k overspend on vehicle repairs reflecting the age of the fleet, with this being managed through planned maintenance and future replacement planning.	(138)
	Car Parking	Income performance reflects strong demand at Grand Arcade, Park Street and Queen Anne Terrace car parks, which has more than offset reduced usage at Grafton Centre following recent closures. Demand at Grafton is expected to improve over time, as new offices and laboratory space become operational. Income has also been supported by the reintroduction of overnight charging and tariff increases in 2025/26. The allocation of some spaces to dedicated EV charging has reduced capacity slightly, although this has been mitigated through returning bays to dual use to optimise overall income.	(1,615)
City Services	Garage Services	Includes overachievement of income on external (£117k) and internal (£98k) work, offset by corresponding overspend of £149k on parts and consumables.	(111)
	Management	A £62k pressure on salaries within this area reflects targeted investment to strengthen leadership capacity across City Services, including the regrading of two posts and the introduction of a Programme Manager role. The overspend also includes focused investment in leadership and management development to establish a strong and consistent City Services leadership team, in the absence of a dedicated training budget.	85

Group	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
City Services (cont'd)	Sport and Recreation	An overspend of £348k within the leisure contract reflects a combination of historic utility recharges and the phasing of the new Leisure Contract Agency model. The budget assumed implementation from April; however the model commenced in August 2025, resulting in the previous operating model continuing for part of the year. This has now been addressed and is reflected in the ongoing budget position from 2026/27. In addition, there is an overspend of £204k on Recreation, including a one-off catch-up on electricity recharges at Jesus Green Pool (where estimated billing has been aligned to actual consumption resulting in a £150k back payment), and salary overspends following the late implementation of the service restructure.	557
City Services	Streets and Open Spaces	Includes salary overspends across the service totalling £430k. This reflects the implementation of the service restructure, including the regrading of posts, structural changes and pay protection arrangements. The timing of implementation from July 2025 rather than April 2025 also contributed to the variance. These changes have now been embedded and are reflected in the ongoing budget position, strengthening the service's leadership and delivery capacity. There is also an overspend of £123k on vehicle hire and repairs, associated with the age profile of the fleet. This is being addressed through the planned vehicle replacement programme, which will reduce maintenance costs and improve reliability over time. A £116k overspend in public toilet cleaning contract costs reflects updated cost levels and service requirements, with this now built into the 2026/27 budget. An overspend of £69k on Open Space Asset Maintenance reflects historic trends, and a £50k budget increase for 2026/27 will bring these budgets in line with actual operating costs.	785
Communities	Cultural Services	A positive variance of £111k on the Corn Exchange and Guildhall is primarily due to an increase in events from 178 last financial year to 208 in 2025/26. This has given the Council an increase in show related income (hire fee, booking fee, recharges, merchandise commission and food & beverages (F&B)). There is also an underspend of £83k within the central Cultural Services team which is primarily due to some staff vacancy gaps during the year – Project Officer, Marketing and Fundraising Assistant and a delay in recruiting the Sponsorship Officer and Marketing Manager.	(178)

Group	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Communities (cont'd)	Housing Strategy and Advice	There has been an increase in the number of properties being managed by Town Hall Lettings which has increased income, coupled with more focused work on recovering rechargeable repairs and minimising void times, as well as some salary underspend due to long term sickness and a vacant post, which has now been filled.	(160)
Corporate Hub	Central Costs and Recharges	Includes £2.025m one-off compensation income in relation to the impact of the construction of the new A14 on the Crematorium. This has been transferred to earmarked reserves and will be used to fund capital works including mitigating works at the Crematorium. Also includes a one-off underspend of £147k on historic pension deficit contributions due to accounting adjustments. This has been offset by £548k of additional staff costs from across the organisation resulting from an above budgeted pay award and increased NI contributions during 2025/26.	(1,624)
	Customer Service Centre	Includes £87k net underspend in staffing budget as a result of high turnover and unused contingency budget. In Business Support there is a net one-off underspend of £68k as a result of one-off income relating to work undertaken in 2024/25.	(155)
	Housing Benefit Expenditure	The net overspend includes subsidy loss of £346k partly offset by £51k overachievement of overpayment recovery. The main pressure continues to be rent allowance subsidy shortfall where entitlement and payment is not fully reimbursed by DWP due to landlords being charitable entities and not Registered Providers. A budget bid has been included within 2026/27 with the intention of addressing this situation.	270
Corporate Hub	ICT	The £389k net underspend includes £174k unused contingency budget for disaster management, £93k underspend from CDIO (Chief Digital and Information Officer) project, £30k underspend from TVI (Triple Value Impact) consultancy project and £80k underspend related to supplies and services. The supplies and services budget has been adjusted for the 2026/27 financial year to reflect the underspend.	(389)
	Insurance	The overspend includes £339k relating to property and fire insurance claims, £94k for liability claims and £60k for insurance premiums. This has been partially offset by a lower claims result in Motor by £37k.	427

Group	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Corporate Hub (contd)	Investment interest and financing costs	No further external borrowing took place in Q4 for the General Fund and this has significantly reduced the interest payable and the Minimum Revenue Provision that needs to be made. As forecast at Q3, there has been increased interest received from loans to the Cambridge Investment Partnership as a result of the drawdown of loans agreed by Full Council in October 2025. Note that £660k of this income has been transferred to the Development Reserve in line with the council's policy to set aside excess amounts for future capital spend. The General Fund also benefits from interest from the HRA on internal borrowing, which has increased this year to avoid more expensive external borrowing for the HRA. In line with the Treasury Management Strategy, it is anticipated that some of this internal borrowing will need to be externalised during 2026/27.	(2,518)
	Legal Services	The underspend of £132k is a result of efficient consumption of legal resource, achieving legal income projections, and underspend due to a vacancy in the Deputy Head of Practice role which is being addressed.	(132)
	Office Buildings	At the Guildhall there was a £104k net underspend on utilities costs due to low building usage, offset by a £56k overspend in business rates following the recent revaluation. There is also a £41k underspend on the Facilities Management team, due to a vacant post.	(117)
	People and Change	Includes a £31k underspend on the Digital and Application Support team as a result of staff vacancy. Recruitment is underway.	(62)
	Recharges to Housing Revenue Account	Underspends on a number of corporate services has seen a corresponding reduction in the recharge to the HRA – essentially this represents the HRA's share of corporate underspends as described elsewhere in this table.	76

Group	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Economy and Place	Commercial Property Services	There was negative impact of £1.05m as a result of the updated ground rent calculations for Lion Yard. These showed that previous amounts paid to the council on account were too high, resulting in a downwards adjustment to rental income of around £350k per year for 3 years. The correct position has been reflected in the 2026/27 budget going forwards. This has been offset to some degree by overachievement of income totalling £440k on other commercial and industrial properties, from a variety of factors including rent reviews and new lease completions. In addition, there is overachievement of income from the Park Street Aparthotel (£813k) due to an accounting adjustment in the treatment of the 6-month rent free period upon lease commencement. There is also an underspend of £122k on the Property Services team due to two vacant posts which were proving challenging to recruit.	(325)
	Economy, Energy and Climate Change	The underspend is due to combination of delays in staff recruitment and £81k cost recovery from capital projects for warm homes and retrofit. There have been some recruitment challenges due to the niche market for posts and shortages of suitable candidates. Some posts have had to be re-evaluated as part of new team development planning.	(300)
Planning and Building Control	Greater Cambridge Planning Service	This is largely due having higher planning application income, unbudgeted government grants and other contributions and costs recovered. These are offset by higher employee related costs and supplies and services overspends most of which relate to the grant funded activities.	(57)
Non-service expenditure	Capital expenditure financed from revenue	Includes financing of £142k of historic unfinanced capital expenditure from excess revenue reserves.	127
	Contributions to earmarked funds	Includes two large unbudgeted contributions in respect of variances above - £2.025m A14 compensation and £660k of income from loans to Cambridge Investment Partnership.	2,685
Funding	Business rates and council tax	Primarily due to underachievement of business rates income following significant rating appeals in recent years. This is a technically complex area and work is underway to better understand the reason for the shortfall and any mitigating actions which can be taken.	953

General Responsibilities: Capital

The outturn position on the council's General Fund capital programme is as follows:

Capital Outturn – Q4 2025/26	Final Budget £'000	Outturn £'000	Unspent budget carried forward £'000	(Under budget)/ over budget £'000
General Fund				
Loans to Cambridge Investment Partnership	36,704	14,663	22,041	-
Park Street development	32,797	13,233	-	(19,564)
Civic Quarter	6,417	4,629	1,788	-
Sustainable Warmth Grant - HUG2	4,638	2,211	-	(2,427)
Operational Hub	3,495	4,767	-	1,272
East Barnwell new centre	3,449	1,241	2,208	-
S106 funded projects	2,232	1,715	560	43
Other capital projects	18,654	8,326	10,336	8
General Fund total	108,386	50,785	36,933	(20,812)

The following individual projects have an underspend or overspend of over £50k, after taking into account budgets carried forward:

Project	Reason for Variance	(Under budget)/ over budget £'000
Park Street development	The Council spent £19.6 million less than budgeted on the Park Street redevelopment, which opened fully this year, as a result of strong contract management. This project is funded from external borrowing, so the underspend reduces the need to borrow rather than releasing any new resource.	(19,564)

Project	Reason for Variance	(Under budget)/ over budget £'000
Sustainable Warmth Grant – Home Upgrade Grant 2	The original budget was higher than the final grant amount received. This is a fully grant funded project which has now been completed successfully.	(2,427)
Operational Hub	The overspend for the new Operational Hub came to a total of £1.3 million, caused by delays from external contractors. It is important to note that the original capital bid was made over five years ago, and since then inflationary pressures—particularly in construction, materials, and labour, have significantly increased the cost base for delivery.	1,272
Mandatory Disabled Facilities Grants (Owner Occupiers)	Annual grant allocation from the government. The budget is underspent, as the funding awarded is not matched to number of residents requiring adaptations. There is no requirement to carry forward the remaining budget.	(256)
Redevelopment of Silver Street toilets	Project completion in early March. Overspend is relating to traffic management from County Council, commodity costs have increased and the project team have been working on the project longer than originally budgeted.	230
Meadows Community Hub and Buchan St retail outlet	The variance arises from additional professional fees, initially expected to be funded from the HRA but ultimately charged to the General Fund without a contingency budget.	126
Cambridge Corn Exchange – infrastructure improvements	Due to the length of the project original costs have risen due to inflation and other pressures	119
Mandatory Disabled Facilities Grants (Tenants)	Annual grant allocation from the government. The budget is underspent, as the funding awarded is not matched to number of residents requiring adaptations. There is no requirement to carry forward the remaining budget.	(70)
Eastnet Connect migration	Underspend as a result of efficient project delivery and underused additional resource.	(67)
Replacement air quality monitoring equipment	Project fully completed well under budget.	(50)

General Responsibilities: Risk

We keep a list of risks that could prevent the Council meeting its goals and its responsibilities, we score those risks to understand how serious they are, and we put in place controls and actions to reduce the level of those risks. All these individual risks feed into our seven strategic risk areas. These strategic risk areas apply across all of our activities, covering both our general responsibilities and our social landlord function. Every risk area is rated either green, yellow, amber or red, as follows:

- Green shows that risk levels in that area are low and well managed.
- Yellow indicates that there is a higher level of risk, but it is still well managed and under control
- Amber flags that the risk level is higher than we want and we are taking action to bring the risk level down. Where the risk level is caused by external factors outside our control and cannot be lowered, it needs to be very closely monitored.
- Red is the most serious level, and where we have a red risk there should be a clear, agreed and closely monitored action plan to reduce the risk.

Strategic Risks

The latest assessment of each strategic risk area is as follows:

	Strategic Risk Area	Risk level
1	The Council is able to deliver on our vision and objectives	Yellow
2	The Council is financially robust	Yellow
3	The Council has an effective and resilient workforce	Green
4	The Council's physical and digital infrastructure is fit for purpose	Yellow
5	The Council has viable and robust plans for the future	Yellow
6	The Council is able to meet its legal responsibilities	Yellow
7	The Council is well governed	Green

What this shows is that the Council has good overall control and effective risk management.

In order to make sure that there is full visibility, any operational risk which is rated either amber or red is also reported, split out by whether they are an operational risk for our general responsibilities (reported here) or for our role as a residential social landlord (reported in appendix 2).

Under our General Responsibilities there are seven amber operational risks and no red risks.

The Council's amber risks are as follows:

Operational Risks

Description	Current Controls	Actions to reduce risk level
Cyber-attack. This is a significant external risk, as seen through examples of attacks on businesses, local authorities, NHS etc	Active system management, mandatory cybersecurity training for staff, easy reporting of suspected phishing emails.	Budget has been agreed for additional external support to ensure 24/7 system oversight. This risk is likely to remain amber.
Accurate accounting for S106 funds as process is updated	S106 funds are logged and tracked in Excel but we are in the process of moving to an improved system. The S106 Monitoring Board meets every 2 months.	New process and systems are being developed, working across Economy and Place, City Services and Shared Planning. These are currently being trialled and are expected to reduce this risk. New S106 recording system in place and admin resource being recruited.
Compliance with statutory requirements across Asset Portfolio	Defined roles and responsibilities for H&S and building compliance via Corporate Landlord model.	Review of operational assets completed and requirements identified are being addressed with completion due September 2026. Review of commercial assets is currently in progress.

Description	Current Controls	Actions to reduce risk level
Compliance with Health and Safety requirements across the Council	Planning, oversight and performance management/monitoring of the organisation's H&S arrangements.	Health and Safety Policy Handbook redeveloped in Q4 with clearer defined roles and responsibilities to support oversight in this area. Roll-out ongoing and to be completed by Q1 2026/27.
Reaching the Council's carbon reduction target	Climate Change Strategy, Climate Change Fund	Updated Strategic Asset Management Plan, providing costs and action plan to deliver MEES and net zero, is due to be reported in 2026-27. Climate Change Strategy 2026 approved in March 2026 and action plan in place to deliver.
Compliance with property safety and repair standards for our corporate and commercial properties	Regular testing and servicing	Compliance review underway and on track to be completed during Q1 26/27, at which point this risk should reduce.
Recruitment and retention of staff within the commercial property team	Training plans, internal recruitment	Some interim resource has been secured and posts have been readvertised with broader reach.

In line with new Economic Crime and Corporate Transparency Act we have developed our risk management system to categorise and report fraud related risks. We are working with colleagues to review existing risks and identify new risks. This new legislation requires all organisations to identify whether any of their activities could be subject to fraud and set out what they are doing to manage the risk of fraud. Individual fraud risks will be reported in the same way as our other risks, so any amber or red fraud risk will be reported here.

Appendix 2: Residential Social Landlord: Performance, Finance and Risk Indicators

Residential Social Landlord: Performance Measures

(for Key, see appendix 1 Performance measures)

Title & Description	Baseline target	Stretch target	2025/26				2024/25			
			Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
% statutory safety inspections completed on time in our homes <i>Percentage of all safety-critical and statutory checks that are carried out as required.</i>	95%	99%	97.9%	96.8%	100%					
FRAs, completed or within time, (snapshot of existing risk) <i>Ensures fire safety-critical and statutory checks are delivered as required, followed up by the appropriate actions</i>	95%	99%	100%	100%	94%					
Emergency responsive repairs completed within the landlord's target timescale <i>Reflects speed and reliability of repairs, supporting tenant satisfaction.</i>	90%	95%	93%	96%	87%	93%	95%	88%	98%	97%
Awaab's Law: % responded to request within 2 working days <i>Ensures all safety-critical quality of the Council's housing stock in a timely manner</i>	85%	95%	90%	88%						
Average re-let time in days (standard re-lets) <i>Ensures both loss of income and the time a household is waiting for a home is minimised</i>	38.5	35	56.7	47.5	46.9	43.4	37.3	37.7	39.7	42.7
Void loss - % of rent lost through dwellings being vacant (LCRA) <i>Monitors the impact of empty homes on the council's income stream.</i>	3%	1%	3.07%	2.93%	4.21%	4.16%	3.22%	3.10%	2.96%	3.27%
Current tenant arrears as a % of the annual rent debit <i>Monitors outstanding debts owed to the council</i>	3.85%	3.50%	3.95%	4.19%	3.82%	3.64%	3.27%	3.59%	3.52%	3.48%
Former tenant arrears as a % of the annual rent debit <i>Monitors outstanding debts owed to the council</i>	2.2%	2%	3.8%	3.7%	3.3%	3.0%	3.0%	2.8%	2.7%	2.5%
No. Council housing starts <i>Quarterly update of cumulative total on number of builds started this year</i>	n/a		29	29	29	29	105	0	0	0
No. new affordable homes completed within councils own programme <i>Quarterly update of cumulative total on number of builds completed this year</i>	n/a		126	126	70	70	98	70	24	0
Percentage affordable homes to Camstandard <i>This is about improving the environmental impact of our homes</i>	n/a		83%	84%	79%	79%	78.65%	77.71%	77.71%	76.57%
Homes retrofitted to EPC C rating <i>This is about improving the environmental impact of our homes</i>	Variable based on funding		2	11	7	4	59	72	54	18

These measures are the key pieces of information we track to understand how well we are performing as a landlord. There are a number of measures that are below our baseline target, and there are specific improvement plans in place to bring them up to baseline and beyond.

The Council provides additional performance information to our Housing Advisory Board. The 2025/26 Q3 report is published on the Council

website and can be found here [Housing performance report](#), the Q4 report has not yet been published.

Average re-let time in days and Void loss are connected KPIs, both reflecting the time it takes the Council to re-let properties. Recent changes to the shortlisting process have shown a positive improvement to the timescale. A New Void process has been developed ready for launch in Q1 2026/2027 which should improve the relet times and subsequently the void loss amounts.

Both Current and especially Former Tenant arrears are below target while the Rent regulation project continues to work through the refunds owed. It is important to complete the work on the rent charges, so that we can be certain that any arrears figures are accurate. Once this work is complete in 2026/27, the Council will be able to progress the work on arrears and reduce our former tenant arrears. Separately, two software systems are being brought in that will allow for some automation of actions and better management of our accounts, freeing up Income Officers capacity to work with those tenants who most need our support.

Residential Social Landlord: Finance

We manage the finances of our social landlord responsibilities separately to the finances for our general responsibilities. This is done through a separate account called the Housing Revenue Account (HRA).

Revenue

At the year end of 31 March, the HRA's operating surplus is £6.9 million lower than budgeted, mainly due to overspends on HRA services. To ensure that the HRA balance can remain above its target level, the planned revenue contribution to capital expenditure for the year has been reduced by £6.4 million. This approach is consistent with previous years, but it will increase the amount of borrowing required to finance the capital programme in the longer term.

Service Grouping	Current Budget	Outturn (Under budget)/ over budget	
	£'000	£'000	
Income			
Dwelling rents	(51,684)	(52,225)	(541)
Other rents	(1,376)	(1,489)	(113)
Service charges	(4,076)	(4,288)	(212)
Other income	(862)	(356)	506
Total Income	(57,998)	(58,358)	(360)
Expenditure			
Repairs and maintenance	12,871	19,155	6,284
Management	11,245	11,220	(25)
Bad debt provision	527	1,102	575
Depreciation	12,254	12,647	393
Total Expenditure	36,897	44,124	7,227
Net operating surplus	(21,101)	(14,234)	6,867
Net interest cost	8,949	8,284	(665)
Revenue contribution to capital financing	11,140	4,717	(6,423)
Transfers to/(from) earmarked reserves	0	183	183
HRA (surplus)/deficit	(1,012)	(1,050)	(38)

The main reasons for the forecast overspend are:

- increased spend on housing repairs (£2.3 million), including damp, condensation and mould, in order to comply with Awaab's law.
- the need for interim fire safety measures including waking watch at a number of sites (£1.5 million). As a result of work already undertaken, the number of sites with waking watches in place has reduced from eleven to two. It is taking longer than anticipated to address the final two sites as decanting is required.

- additional costs of dealing with voids due to the poor condition of significant numbers of void properties (£1.5 million)
- cost of rectifications (£1.4 million) as a result of fire and other damage to properties
- historic costs for third party management of estates (£0.4 million)

Although budgets have been increased in 2026/27 to reflect genuine cost pressures, the Leadership Team is also continuing to take action to ensure that a tight grip is exerted on costs.

The table on the following page presents all the major variances on the Housing Revenue Account.

Budget Line	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Income	Dwelling rents	Gross rents are higher than budgeted. This is partly due to new council dwellings being let out to tenants earlier than assumed in the budget. The number of dwellings that are being re-let on the basis of rent flexibility is higher than anticipated with an overall positive impact on rental income.	(541)
	Other rents	Consists of £65k overachievement of income on HRA commercial properties (shops) and £48k overachievement of income on HRA garages following changes to the charging structure.	(113)
	Service charges	Overachievement of £143k on leaseholder service charges which vary depending upon actual costs in line with statutory requirements. Other service charges have overachieved broadly in line with dwelling rents, reflecting the early letting of new dwellings as above.	(212)
	Other income	Includes underachievement of income from the General Fund for shared amenities of £436k following changes to recharge model – this will be investigated and any adjustments made in 2026/27.	506

Budget Line	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Expenditure	Repairs and maintenance	<p>This significant additional expenditure is broken down as follows:</p> <p>£2.347m over budget on day-to day repairs. This reflects a deliberate response to increased damp, condensation and mould (DCM) demand. This combines the use of specialist external support to accelerate complex cases with investment in DCM works to support compliance, prevention, and a more robust end-to-end response. This is supported by the addition of two staff to strengthen initial response and operational oversight, along with improved systems and process controls to enable earlier identification, prioritisation and tracking of cases. These changes are improving operational control and supporting ongoing compliance with Awaab's Law.</p> <p>£1.536m overspend on asset management. This is due to Waking Watch arrangements in response to specific fire safety risks. The requirement has now reduced, with ongoing cover confined to a small number of sites.</p> <p>£1.479m overspend on Voids (voids is the term used for properties returned to the Council at the end of a tenancy). This reflects a high volume of voids returned in a poor condition during the year. Additional works were completed while properties were void to improve overall condition and support a more robust standard for re-letting.</p> <p>£1.431m overspend on Client and Third Party Repairs. This is result of a significant increase in insurance-related repair activity during the year, including major fire incidents within HRA properties. Costs relate to emergency response, reinstatement and follow-on works. The position is largely incident-led and therefore partly one-off, although the increasing complexity and value of claims presents an ongoing financial pressure. Actions in place and continuing into 2026/27 focus on strengthening cost recovery processes, improving visibility and control of uninsured expenditure, and targeted investment in compliance, fire safety and preventative measures to reduce future incident risk and associated financial pressures.</p>	6.284m

Budget Line	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Expenditure (contd)	Repairs and maintenance (contd)	£586k underspend on overheads. Operational experience has provided greater clarity on cost drivers at the new Operational Hub, particularly energy and security, alongside one-off setup costs such as equipment and transitional business rates. This improved understanding has been fully reflected in the 2026/27 budget, ensuring a more accurate and robust financial position going forward.	
	Bad debt provision	Ongoing impact of rent regulation error refunds continues to affect the level of rent arrears and collection rates. Until a resolution is reached with DWP it will not be possible to write-off historic uncollectable arrears, therefore both the level of arrears and provision against these will continue to increase.	575
	Depreciation	Depreciation charges depend solely on the annual stock valuation and are therefore outside of the control of the council. Depreciation charges are transferred to the Major Repairs Reserve and used to fund capital repairs and maintenance within the council's existing housing stock.	393
Non-service expenditure	Net interest cost	Net financing costs are lower than budget due to capital slippage, which has reduced the borrowing requirement in year, along with the fact that the HRA has continued to borrow internally from the General Fund rather than externally. However, General Fund cash is now running low, and it is likely that some borrowing will need to be externalised in 2026/27 – this is taken into account within the HRA Business Plan.	(665)
	Revenue contribution to capital financing	The HRA Business Plan seeks to maximise revenue contributions to capital financing, in order to reduce the need for the HRA to borrow. However, service overspends elsewhere, as described above, mean that less money has been available for capital financing this year. This will have a direct impact on borrowing need, leading to increased interest costs in the future. This will be taken into account when the HRA Business Plan is next refreshed.	(6,423)

Budget Line	Service Grouping	Reason for Variance	(Under budget)/ over budget £'000
Non-service expenditure (contd)	Transfers to/(from) earmarked reserves	This represents amounts transfers to Repairs & Renewals reserves to pay for specific future capital works within the HRA estate.	183

Residential Social Landlord: Capital

The outturn position on the HRA capital programme is as follows:

Capital Outturn – Q4 2025/26	Final Budget £'000	Outturn £'000	Unspent budget carried forward £'000	(Under budget)/ over budget £'000
Housing Revenue Account				
Existing stock	41,618	24,468	16,093	(1,057)
New build and acquisitions	65,367	41,463	23,863	(41)
Other	3,284	2	3,282	-
Housing Revenue Account total	110,269	65,933	43,238	(1,098)

There is an overall underspend on the HRA capital programme, which has meant that no external borrowing has been needed this year. A total of £4.023 million of budget is requested to be brought forward from 2026/27 approved budgets to cover projects where expenditure has been quicker than anticipated. Budget totalling £47.261 million is requested to be carried forward into 2026/27 and subsequent years to allow projects to be completed.

The following individual projects have an underspend or overspend of over £50k, after taking into account budgets carried forward:

Project	Reason for Variance	(Under budget)/ over budget £'000
PVCu windows	The PVCu windows programme is of a significant scale and has not been fully completed due to access constraints. The total in-year underspend against budget was £1.541 million, of which a request has been made to carry forward £500k into future years.	(1,041)
Asbestos removal	Additional required work was identified during the year – some budget was brought forward from 2026/27 to cover this but the extra work has still resulted in an overall overspend.	131
Sulphite attacks	No spend was required against this budget during the year, and no spend is currently anticipated in the following year.	(109)
New build – Sackville Close	This project has now completed.	(65)
Other health and safety works	This is a contingency budget which was not required during the year.	(53)

Residential Social Landlord: Risk

The approach to risk is the same as for our general responsibilities, with the overall risk level as set out in the part one appendix.

There are no red or amber risks that relate specifically to our role as a residential social landlord.

Appendix 3: Treasury Management

The Council has a statutory responsibility to report its treasury management activity. In simple terms this sets out how we are managing our money, including our investments and our borrowing.

During the year to date, all treasury management activity has been carried out in line with the Treasury Management Strategy Statement as approved by Full Council in February 2025.

As this is the year-end report, full details of Treasury Management activity for the year will be reported to Full Council separately within the Annual Treasury Management Outturn report