



Environment & Sustainable Communities Committee	Agenda Item
22 January 2024	10

Title:	Budget and Performance Report
Report of:	Tim Greenwood, Finance Manager
Lead Member:	Councillor Bridget Smith, Chair of the Environment and Sustainable Communities Committee
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	No vote required.

Recommendations:

A	Note the financial position of the Environment and Sustainable Communities Division for the financial year 23/24 to November 2023
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):	
x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Achieving best value and high performance

1. Purpose

1.1	To provide an update of the financial position for 2023/24 and to provide analysis against the 2023/24 budgets, up to the period ending November 2023
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2. Background

2.1	At the last meeting, the Committee was provided with an analysis of the 2023/24 performance against budget to September 2023. This report provides an update covering up to November 2023.
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3. Revenue Expenditure

3.1	A breakdown of the Environment and Sustainable Communities Revenue Expenditure for the period to 30 November 2023 is set out in Table 1 below.
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Table 1

Environment and Sustainable Communities Revenue Expenditure	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Variance YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Deferral £k
Climate Change	13	30	-17	50	50	0	-
Environment and Spatial Planning Staff	110	165	-55	248	248	0	-
Huntingdonshire Biodiversity for all - Revenue	0	30	-30	100	100	0	-
Natural Cambridgeshire	70	48	22	80	80	0	-
GSE Net Zero Investment Design	12	313	-301	12	12	0	-
HUG1 - Revenue	97	223	-126	433	433	0	-
HUG2 A Revenue 23/24	605	0	605	6192	3942	-2,250	-
LAD3 - Revenue - (Sustainable Warmth)	764	1214	-450	2429	2429	0	-
Local Energy Advice Demonstrator	65	0	65	0	2105	2,105	-
Net Zero Hub Core	2583	233	2350	1419	1495	76	-
Rural Communities Energy Fund	173	277	-104	445	445	0	-
Public Sector Decarbonisation	45	20	25	1222	230	-992	-
Total Environment Revenue Expenditure	4,537	2,553	1,984	12,630	11,569	-1,061	-

3.2 Expenditure to date is higher than budget to date.

3.3 Forecast outturn is expected for net zero hub is expected to underspend. Any underspend would be returned to government or carried forward to complete the programme in subsequent years.

4. Capital Expenditure

4.1 A breakdown of the Environment and Sustainable Communities Capital Expenditure for the period to 30 November 2023 is set out in Table 2 below.

Table 2

Environment and Sustainable Communities Capital Expenditure	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Variance YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Deferral £k
Care Home Retrofit Programme	0	1,200	-1200	2,000	500	-1500	1500
Huntingdonshire Biodiversity for all - Capital	0	435	-435	800	800	0	-
Logan's Meadow Local Nature Reserve wetland extension	0	138	-138	280	280	0	-
Nature and Environment Investment Fund	0	150	-150	250	250	0	-
Net Zero Villages Programme	0	600	-600	1000	1000	0	-
HUG1 - Capital	1196	2799	-1603	2799	2799	0	-
HUG2 A Capital 23/24	0	0	0	36378	22338	-14,040	-
LAD3 - Capital (Sustainable Warmth)	4252	11281	-7029	7447	7447	0	-
Total Environment Capital Expenditure	5,448	16,603	-11,155	50,954	35,414	-15,540	1,500

4.2 Whilst expenditure to date is lower than budget all projects except the care home retrofit programme and net zero hub are expected to spend to budget by the end of the financial year.

4.3 Forecast outturn shows an underspend against budget of £15.5m. With regard to HUG 2 both revenue and capital forecasts are in line with the reduced overall grant funding agreed with DESNZ following submitted Change Requests, the budget going forward needs to be amended to reflect this reduced overall programme. Following this required budget adjustment in future this project will show a balanced position.

	<p>The Local Energy Advice Demonstrator and Net Zero Hub projects require underspent budgets to be brought forward from 2022/23 and again once this is actioned the projects will show a balanced position.</p> <p>In respect of the Public Sector Decarbonisation project this will not fully deliver in 2023/24 and the final overall underspent budget will be carried forward into 2024/25 to complete and fully deliver the overall project.</p> <p>For the care home refit programme. This is because initial expressions of interest were below expectations, officers are working with care homes to identify any future plans which could be accelerated. The programme has been reviewed with some expenditure slipping into 2024/25.</p>
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5. Implications	
Financial Implications	
5.1	There are no financial implications other than those included in the main body of the report.
Legal Implications	
6.1	The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.
Public Health Implications	
7.1	N/A
Environmental & Climate Change Implications	
8.1	N/A
Other Significant Implications	
9.1	N/A
Background Papers	
10.1	None