



Environment & Sustainable Communities Committee	Agenda Item 9
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11 September 2023

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 July 2023
B	Review and comment on the current Environment and Sustainable Communities budgets within the Combined Authority's Medium-Term Financial Plan and Capital Programme.

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 July 2023
1.2	To provide the Committee an opportunity to review the multi-year budgets within their remit and provide a steer to be considered as part of the development of the 2024-25 Medium Term Financial Plan.

2. Background

2.1	This report provides an update of the performance against budget up to the period ending July 2023.
2.2	The Combined Authority annually approves a budget for the forthcoming year as part of a 4-year Medium-Term financial plan. Development of the plan occurs between September and January each year and the Thematic Committees are engaged throughout to provide the opportunity to shape the development of the budget.

3. Revenue Expenditure

3.1 A breakdown of the Environment and Sustainable Communities Revenue Expenditure for the period to 31 July 2023 is set out in Table 1 below.

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 Deferal £k
Climate Change	13	10	3	50	50	0	-
Environment and Spatial Planning Staff	73	82	-9	248	248	0	-
Huntingdonshire Biodiversity for all - Revenue	0	10	-10	100	100	0	-
Natural Cambridgeshire	0	16	-16	80	80	0	-
GSE Net Zero Investment Design	12	12	0	12	12	0	-
HUG1 - Revenue	69	69	0	433	433	0	-
HUG2 A Revenue 23/24	258	258	0	5895	5895	0	-
LAD3 - Revenue - (Sustainable Warmth)	298	298	0	2429	2429	0	-
Local Energy Advice Demonstrator	28	28	0	170	170	0	-
Net Zero Hub	128	128	0	270	270	0	-
Net Zero Hub Core	201	201	0	1419	1419	0	-
Rural Communities Energy Fund	128	128	0	445	445	0	-
Public Sector Decarbonisation	25	25	0	1222	1222	0	-
Total Environment Revenue Expenditure	1,233	1,265	-32	12,773	12,773	0	-

3.2 Expenditure to date is £32k lower than budget to date.

3.3 Forecast outturn is expected to be in line with estimated budget.

4. Capital Expenditure

4.1 A breakdown of the Environment and Sustainable Communities Capital Expenditure for the period to 31 July 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 Deferal £k
Care Home Retrofit Programme	0	400	-400	2,000	750	-1250	1250
Huntingdonshire Biodiversity for all - Capital	0	145	-145	800	800	0	-
Logan's Meadow Local Nature Reserve wetland extension	0	46	-46	280	280	0	-
Nature and Environment Investment Fund	0	50	-50	250	250	0	-
Net Zero Villages Programme	0	200	-200	1000	1000	0	-
HUG1 - Capital	985	985	0	2799	2799	0	-
HUG2 A Capital 23/24	0	0	0	22338	22338	0	-
LAD3 - Capital (Sustainable Warmth)	3709	3709	0	7447	7447	0	-
Local Energy Advice Demonstrator	0	0	0	2000	2000	0	-
Total Environment Capital Expenditure	4,694	5,535	-841	38,914	37,664	-1,250	1250

4.2	Whilst expenditure to date is lower than budget all projects except the care home retrofit programme are expected to spend to budget by the end of the financial year.
4.3	Forecast outturn shows an underspend against budget of £1.3m 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 will be reviewed in the autumn with the possibility of some expenditure slipping into 2024/25.

5. Development of the Medium-Term Financial Plan

5.1	The Combined Authority annually approves a budget for the forthcoming year as part of a 4-year Medium-Term Financial Plan (MTFP). Development of the plan occurs between September and January each year, and the Thematic Committees are encouraged to engage throughout to provide the opportunity to shape the development of the budget.
5.2	The first stage in the update of the MTFP is for officers to review the existing MTFP and highlight areas where there are unavoidable changes which need to be updated to reflect current market conditions – items such as inflation in contracts which need to be updated for current forecasts. Alongside this Members are engaged to highlight areas where there may be investment or saving opportunities within service or thematic areas.
5.3	Appendix 1 sets out the current revenue and capital budgets within the Committee's remit for 2023-24 to 2026-27, as approved by the CA Board in January 2023, and updated for subsequent Board decisions and funding announcements.
5.4	The Committee are asked to review their current programme and provide a view on whether they are content that this will enable the delivery of their strategic objectives over the medium-term and if there are any areas of concern or opportunity which should be considered by Officers and the Board during the development of the 24-25 budget and MTFP.

6. Appendices

6.1	Appendix 1 – Current budget and MTFP
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7. 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