



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.1

Budget Monitoring Report: March 2022

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	30 th March 2022
Public report:	Yes
Lead Member:	Mayor Dr Nik Johnson
From:	Jon Alsop, Chief Finance Officer
Key decision:	Yes
Forward Plan ref:	KD2022/008
Recommendations:	<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none">a) Note the financial position of the Combined Authority for the financial year to date.b) Approve the forecast slippage of unspent project budgets on the capital programme of £49.7m and on the revenue budget of £2,278kc) Approve the execution of the revised MoU, and associated repayment of £22m, for the Green Homes retrofit programme phase 2 (LAD2) with BEIS.d) Approve the additions to the capital programme and revenue MTFP as set out in section 6.
Voting arrangements:	a) Note only item, no vote. Items b), and d) A vote in favour by at least two thirds of all Members (or their Substitute Members) appointed by the Constituent Councils, to include the Members appointed by Cambridgeshire County Council or Peterborough City Council, or their Substitute Members

Item c) a simple majority of all Members present and voting To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.

1 Purpose

- 1.1 This report provides an update of the 2021/22 budget position and capital programme as at 31st January 2022.
- 1.2 As the final report in the current financial year this report also splits forecast underspends between project slippage, where the Board are asked to agree the carry forward of the funding, and underspend/savings, where there is funding that will be returned to the Combined Authority's reserves as it is no longer required.
- 1.3 An outturn report will be presented to the Board in June which will, subject to audit, finalise the year-end position and seek approval of any material changes from those requested here.

2 Background

- 2.1 This report presents the actual expenditure position as at the 31st January 2022, along with a forecast outturn position against the budget and, by exception, explanation of significant forecast variances between outturn and budget. While the cut-off for actual financial transactions is the end of January, the forecast outturns are more up to-date as they are set by officers toward the end of the month following the financial cut-off.
- 2.2 As previously agreed by the Board, the exception reporting thresholds are: £100k in Mayoral and Corporate Services revenue budgets, £250k for 'Income', 'Housing', 'Business and Skills', and 'Delivery and Strategy' revenue budgets, and £500k on all capital projects.

3 Revenue Budget Position

- 3.1 A summary of the financial position of the Authority, showing 'Revenue' income and expenditure for the eight-month period to 31st January 2022, is set out in the table below. A more detailed breakdown of income and expenditure for the year to date is shown at **Appendix 1**.

2021-22 Revenue	Jan Budget £'000	Adjustments £'000	Revised Budget £'000	Actuals £'000	Forecast Outturn £'000	FO Variance £'000	Change in FO £'000	App 4 ref:	Requested slippage £'000	Requested STA slippage £'000
Grant Income	-49,754	-365	-50,119	41,134	-50,542	-423	-369		N/A	N/A
Mayor's Office	488	-	488	338	419	-68	-8		-	-
CA Gross Staffing Costs	6,642	-	6,642	5,467	6,895	253	-137		-	-
Other Employee Costs	327	-	327	121	282	-45	-5		-	-
Externally Commissioned Support Services	514	-	514	381	487	-27	-10		-	-
Corporate Overheads	780	-	780	261	514	-266	-77		5	-
Governance Costs	1,184	-	1,184	975	1,065	-119	-119	1	-	-
Other Corporate Budgets	-38	-	-38	-214	-188	-150	-55		-	-
Recharges to Ringfence Funded Projects	-3,294	-	-3,294	-2,931	-3,035	259	-4		-	-
Corporate Services Expenditure	6,116	-	6,116	4,060	6,020	-96	-407		5	-
Business and Skills	28,506	-2,365	26,141	13,537	22,818	-3,323	206	2	519	-
Delivery and Strategy	18,090	-	18,090	10,528	16,322	-1,768	-633	3	948	811
Housing	214	-	214	49	86	-128	-		-	-
Workstream Expenditure	46,810	-2,365	44,445	24,114	39,226	-5,219	-427		1,467	811
Total Expenditure	53,413	-2,365	51,048	28,512	45,665	-5,383	-841		1,472	811

3.2 The Forecast Outturn as set out in the table above shows a 'favourable' variance of forecast expenditure against approved budgets of £5.4m, a reduced variance of £0.8m compared to the previously reported position. This is a result of £900k of increased expenditure, in line with the decisions of the January Board, and three material changes as summarised below. A full list of all budgets is included in **Appendix 1** and detail on material changes to expenditure forecasts are covered in **Appendix 4**):

- The forecast spend on Business Board and Committee allowances has reduced by £119k. This reflects a recharge of 75% of the Business Board's allowances and expenses from a different funding source, rather than a reduction in actual spend.
- The forecast underspend on the Adult Education Budget (AEB) Devolution Programme has increased by £280k to £1.2m.
- There is a £284k underspend forecast against Concessionary Fares although this is largely cancelled out by a £234k overspend on supported bus services.

3.3 The only adjustment, other than those reflecting decisions taken by the Combined Authority Board in January, is the recognition of the Additional Home to School transport grant income. The DfE confirmed the final allocation, in line with the expectation presented to the Board in January. Retrospective grant letters are now being issued to Cambridgeshire County Council and Peterborough City Council to meet the costs they have already incurred delivering this service.

3.4 Of the £5.3m forecast underspend, £1.5m is being requested as carry-forward with the balance, of £3.8m, being underspend which will be returned to reserves for reallocation. This underspend is broken down below. Ringfenced underspends cannot be re-allocated to another project so are retained in specific reserves for future spend on that area. Un-ringfenced savings will result in increase revenue reserves that the Combined Authority can allocate as it sees fit.

Ringfenced underspends of more than £100k

Adult Education Budgets	£2,187k
Greater South-East Energy Hub	£465k
Business Board allowances*	£119k

**as referred to in paragraph 3.1 this is a funding swap rather than an actual underspend*

Un-ringfenced savings of more than £100k

These are savings across the Authority

Un-drawn STA response funds	£1,000k
CAM saving	£655k
Accommodation saving	£240k
Increased Treasury Management income	£143k

3.5 There are no material slippage requests within the corporate services budgets, and two projects where a material element of anticipated spend has slipped into 2022-23: £673k on the Bus Review Implementation and £175k on the Peterborough Station Quarter business case.

3.6 The 2021-22 revenue budget also included STA funds for a variety of projects which have not been drawn down and are seeking a total of £811k carry forward: the A142 Chatteris to

- 3.7 The Board are recommended to approve the approved and STA carry-forwards of £1,417k and £811k respectively.

4 Capital Programme

- 4.1 A summary of the in-year capital programme and capital grant income for the period to 31st January 2022 are shown in the tables below. Detail of the capital programme can be seen across **Appendices 2 and 3**. (Please note: 'STA' stands for 'Subject to Approval' and 'YTD' for 'year to date').

Capital Programme Summary	Revised 21-22 Budget	Year To-Date Actuals	21-22 Forecast Outturn	Forecast Variance		Requested Slippage	Requested STA Slippage
	£'000	£'000	£'000	£'000	£'000		
Corporate Services	44	-	44	-	0.0%	-	150
Business and Skills	66,885	24,129	40,302	-26,583	-39.7%	26,494	-
Delivery and Strategy	66,089	46,833	57,768	-8,321	-12.6%	6,290	14,340
Housing	36,960	9,197	34,551	-2,409	-6.5%	2,409	-
Totals	169,977	80,159	132,665	-37,313	-22.0%	35,193	14,490

Capital Funding Summary	Revised 21-22 Budget	Year To-Date Actuals	21-22 Forecast Outturn	Forecast Variance		% received to date
	£'000	£'000	£'000	£'000	%	
A10 capital grant	-	-2,000	-2,000	-	0.0%	100.0%
Housing Capital Grants	-	-	-4,000	-	0.0%	0.0%
Active Transport Grant Capital	-	-	-	-	0.0%	0.0%
Capital Gainshare	-12,000	-12,000	-12,000	-	0.0%	100.0%
Local Transport Capital Grants	-23,080	-24,620	-24,620	-1,540	6.7%	100.0%
Getting Building Fund	-7,300	-7,300	-7,300	-	0.0%	100.0%
GSE Sustainable Warmth capital grant	-	-118,389	-118,389	-	0.0%	100.0%
Transforming Cities Funding	-30,000	-30,000	-30,000	-	0.0%	100.0%
ZEBRA capital grant	-	-4,295	-4,295	-	0.0%	100.0%
Totals	-72,380	-198,604	-202,604	-1,540	6.7%	98.0%

- 4.2 The £150k capital STA budget within the Corporate Services directorate was established to fund the development of a new finance system. After reviewing a range of finance systems it was established that staying with the current Agresso system, provided via a service level agreement with Peterborough City Council represented the best value for money. As part of this there will be no capital cost of developing a new system however there is anticipated to be some costs associated with roll-out of new functionality and self-service within the

Combined Authority, as such it is requested that the £150k capital budget be removed and replaced with a £100k revenue budget for support and training on the existing system.

- 4.3 The Business and Skills directorate is forecasting a £26.6m underspend against budget, £23.3m of this is due to further delay in the Green Homes Grant capital programme beyond that reported to the Board in January, this delay is a timing issue and the delivery and spend of this £23m is still expected before the end of the project in summer 2022. There are two other material changes to forecast slippage and there are £564k on Chatteris Market Town and £1,000k on the Growth Service Equity project.
- 4.4 Two of the three material changes in the Delivery and Strategy portfolio are due to projects' profiling not being updated when budget was requested from Board. Nene parkway Junction 15 and March Junction improvements both drew down in-year funding in January when spend is anticipated in 2022-23 and are thus requesting these new 'underspends' be slipped into 2022-23 as there are no updated to these projects since the Board papers in January there is not an item in appendix 4 on them. The third material change is a £504k reduction in forecast spend on transport modelling.
- 4.5 Both the capital budgets within the Housing directorate have changed materially since the position reported in January. The grant programme has improved it's in-year expenditure position by £4.9m, bringing it back to within £1m of its original forecast spend. The housing investment fund has increased it's forecast underspend by £974k, as reported to the Housing Committee the Ely MOD project's cashflow is behind schedule which has delayed their drawdowns against the original profile.
- 4.6 Including both approved and STA budgets, the total forecast slippage on the capital programme is £49.7m, or 27% of the revised budget. While the headline figure is higher than the prior year's slippage of 21%, discounting the Green Homes Capital project (which is new this year) the underlying figure reduces to 17%. While this level of slippage is not unusual it still indicates a significant element of optimism bias in our forecasts, and the Authority is initiating monthly meetings where project managers are supported and challenged by the Project Management Office and Finance teams with the aim of reducing levels of slippage in future years.
- 4.7 While most of the unspent capital is due to timing delays, there are a small number of projects where a combination of project changes and efficiencies have resulted in a saving which can be reallocated by the Combined Authority to future priorities. This saving, of £2.0m across the capital programme, is broken down below:

Digital Connectivity Infrastructure	£1.2m
Lancaster Way	£500k
A605 Stanground – Whittlesea	£217k
CAM OBC	£100k*

**this is in addition to the £3.25m saving reported earlier in the year and is a result of more accurate forecasts of the overall funding which will be returned to the CPCA following the closure of OneCAM Ltd.*

- 4.8 £1m of the £1.2m saving on digital connectivity is due to National Highways rejecting funds for ducting on the A428. While this element of the digital connectivity programme will therefore not continue the project team believe the outcomes are still necessary and are anticipating bringing forward a comparable project for funding consideration at a future date.

- 4.9 One area where the Combined Authority recognises there is need for further work is the monitoring and challenge of STA budgets. There is £15.3m of STA funding seeking slippage from 2021-22 into the new year. This represents projects which were due to have started substantial delivery in the current year, but have not got to the point of establishing the case for requesting the funds be drawn down. A senior officer group was established in January (the Performance and Risk Committee), which meets monthly and reviews the Combined Authority wide budgetary position. As part of these reports there will be a focus once a quarter on the outstanding STA budgets for the year and what progress has been made toward drawing them down.

5 Updated Green Homes grant agreement

- 5.1 As reported to the Board in January, due to delays in contracting, availability of a national supply chain and local authority capacity to deliver projects the Combined Authority is unable to deliver the Green Homes grant programme (a.k.a. Local Authority Delivery Phase 2, LAD2) in line with the original timescales agreed with Government.
- 5.2 The Department for Business, Energy and Industrial Strategy (BEIS) have been kept abreast of the progress of the scheme and have issued an extension to the original programme allowing delivery to continue until the end of June 2022. As part of the negotiations with BEIS there was a desire to return the element of the £78.3m which could still not be spent so it could be re-allocated nationally.
- 5.3 Upon reviewing the existing Memorandum of Understanding (MoU) it was identified that the existing clawback provisions only allowed for BEIS to request funding back at the end of the programme (now June 2022). In order to enable CPCA to repay the funding before this BEIS have issued a variation to the MoU which includes the ability for BEIS to request repayment before the end of the delivery window, alongside this BEIS have issued a request that the CPCA repay £22m of the forecast underspend on the programme as soon as possible. The letters setting out the proposed amendments and requesting repayment are included as appendixes 5 and 6.
- 5.4 Given the previously reported position, that the Combined Authority will be unable to defray the money on the programme before the end of the delivery window, the Board are asked to approve the agreement of the revised MoU and the repayment of £22m of grant funds to BEIS.

6 MTFP and 2022-26 capital programme update.

- 6.1 As reported in the January budget-setting paper, in consultation with the Constituent Authorities and the Business Board, the Combined Authority has established a long-list of potential project proposals. The projects associated with transport, business and skills and regeneration were not considered as part of the January budget setting so that further work on their alignment with emerging strategic priorities could be established.
- 6.2 Throughout February and March, officers across the area have been working to refine these proposals and, on instruction from the members of the Board, have brought forward a short-list of projects which have cross-region impact, fit within the headroom within the current

Medium-Term Financial Plan (MTFP), align with emerging strategy and are likely to represent good value for money.

- 6.3 The profile of spend of each project is shown in the table below, and a summary of each project is included as appendix 7. The spend profiles are indicative and subject to individual business cases being approved by the Board, as such spend may be accelerated, or slipped relative to the position shown below.

<i>Figures in £,000s</i>		22-23	23-24	24-25	25-26	Totals
Transport Model Replacement	capital	1,136	585	215	215	2,151
	revenue					
Peterborough electric buses	capital					
business case development	revenue	150				150
Active Travel Funding	capital	1,545	2,942	3,800	850	9,137
	revenue	100	100			200
Further Education cold spots	capital		2,400	2,175		4,575
	revenue	225				225
Market towns and villages	capital	1,250	1,250			2,500
	revenue					
Growth Works Equity Fund	capital	950	2,850	2,850	2,850	9,500
	revenue	50	150	150	150	500
Totals	capital	4,881	10,027	9,040	3,915	27,863
	revenue	525	250	150	150	1,075

6.4 The impact of inclusion of these projects on the Combined Authority's reserves is set out below starting with the position as approved in January, note that these figures do not account for forecast under or over-spends included elsewhere in this report.

6.5 As can be seen in the tables below, the inclusion of the proposed projects will allocate the vast majority of the Combined Authority's capital headroom over the next 3 years with balances increasing again in year 4 as projects tail off. Approval therefore will mean that any significant further investment will either need to be funded by new income, supported by borrowing in the short-term, or displace existing commitments.

6.6 The Board are requested to consider the shortlist of projects and recommend some, or all, for inclusion in the MTFP and capital programme.

	2022/23					2023/24					2024/5					2025/6				
	Forecast balance at 1/4/22	In-year income	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	In-year income	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	In-year income	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End	In-year income	Approved Expenditure	Subject to Approval Expenditure	Balance at Year End			
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000			
Capital Single Pot	(32,269)	(33,000)	6,157	37,902	(21,210)	(12,000)	2,001	12,583	(18,626)	(12,555)	42	5,830	(25,309)	(12,184)	-	-	(37,493)			
Capital Additions				4,881				10,027				9,040				3,915				
Contingency				98				201				181				78				
Revised Total	(32,269)	(33,000)	6,157	42,881	(16,231)	(12,000)	2,001	22,811	(3,419)	(12,555)	42	15,051	(881)	(12,184)	-	3,993	(9,072)			
Revenue Single Pot	(4,982)	(9,369)	6,695	1,964	(5,693)	(7,971)	7,089	2,038	(4,537)	(7,678)	7,535	1,910	(2,769)	(7,619)	7,692	170	(2,527)			
Revenue Additions				525				250				150				150				
Contingency				11				5				3				3				
Revised Total	(4,982)	(9,369)	6,695	2,500	(5,157)	(7,971)	7,089	2,293	(3,746)	(7,678)	7,535	2,063	(1,825)	(7,619)	7,692	323	(1,430)			

Significant Implications

7 Financial Implications

7.1 The financial implications of the decisions are set out in the body of the report.

8 Legal Implications

8.1 None.

9 Public Health implications

9.1 Acceptance of the revised Green Homes grant MoU will allow for the project to continue to deliver until June 2022 which will result in more homes being retrofitted with energy saving measures and a corresponding reduction in people unable to affordably heat their homes.

9.2 Inclusion of projects within the Combined Authority's budget as subject to approval has no direct public health implications. The individual projects will themselves have impacts but these will be considered as part of the business cases brought forward to approve the funding for delivery in future.

10 Environmental and Climate Change Implications

10.1 Acceptance of the revised Green Homes grant MoU will allow for the project to continue to deliver until June 2022 which will result in more homes being retrofitted with energy saving measures and a corresponding reduction in the environmental impact of heating people's homes.

11 Other Significant Implications

11.1 There are no other significant implications.

12 Appendices

12.1 Appendix 1 – Detailed breakdown of the revenue position for the year to 31st Jan 2022

12.2 Appendix 2 – Capital Position to 31st Jan 2022

12.3 Appendix 3 – Capital Programme

12.4 Appendix 4 – Detailed Explanations of Material Variances

12.5 Appendix 5 – Letter proposing amendments to the Green Homes Grant MoU

12.6 Appendix 6 – Letter requesting repayment of forecast underspend

12.7 Appendix 7 – Summary of Shortlisted Projects

13 Background Papers

13.1 None.

Appendix 1 - Detailed breakdown of the revenue position for the period to 31st January 2022

<u>Grant Income</u>	Jan Budget	Adjustments	Revised Budget	Actuals to-date	Forecast Outturn	Forecast Outturn Variance	Change in FO	Requested slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Additional Home to School Transport Grants	-	-365	-365	-220	-365	-	-365	
Adult Education Budget	-13,174		-13,174	-13,174	-13,174	-	-	
Bus Service Operator Grant	-409		-409	-409	-409	-	-	
Careers Enterprise Company Funding	-211		-211	-110	-211	-	-	
Community Renewal Fund Grants	-3,394		-3,394	-2,121	-3,394	-	-	
COVID-19 bus services support grant	-172		-172	-172	-172	-	-	
Digital Skills Bootcamp	-1,826		-1,826	-	-1,826	-	-	
Enterprise Zone receipts	-1,209		-1,209	-	-1,209	-	-	
ERDF - Growth Service Grant	-1,500		-1,500	-	-1,500	-	-	
ESF Growth Service Grant	-600		-600	-14	-600	-	-	
Growth Hub Grants	-537		-537	-376	-537	-	-	
GSE Energy Hub - Core Funding	-1,606		-1,606	-2,029	-2,029	-424	-4	
GSE Energy Hub - Decarbonisation	-1,372		-1,372	-1,372	-1,372	-	-	
LA Capability Fund	-558		-558	-558	-558	-	-	
LEP Core Funding	-500		-500	-500	-500	-	-	
Mayoral Capacity Fund	-1,000		-1,000	-1,000	-1,000	-	-	
Mid-Life MOT	-40		-40	-40	-40	-	-	
Revenue Gainshare	-8,000		-8,000	-8,000	-8,000	-	-	
Skills Advisory Panel Grant	-75		-75	-75	-75	-	-	
Transport Capacity Funding	-524		-524	-524	-524	-	-	
Transport Levy	-13,040		-13,040	-10,432	-13,040	-	-	
Visitor Economy and R&R Grant income	-8		-8	-7	-7	-	-	
Total Grant Income	-49,754	-365	-50,119	-41,134	-50,542	-423	-369	-

Mayor's Office							
Mayor's Allowance	96	96	75	92	-3	-	
Mayor's Conference Attendance	15	15	13	8	-8	-8	
Mayor's Office Expenses	40	40	13	25	-15	-	
Mayor's Office Accommodation	77	77	48	65	-12	-5	
Mayor's Office Staff	260	260	189	229	-30	4	
Total Mayor's Office	488	-	488	338	-68	-8	-

	Jan Budget	Adjustments	Revised Budget	Actuals to-date	Forecast Outturn	Forecast Outturn Variance	Change in FO	Requested Slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Services								
Combined Authority Gross Staffing Costs								
Business and Skills	2,045		2,045	1,750	2,174	128	1	
Chief Executive	309		309	230	288	-21	-	
Corporate Services	2,031		2,031	1,828	2,298	266	-62	
Transport	935		935	741	923	-12	-77	
Strategy and Planning	752		752	571	692	-60	1	
Housing	569		569	347	521	-48	-	
Total CA Gross Staffing Costs	6,642	-	6,642	5,467	6,895	253	-137	-
Other Employee Costs								
Travel	80		80	22	35	-45	-5	
Training	90		90	91	90	-	-	
Change Management Reserve	157		157	8	157	-	-	
Total Other Employee Costs	327	-	327	121	282	-45	-5	-
Externally Commissioned Support Services								
External Legal Counsel	65		65	62	75	10	10	
Finance Service	74		74	29	40	-34	-20	
Democratic Services	95		95	72	97	2	-	
Payroll	4		4	2	3	-1	-	
HR	18		18	16	18	-	1	
Procurement	8		8	1	2	-6	-3	
ICT external support	250		250	199	252	2	2	
Total Externally Commissioned Support Services	514	-	514	381	487	-27	-10	-

	Jan Budget £'000	Adjustments £'000	Revised Budget £'000	Actuals to- date £'000	Forecast Outturn £'000	Forecast Outturn Variance £'000	Change in FO £'000	Requested Slippage £'000
Corporate Overheads								
Accommodation Costs	300		300	21	60	-240	-40	
Software Licences, Mobile Phones cost	102		102	21	75	-27	5	
Communications	42		42	24	33	-9	-9	5
Website Development	15		15	10	15	-	-	
Recruitment Costs	88		88	59	88	-	-40	
Insurance	35		35	4	35	-	-	
Audit Costs	132		132	52	140	8	8	
Office running costs	31		31	11	17	-14	-1	
Corporate Subscriptions	36		36	59	51	16	1	
Total Corporate Overheads	780	-	780	261	514	-266	-77	5
Governance Costs								
Committee/Business Board Allowances	144		144	21	25	-119	-119	
Election Costs	1,040		1,040	954	1,040	-	-	
Total Governance Costs	1,184	-	1,184	975	1,065	-119	-119	-
Other Corporate Budgets								
Corporate Response Fund	97		97	5	90	-7	-55	
Contribution to the A14 Upgrade	96		96	-	96	-	-	
Interest Receivable on Investments	-231		-231	-218	-374	-143	-	
Total Other Corporate Budgets	-38	-	-38	-214	-188	-150	-55	-
Recharges to Ringfence Funded Projects								
Internally Recharged Grant Funded Staff	-2,521		-2,521	-2,489	-2,526	-5	-	
Externally Recharged Staff	-773		-773	-442	-509	264	-3	
Total Recharges to Ringfence Funded Projects	-3,294	-	-3,294	-2,931	-3,035	259	-4	-
Total Corporate Services Expenditure	6,116	-	6,116	4,060	6,020	-96	-407	5

<u>Business and Skills</u>	Jan Budget	Adjustments	Revised Budget	Actual To-Date	Forecast Outturn	Forecast Outturn Variance	Change in FO	Requested slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
AEB Devolution Programme	11,368		11,368	8,934	10,175	-1,193	-280	
AEB High Value Courses	237		237	38	38	-199	-	
AEB Innovation Fund - Revenue	500		500	288	425	-75	-50	75
AEB Level 3 Courses	809		809	232	382	-426	-95	
AEB National Retraining Scheme	40		40	33	40	-	-	
AEB Programme Costs	442		442	360	437	-6	-30	
AEB Sector Based Work Academies	233		233	20	120	-113	-36	
AEB Provider Capacity Building	250		250	-	125	-125	-	
AEB Strategic Partnership Development	250		250	45	125	-125	-	
Business Board Annual Report	30		30	17	28	-2	-	
Business Board Effectiveness Review	20		20	-	20	-	-	
Careers and Enterprise Company (CEC)	222		222	24	207	-15	-4	15
Digital Skills Bootcamp	1,826		1,826	95	1,826	-	-	
Economic Rapid Response Fund	150		150	82	121	-29	-18	25
Enterprise Zone Investment	50		50	-	40	-10	-10	10
Growth Co Services	3,223		3,223	846	3,132	-92	-	
Growth Hub	-		-	13	-	-	-	
GSE Energy Hub	890	133	1,023	534	890	-133	216	
GSE COP 26	195		195	146	195	-	-	
GSE Green Homes Grant Sourcing Activity	895		895	257	628	-267	116	
GSE Green Homes Grant Sourcing Strategy	69		69	69	69	-	-	
GSE Green Homes Grant Ph 3 (LAD 3)	-	250	250	-	250	-	250	
GSE Home Improvement Grant	-	250	250	-	250	-	250	
GSE Net Zero Investment Design	-	495	495	-	495	-	495	
GSE Public Sector Decarbonisation	1,372	-1,192	180	-	179	-1	-	
GSE Rural Community Energy Fund (RCEF)	735		735	442	671	-64	-115	
Health and Care Sector Work Academy	3,031	-2,301	730	425	625	-106	-314	106
HPC study and roadmap	46		46	-	35	-11	-11	
Insight and Evaluation Programme	83		83	82	83	-	-	

Business and Skills	Jan Budget £'000	Adjustments £'000	Revised Budget £'000	Actual To-Date £'000	Forecast Outturn £'000	Forecast Outturn Variance £'000	Change in FO £'000	Requested slippage £'000
Local Growth Fund Costs	560		560	340	458	-102	3	102
Market Town and Cities Strategy	121		121	32	71	-50	-50	50
Marketing and Promotion of Services	128		128	93	91	-37	-2	
Mid-Life MOT	40		40	24	40	-	-	
Peterborough University Quarter Masterplan	100		100	-	100	-	-	
SPF Fund Evidence Base & Pilot Fund	100		100	23	23	-77	-75	75
Skills Advisory Panel (SAP) (DfE)	112		112	35	97	-16	5	16
Skills Rapid Response Fund	115		115	49	70	-45	-39	45
St Neots Masterplan	224		224	8	220	-4	-	-
Trade and Investment Programme	33		33	33	33	-	-	
Visitor Economy and R&R Grants	8		8	7	7	-	-	
Total Business and Skills	28,506	-2,365	26,141	13,627	22,818	-3,323	206	519

Delivery and Strategy	Jan Budget £'000	Adjustments £'000	Revised Budget £'000	Actual To- Date £'000	Forecast Outturn £'000	Forecast Outturn Variance £'000	Change in FO £'000	Requested Slippage £'000
A141 Huntingdon SOBC	114		114	149	120	6	16	
Additional Home to School Transport Grants	-		-	-	-	-	-	
Bus Review Implementation	1,842		1,842	286	973	-869	-200	673
Bus Service Subsidisation	187		187	236	383	196	-	
CAM Innovation Company	657		657	-	-	-657	-	
CAM Metro OBC	-		-	1	1	1	-	
Climate Change	160		160	61	156	-4	-1	-
COVID Bus Service Support Grant	189		189	149	189	-	-	
LA Capability Fund	558		558	-	558	-	-	
Land Commission	40		40	-	-	-40	-40	40
Local Transport Plan	200		200	127	140	-60	-60	60
Monitoring and Evaluation Framework	150		150	18	77	-73	-79	

Delivery and Strategy	Jan Budget £'000	Adjustments £'000	Revised Budget £'000	Actual To-Date £'000	Forecast Outturn £'000	Forecast Outturn Variance £'000	Change in FO £'000	Requested Slippage £'000
Non-Statutory Spatial Framework (Phase 2)	57		57	29	57	-	-	
P'boro Station Quarter SOBC	350		350	-	175	-175	-175	175
Public Transport: Bus Service Operator Grant	409		409	-	409	-	-	
Public Transport: Concessionary fares	9,129		9,129	6,268	8,845	-284	-284	
Public Transport: Contact Centre	234		234	152	185	-49	-49	
Public Transport: RTPi, Infrastructure & Info	209		209	-	221	12	12	
Public Transport: S106 supported bus costs	-		-	279	-	-	-	
Public Transport: Supported Bus Services	3,003		3,003	2,274	3,237	234	234	
Public Transport: Team and Overheads	465		465	362	460	-5	-5	
St Ives (SOBC)	137		137	135	135	-2	-2	
Total Delivery and Strategy	18,090	-	18,090	10,528	16,322	-1,768	-633	948
<i>* S106 supported bus costs is a net nil budget as all costs incurred are recharged to the County Council</i>								
Housing								
CLT and £100k Homes	100		100	3	40	-60	-	-
Garden Villages	114		114	46	46	-68	-	-
Total Housing	214	-	214	49	86	-128	-	-
Total Workstream Expenditure	46,810	-2,365	44,445	24,204	39,226	-5,219	-427	1,467
Total Revenue Expenditure	53,413	-2,365	51,048	28,602	45,665	-5,383	-841	1,472

Appendix 2 –Capital Position to 31st January 2022

Business and Skills	Approved Budget £'000	21-22 Actuals £'000	Balance to Spend £'000	Forecast Spend £'000	Forecast Over (Under) spend £'000	Change to Forecast Over (Under) spend £'000	Requested Slippage (inc STA) £'000
AEB Innovation Fund	324	251	-73	324	-	-	-
Cambridge Biomedical MO Building	1,702	876	-827	1,500	-202	-202	202
Cambridge City Centre	691	91	-600	691	-	-	-
CRC Construction and Digital Refurbishment	911	911	-	911	-	-	-
COVID and Capital Growth Grant Scheme	7	7	-	7	-	-	-
Eastern Agritech Initiative	100	162	62	181	81	-15	-
Green Home Grant Capital Programme	31,500	4,487	-27,013	8,218	-23,282	-44,857	23,282
Illumina Accelerator	1,000	200	-800	1,000	-	-	-
March Adult Education	314	314	-	314	-	-	-
Market Towns: Chatteris	1,000	22	-978	436	-564	-564	564
Market Towns: Ely	656	117	-539	656	-	-	-
Market Towns: Huntingdon	578	-	-578	578	-	-	-
Market Towns: Littleport	-	-	-	-	-	-	-
Market Towns: March	550	-	-550	550	-	-	-
Market Towns: Ramsey	705	-	-705	705	-	-	-
Market Towns: Soham	200	18	-182	200	-	-	-
Market Towns: St Ives	620	-	-620	620	-	-	-
Market Towns: St Neots	220	-	-220	-	-220	-220	220
Market Towns: Whittlesey	500	58	-443	500	-	-	-
Market Towns: Wisbech	601	20	-582	601	-	-	-
Metalcraft (Advanced Manufacturing)	2,979	1,963	-1,016	2,979	-	-	-
Peterborough City Centre	681	673	-7	681	-	-	-
South Fen Business Park	997	51	-946	997	-	-	-
St Neots Masterplan	190	20	-170	20	-171	-171	-
Start Codon (Equity)	2,226	456	-1,770	1,000	-1,226	-	1,226
The Growth Service Company	3,000	-	-3,000	2,000	-1,000	-1,000	1,000
TTP Incubator	33	33	-	33	-	-	-
University of Peterborough Phase 2	14,600	13,400	-1,200	14,600	-	-	-
Total Business and Skills	66,885	24,129	-42,756	40,302	-26,583	-47,029	26,494

	Approved Budget £'000	21-22 Actuals £'000	Balance to Spend £'000	Forecast Spend £'000	Forecast Over (Under) spend £'000	Change to Forecast Over (Under) spend £'000	Requested Slippage (inc STA) £'000
<u>Delivery and Strategy</u>							
A10 Dualling	-	-	-	100	100	-	-100
A1260 Nene Parkway Junction 15	3,222	11	-3,211	429	-2,793	-2,793	2,793
A1260 Nene Parkway Junction 32/3	239	129	-110	213	-26	-26	5,056
A16 Norwood Dualling	626	67	-559	376	-250	-151	670
A505 Corridor	143	6	-137	6	-137	-	137
A605 Stanground - Whittlesea	217	-	-217	-	-217	-	-
CAM Innovation Company Set up	2,000	-	-2,000	2,000	-	-	-
CAM Delivery to OBC	250	-	-250	150	-100	-	-
Coldhams Lane roundabout improvements	234	-	-234	-	-234	-	2,434
Digital Connectivity Infrastructure Programme	3,139	753	-2,386	1,307	-1,831	-31	618
Ely Area Capacity Enhancements	326	202	-124	202	-124	-	124
Fengate Access Study - Eastern Industries Access - Phase 1	477	282	-195	394	-83	77	83
Fengate Access Study - Eastern Industries Access - Phase 2	161	119	-42	186	25	25	-25
Local Highways Maintenance & Pothole (with PCC and CCC)	27,695	27,695	-	27,695	-	-	-
King's Dyke	7,589	5,821	-1,767	7,589	-	-	2,100
Lancaster Way	500	-	-500	-	-500	-387	-
March Junction Improvements	3,624	903	-2,721	2,083	-1,541	-1,541	2,769
Regeneration of Fenland Railway Stations	2,610	-	-2,610	2,657	47	-	627
Soham Station	9,244	9,975	732	9,482	238	-	-238
Transport Modelling	750	10	-740	50	-700	-504	700
Wisbech Access Strategy	2,739	859	-1,880	2,739	-	-	-
Wisbech Rail	306	-	-306	110	-196	-196	2,883
Total Delivery and Strategy	66,089	46,833	-19,256	57,768	-8,321	-5,527	20,630

	Approved Budget £'000	21-22 Actuals £'000	Variance to Budget £'000	Forecast Spend £'000	Forecast Over (Under) spend £'000	Change to Forecast Over (Under) spend £'000	Requested Slippage (inc STA) £'000
Housing							
Affordable Housing Grant Programme	25,119	893	-24,226	24,355	-764	4,929	764
Housing Investment Fund - contracted payments	11,841	8,304	-3,536	10,196	-1,645	-974	1,645
Total Housing	36,960	9,197	-27,763	34,551	-2,409	3,955	2,409
	Approved Budget £'000	21-22 Actuals £'000	Variance to Budget £'000	Forecast Spend £'000	Forecast Over (Under) spend £'000	Change to Forecast Over (Under) spend £'000	Requested Slippage (inc STA) £'000
Corporate Services							
ICT Capital Costs	44	-	-44	44	-	-	
Investment in Finance System	-	-	-	-	-	-	150
Total Corporate Services	44	-	-44	44	-	-	150
Total Capital Programme	169,977	80,159	-89,818	132,665	-37,313	-48,601	49,683

Appendix 3: Capital Programme

Business and Skills	Approved to Spend Budgets				Total approved spend £'000	Subject to Approval budget				Total project budgets £'000
	2021-22	2022-23	2023-24	2024-25		2021-22	2022-23	2023-24	2024-25	
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	
AEB Innovation Fund	324	-	-	-	324	-	-	-	-	324
Cambridge Biomedical MO Building	1,702	-	-	-	1,702	-	-	-	-	1,702
Cambridge City Centre	691	-	-	-	691	-	-	-	-	691
CRC Construction and Digital Refurbishment	911	-	-	-	911	-	-	-	-	911
COVID and Capital Growth Grant Scheme	7	-	-	-	7	-	-	-	-	7
Eastern Agritech Initiative	100	-	-	-	100	-	-	-	-	100
GSE Green Home Grant Capital Programme Ph 2	31,500	21,840	-	-	53,340	-	-	-	-	53,340
GSE Green Home Grant Capital Programme Ph 3	-	73,675	-	-	73,675	-	-	-	-	73,675
GSE Home Upgrade Grant	-	29,610	-	-	29,610	-	-	-	-	29,610
Illumina Accelerator	1,000	1,000	-	-	2,000	-	-	-	-	2,000
March Adult Education	314	-	-	-	314	-	-	-	-	314
Market Towns: Chatteris	1,000	-	-	-	1,000	-	-	-	-	1,000
Market Towns: Ely	656	344	-	-	1,000	-	-	-	-	1,000
Market Towns: Huntingdon	578	-	-	-	578	-	422	-	-	1,000
Market Towns: Littleport	-	-	-	-	-	-	1,000	-	-	1,000
Market Towns: March	550	1,550	-	-	2,100	-	-	-	-	2,100
Market Towns: Ramsey	705	295	-	-	1,000	-	-	-	-	1,000
Market Towns: Soham	200	470	-	-	670	-	330	-	-	1,000
Market Towns: St Ives	620	-	-	-	620	-	380	-	-	1,000
Market Towns: St Neots	220	921	1,959	-	3,100	-	-	-	-	3,100
Market Towns: Whittlesey	500	500	-	-	1,000	-	-	-	-	1,000
Market Towns: Wisbech	601	399	-	-	1,000	-	-	-	-	1,000
Metalcraft (Advanced Manufacturing)	2,979	-	-	-	2,979	-	-	-	-	2,979
Peterborough City Centre	681	-	-	-	681	-	-	-	-	681
South Fen Business Park	997	-	-	-	997	-	-	-	-	997
St Neots Masterplan	190	95	-	-	285	-	-	-	-	285
Start Codon (Equity)	2,226	-	-	-	2,226	-	-	-	-	2,226
The Growth Service Company	3,000	3,000	3,000	-	9,000	-	-	-	-	9,000
TTP Incubator	33	-	-	-	33	-	-	-	-	33

	Approved to Spend Budgets				Total approved spend £'000	Subject to Approval budget				Total project budgets £'000
	2021-22	2022-23	2023-24	2024-25		2021-22	2022-23	2023-24	2024-25	
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	
Business and Skills										
University of Peterborough Phase 2	14,600	-	-	-	14,600	-	-	-	-	14,600
University of Peterborough Phase 3	-	2,000	-	-	2,000	-	-	-	-	2,000
Total Business and Skills	66,885	135,699	4,959	-	207,543	-	2,132	-	-	209,675

	Approved to Spend Budgets				Total approved to spend £'000	Subject to Approval budget				Total project budgets £'000
	2021-22	2022-23	2023-24	2024-25		2021-22	2022-23	2023-24	2024-25	
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	
Delivery and Strategy										
A10 Dualling	-	4,000	-	-	4,000	-	-	-	-	4,000
A1260 Nene Parkway Junction 15	3,222	5,000	-	-	8,222	-	-	-	-	8,222
A1260 Nene Parkway Junction 32/3	239	-	-	-	239	5,030	1,500	-	-	6,769
A141 capacity enhancements	-	-	-	-	-	-	650	1,300	2,300	4,250
A16 Norwood Dualling	626	-	-	-	626	420	12,000	-	-	13,046
A505 Corridor	143	-	-	-	143	-	-	-	-	143
A605 Stanground - Whittlesea	217	-	-	-	217	-	-	-	-	217
CAM Delivery to OBC	250	-	-	-	250	-	-	-	-	250
CAM Innovation Company Set up	2,000	-	-	-	2,000	-	-	-	-	2,000
Care Homes Reterofit Programme	-	-	-	-	-	-	1,000	1,000	-	2,000
City of Cambridge Culture - Capital	-	-	-	-	-	-	183	153	30	366
Coldhams Lane roundabout improvements	234	-	-	-	234	2,200	-	-	-	2,434
Digital Connectivity Infrastructure Programme	3,139	1,500	1,500	1,500	7,639	-	-	-	-	7,639
Ely Area Capacity Enhancements	326	-	-	-	326	-	-	-	-	326
Fengate Access Study Eastern Industries Access - Ph1	477	-	-	-	477	-	5,380	-	-	5,857
Fengate Access Study Eastern Industries Access - Ph2	161	895	895	-	1,951	-	-	-	-	1,951
Greater Cambridge Chalk Stream - Capital	-	-	-	-	-	-	100	100	100	300
Hunts Biodiversity for all - Capital	-	-	-	-	-	-	400	400	400	1,200
King's Dyke	7,589	-	-	-	7,589	2,100	-	-	-	9,689
Lancaster Way	500	-	-	-	500	-	-	-	-	500
Local Highways Maintenance & Pothole (with PCC and CCC)	27,695	27,695	27,695	27,695	110,780	-	-	-	-	110,780

Logan's Meadow Nature Reserve	-	-	-	-	-	-	250	30	-	280	
Meanwhile, North East Cambridge - Capital	-	-	-	-	-	-	-	1,000	-	1,000	
March Junction Improvements	3,624	-	-	-	-	3,624	1,228	-	-	4,852	
Nature and Environment Investment Fund	-	-	-	-	-	-	1,000	-	-	1,000	
Net Zero Villages Fund	-	-	-	-	-	-	1,000	-	-	1,000	
Regeneration of Fenland Railway Stations	2,610	-	-	-	-	2,610	674	-	-	3,284	
Soham Station	9,244	4,000	-	-	-	13,244	-	-	-	13,244	
Snailwell Loop	-	-	-	-	-	-	500	-	-	500	
St Ives (SOBC, OBC & FBC)	-	-	-	-	-	-	500	1,000	1,400	1,500	4,400
Transport Modelling	750	-	-	-	-	750	-	-	-	750	
Waterbeach solar PV vehicles - capital	-	-	-	-	-	-	2,000	700	-	2,700	
Wisbech Access Strategy	2,739	-	-	-	-	2,739	-	-	-	2,739	
Wisbech Rail	306	-	-	-	-	306	2,688	3,000	5,000	10,993	
Total Delivery and Strategy	66,089	43,090	30,090	29,195		196,159	15,340	29,463	11,083	4,330	228,679

	Approved to Spend Budgets				Total approved to spend £'000	Subject to Approval budget				Total project budgets £'000
	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000		2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	
Housing										
Affordable Housing Grant Programme	25,119	-	-	-	25,119	-	-	-	-	25,119
Housing Investment Fund - contracted payments	11,841	593	-	-	12,434	-	-	-	-	12,434
Total Housing	36,960	593	-	-	37,553	-	-	-	-	37,553

	Approved to Spend Budgets				Total approved to spend £'000	Subject to Approval budget				Total project budgets £'000
	2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000		2021-22 £'000	2022-23 £'000	2023-24 £'000	2024-25 £'000	
Corporate Services										
Investment in Finance System	-	-	-	-	-	150	-	-	-	150
ICT Capital costs	44	42	42	42	169	-	-	-	-	169
Officer Fit-Out costs	-	-	-	-	-	-	200	-	-	200
Total Corporate Services	44	42	42	38	169	150	200	-	-	519

Total Capital Programme	220,655	38,827	28,077	23,118		310,678	17,480	27,732	9,200	5,300	370,389
--------------------------------	----------------	---------------	---------------	---------------	--	----------------	---------------	---------------	--------------	--------------	----------------

Appendix 4: Detailed Explanations of Material Variances

Operational Revenue Variances >£100k

1. Committee/Business Board Allowances		Change in forecast expenditure	-£119k
2021-22 Budget	£144k	Forecast expenditure	£25k
<p>Per the Business Board's recommendation, 75% of their remuneration and expenses are being met from the Local Growth Fund topslice rather than from Enterprise Zone Receipts as was budgeted for. As such the expenditure charged to this line has been significantly reduced.</p> <p>As the Local Growth Funds have come to an end this is a one-year effect.</p>			

Workstream Revenue Variances >£250k

2. AEB Devolution Programme		Change in forecast income	-£280k
2021-22 Budget	£11,368k	Forecast expenditure	£10,175k
<p>The AEB Devolution programme has been forecasting an underspend against budget for most of the financial year.</p> <p>This underspend is made up of several component parts, including but not limited to:</p> <ul style="list-style-type: none"> • Provider underperformance • COVID-19 pandemic impacts • Return of previous academic year underspend • Withdrawal of providers <p>The increase in underspend for January 2022 is made up of the following:</p> <ul style="list-style-type: none"> • -£145,657 return of underspend from the previous academic year • -£24,935 due to a withdrawal of a supplier from the current academic year • -£82,661 lower spend than forecast for the ITP's <p>A paper is being taken to the March Skills Committee regarding funding flexibilities for the next academic year and several initiatives have been undertaken to mitigate the underspend including in-year growth cases and the procurement of new providers.</p>			

3. Public Transport – Concessionary Fares		Change in forecast expenditure	-£284k
2021-22 Budget	£9,129k	Forecast expenditure	£8,845k
<p>The underspend on Public Transport Concessionary Fares is due to payment for transport providers remaining at pre-covid rates. The budget was originally set with an inflation element to be added to the rates paid each year to transport providers. This inflation element has not been applied to these rates in 2021-22, as we have been paying on-profile rather than based on actual ridership in line with national DfT instructions.</p>			

Capital Programme Variances >£500k

4. Green Homes Grant Capital Programme		Change in forecast expenditure	-£23,282k
2021-22 Budget	£31,500k	Forecast expenditure	£8,218k
<p>This budget was reprofiled at the January 2022 CA Board meeting further to the BEIS request for reprofile and repatriate forecast underspends. At this time, the end date of the programme was in dispute along with the delivery timetable.</p> <p>Subsequent to the reprofile, BEIS have since confirmed that, while works must be commissioned by the end of March 2022, programme delivery can continue through to June 2022 allowing providers to deliver services over a longer period to match supply chain requirements.</p> <p>The £23m underspend for this FY is a timing delay, rather than a further reduction in anticipated delivery, and the ringfenced funds are therefore requested to be slipped into 2022-23 to cover spend in the next financial year.</p>			

5. Market Towns: Chatteris		Change in forecast expenditure	-£564k
2021-22 Budget	£1,000k	Forecast expenditure	£436k
<p>This forecast has been updated following a request from Chatteris Town Council which detailed that expenditure was no longer anticipated in the current financial year for the Local Skills Development and Civil Parking Enforcement elements of the programme.</p> <p>As both elements are still planned to be delivered in 2022-23 the budget is shown as forecasting a reduced spend this year and slippage requested into next year.</p>			

6. The Growth Service Company		Change in forecast expenditure	-£1,000k
2021-22 Approved Budget	£3,000k	Forecast expenditure	£2,000k
<p>This budget line relates to the funding of small-scale equity investments into high growth potential companies, is funded by the LGF, and delivered by the Growth Co service.</p> <p>These equity awards have been delayed slightly due to the processes involved with the approvals of the funding. An equity investment panel exists that oversees, reviews and approves all applicants for this grant funding, and includes members from the Business Board as well as officers from both Growth Co and Growth Works.</p> <p>The original budget profile was the initial indicative forecast prior to the processes being established and enable the investments to begin. Equity investment grants were pushed towards the end of the 21/22 FY due to the time needed to set up panels and the market the investment offer.</p> <p>There are several funding applications that have been reviewed and approved, and it is expected that claims for these will be received in the next month.</p> <p>The underspend should be classed as slippage as the funding will be defrayed during the 22/23 FY.</p>			

7. Transport Modelling		Change in forecast expenditure	-£504k
2021-22 Approved Budget	£750k	Forecast expenditure	£50k
<p>The development of the regional transport model has been delayed, creating an underspend of £700k. Work was commissioned to put together a broad technical specification to accompany an invitation to tender to produce a full transport model. However, a study to consider the scope of the outputs and consider the best approach going forward, proposed the scope be changed from a regional transport model to the development of a data centre across all partners, for modelling across all disciplines (housing, economy, retail, education, transport, leisure) rather than just transport alone.</p> <p>Discussion as to the scope of the project continues with our partners. It is anticipated that a paper will be submitted to Transport & Infrastructure Committee and Combined Authority Board in early 2022/23. Any unspent budget will be required in 2022/23 financial year, when a clearer idea of the scope of the project is expected.</p>			

8. Affordable Housing Grant Programme		Change in forecast expenditure	£4,929k
2021-22 Approved Budget	£25,119k	Forecast expenditure	£24,355k
<p>9 March 2022 Housing Committee agreed an updated grant for the affordable housing scheme at Wisbech Road. As well as increasing the value of the grant from £4.542m to £5.249m the amount of the grant due for starting on site increased from 25% to 75%, which increases the forecast for 21/22 by £2.8m.</p> <p>The remaining variance is largely due to a correction to the forecast for the start on site payments for 3 schemes which are expected to be paid in 22/23 now being accounted for in the 21/22 forecast on an accruals basis. These changes bring the outturn forecast closer to the budget.</p>			

9. Housing Investment Fund		Change in forecast expenditure	-£974k
2021-22 Approved Budget	£11,841k	Forecast expenditure	£10,196k
<p>The forecast has reduced due to updated drawdown forecasts for the affordable housing loans, reflecting the impact of Covid related delays.</p> <p>On the MOD Ely scheme spend has reduced as some of the units are now being sold without refurbishment.</p> <p>A 3-month extension to the Former Alexander House Ely loan was agreed at the 26th January Board meeting.</p> <p>All loans are being closely monitored and are anticipated to be repaid within terms of the current loan agreements.</p>			

Appendix 7 - Summary of Shortlisted Projects

Transport Model Replacement

Procurement, commissioning, development, handover and operation of a Transport Analysis Guidance (TAG) compliant transport and land use model to replace the existing CSRM2 (Cambridge Sub-Region Model 2), including the collection of traffic and transport data, and extension of coverage to all of Cambridgeshire and Peterborough. Cambridgeshire and Peterborough currently operate two different models and this scheme will ensure that the resultant modelling system will work successfully, both for each location, and the CPCA area as a whole with the necessary component parts.

The new modelling system for Cambridgeshire and Peterborough will allow for:

- The production of transport evidence bases to support Local Plan development
- The assessment and production of business cases for transport schemes that are compliant with Department for Transport and Treasury guidance and with Combined Authority and local council assurance protocols.
- The production of transport and related metrics and data that cover the whole CPCA area the constituent local authority areas, and more localised data as required, including data to inform environmental, carbon, air quality and health assessments.

Peterborough Electric Buses

The 350 strong bus network across Cambridgeshire and Peterborough is predominantly operated by diesel fueled vehicles from two depot locations. The business case this funding seeks to progress will establish the case for two activities as set out below. This case will feed into funding bids including the Bus Service Improvement Plan (BSIP) and the Zero Emissions Busses Regional Area (ZEBRA) aimed at unlocking the large scale capital investment required to deliver the zero emissions vision.

1. Undertake an Options Appraisal to identify the requirements for a new bus depot in Peterborough. The current bus depot is located in a busy, built-up part of the city. Not only is the location unsuitable but, crucially, the restricted size of the site means that it could not be retrofitted to enable a transition to a low carbon fleet.
The aim of the Options Appraisal is to develop a specification for a new depot, identify geographic constraints and determine the different economic models available to finance a new depot including exploring restrictions relating to potential state aid. At this stage the Council is only seeking to secure the budget to undertake the Options Appraisal, but it should be noted that funding is likely to be required in the future to relocate the depot depending on the options identified.
2. Convert the Cambridgeshire and Peterborough bus fleet to low carbon vehicles. The CPCA have committed that Buses operating within the CPCA area with public subsidies should be zero emission by 2030 (with progress by 2025). In order to achieve this all 350 of the current bus fleet operating need to be converted to alternative fuels. The CPCA have already developed a ZEBRA bid detailing how 30 buses will be financed initially with contributions from both the DfT, local operators and the CPCA and, the CPCA's Bus Service Improvement Plan bid includes funding to continue this roll-out across the whole of the area's fleet.

Active Travel Funding

During the longlisting process every area of the Combined Authority put forward proposals to encourage the uptake of active travel. This budget ringfences a sizeable investment into active travel which the Combined Authority will allocate to help facilitate a modal shift away from private vehicle use to healthier, more sustainable alternatives. Examples of such projects include Fletton Quays footbridge, the A10 footbridge at Lancaster Way Ely, and the Peterborough Green Wheel.

Further Education Cold Spots

The Combined Authority, together with our constituent local authorities: Cambridgeshire County Council, Huntingdon District Council and East Cambridgeshire Council are seeking Gainshare funding of £4.8m to initiate two new Post 16 education and training provisions in St Neots and East Cambridgeshire for c.4000 students. The funding from Gainshare will leverage further capital investment from the Department for Education (DfE) Capital Transformation Fund and Post 16 Demographic Growth Funds and/or local match funds, to address the gap in further education provision in the East and West of the sub-region.

The funding from Gainshare for this proposal provides a modest investment to ensure there is strategic alignment with the Employment and Skills Strategy. This will kick-start two major legacy projects for the Combined Authority, which will provide education and training opportunities for future generations and would not proceed without Combined Authority intervention.

Gainshare funding will be used to undertake a feasibility study for the proposed two campuses, legal due diligence, identification of education partners, preparation of funding applications and local 'match' to lever DfE and other capital funding.

Market Towns and Villages

A continuation of the Market Towns Programme to support economic vitality and renaissance in our market towns, villages, and rural communities. To strengthen and improve the local offer to benefit all sections of the community, and to allow people to deepen their social, employment and learning networks in rural locations. All key elements in realising the potential of towns to act as service centers for their catchment areas, and particularly important for the relationship between our two core cities and the rural hinterlands.

Targeted intervention to support the creation and growth of local Social Enterprises. Like traditional businesses these community-based entities aim to make a profit but reinvest or donate financial gains to create positive social change locally. By supporting the social enterprise sectors to operate in the open market allows them to help tackle social problems, improve people's life chances, provide training and employment opportunities for those furthest from the market, support communities and help the environment. This will include support for Cultural industries to help overcome the negative impacts of social isolation within communities, and to provide the opportunity for people of all ages to participate in local cultural activities and promote positive community wellbeing.

Growth Works Equity Fund

Equity Fund for SME growth businesses, and those operating in the green sector/low carbon sectors, to access funding across Cambridgeshire and Peterborough. Secondly the Fund will also create a unique approach to funding social enterprises and co-operatives (SEs) through a similar equity-based approach. The investments also specifically tackle the absence of funding to high growth, young businesses.

It is well documented that this segment of SMEs has a structural issue in access to finance. A combination including a lack of historical cashflow and physical assets places them in the too difficult to bank through banking channels and too large for start-up facilities. Private equity and venture capital larger sums surface more rapidly in the businesses life cycle around Series B (£5m to £10m) where the investment focus is on high-tech, secured IP based scale-ups with much higher revenues and growth rates. There is a clear gap that government continually seeks to fill through funds such as Seed to Series B. This initiative aims to follow the success of the Covid Future Fund, where it proved demand for matched investment of £125k to £1m by shareholders and government for equity investment to drive high growth SME businesses.

Investing at a broad range from £25k to £500k across a portfolio as a revolving fund with planned exit strategies, working with growing companies to create opportunities for re-investing with 70% of total fund coming back within 10 years for funding Round 2.

The fund splits across 3 pots:

- Pot 1: 50% of total fund invested in high growth projected firms (to create higher value knowledge intensive jobs) £4.75m (+ £4.75m raised investment match)
- Pot 2: 30% invested in firms green growth (low carbon products/services or investing in adaptations) £2.85 (+ £2.85m raised investment match) – targeting reduction in carbon emissions
- Pot 3: 20% invested in inclusive firms (Cooperatives, Community Interest Companies, Business Representative Organisations, GLG's, employee, member owned; Social Enterprises (SEs)) £1.9m (no match requirement) with 5+ year investment plan exit

Private companies to secure match investment funding (Pots 1 and 2) totaling with match: £17.1m