



Combined Authority Board

13 November 2024

Title:	Budget Monitoring Update Report 2024/25 – end of Quarter 2
Report of:	Janice Gotts, Executive Director - Resources
Lead Member:	Mayor Dr Nik Johnson
Public Report:	Yes
Key Decision:	Yes KD2024/060
Voting Arrangements:	Simple majority of voting Members, subject to that majority including the vote of the Mayor, or the Deputy Mayor acting in place of the Mayor

Recommendations:

A	Note the financial performance of the Combined Authority with actuals as at 30 th September 2024.
B	Approve that the underspend on transport budgets is set aside to meet future passenger transport related services as set out in paragraphs 3.7 and 3.8.
C	Note the decisions taken by the Chief Executive and Investment Committee under powers delegated by the Board as set out in section 6 of this report.
D	Approve the continuation of the Tiger Pass scheme beyond its current end date of May 2025 and approve that the in-year underspend on the scheme is set aside in an earmarked reserve as set out in section 7 of the report in order to fund its extension.
E	Approve to set aside £225k from the 2024/25 Programme Response Fund to support the continuation of the Changing Futures project over three years from 2025/26. See also Section 8.

Strategic Objective(s):

The topics within this report fit under the following strategic objective(s):

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| <input checked="" type="checkbox"/> | Achieving ambitious skills and employment opportunities |
| <input checked="" type="checkbox"/> | Achieving good growth |
| <input checked="" type="checkbox"/> | Increased connectivity |
| <input checked="" type="checkbox"/> | Enabling resilient communities |
| <input checked="" type="checkbox"/> | Achieving Best Value and High Performance |

The proposals within this report enable an understanding of the financial resources employed during the year which will support all five of the Combined Authority's strategic objectives. This allows support for the continuation of the Authority's programmes in an efficient manner, within means as well as providing the information to support effective decision making.

1. Purpose

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| 1.1 | This report provides the Board with an update on the income and expenditure received to the end of September 2024 and forecasts of financial performance to the end of the financial year 2024/25. |
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2. Background

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| 2.1 | This report presents the year to-date actual and budgeted expenditure and income along with full year budgets and forecasts for the 2024/25 financial year. |
| 2.2 | The figures presented in the body of the report and appendix 1 show the spend and forecast against approved budgets, appendix 2 sets out the project budgets which have been allocated subject to business case approval and shown as "Subject to Approval". |
| 2.3 | Following the introduction of the Investment Committee as part of revised governance arrangements, the budget update report has been expanded to include a summary of the position of the thematic funds and reports the investment decisions approved by the Chief Executive as part of the delegated authority provided through the Strategic Assurance Framework (SAF) and approved by the Board. This is set out in Section 6 of the report. |
| 2.4 | Generally where a budget is showing a year to-date (YTD) variance, but is not forecasting a variance at year end, this should indicate that the timing of actual expenditure within the year has not matched to what was expected when the budget was profiled at the start of the year but that this will even out and there will not be an overall over- or under-spend at the end of the year. |

3. Revenue Expenditure Position

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| 3.1 | The table on the following page contains a summary for the financial year 2024/25. More detail is provided for the Mayor's Office, the Chief Exec's Office, Legal and Governance and Resources and Performance as these budgets are not reviewed in more detail by the Thematic Committees. All figures are in thousands of pounds (£'000) and a more detailed breakdown is shown at Appendix 1a. |
| 3.2 | Spend is on track across the majority of the Combined Authority's non project budgets with an overspend on the Improvement Plan budget being offset by underspends on other areas of the Chief Execs office due to delays on recruiting to new posts, following the review of a number of service areas. These posts have now been filled so the year to date variance is expected to reflect the year end variance. |
| 3.3 | Within Economy and Growth there are increased budgets of £298k for Growth Hub and £1.864m for Skills Bootcamp Wave 5 reflecting new grant funding agreements received by the Combined Authority. The forecast overspend on AEB Devolution Programme of £1.201m is a result of the over-contracting approach which was presented and approved by the CA Board due to historic under-performance by providers. Provider delivery has strengthened compared to previous years resulting in a forecast overspend which, in line with the approved approach, will be funded by the ringfenced AEB reserve. |
| 3.4 | <p>The position is offset by forecast underspends on:</p> <p>Devolution Trailblazer Support (£0.700m) – the development of the devolution white paper and local growth plans has not progressed nationally at the pace originally anticipated, as such spend on this budget is lower than anticipated but will be required in 2025/26 to support the continued development of the local growth plan.</p> <p>Growth Hub 'Team Cambridgeshire & Peterborough' (£300k) and Sector Based Strategies (£0.530m) – recruitment to the new 'Team Cambridgeshire and Peterborough' has been delayed and is now happening in Autumn 2024, as the staff have not been in post this has had a knock on impact on the development of the sector based strategies which the team will be driving forward. As the delivery of the sector-based strategies is still required to feed into the local growth plan, this budget will be requested for carry-forward into 2025/26 as required.</p> |

	Delivering Health & Wellbeing Strategy (£250k) - Staffing resources, and caution to enable alignment to the Government's emerging skills agenda, including Skills England and the forthcoming Get Britain Working white paper has resulted in changes to delivery timeline of this programme.
3.5	<p>The Board meeting on 16 October 2024 agreed an updated budget for the Net Zero Hub. This has led to an increase in the forecast (£8.061m), which is in line with the budget, therefore no material variation explanation has been provided in appendix 3 for this period.</p> <p>There is an emerging potential risk in terms of the revenue spend on the HUG2 programme (referred to as Administrative and Ancillary or A&A). The funding agreement from DESNZ allowed for up to 15% of the grant to be spent on A&A but as capital spend on retrofit measures is lower than anticipated the A&A spend is likely to be higher than 15% of actual spend, although within 15% of the total allocation. The A&A spend does not change in line with grant spend.</p> <p>This is a risk that is shared by delivery authorities across the country and representation is being made to DESNZ as the risk on the previous HUG1 programme was covered by DESNZ.</p> <p>This estimated amount at risk is between £1.1m and £1.6m depending on the level of delivery on the capital programme throughout 2024/25.</p>
3.6	<p>The Passenger Transport budget is showing significant forecast underspends on :</p> <ul style="list-style-type: none"> • Bus Service Improvement Plan (£1.0m), Demand Responsive transport services have been delivered later in the year than planned, resulting in the grant being committed but not yet fully drawn down. Investment into other ticketing schemes and bus stops is also being pursued, but has not yet reached the point of implementation and spend. The BSIP+ funding conditions are relatively flexible so officers will explore where this funding can be applied in-year to minimise funding risk at year-end. Where this is done the interventions which would have been funded by BSIP will still be implemented using the savings from applying BSIP to other expenditure this year. • Development of Bus Franchising (£0.5m), this budget includes funding to progress the workstream after the decision on Bus reform is made, as the timing of this is now expected later in the year than was originally anticipated this funding will not be needed until later in 2025. • Reduced Fares for Under 25s (£1.5m) due to slower than anticipated initial use of Tiger Passes. This is now picking up and a request for an extension of the scheme to utilise the underspend is in section 7. • Concessionary Fares (£1.0m) due to widely anticipated pressures from the new DfT funding model not materialising. This underspend will be utilised in the following financial year to fund the extension of the scheme to pre 9.30am travel. • Supported Bus Services (£4.7m) – 30 new and improved routes are due to go live during the autumn. The part year implementation has led to an underspend which will be used to fund passenger transport in future years.
3.7	<p>Within the draft MTFP being presented to the Board at this meeting, £5.7m of the forecast underspend across concessionary fares and supported bus services is allocated to a ringfenced 'Bus Service Operational' reserve which will smooth the forecast costs of bus service provision over the current and next three years. This is part of fundamental financial planning for bus reform, whether through franchising or enhanced partnership and recognises the Combined Authority's intention to invest further into bus services within the region. The establishment of a reserve demonstrates a prudent approach to help offset risk.</p>
3.8	<p>Further to this the Authority is assessing the impact of the change in the bus fare cap announced by the Prime Minister on 28th October 2024 and which will come into effect during this financial year from 1 January 2025. This Authority will consider the scope to provide further support to offset the impact on passengers alongside the potential funding options, initially focussing on the transport budget. This is also referenced in the draft MTFP report elsewhere on this agenda.</p>
3.9	<p>The position against the revenue budget will be monitored throughout the year considering any adjustments required for timing differences as in many areas actual spend is lagging behind forecasts. Following the reporting of the underspends referred to above, and detailed in Appendices 1 and 3, the year-to-date position is more closely aligned with the year-end forecasts than in the previous quarter following a review of forecasts and project profiles as part of the development of the draft MTFP. The forecast underspends on projects due to timing differences have been reflected in the draft MTFP which will therefore be reflecting the forecast spend this year rather than the originally budgeted spend.</p>

Revenue Position. Figures in £'000 Year to-date (YTD) as at 30 th September	YTD Budget	YTD Actuals	YTD Variance	Full-Year Budget	Forecast Outturn	Forecast Variance	Change in Forecast	Appendix 3 Ref
Mayor's Office	4,474	4,471	-4	11,199	11,177	-22	-22	
Precept	4,416	4,416	-	11,041	11,041	-	-	
Mayor's Office	58	54	-4	158	136	-22	-22	
Chief Execs Office	1,851	1,430	-422	3,931	3,847	-85	-85	
Comms and Engagement	187	117	-70	325	300	-25	-25	
Monitoring and Evaluation	70	-	-70	279	279	-	-	
Response Funds	498	339	-159	1,093	1,201	108	108	
Strategy and Vision	135	149	14	305	270	-35	-35	
CEX Office Staffing	961	825	-136	1,929	1,796	-132	-132	
Legal and Governance	777	720	-56	1,520	1,510	-10	-10	
Legal, Governance and Member Services	178	85	-93	347	337	-10	-10	
Legal & Governance Staffing	599	635	37	1,173	1,173	-	-	
Resources and Performance	1,073	1,138	65	2,172	2,249	77	27	
Digital Services and Support	233	209	-25	442	442	-	-	
Finance and Procurement	169	144	-25	428	456	28	-22	
Human Resources & Organisational Development	36	15	-21	100	100	-	-	
Other Employee Costs and Corporate Overheads*	-175	3	179	-295	-310	-15	-15	
R&P Staffing	809	766	-43	1,496	1,561	65	65	
Economy and Growth	11,110	8,772	-2,337	28,009	27,465	-544	1,144	1-10
Place and Connectivity - Net Zero	8,832	6,247	-2,585	21,428	21,428	-	8,061	See 3.5
Place and Connectivity - Other P&C	12,760	4,199	-8,561	27,132	17,756	-9,376	-9,226	11-17
Grand Total	40,876	26,976	-13,900	95,390	85,431	-9,959	-110	

* This budget group includes recharges to grants of costs across Finance and Procurement, Human Resources and Organisational Development and Legal, Governance and Member services as well as itself so total income from recharges can be larger than the gross costs.

4. Capital Expenditure

4.1	A summary of the 2024/25 Capital Programme is shown on the next page. A project-level breakdown of the capital programme is included in Appendix 1b.
4.2	As part of the development of the draft MTFP additional support and challenge was applied to the in-year capital project budgets including a specific focus on in-year deliverability and phasing. This has resulted in a reprofiling of £23m into future years, reducing the forecast spend to £126m.
4.3	Whilst, this reflects a more realistic forecast spend position, to achieve the latest forecast outturn would require spend of £86.6m in the second half of the year and officers are continuing to review the forecast position with delivery partners to ascertain whether further reprofiling is required on some schemes.
4.4	The most significant variance is within Public Transport (£10.6m) and is due to the delay in the submission of the Peterborough Station Quarter full business case from October 2024 to January 2025. DfT approval of the full business case is anticipated to take place early next financial year, resulting in a slippage of related expenditure.
4.5	Within Climate Action and Spatial Planning there are underspends on the Care Home Retrofit Programme (£1.899m) due to low take up and July CA Board resolved to divert these funds into the Climate Capital fund, which will be reflected once the final cost of the programme is known. Meanwhile at Core Site (£1.000m), and Waterbeach Depot Solar PV Smart-grid Project (£2.700m) which is delayed until 2025/26 due to the requirement for a further period of design work.
4.6	Strategic Transport has slippage on Active Travel 4 (£2.000m) due to further development work being required with partners, and an underspend of £1.600m on Fengate Access Study - Eastern Industries Access - Phase 1 due to the risk contingency built into the budget not being required.
4.7	The Affordable Housing Grant Programme is forecast an overspend against the 24/25 budget of £1.818m due to the Northminster Scheme now being anticipated to complete in 2024/25 (£3.130m) offset by a forecast delay to the Wisbech Road March scheme (£1.312m). These are timing differences and do not impact on the overall project budget.
4.8	Economy and Growth is forecasting a £6.476m underspend largely due to Business and Social Impact Investment Fund (£4.000m) due to delays in the implementation of the project – the two funds have been launched in Q2 and so allocations to projects by the funds will now be progressing.
4.8	The Illumina Accelerator Programme is forecasting an underspend (£0.800m) due to no further spend due to the closure of the Cambridge-based accelerator programme by Illumina, and the forecast on Start Codon (£0.590m) is due to delayed drawdowns by the investment fund due to the change in managing partner which should be made up in 2025.
4.9	In addition to the approved budgets which are monitored in the tables below, there are also <i>Subject to Approval (STA)</i> budgets of £6.3m revenue and £36.3m capital allocated to individual projects which are subject to a business case being approved before the project can progress. These are listed in Appendices 2a and 2b respectively and are proposed to be amended to £5.3m revenue and £5.6m capital as part of the rephasing and allocation within the current MTFP process.
4.10	The Combined Authority has recently undertaken a simple benchmarking exercise to review slippage against planned capital programmes for all Combined Authorities using the reported outturn for 2023/24 where available. This is to enable the Authority to understand the wider picture and whether its position is significantly different to that of other Authorities. Whilst it is difficult to make an exact comparison, as Combined Authorities differ greatly across the country in terms of scale, functions and funding streams, it is evident that each Authority has reported slippage within its capital programme to varying degrees and that this is not unusual, particularly where there are large and/or complex projects. Some Authorities have reprofiled their budgets during the year to recognise the change in delivery timelines.

Capital Expenditure £'000 Year to-date (YTD) as at 30 th Sept 2024	YTD Budget	YTD Actuals	YTD Variance	Full-Year Budget	Forecast Outturn	Forecast Variance	Change in Forecast	Appendix 3 Ref
Economy and Growth	5,933	1,505	-4,427	26,380	19,904	-6,476	-5,904	
Business	760	295	-465	9,212	3,136	-6,076	-6,076	1-3
Growth	76	212	136	572	572	-	572	4
Market Town	2,357	973	-1,384	8,304	7,904	-400	-400	
SPF	2,439	25	-2,414	5,292	5,292	-	-	
University	300	-	-300	3,000	3,000	-	-	
Place and Connectivity	71,852	37,343	-34,509	125,423	105,496	-19,927	-16,927	
Climate Action and Spatial Planning	1,160	494	-666	9,180	2,905	-6,275	-6,275	5-8
Digital Connectivity	1,587	181	-1,406	3,142	3,142	-	-	
Energy Hub	25,535	1,308	-24,227	27,756	27,756	-	-	
Housing	6,123	1,870	-4,253	6,236	8,054	1,818	1,818	9
Public Transport	2,451	-225	-2,676	16,353	5,752	-10,601	-10,601	10
Strategic Transport	34,996	33,715	-1,282	62,756	57,888	-4,868	-1,868	11-14
Resources and Performance	84	32	-52	128	128	-	-	
Accommodation	25	-	-25	36	36	-	-	
Digital Services and Support	21	32	11	42	42	-	-	
Human Resources	38	-	-38	50	50	-	-	
Grand Total	77,868	38,880	-38,988	151,931	125,528	-26,403	-22,832	

5. Income

- 5.1 The table in 5.4 sets out the Combined Authority's income for the financial year and a more detailed breakdown is provided in Appendix 1c.
- 5.2 The material changes in forecast are mostly related to increased (Economy and Growth – Bootcamp and Growth Hub, Net Zero) and deferred (Place and Connectivity – other P&C – Peterborough Station Quarter) grant income linked to the changes in expenditure above).
- 5.3 Within Resources and Performance the Treasury Management income forecast has increased by a further £2.5m due to a combination of higher cash balances due to year to date and forecast underspends and the forecast reduction in interest rates not materialising. In August 2024 the Bank of England cut base rate from 5.25% to 5.00%, the level it had been at for a year. The market is now forecast a series of rate cuts over the next year so any further over achievement of budget is likely to be reliant on additional slippage of expenditure.

5.4	Combined Authority income £'000		Full-year Budget	Forecast Outturn	Forecast Variance	Change in Forecast
	Year to-date (YTD) as at 30 th Sept	YTD Income				
	Mayor's Office	-5,521	-11,041	-11,041	-	-
	Economy and Growth	-19,380	-31,181	-31,557	-376	-4,050
	Place and Connectivity – Net Zero	-4,550	-39,066	-39,066	-	-11,966
	Place and Connectivity – other P&C	-41,364	-63,173	-52,726	10,447	10,474
	Resources and Performance	-29,106	-35,171	-40,171	-5,000	-3,500
	Grand Total	-99,921	-179,631	-174,560	5,071	-9,042

6. Decisions taken under delegation from Board and Thematic Funds position

- 6.2 Since the Q1 update, the Investment Committee and Chief Executive have approved the following business cases and change requests in-line with the Single Assurance Framework and their delegations from the Board (up to £1m for the Chief Executive and £1m to £5m for the Investment Committee).

Business Cases approved

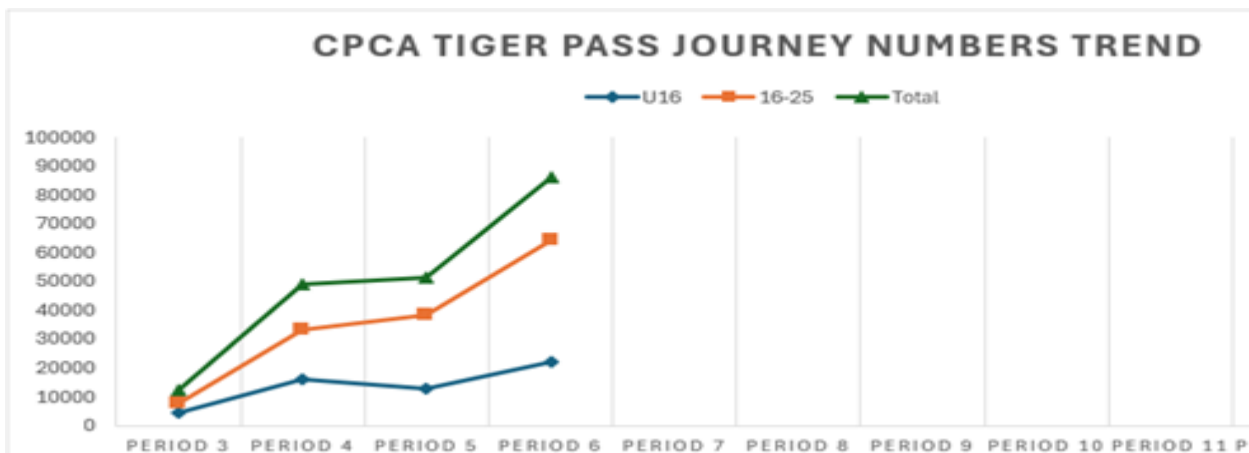
- 6.3 *Schools Low Carbon Heating:* The County Council operates a low carbon heating programme providing local funding, matched with both government and other local grant sources, to schools to invest in heating systems which will reduce carbon emissions and fuel bills.
The Council's programme has identified 13 schools to receive support, and secured £1.8m of government grant to support these works; however, 3 of the schools identified require more expensive works which takes them outside the current funding envelope. To bridge this gap, and secure the £1.2m funding available from the County, Government and the Diocese of Ely, the Combined Authority has agreed to allocate £363k of capital funds to deliver the works on these three schools, supporting the area's transition to Net Zero.
- 6.4 *Supporting Constituent Authority Biodiversity Responsibilities:* as referenced in the 2024/25 budget, part of the funding set aside to support climate initiatives was intended to support the new duties constituent authorities have received under the 2021 Environment Act to "conserve and enhance the biodiversity in England". New burdens funding was made available for the introduction of the Biodiversity Net Gain system, but no ring-fenced funding is attached to the requirement to conserve and enhance biodiversity and the Combined Authority has now allocated £50k of revenue per constituent authority (£350k total) as a one-off grant which will allow each constituent authority of CPCA to undertake ecological surveys to allow stronger data to inform planning, policy development and actions to conserve and enhance the biodiversity of the area.
- 6.5 *Climate Programme Bidding Round:* The Environment and Sustainable Communities Committee approved an indicative Climate Programme at their meeting on the 31st July 24, this included a £1m capital bidding fund, along with £102k revenue to manage the fund.

	<p>The fund will be set up to allow public sector and community organisations to bid to for projects that deliver the Climate Change Action Plan priorities in individual communities including decarbonisation and innovation to explore new ways of working to achieve climate and environment goals.</p> <p>The fund will offer capital grants between £50k and £150k, with exceptional bids for up to £250k considered, funding up to 90% of the costs of projects which demonstrate alignment with the principals approved by the Committee.</p> <p>This approval releases the £102k management funding to support the development of bids. Bids will be aggregated into a programme of work and a full business case presented to Investment Panel and Investment Committee for approval in the middle of 2025 to release the £1m capital fund.</p>
	<p>Change Requests approved</p>
6.6	<p><i>Logan’s Meadow Local Nature Reserve Wetland Extension: Change of delivery timeline to November 2026 (previously March 2025).</i> There have been several issues impacting on the project’s timelines, most notably environmental (leading to current and expectant heavy flooding events) and habitat such as bird nesting issues. Cambridge City Council has met with the Wildlife Trust to discuss their involvement as a key delivery partner. They expressed concern over the proposed delivery timeline, suggesting that 24 months from approval would be realistic and would therefore see project completion in November 2026 rather than March 2025. Every effort will be made to expedite delivery of the project, and it is now expected to draw-down CPCA funding of £280k in 2026/27.</p>
6.7	<p><i>Greater Cambridge Chalk Streams Programme: Change of scope and delivery timeline.</i> The change request follows the creation of a developed project plan which has prompted the changes and broadening of the scope to include initiatives identified with stakeholders that were not directly referenced with the original Chalk Stream Audit Report. The change request also recognises the impact of seasonal flooding and that work can only be undertaken at certain times of the year and as such the project completion date has been re-profiled to 2025/26 from 2024/25. There is no change proposed to the CPCA funding of £300k.</p> <p>The new deliverables now reflect a wider range of activities such as habitat restoration, sediment and water quality control and research and innovation. The evaluation of the programme’s success will be based on measurable improvements in water quality, habitat restoration, volunteer participation. These deliverables are now based on scientific evidence and an evolving understanding of best practices in ecological restoration rather than being limited to a predetermined list.</p>
	<p>Thematic Funds position</p>
6.8	<p>The draft Medium-Term Financial Plan, which is also on the Board’s agenda, includes proposals to reprofile the thematic funds – as this decision will not be taken until the final budget is approved in January 2025 the table below reflects the currently approved profiles which will be updated to align with the final budget following the January meeting.</p> <p>The over-allocation of the Climate capital fund in 2025/26 is eliminated via this reprofiling.</p>

		2024/25	2025/26	2026/27	2027/28	Total
		£000	£000	£000	£000	£000
Climate Strategies (revenue) <i>Place & Connectivity</i>	Budget	1,100	1,100	100	100	2,400
	Allocated	-800	-360	-	-	-1,160
	Remaining	300	740	100	100	1,240
Climate (capital) <i>Place & Connectivity</i>	Budget	2,250	2,250	2,250	2,250	9,000
	Allocated	-120	-2,743	-	-	-2,863
	Remaining	2,130	-493	2,250	2,250	6,137
Strategic Growth (capital) <i>Economy & Growth</i>	Budget	4,400	5,000	5,200	5,400	20,000
	Allocated	-	-	-	-	-
	Remaining	4,400	5,000	5,200	5,400	20,000
Levelling Up (capital) <i>Shared across Economy & Growth and Place & Connectivity</i>	Budget	2,500	2,500	2,500	2,500	10,000
	Allocated	-	-	-	-	-
	Remaining	2,500	2,500	2,500	2,500	10,000
Active Travel (capital) <i>Place & Connectivity</i>	Budget	3,159	1,300	1,000	1,000	6,459
	Allocated	-	-	-	-	-
	Remaining	3,159	1,300	1,000	1,000	6,459

7. Tiger Pass scheme update and proposed extension

- 7.1 Since its launch in late May 2024, over 28,000 applications for a Tiger Pass have been approved and processed, enabling those Under 25 in the region to access single bus fares for £1 each journey. The scheme has seen period on period growth since its launch, with period 6 seeing the highest usage thus far (with the return of schools/colleges after the summer break) and the increase in services via the Mayoral precept.



It is expected that usage may increase further during the rest of the financial year and as further applications for a Tiger pass are processed. Officers are also monitoring national decisions on the £2 bus fare. An increase in this would have implications for the reimbursement paid to local bus operators for the Tiger pass scheme.

Bus Operators and the Combined Authority have agreed a reimbursement mechanism for journeys. This is subject to review periods every three months (the first of which concluded September 2024) with a 28-day notice period for either party.

- 7.2 Based on the above patronage trends, and making allowances for the raising of the national fare to £3 from December, as recently announced, the current forecast cost for the scheme this year has been revised to £2.5m – a £1.5m underspend against the £4m budget. This will be kept under close review as further period data is received.

- 7.3 As part of its decision to implement the Tiger Pass in the 2024/25 budget the Combined Authority agreed the scheme would continue until May 2025. The forecast underspend now provides the Combined Authority with an opportunity to extend the scheme further into 2025/26, continuing to support young people in the region travelling on buses and, in so doing, encourage greater utilisation of the network.

7.4	Therefore, the Board is asked to approve that the in-year underspend on the scheme for 2024/25 be set aside in an earmarked reserve for use in 2025/26 to extend the current scheme beyond May 2025. As the number of journeys using the Tiger Pass is still settling over October and November, the final underspend and subsequently the length of the support in 2025/26 cannot be predicted precisely. However, it is expected to be sufficient to continue the scheme until it can be considered further in 2025/26 when the Authority has greater detail on usage and associated costs to inform the decision.
7.5	Taking the decision at this point will enable officers to further engage with bus operators to extend agreements as well as put in place agreements for the extension of the portal and card production and ensure continuity of the scheme for residents eligible.
7.6	Expiry dates were not placed on the Tiger Pass and as such a reprint of cards for those who have already received them will not be necessary, subject to the approval of an extension.

8. Continuation of the Changing Futures Programme

8.1	<p>The Combined Authority has been supporting the Changing Futures Cambridgeshire and Peterborough (CFCP) project for three years in partnership with some constituent councils, Public Health, the Police and Crime Commissioner and the probation service.</p> <p>The aim of the project is to improve outcomes for people who face multiple disadvantage. Multiple disadvantage means someone experiencing three out of the following circumstances - homelessness, mental health issues, substance misuse, domestic abuse or offending behaviour, at any one time. It does this by encouraging involvement of people with lived experience at all stages of our system and service design and looking at how our partnerships affect people.</p>
8.2	There is a national programme of 15 Changing Futures projects funded by MHCLG nationally but Cambridgeshire and Peterborough did not receive this funding from this programme and instead partnered locally to deliver an equivalent project which has been assessed using MHCLG's national evaluation partner.
8.3	<p>Evaluation of the project found that there were significant improvements across the supported cohort, including:</p> <ul style="list-style-type: none"> • A 70% increase in capability managing tenancies and accommodation. • A 47% increase in capability managing offending behaviour and 47% reporting stability in capability. • A 47% increase in capability managing mental and emotional health and 47% reporting stability in capability. • A 71% increase in capability managing money. • A 64% increase in motivation and a 52% increase in capability for exercising self-care. • A 29% increase in capability managing alcohol and substance misuse and 59% reporting stability in capability.
8.4	<p>The positive results locally have been mirrored nationally and MHCLG has extended its funding for the 15 projects being supported by this national funding.</p> <p>The CFCP team are now seeking funding commitments from local partners to continue and extend the project for another three years from 2025/26 to 2028/29 and, given the success of the first phase of the programme. The report from the CFCP team identified two options for continuing the programme, option 1 required a contribution of £75k per annum for three years from the Combined Authority, amongst contributions from other organisations, to fund the programme, and option 2 was slightly reduced at £60k in year one (2025/26) and £50k in years two and three (2026/27 and 2027/28 respectively).</p> <p>Accordingly, the Combined Authority Board is recommended to set aside a time limited provision of up to £225k over the next three financial years, funded from the Programme Response Fund 2024/25. Subject to the Board's approval, the funding would be released following a project business case being brought through the Authority's Single Assurance Framework for approval. This will be confirmed within the final MTFP proposals.</p>

9. Appendices

9.1	Appendix 1. Detailed breakdown of capital and revenue income and expenditure budgets for the financial year 2024/25.
9.2	Appendix 2. Subject to Approval budgets
9.3	Appendix 3. Material Variance Explanations

10. Implications

Financial Implications

10.1	<p>There are no direct financial implications to the budget update, the implications of the CEO's decisions are set out in the relevant section and do not impact more widely than the Climate Thematic Fund being drawn-down for the allocations.</p> <p>With regard to the funding for the continuation of the Tiger Pass in 2025, there is already £0.5m allocated within the 2025/26 budget as part of the current MTFP and therefore agreement to set aside the underspend on the scheme from 2024/25 would increase this further. The current forecast underspend of £1.5m would bring the total budget up to £2m.</p> <p>Given this funding is already allocated to fund the Tiger Pass, agreeing the proposal would not directly impact any of the other budget committed by the CPCA but the funding for the pass is from un-ringfenced grant funding so could be used for another purpose should the Board not support the recommendation.</p> <p>The Programme Response Fund is included within the Combined Authority's budget to allow funding of smaller, emerging priorities and there is sufficient available to set aside up to £225k to meet the proposed costs of the Changing Futures programme from 2025-2028. If approved this will be set aside in an earmarked reserve and drawn down as required.</p>
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Legal Implications

10.2	<p>The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements. This report monitors how the Combined Authority and the Mayoral Fund performed against the financial targets set in January 2024 through the Budget setting process in accordance with the Cambridgeshire and Peterborough Combined Authority Order 2017 and the Combined Authorities Financial Order 2017.</p> <p>Internal legal and procurement advice has been sought to ensure the ongoing procurement exercise and agreements with operators adhere to procurement regulations.</p> <p>Approval for the extension of the Tiger Pass is being sought in advance so that contractual formalities can be fulfilled before the original contract comes to an end next March.</p> <p>As per the Single Assurance Framework, Change Control is the process through which all requests to change the approved baseline of a project, programme or portfolio are captured, evaluated, and then approved, rejected or deferred. A Change Request Form is required when the tolerances that were set out in the approved Business Case are or will be breached. These include changes to Time, Cost and Scope. The Change Requests have been through the Investment Panel and have been approved within the delegation of the panel.</p>
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Public Health Implications

10.3	<p>Increased bus use and options for residents to have a viable alternative to the private car and to encourage first/last mile active travel options are positive implications as part of the Tiger pass scheme. Further evaluation and monitoring is being undertaken on the location of journeys being made and how further use can be encouraged.</p>
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Environmental & Climate Change Implications

10.4	<p>Increased bus use and options for residents to have a viable alternative to the private car are positive implications as part of the Tiger pass scheme. Further evaluation and monitoring is being undertaken on the location of journeys being made and how further use can be encouraged.</p>
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Other Significant Implications	
10.5	There are no other significant implications.
Background Papers available on request from democratic.services@cambridgeshirepeterborough-ca.gov.uk	
10.6	January 2024 Board appendix detailing Revenue additions including Climate Strategies
10.7	January 2024 Board appendix detailing Capital additions including the four capital thematic funds in paragraph 6.9.