

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – November 2014

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
AMBER	Income and Expenditure	Balanced year end position	GREEN	2.1 – 2.4
GREEN	Capital Programme	Remain within overall resources	GREEN	3.2

1.2 Performance Indicators – Current status: (see section 4)

Monthly Indicators	Red	Amber	Green	Total
November(Number of indicators)	0	1	9	10

2. INCOME AND EXPENDITURE

2.1 Overall Position

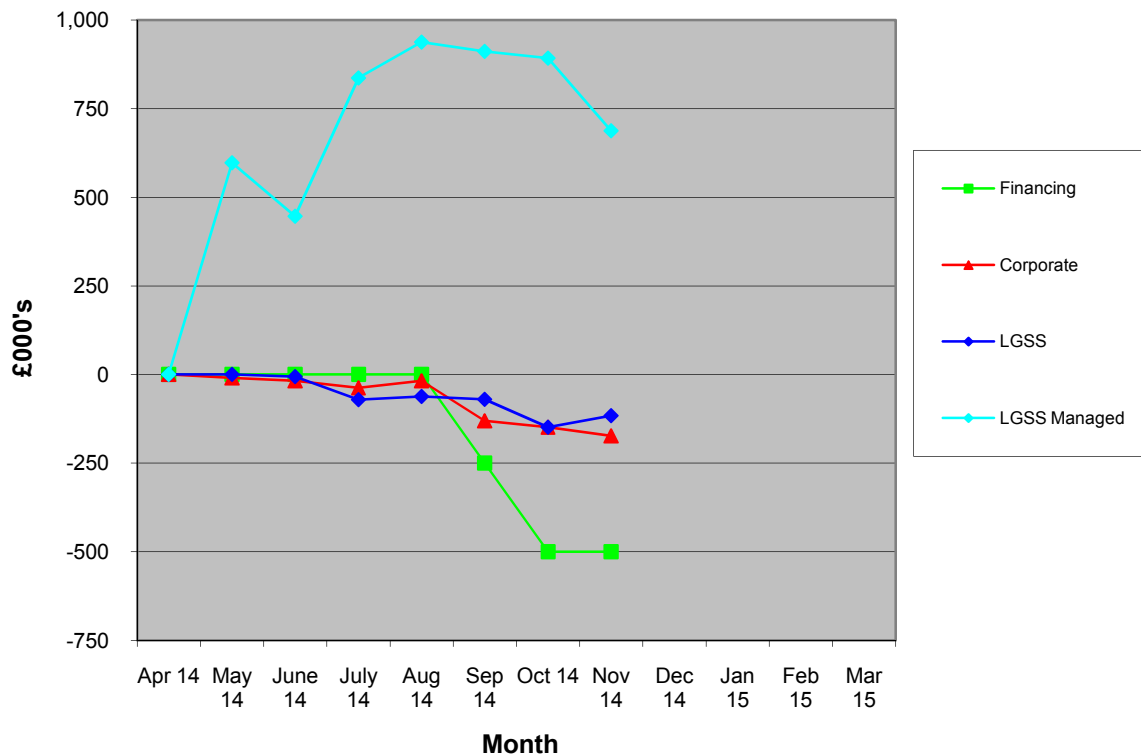
Forecast Variance - Outturn (Oct) £000	Directorate	Current Budget for 2014/15 £000	Current Variance £000	Current Variance %	Forecast Variance - Outturn (Nov) £000	Forecast Variance - Outturn (Nov) %
-149	Corporate Services	6,598	-217	-5	-173	-3
893	LGSS Managed	9,432	157	2	688	7
-500	Financing Costs	34,142	-4,430	-51	-500	-1
244	Sub Total	50,172	-4,490		15	
-149	LGSS Cambridge Office	10,592	1,121	11	-116	-1
95	Total	60,764	-3,370		-101	

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for November 2014 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for November 2014 can be found in [LGSS appendix 1](#)

Further analysis of the results can be found in [CS appendix 2](#) and [LGSS appendix 2](#)

Corporate Services & LGSS Cambridge Office Outturn 2014/15



2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end underspend of £173k.
- There are no new exceptions to report this month.

2.2.2 Significant Issues – LGSS Managed

- LGSS Managed is currently predicting a year-end overspend of £688k.
- The Transformation Fund is currently showing £477k of costs as a result of Section 188 redundancies. Based on a straight line spend profile, the variance to date is showing an underspend of £739k. It is therefore anticipated that there will be a year-end underspend on this budget and a provisional figure of £200k is now being declared. Spending of this nature is difficult to predict and so the position will continue to be monitored and the outturn updated accordingly.

2.2.3 Significant Issues – Financing Costs

- Financing Costs is showing an underspend of £500k on the debt charges budget, which is largely due to cash balances being higher than budgeted during the year to date, in part due to slippage on the capital programme. This has impacted on the

timing of new long term borrowing, which has been deferred, generating savings for the Council. This saving is in addition to the £1m reduction in the debt charges budget approved in the Business Plan in the expectation of slippage in the capital programme. The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and a pragmatic approach to borrowing continues to be adopted.

2.2.4 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is currently predicting a year-end underspend of £116k after equalisation.
- There are no new exceptions to report this month.
- The year-end deficit / surplus on LGSS operational budgets is subject to a sharing arrangement with Northamptonshire County Council (NCC). Based on the latest joint report, this is currently expected to result in a £103k equalisation payment from CCC to NCC.

2.3 Additional Income and Grant Budgeted this Period (De minimis reporting limit = £30,000)

There were no items above the de minimis reporting limit recorded in November.

A full list of additional grant income for Corporate Services and LGSS Managed can be found in [CS appendix 3](#).

A full list of additional grant income for LGSS Cambridge Office can be found in [LGSS appendix 3](#).

2.4 Virements and Transfers to / from Reserves (including Operational Savings Reserve) (De minimis reporting limit = £30,000)

The following virements have been made this month to reflect changes in responsibilities:

LGSS Managed:

	£	Notes
From LGSS Managed to LGSS Cambridge Office	-119,000	Right-sizing Rural Estates staffing establishment

LGSS Cambridge Office:

	£	Notes
From LGSS Cambridge Office to Children, Families & Adults	-103,652	Transfer of CCS finance support from LGSS Finance to CCS
From LGSS Managed to LGSS Cambridge Office	119,000	Right-sizing Rural Estates staffing establishment

A full list of virements made in the year to date for Corporate Services, LGSS Managed and Financing Costs can be found in [CS appendix 4](#).

A full list of virements made in the year to date for LGSS Cambridge Office can be found in [LGSS appendix 4](#).

3. **BALANCE SHEET**

3.1 **Reserves**

A schedule of the Corporate Services and LGSS Managed reserves can be found in [CS appendix 5](#).

A schedule of the LGSS Cambridge Office Reserves can be found in [LGSS appendix 5](#).

3.2 **Capital Expenditure and Funding**

Expenditure

- Corporate Services has a capital budget of £185k in 2014/15 and there is spend to date of £16k. It is currently expected that the programme will underspend by £67k at year-end, and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for November.

- LGSS Managed has a capital budget of £13.3m in 2014/15 and there is spend to date of £1.2m. It is currently expected that the programme will underspend by £5.2m at year-end, and the total scheme variances will amount to an underspend of £7.8m across the programme.

The EPAM – County Farms Viability scheme is showing an in-year underspend of £0.5m. Delays in recruiting resource to support the scheme, coupled with reduced interest from tenants to undertake building improvement works has resulted in fewer business cases coming forward against the available funding for 2014/15.

- LGSS Cambridge Office has a capital budget of £412k in 2014/15 and there is spend to date of £0k. It is currently expected that the programme will be fully spent at year-end, and the total scheme variances will amount to £0k across the programme.

There are no new exceptions to report for November.

Funding

- Corporate Services has budgeted capital funding of £185k in 2014/15. As reported above, the Corporate Services budget is expected to underspend by £67k, which will result in a reduced requirement of funding of this amount.
- LGSS Managed has budgeted capital funding of £13.3m in 2014/15. As reported above, the LGSS Managed budget is expected to underspend by £5.2m, which will result in a reduced requirement of funding of this amount.
- LGSS Cambridge Office has capital funding of £412k in 2014/15, with the current expectation being that this continues to be required in line with the original budget proposals.

A detailed explanation of the position for Corporate Services and LGSS Managed can be found in [CS appendix 6](#).

A detailed explanation of the position for LGSS Cambridge Office can be found in [LGSS appendix 6](#).

4. PERFORMANCE

4.1 The table below outlines key performance indicators for Customer Services and Transformation and LGSS Managed Services.

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
Customer Service and Transformation											
Proportion of FOI requests responded to within timescales	Monthly	High	%	02/12/14	1 - 30 Nov 2014	95%	98.0%	Green	↔	Oct 2014 - 98% Sept 2014 - 95% Aug 2014 - 98% July 2014 - 93% June 2014 - 97% May 2014 - 98% Apr 2014 - 90%	
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>06/10/14</i>	<i>1 Apr - 30 Sep 2014 (Q1 and Q2 2014/15)</i>	<i>N/A*</i>	<i>615</i>	<i>N/A</i>	<i>N/A</i>	<i>Running total will be collected quarterly. Data to be next reported on in January 2015 for Q3. 2014/15 (annual total so far) - 615 2014/15 (Q2) - 218 2014/15 (Q1) - 397 2013/14 - 1153</i>	
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	04/12/14	1 - 31 Oct 2014	90%	81.3%	Amber	↓	Number of customer complaints for October 2014 = 112 CFA received 36 complaints and 1 failed to meet the target. This means this month's figure is 97.22%. ETE received a total of 74 complaints of which 20 failed to meet the target. This means this month's figure is 72.97%. CS&T received 2 complaints, both of which were responded to within timescales. No complaints were received for LGSS during October 2014.	
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>N/A**</i>	<i>1 Apr 2014 - 31 Mar 2015</i>	<i>N/A*</i>	<i>N/A**</i>	<i>N/A</i>	<i>N/A</i>	<i>* No target or RAG status for this indicator. Purpose is to set the context. ** Data to be reported on in April 2015 for period of 1 April 2014 - 31 March 2015</i>	
Proportion of all transformed transaction types to be completed online by 31 March	Annually	High	%	N/A	N/A	75%	N/A	N/A	N/A	New KPI. Reporting to start for Q3 2014/15 in January 2015.	
LGSS Managed Services											
Strategy and Estates – capital receipts target managed and achieved	Quarterly	High	%	16/07/14	1 Apr - 30 June 2014 (Q1 2014/15)	98% (£3.888 m gross)	100.0%	Green	↑	Data to be next reported on in January 2015 for Q2 and Q3.	
Strategy and Estates – farm estates income demanded and collected on time	Half-yearly	High	%	16/07/14	1 Apr - 30 June 2014 (Q1 2014/15)	95% (£3.625 m gross)	98.0%	Green	↑	Data to be next reported on in January 2015 for Q2 and Q3 2014/15.	
IT – availability of Universal Business System****	Quarterly	High	%	15/10/14	1 July - 30 Sep 2014 (Q2 2014/15)	95%	100.0%	Green	↔	Q1 2014/15 - 100% Data to be next reported on in January 2015 for Q3.	
IT – incidents resolved within Service Level Agreement	Quarterly	High	%	15/10/14	1 July - 30 Sep 2014 (Q2 2014/15)	90%	91.0%	Green	↓	Q1 2014/15 - 95% Data to be next reported on in January 2015 for Q3.	

4.2 The table below outlines key performance indicators for LGSS Cambridge Office

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
LGSS Cambridge Office										
Percentage of invoices paid within term for month	Monthly	High	%	01/11/14	97.5%	99.6%	Green	↔	99.6% reported last period	N/A
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/11/14	97.5%	99.7%	Green	↔	99.7% reported last period	Green
Total debt as a percentage of turnover	Monthly	Low	%	01/11/14	10.0%	7.8%	Green	↓	5.6% reported last period	Green
Percentage of debt over 90 days old	Monthly	Low	%	01/11/14	20.0%	12.3%	Green	↑	20.7% reported last period	Green

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of November 2014 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Forecast Variance - Outturn (Oct)		Current Budget		Expected to end of Nov	Actual to end of Nov	Current Variance		Forecast Variance - Outturn (Nov)	
£000	Service	£000	£000	£000	£000	%	%	£000	%
<u>Corporate Services</u>									
-11	Corporate Director	863	684	654	-30	-4		-11	-1
-83	Business Transformation	3,009	1,773	1,662	-112	-6		-83	-3
-4	Chief Executive's Office	430	279	262	-17	-6		-4	-1
-46	Communications & Community Engagement	1,373	890	836	-54	-6		-70	-5
0	Elections	194	0	0	0	0		0	0
-6	Redundancy, Pensions & Injury	945	756	752	-5	-1		-6	-1
0	Grant Income	-217	-175	-175	0	0		0	0
-149		6,598	4,207	3,990	-217	-5		-173	-3
<u>LGSS Managed</u>									
110	Building Maintenance	1,116	738	1,099	361	49		110	10
0	County Farms	-3,099	-1,599	-1,627	-28	-2		0	0
649	County Offices	5,629	4,314	4,873	559	13		654	12
-150	Effective Property Asset Management	275	142	86	-56	-39		-160	-58
0	External Audit	169	-7	-4	3	0		0	0
0	Insurance	1,453	0	0	0	0		0	0
300	IT Managed	1,801	1,884	1,989	105	6		300	17
0	Members' Allowances	981	647	622	-25	-4		0	0
0	OWD Managed	125	76	56	-20	-27		0	0
-16	Subscriptions	135	100	100	1	1		-16	-12
0	Transformation Fund	1,000	390	-349	-739	-189		-200	-20
0	Authority-wide Miscellaneous	-53	180	176	-4	-2		0	0
0	Grant Income	-100	-75	-75	0	0		0	0
893		9,432	6,788	6,945	157	2		688	7
<u>Financing Costs</u>									
-500	Debt Charges and Interest	34,142	8,720	4,290	-4,430	-51		-500	-1
244	CORPORATE SERVICES TOTAL	50,172	19,715	15,225	-4,490	-23		15	0
<u>MEMORANDUM - Grant Income</u>									
0	Public Health Grant - Corporate Services	-165	-124	-124	0	0		0	0
0	Public Health Grant - LGSS Managed	-100	-75	-75	0	0		0	0
0	Open Data Breakthrough Fund	-33	-33	-33	0	0		0	0
0	Other Corporate Services Grants	-19	-19	-19	0	0		0	0
0		-317	-250	-250	0	0		0	0

CS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Building Maintenance	1,116	+361	+49%	+110	+10%
Building Maintenance spend across the property portfolio for the year to date has exceeded budgeted levels. Property Operations are working to identify the cause of this increase and to minimise spend in future months, but it is currently forecast that the budget will overspend by £100k. In addition, there is a small forecast overspend of £10k relating to works required under the Equality Act 2010.					
County Offices	5,629	+559	+13%	+654	+12%
County Offices is forecasting an overspend of £654k. A savings target of £736k was allocated in the 2013/14 Business Planning linked to a reduction in the Council's property portfolio. Delivery of this saving is being led by the Property Rationalisation Project, under the Property Asset Board and although some savings have been achieved in previous years, the reported pressure reflects the balance of savings still to be identified. The position is being monitored and the forecast outturn will be updated as savings are secured.					
Effective Property Asset Management	275	-56	-39%	-160	-58%
There is an underspend of £160k on the Effective Property Asset Management (EPAM) budget. The Making Assets Count (MAC) Public Property Partnership & Market Towns project has been reassessed and it has been concluded that the Property Partnership will not be developed over the next few years as MAC wishes to focus on more practical projects. As a consequence, the Business Planning investment of £150k will not be needed in 2014/15. There is also a £10k underspend on the budget to fund revenue costs associated with the EPAM project.					
IT Managed	1,801	+105	+6%	+300	+17%
The 2014/15 Business Plan included a £600k savings target against IT Managed budgets. IT Services have been reviewing contract arrangements across LGSS partners, but it is apparent that the £600k target for Cambridgeshire was overly optimistic. Therefore, IT Managed is showing an overspend of £300k. Should any further savings be identified, the forecast outturn will be updated accordingly.					

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Transformation Fund	1,000	-739	-189%	-200	-20%
<p>The Transformation Fund is currently showing £477k of costs as a result of Section 188 redundancies. Based on a straight line spend profile, the variance to date is showing an underspend of £739k. It is therefore anticipated that there will be a year-end underspend on this budget and a provisional figure of £200k is now being declared. Spending of this nature is difficult to predict and so the position will continue to be monitored and the outturn updated accordingly.</p>					
Debt Charges & Interest	34,142	-4,430	-51%	-500	-1%
<p>The debt charges & interest budget is reporting an underspend of £500k, which is largely due to cash balances being higher than budgeted during the year to date, in part due to slippage on the capital programme. This has impacted on the timing of new long term borrowing, which has been deferred, generating savings for the Council. This saving is in addition to the £1m reduction in the debt charges budget approved in the Business Plan in the expectation of slippage in the capital programme. The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and a pragmatic approach to borrowing continues to be adopted.</p>					

CS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which was not built into base budgets.

Grant	Awarding Body	Expected Amount £000
Grants as per Business Plan	Public Health	265
Open Data Breakthrough Fund	Local Government Association	33
Non-material grants (+/- £30k)	Various	19
Total Grants 2014/15		317

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	5,851	
Transfer HealthWatch function to CFA	-429	
Transfer post from Chief Executive's Office to Democratic Services	-30	
Corporate Services Operational Savings Transfer – Customer Relationship Management System	250	
Corporate Services Operational Savings Transfer - Service Transformation Funding	256	
Corporate Services Operational Savings Transfer - Digital by Default	184	
Corporate Services Operational Savings Transfer - Grants to Voluntary Organisations	48	
Transfer HealthWatch function back from CFA	429	
Non-material virements (+/- £30k)	38	
Current Budget 2014/15	6,598	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	9,670	
Transfer funding for County Farms investment post to LGSS Cambridge Office	-50	
Transfer funding for County Farms staff to LGSS Cambridge Office	-85	
Right-sizing Rural Estates staffing establishment	-119	
Non-material virements (+/- £30k)	16	
Current Budget 2014/15	9,432	

Financing Costs:

	£000	Notes
Budget as per Business Plan	34,142	
Non-material virements (+/- £30k)	0	
Current Budget 2014/15	34,142	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 31/10/14		
	£'000	£'000	£'000	£'000	
<u>General Reserve</u>					
Corporate Services Carry-forward	1,314	-937	377	550	1
subtotal	1,314	-937	377	550	
<u>Equipment Reserves</u>					
Postal Service	50	0	50	50	
subtotal	50	0	50	50	
<u>Other Earmarked Funds</u>					
Travellers Support Officer	50	9	59	59	
Election Processes	0	0	0	194	
Cambs & Peterborough Resilience Forum	13	0	13	13	
EDRM Project	274	0	274	233	
subtotal	336	9	345	498	
<u>Short Term Provisions</u>					
Transforming Cambridgeshire	1,000	0	1,000	0	
subtotal	1,000	0	1,000	0	
TOTAL	2,701	-928	1,772	1,098	

Notes

- The year-end position reflects the forecast Corporate Services underspend of £173k, and £872k planned use of operational savings. Details on operational savings allocated to date can be found in CS Appendix 4.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 31/10/14		
	£'000	£'000	£'000	£'000	
Equipment Reserves					
Corporate Infrastructure Replacement & Renewals	79	0	79	79	
Corporate ICT Assets	475	0	475	335	
Corporate Telephony	5	0	5	5	
subtotal	559	0	559	419	
Short Term Provisions					
Carbon Trading Provision	459	-459	0	0	1
Insurance Short-term Provision	1,180	0	1,180	1,180	
Insurance MMI Provision	400	-381	19	0	
Redundancy Provision	826	-826	0	0	2
subtotal	2,866	-1,666	1,200	1,180	
Long Term Provisions					
Insurance Long-term Provision	4,721	0	4,721	4,721	
subtotal	4,721	0	4,721	4,721	
SUBTOTAL	8,146	-1,666	6,479	6,320	
Capital Reserves					
General Capital Receipts	0	3,644	3,644	0	3
P&P Commissioning (Property)	472	0	472	472	
Blackwell Travellers Site	9	0	9	9	
subtotal	481	3,644	4,125	481	
TOTAL	8,627	1,978	10,604	6,801	

Notes

- 1 A specific provision was created in lieu of carbon trading credits to be purchased for 2013/14.
- 2 The specific provision for Section 188 redundancy costs has been drawn-down to cover revenue costs incurred in 2014/15.
- 3 Capital Receipts achieved in 2014/15 will be used to fund the capital programme at year-end.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure – Previously Reported Exceptions

Corporate Services & LGSS Managed Capital Programme 2014/15						TOTAL SCHEME	
Original 2014/15 Budget as per BP £000	Scheme	Revised Budget for 2014/15 £000	Actual Spend (to Nov) £000	Forecast Spend - Outturn (Nov) £000	Forecast Variance - Outturn (Nov) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services						
	- Electronic Record Management	155	16	88	(67)	300	-
	- Other Schemes	30	-	30	-	40	-
		185	16	118	(67)	340	-
	LGSS Managed						
1,110	EPAM - Shire Hall Campus	1,101	149	1,101	-	6,824	-
	- EPAM - Fenland	130	(248)	130	-	6,596	(925)
804	EPAM - Local Plans Representations	814	81	814	-	1,548	-
1,000	EPAM - County Farms Viability	1,009	116	509	(500)	8,031	-
600	EPAM - Building Maintenance	600	524	600	-	8,567	-
625	EPAM - Sawston Community Hub	625	7	65	(560)	1,250	-
1,150	EPAM - East Barnwell Community Hub	1,200	4	200	(1,000)	2,350	-
232	EPAM - Other Committed Projects	456	(169)	406	(50)	2,043	(314)
600	EPAM - Renewable Energy Soham	600	106	150	(450)	10,245	-
300	EPAM - Housing Provision on CCC Portfolio	300	-	300	-	17,500	-
950	EPAM - Trumpington Option Land	950	-	-	(950)	950	(950)
75	EPAM - Disposal / Relocation of Huntingdon Highways Depot	75	-	75	-	1,625	-
1,000	EPAM - MAC Market Towns Project	1,000	-	150	(850)	7,000	(5,220)
1,470	Carbon Reduction	1,143	(4)	743	(400)	1,673	(119)
	- Fire Compartment Surveys & Implementation	-	-	-	-	-	-
1,100	Optimising IT for Smarter Business Working	1,100	-	600	(500)	2,100	-
600	IT Infrastructure Investment	988	136	988	-	2,400	-
	- Cambridgeshire Public Sector Network	357	113	357	-	5,500	-
	- Microsoft Enterprise Agreement	-	402	402	402	1,500	-
590	Other Schemes	848	30	528	(320)	2,368	(282)
12,206		13,296	1,247	8,118	(5,178)	90,070	(7,811)
12,206	TOTAL	13,481	1,263	8,236	(5,245)	90,410	(7,811)

Residual work on the Awdry House site will be completed in 2014/15. Upon completion, this will result in a total scheme underspend of £0.9m, as reported in 2013/14.

The MAC Public Property Partnership & Market Towns project has been reassessed and it has been concluded that the Property Partnership will not be developed over the next few years as MAC wishes to focus on more practical projects. The deliverability of the various Market Town projects have been re-evaluated in light of this decision and it has been decided to focus on taking the March Market Town project forward. This is currently expected to result in an in-year underspend of £0.85m, and a total scheme underspend of £5.2m. As a result, the scheme budget is expected to be adjusted as part of the 2015/16 Business Planning process.

The EPAM – County Farms Viability scheme is showing an in-year underspend of £0.5m. Delays in recruiting resource to support the scheme, coupled with reduced interest from

tenants to undertake building improvement works has resulted in fewer business cases coming forward against the available funding for 2014/15.

The EPAM – Sawston Community Hub scheme is forecasting an in-year underspend of £0.6m. The slippage is due to the extended lead time prior to start of construction that was not anticipated when the budget was profiled in the 2014/15 Business Planning and does not reflect a reduction in total scheme costs.

Similarly, the EPAM – East Barnwell Community Hub scheme is currently forecasting an in-year underspend of £1.0m due to the extended lead time prior to the start of construction that was not anticipated when the budget was profiled in 2014/15 Business Planning. This does not reflect a reduction in total scheme costs.

The EPAM – Trumpington Option Land scheme is not expected to proceed in the current financial year, resulting in an underspend of £1.0m. Going forward, it is anticipated that the project will be incorporated within the wider City Deal schemes currently under development as part of the ETE Business Planning capital programme.

The Optimising IT for Smarter Business Working scheme is forecasting an in-year underspend of £0.5m. This reflects an updated spend profile for the purchase of equipment to support the Smarter Business programme, and is not expected to result in a reduction in total scheme costs.

Capital Funding – Previously Reported Exceptions

Corporate Services & LGSS Managed Capital Programme 2014/15				
Original 2014/15 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2014/15 £000	Forecast Funding - Outturn (Nov) £000	Forecast Funding Variance - Outturn (Nov) £000
	Corporate Services			
-	Prudential Borrowing	185	118	(67)
-		185	118	(67)
	LGSS Managed			
4,669	Capital Receipts	4,669	6,225	1,556
1,000	Other Contributions	1,000	-	(1,000)
6,537	Prudential Borrowing	7,627	1,893	(5,734)
12,206		13,296	8,118	(5,178)
12,206	TOTAL	13,481	8,236	(5,245)

The forecast level of capital receipts currently exceeds the 2014/15 Business Plan expectation of £4.7m by £1.6m. This will therefore result in a reduction in prudential borrowing in 2014/15. This forecast will be monitored and updated as necessary each month, with General Purposes Committee being asked to approve any change in the Business Plan expectation at year end, where applicable.

The anticipated inclusion of the EPAM – Trumpington Option Land scheme within the City Deal schemes has resulted in a corresponding £1.0m reduction in funding (other contributions) in relation to this scheme.

As the result of the reported slippage on the LGSS Managed capital programme and forecast over-achievement against the capital receipts target, the overall prudential borrowing requirement has reduced by £5.7m.

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of November 2014 for LGSS Cambridge Office are as follows:

Forecast Variance - Outturn (Oct)		Current Budget	Expected to end of Nov	Actual to end of Nov	Current Variance		Forecast Variance - Outturn (Nov)	
£000	Service	£000	£000	£000	£000	%	£000	%
<u>LGSS Cambridge Office</u>								
<u>Central Management</u>								
-28	Service Assurance	379	314	267	-47	-15	-27	-7
204	Trading	-8,306	-5,773	-3,425	2,348	41	216	3
66	LGSS Equalisation	-539	0	0	0	0	103	19
0	Grant Income	-220	-165	-165	0	0	0	0
242		-8,686	-5,624	-3,323	2,301	41	292	-3
<u>Finance</u>								
-4	Chief Finance Officer	1,102	728	700	-28	-4	0	0
0	Strategic Finance	30	54	46	-8	-15	-11	-37
-60	Strategic Assets	907	601	527	-75	-12	-67	-7
14	CF, ETE, CS & LGSS Finance	679	436	435	-2	0	6	1
-45	CFA Finance	1,323	887	878	-8	-1	-45	-3
0	Pensions Service	0	229	222	-7	-3	0	0
-95		4,041	2,935	2,808	-127	-4	-118	-3
<u>People, Transformation & Transactional</u>								
-163	HR Business Partners	1,269	870	808	-62	-7	-145	-11
-28	HR Policy & Strategy	410	334	163	-172	-51	-40	-10
0	LGSS Programme Team	2,172	1,453	1,496	43	3	0	0
0	Organisational & Workforce Development	594	460	355	-105	-23	0	0
0	Revenues and Benefits	2,266	1,492	1,530	38	3	0	0
-16	Transactional Services	1,568	1,543	1,249	-294	-19	-16	-1
-207		8,279	6,153	5,601	-552	-9	-201	-2
<u>Law, Property & Governance</u>								
-60	Audit & Risk Management	757	796	495	-301	-38	-60	-8
-64	Democratic & Scrutiny Services	521	308	223	-85	-28	-64	-12
50	Legal Services	-383	-130	-84	46	35	50	13
-25	Procurement	340	220	185	-35	-16	-25	-7
0	Property Operations & Delivery	715	1,036	890	-146	-14	0	0
-99		1,951	2,230	1,709	-521	-23	-99	-5
10	<u>IT Services</u>	5,007	4,152	4,172	19	0	10	0
-149	Total LGSS Cambridge Office	10,592	9,846	10,967	1,121	11	-116	-1
MEMORANDUM - Grant Income								
0	Public Health Grant	-220	-165	-165	0	0	0	0
0		-220	-165	-165	0	0	0	0

LGSS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Trading	-8,306	2,348	+41%	+216	+3%
There is currently a shortfall of £216k on the trading position which relates to the requirement for additional trading activity in 2014/15. It is expected that some of this shortfall will be mitigated through new trading opportunities; where this is the case, the forecast outturn will be updated as these are established. The current pressure is being mitigated within LGSS by operational underspends.					
HR Business Partners	1,269	-62	-7%	-145	-11%
An underspend of £145k is forecast for HR Business Partners. One-off income opportunities have been realised with various customers, the additional work having been absorbed within the existing operations. In addition, a number of vacancies have been held within the People Service providing further in-year savings.					

LGSS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

Grant	Awarding Body	Expected Amount £'000
Grants as per Business Plan	Public Health	220
Non-material grants (+/- £30k)		0
Total Grants 2014/15		220

LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
Budget as per Business Plan	10,351	
Funding for County Farms investment post from LGSS Managed	50	
Transfer post from Chief Executive's Office to Democratic Services	30	
Transfer funding for County Farms staff	85	
Transfer funding for CCS HR Support	50	
Right-sizing Rural Estates staffing establishment	119	
Transfer of CCS finance support from LGSS Finance to CCS	-104	
Non-material virements (+/- £30k)	11	
Current Budget 2014/15	10,592	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 31/10/14		
	£'000	£'000	£'000	£'000	
General Reserve					
LGSS Cambridge Office Carry-forward	1,116	-18	1,098	169	1
subtotal	1,116	-18	1,098	169	
Equipment Reserves					
Legal Services	85	0	85	0	
subtotal	85	0	85	0	
SUBTOTAL	1,201	-18	1,183	169	
Capital Reserves					
Legal Services	30	0	30	0	
subtotal	30	0	30	0	
TOTAL	1,231	-18	1,213	169	

Notes

- The year-end position reflects £1.045m planned use of operational savings and the currently forecast underspend of £116k.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure – Previously Reported Exceptions

LGSS Cambridge Office Capital Programme 2014/15						TOTAL SCHEME	
Original 2014/15 Budget as per BP £000	Scheme	Revised Budget for 2014/15 £000	Actual Spend (to Nov) £000	Forecast Spend - Outturn (Nov) £000	Forecast Variance - Outturn (Nov) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	- R12 Convergence	382	-	382	-	600	-
	- Other Schemes	30	-	30	-	30	-
	- TOTAL	412	-	412	-	630	-

There are no previous exceptions to report.

Capital Funding – Previously Reported Exceptions

LGSS Cambridge Office Capital Programme 2014/15				
Original 2014/15 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2014/15 £000	Forecast Funding - Outturn (Nov) £000	Forecast Funding Variance - Outturn (Nov) £000
	- Other Contributions	30	30	-
	- Prudential Borrowing	382	382	-
	- TOTAL	412	412	-

There are no previous exceptions to report.