

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – October 2016

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Amber	2.1 – 2.4
N/A	Capital Programme	Remain within overall resources	Green	3.2

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

Monthly Indicators	Red	Amber	Green	Total
October (Number of indicators)	2	0	8	9

2. INCOME AND EXPENDITURE

2.1 Overall Position

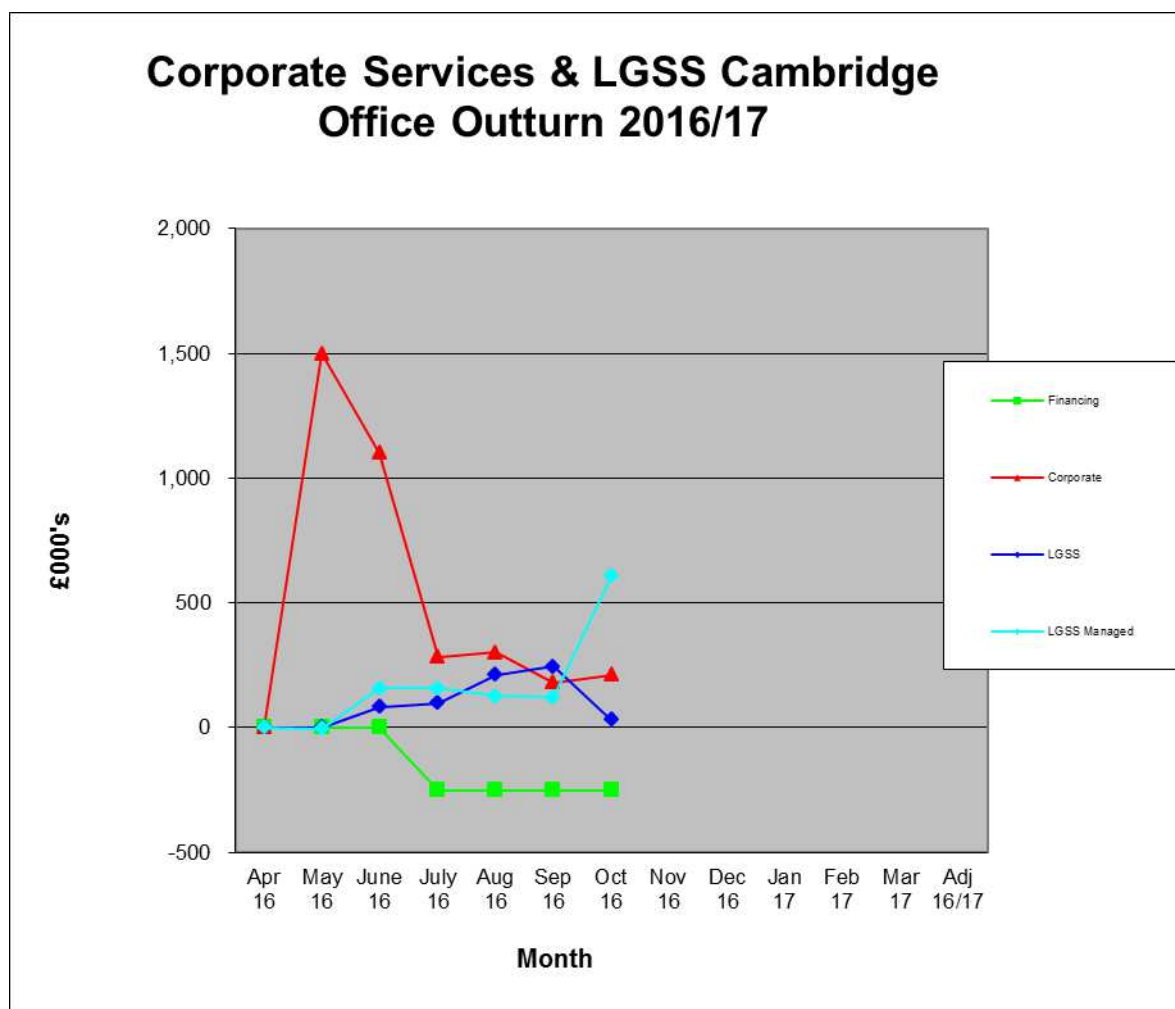
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP ⁽¹⁾	Directorate	Current Budget	Forecast Variance - Outturn (Sept)	Forecast Variance - Outturn (Oct)	Forecast Variance - Outturn (Oct)	Current Status	DoT
£000		£000	£000	£000	%		
4,674	Corporate Services	4,830	181	212	4	Amber	↓
6,010	LGSS Managed	6,004	123	608	10	Amber	↓
34,206	Financing Costs	34,206	-250	-250	-1	Green	↔
44,890	Sub Total	45,040	54	569			
8,195	LGSS Cambridge Office	8,151	246	33	0	Amber	↑
53,085	Total	53,192	300	602			

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for October 2016 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for October 2016 can be found in [LGSS appendix 1](#)

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



2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end overspend of £212k.
- There are no exceptions to report this month.

2.2.2 Significant Issues – LGSS Managed

- LGSS Managed is currently predicting a year-end overspend of £608k.
- An overspend of £515k is predicted on the Corporate Redundancies budget. As agreed in the Business Plan for 2016/17, the Council has embarked upon a number of significant restructures and staff rationalisation programmes including the Corporate Capacity Review. For a number of years the Council has not fully utilised the £1m provision that is made in the base revenue budget for such staff changes, but given the current level of reductions in staffing taking place it is anticipated that this year the level of costs incurred will exceed this provision.

2.2.3 Significant Issues – Financing Costs

- Financing costs are unchanged since last month, and are currently predicting an underspend of £250k for the year.
- A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.

2.2.4 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is currently predicting an overspend of £33k. Any year-end deficit / surplus is subject to a sharing arrangement with Northamptonshire County Council and Milton Keynes Council and will therefore be split between partner authorities on the basis of net budget, with an equalisation adjustment processed accordingly at year-end. This will be incorporated into the report as outturn figures become available during the course of the year.
- The figures for LGSS Cambridge Office reflect the demerger of Strategic Assets and Property Services budgets, which returned to their host authorities from 1 October. These budget areas are reported in the Assets and Investments Finance and Performance report for October 2016.
- There is a forecast deficit of £250k on the consolidated trading activities in place prior to April 2016. This will be ring-fenced and met, if necessary, from the LGSS Smoothing Reserve at year end.
- There are no exceptions to report this month.

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 June.

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 Cambridge Office:

	£	Notes
Transfer of LGSS Operational budgets to Assets and Investments Committee	-1,531	Strategic Assets and Property Services budgets returned to CCC following demerger
Non material virements (+/- £30k)	0	

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 £48k in 2016/17 and there is £37k spend to date. 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 exceptions to report for October.

- LGSS Managed has a capital budget of £4m in 2016/17 and there is spend to date of £2.5m. 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 exceptions to report for October.

- LGSS Cambridge Office has a capital budget of £618k in 2016/17 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 exceptions to report for October.

Funding

- Corporate Services has capital funding of £48k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals. There are no key funding changes to report.
- LGSS Managed has capital funding of £4m in 2016/17 and as reported above, a balanced budget is forecast at yearend.
- LGSS Cambridge Office has capital funding of £618k in 2016/17 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	Target	Actual	RAG status	Direction of travel	Comments
Customer Service and Transformation									
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/16	90.0%	92.0%	Green	↓	76 FOI requests received. 70 responded to on time.
For context only - number of FOI requests received annually	Annually	Low	Num	05/07/16	N/A*	311	N/A	N/A	Running total will be collected quarterly. Data to be next reported on in October 2015 for Q2 2015/16.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	09/11/16	90.0%	95.2%	Green	↑	Customer complaints for August 2016 = 105 CS&T - 15 complaints all responded to in time(100%) ETE - 69 complaints. 67 responded to within 10 working days (97.10%) CFA - 21 complaints. 18 responded to within 10 working days (85.7%)
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	N/A*	2.2**	N/A	N/A	Data to be next reported on in May 2017 for 2016/17
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	75.0%	55.83%	Red	↓	This is a substantial reduction due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	Data to be next reported on in May 2017 for 2016/17
LGSS Managed Services									
IT – availability of Universal Business System****	Half-yearly	High	%	31/10/16	95.0%	99.7%	Green	↑	Q4 2015/16 - 95% Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0%
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	31/10/16	90.0%	87.5%	Red	↓	Q4 2015/16 - 92% Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98%

The full scorecard for Customer Services and Transformation and LGSS Managed Services can be found at [CS appendix 7](#).

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
LGSS Cambridge Office									
Percentage of invoices paid within term for month	Monthly	High	%	01/11/16	97.5%	99.7%	Green	↔	99.7% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/11/16	97.5%	99.7%	Green	↑	99.6% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/11/16	10.0%	9.7%	Green	↓	6.0 % last period
Percentage of debt over 90 days old	Monthly	Low	%	01/11/16	20.0%	16.3%	Green	↑	30.3% last period

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of October 2016 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Corporate Directorates

Budgetary Control Report 2016/17

The variances to the end of October 2016/17 for the Corporate Directorates are:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (September) £000	Forecast Variance - Outturn (October) £000	%
<u>Corporate Services</u>					
-846	Director, Policy & Business Support	-820	308	308	38
198	Chief Executive	198	-66	-75	-38
449	Corporate Information Management	449	0	0	0
1,305	Customer Services	1,382	0	0	0
381	Digital Strategy	381	0	0	0
237	Research	330	-4	-4	-1
0	Service Transformation	0	0	0	0
-1	Smarter Business	0	0	0	0
545	Strategic Marketing, Communications & Engagement	545	-40	0	0
165	Elections	165	0	0	0
908	Redundancy, Pensions & Injury	908	-18	-18	-2
1,434	City Deal	1,434	0	0	0
-101	Grant Income	-141	0	0	0
4,674		4,830	181	212	4
<u>LGSS Managed</u>					
141	External Audit	141	0	0	0
1,894	Insurance	1,894	0	0	0
1,869	IT Managed	1,863	150	122	7
1,020	Members' Allowances	1,020	0	0	0
131	OWD Managed	131	-27	-30	-23
108	Subscriptions	108	0	0	0
1,000	Corporate Redundancies	1,000	0	515	52
-53	Authority-wide Miscellaneous	-53	0	0	0
-100	Grant Income	-100	0	0	0
6,010		6,004	123	608	10
<u>Financing Costs</u>					
34,206	Debt Charges and Interest	34,206	-250	-250	-1
44,890	CORPORATE SERVICES TOTAL	45,040	54	569	1
<u>MEMORANDUM - Grant Income</u>					
-165	Public Health Grant - Corporate Services	-101	0	0	0
-100	Public Health Grant - LGSS Managed	-100	0	0	0
0	Other Corporate Services Grants	-40	0	0	0
-265		-241	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	Forecast Variance - Outturn	
		£'000	%
Director, Policy & Business Support	-820	308	38%
<p>An overspend of £308k is predicted for Director, Policy & Business Support. Since last month the position has improved by £90k due to £40k in salary savings and £50k budgeted support for Corporate teams, which is not now required due to the ongoing work on Corporate Capacity Review.</p> <p>The Corporate Capacity will achieve savings in the region of £875k for this financial year. The full year costs of CCR were not realised as the consultation periods in both phases were extended to ensure that staff were able to input into the new structures. In order to make up the in- year shortfall the following measures are being taken:</p> <ul style="list-style-type: none"> • Recruitment freeze for those posts within CCR; • Other restructures; • Provision that had been identified in the budget for the Capita/Mouchel latent defect connections which are no longer required; • Improved rates of debt collection. 			
IT Managed	1,863	133	7%
<p>An overspend of £133k is predicted for IT Managed budgets. This is made up primarily of £100k costs of WAN upgrades in libraries and community hubs and £65k revenue costs of new tablets, and offset by a credit in respect of a goods receipt relating to 2015/16.</p>			
Corporate Redundancies	1,000	515	52
<p>An overspend of £515k is currently predicted on the Corporate Redundancies budget. As agreed in the Business Plan for 2016/17, the Council has embarked upon a number of significant restructures and staff rationalisation programmes including the Corporate Capacity Review. For a number of years the Council has not fully utilised the £1m provision that is made in the base revenue budget for such staff changes, but given the current level of reductions in staffing taking place it is anticipated that this year the level of costs incurred will exceed this provision.</p>			
Debt Charges	34,206	-250	-250
<p>A £250k underspend is forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt</p>			

Service	Current Budget £'000	Forecast Variance - Outturn £'000 %
Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.		

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	201
LGA Digital Transformation		40
Non-material grants (+/- £30k)		
Total Grants 2016/17		241

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	4,674	
Transfer of SLA budget from CFA to Contact Centre	77	
Transfer of SLA budget from CFA to Research Team	52	
Non-material virements (+/- £30k)	27	
Current Budget 2016/17	4,830	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	8,720	
Disaggregation of Assets and Investments budgets	-2,714	
Non-material virements (+/- £30k)	-2	
Current Budget 2016/17	6,004	

Financing Costs:

	£000	Notes
Budget as per Business Plan	34,206	
Non-material virements (+/- £30k)	0	
Current Budget 2016/17	34,206	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
General Reserve					
Corporate Services Carry-forward	1,218	0	1,218	0	1
subtotal	1,218	0	1,218	0	
Equipment Reserves					
Postal Service	57	0	57	57	
subtotal	57	0	57	57	
Other Earmarked Funds					
Shape Your Place - Fenland Grant	18	0	18	18	
Election Processes	325	0	325	479	2
EDRM Project	232	0	232	0	
City Deal - NHB funding	699	0	699	699	
subtotal	1,274	0	1,274	1,196	
Short Term Provisions					
Transforming Cambridgeshire	962	0	962	962	
Overarching Transformation Programme	0	250	250	0	3
Community Resilience	100	0	100	100	4
subtotal	1,312	0	1,312	1,062	
TOTAL	3,862	0	3,862	2,316	

Notes

- 1 The year-end position reflects the Corporate Services overspend of £212k. It is expected that £817k from reserves will be required to fund Transformation services as previously approved; this is a reduction of £90k compared to the original estimate, due to a number of posts remaining vacant. The estimated balance of £190k will contribute towards funding the shortfall on CCR savings.
- 2 The underspend on the Elections budget will be transferred to the earmarked reserve. This is to ensure that sufficient funding is available for the four-yearly County Council election.
- 3 Provision for consultancy costs in respect of Transformation Fund work, expected to be drawn down in full during 2016/17.
- 4 Provision in respect of Community Resilience.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
Other Earmarked Funds					
CPSN Partnership Funds	149	43	192	192	1
subtotal	149	43	192	192	
Short Term Provisions					
Insurance Short-term Provision	2,324	0	2,324	2,324	
External Audit Costs	89	0	89	89	
Insurance MMI Provision	1,182	0	1,182	1,182	
Back-scanning Reserve	56	0	56	56	
Contracts General Reserve	893	0	893	893	
Operating Model Reserve	1,000	0	1,000	1,000	
subtotal	5,545	0	5,545	5,545	
Long Term Provisions					
Insurance Long-term Provision	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
SUBTOTAL	9,306	43	9,349	9,349	
Capital Reserves					
P&P Commissioning (Property)	422	-322	100	100	2
subtotal	422	-322	100	100	
TOTAL	9,728	-279	9,449	9,449	

Notes

- 1 Funds ring-fenced for CPSN partnership to be used for procurement of replacement contract.
- 2 Reserves totalling £322k have been written back to revenue - this relates to Capita/Mouchel latent defect corrections for which no further costs are expected.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (October) £000	Forecast Variance - Outturn (October) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services						
33	Essential CCC Business Systems Upgrade	60	37	60	-	300	-
-	- Other Schemes	-	-	-	-	-	-
-	- Capital Programme Variations	(12)	-	(12)	-	-	-
33		48	37	48	-	300	-
	LGSS Managed						
1,105	Sawston Community Hub	1,105	2	160	(945)	1,309	-
1,150	Optimising IT for Smarter Business Working	1,638	1,716	1,718	80	3,375	80
900	IT Infrastructure Investment	912	201	420	(492)	2,400	(80)
-	- Cambridgeshire Public Sector Network	33	81	33	-	5,554	-
1,000	Microsoft Enterprise Agreement	1,000	496	500	(500)	1,902	-
250	Implementing IT Resilience Strategy for Data Centres	250	13	250	-	500	-
-	- Other Schemes	87	7	87	-	100	-
-	- Capital Programme Variations	(1,029)	-	828	1,857	-	-
4,405		3,996	2,516	3,996	-	15,140	(0)
4,438	TOTAL	4,044	2,553	4,044	-	15,440	(0)

Previously Reported Exceptions

The Optimising IT for Smarter Business Working scheme budget has been rephased, resulting in an increase of £500k in the budget for 2016/17. This will not affect the overall scheme cost.

Sawston Community Hub is expected to underspend by £945k in 2016/17 due to a delay in obtaining planning permission. As a result, construction work is not expected to start before February 2016 and some of the expenditure planned for 2016/17 will now be re-phased to 2017/18.

Microsoft Enterprise Agreement scheme is predicted to underspend by £500k in 2016/17. The final £500k payment for this scheme will be due in 2017/18, not 2016/17 as originally budgeted. The total scheme cost is unchanged and the expenditure will be re-phased to 2017/18.

As agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. Slippage in the capital programme for LGSS Managed has exceeded its capital variation budget allocation. However, as the variation budget across the Council as a whole has not yet been fully utilised, at this stage this does not lead to an overall forecast underspend on the capital programme.

Capital Funding

Corporate Services & LGSS Managed Capital Programme 2016/17					
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (October) £000	Forecast Funding Variance Outturn (October) £000
	Corporate Services				
33	Prudential Borrowing	CS	48	48	-
33			48	48	-
	LGSS Managed				
4,405	Prudential Borrowing	Mgd	3,996	3,996	-
4,405			3,996	3,996	-
4,438	TOTAL		4,044	4,044	-

Previously Reported Exceptions

As previously reported, the Capital Programme Board recommended that services include a variation budget to account for likely slippage in the capital programme, as it is sometimes difficult to predict this against individual schemes in advance. As forecast underspends start to be reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

CS Appendix 7 – Performance Scorecard

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments
Customer Services and Transformation										
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/16	1 - 31 October 2016	90%	92%	Green	↓	76 FOI requests received. 70 responded to on time.
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	05/07/16	1 April - 30 June 2016	N/A*	311	N/A	N/A	<p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</p> <p>Running total will be collected quarterly. Data to be next reported on in October 2016 for Q2 2016/17.</p>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	09/11/16	1 - 30 August 2016	90%	95.2%	Green	↑	<p>Number of customer complaints for August 2016 = 105</p> <p><u>Breakdown of August 2016 figures</u></p> <p>CS&T - 15 complaints all responded to in time.(100% pass rate) ETE - 69 complaints. 67 responded to within 10 working days (97.10% pass rate) CFA - 21 complaints. 18 responded to within 10 working days (85.7% pass rate)</p>
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	<p>2014/15 was 1.68.</p> <p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017</p>
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	1 July - 30 September 2016	75%	55.83%	Red	↓	This is a substantial reduction due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	<p>New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health.</p> <p>Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data.</p> <p>Data to be reported on in May 2017 for year end.</p>

LGSS Managed Services										
IT – availability of Universal Business System**** IT Availability	Half-yearly	High	%	31/10/16	1 April - 30 September 2016	95%	99.7%	Green	↑	Q4 2015/16 - 95% Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0%
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	31/10/16	1 January - 31 March 2016 (Q4)	90%	87.5%	Red	↓	Q4 2015/16 - 92% Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98%

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of October 2016 for LGSS Cambridge Office are as follows:

Original Budget as per BP £000	Service	Look up	Current Budget for 2016/17 £000	Forecast Variance - Outturn (September) £000	Forecast Variance - Outturn (October) £000	%
<u>LGSS Cambridge Office</u>						
<u>Central Management</u>						
62	Service Assurance	SA	8	0	50	592
-8,787	Trading	Trad	-8,634	0	0	0
587	LGSS Equalisation	Equal	874	0	0	0
-410	Grant Income	LGSS	-220	0	0	0
-8,548			-7,971	0	50	1
<u>Finance</u>						
740	Audit	Aud	154	0	0	0
1,019	Chief Finance Officer	HoF	1,049	0	0	0
1,612	Finance Operations	FinOps	1,612	0	0	0
1,955	Professional Finance	Fin	1,985	45	45	2
0	Pensions Service	PS	0	0	0	0
5,327			4,801	45	45	1
<u>Milton Keynes Council</u>						
213	Procurement	Proc	319	-78	-58	-18
2,327	Revenues and Benefits	RB	2,382	0	0	0
0	MKC		0	12	12	0
2,541			2,701	-66	-46	-2
<u>People, Transformation & Transactional</u>						
1,312	HR Business Partners	HR	1,328	0	-26	-2
322	HR Policy & Strategy	HRP&S	296	0	-13	-4
1,852	LGSS Programme Team	LGSS PT	1,853	50	0	0
291	Organisational & Workforce Development	OWD	229	0	0	0
-335	Transactional Services	Hrtrans	-317	0	0	0
3,442			3,389	50	-38	-1
<u>Law & Governance</u>						
425	Democratic & Scrutiny Services	DSS	425	-16	-18	-4
-174	LGSS Law Ltd	LS	-291	10	10	3
250			134	-6	-8	-6
5,184	IT Services	IT	5,098	223	30	1
8,195	Total LGSS Cambridge Office		8,151	246	33	0
MEMORANDUM - Grant Income						
-220	Public Health Grant	LGSS PH	-220	0	0	0
0	Counter Fraud Initiative Grant	CFIG	0	0	0	0
-220			-220	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	Forecast Variance - Outturn	
		£'000	%
IT Services	5,201	30	1
<p>It is forecast that IT Services in the LGSS Cambridge Office will overspend by £30k at year end. There is a £50k forecast overspend within NCC/CCC operations due to the additional recruitment of digital analysts to in-source work previously procured at a premium by the retained organisations and additional developer posts recruited over and above the establishment in agreement with NCC and CCC.</p> <p>A £208k saving was originally planned to be delivered from additional IT budgets being transferred from the CCC retained organisation into LGSS, but this will not be achieved this year. This saving will be mitigated across the rest of LGSS budgets, including the Property and Strategic Assets budgets returned to NCC and CCC.</p> <p>There is also a £10k pressure due to a decision to recruit to a Head of IT in Norwich in order to expand the LGSS offering in this geographical area.</p>			

LGSS APPENDIX 3 – Grant Income Analysis

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

	Awarding Body	Expected Amount £'000
Grants as per Business Plan	Various	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	9,589	
Transfer of Reablement budget from CFA to LGSS Finance	113	
Non-material virements (+/- £30k)	-20	
Transfer of Strategic Assets and Property Services budgets from LGSS Finance to Assets and Investments	-1,531	
Current Budget 2015-16	8,151	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 31/10/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
General Reserve					
LGSS Cambridge Office Carry-forward	1,013	0	1,013	461	1
subtotal	1,013	0	1,013	461	
Other Earmarked Funds					
Counter Fraud Initiative	130	0	130	130	
subtotal	130	0	130	130	
SUBTOTAL	1,143	0	1,143	591	
TOTAL	1,143	0	1,143	591	

Notes

- 1 The year-end position reflects £552k expected use of operational savings.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

LGSS Cambridge Office Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (October) £000	Forecast Variance - Outturn (October) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
1,104	- R12 Convergence*	-	-	-	-	416	-
	- Next Generation ERP	773	-	673	(100)	1,288	-
	- Capital Programme Variations	(155)	-	(55)	100	-	-
1,104	TOTAL	618	-	618	-	1,704	-

Previously Reported Exceptions

There are no previous exceptions to report.

Capital Funding

LGSS Cambridge Office Capital Programme 2016/17						
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (October) £000	Forecast Funding Variance Outturn (October) £000	
1,104	Prudential Borrowing	LGSS	618	618	-	
1,104	TOTAL		618	618	-	

Previously Reported Exceptions

There are no previous exceptions to report.