

**FINANCE AND PERFORMANCE REPORT – JULY 2016**

*To:* **General Purposes Committee**

*Meeting Date:* **20 September 2016**

*From:* **Director of Customer Service and Transformation  
Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To present to General Purposes Committee (GPC) the July 2016 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.**

**The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of July 2016.**

*Recommendation:* **The Committee is asked to review, note and comment upon the report.**

<b><i>Officer contact:</i></b>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	<a href="mailto:Chris.malyon@cambridgeshire.gov.uk">Chris.malyon@cambridgeshire.gov.uk</a>
Tel:	01223 699796

## 1. BACKGROUND

- 1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility, remain on target.

## 2. MAIN ISSUES

- 2.1 Attached as **Appendix A**, is the July 2016 Finance and Performance report.
- 2.2 At the end of July, Corporate Services (including the LGSS Managed and Financing Costs) is forecasting a year-end overspend on revenue of £192k.
- 2.3 The LGSS Operational budget is forecasting a year-end overspend on revenue of £98k. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.
- 2.4 Budgets to the value of £2.7m relating to Assets and Investments Committee have been disaggregated from this report. There are no new significant forecast outturn variances by value (over £100,000) to report for Corporate Services / LGSS Managed.
- 2.5 Within Corporate Services the forecast year-end overspend on the Corporate Capacity Review (CCR) has reduced from £1.2m to £0.4m, partly as a result of further work to refine the projection for savings from the CCR, which has identified in-year savings are likely to be in the region of £875k (previously reported as £500k).

In addition, it has been agreed to bring forward some of the early proposals for the second phase of the CCR, which are anticipated to deliver £300k of savings in 2016/17.

Two other savings are helping to mitigate the slippage on delivering the CCR:

- It has been agreed to reduce a provision in relation to Capita/Mouchel latent defect corrections by £322k.
  - The 2015/16 year end position for council tax and business rates collection has resulted in a revision of the projection for this in 2016/17; it is anticipated that CCC will receive approximately £100k above what was budgeted.
- 2.6 Financing Costs are predicted to underspend by £250k at year-end. 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.
- 2.7 At the end of July, Corporate and LGSS Managed are forecasting that the capital budget will be fully spent in 2016-17.

Capital schemes with a total budget of £12.1m, relating to Assets and Investments Committee, have been disaggregated from this report. There are no exceptions to report for July.

- 2.8 At the end of July, LGSS Operational is forecasting that the capital budget will be fully spent in 2016-17.
- 2.9 Corporate Services / LGSS have nine performance indicators for which data is available. Seven indicators are currently at green status, and one at amber and one red.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

#### **3.2 Helping people live healthy and independent lives**

There are no significant implications for this priority.

#### **3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

#### **4.2 Statutory, Risk and Legal Implications**

There are no significant implications within this category.

#### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

#### **4.4 Engagement and Consultation Implications**

There are no significant implications within this category.

#### **4.5 Localism and Local Member Involvement**

There are no significant implications within this category.

#### **4.6 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No Name of Legal Officer: Not applicable
<b>Are there any Equality and Diversity implications?</b>	No Name of Officer: Not applicable
<b>Have any engagement and communication implications been cleared by Communications?</b>	No Name of Officer: Not applicable
<b>Are there any Localism and Local Member involvement issues?</b>	No Name of Officer: Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer: Not applicable

<b>Source Documents</b>	<b>Location</b>
CS and LGSS Cambridge Office Finance & Performance Report (July 16)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge