

Corporate Services and LGSS Cambridge Office**Finance and Performance Report – Final Report 2016/17****1. SUMMARY****1.1 Finance**

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Green	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
Year-end actual (Number of indicators)	1	2	6	9

2. INCOME AND EXPENDITURE**2.1 Overall Position**

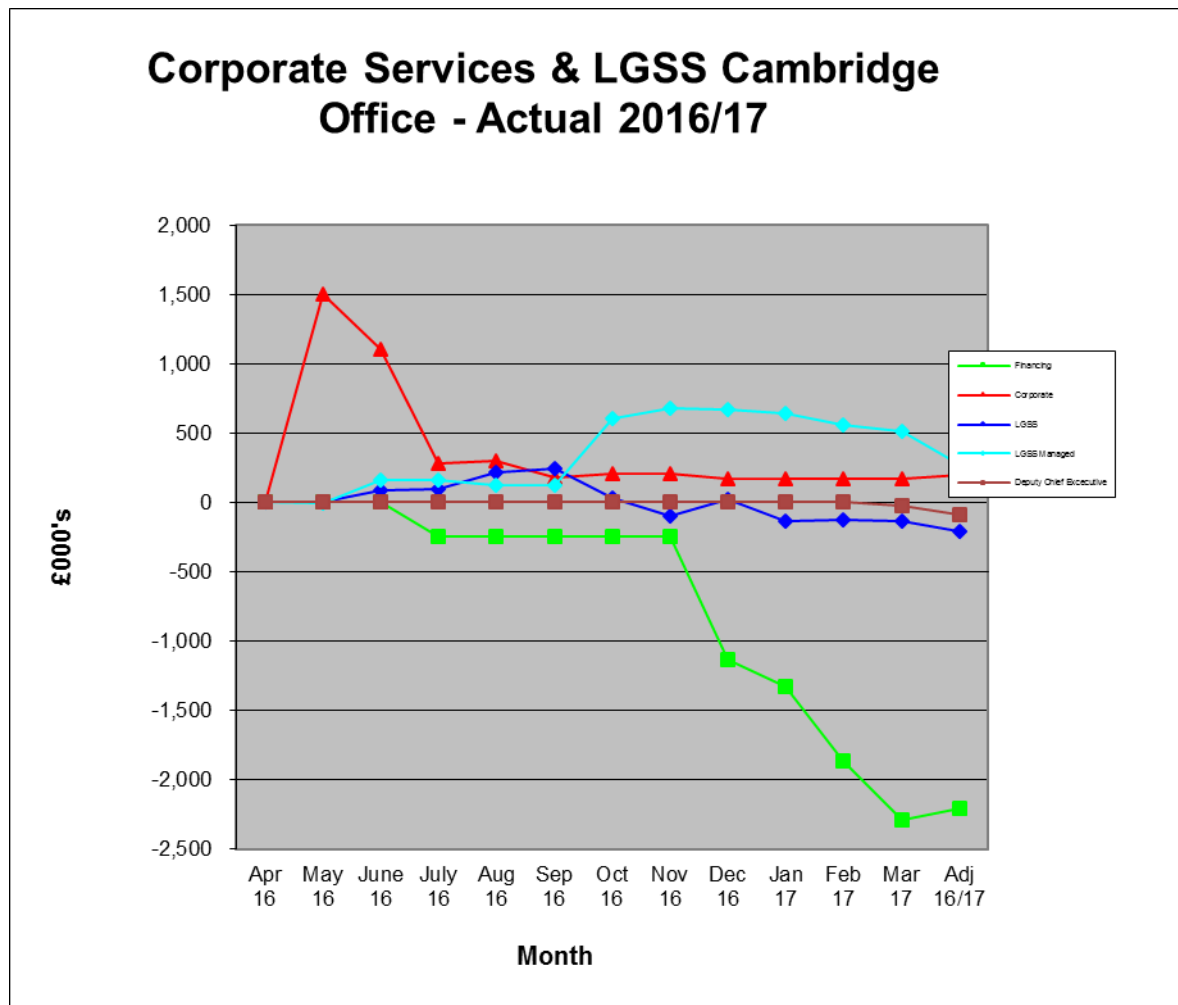
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP (1)	Directorate	Current Budget	Forecast Variance - Outturn (March)	Actual Variance	Actual Variance	Final Status	DoT
£000		£000	£000	£000	%		
4,675	Corporate and Customer Services	5,038	173	195	4	Amber	↓
-1	Deputy Chief Executive	763	-25	-84	-28	Green	↑
6,010	LGSS Managed	3,973	517	270	7	Amber	↑
34,206	Financing Costs	34,206	-2,290	-2,207	-6	Green	↓
44,890	Sub Total	43,980	-1,625	-1,826			
8,713	LGSS Cambridge Office	8,415	-134	-212	-3	Green	↑
53,603	Total	52,396	-1,758	-2,039			

The final service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs as at the end of 2016/17 can be found in [CS appendix 1](#).

The final service level budgetary control report for LGSS Cambridge Office as at the end of 2016/17 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 and Customer Services

- The overall position for Corporate and Customer Services budgets in 2016/17 was a year-end overspend of £195k, an increase of £22k on the figure reported in March. This increase was primarily due to £15k funding required for marketing expenses of the Communications and Information team.
- There were no exceptions to report this month.

2.2.2 Significant Issues – Deputy Chief Executive

- The final position for Deputy Chief Executive budgets in 2016/17 was an underspend of £84k at year-end, an increase of £59k since last month. This underspend was due to posts being held vacant pending the implementation of the Corporate Capacity Review.

- There were no exceptions to report during the closedown period.

2.2.3 Significant Issues – LGSS Managed

- The overall position for LGSS Managed for 2016/17 was a year-end overspend of £270k, a reduction of £247k compared to the March figures. This reduction is primarily due to the underspend on Authority-wide Miscellaneous budgets.
- Authority-wide Miscellaneous budgets reported an underspend of £142k at year-end. This was made up of an accrual for the ESPO rebate, which is expected to exceed the budget by £220k, offset by charges of £80k covering the provision for bad debt, banking charges and miscellaneous balances.

2.2.4 Significant Issues – Financing Costs

- Financing costs were underspent by 2,207k at year-end, a reduction of £83k from the figure reported at the end of March.
- There was an underspend of £2,207k on Debt Charges. Net payments were less than budgeted because fewer long term loans were raised during the year than had been budgeted. The final position reflected several factors: new loans raised on a short term basis (up to 3 months) to take advantage of cheaper rates of interest than originally budgeted (£500k); receipt of interest for S106 (£1,015k), which wasn't budgeted; and the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The pressure against the Minimum Revenue Provision (MRP) was offset by underspends within the debt charges budget resulting in a net underspend of £2.207m.
- There were no exceptions to report for the closedown period.

2.2.5 Significant Issues – LGSS Cambridge Office

- The final position for LGSS Cambridge Office in 2016/17 was an underspend of £212k, an increase of £78k since March month end.
- The year-end deficit / surplus on LGSS Operational budgets is subject to a sharing arrangement with Northamptonshire County Council and Milton Keynes Council and was therefore split between partner authorities on the basis of net budget, with an equalisation adjustment processed accordingly at year-end.
- There was a year-end deficit of £689k on the consolidated trading activities in place prior to April 2016. This was ring-fenced and met from the LGSS Smoothing Reserve at year-end.
- There were no exceptions to report during the closedown period.

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 during the closedown period.

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 were made during the closedown period to reflect changes in responsibilities.

Corporate and Customer Services:

	£	Notes
Non material virements (+/- £30k)	6,000	

Deputy Chief Executive:

	£	Notes
Non material virements (+/- £30k)	-6,000	

LGSS Managed:

	£	Notes
Transfer from ETE to LGSS Managed	32,013	Insurance match funding adjustment
Non material virements (+/- £30k)	0	

LGSS Cambridge Office:

	£	Notes
Transfer from Assets and Investment to LGSS	-217,231	LGSS savings charged to CCC
Non material virements (+/- £30k)	0	

A full list of virements made in the year to date for Corporate and Customer 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 had a capital budget of £178k in 2016/17 and there was £184k spend at year-end.

Due to the phasing of projects, work commenced during 2016/17 on projects which formed part of the Business Planning proposals for Citizen First Digital First in 2017/18. The project therefore required rephasing, and funding of £130k was brought forward from the Citizen First Digital First budget for 2017/18 to cover the costs incurred in 2016/17. This did not affect the total scheme costs.

The Corporate Services scheme budgets were underspent by £6k at year-end, also resulting in a total scheme variance of this amount. Therefore the capital programme variation target of £12k was not achieved, resulting in an overspend of £6k in 2016/17.

- LGSS Managed had a capital budget of £4m in 2016/17 and there was expenditure of £3.1m in 2016/17. The programme was underspent by £0.9m at year-end, and total scheme variances amounted to £38k across the programme.

LGSS Managed reported in-year slippage of £2.0m on the capital scheme budgets. This exceeded the capital variation budget allocation of £1m, resulting in an underspend of £0.9m across the programme in 2016/17.

There were no new exceptions to report for the closedown period.

- LGSS Cambridge Office had a capital budget of £758k in 2016/17 and there was spend to year-end of £592k. The capital scheme budgets were underspent by £166k at year-end and the total scheme variances amounted to £0k across the programme.

LGSS Cambridge Office reported in-year slippage of £321k on the capital scheme budgets. This exceeded the allowance of £155k made for capital programme variations, leading to an underspend of £166k across the programme in 2016/17.

There were no new exceptions to report for the closedown period.

Funding

- Corporate Services had capital funding of £178k in 2016/17. As reported above, the Corporate Services budget was overspent by £6k, which resulted in an additional funding requirement of this amount.
- LGSS Managed had capital funding of £4.1m in 2016/17. As reported above, the LGSS Managed budget was underspent by £0.9m which resulted in a reduced funding requirement of this amount.

Capital receipts of £777k were applied against LGSS Managed IT schemes at year-end, which resulted in a reduced borrowing requirement of this amount.

- LGSS Cambridge Office had capital funding of £758k in 2016/17. As reported above, the LGSS Cambridge Office budget was underspent by £166k, which resulted in a reduced funding requirement of this amount.

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 Corporate and Customer Services and LGSS Managed Services.

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
Corporate & Customer Services									
Proportion of FOI requests responded to within timescales	Monthly	High	%	06/04/17	90.0%	87.0%	Amber	↑	106 FOI requests due, 92 sent on time. An additional 4 completed within timescale would have ensured the target was met.
For context only - number of FOI requests received annually	Annually	Low	Num	06/04/17	N/A*	1,290	N/A	N/A	Running total will be collected quarterly. Data to be next reported on in April 2017 to include Q4 2016/17.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	05/04/17	90.0%	89.4%	Amber	↑	Number of customer complaints for January 2017 = 104 Breakdown of January 2017 figures Complaints for January were: ETE 65 complaints 61 responded in time (93.8%) CFA 37 complaints 30 responded in time (81.1%) Corporate 2 complaints both responded in time. One more complaint completed in timescale would have meant this indicator met target for the reporting period
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 period of 1 April 2016 - 31 March 2017
Proportion of all transformed transaction types to be completed online by 31 March 2017***	Quarterly	High	%	05/04/17	75.0%	75.2%	Green	↑	Performance against this measure has consistently increased throughout the year (55.8% in Q2, 64.9% in Q3 and now 75.2% in Q4). Achieving and maintaining target remains a significant challenge 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 reported on in May 2017 for year end.
LGSS Managed Services									
IT – availability of Universal Business System****	Half-yearly	High	%	05/05/17	95.0%	99.7%	Green	↑	Performance for the period April to September 2016 was 99.4%
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	05/05/17	90.0%	81.8%	Red	↑	This indicator refers to the response rate of the IT Help Desk. During the period Oct 2016 – March 2017 the Platform Stability Plan was introduced. This was a detailed programme of activity to look in depth at every aspect of our IT infrastructure to identify the underlying issues we had been experiencing and to resolve these issues so that the Council's IT infrastructure could be stabilised. The under performance against the target of 90% during this period relates to the high volume of calls that were experienced during the early part of this six month period, whilst the IT infrastructure was still unstable. During this time some support capacity was also diverted from the Help Desk to help with the delivery of the Platform Stability Plan, so this too affected the ability of the Help Desk to resolve issues promptly. In the final months of the year 2016/17 we have seen the Help Desk resolution figures move into amber as a direct result of the positive work achieved through the Platform Stability Plan. We expect to see this improvement continue in the figures for the first period of 2017/18. Alongside this the IT Service Manager will be reviewing the effectiveness of the call recording system used by the Help Desk and will monitor its use to ensure all calls are recorded appropriately.

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 the 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	%	01/04/17	97.5%	99.6%	Green	↔	99.6% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/04/17	97.5%	99.6%	Green	↔	99.6% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/04/17	10.0%	6.1%	Green	↓	3.8 % last period
Percentage of debt over 90 days old	Monthly	Low	%	01/04/17	20.0%	17.2%	Green	↑	32.8% last period

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The final variances as at the end of the 2016/17 financial year for Corporate and Customer Services, Chief Executive, LGSS Managed and Financing Costs were as follows:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (Mar) £000	Actual Variance 2016/17 £000	Actual Variance 2016/17 %
<u>Corporate & Customer Services</u>					
-1,022	Director, Corporate & Customer Services	-1,102	290	315	29
686	Business Intelligence	955	-3	-7	-1
198	Chief Executive	198	-77	-77	-39
1,434	City Deal	1,434	0	0	0
545	Communications & Information	691	-6	-5	-1
1,305	Customer Services	1,382	0	0	0
381	Digital Strategy	381	0	0	0
176	Emergency Planning	181	-10	-10	-5
165	Elections	165	0	0	0
908	Redundancy, Pensions & Injury	908	-22	-23	-3
-101	Grant Income	-154	0	0	0
4,675		5,038	173	195	4
<u>Deputy Chief Executive</u>					
0	Resources Directorate	221	0	-45	-20
-1	Transformation Team	541	-25	-40	-7
0	Grant Income	0	0	0	0
-1		763	-25	-84	-28
<u>LGSS Managed</u>					
141	External Audit	141	0	-46	-33
1,894	Insurance	-137	0	0	0
1,869	IT Managed	1,863	156	107	6
1,020	Members' Allowances	1,020	-43	-45	-4
131	OWD Managed	131	-45	-48	-36
108	Subscriptions	108	0	-3	-3
1,000	Corporate Redundancies	1,000	450	446	45
-53	Authority-wide Miscellaneous	-53	0	-142	-267
-100	Grant Income	-100	0	0	0
6,010		3,973	517	270	7
<u>Financing Costs</u>					
34,206	Debt Charges and Interest	34,206	-2,290	-2,207	-6
44,890	CORPORATE SERVICES TOTAL	43,980	-1,625	-1,826	-4
<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	-53	0	0	0
	Transformation Team Grants	0	0	0	0
-265		-254	0	0	0

CS APPENDIX 2 – Commentary on the Final 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 £'000 %	
Director, Corporate and Customer Services	-1,102	315	29%
<p>There was a final overspend of £315k for Director, Corporate and Customer Services, which represents an increase of £25k since the March figures. This increase was due to an adjustment in the additional support to Grants to Voluntary Organisations.</p> <p>The position had previously improved by £18k, due to £12k additional support for Grants to Voluntary Organisations, offset by £30k budgeted support for Corporate teams which is not now required as a result of ongoing work on Corporate Capacity Review.</p> <p>As predicted, Corporate Capacity Review (CCR) was unable to achieve the full year savings that were anticipated in Business Planning in the current year, with a final shortfall reported of £408k.</p> <p>This was because the CCR timetable was extended for a number of reasons: so that the initial proposals and the confirmed structures could be fully informed by discussions with, and feedback from, staff; the consultation timescale for CCR 1 was specifically extended in response to staff feedback to ensure meaningful consultation with staff who were brought into scope for the review during the consultation period; the application, selection and recruitment process for CCR 2 was extended in response to staff feedback who requested more time to consider their applications in response to the confirmed structure and to ensure new senior appointees could be fully involved in recruiting their new teams.</p> <p>A recruitment freeze was put in place since the consultation process commenced to mitigate the pressures resulting from this extension to the timescale.</p> <p>In addition to the factors set out above, further measures were adopted to reduce this pressure:</p> <ul style="list-style-type: none"> • Other proposed re-structures across the Council were brought forward, including the potential for jointly funded posts with other organisations; • Release of the provision for the contractual liability in relation to Capita/Mouchel latent defect corrections, which was identified as being no longer required. • Improved rates of collection of debt also contributed to the overall picture. 			
IT Managed	1,863	107	6%
<p>The final position on IT Managed budgets in 2016/17 was an overspend of £107k, a reduction of £49k compared to last month. This improvement was due to an increase in the funding made available from CCC corporate budgets to cover £140k of necessary expenditure on IT asset replacement, for which there was no budget provision. As</p>			

Service	Current Budget £'000	Current Variance £'000	%
previously reported, the balance of the overspend was 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.			
Corporate Redundancies	1,000	446	45
There was a final overspend of £446k on the Corporate Redundancies budget in 2016/17, a reduction of £4k since March month-end. The overspend included £550k of costs relating to Corporate Capacity Review Phase 1, offset by a small underspend on non-CCR redundancies (£100k). As agreed in the Business Plan for 2016/17, the Council 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 was anticipated that this year the level of costs incurred would exceed this provision.			
Debt Charges	34,206	-2,207	-6
<p>Financing costs were underspent by 2,207k at year-end, a reduction of £83k from the figure reported at the end of March.</p> <p>Net payments were less than budgeted because fewer long term loans were raised during the year than had been budgeted. The final position reflected several factors: new loans raised on a short term basis (up to 3 months) to take advantage of cheaper rates of interest than originally budgeted (£500k); receipt of interest for S106 (£1,015k), which wasn't budgeted; and the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The pressure against the Minimum Revenue Provision (MRP) was offset by underspends within the debt charges budget resulting in a net underspend of £2.207m.</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	Amount £000
Grants as per Business Plan	Public Health	201
LGA Digital Transformation		40
Non-material grants (+/- £30k)		13
Total Grants 2016/17		254

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	
Transfer of Advocacy Fund (Healthwatch) budget to CFA	-45	
Transfer of CCR1 budgets to Corporate Services	208	
Correction of computer software virement	37	
Non-material virements (+/- £30k)	35	
Current Budget 2016/17	5,038	

Deputy Chief Executive:

	£000	Notes
Budget as per Business Plan	0	
Transfer of Trainee budget to Resources Directorate	79	
Transfer of Chief Finance Officer budgets to Resources Directorate	65	
Transfer of CCR1 Transformation Team budgets	591	
Correction of computer software virement	-37	
Correction of apportionment of savings target achieved by Professional Finance team	57	
Non-material virements (+/- £30k)	8	
Current Budget 2016/17	763	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	8,720	
Disaggregation of Assets and Investments budgets	-2,714	
Insurance charges match funding	-2,063	
Insurance charges match funding adjustment	32	
Non-material virements (+/- £30k)	-2	
Current Budget 2016/17	3,973	

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 as at 31 March 2017	Notes
	£'000		£'000	
<u>General Reserve</u>				
Corporate Services Carry-forward	1,218	-1,282	-64	1
subtotal	1,218	-1,282	-64	
<u>Equipment Reserves</u>				
Postal Service	57	0	57	
subtotal	57	0	57	
<u>Other Earmarked Funds</u>				
Shape Your Place - Fenland Grant	18	-4	14	2
Election Processes	325	146	471	
EDRM Project	232	-138	94	
City Deal - NHB funding	699	1,379	2,078	
subtotal	1,274	1,382	2,656	
<u>Short Term Provisions</u>				
Transforming Cambridgeshire	0	0	0	3
Overarching Transformation Programme	0	0	0	
Transformation Fund	250	-250	0	
Community Resilience	100	-36	64	4
subtotal	350	-286	64	
TOTAL	2,900	-186	2,713	

Notes

- 1 As previously approved, £242k funding was applied to support the Contact Centre budget, and £153k to fund Transformation services in 2016/17. In addition, £140k was applied to support necessary IT expenditure and £498k to fund the shortfall in CCR savings. The year-end position does not reflect the Corporate Services overspend of £195k which was transferred to the General Fund.
- 2 The underspend of £146k on the Elections budget was transferred to the earmarked reserve. This is to ensure that sufficient funding is available for the four-yearly County
- 3 This account was re-classified as an earmarked reserve as a result of the external audit of the 2015/16 accounts. The opening balance was therefore transferred to the Transformation Fund reserve, which is reported in Appendix 2 of the Integrated
- 4 Funding of £36k was applied from this provision to cover expenses in respect of Community Resilience.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance as at 31 March 2017	Notes
	£'000	£'000	£'000	
Other Earmarked Funds				
CPSN Partnership Funds	149	-3	146	1
subtotal	149	-3	146	
Short Term Provisions				
Insurance Short-term Provision	2,324	-1,414	911	
External Audit Costs	89	-75	14	
Insurance MMI Provision	1,182	0	1,182	
Back-scanning Reserve	56	0	56	
Contracts General Reserve	893	0	893	
Operating Model Reserve	0	0	0	3
subtotal	4,545	-1,488	3,056	
Long Term Provisions				
Insurance Long-term Provision	3,613	0	3,613	
subtotal	3,613	0	3,613	
SUBTOTAL	8,306	-1,491	6,815	
Capital Reserves				
P&P Commissioning (Property)	422	-350	72	2
subtotal	422	-350	72	
TOTAL	8,728	-1,841	6,887	

Notes

- 1 Funds ring-fenced for CPSN partnership to be used for procurement of replacement contract.
- 2 Reserves totalling £322k were written back to revenue - this related to Capita/Mouchel latent defect corrections for which no further costs are expected.
- 3 This account was re-classified as an earmarked reserve as a result of the external audit of the 2015-16 accounts. The opening balance was therefore transferred to the Transformation Fund reserve, which is reported in Appendix 2 of the Integrated Resources Performance Report.

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	Actual Variance 2016/17 £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services					
33	Essential CCC Business Systems Upgrade	60	54	(6)	300	-
	Citizen First, Digital First	130	130	(0)	130	-
-	Other Schemes	-	-	-	-	-
-	Capital Programme Variations	(12)	-	12	-	-
33		178	184	6	430	-
	LGSS Managed					
1,105	Sawston Community Hub	1,105	20	(1,085)	1,309	-
1,150	Optimising IT for Smarter Business Working	1,638	2,070	432	3,375	432
900	IT Infrastructure Investment	912	235	(677)	2,400	(432)
-	Cambridgeshire Public Sector Network	33	33	0	5,554	1
1,000	Microsoft Enterprise Agreement	1,000	496	(504)	1,902	-
250	Implementing IT Resilience Strategy for Data Centres	250	74	(176)	500	-
-	Achieve wireless across CCC sites	87	125	38	100	38
-	Other Schemes	-	-	-	-	-
-	Capital Programme Variations	(1,029)	-	1,029	-	-
4,405		3,996	3,054	(942)	15,140	38
4,438	TOTAL	4,174	3,237	(937)	15,570	38

Previously Reported Exceptions

The Optimising IT for Smarter Business Working scheme budget was rephased, resulting in an increase of £500k in the budget for 2016/17. The scheme was overspent in 2016/17 by £430k but this was offset by an underspend of £677k on the IT Infrastructure Investment scheme. The combined total scheme cost of the two schemes is unchanged.

Sawston Community Hub was underspent by £1.1m in 2016/17 due to a delay in obtaining planning permission. As a result, construction work did not start before year-end and the expenditure planned for 2016/17 will now be re-phased to 2017/18.

Microsoft Enterprise Agreement scheme underspent 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 has been re-phased to 2017/18.

As agreed by the Capital Programme Board, any forecast underspend in the capital programme was offset against the capital programme variations budget, leading to a balanced outturn overall. Slippage in the capital programme for LGSS Managed exceeded its capital variation budget allocation of £1m, resulting in an underspend of £0.9m in 2016/17. The capital programme variation target for Corporate Services was not achieved, and this resulted in an overspend of £6k.

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	Actual Spend £000	Actual Funding Variance £000
	Corporate Services			
33	Prudential Borrowing	178	184	6
33		178	184	6
	LGSS Managed			
-	Capital Receipts	-	777	777
4,405	Prudential Borrowing	3,996	2,277	(1,719)
4,405		3,996	3,054	(942)
4,438	TOTAL	4,174	3,237	(937)

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 started to be reported, these were offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeded 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
Corporate & Customer Services										
Proportion of FOI requests responded to within timescales	Monthly	High	%	06/04/17	1-31 March 2017	90%	87%	Amber	↑	106 FOI requests due, 92 sent on time. An additional 4 completed within timescale would have ensured the target was met.
For context only - number of FOI requests received annually	Annually	Low	Num	06/04/17	1 April 2016 - 31 March 2017	N/A*	1,290	N/A	N/A	* No target or RAG status for this indicator. Purpose is to set the context. 2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834 Running total will be collected quarterly. Data to be next reported on in July 2017 to include Q1 2017/18.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	05/04/17	1 - 31 January 2017	90%	89.4%	Amber	↑	Number of customer complaints for January 2017 = 104 <u>Breakdown of January 2017 figures</u> Complaints for January were: ETE 65 complaints 61 responded in time (93.8%) CFA 37 complaints 30 responded in time (81.1%) Corporate 2 complaints both responded in time. One more complaint completed in timescale would have meant this indicator met target for the reporting period
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	2014/15 was 1.68. * No target or RAG status for this indicator. Purpose is to set the context. Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017
Proportion of all transformed transaction types to be completed online by 31 March 2017***	Quarterly	High	%	05/04/17	1 January - 31 March 2017	75%	75.2%	Green	↑	Performance against this measure has consistently increased throughout the year (55.8% in Q2, 64.9% in Q3 and now 75.2% in Q4). Achieving and maintaining target remains a significant challenge 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	New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health. Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data. Data to be reported on in May 2017 for year end.

LGSS Managed Services										
IT – availability of Universal Business System***** IT Availability (ref: IT02)	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	95%	99.7%	Green	↑	Performance for the period April to September 2016 was 99.4%
IT – incidents resolved within Service Level Agreement (ref: IT01)	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	90%	81.8%	Red	↑	<p>This indicator refers to the response rate of the IT Help Desk. During the period Oct 2016 – March 2017 the Platform Stability Plan was introduced. This was a detailed programme of activity to look in depth at every aspect of our IT infrastructure to identify the underlying issues we had been experiencing and to resolve these issues so that the Council's IT infrastructure could be stabilised. The under performance against the target of 90% during this period relates to the high volume of calls that were experienced during the early part of this six month period, whilst the IT infrastructure was still unstable. During this time some support capacity was also diverted from the Help Desk to help with the delivery of the Platform Stability Plan, so this too affected the ability of the Help Desk to resolve issues promptly. In the final months of the year 2016/17 we have seen the Help Desk resolution figures move into amber as a direct result of the positive work achieved through the Platform Stability Plan. We expect to see this improvement continue in the figures for the first period of 2017/18. Alongside this the IT Service Manager will be reviewing the effectiveness of the call recording system used by the Help Desk and will monitor its use to ensure all calls are recorded appropriately.</p>

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The final variances as at the end of the 2016-17 financial year for LGSS Cambridge Office were as follows:

Original Budget as per BP £000	Service	Current Budget for £000	Forecast Variance - Outturn £000	Actual Variance 2016/17 £000	Actual Variance 2016/17 %
<u>LGSS Cambridge Office</u>					
0	<u>Managing Director Costs</u>	0	50	60	0
<u>Strategic Management</u>					
0	Medium Term Planning	34	0	0	0
-8,787	Trading	-9,322	0	0	0
1,106	LGSS Equalisation	1,044	0	0	0
-410	Grant Income	-454	0	0	0
-8,091		-8,698	0	0	0
<u>Finance Services</u>					
740	Audit	347	-24	-34	-10
1,548	Finance Operations	1,586	-25	-47	-3
231	Integrated Finance Services	181	5	54	30
101	LGSS Business Planning & Finance	51	14	23	45
2,643	Professional Finance	2,474	16	-59	-2
0	Pensions Service	0	0	0	0
5,262		4,639	-14	-63	-1
<u>Human Resources</u>					
1,334	Business Partners	1,333	-46	-34	-3
299	Policy, Workforce Planning & Health & Safety	267	-38	-39	-15
291	Learning & Development	225	-35	-37	-16
-272	Transactional Services	84	-82	-78	-93
1,652		1,909	-200	-188	-10
<u>Business Services, Systems & Change</u>					
1,852	Business Systems & Change	1,971	77	93	5
62	Customer Engagement	8	0	0	5
213	Procurement	312	-52	-76	-24
2,327	Revenues and Benefits	2,382	-11	0	0
4,455		4,674	14	17	0
<u>Law & Governance</u>					
425	Democratic & Scrutiny Services	420	-29	-46	-11
-174	LGSS Law Ltd	102	0	39	-38
250		522	-29	-8	-2
5,184	<u>IT Services</u>	5,370	45	-31	-1
8,713	Total LGSS Cambridge Office	8,415	-134	-212	-3
MEMORANDUM - Grant Income					
-220	Public Health Grant	-220	0	0	0
0	Counter Fraud Initiative Grant	-234	0	0	0
-220		-454	0	0	0

LGSS APPENDIX 2 – Commentary on the Final 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	
		£'000	%
Medium Term Planning	34	0	0
Medium Term Planning budgets finished the year with a balanced budget, as compared to an underspend of £121k reported earlier in the year. This was because the CCC share of unbudgeted MKC savings was removed from individual service lines to create a contingency.			
IT Services	5,370	-31	-1
<p>IT Services in the LGSS Cambridge Office were underspent by £31k at year end, an improvement of £76k from last month.</p> <p>There was an £89k additional cost in CCC Operations required for unbudgeted contractors as part of the CCC Platform Stability Plan. The net share of other pressures and savings for CCC was a forecast underspend of £58k.</p> <p>There was a £29k overspend within NCC/CCC operations due to the additional recruitment of digital analysts and developer posts recruited over and above the establishment in agreement with NCC and CCC. These posts are in part covered by recharges and further mitigated by underspends within service.</p> <p>Service Delivery was £28k overspent due to recharges and income recovery targets not being met.</p> <p>There were also budget pressures of approximately £282k which have been mitigated by staff vacancies, additional income and additional recharging to, for example, capital projects.</p>			

LGSS APPENDIX 3 – Grant Income Analysis

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

	Awarding Body	Amount £'000
Grants as per Business Plan	Various	220
Counter Fraud Fund	CFIG	234
Non-material grants (+/- £30k)		0
Total Grants 2016/17		454

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	
Transfer of Strategic Assets and Property Services budgets from LGSS Finance to Assets and Investments	-1,531	
Transfer of Trainee budgets Resources Directorate	-79	
Transfer of Operational Savings funding re Citrix	78	
Transfer of CFO budgets to Resources Directorate	-65	
Transfer of Operational Savings funding re Next Generation ERP	140	
Correction of apportionment of savings target achieved by Professional Finance team	-57	
LGSS savings charged to CCC	-217	
Non-material virements (+/- £30k)	10	
Current Budget 2016-17	8,415	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance as at 31 March 2017	Notes
	£'000	£'000	£'000	
General Reserve				
LGSS Cambridge Office Carry-forward	1,013	-403	609	1
subtotal	1,013	-403	609	
Other Earmarked Funds				
Counter Fraud Initiative	130	-130	0	
subtotal	130	-130	0	
SUBTOTAL	1,143	-534	609	
TOTAL	1,143	-534	609	

Notes

- The year-end position reflected £404k use of operational savings. At year-end there were drawdowns of £345k for the CCC 50% share of the trading deficit, £27k re the net requirement for carry forward bids and a £212k contribution as a result of the 2016/17 underspend. £104k was drawn down in respect of Citrix Farm expenditure and £140k revenue funding for the Next Generation ERP capital scheme.

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	Actual Variance 2016/17 £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
-	R12 Convergence*	-	-	-	416	-
1,104	Next Generation ERP	913	592	(321)	1,428	-
-	Capital Programme Variations	(155)	-	155	-	-
1,104	TOTAL	758	592	(166)	1,844	-

Previously Reported Exceptions

As previously reported, the Next Generation ERP budget for 2017/18 was increased by £140k and the total scheme budget was also adjusted by this amount. This adjustment represented a correction to the budget as previously reported and was funded by a £140k revenue contribution from LGSS Operational Savings which was not previously reflected in the figures.

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	Actual Spend £000	Actual Funding Variance £000
-	Other Contributions	140	140	-
1,104	Prudential Borrowing	618	452	(166)
1,104	TOTAL	758	592	(166)

Previously Reported Exceptions

As reported above, the Next Generation ERP budget capital was increased by £140k. This was a correction to the budget and was funded by a £140k revenue contribution from LGSS Operational Savings.