

**Corporate Services and LGSS Cambridge Office****Finance and Performance Report – July 2017****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
July Number of indicators)	3	1	6	10

**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 Commercial and Investment Committee have been disaggregated from these figures.

*The worsening position seen overall in this report is subject to action by officers to address. Mitigations identified in corporate areas, but reported outside of this report, include additional income from the County Offices estate and Business Rates.*

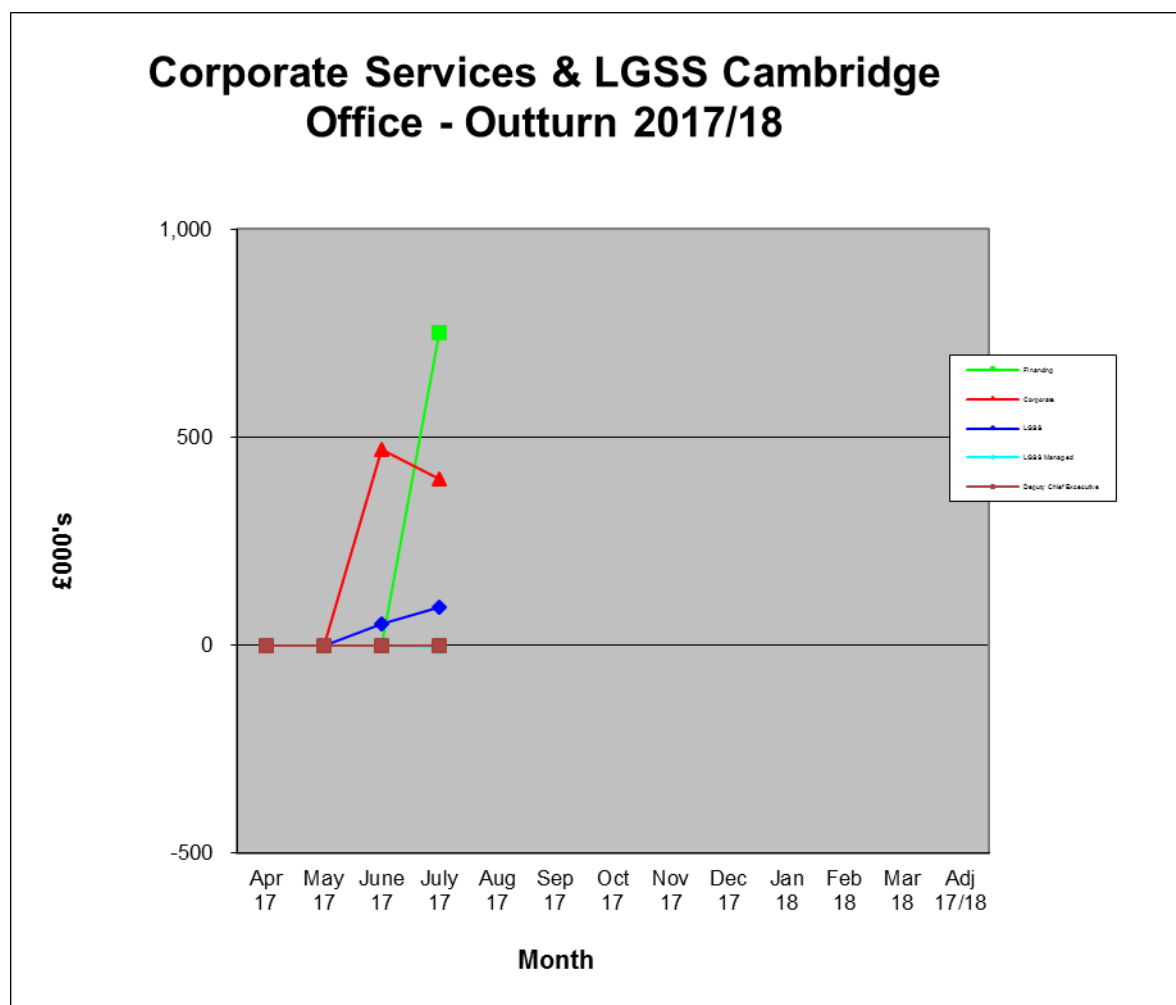
Original Budget as per BP (1)	Directorate	Current Budget	Forecast Variance - Outturn (June)	Forecast Variance - Outturn (July)	Forecast Variance - Outturn (July)	Current Status	DoT
£000		£000	£000	£000	%		
6,914	Corporate and Customer Services	6,227	470	400	6	Amber	↑
223	Deputy Chief Executive	236	0	0	0	Green	↔
13,626	LGSS Managed	13,560	0	-5	0	Green	↑
22,803	Financing Costs	22,803	0	750	3	Amber	↓
<b>43,566</b>	<b>Sub Total</b>	<b>42,827</b>	<b>470</b>	<b>1,145</b>			
7,746	LGSS Cambridge Office	9,396	50	90	1	Amber	↓
<b>51,312</b>	<b>Total</b>	<b>52,223</b>	<b>520</b>	<b>1,235</b>			

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for July 2017 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for July 2017 can be found in [LGSS appendix 1](#)

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

*The appendices are published online only and not printed for Committee.*



### 2.2.1 Significant Issues – Corporate and Customer Services

- Corporate and Customer Services budgets are currently predicting an overspend of £400k at year-end, which is an improvement of £70k on the position reported last month. This is due to the following new variance:
  - The Chief Executive budget is reporting an underspend of £70k due to the saving generated by the shared Chief Executive post.

Further mitigations are being sought so that this continues to improve.

### 2.2.2 Significant Issues – Deputy Chief Executive

- Deputy Chief Executive budgets are forecast to be in balance at year-end.
- There are no exceptions to report this month.

### 2.2.3 Significant Issues – LGSS Managed

- LGSS Managed budgets are currently predicted to be underspent by £5k at year-end.
- There are no exceptions to report this month.

### 2.2.4 Significant Issues – Financing Costs

- The Housing Investment Company is a new initiative for the Council, and a new income stream is forecast. After re-phasing, there are greater returns in future years but a +£750k pressure within 2017-18. Timescales set within the business plan were deliberately ambitious. Planning permission is being actively progressed on schemes in order to maximise asset values. The Resources directorate has identified some mitigation from the County Offices budget and is working to reduce the pressure further.
- There are no exceptions to report for this month.

### 2.2.5 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is predicting an overspend of £90k at year-end, which is an increase of £40k from last month.
- 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.
- There is a forecast deficit of £217k on the consolidated trading activities. This will be offset through the LGSS Smoothing Reserve, which has been built up in previous financial years to address potential trading risk.
- There are no material exceptions (over £100k) to report for this month.

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

The following items above the de minimis reporting limit were recorded during July 2017.

#### Deputy Chief Executive:

Grant	Awarding Body	Expected Amount £
One Public Estate	Cabinet Office	90,000
Non-material grants (+/- £30k)		0

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.

### **Corporate and Customer Services:**

	<b>£</b>	<b>Notes</b>
Transfer from CS to ETE	170,000	Transfer of Waste demography funding
Transfer From CS to CFA	2,913,000	Transfer of LAC demography funding
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 and Transformation schemes have a capital budget of £3.3m in 2017/18 and there is £77k spend to date. In-year slippage of £516k is forecast for the capital programme, which exceeds the Capital Programme Variation budget of £279k, resulting in a favourable forecast outturn variance of £237k.

The Citizen First, Digital First scheme budget is predicted to underspend by £516k in 2017/18, due to revised timescales for implementing the projects as detailed in the latest business case analyses. This will not affect total scheme costs.

- LGSS Managed has a capital budget of £0.85m in 2017/18 and there is expenditure of £20k to date. A balanced position is currently forecast at year-end and a nil total scheme variance is forecast.

The Sawston Community Hub scheme has been transferred to the remit of Commercial & Investment Board, so the LGSS Managed capital budget has reduced by £1.2m and capital programme variations budgets have been realigned accordingly, leading to a net reduction of £1.05m.

- LGSS Cambridge Office has a capital budget of £301k in 2017/18 and there is no spend to date. The capital scheme budgets are predicted to be in balance at year-end and total scheme variances of £0k are forecast across the programme.

There were no new exceptions to report for July.

### Funding

- Corporate Services and Transformation schemes have capital funding of £2.7m in 2017/18.

As reported above, the Citizen First, Digital First budget is predicted to underspend by £516k this year. This is offset by the Capital Programme Variation budget, resulting in a net reduction of £237k in the borrowing requirement for 2017/18.

- LGSS Managed has capital funding of £0.85m in 2017/18.

A balanced programme budget is forecast, and the current expectation is that this funding continues to be required in line with the revised budget proposals.

- LGSS Cambridge Office has capital funding of £301k in 2017/18.

As reported above, a balanced budget is forecast, and the current expectation is that this funding 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 full scorecard for Customer Services and Transformation and LGSS Managed Services can be found at [CS appendix 7](#). Following the recent CCR restructure a new indicator set is under development that will better reflect the work undertaken by the new corporate directorate. It is envisaged that this work will be completed for the next reporting period.

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	%	01/08/17	97.5%	99.6%	Green	↔	99.6% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/08/17	97.5%	99.6%	Green	↔	99.6% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/08/17	10.0%	6.3%	Green	↑	6.6% last period
Percentage of debt over 90 days old	Monthly	Low	%	01/08/17	20.0%	57.5%	Red	↓	23.5% last period

The appendices to this report can now be viewed in the online version of this report [here](#).