

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – October 2015

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
Green	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
October (Number of indicators)	1	1	5	7

2. INCOME AND EXPENDITURE

2.1 Overall Position

Original Budget as per BP ¹ £000	Service	Current Budget for 2015/16 £000	Forecast Variance - Outturn (Sep) £000	Forecast Variance - Outturn (Oct) £000	Forecast Variance - Outturn (Oct) %	Current Status	DoT
5,672	Corporate Services	6,166	-201	-281	-5	Green	↑
9,145	LGSS Managed	10,471	255	288	3	Amber	↓
35,460	Financing Costs	35,460	-1,960	-1,960	-6	Green	↔
50,277	Sub Total	52,097	-1,906	-1,953			□
							□
9,864	LGSS Cambridge Office	9,922	0	0	0	Green	↔
60,141	Total	62,019	-1,906	-1,953			

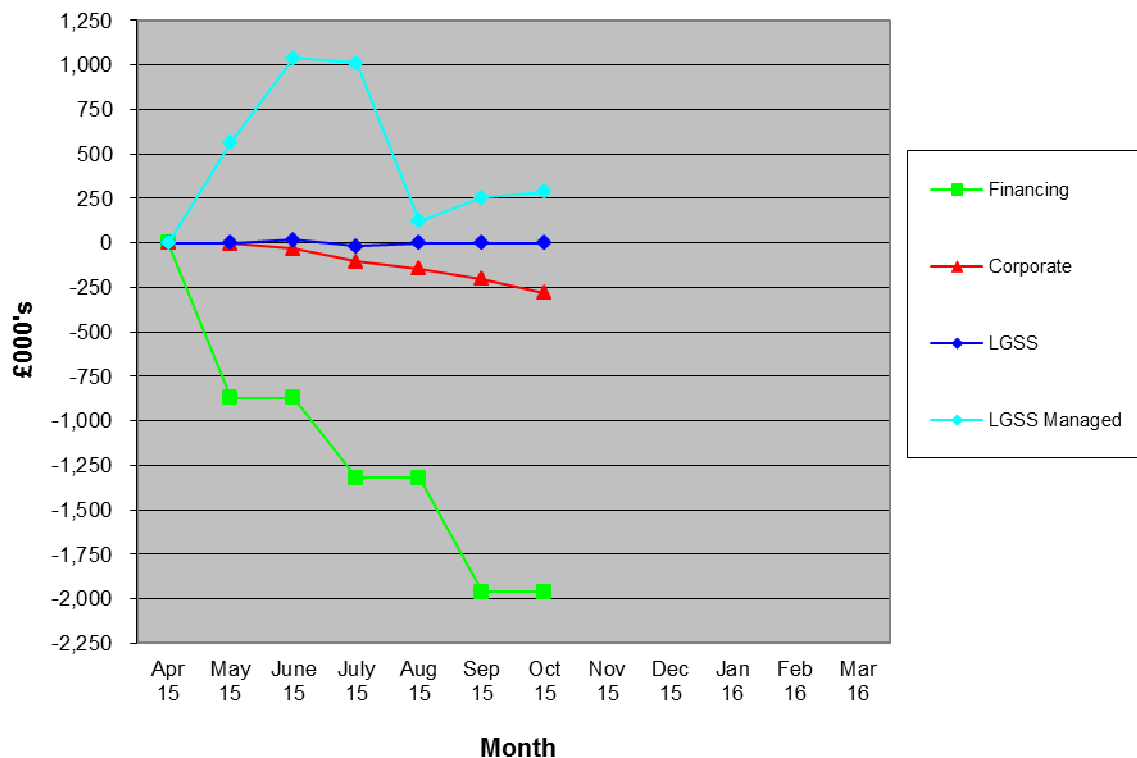
¹ The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for October 2015 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for October 2015 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 2015/16



2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end underspend of £281k, which is an £80k increase from the figure reported last month.
- 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 £288k, which is an increase of £33k from the figure reported last month.
- There are no new exceptions to report this month.

2.2.3 Significant Issues – Financing Costs

- Financing costs are unchanged this month, showing an underspend of £1.960m on the debt charges budget.
- There are no new exceptions to report this month.

2.2.4 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is currently predicting a breakeven position at year-end.
- There is currently a forecast overspend of £170k against the Trading budget. There is a deficit of £818k on the consolidated trading position, which relates to the forecast shortfall on additional trading activity in 2015/16 to meet the revised income target. This shortfall is being partially offset by in-year underspends across LGSS Directorates, and the balance required to ensure an overall breakeven position will be met from the LGSS Smoothing Reserve.
- LGSS Law Cambridge Office is forecasting an overspend of £105k, which represents its 50% share of the total overspend of £210k. The overspend reflects a £250k shortfall against the overall budgeted target profit and is partially offset by a £40k underspend in the Cambridge office due to an in-year vacancy and reduced expenditure on printing and other contracts. The budgeted target profit for LGSS Law Ltd is £536k which includes the “trading offset” stretch income target of £350k applied during 2014-15 budget planning process. It is currently estimated that the actual profit delivered will be in the region of £286k, which leaves a £250k shortfall against the target. In the previous financial year the shortfall against the target was £229k. At a time when the service is going through a period of significant change in systems and operating model, LGSS Law has been working towards achieving a proportionately higher level of surplus than previous years. It is envisaged that in the coming months there will be a reduction in cost once new systems and processes are fully operational.

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 October.

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:

	£000	Notes
Transfer from reserves to LGSS Cambridge Office	36	Transfer of funding from reserves re K2.
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 £386k in 2015/16 and there is spend to date of £76k. 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 £15.3m in 2015/16 and there is spend to date of £1.2m. It is currently expected that the programme will underspend by £6.0m at year-end and the total scheme variances will amount to an underspend of £6.8m across the programme.

There are no exceptions to report for October.

- LGSS Cambridge Office has a capital budget of £209k in 2015/16 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 October.

Funding

- Corporate Services has capital funding of £386k in 2015/16 with the current expectation being that this continues to be required in line with the original budget proposals.
- LGSS Managed has capital funding of £15.3m in 2015/16. As reported above, the LGSS Managed budget is expected to underspend by £6.0m, which will result in a reduced requirement of funding of this amount.

As the result of the reported underspend on the LGSS Managed capital programme, the overall prudential borrowing requirement has reduced by £5.0m.

- LGSS Cambridge Office has capital funding of £209k in 2015/16 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 & Transformation									
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/15	90.0%	97.0%	Green	↑	
For context only - number of FOI requests received annually	Annually	Low	Num	06/10/15	N/A*	628	N/A	N/A	Running total will be collected quarterly. Data to be next reported on in January 2016 for Q3 2015/16.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	08/10/15	90.0%	94.9%	Green	↑	Data for September 2015 were not available at the time of reporting. Data for September and October to be provided in December 2015.
For context only - number of complaints received annually per thousand population	Annually	Low	Num	27/04/15	N/A*	1.68**	N/A	N/A	Data to be next reported on in May 2016 for 2015/16
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	08/10/15	75.0%	71.3%	Amber	↓	To be next reported on in January 2016 for Q3 2015/16.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	N/A	51% (2015) 52% (2016)	49.5% (2014)	TBC	N/A	Data reported retrospectively for 2014. To be reported on in April/May 2016 for year end.
LGSS Managed Services									
Strategy and Estates – capital receipts target managed and achieved	Quarterly	High	%	03/11/15	98% (£250k gross)	99.0%	Green	↓	Data reported against cumulative quarterly targets
Strategy and Estates – farm estates income demanded and collected on time	Half-yearly	High	%	10/06/15	95% (£3.9m gross)	103.8%	Green	N/A	Data for Q1 and Q2 were not available at the time of reporting. This will be reported on in December 2015.
IT – availability of Universal Business System****	Quarterly	High	%	14/10/15	95.0%	100.0%	Green	↔	To be next reported on in February 2016 for Q3 2015/16.
IT – incidents resolved within Service Level Agreement	Quarterly	High	%	03/11/15	90.0%	83.0%	Red	↓	To next be reported on in Feb 2016 for Q3 2015/16

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	%	01/11/15	97.5%	99.7%	Green	↓	99.8% reported last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/11/15	97.5%	99.8%	Green	↔	99.8% reported last period
Total debt as a percentage of turnover	Monthly	Low	%	01/11/15	10.0%	4.4%	Green	↑	6.3% reported last period
Percentage of debt over 90 days old	Monthly	Low	%	01/11/15	20.0%	24.5%	Red	↓	17.9% reported last period

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of October 2015 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Original Budget as per BP £000	Service	Current Budget for 2015/16 £000	Forecast Variance - Outturn (Sep) £000	Forecast Variance - Outturn (Oct) £000	%
<u>Corporate Services</u>					
1,096	Director, Policy & Business Support	1,083	-61	-61	-6
296	Chief Executive	295	-16	-65	-22
433	Corporate Information Management	464	0	-3	-1
1,286	Customer Services	1,285	-45	-70	-5
511	Digital Strategy	826	0	0	0
299	Research	293	-53	-53	-18
0	Service Transformation	256	0	0	0
136	Smarter Business	136	0	0	0
656	Strategic Marketing, Communications & Engagement	550	-21	-21	-4
198	Elections	198	0	0	0
926	Redundancy, Pensions & Injury	926	-5	-8	-1
-165	Grant Income	-146	0	0	0
5,672		6,166	-201	-281	-5
<u>LGSS Managed</u>					
1,137	Building Maintenance	1,108	121	121	11
0	City Deal	917	0	0	0
-3,174	County Farms	-3,174	-140	-154	-5
5,497	County Offices	5,534	771	856	15
121	Effective Property Asset Management	121	0	-40	-33
179	External Audit	179	0	0	0
1,483	Insurance	1,483	0	0	0
1,834	IT Managed	2,222	-421	-421	-19
985	Members' Allowances	1,000	0	-2	0
128	OWD Managed	128	-34	-34	-27
106	Subscriptions	106	0	-2	-2
1,000	Transformation Fund	1,000	-225	-225	-23
-53	Authority-wide Miscellaneous	-53	183	190	357
-100	Grant Income	-100	0	0	0
9,145		10,471	255	288	3
<u>Financing Costs</u>					
35,460	Debt Charges and Interest	35,460	-1,960	-1,960	-6
50,277	CORPORATE SERVICES TOTAL	52,097	-1,906	-1,953	-4
<u>MEMORANDUM - Grant Income</u>					
-165	Public Health Grant - Corporate Services	-136	0	0	0
-100	Public Health Grant - LGSS Managed	-100	0	0	0
0	Other Corporate Services Grants	-10	0	0	0
-265		-246	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	%
Building Maintenance	1,108	121	11%
Building Maintenance is forecasting an overspend of £121k due to a shortfall in the amount accrued in the 2014-15 accounts compared to invoices paid in respect of these accrued costs. Officers are investigating the reasons for the increase in costs, compared to those estimated.			
County Farms	-3,174	-154	-5%
County Farms is forecasting a surplus of £154k, of which £140k is due to an increase in rent income following completion of 60 rent reviews during 2014/15. Levels of income generation resulting from the ongoing programme of solar PV installations across the estate are being assessed to consider whether any further underspend can be declared.			
County Offices	5,534	+856	+15%
<p>County Offices is forecasting an overspend of £856k, an increase of £85k from the figure reported last month. As previously reported, the 50% rental period under the agreement to lease Castle Court was due to commence on 31st October 2015. However, due to delays in obtaining planning permission, the lease agreement is not now expected to be completed before December. The additional income predicted in 2015/16 has therefore been reduced pro rata from £281k to £225k, based on the assumption that rent will be received from December 2015. It is expected that there will also be a subsequent reduction of around £10k in the rate rebate achieved.</p> <p>The pressure resulting from Children's Centre business rates received to date and an assessment of the potential liability for bills not yet received is now forecast to be in the region of £603k, a reduction of £13k on the amount previously reported. Of this amount, £458k is the estimated liability for prior years billing and £145k relates to the estimated annual cost for 2015/16 onwards. The position will continue to be monitored and forecast outturn updated accordingly as further business rates bills are received.</p> <p>Full-year savings have now been realised in respect of the closure of Dryden House (£203k) and the cessation of Castle Court running costs (£347k). The prior-year savings target for a reduction of the property portfolio has therefore been fully achieved and progress is being made towards the new 2015/16 target (£400k), with a balance of £379k to be identified. In addition, there are a number of small budgetary pressures across the portfolio, amounting to £100k. These have been partially offset by a £42k reduction in the anticipated cost of Dryden House dilapidations.</p>			

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
IT Managed	2,222	-421	-19%
An underspend of £421k is being reported on the IT Managed budgets. To contribute towards recovery of the overall LGSS Managed overspend the balance on the IT Asset replacement fund (£475k) will be written back to revenue. This is facilitated by the move towards provision of mobile devices, which are funded from the IT for Smarter Business Working capital scheme. This is partially offset by £54k net pressures across the centrally held budgets.			
Transformation Fund	1,000	-225	-23%
The Transformation Fund covers the costs of Section 188 redundancies. As previously reported, an underspend of £225k is being reported. However, significant additional spending (£200k) was recorded during October, therefore it will be necessary to monitor carefully the levels of spending in coming months and review the outturn position accordingly.			
Authority-wide Miscellaneous	-53	+190	+357%
<p>The Authority-wide miscellaneous budget is forecasting an overspend of £190k due to a forecast deficit in additional employer pension contributions. The position is monitored via the balance sheet each month, but any surplus or deficit at year-end is written back to revenue. The applied percentage for additional pension contributions is an estimate based on budgeted employer contributions and as such there is always likely to be a variance between actual levels of recovery and the lump sum required; there was an over-recovery of £168k in 2014/15.</p> <p>The forecast under-recovery for 2015/16 will be taken into account when the 2016/17 percentage is calculated as part of the Business Plan inflation forecasting process.</p>			
Financing Costs	35,460	-1,960	-6%
<p>Financing costs are unchanged this month, showing an underspend of £1.960m on the debt charges budget.</p> <p>The Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances (where possible) and undertaking shorter term borrowing which could potentially generate savings subject to an assessment of the interest rate risks involved. The increase in under spend this month is as a result of a decision to defer long term borrowing until later this year and undertake short term borrowing where necessary or appropriate. A favourable variance for interest payable has been included on the assumption that the Council will experience significant slippage in the capital programme, as it has done in past years so that borrowing is deferred until next year. There is also a small positive variance for interest that is recharged internally.</p> <p>The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and a pragmatic approach to borrowing is 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	236*
Non-material grants (+/- £30k)	Various	10**
Total Grants 2015/16		246

* The Public Health grant allocation for Corporate Services has been reduced by £29k, compared to the Business Plan figure of £265k.

** This relates to grant funding received during 2014/15, where conditions have now been met and so funding has been applied.

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	5,673	
Transfer of Travellers Support budget to ETE	-51	
Transfer Green Spaces budget to ETE	-55	
Operational Savings Transfer 2015/16 - CRM System	150	
Operational Savings Transfer 2015/16 - Service Transformation Funding	256	
Operational Savings Transfer 2015/16 - Digital by Default	165	
Operational Savings Transfer 2015/16 - Digital Delivery Assistant	31	
Non-material virements (+/- £30k)	-3	
Current Budget 2015-16	6,166	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	9,144	
Transfer of City Deal funding from New Homes Bonus to corporate ownership (ETE)	717	
Centralisation of mobile phone budgets from CFA, ETE, CS & LGSS	372	
Funding from reserves for Microsoft support extension	33	
Transfer additional City Deal funding from reserves	200	
Non-material virements (+/- £30k)	5	
Current Budget 2015-16	10,471	

Financing Costs:

	£000	Notes
Budget as per Business Plan	35,460	
Non-material virements (+/- £30k)	0	
Current Budget 2014/15	35,460	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2015	Movements in 2015-16	Balance at 31/10/15	Forecast Balance at 31 March 2016	Notes
	£'000	£'000	£'000	£'000	
General Reserve					
Corporate Services Carry-forward	1,020	-602	417	698	1
subtotal	1,020	-602	417	698	
Equipment Reserves					
Postal Service	50	0	50	50	
subtotal	50	0	50	50	
Other Earmarked Funds					
Travellers Support Officer	45	-45	0	0	3
Shape Your Place - Fenland Grant	18	0	18	0	
Green Spaces	10	-10	0	0	3
Election Processes	180	0	180	368	2
EDRM Project	274	0	274	0	
subtotal	527	-55	472	368	
Short Term Provisions					
Transforming Cambridgeshire	1,000	0	1,000	950	4
Earith Bridge Travellers Site	43	-43	0	0	3
subtotal	1,043	-43	1,000	950	
TOTAL	2,640	-700	1,940	2,067	

Notes

- 1 The year-end position reflects the forecast Corporate Services underspend of £281k and £602k use of operational savings. Details on operational savings allocations can be found in CS Appendix 4.
- 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 The unapplied balances on the Fenland Social Media Cohesion grant and Heritage Lottery funding for the Cambridgeshire Local Nature Partnership and the short-term provision in respect of Earith Bridge Travellers Site have transferred to ETE following the Customer Service and Transformation restructure.
- 4 The current year-end position reflects £45k planned use for a post in Corporate Services and £5k agreed contribution to consultancy costs.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2015	Movements in 2015-16	Balance at 31/10/15	Forecast Balance at 31 March 2016	Notes
	£'000	£'000	£'000	£'000	
Equipment Reserves					
Corporate Infrastructure Replacement & Renewals	162	0	162	162	1
Corporate ICT Assets	475	0	475	0	
Corporate Telephony	5	0	5	5	
subtotal	642	0	642	167	
Other Earmarked Funds					
Manor school site demolition costs	139	71	209	303	2
CPSN Partnership Funds	59	0	59	0	
subtotal	198	71	268	303	
Short Term Provisions					
Insurance Short-term Provision	1,180	0	1,180	1,180	
External Audit Costs	154	0	154	154	
Insurance MMI Provision	32	0	32	0	
Back-scanning Reserve	56	0	56	0	
Contracts General Reserve	893	0	893	0	
Operating Model Reserve	1,000	0	1,000	1,000	
subtotal	3,316	0	3,316	2,335	
Long Term Provisions					
Insurance Long-term Provision	4,718	0	4,718	4,718	
subtotal	4,718	0	4,718	4,718	
SUBTOTAL	8,874	71	8,945	7,523	
Capital Reserves					
Effective Property Asset Management Receipts	0	4	4	0	3
General Capital Receipts	0	272	272	0	
P&P Commissioning (Property)	472	-45	427	427	
IT for Smarter Business Working	0	57	57	0	
Blackwell Travellers Site	9	-9	0	0	
subtotal	481	280	761	427	
TOTAL	9,355	350	9,705	7,950	

Notes

- 1 To contribute towards recovery of the overall LGSS Managed overspend the balance on the IT Asset replacement fund will be written back to revenue.
- 2 Rental income from Bellerbys buildings on Manor School site is being held to offset demolition costs when the lease expires in 2021.
- 3 Capital Receipts achieved in 2015/16 will be used to fund the capital programme at year-end.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2015/16						TOTAL SCHEME	
Original 2015/16 Budget as per BP £000	Scheme	Revised Budget for 2015/16 £000	Actual Spend (to Oct) £000	Forecast Spend - Outturn (Oct) £000	Forecast Variance - Outturn (Oct) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services						
	- Electronic Record Management	56	44	56	-	300	-
300	Essential CCC Business Systems Upgrade	300	31	300	-	300	-
	- Other Schemes	30	-	30	-	40	-
300		386	76	386	-	640	-
	LGSS Managed						
550	EPAM - Shire Hall Campus	937	380	937	-	6,524	(314)
	- EPAM - Fenland	20	(6)	20	-	6,596	(1,145)
45	EPAM - Local Plans Representations	389	26	389	-	1,548	-
1,000	EPAM - County Farms Viability	1,182	246	682	(500)	5,000	(2,396)
600	EPAM - Building Maintenance	600	42	600	-	6,000	-
1,180	EPAM - Sawston Community Hub	1,206	41	135	(1,071)	1,250	-
1,742	EPAM - East Barnwell Community Hub	1,911	38	100	(1,811)	2,000	-
	- EPAM - Other Committed Projects	167	(289)	167	-	2,043	(264)
203	EPAM - Renewable Energy Soham	242	-	242	-	12,030	-
200	EPAM - Housing Provision on CCC Portfolio	367	86	367	-	17,500	-
50	EPAM - Disposal / Relocation of Huntingdon Highways Depot	125	-	-	(125)	1,625	(1,625)
630	EPAM - MAC Market Towns Project	630	-	-	(630)	1,780	(300)
	- Carbon Reduction	593	15	593	-	1,673	(650)
1,840	Optimising IT for Smarter Business Working	2,273	478	1,376	(897)	3,432	-
950	IT Infrastructure Investment	1,708	95	1,008	(700)	2,400	-
	- Cambridgeshire Public Sector Network	189	16	189	-	5,554	-
500	Microsoft Enterprise Agreement	500	-	500	-	1,902	-
500	Implementing IT Resilience Strategy for Data Centres	500	-	250	(250)	500	-
1,000	Communications & Storage Infrastructure Refresh	1,000	-	1,000	-	1,000	-
395	Other Schemes	792	11	792	-	1,095	(57)
11,385		15,331	1,181	9,347	(5,984)	81,452	(6,752)
11,685	TOTAL	15,717	1,256	9,733	(5,984)	82,092	(6,752)

Previously Reported Exceptions

As reported in 2014/15, a reduction in the estimated cost of final retention payments for the Awdry House site has increased the predicted total scheme underspend to £1.1m.

The EPAM – County Farms Viability is forecasting an in-year underspend of £0.5m. The level of funding required for this scheme has been reassessed for Business Planning and it has been determined that it can be reduced by £0.5m per year to better reflect actual activity with tenant farmers more cautious due to the unsettled global market. This will result in a total scheme underspend of £2.4m and the scheme budget will be adjusted as part of the 2016/17 Business Planning process.

The EPAM – Sawston Community Hub scheme is forecasting an in-year underspend of £1.1m. Ongoing discussions with the District Council and Sawston Village College regarding siting of the compound are significantly delaying the start of construction, which is now expected to commence in early 2016.

Members have undertaken a review of the EPAM – East Barnwell Community Hub scheme and have decided that it should not progress in its current form. Work is underway to assess alternative options and a decision is due later in the year regarding how the scheme should progress. As a consequence, an in-year underspend of £1.8m is being reported. A feasibility study has been commissioned to reflect the mixed use scope now required and will be part of a revised scheme cost when costs have been refined.

The EPAM – MAC Market Towns Project has been reassessed for Business Planning, resulting in rephasing of activity from 2015/16 to 2016/17, producing an in-year underspend of £0.6m and a reduced total scheme cost (-£0.3m).

The review of the EPAM – East Barnwell Community Hub and reassessment of EPAM – MAC Market Towns Project schemes identified above have impacted on the associated ring-fenced capital receipt generation, resulting in reduced funding of £0.7m. This has not adversely impacted on in-year prudential borrowing requirements.

The EPAM – Disposal / Relocation of Huntingdon Highways Depot scheme is no longer required and so a total scheme underspend of £1.6m is being reported. This has been superseded by a new Joint Highways Depot scheme under Making Assets Count, which is being submitted via the 2016/17 Business Planning process.

The Optimising IT for Smarter Business Working scheme is forecasting an in-year underspend of £0.9m. Expenditure has been rephased to reflect the priorities set by the County Council for the provision of the IT infrastructure and devices to support mobile working, and a revised timescale for implementation.

The IT Infrastructure Investment scheme is showing an in-year underspend of £0.7m. Expenditure has been rephased to better reflect timescales for the delivery of upgrades / refresh of the core IT software and hardware systems that underpin the use of IT across the Council.

The works planned under the Carbon Reduction scheme were reviewed in 2014/15 and a new schedule was agreed. As reported in 2014/15, the agreed work plan is expected to deliver a total scheme underspend of £0.65m.

Capital Funding

Corporate Services & LGSS Managed Capital Programme 2015/16				
Original 2015/16 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2015/16 £000	Forecast Spend - Outturn (Oct) £000	Forecast Funding Variance - Outturn (Oct) £000
	Corporate Services			
300	Prudential Borrowing	386	386	-
300		386	386	-
	LGSS Managed			
4,531	Capital Receipts	4,531	3,829	(702)
-	Other Contributions	57	57	-
255	Developer Contributions	255	-	(255)
6,599	Prudential Borrowing	10,488	5,461	(5,027)
11,385		15,331	9,347	(5,984)
11,685	TOTAL	15,717	9,733	(5,984)

Previously Reported Exceptions

There are no previous exceptions to report.

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	Year end RAG (2014-15)
Customer Service and Transformation											
Proportion of FOI requests responded to within timescales	Monthly	High	%	09/11/15	1 - 31 October 2015	90%	97.0%	Green	↑	102 FOI requests were received in October and 99 requests were responded to on time.	Green
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>06/10/15</i>	<i>1 April - 30 September 2015</i>	<i>N/A*</i>	<i>628</i>	<i>N/A</i>	<i>N/A</i>	<i>* No target or RAG status for this indicator. Purpose is to set the context.</i> <i>2013/14 - 1153</i> <i>2012/13 - 899</i> <i>2011/12 - 917</i> <i>2010/11 - 834</i> <i>Running total will be collected quarterly. Data to be next reported on in January 2016 for Q3 2015/16.</i>	<i>N/A</i>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	08/10/15	1 - 31 August 2015	90%	94.9%	Green	↑	<i>Data for September 2015 were not available at the time of reporting. Data for September and October to be provided in December 2015.</i> Number of customer complaints for August 2015 = 117 <u>Breakdown of August 2015 figures</u> 59 complaints were received for CFA for August. 3 failed which meant a pass rate of 94.9%. 9 complaints were received for CS&T for August. None failed which meant a pass rate of 100%. 49 complaints were received for ETE for August. 3 failed which meant a pass rate of 93.8%. No complaints for LGSS and Public Health. <u>July 2015 figures</u> There was an issue with reporting figures for July 2015 in the last report. Information for July 2015 is provided below: Number of customer complaints for July 2015 = 82. Across the council, 67 of these complaints were responded to within timescales, giving an overall performance of 81.7% (amber) . <u>Breakdown of July 2015 figures</u> 21 complaints were received for CFA for July. 3 failed which meant a pass rate of 85.7%. 2 complaints were received for CS&T for July. None failed which meant a pass rate of 100%. 59 complaints were received for ETE for July. 12 failed which meant a pass rate of 79.6%. <u>No complaints for LGSS and Public Health</u>	Amber
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>27/04/15</i>	<i>1 April 2014 - 31 March 2015</i>	<i>N/A*</i>	<i>1.68**</i>	<i>N/A</i>	<i>N/A</i>	<i>* No target or RAG status for this indicator. Purpose is to set the context.</i> <i>** Based on Cambridshire Insight mid-2013 population estimate of 635,100 residents</i> <i>Data to be next reported on in May 2016 for period of 1 April 2015 - 31 March 2016</i>	<i>N/A</i>
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	08/10/15	1 July to 30 September 2015	75%	71.3%	Amber	↓	The reason for the reduced figure is we moved to a new system on 30 June which has more accurate reporting facilities, especially around Blue Badge applications. Without Blue Badge applications the figure is 86.95%. We are looking into ways to improve take up in this area. <i>To be next reported on in January 2016 for Q3 2015/16</i>	Red
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	N/A	1 April 2015 - 31 March 2016	51% (2015) 52% (2016)	49.5% (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. Data to be reported on in April/May 2016 for year end.	N/A

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments	
LGSS Managed Services											
Strategy and Estates – capital receipts target managed and achieved	Quarterly	High	%	03/11/15	1 July 2015 30 Sept 2015 (Q2)	98% (£250k gross)	99.0%	Green	↓	Q1 2015/16 - 110% The target for 2015/16 is £3.705m. This is broken down into cumulative quarterly targets as follows: Q1 = £0.25m; Q2 = £1.50m; Q3 = £2.00m Q4 = £3.705m.	Green
Strategy and Estates – farm estates income demanded and collected on time	Half-yearly	High	%	10/06/15	1 April 2014 - 31 March 2015	95% (£3.9m gross)	103.8%	Green	N/A	Data for Q1 and Q2 were not available at the time of reporting. This will be reported on in December 2015.	Green
IT – availability of Universal Business System****	Quarterly	High	%	14/10/15	1 July 2015 30 Sept 2015 (Q2)	95%	100.0%	Green	↔	Q1 2015/16 - 100.0% To next be reported on in Feb 2016 for Q3 2015/16	Green
IT – incidents resolved within Service Level Agreement	Quarterly	High	%	03/11/15	1 July - 30 Sept 2015 (Q2)	90%	83.0%	Red	↓	Dip in performance in Q2 was due to the system issues that have been experienced. Incidents have been more complex and have taken longer to resolve. The team now has 2 new members of staff and hopefully soon 1 apprentice to increase the number of analysts on the phones. The team has taken Norwich support to Northampton which allows the CCC IT team to answer more CCC calls. Desk space has been an issue so smaller desks are being put into place soon to allow more analyst and UA members to be in at the same time. Q1 2015/16 - 98% To next be reported on in Feb 2016 for Q3 2015/16	Green

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of October 2015 for LGSS Cambridge Office are as follows:

Original Budget as per BP £000	Service	Current Budget for 2015/16 £000	Forecast Variance - Outturn (Sep) £000	Forecast Variance - Outturn (Oct) £000	%
<u>LGSS Cambridge Office</u>					
<u>Central Management</u>					
162	Service Assurance	19	0	0	0
-8,905	Trading	-8,809	183	170	2
353	LGSS Equalisation	530	0	0	0
-410	Grant Income	-419	0	0	0
-8,799		-8,679	183	170	2
<u>Finance & Property</u>					
1,048	Chief Finance Officer	1,113	0	0	0
894	Audit	713	0	-20	-3
2,013	Professional Finance	1,986	0	-50	-3
724	Property Operations & Delivery	854	0	0	0
883	Strategic Assets	880	0	-40	-5
0	Pensions Service	0	0	0	0
5,562		5,546	0	-110	-2
<u>People, Transformation & Transactional</u>					
1,277	HR Business Partners	1,271	0	0	0
315	HR Policy & Strategy	313	-100	-100	-32
1,880	LGSS Programme Team	1,879	50	50	3
573	Organisational & Workforce Development	341	0	0	0
2,266	Revenues and Benefits	2,327	0	0	0
1,157	Transactional Services	1,285	-100	-100	-8
7,468		7,416	-150	-150	-2
<u>Law & Governance</u>					
489	Democratic & Scrutiny Services	466	-31	-40	-9
-406	LGSS Law Ltd	-376	0	105	28
364	Procurement	358	-2	0	0
447		448	-33	65	15
5,186	IT Services	5,191	0	25	0
9,864	Total LGSS Cambridge Office	9,922	0	0	0
MEMORANDUM - Grant Income					
-220	Public Health Grant	-220	0	0	0
-190	Counter Fraud Initiative Grant	-199	0	0	0
-410		-419	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	%
Trading	-8,809	+170	+2%
There is currently a forecast overspend of £170k against the Trading budget. There is a deficit of £818k on the consolidated trading position, which relates to the forecast shortfall on additional trading activity in 2015/16 to meet the revised income target. This shortfall is being partially offset by in-year underspends across LGSS Directorates, and the balance required to ensure an overall breakeven position will be met from the LGSS Smoothing Reserve.			
HR Policy & Strategy	313	-100	-32%
As previously reported HR Policy & Strategy is reporting an underspend of £100k. The implementation of the Workforce Planning and Strategy team is now planned for November 2015 and the forecast in-year underspend is due to delays in recruitment.			
Transactional Services	1,285	-100	-8%
Transactional Services is reporting an underspend of £100k as previously reported. The Service-wide restructure was implemented in August 2015 and has resulted in a number of vacancies which are actively being recruited to. The impact of the vacancies is expected to provide an in- year underspend of £100k.			
LGSS Law Ltd	-376	+105	+28
LGSS Law Cambridge Office is forecasting an overspend of £105k, which represents its 50% share of the total overspend of £210k. The overspend reflects a £250k shortfall against the overall budgeted target profit and is partially offset by a £40k underspend in the Cambridge office due to an in-year vacancy and reduced expenditure on printing and other contracts. The budgeted target profit for LGSS Law Ltd is £536k which includes the “trading offset” stretch income target of £350k applied during 2014-15 budget planning process. It is currently estimated that the actual profit delivered will be in the region of £286k, which leaves a £250k shortfall against the target. In the previous financial year the shortfall against the target was £229k. At a time when the service is going through a period of significant change in systems and operating model, LGSS Law has been working towards achieving a proportionately higher level of surplus than previous years. It is envisaged that in the coming months there will be a reduction in cost once new systems and processes are fully operational.			

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	419*
Non-material grants (+/- £30k)		0
Total Grants 2014/15		419

* The Counter Fraud Initiative Fund grant received in 2015/16 is £9k more than the Business Plan figure of £190k.

LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
Budget as per Business Plan	9,864	
LGSS Transactions support from Reablement	34	
Transfer from CFA to Finance for Adults Accountant post	30	
Transfer from reserves to Strategic Assets for K2	36	
Non-material virements (+/- £30k)	-42	
Current Budget 2015-16	9,922	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2015	Movements in 2015-16	Balance at 31/10/15	Forecast Balance at 31 March 2016	Notes
	£'000	£'000	£'000	£'000	
General Reserve					
LGSS Cambridge Office Carry-forward	1,003	-36	967	300	1
subtotal	1,003	-36	967	300	
Other Earmarked Funds					
Counter Fraud Initiative	130	0	130	0	2
subtotal	130	0	130	0	
SUBTOTAL	1,134	-36	1,097	300	
TOTAL	1,134	-36	1,097	300	

Notes

- 1 The year-end position reflects £703k expected use of operational savings. £36k has been drawn down in respect of K2 expenditure.
- 2 The Counter Fraud Initiative grant was unapplied in 2014/15 and so the balance was transferred to the earmarked reserve.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

LGSS Cambridge Office Capital Programme 2015/16						TOTAL SCHEME	
Original 2015/16 Budget as per BP £000	Scheme	Revised Budget for 2015/16 £000	Actual Spend (to Oct) £000	Forecast Spend - Outturn (Oct) £000	Forecast Variance - Outturn (Oct) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
-	R12 Convergence*	209	-	209	-	600	-
-	TOTAL	209	-	209	-	600	-

*This funding will now be used to cover the initial costs to be incurred in replacing the Enterprise Resource Planning (ERP) system, as approved by GPC as part of the March 2015 Integrated Resource and Performance Report.

Previously Reported Exceptions

There are no previous exceptions to report.

Capital Funding

LGSS Cambridge Office Capital Programme 2014/15				
Original 2015/16 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2015/16 £000	Forecast Spend - Outturn (Oct) £000	Forecast Funding Variance - Outturn (Oct) £000
-	Prudential Borrowing	209	209	-
-	TOTAL	209	209	-

Previously Reported Exceptions

There are no previous exceptions to report.