

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – Outturn 2013-14

1. SUMMARY

1.1 Finance

Previous Status		Target	Current Status	Section Ref.
Green	Income and Expenditure (excluding debt charges)	Balanced year end position	Green	2.1 to 2.7
Green	Capital Programme	Remain within overall resources	Green	3.1 to 3.2

1.2 Performance Indicators – Predicted Status at year-end: (see section 4)

Monthly Indicators	Red	Amber	Green	No status	Total
March (No. of indicators)	2	0	12	2	16
Status at year-end (No. of indicators)	0	2	12	2	16

Quarterly Indicators	Red	Amber	Green	No status	Total
March (No. of indicators)	1	0	1	0	2
Status at year-end (No. of indicators)	1	0	1	0	2

Indicators with no status have not been updated for year-end.

2. INCOME AND EXPENDITURE

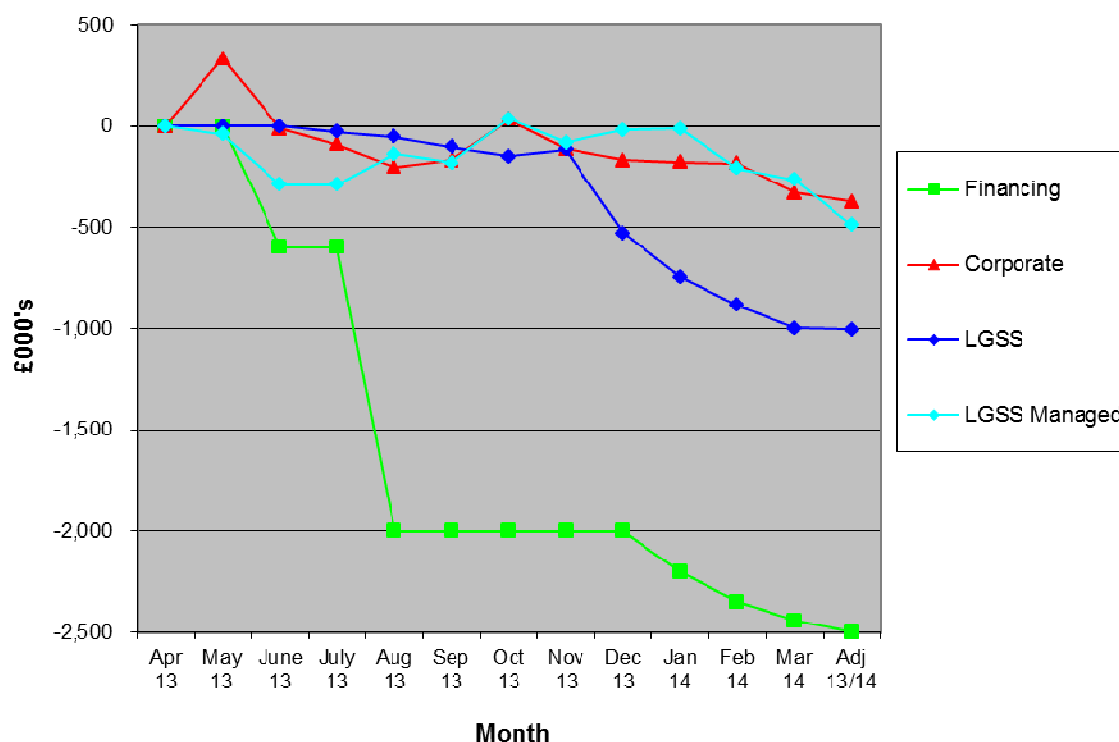
2.1 Overall position

Previous Outturn	Service	Annual Budget	Actuals	Variance	Variance
£000		£000	£000	£000	%
-381	Corporate Services	4,001	3,627	-374	-9
-263	LGSS Managed	-159	-645	-486	-306
-2,440	Financing Costs	35,215	32,718	-2,497	-7
-3,084	Sub Total	39,057	35,700	-3,357	
-999	LGSS Cambridge Office	1,947	941	-1,006	-52
-4,083	Total	41,004	36,641	-4,363	

The service-level BCR table and analysis of the results for Corporate Services, LGSS Managed and the Financing Costs for year-end 2013/14 are presented in [CS Appendix 1](#).

The service-level BCR table and analysis of the results for LGSS Cambridge Office for year-end 2013/14 are presented in [LGSS Appendix 1](#).

Corporate Services & LGSS Cambridge Office Outturn 2013/14



2.2 Significant issues – Corporate Services

- The overall position for Corporate Services for 2013/14 was an underspend of £374k.
- There was an underspend of £104k on the Corporate Director budget due to salary savings and efficiencies on the HealthWatch contract.
- Business Transformation had an underspend of £350k. In-year salary savings of £140k resulted from an inability to recruit to posts across all teams. This had a knock-on effect, in that the delivery of the Electronic Document and Record Management, Customer Relationship Management system and Digital by Default projects were delayed when compared to the originally planned project timeframes. There was an underspend of £184k against the Digital by Default investment as a result of this slippage. In addition, there was a £26k underspend on Courier Services as the result of retendering.
- The Employment Review budget was included within Corporate Services for reporting purposes. Discussions were completed with the Unions about possible savings from the Employment Cost review, but no further savings were achieved within 2013/14 other than the previously reported saving from giving senior management and management band staff an annual inflationary pay rise of less than 1%.

2.3 Significant issues – LGSS Managed

- The overall position for 2013/14 for LGSS Managed was an underspend of £486k.
- Difficulties experienced in reducing the property portfolio in line with the Business Plan (as detailed below) resulted in a pressure on the building maintenance budget, which had an overspend of £124k.
- There was an underspend of £247k overall on the CPSN budget. Repayment of the capital investment in VoIP telephony, agreed as part of the original business case, was completed in 2012/13. The surplus telephony budget was retained as cover for essential CPSN developments, but the costs for 2013/14 were funded from capital and the core CPSN budget. In addition, internal income recovery was better than expected and a contingency fund for legal advice on key projects was not required.
- Following a change in policy, the costs incurred in disposing of an asset were offset against the generated receipt. This resulted in a revenue saving of £235k on the Capital Receipts Expenses budget.
- County Farms generated an additional surplus of £381k from increased rental income following a series of rent reviews completed during 2012/13.
- County Offices had an overspend of £864k. There was a net pressure of £128k resulting from business rates costs for the vacant Black Horse House wing of Castle Court (£79k); estimated dilapidation costs from vacating two leased properties (£65k); and a rebate on the cleaning contract (-£16k). A savings target of £736k was allocated in the Business Plan linked to a reduction in the Council's property portfolio. Delivery of this saving is being led by the Effective Property and Asset Management (EPAM) Project, but no savings were secured before year-end.
- The Effective Property Asset Management budget underspent by £128k. This was due to activity across the Making Assets Count partnership, and in relation to the Council's property rationalisation, progressing more slowly than anticipated.
- There was an underspend of £128k on the External Audit Fees budget. This was due to a reduction in the External Audit scale fees, transferring the cost of auditing the Pension Fund to the Fund directly, and a rebate from the Audit Commission.
- There was an underspend of £300k on the Insurance budget resulting from on-going work by the Insurance Section to minimise the cost of internal provision, coupled with significant savings on external insurances for the Authority.
- There was an underspend of £142k on the Miscellaneous budget due to a reduction made to the central bad debt provision, reflecting the decision for Adults Social Care to provide for their bad debts directly.
- The Transformation Fund incurred £968k of redundancy costs resulting from Section 188 redundancies in 2013/14

2.4 Significant issues – Financing Costs

- The Guided Busway receipt of £33m, which was forecast for 2014/15, was received on 30th January 2014. In addition, the Capital Financing Requirement (CFR) as at 31st March 2014 fell since the budget was set in February 2013, due to slippage in the capital programme. As a result of this, and the outlook for long term interest rates remaining steady, the decision to raise long term borrowing was deferred until 2014/15 and following the refresh of the Business Plan. This together with other small

variances in the Debt Charges budget, including the Minimum Revenue Provision, generated savings of £2.497m.

2.5 Significant issues – LGSS Cambridge Office

- The overall position for LGSS Cambridge Office for 2013/14 was an underspend of £1.006m after equalisation. The year-end surplus on LGSS operational budgets is subject to a sharing arrangement with NCC. The consolidated year-end position resulted in a £265k equalisation payment from CCC to NCC.
- There was an underspend of 147k on the Chief Finance Officer budget. This was due to the deletion of two management posts in 2012/13 (£69k); underspends from work being managed within existing resources in relation to Public Health (£20k); income from the Section 151 Officer's role with the Cambridge and Counties Bank (£22k); and ad-hoc savings across the budget (£36k).
- There was an underspend of £199k across the HR Business Partner teams due to delays in recruiting to new posts as a result of the restructuring process. This was used to offset pressures elsewhere in the Directorate.
- HR Policy & Strategy had an underspend of £102k resulting from in-year vacancies following the restructuring process.
- Legal Services had an underspend of £158k resulting from an over-achievement against their income target. This was due to an increase in the volume of external work, more efficient handling of work and team members exceeding their target hour, thereby delivering a surplus.
- There was a net £302k underspend on IT Services due to in-year vacancies following the restructure within the Directorate, savings on contractor spend and income generation above budgeted levels.
- **2013/14 Dividend** – improved efficiency within LGSS during 2013/14 resulted in a surplus being generated. LGSS Joint Committee has subsequently agreed that a "dividend" payment of £700k should be paid to the two founder authorities, with 50% of this, £350k, being paid to Cambridgeshire County Council.

2.6 Additional Income and Grant Budgeted this Period

There were no items above the de minimis reporting limit recorded in March.

**2.7 Virements and Transfers to / from Reserves (including the Operational Savings Reserves)
(De minimis reporting limit £50k)**

Details of the movements to date on Service Reserves can be found in [CS Appendix 2](#) and [LGSS Appendix 2](#).

The following virements have been made this month to reflect changes in responsibilities:

	£	Notes
Virement from CS to reserves	-250,000	Return CS Operational Savings Transfer 2013/14 - provision for CRM system
Virement from LGSS Managed to ETE & CFA	-1,861,602	Allocation of Insurance budgets 2013/14
Virement from reserves to LGSS	184,000	LGSS Operational Savings - Norwich Contract Provision
Virement from CS to reserves	-122,000	Transfer excess funding for Election costs 2013/14 back to central reserves
Virement from LGSS to reserves	-7,000	Part return of operational savings allocation for PT&T transition costs
Virement from reserves to LGSS	336,849	LGSS Operational Savings - Redundancy & Pension Strain Costs
Virement from LGSS Managed to ETE & CFA	-9,951	Allocation of Building Maintenance budgets 2013/14
Virement from CS to CFA & ETE	-3,243,220	Corporate Allocations 2013/14
Virement from LGSS to CFA, ETE & Financing Costs	-10,485,470	Corporate Allocations 2013/14
Virement from LGSS Managed to CFA & ETE	-8,138,810	Corporate Allocations 2013/14
Virement from LGSS to Financing Costs	10,870	Corporate Allocations 2013/14

A full list of virements made in the year to date can be found in [CS Appendix 3](#) and [LGSS Appendix 3](#).

LGSS allocated £500k from Operational Savings to fund their redundancy and pension strain costs incurred from service restructuring during 2013/14. **General Purposes Committee is therefore asked to approve the virement of £337k from LGSS reserves to LGSS Operations. This reflects Cambridgeshire County Council's element of the costs.**

2.9 Invest to Transform

Corporate Fund:

There is one non-repayable Invest to Transform scheme within Corporate Services, as detailed in the table below.

Corporate Fund: Non-repayable schemes	Total value of Advance Approved	Advances made pre 2013-14	Advances made in 2013-14	Comments
	£	£	£	
E-Government improvements and upgrades	444,847	261,627	183,220	The original value of the advance was reduced following a reprofiling of spend in 2010-11. The 2013-14 advance is the final payment in relation to this project.
Total Advances	444,847	261,627	183,220	

3 BALANCE SHEET

3.1 Corporate Services & LGSS Managed Capital Expenditure

Corporate Services & LGSS Managed Capital Programme	Total Scheme Budget	2013/14 Capital Budget	Actual expenditure 2013/14	Variance 2013/14	Total Scheme Variance
Corporate Services					
Electronic Record Management	300	157	2	(155)	-
Other Schemes	40	30	-	(30)	-
	340	187	2	(185)	-
LGSS Managed					
EPAM - Shire Hall Campus	6,824	1,103	612	(491)	-
EPAM - Fenland	6,596	1,524	469	(1,055)	(925)
EPAM - Representations for Local Plans	1,129	666	80	(586)	-
EPAM - County Farms Viability	4,405	714	705	(9)	-
EPAM - Building Maintenance	6,767	733	733	-	-
EPAM - Community Hubs	2,845	1,450	45	(1,405)	-
EPAM - General Programme Activity	655	48	21	(27)	(267)
EPAM - Other Projects	28,166	1,893	595	(1,298)	(1,193)
Blackwell Travellers Site	894	31	22	(9)	(9)
Locality Offices	767	91	30	(61)	-
Carbon Reduction	2,000	1,215	131	(1,084)	-
Fire Compartment Surveys & Implementation	567	186	46	(140)	-
IT Infrastructure Refresh	838	252	252	-	-
IT Infrastructure Investment	3,300	650	262	(388)	-
CPSN	5,500	487	130	(357)	-
Thin Client / Rationalisation of Applications	2,000	1,000	-	(1,000)	-
California Road	1,405	1,405	1,405	-	-
Other Schemes	1,888	668	222	(446)	(102)
	76,546	14,116	5,761	(8,355)	(2,496)
	76,886	14,303	5,763	(8,540)	(2,496)

Corporate Services and LGSS Managed had a combined capital budget in 2013/14 of £14.3m and spend during the year was £5.8m. This equated to an overall programme underspend of £8.5m for the year, and the total scheme variances amounted to £2.5m underspend across the programme.

Construction work on Awdry House was completed and services moved in. The final account for construction was agreed during March and resulted in an underspend of £1.1m for 2013/14. Residual work will be completed early in 2014/15, giving a total scheme underspend of £0.9m. The underspend was due to:

- A robust design brief with commercial negotiation on the initial construction costs;
- Further savings through the procurement of a joint construction contractor to carry out the construction of CCC's Awdry House and the College of West Anglia's Technology Block in parallel;
- Challenging the costs throughout the construction process;
- Managing the wants and needs of potential users to ensure that the building is flexible and not bespoke, providing essential requirements;
- Challenging users to work smarter; and
- The contingency spend is currently below the standard 10% that is built into construction projects as a result of up front controls and limiting further changes.

There was an in-year underspend of £0.6m on the Representations for Local Plans scheme. Funding will need to be carried forward into 2014/15 as some significant costs from the 2013/14 work programme will fall due early in the new financial year.

The EPAM Community Hubs scheme had an in-year underspend of £1.4m. The originally planned programme of works was reviewed and the scheme split into three separate proposals as part of the Business Planning Process to better reflect proposed activity.

The EPAM - Other Projects scheme had an underspend of £1.3m due to slippage on bringing new projects to business case stage. This scheme was re-evaluated during Business Planning and will come to an end once existing commitments have been met. A number of new schemes were approved within the 2014/15 Business Plan which will supersede future years spend on this scheme.

The in-year underspend of £1.1m on the Carbon Reduction scheme was due to timing issues with beginning new projects and does not reflect a reduction in total scheme costs.

The Thin Client / Rationalisation of Applications scheme had an in-year underspend of £1m due to delays in implementation. The scheme was reviewed as part of the Business Planning Process and will form part of the overall programme for 2014/15.

These underspends were partially offset by an overspend of £0.5m on EPAM Building Maintenance. The difficulties experienced in reducing the property portfolio in line with the Business Plan resulted in an additional pressure on the capital building maintenance budget. This was managed in-year within the overall EPAM budget, as slippage on other schemes generated an underspend; accordingly, the EPAM Project Board approved in principle a capital virement of £0.445m from the EPAM - Other Projects scheme to offset the overspend.

The year-end position reflects this treatment and General Purposes Committee is requested to formally approve the virement of £0.445m from EPAM-Other Projects to EPAM Building Maintenance.

3.2 LGSS Cambridge Office Capital Expenditure

LGSS Cambridge Office Capital Programme	Total Scheme Budget	2013/14 Capital Budget	Actual expenditure 2013/14	Variance 2013/14	Total Scheme Variance
R12 Convergence	600	600	218	(382)	-
Other Schemes	315	118	88	(30)	-
	915	718	305	(413)	-

LGSS Cambridge Office had a capital budget for 2013/14 of £0.7m, and spend during the year was £0.3m. This equated to an overall programme underspend of £0.4m. There were no material variances to report.

4 PERFORMANCE

4.1 Introduction

This report covers the suite of Corporate Services and LGSS Cambridge Office key performance indicators (PIs) for 2013/14. Performance is summarised in Section 1 above. All PIs for Corporate Services, along with their status and comments, are shown on the report in [CS Appendix 4](#); LGSS Cambridge Office PIs are shown on the report in [LGSS Appendix 4](#). These have been produced from the live CorVu system.

Indicators with red status will be reported below.

4.2 Corporate Services Indicators with Red Status

Percentage of customer complaints responded to within specified timescales (whole Council)

Of the 176 complaints recorded for the whole Council during March, 31 cases failed to meet the target of responding within 10 days. Of those 31 cases, 22 have since been closed and 9 cases are being investigated by assigned teams. As a result, year-end status for this indicator was amber.

Number of unique visitors to cambs.net, year to date

There were 387,526 unique visitors to cambs.net for 2013/14 against a target of 406,458. As a result, performance for March was assessed as red, with year-end status being amber.

Number of Friends Groups for nature reserves, year to date

Whilst no new groups have been created this year, the 'Snack Shack Group' that help look after Coneygear Park are now at the point of becoming a formally constituted group, which will take on more responsibility for the park. Also work to develop a group for Mare Fen LNR has begun to make progress and work will start soon on engaging with the local community.

4.3 LGSS Indicators with Red Status

LGSS are currently working on a new suite of performance indicators.

CS Appendix 1: Corporate Services Service Level Budgetary Control Report

The variances to the end of Closedown 2013/14 for Corporate Services, LGSS Managed and Financing were:

Mar 14 Outturn			Budget for	Actual to	Variance	
Forecast			2013-14	Adj 13/14	Adj 13/14	
£000	%	Service	£000	£000	£000	%
<u>Corporate Services</u>						
-104	-10	Corporate Director	-2,659	-2,764	-104	-4
-350	-11	Business Transformation	3,073	2,724	-350	-11
-48	-10	Chief Executive's Office	465	416	-49	-11
-32	-2	Communications & Community Engagement	1,868	1,844	-25	-1
0	0	Elections	441	440	0	0
-45	-4	Redundancy, Pensions & Injury	1,012	967	-45	-4
199	100	Employment Review	-199	0	199	0
-381	-5		4,001	3,627	-374	-9
<u>LGSS Managed</u>						
108	10	Building Maintenance	254	379	124	49
-173	-15	Cambridgeshire Public Sector Network	1,164	917	-247	-21
-246	-100	Capital Receipts Expenses	246	12	-235	-95
37	42	Carbon Trading	96	138	42	44
-307	-13	County Farms	-2,184	-2,565	-381	-17
939	18	County Offices	6,024	6,888	864	14
0	0	Display Energy Certificates	6	5	-1	-10
-90	-72	Effective Property Asset Management	125	-3	-128	-102
-112	-47	External Audit	240	112	-128	-53
-500	-3997	Insurance	13	-287	-300	-2396
32	3	IT Managed	1,215	1,242	27	2
-57	-6	Members' Allowances	978	918	-60	-6
93	0	OWD Managed	0	90	90	0
-24	0	Procurement Managed	0	0	0	0
-12	-9	Subscriptions	132	119	-12	-9
0	0	Transformation Fund	0	0	0	0
49	93	Authority-wide Miscellaneous	-8,467	-8,609	-142	-2
-263	-3		-159	-645	-486	-306
<u>Financing Costs</u>						
-2,440	-7	Debt Charges and Interest	35,215	32,718	-2,497	-7
-3,084	-6	CORPORATE SERVICES TOTAL	39,057	35,700	-3,357	-9

Commentary on Results

FP8 Indicator = Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £50,000 whichever is greater.

Commentary on Service Budgets reported in the FP8 Indicator			
Service	Budget (£000)	Variance (£000)	Variance (%)
Corporate Director	-2,659	-104	-4%
There was an underspend of £104k on the Corporate Director budget due to salary savings and efficiencies on the HealthWatch contract.			
Business Transformation	3,073	-350	-11%
Business Transformation had an underspend of £350k. In-year salary savings of £140k resulted from an inability to recruit to posts across all teams. This had a knock-on effect, in that the delivery of the Electronic Document and Record Management, Customer Relationship Management system and Digital by Default projects were delayed when compared to the originally planned project timeframes. There is was underspend of £184k against the Digital by Default investment as a result of this slippage. In addition, there was a £26k underspend on Courier Services as the result of retendering.			
Employment Review	-199	+199	+100%
The Employment Review budget was included within Corporate Services for reporting purposes. Discussions were completed with the Unions about possible savings from the Employment Cost review, but no further savings were achieved within 2013/14 other than the previously reported saving from giving senior management and management band staff an annual inflationary pay rise of less than 1%.			
Building Maintenance	254	+124	+49%
Difficulties experienced in reducing the property portfolio in line with the Business Plan (as detailed below) resulted in a pressure on the building maintenance budget, which had an overspend of £124k.			
Cambridgeshire Public Sector Network	1,164	-247	-21%
There was an underspend of £247k overall on the CPSN budget. Repayment of the capital investment in VoIP telephony, agreed as part of the original business case, was completed in 2012/13. The surplus telephony budget was retained as cover for essential CPSN developments, but the costs for 2013/14 were funded from capital and the core CPSN budget. In addition, internal income recovery was better than expected and a contingency fund for legal advice on key projects was not required.			
Capital Receipts Expenses	246	-235	-95%
Following a change in policy, the costs incurred in disposing of an asset were offset against the generated receipt. This resulted in a revenue saving of £235k on the Capital Receipts Expenses budget.			
County Farms	-2,184	-381	-17%
County Farms generated an additional surplus of £381k from increased rental income following a series of rent reviews completed during 2012/13.			

Commentary on Service Budgets reported in the FP8 Indicator			
Service	Budget (£000)	Variance (£000)	Variance (%)
County Offices	6,024	+864	+14%
County Offices had an overspend of £864k. There was a net pressure of £128k resulting from business rates costs for the vacant Black Horse House wing of Castle Court (£79k); estimated dilapidation costs from vacating two leased properties (£65k); and a rebate on the cleaning contract (-£16k). A savings target of £736k was allocated in the Business Plan linked to a reduction in the Council's property portfolio. Delivery of this saving is being led by the Effective Property and Asset Management (EPAM) Project, but no savings were secured before year-end.			
Effective Property Asset Management	125	-128	-102%
The Effective Property Asset Management budget underspent by £128k. This was due to activity across the Making Assets Count partnership, and in relation to the Council's property rationalisation, progressing more slowly than anticipated.			
External Audit Fees	240	-128	-53%
There was an underspend of £128k on the External Audit Fees budget. This was due to a reduction in the External Audit scale fees, transferring the cost of auditing the Pension Fund to the Fund directly, and a rebate from the Audit Commission.			
Insurance	13	-300	-2,396%
There was an underspend of £300k on the Insurance budget resulting from on-going work by the Insurance Section to minimise the cost of internal provision, coupled with significant savings on external insurances for the Authority.			
Members' Allowances	978	-60	-6%
There was an underspend of £60k on the Members' Allowances budget due to general efficiencies and a small underspend on responsibility allowances following the County Council election in May.			
Organisation Workforce Development (OWD) Managed	0	+90	0
Following agreement at Strategic Management Team, there was an overspend of £90k on National Management Trainees, which related to the four trainees employed in 2013/14. On-going funding for this programme was approved as part of the 2014/15 Business Plan.			
Authority-wide Miscellaneous	-8,467	-142	-2%
There was an underspend of £142k on the Miscellaneous budget due to a reduction made to the central bad debt provision, reflecting the decision for Adults Social Care to provide for their bad debts directly.			

Commentary on Service Budgets reported in the FP8 Indicator			
Service	Budget (£000)	Variance (£000)	Variance (%)
Debt Charges and Interest	35,215	-2,497	-7%
<p>The Guided Busway receipt of £33m, which was forecast for 2014/15, was received on 30th January 2014. In addition, the Capital Financing Requirement (CFR) as at 31st March 2014 fell since the budget was set in February 2013, due to slippage in the capital programme. As a result of this, and the outlook for long term interest rates remaining steady, the decision to raise long term borrowing was deferred until 2014/15 and following the refresh of the Business Plan. This together with other small variances in the Debt Charges budget, including the Minimum Revenue Provision, generated savings of £2.497m.</p>			

CS Appendix 2: Movements on Reserves

1. Corporate Services Reserves

Account Description	Balance to 01/04/13	Movement within year	Balance at 31/03/14	Notes
<u>Stock Accounts</u>				
Resources Franking Machine	21,147	-1,690	19,457	
	21,147	-1,690	19,457	
<u>Short Term Provisions</u>				
Transforming Cambridgeshire	0	-1,000,000	-1,000,000	1
	0	-1,000,000	-1,000,000	
<u>Creditor / Holding Accounts</u>				
Corporate Services Social Club	-5,903	1,507	-4,396	
	-5,903	1,507	-4,396	
<u>Invest to Transform Fund</u>				
CS Invest to Transform	-75,000	75,000	0	2
	-75,000	75,000	0	
<u>Carry forward - Office</u>				
Corporate Services	-1,628,468	314,062	-1,314,406	3
	-1,628,468	314,062	-1,314,406	
<u>Replacement Funds</u>				
Postal service	-25,466	-25,000	-50,466	
	-25,466	-25,000	-50,466	
<u>Other Earmarked Reserves</u>				
Head of Community Development	-25,811	25,811	0	4
Cambs & Peterborough Resilience Forum	0	-12,572	-12,572	
Travellers Support Officer	-43,442	-6,193	-49,635	
Election Processes	-448,662	448,662	0	5
EDRM Project	-273,556	0	-273,556	
	-791,471	455,708	-335,764	
GRAND TOTAL	-2,505,161	-180,414	-2,685,574	

Notes

- 1 A provision has been set up for Transforming Cambridgeshire, to deliver significant efficiencies and improve end to end support and joint working between services.
- 2 Following the decision by Cabinet to close Service ITT funds, the Corporate Services £75k balance was transferred to central reserves.
- 3 The year-end position reflects the Corporate Services underspend of £374k and £940k unused operational savings funding which will need to be carried forward to 2014/15. Details on operational savings allocated in 2013/14 can be found in CS Appendix 3.
- 4 The balance on this account was no longer required and was therefore transferred to central reserves.
- 5 The balance on the Election reserve was transferred to revenue to contribute towards the cost of the County Council election held in May 2013.

2. LGSS Managed Reserves

Account Description	Balance to 01/04/13	Movement within year	Balance at 31/03/14	Notes
<u>Debtor Accounts</u>				
Insurance Prepayment	437,400	4,861	442,260	
Lease Car Prepayment	2,707	-2,707	0	
	<u>440,107</u>	<u>2,154</u>	<u>442,260</u>	
<u>Short Term Provisions</u>				
Carbon Trading	-422,401	-36,863	-459,264	
Insurance Short-term Provision	-1,180,250	0	-1,180,250	
Insurance MMI Provision	-2,000,000	1,600,000	-400,000	1
Redundancy Provision	-1,794,197	967,839	-826,358	2
	<u>-5,396,848</u>	<u>2,530,976</u>	<u>-2,865,872</u>	
<u>Creditor / Holding Accounts</u>				
Capital Receipts Deposit Payments	-57,500	25,000	-32,500	
County Farms	-133,028	-3,326	-136,354	
Salary Sacrifice - Child Care Voucher Scheme	-9,302	27,576	18,274	
	<u>-199,830</u>	<u>49,250</u>	<u>-150,580</u>	
<u>Long Term Provisions</u>				
Insurance Long-term Provision	-4,720,750	0	-4,720,750	
	<u>-4,720,750</u>	<u>0</u>	<u>-4,720,750</u>	
<u>Capital Reserves</u>				
P&P Commissioning (Prop)	-350,220	-121,865	-472,085	
Blackwell Travellers Site	-30,680	21,839	-8,841	
	<u>-380,899</u>	<u>-100,026</u>	<u>-480,925</u>	
<u>Carry forward - Office</u>				
LGSS Managed	-7,930	7,930	0	
	<u>-7,930</u>	<u>7,930</u>	<u>0</u>	
<u>Carry forward - Trading Units</u>				
CCC Lease Cars	-69,765	69,765	0	3
	<u>-69,765</u>	<u>69,765</u>	<u>0</u>	
<u>Replacement Funds</u>				
Corporate Infrastructure Replacement & Renewals	-95,241	16,677	-78,564	
Corporate ICT Assets	-350,387	-124,781	-475,168	4
Corporate Telephony	-5,434	0	-5,434	
	<u>-451,062</u>	<u>-108,104</u>	<u>-559,166</u>	
GRAND TOTAL	<u>-10,786,978</u>	<u>2,451,946</u>	<u>-8,335,032</u>	

Notes

- 1 A specific provision was created in lieu of liabilities owing in respect of Municipality Mutual Insurance clawback. An initial payment was made while the value of the overall claim was assessed; the balance of the provision is expected to be drawn-down in 2014/15.
- 2 £968k of the specific provision for Section 188 redundancy costs was drawn-down to revenue to cover costs incurred during 2013/14.
- 3 The Lease Car carry-forward account was written back to revenue to cover scheme closure costs.
- 4 A contribution of £125k was made to the Corporate IT Assets replacement fund at year-end.

CS Appendix 3: Corporate Services Virements & Budget Reconciliation

	£000
Budget as agreed in Budget Book	57,836
Post-Business Plan corrections for LGSS & LGSS Managed budgets	346
Transfer Depot income budgets from Strategic Asset Management	-118
Procurement contract savings from MFD and Insurance budgets	-97
Transfer budget for centralised stationery employee costs to Property	-20
Blue Badge budget from CFA	17
MAC expenses budget to ETE	-1
Property budgets for Highways Depots	158
Transfer Aspire support budget from IT Managed to CFA	-30
Adjustment to property income budgets with CFA	22
ITT loan advance - E-Government improvements and upgrades	183
Property budgets for in-house care providers returned to CFA	-258
Transfer Project Manager post to CFA	-54
Adjustment to property income budgets with CFA	-11
Transfer Laundry facilities budget from LGSS Operational	34
Transfer from LGSS Operational to Leadership Management	18
Operational Savings - restructure pressures	202
Operational Savings Transfer - Community grants	50
Operational Savings Transfer – Service Transformation post	36
Operational Savings Transfer – Libraries book-fund	100
Transfer of funding for Election costs - from central reserves	345
LAF funding from ETE	6
Operational Savings Transfer – Service Transformation	81
Allocation of LGSS central charges budget from CS	-8
Migration demography transferred from CFA	15
Transfer Community & Cultural Services to ETE	-5,983
Transfer Democratic & Scrutiny Services to LGSS	-486
Payroll Inflation Allocation	93
Transfer part funding for admin support post from LGSS Finance	3
Allocation of Public Health support budgets to LGSS	-65
Ramsey Library CPSN costs from ETE	10
Allocation of Insurance budgets 2013/14	-1,862
Return surplus funding for Election costs 13/14 - from central reserves	-122
Allocation of Building Maintenance budgets 2013/14	-10
Corporate Services Corporate Allocations	-3,243
LGSS Managed Corporate Allocations	-8,139
Financing Costs Corporate Allocations	11
Revised Corporate Services budget	39,057

CS Appendix 4: Corporate Services Performance

Corporate Services Performance Indicator Suite 2013-14 March 2014										
Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
All services										
Number of business miles travelled, year to date (CST only)	Monthly	Low	num	March	0	46,881	G		The target is to be set.	G
Percentage of invoices paid within specified timescales, this month (CST only)	Monthly	High	%	March	97.0%	99.3%	G		n = 1,445	G
Percentage of invoices paid within specified timescales, year to date (CST only)	Monthly	High	%	March	97.0%	99.7%	G		n = 15,024	G
Average number of days sick per FTE, this month (CST only)	Monthly	Low	days	December	0.53	0.21	G	↑		G
Average number of days sick per FTE, cumulative year to date (CST only)	Monthly	Low	days	December	4.34	4.35	A	↓		A
Business Transformation										
Percentage of FOI requests responded to within specified timescales, year to date (CST only)	Monthly	High	%	March	90.0%	98.0%	G	↔	Year to date, 102 of 104 requests have been responded to on time.	G
Percentage of FOI requests responded to within specified timescales, year to date (whole Council)	Monthly	High	%	March	90.0%	95.0%	G	↑	Year to date, 1,094 of 1,147 requests have been responded to on time.	G
Percentage of calls to the Contact Centre that are answered	Monthly	High	%	March	85.0%	96.0%	G	↑	18,818 calls were answered in February by the contact centre	G
Percentage of customer complaints responded to within specified timescales (CST only)	Monthly	High	%	March	90.0	100.0	G	↔	2 complaints were recorded for CST during March 2014 and responded within agreed timescales	G

Corporate Services Performance Indicator Suite 2013-14

March 2014

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
Percentage of customer complaints responded to within specified timescales (whole Council)	Monthly	High	%	March	90.0	82.4	R	↑	176 complaints were recorded for the whole council during March 2014. 31 cases failed to meet the target of responding within 10 days. Of those 31 cases, 22 have since been closed, and 9 are being investigated by assigned teams	A
Community Engagement, Communications and Research & Performance										
Number of unique visitors to Cambridgeshire Insight, year to date	Monthly	High	ppl	March	4,969	10,304	G	↑		G
Number of unique visitors to cambs.net, year to date	Monthly	High	ppl	March	406,458	387,526	R	↔		A
Number of returning visitors to cambs.net	Monthly	High	ppl	March	196,522	221,875	G	↑		G
Number of unique visitors to ShapeYourPlace, year to date	Monthly	High	ppl	March	57,939	85,403	G	↑	Excluding Cambridge and South Cambridgeshire SYP sites	G
Percentage of respondents who feel ShapeYourPlace has been useful in communicating local needs to public services, year to date	Monthly	High	%	March	55.0%	69.4%	G	↑	n = 422	G
Percentage of press coverage that is positive or neutral, this month	Monthly	High	%	March	75.0%	92	G	↑		G
Number of businesses offering their resource through the time currency network	Quarterly	High	num	March	10	12	G	↑		G
Number of Friends Groups for nature reserves, year to date	Quarterly	High	num	March	7	5	R	↔	Whilst no new groups have been created this year the 'Snack Shack Group' that help look after Coneygear Park are now at the point of becoming a formally constituted group, which will take on more responsibility for the park. Also work to develop a group for Mare Fen LNR has begun to make progress and work will start soon on engaging with the local community.	R

LGSS Appendix 1: LGSS Cambridge Office Service Level Budgetary Control Report

The variances to the end of Closedown 2013/14 for LGSS Cambridge Office were:

Mar 14 Outturn Forecast			Budget for 2013-14	Actual to Adj 13/14	Variance Adj 13/14	
£000	%	Service	£000	£000	£000	%
<u>LGSS Cambridge Office</u>						
<u>Central Management</u>						
-65	-16	Service Assurance	403	337	-66	-16
77		1 Trading	-7,102	-7,041	62	1
168	16	LGSS Equalisation	-864	-599	265	31
180	-2		-7,564	-7,303	261	-3
<u>Finance</u>						
-111	-11	Chief Finance Officer	-9,493	-9,640	-147	-2
1	3	Strategic Finance	29	29	0	0
0	0	Strategic Asset Management	651	657	6	1
-12	-2	CF, ETE, CS & LGSS Finance	679	655	-23	-3
-35	-2	CFA Finance	1,477	1,437	-40	-3
-14	-40	Pensions Service	36	21	-14	-40
-171	-4		-6,621	-6,840	-219	3
<u>People, Transformation & Transactional</u>						
0	0	Director of People, Transformation & Transactional	193	194	1	0
-199	-17	HR Business Partners	1,148	949	-199	-17
-108	-19	HR Policy & Strategy	568	466	-102	-18
-96	-4	LGSS Programme Team	2,219	2,122	-97	-4
28	4	Organisational & Workforce Development	657	655	-2	0
0	0	Revenues and Benefits	2,418	2,418	0	0
-127	-8	Transactional Services	1,566	1,544	-22	-1
-502	-6		8,768	8,347	-421	-5
<u>Law, Property & Governance</u>						
-67	-8	Audit & Risk Management	890	825	-65	-7
-47	-10	Democratic & Scrutiny Services	490	395	-95	-19
-180	-143	Legal Services	-126	-284	-158	-126
-79	-20	Procurement	396	315	-80	-20
33	4	Property Operations & Delivery	745	820	75	10
-340	-14		2,395	2,071	-324	-14
-166	-3	<u>IT Services</u>	4,969	4,666	-302	-6
-999	-8	Total LGSS Cambridge Office	1,947	941	-1,006	-52

Commentary on Results

FP8 Indicator = Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £50,000 whichever is greater.

Commentary on Service Budgets reported in the FP8 Indicator			
Service	Budget (£000)	Variance (£000)	Variance (%)
Service Assurance	403	-66	-16%
There was an underspend of £65k on Service Assurance due to in-year vacancies across the service, which resulted from implementation of the restructure.			
Trading	-7,102	+62	+1%
The joint LGSS trading target was split 50:50 across Northamptonshire and Cambridgeshire and the consolidated year-end position showed a slight pressure against the overall target. Due to the location of the contracts the Cambridge Office budget had an overspend of £62k.			
LGSS Equalisation	-864	+265	+31%
The year-end surplus on LGSS operational budgets is subject to a sharing arrangement with NCC. The consolidated year-end position resulted in a £265k equalisation payment from CCC to NCC.			
Chief Finance Officer	-9,493	-147	-2%
There was an underspend of 147k on the Chief Finance Officer budget. This was due to the deletion of two management posts in 2012/13 (£69k); underspends from work being managed within existing resources in relation to Public Health (£20k); income from the Section 151 Officer's role with the Cambridge and Counties Bank (£22k); and ad-hoc savings across the budget (£36k).			
HR Business Partners	1,148	-199	-17%
There was an underspend of £199k across the HR Business Partner teams due to delays in recruiting to new posts as a result of the restructuring process. This was used to offset pressures elsewhere in the Directorate.			
HR Policy & Strategy	568	-102	-18%
HR Policy & Strategy had an underspend of £102k resulting from in-year vacancies following the restructuring process.			
LGSS Programme Team	2,219	-97	-4%
There was an underspend of £97k on the LGSS Programme Team budget due to in-year vacancies following the restructuring process.			
Audit & Risk Management	890	-65	-7%
Audit & Risk Management had an underspend of £65k due to vacancy management and savings from reorganisation.			

Commentary on Service Budgets reported in the FP8 Indicator			
Service	Budget (£000)	Variance (£000)	Variance (%)
Democratic & Scrutiny Services	490	-95	-19%
There was an underspend of £94k on Democratic & Scrutiny Services due to staff vacancies and underspends on general office and member training budgets.			
Legal Services	-126	-158	-126%
Legal Services had an underspend of £158k resulting from an over-achievement against their income target. This was due to an increase in the volume of external work, more efficient handling of work and team members exceeding their target hours, thereby delivering a surplus.			
Procurement	396	-80	-20%
Procurement had an underspend of £80k due to a combination of over achievement of internal and external income targets, savings through vacancy management and savings on ad-hoc staffing expenditure.			
Property Operations & Delivery	745	+75	+10%
Property Operations had an overspend of £75k on staffing costs as the result of failure to generate income to fund a number of traded posts.			
IT Services	4,969	-302	-6%
There was a net £302k underspend on IT Services due to in-year vacancies following the restructure within the Directorate, savings on contractor spend and income generation above budgeted levels.			

LGSS Appendix 2: Movements on Reserves

Account Description	Balance to 01/04/13	Movement within year	Balance at 31/03/14	Notes
<u>Debtor Accounts</u>				
Legal - Corporate & Democratic	4,484	9,135	13,619	
	4,484	9,135	13,619	
<u>Imprest Accounts</u>				
Finance	1,000	0	1,000	
HR Payroll	25,000	0	25,000	
Pension Section - Fund	300	0	300	
IMU - Euro Imprest account	7,067	0	7,067	
Legal - Admin & Overhead	25,000	0	25,000	
	58,367	0	58,367	
<u>Short Term Provisions</u>				
LGSS Redundancy Reserve	-250,000	250,000	0	1
	-250,000	250,000	0	
<u>Creditor / Holding Accounts</u>				
Estates	-1,081	-18	-1,099	
	-1,081	-18	-1,099	
<u>Capital Reserves</u>				
Legal Services	-30,000	0	-30,000	
	-30,000	0	-30,000	
<u>Carry forward - Office</u>				
LGSS Cambridge Office	-1,904,926	789,095	-1,115,830	2
	-1,904,926	789,095	-1,115,830	
<u>Replacement Funds</u>				
Legal Services	-85,000	0	-85,000	
	-85,000	0	-85,000	
<u>Other Earmarked Reserves</u>				
Finance	-1,143	1,143	0	
	-1,143	1,143	0	
GRAND TOTAL	-2,209,299	1,049,356	-1,159,943	

Notes

- 1 The specific provision for LGSS redundancy costs was drawn down during 2013/14.
- 2 The year-end position reflects the LGSS Cambridge Office underspend of £1.006m; £460k of unused operational savings which will need to be carried forward to 2014/15; and £350k dividend payment to Cambridgeshire County Council. Details of operational savings allocated in 2013/14 can be found in LGSS Appendix 3.

LGSS Appendix 3: LGSS Cambridge Office Virements & Budget Reconciliation

	£000
Budget as agreed in Budget Book	10,919
Post-Business Plan corrections for LGSS & LGSS Managed budgets	-346
Transfer Depot income budgets to Capital Receipts budget	118
Procurement contract savings from MFD and Insurance budgets	97
Transfer budget for centralised stationery employee costs to Property	20
Transfer Laundry facilities budget to LGSS Managed	-34
Transfer to LGSS Managed for Leadership Management	-18
YOT HR annual recharge	4
Finance Operational Savings 2013/14 - CIPFA Trainee	44
Allocation of LGSS central charges budget from CS	8
Transfer of Democratic & Scrutiny Services from CS	486
CCS Finance Staff from CFA to LGSS Finance	38
Payroll Inflation Allocation 2013/14	116
PT&T Operational Savings 2013/14 – Revenues & Benefits	150
PT&T Operational Savings 2013/14 – PT&T Transition Costs	200
Transfer part funding for admin support post to CS	-3
Allocation of Public Health support budgets from CS	65
IT Operational Savings 2013/14 – Data Centre costs	46
PT&T Operational Savings 2013/14 – Apprenticeships	9
LGSS Operational Savings - Norwich Contract Provision	184
PT&T Operational Savings 2013/14 – PT&T Transition Costs part-return	-7
LGSS Operational Savings - Redundancy & Pension Strain Costs	337
LGSS Corporate Allocations	-10,485
Revised LGSS Cambridge Office budget	1,947

LGSS Appendix 4 – LGSS Cambridge Office Performance

LGSS are currently working on a new suite of performance indicators.