

Service: Finance & Resources and Strategy & Partnerships
 Subject: Finance Monitoring Report – January 2023
 Date: 28 March 2023

Key Indicators

Category	Target	Section Ref.
Income and Expenditure	Balanced year end position	1.1 – 1.3
Capital Programme	Remain within overall resources	2

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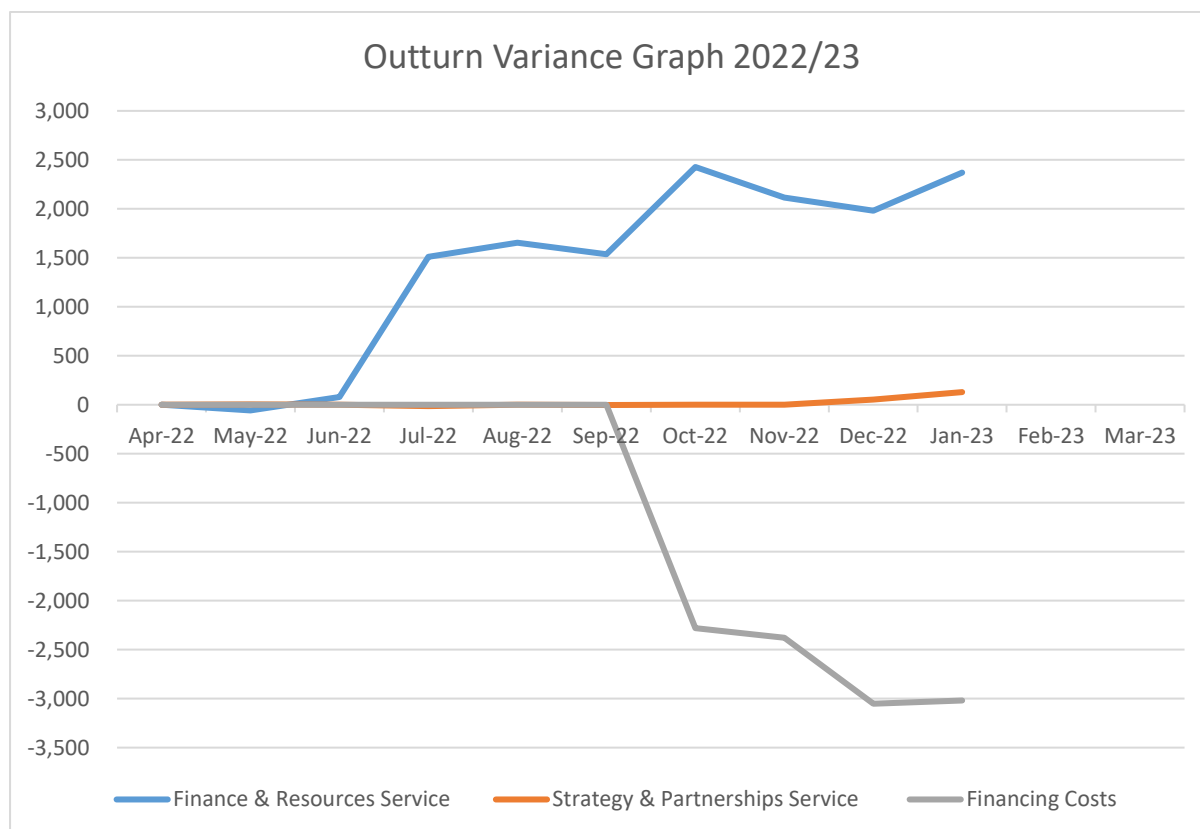
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1. Revenue Executive Summary

1.1 Overall Position

Strategy & Partnerships Service has a budget of £15,641k in 2022/23 and is currently forecasting an overspend of £129k.

Finance & Resources Service (including financing costs) has a budget of £44,855k in 2022/23 and is currently forecasting an underspend of £651k.



1.2 Summary of Revenue position by Directorate

The service level budgetary control report for the year 2022/23 can be found in [appendix 1](#)

Outturn Variance (previous) £'000	Directorate	Budget £'000	Actual £'000	Outturn Variance £'000
52	Strategy & Partnerships Service	15,641	5,108	129
-1,070	Finance & Resources Service	44,855	21,307	-651
-1,018	Overall Total	60,496	26,415	-522

Further analysis can be found in [appendix 2](#)

1.3 Significant Issues

Strategy & Partnerships Service are currently forecasting an overspend of £129k, an increase of £77k from the previous forecast.

There is one exception to report this month.

Policy, Design and Delivery Service budget is currently forecasting an overspend of £210k. The current staffing budget includes a contribution from the capital receipts budget. The nature of this funding is for work related to making savings as set out in the business plan. The current focus for the team is on programmes of work that do not necessarily make a saving and therefore can't be capitalised, which has resulted in an increased requirement for revenue funding.

Finance & Resources Service are currently forecasting an underspend of £651k, a decrease of £419k from the previous forecast.

There are three exceptions to report this month

IT & Digital Services is currently forecasting an underspend of £244k, this is due to lower than expected costs for licences and software costs £235k, this includes a new contract for which the full cost will not now fall in this financial year. There is also a saving for MFD (printers) of £84k, due to a reduction in lease costs. There is a continued pressure for mobiles/data of £75k in this financial year, work is being done to reduce this cost for next financial year.

The Lead Authority budgets are currently forecasting an overspend of £139k, due to the following:

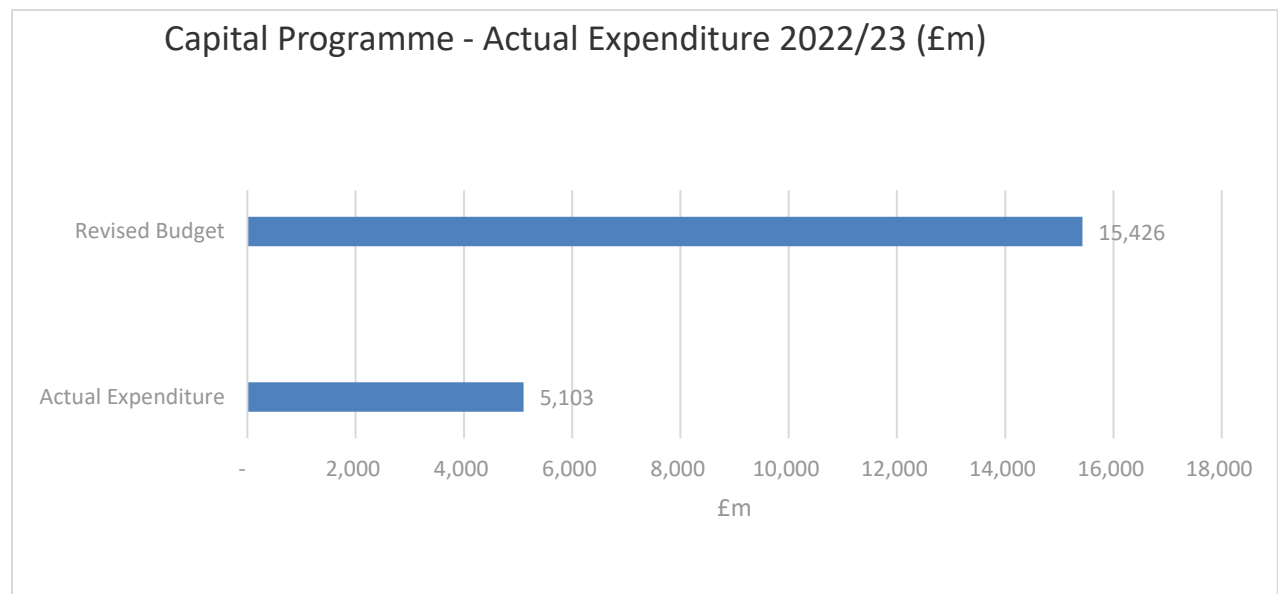
- Programme team costs on projects such as the new Income Management system & Recruitment system, AP Automation & ERP upgrades has resulted in additional costs this year of £345k, this amount includes a charge for work carried out in 2021-22 which was omitted from last year's invoice, a reserve is available to fund this if not affordable in the context of the wider council budget.
- Insurance team underspend of £67k with the majority related to vacancies
- Business system team underspend of £83k due to vacancies
- Performance and Governance team underspend of £32k due to vacancies
- Finance Transactions Service is forecasting an underspend of £91k due to vacancies
- Payroll team is overspent by £118k, due to the requirement for additional staff to meet the demands of the services
- Central Management budget has received additional income of £50k from the Cambridgeshire Pension Fund for the 2022-23 contribution.

Central Services and Organisation-Wide Risks forecast overspend has increased by £600k for an adjustment to the bad debt provision.

2. Capital Executive Summary

2.1 Expenditure

The capital programme in 2022/23 is £15,426, with expenditure to date of £5,103k.



There are four exceptions to report this month.

Building Maintenance scheme budget is forecasting a total underspend of £472k in 2022/23, of which £387k needs to be re-profiled into 2023/24. This is due to work yet to start for 3 large projects - a roof replacement, lift replacement and a heating, & ventilation system.

This will reduce the borrowing requirement by £472k in this financial year, which includes a total scheme underspend of £85k.

IT Education System Replacement scheme budget is forecasting a total underspend of £1,310k in 2022/23. Due to the Open Tender procurement processes for SEND and Transport (particularly the agreement of contracts) taking longer than anticipated, the programme was not able to make informed decisions about the wider Education system until several months later. While we still anticipate raising the PO for the Education System this financial year, we are not expecting a significant draw to be made on that PO until the financial year 23/24, hence requiring the funds to be rolled over.

This will reduce the borrowing requirement by £1,310k in this financial year.

IT Strategy Programme scheme budget is forecasting a total underspend of £544k in 2022/23. The work will continue into 2023/24 and with the additional funding to enable the procurement of the core infrastructure for the network, to be undertaken by 2025/26. Projects within the IT Strategy scheme include the implementation of

the digital engagement projects and the cloud CRM which have begun and will be completed next financial year.

This will reduce the borrowing requirement by £544k in this financial year.

Capitalisation of Policy, Design and Delivery Team scheme budget is forecasting a total underspend of £582k. The current programme of work is not focused solely on making savings as per the business plan, but includes other initiatives such as Net Zero, Adults, Strategy and Policy, & COMF programmes and therefore the total budget will not be required.

This will reduce the capital receipt requirement by £582k in this financial year.

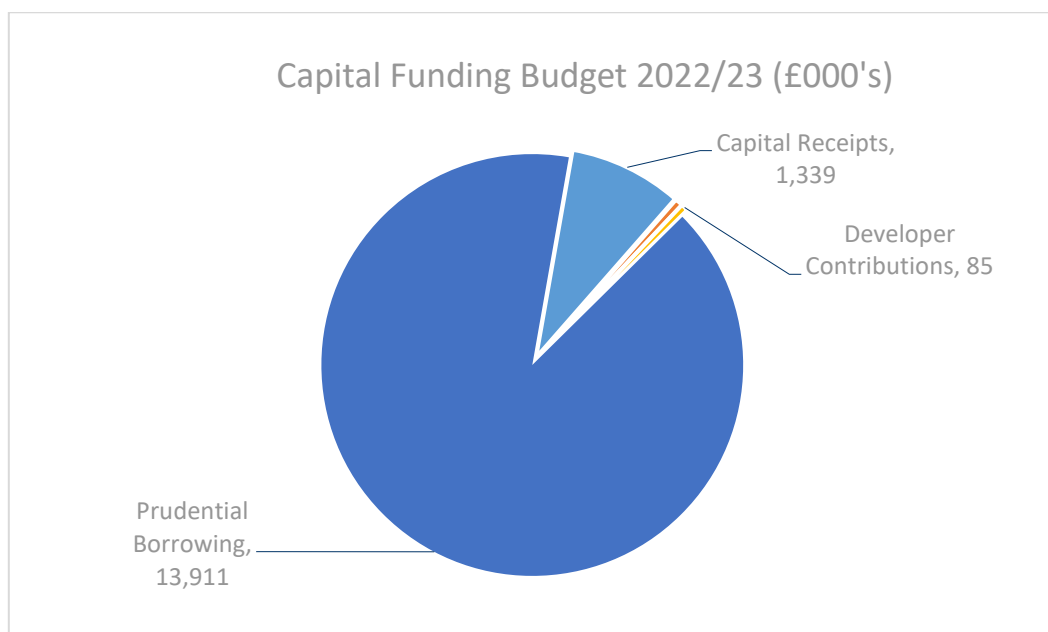
Update on Development Funding and Local Plans Representation schemes

The forecast for the Development Fund scheme is an underspend in 2022/23 of £2383, this is due to the nature of the work currently taking place and the stage in development with various LDF projects taking priority. This has also resulted in the forecast for the Local Plans budget increasing by £56k in this financial year. The budget manager has requested that the budgets between the two schemes are re-aligned to meet the focus of work required over the next few years. This has been the Capital Programme Board and agreed by Tom Kelly under delegated responsibility.

Details of the capital variances and funding can be found in [appendix 3](#)

2.2 Funding

The capital budget is £15,426k in 2022/23. This includes £6,800k of funding carried forward from 2021/22 & adjustments made to the total capital scheme budget.



Appendix 1 – Budgetary control report for the year 2022/23

Strategy & Partnerships Service Financial information

Previous Forecast Outturn Variance £000's		Budget 2022/23 £000's	Actual January 2022 £000's	Forecast Outturn Variance £000's	Forecast Outturn Variance %
0	Executive Director: Strategy & Partnerships	431	342	(13)	-3%
0	Chief Executive's Office	243	195	(7)	-3%
(2)	Communications	785	603	(30)	-4%
0	Elections	175	0	0	0%
0	Human Resources	1,894	1,586	2	0%
(3)	Learning & Development	1,800	1,447	(38)	-2%
	Legal & Governance				
0	Internal Audit	441	316	0	0%
(4)	Legal & Governance Services	142	111	(4)	-3%
35	Information Management	958	810	22	2%
(9)	Democratic & Member Services	356	285	(10)	-3%
(16)	Members' Allowances	1,002	844	7	1%
7	Legal & Governance Total	2,898	2,367	16	1%
	Policy & Communities				
50	Policy, Design and Delivery	843	1,100	210	25%
0	Business Intelligence	1,299	1,200	14	1%
0	Emergency Planning	132	127	0	0%
	Communities Employment & Skills				
0	Strategic Management - CES	249	(263)	0	0%
0	Public Library Services	4,089	3,305	0	0%
0	Cambridgeshire Skills	2,163	799	0	0%
0	Archives	402	297	0	0%
0	Cultural Services	325	175	(5)	-2%
0	Think Communities	13,709	2,580	(20)	0%
0	Youth and Community Services	395	48	0	0%
0	Communities Employment & Skills Total	21,333	6,942	(25)	0%
50	Policy & Communities Total	23,607	9,370	199	1%
52	Total	31,833	15,910	129	0%
	Grant Funding				
0	Non-Baselined Grants	(16,193)	(10,802)	0	0%
0	Grant Funding Total	(16,193)	(10,802)	0	0%
52	Overall Total	15,641	5,108	129	1%

Finance & Resources Service Financial Information

Previous Forecast Outturn Variance £000's		Budget 2022/23 £000's	Actual January 2022 £000's	Forecast Outturn Variance £000's	Forecast Outturn Variance %
Customer & Digital Services					
(111)	Customer Services	1,890	1,472	(106)	-6%
(102)	IT Services	11,021	11,324	(244)	-2%
(214)	Customer & Digital Services Total	12,911	12,796	-350	-3%
Finance & Procurement					
0	Service Director of Finance & Procurement	361	311	0	0%
(10)	Professional Finance	2,200	1,721	(10)	0%
(39)	Procurement	897	720	(16)	-2%
(63)	CCC Finance Operations	166	66	(80)	-48%
(163)	Insurance Fund	2,399	2,172	(163)	-7%
68	Lead Authority Services	1,356	721	139	10%
244	External Audit	75	(3)	220	295%
37	Finance & Procurement Total	7,454	5,708	90	1%
Property Services					
890	Facilities Management	6,029	5,621	949	16%
1	Property Services	973	854	1	0%
(422)	Property Compliance	223	(205)	(424)	-190%
0	County Farms	(4,502)	(1,967)	70	2%
(11)	Strategic Assets	874	785	(32)	-4%
458	Property Services Total	3,597	5,088	565	16%
Investment Activity					
0	Property Investments	(3,610)	(3,114)	0	0%
(51)	Company Dividends & Fees	(571)	(622)	(51)	-9%
(80)	This Land	(6,063)	(4,881)	(162)	-3%
365	Contract Efficiencies & Other Income	(365)	-0	365	100%
(134)	Collective Investment Funds	(1,050)	(1,074)	(172)	-16%
(0)	Renewable Energy Investments	(222)	85	0	0%
100	Investment Activity Total	(11,881)	(9,606)	(21)	0%
Corporate & Miscellaneous					
1,518	Central Services and Organisation-Wide Risks	(1,077)	(91)	2,097	195%
17	Local Government Subscriptions	110	127	17	15%
66	Authority-wide Miscellaneous	468	428	(28)	-6%
1,601	Corporate & Miscellaneous Total	(499)	464	2,085	418%
Financing Costs					
(3,052)	Capital financing costs and minimum revenue provision	33,275	6,856	(3,020)	-9%
(3,052)	Financing Costs Total	33,275	6,856	(3,020)	-9%
(1,070)	Total	44,855	21,307	(651)	-1%
Grant Funding					

Previous Forecast Outturn Variance £000's		Budget 2022/23 £000's	Actual January 2022 £000's	Forecast Outturn Variance £000's	Forecast Outturn Variance %
0	Non-Baselined Grants	0		0	0%
0	Grant Funding Total	0		0	0%
(266)	Total	44,855	21,307	(651)	-1%