

Corporate Services and LGSS Cambridge Office**Finance and Performance Report – May 2018****1. SUMMARY****1.1 Finance**

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Green	2.1 – 2.4
N/A	Capital Programme	Remain within overall resources	Green	3.2

1.2 Performance Indicators – Current status: (see section 4)

Monthly Indicators	Red	Amber	Green	Total
May (Number of indicators)				

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

Directorate	Budget	Actual	Outturn Variance	Outturn Variance %	Status
Corporate & Customer Services	7,682	1,592	504	6.6%	Amber
Corporate Savings & Funding	-1,368	0	0	0.0%	Green
Deputy Chief Executive	336	234	0	0.0%	Green
Financing Costs	25,983	-3,451	-866	-3.3%	Green
LGSS Managed	11,286	1,747	140	1.2%	Amber
Total	43,919	122	-222	-3.3%	
Grant Funding	-201	0	0	0.0%	
Above the Line Total	44,581	-39,530	-222	-0.5%	

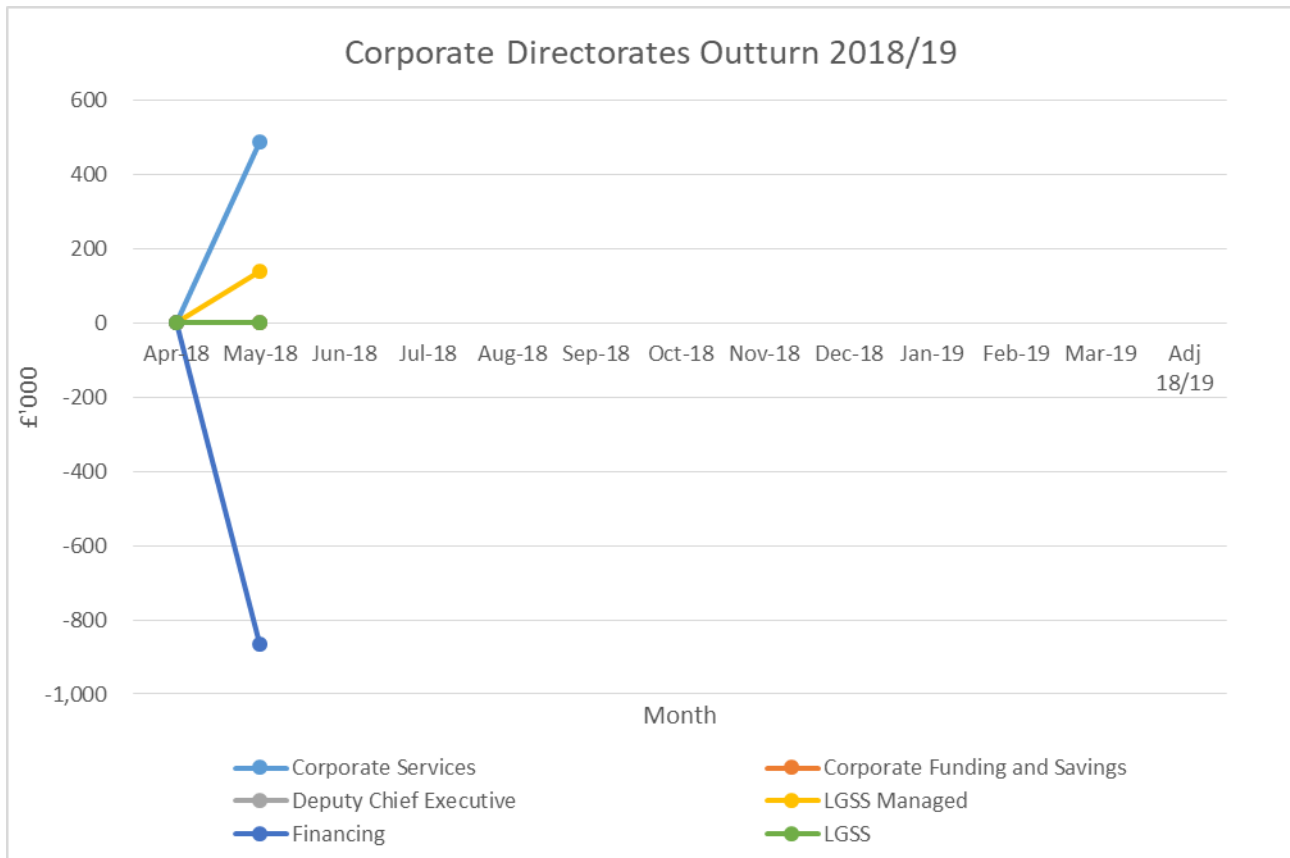
The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for May 2018 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for May 2018 can be found in [LGSS appendix 1](#). The position on the LGSS trading contracts will be included here going forward. Pressures and deficits within LGSS Operational budgets are the responsibility of the Joint Committee. Formal risk sharing arrangements are in place such

that changes in service or financing impacting one partner are isolated from impacting other partners. In practice, this means that where there is risk (or additional requirements for) in-year savings for back-office services shared with or facing Northamptonshire County Council, these do not impact on the service received by Cambridgeshire County Council or impact any overspend to be handled by CCC.

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

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



2.2.1 Significant Issues – Corporate and Customer Services

Corporate and Customer Services budgets are currently predicting an overspend of £504k. This is mainly due to costs of the Mosaic project that were previously capitalised being moved to revenue. This pressure will be reported within People & Communities, reflecting the Committee recommendation, in future months.

Changes in Children's Services, agreed at the Children's and Young People's committee, have led to a change in approach for the IT system for Children's Services. At its meeting on 29 May General Purposes Committee supported a recommendation to procure a new Children's IT System that could be aligned with Peterborough City Council. A consequence of this decision is that the Mosaic system will no longer be rolled out for Children's Services. Therefore £504k of costs for Mosaic, which were formerly charged to capital, will fall back as a revenue pressure in 2018/19.

2.2.2 Significant Issues – Deputy Chief Executive

Deputy Chief Executive budgets are currently predicting a balanced position.

There are no exceptions to report this month.

2.2.3 Significant Issues – LGSS Managed

LGSS Managed budgets are currently predicting an overspend of £140k at year-end. This is due to an increase in IT costs due to a change in telephony licensing.

There are no exceptions to report this month.

2.2.4 Significant Issues – Financing Costs

Financing Costs are currently predicting an underspend of £866k. This is due to a change in the payment of Minimum Revenue Provision.

An £866k underspend is forecast on Minimum Revenue Provision. The Council is required to repay an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision - MRP). Following analysis of capital schemes completed in 2017/18 and how they were funded, the MRP payment for 2018/19 has been amended. The Council was able to use funding it was holding as the accountable body for other organisations to fund £16m of capital expenditure, rather than using Prudential Borrowing. This has delayed the MRP payment for these schemes until we take out Prudential Borrowing to repay the funding used.

2.2.5 Significant Issues – LGSS Cambridge Office

LGSS Cambridge Office is currently predicting a balanced position.

There are no exceptions to report this month.

Additional Income and Grant Budgeted this Period

(De minimis reporting limit = £30,000)

There were no new items recorded during May 2018.

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](#).

2.3 Virements and Transfers to / from Reserves (including Operational Savings Reserve)

(De minimis reporting limit = £30,000)

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

Corporate and Customer Services:

	£000	Notes
GCP	-863	Greater Cambridge Partnership budget
Contract Management Savings	160	Funding of contract management saving from cleaning contract savings
Non-material virements (+/- £30k)	0	

Deputy Chief Exec:

	£'000	Notes
Managed finance budgets	43	Transfer budget from LGSS Mgd to Resources
Non-material virements (+/- £30k)	0	

LGSS Managed:

	£'000	Notes
ESPO income budget	200	Transfer ESPO income budget from Miscellaneous to C&I
Insurance	-135	Reduction in Insurance inflation from 11.1% to 4.9%
H&S Managed	36	Transfer Health & Safety Managed budget into LGSS Managed
Resources Directorate	-43	Transfer budget from LGSS Mgd to Resources
Non-material virements (+/- £30k)	0	

3. BALANCE SHEET

3.1 Reserves

A schedule of the Corporate Services and LGSS Managed reserves can be found in [CS appendix 5](#).

A schedule of the LGSS Cambridge Office Reserves can be found in [LGSS appendix 5](#).

3.2 Capital Expenditure and Funding

Expenditure

- Corporate Services and Transformation schemes have a capital budget of £2.8m in 2018/19 and there is no spend to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

There are no new material variances to report this month.

- LGSS Managed has a capital budget of £6.9m in 2018/19 and there is no expenditure to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

There are no new material variances to report this month.

- LGSS Cambridge Office has a capital budget of £0.1m in 2018/19 and there is no spend to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

There are no new material variances to report this month.

Funding

- Corporate Services and Transformation schemes have capital funding of £2.8m in 2018/19. The Corporate Services capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

There are no new material variances to report this month.

- LGSS Managed has capital funding of £6.9m in 2018/19. The LGSS Managed capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.
- LGSS Cambridge Office has capital funding of £0.1m in 2018/19. The LGSS Cambridge Office capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

- 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 key performance indicators for Corporate and Customer Services, LGSS Managed Services and the LGSS Cambridge Office for May 2018 are set out in [CS Appendix 7](#) and [LGSS Appendix 7](#).

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