

GENERAL PURPOSES COMMITTEE



Date: Tuesday, 25 July 2017

Democratic and Members' Services
Quentin Baker
LGSS Director: Law and Governance

10:00hr

Shire Hall
Castle Hill
Cambridge
CB3 0AP

Kreis Viersen Room
Shire Hall, Castle Hill, Cambridge, CB3 0AP

AGENDA

Open to Public and Press

CONSTITUTIONAL MATTERS

- 1 **Apologies for absence and declarations of interest**
Guidance on declaring interests is available at
<http://tinyurl.com/ccc-conduct-code>
- 2 **Minutes - 13th June 2017 and Action Log** **3 - 18**
- 3 **Petitions**

OTHER DECISION

- 4 **Finance and Performance Report - May 2017** **19 - 46**

KEY DECISIONS

5	Integrated Resources and Performance Report For The Period Ending 31st May 2017	47 - 120
6	Corporate Software Infrastructure Re-Procurement	121 - 132

OTHER DECISIONS

7	Anti-Fraud and Corruption & Anti-Money Laundering Policy Report	133 - 182
8	Agresso (Unit4 Business World) Implementation	183 - 190
9	General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies, Partnership Liaison and Advisory Groups, and Internal Advisory Groups and Panels	191 - 198

The General Purposes Committee comprises the following members:

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman)

Councillor Anna Bailey Councillor Ian Bates Councillor Simon Bywater Councillor Steve
Criswell Councillor Lorna Dupre Councillor Derek Giles Councillor Lynda Harford Councillor
David Jenkins Councillor Noel Kavanagh Councillor Lucy Nethsingha Councillor Josh
Schumann Councillor Mathew Shuter and Councillor Joan Whitehead

*For more information about this meeting, including access arrangements and facilities for
people with disabilities, please contact*

Clerk Name: Michelle Rowe

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GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 13th June 2017

Time: 11.00a.m. – 12.35p.m.

Present: Councillors Bates, Bywater, Count (Chairman), Criswell, Giles, Harford, Harrison (substituting for Councillor Dupre), Hickford, Howell (substituting for Councillor Bailey), Jenkins, Kavanagh, Nethsingha, Schumann, and Whitehead

Apologies: Councillors Bailey, Dupre and Shuter

1. NOTIFICATION OF CHAIRMAN/WOMAN AND VICE-CHAIRMAN/WOMAN

The Committee noted that the Council had appointed Councillor Count as the Chairman and Councillor Hickford as the Vice-Chairman for the municipal year 2017-18.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES – 21ST MARCH 2017 AND ACTION LOG

The minutes of the meeting held on 21st March 2017 were agreed as a correct record and signed by the Chairman. The Action Log and following updates were noted:

- the issue of partnership contributions to transformation proposals would be raised at the Cambridgeshire Public Service Board on 23rd June 2017. It was further noted that unifying outcomes would also be considered. **Action Required.**
- information from central government on the details of what the £6m funding for East Cambridgeshire and Fenland schools could or could not be used for was still awaited. The Committee would be notified when the information was received. **Action Required.**
- requested a breakdown of the amount of debt totalling £353k written off in 2016/17. **Action Required.**
- confirmed that if an item had been considered by a Policy and Service Committee before GPC, an extract of the minutes would be included in future reports.
- the final guidance on the additional Government funding for Adult Social Care of £8.33m was expected around the 22 June 2017. The grant funding would be pooled into the local Better Care Fund, and the Council would be expected to work with the Clinical Commissioning Group (CCG). The Chairman queried how far plans had been progressed with the CCG. The Chief Finance Officer (CFO) reported that any agreement regarding allocation would need to be considered by GPC and Adults Committee first. The Chairman asked that the chairs of both committees be

updated to ensure the funding was allocated in the right direction. The CFO reminded the Committee that this funding was short-term and could not be used for ongoing expenditure. **Action Required.**

- the need for more work to be carried out by Transformation and Business Intelligence on the benefits and savings associated with community interventions. An update would be presented to GPC. **Action Required.**
- the difficulty of reading and identifying which points applied to which trigger in the Corporate Risk Register would be addressed when the content and layout of the Register was reviewed at a GPC workshop on 22 June. An update would be reported to GPC in July. **Action Required.**

The Local Member for Histon and Impington, Councillor Jenkins, drew attention to the action to investigate why Impington Parish Council had not responded to the consultation on the Corporate Energy Strategy for Cambridgeshire County Council. He acknowledged that an e-mail had been sent but questioned why an officer had not then spoken to the Parish Council to find out why it had not responded. Another Member commented that the Council had a statutory duty to consult. She was aware that the response to the consultation had been poor and suggested that the Council needed to find out why in order to ensure it was fulfilling its statutory duty.

The Chairman reminded the Committee of the number of Town and Parish Councils in Cambridgeshire. It would therefore place a significant burden on officers to establish why a particular council had not responded. The use of the e-mail "read receipt" function would just add to this burden. Other Members were of the view that the Council had fulfilled its statutory duty and acknowledged that it was not possible, with the resources available, to follow through a lack of response from an individual parish council. The Chairman was of the view that it was the duty of the Parish Clerk to ascertain a response so the responsibility lay with the Parish Council.

4. PETITIONS

No petitions were received.

5. GENERAL PURPOSES COMMITTEE - AGENDA PLAN AND TRAINING PLAN

At the start of the municipal year, the Committee was asked to consider its agenda plan and training plan. In considering the agenda plan, the Chairman proposed that the County Council Consultation Strategy be considered first by Communities and Partnership Committee. Whilst the Committee acknowledged the benefits of this approach, it was felt that GPC, given its role in the Business Plan process, should retain overall ownership of the strategy. It was therefore agreed that Communities and Partnership Committee should consider the strategy in July, which would remove the need for the Working Group, with a recommendation to be presented to GPC for consideration at its September meeting. **Action Required.**

The CFO raised the need to add the Commercial and Investment Strategy as an additional item for the July meeting. **Action Required.**

Attention was drawn to the training plan, the Chairman proposed a meeting with the Vice-Chairman, Director, Corporate and Customer Services, and the Democratic Services Manager to review the plan. He invited any member of GPC to attend, and confirmed that the revised programme would be presented to GPC for approval.

Action Required.

It was resolved unanimously to:

- a) agree its agenda plan attached at Appendix A.
- b) agree the training plan that had been developed as set out as Appendix B to the report.
- c) consider if there were any other areas of the Committee's remit where Members felt they required additional training.

6. FINANCE AND PERFORMANCE REPORT – FINAL REPORT 2016/17

The Committee was presented with the final Finance and Performance report for Corporate Services and LGSS Cambridge Office for 2016/17. Attention was drawn to a significant underspend on revenue budgets due primarily to lower interest rates and the receipt interest for Section 106. There was also an accrual for the ESPO rebate, which was expected to exceed the budget by £300k.

One Member highlighted the reference to the potential for jointly funded posts with other organisations on page 50 of the report, and queried which organisations would be considered. The CFO reported that the Council was reviewing its staffing structures constantly. He highlighted examples where the Council was sharing posts with other organisations such as the Chief Executive and Interim Executive Director, Children, Families and Adults (CFA). A report was also being considered by Staffing and Appeals Committee on 16 June 2017 regarding the sharing of management posts in CFA. The Chairman raised the point that there was no limit to "other organisations", and the Council would be looking at different structures.

Another Member drew attention to the indicator relating to "IT-incidents resolved within Service Level Agreement" on page 47 of the report, which had a RAG status of red. The Director, Corporate and Customer Services reported that this indicator had been measured October. It was noted that there had been an improvement plan in place since then which had resulted in a positive trajectory over the last six months. The Chief Executive reported that she had e-mailed all staff when a position of stability had been achieved. She was now confident that performance would continue to improve.

It was resolved unanimously to review, note and comment upon the report.

7. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE YEAR ENDING 31ST MARCH 2017

The Committee received the operational report detailing the resources and performance position for the financial year 2016/17. It was noted that this management report preceded the production of the Council's formal Statement of Accounts on which the

audit opinion would be formed. Attention was drawn to the overspend of £500k, which was an improvement on the previous month. Although the overspend was only 1% of the total budget, the Council would need to draw on the General Fund. Members were advised of additional income from County Farms, and reminded of the significant pressure in CFA, particularly Looked After Children, which would involve the need to look closely at demography in relation to this budget.

One Member congratulated the CFO on a relatively balanced budget but expressed concerns about the financing of CFA, which had been rescued financially for the eighth year. She reminded the Committee that the £5m overspend in CFA would have been £8m if the Committee had not vired £3m. She was concerned that CFA did not appear to be getting its financing predictions right. She was also concerned that the Council was not being realistic about the funding of Strategy and Commissioning particularly in relation to Special Educational Needs and the high cost of packages for young people. The Chairman thanked the Member for highlighting these concerns which he shared. Officers were looking at trends in relation to this demand led budget and focussing on prevention work. The former Chairwoman of Children and Young People reported that the overspend in LAC had increased dramatically since April and the Children and Young People had, as a result, requested more detail at its July meeting.

Another Member drew attention to the value of surplus revenue balances held by primary schools set out on page 74 of the report. He suggested that the Council benchmark these balances against previous years. The CFO reported that there was little the Council could do other than support these schools in their medium term financial planning. It was noted that secondary schools were not required to tell the Council their revenue balance figure. The Chairman of Children and Young People Committee suggested that this should be made clear in the report by the use of the words "Not Known" rather than a zero.

It was suggested that the Council could as part of the medium term planning process provide schools with some advice regarding the level of balances they should maintain. The CFO agreed to provide Schools' Forum with a report, which would make clear that the issue had been raised by GPC. **Action Required.** The Chairman highlighted the need to identify whether there were any schools, which had significant surplus revenue balances that had not achieved a good or outstanding Ofsted report. These schools should be brought to the attention of Schools' Forum and the Education Improvement Board. **Action Required.** He acknowledged that reserves were held for a multitude of reasons but there should be intense focus on schools with large reserves which were not performing.

The Chairman drew attention to the fact that Public Health had not required its base budget in 2016/17. He asked officers to consider whether this recurring funding should go back to reserves. **Action Required.** He also drew attention to the impact of the delay in the implementation of the ERP Gold Financial System on CFA IT Infrastructure. He queried the financial impact on the Council of this delay and requested a full report to the next meeting of the Committee. **Action Required.**

The Chairman asked officers to consider the process for managing the additional funding required for the purchase of Vantage House on page 96 of the report, which had been considered by three different committees. **Action Required.**

It was resolved unanimously to:

- a) Note the Council's year-end resources and performance position for 2016/17.
- b) Approve the changes to capital funding for 2016/17, as set out in section 11.6.
- c) Approve the changes to capital funding for 2016/17 previously recommended in the February and March Integrated Resources & Performance Reports, as set out in Appendix 3.
- d) Approve the allocation of additional grant funding received, as previously recommended in the March Integrated Resources & Performance Report, set out in Appendix 3.

8. CAMBRIDGESHIRE PUBLIC SERVICE NETWORK (CPSN) / EASTNET RE-PROCUREMENT

The Committee received a report setting out the need for an extension to the current Cambridgeshire Public Services Network (CPSN) Contract which provided IT infrastructure services to County Council buildings and to Cambridgeshire schools. Attention was drawn to the background to CPSN detailing the fact that the Council was the lead authority for this procurement and the contract was due to end on 23 June 2018. Since the Committee had approved the necessary procurement activities to replace CPSN, Northamptonshire and Bedfordshire had joined the partnership. The re-procurement activity had also seen increased interest from the National Health Service.

It was therefore proposed to carry out a thorough and detailed investigation of the market that would ensure the right balance between making sure the Council had the best approach to connectivity for the future as well as cost efficiency for the Council and its partners. The process would involve a 12-18 month transition particularly if a new provider was the successful bidder. The Committee was therefore asked to consider an extension to the current contract of 18 months. It was proposed to issue a Voluntary Ex Ante Transparency notice to meet with EU Directives. Virgin Media had agreed to extend the contract at no additional cost.

The Chairman of Commercial and Investment Committee congratulated the CFO on a commercially based response to this contract. He informed the Committee that there was now an active dashboard which was monitored by his Committee, which would prevent the need for unexpected extensions in the future. Other Members welcomed the opportunity this extension gave to identify potential partners. One Member queried who would be leading on the contract negotiations. It was noted that the Director, Corporate and Customer Services would take the lead and oversee the process supported by LGSS Procurement. The CFO reported that additional capacity had been added to support this process. Members were informed that GPC would take the final decision.

One Member queried how the Council would ensure the process was fair to all providers. The Director, Corporate and Customer Services reported that it would depend on how elements in the process were weighted. The Council did not want to stick with the current delivery instead it was looking for innovation. There would be

market testing, meeting with bidders and competitive dialogue. The Chairman stressed the importance of ensuring that there was no implicit bias towards one provider. It was also suggested that there was a need to add reliability and quality to the weighting.

Another Member queried the figure of £400k in section 4.1 of the report for the County Council which did not correspond with the doubling of the figure in the table at 2.5. The CFO agreed to clarify. **Action Required.**

It was resolved unanimously to:

approve the Direct Award to Virgin Media Business (VMB) for a further eighteen months at current costs and conditions.

9. TRANSFORMATION FUND – BASELINE AND MONITORING REPORT

The Committee considered a report outlining the starting position and monitoring approach for savings proposals for which transformation funding had been approved. The CFO informed the Committee that the detail provided in the report would not be provided at future meetings.

The Chairman commented that the report was too detailed and therefore did not work too well. He was looking for future reports to use a RAG rating in order to highlight how proposals were working. There was also no reference to the level of savings against predicted performance, and savings identified for partners. He therefore asked for the report to be revised and re-circulated. **Action Required.** Other Members agreed that the current format was unmanageable.

It was suggested that individual Policy and Service Committees should review relevant projects in detail with GPC then receiving a general overview. The Chairman requested an electronic link to a list of projects be provided and acknowledged that individual projects should be monitored by the relevant committee. **Action Required.**

It was resolved unanimously to:

note and comment on the report.

10. REPORT ON CAPITAL PROGRAMME BOARD

The Committee considered an update on the effectiveness of the Capital Programme Board and its work to date. Attention was drawn to the background to the establishment of the Board and its remit. It was noted that the Board was making a difference by compiling a central register of project sponsors and managers, overseeing a more detailed process for capital roll-forwards, and improving the management and accuracy of slippage. It was also noted that slippage had reduced from 37% to 3% as a result of a better profiled capital programme. It was important to bear in mind that the Board had not been through a complete budget cycle so the Committee would not see the full impact until end of the business plan process.

The Chairman acknowledged that the timescales were different and suggested the need for a direction of travel in order to reduce the allowance for slippage. It was

queried whether this process had been embedded within the structures of the Council. The CFO reported that the Highways and Education Programmes had robust governance processes but they needed closer consideration by the Board. One Member suggested that the Commercial and Investment Committee should be responsible for the management of slippage particularly given its impact on the revenue budget. This proposal was welcomed by the Chairman of Commercial and Investment Committee who acknowledged that re-profiling slippage on a long term basis could result in burdening the next the generation. It was therefore important that the Committee took an active role.

Another Member queried how reducing the variations budget of -£25m in 2016/17 reduced the debt charges by around £2m, leading to a corresponding reduction in the savings requirement. The CFO reported that this figure reflected interest and the repayment of debt at a total cost of 8%. It was suggested that it was not good in itself too express slippage in a desirable way. The Chairman reported that it was not the intention to express slippage as good but in this instance it had been used to fund front line services. A discussion ensued regarding when slippage could be perceived as positive. The CFO reported that it was always important to bear in mind that delays did cost more.

The Chairman informed the Committee that he had asked the Chief Executive to consider the delivery mechanism for the City Deal and Combined Authority to identify which committee handled delivery.

It was resolved unanimously to:

note the progress of the Capital Programme Board to date.

11. FUNDING ADJUSTMENTS FOR 2017-18 BUSINESS PLANNING

The Committee received an update on the funding adjustments as announced in the Final Local Government Finance Settlement.

It was resolved unanimously to:

note the impact of the Final Local Government Finance Settlement on the Council's 2017-18 Business Plan.

12. TREASURY MANAGEMENT QUARTER 4

The Committee considered the fourth quarterly update on the Treasury Management Strategy 2016-17, approved by Council in February 2016. Attention was drawn to the key headlines. It was noted that the amount of borrowing had been significantly lower than predicted largely due to internal and short term borrowing as a result of access to lower interest rates. The Committee was informed that the Council was the accountable body for the City Deal and Local Enterprise Partnership (LEP) so could use this cash when borrowing. Attention was drawn to the maturity profile of borrowing which showed a large peak in 2018. It was hoped that low interest rates would continue in the short term.

In response to a query from the Chairman regarding the £80m debt, the CFO reported that he reviewed on a constant basis the risk of paying back loans early. The Chairman also queried the possibility of borrowing funding from the Combined Authority. The CFO reported that another authority held the funding for the Combined Authority. The County Council, as the accountable body for the City Deal and LEP, needed to maximise the use of this funding. It was queried whether there was a need to review the Minimum Revenue Provision repayment plan in to take advantage of low interest rates. The CFO reported that there were categories of debt for finance and buildings. However, it was important to note that the Council could not have a zero debt repaying policy using cash.

The Chairman highlighted the fact that not all debt was bad. He drew attention to the loan to the Arthur Rank Hospice Charity which would be paid back with interest. He suggested identifying debt which was paid for by the Council or which went directly to the revenue account. The CFO reported that this process was used for the Capital Programme, and he agreed to apply the same principle to debt. **Action Required.** The Chairman of Commercial and Investment explained that his committee looked at return based on evidence. The CFO added that together with the Commercial and Investment Committee Chairman, they had received a presentation from an organisation which had acquired a site costing £350m for a District Council.

One Member expressed concern that deferring debt was basically storing up a problem for later. The CFO explained that deferring debt did reduce the impact on the revenue budget. Another Member commented that the Council sometimes had to borrow money for a school before Section 106 funding was released.

It was resolved unanimously to:

note the Treasury Management Quarter Four Report 2016-17 and forward to full Council to note.

13. APPOINTMENTS TO OUTSIDE BODIES, INTERNAL ADVISORY GROUPS AND PANELS, AND PARTNERSHIP LIAISON AND ADVISORY GROUPS

The Committee considered appointments to outside bodies, internal advisory groups and panels, and partnership liaison and advisory groups. The Chairman proposed that rather than go through each appointment at the meeting he would instead, together with the Chief Executive, consult with Group Leaders on the list of appointments and suitability of the appointments prior to the next meeting. **Action Required.**

The Democratic Services Manager drew attention to some urgent appointments, which were agreed to as follows:

- Cambridgeshire Police and Crime Panel – Councillors Connor, Sanderson and Shellens
- ESPO Management Committee – Councillors Bates and Hickford (Substitute Councillor Howell)
- ESPO Finance and Audit Sub-Committee – Councillor Hickford

- LGSS Joint Overview and Scrutiny Working Group – Councillors Howell, Jenkins and Whitehead

It was resolved unanimously to:

- (i) continue to refer appointments to the other internal advisory groups and panels, as detailed in Appendix 2, to the relevant policy and service committee.
- (iii) continue to refer appointments to the other partnership liaison and advisory groups, as detailed in Appendix 3, to the relevant policy and service committee.
- (iv) appoint Councillor Criswell as the Member Champion with specific responsibility for localism to assist in maintaining an overview of 'localism' and community engagement.
- (v) delegate, on a permanent basis between meetings, the appointment of representatives to any outstanding outside bodies, groups, panels and partnership liaison and advisory groups, within the remit of the General Purposes Committee, to the Chief Executive in consultation with the Chairman of General Purposes Committee.

Chairman

**GENERAL PURPOSES
COMMITTEE**

Minutes-Action Log



Introduction:

This log captures the actions arising from the General Purposes Committee on 13th June 2017 and updates members on the progress on compliance in delivering the necessary actions. This is the updated action log as at 17th July 2017.

Minutes of 13th June 2017

Minutes of 13th June 2017					
Item No.	Item	Action to be taken by	Action	Comments	Completed
3.	Minutes – 21st March 2017 and Action Log	G Beasley	The issue of partnership contributions to transformation proposals would be raised at the Cambridgeshire Public Service Board on 23rd June. It was further noted that unifying outcomes would also be considered.		

Item No.	Item	Action to be taken by	Action	Comments	Completed
		C Malyon	Information was still awaited from central government on the details of what the £6m funding for East Cambridgeshire and Fenland schools could or could not be used for.	No further updates at this time.	Ongoing
		T Kelly	Requested a breakdown of the amount of debt totalling £353k written off in 2016/17.		
		C Malyon	To receive final guidance on the additional Government funding for Adult Social Care of £8.33m. The Chairman asked that the chairs of both committees be updated to ensure the funding was allocated in the right direction.	No further updates at this time.	Ongoing
		S Grace	The need for more work to be carried out by Transformation and Business Intelligence on the benefits and savings associated with community interventions. An update would be presented to GPC.	Action underway - a note will be sent to members of GPC.	Ongoing

Item No.	Item	Action to be taken by	Action	Comments	Completed
		S Grace	The difficulty of reading and identifying which points applied to which trigger in the Corporate Risk Register would be addressed when the content and layout of the Register was reviewed at a GPC workshop on 22 June. An update would be reported to GPC in July.	Risk workshop re-scheduled to take place on the 11 July with the results of this feeding into the revised corporate Risk Register to be considered by GPC at its meeting on 25 July.	Yes
5.	General Purposes Committee – Agenda Plan and Training Plan	S Grace	Communities and Partnership Committee to consider the Consultation strategy in July, with a recommendation to be presented to GPC for consideration at its September meeting.	Consultation Strategy considered by the Community and Partnership committee at its meeting on 6 July with further discussion at its meeting on 24 August. Recommendation will be presented to GPC at its meeting on 19 September.	Yes
		C Malyon	Add the Commercial Investment Strategy as an additional item for the July meeting.	This report has been scheduled for September GPC, as it must go to Commercial & Investments Committee in July first.	Yes
		S Grace	The need to hold a meeting with the Vice-Chairman, Director, Corporate and Customer Services, and the Democratic Services Manager to review the training plan. GPC members to be invited and the revised programme to be presented to GPC for approval.	Meeting took place on 11 July.	Yes

Item No.	Item	Action to be taken by	Action	Comments	Completed
7.	Integrated Resources and Performance Report for the Year Ending 31st March 2017	C Malyon	The CFO agreed to provide Schools' Forum with a report on the level of school balances they should expect to hold.	This was provided at the Schools' Forum meeting on 7th July.	Yes
		C Malyon	The need to identify whether there were any schools, which had significant surplus revenue balances that had not achieved a good or outstanding Ofsted report. These schools should be brought to the attention of Schools' Forum and the Education Improvement Board.	Work has been carried out to identify schools flagged as red by the Learning Directorate's tracking grid, ie schools with high intervention. We are now mapping those against schools with excessive balances, any schools that match will be highlighted to Schools' Forum and followed up with directly by the Schools' Finance Team.	Yes
		T Kelly	The Chairman drew attention to the fact that Public Health had not required its base budget in 2016/17. He asked officers to consider whether this recurring funding should go back to reserves.		
		C Malyon	The Chairman drew attention to the impact of the delay in the implementation of the ERP Gold Financial System on CFA IT Infrastructure. He requested a full report on the financial impact of this delay to the next meeting of the Committee.	This is covered in the ERP/Agresso report scheduled for July GPC.	Yes

Item No.	Item	Action to be taken by	Action	Comments	Completed
		C Malyon	The Chairman asked officers to consider the process for managing the additional funding required for the purchase of Vantage House on page 96 of the report, which had been considered by three different committees.	All requests for new service commitments associated with property matters will be discharged through Commercial & Investments Committee.	Yes
8.	Cambridgeshire Public Service Network (CPSN) East/Net Re-Procurement	C Malyon	Queried the figure of £400k in section 4.1 of the report for the County Council which did not correspond with the doubling of the figure in the table at 2.5 of the report.	<p>The figure in section 4.1 was an admin error. The Council's share of the cost comprises £388k plus £187k, for a total of £575k per year, not £400k.</p> <p>The higher figure in the table at 2.5 is correct and is the equivalent for 18 months – the length of the extension.</p>	Yes
9.	Transformation Fund – Baseline and Monitoring Report	C Malyon	<p>The report to be revised and re-circulated.</p> <p>The Chairman requested an electronic link to a list of projects be provided and that individual projects should be monitored by the relevant committee.</p>	<p>Officers will revise the report, taking into account the comments raised, and issue a new version for the first quarterly monitoring report in September.</p> <p>Officers are currently populating the Verto project management system, which will enable Members to view project progress.</p>	<p>Ongoing</p> <p>Ongoing</p>

Item No.	Item	Action to be taken by	Action	Comments	
12.	Treasury Management Quarter 4	C Malyon	The Chairman suggested identifying debt which was paid for by the Council or which went directly to the revenue account. The CFO reported that this process was used for the Capital Programme, and he agreed to apply the same principle to debt.	The Finance team are looking at how best to show this information.	Ongoing
13.	Appointments to Outside Bodies, Internal Advisory Groups and Panels, and Partnership liaison and advisory groups	Councillor Count G Beasley	The Chairman and Chief Executive to consult with Group Leaders on the list of appointments and suitability of the appointments prior to the next meeting.		

FINANCE AND PERFORMANCE REPORT – MAY 2017

To: **General Purposes Committee**

Meeting Date: **25th July 2017**

From: **Director of Corporate and Customer Services
Chief Finance Officer**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To present to General Purposes Committee (GPC) the May 2017 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.**

The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of May 2017.

Recommendation: **The Committee is asked to review, note and comment upon the report.**

<i>Officer contact:</i>	
Name:	Tom Kelly
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1. BACKGROUND

- 1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility, remain on target.

2. MAIN ISSUES

- 2.1 Attached as **Appendix A**, is the May 2017 Finance and Performance report.

2.2 Revenue:

- At the end of May, Corporate Services (including the LGSS Managed, Deputy Chief Executive and Financing Costs) is forecasting a balanced budget. There are no significant forecast outturn variances (over £100k) to report.
- The LGSS Cambridge Office budget is forecasting a balanced budget. There are no significant forecast outturn variances (over £100k) to report. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.

2.3 Capital:

- At the end of May, Corporate Services & Transformation and LGSS Managed are forecasting a balanced budget on capital and as yet none of the capital programme variations budget has been used. There are no significant forecast outturn variances by value (over £250k) to report.

LGSS Managed schemes have carried forward £561k of funding from 2016/17, to be approved by GPC as part of the overall 2017/18 capital programme carry-forward in the Integrated Finance & Performance Report.

- At the end of January, LGSS Operational is forecasting a balanced budget on capital and as yet none of the capital programme variations budget has been used. There are no significant forecast outturn variances by value (over £250k) to report.
- The Capital Programme Variations targets included in the Business Plan have been updated based on 2016/17 slippage and to allow for other funding sources in addition to borrowing. The Capital Programme Variation targets reduce the overall capital budget, resulting in a reduced funding requirement.

- 2.4 Corporate Services / LGSS Cambridge have seven **performance indicators** for which data is available. Four indicators are currently at green, two at amber and one at red status. Following the recent CCR restructure a new indicator set is under development that will better reflect the work undertaken by the new corporate directorate. It is envisaged that this work will be completed for the next reporting period.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

4.3 Statutory, Risk and Legal Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

4.5 Engagement and Consultation Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	N/A
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	N/A
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A
Have the equality and diversity implications been cleared by your Service Contact?	N/A
Have any engagement and communication implications been cleared by Communications?	N/A
Have any localism and Local Member involvement issues been cleared by your Service Contact?	N/A
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	Location
CS and LGSS Cambridge Office Finance & Performance Report (May 17)	1 st Floor, Octagon, Shire Hall, Cambridge

Corporate Services and LGSS Cambridge Office**Finance and Performance Report – May 2017****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)	1	2	4	7

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

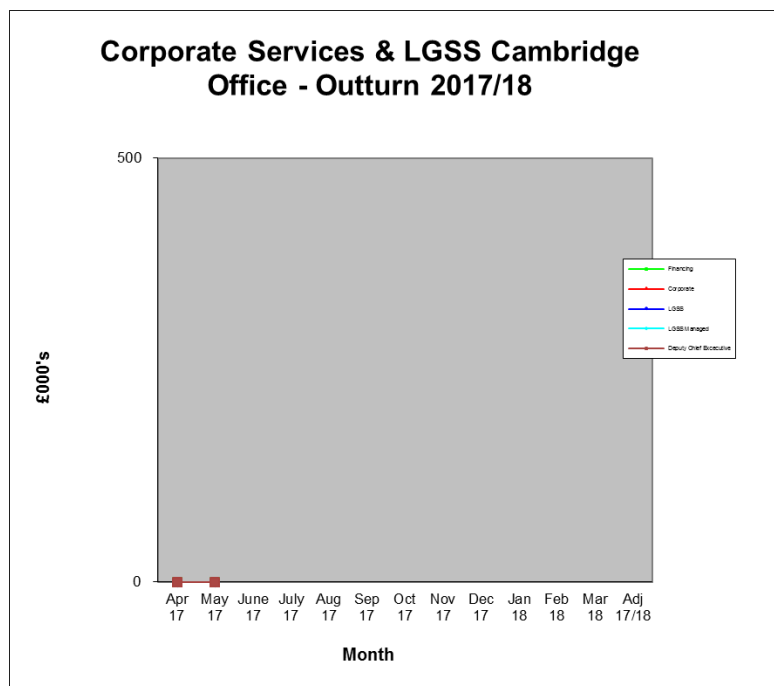
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP (1)	Directorate	Current Budget	Forecast Variance - Outturn (April)	Forecast Variance - Outturn (May)	Forecast Variance - Outturn (May)	Current Status	DoT
£000		£000	£000	£000	%		
6,914	Corporate and Customer Services	9,333	0	0	0	Green	↔
223	Deputy Chief Executive	236	0	0	0	Green	↔
13,626	LGSS Managed	13,559	0	0	0	Green	↔
22,803	Financing Costs	22,803	0	0	0	Green	↔
43,566	Sub Total	45,931	0	0			□
							□
7,746	LGSS Cambridge Office	9,060	0	0	0	Green	↔
51,312	Total	54,992	0	0			

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

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

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



2.2.1 Significant Issues – Corporate and Customer Services

- Corporate and Customer Services budgets are currently predicting a balanced position at year-end.
- There are no exceptions to report this month.

2.2.2 Significant Issues – Deputy Chief Executive

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

2.2.3 Significant Issues – LGSS Managed

- LGSS Managed budgets are currently predicted to be in balance at year-end.
- There are no exceptions to report this month.

2.2.4 Significant Issues – Financing Costs

- Financing costs are forecasting a balanced position at year-end.
- There are no exceptions to report for this month.

2.2.5 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is predicting a balanced position at year-end.
- There are no exceptions to report for May month-end.

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

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

Corporate and Customer Services:

Grant	Awarding Body	Expected Amount £
Strengthening Communities Service		53,494
Non-material grants (+/- £30k)		0

LGSS Cambridge Office:

Grant	Awarding Body	Expected Amount £
Counter Fraud Fund	CFIG	234,000
Non-material grants (+/- £30k)		0

A full list of additional grant income for Corporate Services and LGSS Managed can be found in [CS appendix 3](#).

A full list of additional grant income for LGSS Cambridge Office can be found in [LGSS appendix 3](#).

2.4 Virements and Transfers to / from Reserves (including Operational Savings Reserve)
(De minimis reporting limit = £30,000)

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

Corporate and Customer Services:

	£	Notes
Transfer from CFA to CS	291,824	Corporate Capacity Review
Transfer from ETE to CS	18,004	Corporate Capacity Review
Exclude City Deal budgets	1,026,843	City Deal
Transfer of funding from CS	-255,805	Surplus NHB Funding
Transfer from CS to other Services	-428,857	Apprenticeship Levy
Transfer from CFA to CS	1,355,889	Transfer of Digital Strategy budgets
Transfer from ETE to CS	753,404	Transfer of Strengthening Communities budgets
Transfer from CFA to CS	293,000	Organisational Structure Review
Transfer from Deputy CEX to CS	79,958	Transfer of Corporate Information budget
Transfer from CFA to CS	10,350	Reablement - InTouch maintenance
Non material virements (+/- £30k)		

Deputy Chief Executive:

	£	Notes
Transfer from Deputy CEX to CS	-79,958	Transfer of Corporate Information budget
Non material virements (+/- £30k)	659	

LGSS Managed:

	£	Notes
Non material virements (+/- £30k)	604	

LGSS Cambridge Office:

	£	Notes
Transfer from CFA to LGSS Cambridge	1,348,010	Workforce Development budgets
Transfer from CS to LGSS Cambridge	40,050	Apprenticeship Levy
Transfer from ASC to LGSS Cambridge	52,388	Court of Protection transfer
Non material virements (+/- £30k)	0	

A full list of virements made in the year to date for Corporate and Customer Services, LGSS Managed and Financing Costs can be found in [CS appendix 4](#).

A full list of virements made in the year to date for LGSS Cambridge Office can be found in [LGSS appendix 4](#).

3. **BALANCE SHEET**

3.1 **Reserves**

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

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

3.2 **Capital Expenditure and Funding**

Expenditure

- The capital programme figures include a revised Capital Programme Variations target for each service, which effectively reduces the programme budget. This budget is forecast to be fully achieved at this stage, but as forecast underspends start to be reported, these will be netted off against the forecast outturn for the variation budget, resulting in a forecast balanced budget up until the point when slippage exceeds the variation budget.
- Corporate Services and Transformation schemes have a capital budget of £3.3m in 2017/18 and there is no spend to date. The capital programme is predicted to be in balance at year-end and a nil total scheme variance is forecast.

There are no exceptions to report for May.

- LGSS Managed has a capital budget of £1.7m in 2017/18 and there is expenditure of £10k to date.

A balanced position is currently forecast at year-end and a nil total scheme variance is forecast.

There are no new exceptions to report for May.

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

There were no new exceptions to report for May.

Funding

- The Capital Programme Variations targets included in the Business Plan have been updated based on 2016/17 slippage and to allow for other funding sources in addition to borrowing. The Capital Programme Variation targets reduce the overall capital budget, resulting in a reduced funding requirement.
- Corporate Services and Transformation schemes have capital funding of £3.3m in 2017/18. This incorporates a reduction of £130k for funding that was brought forward from the Citizen First Digital First budget 2017/18 to cover costs incurred in 2016/17; this does not affect total scheme costs. The figures also include a £561k adjustment to the Capital Variation budget.

As reported above, a balanced budget is forecast, and the current expectation is that this funding continues to be required in line with the original budget proposals.

- LGSS Managed has capital funding of £1.7m in 2017/18. This incorporates £561k funding for schemes carried-forward from 2016/17, to be approved as part of the overall 2017/18 capital programme carry-forward in the Integrated Finance & Performance Report. The figures include an £887k increase in the Capital Variation budget.

As reported above, a balanced budget is forecast, and the current expectation is that this funding continues to be required in line with the original budget proposals.

- LGSS Cambridge Office has capital funding of £301k in 2017/18. This incorporates £221k funding for schemes carried-forward from 2016/17, to be approved as part of the overall 2017/18 capital programme carry-forward in the Integrated Finance & Performance Report. The figures include a £20k increase in the Capital Variation budget.

As reported above, a balanced budget is forecast, and the current expectation is that this funding continues to be required in line with the original budget proposals.

- A detailed explanation of the position for Corporate Services and LGSS Managed can be found in [CS appendix 6](#).

A detailed explanation of the position for LGSS Cambridge Office can be found in [LGSS appendix 6](#).

4. PERFORMANCE

- 4.1** The table below outlines key performance indicators for Corporate and Customer Services and LGSS Managed Services. A new indicator set is under development that will better reflect the work undertaken by the new corporate directorate. This will be reviewed by GPC as the Service Committee for Corporate and Customer Services and LGSS Managed Services, as per the request in the Integrated Resources and Performance Report for all Service Committees to review their performance indicators. It is envisaged that this work will be completed for the next reporting period.

Corporate & Customer Services Performance Indicator Suite 2017-18										
May 2017										
Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG Status	Direction of travel	Comments
Proportion of FOI requests answered in timescale	Monthly	High	%	16 June 2017	1-31 May 2017	90%	86.3%	A	↑	An additional 4 FOI requests completed within timescale would have ensured the target was met.
For context only - number of FOI requests received annually	Annually	Low	Num	06/04/17	1 April 2016 - 31 March 2017	N/A*	1,290	N/A	N/A	<p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</p> <p>Running total will be collected quarterly. Data to be next reported on in July 2017 to include Q1 2017/18</p>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	05/04/17	1 - 31 January 2017	90%	89.4%	A	↑	<p>Number of customer complaints for January 2017 = 104</p> <p><u>Breakdown of January 2017 figures</u></p> <p>Complaints for January were:</p> <p>ETE 65 complaints 61 responded in time (93.8%) CFA 37 complaints 30 responded in time (81.1%) Corporate 2 complaints both responded in time.</p> <p>One more complaint completed in timescale would have meant this indicator met target for the reporting period</p>
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	<p>2014/15 was 1.68.</p> <p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017</p>
Proportion of all transformed transaction types to be completed online by 31 March 2017***	Quarterly	High	%	05/04/17	1 January - 31 March 2017	75%	75.2%	G	↑	Performance against this measure has consistently increased throughout the year (55.8% in Q2, 64.9% in Q3 and now 75.2% in Q4). Achieving and maintaining target remains a significant challenge due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (2014)	N/A		<p>New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health.</p> <p>Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data.</p> <p>Awaiting data.</p>
IT – availability of Universal Business System**** IT	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	95%	99.7%	G	↑	Performance for the period April to September 2016 was 99.4%
IT – incidents resolved within Service Level Agreement (ref: IT01)	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	90%	81.8%	R	↑	<p>This indicator refers to the response rate of the IT Help Desk. During the period Oct 2016 – March 2017 the Platform Stability Plan was introduced. This was a detailed programme of activity to look in depth at every aspect of our IT infrastructure to identify the underlying issues we had been experiencing and to resolve these issues so that the Council's IT infrastructure could be stabilised. The under performance against the target of 90% during this period relates to the high volume of calls that were experienced during the early part of this six month period, whilst the IT infrastructure was still unstable. During this time some support capacity was also diverted from the Help Desk to help with the delivery of the Platform Stability Plan, so this too affected the ability of the Help Desk to resolve issues promptly. In the final months of the year 2016/17 we have seen the Help Desk resolution figures move into amber as a direct result of the positive work achieved through the Platform Stability Plan. We expect to see this improvement continue in the figures for the first period of 2017/18. Alongside this the IT Service Manager will be reviewing the effectiveness of the call recording system used by the Help Desk and will monitor its use to ensure all calls are recorded appropriately.</p>

4.2 The table below outlines the key performance indicators for LGSS Cambridge Office.

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
LGSS Cambridge Office									
Percentage of invoices paid within term for month	Monthly	High	%	01/06/17	97.5%	99.6%	Green	↑	99.4 last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/06/17	97.5%	99.5%	Green	↑	99.4 last period
Total debt as a percentage of turnover	Monthly	Low	%	01/06/17	10.0%	N/A **			N/A last period
Percentage of debt over 90 days old	Monthly	Low	%	01/06/17	20.0%	N/A **			N/A last period

** Percentage of Debt over 90 days old - figures not available

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances as at the end of May for Corporate and Customer Services, Chief Executive, LGSS Managed and Financing Costs are as follows:

Original Budget as per BP £000	Service	Current Budget for 2017/18 £000	Forecast Variance - Outturn (April) £000	Forecast Variance - Outturn (May) £000	Forecast Variance - Outturn (May) %
<u>Corporate & Customer Services</u>					
1,510	Director, Corporate & Customer Services	1,011	0	0	0
1,157	Business Intelligence	1,350	0	0	0
197	Chief Executive	197	0	0	0
949	Communications & Information	956	0	0	0
1,323	Customer Services	1,281	0	0	0
3,405	Demography	3,405	0	0	0
382	Digital Strategy	1,833	0	0	0
165	Elections	165	0	0	0
0	Strengthening Communities	1,152	0	0	0
-303	Citizen First, Digital First	-254	0	0	0
-500	Commercial approach to contract management	-500	0	0	0
-956	Corporate Capacity Review	-1,113	0	0	0
-1,312	Organisational Structure Review	-972	0	0	0
898	Redundancy, Pensions & Injury	876	0	0	0
0	Grant Income	-53	0	0	0
6,914		9,333	0	0	0
<u>Deputy Chief Executive</u>					
0	Resources Directorate	143	0	0	0
223	Transformation Team	94	0	0	0
0	Grant Income	0	0	0	0
223		236	0	0	0
<u>LGSS Managed</u>					
141	External Audit	141	0	0	0
2,074	Insurance	2,074	0	0	0
2,353	IT Managed	2,285	0	0	0
1,030	Members' Allowances	1,030	0	0	0
167	OWD Managed	168	0	0	0
129	Subscriptions	129	0	0	0
-152	Authority-wide Miscellaneous	-152	0	0	0
7,884	Transformation Fund	7,884	0	0	0
0	Grant Income	0	0	0	0
13,626		13,559	0	0	0
<u>Financing Costs</u>					
22,803	Debt Charges and Interest	22,803	0	0	0
43,566	CORPORATE SERVICES TOTAL	45,931	0	0	0
<u>MEMORANDUM - Grant Income</u>					
-53	Corporate Services Grants	-53	0	0	0
-53		-53	0	0	0

CS APPENDIX 2 – Commentary on the 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	Current Variance	
		£'000	%
There are no items to report.			

CS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which was not built into base budgets.

Grant	Awarding Body	Amount £000
Grants as per Business Plan		0
Strengthening Communities Service		53
Non-material grants (+/- £30k)		0
Total Grants 2017/18		53

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	8,193	
Post Business Planning adjustments	51	
Transfer of budgets from CFA to CS due to CCR	291	
Transfer of budgets from ETE to CS due to CCR	18	
Transfer surplus NHB funding from City Deal	-256	
Remove City Deal budgets	-1,027	
Transfer of Apprenticeship Levy budgets from CS to Services	-429	
Transfer of Digital Strategy budgets from CFA to CS	1,356	
Transfer of Strengthening Communities budgets from ETE to CS	753	
Transfer of Organisational Structure Review budgets from CFA to CS	293	
Transfer of Corporate Information budget from Deputy CEX to CS	80	
Transfer of InTouch budgets from CFA to CS	10	
Current Budget 2017/18	9,333	

Deputy Chief Executive:

	£000	Notes
Budget as per Business Plan	223	
Business Planning adjustments	91	
Transfer of Corporate Information budget from Deputy CEX to CS	-79	
Non-material virements (+/- £30k)	1	
Current Budget 2017/18	236	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	13,626	
Business Planning adjustments	-68	
Non-material virements (+/- £30k)	1	
Current Budget 2017/18	13,559	

Financing Costs:

	£000	Notes
Budget as per Business Plan	22.803	
Non-material virements (+/- £30k)	0	
Current Budget 2017/18	22.803	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2017	Movements in 2017/18	Balance as at 31 May 2017	Forecast Balance at 31 May 2017	Notes
	£'000	£'000	£'000	£'000	
<u>General Reserve</u>					
Corporate Services Carry-forward	-64	64	0	312	1
subtotal	-64	64	0	312	
<u>Equipment Reserves</u>					
Postal Service	57	0	57	57	
subtotal	57	0	57	57	
<u>Other Earmarked Funds</u>					
Shape Your Place - Fenland Grant	14	0	14	14	2
Election Processes	471	0	471	471	
EDRM Project	94	0	94	94	
City Deal - NHB funding	2,078	0	2,078	2,078	
subtotal	2,656	0	2,656	2,656	
<u>Short Term Provisions</u>					
Community Resilience	64	0	64	64	
subtotal	64	0	64	64	
TOTAL	2,713	64	2,777	3,089	

Notes

- 1 The forecast position balance reflects the predicted Corporate Services overspend of £312k.
- 2 Any 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.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2017	Movements in 2017/18	Balance as at 31 May 2017	Forecast Balance at 31 May 2017	Notes
	£'000	£'000	£'000	£'000	
Other Earmarked Funds					
CPSN Partnership Funds	146	0	146	146	1
subtotal	146	0	146	146	
Short Term Provisions					
Insurance Short-term Provision	911	0	911	911	
External Audit Costs	14	0	14	14	
Insurance MMI Provision	1,182	0	1,182	1,182	
Back-scanning Reserve	56	0	56	56	
Contracts General Reserve	893	0	893	893	
subtotal	3,056	0	3,056	3,056	
Long Term Provisions					
Insurance Long-term Provision	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
SUBTOTAL	6,815	0	6,815	6,815	
Capital Reserves					
P&P Commissioning (Property)	72	0	72	72	
subtotal	72	0	72	72	
TOTAL	6,887	0	6,887	6,887	

Notes

- 1 Funds ring-fenced for CPSN partnership to be used for procurement of replacement contract.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2017/18						TOTAL SCHEME	
Original 2017/18 Budget as per BP £000	Scheme	Revised Budget for 2017/18 £000	Actual Spend 2017/18 £000	Forecast Spend - Outturn £000	Outturn Variance £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services and Transformation						
150	Essential CCC Business Systems Upgrade	150	-	150	-	300	-
1,246	Citizen First, Digital First	1,116	-	1,116	-	3,546	-
1,000	Capitalisation of Redundancies	1,000	-	1,000	-	2,000	-
1,293	Capitalisation of Transformation Team	1,293	-	1,293	-	2,586	-
(840)	Capital Programme Variations	(279)	-	(279)	-	561	-
2,849		3,280	-	3,280	-	8,993	-
	LGSS Managed						
1,068	Sawston Community Hub	1,208	4	1,208	-	1,309	-
-	IT Infrastructure Investment	245	1	245	-	1,968	-
500	Cambridgeshire Public Sector Network	500	5	500	-	5,500	-
500	Microsoft Enterprise Agreement	500	-	500	-	1,902	-
-	Implementing IT Resilience Strategy for Data Centres	176	-	176	-	500	-
-	Capital Programme Variations	(887)	-	(887)	-	(887)	-
2,068		1,742	10	1,742	-	10,292	-
4,917	TOTAL	5,022	10	5,022	-	19,285	-

Previously Reported Exceptions

There are no previously reported exceptions for May month-end.

Capital Funding

Corporate Services & LGSS Managed Capital Programme 2017/18				
Original 2016/17 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2016/17 £000	Forecast Outturn Spend (May) £000	Forecast Outturn Funding Variance (May) £000
	Corporate Services and Transformation			
2,293	Capital Receipts	2,293	2,293	-
556	Prudential Borrowing	987	987	-
2,849		3,280	3,280	-
	LGSS Managed			
2,068	Prudential Borrowing	1,742	1,742	-
2,068		1,742	1,742	-
4,917	TOTAL	5,022	5,022	-

Previously Reported Exceptions

There are no previously reported exceptions for May month-end.

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
Corporate & Customer Services										
Proportion of FOI requests responded to within timescales	Monthly	High	%	06/04/17	1-31 March 2017	90%	87%	Amber	↑	106 FOI requests due, 92 sent on time. An additional 4 completed within timescale would have ensured the target was met.
For context only - number of FOI requests received annually	Annually	Low	Num	06/04/17	1 April 2016 - 31 March 2017	N/A*	1,290	N/A	N/A	* No target or RAG status for this indicator. Purpose is to set the context. 2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834 Running total will be collected quarterly. Data to be next reported on in July 2017 to include Q1 2017/18.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	05/04/17	1 - 31 January 2017	90%	89.4%	Amber	↑	Number of customer complaints for January 2017 = 104 <u>Breakdown of January 2017 figures</u> Complaints for January were: ETE 65 complaints 61 responded in time (93.8%) CFA 37 complaints 30 responded in time (81.1%) Corporate 2 complaints both responded in time. One more complaint completed in timescale would have meant this indicator met target for the reporting period
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	2014/15 was 1.68. * No target or RAG status for this indicator. Purpose is to set the context. Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017
Proportion of all transformed transaction types to be completed online by 31 March 2017***	Quarterly	High	%	05/04/17	1 January - 31 March 2017	75%	75.2%	Green	↑	Performance against this measure has consistently increased throughout the year (55.8% in Q2, 64.9% in Q3 and now 75.2% in Q4). Achieving and maintaining target remains a significant challenge due to the vast number of concessionary renewals which generally come from a segment of the population which does not have a high propensity to transact online.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (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. Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data. Data to be reported on in May 2017 for year end.

LGSS Managed Services										
IT – availability of Universal Business System***** IT Availability (ref: IT02)	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	95%	99.7%	Green	↑	Performance for the period April to September 2016 was 99.4%
IT – incidents resolved within Service Level Agreement (ref: IT01)	Half-yearly	High	%	05/05/17	1 October 2016 - 31 March 2017	90%	81.8%	Red	↑	<p>This indicator refers to the response rate of the IT Help Desk. During the period Oct 2016 – March 2017 the Platform Stability Plan was introduced. This was a detailed programme of activity to look in depth at every aspect of our IT infrastructure to identify the underlying issues we had been experiencing and to resolve these issues so that the Council's IT infrastructure could be stabilised. The under performance against the target of 90% during this period relates to the high volume of calls that were experienced during the early part of this six month period, whilst the IT infrastructure was still unstable. During this time some support capacity was also diverted from the Help Desk to help with the delivery of the Platform Stability Plan, so this too affected the ability of the Help Desk to resolve issues promptly. In the final months of the year 2016/17 we have seen the Help Desk resolution figures move into amber as a direct result of the positive work achieved through the Platform Stability Plan. We expect to see this improvement continue in the figures for the first period of 2017/18. Alongside this the IT Service Manager will be reviewing the effectiveness of the call recording system used by the Help Desk and will monitor its use to ensure all calls are recorded appropriately.</p>

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of May 2017 for LGSS Cambridge Office were as follows:

Original Budget as per BP £000	Service	Current Budget for 2017/18 £000	Forecast Variance - Outturn (April) £000	Forecast Variance - Outturn (May) £000	Forecast Variance - Outturn (May) %
<u>LGSS Cambridge Office</u>					
<u>Managing Director & Support</u>					
8	Strategic Management & Support	0	0	0	0
8		0	0	0	0
<u>Strategic Management</u>					
361	LGSS Equalisation	912	0	0	0
-8,854	Central Management - Trading	-5,684	0	0	0
	Grant Income				
-8,493		-4,772	0	0	0
<u>Finance Services</u>					
2,252	Professional Finance	2,143	0	0	0
0	Pensions Operations	0	0	0	0
450	Audit	369	0	0	0
1,616	Financial Operations	1,659	0	0	0
232	Integrated Finance Services	230	0	0	0
101	LGSS Business Planning & Finance	52	0	0	0
0	Grant Income	-234	0	0	0
4,652		4,218	0	0	0
<u>Human Resources</u>					
276	Policy & Strategy	272	0	0	0
1,359	HR Business Partners	1,106	0	0	0
301	Learning & Development	1,450	0	0	0
-310	Transactional Services	-39	0	0	0
1,626		2,789	0	0	0
<u>Business Services, Systems & Change</u>					
326	Procurement	321	0	0	0
1,853	LGSS Business Systems & Change	1,835	0	0	0
2,384	Revenues and Benefits	0	0	0	0
4,564		2,156	0	0	0
<u>LGSS Law & Governance</u>					
428	Democratic Support Services	425	0	0	0
-291	Corporate Legal Budget	-291	0	0	0
138		134	0	0	0
5,251	Information Technology	4,535	0	0	0
7,746	Total LGSS Cambridge Office	9,060	0	0	0
<u>MEMORANDUM - Grant Income</u>					
0	Counter Fraud Initiative Grant	-234	0	0	0
0		-234	0	0	0

LGSS APPENDIX 2 – Commentary on the 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	Current Variance	
		£'000	%
No items to report.			

LGSS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

	Awarding Body	Amount £'000
Grants as per Business Plan		0
Counter Fraud Fund	CFIG	234
Non-material grants (+/- £30k)		0
Total Grants 2017/18		234

LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
Budget as per Business Plan	7,746	
Business Planning adjustments	-126	
Transfer of Workforce development budgets from CFA to LGSS Cambridge	1,348	
Transfer of Apprenticeship Levy from CS to LGSS Cambridge	40	
Transfer of Court of Protection budgets from CFA to LGSS Cambridge	52	
Non-material virements (+/- £30k)	0	
Current Budget 2017/18	9,060	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2017	Movements in 2017/18	Balance as at 31 May 2017	Forecast Balance at 31 May 2017	Notes
	£'000		£'000	£'000	
<u>General Reserve</u>					
LGSS Cambridge Office Carry-forward	609	0	609	609	1
subtotal	609	0	609	609	
<u>Other Earmarked Funds</u>					
Counter Fraud Initiative	0	0	0	0	
subtotal	0	0	0	0	
SUBTOTAL	609	0	609	609	
TOTAL	609	0	609	609	

Notes

- 1 The forecast position balance reflects a predicted balanced outturn position for LGSS Cambridge.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure

LGSS Cambridge Office Capital Programme 2017/18						TOTAL SCHEME	
Original 2017/18 Budget as per BP £000	Scheme	Revised Budget for 2017/18 £000	Actual Spend 2017/18 £000	Forecast Spend - Outturn £000	Outturn Variance £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
100	Next Generation ERP	321	-	321	-	1,428	-
-	Capital Programme Variations	(20)	-	(20)	-	(20)	-
100	TOTAL	301	-	301	-	1,408	-

Previously Reported Exceptions

There are no previously reported exceptions for May month-end.

Capital Funding

LGSS Cambridge Office Capital Programme 2017/18				
Original 2016/17 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2016/17 £000	Forecast Outturn Spend (May) £000	Forecast Outturn Funding Variance (May) £000
100	Prudential Borrowing	301	301	-
100	TOTAL	301	301	-

Previously Reported Exceptions

There are no previously reported exceptions for May month-end.

INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MAY 2017

To: **General Purposes Committee**

Date: **25th July 2017**

From: **Chief Finance Officer**

*Electoral
division(s):* **All**

Forward Plan ref: **2017/022** *Key decision:* **Yes**

Purpose: **To present financial and performance information to assess progress in delivering the Council's Business Plan.**

Recommendations: **General Purposes Committee (GPC) is recommended to:**

- a) **Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.**
- b) **Approve the changes to capital funding requirements as set out in Section 7.7.**
- c) **Approve the demography virements set out in Section 8.1.**
- d) **Approve the use of £54,200 from the General Fund to support a new Minerals and Waste Local Plan, as set out in Section 8.2.**
- e) **Note the transfer in budget responsibility and reporting for Drug and Alcohol Treatment from Children, Families and Adults to Public Health set out in Section 8.3.**
- f) **Consider and approve the proposals for the use of service reserves, as set out in Appendix 3.**
- g) **Consider and approve the proposals for monitoring performance and risk in this report**
- h) **Request Service Committees review performance indicators and risks to align with the outcome focused approach set out in this report.**

<i>Officer contact:</i>
Name: Tom Kelly
Post: Head of Finance
Email: Tom.Kelly@cambridgeshire.gov.uk
Tel: 01223 703599

1. PURPOSE

- 1.1 To present financial and performance information to assess progress in delivering the Council's Business Plan.

2. OVERVIEW

- 2.1 The following table provides a snapshot of the Authority's forecast performance at year-end by value, RAG (Red, Amber, Green) status and direction of travel (DoT).

Area	Measure	Forecast Year End Position (April)	Forecast Year End Position (May)	Current Status	DoT (up is improving)
Revenue Budget	Variance (£m)	-	+£2.1m	Amber	-
Capital Programme	Variance (£m)	-	£0m	Green	-
Balance Sheet Health	Net borrowing activity (£m)	£466m	£466m	Green	-

- 2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end overspend of +£2.1m (+0.6%); this is largely within Children, Families and Adults (CFA), which is reporting a +£2.0m (+0.9%) overspend. See section 3 for details.
- The Capital Programme is forecasting a balanced budget at year end. This includes use of the capital programme variations budget. See section 6 for details.
- Balance Sheet Health: the original forecast net borrowing position for 31st March 2018, as set out in the Treasury Management Strategy Statement (TMSS) is £466m. At this early stage in the financial year the full year projection is still as set out in the TMSS at £466m.
- Key Performance Indicators: GPC discussed the approach to performance management on 22nd June and agreed a new approach, the details of which have been set out in this report.
- Risk: GPC also discussed the approach to monitoring and managing risk, and agreed a new approach, the details of which have been set out in this report.

3. REVENUE BUDGET

3.1 A more detailed analysis of financial performance is included below:

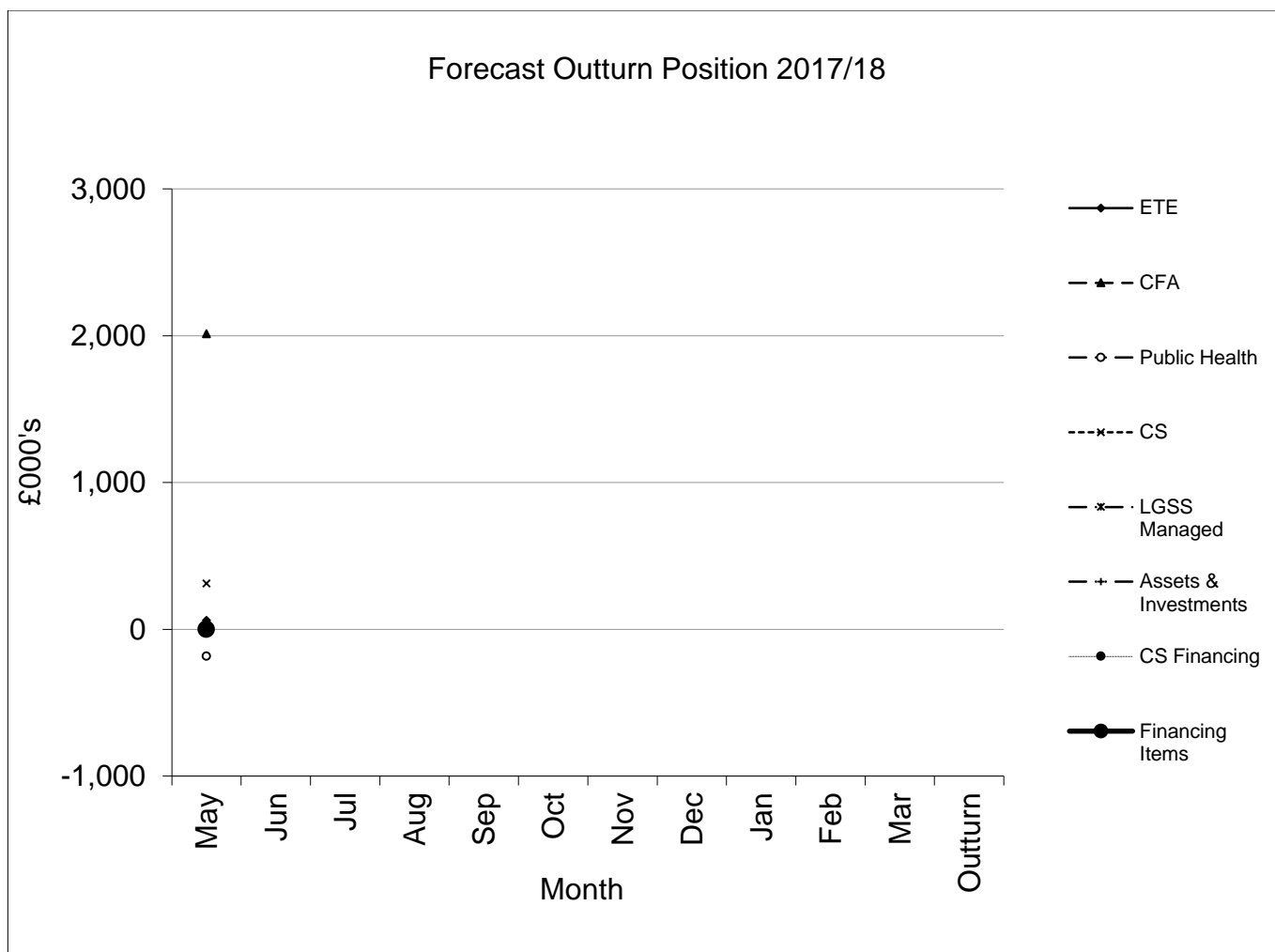
Forecast variances are presented on the basis that General Purposes Committee approves the virements proposed from the corporate demography budget to CFA (Looked After Children) and ETE (Waste).

Key to abbreviations

ETE – Economy, Transport and Environment
 CFA – Children, Families and Adults
 CS Financing – Corporate Services Financing
 DoT – Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per Business Plan £000	Service	Current Budget for 2017/18 £000	Forecast Variance (May) £000	Forecast Variance (May) %	Overall Status
38,682	ETE	38,396	62	0.2%	Green
237,311	CFA	234,162	2,014	0.9%	Red
200	Public Health	387	0	0.0%	Green
15,542	Corporate Services	10,597	0	0.0%	Amber
6,500	LGSS Managed	13,559	0	0.0%	Green
2,702	Commercial & Investment	2,694	0	0.0%	Green
22,803	CS Financing	22,803	0	0.0%	Green
323,740	Service Net Spending	322,598	2,076	0.6%	Amber
24,377	Financing Items	24,432	0	0.0%	Green
348,117	Total Net Spending	347,030	2,076	0.6%	Amber
	Memorandum items:				
7,746	LGSS Operational	7,258	0	0.0%	Green
212,873	Schools	212,873			
568,736	Total Spending 2017/18	567,161			

- 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.
- ² For budget virements between Services throughout the year, please see [Appendix 1](#).
- ³ The budget of £387k stated for Public Health is its cash limit. In addition to this, Public Health has a budget of £26.0m from ring-fenced public health grant, which makes up its gross budget.



3.2 Key exceptions this month are identified below.

3.2.1 **Economy, Transport and Environment:** +£0.062m (+0.2%) overspend is forecast at year-end.

There are no exceptions to forecast outturns to report this month. However, there is uncertainty around the forecast for the Waste PFI contract. From when the contract first started in 2008, the annual budget setting process was kept separate to the standard County Council approach. The budget flexed up or down annually depending on the relative performance of the Mechanical Biological Treatment (MBT) Plant and any pressures or flexibilities. In 2016/17, this approach changed, and the underlying pressure of £1.4m was not funded but “held” pending consideration of discussions with experts from DEFRA on possible savings. This underlying pressure rolled forward into 2017/18 so although there is a £5m of savings target across the next three years, the profile of these savings did not address the fact that there was an underlying pressure of £1.4m which limited the ability to achieve the savings target in the first year as the first savings only brought the budget back into balance.

Significant work is currently underway to model different levels of MBT performance and come to a view on the likely in-year financial position. At the same time, all budget holders across ETE are reviewing their budgets to identify if there are any areas of

underspend (either one-off, which will help offset the waste pressure this financial year) or ongoing (which can be brought out in the Business Plan) which can be used to offset the pressure in waste. The overall financial position will be reported in the June Finance & Performance Report.

For full details see the [ETE Finance & Performance Report](#).

3.2.2 Children, Families and Adults: +£2.014m (+0.9%) overspend is forecast at year-end.

	£m	%
<ul style="list-style-type: none"> Strategic Management – Children & Families – an overspend of +£1,087k is forecast for year-end. This is as a result of historic unfunded pressures with Children & Families Service which have not been able to be addressed through the Children’s Change Programme (£1,008k), and additional one-off costs of managing the Children’s Change Programme (£79k). The Children’s Change Programme is however on course to deliver savings of £669k in 2017/18 and has managed £294k of previously unfunded pressures as part of that Programme. 	+1.087	(+43%)
<p>The historic unfunded pressures referred to consist of: £706k spending on agency staff, £180k for unfunded posts necessary to cover current caseloads, and a £122k pressure on business support services. Locum workers will always form part of the children’s social care workforce – the actual levels of agency spend, based on 15% of the workforce, are in line with similar authorities.</p>		
<ul style="list-style-type: none"> Looked After Children Placements – an overspend of +£273k is forecast for year-end. This is as a result of some previously planned savings targets now being considered undeliverable. There is a further underlying pressure on the LAC Placement budget of c.£2.9m currently. (In the 2018/19 business plan the LAC placements budget received a net increase in funding of £2.1m, equal to its demography and demand need. Other budget increases for pressures and inflation were net out by its savings requirement). The forecast overspend assumes that £2.9m of the corporately held demography and demand budget will be allocated to the LAC Placement budget, subject to GPC approval, to assist with bringing the underlying pressure down to a more manageable level. 	+0.273	(+2%)
<ul style="list-style-type: none"> Adoption – an overspend of +£300k is forecast for year-end due to an additional requirement of 20 adoptive placements over and above those covered by the existing contract. The forecast therefore incorporates a need to purchase inter agency placements to manage this requirement and ensure our children receive the best possible outcomes. The increase in adoptive placements is ensuring that the LAC placements pressure does not increase further. LAC numbers have stabilised, but have not 	+0.300	(+7%)

decreased as a result of the extra adoptive placements; the combined number of adoptive and LAC placements has increased.

- For full details see the [CFA Finance & Performance Report](#).

- 3.2.3 **Public Health:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [PH Finance & Performance Report](#).
- 3.2.4 **Corporate Services:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.5 **LGSS Managed:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.6 **CS Financing:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.7 **Commercial & Investment:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [C&I Finance & Performance Report](#).
- 3.2.8 **LGSS Operational:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).

***Note:** exceptions relate to Forecast Outturns that are considered to be in excess of +/- £250k.*

4. SAVINGS TRACKER

- 4.1 The “Savings Tracker” report – a tool for summarising delivery of savings – will be made available for Members on a quarterly basis. The Savings Tracker as at mid-June is included as Appendix 8 to this report.
- 4.2 Within the tracker the forecast is shown against the original saving approved as part of the 2017-18 Business Planning process. Based on current forecasts the overall position is a £2,503k shortfall against plan. However, the expectation is that stretched targets for existing savings and additional savings identified within the funnel will support delivery of the overall £30,784k savings target. It is also important to note the relationship with the reported position within this report. As pressures arise in-year, further mitigation and/or additional savings will be required to deliver a balanced position.

4.3 A summary of Business Plan savings by RAG rating is shown below:

RED			AMBER			GREEN			Total Original	Total Variance
Number of Savings	Total Original Savings £000	Total Variance £000	Number of Savings	Total Original Savings £000	Total Variance £000	Number of Savings	Total Original Savings £000	Total Variance £000		
	£000	£000		£000	£000		£000	£000	£000	£000
16	-4,297	2,346	3	-1,410	137	92	-25,077	20	-30,784	2,503

5. KEY ACTIVITY DATA

5.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [CFA Finance & Performance Report](#) (section 2.5).

6. PERFORMANCE AND RISK

6.1 GPC held two workshops in June 2017 to consider the approach to performance management in 2017/18. Members of GPC agreed to use the following performance management framework, in order to focus on performance against the key outcomes set out in the Business Plan:

- Service committees continue to have responsibility for monitoring work in their areas, using performance indicators set out in their Finance and Performance Reports. To avoid duplication of this role, GPC will not have a specific set of corporate key performance indicators.
- Service committees would report performance issues of concern to GPC, with a plan for addressing each issue.
- Performance indicators used by Service Committees would be grouped into outcome areas to allow GPC to have oversight of performance.
- GPC would also receive a programme of reports across the year, focused on performance in each outcome area. These reports will contain the latest available information on all performance indicators and contextual information for that outcome.

6.2 [Appendix 6](#) shows the proposed new front page for this report, which presents the agreed performance information alongside finance and risk in an easy to understand graphical format. The pie charts show the status of all performance indicators, set against our outcomes that will be monitored by Service Committees, showing the proportion that are on, near or off target. This enables GPC to see the overall performance against each outcome at a glance. It also shows finance and activity information in summary form. Further explanation of the report is available in the appendix.

6.3 The pie charts show the indicators that Service Committees currently monitor. There is variation in what each Service Committee monitors, and some currently monitor annual

and quarterly indicators as part of their monthly scorecards whilst others do not. For example, the indicators included in the 'older people live well independently' outcome do not currently contain annual indicators derived from the adult social care user survey, which are very important for understanding performance in this area. This means that the pie charts do not show a balanced overall picture of performance at this stage – they show proof of the concept only. It is therefore important that each Service Committee review the indicators they use in Finance and Performance Reports to monitor achievement of the Council's outcomes. Business Intelligence will support to Service Committees to do this work.

- 6.4 As this performance framework is new, Service Committees have not identified exceptions to report to GPC in the current cycle of Finance and Performance reports. Service Committees should therefore identify exceptions and report to GPC in the next cycle of reports.
- 6.5 GPC has also reviewed the Corporate Risk Register in July 2017, a summary of which is included at [Appendix 5](#). This will be presented as part of this report, to link up finance, performance and risk information in one report, enabling a joined up view. This will continue to be presented quarterly, as per the Risk Management Policy.
- 6.6 The review of the risk register used the following principles:
- Risks should be strategic;
 - Risks should have a cross-Council scope;
 - The number of risks should be manageable (10-15 appears to be a manageable number looking at practice in other authorities);
 - The risks should not duplicate risks monitored by a single Service Committee (although they may aggregate them);
 - Risks should be focused on the things that might stop the Council achieving its objectives.
- 6.7 This work has resulted in a draft list of 11 risks. There is substantial cross-over with the previous set of risks and to ensure continuity, information about results, controls, and actions have been carried over. Where individual risks have been removed by incorporating them into risks with a wider scope, key information about results, controls, impacts and vulnerabilities has been mapped to the new risks, again to ensure continuity. There are some new risks, and more work is needed to fully understand the control environment in these areas before a residual risk score can be allocated.
- 6.8 The Grace system also allows use of some new fields to support risk analysis and assessment, such as the adequacy of the control environment and any current vulnerabilities. More work is also needed to ensure these fields are fully utilised in the discussions about risks with SMT and GPC, and this will be developed over the next quarter and fully reported in Q2.
- 6.9 There are no current exceptions to report on the new risk register.

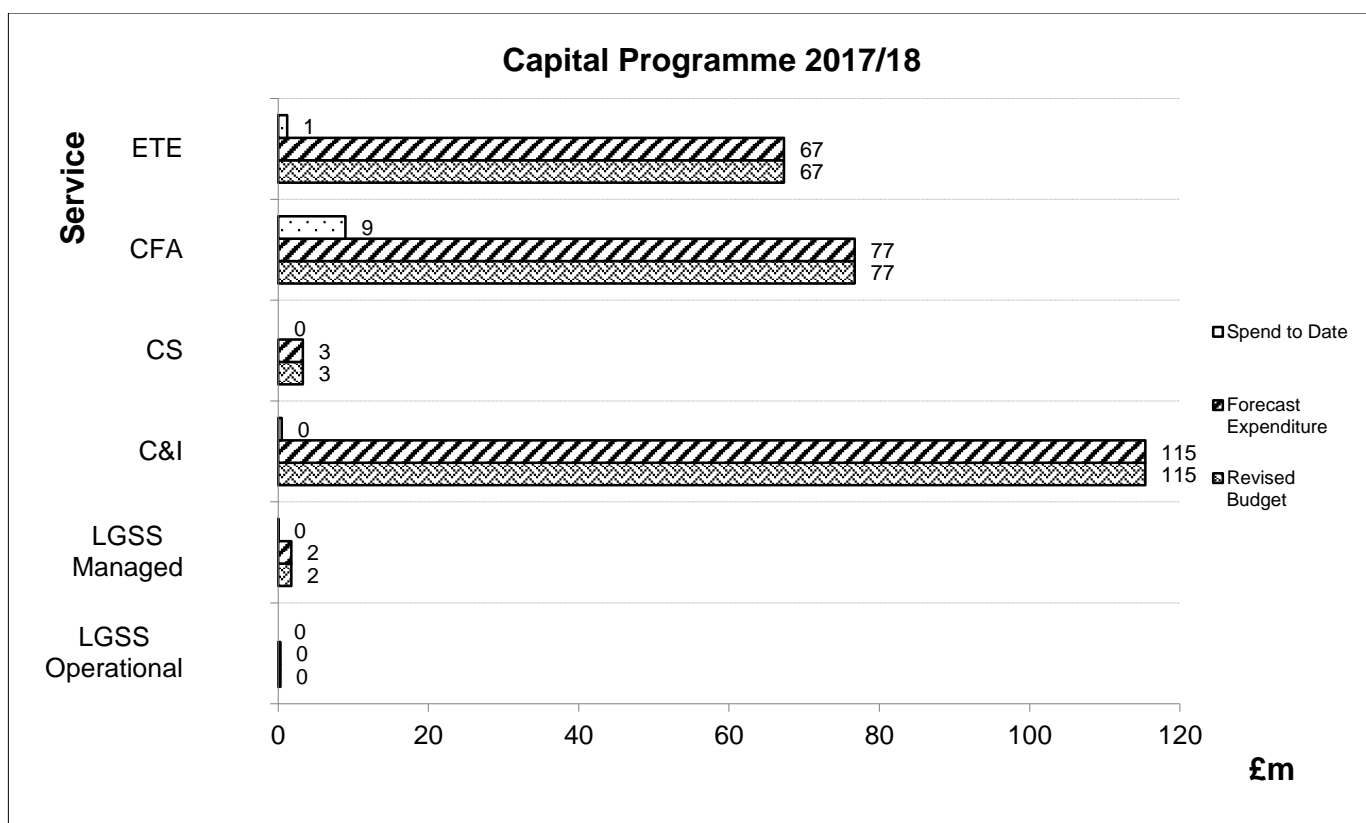
7. CAPITAL PROGRAMME

7.1 A summary of capital financial performance by service is shown below:

2017/18					TOTAL SCHEME	
Original 2017/18 Budget as per Business Plan £000	Service	Revised Budget for 2017/18 £000	Forecast Variance - Outturn (May) £000	Forecast Variance - Outturn (May) %	Total Scheme Revised Budget (May) £000	Total Scheme Forecast Variance (May) £000
66,013	ETE	67,295	-	0.0%	423,803	-
79,208	CFA	76,720	-0	0.0%	577,887	-8,123
3,689	CS & Transformation	3,280	-	0.0%	8,993	-
1,228	LGSS Managed	1,742	-	0.0%	10,292	-
115,658	C&I	115,374	-	0.0%	218,191	-
100	LGSS Operational	301	-	0.0%	1,408	-
265,896	Total Spending	264,712	-0	0.0%	1,240,574	-8,123

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported ETE capital figures do not include City Deal, which has a budget for 2017/18 of £11.1m and is currently forecasting a balanced budget at year-end



Note: The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

7.2 A summary of the use of capital programme variations budgets by services is shown below. As forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

2017/18					
Service	Capital Programme Variations Budget	Forecast Variance - Outturn (May)	Capital Programme Variations Budget Used	Capital Programme Variations Budget Used	Revised Forecast Variance - Outturn (May)
	£000	£000	£000	%	£000
ETE	-15,234	0	0	0.00%	0
CFA	-10,305	-475	475	4.61%	-0
CS & Transformation	-279	0	0	0.00%	0
LGSS Managed	-960	-73	73	7.60%	0
C&I	-683	0	0	0.00%	0
LGSS Operational	-20	0	0	0.00%	0
Total Spending	-27,481	-548	548	1.99%	-0

7.3 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.25m or greater are identified below.

7.3.1 **Economy, Transport and Environment:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [ETE Finance & Performance Report](#).

7.3.2 **Children, Families and Adults:** a balanced budget is forecast at year-end.

	£m	%
<ul style="list-style-type: none"> • Basic Need – Primary – an in-year underspend of -£0.9m is forecast. £419k of this is a total scheme underspend and is due to three schemes due to complete in 2017/18 not requiring their contingency budgets: Godmanchester Bridge (-£129k), Fordham Primary (-£152k) and Ermine Primary (-£139k). In addition, Meldreth Primary is forecasting slippage of £210k due to the scheme experiencing a delay of one month to the start on site. 	-0.9	(-2%)
<ul style="list-style-type: none"> • Basic Need – Secondary – a total scheme overspend of +£0.4m is forecast due to changes since the Business Plan was approved. This also causes an in-year overspend. Littleport Secondary and Special School has experienced a £426k increase in costs due to additional specialist equipment being required as part of the capital build. This is reflected in the total scheme forecast. 	+0.4	(+2%)
<ul style="list-style-type: none"> • CFA Capital Variation – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. Therefore the net £0.5m underspend is balanced by use of the capital variation budget. 	+0.5	(+5%)
<ul style="list-style-type: none"> • For full details see the CFA Finance & Performance Report. 		

7.3.3 **Corporate Services:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).

7.3.4 **LGSS Managed:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).

7.3.5 **Commercial & Investment:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [C&I Finance & Performance Report](#).

7.3.6 **LGSS Operational:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).

7.4 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.25m or greater are identified below:

7.4.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [ETE Finance & Performance Report](#).

7.4.2 **Children, Families and Adults:** a -£8.1m (-1%) total scheme underspend is forecast.

	£m	%
<p>Basic Need – Primary – a total scheme underspend of -£8.9m is forecast due to changes since the Business Plan was approved. These are in response to adjustments to development timescales and updated school capacity information. The following schemes have had cost variations since the 2017/18 business plan was published:</p>		
○ Clay Farm Primary (-£384k), The Shade, Soham (-£113k), Godmanchester Bridge (-£129k), Fordham Primary (-£152k) and Ermine primary (-£139k) as risk and contingency items not required.		
○ Fulbourn Primary: +£1,215k as further planning has indicated the scope of the works has increased with associated costs.		
○ Wyton Replacement School: +£2,773k as the scope of the scheme has increased to 1.5 form entry rather than 1 form entry to ensure school can respond to future demand for places; the previous scheme has been removed from the programme, see below.		
○ Wyton New School: -£10m; this scheme is entirely linked to a large scale housing development and due to viability issues with the development it is not going ahead as originally planned within the timescales of the current capital plan. Thus the scheme has been removed from the plan. This will only impact on future years and not 2017/18.	-8.9	(-3%)
○ Melbourn Primary: +£281k due to an increase in the project scope including early year's provision.		
○ Morley Memorial: +£443k due to the revision of milestones which were originally set out in 2012.		
○ Fourfields Primary: -£2,300k as further analysis of need has identified that this scheme can be removed from the capital programme. This will only impact on future years and not 2017/18.		

The 2017/18 effect of these changes is reflected in capital funding changes (section 6.6) and any effects on future years will be dealt with through the 2018/19 Business Planning process.

<p>Basic Need – Secondary – a total scheme overspend of +£0.4m is forecast. Littleport Secondary and Special School has</p>	+0.4	(+0.2%)
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experienced a £426k increase in costs due to additional specialist equipment being required as part of the capital build.

Basic Need – Early Years – a total scheme overspend of +£0.6m is forecast.	+0.6	(+11%)
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Adaptations – a total scheme overspend of +£0.4m is forecast. Morley Memorial has experienced additional total scheme costs of £442k due to the revision of the project, which was initially costed in 2012. The additional requirements reflect the inflationary price increases and not a change to the scope of the scheme.	+0.4	(+13%)
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Schools Managed Capital – a total scheme underspend of -£0.6m is forecast as it is anticipated that funding will reduce by this, so the amount devolved to schools will reduce accordingly.	-0.6	(-5%)
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For full details see the [CFA Finance & Performance Report](#).

- 7.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 7.4.4 **LGSS Managed:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 7.4.5 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [CS & LGSS Finance & Performance Report](#).
- 7.4.6 **Commercial & Investment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the [C&I Finance & Performance Report](#).

7.5 A breakdown of the changes to funding has been identified in the table below.

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding¹ £m	Revised Phasing £m	Additional/Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	20.5	2.4	8.0	4.2	35.0	35.0	-
Basic Need Grant	32.7	-	-	-	32.7	32.7	-
Capital Maintenance Grant	4.0	-	0.4	-	4.5	4.5	-
Devolved Formula Capital	1.1	0.8	-0.1	-	1.8	1.8	-
Specific Grants	23.1	0.5	-7.6	-	16.1	16.1	-
S106 Contributions & Community Infrastructure Levy	22.0	1.6	-4.4	-	19.2	19.2	-
Capital Receipts	83.9	-	-	-	83.9	83.9	-
Other Contributions	15.1	0.4	-4.8	-	10.7	10.7	-
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	63.5	7.7	-10.4	-	60.8	60.8	-0.0
TOTAL	265.9	13.4	-18.8	4.2	264.7	264.7	-0.0

¹ Reflects the difference between the anticipated 2016/17 year end position, as incorporated within the 2017/18 Business Plan, and the actual 2016/17 year end position.

7.6 Key funding changes (of greater than £0.5m or requiring approval):

Funding	Service	Amount (£m)	Reason for Change
Rolled Forward Funding	All Services	£13.4	The Capital Programme Board has reviewed overspends and underspends at the end of 2016/17, and many of these are a result of changes to the timing of expenditure, rather than variations against total costs. As such, this funding is still required in 2017/18 to complete projects. Of the £13.4m funding to be carried forward, £7.7m relates to prudential borrowing, however as this only relates to a shift in funding

			<p>of one year there is no significant impact on the Debt Charges budget as a result.</p> <p>Further details are available in Appendix 7, which shows capital roll-forwards.</p> <p>General Purposes Committee is asked to approve the carry forward of £13.4m of funding to 2017/18 and beyond.</p>
Revised Phasing (capital programme variations budgets)	All Services	-£9.2	<p>In 2016/17 the Capital Programme Board recommended that a 'Capital Programme Variations' line be included for each Service, which effectively reduces the capital programme budget. Capital programme variations budgets were included in the 2017/18 Business Plan, but these have been revised for 2017/18 based on the average slippage for the previous three years and to take account of all sources of funding.</p> <p>General Purposes Committee is asked to approve the -£9.2m revised phasing of funding relating to changes in the capital programme variations budget.</p>
Revised Phasing	ETE	-£3.8	<p>The following schemes have been rephased resulting in the following changes to their 2017/18 funding requirement:</p> <ul style="list-style-type: none"> • King's Dyke (-£5,667k) • Guided Busway (-£1,000k) • Ely Crossing (+£940k) • Scheme development for Highways initiatives (+£1,000k) • Investment in Connecting Cambridgeshire (+£627k) • Delivering the Transport Strategy Aims (+£340k) • Soham Station (+£259k) • Roads including signs & lines (-£269k) <p>Other schemes below the de-minimus make up the difference.</p> <p>General Purposes Committee is asked to approve the -£3.8m rephasing of ETE's funding for these schemes.</p>

Addition/Reduction in Funding (Prudential Borrowing)	CFA	-£5.8	<p>There have been some changes to schemes since the 2017/18 Business Plan was finalised.</p> <p>The scope of the following schemes has changed, resulting in total scheme under/overspends therefore the following changes are required to 2017/18 funding:</p> <ul style="list-style-type: none"> • Clay Farm Primary, Cambridge (-£566k) • Wyton Primary (+£2,189k) • Fulbourn Phase 2 (+£415k) • LA maintained EY provision (+£342k) <p>The following schemes have been rephased resulting in the following changes to their 2017/18 funding requirement:</p> <ul style="list-style-type: none"> • Ramnoth Primary, Wisbech (-£1,972k) • Sawtry Infants (-£999k) • Sawtry Junior (-£1,290k) • St Ives Eastfield (-£280k) • Histon Additional Places (-£1,617k) • Gamlingay First School (+£1,100k) • Southern Fringe, Cambridge (-£373k) • Northstowe Secondary (-£2,376k) • CFA Management Information System IT Infrastructure (-£250k) <p>Other schemes below the de-minimus make up the difference.</p> <p>General Purposes Committee is asked to approve the -£5.8m rephasing of CFA's funding for these schemes.</p>
Additional/Reduction in Funding (Specific Grants)	ETE	£2.9	<p>Cambridgeshire County Council has received £2.9m of grant funding from the DfT National Productivity Fund for the purpose of improving roads, cutting congestion and improving journey times on our roads.</p> <p>General Purposes Committee is asked to approve that the National Productivity Fund of £2.9m be allocated in full to ETE.</p>
Additional/Reduction in Funding (Specific Grants)	ETE	£1.2	<p>Cambridgeshire County Council has received £1.2m of grant funding from DfT for the purpose of permanently removing potholes, either through permanent patching repairs or preventative resurfacing works.</p> <p>General Purposes Committee is asked to approve that the Pothole Action Fund of</p>

			£1.2m be allocated in full to ETE to use for its intended purpose of removing potholes.
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8. FUNDING CHANGES

- 8.1 As set out in the Scheme of Financial Management, GPC approval is required for any virement of budget between services exceeding £160k. The following virements therefore need approval from GPC:

Looked After Children (LAC) Demography

In the 2017/18 Business Planning process the corporate budget was setup on the basis that funding would be taken from the central demography budget when services demonstrate there has been an impact due to increasing demand, which cannot be contained within existing budget levels.

After budget changes agreed in the 2017-18 Business Plan, including a re-investment of £3m as well as further demography and savings, there is currently £14.4m available for LAC placements this year. Given patterns of expenditure and the fact that demand has continued to rise following the detailed consideration of the LAC budget in the Autumn, this budget remains insufficient to respond to the demand that is evident. There is currently budget available for the equivalent of 292 external placements, whereas there were actually 346 external placements in May. Thus a virement is required from the corporate demography budget to meet this pressure. The budgets stated in this report include the virement. Full details of this request are available in [Appendix 4](#).

General Purposes Committee is requested to allocate £2.913m from the corporate demography budget to Looked After Children placements in CFA.

Waste Demography

In the 2017/18 Business Plan the financial impact of the predicted 1.4% population growth on service provision across the Council was held within Corporate Services, pending services demonstrating there has been an impact on their financial position due to population growth that cannot be contained within their revenue budget. Excluding the impact of the 2.02% increase in contract waste, which is mainly garden waste and the increase in volume last year was due to the seasonal weather impact on growing conditions, the residual waste increased by 2.10% which equates to a financial impact of £170K. Therefore £170k demand funding is required to fund the increased landfill tax costs and recycling credits. The budgets detailed in this report include this virement.

General Purposes Committee is requested to allocate £170,000 from the corporate demography budget to ETE for Waste services.

- 8.2 The following allocation for 2017/18 is under £160k, however GPC approval is requested as the total amount over all years will be £325k.

Minerals and Waste Local Plan

The County Council as a Mineral and Waste Planning Authority has a statutory duty to prepare and maintain a minerals and waste local plan. The current Plan has a horizon of just over 8 years left; and a local plan typically takes a minimum of 3 years to prepare. If work started on a new minerals and waste local plan this autumn, the plan would not be in place until the end of 2020. A plan which is not up to date poses the risk of increased challenges to decisions made on planning applications, and planning applications would be determined against national rather than the local planning policy.

It is proposed that the new Plan will be prepared with Peterborough City Council, building upon the long relationship of joint minerals and waste management planning. A detailed [report](#) is being considered by Economy & Environment Committee which identifies the following funding is required for this purpose.

2017/18	£54,200
2018/19	£108,300
2019/20	£108,300
2020/21	£54,200

General Purposes Committee is asked to approve the use of £54,200 from the General Fund in this financial year; the funding for future years will be addressed through the Business Planning process.

- 8.3 Although the following change in budget responsibility is about management responsibility only and does not constitute a virement as there is no change in purpose or outcomes for the funding as voted by Full Council, it is recorded in this report for the Committee to note.

Virement of Drug and Alcohol Treatment budgets

A new Cambridgeshire and Peterborough Public Health Joint Commissioning Unit (PHJCU) was created on 1st May 2017, following a restructure of public health commissioning functions in both Cambridgeshire County Council and Peterborough City Council. The PHJCU will maximise efficiencies and reduce duplication where similar commissioning work is being carried out by both Councils, and will seek to achieve best value through joint commissioning by the two Councils and, when appropriate, with Cambridgeshire and Peterborough Clinical Commissioning Group (CCG). The PHJCU is jointly led by the Cambridgeshire County Council Public Health Consultant (Health Improvement) and the Peterborough City Council Assistant Director of Commissioning.

Commissioning of drug and alcohol treatment services is one of the public health duties of the Council, and is funded through the national public health ring-fenced grant (£5,880k) and through CCC cash limit (£178k). Prior to the creation of the PHJCU, this function sat within Children Families and Adults, Enhanced and Preventive Services Directorate

(CFA-EP). Staff from the CFA-EP team involved in commissioning drug and alcohol services, have moved into the PHJCU following the restructure.

Therefore a virement is required to transfer the Drug and Alcohol Treatment budgets from the Children Families and Adults Executive Directorate to the Public Health Directorate. The budgets will still be used for the same purpose and will be managed by staff in the new Public Health Joint Commissioning Unit, which is responsible for drug and alcohol treatment contracts. The total value of the Drug and Alcohol Treatment budgets to be vired is £5,880k funded from the ringfenced public health grant plus £178k funded from CCC cash limit (£6,058k gross). The budgets stated in this report include this virement.

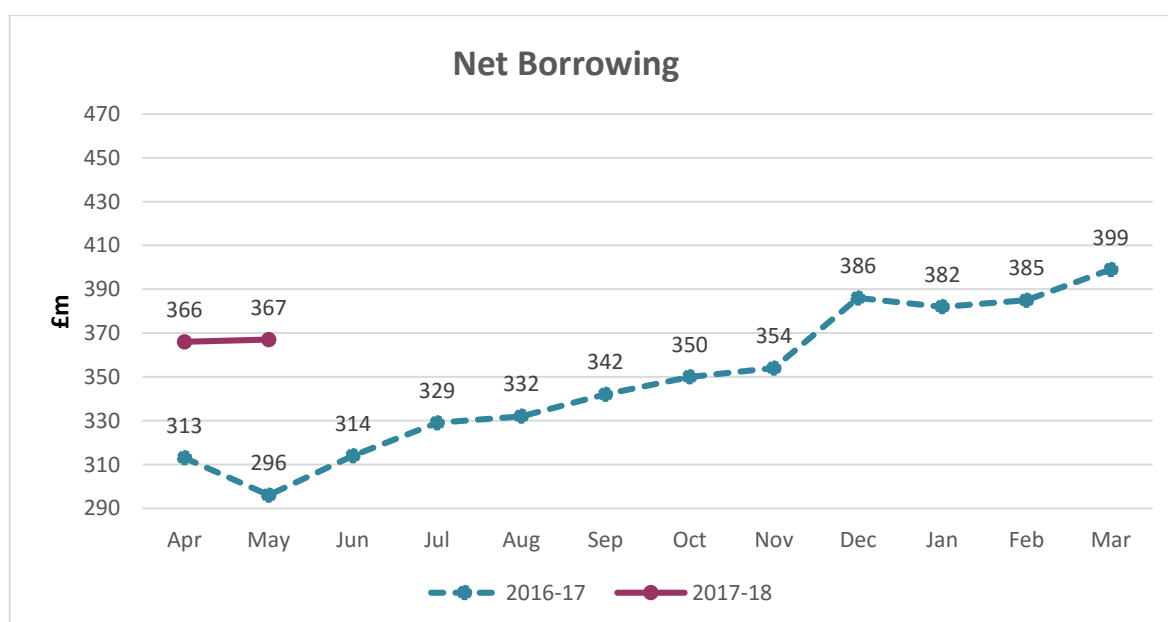
General Purposes Committee is asked to note the transfer in budget responsibility and reporting for Drug and Alcohol Treatment from CFA to Public Health.

9. BALANCE SHEET

9.1 A more detailed analysis of balance sheet health issues is included below:

Measure	Year End Target	Actual as at the end of May
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.8m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.3m
Invoices paid by due date (or sooner)	97.6%	99.5%

9.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of May 17 were £47.17m (excluding 3rd party loans) and gross borrowing was £414.0m.



- 9.3 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2017-18 TMSS was set in February 2017, it was anticipated that net borrowing would reach £466m at the end of this financial year. Net borrowing at the beginning of this year (£399m) started at a lower base than originally set out in the TMSS (£466m). This is to be reviewed as the year progresses and more information is gathered to establish the full year final position.
- 9.4 From a strategic perspective, the Council is currently reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances and undertaking shorter term borrowing which could potentially generate savings subject to an assessment of the interest rate risks involved.
- 9.5 Although there is link between the capital programme, net borrowing and the revenue budget, the Debt Charges budget is impacted by the timing of long term borrowing decisions. These decisions are made in the context of other factors including, interest rate forecasts, forecast levels of cash reserves and the borrowing requirement for the Council over the life of the Business Plan and beyond.
- 9.5 The Council's cash flow profile varies considerably during the year as payrolls and payment to suppliers are made, and grants and income are received. Cash flow at the beginning of the year is typically stronger than at the end of the year as many grants are received in advance.
- 9.6 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).
- 9.7 A schedule of the Council's reserves and provisions can be found in [appendix 2](#).

10. ALIGNMENT WITH CORPORATE PRIORITIES

10.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

10.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

10.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

11. SIGNIFICANT IMPLICATIONS

11.1 Resource Implications

This report provides the latest resources and performance information for the Council and so has a direct impact.

11.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

11.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

11.4 Equality and Diversity Implications

There are no significant implications within this category.

11.5 Engagement and Consultation Implications

No public engagement or consultation is required for the purpose of this report.

11.6 Localism and Local Member Involvement

There are no significant implications within this category.

11.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/Council Contract Procedure Rules implications been cleared by Finance?	No Name of Legal Officer: Not applicable
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	No Name of Legal Officer: Not applicable
Have the equality and diversity implications been cleared by your Service Contact?	No Name of Officer: Not applicable

Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Have any localism and Local Member involvement issues been cleared by your Service Contact?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	No Name of Officer: Not applicable

Source Documents	Location
ETE Finance & Performance Report (May 17) CFA Finance & Performance Report (May 17) PH Finance & Performance Report (May 17) CS and LGSS Cambridge Office Finance & Performance Report (May 17) C&I Finance & Performance Report (May 17) Performance Management Report & Corporate Scorecard (May 17) Capital Monitoring Report (May 17) Report on Debt Outstanding (May 17) Payment Performance Report (May 17)	1 st Floor, Octagon, Shire Hall, Cambridge

APPENDIX 1 – transfers between Services throughout the year (only virements of £1k and above (total value) are shown below)

	CFA	Public Health	ETE	CS Financing	Corporate Services	LGSS Managed	C&I	LGSS Op	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	237,311	200	38,682	22,803	15,542	6,500	2,702	7,746	3,915
Post BP adjustments	-292		-18		-69	521		-142	
Apprenticeship Levy	335	8	61		-454	4	5	40	
Transfer Digital Strategy budget to CS - CCR	-1,286				1,286				
Transfer Strengthening Communities budget to CS - CCR1			-367		367				
Property demerger from LGSS and rationalisation of property services			90			-7		-84	
Organisational structure review	-293				293				
Transfer budget for Court of Protection team to CS	-52							52	
Transfer surplus NHB funding from City Deal					-256				256
Transfer budget from reablement for In Touch maintenance	-10				10				
Allocation of inflation to Waste budget			200						-200
Drug and Alcohol Treatment service transfer to PH	-178	178							
Current budget	235,534	386	38,648	22,803	16,720	7,019	2,707	7,613	3,971
Rounding	0	0	0	0	0	0	0	0	0

APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2017	2017-18		Forecast Balance 31 March 2018	Notes
		Movements in 2017-18	Balance at 31 May 17		
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	15,808	1,453	17,261	14,873	Service reserve balances transferred to General Fund after review
- Services					
1 CFA	540	-540	0	0	
2 ETE	2,229	-2,229	0	0	
3 CS	-64	64	0	0	
4 LGSS Operational	609	0	609	609	
subtotal	20,162	-1,252	17,870	15,482	
Earmarked					
- Specific Reserves					
5 Insurance	3,269	0	3,269	3,269	
subtotal	3,269	0	3,269	3,269	
- Equipment Reserves					
6 CFA	859	0	859	809	
7 ETE	218	0	218	218	
8 CS	57	0	57	57	
subtotal	1,134	0	1,134	1,084	
Other Earmarked Funds					
9 CFA	1,289	249	1,538	552	Includes liquidated damages in respect of the Guided Busway - current balance £1.5m.
10 PH	2,960	0	2,960	2,135	
11 ETE	6,003	562	6,565	4,883	
12 CS	2,656	0	2,656	2,656	
13 LGSS Managed	146	0	146	146	
14 C&I	362	0	362	362	
15 Transformation Fund	19,525	0	19,525	11,641	Savings realised through change in MRP policy
16 Innovation Fund	1,000	0	1,000	1,000	
subtotal	32,901	811	33,752	22,375	
SUB TOTAL	57,465	-441	56,025	42,210	
Capital Reserves					
- Services					
17 CFA	1,827	12,674	14,501	0	Section 106 and Community Infrastructure Levy balances.
18 ETE	7,274	18,206	25,480	5,200	
19 LGSS Managed	72	0	72	72	
20 C&I	0	6	6	6	
21 Corporate	29,782	348	30,130	10,901	
subtotal	39,343	31,234	70,189	16,179	
GRAND TOTAL	96,808	30,793	126,213	58,388	

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description	Balance at 31 March 2017	2017-18		Forecast Balance 31 March 2018	Notes
		Movements in 2017-18	Balance at 31 May 17		
	£000s	£000s	£000s	£000s	
- Short Term Provisions					
1 ETE	669	0	669	0	
2 CFA	200	0	200	0	
3 CS	64	0	64	64	
4 LGSS Managed	3,056	0	3,056	3,056	
5 C&I	24	0	24	24	
subtotal	4,013	0	4,013	3,144	
- Long Term Provisions					
6 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
GRAND TOTAL	7,626	0	7,626	6,757	

APPENDIX 3 – PROPOSED CARRY-FORWARD OF EARMARKED RESERVES

CFA

Proposal Title	Opening Balance 2016/17 £'000	Amount Required in 2017/18 £'000	Type	Notes / Changes
Strategy & Commissioning				
Reduce the cost of home to school transport	£60	£60	Continuation of funds agreed for use in 2016/17	Independent travel training for children with SEND. An independent travel training scheme to work with young people with SEND so they can develop skills to travel independently post-16. This project was delayed due to a lack of capacity in 2016/17 and will now take place during 2017/18.
Prevent children and young people becoming Looked After	£57	£25	Continuation of funds agreed for use in 2016/17	Re-tendering of supporting people contracts, funding is being used to fund a fixed term post which continues into 2017/18.
Learning				
ESLAC Support for children on edge of care	£50	£36	Continuation of funds agreed for use in 2016/17	Children in Need Support Worker continuing into 2017/18 (funding of a fixed term post).
Adult Social Care				
Capacity in ASC procurement & contracts	£225	£143	Continuation of funds agreed for use in 2016/17	Funding for staff employed in the Procurement and Contracts Team to be used for contract rationalisation and review. Amount required going forward into 2017/18.
Older People & Mental Health				
Homecare Development	£62	£22	Continuation of funds agreed for use in 2016/17	Roleholder in post and continuing into 2017/18, taking forward proposals that emerged from the home care summit.
Falls prevention	£44	£44	Continuation of funds agreed for use in 2016/17	Funding required to meet contract costs as contract with provider continues into 2017/18
Dementia Co-ordinator	£35	£13	Continuation of funds agreed for use in 2016/17	Dementia co-ordinator post recruited to, but delayed implementation so post continuing into 2017/18.
Mindful / Resilient Together	£321	£188	Continuation of funds agreed for use in 2016/17	Programme of community mental health resilience work (spend has begun and is continuing over 3 financial years through a contract).
Brokerage function - extending to domiciliary care	£50	£35	Continuation of funds agreed for use in 2016/17	Additional resource for co-ordinating purchasing of domiciliary care. Project continuing into 2017/18.

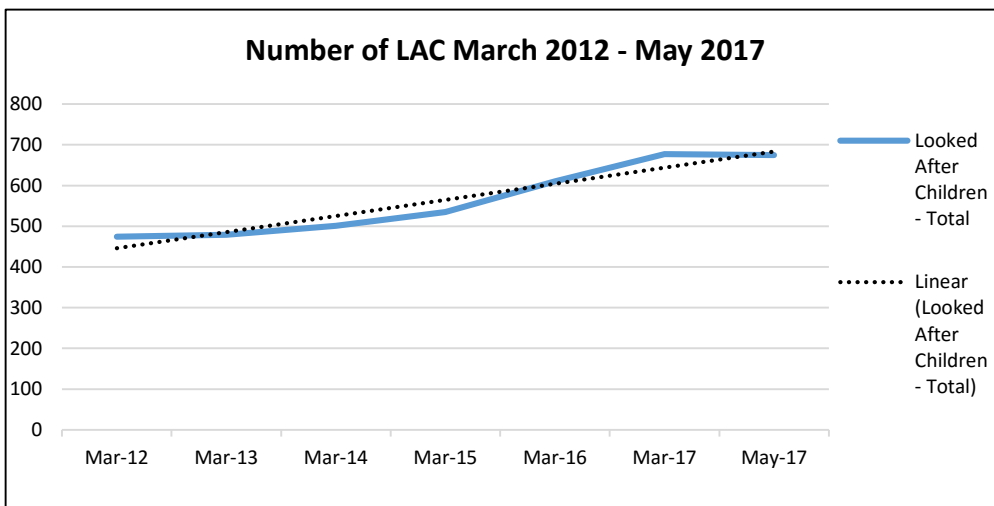
Proposal Title	Opening Balance 2016/17 £'000	Amount Required in 2017/18 £'000	Type	Notes / Changes
Specialist Capacity: home care transformation / and extending affordable care home capacity	£70	£25	Continuation of funds agreed for use in 2016/17	Additional resource to support expansion of the availability of homecare. Project continuing into 2017/18.
Cross-CFA schemes				
Develop 'traded' services	£57	£30	Continuation of funds agreed for use in 2016/17	To buy additional functionality into the Child Assessment System for Early Years. This will be a package that early Years providers can buy which will support them with managing their staff training, supervision and development. The implementation of this system has been delayed.
Reduce the cost of placements for Looked After Children	£184	£110	Continuation of funds agreed for use in 2016/17	Looked After Children Commissioning Strategy - funding for adaptation and refurbishment of a number of Council owned properties to increase the in-county accommodation strategy for children who are looked after. The building work is taking longer than anticipated and will continue into 2017/18.
Improve the recruitment and retention of Social Workers (these bids are cross-cutting for adults, older people and children and young people)	£188	£78	Continuation of funds agreed for use in 2016/17	Management of staff in item D (above) via LGSS People. Fixed Term and linked to our strategy to reduce agency spend in social work
TOTAL CFA	£1,403	£809		

ETE

Proposal Title	Opening Balance 2016/17 £'000	Amount Required in 2017/18 £'000	Type	Notes / Changes
Highways Records Digitisation	£45	£45	Continuation of funds agreed for use in 2016/17	This will complete the delivery of digitalisation of our highways asset records, improving efficiency and customer access to information. Currently approximately 2/3 complete. Planned work was not completed in 2016/17, but will continue into 2017/18.
TOTAL ETE	£45	£45		

APPENDIX 4 – LOOKED AFTER CHILDREN DEMOGRAPHY VIREMENT

1.0	BACKGROUND AND SUMMARY
1.1	<p>After spending £16.52m in 2015-16, the Looked After Children (LAC) placement budget for 2016-17 was set at £12.51m. This proved to be an overly ambitious and unrealistic budget expectation, as demand actually increased rather than fell during 2016-17 with final spend totalling £16.66m. The budget expectation had been set on the basis of a strategy for reducing the numbers of looked after children.</p> <ul style="list-style-type: none"> • The strategy did not take account of national trends of the growth of looked after children which showed a 5% increase nationally during 2015/16. • Whilst the objectives were in themselves sound, there had been insufficient activity and/or lead-in time to realise the ambition • The numbers of children proposed to be removed from the system was neither desirable nor deliverable • The budget had been gradually reduced since 2012 in the face of continued increases in numbers of looked after children <p>By May 2017, there were 688 Looked After Children in Cambridgeshire, the highest level for at least 5 years but in line with East of England average</p>
1.2	<p>After budget changes agreed for 2017-18, including a re-investment of £3m (A/R.4.021) as well as further demography and savings, there is currently £14.4m available for LAC placements this year. Given patterns of expenditure and that demand has continued to rise following the detailed consideration of the LAC budget in the Autumn, this budget remains insufficient to respond to the demand that is evident. There is currently budget available for the equivalent of 292 external placements, whereas there were actually 346 external placements in May.</p>
1.3	<p>General Purposes Committee is requested to allocate £2.913m from the corporate demography budget to Looked After Children placements in Children's, Families & Adults Services.</p> <p>The corporate budget was setup on the basis that funding would be taken from the central contingency when services demonstrate there has been an impact due to increasing demand, which cannot be contained within existing budget levels. LAC placements is now clearly in that position.</p>
1.4	<p>This is intended as the final structural correction to the LAC placements budget by GPC outside of the normal business planning process, resolving the unsustainable budget reductions previously attempted. This is an appropriate allocation from the corporate demography budget as it reflects demand continuing to rise since detailed budget consideration took place.</p>

1.5	<p>Even after this allocation, the revised financial envelope for LAC placements is tight, and Children's, Families and Adults Services has accountability for:</p> <ul style="list-style-type: none"> • implementing demand management strategies so that expenditure does not continue to rise. LAC numbers have now reached a sustainable level, in comparison to neighbours for instance. • delivering £1.7m in composition and commissioning savings (i.e. price rather than volume) <p>Achieving a balanced position through the above remains a key area of focus.</p>
1.6	<p>Whilst this paper focuses on the external spend on LAC placements, it must be noted however that other areas of Children's Social Care are facing continuing pressures linked to demand:</p> <ul style="list-style-type: none"> • Within the adoption budget there is a forecast pressure of £300k due to an additional requirement of 20 adoptive placements over and above those covered by our existing contract. The forecast is based on a need to purchase inter agency placements to manage this requirement and ensure our children receive the best possible outcomes and leave care for adoption in a timely way. • Within Safeguarding and Standards there is pressure of £58k due to the need for an additional Independent Review Officer post necessary to manage current caseloads. • Continuing expenditure is expected on an agency element of the workforce across children's services in order to provide safe staffing levels in response to demand. This is a further area in which the budget was set unsustainably low in the past. <p>These will continue to present as pressures during 2017-18, with CFA and the Council needing to seek mitigation more widely, with this addressed on a permanent basis through 2018-19 business planning.</p>
2.0	RISING DEMAND
2.1	<p>As previously reported to the Committee the LAC population within Cambridgeshire has been growing over the last 4-5 years, as shown in the graph below.</p>
	 <p>Source: ICS / CFA Metrics</p>
2.2	<p>As at 1st May 2017 the overall number of LAC had increased to a peak of 688, of which 66 were unaccompanied asylum seeking children (UASC).</p>

		04/04/16	05/12/16	06/03/17	01/05/17	22/05/17	
	Looked After Children - Total	610	645	675	688	675	
	LAC - Non UASC	551	582	613	622	613	
	LAC - UASC	59	63	62	66	62	
	<p>As the table above shows, the UASC number has remained reasonably stable over the last 12 months, whereas the number of non-UASC increased by 40, 7% between December 2016 and 1st May 2017. There are 31 more non-UASC LAC than in early December, the point at which the detailed business planning work had been undertaken for this area.</p>						
2.3	<p>This is part of a more general trend of pressure on the children's social care budgets, with further pressure due to capacity issues both as a result of increasing LAC numbers (26% increase in past two years) and the continuing increase in child protection plans (82% increase in past two years). This virement request relates just to the cost of placements, but there are related issues around the funding of the children's social work delivered by through the Council's own workforce. This has been reviewed as part of the children's change programme, and will be further addressed in business planning for 2018-19.</p>						
2.4	<p>As well as a continued overall increase in numbers, the demographic characteristics of our LAC population is changing, reflecting a sharper focus on intervention, children being younger and moving through the looked after children service in a more timely manner. Having an increasingly younger population, whose care pathways are progressed through the courts in a timely manner, indicates that services are acting more effectively. They remain challenged however by higher numbers of older children and young people that case audits reflect have experienced many years of intervention that has not been impactful on what is very often chronic neglect, alcohol abuse or mental health. These children's needs and behaviours are often complex and require an enhanced level of provision.</p>						

3.0 BUDGETARY POSITION

3.1 The table below shows the outturn position and total LAC population numbers at year-end for each of the previous 5 years.

Financial Year	Total LAC Population No's. (at end of year)	Budget	Expenditure
		£'000	£'000
2012/13	479	£16,781	£15,903
2013/14	506	£16,113	£16,428
2014/15	535	£15,579	£17,119
2015/16	609	£14,737	£16,520
2016/17	674	£12,512	£16,664

The budget available in 2017/18 is £14.431m. Despite LAC numbers being higher than ever, this is £2m less than we have spent on LAC placements in recent years.

These figures show that despite significant increases in overall LAC numbers, actual levels of spend have not increased at the same rate. Essentially, although unit costs have been managed down, spend is forecast to be greater than budgeted simply because of the sheer volume.

3.2 The original budget of £14,431k for 2017/18 includes funding in recognition of £3,000k of structural underfunding and £2,070k of demography. These were offset by £1,490k of demand management savings and £1,698k composition savings resulting in a net budget of £2,233k less than the final 2016/17 outturn.

3.3 The table below shows the forecast positions for the LAC Placement budget as at 1st June 2017:

Forecast Position as at 01/06/2017		£'000
Current Commitments (01/06/17)		£19,040
Forecast growth for the period 29/05/17 – 31/03/18		£1,492
Demand Management Savings (target -£1,490k)		-£1,490
Composition Savings (target -£1,698k)		-£1,425
Total Estimated Commitment		£17,617
Available Budget		£14,431
Total Estimated Pressure		£3,186

3.4 Of the current forecast £3,186k pressure, £273k can be attributed to undeliverable composition savings. Mitigating actions to offset this element of the pressure include:

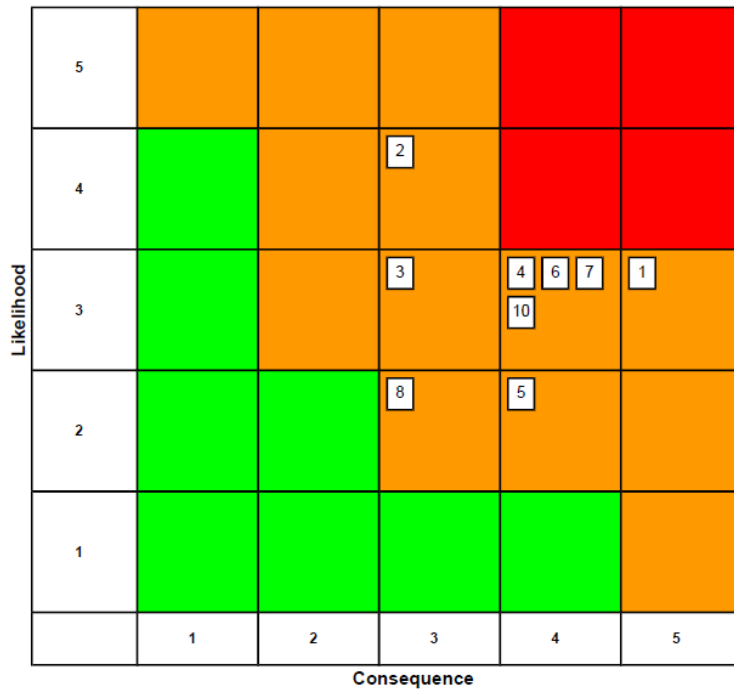
- Threshold and Resources Panel (TARP) to review requests and decisions for children to become looked after
- A creative care panel meets to agree alternative to care packages
- The joint housing protocol is being refreshed as we move into districts and we will look to the most effective way to ensure we meet the housing needs of 16/17 year olds.
- We continue to increase our numbers of in-house foster carers
- We are bringing CCC properties back into use with floating support to provide an increased range of supported accommodation.

	<ul style="list-style-type: none"> • The Permanency Monitoring Group tracks children through care proceedings, Section 20, kinship, adoption and long term fostering until matched with carers and can predict and measure future needs. • Development of a robust contract and Service Level Agreement with the mutualised Multi-systemic Treatment service to ensure that those most at risk of becoming looked after are suitably identified and offered a service • Revision of the Placement Sufficiency Statement which sets out our need for placements and strategy for delivery.
3.5	<p>The remaining £2,913k can be directly attributed to an increase in numbers and, as such, it is recommended that CYP Committee request a permanent allocation of this amount from the corporately held demography and demand budget (£3,400k). This would rebase the LAC placement budget to £17,344k, which more realistically aligns with levels of spend and increases in numbers over the last two financial years. Future years LAC demand requirements will be addressed through the 2018/19 Business Planning process.</p>
3.6	<p>This still assumes delivery of all demand management savings which is still challenging in the context of the local and national trends in respect of LAC numbers, but a number of strategies are in place such as:</p> <ul style="list-style-type: none"> • Development of a 'No Wrong Door' model to bring together the residential home, specialist fostering placements, supported lodgings and supported accommodation, with outreach services under one management arrangement – this will enable rapid de-escalation of crisis situations in families preventing admissions to care, and delivery of holistic, creative team of support for young people with the most complex needs, improving outcomes for young people and preventing use of expensive externally-commissioned services • Development of systemic family meeting model refocusing our practice in the social work units to ensure that all children and their families who are assessed as requiring a social work intervention are facilitated to identify sustainable support within their family network and community. Aligned closely with the principles of systemic family work, families will be supported by the social work unit to identify internal resources through the completion of a Family Safety Plan, which the family and professional network can utilise at times of crisis or need. • Enhanced intervention service for children with disabilities – through a specialist team the number of children with disabilities placed in out of county residential homes will reduce, to enable children to safely live with their family and access education in their local area. Some children may become looked after but the team will work with others to sustain them in local services; avoiding out of area placement.
3.7	<p>The LAC placement budget has been subject to significant savings targets in previous years and despite success in managing costs, demand has continued to increase at higher levels than forecast, giving rise to an underlying demographic pressure.</p>

APPENDIX 5 – SUMMARY RISK REGISTER

CCC Dashboard Summary

Entity: Cambridgeshire County Council, Risk Register open, Current Risk version, Risk is open



Risk #	Risk	Risk Owner	Residual Risk Level	Risk Appetite	Review Date
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Cambridgeshire County Council

1	01. Vulnerable children or adults are harmed	Wendi Ogle-Welbourn	15		01/07/2017
2	02. The Business Plan (including budget and services) is not delivered	Chris Malyon	12		01/07/2017
3	03. Personal data is inappropriately accessed or shared	Sue Grace	9		01/07/2017
4	04. A serious incident prevents services from operating	Sue Grace	12		01/07/2017
5	05. The Council does not deliver its statutory or legislative obligations	Quentin Baker	8		01/07/2017
6	06. Our resources (human resources and business systems, CCC and providers) are not sufficient to meet business need	Gillian Beasley	12		01/07/2017
7	07. The infrastructure and services (e.g. transport, education, services for children, families and adults) required to meet the current and future needs of a population is not provided at the right time	Graham Hughes	12		01/07/2017
8	08. The Council is a victim of major fraud or corruption	Gillian Beasley	6		01/07/2017
9	09. Our partnerships are not successful in delivering the intended outcomes	Gillian Beasley			01/07/2017
10	10. Inequalities in the county continues	Gillian Beasley	12		01/07/2017
11	11. Change and transformation of services is not successful	Chris Malyon			01/07/2017

APPENDIX 6 – PROPOSED NEW FRONT SHEET OF REPORT

- 1.1 In order to summarise the key elements of the Integrated Resources and Performance Report clearly and easily, a new graphical report has been drafted and is shown below. GPC requested at the key performance indicator workshop, that performance indicators monitored by Service Committees be grouped by outcome area and shown clearly. The pie charts in the example report below group 90 performance indicators that are currently monitored by Service Committees in Finance and Performance Reports by outcome areas, and summarise the proportion that are on, near or off target.
- 1.2 Each Service Committee has a slightly different approach to monitoring performance indicators. Adults, Children and Young People's and Health Committee Finance and Performance reports are not currently using the Council's outcome areas to group indicators, whereas Highways and Community Infrastructure and Economy and Environment are. Furthermore, some Service Committees maintain annual indicators on their scorecards, whereas others do not. The example graphical report has therefore been included in order to show the approach, but is not an accurate reflection of current performance at this time. Service Committees will review the indicators they monitor in order to show a balanced and representative picture of performance in that area. A detailed report, showing all indicators included in the groupings, will be made available through a web link.
- 1.3 The new report also includes information about the progress of the Council's transformation programme and a key measure of workforce resilience, sickness rate. Transformation information has been extracted from our new database implemented in June 2017 and current projects are being migrated across. Therefore the numbers do not reflect work completed before then.
- 1.4 The second page of the report shows the key information about finance from section 2 of this report. Alongside the information about finance, a summary of the current risk position is also shown, in terms of the number of risks that are within the Council's risk appetite. A summary risk report will be included in an appendix, with a detailed risk register made available through a link. In this report the summary risk report is shown in Appendix 5 and the detailed risk register is Appendix 9.
- 1.5 Information about activity is also summarised. This shows both the scale of Council operations in terms of the number of people using key services; it also is helpful supporting information in contextualising the financial position of the Council. For example, the number of older people and people of working age using social care services, and the number of children open to social care, are key cost drivers of demand-led budgets, therefore the trend in the number of people open to services is a key piece of information to consider. It is important to note that cost also depends on other factors such as the level and complexity of need, or the availability of services. More information about the relationship between cost and activity is in the Finance and Performance Reports reported to Service Committees.
- 1.6 It is suggested that the lower row of boxes is used to highlight activity information about Council services that are 'universal', i.e. available to everyone rather than targeted at specific groups. These may be related to cost (e.g. website hits, percentage of waste recycled) or may illustrate activity which is important to residents.

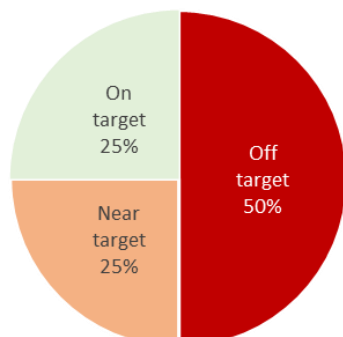
Integrated Resources and Performance Report

For period ending 31 May 2017

Outcomes

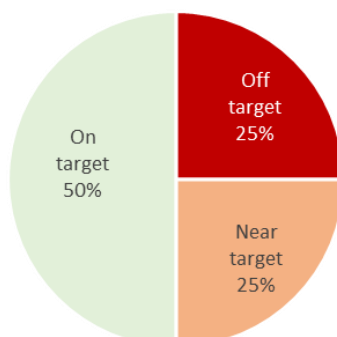
90 indicators about outcomes are monitored by service committees
They have been grouped by outcome area and their status is shown below

Older people live well independently



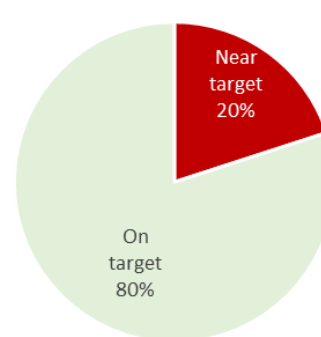
4 indicators

People with disabilities live well independently



4 indicators

Adults and children at risk of harm are kept safe



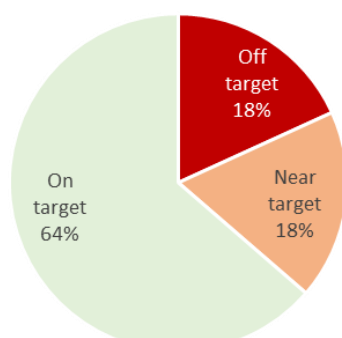
5 indicators

People live in a safe environment



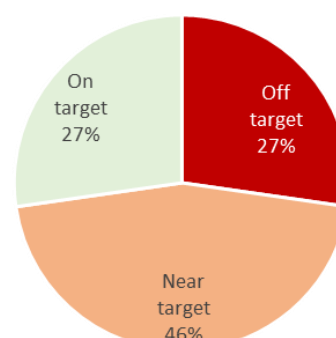
5 indicators, 2 of which are not set targets

The Cambridgeshire economy prospers to the benefit of all residents



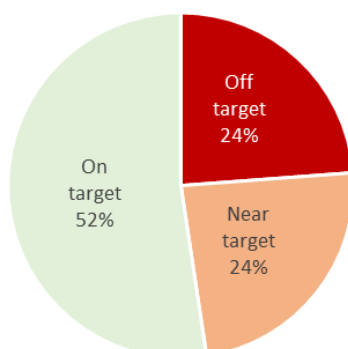
14 indicators

Places that work with children help them to reach their full potential



11 indicators

People lead a healthy lifestyle and stay healthy for longer



47 indicators, 5 of which are not set targets

Our Transformation Programme is on track

16 Early ideas
24 Business cases in development
23 Projects being implemented
3 projects in the benefits realisation stage
1 project fully closed

Sustain a high performing, talented, engaged and resilient workforce

At the end of 2016/17 we had lost 6.91 days on average per staff member to sickness during the year (better than target)

Further detail about exceptions can be found in section 6 of the report

Learning and Growth

Finance and risk

Revenue budget forecast

+£2.1m, 0.6%
variance at end
of year

AMBER

Capital programme forecast

£0.0m, 0%
variance at
end of year

GREEN

Balance sheet health

Net
borrowing
activity
£466m

GREEN

Residual risk
score

Green

Amber

Red

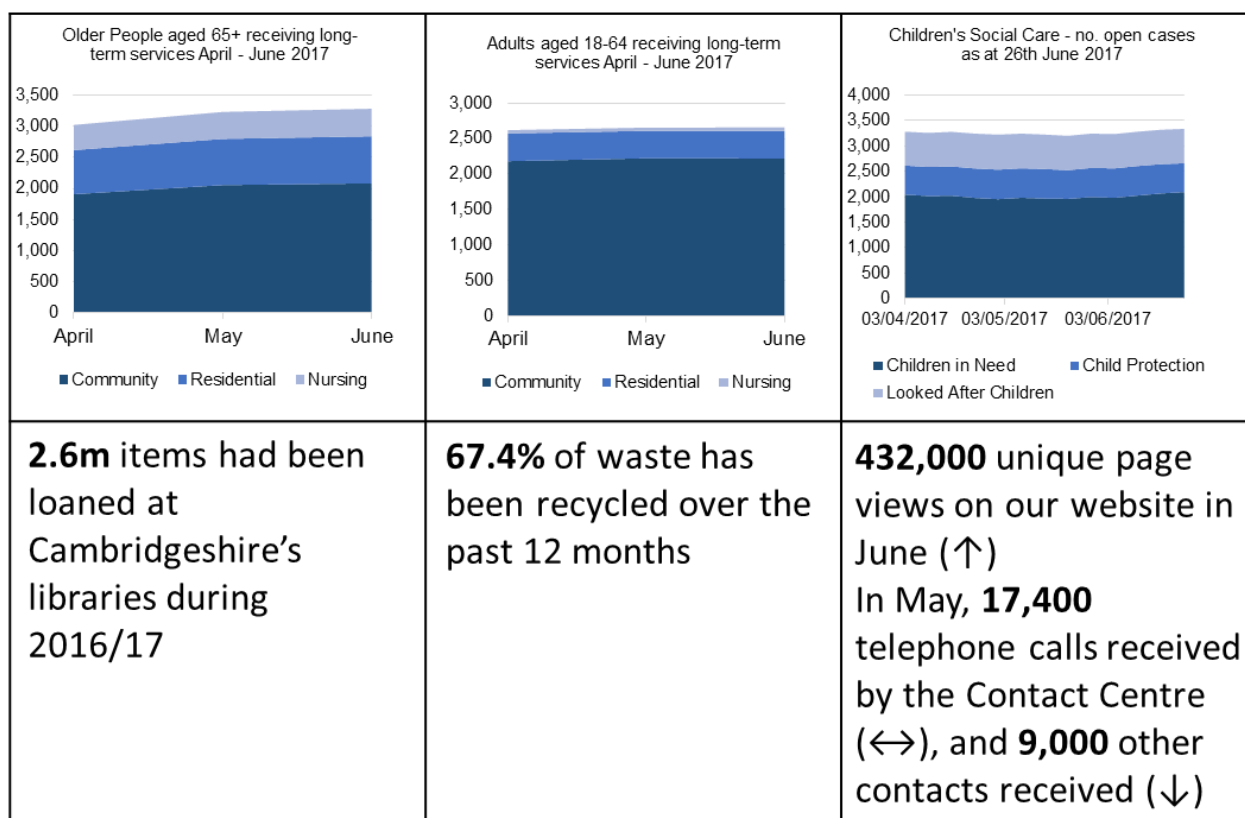
Number of risks

0

9

0

Activity in the previous month



Further detail on the relationship between activity and budget is available in the Finance and Performance Reports for each Service Committee

CHANGE IN FIGURES

COMPLETE WHITE FIELDS - COLUMNS P AND Q

CHANGE IN FIGURES		Offsets		Partial offsets																
COMPLETE WHITE FIELDS - COLUMNS P AND Q		EXPENDITURE							TOTAL	FUNDING					Reason for Change in Spend / Rephasing		Is there a detailed plan for spend in place? Y/N			
Scheme Ref.	Scheme Name	Up to 2016-17 (£k)	2017-18 (£k)	2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	Later Yrs (£k)	(£k)	(£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)						
A/C.01.007	Huntingdon Primary	-59	59	-	-	-	-	-	-	-	-	-	-	-	-	Slippage	Y			
A/C.01.008	Isle of Ely Primary	7	-7	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.012	Ermine Street Primary, Alconbury Weald	-92	92	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.013	Fourfields, Yaxley	-27	27	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.014	Grove Primary, Cambridge	7	-7	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.018	Pathfinder Primary, Northstowe	-275	90	185	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.019	Westwood Primary, March. Phase 1	64	-59	-	-	-	-	-	5	-	-	-	-	-	5	Scheme Finished - small increase in cost				
A/C.01.020	Godmanchester Bridge, (Bearscroft Development)	71	-71	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.021	North West Cambridge (NIAB site) primary	-52	50	-	-100	102	-	-	-	-	-	-	-	-	-	Brought Forward 1 year as Housing has begun				
A/C.01.022	Burwell Primary	237	-237	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.024	Clay Farm / Showground primary, Cambridge	274	-841	183	-	-	-	-	-384	-	-	-	-	-	-384	Accelerated Spend				
A/C.01.025	Fordham Primary	99	-99	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.026	Little Paxton Primary	-416	416	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.027	Ramoth Primary, Wisbech	-1,072	-900	1,972	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.028	Fulbourn Phase 2	-185	600	800	-	-	-	-	1,215	-	-	-	-	-	1,215	Slippage				
A/C.01.029	Sawtry Infants	51	-1,050	-902	1,719	182	-	-	-	-686	-	-	-	-	686	Accelerated Spend				
A/C.01.030	Sawtry Junior	-40	-1,250	390	790	110	-	-	-	-	-	-	-	-	-	Rephased backwards 1 year				
A/C.01.031	Hatton Park, Longstanton	1,039	-1,039	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.01.032	Meldreth	-60	60	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.033	St Ives, Eastfield / Westfield / Wheatfields	-30	-250	-3,220	500	2,811	189	-	-	-	-	-	-	-	-	Rephased backwards 1 year				
A/C.01.034	St Neots, Winttringham Park.	-2	2	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.035	The Shade Primary, Soham	28	-141	-	-	-	-	-	-113	-	-	-	-	-	-113	Accelerated Spend				
A/C.01.036	Pendragon, Papworth	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.037	Chatteris New School	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.038	Westwood Primary, March. Phase 2	-100	100	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.039	Wyton Primary	189	2,000	3,100	-2,313	-203	-	-	2,773	-1,310	-	-	-	-	4,083	Increase in scheme to a 1.5 FE replacement school, Grant reduced to reflect 2019/20 asicNeed allocation reduction				
A/C.01.040	Ermine Street, Alconbury, Phase 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.041	Barrington	-10	10	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.042	Harston Primary	-	-	-	-	-	-	-	-	-235	-	-	-	-	235	Grant reduced to reflect 2019/20 Basic Need allocation reduction				
A/C.01.043	Littleport 3rd primary	-	-	-	-	-	-	-	-	-1,550	-	-	-	-	1,550	Grant reduced to reflect 2019/20 Basic Need allocation reduction				
A/C.01.044	Loves Farm primary, St Neots	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.045	Melbourn Primary	-82	82	281	-	-	-	-	281	-	-	-	-	-	281	Slippage				
A/C.01.046	Sawston Primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.047	Fourfields Primary, Yaxley Phase 2	-	-	-	-70	-1,500	-730	-	-2,300	-2,300	-	-	-	-	-	Scheme Removed				
A/C.01.048	Histon Additional Places	-67	-1,550	-	1,617	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.01.049	Northstowe 2nd primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.050	March new primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.051	Wisbech new primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.052	NIAB 2nd primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.053	Robert Arkenstall Primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.054	Wilburton Primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.055	Benwick Primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.056	Alconbury Weald 2nd primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.057	Northstowe 3rd primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.01.060	Wyton New School	-	-	-	-	-	-300	-9,700	-10,000	-	-7,750	-	-	-	-2,250	Scheme Removed				
A/C.01.061	Gamlingay First	-	1,100	1,800	100	-100	-1,100	-1,800	-	-	-	-	-	-	-	Accelerated spend				
A/C.02.003	Littleport secondary and special	-1,975	1,975	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.02.004	Bottisham Village College	279	-279	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.02.006	Northstowe secondary	-377	-2,000	1,300	1,077	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.02.007	North West Fringe secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.02.008	Cambridge City secondary	10	-10	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend				
A/C.02.009	Alconbury Weald secondary and Special	-50	50	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.02.010	Cambourne Village College	-1,691	1,691	-	-	-	-	-	-	-	-	-	-	-	-	Slippage				
A/C.02.011	Additional secondary capacity to serve March & Wisbech	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.02.012	Cromwell Community College	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.02.013	St. Neots secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.02.014	Northstowe secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
A/C.03.001	Orchard Park Primary	-	-	-	-	-	-	-	-	-	-	-	-	-	-					

CHANGE IN FIGURES
COMPLETE WHITE FIELDS - COLUMNS P AND Q

CHANGE IN FIGURES		Partial offsets														Reason for Change in Spend / Rephasing	Is there a detailed plan for spend in place? Y/N
COMPLETE WHITE FIELDS - COLUMNS P AND Q		EXPENDITURE								FUNDING							
Scheme Ref.	Scheme Name	Up to 2016-17 (£k)	2017-18 (£k)	2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)			
A/C.03.003	LA maintained Early Years Provision	-1,096	353	250	-	-	-	-	-493	757	-	-	-	-1,250	rephasing from 2016/17, Increase in budget to cover peckover - as per CPB paper and also substitution of borrowing for Early Years Grant for Specific Schemes in Cambridge and St Neots.		
A/C.04.001	Hauxton Primary	-14	-	-	-	-	-	-	-14	-	-	-	-	-14	Slippage		
A/C.04.004	Morley Memorial Primary	-12	200	255	-	-	-	-	443	-	-	-	-	443	Increased costs as per CPB Paper	y	
A/C.05.001	School Condition, Maintenance & Suitability	-	-	-	-	-	-	-	-	433	-	-	-	-433	Reflects 2017/18 additional SCA grant than estimated at business planning		
A/C.05.002	Kitchen Ventilation	-	-	-	-	-	-	-	-	-	-	-	-	-			
A/C.07.001	School Devolved Formula Capital	-780	709	-71	-71	-71	-71	-284	-639	-639	-	-	-	-	-	Roll forward from schools and Reduction in DFC funding for school assumed over all future years	
A/C.08.001	Trinity School Hartford, Huntingdon	7	-7	-	-	-	-	-	-	-	-	-	-	-	-	Accelerated Spend	
A/C.08.002	Trinity School, Wisbech base	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A/C.08.003	SEN Pupil Adaptations	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A/C.09.001	Site Acquisition, Development, Analysis and Investigations	119	-	-	-	-	-	-	119	-	-	-	-	119	overspend in 2016/17		
A/C.10.001	Temporary Accommodation	433	-	-	-	-	-	-	433	-	-	-	-	433	overspend in 2016/17		
A/C.11.001	Children's Minor Works and Adaptions	-25	-	-	-	-	-	-	-25	-	-	-	-	-25	Underspend in 2016.17		
A/C.11.002	Cambridgeshire Alternative Education Service Minor Works	-20	-	-	-	-	-	-	-20	-20	-	-	-	-	Underspend in 2016.17		
A/C.11.003	CFA Buildings & Capital Team Capitalisation	88	-	-	-	-	-	-	88	-	-	-	-	88	overspend in 2016/17		
A/C.11.005	CFA Management Information System IT Infrastructure	-782	532	250	-	-	-	-	-	-	-	-	-	-	-	Rephased - new project team inplace	
A/C.12.001	Strategic Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A/C.12.002	Enhanced Frontline	46	-	-	-	-	-	-	46	-	-	-	-	46	overspend in 2016/17		
A/C.12.004	Disabilities Facilities Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A/C.12.005	Integrated Community Equipment Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A/C.13.001	Variation Budget	-	-3,641	-4,114	-3,237	-2,486	-1,275	-5,105	-19,858	-	-	-	-	-19,858	Revision to variation budgets based on updated slippage figures. Take account of all slippage, however funded.		
A/C.13.002	Capitalisation of Interest Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.1.002	Air Quality Monitoring	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.1.009	Major Scheme Development & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.1.011	Local Infrastructure improvements	-	181	-	-	-	-	-	181	181	-	-	-	-	-	Schemes to be completed in 1718 LTP funded. Highway schemes on attachment	Y
B/C.1.012	Safety Schemes	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.1.015	Strategy and Scheme Development work	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.1.019	Delivering the Transport Strategy Aims	-	1,816	-	-	-	-	-	1,816	1,107	709	-	-	-	-	Schemes to be completed in 1718 LTP and S106 funded. Highway schemes on attachment plus Yaxley to Farcet cycleway.	Y
B/C.2.001	Carriageway & Footway Maintenance including Cycle Paths	-	812	-	-	-	-	-	812	667	145	-	-	-	-	Schemes to be completed in 1718 LTP and S106 funded. Highway schemes on attachment. Budget increased by £159k grant as increased for incentive element (more than originally budgeted).	Y
B/C.2.002	Rights of Way	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.2.004	Bridge strengthening	-	239	-	-	-	-	-	239	239	-	-	-	-	-	Schemes to be completed in 1718 LTP funded. Highway schemes on attachment	Y
B/C.2.005	Traffic Signal Replacement	-	683	-	-	-	-	-	683	66	617	-	-	-	-	Schemes to be completed in 1718 LTP and S106 funded. Highway schemes on attachment.	Y
B/C.2.006	Smarter Travel Management - Integrated Highways Management Centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.2.007	Smarter Travel Management - Real Time Bus Information	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.3.001	Highways Maintenance (carriageways only from 2015/16 onwards)	2,201	-269	-250	-250	-250	-250	-932	-	474	-	-	-	-474	£2.2m Schemes done in advance of 1718, rest of funding reprofiled. Underspend on LTP grant used to reduce borrowing in this area.	Y	
B/C.3.012	Waste – Household Recycling Centre (HRC) Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.3.101	Development of Archives Centre premises	-1,637	-85	1,842	-	-	-	-	120	-	-	-	-	120	Rephasing compared to original plan. Delays casued by Member decision to review alternative sites. Increased costs based on MS3 estimate which includes an inflationary increase.	Y	
B/C.3.103	Library service essential maintenance and infrastructure renewal	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.3.107	New Community Hub / Library Provision Clay Farm	-157	157	-	-	-	-	-	-	-	-	-	-	-	-	Scheme run by Cambridge City - slight dealy in scheme. We are committed to this level of expenditure	Y
B/C.3.108	New Community Hub / Library Service Provision Darwin Green	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.4.001	Ely Crossing	1,034	891	-625	-1,300	-	-	-	-	-	-	-	-	-	-	Mainly due to £2m land costs charged to 16/17	Y
B/C.4.006	Guided Busway	-334	-170	-	504	-	-	-	-	-	-	-	-	-	-	Outstanding costs relate to land compensation payments which are ongoing and hard to judge in which year they are paid	N
B/C.4.014	Huntingdon West of Town Centre Link Road	-660	660	-	-	-	-	-	-	-	-	-	-	-	-	Land deals outstanding - uncertainly as to when these are resolved.	Y
B/C.4.017	Cambridge Cycling Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B/C.4.021	Abbey - Chesterton Bridge	83	-83	-	-	-	-	-	-	-	-	-	-	-	-	Spend slightly ahead of forecast	Y

CHANGE IN FIGURES
COMPLETE WHITE FIELDS - COLUMNS P AND Q

CHANGE IN FIGURES		Offsets		Partial offsets												Reason for Change in Spend / Rephasing		Is there a detailed plan for spend in place? Y/N	
COMPLETE WHITE FIELDS - COLUMNS P AND Q		EXPENDITURE								TOTAL	FUNDING								
Scheme Ref.	Scheme Name	Up to 2016-17 (£k)	2017-18 (£k)	2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	Later Yrs (£k)	(£k)	(£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)					
B/C.4.022	Cycling City Ambition Fund	-565	565	-	-	-	-	-	-	-	-	-	-	-	Delays with some schemes. Need to be completed bu March 18 although likely DFT will allow work to go past this date.	Y			
B/C.4.023	King's Dyke	-503	-5,667	6,170	-	-	-	-	-	-	-	-	-	-	Delay in scheme due to land issues - this has now been resolved	Y			
B/C.4.024	Soham Station	-259	500	-	-	-	-	-241	-	-	-	-	-	-	Balance of initial work to be completed in 1718. Work likely to be undertaken by Network Rail but currently under resourced to do this. CCC probably need to push this scheme to get any progress made.	Y			
B/C.4.028	A14	-42	42	-	-	-	-	-	-	-	-	-	-	-	Mainly funded by highways england. Funding to cover work not claimable.	N			
B/C.4.031	Growth Deal - Wisbech Access Strategy	-170	170	-	-	-	-	-	-	-	-	-	-	-	Balance of Growth Deal work to be completed in 1718	Y			
B/C.4.032	Scheme Development for Highways Initiatives	-	-	-	-	-	-	-	-	-	-	-	-	-					
B/C.5.002	Investment in Connecting Cambridgeshire	-627	627	-	-	-	-	-	-	-	-	-	-	-	Revised profile of spend	Y			
B/C.6.001	Variation Budget	-	-5,078	-2,516	-2,077	-1,570	-1,655	-2,449	-15,345	-	-	-	-	-15,345	Revision to variation budgets based on updated slippage figures. Take account of all slippage, however funded.				
B/C.6.002	Capitalisation of Interest Costs	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.1.001	Essential CCC Business Systems Upgrade	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.1.003	Citizen First, Digital First	130	-130	-	-	-	-	-	-	-	-	-	-	-	Reflects rephasing of budget from 17/18 to fund project work in 16/17	Y			
C/C.2.005	Microsoft Enterprise Agreement for CCC	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.2.006	CPSN Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.2.108	Community Hubs - Sawston	-140	140	-	-	-	-	-	-	-	-	-	-	-	Scheme expected to progress in 17/18	Y			
C/C.3.001	Capitalisation of Transformation Team	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.3.002	Capitalisation of Redundancies	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.10.001	Variation Budget	-	-	-	-	-	-	-	-	-	-	-	-	-					
C/C.10.002	Capitalisation of Interest Costs	-	-	-	-	-	-	-	-	-	-	-	-	-					
D/C.1.001	Next Generation Enterprise Resource Planning (ERP) solution	-81	221	-	-	-	-	-	140	-	-	140	-	-	Expected to complete 17/18. Rephased to correct for £140k budget and matching funding from LGSS Ops savings not included in BP.				
F/C.2.101	County Farms investment (Viability)	-305	121	-	-	-	-	-	-184	-	-	-	-	-184	Carry forward £121k re Bettys Nose & Whitehall farm shop. Re-alignment of prior year spend miscoded - transfer of £184k relating to Soham Solar Farm.				
F/C.2.103	Local Plans - representations	-	-	-	-	-	-	-	-	-	-	-	-	-					
F/C.2.111	Shire Hall	-	-	-	-	-	-	-	-	-	-	-	-	-					
F/C.2.112	Building Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-					
F/C.2.114	MAC Joint Highways Depot	-	-	-	-	-	-	-	-	-	-	-	-	-					
F/C.2.119	Energy Efficiency Fund	-146	-	-	-	146	-	-	-	-	-	-	-	-	Planned projects under review - to be discussed at CPB 22/5/17. Long lead in time has led to delays in initiating projects	N			
F/C.2.240	Housing schemes	1,267	-1,267	-	-	-	-	-	-	-	-	-	-	-	A number of schemes progressed to the planning application stage in advance of schedule and £1.4m funding was rephased into 16/17. Balance of this funding is required in 17/18 in line with original plans.	Y			
F/C.3.001	Variation Budget	-	-	-	-	-	-	-	-	-	-	-	-	-					
F/C.3.002	Capitalisation of Interest Costs	-	-	-	-	-	-	-	-	-	-	-	-	-					
NEW SCHEMES																			
A/C.02.001	Trumpington Community College (Southern Fringe)	-523	150	200	173	-	-	-	-	-	-	-	-	-	Slippage due to IT not yet procured, will carryforward for a number of years while the school grows.	Y			
A/C.02.005	Hampton Gardens	-64	64	-	-	-	-	-	-	-	-	-	-	-	Remaining contingency, expected to be used in 17/18	Y			
A/C.04.003	Holme Conditions	-95	95	-	-	-	-	-	-	-	-	-	-	-	Slippage	Y			
B/C.3.106	Library Provision Cambourne	-151	151	-	-	-	-	-	-	-	-	-	-	-	Scheme rolled forward from 16/17. Fully funded from developer contributions	Y			
B/C.3.109	Replacement of accrued streetlights with LEDs	-705	736	-	-	-	-	-	31	-	-	-	-	-	31 Scheme rolled forward from 16/17. Scheme likely to be competed early in 17/18. was £705k but now costs have increased slightly.	Y			
B/C.5.003	Heritage Lottery fund contribution for Wisbech	-200	200	-	-	-	-	-	-	-	-	-	-	-	Scheme rolled forward from 16/17. We are committed to this contribution. Expected to be resolved in 17/18.	Y			
Pothole fund	Pothole Action Fund	-	1,155	-	-	-	-	-	1,155	1,155	-	-	-	-	Notification of grant too late for Business planning	Y			
Nat producti	National Productivity Fund	-	2,890	-	-	-	-	-	2,890	2,890	-	-	-	-	Notification of grant too late for Business planning	Y			
C/C.1.008	Other Committed Projects (EPAM)	-20	20	-	-	-	-	-	-	-	-	-	-	-	Roll forward balance of K2 funding (£20k) to fund continuing work on CCC implementation	Y			
C/C.2.102	Renewable Energy - Soham	-775	775	-	-	-	-	-	-	-	-	-	-	-	Final network and consntruction costs of £315k and a retention payment of £460k are due in 17/18. A scheme underspend of £340k is forecast.	Y			

CHANGE IN FIGURES
COMPLETE WHITE FIELDS - COLUMNS P AND Q

		Offsets		Partial offsets											Reason for Change in Spend / Rephasing	Is there a detailed plan for spend in place? Y/N
Scheme Ref.	Scheme Name	Up to 2016-17 (£k)	2017-18 (£k)	2018-19 (£k)	2019-20 (£k)	2020-21 (£k)	2021-22 (£k)	Later Yrs (£k)	TOTAL (£k)	Grants (£k)	Dvp Cont. (£k)	Other Cont. (£k)	Capital Receipts (£k)	Borrowing (£k)		
C/C.2.003	IT Infrastructure Investment	-245	245	-	-	-	-	-	-	-	-	-	-	-	<p>The carry forward is due to shifting priorities from CCC leading to the delay of several planned projects. It is planned that the carry forward will be used for:</p> <p>Hardware Expansion and Refresh</p> <p>Computer server hardware has a finite lifecycle and the server estate needs periodic refresh. This is staggered so that it is a continual process rather than a single event at regular intervals. In addition, additional hardware for the server infrastructure is often needed to meet increased requirements from the council as business needs change. For FY17/18 it is anticipated that we will require an extra enclosure and upto 4 new servers.</p> <p>Network Refresh</p> <p>Network hardware has a finite lifecycle and the network estate needs periodic refresh. This is staggered so that it is a continual process rather than a single event at regular intervals. During FY 15/16 and FY16/17 the datacentre network core was refreshed, however the distribution layer remained unchanged. The recent independent network audit highlighted a number of pieces of equipment which were classified as either end of life or approaching end of life. In addition the firewall on the NHS connection is now end of life and needs to be replaced.</p> <p>DR capability</p> <p>The current implementation of IT DR for CCC, delivers a small subset of services from a facility based at Scott House. This was designed and implemented as a solution which would be invoked in the case of long term downtime for a small number of key services. One of the key drivers for the implementation of the new storage are network (SAN) was the ability to improve the disaster recovery capability for the council. Now that the SAN is in place, data is replicated across a dedicated link to the LGSS West data centre at Angel Street,</p>	Y
C/C.2.002	Implementing IT Resilience Strategy for Data Centres	-176	176	-	-	-	-	-	-	-	-	-	-	-	see C/C.2.003	Y
C/C.1.002	Office Portfolio Rationalisation	-200	200	-	-	-	-	-	-	-	-	-	-	-	Ongoing work on office rationalisation, moves and co-location projects - including Sawtry, Hill Rise, Shire Hall, Hereward Hall, Buttsgrove, Scott House/Stanton House and Meadows closure.	Y
CS variation	Corporate Services variation budget	-	-279	-	-	-	-	-	-279	-	-	-	-	-	Capital programme variation budget for Corporate Services, not allocated in business planning.	Y
LGSS Op v2	LGSS Operational variation budget	-	-20	-	-	-	-	-	-20	-	-	-	-	-	Capital programme variation budget for LGSS Operational, not allocated in business planning.	Y
		-10,408	-1,606	7,280	-2,938	-2,829	-5,192	-20,511	-36,204	1,229	-6,279	140	-	-31,294		

APPENDIX 6 - Savings Tracker 2017-18

		Planned E000										Forecast E000										
		4,073	-15,026	-6,648	-4,753	-4,357	-30,784	-13,282	-5,949	-4,646	-4,404	-28,281	2,503									
Reference	Title	Description	Service	Transformation Workstream	BP Saving or Funnel?	Investment 17-18 E000	Original Phasing - Q1	Original Phasing - Q2	Original Phasing - Q3	Original Phasing - Q4	Original Saving 17-18	Current Forecast Phasing - Q1	Current Forecast Phasing - Q2	Current Forecast Phasing - Q3	Current Forecast Phasing - Q4	Forecast Saving	Variance from Plan E000	Saving complete?	RAG	Direction of travel	Forecast Commentary	Links with partner organisations
C/R.6.101	Commercial approach to contract management	Ensuring the Council pursues all commercial opportunities, with a focus on contract management through improved commissioning and procurement.	CS	Contracts, commercial & procurement	BP Saving	0	0	0	-250	-250	-500	0	0	0	-160	-160	340	No	Red	↔	V4 currently working on detailed opportunities	0
C/R.6.102	Organisational Structure Review	Ensuring that the Council's structures are as efficient and effective as possible, to meet the needs of our communities. This is part of an ongoing programme of organisational redesign.	CS	Workforce planning & development	BP Saving	0	-333	-333	-333	-313	-1,312	-386	-300	-200	-100	-986	326	No	Red	↑	[] SMT workshop held. Variance remains after applying posts reduction secured and employment budget saving.	0
A/R.6.001	DAAT - Saving from integrating drug and alcohol misuse service contracts	The NHS trust 'Inclusion' provides countywide specialist drug & alcohol treatment services. Currently there are separate treatment contracts for alcohol and drugs. Inclusion have agreed to commence full service integration in 2016-17. This will require fewer service leads employed in management grades and reduces the overall management on-costs in the existing contract agreement. It is also proposed to reduce Saturday clinics and/or move to a volunteer/service user led model for these clinics.	CFA	Contracts, commercial & procurement	BP Saving	0	-100	0	0	0	-100	-100	0	0	0	-100	0	Yes	Green	↔	Saving Achieved	N/A
A/R.6.101	Recouping under-used direct payment budget allocations for service users	Improving central monitoring and coordination arrangements for direct payments - ensuring budget allocations are proportionate to need and any underspends are recovered.	CFA	Finance & budget review	BP Saving	87	-98	-99	-99	-99	-395	0	0	0	-100	-100	295	No	Red	▽	Expecting to achieve direct payment clawbacks totalling £1.96m, which is £295k short of target based on monitoring after first two months of the year. This position will be kept under close review as direct payments are monitored each month. Scheduled for CFA Delivery Board on 6 July.	N - except LD: Pooled budget - learning disability partnership
A/R.6.111	Supporting people with physical disabilities and people with autism to live more independently	The focus will be on helping people lead independent lives through the Transforming Lives programme and measures approved by Adults Committee in 2016.	CFA	Commissioning	BP Saving	128	-377	-138	-138	-138	-791	-377	-138	-138	-138	-791	0	No	Green	↔	On track	N/A
B/R.6.001	Senior management review in ETE	A review of senior management in ETE to reduce cost and simplify structures, as well as sharing services with partners.	ETE	Workforce planning & development	BP Saving	0	-250	0	0	0	-250	0	0	0	-63	-63	187	No	Red	▽	Given timescales this will now only be a part year saving, but other efficiencies may make up the difference.	N
A/R.6.112	Securing appropriate Continuing Healthcare Funding for people with physical disabilities and ongoing health needs	Careful consideration of the needs of people with complex needs to identify where these needs meet the criteria for Continuing Healthcare and full funding by the NHS.	CFA	Finance & budget review	BP Saving	0	-80	-80	-80	-80	-320	-80	-80	-80	-80	-320	0	No	Green	↔	On track	NHS fund continuing healthcare
A/R.6.113	Specialist Support for Adults with Autism to increase their independence	Recruitment of two full time Support Workers for a twelve month period to work with service users to develop skills and access opportunities such as training or employment that would reduce the need for social care support.	CFA	Adults services	BP Saving	50	-18	-18	-18	-18	-72	-6	-6	-7	-7	-26	46	No	Red	▽	Mitigation work involves expanding the activity of the Workers to other Vulnerable Adults; monitoring the saving against avoided costs and the demographic expectation.	N/A
A/R.6.114	Increasing independence and resilience when meeting the needs of people with learning disabilities	The focus will be on helping individuals to be independent and resilient through the Transforming Lives initiative, together with policies approved by Adults Committee in 2016. Care and support will focus on developing skills and opportunities, wherever possible, to increase independence. In the short term this may include more intensive support in order to reduce reliance on social care support in the longer term.	CFA	Commissioning	BP Saving	750	-2,307	-74	0	0	-2,381	-1,448	-722	-211	0	-2,381	0	No	Green	↔	On track	Pooled budget - learning disability partnership
F/R.6.107	Rationalisation of Property Portfolio	Savings generated by the more efficient use of Council properties.	A&I	Assets, estates & facilities management	BP Saving	0	0	0	0	-154	-154	-14	-14	-14	-39	-81	73	No	Red	↔	Savings based on 2 properties Meadows and Benedict Court. Benedict Court was vacated in 16/17. Will not make full year saving for the Meadows as lease was renewed to accommodate staff who were planned to move elsewhere. The lease has a break clause but is likely to be required for an additional 6-9 months. However new lease is at reduced rate from £57k to £41k so some saving is achieved.	N
A/R.6.115	Retendering for residential, supported living and domiciliary care for people with learning disabilities	Contracts will be retendered in 2017-18 with the intention of reducing the unit cost of care.	CFA	Contracts, commercial & procurement	BP Saving	0	-63	-63	-102	-103	-331	0	0	-36	-35	-71	260	No	Red	↔	Domiciliary care retender has taken place and is expected to deliver associated saving. Decision taken to delay retender for supported living and residential frameworks to allow time to undertake detailed analysis of clients and the market to ensure retender is as effective as possible, will achieve in 18/19 instead.	Pooled budget - learning disability partnership
A/R.6.116	Using assistive technology to help people with learning disabilities live and be safe more independently without the need for 24hr or overnight care	New and existing care packages will be reviewed by specialist Assistive Technology and Occupational Therapy staff to identify appropriate equipment which could help disabled people to be safe and live more independently.	CFA	Adults services	BP Saving	186	-53	-53	-54	-54	-214	-53	-53	-54	-54	-214	0	No	Green	↔	On track	N/A
A/R.6.117	Developing a new learning disability care model in Cambridgeshire to reduce the reliance on out of county placements	This work will entail a review of the most expensive out-of-county placements to inform the development of the most cost-effective ways of meeting needs by commissioning new services within county. In particular we know we will need to develop additional in-county provision with the expertise to manage behaviours that may be challenging. By replacing high-cost out of county placements with new in-county provision tailored to our needs we will reduce overall expenditure on care placements.	CFA	Commissioning	BP Saving	0	-58	-47	-35	0	-140	0	-140	0	0	-140	0	No	Green	↔	On track	Pooled budget - learning disability partnership
A/R.6.118	Review of Health partner contributions to the Learning Disability Partnership	Negotiating with the NHS for additional funding through reviewing funding arrangements, with a focus on Continuing Healthcare and joint funded packages.	CFA	Finance & budget review	BP Saving	0	-500	0	0	0	-500	-500	0	0	0	-500	0	No	Green	↔	On track	NHS funding to pooled budget
A/R.6.121	Managing the assessment of Deprivation of Liberty cases within reduced additional resources	The March 2014 Supreme Court judgment on Deprivation of Liberty requires councils to undertake a large number of new assessments, including applications to the Court of Protection. Funding was made available to increase capacity to undertake best interest assessments and process applications for DoLS. The national demand for staff who are trained as best interest assessors has meant that it has not been possible to deploy all the available funding in this way. This position is not expected to change, and so a saving has been identified against this budget.	CFA	Finance & budget review	BP Saving	0	-100	0	0	0	-100	-100	0	0	0	-100	0	Yes	Green	↔	Saving Achieved	N/A

APPENDIX 6 - Savings Tracker 2017-18

							Planned £000					Forecast £000											
							4,073	-15,026	-6,648	-4,753	-4,357	-30,784	-13,282	-5,949	-4,646	-4,404	-28,281	2,503					
Reference	Title	Description	Service	Transformation Workstream	BP Saving or Funnel?	Investment 17-18 £000	Original Phasing - Q1	Original Phasing - Q2	Original Phasing - Q3	Original Phasing - Q4	Original Saving 17-18	Current Forecast Phasing - Q1	Current Forecast Phasing - Q2	Current Forecast Phasing - Q3	Current Forecast Phasing - Q4	Forecast Saving	Variance from Plan £000	Saving complete?	RAG	Direction of travel	Forecast Commentary	Links with partner organisations	
A/R.6.122	Transforming In-House Learning Disability Services	We will review and make necessary changes to in house services focussed on ensuring that resource is appropriately targeted to provide intensive short term support aimed at increasing independence. We will also identify where we can work with the independent sector to provide for assessed needs in a different way and consider whether any under-utilised services are required for the future.	CFA	Workforce planning & development	BP Saving	0	-375	0	-55	0	-430	-265	0	-95	0	-360	70	No	Amber	↔	A saving of £265k delivered from restructure implemented in May 2017. Phase two of restructure to deliver additional savings due to be designed and implemented later in year. the time taken to design and implement phase two means that an element of this saving will be delivered in 2018/19 instead of 2017/18.		
B/R.6.101	Improve efficiency through shared county planning, minerals and waste service with partners	Reduced costs to the Council by sharing our services for minerals and waste planning applications with other Councils.	ETE	Commissioning	BP Saving	0	-25	0	0	0	-25	0	0	0	0	0	25	No	Red	↔	Savings no longer viable as partner is not able to progress discussions about shared services in those areas.	N	
B/R.6.102	Improve efficiency through shared growth and development service with partners	Reduced costs to the Council by sharing our services with other councils to process major planning applications and negotiate financial contributions from developers that can be used to pay for essential infrastructure such as schools and roads.	ETE	Commissioning	BP Saving	0	-25	0	0	0	-25	0	0	0	0	0	25	No	Red	↔	Savings no longer viable as partner is not able to progress discussions about shared services in those areas.	N	
A/R.6.123	Rationalisation of housing related support contracts	In 2016-17 we completed a review of contracted services which support individuals and families to maintain their housing. A contract was terminated in November 2016, with the full-year effect of the associated budget reduction affecting 2017-18.	CFA	Commissioning	BP Saving	0	-58	0	0	0	-58	-58	0	0	0	-58	0	Yes	Green	↔	Saving Achieved	N/A	
A/R.6.125	Supporting young people with learning disabilities to live as independently as possible in adult life	This work has two elements which are focused on managing demand for long term funded services. 1. Work in children's services and in the Young Adults Team will ensure that young people transferring to the LDP will be expected to have less need for services. 2. Working proactively with people who are living at home with carers who are needing increased support to maintain their caring role for whatever reason.	CFA	Adults services	BP Saving	0	-181	-181	-182	-182	-726	-181	-181	-182	-182	-726	0	No	Green	↔	On track	Pooled budget - learning disability partnership	
B/R.6.002	Centralise business support posts across ETE	Costs will be reduced by centralising business support for the whole of ETE.	ETE	Workforce planning & development	BP Saving	0	0	0	-20	0	-20	0	0	0	-5	-5	15	No	Red	▽	This will follow on from the senior management review so not yet started	N	
A/R.6.132	Promoting independence and recovery and keep people within their homes by providing care closer to home and making best use of resources for adults and older people with mental health needs	Reducing the cost of care plans for adults and older people with mental health needs will lead to savings. We aim to reduce residential and nursing care costs and increase the availability of support in the community.	CFA	Adults services	BP Saving	0	-353	-252	-52	-19	-676	-353	-252	-52	-19	-676	0	No	Green	↔	On track	N/A	
A/R.6.134	Increase in income from Older People and Older People with mental health's client contributions from increased frequency of reassessments	Older people and those receiving elderly mental health services are not always being financially reassessed every year. The council will therefore reassess all clients more regularly to ensure that the full contributions are being collected. This programme has begun in 2016-17 and will continue into 2017-18 to complete.	CFA	Finance & budget review	BP Saving	46	-121	-139	-87	-34	-381	-121	-139	-87	-34	-381	0	No	Green	↔	On track	N/A	
A/R.6.140	Helping older people to take up their full benefits entitlements	The council will work with service users to make sure they receive all the benefits to which they are entitled and this is expected to increase service user contributions.	CFA	Finance & budget review	BP Saving	0	-72	-82	-51	-21	-226	-72	-82	-51	-21	-226	0	No	Green	↔	On track	N/A	
A/R.6.143	Savings from Homecare: re-tendering of home care to develop the market through a number of best practice initiatives including the expansion of direct payments	This proposal will focus specifically on piloting an alternative but complementary approach to home-based care that would try and find alternative and local solutions to traditional homecare - whilst still improving outcomes for service users, promote independence, and achieve savings to the Council. Through the tendering process for home care, the Council will engage potential providers within a price range consistent with achieving this saving. The model also envisages greater efficiency through working across all service user groups including those that that are the responsibility of the CCG.	CFA	Commissioning	BP Saving	0	0	0	-306	0	-306	0	0	-306	0	-306	0	No	Green	↔	On track	N/A	
A/R.6.145	Using assistive technology to support older people to remain independent in their own homes	The proposal is to invest in and expand the use of Just Checking (or similar) equipment to reduce spending in older people's services. As part of a social care assessment the equipment gives us a full report of a person's movements during a given period allowing us to test whether they are able to go about daily life (eating, washing, dressing, going to the toilet) unaided and to check that overnight they are safe at home. This full picture of a person's daily patterns and movements allows us to say with significantly more accuracy and confidence whether they can or cannot cope independently at home. This additional information and confidence would allow older people, their families and social workers to only make the decision to recommend a move into residential or nursing care where it is absolutely essential. In this way we can reduce care spending overall whilst ensuring we do make provision for those who cannot be independent in their own homes.	CFA	Adults services	BP Saving	110	-187	-134	-27	-10	-358	-187	-134	-27	-10	-358	0	No	Green	↔	On track	N/A	

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A/R.6.146	Expansion of the Adult Early Help Team to minimise the need for statutory care	<p>The Adult Early Help team was established in April 2016 to provide an enhanced first response to people contacting the County Council with social care concerns. The team help people to retain independence, access services and advise on ways in which older people and their carers can organise help for themselves. The goal is to try to resolve issues without the need to wait for a formal assessment or care plan.</p> <p>Through either telephone support or through a face to face discussion, we hope to work with older people to find solutions without the need for further local authority involvement. The intial phase is already resulting in a reduced number of referrals to social care teams. This business case builds on the first phase and proposes continuing the expansion of the Adult Early Help team, so that the team is able to meet more of the need at tier 2, preventing further escalation of need and hence minimising care expenditure. This contributes further savings in 2017-18 as part of the care budget targets in Older People's Services.</p>	CFA	Customer & communities	BP Saving	0	-201	-143	-29	-11	-384	-201	-143	-29	-11	-384	0	No	Green	↔	On track	N/A	
A/R.6.149	Administer Disability Facilities Grant within reduced overhead costs	At present the County Council invests £300k into the Home Improvement Agencies, which oversee the Disabled Facilities Grants by each of the Districts. The County Council is working in partnership with the District Councils to reduce the cost of the administration of these services. There will be no reduction in the level of grant or service and the intention is to speed up the decision making process.	CFA	Finance & budget review	BP Saving	0	-150	0	0	0	-150	-150	0	0	0	-150	0	Yes	Green	↔	Saving Achieved	District Council capital grants via Better Care Fund and central government significantly increased. District Councils engaged in review project	
A/R.6.155	Securing appropriate contributions from health to section 117 aftercare.	Careful consideration of the needs of people sectioned under the Mental Health Act to identify joint responsibility and ensure appropriate contributions by the council and the clinical commissioning group to section 117 aftercare.	CFA	Finance & budget review	BP Saving	0	-150	-150	-80	-40	-420	-150	-150	-80	-40	-420	0	No	Green	↔	On track - however there is a slight risk pending full implementation and confirmation of joint funding tool applied and agreed by both sides	NHS funding to section 117 aftercare	
A/R.6.157	Increase in income from Older People and Older People with Mental Health's client contributions following a change in Disability Related Expenditure	Following a comparative exercise, the Adults Committee agreed a change to the standard rate of disability related expenditure (DRE) during 2016. This means that additional income is being collected through client contributions. This line reflects the 'full-year' impact of this change, reflecting that the new standard rate is applied at the planned point of financial assessment or reassessment for each person.	CFA	Finance & budget review	BP Saving	0	-53	-38	-22	-6	-119	-53	-38	-22	-6	-119	0	No	Green	↔	On track	N/A	
A/R.6.159	Efficiencies from the cost of Transport for Older People	Savings can be made through close scrutiny of the expenditure on transport as part of care packages in Older People's Services to ensure that travel requirements are being met in as cost efficient a way as possible.	CFA	Commissioning	BP Saving	0	-25	-25	-25	-25	-100	0	-16	-16	-16	-48	52	No	Red	▽	Investigation has identified three areas in which £64k can be made and these are being implemented. £16k of this will be achieved next financial year and £48k will be achieved in year. This leaves £36k that is unlikely to be achieved.	N/A	
A/R.6.160	Ensuring joint health and social care funding arrangements for older people are appropriate	<p>We have been working with NHS colleagues to review continuing health care arrangements including joint funding, with a view to ensuring that the decision making process is transparent and we are clearer about funding responsibility between social care and the NHS when someone has continuing health care needs.</p> <p>Several cases has been identified where potentially health funding should be included or increased based on a review of needs.</p>	CFA	Finance & budget review	BP Saving	0	-196	-143	-89	-36	-464	-196	-143	-89	-36	-464	0	No	Green	↑	On track	N/A	
A/R.6.161	Managing the Cambridgeshire Local Assistance Scheme within existing resources	The Adults Committee has considered several proposals on how to deliver the Cambridgeshire Local Assistance Scheme (CLAS). The contingency budget previously held for CLAS has now been removed, as is no longer required to support the redesigned service.	CFA	Finance & budget review	BP Saving	0	-163	0	0	0	-163	-163	0	0	0	-163	0	No	Green	↔	On track	N/A	
A/R.6.163	Ensuring homecare for adults with mental health needs focuses on supporting recovery and piloting peer support delivered through the Recovery College	Savings will be achieved through reproviding homecare services for adults with mental health needs and helping people to return to independence more quickly.	CFA	Adults services	BP Saving	0	-75	-75	-60	-40	-250	-75	-75	-60	-40	-250	0	No	Green	↔	On track	N/A	
A/R.6.164	Reablement for Older People - Improving effectiveness to enable more people to live independently	<p>Development of the Reablement Service to ensure it promotes independence and reduces the costs of care by being directed at the right people. Changes to the way the service operates will release additional capacity, allowing it to work with more people, achieve better outcomes and so reduce demand and cut costs. It is proposed that within existing staffing levels we can increase the number of people receiving a reablement service and increase the number of people for whom the reablement intervention is ended without the need for ongoing care or with a reduced need for ongoing care.</p> <p>To achieve this we will improve team structures and working practices and ensure the cases referred to the service are appropriate, where there is good potential for people to live independently again.</p>	CFA	Adults services	BP Saving	0	-93	-67	-42	-17	-219	-93	-67	-42	-17	-219	0	No	Green	↔	On track	N/A	

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A/R.6.165	Enhanced Occupational Therapy Support to reduce the need for double-handed care	<p>The Double-Up Team was set up as a ‘spend to save’ initiative in 2013 based on evidence from other local authorities. Initially set up as a pilot project, it was endorsed as part of the County Council’s prevention agenda, the implementation of Transforming Lives and the requirements of The Care Act.</p> <p>The team consists of two Senior Occupational Therapists (OTs) and two OT Technicians employed directly by the County Council. The team’s remit is to focus on the review of service users to assess whether it is possible to either:</p> <ul style="list-style-type: none">• Reduce existing double-up packages of care to single-handed care OR• Prevent single-handed care packages being increased to double-up <p>This team is currently based outside of the existing mainstream OT service to ensure focus on the delivery of actions that will benefit the recipients whilst returning a saving direct to the Council.</p> <p>Through the actions of the existing team, savings from the Councils homecare budget were generated in the region of £1.1m in 2015-16 and are on track to achieve a similar figure in the current financial year.</p> <p>This business case proposes the expansion of the service through the recruitment of an additional two OT workers so they can share learning and benefits associated with the current model to other settings (further details are listed in the 'scope' section of this document) as well as providing additional review capacity.</p>	CFA	Adults services	BP Saving	90	-132	-94	-19	-7	-252	-132	-94	-19	-7	-252	0	No	Green	↔	On track	Alongside mainstream occupational therapy service provided within community (CPFT) and hospitals based OTs	
A/R.6.167	Voluntary Sector Contracts for Mental Health Services	Renegotiation of a number of voluntary sector contracts for mental health support has resulted in lower costs to the Council whilst maintaining levels of service provision for adults with mental health needs. The reductions have been discussed and negotiated with the providers impacted, and they have factored this into their own business planning. On-going investment by the Mental Health service in the voluntary and community sector remains over £3.7m	CFA	Finance & budget review	BP Saving	0	-130	0	0	0	-130	-130	0	0	0	-130	0	Yes	Green	↔	Saving Achieved	N/A	
A/R.6.168	Establish a review and reablement function for older people with mental health needs	Redirect support workers within the Older People Mental Health team to provide a review and reablement function for service users in receipt of low cost packages (under £150 per week).	CFA	Adults services	BP Saving	0	-20	-25	-15	-9	-69	-20	-25	-15	-9	-69	0	No	Green	↔	On track	N/A	
A/R.6.169	Better Care Fund improvement	<p>Each year the Council and the local NHS agree a Better Care Fund plan, this includes an element for social care services.</p> <p>Given the uplift in the BCF allocation in 2016-17 and an anticipated further increase in 2017-18 the Council will negotiate that a greater share of BCF monies are focused on provision of social care services. This supports the local NHS.</p>	CFA	Finance & budget review	BP Saving	0	-930	0	0	0	-930	0	-880	0	0	-880	50	No	Amber	↔	Full guidance for BCF planning round 2017-19 still awaited. Council negotiating position of uplifts for 2017/18 and 2016/17 (which was not agreed last year) is likely to clash with CCG intentions. Risk of delayed non-agreement. Focus is on financial negotiation.	The Better Care Fund is a pooled budget with the NHS	
A/R.6.170	OP contractual & demand savings (including respite beds) 6.170	<p>Retendering of contracts in 2016-17 has presented the opportunity to reduce our block purchasing of respite beds, following under-utilisation and unused voids in previous arrangements. Use of spot purchasing for respite will be monitored.</p> <p>Additionally, as trends have continued towards supporting fewer people overall in 2016-17 it has been possible to reflect this cost reduction in a further small saving on demographic allocations.</p>	CFA	Commissioning	BP Saving	0	-450	0	0	-100	-550	-450	0	0	-100	-550	0	No	Green	↔	On track	N/A	
A/R.6.201	Staffing reductions in Commissioning Enhanced Services	Review of Commissioning across CFA.	CFA	Workforce planning & development	BP Saving	0	0	0	-107	0	-107	0	0	-107	0	-107	0	No	Green	↔	On track	N/A	
A/R.6.202	Children's Change Programme: Changes to Management Structure in Children's Services	The Children's Change Programme is reviewing and transforming the system of children's services across early help, safeguarding and protection teams. Phase 1 of the programme will realise savings from staffing by deleting duplication and simplifying processes. Specifically, we will integrate social work and early help services into a district-based delivery model, unifying services around familiar and common administrative boundaries so they can align with partners better; and reducing the number of team manager level posts required.	CFA	Workforce planning & development	BP Saving	0	-619	0	0	0	-619	-619	0	0	0	-619	0	No	Green	↔	On track - Plan in place to deliver. Awaiting response from DfE on Innovation Funding	N/A	
A/R.6.203	Amalgamating Family Support Services	Amalgamation of Specialist Family Support Service Family Support Workers in localities to produce better efficiency and subsequent a reduction of associated relief staff costs.	CFA	Workforce planning & development	BP Saving	0	-50	0	0	0	-50	-50	0	0	0	-50	0	No	Green	↔	On track	N/A	
A/R.6.205	Children’s Social Care Support for young people with complex needs	Prevention of placement or family breakdowns by providing outreach support and the provision of a consistent wrap-around support for young people with complex needs to avoid the use of costly external residential provision that may not meet need.	CFA		BP Saving	497	0	-135	-181	-243	-559	0	-135	-181	-243	-559	0	No	Green	↔	On track - Savings re-profiled across Q2,3,4	N/A	

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A/R.6.210	Home to School Transport (Special)	Most children and young people with Statements of SEND and Education, Health and Care (EHC) plans do not require special transport arrangements. Wherever possible and appropriate, the child or young person with SEN should be treated in the same way as those without. e.g. in general they should walk to school, travel on a public bus or rail service or a contract bus service or be taken by their parents. They should develop independent travel skills which should be assessed at each Annual Review. The majority of children/ young people of statutory school age (5-16) who have a Statement of Special Educational Need (SSEN) will attend their designated mainstream school. Only if, as detailed in their SSEN/EHC Plan, a child or young person has a special educational need or disability which ordinarily prevents them from either walking to and from school or accessing a bus or rail service or contract bus service, will they be eligible for free transport. With effect from 1 September 2015, the Council stopped providing free transport for young people with SEND over the age of 16, except those living in low income families. The ability to make considerable savings from 2018-19 onwards is based on increased in-county education provision and reduction in EHC Plans due to more need being met within mainstream provision, both of which are needed to reduce the number of pupils requiring transport.	CFA	Children's services	BP Saving	0	-124	-123	-123	-123	-493	-124	-123	-123	-123	-493	0	No	Green	↔	On track	N/A	
A/R.6.213	LAC Inflation Savings	Award inflation at 0.7% rather than 1.7%	CFA	Commissioning	BP Saving	0	-31	-31	-31	-31	-124	-31	-31	-31	-31	-124	0	No	Green	↔	On track	N/A	
A/R.6.214	Moving towards personal budgets in home to school transport (SEN)	The Personal Transport Budget (PTB) is a sum of money that is paid to a parent/carer of a child who is eligible for free school travel. The cost of a PTB would not be more than current transport arrangements. A PTB gives families the freedom to make their own decisions and arrangements about how their child will get to and from school each day. Monitoring and bureaucracy of PTBs is kept to a minimum with parents not being expected to provide evidence on how the money is spent. However, monitoring of children's attendance at school is done and PTBs are removed if attendance falls below an agreed level.	CFA	Contracts, commercial & procurement	BP Saving	0	-58	-58	-58	-58	-232	-58	-58	-58	-58	-232	0	No	Green	↔	On track	N/A	
A/R.6.215	Adaptation and refurbishment of Council Properties to reduce the unit cost of placements	Two properties owned by Cambridgeshire County Council have become vacant, or are becoming vacant over the coming months. This presents an opportunity to increase the capacity for in-county accommodation the Council has for children who are looked after and to contribute to the savings arising from the unit cost of placements. Refurbishment of the properties will take place to make these buildings fit for purpose.	CFA	Commissioning	BP Saving	0	-141	-140	-141	-140	-562	0	-77	-167	-167	-411	151	No	Red	▽	The original saving was predicated on a 12 month period for each of these placements. Therefore, as a result of a lead times needed to progress the project, part of the saving will be pushed back into 18/19. A saving of -£257k is currently forecast to be delivered in 18/19, resulting in the project achieving c.£100k more than original planned in total.	N/A	
A/R.6.216	Pathways to access contraception and sexual health services for priority groups	To provide intermediate level training to 100 staff from targeted services in residential children's homes, drug and alcohol services, adult mental health services, the Youth Offending Service, the 18-25 team and Domestic Violence Adviser team. We will purchase 12 contraception boxes for offices of services attending training for use with clients.	CFA	Commissioning	BP Saving	0	-185	0	0	0	-185	0	0	0	0	0	185	No	Red	↔	Due at CFA Delivery Board on 3 August.	N/A	
A/R.6.217	Enhanced intervention service for children with disabilities	Establish an Enhanced Intervention Service in Cambridgeshire. The purpose of the team would be to reduce the number of children with disabilities placed in out of county residential homes, to enable children to safely live with their family and access education in their local area.	CFA	Commissioning	BP Saving	120	-29	-48	-48	-49	-174	-29	-48	-48	-49	-174	0	No	Green	↔	On track	N/A	
A/R.6.218	SPACE Programme – helping mothers to prevent repeat removals	The Space Programme works to engage with mothers who have had their baby permanently removed from their care, with the aim of reducing the likelihood of it happening again. The programme works with mothers and their partners where appropriate, to help them understand the range of issues they face and which may have contributed to their child becoming permanently removed in the first place. In partnership with other agencies, the programme works to promote positive relationships, self esteem and confidence and assertiveness, whilst encouraging access to universal and specialist services that can help mothers live healthier lives. The programme has been funded by CFA reserves from October 2015 to March 2017 and works on the assumption that the programme prevents six babies entering foster care in 2017-18 and 2018-19 as a result of the intervention work that's taken place in 2015-16 and 2016-17. Outcome data for the programme is currently being prepared and reviewed and options to secure permanent funding to sustain this work are being explored.	CFA	Children's services	BP Saving	0	-111	0	0	0	-111	0	0	0	0	0	111	No	Red	↔	Savings deemed as not achievable. Under review.	N/A	
A/R.6.219	Systemic family meetings to be offered at an earlier stage to increase the number of children being diverted from LAC placements	Change the referral criteria for systemic family meetings so they take place with families at an earlier stage - at the point just before beginning a child protection plan. This would enable us to work with a larger group of 390 children at Child Protection level, rather than 240 at court proceedings level.	CFA	Commissioning	BP Saving	148	-115	-115	-115	-116	-461	-115	-115	-115	-116	-461	0	No	Green	↔	On track - currently looking at 5 units to ascertain impact. Q1 savings to be quantified against benchmark data.	N/A	
A/R.6.220	Increase the number and capacity of in-house foster carers	Reduce spending on foster placements from external carer agencies by increasing the capacity of the in-house service.	CFA	Commissioning	BP Saving	0	-48	-49	-49	-49	-195	-48	-49	-49	-49	-195	0	No	Green	↔	On track	N/A	
A/R.6.221	Link workers within Adult Mental Health Services	Two Link Workers will embed a Think Family approach in adult mental health services and increase access to preventative and early help services to keep families together wherever possible.	CFA	Commissioning	BP Saving	84	0	0	0	0	0	0	0	0	0	0	0	No	0	↔	No savings planned for 17/18	N/A	

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A/R.6.222	Independent travel training for children with SEND	Proposal to introduce Independent Travel Training (ITT) for young people with SEND to help them cope with the often more complex journeys required to access further education. Once trained and assessed to be safely able to travel independently, we will no longer have to provide home to school transport for these young people.	CFA	Children's services	BP Saving	0	-24	-24	-24	-24	-96	0	-32	-32	-32	-96	0	No	Green	↔	Project delayed due to the commissioning restructure, also awaiting reconfirmation of funding.	N/A
A/R.6.225	Alternative model of delivery for school catering and cleaning [EI]	A new way of providing school catering and cleaning as either a joint venture or a partnership with another provider is at an advanced stage. A minimum of £50K has been set as a project priority.	CFA	Workforce planning & development	BP Saving	0	-13	-13	-12	-12	-50	0	0	0	0	0	50	No	Red	↔	Strategic Partnership reviewed and alternative approach selected. Risks around lease and business rates arrangements, national living wage and food cost inflation. Management changes for the service are effective from 1 July - a recovery plan is being prepared. A positive sign is that the Service has recently won three significant tenders from Multi-Academy Trusts.	N/A
A/R.6.227	Strategic review of the LA's ongoing statutory role in learning	A programme to transform the role of the local authority in education in response to national developments such as the 2016 Education White Paper, and the local context, (e.g. the increasing number of academies and the educational performance of schools) has been started. This has four strands - the LA's core duties, traded services, local authority-initiated Multi-academy Trusts and the recruitment and retention of school staff. Early work has identified savings from reducing core funding by discharging the Education Advisor function with two f.t.e. staff, one funded centrally and one traded; Mathematics, English and Improvement advisers to be fully traded from 2017-18; Primary advisers to be part traded from 2017-18 and fully traded from 2018-19; Senior Advisers to be part traded; and a reduction in the intervention budget, supporting only maintained schools where we have a statutory responsibility to do so. The Education Advisers will generate a £10k surplus in 2018-19.	CFA	Workforce planning & development	BP Saving	0	-67	-68	-67	-68	-270	-180	-25	-35	-30	-270	0	No	Green	↑	Saving Achieved - through grant funding and reduction in intervention budget	N/A
A/R.6.230	Reduction in Heads of Service	Reduce the number of Heads of Service in the Learning directorate from six to five in line with the reduction in staffing and changing role of the Directorate.	CFA	Workforce planning & development	BP Saving	0	-80	0	0	0	-80	-60	0	0	0	-60	20	No	Green	↔	On track -	N/A
A/R.6.234	Home to School Transport (Mainstream)	The 2017-18 saving is made up of the summer term changes to post 16 and spare seats charging policy, implemented in 2016-17. As a result of a decision taken by SMT, all services are now required to absorb the impact of the general growth in population and no demography funding will be allocated for this purpose. This represents £598k for this budget. Full year savings of £438k from route retendering (which normally would be offered as savings) will instead be diverted to meet this pressure, with the remainder secured through a programme of route reviews.	CFA	Contracts, commercial & procurement	BP Saving	0	-70	0	0	-24	-94	-70	0	0	-24	-94	0	No	Green	↔	On track	N/A
A/R.6.236	Business Support	Development and implementation of course booking and customer feedback systems and new ways of working will enable us to reduce our business support capacity.	CFA	Workforce planning & development	BP Saving	0	-51	0	0	0	-51	-51	0	0	0	-51	0	Yes	Green	↔	Saving Achieved	N/A
A/R.6.238	Virtual Beds	Tender for 16 Block Distributed Purchasing (Flexi Beds).	CFA	Commissioning	BP Saving	0	0	-23	-83	-99	-205	0	0	0	0	0	205	No	Red	↔	Decision taken not to take this proposal forward.	N/A
A/R.6.239	Review of top 50 placements	Monthly review by panel of the top 50 most expensive external placements, with the objective of reducing placement costs wherever possible.	CFA	Commissioning	BP Saving	0	-81	-81	-81	-81	-324	-81	-81	-81	-81	-324	0	No	Green	↔	On track	N/A
A/R.6.240	Negotiating placement fees	Negotiate the costs of external placements for Looked After Children.	CFA	Commissioning	BP Saving	0	-17	-18	-17	-18	-70	-17	-18	-17	-18	-70	0	No	Green	↔	On track	N/A
A/R.6.241	Foster carers to provide supported lodgings	Delivery of 10 new supported lodging placements	CFA	Commissioning	BP Saving	0	0	-22	-65	-65	-152	0	-22	-65	-65	-152	0	No	Green	↔	On track - Project board in place. Internal resourcing to be reviewed to support delivery	N/A
A/R.6.242	Reducing fees for Independent Fostering Agency placements	Reduce fees for Independent Fostering Agency (IFA) placements	CFA	Commissioning	BP Saving	0	-30	-30	-3	-3	-66	-30	-30	-3	-3	-66	0	No	Green	↔	On track	N/A
A/R.6.243	Children's Change Programme: Hawthorns, FGC, PIP & Misc	Restructure of Children's Services through the Children's Change Programme, to be reinvested to support the revised structure (see proposal A/R.5.004).	CFA	Children's services	BP Saving	1,595	-1,595	0	0	0	-1,595	-1,595	0	0	0	-1,595	0	Yes	Green	↔	Saving Achieved	N/A
A/R.6.244	Total Transport	This is an updated proposal, in light of the data and experience gained through Phase 1 of the Total Transport pilot, which was implemented in the East Cambridgeshire area at the start of September 2016. By investing in staff and by extending the use of smartcard technology, the Council will be able to deliver more efficient mainstream school transport services, matching capacity more closely with demand. The intention is to secure financial savings whilst ensuring that all eligible pupils continue to receive free transport with reasonable but efficient travel arrangements.	CFA	Commissioning	BP Saving	132	-180	0	-290	-370	-840	0	-134	-336	-370	-840	0	No	Green	↑	On track. There will be no savings in quarter one because these savings related to the new school year, from September onwards	N/A
A/R.6.245	Cambridgeshire Race, Equality and Diversity Service (CREDS)	The de-delegation received by the Cambridgeshire Race, Equality and Diversity Service (CREDS) from maintained primary schools in 2017-18 will reduce as a consequence of the large number of recent and forthcoming academy conversions. This reduction in funding will require a restructure of the service, including staffing reductions.	CFA	Workforce planning & development	BP Saving	0	-125	0	0	0	-125	-125	0	0	0	-125	0	No	Green	↔	On track	N/A
A/R.7.101	Early Years subscription package	Proposal to develop Early Years subscription package for trading with settings.	CFA	Children's services	BP Saving	0	0	0	-28	0	-28	0	0	-28	0	-28	0	No	Green	↔	On track	N/A
A/R.7.103	Education ICT Service	Increase in trading surplus through expanding out-of-county provision.	CFA	Children's services	BP Saving	0	-25	-25	-25	-25	-100	-25	-25	-25	-25	-100	0	No	Green	↔	On track	N/A
A/R.7.104	Cambridgeshire Outdoors	Increase in trading surplus through cost reduction and external marketing.	CFA	Children's services	BP Saving	0	0	0	-50	0	-50	-8	-8	-8	-9	-33	17	No	Amber	↑	A plan has been developed across the three centres to achieve this target. Key actions include the development and marketing of new offers, including weekend and school holiday bookings, and a relative reduction in management costs. This plan is already resulting in increased income.	N/A

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A/R.7.105	Admissions Service	Increase in trading surplus through an increased use of automated systems.	CFA	Children's services	BP Saving	0	-3	-3	-3	-1	-10	-3	-3	-3	-1	-10	0	No	Green	↔	On track	N/A	
A/R.7.106	Reduction in income de-delegated from Schools to CREDS	The de-delegation received by the Cambridgeshire Race, Equality and Diversity Service (CREDS) from maintained primary schools in 2017-18 will reduce as a consequence of the large number of recent and forthcoming academy conversions. This reduction in funding will require a restructure of the service, including staffing reductions.	CFA	Workforce planning & development	BP Saving	0	30	30	30	35	125	30	30	30	35	125	0	No	Green	↔	On track	N/A	

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C/R.5.304	Neighbourhood Cares (Buurtzorg)	Piloting a radically different model of social work in Cambridgeshire informed by the latest thinking developed locally through the Transforming Lives project, innovation being led by other local authorities and in particularly by the successful Buurtzorg model of community care in Holland.	CFA		Funnel																Manager appointed. No savings target in 2017/18	N/A
B/R.6.103	Reduction in Concessionary fare payments	To remove £300k from the Concessionary Fare budget for 2017-18 following actual underspend of £300k for 2015-16 and projected underspend of £300k for 2016-17	ETE	Environment, transport & economy	BP Saving	0	-75	-75	-75	-75	-300	-75	-75	-75	-75	-300	0	No	Green	↔	Budget reduced to match reduction in demand	N
B/R.6.202	Upgrade streetlights to LEDs	This will involve upgrading street light bulbs with LEDs where this offers good value for money, such as the energy savings are greater than the cost of conversion. This links to capital proposal B/C.3.109. This is the full year effect of a saving made in 2016-17.	ETE	Contracts, commercial & procurement	BP Saving	0	0	-14	0	0	-14	0	0	-14	0	-14	0	No	Green	↔	LED project plan for accrued street lights has been agreed with Balfour Beatty and Connect Roads. The contract change is being writted and the deed of variation should be signed by the end of June. Once signed the order will be placed and work will take place in Q3.	N
B/R.6.203	Rationalise business support in highways depots to a shared service	Move to shared service business support across the highway depots.	ETE	Workforce planning & development	BP Saving	0	-25	0	0	0	-25	-25	0	0	0	-25	0	Yes	Green	↑	Vacant post has been deleted from the establishment.	N
B/R.6.205	Replace rising bollards with cameras	The rising bollards in Cambridge are old and becoming increasingly expensive to maintain. This will save the annual maintenance cost of the bollards.	ETE	Commissioning	BP Saving	0	-25	0	0	0	-25	-25	0	0	0	-25	0	Yes	Green	↑	Three sites went live in 16/17 (Emmanuel Rd, Bridge St & Regent St). Station Road is due to go live immiently and there is the potential for two further sites in 2017/18, both of which are being investigated further.	N
B/R.6.207	Highways Services Transformation	The Council is replacing its existing contract for highway works such as road maintenance and pot hole filling. This will allow us to achieve greater value for money and reduce costs significantly while improving service quality.	ETE	Contracts, commercial & procurement	BP Saving	0	0	-267	-267	-266	-800	0	-267	-267	-266	-800	0	No	Green	↔	The new highway contract has been procured, with Skanska the successful bidder. The contract starts on 1 July and the year one saving (nine months) of £800k has been captured through the price of the tender.	N
B/R.6.209	Reduce library management and systems support and stock (book) fund	One year reduction of £325k in spending on new library stock, together with further savings in deliveries and some IT systems support. Any further reduction in support would impact the ability of communities to take on their libraries and there is reputational risk in reducing the book fund.	ETE	Commissioning	BP Saving	0	-340	0	0	0	-340	-340	0	0	0	-340	0	Yes	Green	↑	expect to be able to deliver the saving through cutting back on new stock acquired	0
B/R.6.211	Road Safety projects & campaigns - savings required due to change in Public Health Grant	This is a removal of a one off Public Health grant. This has funded specific work and campaigns which have now ended and so the money is no longer required.	ETE	Commissioning	BP Saving	0	-84	0	0	0	-84	-84	0	0	0	-84	0	Yes	Green	↔	This funding has been removed and therefore this saving achieved. The Road Safety team is utilising opportunities through the PCC To continue certain activities.	N
B/R.6.213	Move to full cost recovery for non-statutory highway works	Communities and Parish/Town Councils can pay for additional highway works such as traffic calming and yellow lines that are extra to the Council's normal work. The Council delivers these works but has not in the past recovered the full cost of delivery of schemes and officer time in preparing them will be charged.	ETE	Commissioning	BP Saving	50	-100	0	0	0	-100	0	0	-50	-50	-100	0	No	Green	↔	On track	N
B/R.6.214	Street Lighting Synergies	Cambridgeshire County Council can make an £8m joint saving with Northamptonshire if both parties enter the same Street Lighting PFI contract. In order for this to happen, CCC will have to pay a Break Cost estimated to be £800k. This cost can be paid upfront or over time. It is proposed that CCC pays the Break Cost upfront.	ETE	Environment, transport & economy	BP Saving	0	-32	-32	-32	-33	-129	-32	-32	-32	-33	-129	0	No	Green	↔	"£800k investment in 16-17 The streetlighting synergies were signed in March 2017, but the full realisation of the saving will not be achieved until year end, with the savings made throughout the year"	N
B/R.6.215	Contract savings for the maintenance of Vehicle Activated signs (VAS) and traffic signal junctions/crossings	A new 5 year contract is now in place to provide maintenance for traffic signalled junctions, crossings and vehicle speed activated signs (VAS). The proposed saving is realised from sharing fixed contract overhead costs with neighbouring authorities and the reallocation of risk. Funding will no longer be available to replace VAS signs if they cannot be repaired unless they are safety critical.	ETE	Contracts, commercial & procurement	BP Saving	0	-17	-17	-18	-18	-70	-17	-17	-18	-18	-70	0	No	Green	↔	The new contract will be paid for on a monthly basis and therefore the total saving will be achieved at year end	N
B/R.6.302	Renegotiation of the Waste PFI contract.	The Council has a contract with Amey to process and recycle the waste collected across Cambridgeshire. Through negotiation, the Council is seeking to reduce the cost of this contract.	ETE	Contracts, commercial & procurement	BP Saving	0	-920	0	0	-80	-1,000	-100	-100	-200	-600	-1,000	0	No	Green	↔	Savings of approximately £500,000 have been identified that will be delivered in this financial year. It is anticipated that further savings will come on stream in year that will contribute to achieving the overall £1m annual target.	0
B/R.7.100	Increase income from digital archive services	The Council currently charges for digital versions of documents from our archive. As more documents are being digitised each year, the Council expects income to increase.	ETE	Environment, transport & economy	BP Saving	0	-5	0	-15	0	-20	0	-5	-15	0	-20	0	No	Green	↔	This saving was predicated on better facilities available in new Ely archives centre, which is significantly delayed. However some additional funding should be forthcoming from alternative avenues	0
B/R.7.109	Introduce a charge for commercial events using the highway	Large commercial events that require closures of roads such as cycling and running races currently cost the council money to administer. In future, the cost of the Council's work will be recovered. This will not impact on small community events.	ETE	Environment, transport & economy	BP Saving	0	-2	-3	-3	-2	-10	-2	-3	-3	-2	-10	0	No	Green	↔	This charge was introduced in 16/17 and subject to events continuing to be staged on the public highway then this saving will be achieved.	N
B/R.7.110	Increase highways charges to cover costs	This relates to a wide range of charges levied for use of the highway such as skip licences for example. All charges have been reviewed across ETE. Further targeted review and monitoring of charges will continue to ensure they remain relevant.	ETE		BP Saving	0	-1	-1	-1	-2	-5	-1	-1	-1	-2	-5	0	No	Green	↔	Fees & Charges increased inline with inflation for statutory services, whilst discretionary functions have been reviewed and increased accordingly.	N
B/R.7.111	Introduce a highways permitting system	This proposal will allow the Council to better control works on our roads being carried out by utility and other commercial companies through the use of permits. This will mean better coordination of road works, reduced delays and the ability to fine companies when they do not work efficiently on our roads.	ETE	Environment, transport & economy	BP Saving	0	-100	-40	0	0	-140	-100	-40	0	0	-140	0	No	Green	↔	Permitting scheme implemented Oct 16. Already seeing overachievement in the first six months. Although likely to plateau and drop off slightly as the scheme beds in, the income target will be achieved.	N
C/R.5.313	Enhanced Response Service - Assistive Technology Phase 2	Following the agreement of GPC to the Assistive Technology proposals (Phase 1) in September 2016 a further business case has been developed to establish an enhanced assistive technology response service to reduce/delay/minimise admissions to hospital and funded care.	CFA		Funnel																Savings likely for partner organisations: -reducing non-elective admissions to acute hospitals -reducing ambulance call-outs	
C/R.6.103	Courier Contract	A more efficient Council-wide postage service, has generated savings against courier costs.	CS	Commissioning	BP Saving	0	-35	0	0	0	-35	-35	0	0	0	-35	0	Yes	Green	↔	Existing contract terminated. New arrangements now in place	N

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C/R.6.104	Citizen First, Digital First - Repayment of financing costs	Investment in a range of technology solutions that will enable us to ensure that our digital presence is engaging and easy to use, to integrate our various existing IT systems, and enable the delivery of the Citizen First, Digital First strategy. This saving will repay the debt charges resulting from borrowing.	CS	Customer & communities	BP Saving	0	0	0	0	-56	-56	-14	-14	-14	-14	-56	0	No	Green	↔	It has been identified how these savings will be released from the Contact Centre	N	
C/R.6.105	Citizen First, Digital First - Surplus to repayment of financing costs	Additional savings to C/R.6.104, after repayment of the debt charges resulting from borrowing to invest and enable the delivery of the Citizen First, Digital First strategy.	CS	Customer & communities	BP Saving	0	-247	0	0	0	-247	-62	-62	-62	-61	-247	0	No	Green		These savings will come partially from the Contact Centre and others from services, and further work is needed once products have been moved online to release these savings.	N	
C/R.6.106	Reduction in costs on Redundancy, Pensions & Injury budget	Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services.	CS	Finance & budget review	BP Saving	0	-10	0	0	0	-10	-10	0	0	0	-10	0	Yes	Green	↔	Saving already being made by reducing payroll costs	N	
C/R.6.107	Capitalisation of Redundancies	Using the flexibility of capital receipts direction to fund redundancies from capital instead of being funded by revenue.	CS	Finance & budget review	BP Saving	0	0	-1,000	0	0	-1,000	-1,000	0	0	0	-1,000	0	No	Green	↔	Accounting adjustment already made	N	
C/R.6.109	Capitalisation of the Transformation team	Using the flexibility of capital receipts direction to fund the transformation team from capital instead of being funded by revenue.	CS	Finance & budget review	BP Saving	0	0	-1,293	0	0	-1,293	-1,293	0	0	0	-1,293	0	Yes	Green	↔	Accounting adjustment already made	N	
C/R.5.319	ASC/OP investment required to manage demand and reduce cost to serve	To include: - OP Home Care - OP Accommodation - Crisis Response - Section 117 - Lifetime Costs: use of upfront spending to reduce the total lifetime costs of service users with long term needs	CFA		Funnel																£500k tranformation funding has been approved for draw-down in 2017/18 in respect of appointing an external provider to help the Council shape and deliver an ambitious change programme across all adult social care client groups.	N/A	
E/R.6.003	CCS contract for integrated contraception and sexual health services	Continued move to a more demand led model which means that although there will be a small reduction in clinic sessions the service will be even more targeted where there is most need. Specific proposals that reflect this approach are being discussed with Cambridgeshire Community Services.	PH	Public Health	BP Saving	0	-50	0	0	0	-50	-50	0	0	0	-50	0	No	Green	↔		00	
E/R.6.006	Review exercise referral schemes	As part of the Public Health drive to promote and increase physical activity to benefit everyone across the County the service is discontinuing investment in the current district based exercise referral schemes by £48k (recurrent). There is inequity in the current investment in exercise referral schemes as only two areas are funded. However the Health Committee approved at its November 2016 meeting a countywide physical activity programme which includes all the Districts. An additional £23k saving (recurrent) results from the end of a workplace physical activity pilot at County Council premises Scott House, from which the learning is now mainstreamed, and from ceasing other currently unallocated physical activity project budgets.	PH	Public Health	BP Saving	0	-71	0	0	0	-71	-71	0	0	0	-71	0	No	Green	↔		00	
E/R.6.012	Public health services contract for children and young people aged 0-19	Reducing the cost of the contract for age 0-19 public health services with Cambridgeshire Community Services, while investing in public health school nursing services for Special Schools. Review of skill mix and ways of working in 0-5 public health services, including health visiting and family nurse partnership, which should enable saving of £150k. Existing staff will be working in a more integrated way with other Council services, such as Children's Centres and Together for Families Programme. Invest £60k to provide a public health school nursing service for Special Schools.	PH	Public Health	BP Saving	0	-90	0	0	0	-90	-90	0	0	0	-90	0	No	Green	↔		00	
E/R.6.019	Public Health Programmes Team: proposed transfer to integrated lifestyles provider	It is proposed to transfer the CAMQUIT team to the current external Integrated Lifestyles Provider, subject to a Voluntary Transparency notice. Staff involved in microcommissioning of smoking cessation services in GP practices and pharmacies will not be transferred and will be in scope for the joint public health commissioning unit.	PH	Public Health	BP Saving	0	-13	-12	-13	-12	-50	-13	-12	-13	-12	-50	0	No	Green	↔	Subject to VT notice not being challenged. Delay in implementation.	0	
E/R.6.021	Public health commissioning - explore joint work with other organisations	Create a joint Public Health commissioning unit with Peterborough City Council in order to drive best value across both areas, building on the existing Children's Health Joint Commissioning Unit and existing joint work across the two Councils by the public health specialist team.	PH	Public Health	BP Saving	0	-14	-14	-14	-15	-57	-14	-14	-14	-15	-57	0	No	Green	↔	Restructure in progress, likely implementation date 1st May.	0	
E/R.6.025	Smoking Cessation : Reduced spend on NRT and GP Payments	After review of smoking cessation spend on nicotine replacement therapy (NRT) and payments to GP practices and pharmacies in the first two quarters of 2016-17, it has been established that this level of saving can be withdrawn while meeting the current level of demand for the smoking cessation service.	PH	Public Health	BP Saving	0	-28	-27	-28	-27	-110	-28	-27	-28	-27	-110	0	No	Green	↔		00	
E/R.6.026	Chlamydia Screening : Online Testing and reduction in lab costs	Demand for the online chlamydia screening service has declined. This is partially due to adopting a more targeted screening model. This also results in a lower spend on laboratory tests.	PH	Public Health	BP Saving	0	-13	-12	-13	-12	-50	-13	-12	-13	-12	-50	0	No	Green	↔		00	
E/R.6.028	Food for Life : Jointly commission across Cambridgeshire and Peterborough	The Food for Life programme aims to promote a healthier eating lifestyle and reduce childhood obesity. Currently the Council and Peterborough City Council separately commission this programme. The proposal is to reduce costs by recommissioning jointly with Peterborough City Council the programme which will promote healthy eating and physical activity while targeting areas that are more deprived with higher levels of childhood obesity.	PH	Public Health	BP Saving	0	-25	0	0	0	-25	-25	0	0	0	-25	0	No	Green	↔		00	
E/R.6.029	Traveller Health Team : Changed ways of working	Reduce value of contract with Ormiston Trust so that it reflects current level of community worker input, while funding additional input from Traveller Health specialist nurse.	PH	Public Health	BP Saving	0	-5	0	0	0	-5	-5	0	0	0	-5	0	No	Green	↔		00	
E/R.6.031	Contribution to CCC 0-5 voluntary sector contract no longer required	The Council's three year contract with Homestart ceased in September 2016 as part of a wider refocussing of preventive services for children aged 0-5. Public Health made a contribution to the overall budget for this contract, which is no longer required.	PH	Public Health	BP Saving	0	-98	0	0	0	-98	-98	0	0	0	-98	0	No	Green	↔		00	

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E/R.7.102	Reduction in income	Reductions in income from Cambridgeshire and Peterborough Clinical Commissioning Group for management of Joint Health Intelligence Unit. A reduction in Public Health Consultant sessions of medical student teaching.	PH		0	BP Saving	0	56	0	0	0	56	56	0	0	0	56	0	No	Green	↔	0	0
F/R.6.108	Energy Efficiency Fund - Repayment of Financing Costs	Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs. Links to capital proposal F/C.2.119	A&I	Assets, estates & facilities management	BP Saving	0	-3	-5	-6	-6	-20	-3	-5	-6	-6	-20	0	No	Green	↔	On track	N	
F/R.7.103	County Farms Investment (Viability) - Surplus to Repayment of Financing Costs	Increase in County Farms rental income resulting from capital investment. Element surplus to repaying financing costs.	A&I		0	BP Saving	0	-4	-4	-4	-3	-15	-4	-4	-4	-3	-15	0	No	Green	↔	Additional income expected to be achieved	N
F/R.7.104	County Farms Investment (Viability) - Repayment of Financing Costs	Increase in County Farms rental income resulting from capital investment. Links to capital proposal F/C.2.101.	A&I		0	BP Saving	0	-15	-15	-15	-15	-60	-15	-15	-15	-15	-60	0	No	Green	↔	Additional income expected to be achieved	N
F/R.7.105	Renewable Energy Soham - Repayment of Financing Costs	Income generation resulting from capital investment in solar farm at Soham. Element to repay financing costs. Links to capital proposal C/C.2.102 in BP 2016-17.	A&I		0	BP Saving	0	-160	-240	-240	-236	-876	-160	-240	-240	-236	-876	0	No	Green	↔	Current expectation is that we will start to receive income from May and not April as hoped. . NB this may mean a small change in savings, but the initial targets are conservative, so this may not be affected.	N
F/R.7.106	Renewable Energy Soham - Surplus to Repayment of Financing Costs	Income generation resulting from capital investment in solar farm at Soham. Element to surplus to repaying financing costs.	A&I		0	BP Saving	0	-33	-50	-50	-50	-183	-33	-50	-50	-50	-183	0	No	Green	↔	On track overall	N
F/R.7.109	Telecommunications hosting policy	Review the Council's mobile telecommunications equipment policy. This will include exploring opportunities to generate revenue income from hosting telecommunications equipment on Council land and property assets and actively promoting better mobile coverage across the county.	A&I	Assets, estates & facilities management	BP Saving	0	0	0	-20	-20	-40	0	0	-20	-20	-40	0	No	Green	↔	Costs lower than forecast. Policy review went to A&I Committee 31/03/17 who approved relaxation of current policy. Telecoms consultants will be appointed to identify sites and negotiate with operators with agreements anticipated later in the year.	N	
F/R.7.120	Income from Rationalisation of Property Portfolio	Income generation from alternative use of major office building(s) to provide ongoing revenue streams.	A&I		0	BP Saving	0	-98	-98	-98	-99	-393	-98	-98	-98	-99	-393	0	No	Green	↔	Full year effect for Castle Court income	N
C/R.5.320	Older People's Service Delivery	Good progress has been made in managing the OP budgets but there are diminishing returns and investment is required to manage the risks to deliver these savings.	CFA		Funnel																	On track	N/A
CFA.F.01	Assessment of Prisoners	Take 50k from this budget as the demand is lower than expected	CFA		Funnel																	On track(awaiting grant notice)	N/A
CFA.F.02	Total Transport	Establish a team to deliver the Total Transport Pilot.	CFA		Funnel																		N/A
CFA.F.04	Learning Disability In House	Stretch target	CFA		Funnel																		N/A
CFA.F.09	Non-Residential Protected Income Allowances	The Council continue to allow the current levels of protected income in the financial assessment. This would mean that all benefit income increases would be absorbed in the financial contribution however, the service user would not receive a reduced amount of protected income disregard.	CFA	Finance & budget review	Funnel																	First quarter data to be analysed.	N/A
CFA.F.10	LDP - Residential to Supported Living	Potential has been identified to work with residential providers to consider whether some provision could be converted into supported living arrangements. This approach can be beneficial for all parties with a lower cost of care for providers and commissioners and service users having access to additional flexible income as a result of changes to benefit entitlements	CFA	Commissioning	Funnel																		N/A
Funnel	Corporately held demography - if this is not utilised an underspend will occur	Target by CFA to not draw down on at least £2m of centrally held demography	CFA		Funnel																	Demand pressures on LAC placements in particular (also Waste) require consideration and deployment of corporately held demography budget by GPC.	N/A
Funnel	Learning Disability Reviews	Additional savings on Learning Disability Reviews - investment for Project Assessment Team shown in 6.114 above	CFA		Funnel																		N/A
Funnel	Better Care Fund	Further reduction in the transformation fund in excess of the number at A/R.6.169	CFA		Funnel																	Delivery considered unlikely. Dependednt on BCF negotiation.	N/A
Funnel	Home to School Transport	2016/17 underspend should be ongoing as agreed at CFA Delivery Board	CFA		Funnel																		N/A
Funnel	Learning Disability Proposal	Out of Area Repatriation savings	CFA		Funnel																	Responsibility for out-of-area re-patriation re-assigned. Contingent on appropriate in-county capacity and best interest consideration	N/A

Cambridgeshire County Council Appendix 9

14/07/2017 08:34:35

Risk		01. Vulnerable children or adults are harmed												
Likelihood	5						Risk Owners	Wendi Ogle-Welbourn	Current Score	15	Last Review	01/07/2017		
	4					Target Score							Next Review	30/09/2017
	3													
	2					Triggers	Likelihood Factors (Vulnerability)	Potential Consequences						
	1								1. Council's arrangements for safeguarding vulnerable children and adults fail and someone dies or is seriously harmed 2. A serious case review is commissioned because a child or a vulnerable adult dies or is seriously harmed and abuse or neglect is thought to be involved	1. Child or vulnerable adult is killed or seriously harmed 2. People lose trust in Council services 3. Council is judged to have failed in statutory duties				
		1	2	3	4	5								
	Consequence													

5. Whistleblowing policy, robust Local Authority Designated Officer arrangements, complaints process, all of which inform practice	Good
6. Robust process of internal Quality Assurance, including case auditing and monitoring of performance	Good
7. Multi-Agency Safeguarding Hub (MASH) supports timely, effective decision making between partners	Good
8. Regular monitoring of social care providers	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		02. The Business Plan (including budget and services) is not delivered									
Likelihood	5										
	4				X						
	3										
	2										
	1										
		1	2	3	4	5					
Consequence											
							Risk Owners	Chris Malyon	Current Score	12	Last Review
									Target Score		01/07/2017
									Previous Score		30/09/2017
							Triggers	Likelihood Factors (Vulnerability)			Potential Consequences
							1. The Council spends more resources than it has by the end of the year and does not have sufficient reserves to cover a minor deviation 2. Services are not delivered at the quantity or to the quality required as per the plan	Current forecast is for £2m overspend Risk in previous register focused on waste savings Risk in previous register focused on pension fund being under-funded			1. Reactive in-year savings or in worst-case, Government intervention 2. The Council does not deliver its statutory responsibilities, leading to judicial review 3. People do not receive the services to which they are entitled or require, and may be harmed as a result 4. Reputational damage

Controls	Adequacy
1. Robust Business Planning process	Good
10.Limited reserves for minor deviations	Good
2.Robust service planning, priorities cascaded through management teams and through appraisal process	Good
3.Integrated resources and performance reporting (accountable monthly to GPC), tracking budget, savings, activity and performance	Good
4.Operational division Finance and Performance Reports (accountable monthly to Service Committees), tracking budget, savings, activity and performance	Good

Action Plans	Responsibility	Target Date
1. Integrated Resources and Performance Report See information in monthly Integrated Resources and Performance Report about remedial action required to correct over- or underspends, or below-target performance	DCEX	31/03/2018
2. Finance and Performance Reports Detail is available in the monthly Finance and Performance Reports (which are accessible via hyperlinks in IRPR)	DCEX	31/03/2018

5.Scheme of Financial Management, including Budget Control Report for the Council as a whole and operational divisions	Good
6.Procurement processes and controls ensure that best value is achieved through procurement	Good
7.Regular meetings between Finance and budget holders at all levels of the organisation to track exceptions and identify remedial actions	Good
8.Rigorous treasury management system plus tracking of national and international economic factors and Government policy	Good
9.Rigorous risk management discipline embedded in services and projects	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		03. Personal data is inappropriately accessed or shared										
Likelihood	5						Risk Owners	Sue Grace	Current Score	9	Last Review	01/07/2017
	4								Target Score		Next Review	30/09/2017
	3			X					Previous Score			
	2						Triggers		Likelihood Factors (Vulnerability)		Potential Consequences	
	1						1. Criminal access to data (e.g. cyber-attack, break-in) 2. Accidental data breach (e.g. email sent to wrong recipient)				1. Harm for individuals 2. Loss of trust in the Council 3. Penalties from regulator	
		1	2	3	4	5						
	Consequence											

Controls	Adequacy
1. Mandatory information security training for all staff	Good
2. Further training available and encouraged	Good
3. Regular communications to all staff and in key locations (e.g. printers)	Good
4. Strategic Information Management Board, including Senior Information Risk Owner (member of SMT) and Caldicott Guardian, oversee all information governance activity	Good
5. Comprehensive Information Management Policy Framework	Good
6. Procedure for notifying, handling and managing data breaches	Good

Action Plans	Responsibility	Target Date
1. Complete actions from Internal Audit of Information Governance, including introducing an audit regime examining information management practice across the Council	HoBI	31/03/2018
2. Implement actions to comply with General Data Protection Regulations.	HoBI	31/05/2018

7. Data breaches and performance indicators reported to Information Management Board and SMT	Good
8. IT security – data encryption, hardware firewalls, network traffic monitoring, inbound mail monitoring, spam filters, web content filtering, anti-virus software	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		04. A serious incident prevents services from operating									
Likelihood	5										
	4										
	3										
	2										
	1										
		1	2	3	4	5					
		Consequence									
		Risk Owners					Sue Grace		Current Score		12
									Target Score		
									Previous Score		
		Triggers					Likelihood Factors (Vulnerability)			Potential Consequences	
		1. Loss of large quantity of staff or key staff 2. Loss of premises (including temporary denial of access) 3. Loss of IT, equipment or data 4. Loss of a supplier 5. Loss of utilities or fuel 6. Pandemic								1. Inability to deliver services to vulnerable people, resulting in harm to them 2. Inability to meet legislative and statutory requirements 3. Increase in service demand 4. Reputational damage	

Controls	Adequacy
1. Corporate and service business continuity plans	Good
2. Relationships with trade unions including agreed exemptions	Good
3. Corporate communication channels in case of emergency	Good
4. Multi-agency collaboration through the Cambridgeshire & Peterborough Local Resilience Forum	Good
5. IT disaster recovery arrangements	Good

Action Plans	Responsibility	Target Date
1. Accommodation provision Review of accommodation provision in business continuity plans	EPM	30/06/2017

6. Resilient Internet feed	Good
7. Business continuity testing	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		05. The Council does not deliver its statutory or legislative obligations													
Likelihood	5						Risk Owners	Quentin Baker	Current Score	8	Last Review	01/07/2017			
	4												Target Score	Next Review	30/09/2017
	3														
	2				X		Triggers	1. Major business disruption 2. Lack of management oversight 3. Negative inspection judgement 4. Poor financial management	Likelihood Factors (Vulnerability)	Potential Consequences					
	1														
		1	2	3	4	5									
	Consequence														

Controls	Adequacy
1. Monitoring Officer role	Good
2. Code of Corporate Governance	Good
3. Community impact assessments required for key decisions	Good
4. Business Planning process used to identify and address changes to legislative/regulatory requirements	Good
5. Projects and training to ensure the implementation of legislative changes (e.g. Care Act)	Good
6. Constitutional delegation to Committees and SMT	Good
7. Health and safety policies and processes	Good

Action Plans	Responsibility	Target Date
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8. Preparation and improvement undertaken for inspections by regulators (e.g. Ofsted)	Good
9. Service managers kept up to date with changes by Monitoring Officer / LGSS Law, Government departments, professional bodies, involvement in regional and national networks	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		06. Our resources (human resources and business systems, CCC and providers) are not sufficient to meet business need										
Likelihood	5						Risk Owners	Gillian Beasley	Current Score	12	Last Review	01/07/2017
	4											
	3				X		Triggers	Likelihood Factors (Vulnerability)	Potential Consequences			
	2									1. LGSS services not sufficient in quantity or quality 2. Key business systems are unavailable or insufficient 3. The Council is unable to recruit staff with the right skills and experience 4. Providers / partners are unable to recruit staff with the right skills and experience	Cost of living in some areas of Cambridgeshire is particularly high Key business system developments underway (Agresso / Mosaic)	1. Failure to deliver effective services 2. Regulatory criticism / sanctions 3. Civil or criminal action 4. Reputational damage to the Council 5. Low morale, increased sickness levels
	1						Consequence					
		1	2	3	4	5						

Controls	Adequacy
1. LGSS Joint Committee structure including CCC councillor representation, LGSS Overview and Scrutiny Working Group including CCC councillor representation, Chief Executive sits on LGSS Management Board	Good
2. LGSS director representation at SMT	Good
3. LGSS Strategic Plan, Strategy Map and Improvement Activities identified	Good
4. Deputy Chief Executive responsible for managing LGSS / CCC relationship	Good
5. Robust performance management and development practices in place for staff	Good
6. Flexible terms and conditions of employment	Good

Action Plans	Responsibility	Target Date
1. Workforce strategy 1. LGSS Management Board will review the workforce strategy as part of the Transformation Programme	LGSS MB	30/09/2017
2. Production of common training programme 2. Production of common training programme by OWD taken from service needs and compiled from PADP outcomes (annually)	LGSS	30/09/2017
3. Annual employee survey 3. Annual employee survey to feed into LGSS service improvement plans	LGSS SAC&S	30/09/2017
4. Reference to the SLA and KPI review per service line (new plan for 2017/18 being produced)	DCEX	31/07/2017
5. The appropriate signposting of the other LGSS audits and associated recommendations e.g Payroll etc	DCEX	31/07/2017
6. Cross referencing customer satisfaction with service delivery standards	DCEX	31/07/2017

7. Employee support available	Good
8. Cross-directorate Social Care Strategic Recruitment and Workforce Development Board and Social Work Recruitment and Retention Task and Finish Group proactively address issue of social care recruitment and retention	Good
9. IT resilience arrangements	Good

7. ERP Gold implementation	DCEX	30/09/2017
8. Mosaic implementation	DCEX	30/06/2018

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		07. The infrastructure and services (e.g. transport, education, services for children, families and adults) required to meet the current and future needs of a population is not provided at the right time										
Likelihood	5						Risk Owners	Graham Hughes	Current Score	12	Last Review	01/07/2017
	4											
	3				X		Previous Score	Triggers	Likelihood Factors (Vulnerability)	Potential Consequences		
	2										1. Insufficient funding to meet needs received from •Growth funds •Section 106 •Community infrastructure levy •School infrastructure funding 2. Partnerships do not deliver new infrastructure / services to meet needs of population	Significant infrastructure funding available from Greater Cambridge Partnership / City Deal, and Combined Authority
	1						Consequence					
		1	2	3	4	5						

Controls	Adequacy
1. Maximisation of developer contributions through Section 106 negotiations. Policy is to deal with strategic development sites through s106, not including CIL	Good
2. Section 106 deferrals policy is in place.	Good
3. Capital Programme Board	Good
4. Prudential borrowing strategy	Good
5. Review, scrutiny and challenge of design and build costs to ensure maximum value for money	Good

Action Plans	Responsibility	Target Date
15. County Planning obligation strategy County Planning obligation strategy for district's and County Council use, to go to E&E Committee	HoG&E	31/10/2017

6. Co-ordination of requirements across partner organisations to secure viable shared infrastructure	Good
7. Annual school capacity return to Department for Education seeks to ensure maximum levels of funding for basic need	Good
8. Maintain dialogue with Cambridge City Council and South Cambridgeshire District Council to input into Community Infrastructure Level prior to the adoption of the Local Plan (anticipated 2017)	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		08. The Council is a victim of major fraud or corruption										
Likelihood	5						Risk Owners	Gillian Beasley	Current Score	6	Last Review	01/07/2017
	4					Target Score			Next Review		30/09/2017	
	3					Previous Score						
	2			X			Triggers	Likelihood Factors (Vulnerability)	Potential Consequences			
	1					1. The Council loses money through fraudulent action or corrupt activity 2. Partners lose money 3. Council is unable to deliver its obligations						
		1	2	3	4					5		
	Consequence											

Controls	Adequacy
1. Financial Procedure rules	Good
2. Anti Fraud and Corruption Strategy incl Fraud Response Plan	Good
3. Whistle blowing policy	Good
4. Codes of conduct	Good
5. Internal control framework	Good
6. Fraud detection work undertaken by Internal Audit, Counter Fraud Team in LGSS	Good
7. Awareness campaigns	Good
8. Anti Money Laundering policy	Good

Action Plans	Responsibility	Target Date
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9. Publication of spend data	Good
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Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		09. Our partnerships are not successful in delivering the intended outcomes												
Likelihood	5						Risk Owners	Gillian Beasley	Current Score		Last Review	01/07/2017		
	4												Target Score	
	3						Triggers	Likelihood Factors (Vulnerability)	Potential Consequences					
	2									1. Objectives of partnerships are not achieved 2. Partnership is not able to work together		1. Negative impact on outcomes for people in Cambridgeshire		
	1													
		1	2	3	4	5							Consequence	

Controls	Adequacy
1. Negotiated and agreed governance framework for partnerships	Good
2. Corporate partnership guidance	Good

Action Plans	Responsibility	Target Date
1. Review control environment and complete detailed risk register	HoBI	30/09/2017

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		10. Inequalities in the county continues									
Likelihood	5										
	4										
	3										
	2										
	1										
		1	2	3	4	5					
		Consequence									
							Risk Owners		Gillian Beasley		
							Current Score		12		
							Target Score				
							Previous Score				
							Triggers		Likelihood Factors (Vulnerability)		Potential Consequences
							1. Health, economic, educational and other inequalities increase in Cambridgeshire 2. Failure across Council services and partnerships to target or promote services to disadvantaged or vulnerable populations, or in areas of deprivation, appropriately for local need				1. People living in deprived areas in the county do not have the same life chances as people living in non-deprived areas, in terms of health, educational achievement, income and other areas 2. People from minority groups living in the county do not have the same life chances as people living in non-deprived areas, in terms of health, educational achievement, income and other areas

Controls	Adequacy
1. Council's business plan and community impact assessments for change to service	Good
10. Cambridgeshire Older People Strategy	Good
2. Committee monitoring of indicators for outcomes in areas of deprivation	Good
3. Joint Strategic Needs Assessment, Annual Public Health Report, and Joint Health and Wellbeing Strategy	Good
4. Health Committee Priority on health inequalities, targeting of Public Health programmes	Good
5. Child Poverty Strategy	Good

Action Plans	Responsibility	Target Date
1. Joint Health and Wellbeing Strategy Implementation of health inequalities aspects of Joint Health and Wellbeing Strategy	DoPH	31/03/2018

6. Targetted services e.g: Travellers Liaison, Traveller Health Team, Chronically Excluded Adults Team, etc.	Good
7. Buy with confidence approved trader scheme.	Good
8. Wisbech 20:20 programme	Good
9. Cambridgeshire 0-19 Education Organisation Plan	Good

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

Risk		11. Change and transformation of services is not successful											
Likelihood	5						Risk Owners Chris Malyon	Current Score		Last Review 01/07/2017	Next Review 30/09/2017		
	4											Target Score	
	3												
	2												
	1												
		1	2	3	4	5							
		Consequence					Triggers		Likelihood Factors (Vulnerability)		Potential Consequences		
							1. Services do not change to meet current demands 2. Projects and programmes stall or do not make sufficient impact		Any issues with specific projects that might affect the score		1. Statutory obligations not delivered 2. The Council does not work in a transformed way 3. Over-spend on budget		

Controls	Adequacy
1. Transformation Team established to support change in services	Good
2. Transformation Fund to ensure access to resources	Good
3. Communications with staff about innovation and opportunities for development	Good
4. GPC monitor transformation programme monthly as part of Integrated Resources and Performance Report	Good
5. Project and programme governance established to oversee delivery	Good
6. Rigorous risk management embedded in project and programme governance	Good

Action Plans	Responsibility	Target Date
1. Implement project management system	Head of Transformation	30/09/2017
2. Review control environment and complete detailed risk register	HoBI	30/09/2017

Risk Path: Cambridgeshire County Council/Cambridgeshire County Council

Risk Category:

Linked Objective(s):

CORPORATE SOFTWARE INFRASTRUCTURE RE-PROCUREMENT

To: General Purposes Committee

Meeting Date: 25th July 2017

From: Head of Strategy and Architecture, LGSS IT Services

Electoral division(s): All

Forward Plan ref: 2017/038 **Key decision:** Yes

Purpose: To advise GPC of the changes to the charging model for Microsoft Enterprise Support Agreements, of the change in funding required to continue to take advantage of these and of the alternative options available.

The report ultimately seeks ratification of the recommended option to replace the current agreement.

Recommendation: General Purposes Committee is recommended to:

- a) Procure the subscription-based Microsoft Enterprise Support Agreement for the term of three years until 2020.
- b) Fully investigate alternative office software solutions in preparation for renewal in 2020.
- c) Adjust funding from capital to revenue accordingly.

<i>Officer contact:</i>	
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1.0 SUMMARY

- 1.1 The purpose of this report is to advise General Purposes Committee (GPC) of the changes to the charging model for Microsoft Enterprise Support Agreements, of the change in funding required to continue to take advantage of these and of the alternative options available. The report ultimately seeks ratification of the recommended option to replace the current agreement.
- 1.2 Over recent years the Council has invested heavily in Microsoft infrastructure (e.g. laptop rollout) and many of its major systems and business critical applications integrate with Microsoft desktop and server software.
- 1.3 The Council currently uses a 'Microsoft Enterprise Support Agreement' (ESA) to supply Microsoft software for desktops, software for servers, security patching and support. This agreement lasts for 3 years and is due to expire in September 2017. The agreement allows unlimited Microsoft Office upgrades within the duration of the contract, therefore enabling the Council to benefit from the latest Microsoft technology.
- 1.4 In the past, the Council would have purchased a three year agreement with capital funding and at the end of this would have 'bought out' the licences held so that they could continue to be used for as long as practical beyond the end of the contract. Once these were no longer viable, the Council would purchase another contract and the cycle would begin again, thus the Council would gain maximum financial benefit from each ESA purchased.
- 1.5 The original plan at the beginning of the current agreement was to buy-out as previously and then purchase a new agreement approximately two years after it expired. This would have meant that no additional funding would be required until the new agreement had to be purchased.
- 1.6 However, many suppliers, including Microsoft, are now moving towards a subscription charging model and this will be used for any future version of the agreement. This method of charging will, in turn, significantly alter the way that the agreement needs to be funded from periodic capital investment to an ongoing revenue commitment. In this model the Council would never actually own the software, they would simply subscribe to a service for the period of the contract.
- 1.7 The authority is currently covered under its existing ESA until September 2017 with funding identified to cover renewal costs until September 2018 should that be agreed. In order to avoid additional financial penalties being imposed by Microsoft, a decision about renewal must be made by the end of July 2017. GPC must decide whether to continue to use Microsoft regardless of the changes in funding required, or whether to use an alternative supplier for Office software.
- 1.8 Therefore, all options and supporting information are being presented so that GPC has sufficient information on which to base this decision.

2.0 SUMMARY OF OPTIONS

2.1 Option 1 (Recommended) - Sign up to a new Microsoft Enterprise Support Agreement

Advantages

- Microsoft Office is already used within CCC and so is a known quantity both for the user community and from a support perspective. It is the market leader in its field and crucially, already integrates extensively with many of the Council's existing systems including many of the tools which facilitate flexible working. The cost of change would therefore be minimal/zero.
- Universally known and usable document formats (e.g. Word & Excel).
- The Microsoft cost is fixed over the term of the subscription.
- There are no costs associated with implementation other than resource (technical and training) required for future Office upgrades.
- Additionally, it would allow the Council to benefit both from revenue savings and cost-avoidance of capital spend realised by replacing the current telephony system (anticipated within the next 3 years) with additional Microsoft licencing, instead of renewing with AVAYA.
- It would support the potential move towards Office 365 and cloud based infrastructure. See section 4.3.

Disadvantages

- Any new agreement would have to be subscription-based. This would require a revenue funding source instead of the current, capital one.
- Office 365 licences are additional to the current agreement

Costs

Licence type	2018-19	2019-20	2020-2021
Office software – Microsoft Office	£221,246	£221,246	£221,246
Additional Microsoft Licencing – see 4.1.4	£481,174	£481,174	£481,174
Total Annual Cost	£702,421	£702,421	£702,421

Note the shaded areas denote areas of Microsoft licencing that will be needed with all options

2.2 Option 2 – Move to Google G-Suite

Google G-suite is the enterprise or professional version of Google Apps (Gmail, Calendar, Docs) which would be used instead of Microsoft Office for CCC staff. As with the Microsoft ESA this software is purchased as a subscription service.

Advantages:

- Google apps are widely used and known for personal use. They also facilitate interoperability with other organisations.
- Product Client Access Licences (CALs) are currently cheaper than for the Microsoft licences proposed for Option1.

Disadvantages:

- The cost of change is high as the organisation familiarises itself with different software and end users may well require training at additional cost.
- There would be a substantial cost associated with implementation (detailed in Section 4.1, Cost of Change).
- The price of the Google product is not fixed and may increase over the term of the subscription.
- Should the authority decide to revert to Microsoft after having chosen to use Google the cost is significantly higher than if we were to stay with Microsoft; £1,415,000 – per annum instead of £702,421. This represents a risk of £712,000 per year.
- Cost related to drop in productivity – this is estimated to be approximately £1,125,000 based upon an average loss of 2.5 days per IT user (detailed in Section 4.1, Cost of Change).
- Google software lacks functionality required by services in some areas e.g. in Excel.
- Integration is a major issue – Google software does not replicate the functionality of Microsoft Office like-for-like and an extensive and costly piece of work (detailed in Section 4.1, Cost of Change) would be required to analyse which CCC line of business applications have Office functionality embedded in them and whether they could use Google instead. Systems potentially affected are Agresso (which does not integrate with Google Sheets), CapitaOne, Mosaic, EDRM and K2.
- It must be noted that in addition to the licence costs for the Google software itself it cannot be assumed that the authority will cease using all Microsoft Office software. In particular, given the integration issues this is unlikely and any remaining Microsoft products would need to continue to be licenced at full cost.
- LGSS support staff are experts in the Microsoft Office platform and so would require training in order to support the Google product (detailed in Section 4.1, Cost of Change).

Costs

Description	2018-19	2019-20	2020-2021
Office software licences – Google G-Suite Unlimited	£367,954	£367,954	£367,954
Costs of change (see 4.1 for detail)	£812,010	£790,010	
Additional Microsoft Licencing – see 4.1.4	£481,174	£481,174	£481,174
Total Annual Cost	1,514,138	1,514,138	£481,174

Note the shaded areas denote areas of Microsoft licencing that will be needed with all options

2.3 Option 3 – Move to open source software

Advantages

- Software would be free.

Disadvantages:

- Using open source software would present all the same issues as using Google G-Suite with the additional problem of support which is far less robust for open source than for either Microsoft or Google.
- Although software would be free, support would need to be purchased.
- Open Office is not easy to use in comparison with MS Office or Google G-Suite and so would require a longer adjustment period (and consequent loss in productivity) by end users.
- Should the authority decide to revert to Microsoft after having chosen to use Open Source the cost is significantly higher than if we were to stay with Microsoft; £1,415,000 – per annum instead of £637,000. This represents a risk of £800,000 per year.

Costs

Description	2018-19	2019-20	2020-2021
Office software licences – Open Office	N/A	N/A	N/A
Costs of change (see 4.1 for detail)	£812,010	£790,010	
Additional Microsoft Licencing – see 4.1.4	£481,174	£481,174	£481,174
Total Annual Cost	£1,146,184	£1,146,184	£481,174

Note the shaded areas denote areas of Microsoft licencing that will be needed with all options

3.0 FINANCIAL CONTEXT

- 3.1 The subscription model now used by Microsoft for their Enterprise Support Agreements is analogous with domestic subscription services such as Spotify or Netflix where rather than

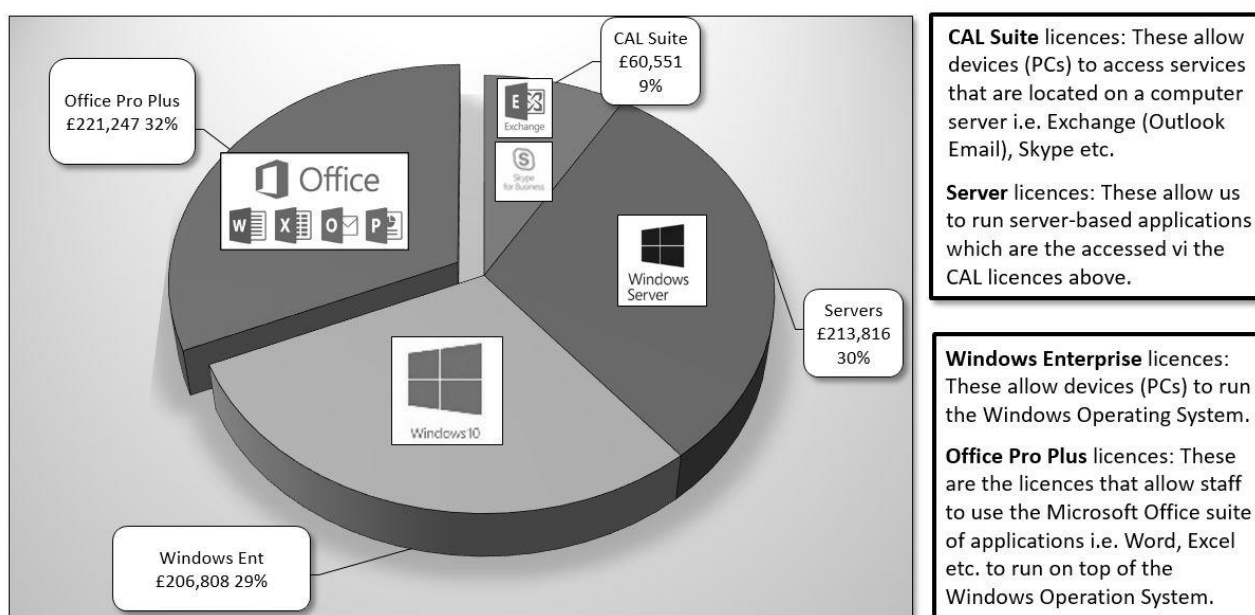
selling products in their entirety (in this case, an enterprise agreement) a subscription pays for access to a product or service.

3.2 When the current agreement was purchased it was with the expectation that CCC would be able to buy out the contract and sweat the asset as described in Section 1, before purchasing a subsequent agreement. However, this is no longer possible and should we choose to purchase a new agreement, it would have to be on a subscription basis; although the option to buy out is still available we have been advised that the price would be significantly higher as it would not include the current discounts. This cost would be prohibitively high at £1.4m per annum, when compared to the subscription option.

3.3 The cost of the Council's existing Enterprise Agreement is £1.92m over three years, an average of £640k per annum. This is funded through the existing capital programme but the shift in licencing requires a corresponding shift from capital funding to an ongoing annual revenue commitment which is in addition to existing IT revenue budgets. This revenue cost would be approximately £702k per annum, so an increase of £62k, though the demand and therefore the cost could vary each year according to organisational change. For instance a move to Office 365 would mean an **additional** per annum cost of between £120k & £160k depending on the specific options chosen.

3.4 It should be noted that:

- Funding will need to change from capital to revenue regardless of whether the Council chooses to go with Microsoft or with Google G-Suite as both now use the subscription charging model.
- Whichever of the three options is selected, there will still be a requirement for Microsoft licensing for non-Office elements (servers, Client Access and Enterprise) as illustrated in the diagram below.



In addition to the licencing costs and method of funding, other financial considerations need to be taken into account such as the cost of change, cost of implementation and the future

cost or savings through licencing linked to this investment.

4.0 SUPPORTING PARAGRAPHS

4.1 Cost of change

Although the cost of Google Client Access Licences (CALs) or open source would be significantly lower than Microsoft, it should be noted that the cost of change would be so great that any return on investment would not be realised for some considerable time. There are several elements of change that contribute to this cost:

4.1.1 Software implementation

The Council has invested in excess of £700k in supplying, implementing and supporting laptops with Microsoft products to the workforce. There would be a substantial cost associated with the removal of Microsoft software and distribution of its replacement. Given the time required for rebuilding devices, a change to Google/open source software would require additional resource and it is estimated that this would cost £205,020. This excludes the cost of any inconvenience and time lost to the user during the rebuild. IT Staff will also require training in and familiarisation with new products in order to be able to support them effectively. The cost for that is estimated at £22k

4.1.2 Staff productivity

As previously stated, a conservative estimate of the cost of lost staff productivity is approximately £1,125,000. This figure is based on an anticipated average productivity loss for each person of 2.5 days (at least one day and a maximum of a week) calculated at £15 per hour plus on-costs. This equates to 10,000 days at 7.5 hours at £15 per hour = 1,125,000. This figure excludes the cost of IT staff teams familiarising themselves with the support requirements of Google G-Suite/open source software mentioned above.

4.1.3 Integration

The Council uses a broad range and large number of systems in order to deliver services to the public. These systems vary in size and criticality but many rely on integration with Microsoft Office products. They include major systems already in use, such as CapitaOne but also systems currently being implemented, namely Agresso and Mosaic.

Many more, smaller systems used at service level also integrate with Microsoft and although it is entirely possible that they will work with Google or open source software, this cannot be guaranteed. Therefore, a move away from Microsoft would require a substantial project to audit, analyse and in some cases implement a solution for, all systems which currently rely on MS Office software for any functionality.

The potential cost and resource required for such a project should be taken into account. Without the analysis mentioned above an exact cost is difficult to calculate but a conservative estimate is £250k.

4.1.4 Additional Microsoft Licencing

A number of server and SQL licences will still be required from Microsoft and this is an unavoidable cost whichever option is chosen.

Any continued use of Microsoft Office licencing such as Excel for finance colleagues and budget holders or Word for use with specific business systems will also require purchase of Microsoft licences at the full cost for every member of staff using them.

4.2 Information Security & Information Management considerations

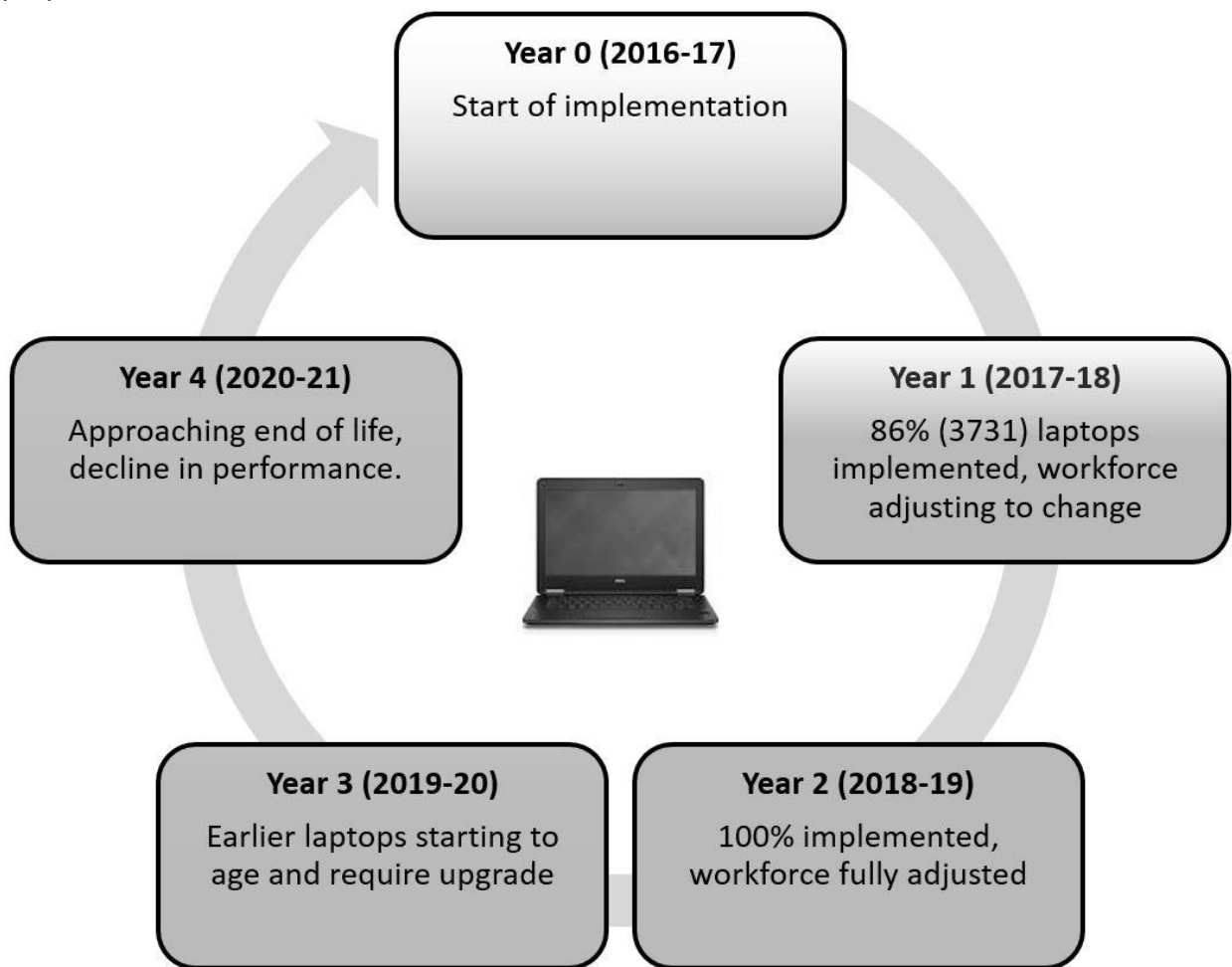
Whichever technical solution is used for Office software must be able to meet the necessary standards for both Information Security and Information Management. The Council must comply with existing Data Protection and new General Data Protection Regulation (GDPR) legislation. The location for data storage and configuration of Office software will have information governance implications. This does not preclude a move to alternative Office software but adds an additional element for consideration.

4.3 Looking ahead/technical roadmap

Whichever option is selected will impact upon the future technical direction for CCC and needs to be viewed in the context of where the Council is now and where it is heading both strategically and geographically.

The Council has invested heavily in Microsoft and is currently in the relatively early stages of this investment. Staying with Microsoft allows additional, cost effective options for telephony which would not otherwise be available and which would negate the requirement to refresh voice hardware. It would also make other features and functionality available and potentially smooth the transition to cloud based technology.

The diagram below illustrates where the Council is currently in the lifecycle of the current laptop investment.



Office 365

Office 365 is a product from Microsoft which, as well as providing downloadable software, also allows for the option of a cloud-based service which makes it comparable with Google G-Suite. For business users, Office 365 has a range of service plans available. As the Council's strategic direction makes a move towards cloud based infrastructure increasingly likely, it would be pragmatic to invest in licencing for these service plans now in order to future-proof a likely move to Office 365.

This would introduce an additional financial commitment of between £75k & £180k per annum if all CCC staff were migrated to Office 365.

Although there would inevitably be a change cost associated with a move to Office 365, this would be relatively low as there is already far more familiarity with Microsoft products.

5.0 TIMESCALES

The current agreement ceases in September and a commitment is required by end of July in order for the authority to benefit from available discounts. It must be noted that without these discounts the cost will increase significantly.

6.0 ALIGNMENT WITH CORPORATE PRIORITIES

6.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

6.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

6.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

7.0 SIGNIFICANT IMPLICATIONS

7.1 Resource Implications

The report above sets out details of significant implications in Section 2.0 (costs for each option), Section 3.0, Financial Context and Section 4.1, Cost of change.

7.2 Procurement/Contractual/Council Contract Procedure Rules Implications

Although there are significant financial implications the procurement will utilise existing frameworks and procedures and therefore there are no specific implications within this category.

7.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

7.4 Equality and Diversity Implications

There are no significant implications within this category.

7.5 Engagement and Communications Implications

There are no significant implications within this category.

7.6 Localism and Local Member Involvement

There are no significant implications within this category.

7.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	No Name of Legal Officer: N/A
Have the equality and diversity implications been cleared by your Service Contact?	No Name of Officer: N/A
Have any engagement and communication implications been cleared by Communications?	No Name of Officer: N/A
Have any localism and Local Member involvement issues been cleared by your Service Contact?	No Name of Officer: N/A
Have any Public Health implications been cleared by Public Health	No Name of Officer: N/A

Source Documents	Location
None	Not applicable

**ANTI- FRAUD AND CORRUPTION & ANTI-MONEY LAUNDERING POLICY
REPORT**

To: **General Purposes Committee**

Meeting Date: **25th July 2017**

From: **Duncan Wilkinson, Chief Internal Auditor**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To approve the revised Anti-Fraud and Corruption and
Anti Money Laundering Policies.**

Recommendation: **The General Purposes Committee is asked:**

**to approve the revised Anti-Fraud and Corruption
and Anti-Money Laundering policies.**

**These have already been endorsed by the Audit and
Accounts Committee at its meeting of the 30th May,
2017.**

<i>Officer contact:</i>	
Name:	Duncan Wilkinson
Post:	LGSS Chief Internal Auditor
Email:	Duncan.Wilkinson@Milton-keynes.gov.uk
Tel:	01908 252089

1. BACKGROUND

- 1.1 In accordance with best practice, the Council has updated the Anti-Money Laundering and Anti-Fraud and Corruption policies to address the issues arising from the Bribery Act using a standard approach that is applied across other authorities.
- 1.2 The policies were approved by the Audit and Accounts Committee on 30th May 2017.
- 1.3 This report is supported by:
- The Anti-Money Laundering Policy (**Appendix 1**)
 - The Anti-Fraud and Corruption Policy (**Appendix 2**)

2. ALIGNMENT WITH CORPORATE PRIORITIES

2.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

2.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

2.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

3. SIGNIFICANT IMPLICATIONS

3.1 Resource Implications

There are no significant implications within this category.

3.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

3.3 Statutory, Risk and Legal Implications

There are no significant implications within this category.

3.4 Equality and Diversity Implications

There are no significant implications within this category.

3.5 Engagement and Consultation Implications

There are no significant implications within this category.

3.6 Localism and Local Member Involvement

There are no significant implications within this category.

3.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Have the procurement/contractual/Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement	Yes Name of Officer: Paul White
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Tom Barden
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Christine Birchall
Have any localism and Local Member involvement issues been cleared by your Service Contact	Yes Name of Officer: Tom Barden
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Tess Campbell

Source Documents	Location
The Anti-Money Laundering Policy The Anti-Fraud and Corruption Policy	Box OCT1108 Internal Audit and Risk Management, Shire Hall, Cambridge, CB3 0AP



ANTI-MONEY LAUNDERING POLICY

Policy Owner	
Name:	Duncan Wilkinson
Post:	LGSS Chief Internal Auditor
Email:	Duncan.Wilkinson@Milton-keynes.gov.uk
Tel:	01908 252089

1 Introduction

- 1.1 The need for this policy derives from the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007. The Council's legal obligations impact on certain areas of the business and requires Cambridgeshire County Council (CCC) to establish internal procedures to prevent the misuse of services to launder money.
- 1.2 This policy details the controls to prevent and protect against money laundering and terrorist financing

2 Scope of the policy

- 2.1 This policy applies to all employees and contractors / agents of CCC. The policy sets out the procedures which all officers must follow where they suspect or know that a transaction involves money laundering.

3 What is Money Laundering?

- 3.1 Money laundering is how criminally obtained money or other assets are exchanged for money or assets with no obvious link to their criminal origins. It also covers money, however obtained, which is used to fund terrorism.
- 3.2 Money laundering can take many forms such as:
 - Concealing, disguising, converting, transferring or removing criminal property from the UK;
 - Entering into or becoming involved in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property;
 - Acquiring, using or possessing criminal property;
 - Attempting or helping any of the above offences;
 - Involvement in an arrangement which facilitates the control of money or property destined for, or the proceeds of, terrorism;

4 How do you detect money laundering

4.1 There is no one method of laundering money. For this reason, it is important that the Council (via its employees and contractors and agents) should be vigilant and alert to possible signs of money laundering through the Council's services.

4.2 At all times, you should;

- Be wary of cash transactions. 'Cash' for this purpose means notes, coins or travellers' cheques in any currency;
- Take care when commencing business with a new client (establish identity as per below where applicable);
- Be alert to the possibility of money laundering by a client or a prospective client;
- Keep records (as per below where applicable);

5 Council's Obligations

5.1 The Money Laundering regulations apply to specific persons, including certain institutions, auditors, accountants, tax advisers and legal professionals.

5.2 Strictly speaking, internal public sector services may not be covered by the legislation. However, public services are susceptible to money laundering activities and CCC must be able to demonstrate its compliance with the law in this area.

5.3 The Proceeds of Crime Act also creates offences relating to money laundering activities, as well as terrorist financing. Again public services may be targeted for this purpose and CCC must be able to demonstrate its compliance with this law.

5.4 CCC has therefore:

- appointed a Chief Internal Auditor to receive disclosures from employees of money laundering activities (their own concerns or that of someone else);
- implemented a reporting procedure where a person:
 - knows or suspects; or
 - has a reasonable ground for knowing or suspecting money laundering.
- Set out client identification procedures to be followed in certain circumstances
- Set down record-keeping procedures for the purposes of money laundering

5.5 All employees, contractors and agents of the public are therefore required to be familiar with the council's policy and to comply with the procedures set out in the following sections and particularly with the reporting procedure.

6 The Money Laundering Reporting Officer (MLRO)

6.1 The officer nominated to receive disclosures about money laundering activities is the LGSS Chief Internal Auditor. This post is currently held by Duncan Wilkinson who can be contacted as follows:

Duncan Wilkinson
 Chief Internal Auditor,
 Civic Offices
 Milton Keynes Council
 1 Saxon Gate East
 MK9 3EJ
 Telephone: 01908 252089

Email address: duncan.wilkinson@milton-keynes.gov.uk

6.2 In the absence of the MLRO, the CCC Director of Law & Governance (as CCC Monitoring Officer), is nominated to deputise as the MLRO until further notice. Quentin Baker can be contacted at 01223 727961, or email address quentin.baker@LGSSLaw.co.uk

7 Reporting Procedure

This section explains what you **MUST** do where you become suspicious or know that there is a money laundering or terrorist financing activity going on and how your report will be dealt with by the MLRO.

7.1 Reporting to the MLRO

7.1.1 Where you know or suspect or have reasonable grounds to know or suspect that a money laundering activity is taking place or has taken place, you must notify the MLRO **IMMEDIATELY** using the money laundering reporting form attached at appendix 1.

7.1.2 Similarly, where you believe your involvement in a matter may amount to a prohibited act under sections 327 – 329 of the Proceeds of Crime Act 2002 (see relevant provisions at appendix 2), you must disclose this to the MLRO using the form attached at appendix 1.

7.1.3 You must still report your concerns even if you believe that someone else has already reported their suspicions of the same money laundering activity.

Warning: If you fail to report or disclose as above, you may be liable for prosecution for one or more offences.

7.2 After reporting to the MLRO you **MUST**:

- **not** voice your suspicion to the suspected person or any third party;
- **not** disclose to anyone the fact the you have made the report;
- **not** make any further enquiries into the matter yourself;
- **not** make any reference on the file of the report;
- do nothing further on the matter unless you receive specific, written consent from the MLRO to proceed.

Warning: If you fail to observe any of the above, you may be liable for prosecution for ‘tipping off’ or other offences.

7.3 Once the MLRO receives the report, he/she will;

- (1) note the date of receipt and confirm to you that she/he has received the report;
- (2) advise you of the timescale within which he/she expects to respond to you;
- (3) conduct a provisional investigation into the matter;
- (4) undertake such other reasonable enquiries as appropriate, seeking specialist legal and financial advice (if appropriate);
- (5) make a timely determination as below:
 - (a) Where it is determined there are no reasonable grounds to suspect money laundering, he/she will record the reasons for the finding and give consent for the transaction to proceed.
 - (b) Where it is determined money laundering is suspected he/she:
 - (i) Will make a report to NCA (National Crime Agency), as soon as is practicable, and seek NCA's consent whether to proceed with the transaction.
 - (ii) Will advise the officer who made the report of any consent or refusal of consent from NCA.
 - (iii) May give consent for the transaction to proceed where 7 working days have passed since the disclosure to NCA and no refusal notice has been given; or where although the refusal notice has been given, the moratorium period of 31 days has expired since the date of when the refusal notice was given.
 - (iv) Take formal advice from the Director of Law and Governance IF there appears to be reasonable excuse for non- disclosure (eg legal professional privilege) to decide whether or not the matter should be disclosed to NCA.

- (v) Where the decision is made not to disclose to the NCA, he/she must record the decision and give consent for the transaction to proceed.

7.4 The MLRO commits an offence:

7.4.1 if without reasonable excuse, she/he fails to disclose to NCA as soon as is practicable suspected money laundering reported to him/her (except as set out at 7.3.1 (5) (b) (iv) above)

7.4.2 where after reporting to NCA:

- he/she gives consent to an officer to proceed with the transaction without receiving such consent from NCA;
- where he/she gives such consent before hearing from NCA and the period of 7 working days has not expired since she/he made the disclosure to NCA;
- he/she gives such consent before the required moratorium period (of 31 days since the date of the refusal notice) has expired.

8 Client identification procedure (customer due diligence)

This section explains what you **MUST** do where you are involved in services identified as potential targets for money laundering or terrorist financing transactions. Verifying the identity of clients is a key process that reduces the risk of money laundering and terrorist financing.

8.1 Client/customer due diligence consists of:

- identifying the customer and verifying the client's identity on the basis of documents, data or information obtained from a reliable source;
- identifying a beneficial owner who is not a customer, where there is one, and taking adequate measures on a risk sensitive basis, to verify his/her identity;
- obtaining information on the purpose and intended nature of the business relationship.

8.2 You **must** conduct a 'customer due diligence' in the following circumstances ;

- when establishing a new business relationship;
- when carrying out an occasional transaction (a transaction which amounts to €15,000 or more (approximately £10,000) which is carried out in a single operation or several linked operations, and which is carried out other than as part of a business relationship);
- when you suspect money laundering or terrorist financing, regardless of the amount involved;
- when you doubt the veracity or adequacy of documents, data or information previously obtained for identification purposes.

8.3 You **must** complete the verification of the identity of the client (or beneficial owner) before you establish the business relationship or accept / process the transaction.

8.4 You may however, complete such identity verification after establishing the business relationship only if it is necessary not to interrupt the normal conduct of business and there is little risk of money laundering or terrorist financing occurring, but provided that the verification is completed as soon as practicable after contact is first established.

8.5 You should obtain evidence of identity as follows:

8.5.1 For internal clients:

- Written instructions on CCC headed paper signed and dated by the appropriate person; or an email from the Council's internal email system.
- The evidence should be kept on file identifying that it is evidence of the client's identity.

8.5.2 For external clients:

- Written instructions on the organisation's official headed paper, duly signed and dated by the appropriate person/s (It must be clear what position the signing person/s hold/s within the organisation); or an email from the organisation's e-

communication system that clearly identifies the sending company and person.

- The evidence should be kept on file identifying that it is evidence of the client's identity.
- Whenever dealing with a company, you must also verify the existence of the company. You must always request to be provided with the company's registration number which you can use to search for the company's existence at the companies house, and the registered address of the company.
- You must further ensure that the person instructing you has the authority from the company to do so.
- When dealing with an individual, identity evidence will be key, verifiable documents such as Driving Licence, Passport or other reliable document.

It is very important that you do not take a tick box approach towards the client identification procedure. You must be satisfied with the authenticity of identification documents and where in doubt, please speak to your manager to see what other forms of identification you may request. The MLRO is able to provide tools that verify the validity of identification documents.

8.6 Where satisfactory evidence of identity is not obtained from the outset or as soon as practicable (in the case of 8.5 above), then;

- You cannot establish a business relationship or carry out an occasional transaction with the client;
- You cannot proceed any further with the transaction (if applicable);
- You must consider whether you need to report the matter to the MLRO.

8.7 Where you are satisfied with the evidence of the identity and an ongoing business relationship is established with a client, you should still scrutinise transactions undertaken to ensure that they are consistent with your knowledge of the client or business and risk profile. You should also ensure that the identification documents are up to date.

9 Record keeping procedure

9.1 It is essential that records are properly kept to aid in any subsequent investigation which may be carried out and to demonstrate the Council has met its responsibilities. Each service must keep the following records for a period of five years beginning from the date when the occasional transaction is completed or business relationship ends:

- evidence of the client's identity
- all supporting records, originals or copies, relating to the transaction

9.2 The MLRO must keep all records of any reports or disclosures received by him/her, action taken and the outcome.

Report to Money Laundering Reporting Officer

Re: money laundering activity

To: Duncan Wilkinson, CCC Money Laundering Reporting Officer

From: Date:
[insert name of employee]

Directorate: Ext/Tel No:
[insert post title and section]

DETAILS OF SUSPECTED OFFENCE

Name (s) and address (es) of person(s) involved:
[if a company/public body please include details of nature of business]

Nature, value and timing of activity involved:
[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

Nature of suspicions regarding such activity:
[Please continue on a separate sheet if necessary]

Nature of suspicions (cont'd):

[Please continue on a separate sheet if necessary]

Has any investigation been undertaken (to your knowledge)?

Yes No

If yes, please include details below:

Have you discussed your suspicions with anyone else?

Yes No

If yes, please specify below and where applicable, explain why such discussion was necessary:

Have you consulted any supervisory body's guidance (e.g. the Law Society) on money laundering?

Yes No

If yes, please specify below:

Do you have any grounds for believing that the matter should not be disclosed to NCA? (e.g. are you a lawyer and wish to claim legal professional privilege?)

Yes No

If yes, please set out full details below:

Are you involved in a transaction which may involve a prohibited act under sections 327 – 329 of the Proceeds of Crime Act 2002 and which may require NCA’s consent?

Yes No

If yes, please set out the details below:

Please set out below any other relevant information:

Signed:.....

Dated:.....

Do not discuss the content of this report with the person/s you suspect to be involved in the money laundering activities described or with third parties. To do so may constitute the offence of tipping off which carries a maximum penalty of 5 years’ imprisonment.

THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MLRO

Date report received:

Date receipt report acknowledged

CONSIDERATION OF DISCLOSURE:

Action Plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE

Are there reasonable grounds for suspecting money laundering activity?

Yes No

If yes, please give reasons/details below:

be made to NCA?

Yes No

If there are reasonable grounds for suspicion, will a report be made for NCA?

Yes No

If yes, please confirm date of report to NCA:
and complete the box below:

Details of liaison with NCA regarding the report:

Notice period: to

Moratorium period: to

Is consent required from NCA to any ongoing or imminent transactions which would otherwise be prohibited acts?

Yes ☐ No ☐

[Please tick the relevant box]

If yes, please confirm full details below:

Date consent received from NCA:

Date consent given by you to the employee:

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to NCA, please set out below the reason(s) for non- disclosure:

Date consent given by you to employee for any prohibited act/transaction to proceed:

.....

Other relevant information:

~~This report should be retained for at least five years from the date when the occasional transaction or the business relationship to which it relates comes to an end.~~

Signed:.....

Date:.....

This report should be retained for at least five years from the date when the occasional transaction or the business relationship to which it relates comes to an end.

APPENDIX 2

RELEVANT EXTRACTS FROM THE PROCEEDS OF CRIME ACT 2002

S.327 Concealing etc

(1) A person commits an offence if he—

- (a) conceals criminal property;
- (b) disguises criminal property;
- (c) converts criminal property;
- (d) transfers criminal property;
- (e) removes criminal property from England and Wales or from Scotland or from Northern Ireland.

(2) But a person does not commit such an offence if—

- (a) he makes an authorised disclosure under section 338 and (if the disclosure is made before he does the act mentioned in subsection (1)) he has the appropriate consent;
- (b) he intended to make such a disclosure but had a reasonable excuse for not doing so;
- (c) the act he does is done in carrying out a function he has relating to the enforcement of any provision of this Act or of any other enactment relating to criminal conduct or benefit from criminal conduct.

(3) Concealing or disguising criminal property includes concealing or disguising its nature, source, location, disposition, movement or ownership or any rights with respect to it.

S.328 Arrangements

(1) A person commits an offence if he enters into or becomes concerned in an arrangement which he knows or suspects facilitates (by whatever means) the acquisition, retention, use or control of criminal property by or on behalf of another person.

(2) But a person does not commit such an offence if—

(a) he makes an authorised disclosure under section 338 and (if the disclosure is made before he does the act mentioned in subsection (1)) he has the appropriate consent;

(b) he intended to make such a disclosure but had a reasonable excuse for not doing so;

(c) the act he does is done in carrying out a function he has relating to the enforcement of any provision of this Act or of any other enactment relating to criminal conduct or benefit from criminal conduct.

S.329 Acquisition, use and possession

(1) A person commits an offence if he—

(a) acquires criminal property;

(b) uses criminal property;

(c) has possession of criminal property.

(2) But a person does not commit such an offence if—

(a) he makes an authorised disclosure under section 338 and (if the disclosure is made before he does the act mentioned in subsection (1)) he has the appropriate consent;

(b) he intended to make such a disclosure but had a reasonable excuse for not doing so;

(c) he acquired or used or had possession of the property for adequate consideration;

(d) the act he does is done in carrying out a function he has relating to the enforcement of any provision of this Act or of any other enactment relating to criminal conduct or benefit from criminal conduct.

(3) For the purposes of this section—

(a) a person acquires property for inadequate consideration if the value of the consideration is significantly less than the value of the property;

(b) a person uses or has possession of property for inadequate consideration if the value of the consideration is significantly less than the value of the use or possession;

(c) the provision by a person of goods or services which he knows or suspects may help another to carry out criminal conduct is not consideration.

S.332 Failure to disclose: other nominated officers

(1) A person nominated to receive disclosures under section 337 or 338 commits an offence if the conditions in subsections (2) to (4) are satisfied.

(2) The first condition is that he knows or suspects that another person is engaged in money laundering.

(3) The second condition is that the information or other matter on which his knowledge or suspicion is based came to him in consequence of a disclosure made under section 337 or 338.

(4) The third condition is that he does not make the required disclosure as soon as is practicable after the information or other matter comes to him.

(5) The required disclosure is a disclosure of the information or other matter—

(a) to a person authorised for the purposes of this Part by the Director General of the National Criminal Intelligence Service;

(b) in the form and manner (if any) prescribed for the purposes of this subsection by order under section 339.

(6) But a person does not commit an offence under this section if he has a reasonable excuse for not disclosing the information or other matter.

S.333 Tipping off

(1) A person commits an offence if—

(a) he knows or suspects that a disclosure falling within section 337 or 338 has been made, and

(b) he makes a disclosure which is likely to prejudice any investigation which might be conducted following the disclosure referred to in paragraph (a).

(2) But a person does not commit an offence under subsection (1) if—

- (a) he did not know or suspect that the disclosure was likely to be prejudicial as mentioned in subsection (1);
 - (b) the disclosure is made in carrying out a function he has relating to the enforcement of any provision of this Act or of any other enactment relating to criminal conduct or benefit from criminal conduct;
 - (c) he is a professional legal adviser and the disclosure falls within subsection (3).
- (3) A disclosure falls within this subsection if it is a disclosure—
- (a) to (or to a representative of) a client of the professional legal adviser in connection with the giving by the adviser of legal advice to the client, or
 - (b) to any person in connection with legal proceedings or contemplated legal proceedings.
- (4) But a disclosure does not fall within subsection (3) if it is made with the intention of furthering a criminal purpose.

S.334 Penalties

- (1) A person guilty of an offence under section 327, 328 or 329 is liable—
- (a) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum or to both, or
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 14 years or to a fine or to both.
- (2) A person guilty of an offence under section 330, 331, 332 or 333 is liable—
- (a) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum or to both, or
 - (b) on conviction on indictment, to imprisonment for a term not exceeding five years or to a fine or to both.

S.335 Appropriate consent

- (1) The appropriate consent is—
- (a) the consent of a nominated officer to do a prohibited act if an authorised disclosure is made to the nominated officer;

- (b) the consent of a constable to do a prohibited act if an authorised disclosure is made to a constable;
 - (c) the consent of a customs officer to do a prohibited act if an authorised disclosure is made to a customs officer.
- (2) A person must be treated as having the appropriate consent if—
- (a) he makes an authorised disclosure to a constable or a customs officer, and
 - (b) the condition in subsection (3) or the condition in subsection (4) is satisfied.
- (3) The condition is that before the end of the notice period he does not receive notice from a constable or customs officer that consent to the doing of the act is refused.
- (4) The condition is that—
- (a) before the end of the notice period he receives notice from a constable or customs officer that consent to the doing of the act is refused, and
 - (b) the moratorium period has expired.
- (5) The notice period is the period of seven working days starting with the first working day after the person makes the disclosure.
- (6) The moratorium period is the period of 31 days starting with the day on which the person receives notice that consent to the doing of the act is refused.
- (7) A working day is a day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971 (c. 80) in the part of the United Kingdom in which the person is when he makes the disclosure.
- (8) References to a prohibited act are to an act mentioned in section 327(1), 328(1) or 329(1) (as the case may be).
- (9) A nominated officer is a person nominated to receive disclosures under section 338.
- (10) Subsections (1) to (4) apply for the purposes of this Part.

S.336 Nominated officer: consent

(1) A nominated officer must not give the appropriate consent to the doing of a prohibited act unless the condition in subsection (2), the condition in subsection (3) or the condition in subsection (4) is satisfied.

(2) The condition is that—

(a) he makes a disclosure that property is criminal property to a person authorised for the purposes of this Part by the Director General of the National Criminal Intelligence Service, and

(b) such a person gives consent to the doing of the act.

(3) The condition is that—

(a) he makes a disclosure that property is criminal property to a person authorised for the purposes of this Part by the Director General of the National Criminal Intelligence Service, and

(b) before the end of the notice period he does not receive notice from such a person that consent to the doing of the act is refused.

(4) The condition is that—

(a) he makes a disclosure that property is criminal property to a person authorised for the purposes of this Part by the Director General of the National Criminal Intelligence Service,

(b) before the end of the notice period he receives notice from such a person that consent to the doing of the act is refused, and

(c) the moratorium period has expired.

(5) A person who is a nominated officer commits an offence if—

(a) he gives consent to a prohibited act in circumstances where none of the conditions in subsections (2), (3) and (4) is satisfied, and

(b) he knows or suspects that the act is a prohibited act.

(6) A person guilty of such an offence is liable—

(a) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding the statutory maximum or to both, or

(b) on conviction on indictment, to imprisonment for a term not exceeding five years or to a fine or to both.

(7) The notice period is the period of seven working days starting with the first working day after the nominated officer makes the disclosure.

(8) The moratorium period is the period of 31 days starting with the day on which the nominated officer is given notice that consent to the doing of the act is refused.

(9) A working day is a day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971 (c. 80) in the part of the United Kingdom in which the nominated officer is when he gives the appropriate consent.

(10) References to a prohibited act are to an act mentioned in section 327(1), 328(1) or 329(1) (as the case may be).

(11) A nominated officer is a person nominated to receive disclosures under section 338.

S.337 Protected disclosures

(1) A disclosure which satisfies the following three conditions is not to be taken to breach any restriction on the disclosure of information (however imposed).

(2) The first condition is that the information or other matter disclosed came to the person making the disclosure (the discloser) in the course of his trade, profession, business or employment.

(3) The second condition is that the information or other matter—

(a) causes the discloser to know or suspect, or

(b) gives him reasonable grounds for knowing or suspecting,

that another person is engaged in money laundering.

(4) The third condition is that the disclosure is made to a constable, a customs officer or a nominated officer as soon as is practicable after the information or other matter comes to the discloser.

(5) A disclosure to a nominated officer is a disclosure which—

(a) is made to a person nominated by the discloser's employer to receive disclosures under this section, and

(b) is made in the course of the discloser's employment and in accordance with the procedure established by the employer for the purpose.

S.338 Authorised disclosures

(1) For the purposes of this Part a disclosure is authorised if—

(a) it is a disclosure to a constable, a customs officer or a nominated officer by the alleged offender that property is criminal property,

(b) it is made in the form and manner (if any) prescribed for the purposes of this subsection by order under section 339, and

(c) the first or second condition set out below is satisfied.

(2) The first condition is that the disclosure is made before the alleged offender does the prohibited act.

(3) The second condition is that—

(a) the disclosure is made after the alleged offender does the prohibited act,

(b) there is a good reason for his failure to make the disclosure before he did the act, and

(c) the disclosure is made on his own initiative and as soon as it is practicable for him to make it.

(4) An authorised disclosure is not to be taken to breach any restriction on the disclosure of information (however imposed).

(5) A disclosure to a nominated officer is a disclosure which—

(a) is made to a person nominated by the alleged offender's employer to receive authorised disclosures, and

(b) is made in the course of the alleged offender's employment and in accordance with the procedure established by the employer for the purpose.

(6) References to the prohibited act are to an act mentioned in section 327(1), 328(1) or 329(1) (as the case may be).



ANTI-FRAUD AND CORRUPTION POLICY

Policy Owner	
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Foreword

Cambridgeshire County Council is committed to the highest standards of financial probity and takes its duty to protect the public funds it administers very seriously.

This is Cambridgeshire County Council's Anti-Fraud Policy. It provides a clear framework for the Council to investigate suspected fraud thoroughly, to prosecute wherever the evidence supports such action and seek recovery of defrauded monies through all possible legal means. This policy also applies to the Bribery Act 2010.

The Council administers significant public funds and is sometimes targeted by persons wishing to defraud the public purse. This policy, and the structures maintained by the Council, demonstrate that we will make every effort to identify attempts to defraud the public purse and will robustly pursue individuals responsible.

The Council, through this policy, has adopted a zero tolerance towards fraud including:

- The referral of matters to the Police for investigation wherever appropriate and the full recovery of fraudulently obtained public funds by all legal means
- The prosecution of persons responsible for defrauding the Council including prosecution through civil and criminal courts in the Council's own name or through the Police etc.
- The termination of contracts with partners and contractors
- The dismissal of employees proven to have defrauded or who have attempted to defraud the Council, including where an employee is complicit with another person's attempts to defraud the Council

The Council requires all partners and contractors to assist in this role and cooperate with any fraud investigation undertaken by authorised officers. This policy also applies to schools staff.

Cllr. Mike Shellens
Audit and Accounts Committee Chair

Gillian Beasley
Chief Executive

1. **INTRODUCTION**

- 1.1 The authority aims to provide community leadership and quality services.
- 1.2 In carrying out its functions and responsibilities, the authority has always adopted a culture of openness and fairness. It has expected that elected members and employees at all levels will adopt the highest standards of propriety and accountability. This has been achieved by leading by example and by an understanding of and adherence to rules, procedures and agreed practices. These standards are also expected from organisations that have dealings with the authority (eg suppliers/contractors).
- 1.3 However, in light of the Nolan Report, several well-publicised fraud and corruption cases within local government and the Local Government Act 2000, the authority has formalised these accepted standards and practices and developed an anti-fraud and corruption policy.
- 1.4 The authority demonstrates clearly (through this policy) that it is firmly committed to dealing with fraud and corruption and no distinction will be made for perpetrators inside (members/governors and employees) or outside the authority. In addition, there will be no distinction made in investigation and action between cases that generate financial benefits and those that do not.
- 1.5 This policy document embodies a series of measures designed to frustrate any attempted fraudulent or corrupt act and the steps to be taken if such an act occurs. For ease of understanding, it is separated into the following sections:
- Culture Section 2
 - Prevention Section 3
 - Deterrence Section 4
 - Detection and investigation Section 5
 - Awareness and Training Section 6
- 1.6 The authority is also aware of the high degree of external scrutiny of its affairs by a variety of bodies such as its external auditors, inspection bodies, the Local Government Ombudsman, HM Revenue & Customs. These bodies are important in highlighting any areas where improvements can be made.
- 1.7 Fraud is defined by the Audit Commission as:

FRAUD – “The intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain”.

In addition, fraud can also be defined as:

“The use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party.”

1.8 Bribery and Corruption may be defined as:

“A bribe is a financial or other advantage that is offered or requested with the intention of inducing or rewarding the improper performance of a relevant function or activity, or with the knowledge or belief that the acceptance of such an advantage would constitute the improper performance of such a function or activity.”

1.8.1 The Bribery Act is now in force, and places responsibilities and powers on organisations such as Local Authorities.

1.8.2 There are 3 key sections of the Act which need to be considered for the purposes of this document, which are:

Section 1, which deals with bribing another person by money, payment in kind, or goods and services.

Section 2, the act of being bribed. This relates to individual officers and could lead to prosecution.

Section 7, failure of a commercial organisation to prevent bribery. For this section, a “relevant commercial organisation” means an entity that carries on a business and current indications are that this includes Local Authorities. This section also includes persons associated with the organisation, such as agency workers, suppliers and contractors.

1.8.3 Under the legislation, an organisation has a defence if it can show that it has adequate bribery prevention procedures in place, which are informed by the following 6 principles:

- 1) Proportionality – the action an organisation takes should be proportionate to the risks it faces and the size of the business.
- 2) Top Level Commitment – A culture needs to be evident in which bribery is never acceptable. This can be shown via leadership statements, training and procurement expectations.
- 3) Risk Assessment – to include proportionate risk management perhaps via training, newsletters, procurement controls and inclusion within organisational policies such as this one.
- 4) Due Diligence – ie knowing who the organisation is dealing with.
- 5) Communication – communicating policies and procedures by training and general awareness including how occurrences should be investigated and by whom.
- 6) Monitoring and Review – to ensure policies, training and awareness are relevant and updated and by nominating a responsible officer.

1.8.4 Defence against bribery charges under the act, therefore, should be considered adequate if the organisation has the following in place:

Risk awareness and preparation

Adequate communication and senior management buy-in

A zero-tolerance culture

Adequate education and training

1.8.5 The penalties for individuals under this legislation can, on conviction on indictment, be as high as a prison term of 10 years, or a fine or both (although under section 7 a guilty person is only liable to a fine). The organisational consequences may include disbarment from contract tenders, reputational and financial risk exposure, and adverse publicity.

1.9 Other risk areas which need to be considered and are covered by this policy include:

- **Facilitation payments** – i.e. payments designed to make things happen but which do not secure agreement.
- **Gifts and Hospitality** – genuine low-level hospitality is deemed acceptable, but it is imperative that corporate registers are kept up to date and all staff must make declarations of interest.
- **Disclosures of Interests** – and “the failure to disclose an interest in order to gain financial or other pecuniary gain.”

2. CULTURE

2.1 The culture of the authority has always been one of the highest ethical standards, probity, openness and the core values of fairness, trust and value support this. The authority’s culture therefore supports the opposition to fraud and corruption.

2.2 The prevention/detection of fraud/corruption and the protection of the public purse are everyone’s responsibility and of paramount importance to the authority.

2.3 The authority’s elected members, school governors and all employees play an important role in creating and maintaining this culture. They are positively encouraged to raise concerns regarding fraud and corruption, immaterial of seniority, rank or status, in the knowledge that such concerns will, wherever possible, be treated in confidence. To that effect, the Council has adopted a Whistleblowing Policy.

2.4 The definitions of Fraud and Corruption are by their nature technical and have their basis in the Fraud Act which became law on 15th January 2007. A more practical definition is where the Council’s assets, including money, are dishonestly obtained by someone not entitled to them. Examples include:

- theft of cash or assets:
- obtaining access to services to which the person is not entitled e.g. obtaining a Council house or disabled blue badge;
- falsifying information or documentation e.g. timesheets, overtime, expenses, qualifications etc.;

- dishonesty between officers and management/head teachers;
- the deliberate concealment of information required by the Council e.g. convictions or activities inconsistent with the Council's duties and responsibilities;
- Defrauding welfare payments, such as Housing Benefit, Council Tax benefit and Council Tax Single Person Discounts etc.

- 2.5 The authority will ensure that any allegations received in any way, including by anonymous letters or phone calls, will be taken seriously and investigated in an appropriate manner, subject to the requirements of the Human Rights Act 1998 and other statutory provisions.
- 2.6 The authority will deal firmly with those who defraud the authority, or who are corrupt, or where there has been financial malpractice. There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse (such as raising malicious allegations) may be dealt with as appropriate.
- 2.7 When fraud or corruption have occurred because of a breakdown in the authority's systems or procedures, Executive or Service Directors will ensure that appropriate improvements in systems of control are implemented to prevent a reoccurrence.
- 2.8 In certain circumstances, and where appropriate, a commercial settlement between the Council and an employee may be deemed necessary as a way of disposing of a case. This should only be undertaken following agreement by the Chief Executive and Monitoring Officer and following an independent review by Council.

ROLES	
<u>Elected Members and School Governors</u>	<p>As elected representatives, all members of the authority have a duty to citizens to protect the authority from all forms of abuse. This is done through this anti-fraud and corruption policy and compliance with the national code of conduct for members, the authority's Financial Regulations, Constitution and the relevant legislation.</p> <p>Elected members sign to the effect that they have read and understood the national code of conduct when they take office. Conduct and ethical matters are specifically brought to the attention of members during induction and include the declaration and registration of interests. The Director of Law, Property and Governance advises members of new legislative or procedural requirements.</p> <p>Members and Governors are required to apply the principles of good governance regarding their own affairs and when acting for the Council, including: declaring pecuniary or non-pecuniary interests; declaring the potential for a conflict of interest; and recording the receipt of all gifts and hospitality. Members and governors must provide leadership by example in demonstrating the highest standards of probity and conduct so as to create the right anti-fraud culture throughout Cambridgeshire County Council.</p>
<u>Audit and Accounts Committee</u>	<p>The Audit and Accounts Committee and its members have specific responsibility re: the oversight of the Council's governance arrangements, in respect of the adequacy of control systems to prevent and detect fraud.</p> <p>The Audit & Accounts Committee receives periodic reports from Internal Audit on suspected and proven frauds, and monitors those systems of control applicable to that area, making recommendation to Council where improvement is required.</p>

<p><u>SMT / Directors :</u></p>	<p>SMT / Directors are responsible for the communication and implementation of this policy in their work area. They are also responsible for ensuring that their employees are aware of the Financial Regulations and other policies, and that the requirements of each are being met in their everyday business activities.</p> <p>SMT / Directors have responsibility to ensure that effective systems of control are in place corporately and within their directorate to both prevent and detect fraud, and that those systems operate properly.</p> <p>SMT / Directors are required to submit an annual self-assessment of those processes for inclusion within the Council’s Annual Governance Statement.</p> <p>SMT / Directors must provide leadership by example in demonstrating the highest standards of probity and conduct so as to create the right anti-fraud culture throughout Cambridgeshire County Council. SMT / Directors are expected to strive to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities.</p>
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<p><u>Heads of Service/Managers / Head Teachers</u></p>	<p>Managers at all levels are responsible for the communication and implementation of this policy in their work area. They are also responsible for ensuring that their employees are aware of the Financial Regulations and other policies, and that the requirements of each are being met in their everyday business activities.</p> <p>Managers of all levels must provide leadership by example in demonstrating the highest standards of probity and conduct so as to create the right anti-fraud culture throughout Cambridgeshire County Council. Managers of all levels are expected to strive to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities.</p> <p>Heads of Service, Managers and Head Teachers must ensure that special arrangements will apply where employees are responsible for cash handling or are in charge of financial systems and systems that generate payments, for example payroll, the integrated benefits computer system or council tax. Managers must ensure that relevant training is provided for employees. Checks must be carried out at least annually to ensure that proper procedures are being followed, in order to inform the directorate annual self-assessment.</p> <p>The authority recognises that a key preventative measure in dealing with fraud and corruption is for managers to take effective steps at the recruitment stage to establish, as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary or casual posts. The authority's formal recruitment procedures (which contain appropriate safeguards on matters such as written references, verifying qualifications held, and DBS checks undertaken on employees working in regulated activity with children and vulnerable adults) will be adhered to during this process. In line with the Council's Fraud Response Plan, management investigations into disciplinary matters must liaise with Internal Audit regarding any potential fraud or corruption implications of the conduct / investigation. If a member of staff raises concerns regarding suspected fraud, the line manager must inform the Chief Internal Auditor or contact Internal Audit immediately. Line managers should only undertake discreet preliminary enquiries which should be restricted to the basic facts required to determine whether there are any grounds to the allegation. The handling of evidence at the early stages of an investigation can be critical to the outcome of the investigation and advice must be sought from the Chief Internal Auditor to ensure evidence is safeguarded and not compromised. No action should be taken which may alert those suspected of involvement.</p>
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<p><u>Internal Audit and Risk Management</u></p>	<p>The Head of Audit (in consultation with the Director of HR) shall determine whether a concern / suspicion regarding fraud requires investigation by the Internal Audit Investigators as opposed to management, in line with the Council's Fraud Response Plan.</p> <p>Audit & Risk Management Services plays a vital preventative role in trying to ensure that systems and procedures are in place to prevent and detect fraud and corruption. The Internal Audit Investigators liaise with management to recommend changes in procedures to prevent further losses to the authority.</p> <p>The Internal Audit service shall report to SMT and the Audit and Accounts Committee regarding the application of the zero tolerance statement within this policy. Furthermore, the Internal Audit Investigators shall investigate all cases of suspected irregularity in accordance with the requirements of the Police and Criminal Evidence Act 1984, Human Rights Act 1998, Fraud Act 2006, Bribery Act 2010 and other relevant legislation. In all cases where employees are involved, they will work with HR and appropriate senior management to ensure that correct procedures are followed and that this policy and the Council's Fraud Response Plan are adhered to.</p>
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<p><u>Employees, including school staff</u></p>	<p>Each employee is governed in their work by the authority's Constitution and Financial Regulations and other codes of conduct and policies (Code of Conduct; Health and Safety; IT security and so on). Included in these are guidelines on gifts and hospitality and codes of conduct associated with professional and personal conduct and conflicts of interest. These are issued to all employees when they join the authority or will be provided by their manager.</p> <p>In addition to the above, employees are responsible for ensuring that they follow the instructions given to them by management, particularly in relation to the safekeeping of the assets of the authority. These will be included in induction training and procedure manuals.</p> <p>Employees are expected always to be aware of the possibility that fraud, corruption or theft may exist in the workplace and be able to share their concerns with management. Concerns should be raised, in the first instance, directly with the supervisor/business unit manager. Employees who feel unable to report to their line management should contact the Chief Internal Auditor directly, telephone the Whistleblowing Hotline or email stop.fraud@cambridgeshire.gov.uk. Should there be a preference to make an anonymous notification, then they should refer to the Council's (or school's) Whistleblowing Policy which gives details of independent persons with whom they can discuss their concerns.</p> <p>All employees must ensure that they avoid situations where there is a potential for a conflict of interest. Such situations can arise with externalisation of services, internal tendering, planning and land issues etc. Effective role separation will ensure decisions made are seen to be based upon impartial advice and avoid questions about improper disclosure of confidential information.</p>
<p><u>External Audit</u></p>	<p>Independent external audit is an essential safeguard in the stewardship of public money. This role is delivered through the carrying out of specific reviews that are designed to test (amongst other things) the adequacy of the authority's financial systems, and arrangements for preventing and detecting fraud and corruption. It is not the external auditor's function to prevent fraud and irregularity, but the integrity of public funds is at all times a matter of general concern. External auditors are always alert to the possibility of fraud and irregularity, and will act without undue delay if grounds for suspicion come to their notice. The external auditor has a responsibility to review the authority's arrangements to prevent and detect fraud and irregularity, and arrangements designed to limit the opportunity for corrupt practices.</p>

<p><u>External Bodies</u></p>	<p>Internal Audit has arranged, and will keep under review, procedures and arrangements to develop and encourage the exchange of information on national and local fraud and corruption activity, in relation to local authorities with external agencies such as: police, county, unitary and district council groups, the external audit service, Department of Work and Pensions and other government departments.</p>
<p><u>Contractors and Partners</u></p>	<p>Contractors and partners have a responsibility for the communication and implementation of this policy within their organisation. They are also responsible for ensuring that their employees are aware of the Council's Financial Regulations, Whistleblowing and other policies, and that the requirements of each are being met in their everyday business activities.</p> <p>Contractors and partners are expected to create an environment in which their staff feel able to approach them (or the Council directly) with any concerns they may have about suspected irregularities. Where they are unsure of the procedures, they must refer to the relevant Executive or Service Director for that area or may approach the Head of Audit directly on any Whistleblowing issue.</p>
<p><u>Stakeholders and Customers</u></p>	<p>Whilst this policy is primarily aimed at implementing the necessary culture and processes within the Council, its stakeholders and customers may become aware of issues that they feel may indicate fraud. They should refer to the Council's complaints procedure, or they can contact the Head of Audit to discuss their concerns directly.</p>

4. DETERRENCE

4.1 Prosecution

Each case will be considered on its merits.

4.2 Disciplinary Action

- 4.2.1 Theft, fraud and bribery and corruption are serious offences against the authority and employees will face disciplinary action if there is evidence that they have been involved in these activities. Disciplinary action will be taken, if appropriate, in addition to criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner, after consultation with the relevant Executive or Service Director, Head Teacher, and if appropriate the Director of HR.
- 4.2.2 Disciplinary action will be undertaken in accordance with the Council's disciplinary policy and procedure with each case considered on its merits.
- 4.2.3 Members will face appropriate action under this policy if they are found to have been involved in theft, fraud or corruption against the authority. Action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner. As per the Council's Fraud Response Plan, if fraud concerns relate to an elected Member, the Chief Internal Auditor will inform the Council's Monitoring Officer and Chief Executive and matters, if not referred to the police, will be referred to the Constitution and Ethics committee or appropriate group leader.
- 4.2.4 Members or employees involved in fraud, theft or corruption that does not involve the Council or its finances may still be subject to the above action, if it is considered to undermine the Council and its reputation.

4.3 Publicity

- 4.3.1 The Council recognises the key role that publicity of fraud cases plays in deterring other attempts to defraud the Council. To that effect, a Publicity Policy is attached at Annex A of this policy which sets out these measures in detail.
- 4.3.2 The authority's Communications Service will optimise the publicity opportunities associated with anti-fraud and corruption activity within the authority. Communications will also try to ensure that the results of any action taken, including prosecutions, are reported in the media. The service will maintain close working relationships with all areas involved in anti-fraud work, but particularly Legal Services and Internal Audit.
- 4.3.3 In all cases where financial loss to the authority has occurred, the authority will seek to recover the loss and advertise this fact.

- 4.3.4 All anti-fraud and corruption activities, including the update of this policy, will be publicised in order to make employees and the public aware of the authority's commitment to taking action on fraud and corruption when it occurs.
- 4.3.5 Regular reports will be made to the Audit and Accounts Committee about countering fraud and corruption activities and their success.

5. DETECTION AND INVESTIGATION

- 5.1 All staff, Members and any other stakeholders in Council services have a vital role in identifying potential fraud or corruption. It is not the responsibility of those groups to investigate their suspicions, as this may undermine a case to be pursued, but all parties play a key role in bringing such concerns to the Council's attention for a proper and thorough investigation to be undertaken.
- 5.2 Management, including Head Teachers, are in the best position to become aware of any problems that could indicate fraud or theft etc. Management are also best placed to ensure that systems of internal control are in place and operating and thus are ideally placed to identify weaknesses or failures that may be exploited. Internal Audit can provide advice and assistance in this area.
- 5.3 Employees are also ideally placed to detect fraud, theft or corruption. Employees are encouraged to discuss concerns with their line manager but the Fraud Response Plan also provides mechanisms to raise concerns corporately.
- 5.4 The Fraud Response Plan provides a process to enable the Council to demonstrate :
- Proper investigations for all referrals
 - Proper action taken in relation to findings from investigations
 - Feedback is provided to anyone making a referral
 - Appropriate protection for anyone making or having made a referral.
- 5.5 Internal Audit plays an important role in the detection of fraud and corruption. Included in the Audit Plan are reviews of system financial controls and specific fraud and corruption tests, spot checks and unannounced visits. Internal Audit operates in accordance with best practice, including the adoption of a formal Audit Manual in line with CIPFA best practice. This includes suitable processes to provide assurance to management on the adequacy of systems of internal control including the completion of follow ups for previous recommendations.
- 5.6 In addition to Internal Audit, there are numerous system controls in place to deter fraud and corruption, but it is often the vigilance of employees and members of the public that aids detection. In particular, the Council's Corporate Anti-Fraud Team are involved in the reactive and proactive investigation of specialised areas, such as transport-related fraud.

- 5.7 In some cases frauds are discovered by chance or ‘tip-off’ and arrangements are in place to enable such information to be properly dealt with, in accordance with the requirements of the Human Rights Act 1998.
- 5.8 All suspected irregularities are required to be reported (verbally or in writing) either by the person with whom the initial concern was raised or by the originator. This is essential to the policy, and:
- ensures the consistent treatment of information regarding fraud and corruption;
 - facilitates a proper and thorough investigation by an experienced audit team, in accordance with the requirements of the Human Rights Act 1998.
- 5.9 This process will apply to all the following areas:
- a) fraud/corruption by elected members
 - b) internal fraud/corruption
 - c) other fraud/corruption by authority employees
 - d) fraud by contractors’ employees
 - e) external fraud (the public).
- 5.10 Cases under a) will be referred to the Council’s External Auditor and the Director for Law and Governance for consideration of action via the Police or the Cambridgeshire County Council Constitution and Ethics Committee.
- 5.11 In accordance with basic legal concepts any person who witnesses or discovers a criminal act has the right to refer concerns directly to the Police.
- 5.12 Any decision to refer a matter to the police will be taken by the Head of Internal Audit in consultation with the Director of HR and/or Chief Executive and relevant Executive or Service Director or Head Teacher. The authority will normally wish the police to be made aware of, and investigate independently, offenders where financial impropriety is discovered.
- 5.13 Depending on the nature of an allegation under b) to e), the Head of Audit will normally work closely with the Director or Head Teacher concerned to ensure that all allegations are thoroughly investigated and reported upon.
- 5.14 The authority’s Fraud Response Plan and disciplinary procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees. The processes as outlined in paragraph 4.2.3 will cover members.

6. AWARENESS AND TRAINING

- 6.1 The authority recognises that the continuing success of this policy and its general credibility will depend in part on the effectiveness of programmed training and an awareness of elected members and employees throughout the authority.
- 6.2 To facilitate this, it is intended that a programme of anti-fraud awareness training in the form of workshops, possibly incorporating interactive means, will be rolled out across the Council. There will still be specialist training for certain elected members and employees.
- 6.3 A poster to raise awareness of the means to report fraud has been distributed across the Council's officers, and full copies of the anti-fraud and corruption policy are on the Council's intranet.
- 6.4 Key to effective awareness (and deterrence) is a formal and comprehensive system of feedback to provide outcome information to the person who originally referred concerns. Whilst confidentiality must be respected (including the Data Protection Act and Human Rights Act provisions) every referral should be concluded and the outcome communicated to the person making the original referral.
- 6.5 Anti-fraud services should also maintain management information to show:
 - How frauds are identified
 - Which type of frauds were affected
 - Any patterns or themes detected
 - New fraud issues highlighted
 - Prevention measures

Publicity

1. Introduction

- 1.1 Cambridgeshire County Council has adopted this policy to address anti-fraud and corruption issues enhancing public confidence in the administration of taxpayers' money.
- 1.2 The Anti-Fraud & Corruption Policy, and particularly this Publicity section, aims to:
 - 1.2.1 Make clear the connection between saving public monies and the fraud work that achieves this;
 - 1.2.2 Dispel the belief held in some quarters that fraud is a victimless crime;
 - 1.2.3 Demonstrate consistent action is taken for both complex frauds and the perceived lower-level frauds;
 - 1.2.4 Ensure that tough action taken against persons who commit fraud is utilised as an effective deterrent to others;
 - 1.2.5 Alter perceptions of this area of work to move from an image of petty bureaucracy or snoopers to one of professional public funds watchdog;
 - 1.2.6 Ensure that action taken is consistent with Cambridgeshire County Council policies and legislative provisions as well as being in the public interest.
- 1.3 This policy covers the methods by which the work of the Anti-Fraud services within Cambridgeshire County Council will be promoted, including the publicity associated with specific cases.

2 Publicity Categories

- 2.1 Publicity takes many forms, including:
 - Leaflets
 - Posters
 - Press Releases / Articles
 - Advertisements
 - Intranet or Internet media
- 2.2 It is imperative that all available forms are optimised to promote an anti-fraud culture throughout the organisation and to the public. However, great care is needed to ensure that publicity in relation to anti-fraud work is positive and does not undermine the service or reinforce the negative perceptions of this area of work.
- 2.3 Thus publicity needs to focus on 3 key areas :
 - 2.3.1 Proactive work of Anti-Fraud services, e.g. a day in the life of a Fraud Investigator;
 - 2.3.2 Specific Cases pursued by Anti-Fraud services, e.g. specific prosecutions /

convictions sought;

2.3.3 Reactive responses to Media enquiries.

3 Proactive Publicity – Work of Anti-Fraud Services

- 3.1 This area of work is essential to promote the work of the services and ensure that others are aware of this work, and thus deterred from attempting fraud. The aim of this publicity is to increase the profile of anti-fraud work across Cambridgeshire County Council and the wider community, in order to promote the referral processes and deter fraud.
- 3.2 Intranet pages are maintained which set out details as to how to contact the Internal Audit Investigators and how to report fraud. The site also provides links to relevant policies.
- 3.3 Any leaflets and posters used for Fraud Awareness purposes shall be reviewed annually to reflect any necessary changes.
- 3.4 It is intended that Fraud Awareness training shall be part of the Council's Corporate Training/Induction system.
- 3.5 In addition to the above, the work of Anti-Fraud services shall be promoted periodically both within the Council and to the general community.
- 3.6 For high profile cases prosecuted, the publicity shall consider whether the work of Anti-Fraud services shall be promoted e.g. volumes of cases referred; investigated; prosecuted; convicted etc.

4 Specific Cases

- 4.1 Great care must be taken when publicising any specific case of fraud, theft or corruption. Data Protection Act and Human Rights Act provisions are key legal protections provided to those suspected of committing such offences, and must not be breached by the Council's attempts to promote anti-fraud work.
- 4.2 However, the publicity attached to any specific case is a necessary element of promoting the deterrent effect of anti-fraud work, as it demonstrates actual instances and consequences to individuals.
- 4.3 Any decision that the Council should prosecute an individual, individuals or organisation(s) must be taken following the formal quality assurance procedure set out in the Council's Fraud Response Plan.¹
- 4.4 Any decision to pursue prosecution will be taken on the basis of professional advice, the merits of the case itself and any applicable guidelines relevant.

¹ The decision to refer a matter to the Police will be taken by the LGSS Head of Internal Audit and the appropriate Director (Cambridgeshire County Council) of the Council, in consultation with the Monitoring Officer and the relevant Head of Human Resources. This will follow agreed protocols for Police referral which have been established with the Police Authority. Findings from any fraud investigation undertaken by Internal Audit will be shared with the Police. (*Fraud Response Plan, 10.2*)

- 4.5 All prosecutions should include a consideration of publicity issues and ensure that the Council's Communications Service are involved / aware of the issue so that the Council can adopt a proactive publicity strategy and avoid the need to react to press enquiries.
- 4.6 A specific decision will be taken and recorded by the Head of Service to issue a press release for any specific case. In all other cases, a press statement / position shall be prepared to address any potential press enquiry.
- 4.7 Press releases shall be prepared that promote the Council's Anti-Fraud policy and maximise the deterrent effect of prosecutions.

5 Reactive Responses to Media Enquiries

- 5.1 Ideally the above measures aim to minimise the need for this, where the Council proactively provides relevant information to promote anti-fraud through local (and possibly national) media.
- 5.2 Press queries will arise on some occasions and it is essential that they are responded to in such a way as to promote the anti-fraud policy of the Council.
- 5.3 Responses to Press queries regarding specific individuals must not breach Data Protection or Human Rights legislation.

AGRESSO (UNIT4 BUSINESS WORLD) IMPLEMENTATION

To: **General Purposes Committee**

Meeting Date: **25 July 2017**

From: **LGSS Director Business Systems and Service Development**

Electoral division(s): **All.**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **To update General Purposes Committee (GPC) on the progress of the programme to implement Agresso (Unit4 Business World) system to replace the existing Oracle system.**

Recommendation: **General Purposes Committee is recommended to:**

- a) note the progress on the implementation of Agresso (Unit4 Business World) and the revised Go Live date of 30 September 2017; and**
- b) approve a further £187k of capital spend to complete the implementation.**

<i>Officer contact:</i>	
Name:	Mark Ashton
Post:	LGSS Director Business Systems and Service Development
Email:	MAshton@northamptonshire.gov.uk
Tel:	0300 1261111

1. BACKGROUND

- 1.1 Northamptonshire and Cambridgeshire signed off the business case for the replacement of their shared ERP (Enterprise Resource Planning – large scale business system integrating HR, Payroll and Finance) Oracle with Agresso in May 2015. There followed a procurement process and a planned implementation for early 2017. During the course of 2015 LGSS had been working on a business case for an extended shared service with Milton Keynes Council. Milton Keynes Council (MKC) was also in the process of considering its options to replace its SAP system which was out of support from July 2017. There were and still are, business benefits from a three way implementation and the project was expanded to include the ERP systems for all three councils (including the £4.2m shared saving benefits to all three councils resulting from MKC joining). Despite the additional complexity the Go-Live date was maintained at April 2017.

2. MAIN ISSUES

- 2.1 A number of factors have come together to make the originally planned, pre-MKC April 2017 'Go- Live' unrealistic and this became increasingly apparent from October 2016 culminating in the final decision being taken by the ERP Board in February 2017 to reschedule the Go-Live to later in the year. Naturally the Chief Finance Officers (CFOs) were engaged throughout this period of review and re-planning, and were advised of the inevitable additional cost which would follow. It is clear that the project was more complex than originally envisaged and was already competing with scarce Business Systems' development resources across the piece. Implementing across three partners has been a greater challenge especially given the need to be migrating data from two different legacy ERP systems (i.e. SAP for MKC and Oracle for CCC and Northamptonshire County Council (NCC)) which has been exacerbated by the lack of in-house SAP expertise in MKC and the need by LGSS to switch external SAP support from the inherited MKC service provider Kier to a more cost effective and capable SAP partner in the interim (i.e. to a supplier called Rimini). In addition, the project has needed to respond to unscheduled major changes in NCC's organisation through the creation of newly formed federated vehicles, and this has added very significant new demands onto the LGSS ERP resources. Further, already stretched IT resources in Cambridgeshire had to be somewhat re-prioritised and re-scheduled with the need to stabilise the IT platform generally there for existing CCC systems and services during the October 2016 to April 2017 period. There has also been some change to the scope of the project which although limited has placed an additional burden on delivery and cost for an Original Go live of April 2017 which was in hindsight perhaps an already a very challenging plan.
- 2.2 The project has also experienced cost pressures during its planned two and a half years life cycle. It was possibly over optimistic to assume that the implementation could be largely delivered in house given the above additional organisational change demands that actually materialised and impacted availability of existing, in-house ERP resources, with the knock on consequence of there being more external Unit 4 resource required and with the rescheduling to September 2017 that has also meant resources required for a greater period of time as well. Furthermore there has been unavoidable turnover of technical staff (due to unavoidable competition in the IT market for such skilled people), some of which was inevitable – so some technical in house Oracle resource has left and had to be replaced by external ERP technical experts and there's also been turnover with project management staff for the same reasons throughout this two years period. Therefore use of

external ERP technical experts has meant in-house employee' costs being replaced with unavoidably much more expensive (but more experienced) external technical resources resulting in higher project costs overall. Finally there have also been some additional IT middle-ware software and infrastructure costs incurred with the existing environments not fully able to meet all of the application interfacing commitments, this was in respect of Biztalk and MOVEit software in the main (These are the applications used to interface and transfer data between the new ERP and all of the other councils' key systems).

- 2.3 The extended timeline for the ERP programme means there will be resultant additional costs overall for the implementation. For both Cambridgeshire and Northamptonshire County Councils' additional capital costs will be fully mitigated by in-year LGSS revenue savings. The Business Systems team is currently fully budgeted for but will be slimmed down post completion of the build. This will give rise to additional on-going savings to both CCC and NCC in future years which will be reflected in the LGSS Strategic Plan.
- 2.4 There are other a number of other system implementations currently underway which have interdependencies with this programme. A major one for Cambridgeshire is Mosaic the new case management system for adults' and children's services. The timescale for Go Live for Mosaic is currently under review. However, this project will require that ERP Gold has been stable for six months before CCC goes live with the finance module.

ERP Programme forecast outturn

- 2.5 The total net capital cost of the implementation has increased to £5.464m. The table below sets out the share of costs per council.

	Original Capital Budget	Current Forecast	Revenue Contribution	Net Capital Cost	Variation
	£k	£k	£k	£k	£k
Cambridgeshire	1,428	2,416	801	1,615	187
Northamptonshire	1,428	2,416	801	1,615	187
Milton Keynes	1,600	2,306	72	2,234	634
Total	4,456	7,138	1,674	5,464	1,008

- 2.6 Inevitably the rescheduled Go Live means all of the project resources are required for a greater period of time, every additional month adds proportionately to the overall cost. The key variances are:
- Extended time period of 9 months = £1.1m
 - Additional Unit 4 costs - £0.9m
 - Additional in house programme costs - £0.3m
 - Additional IT Infrastructure costs - £0.1m
- 2.7 The CCC budget allocation for capital expenditure on the ERP implementation was £1.428m. Throughout the programme this has been supplemented by the revenue budgets of the current business systems and LGSS Programme team by £801k over the three years, giving a total available budget of £2.229m. The predicted forecast CCC spend for the programme is £2.416m (up to September 2017). This leave a forecast capital overspend of £187k (including the latest business case for Biztalk and MOVEit).

- 2.8 The revenue costs below reflect the extent to which resources across LGSS predominantly in the Business Systems Team but also Project Management and business analyst resource have been used to drive the programme forward.

Spend Type	Revenue and Capital Budget	Actuals 2015/16	Actual 2016/17	Actual 2017/18	Actual Total	Outturn Variance
	£k	£k	£k	£k	£k	£k
Capital	1,428	515	592	508	1,615	187
Revenue	801	245	288	268	801	0
Totals	2,229	760	880	776	2,416	187

- 2.9 These costs now include additional project costs which arise with the September Go-Live 'cutting over' from Oracle on 30 September. These are likely to total £133k but the Project Team is continuing to explore how these could be mitigated/kept to a minimum. Finally, there are still a number of months and much activity to be undertaken and it is important to factor in some level of contingency. There is no single contingency line in the forecast position but consideration has been made on a line by line across all of the project costs taking a prudent view.
- 2.10 An additional £187k capital resource will need to be secured for Cambridgeshire County Council. However, there will also be additional revenue savings as detailed below for CCC of £50k for 2019/20 and then £75k per annum from 2020/21 onwards i.e. a capital payback period of less than 3 years.

Additional Business Systems Savings

- 2.11 Post-delivery it is anticipated that additional savings can be delivered from the business systems team to offset the additional capital costs and the additional savings will pay back the forecast project overspend in just under three years. This would be a saving of £50k in 2019/20 and a further £25k in 2020/21 (with payback achieved in 2021/22). The table below sets out the CCC share of additional savings only.

Additional Savings	2017/18	2018/19	2019/20	2020/21	2021/22	2023/24
	£s	£s	£s	£s	£s	£s
Business Systems	0	0	-50,000	-25,000	0	0
Totals	0	0	-50,000	-75,000	-75,000	0

Current Strategic plan savings

- 2.12 The ERP programme is set to help deliver savings both on licence and support costs, but also from within the transactional teams. Any pressures on the delivery of these savings are set to be managed within the LGSS medium term plan and mitigated in full by the LGSS management board. This will mean short term negative impacts forecast on additional capital investment required from Cambridgeshire County Council (CCC) is both fully mitigated by these additional LGSS savings to CCC which also gives a slightly improved

business case return position for CCC over the 5 years.

Savings totals as per the LGSS Strategic Plan vs. Actual Delivery (the tables below are shown as the total LGSS savings delivery as per the Strategic Plan).

	2016/17	2017/18	2018/19
	£k	£k	£k
<u>ERP Savings</u>			
(CCC/NCC)			
Original Planned	-100	-400	-600
Cumulative	-100	-500	-1,100
Actual Delivery	0	0	-1,153
Difference	100	500	-53
<u>Transactional savings</u>			
Service Reviews	n/a	-50	0
MK Partnership	n/a	-470	-240
Cumulative	n/a	-520	-760
Actual Delivery	n/a	-285	-760
Difference	n/a	235	0
Total Shortfall	100	735	-53

- 2.13 The £100k pressure in 2016/17 has been reported as part of the LGSS Outturn Position throughout the 2016/17 financial year. The £235k savings pressures in transactional services during 2017/18 will be mitigated during the financial year through staff turnover and holding vacancies wherever possible. A contingency was established when MKC joined the partnership to address any timing difficulties such as this one in delivering the ERP and MKC business cases. There is sufficient in that contingency to meet these short term one off costs.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

There are resources implications for Cambridgeshire County Council which are detailed in the body of the report. £1.428m is included in the Capital Programme for the CCC's contribution to the total cost of the implementation. The current forecast as a consequence of rescheduling the Go Live to the end of September is a net capital contribution of £1.615m an increase of £187k.

Additional revenue savings of £50k in 2017/18 and £75k for 2018/19 and future years which mean the additional capital costs are effectively covered in less than three years.

The rescheduled Go Live does have an impact on the delivery of LGSS Strategic Plan savings, a relevant share of which is included in the CCC Business Plan. There is a delay in the delivery of the Business Systems savings but these are now forecast to be £53k greater than anticipated over the three year period. Contingency does exist to cover timing difficulty. There are also potential delivery challenges with the delivery of transactional savings. These will in part be met through turnover and vacancies but there is further contingency built into the MKC Partnership arrangements which could also meet this.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

4.5 Engagement and Communications Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	None
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	None
Have the equality and diversity implications been cleared by your Service Contact?	None
Have any engagement and communication implications been cleared by Communications?	None
Have any localism and Local Member involvement issues been cleared by your Service Contact?	None
Have any Public Health implications been cleared by Public Health	None

Source Documents	Location
ERP Business Case	MAshton@northamptonshire.gov.uk

GENERAL PURPOSES COMMITTEE AGENDA PLAN

Published on 3rd July 2017
As at 14th July 2017



Cambridgeshire
County Council

Notes

Agenda Item No.9

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public. Additional information about confidential items is given at the foot of this document.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.

The agenda dispatch date is six clear working days before the meeting.

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
25/07/17	1. Minutes –13/06/17	M Rowe	Not applicable	12/07/17	17/07/17
	2. Integrated Resources and Performance (May)	R Bartram	2017/022		
	3. Resources and Performance Report (May) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Revised Anti-Fraud & Corruption and Money Laundering Policies.	S Norman	Not applicable		
	5. Corporate software infrastructure re-procurement	C Stromberg	2017/038		
	6. Unit4 Business World (Agresso) Implementation	M Bowmer/ C Malyon	Not applicable		
<i>[22/08/17] Provisional Meeting</i>				09/08/17	11/08/17

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
19/09/17	1. Minutes – 25/07/17	M Rowe	Not applicable	06/09/17	08/09/17
	2. Integrated Resources and Performance Report (July)	R Bartram	2017/017		
	3. Resources and Performance Report (July) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Treasury Management Report – Quarter 1	M Batty	Not applicable		
	5. Corporate Risk Register	S Norman	Not applicable		
	6. Review of actions to target outstanding debt	C Law	Not applicable		
	7. Capital Project – CREATE Update	M Gunn	Not applicable		
	8. Medium Term Financial Strategy*	C Malyon	Not applicable		
	9. Capital Strategy*	C Malyon	Not applicable		
	10. Strategic Framework*	C Malyon	Not applicable		
	11. County Council Consultation Strategy (recommendation from Communities and Partnership Committee)	S Grace	Not applicable		
	12. Commercial Investment Strategy	C Malyon	Not applicable		
24/10/17	1. Minutes – 19/09/17	M Rowe	Not applicable	11/10/17	13/10/17
	2. Integrated Resources and Performance Report (August)	R Bartram	2017/023		
	3. Resources and Performance Report (August) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Service Committee Review of Draft Revenue Business Planning Proposals for 2018/19 to 2022/2023	C Malyon	Not applicable		
	5. Draft 2018/19 Capital Programme and Capital Prioritisation	C Malyon	Not applicable		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
28/11/17	1. Minutes – 24/10/17	M Rowe	Not applicable	15/11/17	17/11/17
	2. Integrated Resources and Performance Report (September)	R Bartram	2017/024		
	3. Resources and Performance Report (September) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Treasury Management Report – Quarter 2*	M Batty	Not applicable		
19/12/17	1. Minutes – 28/11/17	M Rowe	Not applicable	06/12/17	08/12/17
	2. Integrated Resources and Performance Report (October)	R Bartram	2017/025		
	3. Resources and Performance Report (October) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable		
09/01/18	1. Minutes – 19/12/17	M Rowe	Not applicable	21/12/17	29/12/17
	2. Integrated Resources and Performance Report (November)	R Bartram	2018/001		
	3. Resources and Performance Report (November) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Local Government Finance Settlement	C Malyon	Not applicable		
	5. Draft Business Plan	C Malyon	Not applicable		
	6. Quarterly Risk Management Report	S Norman	Not applicable		
23/01/18	1. Minutes – 09/01/18	M Rowe	Not applicable	10/01/18	12/01/18
	2. Transformation Strategy/Strategic Framework	C Malyon	Not applicable		
	3. Capital Receipts Strategy	C Malyon	Not applicable		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	4. Treasury Management Strategy	C Malyon	Not applicable		
	5. Business Plan*	C Malyon	Not applicable		
<i>[27/02/18] Provisional Meeting</i>				14/02/18	16/02/18
27/03/18	1. Minutes – 23/01/18	M Rowe	Not applicable	14/03/18	16/03/18
	2. Treasury Management Report – Quarter 3	M Batty	Not applicable		
	3. Integrated Resources and Performance Report (January)	R Bartram	2018/002		
	4. Resources and Performance Report (January) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	5. Quarterly Risk Management Report	S Norman	Not applicable		
<i>[24/04/18] Provisional Meeting</i>				11/04/18	13/04/18
29/05/18	1. Minutes – 27/03/18	M Rowe	Not applicable	16/05/18	18/05/18
	2. Integrated Resources and Performance Report (March)	R Bartram	2018/003		
	3. Resources and Performance Report (March) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	4. Treasury Management Report – Quarter 4 and Outturn Report*	M Batty	Not applicable		

Notice made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in compliance with Regulation 5(7)

1. At least 28 clear days before a private meeting of a decision-making body, public notice must be given which must include a statement of reasons for the meeting to be held in private.
2. At least 5 clear days before a private meeting of a decision-making body, further public notice must be given which must include a statement of reasons for the meeting to be held in private, details of any representations received by the decision-making body about why the meeting should be open to the public and a statement of the Council's response to such representations.

Forward plan reference	Intended date of decision	Matter in respect of which the decision is to be made	Decision maker	List of documents to be submitted to the decision maker	Reason for the meeting to be held in private

Decisions to be made in private as a matter of urgency in compliance with Regulation 5(6)

3. Where the date by which a meeting must be held makes compliance with the above requirements impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from the Chairman of the Council.
4. Compliance with the requirements for the giving of public notice has been impracticable in relation to the business detailed below.
5. The Chairman of the Council has agreed that the Committee may hold a private meeting to consider the business referred to in paragraph 4 above because the meeting is urgent and cannot reasonably be deferred for the reasons stated below.

Date of Chairman's agreement	Matter in respect of which the decision is to be made	Reasons why meeting urgent and cannot reasonably be deferred

For further information, please contact Quentin Baker on 01223 727961 or Quentin.Baker@cambridgeshire.gov.uk

GENERAL PURPOSES COMMITTEE TRAINING PLAN			The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.			<u>Agenda Item No.9</u>			
Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Emergency planning	The Council's roles and responsibilities, how do we respond in an emergency		25 th July 2017	Stuart Thomas / Sue Grace				
	Business Intelligence	Data / system integration Date sharing with other authorities. The importance of good governance and information management. <i>(pre reading material required)</i>		19 th September 2017	Tom Barden				
				24 th October 2017					
				28 th November 2017					
				19 th December 2017					

