

Corporate Services and LGSS Cambridge Office**Finance and Performance Report – September 2014****1. SUMMARY****1.1 Finance**

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

1.2 Performance Indicators

Monthly Indicators	Red	Amber	Green	Total
September(Number of indicators)	1	0	9	10

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

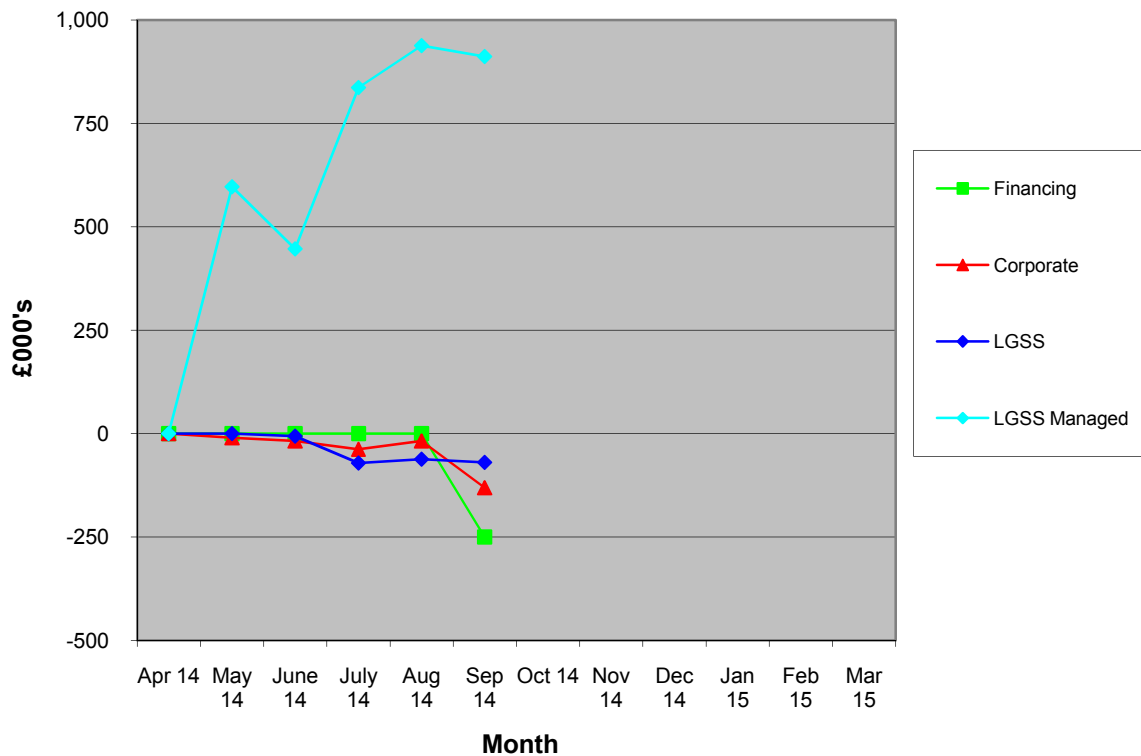
Forecast Variance - Outturn (Aug) £000	Directorate	Current Budget for 2014/15 £000	Current Variance £000	Current Variance %	Forecast Variance - Outturn (Sep) £000	Forecast Variance - Outturn (Sep) %
-18	Corporate Services	6,598	-111	-3	-131	-2
938	LGSS Managed	9,551	-43	-1	912	10
0	Financing Costs	34,142	-2,495	-38	-250	-1
920	Sub Total	50,291	-2,648		531	
-62	LGSS Cambridge Office	10,527	170	2	-70	-1
858	Total	60,818	-2,477		461	

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for September 2014 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for September 2014 can be found in [LGSS appendix 1](#)

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

Corporate Services & LGSS Cambridge Office Outturn 2014/15



2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end underspend of £131k.
- There are no exceptions to report this month.

2.2.2 Significant Issues – LGSS Managed

- LGSS Managed is currently predicting a year-end overspend of £912k.
- There are no exceptions to report this month.

2.2.3 Significant Issues – Financing Costs

- Financing Costs is showing an underspend of £250k on the debt charges budget. This is largely due to cash balances being higher than budgeted during the first half of the year. The debt charges budget was reduced by £1m when the Business Plan was approved in February in expectation of slippage in the capital programme, and this is expected to be met. The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and pragmatic approach to borrowing is adopted.

2.2.4 Significant Issues – LGSS Cambridge Office

- LGSS Cambridge Office is currently predicting a year-end underspend of £70k after equalisation.
- The year-end deficit / surplus on LGSS operational budgets is subject to a sharing arrangement with Northamptonshire County Council (NCC). Based on the latest joint report, this is currently expected to result in a £79k equalisation payment from NCC to CCC.
- There is currently a shortfall of £207k on the trading position which relates to the requirement for additional trading activity in 2014/15. It is expected that some of this shortfall will be mitigated through new trading opportunities; where this is the case, the forecast outturn will be updated as these are established. The current pressure is being mitigated within LGSS and is offset by a number of identified operational underspends.

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

Corporate Services have received a £33k grant in respect of Open Data Breakthrough Funding from the Local Government Association in September.

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 Services:

	£	Notes
Virement from Children, Families & Adults to Corporate Services	429,400	Transfer of the HealthWatch function.

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

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

3. BALANCE SHEET

3.1 Reserves

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

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

3.2 Capital Expenditure and Funding

Expenditure

- Corporate Services has a capital budget of £185k in 2014/15 and there is spend to date of £13k. It is currently expected that the programme will be fully spent at year-end, and the total scheme variances will amount to £0k across the programme.

There are no new exceptions to report for September.

- LGSS Managed has a capital budget of £13.3m in 2014/15 and there is spend to date of £0.3m. It is currently expected that the programme will underspend by £3.5m at year-end, and the total scheme variances will amount to an underspend of £7.8m across the programme.

The EPAM – Trumpington Option Land scheme is not expected to proceed in the current financial year, resulting in an underspend of £1.0m. Going forward, the project will be incorporated within the wider City Deal schemes currently under development as part of the ETE Business Planning capital programme.

The Optimising IT for Smarter Business Working scheme is forecasting an in-year underspend of £0.5m. This reflects an updated spend profile for purchase of equipment to support the Smarter Business programme, and is not expected to result in a reduction in total scheme costs.

- LGSS Cambridge Office has a capital budget of £412k in 2014/15 and there is spend to date of £0k. It is currently expected that the programme will be fully spent at year-end, and the total scheme variances will amount to £0k across the programme.

There are no new exceptions to report for September.

Funding

- Corporate Services has capital funding of £185k in 2014/15. There are no new exceptions to report for September.
- LGSS Managed has budgeted capital funding of £13.6m in 2014/15. As reported above, the LGSS Managed budget is expected to underspend by £3.5m, which will result in a reduced requirement of funding of this amount.

As reported above, the inclusion of the EPAM – Trumpington Option Land scheme within the City Deal schemes has resulted in a corresponding £1.0m reduction in funding (other contributions) in relation to this scheme.

- LGSS Cambridge Office has capital funding of £412k in 2014/15.

There are no new exceptions to report for September.

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

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

4. PERFORMANCE

4.1 The table below outlines key performance indicators for Customer Services and Transformation and LGSS Managed Services.

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
Customer Service and Transformation											
Proportion of FOI requests responded to within timescales	Monthly	High	%	06/10/14	1 - 30 Sept 2014	95%	95.0%	Green	↓	Aug 2014 - 98% July 2014 - 93% June 2014 - 97% May 2014 - 98% Apr 2014 - 90%	
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>06/10/14</i>	<i>1 April - 30 Sept 2014 (Q1 and Q2 2014/15)</i>	<i>N/A</i>	<i>615</i>	<i>N/A</i>	<i>N/A</i>	<i>Running total will be collected quarterly. Data to be next reported on in January 2015 for Q3. 2014/15 (annual total so far) - 615 2014/15 (Q2) - 218 2014/15 (Q1) - 397 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</i>	
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	06/10/14	1 - 31 August 2014	90%	75.3%	Red	↓	Number of customer complaints for August 2014 = 77	
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	<i>N/A**</i>	<i>1 April 2014 - 31 March 2015</i>	<i>N/A*</i>	<i>N/A**</i>	<i>N/A</i>	<i>N/A</i>	<i>* No target or RAG status for this indicator. Purpose is to set the context. ** Data to be reported on in April 2015 for period of 1 April 2014 - 31 March 2015</i>	
<i>To be confirmed – indicator measuring the channel shift towards online transactions</i>	<i>TBC</i>	<i>TBC</i>	<i>TBC</i>	<i>N/A</i>	<i>TBC</i>	<i>TBC</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>Currently being developed.</i>	
LGSS Managed Services											
Strategy and Estates – capital receipts target managed and achieved	Quarterly	High	%	16/07/14	1 April - 30 June 2014 (Q1 2014/15)	98% (£3.888m gross)	100.0%	Green	↑	Data to be next reported on in January 2015 for Q2 and Q3.	
Strategy and Estates – farm estates income demanded and collected on time	Half-yearly	High	%	16/07/14	1 April - 30 June 2014 (Q1 2014/15)	95% (£3.625m gross)	98.0%	Green	↑	Data to be next reported on in January 2015 for Q2 and Q3 2014/15.	
IT – availability of Universal Business System***	Quarterly	High	%	15/10/14	1 July - 30 Sept 2014 (Q2 2014/15)	95%	100.0%	Green	↔	Q1 2014/15 - 100% Data to be next reported on in January 2015 for Q3.	
IT – incidents resolved within Service Level Agreement	Quarterly	High	%	15/10/14	1 July - 30 Sept 2014 (Q2 2014/15)	90%	91.0%	Green	↓	Q1 2014/15 - 95% Data to be next reported on in January 2015 for Q3.	

Indicators with Red Status:

Proportion of customer complaints received in the month before last that were responded to within minimum response times

The data for August is as follows:

- For CFA 30 complaints were received and 3 failed to meet the target (90%);
- For ETE 42 complaints were received and 16 failed to meet the target (61.9%). Of those 16, 8 have since been closed and the remaining 8 cases are being investigated by the assigned officer.
- For CS&T 5 complaints were received, all of which met the target response time (100%).
- No complaints were received for LGSS during August 2014.

Additional comments regarding August 2014 ETE complaints:

As of 15/10/14 the proportion for August complaints responded to within timescales was reported as 74% (31 out of 42). The formal report does not reflect this as it relates to some cases that were reopened after having originally met the minimum response times.

Issues with the performance of the feedback system over the past few months have also made access to the system to update cases problematic. Other directorates do not primarily use the same system for the recording of cases, so will not have been affected to the same extent. Other factors include a small number of cases being incorrectly routed and the impact of staff leave during August.

Early indications suggest September performance will show an improvement.

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

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments	Year end RAG
LGSS Cambridge Office										
Percentage of invoices paid within term for month	Monthly	High	%	01/09/14	97.5%	99.4%	Green	↓	99.7% reported last period	N/A
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/09/14	97.5%	99.7%	Green	↔	99.7% reported last period	Green
Total debt as a percentage of turnover	Monthly	Low	%	01/09/14	10.0%	5.6%	Green	↑	11.8% reported last period	Green
Percentage of debt over 90 days old	Monthly	Low	%	01/09/14	20.0%	18.2%	Green	↓	10.0% reported last period	Green

CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of September 2014 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Forecast Variance - Outturn (Aug)		Current Budget for 2014/15		Expected to end of Sep	Actual to end of Sep	Current Variance		Forecast Variance - Outturn (Sep)	
£000	Service	£000	£000	£000	£000	%	£000	%	
Corporate Services									
0	Corporate Director	863	578	559	-19	-3	-11	-1	
16	Business Transformation	3,009	1,296	1,225	-71	-5	-85	-3	
0	Chief Executive's Office	430	191	189	-1	-1	0	0	
-30	Communications & Community Engagement	1,374	675	659	-16	-2	-30	-2	
0	Elections	194	0	0	0	0	0	0	
-4	Redundancy, Pensions & Injury	945	568	565	-3	-1	-6	-1	
0	Grant Income	-218	-134	-134	0	0	0	0	
-18		6,598	3,174	3,063	-111	-3	-131	-2	
LGSS Managed									
100	Building Maintenance	1,116	505	704	198	39	110	10	
0	County Farms	-2,980	-1,772	-1,792	-20	-1	0	0	
688	County Offices	5,629	3,907	4,266	359	9	668	12	
-150	Effective Property Asset Management	275	176	57	-119	-67	-150	-55	
0	External Audit	169	-9	-9	0	0	0	0	
0	Insurance	1,453	0	0	0	0	0	0	
300	IT Managed	1,801	1,470	1,531	60	4	300	17	
0	Members' Allowances	981	481	465	-16	-3	0	0	
0	OWD Managed	125	57	35	-22	-38	0	0	
0	Subscriptions	135	101	101	0	0	-16	-12	
0	Transformation Fund	1,000	87	-374	-461	-531	0	0	
0	Authority-wide Miscellaneous	-53	236	214	-22	-9	0	0	
0	Grant Income	-100	-50	-50	0	0	0	0	
938		9,551	5,190	5,147	-43	-1	912	10	
Financing Costs									
0	Debt Charges and Interest	34,142	6,630	4,135	-2,495	-38	-250	-1	
920	CORPORATE SERVICES TOTAL	50,291	14,994	12,346	-2,648	-18	531	1	
MEMORANDUM - Grant Income									
0	Public Health Grant - Corporate Services	-165	-83	-83	0	0	0	0	
0	Public Health Grant - LGSS Managed	-100	-50	-50	0	0	0	0	
0	Open Data Breakthrough Fund	-33	-33	-33	0	0	0	0	
0	Other Corporate Services Grants	-20	-19	-19	0	0	0	0	
0		-318	-184	-184	0	0	0	0	

CS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Building Maintenance	1,116	+191	+46%	+110	+10%
Building Maintenance spend across the property portfolio for the year to date has exceeded budgeted levels, with average monthly spend 50% higher than in previous years. Property Operations are working to identify the cause of this increase and to minimise spend in future months, but it is currently forecast that the budget will overspend by £100k. In addition, there is a small forecast overspend of £10k relating to works required under the Equality Act 2010.					
County Offices	5,629	+359	+9%	+668	+12%
County Offices is forecasting an overspend of £668k. A savings target of £736k was allocated in the 2013/14 Business Planning linked to a reduction in the Council's property portfolio. Delivery of this saving is being led by the Effective Property and Asset Management (EPAM) Project and although some savings have been achieved in previous years, the reported pressure reflects the balance of savings to be identified. The position is being monitored and the forecast outturn will be updated as savings are secured.					
Effective Property Asset Management	275	-119	-67%	-150	-55%
There is an underspend of £150k on the Effective Property Asset Management budget. The Making Assets Count (MAC) Public Property Partnership & Market Towns project has been reassessed and it has been concluded that the Property Partnership will not be developed over the next few years as MAC wishes to focus on more practical projects. As a consequence, the Business Planning investment of £150k will not be needed in 2014/15.					
IT Managed	1,801	-141	+9%	+300	+17%
The 2014/15 Business Plan included a £600k savings target against IT Managed budgets. IT Services have been reviewing contract arrangements across LGSS partners, but it is apparent that the £600k target for Cambridgeshire was overly optimistic. Therefore, IT Managed is showing an overspend of £300k. Should any further savings be identified, the forecast outturn will be updated accordingly.					

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Transformation Fund	1,000	-461	-531%	0	0%
The Transformation Fund is currently showing £451k of costs as a result of Section 188 redundancies. Based on a straight line spend profile, the variance to date is showing an underspend of £461k. There is therefore a potential opportunity for a year-end underspend on this budget, but spending of this nature is difficult to predict and so no forecast outturn is being included at this time.					
Debt Charges & Interest	34,142	-2,495	-38%	-250	-1%
The debt charges & interest budget is reporting an underspend of £250k. This is largely due to cash balances being higher than budgeted during the first half of the year. The debt charges budget was reduced by £1m when the Business Plan was approved in February in expectation of slippage in the capital programme, and this is expected to be met. The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and pragmatic approach to borrowing is adopted.					

CS APPENDIX 3 – Grant Income Analysis

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

Grant	Awarding Body	Expected Amount £000
Grants as per Business Plan	Public Health	265
Open Data Breakthrough Fund	Local Government Association	33
Non-material grants (+/- £30k)	Various	20
Total Grants 2014/15		265

CS APPENDIX 4 – Virements and Budget Reconciliation

Corporate Services:

	£000	Notes
Budget as per Business Plan	5,851	
Transfer HealthWatch function to CFA	-429	
Transfer post from Chief Executive's Office to Democratic Services	-30	
Corporate Services Operational Savings Transfer – Customer Relationship Management System	250	
Corporate Services Operational Savings Transfer - Service Transformation Funding	256	
Corporate Services Operational Savings Transfer - Digital by Default	184	
Corporate Services Operational Savings Transfer - Grants to Voluntary Organisations	48	
Transfer HealthWatch function back from CFA	429	
Non-material virements (+/- £30k)	38	
Current Budget 2014/15	6,598	

LGSS Managed:

	£000	Notes
Budget as per Business Plan	9,670	
Transfer funding for County Farms investment post to LGSS Cambridge	-50	
Transfer funding for County Farms staff to LGSS Cambridge Office	-85	
Non-material virements (+/- £30k)	16	
Current Budget 2014/15	9,551	

Financing Costs:

	£000	Notes
Budget as per Business Plan	34,142	
Non-material virements (+/- £30k)	0	
Current Budget 2014/15	34,142	

CS APPENDIX 5 – Reserve Schedule

1. Corporate Services Reserves

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 30/09/14		
	£'000	£'000	£'000	£'000	
<u>General Reserve</u>					
Corporate Services Carry-forward	1,314	-937	377	487	1
subtotal	1,314	-937	377	487	
<u>Equipment Reserves</u>					
Postal Service	50	0	50	50	
subtotal	50	0	50	50	
<u>Other Earmarked Funds</u>					
Travellers Support Officer	50	0	50	50	
Election Processes	0	0	0	194	
Cambs & Peterborough Resilience Forum	13	0	13	13	
EDRM Project	274	0	274	118	
subtotal	336	0	336	374	
<u>Short Term Provisions</u>					
Transforming Cambridgeshire	1,000	0	1,000	0	
subtotal	1,000	0	1,000	0	
TOTAL	2,701	-937	1,763	911	

Notes

- The year-end position reflects the forecast Corporate Services underspend of £131k, and £893k planned use of operational savings. Details on operational savings allocated to date can be found in CS Appendix 4.

2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 30/09/14		
	£'000	£'000	£'000	£'000	
Equipment Reserves					
Corporate Infrastructure Replacement & Renewals	79	0	79	79	
Corporate ICT Assets	475	0	475	335	
Corporate Telephony	5	0	5	5	
subtotal	559	0	559	419	
Short Term Provisions					
Carbon Trading Provision	459	-441	19	0	1
Insurance Short-term Provision	1,180	0	1,180	1,180	
Insurance MMI Provision	400	-381	19	0	
Redundancy Provision	826	-826	0	0	2
subtotal	2,866	-1,648	1,218	1,180	
Long Term Provisions					
Insurance Long-term Provision	4,721	0	4,721	4,721	
subtotal	4,721	0	4,721	4,721	
SUBTOTAL	8,146	-1,648	6,498	6,320	
Capital Reserves					
General Capital Receipts	0	1,761	1,761	0	3
P&P Commissioning (Property)	472	0	472	472	
Blackwell Travellers Site	9	0	9	9	
subtotal	481	1,761	2,242	481	
TOTAL	8,627	114	8,741	6,801	

Notes

- 1 A specific provision was created in lieu of carbon trading credits to be purchased for 2013/14.
- 2 The specific provision for Section 188 redundancy costs has been drawn-down to cover revenue costs incurred in 2014/15.
- 3 Capital Receipts achieved in 2014/15 will be used to fund the capital programme at year-end.

CS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure – Previously Reported Exceptions

Corporate Services & LGSS Managed Capital Programme 2014/15						TOTAL SCHEME	
Original 2014/15 Budget as per BP £000	Scheme	Revised Budget for 2014/15 £000	Actual Spend (to Sep) £000	Forecast Spend - Outturn (Sep) £000	Forecast Variance - Outturn (Sep) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	Corporate Services						
	- Electronic Record Management	155	13	155	-	300	-
	- Other Schemes	30	-	30	-	40	-
		185	13	185	-	340	-
	LGSS Managed						
1,110	EPAM - Shire Hall Campus	1,101	104	1,101	-	6,824	-
	- EPAM - Fenland	130	(250)	130	-	6,596	(925)
804	EPAM - Local Plans Representations	814	54	814	-	1,548	-
1,000	EPAM - County Farms Viability	1,009	104	1,009	-	8,031	-
600	EPAM - Building Maintenance	600	396	600	-	8,567	-
625	EPAM - Sawston Community Hub	625	6	65	(560)	1,250	-
1,150	EPAM - East Barnwell Community Hub	1,200	2	200	(1,000)	2,350	-
232	EPAM - Other Committed Projects	456	(241)	456	-	2,043	(264)
600	EPAM - Renewable Energy Soham	600	-	600	-	10,245	-
300	EPAM - Housing Provision on CCC Portfolio	300	-	300	-	17,500	-
950	EPAM - Trumpington Option Land	950	-	-	(950)	950	(950)
75	EPAM - Disposal / Relocation of Huntingdon Highways Depot	75	-	75	-	1,625	-
1,000	EPAM - MAC Market Towns Project	1,000	-	300	(700)	7,000	(5,220)
1,470	Carbon Reduction	1,143	(3)	1,143	-	1,673	(119)
	- Fire Compartment Surveys & Implementation	-	-	-	-	-	-
1,100	Optimising IT for Smarter Business Working	1,100	-	600	(500)	2,100	-
600	IT Infrastructure Investment	988	35	988	-	2,400	-
	- Cambridgeshire Public Sector Network	357	107	357	-	5,500	-
	- Microsoft Enterprise Agreement	-	-	402	402	1,500	-
590	Other Schemes	848	30	653	(195)	2,368	(282)
12,206		13,296	345	9,793	(3,503)	90,070	(7,761)
12,206	TOTAL	13,481	358	9,978	(3,503)	90,410	(7,761)

Residual work on the Awdry House site will be completed in 2014/15. Upon completion, this will result in a total scheme underspend of £0.9m, as reported in 2013/14, due to:

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

The MAC Public Property Partnership & Market Towns project has been reassessed and it has been concluded that the Property Partnership will not be developed over the next few years as MAC wishes to focus on more practical projects. The deliverability of the various Market Town projects have been re-evaluated in light of this decision and it has been decided to focus on taking the March Market Town project forward. This is currently expected to result in an in-year underspend of £0.7m, and a total scheme underspend of £5.2m. As a result, the scheme budget is expected to be adjusted as part of the 2015/16 Business Planning process.

The EPAM – Sawston Community Hub scheme is forecasting an in-year underspend of £0.6m. The slippage is due to the extended lead time prior to start of construction that was not anticipated when the budget was profiled in the 2014/15 Business Planning and does not reflect a reduction in total scheme costs.

Similarly, the EPAM – East Barnwell Community Hub scheme is currently forecasting an in-year underspend of £1.0m due to the extended lead time prior to the start of construction that was not anticipated when the budget was profiled in 2014/15 Business Planning. This does not reflect a reduction in total scheme costs.

The EPAM – Trumpington Option Land scheme is not expected to proceed in the current financial year, resulting in an underspend of £1.0m. Going forward, the project will be incorporated within the wider City Deal schemes currently under development as part of the ETE Business Planning capital programme.

The Optimising IT for Smarter Business Working scheme is forecasting an in-year underspend of £0.5m. This reflects an updated spend profile for the purchase of equipment to support the Smarter Business programme, and is not expected to result in a reduction in total scheme costs.

Capital Funding – Previously Reported Exceptions

Corporate Services & LGSS Managed Capital Programme 2014/15				
Original 2014/15 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2014/15 £000	Forecast Spend - Outturn (Sep) £000	Forecast Funding Variance - Outturn (Sep) £000
	Corporate Services			
-	Prudential Borrowing	185	185	-
		185	185	-
	LGSS Managed			
4,669	Capital Receipts	4,669	4,488	(181)
1,000	Other Contributions	1,000	-	(1,000)
6,537	Prudential Borrowing	7,627	5,305	(2,322)
12,206		13,627	9,793	(3,503)
12,206	TOTAL	13,812	9,978	(3,503)

As the result of the reported slippage on the LGSS Managed capital programme, the overall prudential borrowing requirement has reduced by £2.3m.

The inclusion of the EPAM – Trumpington Option Land scheme within the City Deal schemes has resulted in a corresponding £1.0m reduction in funding (other contributions) in relation to this scheme

LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of September 2014 for LGSS Cambridge Office are as follows:

Forecast Variance - Outturn (Aug) £000	Service	Current Budget for 2014/15 £000	Expected to end of Sep £000	Actual to end of Sep £000	Current Variance £000	%	Forecast Variance - Outturn (Sep) £000	%
LGSS Cambridge Office								
<u>Central Management</u>								
-20	Service Assurance	379	236	192	-43	-18	-45	-12
0	Trading	-8,306	-4,334	-4,168	166	4	207	2
55	LGSS Equalisation	-538	-366	774	1,140	311	-79	-15
0	Grant Income	-220	-110	-110	0	0	0	0
35		-8,685	-4,574	-3,312	1,262	28	83	-1
<u>Finance</u>								
0	Chief Finance Officer	1,102	502	508	6	1	0	0
0	Strategic Finance	30	40	40	0	0	-1	-5
0	Strategic Assets	788	434	386	-48	-11	0	0
0	CF, ETE, CS & LGSS Finance	661	315	318	3	1	18	3
-16	CFA Finance	1,427	642	592	-50	-8	-44	-3
0	Pensions Service	0	248	197	-51	-21	0	0
-16		4,008	2,181	2,040	-141	-6	-28	-1
<u>People, Transformation & Transactional</u>								
-21	HR Business Partners	1,219	653	583	-70	-11	-65	-5
0	HR Policy & Strategy	410	251	121	-130	-52	0	0
0	LGSS Programme Team	2,189	1,099	1,227	128	12	0	0
0	Organisational & Workforce Development	594	345	282	-64	-18	0	0
0	Revenues and Benefits	2,266	1,120	1,190	70	6	0	0
-16	Transactional Services	1,568	1,158	927	-232	-20	-16	-1
-37		8,245	4,628	4,330	-298	-6	-81	-1
<u>Law, Property & Governance</u>								
0	Audit & Risk Management	757	613	365	-247	-40	0	0
-64	Democratic & Scrutiny Services	521	231	165	-65	-28	-64	-12
50	Legal Services	-383	-21	38	59	-286	50	13
-25	Procurement	340	161	129	-32	-20	-25	-7
0	Property Operations & Delivery	715	1,016	651	-365	-36	0	0
-39		1,951	1,999	1,349	-651	-33	-39	-2
-5	<u>IT Services</u>	5,007	3,150	3,148	-2	0	-5	0
-62	Total LGSS Cambridge Office	10,527	7,383	7,554	170	2	-70	-1
MEMORANDUM - Grant Income								
0	Public Health Grant	-220	-110	-110	0	0	0	0
0		-220	-110	-110	0	0	0	0

LGSS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Current Variance		Forecast Variance - Outturn	
		£'000	%	£'000	%
Trading	-8,306	166	+4%	+207	+2%
<p>There is currently a shortfall of £207k on the trading position which relates to the requirement for additional trading activity in 2014/15. It is expected that some of this shortfall will be mitigated through new trading opportunities; where this is the case, the forecast outturn will be updated as these are established. The current pressure is being mitigated within LGSS and is offset by a number of identified operational underspends.</p>					

LGSS APPENDIX 3 – Grant Income Analysis

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

Grant	Awarding Body	Expected Amount £'000
Grants as per Business Plan	Public Health	220
Non-material grants (+/- £30k)		0
Total Grants 2014/15		220

LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
Budget as per Business Plan	10,351	
Funding for County Farms investment post from LGSS Managed	50	
Transfer post from Chief Executive's Office to Democratic Services	30	
Transfer funding for County Farms staff	85	
Non-material virements (+/- £30k)	11	
Current Budget 2014/15	10,527	

LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2014	2014-15		Forecast Balance at 31 March 2015	Notes
		Movements in 2014-15	Balance at 30/09/14		
	£'000	£'000	£'000	£'000	
General Reserve					
LGSS Cambridge Office Carry-forward	1,116	-18	1,098	123	1
subtotal	1,116	-18	1,098	123	
Equipment Reserves					
Legal Services	85	0	85	0	
subtotal	85	0	85	0	
SUBTOTAL	1,201	-18	1,183	123	
Capital Reserves					
Legal Services	30	0	30	0	
subtotal	30	0	30	0	
TOTAL	1,231	-18	1,213	123	

Notes

- The year-end position reflects £1.045m planned use of operational savings and the currently forecast underspend of £70k.

LGSS APPENDIX 6 – Capital Expenditure and Funding

Capital Expenditure – Previously Reported Exceptions

LGSS Cambridge Office Capital Programme 2014/15						TOTAL SCHEME	
Original 2014/15 Budget as per BP £000	Scheme	Revised Budget for 2014/15 £000	Actual Spend (to Sep) £000	Forecast Spend - Outturn (Sep) £000	Forecast Variance - Outturn (Sep) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	- R12 Convergence	382	-	382	-	600	-
	- Other Schemes	30	-	30	-	30	-
	- TOTAL	412	-	412	-	630	-

There are no previous exceptions to report.

Capital Funding – Previously Reported Exceptions

LGSS Cambridge Office Capital Programme 2014/15				
Original 2014/15 Funding Allocation as per BP £000	Source of Funding	Revised Funding for 2014/15 £000	Forecast Spend - Outturn (Sep) £000	Forecast Funding Variance - Outturn (Sep) £000
	- Other Contributions	30	30	-
	- Prudential Borrowing	382	382	-
	- TOTAL	412	412	-

There are no previous exceptions to report.