

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

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

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

Monthly Indicators	Red	Amber	Green	Total
August (Number of indicators)	2	2	6	10

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

Outturn Variance (Aug) £'000	Directorate	Budget £'000	Actual £'000	Outturn Variance (Sep) £'000	Outturn Variance (Sep) %
-72	Corporate & Customer Services	6,691	3,288	-126	-1.9%
182	Corporate Savings & Funding	-1,125	-186	220	19.6%
	Business Improvement & Development	902	1,905	-7	-0.8%
0	Deputy Chief Executive	325	43	-43	-13.1%
-1,176	Financing Costs	25,983	3,702	-1,176	-4.5%
115	LGSS Managed	11,186	8,689	126	1.2%
<b>-951</b>	<b>Total</b>	<b>43,962</b>	<b>17,441</b>	<b>-1,005</b>	<b>-2.3%</b>

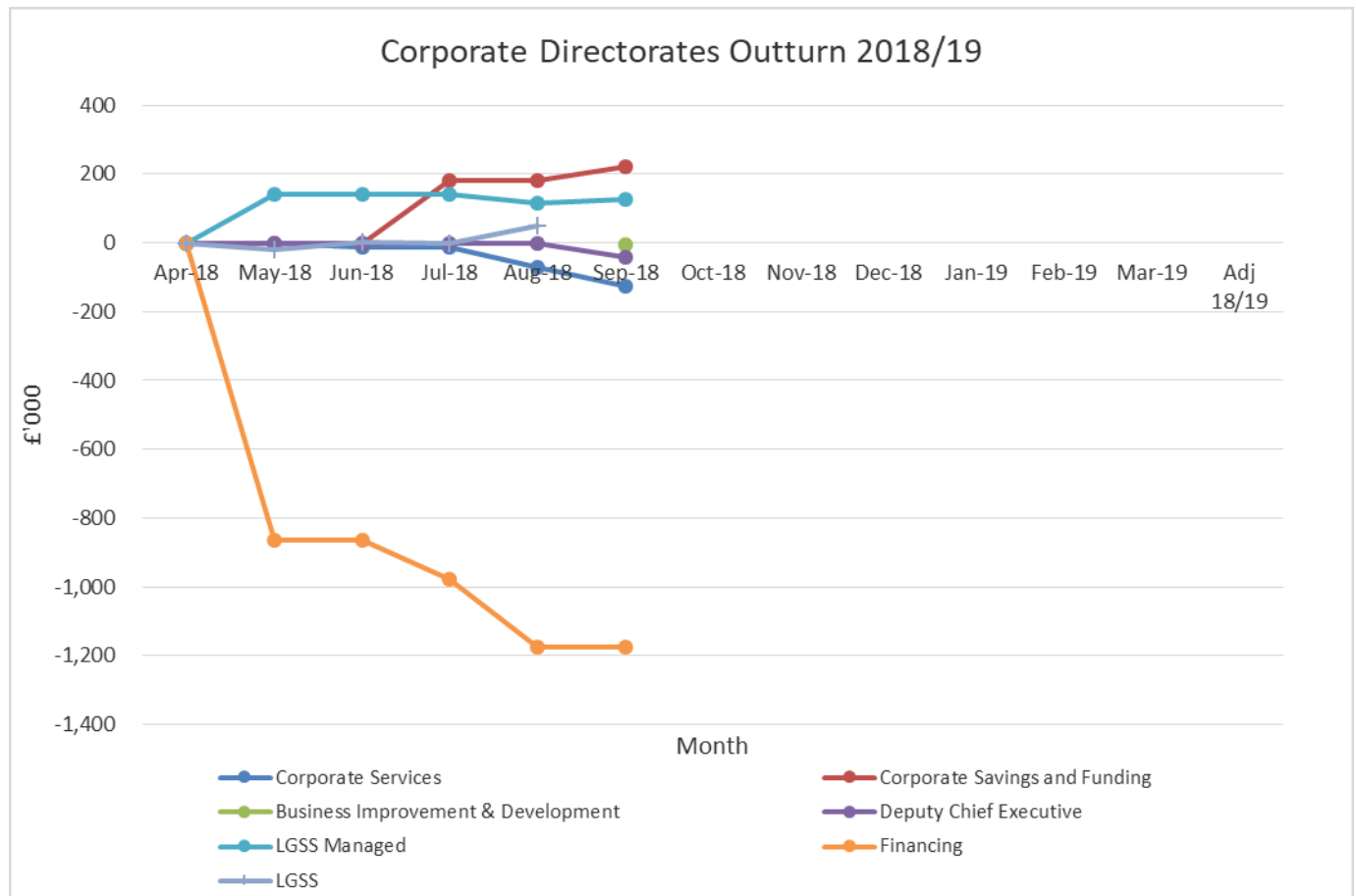
The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for September 2018 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for September 2018 can be found in [LGSS appendix 1](#). The position on the LGSS trading contracts will be included here going forward. Pressures and deficits within LGSS Operational budgets are

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

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

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



### **2.1.1 Significant Issues – Corporate and Customer Services**

Corporate and Customer Services budgets are currently predicting an underspend of £126k, which is an additional underspend of £54k compared to the previous forecast.

There are no exceptions to report this month.

### **2.1.2 Significant Issues – Corporate Savings and Funding**

Corporate Savings and Funding budgets are currently predicting an overspend of £220k due to savings targets that are not expected to be met in the year; which is an addition overspend of £38k compared to the previous forecast.

There are no new exceptions to report this month.

### **2.1.3 Significant Issues – Business Improvement & Development**

Business Improvement & Development budgets are currently predicting an underspend of £7k.

There are no new exceptions to report this month.

### **2.1.4 Significant Issues – Deputy Chief Executive**

The Deputy Chief Executive budget is currently predicting an underspend of £43k, which is an increase of £43k from last month. This relates to the local authority contribution towards the LEP administration costs that the Combined Authority have agreed to absorb.

### **2.1.5 Significant Issues – LGSS Managed**

LGSS Managed budgets are currently predicting an overspend of £126k at year-end, which is an increase of £11k from the previous forecast. This is mainly due to an increase in IT costs due to a change in telephony licensing.

There are no new exceptions to report this month.

### **2.1.6 Significant Issues – Financing Costs**

Financing Costs are currently predicting an underspend of £1.18m, same as last month. This is due to a change in the payment of Minimum Revenue Provision and a rebate of bank fees on international payments. Following a review of cashflow forecasts and borrowing requirements, the interest payable forecast has been revised giving an additional £200k forecast underspend.

### 2.1.7 Significant Issues – LGSS Cambridge Office

LGSS Cambridge Office is currently predicting an overspend of £51k, which is an increase of £53k from the previous forecast. This is due to an increased overspend on Managing Director & Support and decrease in the income expected from the trading contracts.

There are no exceptions to report this month.

### 2.1.8 Additional Income and Grant Budgeted this Period

**(De minimis reporting limit = £30,000)**

There were no new items recorded during September 2018.

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

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

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

**(De minimis reporting limit = £30,000)**

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

#### Corporate and Customer Services:

	£000	Notes
Resources Directorate	95	Savings in children services applied to corporate savings target
Non-material virements (+/- £30k)	0	

### **3. BALANCE SHEET**

#### **3.1 Reserves**

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

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

#### **3.2 Capital Expenditure and Funding**

##### Expenditure

- Corporate Services and Transformation schemes have a capital budget of £5.4m in 2018/19 and there is expenditure of £772k to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

There are no new material variances to report this month.

- LGSS Managed has a capital budget of £5.9m in 2018/19 and there is expenditure of £934k to date. In-year, an underspend of £1.1m is forecast. The total scheme forecast is an underspend of £125k.

The Cambridgeshire Public Sector Network Replacement project is forecasting an underspend of £2.5m in 2018-19. This is due to a revised timescale for this project; the previous contract was extended, so the process to move buildings across to the new network has started on a revised timescale.

The Libraries IT Network refresh is forecasting a total scheme underspend of £125k. This is due to the size of the project being smaller than initially expected.

The LGSS Managed Variation Budget of £1.5m has been entirely used up by the above underspends. This leaves a total variance of £1.1m underspend in 2018-19.

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

There are no new material variances to report this month.

##### Funding

- Corporate Services and Transformation schemes have capital funding of £5.4m in 2018/19. The Corporate Services capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

There are no new material variances to report this month.

- LGSS Managed has capital funding of £5.9m in 2018/19. The LGSS Managed capital programme as a whole is forecasting an underspend of £1.1m in 2018/19, as reported above. This will reduce the Prudential Borrowing requirement by this amount.
- LGSS Cambridge Office has capital funding of £0.1m in 2018/19. The LGSS Cambridge Office capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

There are no new material variances to report this month.

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

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

#### **4. PERFORMANCE**

- 4.1** The key performance indicators for Corporate and Customer Services and LGSS Managed Services are set out in [CS Appendix 7](#). Key performance indicators for LGSS Cambridge Office are not reported here as the information for these is not yet available.

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