

Section 4 – D: LGSS – Cambridge Office Overview

Services to be provided

LGSS is a partnership between Cambridgeshire County Council (CCC) and Northamptonshire County Council (NCC) to provide an extensive range of professional and transactional business support services to the two councils and other public bodies.

The aim of LGSS is to provide high quality services at low costs by:

- Sharing the cost of management and specialists
- Effective and efficient use of technology
- Simplifying and standardising processes and procedures
- Making economies of scale and generating income
- Growth through provision of services to wider partners

The services provided to Cambridgeshire County Council are as follows:

- Audit, Risk and Insurance
- Business Transformation
- Customer Services – Helpdesk
- Democratic Services
- Finance
- IT Operations
- IT Strategy
- Legal Services
- Pensions Service

- Performance and Service Assurance
- Procurement
- Property Services
- Revenues and Benefits
- Strategic Asset Management
- Strategic HR and Advisory
- Transactional Services: Debt & Assessment, Payroll & Recruitment, Procure to Pay & Accountancy, Service Improvement
- Workforce Development
- Workforce Strategy and Policy

LGSS discharges certain statutory duties under the Local Government Act, particularly in respect of those that fall to the:

- Section 151 Officer
- Monitoring Officer

In addition to these duties LGSS is responsible for discharging specific duties in respect of employment law, procurement law, and pension administration and investments (this list is not exhaustive).

Key outcomes and priorities of the service

Details of the outcomes and priorities of LGSS-provided corporate services are set out in the LGSS Strategic Plan.

In summary the intent is to offer a full and comprehensive range of professional and transactional business support services to the two partnering authorities and other partners, including Northampton Borough Council, Norwich City Council and Huntingdonshire District Council.

The aim is for the performance of the services in qualitative terms to be no less than the upper quartile for local authorities, at a cost that is no more than the lower quartile for authorities as measured by "industry standard" benchmarks.

How will our services change as a result of this Business Plan?

LGSS is continuing to deliver the outcomes in its Strategic Plan.

There has been a significant joining together of teams across Cambridgeshire and Northamptonshire since commencement of the partnership. LGSS has been able to converge processes and procedures allowing the co-location of teams in the provision of transactional services.

LGSS continues to make the best use of technology to provide efficient services, with new developments such as e-recruitment, a new asset management tool, and a financial reporting tool due to come into operation in the coming months.

LGSS will achieve growth by being the preferred "partner of choice" for pan-public sector organisations within the region of our founding counties and their adjacent areas. We

differentiate ourselves through being 'by the public sector for the public sector' and by offering the best value alternative to traditional outsourcing.

We provide a full range of business, professional, strategic and transactional support services to help enable business transformation for our customers in a way that provides local economic benefits through maintaining employment in our region.

LGSS will continue to be open to a third major shareholder customer from within the region that has the same business ethos, is of a similar scale, and offers a compelling business case.

LGSS will continue to expand with new, non-shareholding customers from within the region with particular emphasis on working with local authorities, health and social care, schools and police services.

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Table 1: Revenue - Summary of Net Budget by Operational Division
Budget Period: 2015-16 to 2019-20

Net Revised Opening Budget 2015-16 £000	Policy Line	Gross Budget 2015-16 £000	Fees, Charges & Ring-fenced Grants 2015-16 £000	Net Budget 2015-16 £000	Net Budget 2016-17 £000	Net Budget 2017-18 £000	Net Budget 2018-19 £000	Net Budget 2019-20 £000
	Central Management							
379	Service Assurance	344	-	344	287	234	234	234
-8,526	Trading	407	-9,500	-9,093	-8,778	-9,003	-9,103	-9,103
-8,147	Subtotal Central Management	751	-9,500	-8,749	-8,491	-8,769	-8,869	-8,869
	Finance							
1,071	Chief Finance Officer	1,103	-86	1,017	876	767	767	767
30	Strategic Finance	82	-52	30	30	30	30	30
907	Strategic Assets	885	-2	883	846	809	809	809
675	CF, ETE, CS & LGSS Finance	686	-	686	686	686	686	686
1,323	CFA Finance	1,794	-497	1,297	1,297	1,297	1,297	1,297
-	Pensions Service	1,039	-1,071	-32	-63	-94	-94	-94
4,006	Subtotal Finance	5,589	-1,708	3,881	3,672	3,495	3,495	3,495
	People, Transformation & Transactional							
-205	Director of People, Transformation & Transactional	59	-264	-205	-331	-411	-411	-411
1,208	HR Business Partners	1,192	-	1,192	1,192	1,192	1,192	1,192
368	HR Policy & Strategy	439	-64	375	375	375	375	375
2,189	LGSS Programme Team	2,294	-104	2,190	2,190	2,190	2,190	2,190
594	Organisational & Workforce Development	655	-52	603	603	603	603	603
2,266	Revenues & Benefits	2,266	-	2,266	2,266	2,266	2,266	2,266
1,629	Transactional Services	1,914	-267	1,647	1,647	1,647	1,647	1,647
8,049	Subtotal People, Transformation & Transactional	8,819	-751	8,068	7,942	7,862	7,862	7,862
	Law, Property & Governance							
-422	Director of Law, Property & Governance	24	-446	-422	-547	-653	-653	-653
758	Audit & Risk Management	959	-210	749	749	749	749	749
-383	Legal Services	-103	-303	-406	-406	-406	-406	-406
521	Democratic & Scrutiny Services	508	-19	489	464	457	457	457
340	Procurement	357	-37	320	320	320	320	320
757	Property Operations & Delivery	980	-256	724	724	724	724	724
1,571	Subtotal Law, Property & Governance	2,725	-1,271	1,454	1,304	1,191	1,191	1,191

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Net Revised Opening Budget 2015-16 £000	Policy Line	Gross Budget 2015-16 £000	Fees, Charges & Ring-fenced Grants 2015-16 £000	Net Budget 2015-16 £000	Net Budget 2016-17 £000	Net Budget 2017-18 £000	Net Budget 2018-19 £000	Net Budget 2019-20 £000
5,113	IT Services IT Services	5,210	-	5,210	5,147	5,110	5,110	5,110
5,113	Subtotal IT Services	5,210	-	5,210	5,147	5,110	5,110	5,110
	Future Years							
-	Inflation	-	-	-	306	506	755	989
-	Savings	-	-	-	-	-7	-681	-1,071
10,592	LGSS - CAMBRIDGE OFFICE BUDGET TOTAL	23,094	-13,230	9,864	9,880	9,388	8,863	8,707

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Table 2: Revenue - Net Budget Changes by Operational Division
Budget Period: 2015-16

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
Central Management							
Service Assurance	379	10	-	12	-	-57	344
Trading	-8,526	-	-	-	-	-567	-9,093
Subtotal Central Management	-8,147	10	-	12	-	-624	-8,749
Finance							
Chief Finance Officer	1,071	3	-	-	-	-57	1,017
Strategic Finance	30	1	-	-	-	-1	30
Strategic Assets	907	21	-	-	-	-45	883
CF, ETE, CS & LGSS Finance	675	17	-	-	-	-6	686
CFA Finance	1,323	39	-	-	-	-65	1,297
Pensions Service	-	-	-	-	-	-32	-32
Subtotal Finance	4,006	81	-	-	-	-206	3,881
People, Transformation & Transactional							
Director of People, Transformation & Transactional	-205	-	-	-	-	-	-205
HR Business Partners	1,208	25	-	-	-	-41	1,192
HR Policy & Strategy	368	10	-	-	-	-3	375
LGSS Programme Team	2,189	37	-	-	-	-36	2,190
Organisational & Workforce Development	594	12	-	-	-	-3	603
Revenues & Benefits	2,266	-	-	-	-	-	2,266
Transactional Services	1,629	36	-	23	-	-41	1,647
Subtotal People, Transformation & Transactional	8,049	120	-	23	-	-124	8,068
Law, Property & Governance							
Director of Law, Property & Governance	-422	-	-	-	-	-	-422
Audit & Risk Management	758	9	-	-	-	-18	749
Legal Services	-383	2	-	-	-	-25	-406
Democratic & Scrutiny Services	521	12	-	-	-	-44	489
Procurement	340	9	-	-	-	-29	320
Property Operations & Delivery	757	13	-	-	-	-46	724
Subtotal Law, Property & Governance	1,571	45	-	-	-	-162	1,454

Section 4 - D: LGSS - Cambridge Office**Table 2: Revenue - Net Budget Changes by Operational Division
Budget Period: 2015-16**

Policy Line	Net Revised Opening Budget £000	Net Inflation £000	Demography & Demand £000	Pressures £000	Investments £000	Savings & Income Adjustments £000	Net Budget £000
IT Services							
IT Services	5,113	59	-	100	-	-62	5,210
Subtotal IT Services	5,113	59	-	100	-	-62	5,210
LGSS - CAMBRIDGE OFFICE BUDGET TOTAL	10,592	315	-	135	-	-1,178	9,864

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Table 3: Revenue - Overview

Budget Period: 2015-16 to 2019-20

Ref	Title	Detailed Plans					Outline Plans			Type	Description
		2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000					
1	OPENING GROSS EXPENDITURE	24,069	23,094	22,822	22,452	22,049					
D/R.1.001	Base Adjustments	-915	-	-	-	-	-	New		Adjustment for permanent changes to base budget from decisions made in 2014-15.	
D/R.1.002	Increased expenditure funded by ring-fenced grant	190	-190	-	-	-	-	New		New funding for Counter Fraud Initiative project.	
1.999	REVISED OPENING GROSS EXPENDITURE	23,344	22,904	22,822	22,452	22,049					
2	INFLATION										
D/R.2.001	Inflation	330	328	222	271	256	Modified			Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.	
2.999	Subtotal Inflation	330	328	222	271	256					
3	DEMOGRAPHY AND DEMAND										
3.999	Subtotal Demography and Demand	-	-	-	-	-					
4	PRESSURES										
D/R.4.001	Single-tier State Pension	-	320	-	-	-	New			The Government plans to abolish the State Second Pension on 1st April 2015. The Council currently receives a rebate on the amount of National Insurance contributions it pays as an employer because it has "contracted out" of the State Second Pension. This rebate will cease when the State Second Pension is abolished, resulting in an increase in the cost of National Insurance contributions which the Council is required to pay.	
D/R.4.002	Service Realignment	135	-	-	-	-	New			Realignment of resources across LGSS services, funded by additional savings identified in 2015/16.	
4.999	Subtotal Pressures	135	320	-	-	-					
5	INVESTMENTS										
5.999	Subtotal Investments	-	-	-	-	-					
6	SAVINGS										
D/R.6.001	Central Management Service Assurance savings & efficiencies	-53	-53	-53	-	-	New			Savings to be achieved within Service Assurance.	
D/R.6.101	Finance Finance savings & efficiencies	-174	-177	-177	-	-	New			Savings to be achieved across the Finance directorate.	

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Ref	Title	Detailed Plans					Outline Plans		Type	Description
		2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000				
D/R.6.201	People, Transformation & Transactional People, Transformation & Transactions savings & efficiencies	-80	-80	-80	-	-	New	Savings to be achieved across People, Transformation & Transactions.		
D/R.6.301	Law, Property & Governance Law, Property & Governance savings & efficiencies	-106	-106	-106	-	-	New	Savings to achieved across Law, Property & Governance.		
D/R.6.303	Democratic & Scrutiny Savings	-34	-25	-7	-	-	Existing	Savings to be achieved by Democratic & Scrutiny Services following transfer from Corporate Services.		
D/R.6.401	IT Services IT savings & efficiencies	-37	-37	-37	-	-	New	Savings to be achieved across LGSS IT.		
D/R.6.502	LGSS Cross-Directorate Employment Review	-127	-127	-	-	-	Existing	Savings from employment review.		
D/R.6.503	Cross-cutting Contracts Review	-104	-125	-125	-	-	New	Efficiencies to be delivered from an LGSS-wide cross-cutting review of contracts.		
D/R.6.999	Unidentified Savings	-	-	-7	-674	-390	New	Savings to be identified during future years' Business Planning processes.		
6.999	Subtotal Savings	-715	-730	-592	-674	-390				
TOTAL GROSS EXPENDITURE		23,094	22,822	22,452	22,049	21,915				
7	FEES, CHARGES & RING-FENCED GRANTS									
D/R.7.001	Previous year's fees, charges & ring-fenced grants	-12,562	-13,230	-12,942	-13,064	-13,186	Existing	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.		
D/R.7.002	Fees and charges inflation	-15	-22	-22	-22	-22	Existing	Uplift in external charges to reflect inflation pressures on the costs of services.		
D/R.7.101	Changes to fees & charges Future Sharing and Trading	-463	-100	-100	-100	-	Existing	Additional surplus from further sharing / trading.		
D/R.7.201	Changes to ring-fenced grants Change in Public Health Grant	-	220	-	-	-	Existing	Change in ring-fenced Public Health grant to reflect treatment as a corporate grant from 2016-17 due to removal of ring-fence.		
D/R.7.202	Counter Fraud Initiative Grant	-190	190	-	-	-	New	Funding for Counter Fraud Initiative project.		
7.999	Subtotal Fees, Charges & Ring-fenced Grants	-13,230	-12,942	-13,064	-13,186	-13,208				
TOTAL NET EXPENDITURE		9,864	9,880	9,388	8,863	8,707				

FUNDING SOURCES

8	FUNDING OF GROSS EXPENDITURE							
D/R.8.001	Cash Limit Funding	-9,864	-9,880	-9,388	-8,863	-8,707	Existing	Net spend funded from general grants, business rates and Council Tax.

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Budget Period: 2015-16 to 2019-20

Detailed Plans	Outline Plans				
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Ref	Title	2015-16 £000	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000	Type	Description
D/R.8.002	Cambridgeshire Maintained Schools income	-496	-506	-516	-526	-537	Modified	Expected income from Cambridgeshire maintained schools.
D/R.8.003	Fees & Charges	-12,324	-12,436	-12,548	-12,660	-12,671	Modified	Fees and charges for the provision of services.
D/R.8.004	Public Health Grant	-220	-	-	-	-	Existing	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.
D/R.8.005	Counter Fraud Initiative Grant	-190	-	-	-	-	New	Counter Fraud Initiative funding.
8.999	TOTAL FUNDING OF GROSS EXPENDITURE	-23,094	-22,822	-22,452	-22,049	-21,915		

MEMORANDUM: SAVINGS / INCREASED INCOME					
Savings	-715	-730	-592	-674	-390
Changes to fees & charges	-463	-100	-100	-100	-
TOTAL SAVINGS / INCREASED INCOME	-1,178	-830	-692	-774	-390

MEMORANDUM: NET REVISED OPENING BUDGET					
Revised Opening Gross Expenditure	23,344	22,904	22,822	22,452	22,049
Previous year's fees, charges & ring-fenced grants	-12,562	-13,230	-12,942	-13,064	-13,186
Changes to fees, charges & ring-fenced grants in revised opening budget	-190	410	-	-	-
NET REVISED OPENING BUDGET	10,592	10,084	9,880	9,388	8,863