

Budget Monitoring Position – March 2017

People & Business Change

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,371	6,371	6,371	6,371	6,401	6,415	6,421	6,421	6,421	6,421	6,421	6,421
Forecast (£'000)	6,371	6,371	6,361	6,326	6,336	6,353	6,346	6,237	6,260	6,264	6,251	6,205
Variance (£'000)	0	0	-10	-45	-65	-62	-75	-184	-161	-157	-170	-216

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	4,988	4,988	4,988	4,988	5,019	5,019	5,038	5,226	5,226	5,226	5,226	5,226
Forecast (£'000)	4,988	4,988	4,979	4,980	4,941	4,928	4,927	5,001	4,990	4,934	4,936	4,932
Variance (£'000)	0	0	-9	-8	-78	-91	-111	-225	-236	-292	-290	-294

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	411	411	411	411	411	411	411	411	411	411	411	411
Savings Realised (£'000)	411	411	411	411	411	401	401	401	401	406	406	409
Variance (£'000)	0	0	0	0	0	10	10	10	10	5	5	2
FIP Reconciliation period		MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MAR

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
IT – Shared Resources Services	-70	-70	0	Amber	NCC became a partner on April 1 st 2017 so this saving is secure.

Budget Monitoring Position – March 2017

People & Business Change

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Welsh Language Translation	0	0	0	0	0	0	0	-80	-80	-120	-130	-147
Mail Room Clean Mail rebate	0	0	-17	0	-27	-23	-17	-17	-12	-12	-12	15
Partnerships - Youth Support Service & Wellbeing Act Consultancy costs, Positive Futures funding	0	0	16	0	0	0	0	32	32	88	88	85
HR Staffing	0	0	0	-16	-36	-34	-33	-33	-21	-20	-29	-27
Business Development	0	0	0	-8	-7	0	5	5	5	4	4	32
IT - SRS resource costs & capital contribution	0	0	0	-9	23	29	15	50	75	155	155	98
Training Unit - Running Costs	0	0	0	0	-20	-20	-24	-24	-40	-40	-40	-51
Information Governance staffing	0	0	0	0	0	0	-44	-48	-48	-39	-40	-47
Variance (£'000)	0	0	-1	-33	-67	-48	-98	-115	-89	16	-4	-42

change since last month

(Including non delivery of MTRP savings)



There is an MTRP target within 2016/17 for £70k which assumes that the IT department will enter into a partnership with the SRS. The business case has been approved by the constituent partners within the SRS and a transfer date of April 1st was achieved. Any associated costs to moving to the SRS in 2016/17 have been forecast to be absorbed within the current budget.



The STEP project currently makes a contribution to the IT service of approximately £300k. This contributes to the general infrastructural costs of IT, from which schools benefit. If any schools decide not to renew their contract there is potential for there to be a proportionate impact on the overall IT budget. Work is currently underway to enable us to forecast over the next three years.

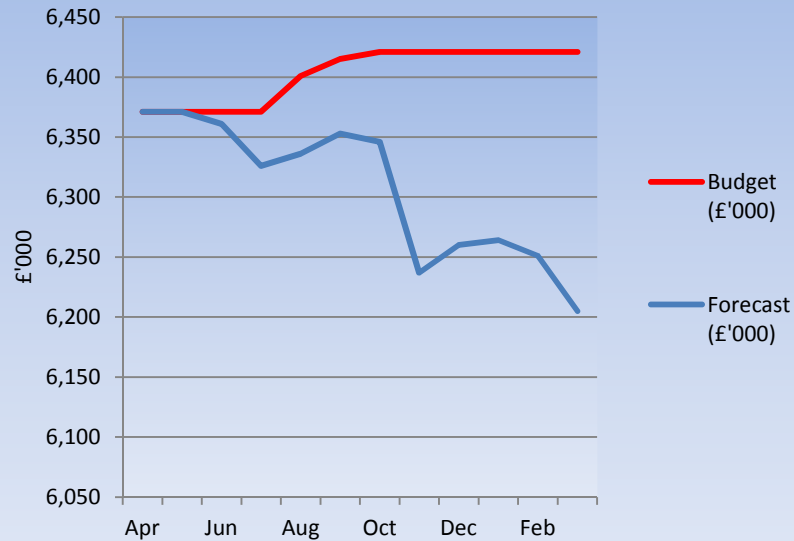


Welsh Language translation out turned at £147k underspent. Initial estimates were based on an understanding of the standards and the risk of non compliance for the organisation. The underspend has been forecast as additional resources to support the project were not recruited until September and expenditure on the web site did not commence until later on in the year. Further demand is anticipated going forward into 2017/18 as the organisation fully understands the requirements and the Act and more processes are updated.

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People & Business Change

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2016/17 Forecast History



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- There has been an increase in the variance for March. Variances have been due to staffing budgets. However, there has been a further variance with the Welsh Language Budget as translations are finalised for the year, and the IT budget. The HR budget has absorbed some additional expenditure to support broader workforce budgets into 2017/18.
- The Welsh Language budget needs to be monitored closely and we will need to set realistic forecasts for 2017/18.

Non Delivery of MTRP Savings

- Street Naming and Numbering has underachieved by £1.7k.

Budget Monitoring Position – March 2017

People & Business Change

Head of Service Commentary

Head of Service comments/ summary:

Budgets across the Service Area have seen an additional variance in March as a result of a number of budget changes, including Welsh Language and IT. This is being monitored and managers are making more conservative estimates regarding filling vacancies as the year progresses. However, there have been some underestimates in relation to other resource budgets which needs to be rectified in the new financial year.

The risk associated with the development of a partnership with the SRS have been rightly highlighted. However, we formally entered the partnership on April 1st and staff have now transferred from NCC to Torfaen.

Whilst an underspend in Welsh language has been forecast, it has proved complex due to the time lag in the implementation of the standards and also getting to a solution with regard to website translation. However, we need to get better at this in the new financial year.

Strategic Director Commentary

Strategic Director comments:

Whilst there are some variances within individual service areas, the overall position within the Corporate Services is showing a small underspend. This demonstrates good overall financial management.