

BUDGET MONITORING 2014/15 – Month 10

Report of Head of Partnership

Recommendations:

That members:

1. Note the projected outturn
2. Note variances and reason

Budget Monitoring Month 10

Summary

The Budget monitoring at month 10 indicates a potential for a under spend at the year-end (a trading surplus). The variance is mainly because of extra services being provided to Devon and Somerset Fire and Rescue, Torridge District Council, South Hams and West Devon councils and other local authorities. This has been offset by the increase in costs associated with employees and travel expenditure, due to the increase in workload.

Detailed Analysis

Employee costs overspend (£45,800 – 4%) is due to the continuation of temporary staff contracts and employment of extra staff, which have been needed because of the extra services required from the partnerships customers. These extra costs have been covered by the increase in income. However, employee overspend has reduce compared to previous months, due to a number of permanent staff leaving. Management have taken this opportunity to review the roles needed for the future and will be looking to fill these vacancies, but envisage that this process will not be completed by year end.

Projected **premises** costs have slightly increased (£2,400 - 6.3%) due to the increase around costs of office accommodation at Devon offices.

Transport costs have increased (£2,000 - 7.19%) because of the requirement for extra visits to customers, in-line with their request for extra services. These costs have been covered by the increase in income.

Supplies and services reduction (-£4,700 - 3.9%) is due to the review of using external agency staff and management's decision to reduce the need for these staff.

Income has grown (£50,100 - 5.13%) due to the supply of extra audit services to Devon and Somerset Fire and Rescue, Torridge District Council, South Hams and West Devon councils, Academy schools and other local authorities.

The table over analyses the under/over spend:

	2014/15 Base Budget	Projected Outturn	Variance
	£		£
Employees	1,156,900	1,202,700	45,800
Premises	38,100	40,500	2,400
Transport	27,800	29,800	2,000
Supplies & Services	121,200	116,500	(4,700)
Support	22,000	22,000	0
Income	(1,366,000)	(1,416,100)	(50,100)
Total	0	(4,600)	(4,600)

Variations (items over £1,000):

Employees – Staff Costs £ 45,800.

Premises – Rents and other landlord charges £ 2,000

Transport - Travel Expenses £ 2,000.

Supplies & Services – Equipment £ (1,200), Print and Design £ (1,100), Course/Exam Fees & Registration £ (4,000), IT Licenses £1,700, Subsistence £1,200, Subscriptions £ (2,000)

Income – £ (50,100) - due to increased service provision to Devon and Somerset Fire and Rescue Service, and other local authorities.

Robert Hutchins

Head of Partnership

18th March 2015

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985