

**BUDGET MONITORING 2018/19 – Month 10****Report of Head of Partnership****Recommendations:**

That members:

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

**Budget Monitoring Month 10**

The Budget monitoring at month 10 indicates a potential for a slight underspend at the year end. The variance is mainly because of increase income (7.18%) from extra work undertaken by the partnership, but this is offset by the increase in staff (6.50%) to complete the work.

Projected premises (2.37%) shows an overspend, which is due to additional venue hire.

Transport costs (1.77%) are over target; this is due to the increased expenditure in work the partnership has performed with its clients.

Supplies and services (19.69%) show an overspend, this is due to the additional audit work undertaken by sub-contractor Audit South West. There have also been overspends on course and exam fees and conference and seminar fees as well as subsistence but offset by an underspend in communication costs.

Income has grown (7.18%) due to additional work requests from partners and clients, including Torridge, and the supply of extra audit services for EU funded schemes, Health colleagues and other local authorities.

The table below analyses the under/over spend:

| <b>DAP</b>          | <b>2018/19<br/>Base<br/>Budget</b> | <b>Projected<br/>Outturn</b> | <b>Variance</b> |
|---------------------|------------------------------------|------------------------------|-----------------|
|                     | <b>£</b>                           | <b>£</b>                     | <b>£</b>        |
| Employees           | 1,155,800                          | 1,230,900                    | 75,100          |
| Premises            | 42,100                             | 43,100                       | 1,000           |
| Transport           | 28,200                             | 28,700                       | 500             |
| Supplies & Services | 63,500                             | 76,000                       | 12,500          |
| Support             | 21,600                             | 21,600                       | 0               |
| Income              | (1,311,200)                        | (1,405,300)                  | (94,100)        |
| <b>Total</b>        | <b>0</b>                           | <b>(5,000)</b>               | <b>(5,000)</b>  |

**Variances (items over £1,000):**

Employees – Staff Costs £ 75,100;

Premises – Venue hire £ 1,000

Supplies and services – increase audit cost £ 9,700, course/exam fees £ 5,700 and conference and seminar fees £ 3,000, other communication costs £ (6,000), print and design £ (1,600);

Income – £ (94,100) - due to additional work requests from partners and clients, including Torridge, and the supply of extra audit services for EU funded schemes, Health colleagues and other local authorities.

**DAP Counter Fraud Team**

From the 1<sup>st</sup> May 2018 Plymouth Counter Fraud staff were TUPE over to Devon Audit Partnership, below shows the latest budget projection. The base budgets have been confirmed and updated since the last reports estimations:

| <b>DAP Counter Fraud Team</b> | <b>2018/19 Base Budget</b> | <b>Projected Outturn</b> | <b>Variance</b> |
|-------------------------------|----------------------------|--------------------------|-----------------|
|                               | <b>£</b>                   | <b>£</b>                 | <b>£</b>        |
| Employees                     | 207,300                    | 221,000                  | 13,700          |
| Premises                      | 0                          | 0                        | 0               |
| Transport                     | 1,700                      | 1,700                    | 0               |
| Supplies & Services           | 6,600                      | 12,800                   | 6,200           |
| Support                       | 38,600                     | 18,600                   | -20,000         |
| Income                        | (254,200)                  | (254,200)                | 0               |
| <b>Total</b>                  | <b>0</b>                   | <b>(100)</b>             | <b>(100)</b>    |

**Robert Hutchins**

**Head of Partnership**

22<sup>nd</sup> February 2019