

**BUDGET MONITORING 2019/20 – Month 5****Report of Head of Partnership****Recommendations:**

That members:

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

**Budget Monitoring Month 5**

The Budget monitoring at month 5 indicates that Devon Audit Partnership (DAP) will generate a small surplus at the year end (circa £17k).

The variance is mainly due to anticipated income from internal audit work being higher than the original budget (10.23%). This additional revenue is partly due from work carried forward from last year (circa £50k) due to unavailability of staff from maternity and other leave, and partly due from extra work commissioned by our partners and clients. This extra work includes 130 days to review data security arrangements at independent care homes on behalf of Cornwall Council, and additional work requested by our Strategic Partner, Audit West, to assist with reviews at North Somerset and Bath & North East Somerset.

This additional income is, however, offset by an increase in staff costs (9.59%) to complete the work.

Projected premises costs show a small overspend (3.66%), which is due to additional venue hire.

Transport costs (15.38%) are over target; this is due to the increased expenditure in work the partnership will perform with its clients.

The table below analyses the under/over spend:

<b>DAP</b>	<b>2019/20 Base Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Employees	1,208,200	1,324,100	115,900
Premises	41,000	42,500	1,500
Transport	26,000	30,000	4,000
Supplies & Services	60,800	61,800	1,000
Support	21,000	21,000	0
Income	(1,357,000)	(1,495,800)	(138,800)
<b>Total</b>	<b>0</b>	<b>(16,400)</b>	<b>(16,400)</b>

**Variances (items over £1,000):**

Employees – Staff Costs £ 115,900;

Premises – Venue hire £ 1,500

Transport - £4,000 due to servicing work in Cornwall and North Somerset

Income – £ (138,800) - due to carry forward of work from 18/19 and additional work requests from partners and clients, including Cornwall Council and Audit West.

**DAP Counter Fraud Team**

The Counter Fraud team is expected to meet income targets set and that these will cover the costs of the service. Income from Plymouth Council has reduced since the previous year, but additional income has been secured from other partners including Torridge and Devon councils.

<b>DAP Counter Fraud Team</b>	<b>2019/20 Base Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Employees	265,900	265,300	(600)
Premises	0	0	0
Transport	1,600	1,600	0
Supplies & Services	6,600	6,600	0
Support	18,600	18,600	0
Income	(292,700)	(293,100)	(400)
<b>Total</b>	<b>0</b>	<b>(1,000)</b>	<b>(1,000)</b>

**Robert Hutchins**

**Head of Partnership**

24 October 2019

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985