

**STAFFORDSHIRE CONNECTS JOINT COMMITTEE**

**Friday 17th December 2010**

**Core Team 2010/11 Quarter 3 Budget Monitoring**

**1. Purpose of report**

To advise the Joint Committee of the current budget position for the Core Team.

**2. Recommendation**

That the Joint Committee notes the financial position for the Core Team.

**3. Background**

Budget monitoring reports are provided to each meeting of the Joint Committee. Previously, a single report was tabled showing the position for both the Core Team and the CRM. The management arrangements for the support and development of the CRM system are now different to those for the Core Team, consequently the position with regard to the CRM budget is reported separately on the agenda.

**4. 2010/11 Budget**

The 2010/11 net budget for the Core Team totals £198,000 and is summarised in the table below. At this stage, forecast expenditure for the year is expected to be £16,130 less than budget.

The variances shown arise out of the following:

- **Staffing Costs**  
The Executive Director post was vacant for the first three months of the year.
- **Travel and Subsistence Costs**  
These have been less than budgeted in the first half of the year due in part to the vacant Executive Director post. Budget provisions made for subsistence and conference fees are not now anticipated to be required.
- **Supplies & Services**  
The transfer of the management of the CRM to Staffordshire County Council is anticipated give total savings of £23,000 in internal and external audit fees of which £13,000 lies within the Core Team budget, the remainder within the CRM budget. This saving has been off set by necessary additional expenditure to replace the PCs within both the Core and CRM teams.

## Staffordshire Connects – Core Team – Forecast expenditure against budget

	Budget	Expenditure to 22 <sup>nd</sup> November 2010	Forecast for year	Forecast (Under)/ over spend
	£	£	£	£
<b>Expenditure -</b>				
Staffing Costs	122,300	65,691	111,480	<b>(10,820)</b>
Accommodation	15,000	(15,000)	15,000	-
Legal Costs	10,000	-	10,000	-
Travel and Subsistence	10,000	3,212	6,670	<b>(3,330)</b>
Supplies and Services	40,700	20,498	38,720	<b>(1,980)</b>
<b>Total Expenditure</b>	<b>198,000</b>	<b>74,401</b>	<b>181,870</b>	<b>(16,130)</b>

### 5. Reserves

Staffordshire Connects has a single reserve covering both its Core Team and CRM operations. As at 31<sup>st</sup> March 2010 the balance in that reserve totalled £254,260. Against this sum are approved project funding commitments totalling £86,700. The forecast balance of the reserve to 31<sup>st</sup> March 2011 is as follows.

<b>Staffordshire Connects General Reserve</b>	£	£
Opening Balance at 1 <sup>st</sup> April 2010		254,260
<b>Committed Spend</b>		
Approved Project Funding – Customer Knowledge	29,900	
Public Protection	10,000	
Shared Services	10,400	
Life Events	36,400	86,700
<b>Uncommitted Balance</b>		<b>167,560</b>
<b>Forecast under spend 2010-11</b>		
Core Team	16,130	
CRM	48,600	64,730
<b>Forecast Balance at 31<sup>st</sup> March 2011</b>		<b>232,290</b>

### 6. Conclusion

Expenditure for the year is expected to be well within budget. However, the bulk of that saving has arisen through the Executive Director post being vacant in the first quarter of the year.

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