

STAFFORDSHIRE CONNECTS JOINT COMMITTEE

Friday 17th December 2010

CRM 2010/11 Quarter 3 Budget Monitoring

1. Purpose of report

To advise the Joint Committee of the current budget position for the CRM.

2. Recommendation

That the Joint Committee notes the financial position of the CRM.

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 CRM and the Core Team. 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 Core Team budget is reported separately on the agenda.

4. 2010/11 Budget

The 2010/11 net budget for the CRM totals £609,900 and is summarised in the table below. At this stage, forecast expenditure for the year is expected to be £48,600 less than budget.

The variances shown arise out of the following:

- **Staffing Costs**

The Technical Manager post was vacant for the first four months of the year.

- **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 £10,000 lies within the CRM budget, the remainder within the Core Team budget.

CRM – Forecast expenditure against budget

| | Budget | Expenditure to 22 nd November 2010 | Forecast for year | (Under)/ over spend |
|--------------------------|----------------|-----------------------------------------------------|----------------------|------------------------|
| | £ | £ | £ | £ |
| Expenditure - | | | | |
| Staffing Costs | 206,300 | 115,343 | 173,200 | (33,100) |
| Legal Costs | 10,000 | - | 4,000 | (6,000) |
| Travel and Subsistence | 7,800 | 3,220 | 6,000 | (1,800) |
| Supplies and Services | 37,600 | 4,997 | 26,300 | (11,300) |
| Hardware | 348,200 | 352,783 | 351,800 | 3,600 |
| Total Expenditure | 609,900 | 476,344 | 561,300 | (48,600) |

5. Reserves

Staffordshire Connects has a single reserve covering both its Core Team and CRM operations. As at 31st 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 31st March 2011 is as follows.

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

6. Conclusion

Expenditure for the year is expected to be significantly within budget. The largest part of that under spend has arisen through the Technical Manager post being vacant. This variance cannot therefore be regarded as a permanent year on year saving.

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